

FY 2024-25 Wastewater Discharge Fees

City Council

May 20, 2024

Background on Fees

- Fees are charged for specific services (recreation classes, facility rentals, building permits, etc.)
- Fees are intended to recover the costs of services provided
- User fees and service charges are set based on a variety of criteria
- March 2021: Budget Task Force initiative = Update of Fees
- December 2022: Fee Study commenced
- A public hearing is required for fee and tax rate adjustments Master Fee Schedule
- Updated fees are effective July 1, 2024

2019 Prop 218 Study for Wastewater Fees

- Determined whether revenues will be adequate to cover costs
- Recommended bringing single family rates to various levels
- Project delays have contributed to fee implementation being delayed

	Current FY19	FY20	FY21	Calculated FY22	FY23	FY24	FY20	FY21	FY22	FY23	FY24
Residential, \$ per month											
Single family	\$35.75	\$37.00	\$40.50	\$44.30	\$48.60	\$53.20	3.5%	9.5%	9.4%	9.7%	9.5%
Multiple family	\$25.37	\$26.10	\$28.50	\$31.20	\$34.20	\$37.40	2.9%	9.2%	9.5%	9.6%	9.4%
Commercial, \$ per 100 cubic feet											
Auto, Steam cleaning	\$8.26	\$8.68	\$9.50	\$10.40	\$11.39	\$12.47	5.1%	9.4%	9.5%	9.5%	9.5%
Bakeries	\$6.79	\$6.98	\$7.64	\$8.37	\$9.16	\$10.03	2.8%	9.5%	9.6%	9.4%	9.5%
Laundries	\$4.81	\$4.97	\$5.44	\$5.96	\$6.53	\$7.15	3.3%	9.5%	9.6%	9.6%	9.5%
Markets & foods	\$8.10	\$8.52	\$9.33	\$10.22	\$11.19	\$12.25	5.2%	9.5%	9.5%	9.5%	9.5%
Mixed Use	\$7.02	\$7.24	\$7.93	\$8.68	\$9.50	\$10.41	3.1%	9.5%	9.5%	9.4%	9.6%
Restaurants	\$7.59	\$8.35	\$9.14	\$10.01	\$10.96	\$12.00	10.0%	9.5%	9.5%	9.5%	9.5%
All other	\$3.92	\$3.83	\$4.20	\$4.60	\$5.03	\$5.51	-2.3%	9.7%	9.5%	9.3%	9.5%
Institutional											
Schools	\$3.23	\$3.42	\$3.74	\$4.10	\$4.49	\$4.91	5.9%	9.4%	9.6%	9.5%	9.4%
Industrial											
Volume, \$ per Million Gallons	\$3,271.82	\$3,315.00	\$3,630.00	\$3,974.00	\$4,352.00	\$4,766.00	1.3%	9.5%	9.5%	9.5%	9.5%
BOD, \$ per Thousand Pounds	\$438.96	\$459.00	\$502.00	\$550.00	\$602.00	\$659.00	4.6%	9.4%	9.6%	9.5%	9.5%
SS, \$ per Thousand Pounds	\$732.35	\$795.00	\$870.00	\$953.00	\$1,043.00	\$1,142.00	8.6%	9.4%	9.5%	9.4%	9.5%
Commercial/Institutional/Industrial (applies only to Industrial in FY19)											
Each Account, \$ per month	\$5.99	\$6.70	\$7.35	\$8.05	\$8.80	\$9.65	11.9%	9.7%	9.5%	9.3%	9.7%

Project Delays and Lower Cost Increases Led to Lower Rate Increases

Fiscal Year	Recommended Increase	Approved Increase
FY 20	3.5%	3.5%
FY 21	9.5%	4.9%
FY 22	9.4%	7.2%
FY 23	9.7%	7.9%
FY 24	9.5%	8.5%
FY 25	New study forthcoming	9.5%

New Costs for FY 2024-25

- Planning and Design for Nutrient Caps: \$2.0 M
- 348% increase in Hypochlorite (for water disinfection): \$0.5 M
- 48% increase in Biosolids Hauling: \$0.2 M
- Estimated Increasing Staffing Costs: \$0.3 M

Recommendation for FY 2024-25

- Approve fee increases to be set at recommended FY 2023-24 levels (one year behind)
- Staff will commence a new Prop 218 study for future year rates

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Questions?

