

NOTICE OF PUBLIC HEARING TO PROPOSED CHANGES TO WATER, SEWER AND RECLAIMED WATER RATES

NOTICE IS HEREBY GIVEN that on **Tuesday, May 14, 2019 at 6:00 p.m.** the Whittier City Council will conduct a public hearing in the City Council Chamber at 13230 Penn Street, Whittier, CA to consider proposed changes to water, sewer and reclaimed or recycled water rates for all parcels of property that are provided these services by the City of Whittier for Fiscal Year 2019-20 through Fiscal Year 2023-24.

Any property owner or tenant directly responsible for the payment of these fees may submit a written protest to the proposed rate changes; however, only one protest will be counted per identified parcel. Protests to the proposed changes must be delivered in writing to the City Clerk, City of Whittier, 13230 Penn Street, Whittier, CA 90602, prior to the conclusion of the public hearing on May 14, 2019. Please identify on the front of the envelope for any written protest, whether mailed or submitted in person to City Clerk, that the enclosed protest is for the Public Hearing on the Proposed Rate Changes- Water, Sewer and/or Reclaimed Water Rates. Any written protest must: (1) state that the identified property owner or tenant is opposed to the proposed rate changes; (2) provide the location of the identified parcel (by assessor's parcel number or street address); and (3) include the name and signature of the property owner or tenant submitting the protest. The City Council will accept and consider all written protests and hear all oral comments to the proposed rate changes at the Public Hearing. Any protest received by telephone or via e-mail or other electronic means and oral comments at the Public Hearing will NOT qualify as formal protests (unless accompanied by a written protest). Upon the conclusion of the Public Hearing, the City Council will consider adoption of the proposed changes to the water, sewer and reclaimed water rates as described herein. If written protests against the proposed rate changes as outlined below are not presented by a majority of the property owners of the parcels subject to the rate changes, the City Council will be authorized to impose the rate changes. If adopted, the rates will be in effect beginning August 1, 2019 and on July 1 for the next four years.

EXPLANATION OF RATE CHANGES

The City of Whittier levies rates for water, sewer and reclaimed water services provided to its customers. The rates reflect the costs to the City for providing those services to customers. These costs include, but are not limited to, operation and maintenance of the systems to ensure compliance with regulations governing public health and environmental protection; repair, rehabilitation and replacement of the system infrastructure; debt service; as well as costs related to prudent long-term operational, capital planning and financial management of the systems. Financial management would include maintaining adequate fund reserves and planning for contingencies.

Prompted by the updated Water and Sewer Master Plans (May 2018) as well as to ensure that the rates and charges are in alignment with cost of providing service and are equitable among customer classes, in July 2018, the City initiated a comprehensive water, sewer and reclaimed water rate/cost of service study to determine the appropriate level of revenue required to fund rehabilitation and replacement of the aging water and sewer system infrastructure, and to establish an operational reserve to cover three months of operational expenses and a capital reserve to fund emergency repairs. The proposed water, sewer and reclaimed water rates will ensure that sufficient revenues are collected to cover fixed expenses, fund capital improvements, and establish cash reserves to fund ongoing repair and replacement of the water and sewer systems to address aging system components and ensure the safety, efficiency and reliability of the systems now and into the future. Over the next five years, the City has planned capital improvements to replace water mains, reservoirs, pumps and wells to provide for ongoing water service. In addition, the City has planned capital improvements to sewer system and continue the ongoing sewer spot repairs/rehabilitation program.

CURRENT AND PROPOSED WATER RATES

The City of Whittier provides water services to the western side of the City (the rest of the City is served by private water companies). Service area information is available at www.cityofwhittier.org/government/public-works/water/water-service-area-map. Water rates include two components: a fixed service charge varied by meter sizes and a commodity charge for the water used. Proposed changes to the existing water rates are described in the Fee Schedules below.

Sample Calculation

The Bi-monthly bill for Water Charges for Single Family Residence with ¾" meter and using 13 billing units (BU) of water per month (26 BU bi-monthly) in 2019-20 is calculated as follows:

Tier 1 Commodity Charge: 22 units x \$2.08 = \$ 45.76
 Tier 2 Commodity Charge: 4 units x \$3.41 = \$ 13.64
 Service Charge: \$ 65.84
 Total bi-monthly Water Fee (2 months): \$ 125.24

Water Bill Estimator

A water bill calculator is available on the City website at <https://www.cityofwhittier.org/government/public-works/water/water-rate-information>. Input your bi-monthly water usage and the calculator will show you how the proposed changes will affect your bi-monthly bill.

SCHEDULE OF PROPOSED WATER RATES

Effective Dates:	8/1/2019	7/1/2020	7/1/2021	7/1/2022	7/1/2023
Service Charge					
Per meter size bi-monthly	Current Rates	Proposed Rates			
Single Family Res.					
¾"	\$80.70	\$65.84	\$69.13	\$72.59	\$76.22
1"	\$120.52	\$108.48	\$113.91	\$119.60	\$125.58
1 1/2"	\$268.22	\$215.09	\$225.85	\$237.14	\$249.00
2"	\$363.58	\$343.02	\$360.17	\$378.18	\$397.09
3"	\$781.46	\$684.16	\$718.37	\$754.29	\$792.00
4"	\$1,060.28	\$1,067.95	\$1,121.34	\$1,177.41	\$1,236.28
6"	\$1,660.84	\$2,134.01	\$2,240.72	\$2,352.75	\$2,470.39
8"	\$1,736.78	\$3,413.30	\$3,583.96	\$3,763.16	\$3,951.32

	Current Rates	8/1/2019	7/1/2020	7/1/2021	7/1/2022	7/1/2023
Multi-Family Res.		Proposed Rates				
¾"	\$80.70	\$88.83	\$93.27	\$97.94	\$102.83	\$107.97
1"	\$120.52	\$146.80	\$154.14	\$161.84	\$169.94	\$178.43
1 1/2"	\$268.22	\$291.72	\$306.30	\$321.62	\$337.70	\$354.58
2"	\$363.58	\$465.62	\$488.90	\$513.35	\$539.01	\$565.96
3"	\$781.46	\$929.36	\$975.83	\$1,024.62	\$1,075.85	\$1,129.64
4"	\$1,060.28	\$1,451.07	\$1,523.62	\$1,599.80	\$1,679.80	\$1,763.78
6"	\$1,660.84	\$2,900.26	\$3,045.27	\$3,197.54	\$3,357.42	\$3,525.29
8"	\$1,736.78	\$4,639.29	\$4,871.26	\$5,114.82	\$5,370.56	\$5,639.09
Non-Residential						
¾"	\$80.70	\$74.72	\$78.45	\$82.37	\$86.49	\$90.82
1"	\$120.52	\$123.27	\$129.44	\$135.91	\$142.71	\$149.84
1 1/2"	\$268.22	\$244.67	\$256.90	\$269.75	\$283.24	\$297.40
2"	\$363.58	\$390.34	\$409.86	\$430.35	\$451.87	\$474.47
3"	\$781.46	\$778.81	\$817.75	\$858.64	\$901.57	\$946.65
4"	\$1,060.28	\$1,215.83	\$1,276.62	\$1,340.46	\$1,407.48	\$1,477.85
6"	\$1,660.84	\$2,429.79	\$2,551.28	\$2,678.84	\$2,812.78	\$2,953.42
8"	\$1,736.78	\$3,886.53	\$4,080.86	\$4,284.90	\$4,499.14	\$4,724.10
Landscape						
¾"	\$80.70	\$93.48	\$98.15	\$103.06	\$108.21	\$113.62
1"	\$120.52	\$154.55	\$162.27	\$170.39	\$178.91	\$187.85
1 1/2"	\$268.22	\$307.22	\$322.58	\$338.71	\$355.64	\$373.42
2"	\$363.58	\$490.42	\$514.94	\$540.69	\$567.72	\$596.11
3"	\$781.46	\$978.96	\$1,027.91	\$1,079.30	\$1,133.27	\$1,189.93
4"	\$1,060.28	\$1,528.57	\$1,605.00	\$1,685.25	\$1,769.51	\$1,857.98
6"	\$1,660.84	\$3,055.26	\$3,208.02	\$3,368.42	\$3,536.84	\$3,713.68
8"	\$1,736.78	\$4,887.28	\$5,131.65	\$5,388.23	\$5,657.64	\$5,940.52

Commodity Charge per billing unit (1 BU= 100 cu ft or 748 gallon of water)

	Current Rates	8/1/2019	7/1/2020	7/1/2021	7/1/2022	7/1/2023
Single Family Res.		Proposed Rates				
Tier 1*: First 22 BU	1.99	\$2.08	\$2.19	\$2.30	\$2.41	\$2.54
Tier 2: Over 22 BU	2.73	\$3.41	\$3.58	\$3.76	\$3.95	\$4.15
Multi-Family Res.	1.99	\$2.12	\$2.23	\$2.34	\$2.46	\$2.58
Non-Residential	1.99	\$2.16	\$2.27	\$2.38	\$2.50	\$2.62
Landscape	1.99	\$2.50	\$2.62	\$2.75	\$2.89	\$3.03

* 22 BU is bi-monthly allocation for Tier 1. Currently Tier 1 has 40 BU allocation.

CURRENT AND PROPOSED SEWER RATES

The City of Whittier provides sewer services for the entire City. Existing sewer rates are based on measured water usage only and are collected on the County property tax bill. An increase is being proposed to the usage rate (commodity charge) for each customer class for each of the next five years. An annual customer service charge of \$6.95 is being proposed to each customer account in Fiscal Year 2019-20 to cover customer service-related costs, and is increased in subsequent years as shown in the Fee Schedules below.

Sample Calculation:

Proposed annual fee in 2019-20 for resident using 13 billing units of water per month is calculated as follows:

Annual Usage Charge: 13 units/mo x 12 mos x \$0.96 usage rate = \$149.76
 Annual Customer Service Charge (New): \$ 6.95
 Annual Total Sewer Fee: \$156.71

SCHEDULE OF PROPOSED SEWER RATES

Effective Dates:	8/1/2019	7/1/2020	7/1/2021	7/1/2022	7/1/2023
Commodity Charge	per billing unit (1 BU= 100 cu ft or 748 gallon of water)				
	Current Rates	Proposed Rates			
Residential	\$0.91	\$0.96	\$1.01	\$1.06	\$1.11
Multi-Residential	\$0.91	\$0.96	\$1.01	\$1.06	\$1.11
Commercial	\$1.22	\$0.96	\$1.01	\$1.06	\$1.11
Private Development	\$0.50	\$0.68	\$0.71	\$0.75	\$0.79
Qualified Low Income	\$0.50	\$0.53	\$0.56	\$0.59	\$0.62
Proposed Annual Max Usage (BU/ unit)					
Residential	300	280	280	280	280
Multi-Residential	180	280	280	280	280
Commercial	NA	NA	NA	NA	NA
Private Development	546	280	280	280	280
Qualified Low Income	300	280	280	280	280
Proposed Annual Max Bill (\$/Unit)					
Residential	\$273.00	\$275.75	\$290.10	\$304.47	\$318.85
Multi-Residential	\$163.00	\$275.75	\$290.10	\$304.47	\$318.85
Commercial	NA	NA	NA	NA	NA
Private Development	\$273.00	\$197.35	\$206.10	\$217.67	\$229.25
Qualified Low Income	\$151.26	\$155.35	\$164.10	\$172.87	\$181.65

	Current Rates	8/1/2019	7/1/2020	7/1/2021	7/1/2022	7/1/2023
Proposed Customer Service Charge (\$/Account)*		Proposed Rates				
Residential	NA	\$6.95	\$7.30	\$7.67	\$8.05	\$8.45
Multi-Residential	NA	\$6.95	\$7.30	\$7.67	\$8.05	\$8.45
Commercial	NA	\$6.95	\$7.30	\$7.67	\$8.05	\$8.45
Private Development	NA	\$6.95	\$7.30	\$7.67	\$8.05	\$8.45
Qualified Low Income	NA	\$6.95	\$7.30	\$7.67	\$8.05	\$8.45

*Customer Service Charge is a new proposed fee. Existing sewer rates only include commodity charge.

CURRENT AND PROPOSED RECLAIMED WATER RATES

The City of Whittier provides reclaimed water services to seven users, which include School Districts, Caltrans and the City Park Department, for landscaping irrigation purposes. Reclaimed water rates include a fixed service charge varied by meter size and a commodity charge for usage. An increase is being proposed to the usage rate (commodity charge) and service charge for each of the next five years. Total reclaimed water fees are calculated by multiplying the usage rate by the billing units of water used and adding the service charge.

SCHEDULE OF PROPOSED RECLAIMED WATER RATES

Effective Dates:	8/1/2019	7/1/2020	7/1/2021	7/1/2022	7/1/2023
Service Charge					
Per meter size bi-monthly	Current Rates	Proposed Rates			
¾"	\$80.70	\$74.72	\$78.45	\$82.37	\$86.49
1"	\$120.52	\$123.27	\$129.44	\$135.91	\$142.71
1 1/2"	\$268.22	\$244.67	\$256.90	\$269.75	\$283.24
2"	\$363.58	\$390.34	\$409.86	\$430.35	\$451.87
3"	\$781.46	\$778.81	\$817.75	\$858.64	\$901.57
4"	\$1,060.28	\$1,215.83	\$1,276.62	\$1,340.46	\$1,407.48
6"	\$1,660.84	\$2,429.79	\$2,551.28	\$2,678.84	\$2,812.78
8"	\$1,736.78	\$3,886.53	\$4,080.86	\$4,284.90	\$4,499.14
Commodity Charge	per billing unit (1 BU= 100 cu ft or 748 gallon of water)				
	\$1.72	\$1.76	\$1.84	\$1.93	\$2.03

Additional information regarding proposed rate changes can be obtained on the City website at <http://www.cityofwhittier.org> or by calling (562) 567-9500.

EN ESPAÑOL: Si tiene preguntas sobre los propuestos cambios a las tarifas de agua y drenaje, por favor llámenos al (562) 567-9500.