

Water Rates and Charges Effective January 1, 2019 (OMC: 13.16) (Approved December 12, 2017, Resolution No. 11046)

Water Service Charges

Standard Charges

There are two standard water service charges paid by all customers: a service capacity charge which is a flat rate based on the size of the water meter, and a water consumption charge which is based on the amount of water used.

Service Capacity Charge (bi-monthly)

This fixed charge is based on the size of the water service connection:

| Service Connection Size | 1/1/2018 | 1/1/2019 |
|---|------------|------------|
| Service Capacity Charge - a fixed 2-month charge based on meter size. | | |
| 5/8" or 3/4" | \$25.87 | \$27.68 |
| 1" | \$39.53 | \$42.29 |
| 1-1/2" | \$73.66 | \$78.82 |
| 2" | \$114.63 | \$122.65 |
| 3" | \$210.21 | \$224.92 |
| 4" | \$346.76 | \$371.03 |
| 6" | \$688.12 | \$736.29 |
| 8" | \$1,643.95 | \$1,759.03 |
| 10" | \$2,599.78 | \$2,781.76 |

Water Consumption Charge (bi-monthly)

This charge is based on water usage. The metered water usage billed in units of 100 cubic feet (hcf) is applied to a tiered rate structure. Note that the cost for water will be lower if less water is use.

| Water Usage* (\$/hcf) | 1/1/2018 | 1/1/2019 | |
|---|----------|----------|--|
| Water Usage Charge - Water consumption charge based on units of one billing unit. *One billing unit is equal to one hundred cubic feet (hcf) which is equivalent to 748 gallons of water | | | |
| Single Family & Condominium | | | |
| Tier 1: 0-23 hcf | \$2.16 | \$2.35 | |
| Tier 2: 24-42 hcf | \$2.22 | \$2.41 | |
| Tier 3: 43+ hcf | \$2.30 | \$2.50 | |
| Multi-Family | | | |
| Tier 1: 0-15 hcf | \$2.16 | \$2.35 | |
| Tier 2: 16-19 hcf | \$2.19 | \$2.38 | |
| Tier 3: 20+ hcf | \$2.23 | \$2.42 | |
| Agriculture | \$2.20 | \$2.40 | |
| Commercial | \$2.21 | \$2.41 | |
| Construction | \$2.20 | \$2.40 | |

Other Charges

Elevation Charge (bi-monthly)

Only residents living at higher elevation zones pay this charge. It covers a portion of the cost to pump water to these service zones:

| Elevation Charge* (\$/hcf) | 1/1/2018 | 1/1/2019 |
|---|----------|----------|
| Elevation Charge - Water consumption charge based on units of one billing unit. *One billing unit is equal to one hundred cubic feet (hcf) which is equivalent to 748 gallons of water | | |
| Zone 4 | \$0.21 | \$0.22 |
| Zone 5 | \$0.55 | \$0.58 |

Private Fire Service Charge (bi-monthly)

Only customers with a private fire service connection pay this charge. It covers the cost of providing water system fire flow capacity and maintenance, and varies by the size of the private fire service:

| Fire Service Connection Size | 1/1/2018 | 1/1/2019 |
|---|----------|----------|
| Private Fire Service Charge - fixed fee for customers with fire service connections | | |
| 4" | \$33.08 | \$35.39 |
| 6" | \$96.08 | \$102.80 |
| 8" | \$204.75 | \$219.08 |
| 10" | \$368.20 | \$393.98 |

Penalty Fee

A 10% fee will be added to water charges that have an unpaid balance 25 days after the billing due date for services rendered.

Late Service Fee

An account that remains unpaid approximately two weeks after the penalty date shown on the final notice will be assessed a service late fee and is subject to disconnection.

Pass-Through

Because a significant portion of the City's water rates are heavily influenced by costs assessed against the City by outside agencies, the City Council directed the review of a potential pass- through charge to account for these agency's unanticipated future increases or decreases. Government Code Section 53756 authorizes agencies to adopt a schedule of fees or charges authorizing automatic adjustments that pass-through increases in wholesale charges for water and adjustments for inflation for a period of five (5) years. The amount of automatic adjustments (Pass-Through Charges) to account for changes in wholesale water costs will be based directly on the incremental difference in costs that the City will incur from these other agencies as a result of increases or decreases in the amount such agencies charge the City. Any such adjustments will only be made to the extent such increases or decreases are not already reflected in the schedule of charges then in effect. Data documenting the amount of the increase or decrease in water commodity costs and the basis for all adjustment calculations will be made available to the public upon request at the time of any automatic adjustment. Volumetric usage charge component of the water used and will be assessed on all hcf's used by a customer. A notice of at least 30 days will be provided to customers before any such adjustments will take effect. The formula for which the automatic passthrough charge is calculated is as follows:

Pass through rate $\left(\frac{\$}{hcf}\right) =$

(Proposed FY Water Purchase Costs – Baseline FY Water Purchase Costs) (Calendar Year Water Use)



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Service Capacity Charge (bi-monthly)

This fixed charge is based on the size of the water service connection:

| Service Connection Size | 1/1/2019 | 1/1/2020 |
|---|------------|------------|
| Service Capacity Charge - a fixed 2-month charge based on meter size. | | |
| 5/8" or 3/4" | \$27.68 | \$29.07 |
| 1" | \$42.29 | \$44.41 |
| 1-1/2" | \$78.82 | \$82.76 |
| 2" | \$122.65 | \$128.78 |
| 3" | \$224.92 | \$236.17 |
| 4" | \$371.03 | \$389.58 |
| 6" | \$736.29 | \$773.11 |
| 8" | \$1,759.03 | \$1,846.98 |
| 10" | \$2,781.76 | \$2,920.85 |

Water Consumption Charge (bi-monthly)

This charge is based on water usage. The metered water usage billed in units of 100 cubic feet (hcf) is applied to a tiered rate structure. Note that the cost for water will be lower if less water is use.

| Water Usage* (\$/hcf) | 1/1/2019 | 1/1/2020 | |
|---|----------|----------|--|
| Water Usage Charge - Water consumption charge based on units of one billing unit. *One billing unit is equal to one hundred cubic feet (hcf) which is equivalent to 748 gallons of water | | | |
| Single Family & Condominium | | | |
| Tier 1: 0-23 hcf | \$2.35 | \$2.55 | |
| Tier 2: 24-42 hcf | \$2.41 | \$2.61 | |
| Tier 3: 43+ hcf | \$2.50 | \$2.71 | |
| Multi-Family | | | |
| Tier 1: 0-15 hcf | \$2.35 | \$2.54 | |
| Tier 2: 16-19 hcf | \$2.38 | \$2.58 | |
| Tier 3: 20+ hcf | \$2.42 | \$2.62 | |
| Agriculture | \$2.40 | \$2.59 | |
| Commercial | \$2.41 | \$2.61 | |
| Construction | \$2.40 | \$2.59 | |

Penalty Fee

A 10% fee will be added to water charges that have an unpaid balance 30 days after the billing due date for services rendered.

Late Service Fee

An account that remains unpaid approximately 60 days after services are rendered will be assessed a service late fee and is subject to disconnection.

Other Charges

Elevation Charge (bi-monthly)

Only residents living at higher elevation zones pay this charge. It covers a portion of the cost to pump water to these service zones:

| Elevation Charge* (\$/hcf) | 1/1/2019 | 1/1/2020 |
|--|----------|----------|
| Elevation Charge - Water consumption charge based on units of one billing unit. * One billing unit is equal to one hundred cubic feet (hcf) which is equivalent to 748 gallons of water | | |
| Zone 4 | \$0.22 | \$0.24 |
| Zone 5 | \$0.58 | \$0.61 |

Private Fire Service Charge (bi-monthly)

Only customers with a private fire service connection pay this charge. It covers the cost of providing water system fire flow capacity and maintenance, and varies by the size of the private fire service:

| Fire Service Connection Size | 1/1/2019 | 1/1/2020 |
|---|----------|----------|
| Private Fire Service Charge - fixed fee for customers with fire service connections | | |
| 4" | \$35.39 | \$37.16 |
| 6" | \$102.80 | \$107.94 |
| 8" | \$219.08 | \$230.03 |
| 10" | \$393.98 | \$413.68 |

Pass-Through

Because a significant portion of the City's water rates are heavily influenced by costs assessed against the City by outside agencies, the City Council directed the review of a potential pass- through charge to account for these agency's unanticipated future increases or decreases. Government Code Section 53756 authorizes agencies to adopt a schedule of fees or charges authorizing automatic adjustments that pass-through increases in wholesale charges for water and adjustments for inflation for a period of five (5) years. The amount of automatic adjustments (Pass-Through Charges) to account for changes in wholesale water costs will be based directly on the incremental difference in costs that the City will incur from these other agencies as a result of increases or decreases in the amount such agencies charge the City. Any such adjustments will only be made to the extent such increases or decreases are not already reflected in the schedule of charges then in effect. Data documenting the amount of the increase or decrease in water commodity costs and the basis for all adjustment calculations will be made available to the public upon request at the time of any automatic adjustment. Volumetric usage charge component of the water used and will be assessed on all hcf's used by a customer. A notice of at least 30 days will be provided to customers before any such adjustments will take effect. The formula for which the automatic passthrough charge is calculated is as follows:

Pass through rate $\left(\frac{\$}{hcf}\right) =$ (Proposed FY Water Purchase Costs – Baseline FY Water Purchase Costs) (Calendar Year Water Use)

For water rebates and incentives, visit: <u>www.mwdoc.com</u> For tips on how to conserve water, visit: <u>www.bewaterwise.com</u> For questions about water rates and charges, please call (714) 744-2233 or visit: <u>www.cityoforange.org</u>