

NOTICE OF PUBLIC HEARING

Proposed Adjustments to Water and Wastewater Rates Will Be Considered at an Upcoming Public Hearing

This notice explains:

- **What is being proposed and why**
- **How your rates would change and when**
- **The decision-making process and how you can protest or object to the adjustments**

Rate adjustments are needed from time to time to pay for increased costs to run the City of San Diego's water and wastewater systems. As a public agency, the City cannot earn a profit from the services it provides and may not charge more than the costs associated with providing services to its customers.

Regular "Cost of Service" studies determine this cost. You can read the latest studies at:

sandiego.gov/rate-adjustments



To request a mailed copy of the Cost of Service study, please email:

requestreport@sandiego.gov

Public Hearing

Tuesday, Sept. 30, 2025 | 2 p.m.

**City Council Chambers
202 C Street, 12th Floor
San Diego, CA 92101**

You may protest and object to the rate increases. These are different processes. See information inside.

Effective Dates

If the proposed new rates are approved, they would become effective:

Jan. 1, 2026

Jan. 1, 2027



Jan. 1, 2028

Jan. 1, 2029

Estimated Monthly Increases From Proposed Rates

The amounts below show the typical anticipated single-family monthly bill increase in the City of San Diego. Your rates depend on the size of your water meter, the type of property and other variables.

Typical Anticipated Increase for Single Family Residential Customer

	Jan. 1, 2026	Jan. 1, 2027	Jan. 1, 2028	Jan. 1, 2029
 Water	\$17.30	\$16.88	\$15.37	\$16.36
 Wastewater	\$0.80	\$3.88	\$5.47	\$5.92

Why are Water and Wastewater Fees Increasing?

The City's Public Utilities Department (PUD) provides reliable water and wastewater service cost-effectively while protecting public health and resources. PUD does not generate a profit and is not supported by the City's General Fund. The rates charged for water and wastewater service must be directly tied to the actual cost of providing that service. While PUD strives to keep costs low, it purchases 85–90% of our drinking water from the San Diego County Water Authority (SDCWA), which imposes yearly wholesale rate increases. The City must also invest in infrastructure rehabilitation and replacement to maintain reliable, compliant service. Debt is issued for these improvements, spreading costs over time. A recent independent cost of service study found that without rate adjustments, revenue will fall short between FY 2026–2030. To avoid high emergency repair costs and service disruptions, PUD focuses on strategic maintenance and prioritizes capital projects by risk. Infrastructure investment enhances system reliability and reduces the risk of water main breaks and overflows. Without the proposed rate increases, deeper budget cuts would be needed—raising the likelihood of system failures, environmental damage and regulatory penalties.

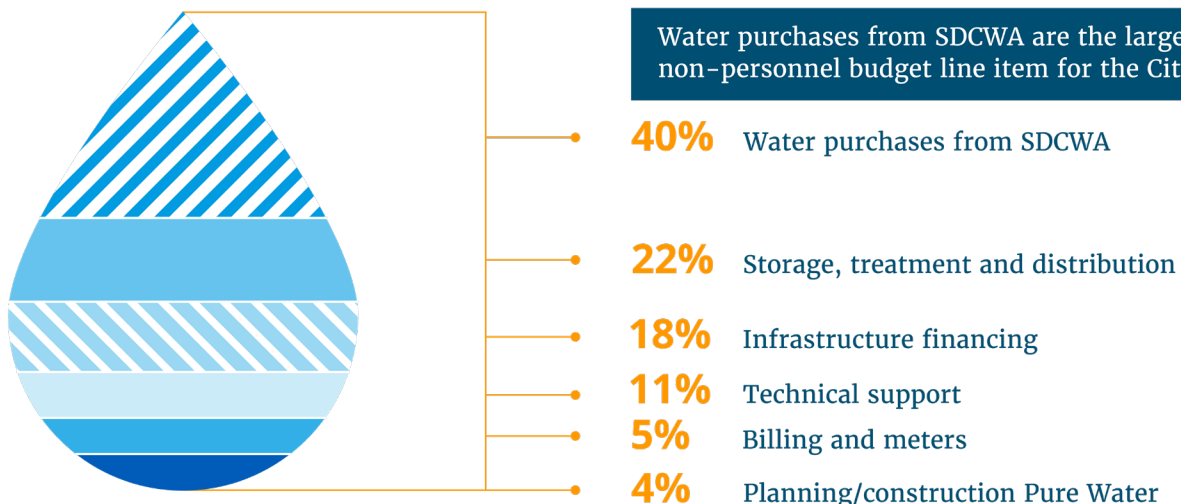


Where Does the Money Go that the City Collects from Water and Wastewater Fees?

Water and wastewater fees help San Diego provide clean water and reliable wastewater services. Rising costs, especially for purchasing water from SDCWA, are the main reason for proposed rate increases. Additional funds support water storage, treatment and distribution, system operations and maintenance, and infrastructure. These investments are vital to serve 1.4 million residents and safely treat wastewater for 2.3 million people in the region.

Where Does Your Money Go?

The graph below shows the breakdown of costs for the water system.



Water purchases from SDCWA are the largest single non-personnel budget line item for the City

WATER RATES

Meter Monthly Service Charges					
Meter Size	Current	Jan 2026	Jan 2027	Jan 2028	Jan 2029
5/8", 3/4"	\$28.84	\$35.53	\$40.69	\$45.37	\$50.37
1"	\$46.63	\$56.83	\$65.08	\$72.57	\$80.56
1.5"	\$91.07	\$110.10	\$126.07	\$140.57	\$156.04
2"	\$144.42	\$174.02	\$199.26	\$222.18	\$246.62
3"	\$331.14	\$397.73	\$455.41	\$507.79	\$563.65
4"	\$553.42	\$664.05	\$760.34	\$847.78	\$941.04
6"	\$1,282.49	\$1,537.58	\$1,760.53	\$1,963.00	\$2,178.93
8"	\$1,967.13	\$2,357.85	\$2,699.74	\$3,010.22	\$3,341.35
10"	\$3,736.49	\$4,477.77	\$5,127.05	\$5,716.67	\$6,345.51
12"	\$4,714.53	\$5,649.59	\$6,468.79	\$7,212.71	\$8,006.11
16"	\$6,937.35	\$8,312.81	\$9,518.17	\$10,612.76	\$11,780.17

Water Commodity Rates					
Customer Class	Current	Jan 2026	Jan 2027	Jan 2028	Jan 2029
Single Family Residential					
0 to 10 hcf	\$7.34	\$8.51	\$9.75	\$10.88	\$12.08
11 to 22 hcf	\$8.31	\$9.50	\$10.88	\$12.14	\$13.48
Above 22 hcf	\$10.46	\$11.89	\$13.62	\$15.19	\$16.87
Multi-Family Residential	\$8.62	\$9.96	\$11.41	\$12.73	\$14.14
Commercial	\$8.41	\$9.36	\$10.72	\$11.96	\$13.28
Irrigation	\$9.89	\$10.55	\$12.08	\$13.47	\$14.96
Temp Construction	\$9.48	\$10.88	\$12.46	\$13.90	\$15.43

Private Fireline Monthly Service Charge					
Meter Size	Current	Jan 2026	Jan 2027	Jan 2028	Jan 2029
1"	\$2.66	\$4.01	\$4.60	\$5.13	\$5.70
1.5"	\$3.61	\$4.85	\$5.56	\$6.20	\$6.89
2"	\$5.27	\$6.30	\$7.22	\$8.06	\$8.95
3"	\$11.19	\$11.50	\$13.17	\$14.69	\$16.31
4"	\$21.38	\$20.47	\$23.44	\$26.14	\$29.02
6"	\$57.97	\$52.66	\$60.30	\$67.24	\$74.64
8"	\$121.11	\$108.19	\$123.88	\$138.13	\$153.33
10"	\$216.06	\$191.72	\$219.52	\$244.77	\$271.70
12"	\$347.67	\$307.48	\$352.07	\$392.56	\$435.75
16"	\$738.45	\$651.20	\$745.63	\$831.38	\$922.84
20"	\$1,326.26	\$1,168.24	\$1,337.64	\$1,491.47	\$1,655.54

WASTEWATER RATES

Wastewater Monthly Service Charges						
Customer Class		Current	Jan. 2026	Jan. 2027	Jan. 2028	Jan. 2029
Single Family Residential	\$/Month	\$15.75	\$11.28	\$11.96	\$12.91	\$13.95
Multi-Family Residential	\$/Month	\$15.75	\$11.28	\$11.96	\$12.91	\$13.95
Commercial / Industrial	\$/Month	\$15.75	\$11.28	\$11.96	\$12.91	\$13.95

Recycled Water Monthly Service Charges					
Meter Size	Current	Jan. 2026	Jan. 2027	Jan. 2028	Jan. 2029
5/8", 3/4"	\$21.14	\$31.19	\$33.06	\$35.71	\$38.56
1"	\$32.65	\$46.48	\$49.27	\$53.21	\$57.47
1.5"	\$61.42	\$84.69	\$89.77	\$96.95	\$104.71
2"	\$95.93	\$130.55	\$138.38	\$149.45	\$161.41
3"	\$205.23	\$275.76	\$292.31	\$315.69	\$340.95
4"	\$366.30	\$489.76	\$519.15	\$560.68	\$605.53
6"	\$751.73	\$1,001.83	\$1,061.94	\$1,146.89	\$1,238.65
8"	\$1,614.61	\$2,148.25	\$2,277.15	\$2,459.32	\$2,656.06
10"	\$2,419.97	\$3,218.25	\$3,411.35	\$3,684.25	\$3,978.99
12"	\$3,052.75	\$4,058.95	\$4,302.49	\$4,646.69	\$5,018.42
16"	\$4,490.89	\$5,969.66	\$6,327.84	\$6,834.07	\$7,380.79



Wastewater Commodity and Strength Charges						
Customer Class		Current	Jan. 2026	Jan. 2027	Jan. 2028	Jan. 2029
Residential						
Single Family Residential	(\$ / HCF)	\$5.33	\$5.92	\$6.27	\$6.78	\$7.32
Multi-Family Residential	(\$ / HCF)	\$5.33	\$5.92	\$6.27	\$6.78	\$7.32
Commercial / Industrial						
Flow Charges	(\$ / HCF)	\$3.56	\$3.85	\$4.08	\$4.41	\$4.76
COD Charges	(\$ / lb)	\$0.23	\$0.27	\$0.29	\$0.31	\$0.34
TSS Charges	(\$ / lb)	\$0.52	\$0.68	\$0.72	\$0.78	\$0.84
Trucked Waste						
Flow Charges	(\$ / HCF)	\$3.49	\$3.69	\$3.91	\$4.22	\$4.56
COD Charges	(\$ / lb)	\$0.23	\$0.27	\$0.29	\$0.31	\$0.34
TSS Charges	(\$ / lb)	\$0.52	\$0.68	\$0.72	\$0.78	\$0.84
Stormwater Transportation						
Flow	(\$ / HCF)	\$4.24	\$4.60	\$4.88	\$5.27	\$5.69

Recycled Water Commodity Rates \$/HCF					
Customer Class	Current	Jan. 2026	Jan. 2027	Jan. 2028	Jan. 2029
All Consumption	\$2.46	\$3.58	\$3.80	\$4.10	\$4.43



How to Protest or Object

You may speak at the public hearing, but protests and objections must be made in writing (see below). Objections will be responded to in writing before the public hearing. Protests and objections, as explained below, are two different processes, and have two different purposes. You may file both a protest and legal objection, however, they must be submitted separately.

	Protest	Objection
Purpose	Serves as a protest against the proposed rates	Notifies the City of the customer or property owner's basis for alleging noncompliance with Article XIII D of the California Constitution for any new, increased or extended fee or assessment
Basis	A protest can be made for any reason, and the protester does not need to state why they are protesting	An objector must specify the grounds on which the objector believes that the proposed rates do not comply with applicable law
Effect	If a majority of owners of the identified parcels submit a protest, the proposed rates will not be passed	Preserves the right to challenge rate increases in a legal proceeding Failure to submit a written objection bars any right to challenge the rates in a subsequent legal proceeding
Deadline	Sept. 30, 2025, by the close of the public hearing	Must be received by Sept. 15, 2025
Form	Must be in writing and submitted in person or by mail Can be completed by submitting the form on the final page of this notice	Must be in writing and submitted by mail Cannot be submitted using the form attached to this document Must be submitted separately
Required	Full name of property owner or ratepayer Specific rates you are protesting Signature	Specify the reason(s) for alleging that the proposed rate(s) do not comply with Article XIII D of the California Constitution Full name of property owner or ratepayer Contact information for agency to provide a written response
Limitations	Must be submitted by a ratepayer or property owner One (1) protest notice per parcel will be counted Emailed protests will not be counted	Cannot be submitted in person or via email Must be received by Sept. 15, 2025
Where to submit	Office of the City Clerk 202 C St., MS 2P San Diego, CA 92101	Public Utilities Department Attn: Rate Objections 9192 Topaz Way San Diego, CA 92123

All written objections must be submitted to the City within the written objection period. Failure to timely object in writing bars any right to challenge that fee or assessment through a legal proceeding. Under Government Code Section 53759 there is a 120-day statute of limitations for challenging any new, increased, or extended water and sewer fee or charge. Any judicial action or proceeding to challenge the resolution adopting the proposed fees or charges must be commenced within 120 days of the effective date or of the date of the final passage, adoption, or approval of the resolution, whichever is later.

Public Hearing Information

A public hearing will be held on proposed maximum increases to water and wastewater rates and pass-through charges in calendar years 2026 through 2029.

Tuesday, Sept. 30, 2025 | 2 p.m.

**City Council Chambers
202 C Street, 12th Floor
San Diego, CA 92101**

The City Council will hear and consider oral testimony and written materials submitted regarding the proposed rate increases at the hearing. The City Council will have the authority to make adjustments to the proposed rate increases in response to oral testimony and written materials submitted for consideration. Only formal written protests will be considered under the City's Proposition 218 protest tabulating procedures and must be received before the close of the public hearing either in person at the public hearing or via mail to:

**Office of the City Clerk
202 C St., MS 2P
San Diego, CA 92101**

Per state law, the public hearing will be televised on City TV and simulcast on the City's website at sandiego.gov/citytv. More information about Council meeting access and public comment is available online at sandiego.gov/cc.

Oral comments at the public hearing will be considered by the City Council but will not qualify as formal protests unless accompanied by a written protest. If, at the close of the public hearing, written protests against the rate increase are not presented by a majority of property owners or ratepayers, the City Council will consider and may adopt a resolution authorizing the proposed rate increases. If approved, the proposed adjustments will first appear on bills for the billing period beginning in January 2026.

This notice is being provided to you by the City of San Diego Public Utilities Department pursuant to California Constitution Article XIII D (also known as "Proposition 218"). Under the terms of Proposition 218, the City is required to notify the property owners of record of proposed changes to property-related fees, such as water and wastewater. This serves as notice that the City Council will conduct a public hearing, at the time, date and location specified above, to consider recommended adjustments to the City's water and wastewater service rates and charges. All members of the public are invited to attend the public hearing. More information is available online at sandiego.gov/rate-adjustments.

THIS FORM MAY BE USED TO SUBMIT PROTESTS ONLY, NOT OBJECTIONS



Written protest must be mailed in an envelope or delivered to: **Office of the City Clerk, 202 C St., MS 2P, San Diego, CA 92101**

I _____ protest the proposed rate increases.

Assessor's Parcel Number or Address: _____

Signature: _____



9192 Topaz Way
San Diego, CA 92123

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City Council Chambers
202 C Street, 12th Floor
San Diego, CA 92101

Council Chambers are open for in-person testimony.

For more information, please visit: sandiego.gov/cc

*This document is available in other
languages on our website. Please visit:
sandiego.gov/rate-adjustments.*



IMPORTANT INFORMATION ABOUT YOUR WATER AND WASTEWATER RATES

This serves as notice that the City Council will conduct a public hearing, at the time, date and location specified above, to consider recommended adjustments to the City's water and wastewater service rates and charges. If approved, the proposed adjustments will first appear on bills beginning in January 2026. All members of the public are invited to attend the public hearing. **Additionally, under California state law, all property owners and customers of record may submit a written protest to the proposed rate changes. Mailed protest must be received by Sept. 30, 2025. Only one protest per parcel is permitted.**

All written protests will be verified. You may also appear at the public hearing at the date and time specified above. More information is available online at sandiego.gov/rate-adjustments.