



# NOTICE OF PUBLIC HEARING

## Notice of Public Hearing to Receive Public Comment Regarding Implementation of Water Rate Structure and Rate Adjustments

**Hearing Date and Time: June 3, 2024 at 5:30 p.m.**

The meeting agenda will be posted at [www.cityofpasadena.net/commissions/agendas/](http://www.cityofpasadena.net/commissions/agendas/)

**Valued Property Owner / Customer:**

The Pasadena City Council will hold a public hearing on June 3, 2024 to receive public comment regarding proposed changes to the Water Rate Ordinance, Chapter 13.20 of the Pasadena Municipal Code. Pasadena Water and Power ("PWP") is proposing the following adjustments:

- Effective July 1, or as soon as practicable thereafter, for each of the following five years: 2024, 2025, 2026, 2027, and 2028, implement a water rate structure and rate adjustments.

This notification is provided in compliance with Article XIII D Section 6 of the California State Constitution, and the Proposition 218 Omnibus Implementation Act.

The proposed rate increases will generate additional estimated revenues of \$42 million over five years. The proposed revenue increases contribute to the financial stability of the water system. PWP recently underwent a water cost-of-service analysis and rate design study that identified the costs of providing service and recovery methods from customers. The study recommended a rate structure change and revenue adjustments. The current rate structure allocates water based on meter size, regardless of customer classification. To continue to support the City of Pasadena's water conservation goals, a rate structure that allocates water based on customer classification is recommended. The recommended rate structure also includes streamlining the rates from three components into two components as illustrated in the **CURRENT** and **RECOMMENDED** tables below. In addition, a drought rate is recommended to continue to encourage water conservation during periods of drought. The drought rates are recommended to take effect at the discretion of PWP's General Manager.

The following tables reflect the current and proposed rate structure and rates. **These are proposed changes only; final rate adjustments and date of implementation adopted by the Pasadena City Council may differ.**

<b>CURRENT</b>	<b>Capital Improvement Charge</b> Flat Rate per Billing Unit	<b>Commodity Charge</b> Variable/Tiered Rate per Billing Unit	<b>Distribution &amp; Customer Charge</b> Fixed Rate by Meter Size
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<b>Block (Tier) Allocations - MONTHLY</b> in Units of One Hundred Cubic Feet or One Billing Unit ("BU") <i>Allocations are Currently Based on Meter Size</i>				
Meter Size	Block 1	Block 2	Block 3	Block 4
5/8"-3/4"	0-8	9-24	25-34	35>
1"	0-12	13-40	41-60	61>
1 1/2"	0-22	23-86	87-132	133>
2"	0-48	49-188	189-290	291>
3"	0-116	117-500	501-860	861>
4"	0-225	226-1,000	1,001-1,800	1,801>
6"	0-500	501-5,600	5,601-8,800	8,801>
8"	0-500	501-5,600	5,601-10,000	10,001>
10" / 12"	0-500	501-24,000	24,001-32,000	32,001>

<b>Commodity Rate per BU</b>	
Block/Tier	Rate
Block 1	\$1.76489
Block 2	\$3.74827
Block 3	\$4.39376
Block 4	\$5.33137

<b>Capital Improvement Charge ("CIC") per BU</b>
\$1.12404

<b>Total MONTHLY Fixed Charge</b>			
Meter Size	Distribution & Customer Charge ("D&C")	Fire Protection Surcharge	Total D&C Fixed Charge
5/8"-3/4"	\$26.08	\$0.38	\$26.46
1"	\$49.55	\$0.70	\$50.25
1 1/2"	\$101.71	\$2.68	\$104.39
2"	\$234.75	\$3.45	\$238.20
3"	\$573.79	\$8.13	\$581.92
4"	\$881.50	\$9.58	\$891.08
6"	\$1,361.36	\$22.00	\$1,383.36
8"	\$2,214.32	\$29.48	\$2,243.80
10"	\$2,881.97	\$38.20	\$2,920.17

<b>MONTHLY Private Fire Service</b>	
Meter Size	Fixed Rate
4"	\$50.71
6"	\$94.82
8"	\$170.35
10"	\$250.53
12"	\$332.89

**RECOMMENDED**

**Variable Charge**  
Tiered Rate per Billing Unit

**Fixed Charge**  
Fixed Rate by Meter Size

**MONTHLY Tier Break Points**  
in Units of One Hundred Cubic Feet or One Billing Unit ("BU")  
*Allocations are Recommended to be Based on Customer Classification*

	Customer Classification	Tier 1	Tier 2	Tier 3
Residential	Single Family Residential	0-7	8-29	Over 29
	Multi-Family Residential	0-5	6-10	Over 10
Commercial	Commercial Small (5/8"-1")	0-8	9-43	Over 43
	Commercial Medium (1 1/2"-4")	0-52	53-265	Over 265
	Commercial Large (6"+)	0-850	851-5,050	Over 5,050

**\* Tier Break Points for Multi-Family is per dwelling unit**

**Variable Charge per BU**

Note: Tier Break Points for Multi-Family is per dwelling unit

Class/Tier	MONTHLY Tier Break Point	July 1, 2024	July 1, 2025	July 1, 2026	July 1, 2027	July 1, 2028
<b>Single Family Residential</b>						
Tier 1	7	\$2.24818	\$2.51796	\$2.74458	\$2.96414	\$3.17163
Tier 2	29	\$5.92680	\$6.63802	\$7.23544	\$7.81428	\$8.36128
Tier 3	Over 29	\$6.44550	\$7.21896	\$7.86867	\$8.49816	\$9.09303
<b>Multi-Family Residential</b>						
Tier 1	5	\$2.24209	\$2.51114	\$2.73714	\$2.95611	\$3.16304
Tier 2	10	\$5.87186	\$6.57648	\$7.16836	\$7.74183	\$8.28376
Tier 3	Over 10	\$6.24448	\$6.99382	\$7.62327	\$8.23313	\$8.80945
<b>Commercial Small (5/8"-1")</b>						
Tier 1	8	\$2.21109	\$2.47642	\$2.69930	\$2.91524	\$3.11931
Tier 2	43	\$5.84411	\$6.54540	\$7.13448	\$7.70524	\$8.24461
Tier 3	Over 43	\$6.19440	\$6.93773	\$7.56212	\$8.16709	\$8.73879
<b>Commercial Medium (1 1/2"- 4")</b>						
Tier 1	52	\$2.25510	\$2.52571	\$2.75303	\$2.97327	\$3.18140
Tier 2	265	\$5.88262	\$6.58853	\$7.18150	\$7.75602	\$8.29894
Tier 3	Over 265	\$6.36652	\$7.13050	\$7.77224	\$8.39402	\$8.98160
<b>Commercial Large (6"+)</b>						
Tier 1	850	\$2.27128	\$2.54383	\$2.77278	\$2.99460	\$3.20422
Tier 2	5,050	\$5.94146	\$6.65444	\$7.25333	\$7.83360	\$8.38195
Tier 3	Over 5,050	\$6.55430	\$7.34082	\$8.00149	\$8.64161	\$9.24652

**MONTHLY Private Fire Service**

Meter Size	July 1, 2024	July 1, 2025	July 1, 2026	July 1, 2027	July 1, 2028
4"	\$31.12	\$34.86	\$37.99	\$41.03	\$43.91
6"	\$90.40	\$101.25	\$110.37	\$119.20	\$127.54
8"	\$192.66	\$215.77	\$235.19	\$254.01	\$271.79
10"	\$346.46	\$388.04	\$422.96	\$456.80	\$488.77
12"	\$559.63	\$626.79	\$683.20	\$737.85	\$789.50
16"	\$1,192.59	\$1,335.70	\$1,455.91	\$1,572.38	\$1,682.45

**MONTHLY Fixed Charge**

Meter Size	July 1, 2024	July 1, 2025	July 1, 2026	July 1, 2027	July 1, 2028
3/4"-5/8"	\$38.62	\$43.25	\$47.15	\$50.92	\$54.48
1"	\$60.19	\$67.41	\$73.48	\$79.36	\$84.91
1 1/2"	\$114.11	\$127.81	\$139.31	\$150.45	\$160.98
2"	\$178.82	\$200.28	\$218.31	\$235.77	\$252.27
3"	\$475.40	\$532.45	\$580.37	\$626.80	\$670.68
4"	\$815.13	\$912.94	\$995.11	\$1,074.72	\$1,149.95
6"	\$1,731.84	\$1,939.66	\$2,114.23	\$2,283.37	\$2,443.20
8"	\$3,026.02	\$3,389.14	\$3,694.16	\$3,989.70	\$4,268.97
10"	\$4,535.90	\$5,080.20	\$5,537.42	\$5,980.41	\$6,399.04

## RECOMMENDED DROUGHT RATES

Levels 1 through 4 correspond to Pasadena’s Municipal Code, Chapter 13.10: Water Waste Prohibitions and Water Supply Shortage Plans. Stages 1 through 6 correspond to the six standard water shortage stages in Pasadena’s Urban Water Management Plan which align with the requirements established in the California Water Code and the Urban Water Management Planning Act. As shown in the drought rate percentages below, the six stages allow for cross referencing with Pasadena’s four existing Water Supply Shortage levels.

<b>Drought Rate Percentages - Increases Shown as a Percentage to the Variable Rate</b>						
<b>Water Supply Shortage Level</b>	<b>Level 1</b>	<b>Level 2</b>		<b>Level 3</b>	<b>Level 4</b>	
<b>Standard Water Shortage Stage</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Stage 4</b>	<b>Stage 5</b>	<b>Stage 6</b>
Tier 1	0%	0%	10%	35%	58%	125%
Tier 2	11%	29%	52%	89%	152%	178%
Tier 3	17%	51%	77%	127%	175%	225%

**For more information regarding proposed water rate structure and rate adjustments,  
please visit: [www.PWPweb.com/WaterRateDesign](http://www.PWPweb.com/WaterRateDesign)**

IF THE PARCEL OR BILLING ADDRESS ON THIS NOTICE DOES NOT RECEIVE WATER SERVICES FROM  
THE CITY OF PASADENA, THIS NOTICE DOES NOT APPLY TO YOU.

**NOTICE IS HEREBY GIVEN** that the City Council will hold a public hearing to receive testimony, oral and written, on the above recommended Implementation of Water Rate Structure and Rate Adjustments. The hearing is scheduled for:

Date and Time: Monday, June 3, 2024 at 5:30 p.m.  
Place: Council Chamber, Pasadena City Hall  
100 North Garfield Avenue, Room S249  
The meeting agenda will be posted at  
[www.cityofpasadena.net/commissions/agendas/](http://www.cityofpasadena.net/commissions/agendas/)

**Public Information:** Any property owner or interested person may be heard on any matter relating to the Implementation of Water Rate Structure and Rate Adjustments. In accordance with Article XIII D Section 6 of the California State Constitution, written protests to the proposed Implementation of Water Rate Structure and Rate Adjustments will be considered if submitted prior to the public hearing. For information on how to provide public comment, please refer to the posted agenda for additional details and instructions; visit [www.cityofpasadena.net/city-clerk/public-comment](http://www.cityofpasadena.net/city-clerk/public-comment); call the City Clerk’s Office at (626) 744-4124; or send correspondence to the Office of the City Clerk located at 100 N. Garfield Ave. Pasadena, California 91101, Room S228. Please include the parcel or billing address and write **“Implementation of Water Rate Structure and Rate Adjustments”** on the written comments.

**ADA:** To request a disability-related modification or accommodation necessary to facilitate meeting participation, please contact the City Clerk’s Office as soon as possible at (626) 744-4124 or [cityclerk@cityofpasadena.net](mailto:cityclerk@cityofpasadena.net).