



# RAMONA MUNICIPAL WATER DISTRICT

To: Board of Directors Agenda Item No. A.5.a.  
Regular Board Meeting of October 8, 2024

From: Erica Wolski, General Manager

Subject: General Manager Information Report and Staff Activity for September 2024

## General Manager

Pass-Through of SDCWA Rate Increase: The FY2024 budget includes the assumption that the District would pass through the San Diego County Water Authority (SDCWA) rate increase in January 2025. Periodic updates from staff and the Board's SDCWA liaison have stressed the criticality of the District passing through these costs to maintain a fair and adequately funded water program. Not passing through this rate increase, conversely, would weaken the District's ability to maintain a safe and reliable water system as SDCWA costs would be absorbed by the District. In doing so, the District would likely delay planned infrastructure rehabilitation projects and further stress the aging infrastructure.

Below are the SDCWA's rates assigned to the District. Rate changes will take effect in January 2025.

	San Diego County Water Authority				
	2024	2025	Fluctuation		
<b>Per Acre Foot Rates</b>					
Melded Untreated M&I Supply Rate	\$ 1,200	\$ 1,355	\$ 155	13%	
Melded M&I Treated Rate	400	500	100	25%	
Transportation Rate	189	141	(48)	-25%	
<b>Monthly Fixed Charges</b>					
MWD Readiness to Serve	\$ (9,015)	\$ (8,438)	\$ 577	-6%	
MWD Capacity	9,522	11,103	1,581	17%	
Supply Reliability	38,149	43,954	5,805	15%	
Infrastructure Access	44,577	45,833	1,256	3%	
Customer Service Charge	26,028	30,823	4,795	18%	
Emergency Storage Charge	51,290	58,709	7,419	14%	
Fixed Transportation Charge	-	30,823	30,823	100%	

<https://www.sdcwa.org/member-agencies/rates-charges/>

<https://www.sdcwa.org/member-agencies/rate-allocation/>

Below summarizes the additional costs incurred from SDCWA as a result of these rate changes.

Projected SDCWA Expense Increase	
	<b>2025</b>
Treated	\$ 733,401
Untreated	48,792
Fixed Charges	627,072
<b>Total</b>	<b>\$ 1,409,265</b>

Implementing the pass-through rate adjustment simply reimburses the District for these increased costs. Doing so would result in the following rate structure for the District:

Rate and Fee Schedule				
	2024	2025	Fluctuation	
<b>Treated Volumetric Rates (per unit)</b>				
Treated Water	\$ 7.27	\$ 8.05	\$ 0.78	10.7%
Construction Treated Water	7.27	8.05	0.78	10.7%
PSAWR Treated Water	5.84	6.32	0.48	8.3%
<b>Untreated Volumetric Rates (per unit)</b>				
Untreated Water	\$ 6.26	\$ 6.81	\$ 0.55	8.8%
PSAWR Untreated Water	4.83	5.08	0.25	5.3%
<b>Monthly Water Service Charge</b>				
<u>Meter Size</u>				
5/8" or 3/4"	\$ 46.54	\$ 47.27	\$ 0.73	1.6%
1"	73.85	75.02	1.17	1.6%
1 1/2"	140.93	143.13	2.20	1.6%
2"	225.19	229.01	3.82	1.7%
3"	417.00	424.05	7.05	1.7%
4"	694.41	706.46	12.05	1.7%
6"	1,364.60	1,386.65	22.05	1.6%

<https://www.rmwd.org/publications>

Volumetric rates are per unit of water = hundred cubic feet

For illustrative purposes only, below summarizes the effect on the typical customer:

Typical Customer				
<b>Average Residential Customer (11 Units)</b>				
Water Volume	\$ 79.97	\$ 88.54	\$ 8.57	10.7%
Pumping Volume	16.17	16.17	-	0.0%
Monthly Service Charge (3/4" mtr)	46.54	47.27	0.73	1.6%
<b>Total Monthly</b>	<b>\$ 142.68</b>	<b>\$ 151.98</b>	<b>\$ 9.30</b>	<b>6.5%</b>

### ***SDCWA Pass-Through Decision***

Based on the above review, the District intends to pass through the 2025 SDCWA rate increases effective January 2025.

To allow adequate notice to our customers, the following notice will be printed on the District's customer billing statements beginning with the bills being mailed in November 2024:

*"Pursuant to Ordinance 24-483 adopted by the RMWD Board on June 11, 2024 and California Government Code section 53756, the District hereby provides notice that effective January 1, 2025 volumetric water rates will increase by 78 cents per unit for treated water and 55 cents per unit for untreated water and monthly service charges will increase by 73 cents per month per 3/4 meter equivalent unit, to pass through increases by the San Diego County Water Authority for the cost of wholesale water."*

These pages were extracted from the October 8, 2024 Board of Directors agenda package.