

I hereby certify that the following agenda was posted at least 72 hours prior to the time of the meeting so noticed below at 24251 Los Alisos Boulevard, Lake Forest, California.



DENNIS P. CAFFERTY,
Secretary of the El Toro Water
District and the Board of Directors
thereof



AGENDA

EL TORO WATER DISTRICT

SPECIAL MEETING OF THE BOARD OF DIRECTORS
&
PUBLIC HEARING

June 11, 2026
1:00 p.m.

BOARDROOM, DISTRICT OFFICE
24251 LOS ALISOS BLVD., LAKE FOREST, CA 92630

This meeting will be held in person. As a convenience for the public, the meeting may also be accessed by Zoom and will be available by either computer or telephone audio as indicated below. Because this is an in-person meeting and the virtual component is not required, but rather is being offered as a convenience, if there are any technical issues during the meeting, this meeting will continue and will not be suspended.

Members of the public who wish to comment on any item within the jurisdiction of the District or on any item on the agenda, may attend the meeting in person at the District's office or may observe and address the Meeting by joining at this link:
<https://us02web.zoom.us/j/83336184069> (Meeting ID: 833 3618 4069).

Members of the public who wish only to listen to the telephonic meeting may dial in at the following numbers (669) 900-6833 or (346) 248-7799 with the same Meeting ID noted above. Please be advised the Meeting is being recorded.

CALL MEETING TO ORDER – President Freshley

PLEDGE OF ALLEGIANCE – Director Gaskins

ROLL CALL (Determination of a Quorum)

ORAL COMMUNICATIONS/PUBLIC COMMENTS

Members of the public may address the Board at this time or they may reserve this opportunity with regard to an item on the agenda, until said item is discussed by the Board. Comments on other items will be heard at the time set aside for “COMMENTS REGARDING NON-AGENDA ITEMS.” The public may identify themselves when called on and limit their comments to three minutes.

ITEMS RECEIVED TOO LATE TO BE AGENDIZED

Determine need and take action to agendize items which arose subsequent to the posting of the Agenda. (ROLL CALL VOTE: Adoption of this recommendation requires a two-thirds vote of the Board members present, or, if less than two-thirds of the Board members are present, a unanimous vote of those members present.)

1. **Consider Board Member’s Request for Remote Participation (AB 2449)**

2. **INCREASES TO CERTAIN WATER, SEWER, AND RECYCLED WATER SERVICE RATES AND CHARGES** (Reference Material Included)

Prior to opening the public hearing, Staff will review and comment on proposed amendments to the following Administrative Code Sections as they pertain to proposed increases to certain water, sewer and recycled water service rates and charges. The proposed increases have been incorporated in the District’s approved 2026/27 Operating Budget.

- 7030 General Metered Potable Water Service
- 7040 General Sewer Service
- 7050 Commercial, Industrial, Public Authority and Homeowner Association Recreational Facility Sewer Service
- 7060 Recycled Water Sales and Service
- 7070 Private Fire Protection Service

Following today’s public hearing, the Board of Directors will be requested to consider taking action to adopt Resolution No. 26-6-1 approving amendments to the above defined Administrative Code Sections as they pertain to increases to certain water, sewer and recycled water service rates and charges.

OPEN PUBLIC HEARING

3. **PUBLIC HEARING REGARDING ADOPTION OF PROPOSED INCREASES TO CERTAIN WATER AND RECYCLED WATER SERVICE RATES**

At this time the Board of Directors will conduct a public hearing to receive and consider public comments and protests regarding proposed increases to certain water, sewer and recycled water service rates and charges.

PUBLIC COMMENT

The Public will be invited to comment on the proposed increase to the District's rates and charges.

CLOSE PUBLIC HEARING

The Board President will close the Public Hearing at this time.

REGULAR SESSION

4. **RESOLUTION NO. 26-6-1 ADOPTING AMENDMENTS TO THE DISTRICT'S ADMINISTRATIVE CODE** (Reference Material Included)

The Board of Directors will review Resolution No. 26-6-1 and consider taking action on same.

Recommended Action: The Board of Directors will consider adopting Resolution No. 26-6-1 which Resolution 1) provides for an increase to certain water, sewer and recycled water service rates and charges, effective July 1, 2026, and 2) makes findings and a determination that the action taken in this Resolution is exempt from the requirements of the California Environmental Water Quality Act.

RESOLUTION NO. 26-6-1

RESOLUTION OF THE BOARD OF DIRECTORS
OF THE EL TORO WATER DISTRICT
APPROVING AMENDMENTS TO THE DISTRICT'S
ADMINISTRATIVE CODE WHICH AMENDMENTS
1) PROVIDE FOR AN INCREASE TO CERTAIN OF THE
DISTRICT'S WATER, SEWER & RECYCLED WATER
SERVICE RATES AND CHARGES
AND
2) MAKES FINDINGS AND DETERMINATIONS
THAT THE ACTION TAKEN IN THIS
RESOLUTION IS EXEMPT FROM THE
REQUIREMENTS OF THE CALIFORNIA
ENVIRONMENTAL QUALITY ACT (CEQA)

COMMENTS REGARDING NON-AGENDA ITEMS

ADJOURNMENT

The agenda material for this meeting is available to the public at the District's Administrative Office, which is located at 24251 Los Alisos Blvd., Lake Forest, Ca. 92630. If any additional material related to an open session agenda item is distributed to all or a majority of the board of directors after this agenda is posted, such material will be made available for immediate public inspection at the same location.

Request for Disability-Related Modifications or Accommodations

If you require any disability-related accommodation, including auxiliary aids or services, in order to participate in this public meeting, please telephone the District's Recording Secretary, Marisol Melendez at (949) 837-7050, extension 225 at least forty-eight (48) hours prior to said meeting. If you prefer, your request may be submitted in writing to El Toro Water District, P.O. Box 4000, Laguna Hills, California 92654, Attention: Marisol Melendez.



STAFF REPORT

To: BOARD OF DIRECTORS **Meeting Date: June 11, 2026**

From: Dennis Cafferty, General Manager

Subject: Increases to Certain Water, Sewer and Recycled Water Service Rates and Charges

At the June 11, 2026 Special Board Meeting, the Board will consider increases to the District's Water, Sewer and Recycled Water service rates and charges. The implementation of these rate increases is proposed to be accomplished, by resolution, through the modification of several Sections within the District's Administrative Code.

Changes are proposed to the following service rates and charges:

- Potable Tiered Water Usage Rate
- Potable Water Operations & Maintenance Charge
- Sewer Operations & Maintenance Charge
- Recycled Water Usage Rate
- Recycled Water Operations & Maintenance Charge
- Private Fire Operations & Maintenance Charge
- Potable Water Capital Replacement & Refurbishment Charge
- Sewer Capital Replacement & Refurbishment Charge
- Recycled Water Capital Replacement & Refurbishment Charge

The rate changes are proposed to be accomplished through updates to the following Sections of the District's Administrative Code. In addition to updating the applicable rates, staff performed a detailed review of and recommend changes to the language in certain of the sections of the Administrative Code.

- Section 7030 General Metered Potable Water Service
- Section 7040 General Sewer Service
- Section 7050 Commercial, Industrial, Public Authority and Homeowner Association Recreational Facility Sewer Service
- Section 7060 Recycled Water Sales and Service
- Section 7070 Private Fire Protection Service

Redline versions of each section are attached to illustrate the proposed changes to the rates as well as updates to language in the affected code sections. The updates to the language are summarized as follows.

Section 7030 - General Metered Potable Water Service

Significant language was added that is consistent with the language that has been used for the past several years in the District's Proposition 218 Notice.

- Language was added in Paragraph 1A to add a reference to Mobile Estate Homes in the description of assumed occupancies.
- Language was added in Paragraph 1B to define the ET Adjustment Factors included in the calculation of the Outdoor Water Budget consistent with the Model Water Efficient Landscape Ordinance and consistent with the descriptions in the Proposition 218 Notice.
- Similar descriptions of the ET Adjustment Factors were added to Paragraph 1C.
- Paragraph 2B was updated to reflect the types of Attached Homes, consistent with the description in the Proposition 218 Notice.
- Each of the individual rates within the Code Section are updated.

Section 7040 - General Sewer Service

- Each of the individual rates within the Code Section are updated.

Section 7050 – Commercial, Industrial, Public Authority and Homeowner Association Recreational Sewer Service

- Paragraph 2 was added to provide a clear description of the commercial customer classifications.
- Paragraph 3 was added to clarify the determination of flow as a basis for the O&M and Capital charges.
- Paragraph 4A was revised to make the language consistent between the Capital and O&M charges.
- Paragraph 4B was added to establish a minimum Capital Charge, consistent with the existing minimum O&M Charge.
- Changes the language to clarify that classification changes are on a go forward basis and are not retroactive.

Section 7060 – Recycled Water Sales and Service

- Each of the individual rates within the Code Section are updated.

Section 7070 – Private Fire Protection Service

- Each of the individual rates within the Code Section are updated.

Clean versions of each code section are provided following the redline versions.

ADMINISTRATIVE CODE SECTIONS

REDLINES

1. WATER USAGE CHARGE

Applicable to all residential and potable irrigation metered water service.

Water use is charged on a Water-Budget Based Tiered Rate Structure. A per meter, customer specific water budget is calculated to meet the efficient demands of indoor domestic use as well as outdoor irrigation under normal operating and water supply conditions. Under Emergencies and Water Supply Shortage conditions indoor and/or outdoor water budgets maybe adjusted using the Drought Factor (“DF”) to reduce water budgets to further encourage conservation. The water budget is the sum of the indoor and outdoor water budgets.

Water usage is billed in billing units of one hundred cubic feet (CCF) which is equivalent to 748 gallons. Water Budgets are based on the following.

A. Indoor Water Budget

The Indoor Water Budget in CCF is calculated as follows:

$$55 \text{ gallons / person / day} * \text{number of occupants} * \text{number of days in the billing cycle} * DF_{\text{indoor}} / 748 \text{ gallons per billing unit (CCF)}$$

Occupancy is assumed as follows. Occupancy adjustments will be made where warranted.

<u>1.</u> Detached Home - Unrestricted (Single Family Residence)	4 people
<u>2.</u> Attached Home - Unrestricted (Condominium / Townhome / <u>Mobile Home Estate</u>)	3 people
1. <u>3.</u> Apartment	2 people
2. <u>4.</u> Detached Home - Restricted	2 people
3. <u>5.</u> Attached Home - Restricted	2 people

Restricted residences are defined as residences in residential communities limited to residents with a minimum age requirement of 55 years.

The calculation of the Indoor budget is subject to a Drought Factor as determined by the Board. The current Drought Factor is 100%.

B. Outdoor Water Budget

The Outdoor Water Budget in CCF is calculated as follows:

$$\text{Landscape Area} * \text{Weather Factor} * \text{ET Adjustment Factor (ETAF)} * \text{DF}_{\text{outdoor}} / 1200 \text{ (conversion factor to CCF billing unit)}$$

The calculation of the Outdoor budget is subject to a Drought Factor as determined by the Board. The current Drought Factor is 100%.

Weather Factor (ETo)

The weather factor is measured by the reference EvapoTranspiration (ETo) data in inches of water per billing cycle. ETo data is obtained from California Irrigation Management Information System (CIMIS) Station 75 established by State of California Department of Water Resources, Office of Water Use Efficiency.

Landscape Area

The landscape area for multi-family accounts including apartments, condominiums and mobile home estates is 25 square feet of landscape per dwelling unit plus any dedicated landscape area associated with the account.

The landscape area for single family detached homes is calculated by taking the building area and dividing it by the number of floors and subtracting that from the parcel area. The result is then multiplied by 70 percent to obtain the landscape area as follows:

$$\text{Landscape area} = (\text{lot size} - (\text{building area} / \text{number of floors})) * 70\%$$

ET Adjustment Factor (ETAF)

ETAF is a coefficient that adjusts the ETo values based on type of plants and irrigation system efficiency.

Based on the updated Model Water Efficient Landscape Ordinance developed by the California Department of Water Resources (State of California Code of Regulations, Title 23, Section 490-495) **requires ET Adjustment Factors as follows:**

- Any landscape installed **or rehabilitated** prior to January 1, 2010 has an ETAF of 0.8.
- Any landscape installed or rehabilitated between January 1, 2010 and January 1, 2019 has an ETAF of 0.7.

- Any landscape installed or rehabilitated after January 1, 2019 has an ETAF of 0.55.

~~The Model Water Efficient Landscape Ordinance requires an ETAF of 0.55 be applied to new residential landscaping installed after January 1, 2019. New residential landscaping is defined as landscaping installed as part of new residential development or redevelopment projects.~~

The Model Water Efficient Landscape Ordinance requires an ETAF of 0.45 be applied to non-residential landscape areas installed or rehabilitated after January 1, 2025.

C. Potable Irrigation Customers

Potable Irrigation Customers are served by dedicated irrigation meters and are classified as either Recreational or Non-Functional.

Recreational irrigation customers are those whose landscape is used mostly for recreational purposes (i.e. parks, soccer fields, etc.). The Model Water Efficient Landscape Ordinance refers to these uses as “Special Landscape Areas”.

Non-Functional irrigation customers will be those whose landscape is ornamental in nature (greenbelts, medians, etc.).

All of an irrigation customer’s Water Budget will be at Tier II (“Outdoor Efficient”).

The irrigation water budget for dedicated irrigation customers in CCF is calculated as follows:

$$\text{Landscape Area} * \text{Weather Factor} * \text{ET Adjustment Factor} * \text{DF}_{\text{outdoor}}/1200$$

The weather factor is described above in Paragraph 1.B. Landscape area is assumed to be the lesser of 100% of the total parcel area or 100% of the measured landscape irrigable area served by each meter.

The ETAF is equal to 1.0 for Recreational irrigation customers referred to as Special Landscape Areas in the updated Model Water Efficient Landscape Ordinance.

The ET Adjustment Factor for Non-Functional irrigation is specified by the Model Water Efficient Landscape Ordinance as follows:

- Any landscape installed or rehabilitated prior to January 1, 2010 has an ETAF of 0.8.
- Any landscape installed or rehabilitated between January 1, 2010 and January 1, 2019 has an ETAF of 0.7.
- Any landscape installed or rehabilitated after January 1, 2019 has an ETAF of 0.55.

~~The ET Adjustment Factor is equal to 0.8 for Functional irrigation in residential areas. The ETAF is equal to 1.0 for Recreational irrigation customers referred to as Special Landscape Areas in the updated Model Water Efficient Landscape Ordinance.~~

The Model Water Efficient Landscape Ordinance requires an ETAF of 0.45 be applied to non-residential landscape areas installed or rehabilitated after January 1, 2025.

D. Budget Based Tiers

The Indoor water budget, as determined above, will be billed at Tier I (“Indoor – Efficient”) rates. The Outdoor Water Budget, as determined above, will be billed at Tier II (“Outdoor – Efficient”) rates. Water use more than the sum of the Tier I and Tier II water budgets is deemed inefficient and/or excessive. Tier III (“Inefficient”) water use is defined as usage between 100% and 130% of the total sum of the Tier I and Tier II water budgets and Tier IV (“Excessive”) usage is defined as consumption greater than Tier III.

E. Potable Water Usage Rates

Effective July 1, ~~2025~~2026, Potable Water Usage Rates will be:

Tier I – Indoor – Efficient	\$3.593.87 / CCF
Tier II – Outdoor – Efficient	\$3.984.24 / CCF
Tier III – Inefficient	\$7.268.09 / CCF
Tier IV – Excessive	\$9.14 <u>10.22</u> / CCF

2. WATER BUDGET – VARIANCE / ADJUSTMENT PROCESS

A. Adjustments

Individual water budgets are primarily based on permanent residency (occupancy) and landscape irrigation area in square feet. Customers may request a variance/adjustment to provide an equitable water budget for special circumstances such as, more people living in the home than the formula provides, medical needs, water leaks, establishing new landscaping, changes in irrigation landscape area, etc. Under Emergencies and Water Supply Shortage conditions, variances/adjustments may be limited.

B. Occupancy

In general, residency is assumed as follows

1. Detached Home - Unrestricted (Single Family Residence)	_____	4 people
2. Attached Home - Unrestricted (condominium Condominium/ townhome Townhome/ Mobile Home Estate)	_____	3 people
4.3. Apartment	_____	2 people
2.4. Detached Home - Restricted	_____	2 people
3.5. Attached Home - Restricted	_____	2 people

Restricted residences are defined as residences in residential communities limited to residents with a minimum age requirement of 55 years.

Customers who believe their permanent occupancy differs from the above may request an adjustment to their occupancy factor. All adjustment requests must be in writing on forms provided by the District and signed by the customer (Account Holder). The General Manager may require supporting documentation to support a claim for additional permanent occupants.

Requests for additional permanent occupants will be granted based on criteria established by the General Manager.

C. Landscape Irrigation Area

Each customer's landscape irrigation area was established based on the county of Orange Assessor's parcel data, on-line parcel information, customer representations and/or independent measurements.

Customers who believe their landscape irrigation area is incorrect may request an adjustment. All adjustment requests must be in writing on forms provided by the District and signed by the customer (Account Holder). The General Manager may require supporting documentation to support a claim for additional landscape irrigation area.

Requests for adjustments to landscape irrigation area will be granted based on criteria established by the General Manager.

D. Variances

Water budgets have been developed using industry standards to provide all customers with the appropriate amount of water given current hydrological conditions. If, for any reason, a customer believes that their water budget is inadequate due to extenuating circumstances they may request a temporary or permanent variance for additional water. All variance requests must be in writing on forms provided by the District and signed by the customer (Account Holder). The General Manager may require supporting documentation to support a claim for an increase in the water budget.

Requests for temporary or permanent variances will be granted based on criteria established by the General Manager.

E. General

All requests for variance/adjustments must be in writing and signed by the customer (Account Holder). The District reserves the right to request additional documentation in support of the request. Approved variances/adjustments will become effective at the beginning of the billing period after approval and will remain active for a period of 24 months, at which time the customer will be required to re-confirm the circumstances surrounding the original request.

The General Manager must act upon any completed application no later than ten (10) days after submittal and may approve, conditionally approve, or deny the request for variance/adjustment. The customer requesting the variance/adjustment must be promptly notified in writing of any action taken. The decision of the General Manager will be final.

3. COMMERCIAL POTABLE WATER USAGE CHARGE

Applicable to all commercial, institutional and industrial (CII) metered water service.

Effective July 1, ~~2025~~2026, the uniform CII Potable Water Usage Rate will be ~~\$4.094.44~~ / CCF.

4. WATER OPERATIONS & MAINTENANCE (O&M) CHARGE

Effective July 1, ~~2025~~2026, the Water O&M Charges are as follows:

	<u>Per Meter Per Month</u>
5/8 inch meter	\$21.18 <u>23.21</u>
3/4 inch meter	\$28.98 <u>31.81</u>
1 inch meter	\$44.58 <u>49.01</u>
1 ½ inch meter	\$83.57 <u>92.02</u>
2 inch meter	\$161.55 <u>178.04</u>
10 inch meter	\$1,595.00 <u>1,758.85</u>

5. CAPITAL REPLACEMENT AND REFURBISHMENT (R&R) CHARGE – WATER

Effective July 1, ~~2025~~2026, the Capital R&R Charges - Water are as follows:

	<u>Per Meter Per Month</u>
5/8 meter	\$8.69 <u>10.85</u>
3/4 inch meter	\$13.02 <u>16.28</u>
1 inch meter	\$21.69 <u>27.12</u>
1 ½ inch meter	\$43.38 <u>54.24</u>
2 inch meter	\$86.75 <u>108.48</u>
10 inch meter	\$1,000.00 <u>1,105.26</u>

6. The Water O&M Charge and the Capital R&R Charge are applicable to all active general metered water service, which is added to the charge for water used during the month computed at the Water Usage Charge.

7. **SPECIAL PROVISIONS**

A. Life Line Rate Assistance Program

Customers providing the District with satisfactory evidence of having a household income of 150% of the Federal Poverty Level or less per calendar year may qualify for the Life Line Rate Assistance program. The Life Line Rate Assistance Program provides a waiver for the Water O&M Charge for qualified customers. In order to qualify, a customer must submit the "Application and Statement of Eligibility for El Toro Water District Life Line Rate Assistance Program" available on the District website.

An approved application is valid for three years from the date of acceptance and is not automatically transferred or renewed.

The waiver will apply only to the customer's primary residence.

Proof of eligibility may be required.

B. Non-Registering Meters

The District may bill the customer for water consumed while the meter was non-registering. Billing will be based upon an estimate of the consumption according to the customer's prior use during the same season of the year, or upon an estimate based upon a reasonable comparison with the use of other customers during the same period receiving the same class of service under similar circumstances and conditions. Billing estimation will not exceed two consecutive billings.

R 15-7-1 Effective 08/01/15; R 16-6-2 Effective 07/01/16; R 17-6-1 Effective 07/01/17;
R 18-6-1 Effective 07/01/18; R 19-6-1 Effective 07/01/19; R 20-1-2 Effective 01/21/20;
R 20-9-1 Effective 10/01/20; R 21-6-1 Effective 07/01/21; R 22-7-2 Effective 08/01/22;
R 23-7-2 Effective 08/01/23; R 24-6-2 Effective 07/01/24; R 25-6-1 Effective 07/01/25;
R 26-6-1 Effective 07/01/26;

§7040 GENERAL SEWER SERVICE

1. APPLICABILITY

Applicable to General Sewer Service.

2. SEWER OPERATIONS & MAINTENANCE (O&M) CHARGE/RATES

Effective July 1, ~~2025~~2026, the sewer O&M Rates are as follows:

<u>User Category</u>	<u>User Rate</u>	<u>Billing Unit</u>
Single Family Residential	\$40.80 <u>42.07</u>	\$/Month
Restricted	\$19.38 <u>19.99</u>	\$/Month
Multi-Family Unrestricted	\$29.82 <u>30.75</u>	\$/Month
Low Strength Commercial	\$4.77 <u>4.73</u>	\$/CCF
Medium Strength Commercial	\$5.94 <u>6.14</u>	\$/CCF
High Strength Commercial	\$11.36 <u>8.49</u>	\$/CCF
Restaurants	\$6.06 <u>5.92</u>	\$/CCF

Restricted residences are defined as residences in residential communities limited to residents with a minimum age requirement of 55 years.

3. CAPITAL REPLACEMENT AND REFURBISHMENT (R&R) CHARGE – SEWER

Effective July 1, ~~2025~~2026, the Capital R&R - Sewer Charges are as follows:

<u>User Category</u>	<u>User Rate</u>	<u>Billing Unit</u>
Single Family Residential	\$13.86 <u>17.32</u>	\$/Month
Restricted	\$6.59 <u>8.23</u>	\$/Month
Multi-Family Unrestricted	\$10.13 <u>12.66</u>	\$/Month
Commercial:		
Low Strength Commercial	\$1.63 <u>1.95</u>	\$/CCF
Medium Strength Commercial	\$2.02 <u>2.53</u>	\$/CCF
High Strength Commercial	\$3.86 <u>3.50</u>	\$/CCF
Restaurants	\$2.07 <u>2.44</u>	\$/CCF

Restricted residences are defined as residences in residential communities limited to residents with a minimum age requirement of 55 years.

4. Associations, Apartments, Condominiums, and other Multiple Residences

When more than one residential dwelling unit is connected to the system by single service connections (meter), the rates per residential dwelling unit, as set forth above, shall be due and payable for each and every living or dwelling unit connected to the system.

Restricted Residences are residences within developments, which shall, pursuant to recorded restrictions or leases, be limited to residents with a minimum age requirement of 55 years.

Unrestricted Residences are all residences other than Restricted Residences.

R 11-6-3 Effective 07/01/11; R 12-6-3 Effective 07/01/12; R 13-6-2 Effective 07/01/13;
R 14-6-2 Effective 07/01/14; R 15-7-1 Effective 08/01/15; R 16-6-2 Effective 07/01/16;
R 17-6-1 Effective 07/01/17; R 18-6-1 Effective 07/01/18; R 21-6-1 Effective 07/01/21;
R 22-7-2 Effective 08/01/22; R 23-7-2 Effective 08/01/23; R 24-6-2 Effective 07/01/24;
R 25-6-1 Effective 07/01/25; R 26-6-1 Effective 07/01/26;

§7050

**COMMERCIAL, INDUSTRIAL, PUBLIC AUTHORITY AND
HOMEOWNER ASSOCIATION RECREATIONAL SEWER SERVICE**

1. APPLICABILITY

This Rate shall apply to Commercial, Industrial and Public Authority sewer service inclusive of Recreational Facilities owned by Homeowners' Associations requiring sanitary sewer services (hereinafter referred to as "Customer(s)").

2. NON-RESIDENTIAL WASTEWATER CUSTOMER CLASSIFICATION

The District classifies Commercial, Industrial, Public Authority and Homeowner Association Recreational Facility wastewater customers into the following four groups based on their estimated strength of the wastewater discharged into the District's system based on the Biochemical Oxygen Demand (BOD), and the total Suspended Solids (TSS):

- Low
- Medium
- High
- Restaurants

The strength data for each current customer class is based primarily on Los Angeles County Sanitation District (LACSD) data reported in its Revenue Program (with a few exceptions based on the District's understanding of its customer characteristics). For example, restaurants are assumed to have the same strength as residential given the strict regulations of Fats, Oils and Grease (FOG) program for restaurants within the District's service area.

The District may require from any prospective commercial customer, and prior to commencement of service to that customer, a statement as to the quantity and quality of sewage to be discharged into its system. At the option of the District the statement will be used to any degree in determining the category of service and the charge for service to be charged to the customer. In the event there is a difference between the basis for the O&M Charge determined by the District and that received from the prospective customer, the District shall make the final determination.

3. NON-RESIDENTIAL CUSTOMER WASTEWATER FLOW DETERMINATION

Commercial, Industrial, Public Authority and Homeowner Association Recreational Facility wastewater customers are billed for the Sewer Capital Replacement & Refurbishment Charge and the Sewer Operations & Maintenance Charge based on the adopted rate in \$/CCF described in Section 7040 of the District's Administrative Code for the applicable customer classification and the amount of sewage discharged to the system.

The amount of sewage discharged shall be defined and determined in accordance with one of the following methods:

Method 1:

The volume of sewage returning to the District's Water Recycling Plant shall be based upon the quantity of domestic water delivered to the site through a metered water service line.

Method 2:

This method shall be used only where water delivered to a customer may be used for purposes other than domestic or commercial applications and where an undetermined amount of water may not return to the sewer system.

Example: A single meter used for irrigation as well as commercial use.

In such cases a Return Factor as determined by the General Manager shall be applied to the quantity of water delivered through the customer's water meter before applying the appropriate rate for service.

Example: A Medium Strength commercial customer uses 10 ccf for domestic and irrigation purposes. The General Manager determined a Return Factor of 50%.

The customer's Sewer O&M charge is calculated as follows:

$$\underline{10 \text{ ccf} \times 0.50 \text{ factor} \times \$6.14 \text{ per ccf} = \$30.70}$$

The customer's Sewer Capital Replacement & Refurbishment charge is calculated as follows:

$$\underline{10 \text{ ccf} \times 0.50 \text{ factor} \times \$2.53 \text{ per ccf} = \$12.65}$$

Upon approval by the General Manager a modified Return Factor may be applied to the quantity of water delivered through the customer's water meter before applying the appropriate rate for service to accommodate the impact of a verified water leak downstream of the water meter.

2.4. SEWER CAPITAL REPLACEMENT AND REFURBISHMENT (R&R) CHARGE

A. The Capital R&R Charge to Commercial, Industrial, Public authority and Homeowner Association Recreational Facility customers shall be based on the amount of sewage discharged into the system and the customer classification described in Section 2 at the rates described in Section 7040 of the District's Administrative Code. ~~is billed based on a flow charge which is determined by a combination of the quantity of domestic water delivered~~

~~to the customer combined with the classification of the customer's sewage discharge into Low, Medium, High and Restaurant categories.~~

~~A.B. The minimum Capital R&R Charge shall be at least the amount equal to the minimum flat rate Capital R&R Charge for a single family residential customer as set forth in Section 7040 of the District's Administrative Code.~~

3.5. SEWER OPERATIONS & MAINTENANCE (O&M) CHARGES

A. The O&M charge to ~~commercial~~Commercial, ~~industrial~~Industrial, ~~public~~Public authority and Homeowner Association Recreational ~~facility~~Facility customers shall be based on the amount of sewage discharged into the system and the ~~strength of the sewage based on the Biochemical Oxygen Demand (BOD), and the total Suspended Solids (TSS)~~customer classification described in Section 2 at the rates described in Section 7040 of the District's Administrative Code.

B. The minimum O&M charge shall be at least the amount equal to the minimum flat rate O&M charge for a single family residential customer as set forth in Section 7040 of the District's Administrative Code.

~~C. The amount of sewage discharged shall be defined and determined in accordance with one of the following methods:~~

Method 1:

~~Customer Accounts shall be classified according to the nature of the business activity conducted at the site. Each customer will be assigned to one of four categories of flow strength, Low, Medium, High and Restaurant. These categories are based on the BOD and TSS characteristics of the activity occurring at the customer's site.~~

~~The volume of sewage returning to the District's Water Recycling Plant shall be based upon the quantity of domestic water delivered to the site through a metered water service line.~~

~~The basic rate for sewer service shall apply where sewage discharge is equivalent in strength to ordinary domestic sewage. For the purpose of these rules, ordinary domestic sewage shall be defined as sewage continually having a suspended solids concentration not exceeding 300 ppm, a five-day BOD of not more than 300 ppm, and having no unusual concentration of chemicals and minerals which would have an adverse effect on the District's sewage system.~~

~~(a) The District may require from any prospective commercial customer, and prior to commencement of service to that customer, a statement as to the quantity and quality of sewage to be discharged into its system. At the option of the District the~~

~~statement will be used to any degree in determining the category of service and the charge for service to be charged to the customer. In the event there is a difference between the basis for the O&M Charge determined by the District and that received from the prospective customer, the District shall make the final determination.~~

Method 2:

~~This method shall be used only where water delivered to a customer may be used for purposes other than domestic or commercial applications and where an undetermined amount of water may not return to the sewer system.~~

~~Example: A single meter used for irrigation as well as commercial use.~~

~~In such cases a Return Factor as determined by the General Manager shall be applied to the quantity of water delivered through the customer's water meter before applying the appropriate rate for service.~~

~~Example: A medium strength commercial customer uses 10 ccf for domestic and irrigation purposes. The General Manager determined a return rate factor of 90%. The customer's sewer O&M charge is calculated as follows:~~

$$\text{————— } 10 \text{ ccf} \times .90 \text{ factor} \times \$5.94 \text{ per ccf} = \$53.46$$

~~Upon approval by the General Manager a modified return factor may be applied to the quantity of water delivered through the customer's water meter before applying the appropriate rate for service to accommodate the impact of a verified water leak downstream of the water meter.~~

4.6. APPEALS PROCESS FOR CLASSIFICATION INTO A FLOW STRENGTH CATEGORY

In the event a customer believes their account has been misclassified into a Low, Medium, High, or Restaurant flow strength category, the customer may appeal the District's classification.

- A. Appeals will only be allowed for purposes of determining proper flow strength classification.
- B. All appeals must be in writing and in a form acceptable to the District. Appeals are limited to one per 12-month period.
- C. Written appeals will be evaluated and acted upon by District Staff.
- D. At the District's option, the customer may be required to demonstrate (by sampling) that the strength of their actual discharge (BOD and TSS)

consistently meets the requirements of a classification other than the one determined by the District, using District approved sampling methods.

- E. If sampling is required all tests must be performed by the District or by a District approved contractor / consultant / lab.
- F. The cost associated with testing will be the responsibility of the customer. In the event the customer demonstrates to the District's satisfaction that it has been misclassified, then the District will reimburse the customer for the cost associated with the testing which allowed that conclusion.
- G. Customers may, at their cost, request re-testing at any time. All test results will be averaged and evaluated accordingly.
- H. Based on the results of sampling, if required, the customer will be classified in the commercial flow strength classification, which is closest to the sample results. This may result in an increase or decrease in rates.
- I. Classification changes will become effective upon determination by the District that the classification change is warranted. Classification changes will not be applied retroactively.
- J. Neither rates nor flow strength classifications will be changed more than once in a ~~12-month~~ 12-month period.
- K. Staff classification determinations may be appealed to the Board or a committee of the Board of Directors, whose decision will be final.

5.7. DISCHARGE OF WASTE BRINE SOLUTION FROM WATER SOFTENERS

The District currently encourages its customers to voluntarily not use or install self-generating water softeners and conditioning appliances because these items discharge brine solution waste to the District's sewer system.

In the future, the District may adopt an ordinance prohibiting the use and installation of self-generating water softeners in accordance with applicable statutes. See Section 11686 of the Health and Safety Code of the State of California.

R 93-6-2 Effective 07/01/93; R 94-6-2 Effective 07/01/94; R 96-6-3 Effective 06/20/96;
R 98-6-2 Effective 07/01/98; R 98-11-1 Effective 11/18/98; R 99-2-4 Effective 02/17/99;
R 03-9-1 Effective 10/01/03; R 05-6-2 Effective 07/01/05; R 09-6-2 Effective 07/01/09;
R 22-7-2 Effective 08/01/22; R 23-7-2 Effective 08/01/23; R 24-6-2 Effective 07/01/24;
R 25-6-1 Effective 07/01/25; R 26-6-1 Effective 07/01/26

§7060

RECYCLED WATER SALES AND SERVICE

1. RECYCLED WATER USAGE RATES

Effective July 1, ~~2025~~2026, the Recycled Water Usage Rate will be ~~\$3.593.82~~ / CCF.

2. RECYCLED WATER OPERATIONS & MAINTENANCE (O&M) CHARGE

Effective July 1, ~~2025~~2026, the Recycled Water O&M Charges are as follows:

	<u>Per Meter Per Month</u>
5/8 inch meter	\$21.18 <u>23.21</u>
3/4 inch meter	\$28.98 <u>31.81</u>
1 inch meter	\$44.58 <u>49.01</u>
1 ½ inch meter	\$83.57 <u>92.02</u>
2 inch meter	\$161.55 <u>178.04</u>
10 inch meter	\$1,595.00 <u>1,758.85</u>

**3. CAPITAL REPLACEMENT AND REFURBISHMENT (R&R) CHARGE –
RECYCLED WATER**

Effective July 1, ~~2025~~2026, the Capital R&R Charges – Recycled Water are as follows:

	<u>Per Meter Per Month</u>
5/8 inch meter	\$8.69 <u>10.85</u>
3/4 inch meter	\$13.02 <u>16.28</u>
1 inch meter	\$21.69 <u>27.12</u>
1 ½ inch meter	\$43.38 <u>54.24</u>
2 inch meter	\$86.75 <u>108.48</u>
10 inch meter	\$1,000.00 <u>1,105.26</u>

4. The Recycled Water O&M Charge and the Capital R&R Charge are applicable to all active general metered Recycled Water service, which is added to the charge for Recycled Water used during the month computed at the Recycled Water Usage Rate.

R 17-6-1 Effective 07/01/17; R 18-6-1 Effective 07/01/18; R 19-6-1 Effective 07/01/19;
R 20-9-1 Effective 10/01/20; R 21-6-1 Effective 07/01/21; R 22-7-2 Effective 08/01/22;
R 23-7-2 Effective 08/01/23; R 24-6-2 Effective 07/01/24; R 25-6-1 Effective 07/01/25;
R 26-6-1 Effective 07/01/26;

PRIVATE FIRE PROTECTION SERVICE

1. APPLICABILITY

Applicable to water service rendered for privately owned fire protection systems other than to fire hydrants on private property.

Effective July 1, ~~2025~~2026, the Private Fire Operations and Maintenance Charges will be:

<u>Meter Size</u>	<u>Charge \$/Month</u>
4"	\$19.82 <u>10.89</u>
6"	\$27.84 <u>20.18</u>
8"	\$41.67 <u>36.22</u>
10"	\$62.48 <u>60.34</u>

2. SPECIAL CONDITIONS

- A. The fire protection service connection will be installed at the expense of the applicant.
- B. The minimum diameter for fire protection service will be four inches, and the maximum diameter will not be more than the diameter of the main to which the service is connected.
- C. If a distribution main of adequate size to serve a private fire protection system, in addition to all other normal services, does not exist in the street or alley adjacent to the premises to be served, then a service main from the nearest existing main of adequate capacity will be installed at the expense of the applicant.
- D. The customer's installation must be such as to effectively separate the fire protection system from that of the customer's regular water service.
- E. As part of the Fire Protection Service installation, there shall be a double check detector check assembly or other similar device acceptable to the District, which will indicate that flow of water has occurred through the assembly. Water deliveries to the privately owned fire protection system shall be utilized strictly for fire protection purposes. Unauthorized uses include, but are not limited to construction, domestic, and landscape uses and water flow resulting from pipeline failures within the private fire protection system. Any unauthorized uses will be charged pursuant to the rates contained in Section 7030 of the District's Administrative Code, and/or may be grounds for the District to discontinue the Fire Protection Service without liability to the District.

- F. There shall be no cross connection between the Fire Protection System supplied with water through the District's Fire Protection Service to any other source of supply without the specific approval of the District. This specific approval will require, at the customer's expense, a special double check valve installation or other device acceptable to the District. Any such unauthorized cross connection may be grounds for immediate disconnection of the Fire Protection Service without liability to the District.

R 03-9-1 Effective 10/01/03; R 16-6-2 Effective 07/01/16; R 18-6-1 Effective 07/01/18;
R 21-6-1 Effective 07/01/21; R 22-7-2 Effective 08/01/22; R 23-7-2 Effective 08/01/23;
R 24-6-2 Effective 07/01/24; R 25-6-1 Effective 07/01/25; R 26-6-1 Effective 07/01/26;

ADMINISTRATIVE CODE SECTIONS

CLEAN VERSIONS

GENERAL METERED POTABLE WATER SERVICE

1. WATER USAGE CHARGE

Applicable to all residential and potable irrigation metered water service.

Water use is charged on a Water-Budget Based Tiered Rate Structure. A per meter, customer specific water budget is calculated to meet the efficient demands of indoor domestic use as well as outdoor irrigation under normal operating and water supply conditions. Under Emergencies and Water Supply Shortage conditions indoor and/or outdoor water budgets maybe adjusted using the Drought Factor (“DF”) to reduce water budgets to further encourage conservation. The water budget is the sum of the indoor and outdoor water budgets.

Water usage is billed in billing units of one hundred cubic feet (CCF) which is equivalent to 748 gallons. Water Budgets are based on the following.

A. Indoor Water Budget

The Indoor Water Budget in CCF is calculated as follows:

$$55 \text{ gallons / person / day} * \text{number of occupants} * \text{number of days in the billing cycle} * DF_{\text{indoor}} / 748 \text{ gallons per billing unit (CCF)}$$

Occupancy is assumed as follows. Occupancy adjustments will be made where warranted.

- | | |
|--|----------|
| 1. Detached Home - Unrestricted
(Single Family Residence) | 4 people |
| 2. Attached Home - Unrestricted
(Condominium / Townhome / Mobile Home Estate) | 3 people |
| 3. Apartment | 2 people |
| 4. Detached Home - Restricted | 2 people |
| 5. Attached Home - Restricted | 2 people |

Restricted residences are defined as residences in residential communities limited to residents with a minimum age requirement of 55 years.

The calculation of the Indoor budget is subject to a Drought Factor as determined by the Board. The current Drought Factor is 100%.

B. Outdoor Water Budget

The Outdoor Water Budget in CCF is calculated as follows:

$$\text{Landscape Area} * \text{Weather Factor} * \text{ET Adjustment Factor (ETAF)} * DF_{\text{outdoor}} / 1200 \text{ (conversion factor to CCF billing unit)}$$

The calculation of the Outdoor budget is subject to a Drought Factor as determined by the Board. The current Drought Factor is 100%.

Weather Factor (ETo)

The weather factor is measured by the reference EvapoTranspiration (ETo) data in inches of water per billing cycle. ETo data is obtained from California Irrigation Management Information System (CIMIS) Station 75 established by State of California Department of Water Resources, Office of Water Use Efficiency.

Landscape Area

The landscape area for multi-family accounts including apartments, condominiums and mobile home estates is 25 square feet of landscape per dwelling unit plus any dedicated landscape area associated with the account.

The landscape area for single family detached homes is calculated by taking the building area and dividing it by the number of floors and subtracting that from the parcel area. The result is then multiplied by 70 percent to obtain the landscape area as follows:

$$\text{Landscape area} = (\text{lot size} - (\text{building area} / \text{number of floors})) * 70\%$$

ET Adjustment Factor (ETAF)

ETAF is a coefficient that adjusts the ETo values based on type of plants and irrigation system efficiency.

The updated Model Water Efficient Landscape Ordinance developed by the California Department of Water Resources (State of California Code of Regulations, Title 23, Section 490-495) requires ET Adjustment Factors as follows:

- Any landscape installed or rehabilitated prior to January 1, 2010 has an ETAF of 0.8.
- Any landscape installed or rehabilitated between January 1, 2010 and January 1, 2019 has an ETAF of 0.7.
- Any landscape installed or rehabilitated after January 1, 2019 has an ETAF of 0.55.

The Model Water Efficient Landscape Ordinance requires an ETAF of 0.45 be applied to non-residential landscape areas installed or rehabilitated after January 1, 2025.

C. Potable Irrigation Customers

Potable Irrigation Customers are served by dedicated irrigation meters and are classified as either Recreational or Non-Functional.

Recreational irrigation customers are those whose landscape is used mostly for recreational purposes (i.e. parks, soccer fields, etc.). The Model Water Efficient Landscape Ordinance refers to these uses as “Special Landscape Areas”.

Non-Functional irrigation customers will be those whose landscape is ornamental in nature (greenbelts, medians, etc.).

All of an irrigation customer’s Water Budget will be at Tier II (“Outdoor Efficient”).

The irrigation water budget for dedicated irrigation customers in CCF is calculated as follows:

$$\text{Landscape Area} * \text{Weather Factor} * \text{ET Adjustment Factor} * \text{DF}_{\text{outdoor}}/1200$$

The weather factor is described above in Paragraph 1.B. Landscape area is assumed to be the lesser of 100% of the total parcel area or 100% of the measured landscape irrigable area served by each meter.

The ETAF is equal to 1.0 for Recreational irrigation customers referred to as Special Landscape Areas in the updated Model Water Efficient Landscape Ordinance.

The ET Adjustment Factor for Non-Functional irrigation is specified by the Model Water Efficient Landscape Ordinance as follows:

- Any landscape installed or rehabilitated prior to January 1, 2010 has an ETAF of 0.8.
- Any landscape installed or rehabilitated between January 1, 2010 and January 1, 2019 has an ETAF of 0.7.
- Any landscape installed or rehabilitated after January 1, 2019 has an ETAF of 0.55.

The Model Water Efficient Landscape Ordinance requires an ETAF of 0.45 be applied to non-residential landscape areas installed or rehabilitated after January 1, 2025.

D. Budget Based Tiers

The Indoor water budget, as determined above, will be billed at Tier I (“Indoor – Efficient”) rates. The Outdoor Water Budget, as determined above, will be billed at Tier II (“Outdoor – Efficient”) rates. Water use more than the sum of the Tier I and Tier II water budgets is deemed inefficient and/or excessive. Tier III (“Inefficient”) water use is defined as usage between 100% and 130% of the total sum of the Tier I and Tier II water budgets and Tier IV (“Excessive”) usage is defined as consumption greater than Tier III.

E. Potable Water Usage Rates

Effective July 1, 2026, Potable Water Usage Rates will be:

Tier I – Indoor – Efficient	\$3.87 / CCF
Tier II – Outdoor – Efficient	\$4.24 / CCF
Tier III – Inefficient	\$8.09 / CCF
Tier IV – Excessive	\$10.22 / CCF

2. WATER BUDGET – VARIANCE / ADJUSTMENT PROCESS

A. Adjustments

Individual water budgets are primarily based on permanent residency (occupancy) and landscape irrigation area in square feet. Customers may request a variance/adjustment to provide an equitable water budget for special circumstances such as, more people living in the home than the formula provides, medical needs, water leaks, establishing new landscaping, changes in irrigation landscape area, etc. Under Emergencies and Water Supply Shortage conditions, variances/adjustments may be limited.

B. Occupancy

In general, residency is assumed as follows

1. Detached Home - Unrestricted
(Single Family Residence) 4 people
2. Attached Home - Unrestricted
(Condominium/Townhome/Mobile Home Estate) 3 people
3. Apartment 2 people
4. Detached Home - Restricted 2 people
5. Attached Home - Restricted 2 people

Restricted residences are defined as residences in residential communities limited to residents with a minimum age requirement of 55 years.

Customers who believe their permanent occupancy differs from the above may request an adjustment to their occupancy factor. All adjustment requests must be in writing on forms provided by the District and signed by the customer (Account Holder). The General Manager may require supporting documentation to support a claim for additional permanent occupants.

Requests for additional permanent occupants will be granted based on criteria established by the General Manager.

C. Landscape Irrigation Area

Each customer's landscape irrigation area was established based on the county of Orange Assessor's parcel data, on-line parcel information, customer representations and/or independent measurements.

Customers who believe their landscape irrigation area is incorrect may request an adjustment. All adjustment requests must be in writing on forms provided by the District and signed by the customer (Account Holder). The General Manager may require supporting documentation to support a claim for additional landscape irrigation area.

Requests for adjustments to landscape irrigation area will be granted based on criteria established by the General Manager.

D. Variances

Water budgets have been developed using industry standards to provide all customers with the appropriate amount of water given current hydrological conditions. If, for any reason, a customer believes that their water budget is inadequate due to extenuating circumstances they may request a temporary or permanent variance for additional water. All variance requests must be in writing on forms provided by the District and signed by the customer (Account Holder). The General Manager may require supporting documentation to support a claim for an increase in the water budget.

Requests for temporary or permanent variances will be granted based on criteria established by the General Manager.

E. General

All requests for variance/adjustments must be in writing and signed by the customer (Account Holder). The District reserves the right to request additional documentation in support of the request. Approved variances/adjustments will become effective at the beginning of the billing period after approval and will remain active for a period of 24 months, at which time the customer will be required to re-confirm the circumstances surrounding the original request.

The General Manager must act upon any completed application no later than ten (10) days after submittal and may approve, conditionally approve, or deny the request for variance/adjustment. The customer requesting the variance/adjustment must be promptly notified in writing of any action taken. The decision of the General Manager will be final.

3. COMMERCIAL POTABLE WATER USAGE CHARGE

Applicable to all commercial, institutional and industrial (CII) metered water service.

Effective July 1, 2026, the uniform CII Potable Water Usage Rate will be \$4.44 / CCF.

4. WATER OPERATIONS & MAINTENANCE (O&M) CHARGE

Effective July 1, 2026, the Water O&M Charges are as follows:

	<u>Per Meter Per Month</u>
5/8 inch meter	\$23.21
3/4 inch meter	\$31.81
1 inch meter	\$49.01
1 ½ inch meter	\$92.02
2 inch meter	\$178.04
10 inch meter	\$1,758.85

5. CAPITAL REPLACEMENT AND REFURBISHMENT (R&R) CHARGE – WATER

Effective July 1, 2026, the Capital R&R Charges - Water are as follows:

	<u>Per Meter Per Month</u>
5/8 meter	\$10.85
3/4 inch meter	\$16.28
1 inch meter	\$27.12
1 ½ inch meter	\$54.24
2 inch meter	\$108.48
10 inch meter	\$1,105.26

6. The Water O&M Charge and the Capital R&R Charge are applicable to all active general metered water service, which is added to the charge for water used during the month computed at the Water Usage Charge.

7. **SPECIAL PROVISIONS**

A. Life Line Rate Assistance Program

Customers providing the District with satisfactory evidence of having a household income of 150% of the Federal Poverty Level or less per calendar year may qualify for the Life Line Rate Assistance program. The Life Line Rate Assistance Program provides a waiver for the Water O&M Charge for qualified customers. In order to qualify, a customer must submit the "Application and Statement of Eligibility for El Toro Water District Life Line Rate Assistance Program" available on the District website.

An approved application is valid for three years from the date of acceptance and is not automatically transferred or renewed.

The waiver will apply only to the customer's primary residence.

Proof of eligibility may be required.

B. Non-Registering Meters

The District may bill the customer for water consumed while the meter was non-registering. Billing will be based upon an estimate of the consumption according to the customer's prior use during the same season of the year, or upon an estimate based upon a reasonable comparison with the use of other customers during the same period receiving the same class of service under similar circumstances and conditions. Billing estimation will not exceed two consecutive billings.

R 15-7-1 Effective 08/01/15; R 16-6-2 Effective 07/01/16; R 17-6-1 Effective 07/01/17;
R 18-6-1 Effective 07/01/18; R 19-6-1 Effective 07/01/19; R 20-1-2 Effective 01/21/20;
R 20-9-1 Effective 10/01/20; R 21-6-1 Effective 07/01/21; R 22-7-2 Effective 08/01/22;
R 23-7-2 Effective 08/01/23; R 24-6-2 Effective 07/01/24; R 25-6-1 Effective 07/01/25;
R 26-6-1 Effective 07/01/26;

§7040 GENERAL SEWER SERVICE

1. APPLICABILITY

Applicable to General Sewer Service.

2. SEWER OPERATIONS & MAINTENANCE (O&M) CHARGE/RATES

Effective July 1, 2026, the sewer O&M Rates are as follows:

<u>User Category</u>	<u>User Rate</u>	<u>Billing Unit</u>
Single Family Residential	\$42.07	\$/Month
Restricted	\$19.99	\$/Month
Multi-Family Unrestricted	\$30.75	\$/Month
Low Strength Commercial	\$4.73	\$/CCF
Medium Strength Commercial	\$6.14	\$/CCF
High Strength Commercial	\$8.49	\$/CCF
Restaurants	\$5.92	\$/CCF

Restricted residences are defined as residences in residential communities limited to residents with a minimum age requirement of 55 years.

3. CAPITAL REPLACEMENT AND REFURBISHMENT (R&R) CHARGE – SEWER

Effective July 1, 2026, the Capital R&R - Sewer Charges are as follows:

<u>User Category</u>	<u>User Rate</u>	<u>Billing Unit</u>
Single Family Residential	\$17.32	\$/Month
Restricted	\$8.23	\$/Month
Multi-Family Unrestricted	\$12.66	\$/Month
Commercial:		
Low Strength Commercial	\$1.95	\$/CCF
Medium Strength Commercial	\$2.53	\$/CCF
High Strength Commercial	\$3.50	\$/CCF
Restaurants	\$2.44	\$/CCF

Restricted residences are defined as residences in residential communities limited to residents with a minimum age requirement of 55 years.

4. Associations, Apartments, Condominiums, and other Multiple Residences

When more than one residential dwelling unit is connected to the system by single service connections (meter), the rates per residential dwelling unit, as set forth above, shall be due and payable for each and every living or dwelling unit connected to the system.

Restricted Residences are residences within developments, which shall, pursuant to recorded restrictions or leases, be limited to residents with a minimum age requirement of 55 years.

Unrestricted Residences are all residences other than Restricted Residences.

R 11-6-3 Effective 07/01/11; R 12-6-3 Effective 07/01/12; R 13-6-2 Effective 07/01/13;
R 14-6-2 Effective 07/01/14; R 15-7-1 Effective 08/01/15; R 16-6-2 Effective 07/01/16;
R 17-6-1 Effective 07/01/17; R 18-6-1 Effective 07/01/18; R 21-6-1 Effective 07/01/21;
R 22-7-2 Effective 08/01/22; R 23-7-2 Effective 08/01/23; R 24-6-2 Effective 07/01/24;
R 25-6-1 Effective 07/01/25; R 26-6-1 Effective 07/01/26;

§7050

**COMMERCIAL, INDUSTRIAL, PUBLIC AUTHORITY AND
HOMEOWNER ASSOCIATION RECREATIONAL SEWER SERVICE**

1. APPLICABILITY

This Rate shall apply to Commercial, Industrial and Public Authority sewer service inclusive of Recreational Facilities owned by Homeowners' Associations requiring sanitary sewer services (hereinafter referred to as "Customer(s)").

2. NON-RESIDENTIAL WASTEWATER CUSTOMER CLASSIFICATION

The District classifies Commercial, Industrial, Public Authority and Homeowner Association Recreational Facility wastewater customers into the following four groups based on their estimated strength of the wastewater discharged into the District's system based on the Biochemical Oxygen Demand (BOD), and the total Suspended Solids (TSS):

- Low
- Medium
- High
- Restaurants

The strength data for each current customer class is based primarily on Los Angeles County Sanitation District (LACSD) data reported in its Revenue Program (with a few exceptions based on the District's understanding of its customer characteristics). For example, restaurants are assumed to have the same strength as residential given the strict regulations of Fats, Oils and Grease (FOG) program for restaurants within the District's service area.

The District may require from any prospective commercial customer, and prior to commencement of service to that customer, a statement as to the quantity and quality of sewage to be discharged into its system. At the option of the District the statement will be used to any degree in determining the category of service and the charge for service to be charged to the customer. In the event there is a difference between the basis for the O&M Charge determined by the District and that received from the prospective customer, the District shall make the final determination.

3. NON-RESIDENTIAL CUSTOMER WASTEWATER FLOW DETERMINATION

Commercial, Industrial, Public Authority and Homeowner Association Recreational Facility wastewater customers are billed for the Sewer Capital Replacement & Refurbishment Charge and the Sewer Operations & Maintenance Charge based on the adopted rate in \$/CCF described in Section 7040 of the District's Administrative Code for the applicable customer classification and the amount of sewage discharged to the system.

The amount of sewage discharged shall be defined and determined in accordance with one of the following methods:

Method 1:

The volume of sewage returning to the District's Water Recycling Plant shall be based upon the quantity of domestic water delivered to the site through a metered water service line.

Method 2:

This method shall be used only where water delivered to a customer may be used for purposes other than domestic or commercial applications and where an undetermined amount of water may not return to the sewer system.

Example: A single meter used for irrigation as well as commercial use.

In such cases a Return Factor as determined by the General Manager shall be applied to the quantity of water delivered through the customer's water meter before applying the appropriate rate for service.

Example: A Medium Strength commercial customer uses 10 ccf for domestic and irrigation purposes. The General Manager determined a Return Factor of 50%.

The customer's Sewer O&M charge is calculated as follows:

$$10 \text{ ccf} \times 0.50 \text{ factor} \times \$6.14 \text{ per ccf} = \$30.70$$

The customer's Sewer Capital Replacement & Refurbishment charge is calculated as follows:

$$10 \text{ ccf} \times 0.50 \text{ factor} \times \$2.53 \text{ per ccf} = \$12.65$$

Upon approval by the General Manager a modified Return Factor may be applied to the quantity of water delivered through the customer's water meter before applying the appropriate rate for service to accommodate the impact of a verified water leak downstream of the water meter.

4. SEWER CAPITAL REPLACEMENT AND REFURBISHMENT (R&R) CHARGE

- A. The Capital R&R Charge to Commercial, Industrial, Public authority and Homeowner Association Recreational Facility customers shall be based on the amount of sewage discharged into the system and the customer classification described in Section 2 at the rates described in Section 7040 of the District's Administrative Code.

- B. The minimum Capital R&R Charge shall be at least the amount equal to the minimum flat rate Capital R&R Charge for a single family residential customer as set forth in Section 7040 of the District's Administrative Code.

5. SEWER OPERATIONS & MAINTENANCE (O&M) CHARGES

- A. The O&M charge to Commercial, Industrial, Public authority and Homeowner Association Recreational Facility customers shall be based on the amount of sewage discharged into the system and the customer classification described in Section 2 at the rates described in Section 7040 of the District's Administrative Code.
- B. The minimum O&M charge shall be at least the amount equal to the minimum flat rate O&M charge for a single family residential customer as set forth in Section 7040 of the District's Administrative Code.

6. APPEALS PROCESS FOR CLASSIFICATION INTO A FLOW STRENGTH CATEGORY

In the event a customer believes their account has been misclassified into a Low, Medium, High, or Restaurant flow strength category, the customer may appeal the District's classification.

- A. Appeals will only be allowed for purposes of determining proper flow strength classification.
- B. All appeals must be in writing and in a form acceptable to the District. Appeals are limited to one per 12-month period.
- C. Written appeals will be evaluated and acted upon by District Staff.
- D. At the District's option, the customer may be required to demonstrate (by sampling) that the strength of their actual discharge (BOD and TSS) consistently meets the requirements of a classification other than the one determined by the District, using District approved sampling methods.
- E. If sampling is required all tests must be performed by the District or by a District approved contractor / consultant / lab.
- F. The cost associated with testing will be the responsibility of the customer. In the event the customer demonstrates to the District's satisfaction that it has been misclassified, then the District will reimburse the customer for the cost associated with the testing which allowed that conclusion.
- G. Customers may, at their cost, request re-testing at any time. All test results will be averaged and evaluated accordingly.

- H. Based on the results of sampling, if required, the customer will be classified in the commercial flow strength classification, which is closest to the sample results. This may result in an increase or decrease in rates.
- I. Classification changes will become effective upon determination by the District that the classification change is warranted. Classification changes will not be applied retroactively.
- J. Neither rates nor flow strength classifications will be changed more than once in a 12-month period.
- K. Staff classification determinations may be appealed to the Board or a committee of the Board of Directors, whose decision will be final.

7. DISCHARGE OF WASTE BRINE SOLUTION FROM WATER SOFTENERS

The District currently encourages its customers to voluntarily not use or install self-generating water softeners and conditioning appliances because these items discharge brine solution waste to the District's sewer system.

In the future, the District may adopt an ordinance prohibiting the use and installation of self-generating water softeners in accordance with applicable statutes. See Section 11686 of the Health and Safety Code of the State of California.

R 93-6-2 Effective 07/01/93; R 94-6-2 Effective 07/01/94; R 96-6-3 Effective 06/20/96;
R 98-6-2 Effective 07/01/98; R 98-11-1 Effective 11/18/98; R 99-2-4 Effective 02/17/99;
R 03-9-1 Effective 10/01/03; R 05-6-2 Effective 07/01/05; R 09-6-2 Effective 07/01/09;
R 22-7-2 Effective 08/01/22; R 23-7-2 Effective 08/01/23; R 24-6-2 Effective 07/01/24;
R 25-6-1 Effective 07/01/25; R 26-6-1 Effective 07/01/26

§7060

RECYCLED WATER SALES AND SERVICE

1. RECYCLED WATER USAGE RATES

Effective July 1, 2026, the Recycled Water Usage Rate will be \$3.82 / CCF.

2. RECYCLED WATER OPERATIONS & MAINTENANCE (O&M) CHARGE

Effective July 1, 2026, the Recycled Water O&M Charges are as follows:

	<u>Per Meter Per Month</u>
5/8 inch meter	\$23.21
3/4 inch meter	\$31.81
1 inch meter	\$49.01
1 ½ inch meter	\$92.02
2 inch meter	\$178.04
10 inch meter	\$1,758.85

**3. CAPITAL REPLACEMENT AND REFURBISHMENT (R&R) CHARGE –
RECYCLED WATER**

Effective July 1, 2026, the Capital R&R Charges – Recycled Water are as follows:

	<u>Per Meter Per Month</u>
5/8 inch meter	\$10.85
3/4 inch meter	\$16.28
1 inch meter	\$27.12
1 ½ inch meter	\$54.24
2 inch meter	\$108.48
10 inch meter	\$1,105.26

- 4.** The Recycled Water O&M Charge and the Capital R&R Charge are applicable to all active general metered Recycled Water service, which is added to the charge for Recycled Water used during the month computed at the Recycled Water Usage Rate.

R 12-6-3 Effective 07/01/12; R 13-6-2 Effective 07/01/13; R 14-3-1 Effective 03/27/14
R 14-6-2 Effective 07/01/14; R 15-7-1 Effective 08/01/15; R 16-6-2 Effective 07/01/16;
R 17-6-1 Effective 07/01/17; R 18-6-1 Effective 07/01/18; R 19-6-1 Effective 07/01/19;
R 20-9-1 Effective 10/01/20; R 21-6-1 Effective 07/01/21; R 22-7-2 Effective 08/01/22;
R 23-7-2 Effective 08/01/23; R 24-6-2 Effective 07/01/24; R 25-6-1 Effective 07/01/25;
R 26-6-1 Effective 07/01/26;

PRIVATE FIRE PROTECTION SERVICE

1. APPLICABILITY

Applicable to water service rendered for privately owned fire protection systems other than to fire hydrants on private property.

Effective July 1, 2026, the Private Fire Operations and Maintenance Charges will be:

<u>Meter Size</u>	<u>Charge \$/Month</u>
4"	\$10.89
6"	\$20.18
8"	\$36.22
10"	\$60.34

2. SPECIAL CONDITIONS

- A. The fire protection service connection will be installed at the expense of the applicant.
- B. The minimum diameter for fire protection service will be four inches, and the maximum diameter will not be more than the diameter of the main to which the service is connected.
- C. If a distribution main of adequate size to serve a private fire protection system, in addition to all other normal services, does not exist in the street or alley adjacent to the premises to be served, then a service main from the nearest existing main of adequate capacity will be installed at the expense of the applicant.
- D. The customer's installation must be such as to effectively separate the fire protection system from that of the customer's regular water service.
- E. As part of the Fire Protection Service installation, there shall be a double check detector check assembly or other similar device acceptable to the District, which will indicate that flow of water has occurred through the assembly. Water deliveries to the privately owned fire protection system shall be utilized strictly for fire protection purposes. Unauthorized uses include, but are not limited to construction, domestic, and landscape uses and water flow resulting from pipeline failures within the private fire protection system. Any unauthorized uses will be charged pursuant to the rates contained in Section 7030 of the District's Administrative Code, and/or may be grounds for the District to discontinue the Fire Protection Service without liability to the District.

- F. There shall be no cross connection between the Fire Protection System supplied with water through the District's Fire Protection Service to any other source of supply without the specific approval of the District. This specific approval will require, at the customer's expense, a special double check valve installation or other device acceptable to the District. Any such unauthorized cross connection may be grounds for immediate disconnection of the Fire Protection Service without liability to the District.

R 03-9-1 Effective 10/01/03; R 16-6-2 Effective 07/01/16; R 18-6-1 Effective 07/01/18;
R 21-6-1 Effective 07/01/21; R 22-7-2 Effective 08/01/22; R 23-7-2 Effective 08/01/23;
R 24-6-2 Effective 07/01/24; R 25-6-1 Effective 07/01/25; R 26-6-1 Effective 07/01/26;



STAFF REPORT

To: BOARD OF DIRECTORS **Meeting Date: June 11, 2026**

From: Dennis Cafferty, General Manager

Subject: Resolution 26-6-1
Adopting Amendments to the District's Administrative Code

At the June 11, 2026 Board meeting and Public Hearing, the Board will consider increases to the District's Water, Sewer and Recycled Water service rates and charges. The implementation of these rate increases is proposed to be accomplished, by resolution, through the modification of several Sections within the District's Administrative Code.

Changes are proposed to the following service rates and charges:

- Potable Tiered Water Usage Rate
- Potable Water Operations & Maintenance Charge
- Sewer Operations & Maintenance Charge
- Recycled Water Usage Rate
- Recycled Water Operations & Maintenance Charge
- Private Fire Operations & Maintenance Charge
- Potable Water Capital Replacement & Refurbishment Charge
- Sewer Capital Replacement & Refurbishment Charge
- Recycled Water Capital Replacement & Refurbishment Charge

The rate changes are proposed to be accomplished through updates to the following Sections of the District's Administrative Code.

- Section 7030 General Metered Potable Water Service
- Section 7040 General Sewer Service
- Section 7050 Commercial, Industrial, Public Authority and Homeowner Association Recreational Facility Sewer Service
- Section 7060 Recycled Water Sales and Service
- Section 7070 Private Fire Protection Service

Clean versions of the updated Administrative Code sections are attached as an exhibit to Resolution 26-6-1.

Recommended Action:

The Board of Directors will consider adopting Resolution No. 26-6-1 which Resolution 1) provides for an increase to certain water, sewer and recycled water service rates and charges, effective July 1, 2026, and 2) makes findings and a determination that the action taken in this Resolution is exempt from the requirements of the California Environmental Water Quality Act.

RESOLUTION NO. 26-6-1

RESOLUTION OF THE BOARD OF DIRECTORS
OF THE EL TORO WATER DISTRICT
APPROVING AMENDMENTS TO THE DISTRICT'S
ADMINISTRATIVE CODE WHICH AMENDMENTS
1) PROVIDE FOR AN INCREASE TO CERTAIN OF THE
DISTRICT'S WATER, SEWER & RECYCLED WATER
SERVICE RATES AND CHARGES
AND
2) MAKES FINDINGS AND DETERMINATIONS
THAT THE ACTION TAKEN IN THIS
RESOLUTION IS EXEMPT FROM THE
REQUIREMENTS OF THE CALIFORNIA
ENVIRONMENTAL QUALITY ACT (CEQA)

RESOLUTION NO. 26-6-1

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE EL TORO WATER DISTRICT
APPROVING AMENDMENTS TO THE DISTRICT'S
ADMINISTRATIVE CODE WHICH AMENDMENTS
1) PROVIDE FOR AN INCREASE TO CERTAIN OF THE
DISTRICT'S WATER, SEWER AND RECYCLED WATER
SERVICE RATES AND CHARGES
AND
2)MAKES FINDINGS AND DETERMINATIONS
THAT THE ACTION TAKEN IN THIS
RESOLUTION IS EXEMPT FROM THE
REQUIREMENTS OF THE CALIFORNIA
ENVIRONMENTAL QUALITY ACT (CEQA)
(PUBLIC HEARING – JUNE 11, 2026)**

WHEREAS, the Board of Directors of the El Toro Water District ("District") at a Special Board Meeting on April 9, 2026, by applicable minute orders (motions) (1) approved the 45 day Proposition 218 Notice which set forth proposed increases to certain rates and charges and (2) established for the required Public Hearing to consider adoption of the proposed increases to certain rates and charges; and

WHEREAS, the Board of Directors of the District at a Board Meeting on April 20, 2026, by applicable minute orders (motions) approved the Fiscal Year 2026/27 Operating Budget; and

WHEREAS, the Board of Directors of the District at a Board Meeting on April 20, 2026, by applicable minute orders (motions) approved the 2026 Water, Recycled Water, and Wastewater Rate Study report prepared by Raftelis; and

WHEREAS, the Board of Directors of the District has today held a public hearing pursuant to the procedural requirements of Proposition 218; and

WHEREAS, the purpose of today's hearing is to determine whether there is sufficient written protest to preclude the adoption of the proposed water, recycled water and wastewater rates and charges; and

WHEREAS, during today's public hearing, public comments were received and written protests were tabulated; and

WHEREAS, the Board of Directors has today carefully reviewed and considered the proposed increases to the Potable Tiered Water Usage Rates, the Recycled Water Usage Rate, the Water, Sewer, Recycled Water and Private Fire Operations and Maintenance Charges and the Water, Sewer and Recycled Water Capital Replacement and Refurbishment Charges.

NOW, THEREFORE BE IT RESOLVED, as follows:

1. RESOLVED, that the findings and determinations set forth in the 2026 Water, Recycled Water, and Wastewater Rate Study report prepared by Raftelis ("Rate Study") are hereby approved, ratified and confirmed. Said Rate Study is incorporated herein by this reference as though set forth in full and made a part of this Resolution; and

2. RESOLVED FURTHER, that there were not sufficient written protests so as to preclude the adoption of the proposed increases to certain water, wastewater and recycled water rates and charges as set forth and reflected in Sections 7030, 7040, 7050, 7060 and 7070 of the District Administrative Code, which are attached hereto marked Exhibit "A" and made a part of this Resolution; and

3. RESOLVED FURTHER, that the proposed amendment to the District's Administrative Code, and the proposed increases to certain water, wastewater and recycled water rates and charges as set forth and reflected in Sections 7030, 7040, 7050, 7060 and 7070 of said Administrative Code which are attached hereto marked Exhibit "A" and made a part of this Resolution, are hereby adopted effective July 1, 2026; and

4. RESOLVED FURTHER, that the action taken herein is exempt from the requirements of the California Environmental Quality Act (CEQA). Reference: Section 21080 of the Public Resources Code and Section 3.10 of the District's Local Guidelines for Implementation of CEQA.

ADOPTED, SIGNED AND APPROVED this 11th day of June 2026, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

KATHRYN FRESHLEY, President
El Toro Water District and of
the Board of Directors
thereof

ATTEST:

DENNIS P. CAFFERTY, Secretary
El Toro Water District and of
the Board of Directors thereof

EXHIBIT "A"

GENERAL METERED POTABLE WATER SERVICE

1. WATER USAGE CHARGE

Applicable to all residential and potable irrigation metered water service.

Water use is charged on a Water-Budget Based Tiered Rate Structure. A per meter, customer specific water budget is calculated to meet the efficient demands of indoor domestic use as well as outdoor irrigation under normal operating and water supply conditions. Under Emergencies and Water Supply Shortage conditions indoor and/or outdoor water budgets maybe adjusted using the Drought Factor (“DF”) to reduce water budgets to further encourage conservation. The water budget is the sum of the indoor and outdoor water budgets.

Water usage is billed in billing units of one hundred cubic feet (CCF) which is equivalent to 748 gallons. Water Budgets are based on the following.

A. Indoor Water Budget

The Indoor Water Budget in CCF is calculated as follows:

$$55 \text{ gallons / person / day} * \text{number of occupants} * \text{number of days in the billing cycle} * DF_{\text{indoor}} / 748 \text{ gallons per billing unit (CCF)}$$

Occupancy is assumed as follows. Occupancy adjustments will be made where warranted.

- | | |
|--|----------|
| 1. Detached Home - Unrestricted
(Single Family Residence) | 4 people |
| 2. Attached Home - Unrestricted
(Condominium / Townhome / Mobile Home Estate) | 3 people |
| 3. Apartment | 2 people |
| 4. Detached Home - Restricted | 2 people |
| 5. Attached Home - Restricted | 2 people |

Restricted residences are defined as residences in residential communities limited to residents with a minimum age requirement of 55 years.

The calculation of the Indoor budget is subject to a Drought Factor as determined by the Board. The current Drought Factor is 100%.

B. Outdoor Water Budget

The Outdoor Water Budget in CCF is calculated as follows:

$$\text{Landscape Area} * \text{Weather Factor} * \text{ET Adjustment Factor (ETAF)} * DF_{\text{outdoor}} / 1200 \text{ (conversion factor to CCF billing unit)}$$

The calculation of the Outdoor budget is subject to a Drought Factor as determined by the Board. The current Drought Factor is 100%.

Weather Factor (ETo)

The weather factor is measured by the reference EvapoTranspiration (ETo) data in inches of water per billing cycle. ETo data is obtained from California Irrigation Management Information System (CIMIS) Station 75 established by State of California Department of Water Resources, Office of Water Use Efficiency.

Landscape Area

The landscape area for multi-family accounts including apartments, condominiums and mobile home estates is 25 square feet of landscape per dwelling unit plus any dedicated landscape area associated with the account.

The landscape area for single family detached homes is calculated by taking the building area and dividing it by the number of floors and subtracting that from the parcel area. The result is then multiplied by 70 percent to obtain the landscape area as follows:

$$\text{Landscape area} = (\text{lot size} - (\text{building area} / \text{number of floors})) * 70\%$$

ET Adjustment Factor (ETAF)

ETAF is a coefficient that adjusts the ETo values based on type of plants and irrigation system efficiency.

The updated Model Water Efficient Landscape Ordinance developed by the California Department of Water Resources (State of California Code of Regulations, Title 23, Section 490-495) requires ET Adjustment Factors as follows:

- Any landscape installed or rehabilitated prior to January 1, 2010 has an ETAF of 0.8.
- Any landscape installed or rehabilitated between January 1, 2010 and January 1, 2019 has an ETAF of 0.7.
- Any landscape installed or rehabilitated after January 1, 2019 has an ETAF of 0.55.

The Model Water Efficient Landscape Ordinance requires an ETAF of 0.45 be applied to non-residential landscape areas installed or rehabilitated after January 1, 2025.

C. Potable Irrigation Customers

Potable Irrigation Customers are served by dedicated irrigation meters and are classified as either Recreational or Non-Functional.

Recreational irrigation customers are those whose landscape is used mostly for recreational purposes (i.e. parks, soccer fields, etc.). The Model Water Efficient Landscape Ordinance refers to these uses as “Special Landscape Areas”.

Non-Functional irrigation customers will be those whose landscape is ornamental in nature (greenbelts, medians, etc.).

All of an irrigation customer’s Water Budget will be at Tier II (“Outdoor Efficient”).

The irrigation water budget for dedicated irrigation customers in CCF is calculated as follows:

$$\text{Landscape Area} * \text{Weather Factor} * \text{ET Adjustment Factor} * \text{DF}_{\text{outdoor}}/1200$$

The weather factor is described above in Paragraph 1.B. Landscape area is assumed to be the lesser of 100% of the total parcel area or 100% of the measured landscape irrigable area served by each meter.

The ETAF is equal to 1.0 for Recreational irrigation customers referred to as Special Landscape Areas in the updated Model Water Efficient Landscape Ordinance.

The ET Adjustment Factor for Non-Functional irrigation is specified by the Model Water Efficient Landscape Ordinance as follows:

- Any landscape installed or rehabilitated prior to January 1, 2010 has an ETAF of 0.8.
- Any landscape installed or rehabilitated between January 1, 2010 and January 1, 2019 has an ETAF of 0.7.
- Any landscape installed or rehabilitated after January 1, 2019 has an ETAF of 0.55.

The Model Water Efficient Landscape Ordinance requires an ETAF of 0.45 be applied to non-residential landscape areas installed or rehabilitated after January 1, 2025.

D. Budget Based Tiers

The Indoor water budget, as determined above, will be billed at Tier I (“Indoor – Efficient”) rates. The Outdoor Water Budget, as determined above, will be billed at Tier II (“Outdoor – Efficient”) rates. Water use more than the sum of the Tier I and Tier II water budgets is deemed inefficient and/or excessive. Tier III (“Inefficient”) water use is defined as usage between 100% and 130% of the total sum of the Tier I and Tier II water budgets and Tier IV (“Excessive”) usage is defined as consumption greater than Tier III.

E. Potable Water Usage Rates

Effective July 1, 2026, Potable Water Usage Rates will be:

Tier I – Indoor – Efficient	\$3.87 / CCF
Tier II – Outdoor – Efficient	\$4.24 / CCF
Tier III – Inefficient	\$8.09 / CCF
Tier IV – Excessive	\$10.22 / CCF

2. WATER BUDGET – VARIANCE / ADJUSTMENT PROCESS

A. Adjustments

Individual water budgets are primarily based on permanent residency (occupancy) and landscape irrigation area in square feet. Customers may request a variance/adjustment to provide an equitable water budget for special circumstances such as, more people living in the home than the formula provides, medical needs, water leaks, establishing new landscaping, changes in irrigation landscape area, etc. Under Emergencies and Water Supply Shortage conditions, variances/adjustments may be limited.

B. Occupancy

In general, residency is assumed as follows

1. Detached Home - Unrestricted
(Single Family Residence) 4 people
2. Attached Home - Unrestricted
(Condominium/Townhome/Mobile Home Estate) 3 people
3. Apartment 2 people
4. Detached Home - Restricted 2 people
5. Attached Home - Restricted 2 people

Restricted residences are defined as residences in residential communities limited to residents with a minimum age requirement of 55 years.

Customers who believe their permanent occupancy differs from the above may request an adjustment to their occupancy factor. All adjustment requests must be in writing on forms provided by the District and signed by the customer (Account Holder). The General Manager may require supporting documentation to support a claim for additional permanent occupants.

Requests for additional permanent occupants will be granted based on criteria established by the General Manager.

C. Landscape Irrigation Area

Each customer's landscape irrigation area was established based on the county of Orange Assessor's parcel data, on-line parcel information, customer representations and/or independent measurements.

Customers who believe their landscape irrigation area is incorrect may request an adjustment. All adjustment requests must be in writing on forms provided by the District and signed by the customer (Account Holder). The General Manager may require supporting documentation to support a claim for additional landscape irrigation area.

Requests for adjustments to landscape irrigation area will be granted based on criteria established by the General Manager.

D. Variances

Water budgets have been developed using industry standards to provide all customers with the appropriate amount of water given current hydrological conditions. If, for any reason, a customer believes that their water budget is inadequate due to extenuating circumstances they may request a temporary or permanent variance for additional water. All variance requests must be in writing on forms provided by the District and signed by the customer (Account Holder). The General Manager may require supporting documentation to support a claim for an increase in the water budget.

Requests for temporary or permanent variances will be granted based on criteria established by the General Manager.

E. General

All requests for variance/adjustments must be in writing and signed by the customer (Account Holder). The District reserves the right to request additional documentation in support of the request. Approved variances/adjustments will become effective at the beginning of the billing period after approval and will remain active for a period of 24 months, at which time the customer will be required to re-confirm the circumstances surrounding the original request.

The General Manager must act upon any completed application no later than ten (10) days after submittal and may approve, conditionally approve, or deny the request for variance/adjustment. The customer requesting the variance/adjustment must be promptly notified in writing of any action taken. The decision of the General Manager will be final.

3. COMMERCIAL POTABLE WATER USAGE CHARGE

Applicable to all commercial, institutional and industrial (CII) metered water service.

Effective July 1, 2026, the uniform CII Potable Water Usage Rate will be \$4.44 / CCF.

4. WATER OPERATIONS & MAINTENANCE (O&M) CHARGE

Effective July 1, 2026, the Water O&M Charges are as follows:

	<u>Per Meter Per Month</u>
5/8 inch meter	\$23.21
3/4 inch meter	\$31.81
1 inch meter	\$49.01
1 ½ inch meter	\$92.02
2 inch meter	\$178.04
10 inch meter	\$1,758.85

5. CAPITAL REPLACEMENT AND REFURBISHMENT (R&R) CHARGE – WATER

Effective July 1, 2026, the Capital R&R Charges - Water are as follows:

	<u>Per Meter Per Month</u>
5/8 meter	\$10.85
3/4 inch meter	\$16.28
1 inch meter	\$27.12
1 ½ inch meter	\$54.24
2 inch meter	\$108.48
10 inch meter	\$1,105.26

6. The Water O&M Charge and the Capital R&R Charge are applicable to all active general metered water service, which is added to the charge for water used during the month computed at the Water Usage Charge.

7. **SPECIAL PROVISIONS**

A. Life Line Rate Assistance Program

Customers providing the District with satisfactory evidence of having a household income of 150% of the Federal Poverty Level or less per calendar year may qualify for the Life Line Rate Assistance program. The Life Line Rate Assistance Program provides a waiver for the Water O&M Charge for qualified customers. In order to qualify, a customer must submit the "Application and Statement of Eligibility for El Toro Water District Life Line Rate Assistance Program" available on the District website.

An approved application is valid for three years from the date of acceptance and is not automatically transferred or renewed.

The waiver will apply only to the customer's primary residence.

Proof of eligibility may be required.

B. Non-Registering Meters

The District may bill the customer for water consumed while the meter was non-registering. Billing will be based upon an estimate of the consumption according to the customer's prior use during the same season of the year, or upon an estimate based upon a reasonable comparison with the use of other customers during the same period receiving the same class of service under similar circumstances and conditions. Billing estimation will not exceed two consecutive billings.

R 15-7-1 Effective 08/01/15; R 16-6-2 Effective 07/01/16; R 17-6-1 Effective 07/01/17;
R 18-6-1 Effective 07/01/18; R 19-6-1 Effective 07/01/19; R 20-1-2 Effective 01/21/20;
R 20-9-1 Effective 10/01/20; R 21-6-1 Effective 07/01/21; R 22-7-2 Effective 08/01/22;
R 23-7-2 Effective 08/01/23; R 24-6-2 Effective 07/01/24; R 25-6-1 Effective 07/01/25;
R 26-6-1 Effective 07/01/26;

§7040 GENERAL SEWER SERVICE

1. APPLICABILITY

Applicable to General Sewer Service.

2. SEWER OPERATIONS & MAINTENANCE (O&M) CHARGE/RATES

Effective July 1, 2026, the sewer O&M Rates are as follows:

<u>User Category</u>	<u>User Rate</u>	<u>Billing Unit</u>
Single Family Residential	\$42.07	\$/Month
Restricted	\$19.99	\$/Month
Multi-Family Unrestricted	\$30.75	\$/Month
Low Strength Commercial	\$4.73	\$/CCF
Medium Strength Commercial	\$6.14	\$/CCF
High Strength Commercial	\$8.49	\$/CCF
Restaurants	\$5.92	\$/CCF

Restricted residences are defined as residences in residential communities limited to residents with a minimum age requirement of 55 years.

3. CAPITAL REPLACEMENT AND REFURBISHMENT (R&R) CHARGE – SEWER

Effective July 1, 2026, the Capital R&R - Sewer Charges are as follows:

<u>User Category</u>	<u>User Rate</u>	<u>Billing Unit</u>
Single Family Residential	\$17.32	\$/Month
Restricted	\$8.23	\$/Month
Multi-Family Unrestricted	\$12.66	\$/Month
Commercial:		
Low Strength Commercial	\$1.95	\$/CCF
Medium Strength Commercial	\$2.53	\$/CCF
High Strength Commercial	\$3.50	\$/CCF
Restaurants	\$2.44	\$/CCF

Restricted residences are defined as residences in residential communities limited to residents with a minimum age requirement of 55 years.

4. Associations, Apartments, Condominiums, and other Multiple Residences

When more than one residential dwelling unit is connected to the system by single service connections (meter), the rates per residential dwelling unit, as set forth above, shall be due and payable for each and every living or dwelling unit connected to the system.

Restricted Residences are residences within developments, which shall, pursuant to recorded restrictions or leases, be limited to residents with a minimum age requirement of 55 years.

Unrestricted Residences are all residences other than Restricted Residences.

R 11-6-3 Effective 07/01/11; R 12-6-3 Effective 07/01/12; R 13-6-2 Effective 07/01/13;
R 14-6-2 Effective 07/01/14; R 15-7-1 Effective 08/01/15; R 16-6-2 Effective 07/01/16;
R 17-6-1 Effective 07/01/17; R 18-6-1 Effective 07/01/18; R 21-6-1 Effective 07/01/21;
R 22-7-2 Effective 08/01/22; R 23-7-2 Effective 08/01/23; R 24-6-2 Effective 07/01/24;
R 25-6-1 Effective 07/01/25; R 26-6-1 Effective 07/01/26;

§7050

**COMMERCIAL, INDUSTRIAL, PUBLIC AUTHORITY AND
HOMEOWNER ASSOCIATION RECREATIONAL SEWER SERVICE**

1. APPLICABILITY

This Rate shall apply to Commercial, Industrial and Public Authority sewer service inclusive of Recreational Facilities owned by Homeowners' Associations requiring sanitary sewer services (hereinafter referred to as "Customer(s)").

2. NON-RESIDENTIAL WASTEWATER CUSTOMER CLASSIFICATION

The District classifies Commercial, Industrial, Public Authority and Homeowner Association Recreational Facility wastewater customers into the following four groups based on their estimated strength of the wastewater discharged into the District's system based on the Biochemical Oxygen Demand (BOD), and the total Suspended Solids (TSS):

- Low
- Medium
- High
- Restaurants

The strength data for each current customer class is based primarily on Los Angeles County Sanitation District (LACSD) data reported in its Revenue Program (with a few exceptions based on the District's understanding of its customer characteristics). For example, restaurants are assumed to have the same strength as residential given the strict regulations of Fats, Oils and Grease (FOG) program for restaurants within the District's service area.

The District may require from any prospective commercial customer, and prior to commencement of service to that customer, a statement as to the quantity and quality of sewage to be discharged into its system. At the option of the District the statement will be used to any degree in determining the category of service and the charge for service to be charged to the customer. In the event there is a difference between the basis for the O&M Charge determined by the District and that received from the prospective customer, the District shall make the final determination.

3. NON-RESIDENTIAL CUSTOMER WASTEWATER FLOW DETERMINATION

Commercial, Industrial, Public Authority and Homeowner Association Recreational Facility wastewater customers are billed for the Sewer Capital Replacement & Refurbishment Charge and the Sewer Operations & Maintenance Charge based on the adopted rate in \$/CCF described in Section 7040 of the District's Administrative Code for the applicable customer classification and the amount of sewage discharged to the system.

The amount of sewage discharged shall be defined and determined in accordance with one of the following methods:

Method 1:

The volume of sewage returning to the District's Water Recycling Plant shall be based upon the quantity of domestic water delivered to the site through a metered water service line.

Method 2:

This method shall be used only where water delivered to a customer may be used for purposes other than domestic or commercial applications and where an undetermined amount of water may not return to the sewer system.

Example: A single meter used for irrigation as well as commercial use.

In such cases a Return Factor as determined by the General Manager shall be applied to the quantity of water delivered through the customer's water meter before applying the appropriate rate for service.

Example: A Medium Strength commercial customer uses 10 ccf for domestic and irrigation purposes. The General Manager determined a Return Factor of 50%.

The customer's Sewer O&M charge is calculated as follows:

$$10 \text{ ccf} \times 0.50 \text{ factor} \times \$6.14 \text{ per ccf} = \$30.70$$

The customer's Sewer Capital Replacement & Refurbishment charge is calculated as follows:

$$10 \text{ ccf} \times 0.50 \text{ factor} \times \$2.53 \text{ per ccf} = \$12.65$$

Upon approval by the General Manager a modified Return Factor may be applied to the quantity of water delivered through the customer's water meter before applying the appropriate rate for service to accommodate the impact of a verified water leak downstream of the water meter.

4. SEWER CAPITAL REPLACEMENT AND REFURBISHMENT (R&R) CHARGE

- A. The Capital R&R Charge to Commercial, Industrial, Public authority and Homeowner Association Recreational Facility customers shall be based on the amount of sewage discharged into the system and the customer classification described in Section 2 at the rates described in Section 7040 of the District's Administrative Code.

- B. The minimum Capital R&R Charge shall be at least the amount equal to the minimum flat rate Capital R&R Charge for a single family residential customer as set forth in Section 7040 of the District's Administrative Code.

5. SEWER OPERATIONS & MAINTENANCE (O&M) CHARGES

- A. The O&M charge to Commercial, Industrial, Public authority and Homeowner Association Recreational Facility customers shall be based on the amount of sewage discharged into the system and the customer classification described in Section 2 at the rates described in Section 7040 of the District's Administrative Code.
- B. The minimum O&M charge shall be at least the amount equal to the minimum flat rate O&M charge for a single family residential customer as set forth in Section 7040 of the District's Administrative Code.

6. APPEALS PROCESS FOR CLASSIFICATION INTO A FLOW STRENGTH CATEGORY

In the event a customer believes their account has been misclassified into a Low, Medium, High, or Restaurant flow strength category, the customer may appeal the District's classification.

- A. Appeals will only be allowed for purposes of determining proper flow strength classification.
- B. All appeals must be in writing and in a form acceptable to the District. Appeals are limited to one per 12-month period.
- C. Written appeals will be evaluated and acted upon by District Staff.
- D. At the District's option, the customer may be required to demonstrate (by sampling) that the strength of their actual discharge (BOD and TSS) consistently meets the requirements of a classification other than the one determined by the District, using District approved sampling methods.
- E. If sampling is required all tests must be performed by the District or by a District approved contractor / consultant / lab.
- F. The cost associated with testing will be the responsibility of the customer. In the event the customer demonstrates to the District's satisfaction that it has been misclassified, then the District will reimburse the customer for the cost associated with the testing which allowed that conclusion.
- G. Customers may, at their cost, request re-testing at any time. All test results will be averaged and evaluated accordingly.

- H. Based on the results of sampling, if required, the customer will be classified in the commercial flow strength classification, which is closest to the sample results. This may result in an increase or decrease in rates.
- I. Classification changes will become effective upon determination by the District that the classification change is warranted. Classification changes will not be applied retroactively.
- J. Neither rates nor flow strength classifications will be changed more than once in a 12-month period.
- K. Staff classification determinations may be appealed to the Board or a committee of the Board of Directors, whose decision will be final.

7. DISCHARGE OF WASTE BRINE SOLUTION FROM WATER SOFTENERS

The District currently encourages its customers to voluntarily not use or install self-generating water softeners and conditioning appliances because these items discharge brine solution waste to the District's sewer system.

In the future, the District may adopt an ordinance prohibiting the use and installation of self-generating water softeners in accordance with applicable statutes. See Section 11686 of the Health and Safety Code of the State of California.

R 93-6-2 Effective 07/01/93; R 94-6-2 Effective 07/01/94; R 96-6-3 Effective 06/20/96;
R 98-6-2 Effective 07/01/98; R 98-11-1 Effective 11/18/98; R 99-2-4 Effective 02/17/99;
R 03-9-1 Effective 10/01/03; R 05-6-2 Effective 07/01/05; R 09-6-2 Effective 07/01/09;
R 22-7-2 Effective 08/01/22; R 23-7-2 Effective 08/01/23; R 24-6-2 Effective 07/01/24;
R 25-6-1 Effective 07/01/25; R 26-6-1 Effective 07/01/26

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RECYCLED WATER SALES AND SERVICE

1. RECYCLED WATER USAGE RATES

Effective July 1, 2026, the Recycled Water Usage Rate will be \$3.82 / CCF.

2. RECYCLED WATER OPERATIONS & MAINTENANCE (O&M) CHARGE

Effective July 1, 2026, the Recycled Water O&M Charges are as follows:

	<u>Per Meter Per Month</u>
5/8 inch meter	\$23.21
3/4 inch meter	\$31.81
1 inch meter	\$49.01
1 ½ inch meter	\$92.02
2 inch meter	\$178.04
10 inch meter	\$1,758.85

**3. CAPITAL REPLACEMENT AND REFURBISHMENT (R&R) CHARGE –
RECYCLED WATER**

Effective July 1, 2026, the Capital R&R Charges – Recycled Water are as follows:

	<u>Per Meter Per Month</u>
5/8 inch meter	\$10.85
3/4 inch meter	\$16.28
1 inch meter	\$27.12
1 ½ inch meter	\$54.24
2 inch meter	\$108.48
10 inch meter	\$1,105.26

4. The Recycled Water O&M Charge and the Capital R&R Charge are applicable to all active general metered Recycled Water service, which is added to the charge for Recycled Water used during the month computed at the Recycled Water Usage Rate.

R 12-6-3 Effective 07/01/12; R 13-6-2 Effective 07/01/13; R 14-3-1 Effective 03/27/14
R 14-6-2 Effective 07/01/14; R 15-7-1 Effective 08/01/15; R 16-6-2 Effective 07/01/16;
R 17-6-1 Effective 07/01/17; R 18-6-1 Effective 07/01/18; R 19-6-1 Effective 07/01/19;
R 20-9-1 Effective 10/01/20; R 21-6-1 Effective 07/01/21; R 22-7-2 Effective 08/01/22;
R 23-7-2 Effective 08/01/23; R 24-6-2 Effective 07/01/24; R 25-6-1 Effective 07/01/25;
R 26-6-1 Effective 07/01/26;

PRIVATE FIRE PROTECTION SERVICE

1. APPLICABILITY

Applicable to water service rendered for privately owned fire protection systems other than to fire hydrants on private property.

Effective July 1, 2026, the Private Fire Operations and Maintenance Charges will be:

<u>Meter Size</u>	<u>Charge \$/Month</u>
4"	\$10.89
6"	\$20.18
8"	\$36.22
10"	\$60.34

2. SPECIAL CONDITIONS

- A. The fire protection service connection will be installed at the expense of the applicant.
- B. The minimum diameter for fire protection service will be four inches, and the maximum diameter will not be more than the diameter of the main to which the service is connected.
- C. If a distribution main of adequate size to serve a private fire protection system, in addition to all other normal services, does not exist in the street or alley adjacent to the premises to be served, then a service main from the nearest existing main of adequate capacity will be installed at the expense of the applicant.
- D. The customer's installation must be such as to effectively separate the fire protection system from that of the customer's regular water service.
- E. As part of the Fire Protection Service installation, there shall be a double check detector check assembly or other similar device acceptable to the District, which will indicate that flow of water has occurred through the assembly. Water deliveries to the privately owned fire protection system shall be utilized strictly for fire protection purposes. Unauthorized uses include, but are not limited to construction, domestic, and landscape uses and water flow resulting from pipeline failures within the private fire protection system. Any unauthorized uses will be charged pursuant to the rates contained in Section 7030 of the District's Administrative Code, and/or may be grounds for the District to discontinue the Fire Protection Service without liability to the District.

- F. There shall be no cross connection between the Fire Protection System supplied with water through the District's Fire Protection Service to any other source of supply without the specific approval of the District. This specific approval will require, at the customer's expense, a special double check valve installation or other device acceptable to the District. Any such unauthorized cross connection may be grounds for immediate disconnection of the Fire Protection Service without liability to the District.

R 03-9-1 Effective 10/01/03; R 16-6-2 Effective 07/01/16; R 18-6-1 Effective 07/01/18;
R 21-6-1 Effective 07/01/21; R 22-7-2 Effective 08/01/22; R 23-7-2 Effective 08/01/23;
R 24-6-2 Effective 07/01/24; R 25-6-1 Effective 07/01/25; R 26-6-1 Effective 07/01/26;