



AGENDA REPORT

Department: Engineering & Public Works
Prepared by: Ricardo Rodriguez, Assistant Engineer-Civil
Meeting Date: Tuesday, June 17, 2025
Approved by: Scott W. Huth, Interim City Manager

SUBJECT:

Public Hearing and Adoption of a Resolution Accepting the City of National City Sewer Tax Roll Fiscal Year 2025-2026 Report.

RECOMMENDATION:

Hold a Public Hearing and Adopt the Resolution Entitled, “Resolution of the City Council of the City of National City, California, 1) Accepting the City of National City Sewer Tax Roll Fiscal Year 2025-2026 Report, Which Identifies by Parcel Number Each Parcel of Real Property Receiving Sewer Services and the Amount of Sewer Charges for Each Parcel for FY 2025/26 as Required by the California Health and Safety Code Section 5473, *et seq.*, Pertaining to Collection of Sewer Charges on the Tax Roll; 2) Directing the City Clerk to File the Report with the County of San Diego Auditor and Controller; and 3) Directing the Director of Public Works / City Engineer to Submit a Certification of the Sewer Service Charges to the County of San Diego Auditor and Controller.”

BOARD/COMMISSION/COMMITTEE PRIOR ACTION:

Not Applicable.

EXPLANATION:

The City of National City provides sewer services to approximately 17,000 units/customers, including individual apartments and mobile homes, which results in approximately 9,000 billings. A Public Hearing is required annually for the preparation and approval of the sewer service charges to be placed on the tax roll. Sewer service charges are collected annually concurrently with property taxes. Collecting sewer service charges through the tax roll avoids a separate and costly billing process. The charges described in this report and shown in the table below, are based upon the National City Sewer Service Rates for FY 2025-26 that were recently approved on May 20, 2025 through the adoption of Ordinance No. 2025-2542, which established sewer service charges for five consecutive years based on the rate study conducted at that time.

National City Sewer Service Rates for Fiscal Years 2025-2026 through 2029-2030 were adopted as shown below:

Residential Flat Rates (per month)	Existing FY 2024-25 Monthly	FY 2025-26 Monthly	FY 2026-27 Monthly	FY 2027-28 Monthly	FY 2028-29 Monthly	FY 2029-30 Monthly
Single Family Residence	\$51.18	\$52.72	\$54.30	\$55.93	\$57.60	\$59.33
Multi-Family Residence	\$39.92	\$41.12	\$42.35	\$43.62	\$44.93	\$46.28
Mobile Homes	\$31.22	\$31.53	\$31.85	\$32.17	\$32.49	\$32.81

Commercial Variables Rates (per HCF)

Strength Category	Existing FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Commercial – Low	\$5.25	\$5.67	\$6.12	\$6.61	\$7.14	\$7.71
Commercial - Medium Low	\$5.66	\$6.06	\$6.48	\$6.93	\$7.42	\$7.94
Commercial – Medium	\$6.80	\$7.28	\$7.79	\$8.33	\$8.91	\$9.54
Commercial - Medium High	\$7.95	\$8.43	\$8.93	\$9.47	\$10.04	\$10.64
Commercial - High	\$9.88	\$10.42	\$11.00	\$11.60	\$12.24	\$12.91

This is a request to conduct a Public Hearing on the City of National City Sewer Tax Roll Fiscal Year 2025-2026 Report and to subsequently adopt a resolution approving the collection of sewer service charges on the tax roll, as authorized by the Uniform Sewer Ordinance and County Water Service Ordinance.

The Public Hearing is to consider adoption of the report, which summarizes the methodology and identifies by parcel number, each parcel of real property receiving sewer services, and the amount of sewer service charges for each parcel for FY 2025-26 as required by the California Health and Safety Code Section 5473, et seq., pertaining to collection of sewer service charges on the tax roll. Said report is provided as Exhibit A and is on file with the Office of the City Clerk. The Notice of Public Hearing was published by the City Clerk’s Office in accordance with Government Code Section 66017, on the dates of June 6, 2025 and June 13, 2025.

Pursuant to Ordinance No. 2017-2442, adopted by the City Council on December 5, 2017, the City Council adopted a five-year sewer service fee rate adjustment schedule commensurate with projected regional wastewater treatment increases and elected to have sewer service charges collected on the tax roll, as provided by California Health and Safety Code Section 5473 et seq. On June 6, 2023, the City Council adopted Ordinance No. 2023-2521, extending the adopted sewer service rates for FY 2022-23 through FY 2024-25 with no increase. On May 20, 2025, the City Council adopted Ordinance No. 2025-2542, repealing Ordinance No. 2023-2521 and establishing a five-year sewer service fee rate adjustment schedule for FY 2025-26 through FY 2029-30.

The City of National City sewer services fees for residential customers are monthly flat rates based on the type of residential dwelling. For commercial and industrial customers, the sewer service charges are variable and based on annual water consumption and the strength of the sewage they generate (low, medium, or high) which is measured on the Suspended Solids and Biochemical Oxygen Demand of the wastewater. All residential and commercial or industrial billing is done through the tax roll; in FY2025-26 a total of \$12,715,149.94 is anticipated. The exception is a small number of properties owned by public entities (e.g. schools, Port of SD) that are manually created and billed directly by the City because they do not receive property tax bills. For FY 2025-26, the total amount is \$258,147.16.

FINANCIAL STATEMENT:

Fiscal Year 2025-2026 Sewer Service Fees on the Tax Roll - \$12,715,149.94

Revenue Account No. 125-22222-3563

RELATED CITY COUNCIL 2020-2025 STRATEGIC PLAN GOAL:

Health, Environment, and Sustainability

ENVIRONMENTAL REVIEW:

This is not a project under CEQA, and is therefore, not subject to environmental review. CCR15378; PRC 21065.

PUBLIC NOTIFICATION:

The Agenda Report was posted at least 72 hours before the Regular Meeting date and time, and 24 hours before a Special Meeting in accordance with the Ralph M. Brown Act

ORDINANCE:

Not Applicable

EXHIBITS:

Exhibit A - City of National City Sewer Tax Roll Fiscal Year 2025-2026 Report
Exhibit B - Resolution