

The Inside Scoop

December, 2025

Dear District 3 Resident,

My name is Peter De Hoff, your current City Council Representative for Poway's District 3. This monthly-ish newsletter one way of keeping you informed about some city government activities. My goal is to provide clear, accurate updates on current topics so you can stay engaged and informed.

Let me know if you'd like any further refinements!



Water Rate Setting

The primary role of the Water Board (one of several hats worn by the City Council) is to ensure Safe, Reliable Water, at the lowest possible Cost. Poway continues to reliably deliver safe water and has been able to control its internal water costs to about the level of inflation, while sewer costs are being held at current levels for the next couple of years. However, external factors like water supply costs and changes to the legal landscape surrounding water rates have placed unusual upward pressure on our rates.

It was the latter issue with the Patz decision that delayed our water rate setting from October 7th to the November 18th City Council meeting. This legal ruling mandated we shift from our tiered rate system to a flat rate structure, which places a relatively greater burden on the lower usage customers. These new rates should last for the next five years and will start in February, 2026.

The council meeting also included the presentation of an updated Cost Allocation Study. Because Poway operates under a blended City/Water Agency structure, this study is critical to ensure that water and sewer fees are not improperly subsidizing General Fund services. While some internal line items were rebalanced, the total allocations remained unchanged, reaffirming that costs continue to be distributed appropriately.

What's Driving the Rate Changes

Two major forces shape the proposed rates:

- **Internal operating costs** for maintaining our water and sewer systems, including financing the **Water Reliability Improvement Projects at Poway Lake**—the largest public works project in our city's history.
- **External costs**, primarily increases passed down from the San Diego County Water Authority (**SDCWA**).

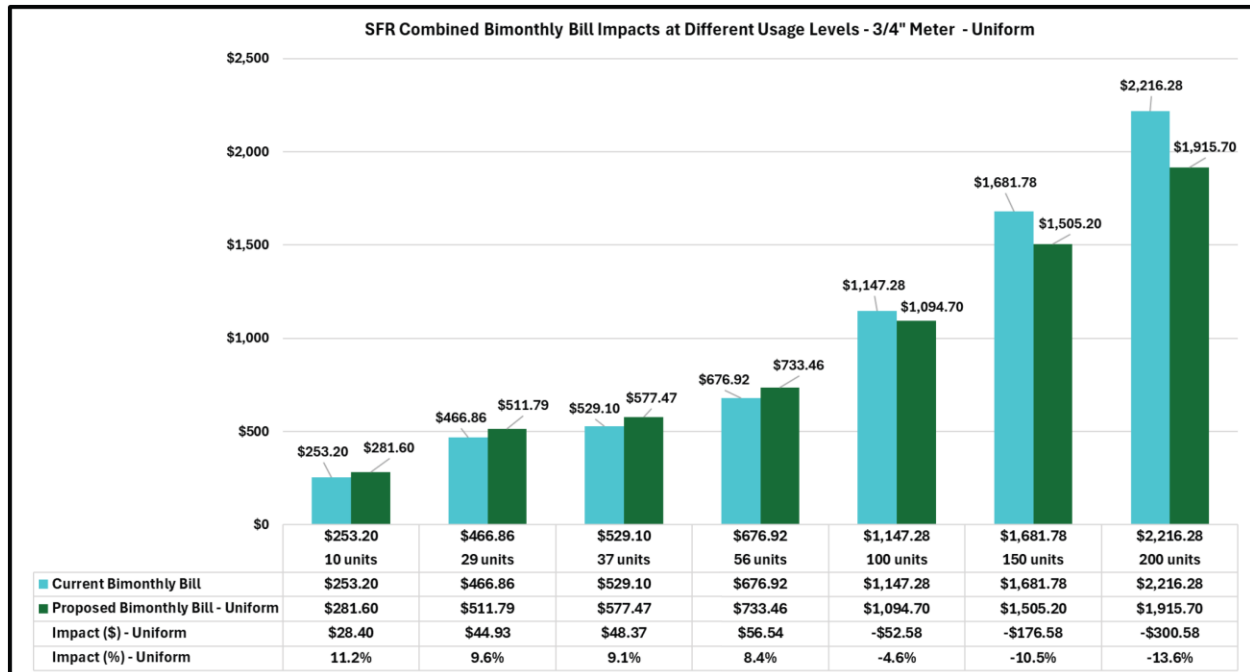
Here's how that breaks down:

- Internal cost increases are modest:
~**4% for Water**—roughly in line with inflation.
- But SDCWA is raising its wholesale cost of water by **9.2% in 2026**, pushing Poway's total water rate increase to **9.9%**.
- Sewer rates will stay at **0% for the first two years** because reserves in that fund are higher than necessary. After that, sewer rates will increase by 3% for a controlled "soft landing."

As a city, we have far more influence over our sewer rates than our water rates, since most water-cost increases originate at SDCWA.

The combined rate change is illustrated below in the figure below shows the estimated rate change for people at various water use levels.

For specific modeling, Poway's Finance Department has prepared an Excel file, located here: poway.org/Rates-Fees, that will allow you to enter in your water use to get a bill estimate with a comparison between the old rates and the new ones.



How This Affects You

As shown on the chart, the mandated flat-rate structure does not spread the impact evenly. Lower-usage customers will see larger percentage increases, while higher-usage customers may experience a decrease. The approximate break-even point is around 100 units of water use per billing period, which typically correlates to bills in the \$950–\$1,000 range under the current rates.

Greater Transparency in Your Bill

For the first time, Poway's bills will clearly separate:

- **Internal City costs** (water/sewer operations and maintenance.)
- **External supplier costs** (SDCWA for water, WW JPA for wastewater.)

This change is important because **even SDCWA does not know its rate increases for 2027 and beyond**, making those figures impossible to embed into a long-term rate study. You will now be able to see exactly which portion of your bill is within Poway's control and which isn't.

Why SDCWA water costs so much:

SDCWA is facing several structural cost pressures:

- High-priced long-term water contracts, including the Carlsbad desalination plant.
- “Take-or-pay” agreements that require purchases even when demand is low.
- Implementation of **Project Labor Agreements**, which will dramatically drive up future project costs. (These were adopted over Poway’s objections.)

All of these affect Poway because we must buy our untreated water from SDCWA.

What Poway Is Doing to Reduce Upward Pressure

Despite rising external costs, Poway continues to make decisions that help keep long-term costs as low as possible:

- The City is maintaining its infrastructure rather than deferring maintenance — a practice that has caused sharp rate spikes in other jurisdictions.
- Poway is expanding its **customer base** to dilute fixed costs. Poway recently signed an MOU with the **Ramona Municipal Water District** to provide surplus treated water beginning in 2029. Provided the deal goes through, this will generate **\$1.3–\$1.4 million per year** in net revenue, with potential for more as Ramona grows.
 - Poway can produce ~24 million gallons/day of treated water
 - We currently use ~8 MGD locally
 - Ramona’s initial allocation is ~3 MGD
- On the wastewater side, Poway benefits from participating in **San Diego’s Pure Water Program**, which provides us with both long-term water reliability and revenue to our sewer fund. (to help keep those rates low) Phase 2 of that program is currently under review, and I will continue advocating to ensure Poway receives a fair deal.

The “Tony Tax”

Unfortunately, Poway residents are also bearing the added costs generated by the conduct of former District 2 Councilman Blain. Depending on how you calculate it, these realized impacts total **\$300,000–\$400,000** across the water and sewer funds.

These funds came out of reserves and amount to **more than ten times** the typical annual cost generated by the entire City Council combined. However, because the overall water/sewer budgets are large, the impact on rates should not be directly noticeable. But the cost is real.

Your Input Matters

If you have ideas on how to reduce costs, identify inefficiencies, or avoid future pitfalls, I want to hear from you. Good ideas can come from anywhere and I don’t pretend to have a monopoly on them.

District 2 Recall: Voters Spoke Loud and Clear

District 2 voters delivered a decisive November result, with 80% voting to recall Tony Blain from office—the largest margin ever recorded in Poway for any ballot measure or election.

In addition, the District Attorney has indicted Mr. Blain on multiple charges:

1. **Perjury** – 2–4 years
2. **Bribery (vote trading)** – 2–4 years
3. **Bribery (vote trading)** – 2–4 years
4. **Destruction of public records** – 1–3 years
5. **Misdemeanor theft of a political sign** – up to 6 months



Provided he does not leave the country again and delay things, he should be arraigned in January 2026.

One day after the recall election, Mr. Blain resigned. A special election to fill the District 2 seat is scheduled for June 2026.

While final figures are not yet available, previous estimates from the Registrar place the recall election cost between **\$200,000 and \$300,000**. The upcoming special election will coincide with the primary and is expected to be about 1/10th cost. These expenses will be shared across various enterprise funds (such as water and sewer) as well as the General Fund based on the cost allocation calculations. I think we can all start to see the light at the end of this tunnel....

Looking Ahead

Hillside Dark Sky Regulations

Based on the City Council's December 2nd, 2025 discussion regarding the Hillside Building Regulations, I initiated an item to begin drafting a set of outdoor lighting standards informed by the guidelines of the International Dark Sky Association (IDA) for the hillsides of Poway. (Image courtesy of Lyle Arnold)



The goal is to recognize and protect the unique environmental qualities of Poway's hillside areas through thoughtful and intentional lighting design. Lighting that prioritizes safety while minimizing glare, light pollution, and light trespass onto our surrounding open and undisturbed lands.

In a previous chapter of my life, I was deeply involved in amateur astronomy, and I believe there is real value, both environmental and community-wide, in moving Poway towards adopting the practices necessary to one day become recognized as a Dark Sky City, similar to Julian and Borrego Springs. Achieving that designation would not be a small task and would require thoughtful planning and broad community support.



Before moving further down that path, I'd like to hear from you. Do you have strong feelings about this idea? Would you like to learn more about what such an effort might involve,

including the process, potential costs, and community benefits? Please feel free to reach out and share your thoughts or request additional information.

The Blue Dots are Going Away

Trees, most of them self-seeded eucalyptus, continue to be removed along Twin Peaks Road and Espola Road as part of the FEMA-supported tree safety program. A third-party arborist has evaluated the area and identified trees that are unhealthy, overly dense, or too close to utility infrastructure. The critical priority white dot trees have already been removed and those trees marked with blue dots are slated for removal by the middle of January 2026.



Once complete, and I expect remaining tree density to be similar to what is currently seen on the south side of Twin Peaks Road between Ted Williams Parkway and Maplewood Street, with more extensive clearance at key intersections and corners to improve visibility and access.

While the volume of trees being removed is significant, the primary purpose of this work is to ensure that critical fire evacuation and emergency access corridors remain clear and navigable in the event of conflagration. The canopy will be noticeably thinned, however, over time the remaining trees will grow into the space. A secondary benefit will be a treescape that better aligns with the level of ongoing maintenance supported by residents within the affected Landscape Maintenance Districts.

As always, I would love to hear your thoughts as to what you would like to see the Twin Peaks Corridor become, so please reach out. (pdehoff@poway.org)

Continuing the push for new restaurants

Mixed-use development is a key component of the Poway Road Specific Plan, but in recent years some of the mixed use sites have leaned more towards residential than commercial. I'm working with the city to rebalance that by encouraging more retail, dining, and community-serving businesses.



A step in the right direction came with the recent approval of the new Tractor Supply Store at the former Rite Aid site on Poway Road. The City is also actively engaging with the Fairfield development on Poway Road to bring in a restaurant tenant—something many of you have asked for.

Fingers crossed that with continued effort, we can help make this happen.

Quick update – The Poway Paseo project, which was discussed in a prior issue and is the large mix use complex near 5 Guys, looks to be on track with a completion date around Spring/Summer 2027.

Your Feedback Matters

I want to hear from you about what interests you most for future newsletters.
Your input will help shape future updates.

Thank you for taking the time to stay informed and engaged. Together, we can continue making Poway a great place to live.

Sincerely,

Peter De Hoff

Poway District 3 City Council Representative

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If you have a question or concern regarding governance in Poway, please email me at pdehoff@poway.org

Paid for by De Hoff for Poway City Council District 3, 2026

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