

OTAY WATER DISTRICT

SPECIAL MEETING OF THE BOARD OF DIRECTORS
DISTRICT BOARDROOM

2554 SWEETWATER SPRINGS BOULEVARD
SPRING VALLEY, CALIFORNIA

MONDAY

August 24, 2009

3:30 P.M.

AGENDA

1. ROLL CALL
2. PLEDGE OF ALLEGIANCE
3. APPROVAL OF AGENDA
4. PUBLIC PARTICIPATION – OPPORTUNITY FOR MEMBERS OF THE PUBLIC TO SPEAK TO THE BOARD ON ANY SUBJECT MATTER WITHIN THE BOARD'S JURISDICTION BUT NOT AN ITEM ON TODAY'S AGENDA
5. PUBLIC HEARING ON RATE INCREASES

THE BOARD WILL BE HOLDING A PUBLIC HEARING TO CONSIDER THE PROPOSED RATE INCREASES TO BE IMPLEMENTED IN THE FISCAL YEAR 2009-2010 OPERATING AND CAPITAL BUDGET. THE BOARD INVITES THE PUBLIC TO PROVIDE COMMENTS ON THE PROPOSED INCREASES

- a) APPROVE THE IMPLEMENTATION OF RATE CHANGES AS PROPOSED FOR THE FISCAL YEAR 2009-2010 OPERATING AND CAPITAL BUDGET; AND ADOPT ORDINANCE NO. 520 AMENDING SECTION 25, RATES AND CONDITIONS FOR WATER SERVICE; SECTION 28, CONNECTION FEES AND CHARGES FOR POTABLE OR RECLAIMED WATER SERVICE; SECTION 34, ISSUANCE AND PAYMENT OF WATER BILLS; AND SECTION 53, FEES, RATES, CHARGES AND CONDITIONS FOR SEWER SERVICE OF THE DISTRICT'S CODE OF ORDINANCES (BEACHEM)
6. ADJOURNMENT

All items appearing on this agenda, whether or not expressly listed for action, may be deliberated and may be subject to action by the Board.

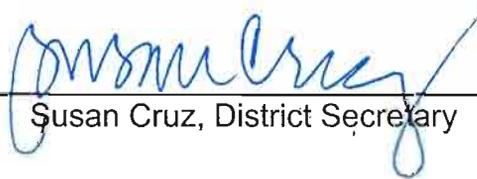
The Agenda, and any attachments containing written information, are available at the District's website at www.otaywater.gov. Written changes to any items to be considered at the open meeting, or to any attachments, will be posted on the District's website. Copies of the Agenda and all attachments are also available through the District Secretary by contacting her at (619) 670-2280.

If you have any disability which would require accommodation in order to enable you to participate in this meeting, please call the District Secretary at (619) 670-2280 at least 24 hours prior to the meeting.

Certification of Posting

I certify that on August 21, 2009, I posted a copy of the foregoing agenda near the regular meeting place of the Board of Directors of Otay Water District, said time being at least 24 hours in advance of the regular meeting of the Board of Directors (Government Code Section §54954.2).

Executed at Spring Valley, California on August 21, 2009.



Susan Cruz, District Secretary



AGENDA ITEMS 5 & 5a

STAFF REPORT

TYPE MEETING:	Special Board	MEETING DATE:	August 24, 2009
SUBMITTED BY:	Elaine Henderson <i>EH</i> Customer Service Manager	W.O./G.F. NO:	DIV. NO. All
APPROVED BY: (Chief)	Joseph P. <i>JP</i> Bechem , Chief Financial Officer		
APPROVED BY: (Asst. GM):	German Alvarez <i>GA</i> , Assistant General Manager, Finance and Administration		
SUBJECT:	Public Hearing Concerning the Implementation of Rate Changes as Proposed for the Fiscal Year 2009-2010 Operating and Capital Budget; and Related Actions		

GENERAL MANAGER'S RECOMMENDATION:

That the Board (1) hold a public hearing on the proposed rates and charges; and (2) if no majority protest is received, approve the implementation of rate changes as proposed for the Fiscal Year 2009-2010 Operating and Capital Budget by adopting Ordinance No. 520 amending Section 25, Rates and Conditions for Water Service; Section 28, Connection Fees and Charges for Potable or Reclaimed Water Service; Section 34, Issuance and Payment of Water Bills; and Section 53, Fees, Rates, Charges and Conditions for Sewer Service of the District's Code of Ordinances.

COMMITTEE ACTION: _____

N/A

PURPOSE:

To establish a five year schedule of fees and charges and to provide a vehicle for the District to pass-through increases implemented by public agencies that are the District wholesalers.

Following are the sections requiring amendments:

- Section 25.03 Water Rates, Charges and Fees
 - B. Monthly MWD & CWA Fixed Charges
 - C. Monthly System Charge
 - E. Rates and Charges for Water Service

1. (b)&(c) Domestic Residential Water
2. (b)&(c) Multiple Residential Water
3. (b)&(c) Business and Publicly-Owned Water
4. (c)&(d) Irrigation and Commercial Agricultural Using Potable Water
5. (c)&(d) Recycled Water
11. (c) Service for Fire Protection
12. (b) Water Service to Property Not Subject to District Taxes

F. Energy Charges for Pumping Water

I. Additional Water Charges for Services in the ID 3, ID 10 and La Presa Water Service Zones

1. (a) ID 3
- (b) ID 10

Section 34.02 Issuance and Payment of Water Bills

G. Termination and Reinstatement of Water Service Under Delinquent Accounts

1. (d) Termination of Service
3. (a)(b)&(c) Meter "Turn-On" Charge

Section 53.11 Sewer Service Rates and Charge:

- B. Residential Sewer Charges (1), (2), (3)&(4)
- C. Single Residential Winter Averaging (3)&(4)
- E. Commercial Sewer Charges (1)&(6)

Delete Section 28.03, Interim Water Service in Improvement District 7, A,B & C and add it to Section 25.03.E.13(a)(b)&(c).

ANALYSIS:

On May 21, 2009, the Fiscal Year 2009-2010 Budget was approved. The budget includes an average water rate increase of 19.9% to be effective September 1, 2009, and an average sewer rate increase of 7.2% proposed to be effective January 1, 2010. The rate increases are needed to balance the Operating Budget and ensure financial stability.

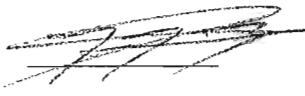
Complying with the Proposition 218 requirements, notices were sent to all customers to notify them of their option to protest rate changes. The required public hearing is set for the August 24th Special Board Meeting where the Board will be able to consider protests. As of August 20, 2009, the protest letters that have been received are attached and will be delivered to the Board.

One needed clarification to the method of calculating sewer charges has been added. Sewer charges are now based on water usage however, there was no guidance in the code on how to

calculate a sewer bill for a customer who has no municipal water service or has a separate water supply that feeds into the District's sewer system. In either of these cases, the District is not able to obtain a water usage read or calculate the amount of water to be used in the sewer fee calculation. Residential sewer customers will be charged the same as new residential customers who have no historical usage data. This charge equates to the average residential customer charge. Commercial customer's estimated usage to be used in the sewer charge calculation will be based on Engineering's estimated demand on the water system.

In addition, there is reorganization of various code sections to enhance the readability of the sections.

FISCAL IMPACT:



The Fiscal Year 2009-2010 Budget and the updated rate study both anticipated the additional revenues that would be generated by the proposed rate increases. These revenues ensure continued funding for the District's administration, maintenance, and operations, and are consistent with the recently adopted Strategic Plan. The proposed increase in potable revenue is approximately \$6,180,900 and for recycled revenue the increase is \$1,250,000.

STRATEGIC GOAL:

Through well-established financial policies and wise management of funds, the District will continue to guarantee fiscal responsibility to its ratepayers and the community at large.

LEGAL IMPACT:

None.



General Manager

- A) Ordinance No. 520
- B) Proposed copy of Section 25
- C) Strike-through copy of Section 25
- D) Proposed copy of Section 28
- E) Strike-through copy of Section 28

- F) Proposed copy of Section 34
- G) Strike-through copy of Section 34
- H) Proposed copy of Section 53
- I) Strike-through copy of Section 53
- J) Protest letters
- K) Presentation

ORDINANCE NO. 520

AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE OTAY WATER DISTRICT SETTING RATES AND CHARGES; AMENDING SECTION 25 - RATES AND CHARGES FOR WATER SERVICE, SECTION 28 - CONNECTION FEES AND CHARGES FOR POTABLE OR RECLAIMED WATER SERVICE, SECTION 34 - ISSUANCE AND PAYMENT OF WATER BILLS, AND SECTION 53 - FEES, RATES, CHARGES AND CONDITIONS FOR SEWER SERVICE OF THE DISTRICT'S CODE OF ORDINANCES; AND AUTHORIZING RELATED ACTIONS

WHEREAS, the Board of Directors of the Otay Water District (Board of Directors) is empowered by the provisions of the Water Code and other applicable provisions of law to establish rates and charges for the provision of service, including the adoption of a multi-year schedule; and

WHEREAS, in compliance with the provisions of Article XIIID of the California Constitution, the District mailed out notices of the proposed increases in the rates and charges not less than 45 days prior to the date of public hearing on the proposed rates and charges; and

WHEREAS, having held the public hearing and having received no majority protest, the Board of Directors has reviewed and considered the projected expenses and revenues of the District, and has found and determined that approval of the proposed multi-year schedule of increases for the service rates and charges is necessary and in the best interest of the District.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Otay Water District as follows:

Section 1. The foregoing recitals are true and correct and are incorporated herein by reference.

Section 2. The proposed multi-year schedule of rates and charges reflected on the notices and presented to this Board of Directors is hereby approved and adopted.

Section 3. The language of the District's Code of Ordinances contained in Section 25 - Rates and Conditions for Water Service; Section 28 - Connection Fees and Charges for Potable or Reclaimed Water Service; Section 34 - Issuance and Payment of Water Bills; and Section 53 - Fees, Rates, Charges and Conditions for Sewer Service, is hereby amended as per attached copies of those Sections to reflect the revised rates and charges hereby approved.

Section 4. All ordinances, resolutions, or administrative procedures of the District, or parts thereof that are inconsistent with any provision of this Ordinance are hereby superseded only to the extent of such inconsistency.

Section 5. If any section, subsection, clause or phrase in this Ordinance is for any reason held invalid, the validity of the remainder of this Ordinance shall not be affected thereby.

Section 6. This Ordinance and the amendments approved to Sections 25, 28, 34, and 53 of the Code of Ordinances shall become effective upon adoption of this Ordinance.

Section 7. The General Manager, the District Secretary, the Chief Financial Officer and their designees shall take all action required to carry out the purpose of this resolution, including but not limited to replacing the amended sections of the Code of Ordinance.

Section 8. This Ordinance shall become effective immediately upon adoption. The amendments of the Code of Ordinances being incorporated into Section 53 concerning sewer rates, charges and fees, and periodic pass through increases shall be effective as of January 1, 2010. The amendments of the Code of Ordinances being incorporated into Sections 25, 28, 34 concerning water rates, charges and fees, and periodic pass through increases shall be effective as of September 1, 2009.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Otay Water District at a regular meeting duly held this 24th day of August, 2009, by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

President

ATTEST:

Secretary

SECTION 25

RATES AND CONDITIONS FOR WATER SERVICE25.01 SERVICE AREA

Water service shall be furnished by the District only to property within (annexed to) a water improvement district within the District's service area. Water service to property located outside an improvement district may be furnished only upon prior approval of the Board of Directors. Temporary water service to property located outside an improvement district may be furnished, in accordance with Section 25.03 E.10, upon the approval of the General Manager.

25.02 DEFINITION OF "H.C.F." AND "UNIT OF WATER"

As used in the Code the terms "H.C.F." and "unit of water" are interchangeable and each shall mean 100 cubic feet or 748 gallons of water.

25.03 WATER RATES, CHARGES AND FEES

Water service furnished by the District shall be under the categories of services and at the rates, charges and fees as set forth below:

Five-year Rate Increase Schedule - All District water rates, charges and fees are subject to a five-year schedule of rate increases beginning September 1, 2009 and periodically thereafter through June 30, 2014. The increases under this schedule shall be the amount sufficient to cover cost increases related to operation and maintenance, but not to exceed 10% per year.

Five-year Periodic Pass-through Rate Increases or Decreases from District Wholesalers - All District water rates, charges and fees are subject to periodic rate changes from the District's public agency wholesalers for a five-year period beginning September 1, 2009 through June 30, 2014.

- A. Set-up Fees for Accounts. A set-up fee of \$10.00 shall be charged for each account transferred to another customer. A deposit will be required of all customers who do not own the property to be served. See Section 25.04 for deposit amounts.
- B. Monthly Fixed MWD & CWA Charges. Each potable water service customer shall pay a monthly MWD and CWA fixed charge, as set forth below. Proceeds of the charge will be used to pay for operating and maintenance costs, including the following: MWD Readiness-to-Serve Charge and Capacity Reservation Charge; CWA Infrastructure Access Charge, Customer Service Charge, and Emergency Storage Charge. The MWD & CWA charge is based on the size of the water meter(s)

in service. The MWD & CWA charge shall start upon installation of the meter.

- C. Monthly Fixed System Charges. Each water service customer shall pay a monthly fixed system charge, as set forth below. Proceeds of the charge will be used to pay for water system replacement, maintenance, and operation expenses. The system charge is based on the size of the water meter(s) in service. The system charge shall start upon installation of the meter

Meter Size	System Charge	MWD & CWA Fixed Charge	Total Fixed Charge
3/4"	14.58	9.77	24.35
1"	18.52	16.28	34.80
1-1/2"	28.37	32.61	60.98
2"	40.18	52.15	92.33
3"	71.68	104.30	175.98
4"	107.13	162.98	270.11
6"	205.59	325.92	531.51
8"	323.73	521.51	845.24
10"	461.57	749.61	1211.18

- D. Water Conservation Drought Pricing. To promote conservation, base tiered water rates for all water service are subject to percentage increases during drought stages, above Stage 1, as shown in the table below:

	Drought Stage Pricing		
	Stage 2	Stage 3	Stage 4
Tier 1*	0%	0%	0%
Tier 2	Up to 5%	Up to 10%	Up to 15%
Tier 3	Up to 30%	Up to 60%	Up to 90%

*Domestic residential water service has four tiered base rates as outlined below in Section 25.03 E.1. (b). Tier 1 of the above table applies to the first two tiered base rates identified below. Tier 2 of the above table applies to the third tiered base rate below. Tier 3 of the above table applies to the fourth tiered base rate below.

E. Rates and Charges for Water Service. The rates and charges for water service furnished by the District shall be as follows:

1. DOMESTIC RESIDENTIAL WATER

- (a) Defined as: Water service for single residential and individually metered attached households as well as other domestic uses (other than that provided for in Paragraph 2 below).
- (b) The four tiered base rates for water furnished under each block of service under this category shall be as follows:

H.C.F.	Rate per H.C.F.
1-5	\$1.35
6-10	\$2.10
11-22	\$2.73
23 and over	\$4.21

Customers who use more than 10 units per month shall not receive the benefit of the lower rate for units 1 through 5. These customers will pay Tier 2 rates, \$2.10, for units 1 through 10.

2. MULTIPLE RESIDENTIAL WATER

- (a) Defined as master metered water service for multiple residential households, for example, duplexes, townhomes, apartments and mobile homes.
- (b) The tiered base rates of water furnished for each dwelling unit under each block of service in this category shall be as follows:

H.C.F per Dwelling unit	Rate per H.C.F.
1-4	\$2.08
5-8	\$2.70
9 and over	\$4.15

The tiered base rates for this category of service are subject to the increased drought pricing outlined in Section 25.03 D.

3. BUSINESS AND PUBLICLY-OWNED WATER

- (a) Defined as: Potable water service for commercial, industrial and publicly-owned establishments.
- (b) Base Rate: The tiered base rate for water furnished under this category shall be determined by meter size and usage block as follows:

H.C.F. (meter size: less than 10")	H.C.F. (meter size: 10" and greater	Rate per H.C.F.
1 - 173	1 - 7,426	\$2.22
174 - 831	7,427 - 14,616	\$2.27
832 and over	14,617 and over	\$2.31

The tiered base rates for this category of service are subject to the increased drought pricing outlined in Section 25.03 D.

4. IRRIGATION AND COMMERCIAL AGRICULTURAL USING POTABLE WATER

- (a) Irrigation is potable water service provided solely for irrigation of landscape or landscaping, as defined in Section 0.02.
- (b) Commercial agricultural engaged in the growing or raising of live stock, in conformity with recognized practices of husbandry, for the purpose of commerce, trade or industry, or for the use by public educational or correctional institutions or agricultural horticultural or floricultural products and produced,
 - (i) for human consumption or for the market, or
 - (ii) for the feeding of fowl or livestock produced for human consumption or for the market, or
 - (iii) for feeding fowl or livestock for the purpose of obtaining their products for human consumption or for the market, such products to be grown or raised on a parcel of land having an area of not less than one acre utilized exclusively therefore.

(c) Base Rate: The tiered base rate for water furnished under this category shall be determined by meter size and usage block as follows:

H.C.F. (Meter Size: 1" and less)	H.C.F. (Meter Size: 1.5 through 2")	H.C.F. (Meter Size: 3" and Larger)	Rate per H.C.F.
1-49	1-144	1-1,044	\$3.02
50-132	145-355	1,045-8,067	\$3.08
133 and over	356 and over	8,068 and over	\$3.14

The tiered base rates for this category of service are subject to the increased drought pricing outlined in Section 25.03 D.

5. RECYCLED WATER

- (a) Defined as: Non-potable and recycled water service provided for irrigation of landscaping, as defined in Section 0.02 A. of the Code, and certain non-irrigation purposes, other than domestic use, in compliance with federal, state and local laws and regulations regarding use of recycled water.
- (b) The provisions of this Code, relating to use of recycled water, set forth in Section 26 of the Code, including but not limited to cross-connections and backflow protective devices, shall be strictly enforced in connection with the use of recycled water.
- (c) Base Rate: The tiered base rate for water furnished under this category shall be determined by meter size and usage block as follows:

H.C.F. (Meter Size: 1" and less)	H.C.F. (Meter Size: 1.5 through 2")	H.C.F. (Meter Size: 3 through 4")	H.C.F. (Meter Size: 6" and larger)	Rate per H.C.F.
1-42	1-168	1-403	1-7,916	\$2.58
43-97	169-402	404-820	7,917-16,357	\$2.62
98 and over	403 and over	821 and over	16,358 and over	\$2.67

The tiered base rates for this category of service are subject to the increased drought pricing outlined in Section 25.03 D.

- (d) Monthly system charge: The monthly system charge for recycled water service shall be as follows:

Meter Size	System Charge
3/4"	14.58
1"	18.52
1-1/2"	28.37
2"	40.18
3"	71.68
4"	107.13
6"	205.59
8"	323.73
10"	461.57

6. TEMPORARY AND CONSTRUCTION WATER SERVICE

- (a) Defined as: Water service provided by the District on a temporary basis, pursuant to Section 31 of this Code.
- (b) If capacity fees have not been paid by the customer, the rates for water furnished under this category shall be two times the tiered base rates charged to irrigation and commercial agriculture as outlined in Section 25.03 E.4.
- (c) If the customer has paid capacity and annexation fees, the base rate for water furnished under this category shall be the base rate charged customers in the same category of service on a permanent meter basis.
- (d) The tiered base rates for this category of service are subject to the increased drought pricing outlined in Section 25.03 D.
- (e) The applicable monthly system and MWD/CWA charge shall be the same rates charged to customers in the same category of service on a permanent meter basis.

7. WATER SERVICE UNDER SPECIAL AGREEMENTS

- (a) Defined as: Water service provided under express agreements approved by the Board of Directors for service to golf courses and other entities, which service may be curtailed or interrupted by the District under conditions provided in such agreements.
- (b) For water service under this category the base rate shall be determined on a case-by-case basis.

Unless otherwise specified in the particular agreement, the tiered base rates for this category of service are subject to the increased drought pricing outlined in Section 25.03 D.

8. TANK TRUCKS

- (a) Defined as: Water service provided for the filling of tanks on motor vehicles transporting water used for other than earth grading purposes, which service shall be made only through a portable meter issued by the District to a customer specifically for use in accordance with the provisions herein for such service.
- (b) The rate for metered water furnished under this category shall be the rate charged for temporary and construction water service, as described in Section 25.03 E.6., plus a monthly system charge at the rate set forth in Section 25.03 E.4.d.

The tiered base rates for this category of service are subject to the increased drought pricing outlined in Section 25.03 D.

- (c) Requirements for Use of Water Meter
 - (1) To receive such service, the customer shall use a water meter furnished by the District. The customer shall deposit the following amount with the District for use of the meter:

**Meter Deposit
Size**

4" \$850

- (2) Upon termination of the service, the District will refund the amount of deposit remaining after making the following deductions:

- (i) Cost of repairing or replacing the meter, fire hydrant and/or any fittings damaged or lost while in use; and
 - (ii) Unpaid charges for water or other applicable charges.
- (3) Prior to the end of each six month period following issuance of a meter under this section, or at the request of the District, whichever is earlier, the customer shall return the meter to the District for inspection, repair, or calibration as deemed necessary by the District.
- (4) Payment for water service under this category shall be made as follows:
- (i) The bill shall be based on the amount of water actually used, which shall be determined by the District's reading of the meter or by a report made by the customer to the District in the manner prescribed by the District.
 - (ii) Where the actual amount of water used cannot be determined as provided in (i), the District will issue a bill based on a District estimate of the amount of water used, as determined by the District. Such estimates shall be reconciled with actual amounts used when the customer returns the meter to the District as provided in paragraph 3 above.
 - (iii) Payments shall be made as specified on the bill.

9. WATER SERVICE OUTSIDE DISTRICT

- (a) Defined as: Water service for real property outside the service area of the District.
- (b) This service will be provided only upon prior approval of the General Manager when there is a surplus of water over and above the existing needs for service in the District. This service is temporary and may be terminated upon written notice from the District. Customers for this service are sometimes referred to as "outside users."
- (c) Customers applying for this category of service shall pay an application fee of \$500.

- (d) The rate for metered water furnished under this category shall be the rate charged temporary and construction water as described in Section 25.03 E.6.b. plus a monthly system charge at the rate set forth for temporary and construction water service.

The tiered base rates for this category of service are subject to the increased drought pricing outlined in Section 25.03 D.

- (e) Customers requesting only fire service or a fire hydrant under this category shall be charged a capacity fee based on one (1) EDU for a permanent meter in the Improvement District from which the fire service derives its flow, plus a monthly system charge at the rate set forth in the category of water service being furnished.

10. WATER SERVICE OUTSIDE AN IMPROVEMENT DISTRICT

- (a) Defined as: Water service for property located within the boundaries of the District, but not within a water improvement district. Customers for this service are sometimes referred to as "outside users."
- (b) Customers applying for this service shall pay an application fee of \$275. The District will review the application to determine whether the land to be served should be annexed to an improvement district. If it is determined that annexation is not practical, the Board of Directors may authorize service as an outside user. This service will be reviewed periodically until it is determined that the property must be annexed to an improvement district or that service must be terminated.
- (c) The rate for metered water furnished under this category shall be the same rate charged temporary water service outlined in Section 25.03 E.6.b. plus a monthly system charge at the rate set forth for temporary water service.

The tiered base rates for this category of service are subject to the increased drought pricing outlined in Section 25.03 D.

- (d) Upon approval of the Board of Directors, a customer, who has paid all construction costs for facilities necessary to serve the customer's property in lieu of annexation to a water

improvement district, shall be exempt from the provision for this category of service.

11. SERVICE FOR FIRE PROTECTION

- (a) Defined as: Water service provided by the District solely to feed fire hydrants or fire sprinkler systems from lines or laterals connected to District water mains.
- (b) The District will not make a charge for the quantity of water used for fire protection purposes.
- (c) The monthly system charge for this category of service shall be \$ 30.11 per month for each connection to a District water main made for fire protection service.

12. WATER SERVICE TO PROPERTY NOT SUBJECT TO DISTRICT TAXES

- (a) Pursuant to Section 71613 of the California Water Code, the District may furnish water to property, not subject to District taxes, at special rates, terms and conditions as are determined by the Board of Directors for such service. Such rates, terms and conditions shall be uniformly applied to like classes and conditions of service in the same improvement district or geographical area.
- (b) Customers in this category, such as publicly-owned establishments, shall pay an additional \$.29 per H.C.F.

13. INTERIM WATER SERVICE IN IMPROVEMENT DISTRICT 7

- (a) Definition of Interim Service. This is water Service furnished to a customer in Improvement District 7 (ID 7) for temporary use.
- (b) Rates for Interim Service. Customers applying for interim service in ID 7 shall not be required to pay the ID 7 water capacity fee and San Diego County Water Authority fee, as required under Section 28.01 of this Code. The water rate shall be the same as temporary and construction water.
- (c) Conversion to Permanent Service. At such time as use expires, the customer shall be required to pay all fees in effect at the time the permanent use is implemented.

- F. Energy Charges for Pumping Water In addition to water rates and other charges provided for in this Section 25.03, customers shall be charged an energy pumping charge based on the quantity of water used and the elevation to which the water has been lifted to provide service. The energy pumping charge shall be made at the rate of \$0.038 per 100 cubic feet of water for each 100 feet of lift or fraction thereof above the base elevation of 450 feet.
- G. Additional Water Charge for Service in the North District
1. In addition to other applicable water rates and charges provided for in this Section 25.03, each customer receiving water service in the North District shall pay a charge of \$0.08 per H.C.F. for water furnished by the District; provided, however, the additional charge shall not apply to the first 5 H.C.F. furnished during the billing cycle for the customer's account under Section 25.03 E.1. DOMESTIC RESIDENTIAL WATER. The North District area is defined in Section 0.02 of this Code.
 2. All proceeds from charges collected pursuant to this Section 25.03 G. shall be set aside by the District in a separate account and shall be used solely for payment of costs and borrowings for construction, installation and maintenance of water storage reservoirs, pump stations and water lines to provide service in the North District.
- H. Additional Water Charges and Monthly System Charges for Service in the ID 9 Water Service Zone.
1. In addition to other applicable water rates and charges provided for in this Section 25.03, effective May 1, 1986, each customer receiving water service in the ID 9 Water Service Zone shall pay a charge of \$0.27 per H.C.F. of water furnished by the District; provided, however, the additional charge shall not apply to the first 5 H.C.F. furnished during the billing cycle for a customer's account under Section 25.03 E.1 DOMESTIC RESIDENTIAL WATER. The ID 9 Water Service Zone area is defined in Section 0.02 of this Code.
 2. In addition to the monthly system charges provided for, effective May 1, 1986, each customer receiving water service in the ID 9 Water Service Zone shall pay a monthly meter system charge of \$2.00 for each meter in service.
 3. All proceeds from charges collected pursuant to this Section 25.03 H. shall be set aside by the District in a separate account and shall be used solely for payment of costs and borrowing for construction,

installation and maintenance of water storage reservoirs, pump stations and water lines to provide service in the ID 9 Water Service Zone.

I. Additional Water Charges for Services in the ID 3, ID 10 and La Presa Water Service Zones.

1. In addition to other applicable water rates and charges provided for in this Section 25.03, effective May 17, 1993, each customer receiving water service in ID 3, ID 10 and La Presa Water Service Zones is assessed an additional charge per H.C.F. of water furnished by the District. Said surcharge is assessed according to the following schedules:

a. ID 3

Calendar Year	Amount
	per H.C.F.
2009	.17
2010	.18
2011	.19
2012	.20
2013	.21

b. ID 10

Calendar Year	Amount
	per H.C.F.
2009	.25
2010	.26
2011-18	.27

c. La Presa

Calendar Year	Amount
	per H.C.F.
2008-10	.07
2011-13	.08

2. The additional charge shall not apply to the first 5 H.C.F. furnished during the billing cycle for a customer's account under Section 25.03 E.1. DOMESTIC RESIDENTIAL WATER.
3. All proceeds from charges collected pursuant to this Section 25.03 I. shall be set aside by the District in a separate account and shall be used solely for payment of costs and borrowings for construction, installation and maintenance of water storage, reservoirs, pump stations and water lines to provide service in the ID 3, ID 10 and La Presa Water Service Zones, respectively.

25.04 DEPOSIT BY LESSEES OR NON-OWNERS OF PROPERTY

A. AMOUNT OF DEPOSIT

When an application for water service is made by a customer who does not own the land to be served, the customer shall be required to make a cash deposit to assure payment of the account. In lieu of a deposit, the customer may have payment of water service bills guaranteed in writing by the owner of the property. The amount of deposit, determined by the size of meter, shall be as follows:

Meter Size	Deposit for All Categories of Service
3/4"	\$75
1"	\$150
1-1/2"	\$200
2"	\$360
3"	\$800
4"	\$1,350
6"	\$3,300
8"	\$4,400
10"	\$5,500

The customer's deposit shall be applied to reduce or satisfy any delinquent payment or other amount due the District at the time of termination of water service to the customer. Any portion of the deposit remaining after satisfaction of the amount due shall be refunded to the customer that made the deposit.

The deposits listed above may be waived for a new residential applicant where the applicant demonstrates credit worthiness based upon prior utility payments or a non-delinquent water account for one year or other similar evidence of credit.

B. REFUND OF DEPOSIT

Where funds have been on deposit for twelve months in a domestic service account and there has been no more than one delinquent payment on that account during that period, the District will apply a credit to the water account in the amount of the deposit.

C. LETTER OF CREDIT

A letter of credit, in a form approved by the General Manager or Department Head of Finance, may be submitted to the District to satisfy the deposit requirements.

25.05 SERVICE TO SUBSEQUENT CUSTOMERS

After a water meter has been installed for a customer and all fees and charges have been paid, water service may be furnished to a subsequent customer through the water meter installed without payment of further charges, except for the set-up fee for transferred accounts, payment of delinquent charges for the applicant's service or other deposits that may be required by this Code.

SECTION 25

RATES AND CONDITIONS FOR WATER SERVICE25.01 SERVICE AREA

Water service shall be furnished by the District only to property within (annexed to) a water improvement district within the District's service area. Water service to property located outside an improvement district may be furnished only upon prior approval of the Board of Directors. Temporary water service to property located outside an improvement district may be furnished, in accordance with Section 25.03 E.10, upon the approval of the General Manager.

25.02 DEFINITION OF "H.C.F." AND "UNIT OF WATER"

As used in the Code the terms "H.C.F." and "unit of water" are interchangeable and each shall mean 100 cubic feet or 748 gallons of water.

25.03 WATER RATES, CHARGES AND FEES

Water service furnished by the District shall be under the categories of services and at the rates, charges and fees as set forth below:

Five-year Rate Increase Schedule - All District water rates, charges and fees are subject to a five-year schedule of rate increases beginning September 1, 2009 and periodically thereafter through June 30, 2014. The increases under this schedule shall be the amount sufficient to cover cost increases related to operation and maintenance, but not to exceed 10% per year.

Five-year Periodic Pass-through Rate Increases or Decreases from District Wholesalers - All District water rates, charges and fees are subject to periodic rate changes from the District's public agency wholesalers for a five-year period beginning September 1, 2009 through June 30, 2014.

- A. Set-up Fees for Accounts. A set-up fee of \$10.00 shall be charged for each account transferred to another customer. A deposit will be required of all customers who do not own the property to be served. See Section 25.04 for deposit amounts.
- B. Monthly Fixed MWD & CWA Fixed-Charges. Each potable water service customer shall pay a monthly MWD and CWA fixed charge, as set forth below. ~~The charge is assessed by the District on each potable water service account, as set forth below, established by the District~~ Proceeds of the charge ~~will be used to~~ pay for operating and maintenance costs, including the following: MWD Readiness-to-Serve Charge and Capacity Reservation Charge; CWA Infrastructure

Access Charge, Customer Service Charge, and Emergency Storage Charge. The MWD & CWA charge is based on the size of the water meter(s) in service. The MWD & CWA charge shall start upon installation of the meter.

- C. Monthly Fixed System Charges. Each water service customer shall pay a ~~the~~ monthly fixed system charge, as set forth below. ~~The charge is assessed by the District on each water service account. Proceeds of the charge will be used to pay for water system replacement, maintenance, and operation expenses. The system charge is based on the size of the water meter(s) in service, as set forth in Paragraph E of this Section 25.03 for each category of water service described.~~ The system charge shall start upon installation of the meter

Meter Size	System Charge	MWD & CWA Fixed Charge	Total Fixed Charge
3/4"	14.58	9.77	24.35
1"	18.52	16.28	34.80
1-1/2"	28.37	32.61	60.98
2"	40.18	52.15	92.33
3"	71.68	104.30	175.98
4"	107.13	162.98	270.11
6"	205.59	325.92	531.51
8"	323.73	521.51	845.24
10"	461.57	749.61	1211.18

- D. Water Conservation Drought Pricing. To promote conservation, base tiered water rates for all water service are subject to percentage increases during drought stages, above Stage 1, as shown in the table below:

Drought Stage Pricing

	Stage 2	Stage 3	Stage 4
Tier 1*	0%	0%	0%
Tier 2	Up to 5%	Up to 10%	Up to 15%
Tier 3	Up to 30%	Up to 60%	Up to 90%

*Domestic residential water service has four tiered base rates as outlined below in Section 25.03 E.1. (b). Tier 1 of the above table applies to the first two tiered base rates identified below. Tier 2 of the above table applies to the third tiered base rate below. Tier 3 of the above table applies to the fourth tiered base rate below.

E. Rates and Charges for Water Service. The rates and charges for water service furnished by the District shall be as follows:

1. DOMESTIC RESIDENTIAL WATER

(a) Defined as: Water service for single residential and individually metered attached households as well as other domestic uses (other than that provided for in Paragraph 2 below).

(b) The four tiered base rates for water furnished under each block of service under this category shall be as follows:

	Rate per
H.C.F.	H.C.F.
1-5	\$1.1235
6-10	\$1.742.10
11-2622	\$2.262.73
27-23 and over	\$3.484.21

Customers who use more than 10 units per month shall not receive the benefit of the lower rate for units 1 through 5. These customers will pay Tier 2 rates, \$1.742.10, for units 1 through 10.

~~(c) The monthly system charges for water service in this category shall be as follows:~~

Meter	System	MWD & CWA	Total Fixed
Size	Charge	Fixed Charge	Charge
3/4"	13.83	7.02	20.85
1"	17.56	11.71	29.27
1-1/2"	26.90	23.41	50.31
2"	38.10	37.46	75.56

2. MULTIPLE RESIDENTIAL WATER

- (a) Defined as master metered water service for multiple residential households, for example, duplexes, townhomes, apartments and mobile homes.
- (b) The tiered base rates of water furnished for each dwelling unit under each block of service in this category shall be as follows:

H.C.F per Dwelling unit	Rate per H.C.F.
1-4	\$1.722.08
5-98	\$2.232.70
10-9 and over	\$3.434.15

The tiered base rates for this category of service are subject to the increased drought pricing outlined in Section 25.03 D.

Meter Size	System Charge	MWD & CWA Fixed Charge	Total Fixed Charge
3/4"	13.83	7.02	20.85
1"	17.56	11.71	29.27
1-1/2"	26.90	23.41	50.31
2"	38.10	37.46	75.56
3"	67.98	74.92	142.90
4"	101.59	117.07	218.66
6"	194.96	234.14	429.10
8"	307.00	374.62	681.62
10"	437.71	538.52	976.23

3. BUSINESS AND PUBLICLY-OWNED WATER

- (a) Defined as: Potable water service for commercial, industrial and publicly-owned establishments.

(b) Base Rate: The tiered base rate for water furnished under this category shall be determined by meter size and usage block as follows:

H.C.F. (meter size: less than 10")	H.C.F. (meter size: 10" and greater	Rate per H.C.F.
1 - 101173	1 - 7,9657,426	\$1.842.22
102-174 - 720831	7,9667,427 - 21,76114,616	\$1.882.27
721-832 and over	21,76214,617 and over	\$1.912.31

The tiered base rates for this category of service are subject to the increased drought pricing outlined in Section 25.03 D.

Meter Size	System Charge	MWD & CWA - Fixed Charge	Total Fixed Charge
3/4"	13.83	7.02	20.85
1"	17.56	11.71	29.27
1-1/2"	26.90	23.41	50.31
2"	38.10	37.46	75.56
3"	67.98	74.92	142.90
4"	101.59	117.07	218.66
6"	194.96	234.14	429.10
8"	307.00	374.62	681.62
10"	437.71	538.52	976.23

4. IRRIGATION AND COMMERCIAL AGRICULTURAL USING POTABLE WATER

- (a) Irrigation is potable water service provided solely for irrigation of landscape or landscaping, as defined in Section 0.02.
- (b) Commercial agricultural engaged in the growing or raising of live stock, in conformity with recognized practices of husbandry, for the purpose of commerce, trade or industry, or for the use by public educational or correctional institutions or agricultural horticultural or floricultural products and produced,

- (i) for human consumption or for the market, or
- (ii) for the feeding of fowl or livestock produced for human consumption or for the market, or
- (iii) for feeding fowl or livestock for the purpose of obtaining their products for human consumption or for the market, such products to be grown or raised on a parcel of land having an area of not less than one acre utilized exclusively therefore.

(c) Base Rate: The tiered base rate for water furnished under this category shall be determined by meter size and usage block as follows:

H.C.F. (Meter Size: 1" and less)	H.C.F. (Meter Size: 1.5 through 2")	H.C.F. (Meter Size: 3" and Larger)	Rate per H.C.F.
1-4749	1-136144	1-6511,044	\$2.503.02
4850- 164132	137145-415355	6521,045- 4,0648,067	\$2.553.08
165-133 and over	416-356 and over	4,0658,068 and over	\$2.603.14

The tiered base rates for this category of service are subject to the increased drought pricing outlined in Section 25.03 D.

~~Monthly system charge: The monthly system charge for irrigation and agricultural water service shall be as follows:~~

Meter Size	System Charge	MWD & CWA - Fixed Charge	Total Fixed Charge
3/4"	13.83	7.02	20.85
1"	17.56	11.71	29.27
1-1/2"	26.90	23.41	50.31
2"	38.10	37.46	75.56

3"	67.98	74.92	142.90
4"	101.59	117.07	218.66
6"	194.96	234.14	429.10
8"	307.00	374.62	681.62
10"	437.71	538.52	976.23

~~Agricultural water customers authorized to participate in MWD's "Special Agricultural Water Rate Program Interim Agricultural Water Program" (IAWP) shall receive a \$ 0.38 16 discount per H.C.F. from the base rate and shall be subject to the terms of their agreements and participation in the program. and the agreement establishing the terms of their participation in the IAWP.~~

5. RECYCLED WATER

- (a) Defined as: Non-potable and recycled water service provided for irrigation of landscaping, as defined in Section 0.02 A. of the Code, and certain non-irrigation purposes, other than domestic use, in compliance with federal, state and local laws and regulations regarding use of recycled water.
- (b) The provisions of this Code, relating to use of recycled water, set forth in Section 26 of the Code, including but not limited to cross-connections and backflow protective devices, shall be strictly enforced in connection with the use of recycled water.
- (c) Base Rate: The tiered base rate for water furnished under this category shall be determined by meter size and usage block as follows:

H.C.F.	H.C.F.	H.C.F.	H.C.F	Rate
(Meter Size: 1" and less)	(Meter Size: 1.5 through 2")	(Meter Size: 3 through 4")	(Meter Size: 6" and larger)	per H.C.F.
1-4542	1-159168	1-400403	1-7,9557,916	\$2.132.8
4643-13697	160169-465402	401404-1,005820	7,9567,917-17,55016,357	\$2.172.2
137-98 and over	466-403 and over	1,006821 and over	17,55116,358 and over	\$2.212.7

The tiered base rates for this category of service are subject to the increased drought pricing outlined in Section 25.03 D.

- (d) Monthly system charge: The monthly system charge for recycled water service shall be as follows:

Meter Size	System Charge
3/4"	14.5813 .83
1"	18.5217 .56
1-1/2"	28.3726 .90
2"	40.1838 .10
3"	71.6867 .98
4"	107.131 01.59
6"	205.591 94.96
8"	323.733 07.00
10"	461.574 37.71

6. TEMPORARY AND CONSTRUCTION WATER SERVICE

- (a) Defined as: Water service provided by the District on a temporary basis, pursuant to Section 31 of this Code.
- (b) If capacity fees have not been paid by the customer, the rates for water furnished under this category shall be two times the tiered base rates charged to irrigation and commercial agriculture as outlined in Section 25.03 E.4.
- (c) If the customer has paid capacity and annexation fees, the base rate for water furnished under this category shall be the base rate charged customers in the same category of service on a permanent meter basis.

- (d) The tiered base rates for this category of service are subject to the increased drought pricing outlined in Section 25.03 D.
- (e) The applicable monthly system and MWD/CWA charge shall be the same rates charged to customers in the same category of service on a permanent meter basis.

7. WATER SERVICE UNDER SPECIAL AGREEMENTS

- (a) Defined as: Water service provided under express agreements approved by the Board of Directors for service to golf courses and other entities, which service may be curtailed or interrupted by the District under conditions provided in such agreements.
- (b) For water service under this category the base rate shall be determined on a case-by-case basis.

Unless otherwise specified in the particular agreement, the tiered base rates for this category of service are subject to the increased drought pricing outlined in Section 25.03 D.

8. TANK TRUCKS

- (a) Defined as: Water service provided for the filling of tanks on motor vehicles transporting water used for other than earth grading purposes, which service shall be made only through a portable meter issued by the District to a customer specifically for use in accordance with the provisions herein for such service.
- (b) The rate for metered water furnished under this category shall be the rate charged for temporary and construction water service, as described in Section 25.03 E.6., plus a monthly system charge at the rate set forth in Section 25.03 E.4.d.

The tiered base rates for this category of service are subject to the increased drought pricing outlined in Section 25.03 D.

- (c) Requirements for Use of Water Meter
 - (1) To receive such service, the customer shall use a water meter furnished by the District. The customer shall deposit the following amount with the District for use of the meter:

**Meter Deposit
Size**

4" \$850

- (2) Upon termination of the service, the District will refund the amount of deposit remaining after making the following deductions:
 - (i) Cost of repairing or replacing the meter, fire hydrant and/or any fittings damaged or lost while in use; and
 - (ii) Unpaid charges for water or other applicable charges.
- (3) Prior to the end of each six month period following issuance of a meter under this section, or at the request of the District, whichever is earlier, the customer shall return the meter to the District for inspection, repair, or calibration as deemed necessary by the District.
- (4) Payment for water service under this category shall be made as follows:
 - (i) The bill shall be based on the amount of water actually used, which shall be determined by the District's reading of the meter or by a report made by the customer to the District in the manner prescribed by the District.
 - (ii) Where the actual amount of water used cannot be determined as provided in (i), the District will issue a bill based on a District estimate of the amount of water used, as determined by the District. Such estimates shall be reconciled with actual amounts used when the customer returns the meter to the District as provided in paragraph 3 above.
 - (iii) Payments shall be made as specified on the bill.

9. WATER SERVICE OUTSIDE DISTRICT

- (a) Defined as: Water service for real property outside the service area of the District.

- (b) This service will be provided only upon prior approval of the General Manager when there is a surplus of water over and above the existing needs for service in the District. This service is temporary and may be terminated upon written notice from the District. Customers for this service are sometimes referred to as "outside users."
- (c) Customers applying for this category of service shall pay an application fee of \$500.
- (d) The rate for metered water furnished under this category shall be the rate charged temporary and construction water as described in Section 25.03 E.6.b. plus a monthly system charge at the rate set forth for temporary and construction water service.

The tiered base rates for this category of service are subject to the increased drought pricing outlined in Section 25.03 D.

- (e) Customers requesting only fire service or a fire hydrant under this category shall be charged a capacity fee based on one (1) EDU for a permanent meter in the Improvement District from which the fire service derives its flow, plus a monthly system charge at the rate set forth in the category of water service being furnished.

10. WATER SERVICE OUTSIDE AN IMPROVEMENT DISTRICT

- (a) Defined as: Water service for property located within the boundaries of the District, but not within a water improvement district. Customers for this service are sometimes referred to as "outside users."
- (b) Customers applying for this service shall pay an application fee of \$275. The District will review the application to determine whether the land to be served should be annexed to an improvement district. If it is determined that annexation is not practical, the Board of Directors may authorize service as an outside user. This service will be reviewed periodically until it is determined that the property must be annexed to an improvement district or that service must be terminated.
- (c) The rate for metered water furnished under this category shall be the same rate charged temporary water service outlined in Section 25.03 E.6.b.

plus a monthly system charge at the rate set forth for temporary water service.

The tiered base rates for this category of service are subject to the increased drought pricing outlined in Section 25.03 D.

- (d) Upon approval of the Board of Directors, a customer, who has paid all construction costs for facilities necessary to serve the customer's property in lieu of annexation to a water improvement district, shall be exempt from the provision for this category of service.

11. SERVICE FOR FIRE PROTECTION

- (a) Defined as: Water service provided by the District solely to feed fire hydrants or fire sprinkler systems from lines or laterals connected to District water mains.
- (b) The District will not make a charge for the quantity of water used for fire protection purposes.
- (c) The monthly system charge for this category of service shall be \$ ~~28.55~~30.11 per month for each connection to a District water main made for fire protection service.

12. WATER SERVICE TO PROPERTY NOT SUBJECT TO DISTRICT TAXES

- (a) Pursuant to Section 71613 of the California Water Code, the District may furnish water to property, not subject to District taxes, at special rates, terms and conditions as are determined by the Board of Directors for such service. Such rates, terms and conditions shall be uniformly applied to like classes and conditions of service in the same improvement district or geographical area.
- (b) Customers in this category, such as publicly-owned establishments, shall pay an additional \$.~~28~~-29 per H.C.F.

13. INTERIM WATER SERVICE IN IMPROVEMENT DISTRICT 7

- (a) Definition of Interim Service. This is water Service furnished to a customer in Improvement District 7 (^{an}ID 7^{an}) for temporary use.
- (b) Rates for Interim Service. Customers applying for interim service in ID 7 shall not be required to pay the ID 7 water capacity fee and San Diego

County Water Authority fee, as required under Section 28.01 of this Code. The water rate shall be the same as temporary and construction water.

(c) Conversion to Permanent Service. At such time as ~~Use~~ expires, the customer shall be required to ~~Pay~~ all fees in effect at the time the permanent ~~Use~~ is implemented.

F. Energy Charges for Pumping Water In addition to water rates and other charges provided for in this Section 25.03, ~~potable water~~ customers shall be charged an energy pumping charge based on the quantity of water used and the elevation to which the water has been lifted to provide service. The energy pumping charge shall be made at the rate of \$~~0.37~~.038 per 100 cubic feet of water for each 100 feet of lift or fraction thereof above the base elevation of 450 feet.

G. Additional Water Charge for Service in the North District

1. In addition to other applicable water rates and charges provided for in this Section 25.03, each customer receiving water service in the North District shall pay a charge of \$0.08 per H.C.F. for water furnished by the District; provided, however, the additional charge shall not apply to the first 5 H.C.F. furnished during the billing cycle for the customer's account under Section 25.03 E.1. DOMESTIC RESIDENTIAL WATER. The North District area is defined in Section 0.02 of this Code.
2. All proceeds from charges collected pursuant to this Section 25.03 G. shall be set aside by the District in a separate account and shall be used solely for payment of costs and borrowings for construction, installation and maintenance of water storage reservoirs, pump stations and water lines to provide service in the North District.

H. Additional Water Charges and Monthly System Charges for Service in the ID 9 Water Service Zone

1. In addition to other applicable water rates and charges provided for in this Section 25.03, effective May 1, 1986, each customer receiving water service in the ID 9 Water Service Zone shall pay a charge of \$0.27 per H.C.F. of water furnished by the District; provided, however, the additional charge shall not apply to the first 5 H.C.F. furnished during the billing cycle for a customer's account under Section 25.03 E.1 DOMESTIC RESIDENTIAL WATER. The ID 9 Water Service Zone area is defined in Section 0.02 of this Code.

2. In addition to the monthly system charges provided for, effective May 1, 1986, each customer receiving water service in the ID 9 Water Service Zone shall pay a monthly meter system charge of \$2.00 for each meter in service.
3. All proceeds from charges collected pursuant to this Section 25.03 H. shall be set aside by the District in a separate account and shall be used solely for payment of costs and borrowing for construction, installation and maintenance of water storage reservoirs, pump stations and water lines to provide service in the ID 9 Water Service Zone.

I. Additional Water Charges for Services in the ID 3, ID 10 and La Presa Water Service Zones.

1. In addition to other applicable water rates and charges provided for in this Section 25.03, effective May 17, 1993, each customer receiving water service in ID 3, ID 10 and La Presa Water Service Zones is assessed an additional charge per H.C.F. of water furnished by the District. Said surcharge is assessed according to the following schedules:

a. ID 3

Calendar Year	Amount (per H.C.F.)
2008	.16
2009	.17
2010	.18
2011	.19
2012	.20
2013	.21

b. ID 10

Calendar Year	Amount (per H.C.F.)
2008	.24

2009	.25
2010	.26
2011-18	.27

c. La Presa

Calendar Year	Amount (per H.C.F.)
2008-10	.07
2011-13	.08

2. The additional charge shall not apply to the first 5 H.C.F. furnished during the billing cycle for a customer's account under Section 25.03 E.1. DOMESTIC RESIDENTIAL WATER.
3. All proceeds from charges collected pursuant to this Section 25.03 I. shall be set aside by the District in a separate account and shall be used solely for payment of costs and borrowings for construction, installation and maintenance of water storage, reservoirs, pump stations and water lines to provide service in the ID 3, ID 10 and La Presa Water Service Zones, respectively.

25.04 DEPOSIT BY LESSEES OR NON-OWNERS OF PROPERTY

A. AMOUNT OF DEPOSIT

When an application for water service is made by a customer who does not own the land to be served, the customer shall be required to make a cash deposit to assure payment of the account. In lieu of a deposit, the customer may have payment of water service bills guaranteed in writing by the owner of the property. The amount of deposit, determined by the size of meter, shall be as follows:

Meter Size	Deposit for All Categories of Service
3/4"	\$75

1"	\$150
1-1/2"	\$200
2"	\$360
3"	\$800
4"	\$1,350
6"	\$3,300
8"	\$4,400
10"	\$5,500

~~The~~ The customer's deposit shall be applied to reduce or satisfy any delinquent payment or other amount due the District at the time of termination of water service to the customer. Any portion of the deposit remaining after satisfaction of the amount due shall be refunded to the customer that made the deposit.

The deposits listed above may be waived for a new residential applicant where the applicant demonstrates credit worthiness based upon prior utility payments or a non-delinquent water account for one year or other similar evidence of credit.

B. REFUND OF DEPOSIT

Where funds have been on deposit for twelve months in a domestic service account and there has been no more than one delinquent payment on that account during that period, the District will apply a credit to the water account in the amount of the deposit.

C. LETTER OF CREDIT

A letter of credit, in a form approved by the General Manager or Department Head of Finance, may be submitted to the District to satisfy the deposit requirements.

25.05 SERVICE TO SUBSEQUENT CUSTOMERS

After a water meter has been installed for a customer and all fees and charges have been paid, water service may be furnished to a subsequent customer through the water meter installed without payment of further charges, except for the set-up fee for transferred accounts, payment of delinquent charges for the applicant's service or other deposits that may be required by this Code.

SECTION 28

CONNECTION FEES AND CHARGES FOR POTABLE OR
RECLAIMED WATER SERVICE28.01 COLLECTION OF FEES AND CHARGES

A. Fees and Charges to be paid by the Customer. The following fees and charges shall be paid by the customer to connect to a District water system for potable water or reclaimed water service; these are in addition to the fee and charges in Section 9 and 25. Fees and charges shall include, but not be limited to, District fees, San Diego County Water Authority fees, applicable zone charge and charges for work performed by District personnel on behalf of the customer. These charges may include the installation by District personnel of a water service lateral, and inspections required due to the requirement of a back flow device. These charges may also include a meter fee, installation fee (where lateral exists), lateral fee, meter box fee, and excavation permit fee.

B. Basis for Determination of Connection Fees and Charges. The fees and charges shall be determined as follows:

1. For permanent water meters, including potable or recycled irrigation service, the total water connection fee shall be determined on the basis of the demand to be placed on the District water system. The extent of demand will be determined on the basis of the size of the water meter, as set forth in Section 27 of the Code. The water connection fee will be determined by multiplying the demand factor, as set forth below, for the meter size by the total of the District-wide capacity fee and applicable zone charge.

<u>Meter Size</u>	<u>Demand Factor</u>
3/4"	1
1	2-1/2
1-1/2"	5
2"	8
3"	16
4"	25
6"	50
8"	80
10"	115

<u>Improvement District</u>	District-wide <u>Capacity Fee</u>	<u>Zone Charge</u>	<u>Total Water Capacity Fee</u>
La Presa	\$4,120.00		\$4,120.00
2	4,120.00		4,120.00
3	4,120.00		4,120.00
5	4,120.00		4,120.00
7	4,120.00		4,120.00
9	4,120.00		4,120.00
ID 9 Zone 1655	4,120.00	\$19,430.00	23,550.00
10	4,120.00		4,120.00
19	4,120.00		4,120.00
20	4,120.00		4,120.00
22	4,120.00		4,120.00
25	4,120.00		4,120.00
22/27	4,120.00		4,120.00
(excluding Triad)			
Triad	3,102.00		3,102.00

The District-wide capacity fee and the applicable zone charge shall constitute the "base rate." For fees or charges after January 1, 2003, the base rate shall be adjusted quarterly for fluctuations in construction costs, as measured by the *Engineering News Record Construction Cost Index for the Los Angeles Region*. The ENR Construction Cost Index of 7,402.75 (as of January 1, 2003) shall be deemed the "base index." The adjustment shall be in an amount equal to the percentage change in the ENR Construction Cost Index from the base index for the period from April 2, 2003 to the date of payment.

28.02 INSTALLATION CHARGES FOR WATER METER AND WATER SERVICE LATERALS

The determination of the water meter or service lateral size shall be based upon the information provided by the customer as detailed in Section 27 of the Code. Water meter sizes of 3/4-inch through 2-inch shall have the following fees and charges for installation of a water meter:

<u>Meter Size</u>	<u>Meter Fee</u>	<u>Meter Box*</u>	<u>Installation</u>	<u>Total</u>
3/4"	\$59.00	\$47.00	\$60.00	\$166.00
1"	117.00	47.00	60.00	224.00
1-1/2"	250.00	61.00	103.00	414.00
2"	475.00	61.00	240.00	776.00

*Charge applies only when installation of a meter box is required.

Where a water meter larger than 2-inch or a new water lateral is required, a customized, written estimate of the District's costs will be prepared.

The customer shall deposit the estimated costs with the District prior to commencement of the work. If actual costs incurred by the District are less than the amount deposited, the District shall refund the excess to the customer. If the actual costs incurred exceed the amount deposited, the customer shall reimburse the District for the additional costs.

28.03 METER FEE REFUND

A. If a water meter/service has been paid for but not installed, a customer may receive a refund of the District's capacity fee and charges. If San Diego County Water Authority capacity fees have been paid to San Diego County Water Authority, the customer shall request a refund from San Diego County Water Authority.

B. If the customer wants to change the meter/service size, they will be credited with the number of equivalent dwelling units they have previously purchased and will be refunded any balance per Section 28.04 A, above. If additional equivalent dwelling units are required, the customer will be charged based on 28.01 and 28.02.

28.04 FEES FOR CONSTRUCTION OF WATER FACILITIES FOR RANCHO JAMUL PRESSURE ZONE 1655

There is hereby established a fee for construction of water facilities that are required to provide water service in Pressure Zone 1655 within Improvement District 9. The pressure zone area is as shown on the map on file in the office of the District Secretary.

SECTION 28 CONNECTION FEES AND CHARGES FOR POTABLE OR RECLAIMED WATER SERVICE

28.01 COLLECTION OF FEES AND CHARGES

A. Fees and Charges to be paid by the Customer. The following fees and charges shall be paid by the customer to connect to a District water system for potable water or reclaimed water ~~service, service;~~ these are in addition to the fee and charges in Section 9 and 25. Fees and charges shall include, but not be limited to, District fees, San Diego County Water Authority fees, applicable zone charge and charges for work performed by District personnel on behalf of the customer. These charges may include the installation by District personnel of a water service lateral, and inspections required due to the requirement of a back flow device. These charges may also include a meter fee, installation fee (where lateral exists), lateral fee, meter box fee, and excavation permit fee.

B. Basis for Determination of Connection Fees and Charges. The fees and charges shall be determined as follows:

1. For permanent water meters, including potable or recycled irrigation service, the total water connection fee shall be determined on the basis of the demand to be placed on the District water system. The extent of demand will be determined on the basis of the size of the water meter, as set forth in Section 27 of the Code. The water connection fee will be determined by multiplying the demand factor, as set forth below, for the meter size by the total of the District-wide capacity fee and applicable zone charge.

<u>Meter Size</u>	<u>Demand Factor</u>
3/4"	1
1	2-1/2
1-1/2"	5
2"	8
3"	16
4"	25
6"	50
8"	80
10"	115

<u>Improvement District</u>	<u>District-wide Capacity Fee</u>	<u>Zone Charge</u>	<u>Total Water Capacity Fee</u>
La Presa	-\$4,120.00		-\$4,120.00
2	4,120.00		4,120.00
3	4,120.00		4,120.00
5	4,120.00		4,120.00
7	4,120.00		4,120.00
9	4,120.00		4,120.00
ID 9 Zone 1655-	4,120.00	\$19,430.00	-23,550.00
10	4,120.00		4,120.00
19	4,120.00		4,120.00
20	4,120.00		4,120.00
22	4,120.00		4,120.00
25	4,120.00		4,120.00
22/27	4,120.00		4,120.00
(excluding Triad)			
<u>Triad</u>	<u>3,102.00</u>		<u>3,102.00</u>

The District-wide capacity fee and the applicable zone ~~charge, charge~~ shall constitute the "base rate." For fees or charges after January 1, 2003, the base rate shall be adjusted quarterly for fluctuations in construction costs, as measured by the *Engineering News Record Construction Cost Index for the Los Angeles Region*. The ENR Construction Cost Index of 7,402.75 (as of January 1, 2003) shall be deemed the "base index." The adjustment shall be in an amount equal to the percentage change in the ENR Construction Cost Index from the base index for the period from April 2, 2003 to the date of payment.

28.02 INSTALLATION CHARGES FOR WATER METER AND WATER SERVICE LATERALS

The determination of the water meter or service lateral size shall be based upon the information provided by the customer as detailed in Section 27 of the Code. Water meter sizes of 3/4-inch through 2-inch shall have the following fees and charges for installation of a water meter:

<u>Meter Size</u>	<u>Meter Fee</u>	<u>Meter Box*</u>	<u>Installation</u>	<u>Total</u>
3/4"	\$59.00	\$47.00	\$60.00	\$166.00
1"	117.00	47.00	60.00	224.00
1-1/2"	250.00	61.00	103.00	414.00
2"	475.00	61.00	240.00	776.00

*Charge applies only when installation of a meter box is required.

Where a water meter larger than 2-inch or a new water lateral is required, a customized, ~~written~~, written estimate of the District's costs will be prepared.

The customer shall deposit the estimated costs with the District prior to commencement of the work. If actual costs incurred by the District are less than the amount deposited, the District shall refund the excess to the customer. If the actual costs incurred exceed the amount deposited, the customer shall reimburse the District for the additional costs.

~~28.03 INTERIM WATER SERVICE IN IMPROVEMENT DISTRICT 7~~
A. ~~Definition of Interim Service. This is water service furnished to a customer in Improvement District 7 ("ID 7") for a temporary use.~~

~~B. Rates for Interim Service. Customers applying for interim service in ID 7 shall not be required to pay the ID 7 water capacity fee and San Diego County Water Authority fee, as required under Section 28.01 of this Code, but will be required to pay two times the per unit charges for permanent service for that category of service.~~
C. ~~Conversion to Permanent Service. At such time as the temporary use expires, the customer shall be required to pay all fees in effect at the time the permanent use is implemented.~~ 28.043 METER FEE REFUND

A. If a water meter/service has been paid for but not installed, a customer may receive a refund of the District's capacity fee and charges. If San Diego County Water Authority capacity fees have been paid to San Diego County Water Authority, the customer shall request a refund from San Diego County Water Authority.

B. If the customer wants to change the meter/service size, they will be credited with the number of equivalent dwelling units they have previously purchased and will be

refunded any balance per Section 28.04 A, above. If additional equivalent dwelling units are required, the customer will be charged based on 28.01 and 28.02.

28.054 FEES FOR CONSTRUCTION OF WATER FACILITIES FOR
RANCHO JAMUL PRESSURE ZONE 1655

There is hereby established a fee for construction of water facilities that are required to provide water service in Pressure Zone 1655 within Improvement District 9. The pressure zone area is as shown on the map on file in the office of the District Secretary.

SECTION 34 ISSUANCE AND PAYMENT OF WATER BILLS34.01 ISSUANCE, DUE DATE AND FINAL PAYMENT DATE OF STATEMENT OF CHARGES FOR SERVICE

A. Issuance of Statements. Statements for water service or other charges will be mailed or presented as soon as practicable after the water meter has been read and the applicable charges have been determined.

B. Due Date. Each statement issued by the District for such charges shall be due and payable on the date of mailing or other presentation to the customer.

C. Final Payment Date. All charges in each statement must be paid on or before the final payment date shown on the statement, which shall be at least 20 calendar days following the date of mailing or presentation of the statement.

D. Payment of Charges.

1. Place of Payment. Payments shall not be credited to a customer's account until either cash, an acceptable check or money order has been received by the District at the District business office during regular office hours. Deposit of payment in the mail or at a location other than the District business office shall not be credited to a customer's account until received at the business office.

2. Returned Check Charges. A returned payment charge of \$25.00 shall be added to a customer's account in each instance where payment has been made to the District with funds that have been returned to the District by the bank upon which it is drawn.

34.02 DELINQUENT ACCOUNTS

A. For Non-Payment of Charges. If full payment of a statement for a water service account is not received at the District business office on or before the final payment date, the account shall become delinquent.

B. Late Payment Charge. A late payment charge of 5 percent of the total amount delinquent shall be added to each delinquent account at the time any amount becomes delinquent, provided that the charge shall not be made on any account which at that time has no delinquencies of record. When a late payment charge is made, such shall be added to the delinquent account as of the date the account becomes delinquent and such charges shall become an inseparable part of the amount due as of that time.

C. Notice of Delinquency. A delinquency notice shall be mailed to each customer whose account is delinquent, notifying the customer that service will be turned off unless payment is made. The notice shall indicate the amount due, including late payment charges, and that the total amount must be paid within fifteen (15) calendar days from the date of mailing or presentation of the notice to the customer, or service will be discontinued.

D. Record of Delinquent Accounts. The District maintains records of delinquent accounts. Each year one delinquency shall be removed from the record of each account that has one or more delinquencies.

E. Partial Payment on Delinquent Account. A partial payment on a delinquent account may be accepted and credited to a customer's account; however, the partial payment shall not cause removal of the account from a delinquent status and furthermore, the partial payment shall not preclude the meter from being turned off for delinquency.

F. Financial Arrangements for Delinquent Accounts.

1. Continuation of Service. The General Manager, Controller, or any person delegated by the General Manager, may authorize continuation of service to a delinquent account if financial arrangements, satisfactory to the District, have been established.
2. Requirement of Deposit Due to Repeated Delinquencies. If payments on a customer account have become delinquent five or more times, or if a meter has been turned off three or more times for non-payment of charges, the General Manager, Controller, or any person delegated by the General Manager, shall be authorized to require the customer to make a cash deposit with the District in an amount equal to two times the amount of the average monthly bill for the three month period preceding the discontinuance of service before further water service will be provided under the customer's account.

G. Termination and Reinstatement of Water Service Under Delinquent Accounts

1. Termination of Service. The water meter or meters under delinquent accounts may be turned off and locked if payment has not been made in accordance with the Notice of Delinquency.

(a) Where an owner or manager is listed by the District as the customer of record of the service, the District shall make every good faith effort to inform the actual users of the services when the account is in arrears by means of a notice that service will be terminated in ten days. The notice shall further inform the actual users that they have the right to become customers of the District without being required to pay the amount due on the delinquent account.

(b) Residential water service shall not be terminated for non-payment in any of the following situations:

(1) During an investigation by the District of a customer dispute or complaint. Any residential customer who has initiated a complaint or requested an investigation within five days of receiving the disputed bill, or who has, within 13 days of the mailing of the notice that the customer's service will be terminated for non-payment, or made a request for extension of the payment period of a bill asserted to be beyond the means of the customer to pay in full during the normal period for payment, shall be given an opportunity for a review. The review shall include consideration of whether the customer shall be permitted to amortize the unpaid balance of the account over a reasonable period of time not to exceed 12 months. No termination of service shall be effected for any customer complying with an amortization agreement, if the customer also keeps the account current as charges accrue in each subsequent billing period.

Any customer whose complaint or request for an investigation has resulted in an adverse determination by the District, may appeal the determination to the Board.

(2) When a customer has been granted an extension of the period for payment of a bill.

(3) On the certification of a licensed physician and surgeon that to do so will be life threatening to the customer and the customer is financially unable to pay for service within the normal payment period

and is willing to enter into an amortization agreement to pay the unpaid balance of any bill asserted to be beyond the means of the customer over a period not to exceed 12 months.

- (c) The ten-day notice of proposed termination may not be sent to the customer until at least 19 days from the date of mailing of the bill for services. The ten-day period shall not commence until five days after the mailing of the notice.
- (d) The District shall make a reasonable, good faith effort to contact an adult person residing at the premises of the customer by telephone or in person, at least 48 hours prior to any termination of service. A charge of \$10.00 shall be added to the bill for a contact made in person.
- (e) Every notice of termination of service pursuant to subdivisions (a) and (c) shall include all of the following information:
 - (1) The name and address of the customer whose account is delinquent.
 - (2) The amount of the delinquency.
 - (3) The date by which payment or arrangements for payment is required in order to avoid termination.
 - (4) The procedure by which the customer may initiate a complaint or request an investigation concerning service or charges, except that if the bill for service contains a description of that procedure, then the notice is not required to contain that information.
 - (5) The procedure by which the customer may request amortization of the unpaid charges.
 - (6) The procedure for the customer to obtain information on the availability of financial assistance including private, local, state or federal sources, if applicable.
 - (7) The telephone number of a representative of the District who can provide additional

information or institute arrangements for payment.

- (f) If a residential customer fails to comply with an amortization agreement, the District shall not terminate service without giving notice to the customer at least 48 hours prior to termination of the conditions the customer is required to meet to avoid termination, but the notice does not entitle the customer to further investigation by the District.
- (g) Termination of service shall not occur on any Friday, Saturday, Sunday, legal holiday or at any time during which the business offices of the District are not open to the public.
- (h) No termination of service may be effected without compliance with this section and any service wrongfully terminated shall be restored, without charge, for the restoration of service.

(See California Government Code Section 60373.)

- 2. Reinstatement of Service. Water service terminated for delinquency may not be reinstated until all amounts due and payable, including late payment charges and meter "turn-on" charges, have been paid at the District business office, or unless credit arrangements satisfactory to the District have been made.
- 3. Meter "Turn-On" Charge. A "turn-on" charge shall be made for turning on any meter which has previously been turned off for a delinquent account. The charges for turn-on shall be as follows:
 - (a) For any account turned on during the District's regular business hours the turn-on charge shall be \$35.00.
 - (b) For any account turned on after the District's regular business hours, the turn-on charge shall be \$65.00.

SECTION 34 ISSUANCE AND PAYMENT OF WATER BILLS34.01 ISSUANCE, DUE DATE AND FINAL PAYMENT DATE OF STATEMENT OF CHARGES FOR SERVICE

A. Issuance of Statements. Statements for water service or other charges will be mailed or presented as soon as practicable after the water meter has been read and the applicable charges have been determined.

B. Due Date. Each statement issued by the District for such charges shall be due and payable on the date of mailing or other presentation to the customer.

C. Final Payment Date. All charges in each statement must be paid on or before the final payment date shown on the statement, which shall be at least 20 calendar days following the date of mailing or presentation of the statement.

D. Payment of Charges.

1. Place of Payment. Payments shall not be credited to a customer's account until either cash, an acceptable check or money order has been received by the District at the District business office during regular office hours. Deposit of payment in the mail or at a location other than the District business office shall not be credited to a customer's account until received at the business office.

2. Returned Check Charges. A returned payment charge of \$-25.00 shall be added to a customer's account in each instance where payment has been made to the District with funds that have been returned to the District by the bank upon which it is drawn.

34.02 DELINQUENT ACCOUNTS

A. For Non-Payment of Charges. If full payment of a statement for a water service account is not received at the District business office on or before the final payment date, the account shall become delinquent.

B. Late Payment Charge. A late payment charge of 5 percent of the total amount delinquent shall be added to each delinquent account at the time any amount becomes delinquent, provided that the charge shall not be made on any account which at that time has no delinquencies of record. When a late payment charge is made, such shall be added to the delinquent account as of the date the account becomes delinquent and such charges shall become an inseparable part of the amount due as of that time.

C. Notice of Delinquency. A delinquency notice shall be mailed to each customer whose account is delinquent, notifying the customer that service will be turned off unless payment is made. The notice shall indicate the amount due, including late payment charges, and that the total amount must be paid within fifteen (15) calendar days from the date of mailing or presentation of the notice to the customer, or service will be discontinued.

D. Record of Delinquent Accounts. The District maintains records of delinquent accounts. Each year one delinquency shall be removed from the record of each account that has one or more delinquencies.

E. Partial Payment on Delinquent Account. A partial payment on a delinquent account may be accepted and credited to a customer's account; however, the partial payment shall not cause removal of the account from a delinquent status and furthermore, the partial payment shall not preclude the meter from being turned off for delinquency.

F. Financial Arrangements for Delinquent Accounts.

1. Continuation of Service. The General Manager, Controller, or any person delegated by the General Manager, may authorize continuation of service to a delinquent account if financial arrangements, satisfactory to the District, have been established.
2. Requirement of Deposit Due to Repeated Delinquencies. If payments on a customer account have become delinquent five or more times, or if a meter has been turned off three or more times for non-payment of charges, the General Manager, Controller, or any person delegated by the General Manager, shall be authorized to require the customer to make a cash deposit with the District in an amount equal to two times the amount of the average monthly bill for the three month period preceding the discontinuance of service before further water service will be provided under the customer's account.

G. Termination and Reinstatement of Water Service Under Delinquent Accounts

1. Termination of Service. The water meter or meters under delinquent accounts may be turned off and locked if payment has not been made in accordance with the Notice of Delinquency.

(a) Where an owner or manager is listed by the District as the customer of record of the service, the District shall make every good faith effort to inform the actual users of the services when the account is in arrears by means of a notice that service will be terminated in ten days. The notice shall further inform the actual users that they have the right to become customers of the District without being required to pay the amount due on the delinquent account.

(b) Residential water service shall not be terminated for non-payment in any of the following situations:

(1) During an investigation by the District of a customer dispute or complaint. Any residential customer who has initiated a complaint or requested an investigation within five days of receiving the disputed bill, or who has, within 13 days of the mailing of the notice that the customer's service will be terminated for non-payment, or made a request for extension of the payment period of a bill asserted to be beyond the means of the customer to pay in full during the normal period for payment, shall be given an opportunity for a review. The review shall include consideration of whether the customer shall be permitted to amortize the unpaid balance of the account over a reasonable period of time not to exceed 12 months. No termination of service shall be effected for any customer complying with an amortization agreement, if the customer also keeps the account current as charges accrue in each subsequent billing period.

Any customer whose complaint or request for an investigation has resulted in an adverse determination by the District, may appeal the determination to the Board.

(2) When a customer has been granted an extension of the period for payment of a bill.

(3) On the certification of a licensed physician and surgeon that to do so will be life threatening to the customer and the customer is financially unable to pay for service within the normal payment period

and is willing to enter into an amortization agreement to pay the unpaid balance of any bill asserted to be beyond the means of the customer over a period not to exceed 12 months.

- (c) The ten-day notice of proposed termination may not be sent to the customer until at least 19 days from the date of mailing of the bill for services. The ten-day period shall not commence until five days after the mailing of the notice.
- (d) The District shall make a reasonable, good faith effort to contact an adult person residing at the premises of the customer by telephone or in person, at least 48 hours prior to any termination of service. ~~A charge of \$7.50 shall be added to the delinquent bill for a telephone contact and a~~ A charge of \$10.00 shall be added to the bill for a contact made in person.
- (e) Every notice of termination of service pursuant to subdivisions (a) and (c) shall include all of the following information:
 - (1) The name and address of the customer whose account is delinquent.
 - (2) The amount of the delinquency.
 - (3) The date by which payment or arrangements for payment is required in order to avoid termination.
 - (4) The procedure by which the customer may initiate a complaint or request an investigation concerning service or charges, except that if the bill for service contains a description of that procedure, then the notice is not required to contain that information.
 - (5) The procedure by which the customer may request amortization of the unpaid charges.
 - (6) The procedure for the customer to obtain information on the availability of financial assistance including private, local, state or federal sources, if applicable.

- (7) The telephone number of a representative of the District who can provide additional information or institute arrangements for payment.
- (f) If a residential customer fails to comply with an amortization agreement, the District shall not terminate service without giving notice to the customer at least 48 hours prior to termination of the conditions the customer is required to meet to avoid termination, but the notice does not entitle the customer to further investigation by the District.
- (g) Termination of service shall not occur on any Friday, Saturday, Sunday, legal holiday or at any time during which the business offices of the District are not open to the public.
- (h) No termination of service may be effected without compliance with this section and any service wrongfully terminated shall be restored, without charge, for the restoration of service.

(See California Government Code Section 60373.)

2. Reinstatement of Service. Water service terminated for delinquency may not be reinstated until all amounts due and payable, including late payment charges and meter "turn-on" charges, have been paid at the District business office, or unless credit arrangements satisfactory to the District have been made.
3. Meter "Turn-On" Charge. A "turn-on" charge shall be made for turning on any meter which has previously been turned off for a delinquent account. The charges for turn-on shall be as follows:
- (a) For any account turned on during the District's regular business hours ~~which has been delinquent less than ten times or has been turned off less than four times~~ the turn-on charge shall be ~~\$25.00~~35.00.
- ~~(b) For any account which has been delinquent ten or more times and has been turned off four or more times the turn-on charge shall be \$40.00.~~
- (eb) For any account turned on after the District's regular business hours, the turn-on charge shall be \$65.00.

SECTION 53 FEES, RATES, CHARGES AND CONDITIONS FOR SEWER SERVICE

53.01 CONDITIONS FOR ACQUISITION OF SEWER SERVICE CAPACITY

Sewer service capacity may be acquired only for service to a specific address, parcel of land, or a land development project covered by an approved map. An approved map shall mean a recorded final map, a recorded parcel map or a tentative subdivision map that has been approved by the County or by a City, as applicable.

53.02 SERVICE AREAS

A. Service Areas. Sewer service shall be furnished by the District only to property located in Improvement District No. 14 ("I.D. 14"), Improvement District No. 18 ("I.D. 18"), and Assessment District No. 4 ("A.D. 4"), and the Russell Square Sewer Service Area. Sewer service to property located outside such areas may be furnished only upon annexation to ID 18 and payment of all applicable annexation fees.

53.03 ACQUISITION OF SEWER CONNECTIONS FOR SERVICE IN I.D. 14, I.D. 18 AND A.D. 4

A. There shall be no connection capacity fee for sewer service to parcels already annexed into Improvement District No. 14, Improvement District No. 18 and Assessment District No. 4 on or after December 16, 1998.

53.04 ACQUISITION AND PURCHASE OF SEWER CAPACITY FOR SERVICE IN THE RUSSELL SQUARE SEWER SERVICE AREA

A. District Acceptance of Sewer Facilities for Russell Square Area. Under an Agreement with Cal Dorado Development, Inc., dated June 28, 1981, the District accepted title to a sewer pump station, force main and appurtenances for a sewage system to provide sewer service to the residential dwelling units to be constructed within the parcels of land in San Diego County Tentative Parcel Map 17150. Under an Agreement with Cal Dorado Development, Inc., dated June 18, 1981, the District agreed to provide service to such parcels on the terms and conditions contained therein. On October 1, 1984, pursuant to Resolution No. 2139, the District Board of Directors accepted title to the facilities.

B. Designation of Russell Square Sewer Area. The geographical area described on the District Map entitled "Russell Square Sewer Service Area," dated October 11, 1988, on file with the District Secretary, constitutes the Russell Square Sewer Service Area.

C. Connection Fees for Connections for Sewer Service through the Russell Square Sewer Pump Station.

1. Sewer Connection Fee

A connection fee of \$7,500 for each EDU of sewer service provided through Russell Square Pump Station shall be collected. The connection fee is due at the time an application for sewer service is submitted. The number of EDUs for the connection shall be as set forth in Section 53.09 of the Code. Since the Russell Square Pump Station and force main were constructed by the developer or his assignee, at their expense, for the purpose of providing service to the parcels within Tentative Parcel Map 17150, the connection fee shall not apply to connections for sewer service to the parcels within said map. Such exempt parcels are currently identified as Assessor Parcel Nos. 497-011-41, 497-011-42, 497-011-44, 497-011-46 and 497-011-47.

2. A monthly sewer service charge of \$200 to cover normal operational costs of the Russell Square Pump Station and force mains shall be collected. This charge shall be reviewed by the Board of Directors from time to time to assure that such charges cover the costs for operation of the sewer facilities.
3. The proceeds of the fees and charges received by the District under 1 and 2 above shall be used by the District solely for maintenance, replacement or repair under C.1. above and for the operation of the facilities under C.2. above.
4. In addition the customer for such service shall pay the monthly service charge for sewer service set forth in Section 53.11.

53.05 CHARGES FOR INSTALLATION OF SEWER LATERALS Upon application for construction of one or more sewer laterals, the customer shall deposit with the District the estimated costs to be incurred by the District in connection with the installation of the facilities required, as determined by the District. Upon completion of the work, the District shall calculate the actual costs incurred by the District in performing the work. If actual costs are less than the amount deposited, the District shall refund the balance of the deposit to the customer. If actual costs exceed the amount

deposited, the customer shall reimburse the District for the additional costs.

53.06 PAYMENT OF FEES All fees prescribed in the Code shall become owing, due and payable at the time application is made to connect a premise to the sewer system of the District. The fees shall be paid to the District prior to the issuance of any permit authorizing the connection of such premise to the District sewer system. If the proposed connection cannot be made, the fee may be refunded when approved by the General Manager.

53.07 SEWER SERVICE USE CHANGES RESULTING IN INCREASED SYSTEM UTILIZATION The use of a sewer connection shall be limited to the type and number of EDUs authorized by the original wastewater discharge permit. Before adding any additional equivalent dwelling units, buildings, modifying existing buildings, or change of occupancy type, the property owner shall make a supplementary wastewater permit application to the District for such change in use and pay additional sewer annexation fees per EDU, if necessary, as may be applicable. Periodic inspection of the premises may be made by the District and if actual use is greater than estimated use, an assessment for additional annexation fees shall be assessed in accordance with the fee schedule in the then current Code of Ordinances.

53.08 WASTEWATER DISCHARGE PERMIT ISSUANCE AND LIMITATION

1. A wastewater discharge permit shall be required for any property for which a request is made to discharge into the District sewage system.
2. Every wastewater discharge permit shall expire by limitations and shall become null and void, if the construction or work authorized by such permit is not commenced within 120 days from date of issuance of such wastewater discharge permit or if the construction or work authorized by such wastewater discharge permit is suspended or abandoned for a period of 120 days at any time after the work is commenced.
3. Before such work can be recommenced, a new wastewater discharge permit application must be filed with the District. The District may reactivate the previous wastewater discharge permit provided that wastewater quantity and type is the same as the wastewater discharge allowed under the original permit, and provided further that such suspension and abandonment has not exceeded one year. Fees paid for the previous wastewater discharge permit may be credited toward the total permit fees required on the new permit application. Reactivation of the

previous wastewater discharge permit shall be subject to District sewer capacity being available at the time of new application and subject to any additional costs or charges imposed during the period of such suspension or abandonment.

53.09 BASIS FOR DETERMINATION OF EDUs

1. The number of EDUs for sewer service shall be determined on the following basis:

- | | | |
|----|--|------|
| a) | <u>Residential Facilities</u> | EDUs |
| 1) | Single-Family Residence
(Includes manufactured homes, and mobile homes which are on private lots) | 1.0 |
| | A secondary structure with a kitchen is considered an additional EDU | |
| 2) | Apartments and Multiple Family Housing
Each individual living unit | 1.0 |
| 3) | Residential condominiums
Each individual living unit | 1.0 |
| 4) | Mobile Home and Trailer Parks
Per each individual space | 1.0 |
| b) | <u>Commercial/Industrial Facilities</u> | |
| 1) | <u>Food Service Establishments</u> | |
| a) | Take-out restaurants with disposable utensils, no dishwasher and no public restrooms | 3.0 |
| b) | Miscellaneous food establishments - ice cream/yogurt shops, bakeries (sales on premise only) | 3.0 |
| c) | 1) Take-out/eat-in restaurants with disposable utensils, but with seating and public restrooms | 3.0 |
| | 2) Restaurants with reusable utensils, seating and public restrooms (0-18 seats) | 3.0 |

	Each additional 6 seat unit, or portion thereof	1.0
2)	<u>Hotels and Motels</u>	
	a) Per living unit without kitchen	0.38
	b) Per living unit with kitchen	0.60
3)	<u>Commercial, Professional, Industrial Buildings, Establishments not specifi- cally listed herein</u>	
	a) Any office, store or industrial condominium or establishments. first 1,000 sq. ft.	1.2
	Each additional 1,000 sq. ft. or portion thereof	0.7
	b) Where occupancy type or usage is unknown at the time of application for service, the following EDUs shall apply. This shall include, but not be limited to, shopping centers, industrial parks and profes- sional office buildings.	
	First 1,000 sq. ft. of gross build- ing floor area	1.2
	Each additional 1,000 square feet of gross building floor area. Por- tions less than 1,000 sq. ft. will be prorated.	0.7
4)	<u>Self-service laundry per washer</u>	1.0
5)	<u>Churches, theaters and auditoriums per each 150 person seating capacity, or any fraction thereof. (Does not include office spaces, schoolrooms, day-care facilities, food preparation areas, etc. Additional EDUs will be assigned for these supplementary uses.)</u>	1.5

6) Schools

- a. Elementary Schools - For each 50 pupils or fraction thereof 1.0
- b. Junior High Schools - For each 40 pupils or fraction thereof 1.0
- c. High Schools, Colleges and Universities - For each 24 pupils or fraction thereof 1.0

Additional EDUs will be prorated based on above values.

The number of pupils shall be based on the average daily attendance of pupils at the school during the preceding fiscal year, computed in accordance with the education code of the State of California. However, where the school has had no attendance during the preceding fiscal year, the General Manager shall estimate the average daily attendance for the fiscal year for which the fee is to be paid and compute the fee based on such estimate.

7) Convalescent Homes

- a) Skilled nursing care facilities, psychological hospitals, convalescent hospitals; licensed by the Department of Health. 0.7/bed
- b) Community Care Facilities with 16 or more beds licensed by the State Department of Health. 0.5/bed
- c) Small Community Care Facilities with 7 to 15 beds licensed by the County Department of Social Services 0.5/bed
- d) Community Care Homes with six or fewer total residents, including

resident staff and housekeepers
(to be the same EDU as a single-
family residence).

1.0

8) Other

In the case of commercial, industrial and other business establishments such as bottling works, supermarkets, markets, deli/markets, convenience stores, hospitals, laundries (other than self-service laundries), automobile service stations, mortuaries, day-care centers, bars, pool halls, and other establishments not included in items 1) through 7) inclusive, or when the EDUs specified in items 1) through 7) are not representative of actual flow due to the number of employees or type of operation, the number of equivalent dwelling units shall be determined in each case by the General Manager and shall be based upon the estimated volume and type of wastewater discharge into the sewer.

53.10 TRANSFER, ASSIGNMENT, OR RESALE OF SEWER CONNECTION RIGHTS

EDU sewer connection rights obtained by a customer may not be sold, transferred, or assigned separately from ownership of the real property for which they were obtained, unless otherwise stated in an agreement with the District.

53.11 SEWER SERVICE RATES AND CHARGES

A. Set-up Fees for Accounts. A set-up fee of \$10.00 shall be charged for each account transferred to another customer.

B. Residential Sewer Charges

Five-year Rate Increase Schedule - All District sewer rates, charges and fees are subject to a five-year schedule of rate increases beginning September 1, 2009 and periodically thereafter through June 30, 2014. The increases under this schedule shall be the amount sufficient to cover cost increases

related to operation and maintenance, but not to exceed 10% per year.

Five-year Periodic Pass-through Rate Increases or Decreases from District Wholesalers - All District sewer rates, charges and fees are subject to periodic rate changes from the District's public agency wholesalers for a five-year period beginning September 1 2009 through June 30, 2014.

- (1) Winter Average Determination. Sewer service usage fee shall be based on the "Winter Average" water consumption, measured in units of hundred cubic feet (HCF). The winter average period is January through April. The winter average is calculated by adding the four months of water consumption for the preceding winter and dividing the resulting amount by four. This average is then reduced by a 15% usage discount, recognizing that not all water used flows into the sewer system, to determine the "Winter Average" for billing purposes.
- (2) Usage Fee. The usage fee rate of \$1.56 is multiplied by the "Winter Average" calculation for each customer (after the above noted 15% discount) and the resulting amount is added to the Fixed Service Charge applicable to the size of meter. The resulting fixed fee shall be charged on a monthly basis for an entire calendar year, until a new "Winter Average" is determined for the following year.
- (3) Base Fee. The monthly base fee is \$10.80 for a 5/8 or 3/4 inch water meter and \$15.75 for a 1-inch or greater water meter.
- (4) The average residential sewer charge shall be calculated by calculating the total usage fee for all residential customers and dividing by the number of residential customers. Then the monthly base fee for 3/4 inch meter is added to this average fee and this shall be used to determine the rate per ASU to be used for commercial customers. The average residential sewer charge is \$36.88 per ASU.

C. Single Residential Winter Averaging

- (1) Defined as: Sewer service for individually metered residential households.

- (2) The monthly sewer bill is calculated by adding the base fee plus the usage fee as described in 5.11.B.(1),(2), & (3) above.
- (3) The maximum "Winter Average" for individually metered residential customers is 30 units (after the 15% discount).
- (4) Residential Service Without Consumption History Sewer service for new accounts with no prior winter consumption, customers using well water or other unmetered water shall be assigned a "Winter Average" of 19.68 - 15% discount = 16.73 units for single individually metered households.

D. Multi-Residential Rate Charges

- (1) Defined as: Sewer service for master metered water service for multiple-residential households including for example; duplex, townhomes, apartments, and mobile homes.
- (2) The monthly sewer bill for the complex is calculated by adding a 3/4 inch base fee (as described in 5.11.B (3)) times the number of units in the complex plus the usage fee (as described in 5.11.B (1) & (2) for the entire complex. (Note: There is no cap on consumption for the multi-residential customers.)
- (3) New complexes that do not have a prior winter consumption history to determine their monthly usage fee shall be assigned a "Winter Average" of 8 units less a 15% discount to equal 6.8 units for each multiple-residential unit in a master metered residential complex.

E. Commercial Sewer Charges

- (1) ASU Determination: The charges for commercial sewer service shall be based on the rate of discharge and the strength of sewage. The Board of Directors may adjust the charges in proportion to the amount of water not entering the sewer which is substantiated by the property owner or discharger.
- (2) The strength of sewage is based on its biochemical oxygen demand (BOD) and the cost of removing suspended solids (SS).

- (3) The formula is derived by taking the total cost of providing sewer service and charging each user for a pro-rata share.
- (4) The State Revenue Program Guidelines require use of an "Assigned Service Unit Assignment Formula" which converts higher strength uses into a service unit value which is comparable to the use impact of a single-family residential user or equivalent dwelling unit. The formula for determining an Assigned Service Unit (ASU) for a single-family dwelling is set forth in the annual budget, which is incorporated herein by reference.
- (5) The formula is based on an estimated daily flow of 250 gallons per day plus 280 milligrams per liter of BOD and 234 milligrams per liter of SS for a residential equivalent dwelling unit.
- (6) For commercial users the flow is based on 85% of their prior 12-month water consumption to reflect the amount of water that returns to the system. The basis for determining estimated flow for unmetered water will be calculated on the demand imposed on the water system. The strength of discharge for commercial user is based on whether it is classified as a low-strength, medium-strength or high-strength user.

User Classification

Low-Strength Commercial = 1.000 Strength Factor

Car wash
General office and buildings
Barber and beauty shops
Department, retail stores and general commercial
Hospitals and convalescent homes
Laundromat, laundry and dry cleaners
Professional office or office building
Warehouse
Other uses having a similar strength as determined by the District

Medium-Strength Commercial = 1.238 Strength Factor

Bars without dining facilities
Bowling alley
Hotels without dining facilities or cooking facilities

Auto repair/sales shop and service station
Shopping centers
Other uses having a similar strength as
determined by the District

High-Strength Commercial = 2.203 Strength Factor

Bakery or bakery with deli
Hotel with dining facilities
Restaurants and bars with food
Supermarkets
Other uses having a similar strength as
determined by the District

Institutional = 1.000 Strength Factor

Churches: Treated the same as Low-Strength
Commercial.

Schools: For public schools flow is based on
average daily attendance ("ADA") for the prior
school year, including summer school, as
reported by schools to meet state requirements.
Private schools will be required to file a
report verifying their attendance. For
elementary schools 50 students shall equal 1
ASU. For junior high schools 40 students shall
equal 1 ASU and for high schools 24 students
equals 1 ASU. The formula for schools shall be
the same as applies to single-family
residential.

Colleges: For colleges, flow is based on the
number of Certificated and Classified Staff,
and students enrolled in each school session
(Spring, Summer, and Fall):

$$\begin{aligned} \text{Gallons per day (GPD)} &= \text{no. of students and staff x} \\ &\quad \text{no. of weeks Spring} \\ &\quad \text{session)} \\ &+ \quad \text{(no. of students and staff} \\ &\quad \text{x no. of weeks Summer} \\ &\quad \text{session)} \\ &+ \quad \text{(no. of students and staff} \\ &\quad \text{x no. of weeks Fall} \\ &\quad \text{session)} \\ &+ \quad \text{(no. of staff x no. of non-} \\ &\quad \text{session weeks)} \\ &\times \quad 23 \div 52 \\ \text{ASU} &= \text{Daily Flow x Strength Factor} \\ &= [(\text{GPD} \times 85\%) \div 250] \times 1.000 \end{aligned}$$

The minimum charge for commercial shall be no lower than 1 ASU at low strength. Charges are determined each fiscal year. The formula is set forth in the annual budget, which is incorporated herein by reference.

- F. Charges to Cover the State Loan Program for the Treatment Facility. A \$54 fee per ASU shall be attached to the property tax bills to cover the annual payment on the \$5,000,000 state loan until such loan is paid in full.
- G. Monthly Service Charges for Commercial Sewer Service. The Monthly Sewer Service charges for service furnished by the District, shall be:
1. Commercial and Institutional (per ASU)
Commercial users shall be charged based upon the ASUs derived in Section 53.11E.(4) multiplied by the single-family average residential rate Section 53.11 B.(4).
 2. Industrial and Other Users
Charges determined by the Board of Directors on a case-by-case basis.

Monthly sewer service charges shall commence upon installation of the water meter to serve the premises receiving the sewer service, upon connection to the District sewer system, upon start of occupancy of the premises to be served, or one year after the date the application for sewer service is filed, whichever is earlier. If a sewer service connection has been obtained and if sewer service will not be used until some time after installation of the water meter, commencement of the sewer service charge may be deferred until the later date only upon prior approval of the General Manager.

SECTION 53 FEES, RATES, CHARGES AND CONDITIONS FOR SEWER SERVICE

53.01 CONDITIONS FOR ACQUISITION OF SEWER SERVICE CAPACITY

Sewer service capacity may be acquired only for service to a specific address, parcel of land, or a land development project covered by an approved map. An approved map shall mean a recorded final map, a recorded parcel map or a tentative subdivision map that has been approved by the County or by a City, as applicable.

53.02 SERVICE AREAS

A. Service Areas. Sewer service shall be furnished by the District only to property located in Improvement District No. 14 ("I.D. 14"), Improvement District No. 18 ("I.D. 18"), and Assessment District No. 4 ("A.D. 4"), and the Russell Square Sewer Service Area. Sewer service to property located outside such areas may be furnished only upon annexation to ID 18 and payment of all applicable annexation fees.

53.03 ACQUISITION OF SEWER CONNECTIONS FOR SERVICE IN I.D. 14, I.D. 18 AND A.D. 4

A. There shall be no connection capacity fee for sewer service to parcels already annexed into Improvement District No. 14, Improvement District No. 18 and Assessment District No. 4 on or after December 16, 1998.

53.04 ACQUISITION AND PURCHASE OF SEWER CAPACITY FOR SERVICE IN THE RUSSELL SQUARE SEWER SERVICE AREA

A. District Acceptance of Sewer Facilities for Russell Square Area. Under an Agreement with Cal Dorado Development, Inc., dated June 28, 1981, the District accepted title to a sewer pump station, force main and appurtenances for a sewage system to provide sewer service to the residential dwelling units to be constructed within the parcels of land in San Diego County Tentative Parcel Map 17150. Under an Agreement with Cal Dorado Development, Inc., dated June 18, 1981, the District agreed to provide service to such parcels on the terms and conditions contained therein. On October 1, 1984, pursuant to Resolution No. 2139, the District Board of Directors accepted title to the facilities.

B. Designation of Russell Square Sewer Area. The geographical area described on the District Map entitled "Russell Square Sewer Service Area," dated October 11, 1988, on file with the District Secretary, constitutes the Russell Square Sewer Service Area.

C. Connection Fees for Connections for Sewer Service through the Russell Square Sewer Pump Station.

1. Sewer Connection Fee

A connection fee of \$7,500 for each EDU of sewer service provided through Russell Square Pump Station shall be collected. The connection fee is due at the time an application for sewer service is submitted. The number of EDUs for the connection shall be as set forth in Section 53.09 of the Code. Since the Russell Square Pump Station and force main were constructed by the developer or his assignee, at their expense, for the purpose of providing service to the parcels within Tentative Parcel Map 17150, the connection fee shall not apply to connections for sewer service to the parcels within said map. Such exempt parcels are currently identified as Assessor Parcel Nos. 497-011-41, 497-011-42, 497-011-44, 497-011-46 and 497-011-47.

2. A monthly sewer service charge of \$200 to cover normal operational costs of the Russell Square Pump Station and force mains shall be collected. This charge shall be reviewed by the Board of Directors from time to time to assure that such charges cover the costs for operation of the sewer facilities.

3. The proceeds of the fees and charges received by the District under 1 and 2 above shall be used by the District solely for maintenance, replacement or repair under C.1. above and for the operation of the facilities under C.2. above.

4. In addition the customer for such service shall pay the monthly service charge for sewer service set forth in Section 53.11.

53.05 CHARGES FOR INSTALLATION OF SEWER LATERALS Upon application for construction of one or more sewer laterals, the customer shall deposit with the District the estimated costs to be incurred by the District in connection with the installation of the facilities required, as determined by the District. Upon completion of the work, the District shall calculate the actual costs incurred by the District in performing the work. If actual costs are less than the amount deposited, the District shall refund the balance of the deposit to the customer. If actual costs exceed the amount

deposited, the customer shall reimburse the District for the additional costs.

53.06 PAYMENT OF FEES All fees prescribed in the Code shall become owing, due and payable at the time application is made to connect a premise to the sewer system of the District. The fees shall be paid to the District prior to the issuance of any permit authorizing the connection of such premise to the District sewer system. If the proposed connection cannot be made, the fee may be refunded when approved by the General Manager.

53.07 SEWER SERVICE USE CHANGES RESULTING IN INCREASED SYSTEM UTILIZATION The use of a sewer connection shall be limited to the type and number of EDUs authorized by the original wastewater discharge permit. Before adding any additional equivalent dwelling units, buildings, modifying existing buildings, or change of occupancy type, the property owner shall make a supplementary wastewater permit application to the District for such change in use and pay additional sewer annexation fees per EDU, if necessary, as may be applicable. Periodic inspection of the premises may be made by the District and if actual use is greater than estimated use, an assessment for additional annexation fees shall be assessed in accordance with the fee schedule in the then current Code of Ordinances.

53.08 WASTEWATER DISCHARGE PERMIT ISSUANCE AND LIMITATION

1. A wastewater discharge permit shall be required for any property for which a request is made to discharge into the District sewage system.
2. Every wastewater discharge permit shall expire by limitations and shall become null and void, if the construction or work authorized by such permit is not commenced within 120 days from date of issuance of such wastewater discharge permit or if the construction or work authorized by such wastewater discharge permit is suspended or abandoned for a period of 120 days at any time after the work is commenced.
3. Before such work can be recommenced, a new wastewater discharge permit application must be filed with the District. The District may reactivate the previous wastewater discharge permit provided that wastewater quantity and type is the same as the wastewater discharge allowed under the original permit, and provided further that such suspension and abandonment has not exceeded one year. Fees paid for the previous wastewater discharge permit may be credited toward the total permit fees required on the new permit application. Reactivation of the

previous wastewater discharge permit shall be subject to District sewer capacity being available at the time of new application and subject to any additional costs or charges imposed during the period of such suspension or abandonment.

53.09

BASIS FOR DETERMINATION OF EDUs

1. The number of EDUs for sewer service shall be determined on the following basis:

- | | | |
|----|---|------|
| a) | <u>Residential Facilities</u> | EDUs |
| 1) | Single-Family Residence
(Includes manufactured homes, and mobile homes which are on private lots | 1.0 |
| | A secondary structure with a kitchen is considered an additional EDU | |
| 2) | Apartments and Multiple Family Housing
Each individual living unit | 1.0 |
| 3) | Residential condominiums
Each individual living unit | 1.0 |
| 4) | Mobile Home and Trailer Parks
Per each individual space | 1.0 |
| b) | <u>Commercial/Industrial Facilities</u> | |
| 1) | <u>Food Service Establishments</u> | |
| a) | Take-out restaurants with disposable utensils, no dishwasher and no public restrooms | 3.0 |
| b) | Miscellaneous food establishments - ice cream/yogurt shops, bakeries (sales on premise only) | 3.0 |
| c) | 1) Take-out/eat-in restaurants with disposable utensils, but with seating and public restrooms | 3.0 |
| | 2) Restaurants with reusable utensils, seating and public restrooms (0-18 seats) | 3.0 |

	Each additional 6 seat unit, or portion thereof	1.0
2)	<u>Hotels and Motels</u>	
	a) Per living unit without kitchen	0.38
	b) Per living unit with kitchen	0.60
3)	<u>Commercial, Professional, Industrial Buildings, Establishments not specifi- cally listed herein</u>	
	a) Any office, store or industrial condominium or establishments. first 1,000 sq. ft.	1.2
	Each additional 1,000 sq. ft. or portion thereof	0.7
	b) Where occupancy type or usage is unknown at the time of application for service, the following EDUs shall apply. This shall include, but not be limited to, shopping centers, industrial parks and profes- sional office buildings.	
	First 1,000 sq. ft. of gross build- ing floor area	1.2
	Each additional 1,000 square feet of gross building floor area. Por- tions less than 1,000 sq. ft. will be prorated.	0.7
4)	<u>Self-service laundry per washer</u>	1.0
5)	<u>Churches, theaters and auditoriums per each 150 person seating capacity, or any fraction thereof. (Does not include office spaces, schoolrooms, day-care facilities, food preparation areas, etc. Additional EDUs will be assigned for these supplementary uses.)</u>	1.5

6) Schools

- a. Elementary Schools - For each 50 pupils or fraction thereof 1.0
- b. Junior High Schools - For each 40 pupils or fraction thereof 1.0
- c. High Schools, Colleges and Universities - For each 24 pupils or fraction thereof 1.0

Additional EDUs will be prorated based on above values.

The number of pupils shall be based on the average daily attendance of pupils at the school during the preceding fiscal year, computed in accordance with the education code of the State of California. However, where the school has had no attendance during the preceding fiscal year, the General Manager shall estimate the average daily attendance for the fiscal year for which the fee is to be paid and compute the fee based on such estimate.

7) Convalescent Homes

- a) Skilled nursing care facilities, psychological hospitals, convalescent hospitals; licensed by the Department of Health. 0.7/bed
- b) Community Care Facilities with 16 or more beds licensed by the State Department of Health. 0.5/bed
- c) Small Community Care Facilities with 7 to 15 beds licensed by the County Department of Social Services 0.5/bed
- d) Community Care Homes with six or fewer total residents, including

resident staff and housekeepers
(to be the same EDU as a single-
family residence).

1.0

8) Other

In the case of commercial, industrial and other business establishments such as bottling works, supermarkets, markets, deli/markets, convenience stores, hospitals, laundries (other than self-service laundries), automobile service stations, mortuaries, day-care centers, bars, pool halls, and other establishments not included in items 1) through 7) inclusive, or when the EDUs specified in items 1) through 7) are not representative of actual flow due to the number of employees or type of operation, the number of equivalent dwelling units shall be determined in each case by the General Manager and shall be based upon the estimated volume and type of wastewater discharge into the sewer.

53.10 TRANSFER, ASSIGNMENT, OR RESALE OF SEWER CONNECTION RIGHTS

EDU sewer connection rights obtained by a customer may not be sold, transferred, or assigned separately from ownership of the real property for which they were obtained, unless otherwise stated in an agreement with the District.

53.11 SEWER SERVICE RATES AND CHARGES

~~A.~~ Set-up Fees for Accounts. A set-up fee of \$10.00 shall be charged for each account transferred to another customer.

A.

B. Residential Sewer Charges

Five-year Rate Increase Schedule - All District sewer rates, charges and fees are subject to a five-year schedule of rate increases beginning September 1, 2009 and periodically thereafter through June 30, 2014. The increases under this schedule shall be

the amount sufficient to cover cost increases related to operation and maintenance, but not to exceed 10% per year.

Five-year Periodic Pass-through Rate Increases or Decreases from District Wholesalers - All District sewer rates, charges and fees are subject to periodic rate changes from the District's public agency wholesalers for a five-year period beginning September 1 2009 through June 30, 2014.

- (1) Winter Average Determination. Sewer service usage fee shall be based on the "Winter Average" water consumption, measured in units of hundred cubic feet (HCF). ~~For Otay water customers, the winter period is December through March, and for Helix water customers, the~~ The winter average period is January through April. The winter average for Otay is calculated by adding the four months of water consumption for the for the preceedingpreceding winter together and dividing the resulting amount by four. The winter average for Helix is calculated by adding the two billing periods of the four months together and dividing by four. For both Otay and Helix water customers, ~~†~~This average is then reduced by a 15% usage discount, recognizing that not all water used flows into the sewer system, to determine the "Winter Average" for billing purposes.
- (2) Usage Fee. The usage fee rate of ~~\$1.47-56~~ is multiplied by the "Winter Average" calculation for each customer (after the above noted 15% discount) and the resulting amount is added to the Fixed Service Charge applicable to the size of meter. The resulting fixed fee shall be charged on a monthly basis for an entire calendar year, until a new "Winter Average" is determined for the following year.
- (3) Base Fee. The monthly base fee is ~~\$10.20-80~~ for a 5/8 or 3/4 inch water meter and ~~\$14.90~~15.75 for a 1- inch or greater water meter.
- (4) The average residential sewer charge shall be calculated by calculating the total usage fee for all residential customers and dividing by the number of residential customers. Then the monthly base fee for 3/4 inch meter is added to this average fee and this shall be used to determine the rate per ASU to be used for commercial customers. ~~Effective January 1,~~

~~2009, the~~ The average residential sewer charge is ~~\$34.79~~36.858 per ASU.

C. Single Residential Winter Averaging

- (1) Defined as: Sewer service for individually metered residential households.
- (2) The monthly sewer bill is calculated by adding the base fee plus the usage fee as described in 5.11.B.(1), (2), & (3) above.
- (3) The maximum "Winter Average" for individually metered residential customers is 30 units (after the 15% discount). ~~as follows:~~
 - ~~i. January through December 2008 -
-18 units~~
 - ~~ii. January through December 2009 -
-22 units~~
 - ~~iii. After December 31, 2009 - 30 units~~
- (4) Residential Service Without Consumption History~~New Customers.~~ Sewer service for new accounts with no prior winter consumption, customers using well water or other unmetered water ~~New Customers that do not have a prior winter consumption history to determine their monthly usage fee shall be assigned a "Winter Average" of 19.68 - 15% discount = 16.73 units for single individually metered households.~~

D. Multi-Residential Rate Charges

- (1) Defined as: Sewer service for master metered water service for multiple-residential households including for example; duplex, townhomes, apartments, and mobile homes.
- (2) The monthly sewer bill for the complex is calculated by adding a 3/4 inch base fee (as described in 5.11.B (3)) times the number of units in the complex plus the usage fee (as described in 5.11.B (1) & (2) for the entire complex. (Note: There is no cap on consumption for the multi-residential customers.)
- (3) New complexes that do not have a prior winter consumption history to determine their monthly usage fee shall be assigned a "Winter Average" of 8 units less a 15% discount to equal 6.8 units for each multiple-residential unit in a master metered residential complex.

E. Commercial Sewer Charges

- (1) ASU Determination: The charges for commercial sewer service shall be based on the rate of discharge and the strength of sewage. The Board of Directors may adjust the charges in proportion to the amount of water not entering the sewer which is substantiated by the property owner or discharger.
- (2) The strength of sewage is based on its biochemical oxygen demand (BOD) and the cost of removing suspended solids (SS).
- (3) The formula is derived by taking the total cost of providing sewer service and charging each user for a pro-rata share.
- (4) The State Revenue Program Guidelines require use of an "Assigned Service Unit Assignment Formula" which converts higher strength uses into a service unit value which is comparable to the use impact of a single-family residential user or equivalent dwelling unit. The formula for determining an Assigned Service Unit (ASU) for a single-family dwelling is set forth in the annual budget, which is incorporated herein by reference.
- (5) The formula is based on an estimated daily flow of 250 gallons per day plus 280 milligrams per liter of BOD and 234 milligrams per liter of SS for a residential equivalent dwelling unit.
- (6) For commercial users the flow is based on 85% of their prior 12-month water consumption to reflect the amount of water that returns to the system. The basis for determining estimated flow for unmetered water will be calculated on the demand imposed on the water system. The strength of discharge for commercial user is based on whether it is classified as a low-strength, medium-strength or high-strength user.

User Classification

Low-Strength Commercial = 1.000 Strength Factor

Car wash
General office and buildings
Barber and beauty shops

Department, retail stores and general commercial
Hospitals and convalescent homes
Laundromat, laundry and dry cleaners
Professional office or office building
Warehouse
Other uses having a similar strength as determined by the District

Medium-Strength Commercial = 1.238 Strength Factor

Bars without dining facilities
Bowling alley
Hotels without dining facilities or cooking facilities
Auto repair/sales shop and service station
Shopping centers
Other uses having a similar strength as determined by the District

High-Strength Commercial = 2.203 Strength Factor

Bakery or bakery with deli
Hotel with dining facilities
Restaurants and bars with food
Supermarkets
Other uses having a similar strength as determined by the District

Institutional = 1.000 Strength Factor

Churches: Treated the same as Low-Strength Commercial.

Schools: For public schools flow is based on average daily attendance ("ADA") for the prior school year, including summer school, as reported by schools to meet state requirements. Private schools will be required to file a report verifying their attendance. For elementary schools 50 students shall equal 1 ASU. For junior high schools 40 students shall equal 1 ASU and for high schools 24 students equals 1 ASU. The formula for schools shall be the same as applies to single-family residential.

Colleges: For colleges, flow is based on the number of Certificated and Classified Staff, and students enrolled in each school session (Spring, Summer, and Fall):

$$\begin{aligned}
\text{Gallons per day (GPD)} &= \text{no. of students and staff} \times \\
&\quad \text{no. of weeks Spring} \\
&\quad \text{session)} \\
&+ \quad (\text{no. of students and staff} \\
&\quad \times \text{no. of weeks Summer} \\
&\quad \text{session)} \\
&+ \quad (\text{no. of students and staff} \\
&\quad \times \text{no. of weeks Fall} \\
&\quad \text{session)} \\
&+ \quad (\text{no. of staff} \times \text{no. of non-} \\
&\quad \text{session weeks)} \\
&\times \quad 23 \div 52
\end{aligned}$$

$$\begin{aligned}
\text{ASU} &= \text{Daily Flow} \times \text{Strength Factor} \\
&= [(\text{GPD} \times 85\%) \div 250] \times 1.000
\end{aligned}$$

The minimum charge for commercial shall be no lower than 1 ASU at low strength. Charges are determined each fiscal year. The formula is set forth in the annual budget, which is incorporated herein by reference.

- F. Charges to Cover the State Loan Program for the Treatment Facility. A \$54 fee per ASU shall be attached to the property tax bills to cover the annual payment on the \$5,000,000 state loan until such loan is paid in full.
- G. Monthly Service Charges for Commercial Sewer Service. The Monthly Sewer Service charges for service furnished by the District, shall be:
1. Commercial and Institutional (per ASU)÷
Commercial users shall be charged based upon the ASUs derived in Section 53.11E.(4) multiplied by the single-family average residential rate Section 53.11 B.(4).
 2. Industrial and Other Users
Charges determined by the Board of Directors on a case-by-case basis.

Monthly sewer service charges shall commence upon installation of the water meter to serve the premises receiving the sewer service, upon connection to the District sewer system, upon start of occupancy of the premises to be served, or one year after the date the application for sewer service is filed, whichever is earlier. If a sewer service connection has been obtained and if sewer service will not be used until some time

after installation of the water meter, commencement of the sewer service charge may be deferred until the later date only upon prior approval of the General Manager.

Div 1

August 1st., 2009

BOARD SECRETARY
OTAY WATER DISTRICT
2554 SWEETWATER SPRINGS BLVD.
SPING VALLEY, CA, 91978

Who may concern:

I received your notification regarding the increase in the water cost, **and I disagree with that increase**, for the following reasons:

1.- Lot of things and services are increasing at this time, but our income still the same, so we can not afford the higher costs of basic services and necessities.

2.- Tax were raised, as well as maintenance fee in our home owner association.

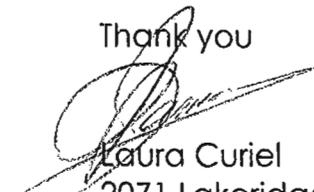
3.- Medical insurance and medications increase almost 50%.

For this and many more reasons (economical reasons), I **oppose** to the water rates increase.

I understand that you have economical problems, but I also have them, as well as most of the citizens, I don't know why you want to resolve your problems increasing the cost of the water rates to the property owners and tenants, when we can not earn more money to pay for this increase.

I think you should look for other options, not the one that affects more the poor economy of the citizens.

Thank you



Laura Curiel
2071 Lakeridge Circle Unit 203
Chula vista, CA 91913

August 5, 2009

Div 1

Otay Water District
2554 Sweetwater Springs Blvd.
Spring Valley, CA 91978

Dear Board of Directors:

We have read your proposal for Residential Water Rates. We are opposed to the adoption of a five-year schedule of proposed water rates increases to be implemented beginning September 1, and periodically thereafter through June 30, 2014. It is irresponsible of Otay Water District to set up these water rates without assessing the need for an increase each year. You can not assume that these rate increases are necessary in the future. We are particularly concerned that it not only ignores any conservation efforts made by residential customers, your proposal deliberately eliminates any opportunity for us to provide input or protest.

Furthermore, we do not believe the Otay Water District has done enough to minimize water waste, particularly in public areas. For example, we still see areas with water run-off and areas where water is gushing out of broken sprinklers. We have placed calls notifying the Otay Water District and we do not see corrective action for days. We all end up having to pay for these problems - but projected water rate increases without assessment and due process is not the answer.

Please reconsider your proposals and make a sincere effort to approach this issue more responsibly. Thank you.

Sincerely,


Rudy and Sara Montemayor

(property address shown below.)

1544
~~1537~~ WESTMORLAND ST
CHULA VISTA, CA 91913

ELVA R. MELLOR
971-E SOMERSET COURT
CHULA VISTA, CA. 91915
619-421-2892
e.mellor@cox.net

Div 1

August 16, 2009

OTAY WATER DISTRICT

Dear Mr. Buelna,

I am among many citizens in your district who are very concerned about the increase in water rates. Your explanation is not exactly clear but what is clear is that we are not being given an appropriate voice in the decision. I understand that there is a need for more income due to the lack of water supply coming to us. BUT to state that we are going to have possible (more likely regular) yearly increases of 10%, is that REALLY necessary? Can't it be reconsidered yearly with proper communication with us? Actions like this do not help your public image or relations.

PLEASE do something about reconsidering this arbitrary decision.

Thank you,



Elva Mellor

PS Your brochure on this for a long time is impossible to decipher

Timothy R. Hormuth
1253 Calle Tesoro
Chula Vista, CA 91915
July 26, 2009

Div 1

Board of Directors
Public Hearing
Otay Water District
2554 Sweetwater Springs Blvd.
Spring Valley, CA 91978

Dear Board of Directors:

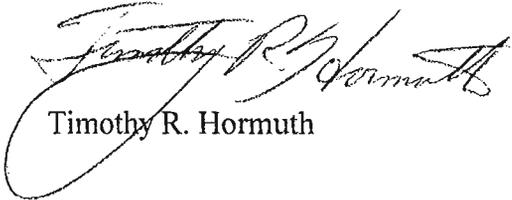
I am writing to oppose the actions for the public hearing on August 24, 2009 for proposed Water and Sewer Rate increases.

The District needs to find other resources and plans rather than increase the rates in these extremely difficult financial times of record unemployment rates and home foreclosures.

This letter serves as my written protest and opposition to the District's proposed adoption of a five-year schedule of proposed water rate increases to be implemented beginning on September 1, 2009 and periodically thereafter through June 30, 2014.

Thank you for your support.

Sincerely,



Timothy R. Hormuth

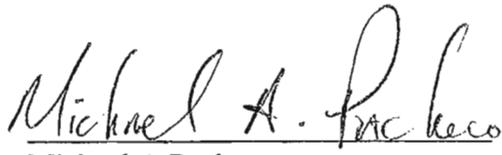
July 7, 2009

Dir 1

To Whom It May Concern:

We are writing this letter to oppose the proposed rate increases.

Michael A and Cindy A Pacheco
1415 Caminito Capistrano #1
Chula Vista, CA 91913


Michael A Pacheco


Cindy A Pacheco

July 7, 2009
426 Scottsdale Drive
Moon Township, PA 15108

Board Secretary
Otay Water District
2554 Sweetwater Springs Blvd
Spring Valley, CA 91978

Div 1

RE: 1561 Hackberry Pl
Chula Vista, CA 91915

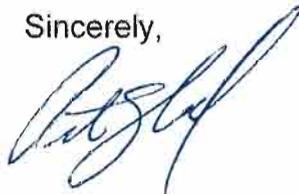
I'm responding to your notice for the public hearing on the water and sewer rates scheduled on Monday August 24, 2009.

How in times of escalating unemployment can you possibly consider an increase of 19.9% in one year? Nothing on this planet has gone up 19.9 % in less than a year! You're proposal to increase costs by no more than 10% a year for the next five years is astonishing to say the least! Who gets a 10% raise each and every year in their salary?

My water/sewer and trash pickup in Pennsylvania from (02/05/09 -05/06/09) was \$153.11 for 13000 gallons of water, with the associated sewer fees and trash fees. My **two-month bill** (water/sewer only) at 1561 Hackberry Pl (3/18/09 -05/20/09) was \$122.73 for 20 units of usage. You are already 20% higher than Pennsylvania and you don't include trash pickup! I'm sure the water systems in California are newer and need less maintenance than those in Pennsylvania!

I suggest that you readdress your labor, benefits, administrative expenses, and other operational costs! At some point the customer is going to say NO to ever increasing expenses -now is that time. We can not spend ourselves into prosperity! If your customers are not getting those kinds of raises then you can't expect to get those kinds of fees!

Sincerely,



Peter Copeland

07/06/2009

br 1

Board Secretary
Otay Water District
2554 Sweetwater Springs Blvd.
Spring Valley, CA 91978

Dear Sir/Madam,

I just received the notice for proposed rate increases starting in September 2009. I am writing to protest strongly the consideration of this policy because, if passed, it will burden the citizens under your jurisdiction with yet another local tax, justified weakly through more nebulous and opaque claims of absolute and immediate necessity. It appears that fear-mongering is how all levels of government in this country now operate in order to constantly extract more money from shell-shocked constituents and taxpayers.

With this long recession upon us, we have all had to make sacrifices, tighten budgets and work within our remaining means and resources. This is called fiscal discipline. Local municipalities and utilities should practice it as well. But, nowhere in your notification literature do you mention the possibility of first making necessary cuts and adjustments in your cost structure to balance your budget. Instead, you assume that your bloated legacy expenses are sacred, while taxpayer wallets are not.

We all have to do more with less these days and your agency should be no different. Your cost structure is not fixed, nor protected from adjustment and scrutiny. Maybe it is time for some people in your organization to work overtime, some benefits to be reduced and some of the perpetual cost of living increases suspended; maybe even a hiring freeze and some ingenuity to maximize the resources you *do* have instead of assuming our wallets are bottomless purses for you to raid every time you cannot manage your budget.

Only once you have made a real effort to keep costs down, then you can approach us with a piggish rate hike of 10%/year for the next year. Are you serious with this?? That amounts to a net 60% increase in rates over five years. How can your costs have gone up that much even with reduced tax revenues? Something is amiss here. I suspect most of that increase would go to preserving benefits for existing and retired employees. Even so, it would be only slightly less insulting if it was earmarked for actual infrastructure, or "pass-through" fees from your wholesalers, as you claim. Yours is a relatively new plant and should not need any substantial repairs, nor should you have deferred maintenance on it yet. I would also be interested to see those step-up clauses in your agreements with the water purveyors. I cannot believe they would jump up so abruptly and dramatically. I am eager and hopeful to be proven wrong.

Please remember that government jobs, and the generous benefits associated with them, are not holy entitlements that deserve to be protected at all costs, especially in times like these. You provide a necessary and beneficial service to us for which we are all grateful, but your job is no more important than anyone else's in the private sector and many of us there do not enjoy the autonomy and minimal oversight afforded to you by having busy, uninformed taxpayers as bosses.

Notwithstanding all of the above, I am willing to consider that you may have a good reason for proposing this exorbitant hike. I plan on attending the public hearing and doing some research in the interim to understand just how exactly you intend to spend this money. If it turns out that this increase is entirely due to water purveyor rate hikes and necessary maintenance, then these increases are legitimate and I will gladly pay them.

To that end, I would appreciate full disclosure if I have additional questions. It would be very helpful to show me where I can review those water purveyor contracts, any repair/maintenance bids, as well as the municipality budget for the last three years. I would think these articles are already prepared and easily accessible. I just need to be pointed in the right direction. Obviously, full transparency will only help in passing this rate hike because if we all see what it will be spent on, then we can make educated decisions about whether you deserve it and if we truly need it.

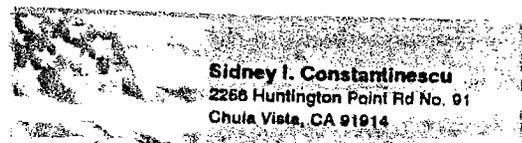
A final thought: If this rate hike does get approved, once tax revenues go back up and you have a budget surplus, would you then return this money immediately through a rate cut? I doubt it, because if you did, you would be the first government agency in history to ever self-regulate and reduce its budget voluntarily.

I look forward to meeting you in person on August 24. Until then, if you have any questions, I can be reached at (619) 889-6679, or at sid.constantinescu@gmail.com.

Sincerely,



Sidney Constantinescu



Div 1

Mr & Mrs Bartlett
2582 Oak Springs Drive
Chula Vista, CA 91915

July 1, 2009

RE: Proposed New Water Rate Increases

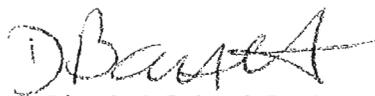
Board Secretary
Otay Water District
2554 Sweetwater Springs Blvd.
Spring Valley
CA 91978

Dear Sir or Madam:

I wish to record my protest of the 'Proposed New Water Rates' notification for the following reasons:

- 1) Your proposal of an initial increase of 19.9% on September 1st 2009 is very unrealistic given the current economy. To expect people to pay an increase of almost 20% on top of their current bill every month for the next 12 months is not in touch with reality.
- 2) Your Proposal also gives the water district blind approval to add further increases of up to 10% per year thereafter through June 30, 2014 with no provision for any hearings or protests.
- 3) In summary this proposal will result in water district users experiencing annual increases of 19.9%, 10%, 10%, 10%, 10% over a five-year period. This will be on top of any other fees imposed by the Water District (for excessive consumption for example). As a responsible resident living within the Otay Water District (already cutting back on garden watering etc.) I urge the board members to have a very hard look at overheads with a view to implementing cost reductions rather than 'pass on' the financial woes to the end user who has no option as to where he or she purchases water.

Sincerely,



Ricardo & Deborah Bartlett

Div 1

716 Whispering Trails Drive
Chula Vista, CA 91914

July 1, 2009

RE: Proposed New Water Rate Increases

Board Secretary
Otay Water District
2554 Sweetwater Springs Blvd.
Spring Valley
CA 91978

Dear Sir or Madam:

I wish to record my protest of the 'Proposed New Water Rates' notification for the following reasons:

- 1) Your proposal of an initial increase of 19.9% on September 1st 2009 is very unrealistic given the current economy. To expect people to pay an increase of almost 20% on top of their current bill every month for the next 12 months is not in touch with reality.
- 2) Your Proposal also gives the water district blind approval to add further increases of up to 10% per year thereafter through June 30, 2014 with no provision for any hearings or protests.
- 3) In summary this proposal will result in water district users experiencing annual increases of 19.9%, 10%, 10%, 10%, 10% over a five-year period. This will be on top of any other fees imposed by the Water District (for excessive consumption for example). As a responsible resident living within the Otay Water District (already cutting back on garden watering etc.) I urge the board members to have a very hard look at overheads with a view to implementing cost reductions rather than 'pass on' the financial woes to the end user who has no option as to where he or she purchases water.

Sincerely,



Alan Reoch

Stacy Water District
Secretary (Per Bulletin)
July 17, 2009
Acct # 200-12520
Div 2

I wish to register my vote in
opposition to the agenda upcoming to
raise our water rates. The bulletin said
letters in opposition to the increases
should be mailed to "Secretary) Stacy
Water District 2554 Sweetwater Spring Road
Spring Valley Ca 91978. I'm financially
unable to absorb any higher bills than
the current ~~70's~~ \$80's dollar amounts.
Please try to understand we live on a
fixed income I can't pay the water
bill as it currently is.

Acct #
200-12520
William Bailey Yancey Jr
305 Spruce Street
Chico, CA 95921

To Secretary of State District

Clay

17 July 2009

ACCT # 200-1252-01

I oppose the scheduled agenda
to raise the water rates for Clay Water
Users. We have used your company
for the past 41 years. We are in our
80's. & with the current economy and
higher health, food, energy prices we
can no longer afford more higher water
bills. Please understand our current
financial condition. I vote no to
this raise at this time.

Sincerely

ACCT # 200-1252-01

Edna F. Spencey
305 Spruce St
Chula Vista, Ca 91914

DIV 2

Dear Board Secretary,

I'm writing to you to
to oppose any action to
authorize ~~any~~ increases
to our water rates.

I feel I'm a resident
for over 26 years and feel
we should not have to have
an increase.

* You should charge more to
All the new residents & business
in Eastlake & Otay Ranch *

I oppose any increases

Linda A Yancey
311 Spruce St
Chula Vista CA
91911-5524

pl9 -
422 -
2487

Div 2

June 24, 2009

Board Secretary
Otay Water District
2554 Sweetwater Springs Boulevard
Spring Valley, CA 91978

**Re: Proposed Pass-through Charges/Five-Year Rate
Increases**

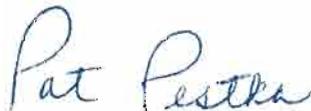
To Whom It May Concern:

In this time of people losing their jobs/homes and the Government, State and County picking us clean because they won't stop their wasteful spending, it is astounding that you, too, want to add to our burden and fatten your coffers rather than trim your fat.

I hereby officially lodge my objection regarding Otay Water District's proposed pass-through charges and five-year rate increases.

Residence address: 1001 Calma Drive
Chula Vista, CA 91910

Sincerely,



Pat Pestka
Owner

July 13, 2009

Board Secretary
Otay Water District
2554 Sweetwater Springs Blvd.
Spring Valley, CA 91978

Dir-2

Dear Board Secretary:

I am writing to protest against the water and sewer rate increase throughout the next 5 years, starting September 2009.

As a customer who does everything she can not only to conserve water, but teach her neighbors not to waste it, I oppose increasing rates. Barely being able to pay the charges I receive now, any increase, even if they truly only were "no more than 10% per year," are not reasonable.

Yes, costs have increased for everything, but I find it puzzling why anyone would give your board the authority to raise rates as you see fit within the next five years. I understand we are going through a drought, we have been for many years, after all we do live in the desert where it doesn't rain like it use to. However, giving you the authority to raise rates as you see fit with the excuse of "continuing to deliver reliable, high-quality service, while maintaining a balanced budget..." sounds like a cover up for increasing salaries that haven't been able to be raised because of the economy.

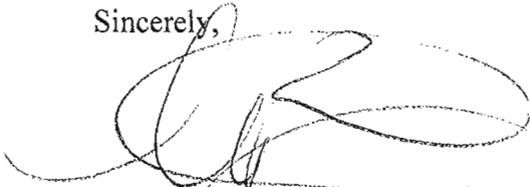
What we need is more involvement from the community and government to encourage conservation from residents and businesses. Making the consumer pay more for a service that is necessary, is not the way to go. What happens when people can no longer afford to hire your service? Will you increase the rates once again to make up for all those lost customers?

My favorite part of your notice are the areas where it states, "any increases would not exceed the cost of providing the service and would be subject to a 30-day notice, BUT WOULD NOT BE SUBJECT TO ADDITIONAL HEARINGS OR PROTESTS." Basically, your board is asking for complete power to raise fees as you see convenient, promising not to exceed 10% each year, which means it could be 9.9% each year for a total of 49.5% within the next five years and expect no protests – really?

I oppose this rate increase. I suggest a one time increase be discussed or written instead. And, should this unfortunate increase have the possibility to be passed, I demand a specific layout of whom, how and when you plan to raise these fees. Exact numbers, not generalizations.

My name is Nidya B. Rivera-Moreno. I reside in the Woodland Hills Condominium Community at 566 Telegraph Canyon Road – Unit #E, Chula Vista, CA 91910.

Sincerely,



Nidya Rivera-Moreno

1226 Nacion Avenue
Chula Vista, CA 91911-3704
June 29, 2009

Div 2

Board Secretary
Otay Water District
1554 Sweetwater Springs Blvd.
Spring Valley, CA 91978

Dear Otay Water District:

This letter is being sent to you to protest the residential water rate increases over the next five years.

1. You stated the following in your notice:
 - Increase cost to cover cost increases related to operation and maintenance costs:
listed as:
 - Increase in power
 - Labor and benefits
 - Materials
 - Maintenance
 - Administrative expenses
 - Other operational cost of providing water services
 - Meet bond covenants
 - Maintain adequate reserves and rate stability

What percentage of the budget is each of the above-mentioned items?

- Additional authority to make periodic rate changes over the same five-year period (increase or decrease)
 - That operation and maintenance water service rates increase would not exceed 10% per year; however, the first water rate increase is an average amount of 19.9%
 - That the Sierra Nevada Mountains received only 66% of a normal year's precipitation this past rainy season.
 - Pumping restrictions
 - HIGH cost of purchasing water
2. If I understand you correctly, you want the consumers
 - To pay more, and
 - Use less
 3. You further stated that in California, water is the life-blood of our economy; but you only promise "higher prices for water remain in our future." Not what I wish to hear from leadership

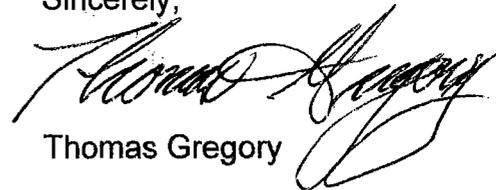
My protest is that for the past 30 years, all Otay Water District has done is raise costs? Why?

1. Failure to build its own desalinization plant even though it borders the ocean which has an unlimited supply of water. Why not?

- The District has sated high cost. If we had built it 30 years ago, it would be paid for by now
- 2. If water is so critical and we have such a shortfall, why are we still building more buildings?
- 3. After all of these years, why haven't we taken more positive action to eliminate the water shortfall instead of buying more water regardless of the cost?
- 4. I do not see how the District will control:
 - Precipitation
 - Pumping restrictions from other areas
 - Reductions in supplies
 - Usage if we continue to expand (new buildings/growth)
- 5. Why can't the District be the leader for the county and become water independent?
 - It would help after an earthquake to have your own supply, and
 - Our cost wouldn't be going up and up for less and less

We must do more than we have done in the past and are doing now so that we will have MORE water.

Sincerely,



Thomas Gregory

Div 3

CITY WATER BOARD

I WISH TO SUBMIT MY PROTEST AGAINST

THE 197 INCREASE IN WATER

I DON'T KNOW HOW THE WATER AUTHORITY
CAN CHARGE MORE TO SEND LESS WATER.

NO WAY TO I SEE ANYTHING ABOUT
SOLVING THIS PROBLEM. I WOULD
GLADLY PAY THE NEW FEE FOR A
SERVITION.

IT SEEMS TO ME THE ONLY
SOLUTION OUR GOVERNMENT, CITY STATE
FEDERAL HAS IS TO RAISE TAXES

FRAN D. KENNEDY
5755 ST. GEORGE ST.
SPRING VALLEY, CA 91977

FRAN D. KENNEDY

Div 3

I object to the increase.

Heather Barnadas
8475 Avenida Angulia #35
Spring Valley, CA 91977

Heather Barnadas

Div 3

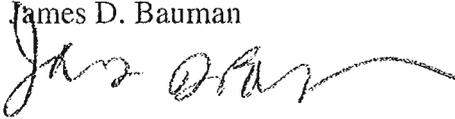
03 Aug 2009

To Whom It May Concern:

I protest the latest Residential Water increase you're proposing for residential customers serviced by the Otay Water District

My Address: 10160 California Waters Dr
Spring Valley, Ca 91977-3466

Sincerely,
James D. Bauman

A handwritten signature in black ink, appearing to read "James D. Bauman", with a long, sweeping horizontal stroke at the end.

Div 3

940 Ramona Ave.
Spring Valley, CA 91977

August 12, 2009

Otay Water District
Board Secretary
Otay Water District
2554 Sweetwater Springs Blvd.
Spring Valley, Ca 91978

Dear Otay Water District,

I'm writing in regards to your notice of the public hearing on water and sewer rates.

After reviewing your letter on the water rate increase, I **strongly oppose it**. I think that it is unfair that you will continue to raise our water rates each year, for the next five years. I understand that we are in a water shortage and that our economy is not doing well, but the economy is affecting all people including **us** the homeowners. We not only have to endure the cost of taxes and consumer goods going up, we feel it is unfair that you have to increase our water rates as well.

As a residence of San Diego County we are all doing our best to conserve our water supply.

We ask that you hold of on raising our water rates and ask that you come up with a better solution in fixing your financial situation. We believe a water rate increase for the next five years is not the right solution. We continue to value your water service and hope that you can come up with better alternatives.

Sincerely,

Ramon Moreno

21 July 2009

Div 3

Board Secretary
Otay Water District
2554 Sweetwater Springs Blvd
Spring Valley, CA 91978

RE: Letter of Opposition to Rate Increase

Affected Property:
1505 Folkestone St
Spring Valley, CA 91977

This letter is our written objection to the proposed rate increase for water usage.

Due to the obvious economic climate our state is in, we are in no position to absorb any type of water rate increase at this time. All of the bare necessities for living have increased except for our income.

Our family has already made additional household cuts during the past year and a proposed water increase seems impossible at this time.

The Spring Valley Community is **not** a high income population as you well know. This increase will only hurt struggling families trying to make ends meet on a monthly basis.

Please reconsider your proposal and seek to find alternate avenues such as benefits and administrative costs.

Sincerely,

David & Tess' Bougher

July 20, 2009

Div 3

Board Secretary
Otay Water District
2554 Sweetwater Springs Blvd
Spring Valley, CA 91978

RE: Letter of Opposition to Rate Increase

Affected Property: 1436 Walbollen St.
Spring Valley, CA 91977

This letter is our written objection to the proposed rate increase for water usage.

Due to the obvious economic climate our state is in, we are in no position to absorb any type of water rate increase at this time. All of the bare necessities for living have had increases except for our income.

We have recently had a loss of income for our household and the possibility of finding another job soon with the same salary as before will be difficult to find.

Our family has already made additional household cuts during the past year and a proposed water increase seems impossible at this time.

The Spring Valley Community is **not** a high income population as you well know. This increase will only hurt struggling families trying to make ends meet on a monthly basis.

Please reconsider your proposal and seek to find alternate avenues such as benefits and administrative costs.

Sincerely,

A handwritten signature in cursive script that reads "Gilbert and Victoria Chavez". The signature is written in dark ink and is positioned above the printed name.

Gilbert and Victoria Chavez

July 10, 2009

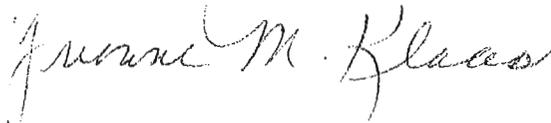
YVONNE KLAAS
3147 POINTE PKWY
SPRING VALLEY, CA 91977-3478

Div 3

BOARD SECRETARY
OTAY WATER DISTRICT
2554 SWEETWATER SPRINGS BLVD
SPRING VALLEY, CA 91978

Account Number: 043-0730-01

I am filing an official objection to the water/fee rate increases proposed at the meeting on Monday, August 24, 2009, and any adjournment of that meeting, by the OTAY WATER DISTRICT.



YVONNE M. KLAAS

Div 3

07-20-09

To: Otay Water District
From: Edward & Cristina del Toro 1312 Coronado Avenue Spring Valley CA 91977
Re: Residential water rates increase

I am writing this letter to protest the proposed water rates hikes being phased in during the next five years beginning 09-01-09. My reasons for the protest are as follows:

1) Otay's water rates were just increased a few months ago. I used to pay about \$10.00 for the water system fee while my water charge was about \$5.00. Now I am paying .38 for an energy charge, \$7.02 for a SD CWA infrastructure access and \$13.83 for the water system fee. My water charge is \$5.60. I pay more for the maintenance fees than for the actual use of water. I now pay about \$27 a month when I used to only pay about \$20 a few months ago. I am a conservative user of water. I know there are district customers that use water wastefully without the slightest thought about our dwindling precious water resources. I have done my share of water conservation practices and continue to do so, probably more so than the average customer. I have installed low flow showerheads, faucets and toilets in my residence. I use water sparingly outside. My average use of water is 5 units monthly, yet my bill continues to increase, not in the water usage itself but in all the extra maintenance and miscellaneous fees added to the bill.

2) It is not a good idea to raise rates during this downward economic time. State, court and other employees are struggling financially because their employers are closing one or more days a month without paying their employees during these closures. These employees are being asked to take the time off from work without pay *in addition* to not getting any cost of living raises. You claim the cost of your operations has increased which justifies passing the increased costs to the customers. You are putting the consumer at an unfair disadvantage because while your costs have increased, the consumer's salary has not and instead has decreased.

In closing, I ask you to please consider my reasons for not increasing the water rates and reconsider the negative financial impact increasing these rates will have on your customers.

Sincerely,



Edward & Cristina del Toro

685 Chapel Hill Drive
Chula Vista, CA 91914

Div 4

July 1, 2009

RE: Proposed New Water Rate Increases

Board Secretary
Otay Water District
2554 Sweetwater Springs Blvd.
Spring Valley
CA 91978

Dear Sir or Madam:

I wish to record my protest of the 'Proposed New Water Rates' notification for the following reasons:

- 1) Your proposal of an initial increase of 19.9% on September 1st 2009 is very unrealistic given the current economy. To expect people to pay an increase of almost 20% on top of their current bill every month for the next 12 months is not in touch with reality.
- 2) Your Proposal also gives the water district blind approval to add further increases of up to 10% per year thereafter through June 30, 2014 with no provision for any hearings or protests.
- 3) In summary this proposal will result in water district users experiencing annual increases of 19.9%, 10%, 10%, 10%, 10% over a five-year period. This will be on top of any other fees imposed by the Water District (for excessive consumption for example). As a responsible resident living within the Otay Water District (already cutting back on garden watering etc.) I urge the board members to have a very hard look at overheads with a view to implementing cost reductions rather than 'pass on' the financial woes to the end user who has no option as to where he or she purchases water.

Sincerely,


Chris and Laura Constantinides

David W. and Nancy E. Smith
1519 Whitestone Road
Spring Valley, CA 91977
(619) 660-9922
August 3, 2009

Div 4

Board of Directors
c/o Board Secretary
Otay Water District
2554 Sweetwater Springs Blvd.
Spring Valley, CA 91978

Re: Proposed Rate Increase

We have been customers of the Otay Water District at 1519 Whitestone Road for over 35 years. Your consideration of an increase of 19.9% during one of the worst economic downturns since the depression shows how out of touch you are with your customers.

When the majority of the current Board Members took office in January of 2001, there was a rate stabilization fund in place to keep the District from having to make such exorbitant increases. That rate stabilization fund was mishandled and piecemealed to the customers instead of being held and grown to be used for future increases. This action certainly displayed not only poor management but a lack of business knowledge on the Board's part.

In 2003 this Board approved one of the richest pension benefits for a municipal agency—2.7% upon retirement at 55. Also Otay pays, with ratepayers' money, for catered luncheons from outside vendors for the employees. And you want to raise our rates by 19.9%? You should start looking around and see what some of the other state, county and municipal employers are doing to cut costs—such as having two furlough days a month—which would save 10% a month in your labor costs. That savings would certainly lessen the amount you need to increase water rates.

All of your customers have had to cut back in many ways during these tough economic times. Otay should also. You, as Board Members, have a fiduciary duty to your ratepayers. Nowhere have you shown that the District has implemented any cost savings in your expenses, salaries or benefits. Spending ratepayers' money for luxurious retirement benefits and employee luncheons and then expecting to increase rates by 19.9% while not implementing cost savings is criminal. Just as your customers have had to do, you need to find another way to cover your expenses than on the ratepayer's backs.

Sincerely,



David and Nancy Smith

Div 4

August 7, 2009

Board of Directors
Board Secretary
Otay Water District
2554 Sweetwater Springs Blvd.
Spring Valley, CA 91978

Re: Proposed Rate Increase for Residence at 1531 Whitestone Road

We are writing to protest the proposed 19.9% rate increase. You have already increased our rates by 12.4% in January 2009 and with this proposed increase we will be paying over 32% more for water than we were in September 2008. A 32% increase in one year is ridiculous in the best of times, but in these difficult economic times, it is outrageous and offensive. Many of your customers have lost their jobs, taken jobs that pay less or are living on fixed incomes, as we do. We can't understand how a Board can even consider such an increase in these economic times.

When you increased our rates in January, Chief Financial Officer Beachem was quoted as saying that future increases would range from 5.2% to 8.9% through 2014. Now you want to more than double that estimate? If an outside vendor increased their costs to you by 32% in less than one year, you would probably change vendors. Unfortunately, we don't have that luxury.

We have drastically cut back on our water usage to the point that our lawn and plants are suffering. We can't cut back any further. Otay needs to cut their costs, as all of us have done, not make excessive increases to their rates.

Sincerely,



Allan Gladfelter



Phyllis Gladfelter

1531 Whitestone Rd.
Spring Valley, CA 91977

Div 4

August 7, 2009

Dear Board of Directors:

I am extremely disappointed and upset to hear that the board is considering a water rate increase.

I live at 978 Paseo Entrada, Chula Vista, CA 91910. My family and I are doing our part to conserve water and reduce our water consumption as much as possible. Yet, it is disheartening to see that the majority of my water bill is for fees and not the actual amount of water consumed.

I fully believe that we, as residents of Chula Vista, already pay a great deal of money towards the water rate. I am, therefore, opposed to the water rate increase.

Sincerely,

Nancy Yamada
978 Paseo Entrada
Chula Vista, CA 91910

Div 4

August 6, 2009

To Whom It May Concern,

I do not agree with the proposed water rate increase. You will raise the rates in September 19.9%, and thereafter 10% per year. I am retired and the State Retirement System will only give me 2% raise yearly. Eventually my water bill could be way out of range, and people can't live without water.

It seems like every year you have a new excuse to raise the rates. I know my letter will mean nothing to you, but it gives me some pride to stand up for myself and say enough is enough!

A handwritten signature in cursive script that reads "Phyllis Comer".

Phyllis Comer
1647 Gotham Street
Chula Vista, CA 91913

281 Tiburon Dr. Unit 179
Chula Vista, Ca 91914
August 12, 2009

Div 4

Otay Water District
Board Secretary
Otay Water District
2554 Sweetwater Springs Blvd.
Spring Valley, Ca 91978

Dear Otay Water District,

I'm writing in regards to your notice of the public hearing on water and sewer rates.

After reviewing your letter on the water rate increase, **I strongly oppose it.** I think that it is unfair that you will continue to raise our water rates each year, for the next five years. I understand that we are in a water shortage and that our economy is not doing well, but the economy is affecting all people including **us** the homeowners. We not only have to endure the cost of taxes and consumer goods going up, we feel it is unfair that you have to increase our water rates as well.

As a residence of San Diego County we are all doing our best to conserve our water supply.

We ask that you hold of on raising our water rates and ask that you come up with a better solution in fixing your financial situation. We believe a water rate increase for the next five years is not the right solution. We continue to value your water service and hope that you can come up with better alternatives. Raising costs is not the solution, but deregulation is the key.

Sincerely,

Ana C Mosler



August 17, 2009

Board Secretary
Otay Water District
2554 Sweetwater Springs Blvd.
Spring Valley, CA 91978

Div 5

To Whom It May Concern;

I would like to take this opportunity to express my displeasure concerning your proposed rate increases.

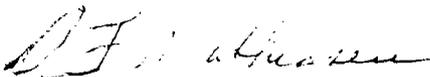
Your proposed five year schedule of rate increases is absolutely absurd. You are proposing to raise rates by 10% each year, which means at the end of 5 years you have increased all rates by approximately 55%. Since the government quoted cost of living increases have averaged less than half of that in the past how can you justify these amounts? Not only do you propose these increases, but they would not be subject to hearings or protests which is providing Otay Water District free rein with water costs that I feel should be illegal.

I have never seen "Fire Service fees with any other water company that I have ever been associated with and when I called I was told it only refers to commercial users. Why was that not explained in your brochure? Not only that is not explained, but your charts do nothing but confuse the average person.

You say the CWA and MWD do not expect to implement increases in 2010 and yet you are raising your fees by the proposed 10%. How can you possibly justify that?

One last irritation with your actions. You have your hearing scheduled for 3:30 PM. This disallows many working people from attending to express their views. Superb planning, I must say, on your part to eliminate a lot of negative opinions.

Sincerely,



D. F. Mathiasen
4347 Resmar Rd.,
La Mesa, CA 91941

12166 Via Serrano
El Cajon, 92019

Greg Post
11177 Explorer Road
La Mesa, CA 91941

parcel # 502-193-07-00

August 18, 2009

Div 5

To Whom It May Concern; Board
Secretary :

We reject any sewage service rate increases for Otay Water District. The possible increases are too high. Plus, we do not want automatic periodic rate changes to pass from increased charges implemented by the District's public agency wholesalers. Of course, we expect you to decrease our rates if wholesalers decrease their charges.

At this time there is no excuse for administrative expense increases and no excuse for labor and benefit increases. In fact, we want all benefits such as pensions and health care costs eliminated permanently. Otay District employees need to learn to live on and with social security and Medicare at the proper retirement age like the rest of us.

Sincerely,
Mr. & Mrs. Greg Post



Special Board Meeting on Water and Sewer Rates

August 24, 2009



Unprecedented Water Cost Increases

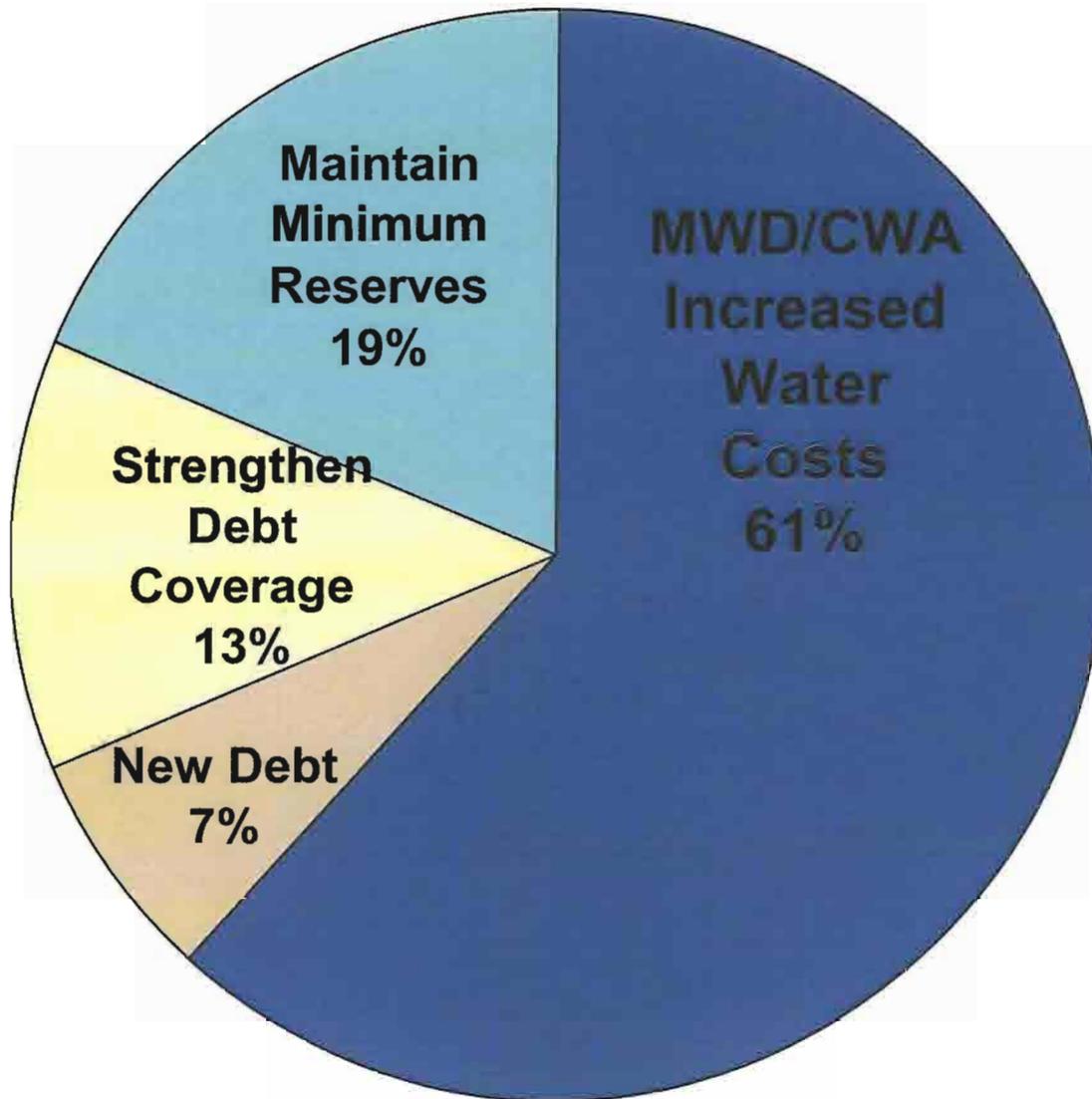
CWA & MWD have raised their water prices due to the state water shortage and to cover the cost of infrastructure projects.

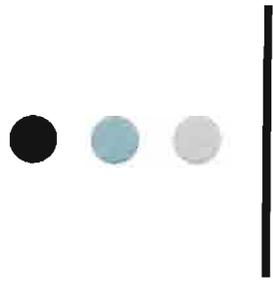
- Creating a compounding effect of more costly water and lower sales over which to spread fixed costs
- MWD - Increase 21.1%
- CWA - Increase 18.1%

Water Cost is 49% of the Otay Operating Budget



Uses of New Revenues Two-Year View

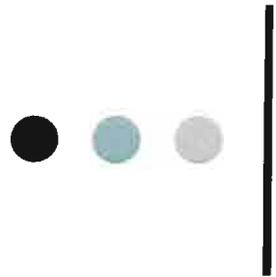




Debt Coverage Ratio

History of Otay's Credit Rating and Debt Coverage

- In February of 2007, Fitch Ratings upgraded the District from A+ to AA-. This rating upgrade lowered the interest rate of the debt, creating a savings of \$1.5 million. The District's debt coverage ratio was staying above 125% with a target of 150%.
- In September of 2008, the District was able to obtain a rating upgrade from S&P to a AA. This additional upgrade is projected to save the District another \$5.4 million in interest costs over the life of the debt.

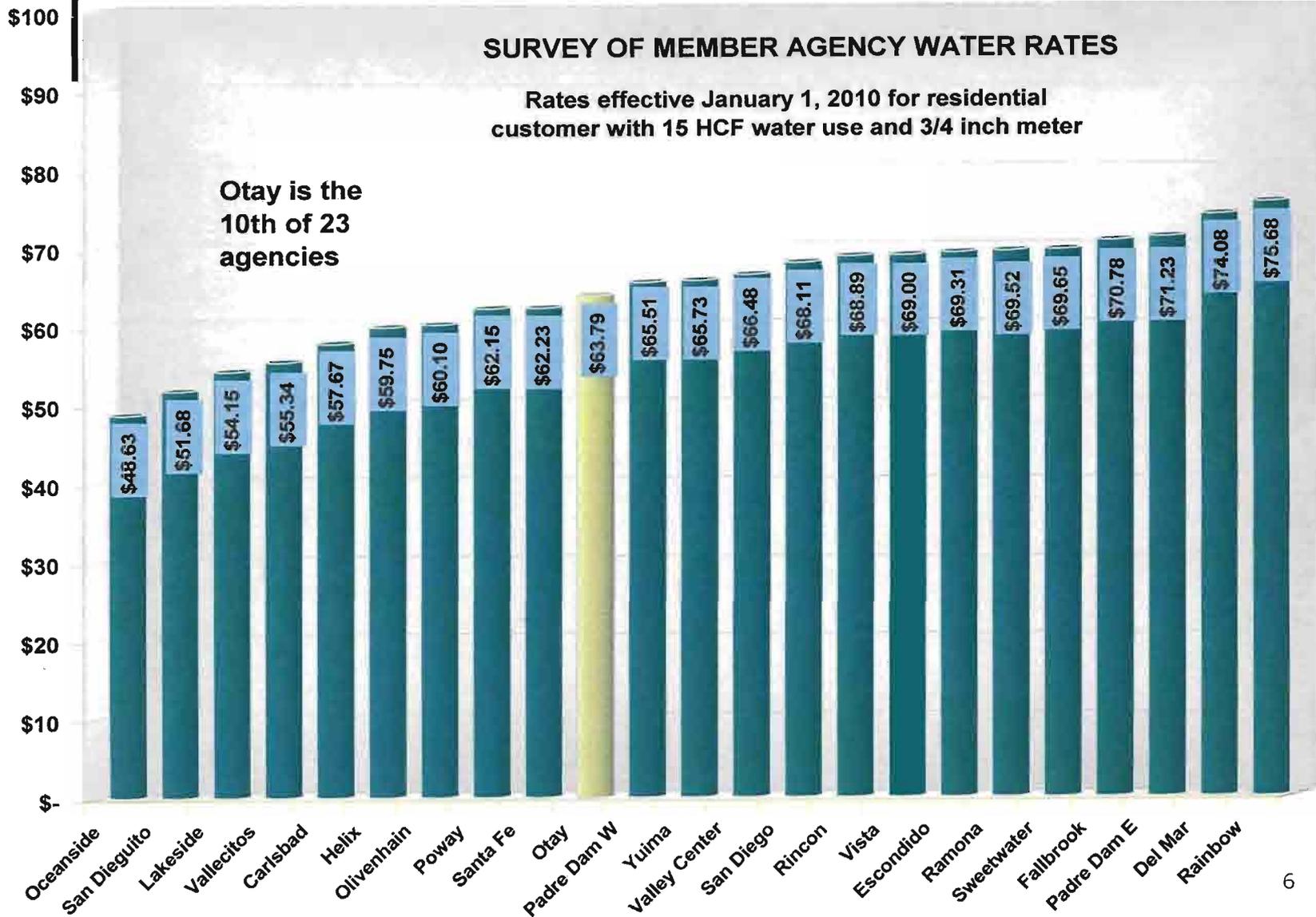


Rate Summary

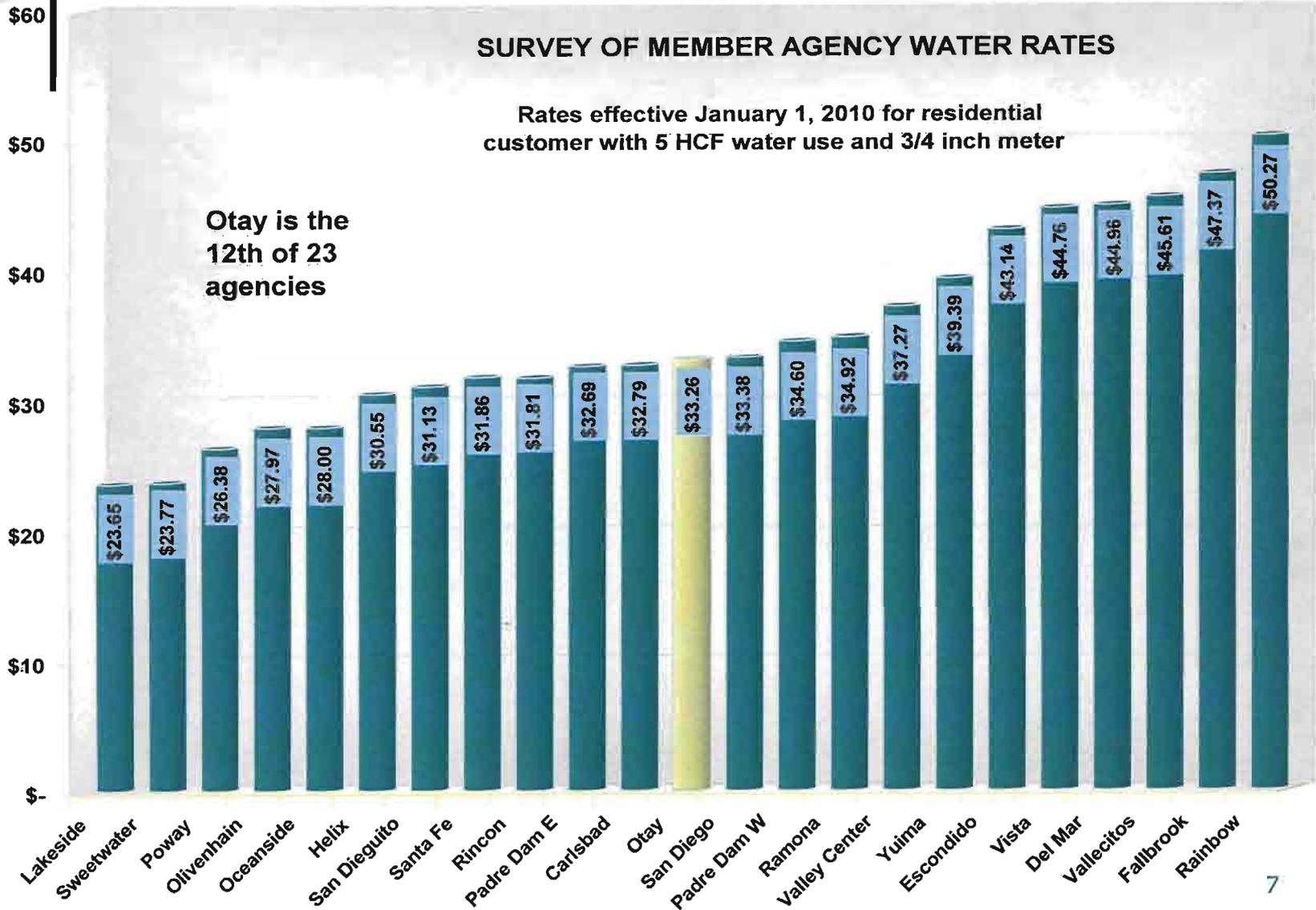
A 19.9% rate increase for potable and recycled customers

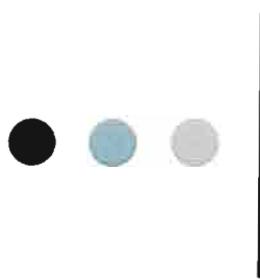
- \$41 Million of Debt Issuance to finance the CIP
- \$10.4 Million of Transfers to maintain reserves and finance the CIP
- Strengthening the Debt Coverage Ratio to 140%
- Incorporating greater levels of conservation
- Raising rates to pay the higher cost of CWA and MWD water
- Maintaining the District's relative position with other water providers

Water Survey Results – 15 Units



Water Survey Results – 5 Units





Sewer Rates

7.2% Over 6 Years

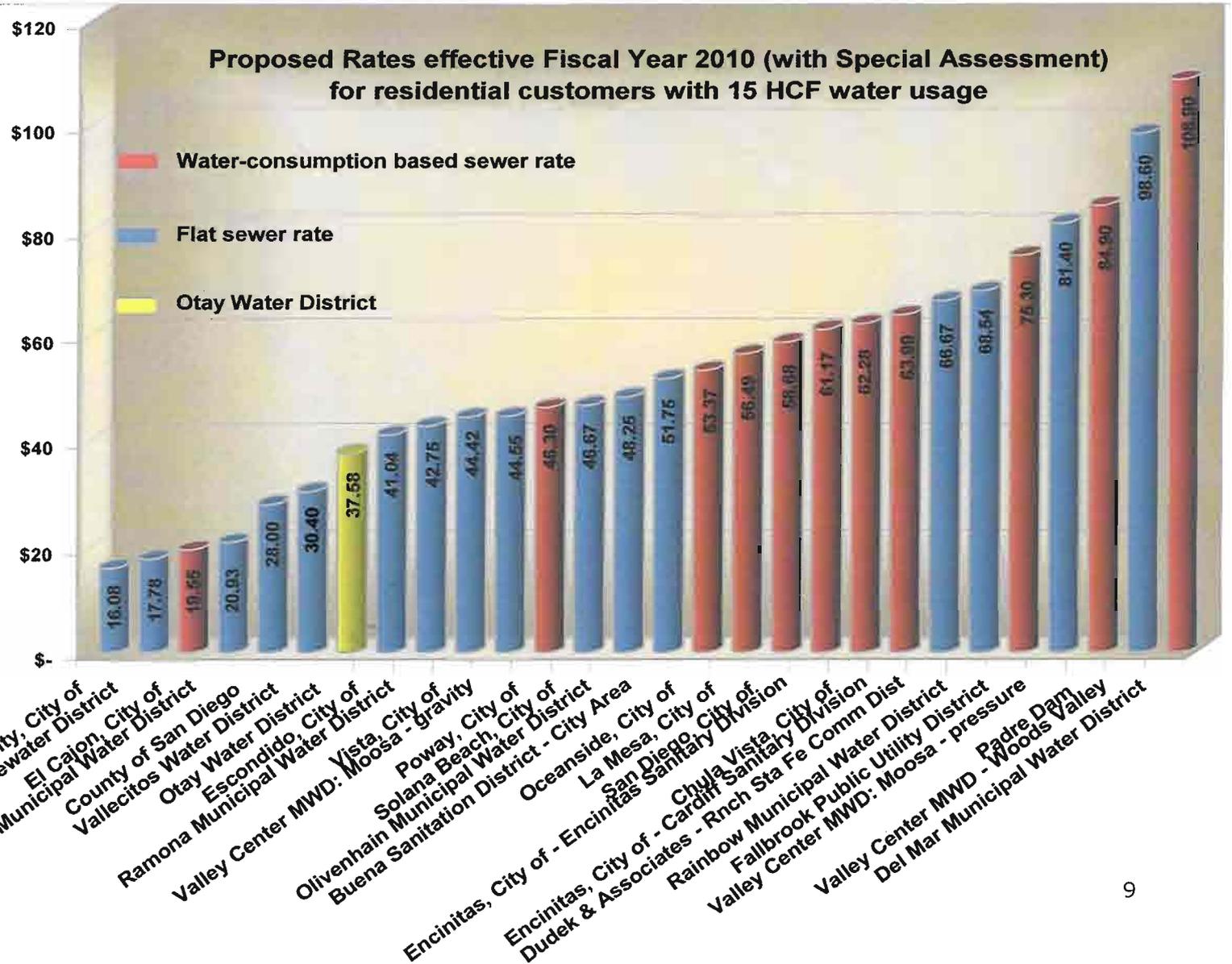
- Additional costs are necessary to be in compliance with:
 - Statewide General Waste Discharge
 - Sewer System Management Plan
- Is consistent with Reserve Policy as all reserves are over target or exceeding the maximum level

Sewer Survey Results

Sewer Rate Comparison in San Diego County



Otay is 7th
out of 28
Sewer
Agencies



Budget Details - Expenditures

EXPENDITURES

Potable Water Purchases
Recycled Water Purchases
CWA - Infrastructure Access Charge
CWA - Customer Service Charge
CWA - Emergency Storage Charge
MWD - Capacity Reservation Charge
MWD - Net RTS and Standby Charges
Subtotal - Water Costs
Power
Labor and Benefits
Administrative Expenses
Materials & Maintenance
Expansion Reserve
Betterment Reserve
Replacement Reserve
Transfer to Sewer GF
Transfer Out/In Prop 1A
Transfer to General Fund Reserve

MWD/CWA
INCREASE
\$3,861,200

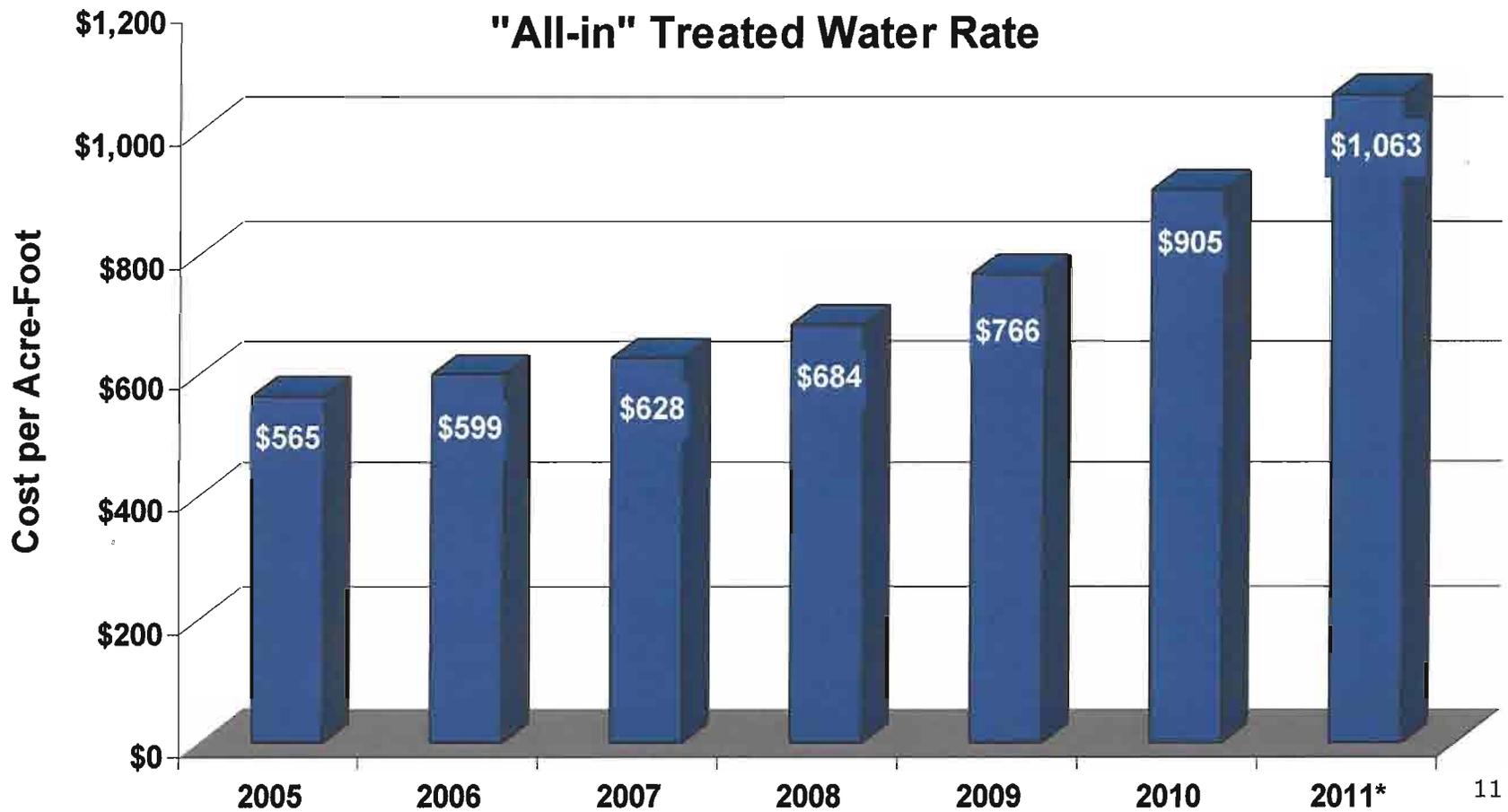
Otay controlled
DECREASE
\$793,100

CIP funding
INCREASE
\$5,585,700

TOTAL
INCREASE
\$8,653,800



Water Authority Wholesale Treated Water Rate



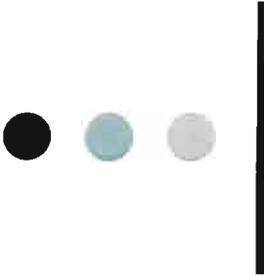
* estimated

Potable Variable Cost of Water

- Water price increase by CWA of 17.1% on 9/1/09
 - Volume decrease of 5.8% in FY 09 and 4.8% in FY 10, due to slow growth, economy, and conservation
 - Increase of 13.2% on 1/1/09 (weighted average price increase of 16.3%)

	Actual Rate Effective 1-1-08	Actual Rate Effective 1-1-09	Increase	% Increase
CWA \$Price/AF	\$614	\$695	\$81	13.2%
	Actual Rate Effective 1-1-09	Proposed Rate Effective 9-1-09	FY 2010	FY 2010
CWA \$Price/AF	\$695	\$814	\$119	17.1%
Weighted Price/AF Change				16.3%

Note: The total cost per acre-foot delivered from CWA is \$905. This represents Otay's variable portion of this cost.

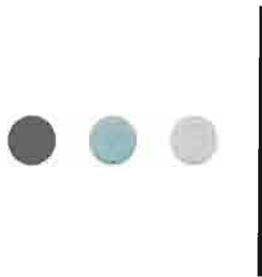


Fixed Cost of Water Preliminary

Fixed Cost Increase 22.4% or \$1,189,900

MWD	Capacity Reservation Charge	\$26,000	4.3%
MWD	Readiness-to-Serve Charge	\$475,600	71.5%
CWA	Customer Service Charge	\$99,000	9.4%
CWA	Emergency Storage Charge	\$471,900	26.6%
CWA	Infrastructure Access Charge	\$117,500	9.6%
Total Fixed Cost		\$1,189,900	22.4%

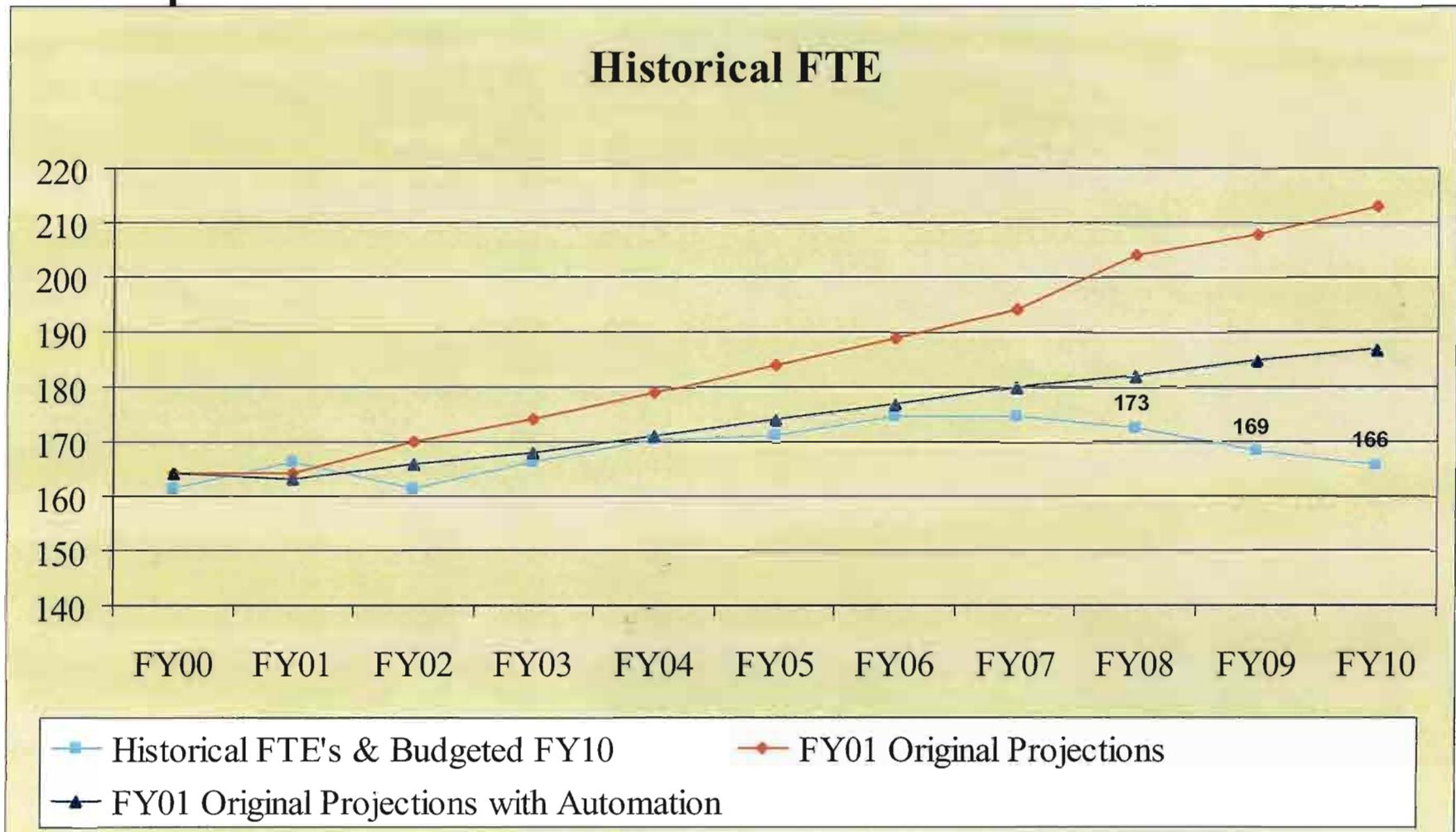
Note: The total cost per acre-foot delivered from CWA is \$905. This represents Otay's fixed portion of this cost.



Sewer Costs

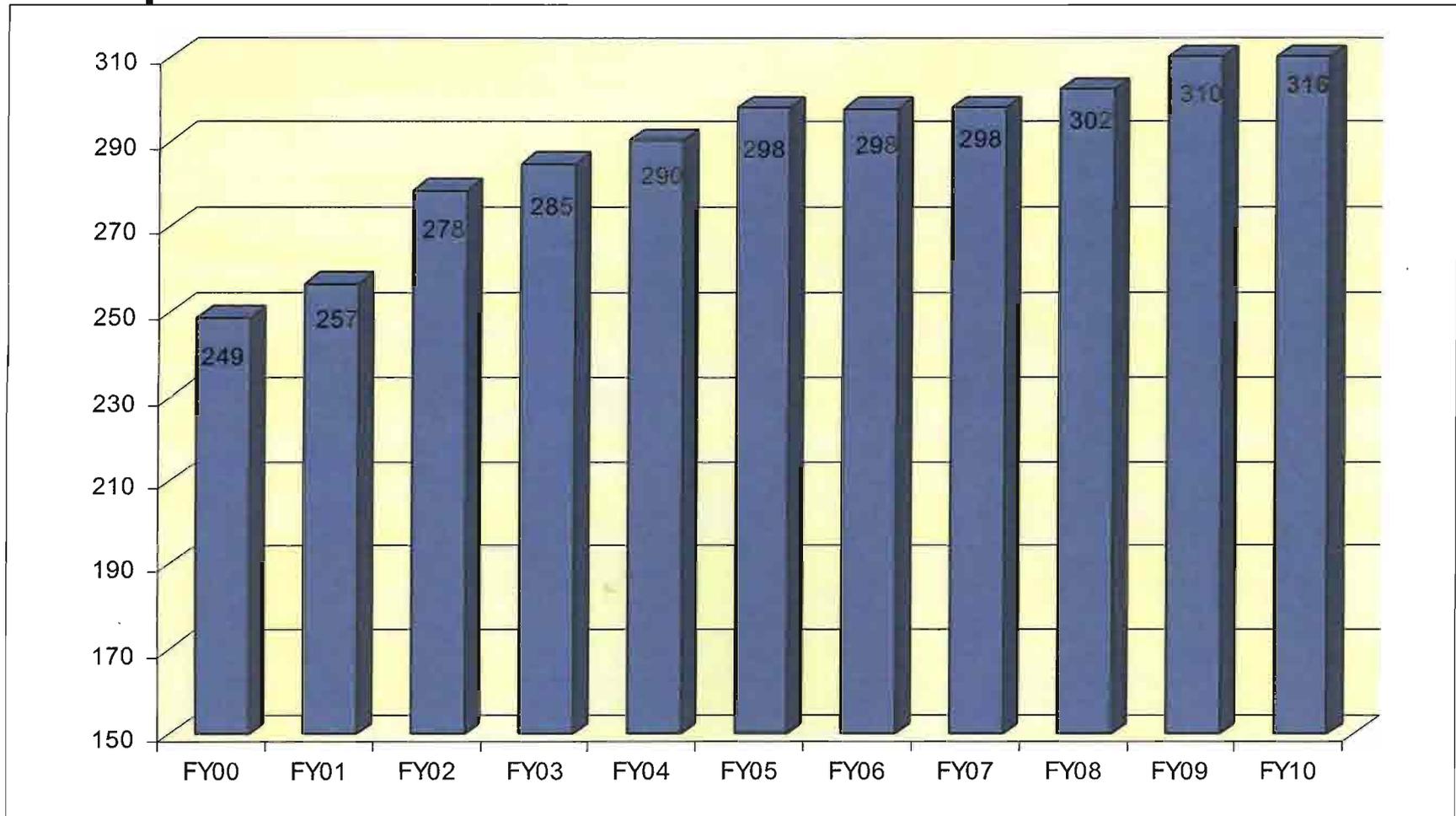
- o Increased cost of \$411,300 due to compliance with:
 - Statewide General Waste Discharge Requirements regarding the District's Sewer System Management Plan (SSMP)
 - Increase in Labor
 - Increase in Outside Services to provide Closed Circuit Television (CCTV) services of the sewer system

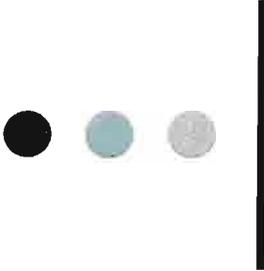
Otay Efficiencies





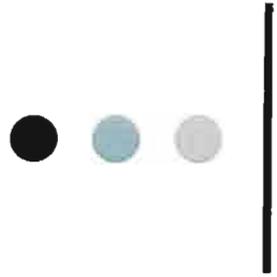
Accounts per Employee





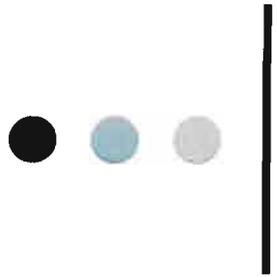
Labor and Benefits

- Salaries and Benefits increase of \$27,400 or 0.16%
 - Staff reduction (3 positions) and position changes (decrease \$166,900)
 - Salary and Benefits
 - Cola and Merit Increases \$502,900
 - Net change to vacancy factor and vacation and sick leave taken (\$23,900)
 - Reduced overtime (\$30,800)
 - Benefit cost increases \$221,100
 - Charges to CIP (\$475,000)



Administrative Expense

- Administrative Expense Budget Decrease of \$605,900 or 10.2%
 - Principal reductions due to 3 projects reclassified to CIP
 - Asset Management \$300,000
 - Multiple Species \$141,000
 - San Miguel Habitat Management \$225,000
 - Offset by increases due to the following items:
 - Pump Stations Paving Program \$80,000
 - Rise in Bad Debt expense estimate \$70,000
 - Decrease in the overhead allocation of \$92,600



Materials & Maintenance

- o Overall Decrease of \$71,200 or 1.8%

- Fuel & Oil decrease (\$137,600)
- Metro O&M decrease (\$ 60,900)
- Safety Strategic Plan increase for the Emergency Operations Center \$124,000



Summary

- The District faces unprecedented water cost increases of MWD increase of 21.1% and CWA increase of 18.1% while water sales volumes decrease due to water conservation and the economy
- Neighboring water agencies are facing the same increases in costs and similar rate increases
- Maintain debt coverage ratio to lower borrowing costs, and ensure compliance with bond covenant
- Maintain reserve levels in compliance with reserve policy
- District controlled costs have been reduced to due to efficiencies, minimizing rate increases



Recommendation

- o Approve potable and recycled water rate increases of 19.9%
- o Approve sewer rate increase of 7.2%



Questions?