

Si requiere asistencia en español con referencia a esta notificación, favor de llamar al 619-670-2222.



Notice of Multi-Residential and Commercial Sewer Rate Increase

Otay Water District
2554 Sweetwater Springs Blvd.
Spring Valley, CA 91978
619-670-2222
otaywater.gov

NOTICE OF SEWER RATES, FEES, AND CHARGES EFFECTIVE FOR SEWER SERVICE BILLED IN JANUARY 2018

Dear Customer,

As part of the annual budget adoption process completed in May 2017, the Otay Water District (the "District") approved an overall rate increase of 7.5 percent for calendar year 2018. The new sewer rates, fees, and charges will apply to service billed beginning January 1, 2018 and, depending on your billing cycle, will apply to service as early as the beginning of December 2017. **This letter provides a 30-day notice of rate increases.**

The District is a revenue-neutral public agency. Your sewer bill reflects only those charges sufficient to support your sewer service. To continue providing sewer service, the District must adjust its rates, fees, and charges for service, and pass-through costs from the District's treatment and disposal providers to its customers that reflect the full cost of providing the service. Treatment and disposal providers include, but are not limited to, the County of San Diego and the City of San Diego (the "City"). This year, the increase is a direct result of higher treatment fees from the City. The increase in the City's fee is due to its plan to develop a Pure Water treatment facility to satisfy state and federal law.

The District's costs include inspection and preventative maintenance of the public sewer system and replacement of aging sewer infrastructure. These actions protect the public's investment in the public sewer system, minimize maintenance costs, reduce the possibility of pipeline breaks, blockages or spills, and keep sewer rates affordable.

On September 4, 2013, the District adopted a five-year schedule of rates in compliance with applicable provisions of law. This sewer rates, fees, and charges increase is within the limits of the approved five-year schedule of rates.

The District works diligently to reduce internal costs and continues to be one of the lowest cost sewer service providers in San Diego County. For more information about the District, please visit otaywater.gov, contact us via email at info@otaywater.gov, or call us at 619-670-2222.

Multi-Residential and Commercial Sewer Service Bill Calculation

The District is required to determine sewer rates in accordance with the State's Revenue Program Guidelines. The State Water Resources Control Board (SWRCB) has grouped commercial customers into various categories and has identified Strength Factors for each of these business categories. The standard of measure for Strength Factors is the typical sewer strength of a single-family residence (SFR). The Strength Factors established by the SWRCB are listed below and are used by the District in the calculation of commercial sewer rates. These factors are in terms of the strength relative to a SFR, with a SFR having a strength factor of one.

Multi-Residential Sewer Service Bill Calculation

$$(\text{Winter Average Consumption}^1 \times .85^3 \times \text{Usage Fee}^4) + \text{System Fee}^6$$

Commercial Sewer Service Bill Calculation

$$(\text{Average Annual Consumption}^2 \times .85^3 \times \text{Usage Fee}^4 \times \text{Strength Factor}^5) + \text{System Fee}^6$$

Rates and Fees

	<u>Usage Fees</u>		<u>Meter Size</u>	<u>System Fees</u>	
	<u>Current</u>	<u>New</u>		<u>Current</u>	<u>New</u>
Multi-Residential	\$2.58	\$2.77	.75"	\$28.37	\$30.50
Commercial			1"	\$41.80	\$44.94
Low Strength	\$2.58	\$2.77	1.5"	\$75.27	\$80.92
Medium Strength	\$3.70	\$3.98	2"	\$115.46	\$124.12
High Strength	\$5.90	\$6.34	3"	\$209.24	\$224.93
			4"	\$343.23	\$368.97
			6"	\$678.18	\$729.04
			8"	\$1,080.14	\$1,161.15
			10"	\$1,549.07	\$1,665.25
	<u>Commercial Strength Factors</u>				
	<u>Current</u>	<u>New</u>			
Low Strength	1.000	1.000			
Medium Strength	2.000	2.000			
High Strength	4.000	4.000			

Footnotes

1. The winter average is defined as the units of water billed from January through April of the previous year divided by four.
2. The average annual consumption is defined as the units of water billed from January 2016 through December 2016 divided by twelve.
3. A 15 percent usage discount is applied to all sewer customers to acknowledge that not all water purchased goes to the sewer system.
4. Based on the account's Strength Factor as shown on the Usage Fee table as being either Multi-Residential, Low, Medium, or High.
5. Categorized as low, medium or high strength as shown on the Strength Factor table.
6. Based on the size of the water meter.

This information reflects only changes to rates. For a comprehensive listing of rates, please see the Otay Water District's Code of Ordinances at otaywater.gov.