



Notice of Residential Sewer Rate Increase

Otay Water District
 2554 Sweetwater Springs Blvd.
 Spring Valley, CA 91978-2004
 619-670-2222
 otaywater.gov

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

Dear Customer,

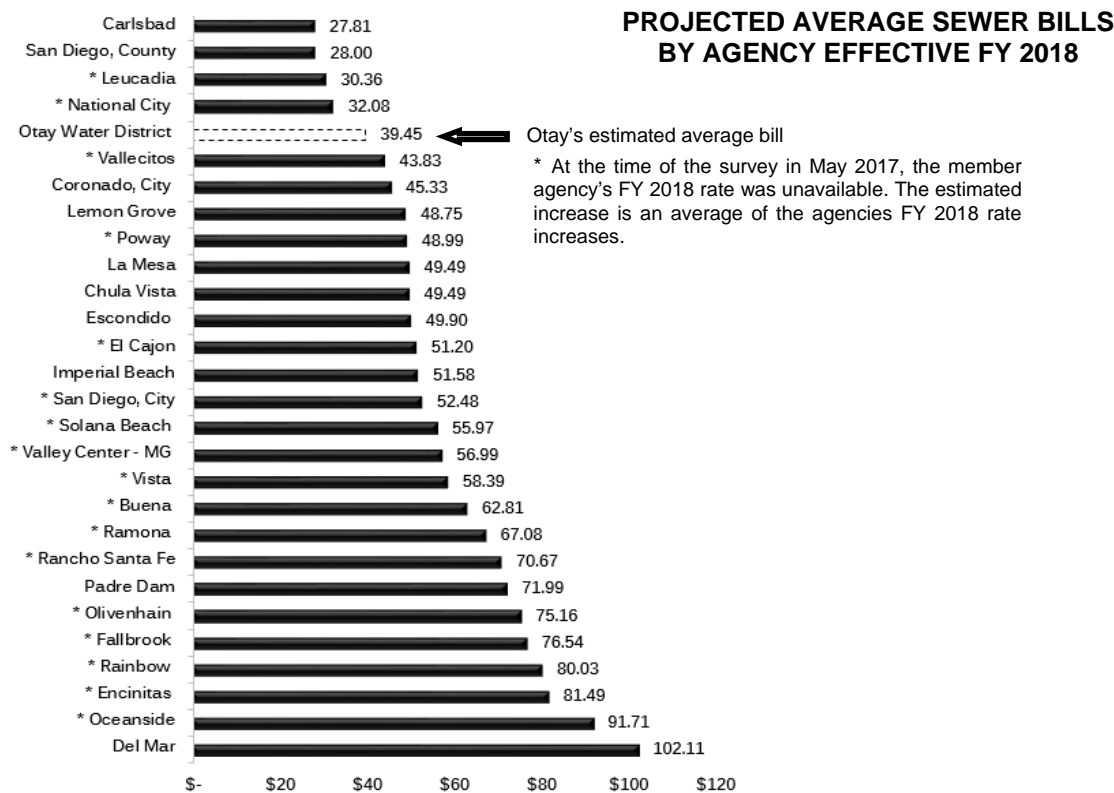
A rate increase of 7.5 percent was approved by the Otay Water District (the "District") as part of the annual budget adoption process completed in May 2017. Even with this rate increase the typical District residential sewer customer will see their bill decrease by \$0.56 due to the reduction in winter average water usage (see the average bill calculation on the reverse side). 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 rate increase is within the limits of the approved five-year schedule of rates, fees, and charges.

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.



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

Residential Sewer Service Bill Calculation

The District uses the customer's winter average consumption (winter average) in determining the Sewer Service bill. The winter average is defined as the units¹ of water billed from January through April of the previous year divided by four. New customers will have a winter average of 9.50 HCF¹ until a winter average can be established. A 15 percent usage discount is applied to all sewer customers to acknowledge that not all water purchased goes to the sewer system.

$$(\text{Winter Average} \times 85\% \times \text{Usage Fee}) + \text{System Fee} = \text{Sewer Service bill}$$

Rates and Fees

	Current	New
Usage Fee	2.58	2.77
System Fee	15.89	17.08

Average Bill using 9.5 HCF (or Units)¹ of Water per Month

The monthly sewer service charge for the average residential customer based on 85% of the applicable year's winter average is as follows:

	<u>Usage Fee</u>	<u>Winter Average</u>	<u>System Fee</u>	<u>Total</u>
Current	\$2.58	11.0	\$15.89	\$40.01
New	\$2.77	9.50	\$17.08	\$39.45

The maximum sewer bill is \$100.17. This is calculated using the maximum winter average consumption of 35.29 HCF.

Footnotes

1. One hundred cubic feet (HFC) equals 748 gallons or one "unit" of water.

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.