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MAYOR JERRY SANDERS
FACT SHEET

CITY WON'T RAISE WATER RATES

Mayor announces plan to absorb cost of latest wholesale price spike

The city will not raise water rates even though the city's wholesale water costs will increase 9.6% at the beginning of 2013, Mayor Jerry Sanders announce Wednesday.

The mayor's decision marks the second consecutive time that the city has declined to pass along an increase in the price of wholesale water to its customers. Effective last January, the city's wholesale water costs went up more than 7% but the city was able to absorb the increased costs because of efficiencies adopted by the Public Utilities Department.

"The price of water is obviously a huge issue for everyone in San Diego, including families on super-tight budgets and businesses trying to contain costs in this challenging economy," the mayor said.

The mayor added, "I want to caution San Diegans that our Public Utilities Department cannot continue indefinitely to absorb the rising costs of water without raising water rates."

The city will be able to absorb the additional price hike scheduled for Jan. 1 because the Public Utilities Department continues finding ways to save money. Among other things, the department will offset its rising expenses by using savings from a number of infrastructure projects that finished under budget.

The mayor also reiterated his support for the city's water wholesaler, the San Diego County Water Authority, which is suing its own wholesaler, the Metropolitan Water District in Los Angeles, for artificially inflating water prices that it charges the entire San Diego region.

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