

# You Can Protest the Proposed Rate Adjustment

You can use the coupon in this notice to register your protest against the proposed water rate adjustment. You can also choose to write a letter to the City, following the requirements below, or appear at the public hearing listed on the front cover of this notice to submit your written protest.

## How Can I Participate?

Interested parties can comment on the proposed rates. California law prohibits the City from implementing the new rates if a majority of the affected property owners or tenants file written protests opposing the rates before the end of the public hearing. Only one written protest per affected property will be counted towards the majority protest. Written protests must be received by the City Clerk, Mail Station No. 2P, City Administration Building, 202 C Street, San Diego, CA 92101, before the end of the public hearing which is scheduled for 10:00 a.m., November 17, 2009. Each protest must identify the affected property (by street address or Assessor's Parcel Number) and include the signature of the property owner or utility customer of record. Email protests will not be accepted. Although oral comments at the public hearing will not qualify as formal protests unless accompanied by a written protest, the Mayor and City Council welcome input from the community during the public hearing.

## USE THIS FORM TO PROTEST THE PROPOSED WATER RATE INCREASE

I \_\_\_\_\_ protest this proposed increase to water rates.  
(Print first and last name)

Property Address or  
Assessor's Parcel Number: \_\_\_\_\_

Signature: \_\_\_\_\_

If you wish to use this form as your protest, please fill out and mail in a stamped envelope to:  
City Clerk, City Administration Building, 202 C Street, MS 2P, San Diego, CA 92101.

**Some customers will receive multiple notices** In order to ensure that all San Diegans are informed about possible water rate increases, these Notices are being sent to all City of San Diego Water Department customers. If you are responsible for more than one bill, you will receive more than one Notice.

This material is available in alternative formats upon request to accommodate persons with disabilities or non-English speakers. To order information in an alternative format, or to arrange for a sign language or oral interpreter at the **November 17, 2009** hearing, please call the Clerk's office on or before November 10, 2009 at (619) 533-4000 (voice) or (619) 236-7012 (TTY).



THE CITY OF SAN DIEGO

# Notice of Public Hearing

November 17, 2009

10:00 a.m.

City Administration Building  
202 "C" Street, 12<sup>th</sup> Floor  
Council Chambers

The San Diego City Council  
will hold a public hearing  
to consider a proposed  
water rate increase as a  
result of an increase by the  
County Water Authority  
in the wholesale  
cost of water.

Interested  
parties are  
invited to attend.  
Read inside to  
learn more.

Notice of  
Public Hearing  
Information Inside

www.sandiego.gov  
la página en línea disponible en  
Este material está  
disponible en Español en  
www.sandiego.gov, se encuentra en la  
sección de la web dedicada a la información

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## Notice of Public Hearing

November 17, 2009

10:00 a.m.

# PROPOSED WATER SERVICE RATES AND CHARGES

The San Diego City Council will be holding a public hearing to consider proposed adjustments in water rates. The meeting will be held November 17, 2009, at 10 a.m. At this hearing the City Council will consider the recommendation to increase water rates to recover the increased cost charged by the San Diego County Water Authority for wholesale water.

## PROPOSED NEW WATER RATES BASED ON COUNTY WATER AUTHORITY ACTION

On June 25, 2009 the San Diego County Water Authority (CWA) voted to increase several of the rates it charges for imported water beginning on September 1, 2009 with additional rate increases becoming effective January 1, 2010. These rate increases apply to all county water agencies, including the City. Because local water supplies are very limited, the City must buy approximately 90% of the water it supplies to its customers from the CWA. Because the City is required to recover the costs for water purchases, it must "pass through" these increased charges to its own customers.

The CWA based its increases on the costs for its own infrastructure, operations and maintenance. The CWA increases also reflect the cost it pays to purchase water from the region's largest water wholesaler, the Metropolitan Water District of Southern California. The CWA has approved increases to both its fixed infrastructure access charge and its commodity charges, which are based upon the amount of water purchased. These rate increases do not include any expenditure for City infrastructure, operations or maintenance.

### Proposed Fee Increases

There are two parts to water rates charged by the City of San Diego to you as a customer. These are the Base Fee and the Commodity Fee. The Base Fee is levied to recover the fixed charges associated with the operation and maintenance of the water system and includes charges paid by the City to access the CWA water supply infrastructure. The Commodity Fee is levied to recover the variable costs based on the amount of water used by water system customers. The proposed rate increase will affect both the Base Fee and the Commodity fee.

### Proposed Base Fee Rate Adjustments Due to CWA "Pass Through"

The following table illustrates how the proposed water rate increase will affect the base fee for water system customers. This fee is applied to each meter equivalent and increases as the meter size increases. The figures included in the table are based on charges per month.

#### AN IMPORTANT NOTE:

More than 90 percent of the Single Family Residential customers have meter sizes less than 1 inch. That means that the vast majority of Single Family Residential customers will see their base fee rise by 12 cents per month. If you need assistance to determine your meter size, please call the City's Public Utilities Customer Service Division at (619) 515-3500.

### PROPOSED CWA PASS THROUGH INCREASE - MONTHLY BASE FEE (BASED ON METER SIZE)

BASE FEES Meter Size:	Current	Anticipated Increase	Rate as of January 1, 2010
5/8 Inch	\$17.59	\$0.12	\$17.71
3/4 Inch	\$17.59	\$0.12	\$17.71
1 Inch	\$25.77	\$0.20	\$25.97
1 1/2 Inch	\$44.47	\$0.40	\$44.87
2 Inch	\$67.86	\$0.64	\$68.50
3 Inch	\$122.78	\$1.20	\$123.98
4 Inch	\$201.10	\$2.00	\$203.10
6 Inch	\$395.14	\$4.00	\$399.14
8 Inch	\$628.90	\$6.40	\$635.30
10 Inch	\$902.43	\$9.20	\$911.63
12 Inch	\$1,680.89	\$17.20	\$1,698.09
16 Inch	\$2,928.08	\$30.00	\$2,958.08

## PROPOSED COMMODITY FEE ADJUSTMENTS DUE TO CWA "PASS THROUGH"

In addition to an increase in the base fee for fixed charges, the CWA "pass through" costs proposed by the City will also raise the commodity fee. The City is proposing to raise commodity fees by 10.6% for each hundred cubic feet (HCF) of water consumed within the City's tiered water rate system. A hundred cubic feet of water equals approximately 748 gallons. The typical Single Family Residential customer uses about 14 HCF (or 10,472 gallons) each month.

### PROPOSED CWA PASS THROUGH INCREASE - MONTHLY COMMODITY FEE (BASED ON WATER USAGE)

Customer Classification	Current	Anticipated Increase	Rate as of January 1, 2010
Single Family Dwelling			
Tier 1 (First 7 HCF used)	\$2.977	\$0.316	\$3.293
Tier 2 (Second 7 HCF used)	\$3.229	\$0.342	\$3.571
Tier 3 (Usage above 14 HCF)	\$3.625	\$0.384	\$4.009
Multi-Family Dwelling			
Commercial	\$3.229	\$0.342	\$3.571
Industrial	\$3.097	\$0.328	\$3.425
Irrigation	\$3.309	\$0.351	\$3.660
Temporary Construction	\$3.309	\$0.351	\$3.660

#### Example:

When combined with new base fees, the increased commodity fee will effectively raise total water rates for a typical Single Family Residential customer by approximately 7.75% (\$4.73 per month). The exact amount of increase will vary among customers because of the varying levels of water consumption.

### EFFECT OF PROPOSED CWA WATER RATE INCREASES ON THE TYPICAL SINGLE FAMILY DWELLING MONTHLY BILL (14 HCF USAGE)

Single-Family Dwelling	Current	January 1, 2010
<u>Base Fee</u>		
3/4 inch meter	\$17.59	\$17.71
<u>Commodity Fee*</u>		
Tier 1 (1-7 HCF)	\$20.84	\$23.05
Tier 2 (8-14 HCF)	\$22.60	\$25.00
Total	\$61.03	\$65.76

\*Assumes 7 HCF used per rate tier.

#### NOTE:

To help promote conservation, the City uses a tiered billing structure that increases the costs for water used by residential customers. The first tier rate applies to water usage up to 7 HCF per month. The second, higher, tier rate applies to all water used over 7 HCF and up to 14 HCF per month (the amount used by a typical Single Family Residential customer). The third, highest, tier rate applies to all water used in excess of 14 HCF per month.

Please note that the City bills its Single Family Residential customers bi-monthly. This means each water bill these customers receive includes charges for two months of service.

More information about water rates is available at [www.sandiego.gov/water](http://www.sandiego.gov/water) or by calling (619) 515-3500.