

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



## Notice of Recycled Water Rate Increase

Otay Water District  
2554 Sweetwater Springs Blvd.  
Spring Valley, CA 91978-2014  
619-670-2222  
[www.otaywater.gov](http://www.otaywater.gov)

### NOTICE OF INCREASED RECYCLED WATER RATES AND CHARGES FOR WATER BILLED IN JANUARY 2017

Dear Customer,

An overall average rate increase of 5.0 percent was approved by the Otay Water District (the "District") as part of the annual budget adoption process completed in May 2016. **The new rates and charges become effective January 1, 2017. Depending on your billing cycle, the new rates and charges will apply to water used as early as the beginning of December 2016. This letter serves as a 30-day notice of rate increases.**

Recycled water rates are based in part on the cost of potable water from the District's wholesale suppliers. To continue providing reliable high-quality service, the District must implement rate increases and pass-through to its customers higher costs from wholesaler water suppliers. One hundred percent of this increase is a direct result of higher costs from suppliers that include the Metropolitan Water District of Southern California (MWD), San Diego County Water Authority (CWA), and the City of San Diego.

Producing and distributing recycled water is costly and the District is a revenue-neutral public agency. To help offset the cost of supplying this alternative water sources, the District receives financial incentives from its wholesale water suppliers (MWD and CWA). Everyone benefits from recycled water, including potable water customers, because it diversifies our water sources. Therefore, potable and recycled water rates are calculated in a combined manner. Recycled water users incur additional expenses to meet recycled water regulatory requirements. Recycled rates are discounted by 15 percent, recognizing the added expense to use recycled water. Today, approximately 13 percent of the District's water supply is made up of recycled water and there are plans to continue expanding the system.

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

For its part, the District works to minimize internal costs including reducing the number of full-time employees and institutes efficiency measures that help limit the impact of higher rates from suppliers. The District's goal is to remain among the lower cost water service providers in San Diego County. For more information about District-wide efforts to streamline operations, go to [www.otaywater.gov](http://www.otaywater.gov) or contact us at [info@otaywater.gov](mailto:info@otaywater.gov).

Customers interested in learning ways to reduce their water use to minimize the effects of this rate increase can visit the District's conservation pages at [www.otaywater.gov](http://www.otaywater.gov). The District provides information on rebates, incentives, water audits, and other resources to help customers save water.

In addition, the Water Conservation Garden located in Rancho San Diego is open to the public and offers various conservation exhibits and classes to help you save water. Visit the Water Conservation Garden at [www.thegarden.org](http://www.thegarden.org).

*Dedicated to Community Service*

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

## Consumption Fees by Meter Size

	Current	New
<b><u>Recycled Irrigation Usage Fee<sup>1</sup> (3/4" to 1.0" meter)</u></b>		
<b>Consumption Blocks (units)<sup>1</sup></b>		
0 - 32	\$4.08	\$4.85
33 - 75	\$4.14	\$4.92
76 or more	\$4.20	\$4.99

	Current	New
<b><u>Recycled Irrigation Usage Fee<sup>1</sup> (1 1/2" to 2.0" meter)</u></b>		
<b>Consumption Blocks (units)<sup>1</sup></b>		
0 - 130	\$4.08	\$4.85
131 - 325	\$4.14	\$4.92
326 or more	\$4.20	\$4.99

	Current	New
<b><u>Recycled Irrigation Usage Fee<sup>1</sup> (3" &amp; 4" meter)</u></b>		
<b>Consumption Blocks (units)<sup>1</sup></b>		
0 - 440	\$4.08	\$4.85
441 - 1,050	\$4.14	\$4.92
1,051 or more	\$4.20	\$4.99

	Current	New
<b><u>Recycled Irrigation Usage Fee<sup>1</sup> (&gt;6" meter)</u></b>		
<b>Consumption Blocks (units)<sup>1</sup></b>		
0 - 4,000	\$4.08	\$4.85
4,001 - 10,000	\$4.14	\$4.92
10,001 or more	\$4.20	\$4.99

	Current	New
<b><u>Recycled Water Usage Commercial<sup>1</sup> (&lt;10" meter)</u></b>		
<b>Consumption Blocks (units)<sup>1</sup></b>		
0 - 173	\$2.97	\$3.53
174 - 831	\$3.03	\$3.60
832 or more	\$3.07	\$3.65

	Current	New
<b><u>System Fees<sup>2</sup></u></b>		
<b>Meter Size</b>		
3/4"	\$18.91	\$15.91
1"	\$26.71	\$22.47
1 1/2"	\$46.22	\$38.88
2"	\$69.61	\$58.55
3"	\$132.02	\$111.04
4"	\$202.24	\$170.10
6"	\$397.31	\$334.18
8"	\$631.37	\$531.05
10"	\$904.44	\$760.72

	Current	New
<b><u>Recycled Water Usage Commercial<sup>1</sup> (&gt;10"meter)</u></b>		
<b>Consumption Blocks (units)<sup>1</sup></b>		
0 - 7,426	\$2.97	\$3.53
7,427 - 14,616	\$3.03	\$3.60
14,617 or more	\$3.07	\$3.65

<b><u>Energy Charges<sup>3</sup></u></b>	
Current	\$0.072
New	\$0.044

<b><u>Government Fee<sup>4</sup></u></b>	
Current	\$0.37
New	\$0.41

## Footnotes

1. Recycled water rates are based on meter size and the number of recycled water units used each month. Customers outside the Otay Water District, in an Improvement District, or using temporary meters pay two times this rate. A unit of recycled water equals 748 gallons.
2. Systems Fees vary based on meter size. This fee pays for betterment, replacement, and maintenance of water system infrastructure, as well as operating expenses. The system fee is decreasing, reflecting the lower funding of reserves.
3. The Energy Charge represents the cost of energy required to pump each unit of recycled water 100 feet in elevation. This is charged proportionately for every foot of elevation over 450 feet.
4. This charge is a per unit charge in lieu of tax revenues paid by non-government customers.

*This information reflects only changes to rates. For a comprehensive listing, please see the Otay Water District's Code of Ordinances at [www.otaywater.gov](http://www.otaywater.gov).*