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**FOR IMMEDIATE RELEASE**

**October 12, 2018**

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**Otay Water District Board Approves Overall Average Sewer Rate Decrease of Seven Percent for 2019**  
***Changes in Rates Protect the Public's Investment in the Public Sewer System***

Spring Valley, CA – At its Oct. 3 meeting, the Otay Water District Board approved an overall average sewer rate decrease of seven percent for 2019. The rate decrease will take effect with sewer service billed on or after January 1, 2019, and may apply to sewer service used as early as the beginning of December 2018. As a requirement of Proposition 218, the District held a public hearing on October 3, 2018 at 3:30 p.m.

“The Board and District staff are always working to minimize rate increases, while at the same time providing reliable sewer service and infrastructure to meet the needs of our growing customer base,” says Board President Tim Smith. “We continue to be one of the sewer agencies in the region with the lowest sewer rates. Through well-established financial policies and wise management of funds, the District will continue to guarantee fiscal responsibility to its ratepayers and the community at large.”

The District has the sixth lowest sewer rate in San Diego County. According to a September 2018 survey of member agencies sewer rates, the District is rated with the sixth lowest rate out of 28 agencies based on 12.6 units of water and a three quarter-inch residential meter size.

In January 2018, the District performed a Sewer Cost of Service Study, which reviewed sewer rates, fees, charges, costs and the sewer usage structure and determined that changes in rates, fees and charges are necessary to recover revenues based on the cost of servicing each class of customer. Customer sewer costs are based on a combination of the rates charged and volume of water used in the winter by the individual customer. On average, the District's customers used more water this winter than in 2017. The seven percent average rate decrease will allow customers with increased usage to experience less of an increase on their monthly bill than they would have otherwise experienced. Only those customers whose winter average usage remains the same as the prior year will experience a seven percent total decrease on their sewer bill.

At the Oct. 3 meeting, the Board also authorized, for a period of five years, passing through to customers the costs and increases or decreases in costs imposed by the District's sewer service providers. The pass-through costs include rates, fees and charges for power and from the District's treatment and disposal providers including, but not limited to San Diego Gas and Electric, the County of San Diego and the City of San Diego.

In addition to the pass-through costs, the Board authorized, for a period of five years, overall average rate increases not to exceed ten percent per year for all costs related to labor, benefits, materials, maintenance, administrative expenses and other operational costs of providing sewer service. This includes amounts required to meet bond covenants and to maintain adequate reserves and rate stability.

Overall, when combining the reduction in the rates, sewer revenues are expected to increase 4.6 percent annually through 2023. These increases are needed to maintain financial reserves at target levels.

These actions authorized by the Board will help protect the public's investment in the public sewer system, reduce the possibility of pipeline breaks, blockages or spills, and keep rates affordable. As a non-profit public agency, the District does not make a profit from providing sewer service, and it cannot operate at a loss.

The Otay Water District is a public agency providing sewer services to approximately 15,300 customers in the areas of Rancho San Diego, Calavo Gardens, Singing Hills, and portions of Mount Helix. For more information on the District's sewer system, visit [otaywater.gov/about-otay/water-information/wastewater](https://otaywater.gov/about-otay/water-information/wastewater).

Also, the District distributes water to more than 225,000 customers within approximately 125 square miles of southeastern San Diego County, including the communities of Otay Mesa, Chula Vista, Jamul, Spring Valley, Rancho San Diego, and unincorporated areas of El Cajon and La Mesa. For more information on the Otay Water District, visit [otaywater.gov](https://otaywater.gov).

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