

Wastewater (Sewer) Rates & Billing Information

Basis upon which the rates are calculated

The District's wastewater service fees are calculated to recover the cost to collect, treat, dispose of sewage, and maintenance of the 4S Ranch Wastewater and Reclamation Facilities within the 4S Ranch Sanitation District and Rancho Cielo Sanitation District.

Based on sewage flows and strengths, the rate structure for the District's wastewater service fees comprise of five customer classes: Single-Family Residential (4S Ranch and Rancho Cielo), Multi-Family (Condominiums, RV/Trailer Parks), Commercial- Group I (office buildings, small retail stores, schools, storage facilities, pools, government agencies, churches, sports parks); and Commercial –Group II (shopping centers, strip malls, medical office buildings, healthcare facilities, supermarket and/or restaurants).

The District's wastewater service fees for all customer classes are comprised of at least two components:

- (1) A System Access Charge (SAC) is a uniform flat charge across all customer classes based on one Equivalent Dwelling Unit (EDU) to recover a portion of the fixed costs. The SAC is calculated on the basis of recovering certain fixed costs of the District to operate and maintain wastewater facilities including repairs and maintenance of the 4S Wastewater Collection and Treatment Facilities and customer services such as billing and collections.
 - The SAC is determined on an equivalent dwelling unit ("EDU") basis. EDU is a term used to compare flows from non-residential customers in terms of flows generated by a single-family residential unit. The number of EDU's assigned to an account is therefore based on the estimated potential quality and flow of wastewater generated by that account. A single-family residential unit, for example, is assigned one EDU. Based on the 2020 Wastewater Rate Study's recommendation, the EDU for multi-family dwelling units has been revised from 1 to 0.79 to reflect the multi-family wastewater flow, which resulted in a reduced System Access Charge for multi-family customers compared to single-family.
- (2) A Commodity Rate is a charge based on the estimated quality and amount of sewage generated by each user in hundred cubic feet ("hcf"). For each Single-Family Residential user, the commodity charge is determined based on the minimum amount of water used by that user in the winter months of December to March, since water use during winter months mainly reflects indoor water use. The District uses the amount billed in the respective winter month. For example, December's usage is based on usage reflected in December's bill. For the Single-Family Residential user, the winter time water use is capped at a maximum of 10 hcf per month to account for irrigation usage during the winter months. For Multi-Family and Commercial customers, the commodity charge is determined based on the actual monthly metered water use, which represents the amount each user discharges to the sewer system in hcf.

The rates for all components of the District's wastewater service fees are structured in such a way to proportionately allocate cost of collecting, treating, and disposing of sewage generated by each customer group in 4S Ranch and Rancho Cielo Sanitation Districts.

The District's Wastewater Service Fees are collected on each property owner's property tax bill on an annual basis. Sewer bills are due and payable at the same time when a property owner's tax bill is due to the San Diego County Tax Assessors Office, April and December of each year.

Current rates and charges

The rates currently in effect are as follows:

| Fiscal Year 2023 (effective July 1, 2022) | | |
|---|--|------------------------------|
| User | Annual System Access Charge (per EDU)* | Commodity Rate (\$/hcf)** |
| Residential Single-Family ⁽¹⁾ | | |
| 4S Ranch and Santa Luz | \$191.76 | \$7.02 |
| Rancho Cielo | \$191.76 | \$7.02 |
| Non-Residential | | |
| Multi-Family ⁽²⁾ | \$151.75 | \$7.02 |
| Commercial - Group I ⁽³⁾ | \$191.76 | \$7.02 |
| Commercial - Group II ⁽³⁾ | \$191.76 | \$9.72 |

^{*} EDU: Equivalent Dwelling Unit

<u>Information on how your Wastewater (Sewer) Bill is Calculated</u>

- (1) The annual Single-Family Residential Wastewater Bill is the sum of the annual System Access Charge per EDU plus an annualized commodity charge based on the minimum amount of water used during the winter months, based on December to March water bills (of the prior year), and up to a maximum of 10 hundred cubic feet (hcf). For example, a typical single-family residential wastewater customer with 7 hcf of minimum water use based on this customer's December to March water bills (of the prior year) would be charged as follows:
 - (Service EDUs of 1 x annual System Access Charge of \$191.76) + (7 hcf water usage x 12 months x the Commodity Rate of \$7.02) = annual bill of \$781.44.
- (2) The annual Multi-Family user wastewater service charge is the sum of annual System Access Charge plus a commodity charge based on a share of actual water use (prior year) for the dwelling unit complex. For example, a condominium with four dwelling units totaling 288 hcf in annual usage would be charged as follows:
 - (Dwelling units of 4 x annual System Access Charge of \$151.75) + (288 hcf water usage x the Commodity Rate of \$7.02) = annual bill of \$2,628.76.

^{**} hcf: hundred cubic feet

(3) The annual Commercial wastewater service charge is the sum of the annual System Access Charge plus a commodity charge based on a share of actual water use (prior year) for the Commercial account. For example, an office building (Commercial - Group I) with 408 hcf in annual water usage would be charged as follows:

(Service EDUs of 1 x annual System Access Charge of \$191.76) + (408 hcf water usage x the Commodity Rate of \$7.02) = annual bill of \$3,055.92.