

FOR IMMEDIATE RELEASE

Contact: Annette O'Leary, 916.679.3975
aoleary@sswd.org

SACRAMENTO SUBURBAN WATER DISTRICT BOARD PASSES COMPROMISE WATER RATE INCREASE

The Sacramento Suburban Water District Board of Directors voted Tuesday evening to soften the impact of recommended water rate increases following a three-hour public hearing that took comments from more than 30 residents.

While the District consultant hired to study proposed rates recommended an immediate five percent increase in 2014, followed by four percent increases through 2018, the board voted instead to forestall any increase in 2014 in favor of four percent increases the following four years. The result is that rates will increase 16 percent over five years instead of the 21 percent initially recommended, unadjusted for compounding.

The District cites a number of factors pointing to the need for increased rates, which haven't seen a rise since 2009. Among them are the need for infrastructure renewal and maintenance, the rising cost of purchased water and continuing debt service costs.

Residents voiced concerns about the effects of rising rates, particularly on low-income families, and urged the board to look at other options, including cutting costs in other areas. The District says it has been very successful in reducing expenses in the past few years, helping to avoid rate increases over that period.

The additional funding will primarily be used for capital projects. The District's infrastructure includes 735 miles of pipeline, 85 active wells and seven storage tanks. It has nearly 45,000 service connections. Some funding will be used for anticipated inflationary increases in operational and maintenance costs, such as the cost of surface water, ground water treatment, electricity, materials and labor.

The rate proposal process has included seven public meetings, including Tuesday's public hearing, as well as compilation of comments from citizens received in writing, via e-mail and in calls to the District.

SSWD is a publicly owned and operated water utility regulated by the State of California Department of Public Health and State Water Code laws.

###