

BOARD OF DIRECTORS

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DANIEL R. FERONS
GENERAL MANAGER



Santa Margarita Water District

December 1, 2017

Dear Customer:

The purpose of this letter is to advise you of changes in the charges for your water and wastewater service that will take effect on January 1, 2018. The new rates will first appear on your bill in February.

Our SMWD Board of Directors sets water rates, fees, and charges that ensure reliable delivery of water to your tap, continued investment in the maintenance and operation of the local water and wastewater distribution system, and the development of projects and programs that will enhance local water supply and system reliability. Your monthly bill includes these charges in addition to the pass-through charges from the Metropolitan Water District of Southern California for imported water supply and delivery. The District's potable water supply is imported from northern California and the Colorado River and delivered by MWD.

Effective January 1, 2018, a MWD pass-through charge of \$0.19 cents per hundred cubic feet ("ccf") of water will be included in your billing for 2018. This represents an increase of \$0.09 over the 2017 charge.

There will also be changes in the Fixed Water Service Charges (based on meter size) and the Recycled Water Commodity Charge. The Fixed Monthly Wastewater Service Charge and the Volumetric Wastewater Service Charge will not change. The Power Surcharge Rates/ccf, if applicable, will increase by an average of \$.03/ccf. We've included a chart on the reverse side showing the rate changes for this year.

In March of 2015 the Board of Directors approved the phasing-in of a rate restructure that would better align the District's costs and revenues. We remain committed to containing controllable costs and avoiding rate increases unless necessary and justified. We continue to work to reduce our reliance on imported water and become more water independent.

If you have any questions, please do not hesitate to contact our Customer Service team at (949) 459-6420. For a complete break-down of all rates and charges for all levels of service visit our website at www.smwd.com/rates.

Sincerely,

A handwritten signature in blue ink, appearing to read 'DF', positioned above the printed name of Daniel R. Ferons.

Daniel R. Ferons
General Manager

Non-Residential Rates and Charges 2017-2018

Category	2017	Effective 1/1/2018
MWD Pass-Through Charge / ccf*	\$0.10	\$0.19
Fixed Water Service Charge - ¾" meter	\$21.79	\$23.05
Fixed Water Service Charge – 2" meter	\$52.98	\$56.03
Irrigation (Domestic) Commodity Charge rates / ccf	\$1.67	\$1.67
Commercial and Lake Fill (Domestic) / ccf	\$1.74	\$1.75
Recycled Water Commodity Charge rates / ccf		
- Irrigation (Non-domestic/blended)	\$1.78	\$1.82
- Irrigation (Non-domestic)	\$1.78	\$1.82
Fixed Wastewater Service	\$25.51	\$25.51
Wastewater Charge / ccf**	\$1.03	\$1.03

* ccf (charge for Tier 1 shown) = 100 cubic feet or one "unit"

** Charge shown is for Commercial Level 1

Note: Power Surcharge Rates, not applicable to all customers, will increase an average of \$.03/ccf.
Visit our website (www.SMWD.com/rates) for a complete break-down of rates.