



CITY OF OCEANSIDE

WATER UTILITIES DEPARTMENT

Public Comment
Proposed Drinking Water Fee Regs
Deadline: February 8, 2017 12 noon

February 7, 2017

Jeanine Townsend, Clerk to the Board
State Water Resources Control Board
1001 I Street, 24th Floor, Sacramento, CA 95814



Subject: **PUBLIC COMMENT IN RESPONSE TO PROPOSED DRINKING WATER FEE REGULATIONS**

Dear Ms. Townsend:

This letter is in response to the notice of public comment titled "Drinking Water Fees -- Basis for establishing Fees" to the rulemaking file as a document that the State Water Board relied on, notice of clarification of proposed California Code of Regulations (CCR), title 22, section 64315, and notice of opportunity to comment on "Drinking Water Fees -- Basis for Establishing Fees" and on the clarification of CCR, title 22, section 64315.

In 2016, the City of Oceanside paid \$15,000 for the Large Water System fee (LWS) as required by the Division of Drinking Water (DDW). Upon receiving the notice of changes in the fee regulations the City calculated the projected LWS fee for 2017 at \$79,000, which is a \$64,000 increase from one fee cycle to the next. This is quintuple the previous fee structure as required by the regulations.

The City understands, based on the justification memo, that funds are being reserved for future issues, but an increase of this magnitude will adversely impact a limited municipal budget. The budget for the City's Water Utilities is dependent upon rate payers, and the Utility is unable to justify a fivefold increase in rates. This fee change is a burden to other programs in the Water Utilities department. Additionally, increasing water rates would impact low income customers who may have to decide between water, food, housing or electricity.

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The City would like to recommend that the DDW to roll out fee changes on a tiered system over a longer period of time to allow municipalities to adjust budgets.

If you have any questions, please do not hesitate to contact me at (760) 435-5912 or by email at lrigby@ci.oceanside.ca.us.

Sincerely,

Lori Rigby
Compliance Officer