

## FOR IMMEDIATE RELEASE:

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## December 16, 2013 - CITY NOT RESPONSIBLE FOR ROBO-PHONE CALLS

Sierra Madre, Calif. – Residents have reported receiving a "robo-call" from a group identifying itself as, "Water for You", no other identification or return number is provided for this group. A number of residents have reported the calls as "threatening" and the City felt it was important to clarify that the City is not responsible for the calls. The City of Sierra Madre does not know who has paid for these robo-phone calls, nor does the City have contact information for this group.

While the City is confident that our water customers will read the information that was included in the Proposition 218 mailing that was mailed to all water and sewer customers and will ultimately make their own decisions regarding the proposed water and sewer rate increase, the City felt it was important to correct misinformation provided in the robo-call.

First, the "water rate increase" is not a 69% rate increase, but a total revenue increase of 61% over five years. This does not translate into a direct 61% increase to every water customer's bill. (For the impact on individual customer bills please see the next paragraph.) The water fund needs to increase its total revenues in order to reverse the deteriorating financial condition of the fund. Currently, the water fund does not generate sufficient revenues to support its annual operational, capital and debt payments. Please refer to the "Fact sheet" that was included in the Proposition 218 mailing, and is also available on the City's website for a complete explanation of the difference between a "revenue increase" and a "rate increase."

Secondly, under the proposed rate increase, the majority (more than 50%) of Sierra Madre water customers' bimonthly water bills will increase less than 10% the first year of the proposed increase. A typical residential water customer, who uses 33 units of water is estimated to experience the following increases in their water bill:

- 10.3% (\$12.70 bi-monthly, or \$6.35 a month) increase the first year,
- 14.3% (\$19.40 bi-monthly or \$9.70 per month) increase the second year,
- 12.7% (\$19.71 bi-monthly, or \$9.86 a month) increase the third year,
- 2.5% (\$4.24 bi-monthly or \$2.21 per month) increase the fourth year, and a
- 3.7% (\$6.70 bi-monthly or \$3.35 per month) increase the fifth year.

There is a Water Rate Calculator available on the City's website to assist customers in determining the estimated impact on their own water bill.

Lastly, the Sierra Madre City Council unanimously approved presenting the proposed rate structure to the City's water and sewer customers.

For information about the proposed water and sewer rate increase, please call City Hall at (626) 355-7135 from 11 am to 5:30 pm on Monday to Thursday. Or you can go to the City's website at <a href="https://www.cityofsierramadre.com">www.cityofsierramadre.com</a>.

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