

OPEN LETTER TO SONOMA VALLEY COUNTY SANITATION DISTRICT RATEPAYERS

REDUCE NEXT YEAR'S SEWER BILL, SAVE WATER NOW!

If approved, a new volume-based rate structure will calculate part of your sewer bill based on your winter water use. Avoid using water outdoors during the winter and take advantage of District rebate programs.

Visit www.sonomacountywater.org/svcscd or call 707.547.1918.

Dear Sonoma Valley County Sanitation District Residential Customers:

The Sonoma Valley County Sanitation District (District) is proposing to change the way your residential sewer bill is calculated. The District recently completed a study aimed at giving ratepayers a way to exercise control over part of their sewer bill while encouraging water conservation. The study found that volume-based rate structures better account for household sewer discharge, promote water conservation, and provide financial reliability for District services. The study also found that volume-based rates would provide District ratepayers with the opportunity to control a portion of their sewer bill. The proposed volume-based rate structure would only apply to residential ratepayers, not commercial accounts.

THE CURRENT BILLING CALCULATION METHOD

District sewer bills are currently calculated based on usage of an Equivalent Standard Dwelling ("ESD"). An ESD is defined as what an average single family home would use in a given year. All single family homes, which constitute most of the users in the District, are charged the same flat charge based on 1 ESD, regardless of the amount of water used in a home and treated at the District. Thus, this method does not reward households who use less water and create less sewage for treatment.

The proposed volume-based rate calculation is based on two factors:

- 30 percent volume-based: The volume charge is calculated by the average monthly winter water use per household based on specified winter months, multiplied by 12 months to derive the annual use. Average winter water use provides an accurate accounting of indoor water use and its impact to the District's treatment facilities because outdoor irrigation should be off during the winter months. This volume-based charge recovers costs to the sewage treatment and collection system that are affected by use and vary with the amount of sewage conveyed and treated.
- 70 percent fixed-costs: The fixed charge recovers costs that the sewage treatment and collection system incurs regardless of increased or decreased sewage flow into the system.

WHAT'S NEXT?

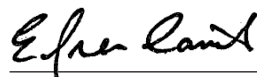
1. Get Answers Contact Spencer Bader, Sonoma County Water Agency Division Manager Administrative Services, 707.521.6207, spencerb@scwa.ca.gov. The District has created a web page dedicated to educating ratepayers on the proposed rate structure.

View the web page online at www.sonomacountywater.org/svcscd

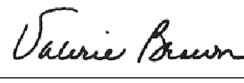
2. Proposition 218 notices (a state-required notice informing ratepayers of annual rate changes) will be mailed to District ratepayers in spring, 2012.

3. Public hearing : The District's Board of Directors will hold a public hearing in June 2012 to hear a presentation from District staff on the proposed volume-based rate structure and to allow public comment. The District will consider adoption of the FY 2012-2013 rates, pending results of the Proposition 218 notices, in June 2012. The District will also consider adoption of the volume-based rate structure at this same time.

Thank you from the Sonoma Valley County Sanitation District Board of Directors,



Efrén Carrillo
Chair
Sonoma County Water Agency
Board of Directors



Valerie Brown
First District Supervisor
Sonoma County Water Agency
Board of Directors



Laurie Gallian
Mayor
City of Sonoma



Note: For locations with no winter usage, the 12 month average usage will be used. For Valley of the Moon Water District and City of Sonoma customers, the two month period from December through January will be used.