



Contact: Mike Uhrhammer  
Email: [mike.uhrhammer@helixwater.org](mailto:mike.uhrhammer@helixwater.org)  
Cell: 619-733-6467

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## **Helix board to review proposed budget at June 13 meeting**

Based on their proposed budget, Helix Water District anticipates a 4 percent rate increase on January 1, 2018, well below the 11 percent increase specified in the five year rate projection adopted by the district two years ago.

Helix released their proposed \$84.1 million budget last week and will hold a budget workshop with its Board of Directors on Tuesday, June 13 at 6:00pm. Customers are welcome and encouraged to attend.

"A 4 percent rate increase for our average customer is \$2.50 per month. Barring any unforeseen issues this summer, this is where our rates are expected to be," said Helix board president Joel Scalzitti.

Lower than planned rates next year are the result of local rainfall this year, and, due to cost controls, an anticipated increase in operating costs of just 1 percent, Scalzitti said.

Helix owns Lake Cuyamaca, which is located in the mountains south of Julian. Thirty inches of precipitation this winter filled much of the lake, providing above average runoff as part of the district's local water supply.

"We had very little local water supply during the drought," said Helix general manager Carlos Lugo. "Now we have it. And the more water the lake provides, the less imported water we need to purchase. That's important, because water purchases are almost half of our budget."

The district's proposed budget is comprised of three cost areas: water purchases, operating costs and capital improvements. Water purchases are 43 percent of the budget, with anticipated costs next year of \$35.9 million.

"Our water purchases budget includes a 5.7 percent increase in the cost of imported water from the San Diego County Water Authority," Lugo said. "But the budget is decreasing by 0.5 percent and that's because we are using water now from Lake Cuyamaca."

According to Lugo, the 1 percent increase in the district's operating costs next year is driven primarily by the increase in the cost of water treatment and the district's potential involvement in Padre Dam Municipal Water District's potable reuse project, which would purify wastewater, providing a drought-proof water supply.

The district's capital improvement budget is \$12.5 million and is increasing by \$1.8 million. "We delayed projects during the drought to reduce our water rate," Lugo said. "Now we need to move ahead. Delaying the replacement of aging infrastructure brings with it a higher risk of system failures and the higher cost of emergency repairs."

“We are doing our very best to provide affordable water,” Lugo added. He said the EPA defines affordable drinking water as no more than 2.5 percent of median household income. “Our water costs 1.3 percent of the median household income in East County.”

Helix’s board of directors has discussed the budget in public meetings over several months, providing input regarding budget guidelines and principles on April 19, and reviewing budget schedules and line items for over nine hours in two budget workshops on May 3 and 4. The board will vote on the anticipated water rates to support the budget later this summer.

### **About Helix**

Helix is responsible for the safety, quality and reliability of the drinking water for a population of 273,000 in the cities of El Cajon, La Mesa and Lemon Grove, the Spring Valley community and unincorporated areas of the county.

### **Attached Photos**

#### *Lake Cuyamaca*

Lake Cuyamaca earlier this year.

#### *Photo from Cuyamaca Dam*

The view from the top of Cuyamaca Dam looking west. This is Helix’s measuring channel and wier. The white pole in the channel is calibrated to the wier so Helix’s system operators can convert height to flow and measure the amount of water released from the lake. Operators monitor hourly flow data from this facility.

#### *Helix crews at work*

A few photos showing Helix crews maintaining the district’s water distribution system.