



San Diego Superior Court

Patz v. City of San Diego

Case No. 37-2015-00023413-CU-MC-CTL

Class Action Notice

Authorized by the San Diego Superior Court

Were you a single-family residential water customer of the City of San Diego any time between August 14, 2014 and December 1, 2023?

There is a \$40,000,000 settlement of a lawsuit.

You may be entitled to money.

To be part of this settlement, you should:

Read this notice.

You do not need to respond to this notice to be a part of the settlement.

Important things to know:

- If you take no action, you will still be bound by the settlement, and your rights will be affected.
- You can learn more at www.SDWaterSettlement.com.

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About This Notice

Why did I get this notice?

This notice is to tell you about the settlement of a class action lawsuit, *Patz v. City of San Diego* brought on behalf of people who were single-family residential water customers of the City of San Diego at any time between August 14, 2014 and December 1, 2023, alleging that the City of San Diego's single-family residential water rates were unconstitutional. **You received this notice because you may be a member of the group of people affected, called the "class."** This notice gives you a summary of the terms of the proposed settlement agreement, explains what rights class members have, and helps class members make informed decisions about what action to take.

What do I do next?

Read this notice to understand the settlement and to determine if you are a class member. Then, decide if you want to:

Options	More information about each option
Do Nothing (You may confirm your contact information and select your preferred payment method)	The Court of Appeal affirmed a refund calculation in the appeal of this case. If you were overcharged based on that calculation, you do not need to submit anything further at this time to receive a refund. You may visit www.SDWaterSettlement.com to confirm your contact information and select your preferred payment option. Not all customers were overcharged. You will only receive a refund if you were overcharged based on the refund calculation accepted by the Court of Appeal. The amount of the refund will be based on each customer's share of the net settlement fund. If you do nothing further, you will also give up rights resolved by settlement.
Opt Out	Get no payment. Allows you to bring another lawsuit against the City of San Diego about the same issues.
Object	Tell the Court why you don't like the settlement.

Read on to understand the specifics of the settlement and what each choice would mean for you.

What are the most important dates?

Your deadline to object or opt out: **September 28, 2026**

Settlement approval hearing: **December 11, 2026**

Learning About the Lawsuit

What is this lawsuit about?

A class action lawsuit was filed against the City of San Diego on behalf of people who were single-family residential water customers of San Diego between August 14, 2014 and December 1, 2023. The lawsuit claims that the City of San Diego charged unconstitutional single-family residential water rates, because those rates were not proportional to the cost of providing water service to its single-family residential customers.

The City of San Diego denies that it has overcharged any class members or that any money is owed.

Where can I learn more?

You can get a complete copy of the proposed settlement and other key documents in this lawsuit at www.SDWaterSettlement.com

Why is there a settlement in this lawsuit?

In 2026, the parties agreed to settle, which means they have reached an agreement to resolve the lawsuit. Both sides want to avoid the risk and expense of further litigation.

The settlement is on behalf of the customers who brought the case and all members of the settlement class, which includes all single-

What is a class action settlement?

A class action settlement is an agreement between the parties to resolve and end the case. Settlements can provide money to class members and changes to the practices that caused the harm.

family residential customers of the City of San Diego between August 14, 2014 and December 1, 2023.

The Court previously decided that the City of San Diego had charged single-family residential customers under an unconstitutional water rate structure, and selected a refund methodology to determine which customers were overcharged. The Court has not yet decided how a new law, Government Code section 53758.5 (added by Senate Bill 1072) applies to the refund award.

What happens next in this lawsuit?

The Court will hold a Fairness hearing to decide whether to approve the settlement. The hearing will be held at:

Where: San Diego Superior Court, Hall of Justice, Fourth Floor, Department C-67, 330 W Broadway, San Diego, CA 92101.

When: 9:00 a.m. on December 11, 2026.

The Court has directed the parties to send you this notice about the proposed settlement. Because the settlement of a class action decides the rights of all members of the proposed class, the Court must give final approval to the settlement before it can take effect. Payments will only be made if the Court approves the settlement.

You don't have to attend, but you may at your own expense. You may also ask the Court for permission to speak and express your opinion about the settlement. If the Court does not approve the settlement or the parties decide to end it, it will be void and the lawsuit will continue. The date of the hearing may change without further notice to members of the class. To learn more and confirm the hearing date, go to www.SDWaterSettlement.com.

Learning About the Settlement

What does the settlement provide?

After the Court determined that the City of San Diego's single-family residential water rates were unconstitutional, San Diego changed those single-family residential water rates. The City of San Diego's

subsequent rates apply to all single-family residential customers. There has been no judicial determination about the constitutionality of the City of San Diego's subsequent single-family residential water rates.

The settlement pays money to customers who, as a result of the unconstitutional water rate structure, paid more than they would have paid otherwise. Not all customers will receive refunds under the settlement, only those customers who were overcharged according to the methodology adopted by the court. For customers who were overcharged, you do not have to do anything further to receive your refund, but you may be asked to validate your contact information, and to select your preferred payment method.

The City of San Diego has agreed to pay \$40,000,000.00 into a settlement fund. This money will be divided among the class members who were overcharged, and will also be used to pay for costs and fees approved by the Court, including the cost of administering this settlement (expected to be no more than \$199,000, subject to court approval). Members of the settlement class will "release" their claims as part of the settlement, which means they cannot sue the City of San Diego for the same issues in this lawsuit. The full terms of the release can be found at www.SDWaterSettlement.com.

If there is money left over after the claims process is completed, it will be donated to an organization approved by the Court. The Court has approved the Sierra Club, California Water Committee, including the San Diego chapter, as the recipient for any funds remaining after the claims process is completed.

How do I know if I am part of this settlement?

If you were a single-family residential customer of the City of San Diego between August 14, 2014 and December 1, 2023, you are a member of the class and may be entitled to money.

How much will my payment be?

The trial court adopted a refund methodology based on an expert report from the City of San Diego's expert, which the Court of Appeal affirmed. Under that method, the City of San Diego's expert calculated

the amount of the refund owed to each class member at trial, based on the difference between the amount each class member actually paid, and the amount that class member would have paid for their single-family residential water service, if the City of San Diego had not charged unlawful rates. Each class member who was overcharged based on that calculation will receive a refund. The refund amount is based on the customer's share of the net settlement fund.

Not all class members experienced overcharges, and those class members who were not overcharged according to this calculation will **not** receive a refund under the settlement. All class members received the benefit of the City of San Diego changing the water rates that were in effect during this period.

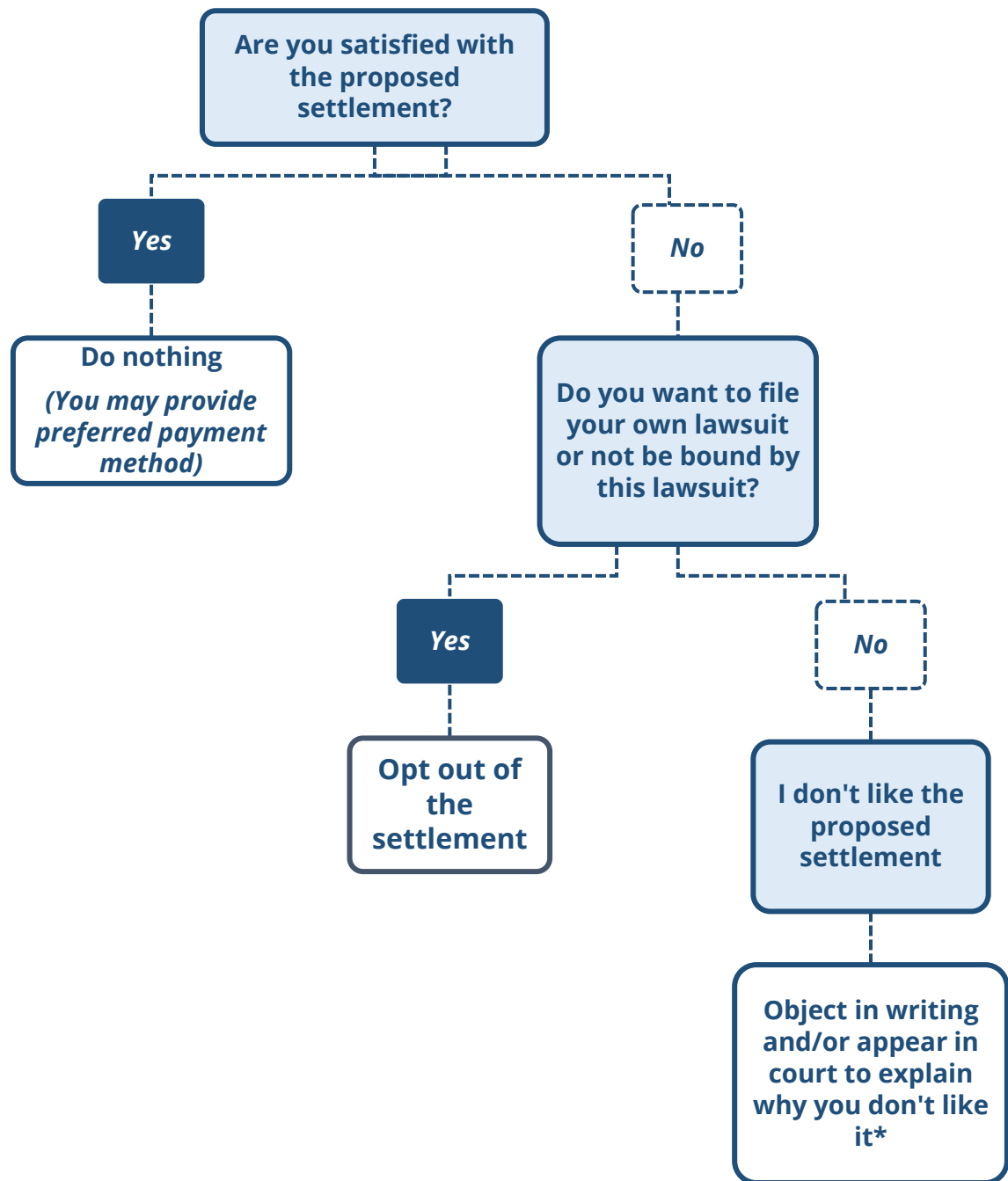
Deciding What to Do

How do I weigh my options?

You have three options. You can stay in the settlement (and do nothing further, except verifying your contact information and preferred payment method if necessary), you can opt out of the settlement, or you can object to the settlement. This chart shows the effects of each option:

	Do Nothing (Stay in Settlement)	Opt out	Object
Can I receive settlement money if I . . .	YES	NO	YES
Am I bound by the terms of this lawsuit if I . . .	YES	NO	YES
Can I pursue my own case if I . . .	NO	YES	NO
Will the class lawyers represent me if I . . .	YES	NO	NO

What is the best path for me?



**You can object to the settlement AND remain a class member to receive payment.*

Participating in the Settlement

How do I get a payment if I am a class member?

If you wish to receive money, you do not need to take any further action. You can confirm your current contact information and select your preferred payment method (e.g., paper check vs. electronic payment methods).

Visit www.SDWaterSettlement.com to see whether you are estimated to receive a refund under the Settlement, or contact the Settlement Administrator (address below).

Do I have a lawyer in this lawsuit?

In a class action, the court appoints class representatives and lawyers to work on the case and represent the interests of all the class members. For this settlement, the Court has appointed the following individuals and lawyers.

Your lawyers:

Andre M. Mura
Steven M. Tindall
Ezekiel S. Wald
Gibbs Mura LLP
1111 Broadway, Suite 2100
Oakland, CA 94067

Daniel L. Rottinghaus
Howard J. Silldorf
Anne L. Rauch
Theresa M. Filicia
Berding & Weil, LLP
160 Hotel Circle North, Ste. 701
San Diego, CA 92108

These are the lawyers who negotiated this settlement on your behalf.

If you want to be represented by your own lawyer, you may hire one at

| your own expense.

Do I have to pay the lawyers in this lawsuit?

Lawyers' fees and costs will be paid from the Settlement Fund. **You will not have to pay the lawyers directly.**

To date, your lawyers have not been paid any money for their work or the expenses that they have paid for the case. To pay for some of their time and risk in bringing this case without any guarantee of payment unless they were successful, your lawyers will request, as part of the final approval of this Settlement, that the Court approve a payment of up to \$13,333,333.33 total in attorneys' fees plus the reimbursement of out-of-pocket expenses, not to exceed \$500,000.

Lawyers' fees and expenses will only be awarded if approved by the Court as a fair and reasonable amount. You have the right to object to the lawyers' fees even if you think the settlement terms are fair.

Your lawyers will also ask the Court to approve a payment of \$7,500.00 to each of the Class Representatives for the time and effort they contributed to the case. If approved by the Court, this will be paid from the Settlement Fund.

Opting Out

What if I don't want to be part of this settlement?

You can opt out. If you do, you will not receive payment and cannot object to the settlement. However, you will not be bound or affected by anything that happens in this lawsuit and may be able to file your own case.

How do I opt out?

To opt out of the settlement, you must complete the opt out form included on www.SDWaterSettlement.com and send it by **September 28, 2026** to the Settlement Administrator at:

PO Box 19504, Irvine, CA 92623
Toll-Free: 1-888-903-0334
Email: SDWaterSettlement@cptgroup.com

Be sure to include your name, address, telephone number, and signature.

Objecting

What if I disagree with the settlement?

If you disagree with any part of the settlement (including the lawyers' fees) but don't want to opt out, you may object. You must give reasons why you think the Court should not approve it and say whether your objection applies to just you, a part of the class, or the entire class. The Court will consider your views. The Court can only approve or deny the settlement — it cannot change the terms of the settlement. You may, but don't need to, hire your own lawyer to help you.

To object, you must send a letter to the Court (or file your comment on the docket in this Action) that:

- (1) is received by **September 28, 2026**;
- (2) includes the case name and number (*Patz v. City of San Diego*, No. 37-2015-00023413)
- (3) includes your full name, address where you receive single-family residential water service (or received that water service) from the City of San Diego, the name of the property owner for the address where the objector/commenter receives or received water service from the City of San Diego (if you are not the property owner), your telephone number, and your email address (if you have one);
- (4) states the reasons for your objection;
- (5) the name and contact information of any attorneys representing,

- advising, or assisting you in filing your comment or objection, and if you are advised or represented by an attorney, a statement identifying the objections that attorney has filed to other class action settlements in the last five years;
- (6) says whether either you or your lawyer intend to appear at the final approval hearing and your lawyer's name;
- (7) your signature (handwritten or electronically imaged, e.g., "DocuSign").

Mail the letter to:

PO Box 19504, Irvine, CA 92623
Toll-Free: 1-888-903-0334

San Diego Superior Court,
Hall of Justice, Fourth Floor,
330 W Broadway,
San Diego, CA 92101

Doing Nothing

What are the consequences of doing nothing?

If you do nothing, you will still be bound by the settlement and its "release" provisions. That means you won't be able to start, continue, or be part of any other lawsuit against the City of San Diego about the issues in this case. A full description of the claims and persons who will be released if this settlement is approved can be found at www.SDWaterSettlement.com.

Key Resources

How do I get more information?

This notice is a summary of the proposed settlement. The complete settlement with all its terms can be found at www.SDWaterSettlement.com. To get a copy of the settlement agreement or get answers to your questions:

- contact your lawyer (information below)
- visit the case website at www.SDWaterSettlement.com.

- access the Court’s Public Portal online or by visiting the Clerk’s office of the Court (address below). While you may access the complete settlement and the other documents from this case from the Court (either on its online portal or at the Clerk’s office in person), please **do not** reach out to the Court with questions about the settlement. If you have questions about the settlement, contact the Settlement Administrator, visit the case website, or contact your attorneys (information listed in the table below).

Resource	Contact Information
Case website	www.SDWaterSettlement.com
Settlement Administrator	PO Box 19504, Irvine, CA 92623 Toll-Free: 1-888-903-0334 Email: SDWaterSettlement@cptgroup.com
Your Lawyers	Andre M. Mura Steven M. Tindall Ezekiel S. Wald Gibbs Mura LLP 1111 Broadway, Suite 2100 Oakland, CA 94067 Daniel L. Rottinghaus Howard J. Silldorf Anne L. Rauch Theresa M. Filicia Berding & Weil, LLP 160 Hotel Circle North, Ste. 701 San Diego, CA 92108
Court (DO NOT CONTACT WITH QUESTIONS)	San Diego Superior Court, Hall of Justice, Fourth Floor, 330 W Broadway, San Diego, CA 92101

Instructions for accessing eCourt Public Portal

To access the Court's eCourt Public Portal online found at <https://odyroa.sdcourt.ca.gov/Cases#>, you will first need to “agree” to the terms and conditions shown on the screen. You can then access case documents by entering the case number, 37-2015-00023413, in the “V3 Format,” and clicking on “Search.” On the following page, you will see case details, information about future hearings, and if you scroll down, the Court’s “Register of Actions.” You may then download images of every document filed in the case for a fee. You may also view images of case documents for free at one of the computer terminal kiosks at court locations.