Water Supply Update – Water Use Reductions Required

As Northern California residents, you have almost certainly seen news coverage this winter about the exceptionally dry conditions our region is experiencing. This is the third dry year in a row, with the 2013 calendar year resulting in the lowest amounts of rain and snowfall on record in California history. So far, 2014 is following this trend and forecasts predict continued dry conditions.

Folsom Lake is the main source of surface water supply for our District and many other local water agencies. The lake is at the lowest levels since the 1976-77 drought. As of January 1, 2014, Folsom Lake was at 19% capacity. If the level continues dropping before more rain comes, it is possible that the lake could reach “dead pool” levels. This means that the lake levels will have reached 10% or below and the water is below the level where it can be pumped from the lake. At dead pool levels, any small amount of water left in the lake would be inaccessible.

You may be wondering, what does this mean for me as a CHWD customer? CHWD is taking the same action as other local water agencies and asking customers to reduce water use by 20%. On January 14, 2014, the CHWD Board of Directors adopted Resolution No. 01-2014, declaring a Stage 3 Water Warning in effect. Please see Page 2 of this newsletter for information on the actions required for this Stage of water conservation. For more information on all of the water conservation stages (1-5), please visit www.chwd.org/conservation.

On January 6, 2014, CHWD began increasing production from all five of its groundwater wells to help conserve water supplies in Folsom Lake. Altogether the wells can produce 9.1 million gallons of water per day, enough to meet the typical daily water demand from CHWD customers at this time of the year. However, these groundwater wells do not produce enough water to meet typical water demand during spring, summer and fall months when most customers are doing outdoor watering. With Folsom Lake levels dropping and no rain in sight, it is imperative that customers are diligent in their water use reduction efforts.

Fortunately, CHWD customers have a history of being good stewards of water. Even with 2013 being the driest year on record, our customers used only 1.3% more water than the 5-year average between 2008-2012. Thank you for your efforts to use less water! However, we need your continued support to meet this 20% reduction. Conserving water now can help make more water available for later, which will be especially important if dry conditions persist.

For most customers, the most effective way to meet this reduction is to greatly reduce or discontinue outdoor watering at this time. Please see Page 2 of this newsletter for additional water conservation actions suggested and required by CHWD during this time of limited supply.

We will continue to update you on the status of the water availability in the region. If you have any additional questions or need any additional information, please visit www.chwd.org or call us at (916) 725-6873.

Check out these great resources for more information on the state of water in Northern California and what you can do to help conserve:
- Local Water Conservation – www.dryfolsomlake.com
- Be Water Smart - http://bewatersmart.info/
- Save Our Water - www.saveourh2o.org/
Water Conservation Actions

Reducing water use by 20% may sound quite challenging, but it's easier than you think! In order to make this effort possible, CHWD has implemented the following requirements to reduce water use on a District-wide basis. These requirements are part of the Stage 3 – Water Warning Mandatory Requirements developed by the District.

1. Use water for beneficial purposes only. All unnecessary and wasteful uses of water are prohibited.
2. Water must stay on the customer’s property and is not allowed to run off to adjoining properties or to the roadside ditch or gutter.
3. Free-flowing hoses for all uses are prohibited. Automatic shut-off devices must be attached to any hose or filling apparatus in use.
4. Leaking customer pipes or faulty sprinklers must be repaired in two working days or less. A quicker repair may be required based on the severity of the problem.
5. Pools, spas and ornamental fountains or ponds must be equipped with a recirculation pump and be free of any leaks. Pool draining and refilling is not allowed unless it is a matter of health, maintenance or structural considerations.
6. Washing streets, parking lots, driveways, sidewalks, or buildings is not allowed unless it is necessary for health or sanitary purposes. (Tip: Use a broom instead to sweep your sidewalk or driveway.)
7. Customers are encouraged to take advantage of the water agency’s conservation programs and rebates. Visit www.chwd.org/rebates for more information.
8. Reduce landscape and pasture irrigation by 20% or more. Customers with “smart” irrigation timers or controllers are asked to set their controllers to achieve 75-89% evapotranspiration (ET) rate. Drip irrigation systems are excluded from this requirement. (Tip: CHWD recommends greatly reducing or completely discontinuing outdoor watering at this time as the easiest way to meet the 20% reduction requirement).
9. Reduce indoor water use by 20% or more. See below for more indoor water conservation tips.
10. Restaurants shall serve water only upon request.
11. Users of construction meters and fire hydrant meters will be monitored for efficient water use.

Indoor Water Conservation Tips

Follow these easy tips to greatly reduce water use in your home:

• Don’t run the washing machine until you have a full load and save 15-45 gallons each time.
• Only run the dishwasher when it is full. This saves 2 – 4.5 gallons per load.
• To hand wash dishes, don’t let the water run out of the tap. Instead, fill one side of the sink with warm soapy water and fill the other side of the sink with rinse water. This will save 2.5 gallons per minute.
• Take a shorter shower. Shorten your shower by a minute or two and you’ll save 2.5 gallons per minute if you have a water efficient showerhead. And if you don’t have a water-efficient showerhead, now is a great time to get one.
• Turn off the water while you brush your teeth or shave. This saves about 10 gallons per day.
• Look for creative ways to reuse water—for example, old water from a fish tank can be used to water plants.
• Fix plumbing leaks immediately. A leaking toilet flapper valve can waste from 30 to 500 gallons per day! An easy way to check for leaks is to put a drop or two of food coloring in the water in your toilet tank and wait 15 minutes without flushing. If colored water appears in the toilet bowl during that time, it means you have a leak that is wasting water continuously.
• Teach your children to follow these same tips and reward them for their efforts!

2014 Rate Increase Notification

Beginning January 1, 2014, you’ll see a change in your bimonthly water bill. On December 10, 2013, the CHWD Board of Directors approved a rate increase designed to increase overall District revenues by 3%. For an average residential customer, this will mean approximately $4.95 extra on your bill every two months.

We understand that no one likes rate increases, but they are a necessary element of maintaining high-quality water services. Each year, our costs of operating the District go up, including the fees we must pay for permits and regulatory actions to local cities, counties and state and federal agencies. For 2014, more than $4 out of every $100 collected from CHWD water bills will go toward the cost of satisfying regulatory requirements, including over $100,000 in permit fees for working on our water system within city and county right-of-ways. Additionally, capital improvement projects are necessary in order to continue to provide a safe and reliable infrastructure.

At CHWD, we do everything we can to make cuts in the budget where possible and use your rates in the most responsible and efficient way. In fact, our rates are very competitive compared to the region. Our customers pay 24.6% less than the average water customer in the area. We promise to do our part to help keep your rates as low as possible while still providing you with the same quality service—you deserve it!
Meet the Many New Faces at CHWD!

CHWD is pleased to introduce four new team members. These new additions to the CHWD staff have been hired to fill vacancies created by retirements.

Dana Mellado joined the team in September of 2013 as the new Accounts Receivable Specialist. Her previous experience with the California Department of General Services will be of value in her new role of processing and preparing water bills for customers.

Zach Powell also came on board in September and is now working as the new Water Distribution Operator. He brings seven years of experience in operating and maintaining public water systems and possesses a Grade 2 Water Distribution Operator certification from the California Department of Public Health.

Susan Sohal began in early October of 2013 as the new Customer Service Administrator. Her duties include overall responsibility for the District’s billing and customer services. She has also been appointed by the Board of Directors as the Assessor/Collector for the District. Susan has an MBA in accounting and related experience with private companies. She has recently relocated to California from the East Coast.

James Buford, the latest addition to the team, started in late October as a Water Distribution Lead Worker/Operator. James will lead a crew of employees in maintaining and repairing the District’s water system, bringing over eight years of experience in water utility work and heavy equipment operation to the job. He possesses a Grade 3 Water Distribution Operator certification from the California Department of Public Health.

Welcome Dana, Zach, Susan and James!

CHWD Sends Well Wishes to Three Retirees

After a combined 71 years of service, CHWD would like to thank and congratulate recent retirees Nancy Alaniz, Johnny Cope and Dell Bottomley.

Nancy retired from the role of Assessor/Collector and is among the most tenured of all CHWD employees. She spent more than 37 years with the District. Over the years, Nancy has made a lasting impression on many current and past employees and customers at the District. She will be missed, but we wish her the best in retirement.

After 29 years with CHWD, Johnny has retired from the role of Water Distribution Lead Worker/Operator. Another long-time veteran of CHWD, we thank Johnny for his many years of service. A three-decade long career with the same employer is not something that many people can boast! Thank you, Johnny!

Dell has also retired after 5 years with the District as the Accounts Receivable Specialist. We thank you for your service to CHWD and congratulations on retirement!

Try the New PhonePay Option for Easy and Convenient Bill Payment

CHWD is proud to announce our new PhonePay System—another option for easy and convenient bill payment. With PhonePay, you can pay your water bill anytime from any phone, 24 hours a day, 7 days a week. You can even use the system during CHWD’s office hours and still get this fast, automated service!

This payment option is very efficient and simple to use. Just call our main telephone number, (916) 725-6873, and select the PhonePay option. You will be prompted step-by-step to enter your billing account and payment information using your phone keypad. When the transaction is complete, your payment is applied to your CHWD water account immediately. For your convenience, our PhonePay system accepts all Visa, MasterCard and Discover cards.

CHWD continues to offer the option of making your payment through our website or having automatic payments made with our free AutoPay service. Give yourself one less bill to worry about paying on time. With AutoPay, the balance of your water bill can be automatically withdrawn from your checking or savings account every other month.

Why not try our PhonePay option on your next water bill? Just call (916) 725-6873. To get more information on our AutoPay and PhonePay services or online bill payment, please visit www.chwd.org/payment.
**Construction Project Updates**

Keeping infrastructure up to date and reliable is a huge part of our commitment to provide quality service to our customers. In fact, did you know that 43 cents of every dollar you pay in your water bill is invested right back into improving the water system? These capital improvement projects are necessary to replace aging underground pipes and ensure that we offer enough capacity to meet water needs. Below is a partial list of capital improvement projects the District has currently underway or planned for 2014.

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Construction Date</th>
<th>Proposed Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water Main Replacement: Palm Avenue from San Juan Avenue to west of Dove Drive and Castle Street from Palm Avenue to Gail Way as well as Kilborn Drive, Ronnie Street and Billie Street in Fair Oaks</td>
<td>2013/2014</td>
<td>$1.3 million</td>
</tr>
<tr>
<td>Water Main Replacement: Park Drive in Citrus Heights</td>
<td>2014</td>
<td>$449,000</td>
</tr>
<tr>
<td>Construction of new groundwater well/pumping station</td>
<td>2014</td>
<td>$2.7 million</td>
</tr>
<tr>
<td>Fire hydrant infill, additions, upgrades and replacements – various locations throughout CHWD service area</td>
<td>2014</td>
<td>$151,000</td>
</tr>
</tbody>
</table>