

On Tap

Winter 2011-2012



CCWD Uses Long-Range Planning to Ensure Financial Stability

Long-range planning plays a crucial role in keeping businesses, including public utilities, on track. With long-range planning, facilities can be properly maintained and upgraded while costs are controlled and spread over a reasonable period of time. In short, long-range planning enhances control over operations and prevents major financial surprises.

That is why the Contra Costa Water District uses an on-going financial planning process that projects 10 years into the future and is updated every year. The process keeps the District sustainable and able to fulfill its mission of providing 500,000 people with high-quality water in a cost-effective and environmentally responsible manner.

The District's Ten-Year Capital Improvement Program and Financial Plan lists by priority the equipment and infrastructure the District will need and details how the costs can be paid. This information is used to evaluate revenue needs and operating expenses, then determine water rates and other charges.

For 2012, the District is proposing adjustments to rates and charges to increase revenues 3.5 percent. This would allow the District to stay on track toward fulfilling its mission while preventing unwanted financial surprises in future years. For the average single-family residential customers using 350 gallons per day, this proposed adjustment would add \$2.20 a month to their water bill.

Notifications about rate adjustments have been mailed to customers, and the Board of Directors is scheduled to hear public comment at 6:30 p.m. on Wednesday, January 4, in the District Center Board Room, 1331 Concord Avenue, Concord. More information about the proposal is available at www.ccwater.com.

By reviewing rates and charges every year and making appropriate adjustments, the District can take timely action to cover increases in the costs it must pay.

The District is keenly aware of the need to minimize the pressure on water rates, so it has been working hard over the past several years

to diversify its revenue sources and reduce expenditures. The District currently receives less than 70 percent of its revenue from rates, down from more than 90 percent in 1997. Also, the District has added about \$400 million in assets over the last 12 years without increasing staff, and employees are paying more of their benefit costs to ease the burden on ratepayers.

The District is also taking advantage of the current economic climate to cost effectively invest in planned infrastructure projects now, while the construction-bidding and debt-financing environments are favorable. This practice provides long-term value to customers at a cost that might not be possible in future years. A good example of a project that is currently underway and will provide excellent value for customers is the expansion of the Los Vaqueros Reservoir, which will improve water quality and reliability. Construction activities at the reservoir are currently providing nearly 150 local jobs.

By adhering to its long-range financial plans, the District operates as a responsible utility and ensures its long-term sustainability. Ultimately, that protects the pocketbooks and the purchasing power of its customers.

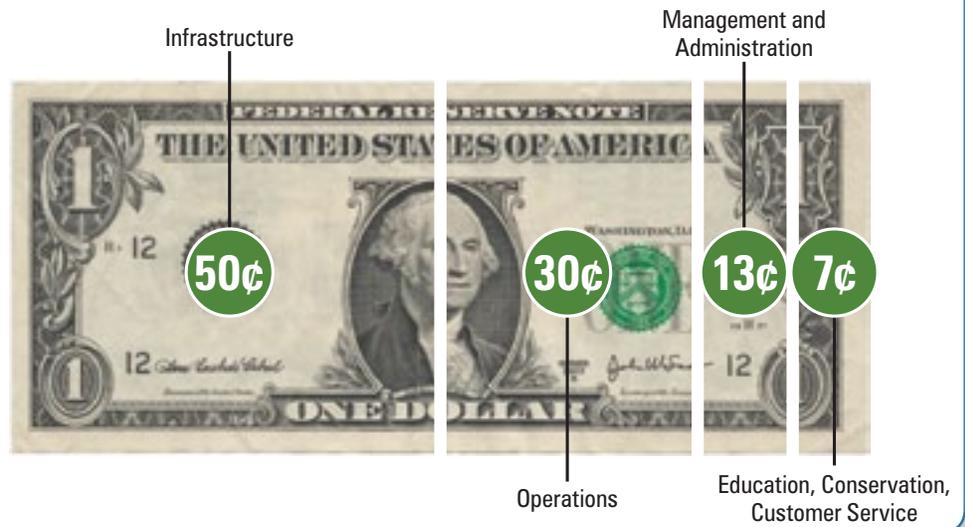
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Jerry Brown - General Manager • Gina Oltman - Writer/Editor

Two Important Infrastructure Projects Benefit Customers

Rock Slough Fish Screen

A 320-foot-long fish screen is now operating at the entrance of the Contra Costa Canal in Rock Slough in far eastern Contra Costa County. Completely funded by federal stimulus dollars and built by the Bureau of Reclamation in partnership with the Contra Costa Water District, the screen protects the environment and ensures the District's reliable supply of water by preventing Delta fish from entering the canal.

At a dedication ceremony in September, the project was praised by U.S. Secretary of the Interior Ken Salazar and Reclamation Commissioner Michael Connor for securing an important water supply, protecting the environment and providing thousands of hours of employment for local workers.

Now that the \$27 million project is completed and operating, all four of the District's water-supply intakes in the Delta are fully screened.



Los Vaqueros Reservoir Expansion

Good progress continues to be made on the Los Vaqueros Reservoir Expansion as the dam is rebuilt 34 feet higher and the reservoir's capacity is increased by 60 percent. The \$120 million project remains on budget and headed for completion in 2012. The District has already started filling the reservoir.

The project is being funded with debt consistent with the District's 10-year financial plan. This enables the District to finance and pay for the project while keeping water rate increases low.

On the south side of the reservoir, the Marina and boating facilities are being moved to higher ground and new boat docks can be floated at the new, higher water level. Shoreline fishing and some bait and tackle sales continue to be available with some temporary closures on the south side, however the north side remains closed to protect public safety while heavy construction is under way at the dam. The completed Marina facilities are expected to be open for full public use in April 2012.

Upon completion, the expansion will help ensure high-quality water deliveries to customers, reliability during drought and protections for Delta fisheries and the environment.

Water Line Protection Now Available for CCWD Treated-Water Customers

In response to numerous customer requests, the Contra Costa Water District is now offering an **optional** exterior water-service line protection program through Home Emergency Insurance Solutions. Single-family residential customers served by CCWD in Clayton, Clyde, Concord, Pacheco, Port Costa, Pleasant Hill, Walnut Creek and Martinez are eligible for this program.

Program features:

- Emergency response if an exterior water service line breaks between a participant's meter and house.
- All work done by licensed and insured plumbers.
- Premium costs are added to participants' water bills

Complete information has been mailed to all eligible customers. Interested customers should read the terms of the coverage carefully, including sections on eligibility, limitations and exclusions, to determine if the program is right for them. For more information, call **888-300-5063**.



Scan this QR code with your smartphone to get the latest information about the Los Vaqueros Expansion Project.