

May 2020

Dear Customer,

In keeping with a mandate from the State Water Resources Control Board, Division of Drinking Water, and Federal Environmental Protection Agency (EPA), we are herein providing you with both the yearly **Consumer Confidence Report** (CCR) and the **Annual Report** ... featuring information on quality and service of your water system throughout the calendar year **2019**. An additional mandate from EPA directs water districts to make a translation of the Reports into any language where an ethnic group may be residing within the District.

*** Este informe contiene informacion muy importante sobre su agua beber. Traduzcalo o hable con alguien que lo entienda bien.**

The District's water quality and current water analysis data is provided in the Consumer Confidence Report.

System Update:

1. Irrigation Practices

The greatest use of water within the District is yard irrigation. The District's energy rates under the current Rate Plan is as high as 47 cents per kilowatt/hour. The 47 cents is in effect during peak hour operation from 8:00 a.m. to 9:00 p.m. During off-peak hours ... 9:00 p.m. to 8:00 a.m., the rate is as low as 9 cents per kilowatt/hour. **Energy costs for irrigating during peak hours (8 am to 9 pm) is as much as 5X that of non-peak hours.**

The Board of Directors **strongly** encourages all residents to limit yard irrigation to the 9 p.m. to 8:00 a.m. non-peak times in order to help keep energy costs down. Restricting irrigation to these hours will reduce evaporation, therefore, reducing the amount of water needed. This simple act will directly affect energy costs and keep water usage down ... a benefit to all residents. Reduced watering usage will enable the District to stay within the water conservation guidelines established by the State of California.

2. Sustainable Groundwater Management Act (SGMA):

The CA Department of Water Resources 2014 Sustainable Groundwater Management Act required the formation of groundwater sustainable agencies (GSAs) in high and medium priority basins and sub-basins by June 30, 2017.

Since the Owens Valley basin was classified as a medium priority groundwater basin, and in order to meet CA code requirements, on February 21, 2017 the Inyo County Board of Supervisors took action to form a Groundwater Sustainability Agency for the Owens Valley Groundwater Basin.

The Sierra Highlands Community Services District had the option to form its own GSA or join with Inyo County and other like agencies within the basin. In the best interest of the District and to minimize financial liability, the Directors have chosen to take part in the Inyo County initiative.

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Director John Camphouse, was appointed by the Board to represent the District at all meetings associated with the Agency. John Beischel will act as alternative representative when Mr. Camphouse is unavailable. Under consideration by the State of California was the lowering of the Owens Valley from 'medium' status to a 'low' priority category. A final decision was not reached until 2020.

3. District Website

In order to comply with a mandate from the State Water Resources Control Board, Division of Drinking Water, the District has launched a new website. The website contains contact information for all Directors, General Manager and District Secretary. In addition, meeting agendas and subsequent meeting minutes will also be posted. Water quality data, including the Annual Report, Consumer Confidence Report (CCR), District Budget will be available.

The District is open to any comments or suggestions for improvements. To access the site, enter the following: www.sierrahighlandscsd.myruralwater.com

4. Matters for Consideration:

- A. Reminder about Water Service Connections
- B. Information Regarding Annual Fees
- C. Policies regarding **Contamination Issues, Delinquent Accounts, and Restrictions on Commercial Use of District Water**

The System is currently operating with the combined use of the District's 3 wells (one at Carol Lane and two at the Barlow-Glenbrook site). All are equipped with deep well turbine pumps. Carol Lane continues to be primary source well with North and South Barlow being operated on alternate days. District records show a total water consumption of 259 acre-feet for 2019. All wells are available for operation during time of peak water demand.

Note: Should the District be faced with a power loss, the South Barlow well is equipped with a Stand-by Diesel Generator to supply in-house water needs ONLY! If a power outage should occur, the Board requests that all customers stop any discretionary water use.

A. Residents should be cautioned that there is a District policy regarding the single service connections on each lot. ***The District allows only a single-service per lot to cover all water usage, both for domestic and for irrigation purposes. Any additional connection will be removed by the District at the owner's expense!***

B. In 2003, the Board of Directors for SHCSD adopted a **Water Rate Structure** consistent with Proposition 218 to reflect annual water fees that are fair and equitable for all customers. The Board's objective was to meet the District's current operating costs, as well as to re-build the Accumulative Capital Outlay Fund, from which major expenses had been and would continue to be withdrawn.

This effort was initially pursued because the District is un-metered and flat fees, charged regardless of lot size, were no longer viable. The Fee Schedule takes into account several factors:

1. **A Fixed Cost** ... which is applied equally to all improved property;
2. **Variable Cost** ... which is a function of lot size;
- plus:* 3. **Capital Replacement Reserve** ... which is applied equally to all properties, whether improved or not.

Note: The factors associated with any increase in annual fees are increased energy charges by Southern California Edison and the Consumer Price Index (CPI) which is adjusted on a yearly basis as determined by the Bureau of Labor Statistics (*through a comparison of the current year's financial figures to that of the previous year*). Following is the percentage increase for 2019:

- * Consumer Price Index (CPI) 2.98%
- * Because of SCE continued rate restructuring, increase in energy charges could not be determined.

In light of the current COVID-19 circumstances, the Board of Directors have elected **not** to increase Annual Fees for Fiscal Year 2020–2021.

For those who are new to the District and are not aware of the billing process, as in the past, **Annual Billing Statements** will be mailed to residents the end of June. This is in keeping with the District's July 1 to June 30 fiscal year operation. **Annual payments are due as of July 1 ... and become delinquent as of September 1, thereafter incurring a late fee.** A single billing statement, sent out annually, allows a savings for the District of both time and expense that multiple billings would otherwise require. Delinquent accounts are subjected to termination of water service and/or a placement of a tax lien on the property.

C. Taking into consideration any new property owners who have joined the District, several important Policies and Resolutions are included for reference purposes each year. The following are attached to the **Annual Report for Calendar Year 2019:**

1. Resolution to **Identify Circumstances which may cause Contamination to the Water System requiring Installation of a Backflow Prevention Device;**
2. Policy on **Delinquent Accounts and Payments;** and
3. Resolution outlining the **Original Purpose and Intent of the SHCSD and Position with Regard to Water Usage and Commercial Restrictions within the District.**

Policies made by the Board of Directors are adopted for maximum efficiency in operation of the water system, and above all, to protect the quality of water delivered to each individual residence. District measures, such as * ***Backflow Prevention***, * ***Commercial Use of Water***, and * ***Multiple Services to a Single Property*** have all been adopted to specifically protect the health and safety of each customer. These policies fall within the guidelines adopted by the American Water Works Association for the protection and operation of a water system.

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D. Again, in the interest of health and safety, the Board wishes to advise all customers that:

- * **If a sprinkler system is connected to the District water supply, it MUST have an approved anti-siphon valve properly installed to at least 12" above the highest sprinkler head to prevent potential backflow;**
- * **As a reminder, a garden hose attached to a hose bib shall NOT be placed in any pond, swimming pool or creek because of potential siphoning of non-potable water into the System if a sudden System pressure drop should occur.**

Each resident is encouraged to read and understand the policies listed above, as well as the **2019 Annual Report**, and the **2019 Consumer Confidence Report**. Please direct questions you may have to any one of the five members of the Board or to the General Manager, Fred Finkbeiner.

Sincerely,

Bruce Kingsbury
SHCSD President

2020 SHCSD Board of Directors

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General Manager: Fred Finkbeiner (760) 873-4302 / Cell: (760) 920-0680
District Secretary: Diane Finkbeiner (760) 873-4302

The Board of Directors meets every other month and welcomes any comments, concerns, or suggestions pertaining to District business.