



NEWSLINE

Meeting Our Water Service Commitments in Santa Maria

Some Straight Talk About the Water Supply Problem And What We Plan To Do About It.

If there is one message that has come through loud and clear as a result of the state-wide drought, it is that the state's water purveyors must do an even better job of managing water resources and do the kind of planning necessary to reduce the effects of extended water shortages and ensure the continued availability of water supplies for their customers.

Nowhere has this message been more evident than along the central coast. Last year, water supplies in the area reached critical levels as reservoirs plummeted to historic lows. It is most likely clear to everyone by now that we cannot expect nature to "balance the water scales" by automatically providing us with wet years following several dry ones. Simply put, there is no way of predicting when and where it will rain, and how much. That's why it's necessary for the central coast communities to have a supplemental water supply available.

In the case of the Company's Santa Maria district, the existing ground water source has become overdrafted. Our nearly twelve thousand customers are totally dependent on the production of 27 wells for their water supply. These wells draw from the main Santa Maria groundwater basin, and studies have shown that the basin is being overdrafted. That is, more water is being taken out than is being put back in through recharge.

The problem becomes compounded when one realizes there is no supplemental water available for the area.

A special advisory election for the California Cities Water customers was held in Santa Barbara County on June 4, 1991 under the direction of the Santa Barbara County Flood Control and Water Conservation District (see sample ballot inside page). The purpose of the election was to allow California Cities Water customers the opportunity to vote on two measures concerning plans for the Company's participation in the Coastal Aqueduct. By a margin of about 80%, voters indicated their support for the measures asking whether California Cities Water should exercise its right to take 3000 acre-feet per year (AFY) and to further allocate for the Company up to an additional 6000 AFY.

In the mid-1980's, joint studies were conducted by the state's Department of Water Resources (DWR) and the San Luis Obispo and Santa Barbara Counties Flood Control and Water Conservation Districts. In an Environmental Impact Report issued in 1985, DWR concluded that water use for the area exceeded dependable water supply by approximately 53,900 acre-feet per

year. (An acre-foot of water is about 326,000 gallons and represents the amount of water used by an average family in and around the home in one year). Those shortages continue to be met by overdrafting the local groundwater basins.

We believe the answer to the water shortage problem lies in securing new, long-term supplies from outside the area. And the source for that imported water is the planned Coastal Aqueduct. The Coastal Aqueduct will connect to the State Water Project's California Aqueduct some 87 miles distant in northwest Kern County. It is scheduled to begin transporting water sometime in 1996. The Company and a number of central coast communities have chosen to participate in the project.

There are no inexpensive long-term solutions to the water deficit in the Santa Maria area. The price tag for acquiring state water will be high, but the benefits of receiving a dependable supply of high-quality water for present and future residents of the central coast region make it worth the investment.

The total cost for constructing the Coastal Aqueduct and related facilities will be around \$509 million. The Company's share of the project is expected to be about \$73 million. That amount will be financed over many years - perhaps as many as 40. In that way the cost can be shared by future customers so that the burden does not fall solely on present customers.

The Company has filed with the California Public Utilities Commission for two separate rate increases to go into effect in January 1993. The typical residential water customer currently pays \$25.65 for 2500 cubic feet of water each month (620 gallons per day) and can expect to pay an additional \$14.35 per month for the first phase of the Coastal Aqueduct project and \$8.65 per month additional for the first year increase of the Company's so-called General Rate Case with both increases beginning in January 1993.

The decision for such a costly, long-term commitment in order to solve the existing water shortage in Santa Maria was made following an extensive planning effort which clearly showed that there were no lower-cost alternatives. We have made the same tough decision as that of thirteen Santa Barbara County-situated purveyors who, along with eleven from San Luis Obispo County, are participating in the project. We ask for your understanding and support, and we will keep you informed of our plans every step of the way.

It is our belief that this newsletter actually brings good news to our Santa Maria customers. The good news is that for less than the cost of a modest dinner for two each month in an average restaurant, our customers can insure that something so crucial as providing for their present and future water needs will become a reality.

And further good news is the sense of well-being that a safe, dependable water supply brings to everyone in the community.

And even more good news is knowing that with the involvement of the two dozen other regional water purveyors participating in the project and sharing the costs, state water is affordable for our customers.

Water is vital for life. As your water purveyor, we recognize the importance of an aqueduct supply for the community. And that is why we have been so steadfast in our determination to secure a reliable source of high-quality water for our Santa Maria district customers. The Coastal Aqueduct will fill that bill.

For more information, please call our Santa Maria district office at 805-937-2007. Or stop by and visit me or one of my staff at 4854-F Bradley Road. We will be happy to answer any questions you might have regarding the planned Coastal Aqueduct.


Very truly yours,

Roger W. Brett
Division Business Manager
Santa Maria Water District
California Cities Water

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Santa Maria, CA 93455
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OFFICIAL BALLOT
 DISTRICTS'
 REGULAR ELECTION
COUNTY OF SANTA BARBARA
 TUESDAY, JUNE 4, 1992

This ballot stub shall be torn off by precinct board member and handed to the voter.

MARK YOUR CHOICE(S)
 IN THIS MANNER ONLY
 USING DEVICE PROVIDED → 

Sample Ballot

MEASURES SUBMITTED TO VOTE OF VOTERS	
DISTRICT	
SOUTHERN CALIFORNIA WATER COMPANY	
ADVISORY VOTE ONLY	
<p>P91 Shall the Southern California Water Company exercise its right to receive 3,000 acre feet of water per year pursuant to its 1984 Water Supply Retention Agreement with the Santa Barbara County Flood Control and Water Conservation District, and to participate in a project to construct the Mission Hills Extension of the Coastal Branch of the California Aqueduct to permit the delivery of water to the Santa Maria service area of the Company from the State Water Project to supplement the limited water resources of the Company?</p>	<p>YES <input type="checkbox"/></p> <p>NO <input type="checkbox"/></p>
ADVISORY VOTE ONLY	
<p>Q91 Shall the Southern California Water Company request the State of California Department of Water Resources through the Santa Barbara County Flood Control and Water Conservation District to allocate up to an additional 6,000 acre feet per year of entitlement and capacity rights under the State Water Contract to The Company and, if so, shall The Company exercise its rights to receive an additional 6,000 acre feet of water pursuant to the 1984 Water Supply Retention Agreement with the Santa Barbara County Flood Control and Water Conservation District, as it now exists or may hereafter be amended, and participate in a project to construct the Mission Hills Extension of the Coastal Branch of the California Aqueduct to permit the delivery of said water to the Santa Maria service area of The Company from the State Water Project to further supplement the limited water resources of The Company?</p>	<p>YES <input type="checkbox"/></p> <p>NO <input type="checkbox"/></p>

Voting Area

A sample of the ballot that was mailed to all registered voters within California Cities Water's Northern Santa Barbara County service area prior to the June 4, 1991 Advisory Election.

Voters approved these 2 measures by a vote of approximately 80%.



**This mailer contains important
information about your water supply.
Please read carefully.**



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