

Water Matters

*You're
Invited*

**COMBINATION
Talks**

SSWD and Del Paso Manor Water District Exploring Combination

Since 2019, SSWD and Del Paso Manor Water District (DPMWD) have engaged in various discussions about potentially combining the two districts. DPMWD neighbors SSWD and the majority of their service area is surrounded by SSWD.

Combination discussions were reinitiated in spring 2024 after the Sacramento Local Agency Formation Commission (LAFCo) adopted a Resolution of Intent to Dissolve DPMWD. LAFCo has identified that DPMWD's aging infrastructure requires extensive investment, estimated at over \$50 million. This would necessitate significant rate increases for DPMWD customers, potentially up to four times the rates of neighboring districts. LAFCo's focus is to ensure that DPMWD customers are provided a long-term safe and reliable water supply, at a reasonable rate.

By combining with another water provider, DPMWD could receive up to \$20 million in state grants through a process that would not be available without combining the two districts. SSWD is well-positioned to combine with DPMWD without exposing existing SSWD customers to financial risk.

Minutes and agendas from all of the Joint Board meetings can be viewed at <https://www.sswd.org/about/dpmwd-sswd-2x2-committee>.

Transform Your Yard

Fall is a great time to transform your yard into a water-wise landscape filled with native plants and SSWD can help with the cost. SSWD is offering a rebate of up to \$1.50 per square foot lawn (up to \$2,250) if you remove and replace it with low-water use plants, ground cover, weather-based irrigation controllers, and efficient irrigation equipment. Complete rebate details can be found at [sswd.org/rebates](https://www.sswd.org/rebates).

Meeting on Potential Combination

When: Tuesday, September 24th at 6 p.m.

Where: Mission Ave. Elementary School Multipurpose Room / Cafeteria
2925 Mission Ave., Carmichael, 95608

Join us for a public meeting to discuss the possible merger of SSWD and DPMWD. Meeting topics are expected to include:

- Why a merger is being considered.
- Key challenges facing DPMWD, as outlined by the Sacramento LAFCo.
- How \$20 million in state grants, could be utilized to fund critical infrastructure upgrades for DPMWD if the merger proceeds.
- How customers from either district would be safeguarded from taking on the existing or new debt of the other district, as well as from bearing the costs of addressing its infrastructure challenges.
- The process moving forward and LAFCos involvement.
- An opportunity for attendees to ask questions directly to representatives from both water districts and receive detailed answers.

We encourage you to submit any questions you'd like addressed during the presentation to **feedback@sswd.org**.



SSWD's Eco-Friendly Landscapers

SSWD unleashed a team of goats to clean up vegetation around our well sites this past summer. These furry landscapers chomped weeds and brush in an environmentally sustainable manner, reducing the CO2 emissions that would have been generated using gas-powered mowers and weed trimmers, and eliminating the need for pesticides.

2023 Year in Review Now Available

SSWD's 2023 Year in Review is now available for viewing online. Hard copies will also be available for pick up at the Customer Service Center and the September Open House. The Year in Review provides a summary of last year's accomplishments.

Scan the QR code to access the Year in Review online or go to sswd.org to download a copy today.



October Public Hearing on Rate Study

On Monday, October 14th, SSWD will hold a Public Hearing to consider the findings from the 2024 Comprehensive Rate Study. The Study was conducted by an independent consulting firm and reviewed SSWD's finances, including current revenues, costs, and future investments in infrastructure.

The Study found that SSWD's current income and expenses are well managed and balanced, but recommended a series of annual rate increases over the next five years to address inflation, rising construction and operational costs, and investments in infrastructure improvements to ensure our water supplies remain safe and reliable.

The proposed rate increases are:

- 5% in 2025 and 2026
- 4% annually from 2027 to 2029

If approved, these adjustments would start on January 1, 2025.

The Public Hearing will take place at 6:00 p.m., in the SSWD Boardroom, at 3701 Marconi Avenue, Sacramento, CA 95821.

Visit sswd.org to review the 2024 Rate Study and learn more about current rates, comparisons with neighboring providers, updates to rate structures, proposed water shortage policies, monthly fire service charges, how adjustments were calculated, and instructions for submitting protests.

An Update on the Kirby's Pump and Mechanical Partnership

On September 29, 2022, SSWD signed an exclusive contract with Kirby's Pump and Mechanical, Inc. (KPM), a licensed contractor specializing in the maintenance and repair of groundwater wells, to provide services for SSWD's groundwater wells for the next five years.

By entering into this exclusive agreement with KPM, SSWD was able to ensure that the District's 71 groundwater wells would be properly maintained and serviced in a timely manner. SSWD relies primarily upon groundwater for its water supply and keeping the groundwater wells operating in top condition is critical.

The contract with KPM began on March 1, 2023, and has proven to be an incredible success. During the first year of the contract, KPM helped get numerous wells back online and tackled backlogged maintenance and repairs that restored capacity and improved overall reliability. Their efforts restored over 40,000 gallons per minute of capacity, increasing it from 55 percent to 76 percent reliability in the North Service Area and from 61 percent to 73 percent reliability in the South Service Area. They also inspected and repaired 11 booster pumps, repaired 7 motors, and rehabbed and cleaned six wells, among many other tasks.

This agreement is key to one of SSWD's primary goals of providing a high-quality reliable water supply.

Investing in Your Water System

SSWD is increasing its yearly capital spending from \$21.1 million to \$31.7 million to proactively upgrade and replace aging infrastructure, such as pipes, pump stations, and water tanks. To help offset ratepayer costs, SSWD has recently secured over \$19 million in grants for new replacement wells and is actively seeking more funding for other projects as a way to control costs.

4 Sample Projects Funded by Rates



New Replacement Well Construction – Building new replacement groundwater wells to increase water supply reliability.



Reservoir/Tank Improvements – Upgrading water storage facilities to maintain a safe, clean, and reliable water supply system.



Valve/Hydrant/Service Replacement – Replacing old valves, hydrants, and service lines to improve water flow and emergency services.



Transmission & Distribution Improvements – Enhancing the water distribution network to deliver water more efficiently and reliably.

Changes in Construction Costs (2019 to 2023)

Over the past five years, rising construction costs have made it harder to keep up with needed improvements. Operational costs are also expected to rise by 3 to 5% per year during the next five years.

- ➔ Drilled Wells: ↑ 203%
- ➔ Fire Hydrant Assembly: ↑ 146%
- ➔ Short-Side Service (connecting water mains to homes): ↑ 142%
- ➔ 1 Mile of Water Main: ↑ 75%



SSWD Takes 4th in the World in Top Ops Competition

This past spring, the SSWD Reservoir Dawgs team took 4th in the world in the Top Ops competition at the American Water Works Association

conference in Anaheim.

Top Ops is known as the “college bowl” of the water industry. Teams

compete against each other

in a fast-paced question-and-answer tournament. A moderator poses a broad range of technical questions and math problems, and the team scoring the most points in the championship round is awarded the Top Ops Championship.



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Contact SSWD

Monday - Friday, 8:00 am - 4:30 pm

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Inside...

SSWD and Del Paso Manor Water District Exploring Combination

You're Invited

Transform Your Yard

SSWD's Eco-Friendly Landscapers

2023 Year in Review Now Available

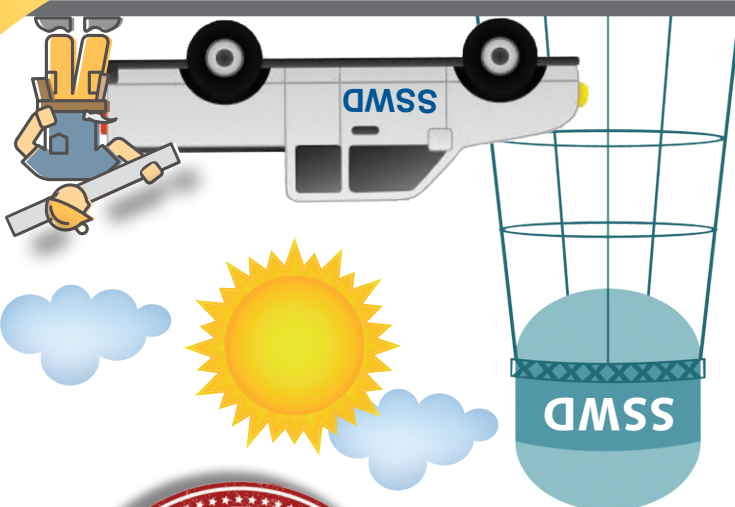
Public Hearing on the Rate Study

Update on the Kirby Partnership

Investing in Your Water System

Changes in Construction Costs

Top Ops Competition



Be Our Guest: SSWD 5th Annual Open House

Thursday, September 26th, 5:00 to 7:00 p.m.

Please join us for SSWD's 5th Annual Open House. It will be a great evening where you can:

- Learn about infrastructure improvements and plans for enhancing the water system
- Talk with our staff, management team, and Board members
- Find out about rebates and ways to be water-wise
- Enter a raffle for a weather-based sprinkler timer
- Enjoy refreshments
- Connect with your friends and neighbors

The Open House will take place at the District Office at 3701 Marconi Avenue. Parking will be available in the lot and on the streets around the office.

Working Behind the Scenes