all recycled water customers have the ability to track irrigation usage through their dedicated recycled water meter. This allows each customer to accurately measure savings after adjusting watering activities and also measure their progress toward meeting the 30% conservation goal in real time by checking the meter during the time between billing periods. For more information on how to read your water meter please visit the District’s webpage at www.eid.org/ReadMeter.

Where can customers find out more about recycled water?
The District’s webpage dedicated to recycled water at www.eid.org/recycledwater is a great place for many resources. The District also holds monthly recycled water orientation meetings. These meetings are required for new homeowners with recycled water and landscaping contractors installing recycled water irrigation systems. The meetings are open to anyone who is interested in learning about the obligations associated with use of recycled water.

AUDIT, continued from page 2
Long-term debt decreased in 2013, with a $7.4 million reduction from the prior year. Since 2009, EID’s long-term debt has decreased by $30 million, or 7.7%.

“Debt ratios vary widely across industries, and capital-intensive businesses such as utilities often have higher debt ratios than other industries,” said Mark Price, EID’s finance director. “According to Moody’s Investor Services, we’re right in line with that.”

“We continue to plan right-sized capital projects and intelligently manage the debt for projects that require it,” said Abercrombie. “As we improve our debt service coverage to be in line with industry average, we position ourselves for a potential bump up in ratings—which would allow us to even more beneficially manage our debt. But what this audit clearly shows is that we’re not overleveraged—we’re right in line with industry average—and with modest CPI-based rate increases and smart management of our business, the financial stability we enjoy now will continue in a sustainable way into the future.”

Your Water Quality Report is Now Available Online
Each year, EID provides its customers with an annual water quality report as it provides details about the obligations associated with use of recycled water.

Contacting EID customer services at 530-642-4000 or 916-965-0930.

Your Water Quality Report is Now Available Online
Each year, EID provides its customers with an annual water quality report as it provides details about the source and quality of the drinking water delivered to your community in 2013.

EID maintains three water systems—two small systems that supply the unincorporated communities of Strawberry (approximately 40 miles east of Placerville on Highway 50) and Outingdale (approximately 15 miles southeast of Placerville), and the main system, which covers the rest of EID’s service area.

If you wish to have a paper copy, you can print one directly from the website or contact EID customer services at 530-642-4000 or 916-965-0930.

Scan the QR code to the right with your smartphone or tablet to read the 2013 water quality report for your community. Or go to the following addresses.

Main SYSTEM: www.eid.org/main
Outingdale: www.eid.org/outingdale
Strawberry: www.eid.org/strawberry

Este informe contiene información muy importante sobre su agua potable. Tradúzcalo a bable con algún que lo entienda bien.

2014 REGULAR BOARD MEETINGS

<table>
<thead>
<tr>
<th>January</th>
<th>February</th>
<th>March</th>
<th>April</th>
<th>May</th>
<th>June</th>
<th>July</th>
<th>August</th>
<th>September</th>
<th>October</th>
<th>November</th>
<th>December</th>
</tr>
</thead>
<tbody>
<tr>
<td>13</td>
<td>24</td>
<td>24</td>
<td>24</td>
<td>28</td>
<td>—</td>
<td>28</td>
<td>25</td>
<td>—</td>
<td>27</td>
<td>24</td>
<td>—</td>
</tr>
</tbody>
</table>

Board meetings generally occur on the second and fourth Monday of each month. The date marked (T) takes place on a Tuesday. The November 24 date is tentative.

Outside Watering Limited to Three Days During Summer
From June 16 until September 15, the mandatory watering restrictions are limited to three times a week, based upon your address. No irrigating is allowed on any day between 10:00 am and 7:00 pm. Please continue to aim for a 30 percent reduction in water usage. We understand that each season has differing requirements for water usage. A 30 percent reduction in each period will go a long way toward helping us achieve our goals.

As of June 17, conservation during the week of June 11 to June 17 was 16 percent below the three-year average and cumulative year-to-date (January 1 to June 17) was only 7 percent below the three-year average. EID continues to reach out to its customers to conserve water so we can ensure adequate carryover storage in Jenkinson Lake, the district’s main water storage reservoir. Adequate carryover means keeping enough water in the lake to buffer against the potential effects of another dry winter.

EID is actively planning for another dry year and needs every customer to reduce water use by 30 percent. Many EID customers are conserving—we know this because we’re tracking both weekly and cumulative year-to-date water conservation. To see the updated customer conservation progress charts (updated every Wednesday), go to www.eid.org/ConservationProgress.

Placerville Drive Water Line Replacement
In late June, the District began work to replace 600 linear feet of 10-inch water line along Placerville Drive in Placerville. The section of water line has been a source of repeated failures over the past few years and has required immediate emergency repairs each time. This project is one of EID’s annual capital improvement projects that is funded on a pay-as-you-go basis, not through debt.

“This replacement will significantly strengthen the water distribution system in this area,” said Construction Supervisor Matt Hage. “We are shifting traffic over throughout the project, so there won’t be a loss of a traffic lane. We just ask that drivers stay alert and drive safely while we’re on the job.”

The project is estimated to take 45 days from beginning to end.
Independent Audit Shows EID in Strong and Stable Financial Position

During its June 23 meeting, EID Board members received positive financial news as they reviewed and filed the 2013 annual audit. Government code requires an annual independent audit of the District’s financial records by a certified public accountant (CPA). Richardson & Company, LLP, completed the audit, which examined thoroughly the District’s financial operations.

“The question this audit answers is, Has the financial condition of the District improved or deteriorated as a result of last year’s operations?” said Accounting Manager Tony Pasquarrello. “And this audit clearly shows why this year’s financial statements reflect a continued stable position for the District.”

The auditors issued an unqualified “clean” opinion that the financial statements fairly present the financial position of the District as of December 31, 2013. “An unqualified opinion is the highest level of assurance that an auditor can provide,” said Pasquarrello.

“The most important fact is that the District is in a strong, stable fiscal position,” said Board Director George Osborne during the meeting. “The District is sound and has a very high bond-rating—and it is a strong, stable fiscal position,” said Board Director George Osborne during the meeting. “The District is sound and has a very high bond-rating—and it is very well managed.”

2013 Financial Highlights

Operating revenue increased by 16.5 percent due to increased water sales and services. Hydroelectric power generation rebounded in 2013 and earned $7.9 million—a 16.2 percent increase. Facility capacity charges, or “hook-up” fees, were at $5.5 million—more than double over the previous year. Operating expenses increased 3.9 percent to $43.1 million primarily due to an increase in materials and professional services to pay for previously foregone operating maintenance and repairs costs. Unplanned costs to repair the Caples Lake dam gates also contributed to the increase in professional services. Personnel expenses remained flat, increasing by a modest 0.8 percent.

In 2012, EID became one of a few public utilities to implement a key provision of the cost-saving Public Employee Pension Reform Act (PEPRA) four years early. Between 2013 and 2017 this will save EID an estimated $31.1 million. “More than that, it sets the stage for the vast majority of unfunded liabilities to be paid over the next 30-plus years,” said EID General Manager Jim Abercrombie.
So conserving water now becomes even more critical in this uncertain time. There’s a possibility they will go after senior water rights operations. While that directive didn’t have an immediate effect on the majority of our post-1914 (junior) water diversions.

The auditors issued an unqualified “clean” opinion that the financial statements fairly present the financial position of the District as of December 31, 2013. “An unqualified opinion is the highest level of assurance that an auditor can provide,” said Pasquarollo.

“Next—so-called “pre-1914” water rights that form the majority of our water rights. There’s a possibility they will go after senior water rights operations. This would mean that all diversions must cease, but since this diverted post-1914 diversion from the Middle Fork Cosumnes River. Normally District customers, it required that we call a Stage 4 Water Emergency. While that directive didn’t have an immediate effect on the majority of our post-1914 (junior) water diversions.

EID has reached out to its customers to conserve water so we can ensure adequate carryover storage in Jenkinson Lake, the district’s main water storage reservoir—and many customers are conserving. Adequate carryover means keeping enough water in the lake to buffer against the potential effects of another dry winter. EID staff has identified a 25,000 acre-foot carryover storage target to put this critical reservoir in a much better position heading into another possible year of drought. But customer conservation is more vital than ever. The District offers some complimentary water-saving supplies for inside your home, including plumbing retrofit kits which include a low-flow showerhead, bathroom faucet aerators, and toilet tank bags to reduce flush volume. To obtain these supplies stop by EID’s main office at 2890 Mosquito Road in Placerville between 8:00 AM and 5:00 PM, Monday through Friday. Visit the residential section of the water efficiency office at 2890 Mosquito Road in Placerville between 8:00 AM and 5:00 PM, Monday through Friday. Visit the residential section of the water efficiency page on the EID web site for more information.

**Q&A: Recycled Water During the Drought**

**EID Director of Communications and Customer Services Mary Lynn Carlton talks with EID Environmental Manager Dan Corcoran (left) and Environmental Compliance Analyst Marty Johnson about the effect of the drought on recycled water production, use, and conservation.**

**Now that we’re in a drought, the usage of recycled water is all the more important to help conserve water resources. Tell me about recycled water use in the District.**

Today the District is a statewide leader in delivering recycled water to residential customers, but actually EID first began delivering recycled water in the late 1970s to commercial properties for outdoor irrigation. Fast-forward to today and you’ll learn that the District has made incredible strides in the growth of its recycled water treatment and delivery capacities resulting in on-demand recycled water operations in the state. The District currently delivers more than 1 billion gallons of recycled water annually to 3,870 residential and 27 commercial customers in the western portion of the District’s service area.

**What makes water “recycled” and how does it get to its destination for use as irrigation?**

Recycled water is produced by treating wastewater collected from our sewer curb in Placeville between treatment plants located in Cameron Park and El Dorado Hills. The District utilizes sophisticated treatment technologies to produce the highest quality treated recycled water (termed “tertiary”) that is visually almost indistinguishable from drinking water but is not suitable for drinking. Once treated to strict state regulations, the water is delivered to customers through a dedicated, completely separate, distribution system to individual customers. Each of these activities is overseen by the District’s Wastewater/Recycled Water Operations Division.

From there the District’s Environmental Division handles oversight responsibility for onsite usage and works with customers to ensure delivery and irrigation systems meet applicable design, construction, and use requirements. All systems conveying recycled water require strict adherence to state and District construction and identification criteria to ensure the public health and safety are protected at all times. To accomplish this, certified District inspectors review proposed recycled water irrigation system plans and inspect systems during construction. Once recycled water irrigation systems are installed and approved, staff conducts annual site inspections to ensure continued compliance with state and District regulations.

**It is crucial that our recycled water customers also meet the current 30 percent conservation goal to help ensure adequate drinking water supplies.”**

—Dan Corcoran

**Can I recycle my own water?**

Can I recycle my own water? Creating an alternative water supply that can be repurposed for non-drinking uses from a source that would otherwise be discharged to a water body results in a tremendous benefit to the District. Each gallon of recycled water produced satisfies irrigation demands that would otherwise be provided by the District’s drinking water system and extends the drinking water supplies, which become even more valuable during times of drought.

**How does recycled water use help the District save drinking water?**

How does recycled water use help the District save drinking water? Although the District has the ability to produce a large amount of recycled water, we are unable to store seasonal demand quantities. As a result, peak summer recycled water demands must be supplemented with drinking water. Additionally, as customers reduce interior use water, wastewater production is also decreased—which in turn decreases recycled water production capacities. As of June 17, cumulative year-to-date (since January 1) conservation is at 4 percent. So it is crucial that our recycled water customers also meet the current 30 percent conservation goal to help ensure adequate drinking water supplies for all customers especially if the drought continues another year.

**What can recycled water customers do to achieve the District’s conservation goals?**

What can recycled water customers do to achieve the District’s conservation goals? The first step any customer should take is identifying and stopping unnecessary water loss inside and outside of the home by repairing leaks and stopping other sources of unintentional loss. Once this has been accomplished, customers should evaluate how water is being used and determine what water use behaviors can be modified to further reduce unnecessary usage such as checking timers to ensure watering is only occurring on designated watering days and avoiding overwatering. One unique benefit
all recycled water customers have the ability to track irrigation usage through their dedicated recycled water meter. This allows each customer to accurately measure savings after adjusting watering activities and also measure their progress toward meeting the 30% conservation goal in real time by checking the meter during the time between billing periods. For more information on how to read your water meter please visit the District’s webpage at www.eid.org/ReadMeter.

Where can customers find out more about recycled water?

The District’s webpage dedicated to recycled water at www.eid.org/recycledwater is a great place for many resources. The District also holds monthly recycled water orientation meetings. These meetings are required for new homeowners with recycled water and landscaping contractors installing recycled water irrigation systems. The meetings are open to anyone who is interested in learning about the obligations associated with use of recycled water.

Contact EID customer services at 530-642-4000 or 916-965-0930.

Your Water Quality Report is Now Available Online

Each year, EID provides its customers with an annual water quality report for your community. Or go to the smartphone or tablet to read the 2013 water quality report for your community. Or go to the following addresses.

MAIN SYSTEM: www.eid.org/main STAWBERRY: www.eid.org/strawberry

Long-term debt continued to decrease in 2013, with a $7.4 million reduction from the prior year. Since 2009, EID’s long-term debt has decreased by $30 million, or 7.7%.

“Debt ratios vary widely across industries, and capital-intensive businesses such as utilities often have higher debt ratios than other industries,” said Mark Price, EID’s finance director. “According to Moody’s Investor Services, we’re right in line with that.”

“We continue to plan right-sized capital projects and intelligently manage the debt for projects that require it,” said Abercrombie.

“As we improve our debt service coverage to be in line with industry average, we position ourselves for a potential bump up in ratings—which would allow us to even more fundamentally manage our debt. But what this audit clearly shows is that we’re not over-leveraged—we’re right in line with industry average—and with modest CPI-based rate increases and smart management of our business, the financial stability we enjoy now will continue in a sustainable way into the future.”

Your Water Quality Report is Now Available Online

Each year, EID provides its customers with an annual water quality report to let you know how our water quality stacks up against established federal and state drinking water standards. We encourage you to review this report as it provides details about the source and quality of the drinking water delivered to your community in 2013.

EID maintains three water systems—two small systems that supply the unincorporated communities of Strawberry (approximately 15 miles southeast of Placerville), and Outingdale (approximately 40 miles east of Placerville on Highway 50) and that supply the unincorporated communities of Strawberry and Outingdale (approximately 15 miles southeast of Placerville), and the main system, which covers the rest of EID’s service area.

If you wish to have a paper copy, you can print one directly from our website. Or you may request a printed version by contacting EID customer services at 530-642-4000 or 916-965-0930.

Scan the QR code to the right with your smartphone or tablet to read the 2013 water quality report for your community. Or go to the following addresses.


Este informe contiene información muy importante sobre su agua beber. Tradúzcalo a bable con alguien que lo entienda bien.

4

Outside Watering Limited to Three Days During Summer

From June 16 until September 15, the mandatory watering restrictions are limited to three times a week, based upon your address. No irrigating is allowed on any day between 10:00 am and 7:00 pm. Please continue to aim for a 30 percent reduction in water usage. We understand that each season has differing requirements for water usage. A 30 percent reduction in each period will go a long way toward helping us achieve our goals.

As of June 17, conservation during the week of June 11 to June 17 was 16 percent below the three-year average and cumulative year-to-date (January to June 17) conservation was only 7 percent below the three-year average. EID continues to reach out to its customers to conserve water so we can ensure adequate carryover storage in Jenkinson Lake, the district’s main water storage reservoir. Adequate carryover means keeping enough water in the lake to buffer against the potential effects of another dry winter.

EID is actively planning for another dry year and needs every customer to reduce water use by 30 percent. Many EID customers are conserving—we know this because we’re tracking both weekly and cumulative year-to-date water conservation. To see the updated customer conservation progress charts (updated every Wednesday), go to www.eid.org/ConservationProgress.

Contact EID customer services at 530-642-4000 or 916-965-0930.

Scan the QR code to the right with your smartphone or tablet to read the 2013 water quality report for your community. Or go to the following addresses.


Este informe contiene información muy importante sobre su agua beber. Tradúzcalo a bable con alguien que lo entienda bien.

4