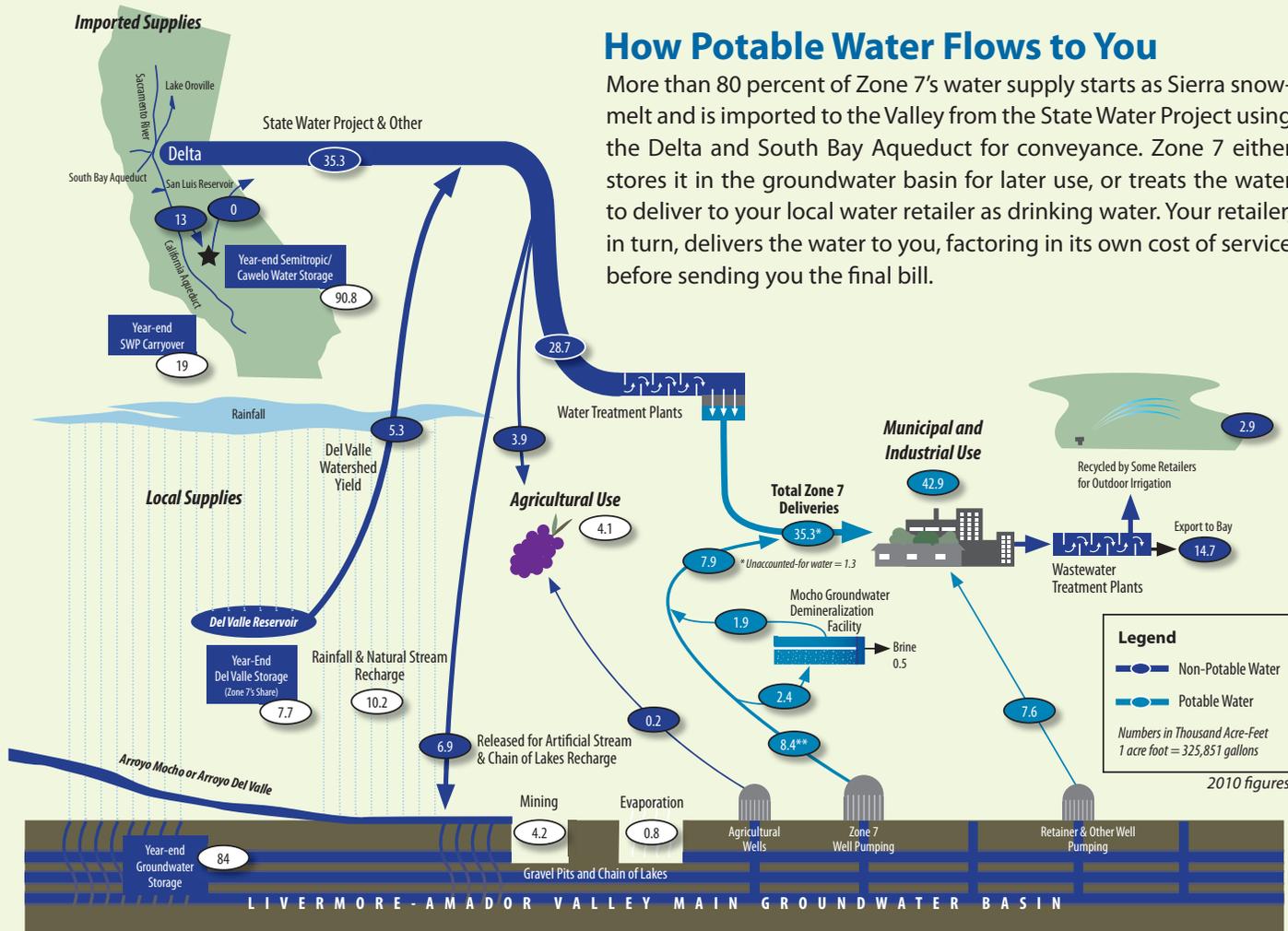


# Waterways

A Newsletter From **Zone 7 Water Agency**

Issue No. 14 • September 2011



## Zone 7's Mission: To Keep High-Quality Water Flowing Reliably

Three water treatment plants, approximately 40 miles of transmission pipeline, nine municipal wells, and a groundwater demineralization facility represent the framework of Zone 7's wholesale water system, and it's our responsibility to proactively ensure these facilities are maintained and upgraded, as appropriate.

This valuable public infrastructure is a significant community investment valued at \$423 million. Many of these facilities were built more than 40 years ago and while Zone 7 has steadily maintained them, some require significant refurbishment or replacement. In recent years, as part of a larger effort to reduce

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costs during the economic downturn, Zone 7 has deferred many equipment replacement and improvement projects. But some can no longer wait.

Through its newly updated Asset Management Plan, the agency has identified the need to increase the contribution from water rates to replace equipment as necessary to prevent system breakdowns/service disruptions and minimize even bigger potential costs in the future. This financially responsible, proactive approach to asset management, which also includes setting aside funds for systemwide improvements, requires increasing the contribution from water rates by \$1.6 million for the 2012-13 fiscal year to eventually reach an appropriate level to sustain and improve infrastructure, as needed.

## The Balancing Act: Financial Impacts of Conservation/Reduced Water Sales

Water is a precious resource and not only is it important environmentally that we use it wisely, but state law now requires a 20 percent per-capita reduction by 2020!

In recent years, residents and businesses throughout California, and in Zone 7's service area, have substantially improved water-use efficiency in light of drought and a court-ordered reduction in pumping from the ecologically troubled Delta. Even with this year's significant rainfall, the pumping reductions that affect our water supply continue and the need for us all to reduce our personal water consumption remains.

But the wet Spring, which increased water availability, reduced water sales — translating to a significant drop in revenues for Zone 7. Unfortunately, most of Zone 7's costs for treating and delivering water are fixed, and unrelated to the

quantity of water sold. Similar to the way a hospital emergency room is staffed, treatment plant staffing must remain constant regardless of whether the plant operates at 90 percent capacity or 60 percent capacity, as one example of these fixed costs.

The good news is that because improving water-use efficiency is a long-term community objective, Zone 7 offers rebate programs for residents and businesses who invest in high-efficiency technology aimed at reducing indoor and outdoor water use. The agency continues to pursue all avenues to leverage its conservation dollars, and Zone 7 recently was included in a Bay Area regional grant award from the state Department of Water Resources that will fund programs when used specifically for these rebates.

CURRENT REBATE PROGRAM	MAXIMUM REBATE AMOUNT
Water-Efficient Landscaping/ Lawn Conversions	Single-family residence \$500 Business / Multi-family Property \$3,000
Weather-Based Irrigation Controllers	Single-family \$75 Multi-family \$100 Commercial / Industrial \$3,000
High-Efficiency Toilets	\$100 / toilet
High-Efficiency Urinals	\$200 / urinal for commercial properties
High-Efficiency Clothes Washers	\$125 / washer

*Subject to funding availability. For program requirements, go to Zone 7's website, [www.zone7water.com](http://www.zone7water.com).*

*Check with your water retailer (the City of Pleasanton, the City of Livermore, California Water Service Company or Dublin San Ramon Services District) for additional rebate incentives they may offer.*

## 2012 Water Rate Review

On September 21, 2011 Zone 7's Board of Directors will be presented with a range of alternative wholesale treated water rates for 2012, which include rate increases up to 10 percent. The potential impact on water bills would be less, because wholesale costs are only a portion of the total water bill charged by retailers. Rates will most likely go to the Board for final approval on October 19. For updates go to [www.zone7water.com](http://www.zone7water.com).

**The September 21 meeting will begin at 7 p.m. at the Zone 7 office, 100 North Canyons Parkway, Livermore.**

## Comparative Value of Tap Water

True, you probably wouldn't water your lawn with a gallon of wine or milk, and you definitely don't want to put tap water in your gas tank. But which of these products can you truly not live without?

Safe drinking water is vital to life! Did you know that tap water is more regulated for health and safety than bottled water? Shown here is the typical retail price of a gallon of tap water in comparison with a gallon of other commonly purchased liquids.

Average Bay Area Retail Cost per Gallon		
		
\$45.00	\$16.00	\$7.00
		
\$4.00	\$3.75	\$0.005



## Zone 7 Goes Solar!!!



Zone 7 has taken a big step in both helping the environment and reducing energy costs through construction of a ground-mounted solar power installation project at its Del Valle Water Treatment Plant.

In partnership with Zone 7, Borrego Solar Systems Inc., a leading designer and installer of grid-tied solar electric power systems, designed and built, and now operates and maintains, the 348-kilowatt photovoltaic energy-generation system at its own expense. Zone 7 will buy all of the electricity the plant produces at a fixed rate. The solar panels will produce about a third of the energy Zone 7 uses in water-treatment operations at the Del Valle plant. Zone 7's estimated reduction in energy costs is expected to exceed \$800,000 for the 20-year term of the agreement. The savings could be substantially higher if conventional power costs escalate more than the conservative projections. All of this will save Zone 7's water ratepayers money by reducing operating costs.

In addition, by reducing reliance on conventional power plants that burn fossil fuels, the project will cut annual greenhouse gas emissions that contribute to global climate change.



## Zone 7 Water Agency

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### ABOUT ZONE 7

In addition to providing flood protection to eastern Alameda County, Zone 7 Water Agency provides treated drinking water to four major water retailers, along with a small number of direct customers, serving nearly 200,000 people in Pleasanton, Livermore, Dublin and the Dougherty Valley area of San Ramon.

It also supplies untreated irrigation water to some local agricultural operations and manages the Livermore-Amador Valley's groundwater basin.

## Water Rates Under Review

See inside for more information on proposed wholesale rates for treated water for 2012, or check out our website at [www.zone7water.com](http://www.zone7water.com).

Join us at our next Board of Directors meeting:

- **Date:** Wednesday, September 21
- **Place:** 100 North Canyons Parkway, Livermore
- **Time:** 7:00 p.m.

### Who To Contact

#### Regarding Your Water

California Water Service Company: (925) 447-4900  
City of Livermore: (925) 960-8100  
City of Pleasanton Operations Services: (925) 931-5500  
Dublin San Ramon Services District: (925) 828-0515

#### Regarding Your Storm Drains & Sand Bags

Alameda County Public Works: (510) 670-5480  
City of Dublin Public Works: (925) 833-6630  
City of Livermore: (925) 960-8100  
City of Pleasanton Operations Services: (925) 931-5500