



NEWSLETTER

3707 Old Highway 395, Fallbrook CA 92028

Issue No. 58

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MORE ON PROP A

The Prop A Voting Deadline is August 25th. According to the San Diego County Registrar of Voters, the ballot must be received by 8:00 p.m. on August 25th at the Registrar of Voters office; postmarks are not accepted.

Proposition A is the District's ballot measure seeking voter approval to pursue and obtain funding from state and federal financial assistance programs such as the State Revolving Fund, or other state or federally sponsored or guaranteed entities.

Rainbow has been mandated by the California Department of Public Health to either cover our four open drinking water reservoirs or construct treatment plants to treat the water as it leaves the reservoirs. Cost estimates to comply with the directive is about \$45 million, and while we have saved some of the money we are still about \$26 million short.

RMWD believes the use of low-cost government loan and grant programs is the best way to pay for our funding shortfall.

For example, in July we were invited to apply for a loan from the Safe Drinking Water State Revolving Fund for our North and Northside Reservoirs. That fund recently received \$160 million in funding from the Federal Economic Stimulus Package. The invitation is for \$6.8 million. Of that amount \$3.4 million is a low-interest loan and \$3.4 is a grant that does not need to be repaid. To illustrate the potential cost savings to RMWD ratepayers, consider the following:

	State Revolving Fund	Conventional Loan/Bonds
Amount of Loan	\$3,400,000	\$6,800,000
Amount of Grant	\$3,400,000	\$0
Interest Rate (est.)	2.5%	5%
20-year Interest	\$924,007	\$3,970,400
Total Cost to Ratepayers	\$4,324,007	\$10,770,400

This represents almost \$6.5 million savings on a \$6.8 million loan over 20 years. Keep in mind we need about \$26 million so the potential savings are even greater.

The Board of Directors believes approval of this measure (a "yes" vote) will help minimize future water rate increases.

WATER QUALITY INFORMATION FOR GROWERS

The Metropolitan Water District has been increasing the blend of State Project Water from Northern California. The result is the total dissolved solids (TDS) levels are coming down, although they are still considerably higher than in years past. This is directly attributed to limitations on water deliveries through the State Water Project. Water from Northern California has a TDS of around 300, while water from the Colorado River has a TDS around 650.

The current levels are as follows (based on June data):

Baseline Total Dissolved Solids 2007 (annual average) milligrams per Liter (mg/L)	Most Recent Month mg/L	Year-to-Date Average mg/L
495	575	602

**RAINBOW
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**RMWD Monitoring Group Update
for Conditional Waiver #4**

As we reported a few months back RMWD is forming a Monitoring Group for District customers who are covered under the new Conditional Waiver #4 as required by the California Regional Water Quality Control Board. Participation in the RMWD Monitoring Group is voluntary; customers may elect to join one of several Monitoring Groups forming in the region, or they may choose to handle monitoring and reporting requirements individually.

We are pleased to announce we are working with the Mission Resource Conservation District to bring their vast experience and expertise in water conservation programs and irrigation management practices to the RMWD Monitoring Group. RMWD can provide administrative support, handle all of the reporting and recordkeeping aspects of the program, and perform water sampling and analysis while MRCD can provide technical support and hands-on training and inspection to growers.

The Waiver regulates Discharges from lands used for agricultural or nursery operation, including small home-based farms that **gross** more than \$1,000 annually. This Waiver will likely impact a majority of the agricultural operations in our District and can be costly for individuals to implement. Monitoring Groups help spread the cost over a wider base, so the cost to the individual users is less.

The joint-effort should provide a very cost effective monitoring program. RMWD already has mapping and sampling programs in place, so we won't have a lot of up-front costs. As a result we do not anticipate having an entry or application fee. We hope to offer choices for farmers. Those

who are willing to do a lot of the work themselves will be able to save some money; farmers who want more technical assistance from MRCD will be able to choose from a menu of options to suit their needs and pocketbook.

The deadline to join a Monitoring Group is December 31, **2010**. Early next year RMWD will notify growers in the District that enrollment is open. Those who choose to participate will be provided with an entry form. Annual costs will be based on the actual cost to perform the sampling and analysis. Since no one will know what testing will be required until the Regional Board makes their decision in March **2011**, we don't know what the annual operating fees will be, but other agencies that have implemented similar programs charge \$8 to \$10 per acre per year. We expect our costs to be similar. The MRCD will offer a variety of services ranging from hosted seminars to fee-based inspections and training.

Keep an eye on future newsletters for more updates.

NORTH RESERVOIR CONSTRUCTION PROJECT

Construction activity on the new liner and floating cover at the North Reservoir is right on schedule. Construction crews have installed a new water inlet pipe and waterproof liner; later this month they should begin adding the new floating cover and maintenance hatches. If all goes according to plan the reservoir should be filled and ready for testing in October.

Once North reservoir is returned to service crews will begin work to install a similar liner and cover system at Northside Reservoir. These two projects are necessary to help bring RMWD's water system into compliance with mandatory requirements to cover our four open drinking water storage reservoirs or provide additional water treatment. To see some great photos of the construction project, visit the Engineering Services section of our web site at www.rainbowmwd.com.