

SAN GABRIEL VALLEY  
MUNICIPAL



WATER DISTRICT

AZUSA | SIERRA MADRE | MONTEREY PARK | ALHAMBRA

## WORKING TOGETHER

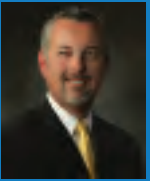
TO MANAGE, CONSERVE AND DEVELOP OUR WATER RESOURCE

2012 ANNUAL REPORT



HOMEOWNERS | RENTERS | PROPERTY MANAGERS | GARDENERS  
BUSINESS OWNERS | EMPLOYEES | APARTMENT BUILDINGS | RETAIL OUTLETS  
HOSPITALS | PARKS | GOLF COURSES | SCHOOLS | CHURCHES | COLLEGE CAMPUSES  
STUDENTS | TEACHERS | LANDSCAPE ARCHITECTS | CORPORATE CAMPUSES  
ELECTED OFFICIALS | CITY MANAGERS | PUBLIC WORKS DIRECTORS  
UTILITY MANAGERS | SENIOR CITIZENS | COMMUNITY LEADERS  
ENVIRONMENTALISTS | LABOR UNIONS | FARMERS

## BOARD OF DIRECTORS



Mark R. Paulson  
Division I - Alhambra



John S. Leung  
Division II - Alhambra  
and Monterey Park



Thomas Wong  
Division III -  
Monterey Park



Raul Romero  
Division V - Azusa

Thomas Love  
Division IV,  
Sierra Madre,  
President



## Mission Statement

To help our four member cities manage their water supply safely and cost-effectively by:

- Improving the quality and quantity of the water supply
- Investing in water technology and infrastructure
- Providing cost savings and stability for homes and businesses
- Promoting water conservation efforts



Darin J. Kasamoto  
General Manager



Dave Johnson  
Assistant Manager



Dear Friends:

It's an honor for me to serve as President of our Board of Directors and be part of a diverse, progressive leadership group. In addition to welcoming new board member Thomas Wong, representing Division III in Monterey Park, I want to thank Joe Reichenberger for his decades of service to the District as a board member and officer. Joe provided steady leadership and unparalleled technical expertise to the District.

With a new year, changing water dynamics and a very dry fall and winter, our District is tackling the challenges ahead. Borne out of the very successful, inaugural 2012 San Gabriel Valley Water Forum (see cover photo), whose creation we are proud to have led, we have enhanced local and regional planning efforts to chart the course for future water quality and water reliability in our member cities and the San Gabriel River watershed.

Early in 2013, the Founding Partners for the Water Forum – San Gabriel Valley Municipal Water District, San Gabriel Basin Water Quality Authority, Main San Gabriel Basin Watermaster, Upper San Gabriel Valley Municipal Water District and Three Valleys Municipal Water District - conducted a “joint board meeting” to collaborate about strategies, plans and operations. In addition, our District began its own long-term strategic planning process.

In 2012, our District's efficient water delivery system and financial reserves continued to provide “water insurance” to our member cities. We delivered approximately 18,720 acre-feet (AF) of water in 2012 compared to 23,040 AF in 2011, 14,400 AF in 2010 and 11,520 AF in 2009 (one AF supplies water for a typical suburban family for one year). As in past years, this water was “banked” in the aquifer, to be used by our cities.

While water costs throughout the region are rising significantly, we have kept the cost of supplemental water sold to member cities at the low level of \$130 per AF since 1989. We've also kept our tax rate at the same low level as 2010, which is near what it has been for more than 30 years. We produced more than 2,961 MWh of “green energy” through our hydroelectric plant which resulted in an \$87,000 positive impact on our annual budget.

The District's Public Information Committee led by example in 2012, initiating the Water Forum and expanding outreach to Asian and Spanish speaking residents. We expanded the exemplary H<sub>2</sub>Owl program to inform more than 30,000 residents and 10,000 students about water conservation and other water supply solutions; and our water conservation pilot projects continued to expose residents, large employers and government facilities to water-efficient technology and water-wise California Native Plants. Our traditional and social media efforts encompassed our website, Pipeline e-newsletter, bus shelter and newspaper ads, YouTube and Facebook. For those residents, teachers, students and community leaders unable to attend our water delivery system tour in person, we created a new “virtual water tour video” in English, Chinese and Spanish that may be viewed on our website.

Despite all this progress, we continue to live in a dry, desert-like region which uses more water than local supplies provide. Challenges remain: the drought has returned, allocations of imported water have been reduced, the Bay Delta levee system is very fragile, and the Water Bond to “fix the Delta” was removed from the 2012 ballot. We look forward to “working together” with you to take an active role in shaping water supply decisions that will improve your quality of life and economic well-being. We again thank our member cities for your partnership and urge your continued input on how we can serve you better.

Sincerely,

Tom Love  
President, Board of Directors  
San Gabriel Valley Municipal Water District

# THE WATER CHALLENGE FACING OUR MEMBER CITIES

## WORKING TOGETHER

### Stakeholders Must Create Reliable Water Policy, Quality and Supply

Last year, the theme of our Annual Report was “Engaging and Empowering Communities: An Informed Resident is our Best Water Supply Solution.” Part of our mission is to provide information and set an example that exposes people to the issues, challenges and solutions involving our precious water resource. We must help engage and empower communities to take responsible actions related to water because of its huge impact on public health, the economy, the environment and our quality of life.

How can we leverage the success of this strategy and the breakthrough “2012 San Gabriel Valley Water Forum” event in 2012? This year, our strategy is to expand the ways in which we “work together” with key stakeholders. When we examine just “who” those stakeholders are, we realize it’s all of us and that *a reliable water supply is everyone’s business*. We are in this together and need to work together.

For people to become involved, for them to be passionate about an issue such as education, the economy, health care, transportation, public safety or, in this case, water, the question to be answered is “What’s in it for me?” The answer is not the same for everyone. For some it may be health, for some cost savings and for others it might be quality of life. Below, we show the similarities and the subtle differences between people’s relationship to water quality, supply and costs. You might fall into one or more of the following stakeholder groups. Here are some initial thoughts about what’s in it for you.

#### Homeowners and Residents

- Water for drinking, hygiene and household uses
- Water affects food availability and costs
- Water for landscaping
- Water costs affect household budget

#### Renters and Apartment Buildings

- Water for drinking and household uses
- Water affects rental, utility and laundry costs

#### Business Owners and Office Buildings

- Water is key to strength of economy
- Water for drinking purposes
- Water for operations such as manufacturing, cooling and maintenance
- Water costs impact profitability and hiring
- Water availability affects operations

#### Employees

- Water for drinking, hygiene and cleaning
- Water is key to strength of economy
- Water to do your job

#### Property Managers

- Water for operations such as landscaping, laundry, maintenance and pools
- Water rates impact profitability
- Water costs impact rental rates

#### Gardeners

- Water costs affect prices for services
- Water costs affect plant selections
- Water costs affect hiring practices

#### Retail Outlets

- Water for drinking, restaurants, cleaning and maintenance
- Water for fountains and landscaping
- Water costs impact profitability and hiring

#### Hospitals

- Water for drinking and food preparation
- Water for cleaning and maintenance
- Water for hygiene and surgical procedures
- Water rates impact profitability and healthcare costs

#### Parks

- Water for drinking, landscaping and maintenance
- Water affects aesthetics
- Water for public pools, showers and bathrooms

#### Golf Courses

- Water for drinking and restaurants
- Water for irrigation and water hazards
- Water affects profitability and course design

#### Schools

- Water for drinking and food preparation
- Water for cleaning and maintenance
- Water costs impact staffing and budgets
- Water for science classes, instruction, fields, showers and pools

#### Churches

- Water for religious ceremonies
- Water for drinking, landscaping, cleaning and maintenance

#### College Campuses

- Water for drinking, classrooms, food services, dormitories and laboratories
- Water for cleaning, maintenance, landscaping and fountains
- Water rates affect budgets and student costs

#### Landscape Architects

- Water affects design and budgeting
- Water costs affect job and project availability

#### Elected Officials

- Water policy and legislation
- Water is intertwined with public health, economy, safety, environment
- Water affects government costs

#### City Managers, Public Works, Utilities

- Water quality and supply are basic services
- Water rates impact budgets and services
- Water rates affect business, real estate and economic development
- Water costs affect equipment and staffing decisions

#### Farmers

- Water quality and supply are tantamount to existence
- Water supply affects product/livestock choices
- Water affects product vitality and success
- Water rates affect food prices

#### Restaurants and Supermarkets

- Water for drinking and food preparation
- Water quality affects health
- Water rates affect costs to consumer
- Water for cleaning and maintenance

#### Community and Environmental Leaders

- Water affects public health, the economy, the environment and quality of life
- Communities need to understand water like they understand healthcare, public safety, the economy, education, etc.

#### Labor Unions

- Water is key to strength of economy
- Water affects workplace conditions
- Water affects jobs, hiring and product pricing

The consequences to our society mandate that prudent investments be made in water quality, water supply solutions and infrastructure. Our Water District, nearby water districts, water companies, utilities and municipalities need your input. We have to face up to larger, regional challenges that cannot be solved piecemeal. The answer lies in a coordinated San Gabriel Valley-wide effort to innovate water solutions and to engage and empower communities to achieve local water reliability.

**Let’s Work Together!**

# 2012 HIGHLIGHTS

## OPERATIONS HIGHLIGHTS

The District's primary role is to deliver imported replenishment water through our pipeline and an efficient delivery system that connects to the State Water Project (California Aqueduct). We provide "water insurance" to our member cities – Alhambra, Azusa, Monterey Park and Sierra Madre – by delivering the water we import into underground aquifers where it is "banked" for future use.

### Our major operational accomplishments in 2012 included:

- Supplemental Water – we delivered 18,720 acre-feet (AF) of water in 2012 compared to 23,040 (AF) in 2011, 14,400 AF in 2010 and 11,520 AF in 2009 (one AF supplies water for a typical suburban family for one year).
- "Green" Energy – we have built a 1.05 megawatt hydroelectric power plant to generate "green power" as the gravity-fed water flows through our pipeline. We are conducting further studies to determine the feasibility of building additional hydroelectric plants along our pipeline route.
- Water Conservation – water conservation programs operated by the District and its member cities have contributed to an approximate 15 percent reduction in water use across the San Gabriel Valley the past few years.

*Educational Water Tours follow the length of the District's water delivery system from our connection to the State Water Project in the San Bernardino Mountains to spreading grounds in Sierra Madre.*



*New, virtual water tour video of the District's delivery system may be viewed in English, Chinese and Spanish on our website: [www.sgvmd.org](http://www.sgvmd.org)*

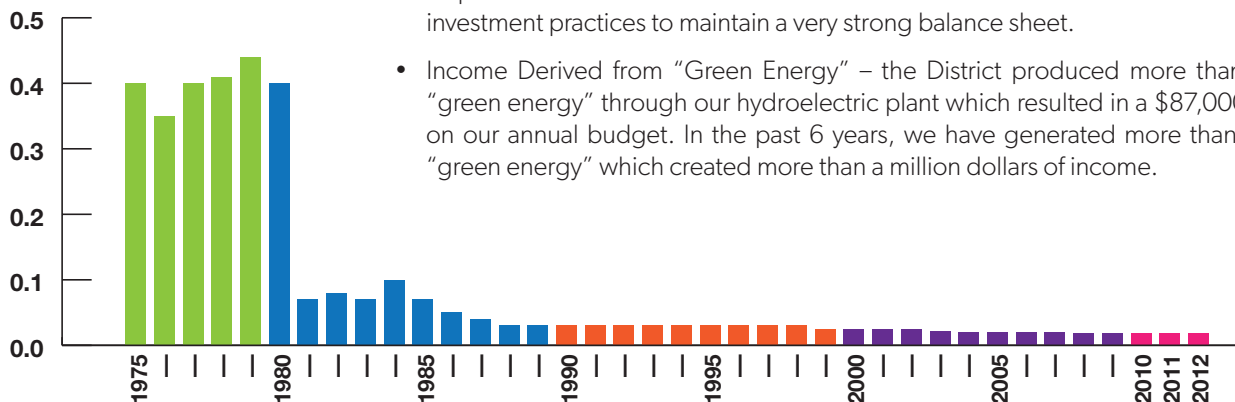


## FINANCIAL HIGHLIGHTS

As drought conditions return and imported water supplies are reduced, there will be upward pressure on water prices throughout the San Gabriel Valley and Southern California. However, due to the vision shown by voters in our member cities in 1959, SGVMWD is a State Water Contractor able to make replenishment water available to member cities at very competitive market prices.

### Our major financial accomplishments in 2012 included:

- Low Property Tax Rate - holding our property tax rate unchanged at the same low level as 2010 (\$.018/\$100 Assessed Value). Our tax rate has been near this level for more than 30 years (see chart).
- Low Cost for Replenishment Water - keeping the District's water rate at \$130 per acre-foot which is unchanged since 1989 and well below that of other importing agencies which exceed \$300 per acre-foot.

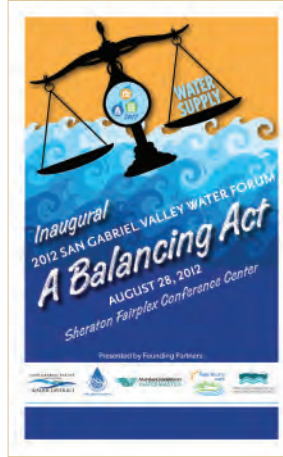


- Dependable Financial Reserves – the District utilized conservative financial management and investment practices to maintain a very strong balance sheet.
- Income Derived from "Green Energy" – the District produced more than 2,961 MWh of "green energy" through our hydroelectric plant which resulted in a \$87,000 positive impact on our annual budget. In the past 6 years, we have generated more than 11,000 MWh of "green energy" which created more than a million dollars of income.

## PUBLIC EDUCATION HIGHLIGHTS

### 2012 San Gabriel Valley Water Forum

We are especially proud of our role in initiating the 2012 San Gabriel Valley Water Forum and bringing together the other Founding Partners – San Gabriel Basin Water Quality Authority, Main San Gabriel Basin Watermaster, Upper San Gabriel Valley Municipal Water District and Three Valleys Municipal Water District. The event featured an expert panel of water experts, more than a dozen sponsors and a standing room only crowd of more than 330 people.



SAN GABRIEL VALLEY  
WATER FORUM

**✓ MARK YOUR CALENDAR  
OCTOBER 3, 2013**

Please mark your calendar for the 2013 San Gabriel Valley Water Forum to be held on Thursday, October 3 at Fairplex in Pomona.



H<sub>2</sub>Owl is very popular with youth and their families.



Director Paulson, H<sub>2</sub>Owl and Ratkovich Company Executives Attended Dedication Ceremony for Water Conservation Pilot Project at The Alhambra Urban Community

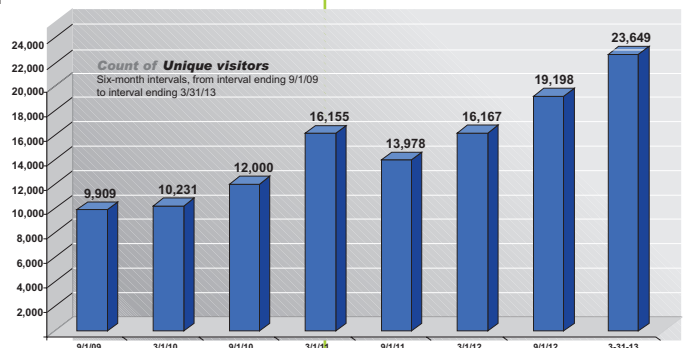
### Ethnic Community Leader Outreach

Another new project created by the District's public information committee was to extend holiday greetings and an invitation to join the "water dialogue" to dozens of Chinese-American community leaders. A special "Gung Hay Fat Choy" new year greeting was distributed. The public information committee spent considerable time later in 2012 planning more extensive ethnic community outreach activities for 2013.



### Ongoing Program Highlights

- Our water conservation guru, H<sub>2</sub>Owl, attended more than 35 community events and reached out to more than 15,000 residents.
- Introduced New Water Conservation Landscaping Project at "The Alhambra".
- Continuation of our bus shelter and newspaper public information campaign designed to convey water conservation messages.
- The Ultra-Low Flush Toilet program exchanged nearly 1,400 older toilets for new, water-saving units. Local high schools provided labor support and received more than \$12,000 in funding.
- Expansion of our use of electronic and social media with new educational videos and use of social media such as YouTube and Facebook.
- Involving approximately 10,000 students and their parents in the annual "Home Water Survey."
- New, interesting content, including educational videos have increased traffic on the District's website (increased traffic) ▶



# OPERATIONAL OVERVIEW

## About the San Gabriel Valley Municipal Water District

The San Gabriel Valley Municipal Water District was approved in 1959 by voters in Alhambra, Azusa, Monterey Park and Sierra Madre to help those cities meet their long-term water needs. Constructed from 1971-1974, the District's Devil Canyon-Azusa Pipeline delivers water from northern California via the State Water Project to the Main San Gabriel Basin to replenish the aquifer underlying our communities. This thoughtfully planned and engineered system is maintained and operated by Water District personnel 365 days a year. The District entered into a contract with the State of California Department of Water Resources in 1962 for the delivery of 25,000 acre-feet of water per year from the State Water Project (amended to 28,800 acre-feet in 1964). Today the District is one of 29 State Water Contractors who obtain water from the vast State Water Project and who pay for retirement of the bond used to construct it, as well as its operation and maintenance. Starting in 1975 and continuing today, the District has been importing water from Northern California for replenishment of the San Gabriel Basin.

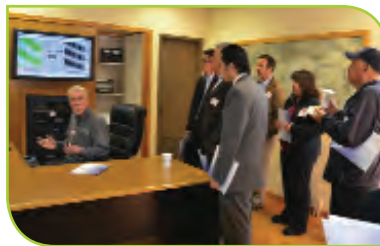
### Spreading Grounds

Spreading grounds are operated and maintained by the Los Angeles County Department of Public Works. Water from our pipeline percolates from the spreading grounds to recharge underground aquifers.



### Operation Center

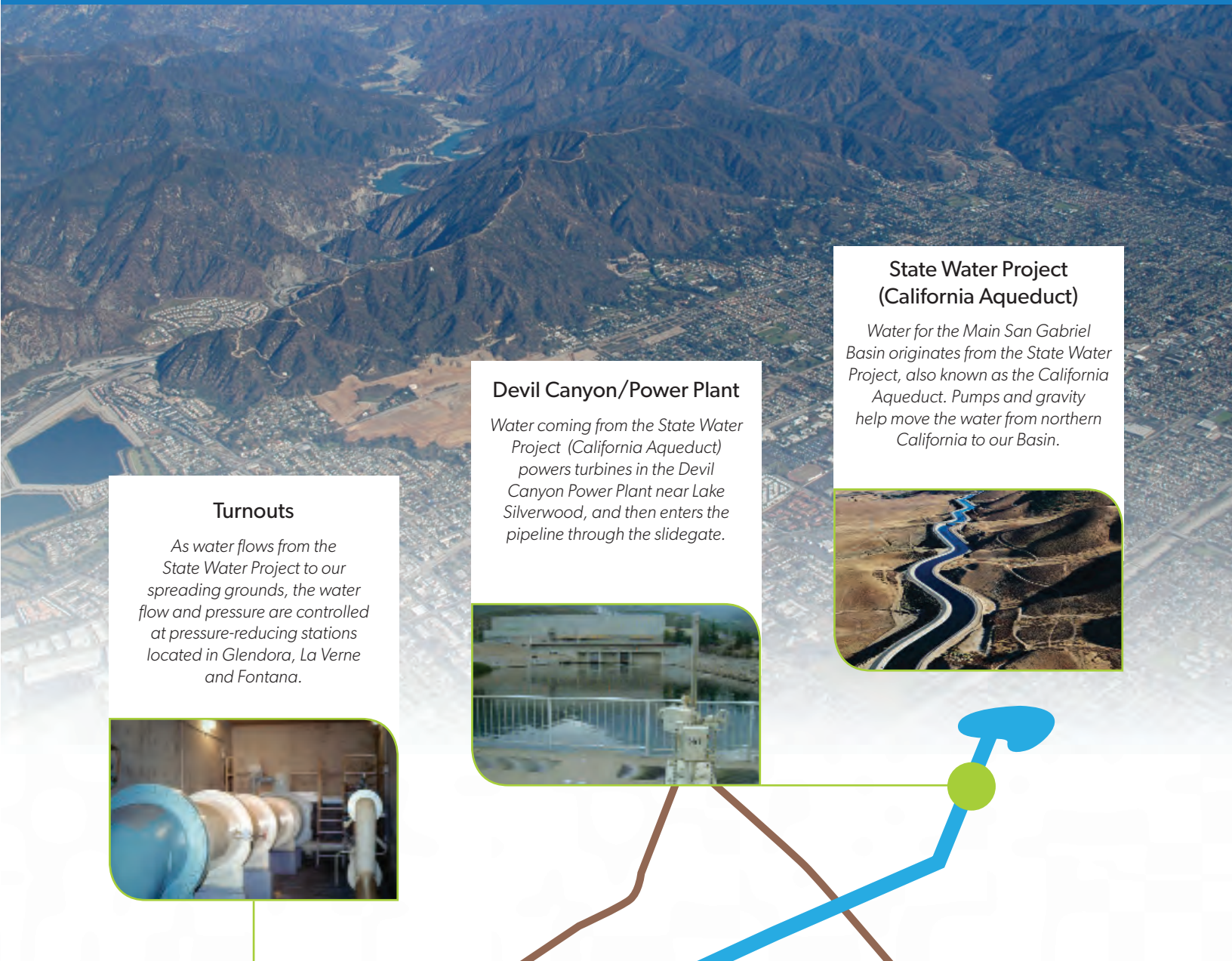
The Operation Center is located at District headquarters. The state-of-the-art computerized Supervisory Control and Data Acquisition control system (SCADA) controls and monitors the pipeline and pressure reducing stations.



### Green Power/Hydroelectric Generator

A turbine generator, powered by water flowing in the pipeline, creates electricity. Built in 1985, this generator produces enough electricity for over 500 homes annually. The revenue helps to offset some of our operating costs.





### State Water Project (California Aqueduct)

Water for the Main San Gabriel Basin originates from the State Water Project, also known as the California Aqueduct. Pumps and gravity help move the water from northern California to our Basin.



### Devil Canyon/Power Plant

Water coming from the State Water Project (California Aqueduct) powers turbines in the Devil Canyon Power Plant near Lake Silverwood, and then enters the pipeline through the slidegate.



### Turnouts

As water flows from the State Water Project to our spreading grounds, the water flow and pressure are controlled at pressure-reducing stations located in Glendora, La Verne and Fontana.



# WATER CONSERVATION PILOT AND DEMONSTRATION PROJECTS

The Water District has made significant investments in pilot and demonstration projects in each city within our service area. Our objectives are to save water at each location and to provide teaching examples of technology, materials and procedures that save water. For example, based on the very successful water conservation and native plant project at Sierra Madre School, we are “working together” with Theodore Payne Foundation and school districts in Alhambra, Azusa, Monterey Park and Sierra Madre in 2013. Similarly, we are evaluating expansion of our “Automated Meter Reading” program to other member cities.

We want to increase our conservation partnerships with large, highly visible water customers in the future. Contact us if you have project ideas and suggestions. We will share project information and results via tours, speaking engagements, printed materials and our website.

<b>Pilot Projects</b>	<b>Water Saving Feature: Irrigation</b>	<b>Landscape</b>	<b>Technology</b>
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**Alhambra**

Gateway Plaza	☐	☐	
The Alhambra Urban Community	☐	☐	☐

**Azusa**

Azusa Chamber of Commerce	☐	☐	
Memorial Park, North Recreation Center	☐	☐	
Department of Light and Water	☐	☐	
San Gabriel Canyon Gateway Center	☐	☐	

**Monterey Park**

California Native Median Project	☐	☐	
City Hall Planters and Smart Controller	☐		☐
Automated Meter Reader (AMR)			☐

**Sierra Madre**

Miramonte Reservoir/Mt. Wilson Trailhead	☐	☐	
Sturtevant Street Flood Control Right of Way	☐	☐	
Sierra Vista Park	☐	☐	☐

**Large Water User Public/Commercial Locations**

Azusa Pacific University	☐	☐	☐
Sierra Madre School	☐	☐	
The Alhambra “Urban Community” Project	☐	☐	☐

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WATER DISTRICT

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