LAKESIDE WATER DISTRICT

Pipeline

ELECTRICITY COSTS PUMP UP WATER RATES

Water rates are expected to increase this year in response to higher electricity and wholesale water prices. Electricity rates have surged upward as a result of California's disastrous deregulation plan.

In April 2000, the water district was paying approximately $.06 per kilowatt-hour to pump water. This year, prices have peaked at $.30 per kilowatt-hour. The district has minimized the impacts to a certain extent by pumping during off-peak and semi-peak hours. But this summer, as demand for power increases, so could the rates. Complicating the situation is the looming threat of rolling blackouts. Water district pumps are not exempt from blackouts under Public Utility Commission rules.

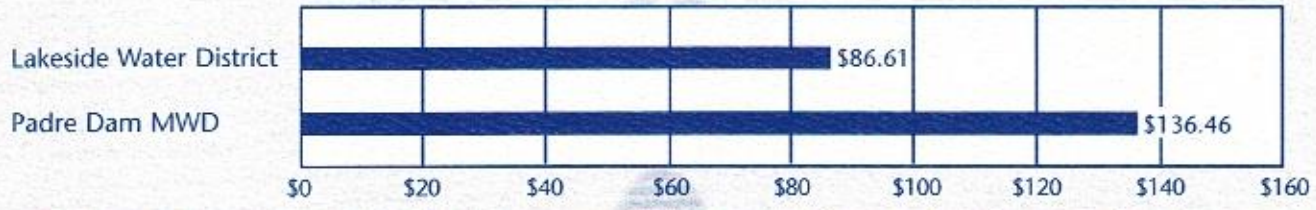
Wholesale water costs are also going up: the County Water Authority is raising rates again this year. In addition to the Water Authority standard wholesale price, Lakeside must pay additional surcharges to Padre Dam. Therefore, Lakeside pays the highest wholesale rates in the county, but has the lowest retail rates. A comparative water rate survey has revealed that Padre Dam's rates are 58% higher than Lakeside's. A recent review by the Utility Consumers' Action Network (UCAN) determined that Lakeside's "smarter rate structure" results in fairer water rates and more efficient use of water. Lakeside's fixed bi-monthly service charge of $11.00 (5/8" meter) is less than half of the average in San Diego County. The service charge is designed to recover the cost of reading, billing, repairing and replacing the meter services, because these costs are incurred whether or not water is used.

> ***"Lakeside's smarter rate structure will result in fairer and more accurate water rates and thus smarter use of water by Lakeside customers."***
>
> **Michael Shames**
> **Utility Consumers' Action Network**

Water consumption is the main component of the water bill; customers are therefore more able to reduce their costs through conservation.

New water rates will be adopted later this year or in January, 2002. Although it is too early to determine the amount of the increase at this time, it is expected to be about 5%. Only minimal conservation efforts by customers will be required to offset the additional cost. ◆

COMPARATIVE BI-MONTHLY WATER RATES



Rates based on average water usage for the respective areas. Pumping charges are based on equivalent elevations.

LAKESIDE WATER DISTRICT CONSUMER CONFIDENCE REPORT

Test results from Calendar Year 2000

(Importante Informacion de Agua)

PRIMARY STANDARDS – Mandatory Health Standards (ppm)

	STATE MCL	(PHG) MCLG	MWD COMBINED SKINNER PLANTS	HELIX RM LEVY TREATMENT PLANT	LWD WELL	OVERALL RANGE	MAJOR SOURCES
CLARITY							
Turbidity (NTU)(h)	0.5	NS	0.13	0.14	0.1	.10-.13	Soil runoff
MICROBIOLOGICAL							
Total Coliform Bacteria (a)	5%	(0)	0.22%	0%	0	0-0.22%	Naturally present in the environment
Fecal Coliform Bacteria (b)	(b)	(0)	0%	0%	0	0	Human and animal fecal waste
ORGANIC CHEMICALS (c)							
Total Trihalomethanes (TTHMs)	100	NA	39	57	9.2	9.2-57	By-product of drinking water chlorination
INORGANIC CHEMICALS (ppm)(d)							
Aluminum (ppb)(f)	200	NA	102	125	ND	ND-125	Residue from water treatment process; erosion of natural deposits
Barium (f)	1	(2)	ND	ND	0.19	ND-0.19	Discharge from oil and metal refineries; erosion of natural deposits
Fluoride (f)	2	(1)	0.22	0.24	0.57	0.22-0.57	Erosion of natural deposits. Water additives that promote strong teeth
RADIONUCLIDES (pCi/L)(g)							
Gross Alpha	15	(0)	3.99	4.7	5.9(g)	3.99-5.9	Erosion of natural deposits
Gross Beta	50	(0)	5.24	2.5	3.3(g)	2.5-5.24	Decay of natural and manmade deposits
Combined Radium	5	(0)	1.25	<5	NTF	<5-1.25	Erosion of natural deposits
Strontium	8	NA	ND	0.9	NTF	ND-0.9	Decay of natural and manmade deposits
Tritium	20,000	NA	ND	184	NTF	ND-184	Decay of natural and manmade deposits
Uranium	20	(0)	2.61	3.1	2.98(g)	2.61-3.1	Erosion of natural deposits

Lead and Copper Rule:
90th Percentile = ND for Lead; .37 ppm for Copper
Number of Sample Sites = 30
Number of sites above action level of 15 ppb Lead, and 1.3 ppm for Copper = 0 Sites

SECONDARY STANDARDS – (AESTHETIC STANDARDS) (ppm)

Chloride (f)	500	NS	72	74	220	72-220	Runoff/leaching from natural deposits; seawater influence
Color	15	NS	1	2.5	3.8	1-3.8	Naturally occurring organic materials
Threshold Odor Number (TON)	3	NS	(e)	(e)	(e)	(e)	Naturally occurring organic materials
Specific Conductance (umhos/cm)(f)	1600	NS	786	776	1420	776-1420	Substances that form ions when in water; seawater influence
Sulfate (f)	500	NS	169	170	250	169-250	Runoff/leaching from natural deposits; industrial wastes
Total Dissolved Solids (f)	1000	NS	465	475	870	465-870	Runoff/leaching from natural deposits; industrial wastes

ADDITIONAL PARAMETERS – (UNREGULATED OR NOT DETECTED) (ppm)

Calcium (f)	--	--	56	55	130	55-130	
Cryptosporidium (Oocysts/100L)	--	--	ND	ND	NTF	ND-NTF	
Giarida (Cysts/100L)	--	--	ND	ND	NTF	ND-NTF	
Hardness (as $CaCO_3$)	NS	NS	230	227	559	227-559	Leaching from natural deposits
(grains/gallon)(f)	NS	NS	13.4	13.2	32.69	13.23-32.69	
Methyl-tertiary-butyl-ether (MTBE)(ppb)	5	NS	ND	ND	ND	ND	Leaking underground storage tanks; discharge from petroleum and chemical factories
Magnesium (f)	--	--	22	21	55.6	22.3-55.6	
Potassium (f)	--	--	3.7	3.7	3.45	3.45-3.7	
pH (units) (f)	--	--	8.05	7.73	7.7	7.73-8.05	
Sodium (f)	NS	NS	67	59	96	59-96	Runoff/leaching from natural deposits; seawater influence

KEY TO FOOTNOTES & ABBREVIATIONS

(a) Cannot be present in more than 5% of monthly required number of samples.
(b) The occurrence of two consecutive total coliform-positive samples, one of which is fecal coliform/E.coli, constitutes an acute MCL.
(c) 60 additional organics were analyzed and not detected. Results are available.
(d) 11 additional inorganics were analyzed and not detected. Results are available.
(e) Our lab uses the Flavor Profile Method, which better detects odor disturbances.
(f) Required to monitor every three years. Lakeside Water District well effluent was tested in 1998.
(g) Required to monitor every four years. Lakeside Water District effluent radionuclides were analyzed in 1998. Skinner Plant results are for 1998-99 radiological monitoring.
(h) Turbidity is a measure of the cloudiness of the water. We monitor it because it is a good indicator of the effectiveness of our filtration system.

AL .....Action Level
ND .....Tested for and not detected
NS .....No Standard
NA .....Not Applicable
NTU .....Nephelometric Turbidity Units. This is a measure of the clarity of water.
NTF .....Not Tested For
ppm .....Parts per million = milligrams per liter (mg/L)
ppb .....Parts per billion = micrograms per liter (ug/L)
MCL .....Maximum Contaminant Level
pCi/L .....PicoCuries per Liter
umhos/cm .Micromhos per centimeter

DEFINITIONS

Maximum Contaminant Level (MCL):
The highest level of a contaminant that is allowed in drinking water. MCLs are set as close to the PHGs and MCLGs as economically or technologically feasible.

Public Health Goal (PHG):
The level of a contaminant in drinking water below which there is no known or expected risk to health. PHGs are set by California EPA.

Maximum Contaminant Level Goal (MCLG):
The level of a contaminant in drinking water below which there is no known or expected risk to health. MCLGs are set by the USEPA.

Primary Drinking Water Standard (PDWS):
MCLs for contaminants that affect health along with their monitoring and reporting requirements, and water treatment requirements.

Water Quality Changes on Tap!

The Helix Water District's water treatment plant and laboratories have just finished a major upgrade and expansion. The treatment plant provides water to the Lakeside Water District. This immense project began in January 1998, and was completed in June 2001. The plant has been expanded and now has the ability to treat up to 106 million gallons of water a day to meet the regional needs of East County. The changes in the treatment process will ensure a very high quality drinking water that easily meets all federal and state standards. One major new process improvement will involve the use of ozone, made from pure oxygen.

The addition of ozonation is a significant change from standard disinfection practices which include the use of chlorine in combination with ammonia, or chloramines. Ozone use, a first for San Diego County, has been used throughout the world for many years and has a proven track record of doing a superior job in treating water. Ozone will be made on-site using liquid oxygen and ozone generators. It will become our primary disinfectant, substantially reducing our use of chloramine. The benefits of ozone are many, the most obvious to you will be an improvement in taste and odor. The improvement in taste should be especially noticeable in the summer months when we rely on large amounts of local water to meet our demands. We are very excited about this improvement and look forward to providing you with the highest quality water in San Diego County.

Another significant change in our water supply will be the addition of fluoride by the Helix Water District. Under a mandate from the state, Helix will add fluoride up to .8 or 1.0 parts per million this summer. Our water already contains naturally occurring fluoride at .24 to .57 parts per million. The additional fluoride is meant to prevent tooth decay, especially in children.

Consumer Confidence Report Educational Information

The sources of drinking water (both tap water and bottled water) include rivers, lakes, streams, ponds, reservoirs, springs, and wells. As water travels over the surface of the land or through the ground, it dissolves naturally-occurring minerals and, in some cases, radioactive material, and can pick up substances resulting from the presence of animals or from human activity.

Contaminants that may be present in source water include: Microbial contaminants, such as viruses and bacteria, that may come from sewage treatment plants, septic systems, agricultural livestock operations, and wildlife; inorganic contaminants, such as salts and metals that can be naturally-occurring or result from urban stormwater runoff, industrial or domestic wastewater discharges, oil and gas production, mining, or farming; pesticides and herbicides which may come from a variety of sources such as agriculture, urban stormwater runoff, and residential uses; organic chemical contaminants including synthetic and volatile organic chemicals that are byproducts of industrial processes and petroleum production, and can also come from gas stations, urban stormwater runoff, and septic systems; radioactive contaminants which can be naturally-occurring or be the result of oil and gas production and mining activities.

Lakeside Water District's groundwater source is the Santee-El Monte Basin, a groundwater source for many in our community. The basin provides good water quality that has small amounts of iron and manganese, which we remove with a specially designed treatment plant located at our Administration and Operations facility at 10375 Vine Street, Lakeside. A source water assessment detailing potential sources of contamination is available for review upon request.

In order to ensure that tap water is safe to drink, USEPA and the California Department of Health Services (Department) prescribe regulations that limit the amount of certain contaminants in water provided by public water systems. Department regulations also establish limits for contaminants in bottled water that must provide the same protection for public health.

Drinking water, including bottled water, may reasonably be expected to contain at least small amounts of some contaminants. The presence of contaminants does not necessarily indicate that water poses a health risk. More information about contaminants and potential health effects can be obtained by calling the EPA's Safe Drinking Water Hotline (1-800-426-4791).

Some people may be more vulnerable to contaminants in drinking water than the general population. Immuno-compromised persons such as persons with cancer undergoing chemotherapy, persons who have undergone organ transplants, people with HIV/AIDS or other immune system disorders, some elderly and infants can be particularly at risk from infections. These people should seek advice about drinking water from their health care providers. USEPA/Centers for Disease Control guidelines on appropriate means to lessen the risk of infection by Cryptosporidium and other microbial contaminants are available from the Safe Drinking Water Hotline (1-800-426-4791).

If you should have any questions about the CCR or water quality in general, please call Lakeside Water District at (619) 443-3805.

LAKESIDE WATER DISTRICT
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Wesley and his dog Squirt