



May 19, 2008

Dear Water Consumer:

California is facing unprecedented challenges to its water supply and delivery system and the Foothill Family of Water Agencies wants to bring you up to date on this important issue. Two key events in 2007 impacted the state's water supply – and, our local supplies: 1) record-dry conditions throughout California and the Colorado River region; and, 2) a ruling by a federal judge to address environmental problems in the Sacramento-San Joaquin Delta which curtailed and further reduced water deliveries from the Delta, a key source of water for southern California and other parts of the state.

The Foothill area receives water from three geographic areas: 1) local groundwater and canyon runoff; 2) the Colorado River; and, 3) northern California. In 2007, all three areas were in a drought. Available supplies were impacted and demands increased as the days became hotter and drier.

Prior to the federal court ruling, the Foothill Family offered 100% supply reliability. This reliability was there because we, in conjunction with Metropolitan Water District of Southern California, had developed supplies, infrastructure and storage so that in dry years, we could pull water out of storage to meet demands. We expected to be pulling from storage three years out of ten and putting water into storage seven years out of ten. However, with the federal judge's decision, 100% reliability is uncertain. Supplies we had depended on to fill storage for dry years are no longer as reliable. This is not about having enough water in dry years; it is now an issue of not having enough water in both dry and wet years.

We are now back at the drawing board undertaking additional planning and development from both an infrastructure and a resource perspective to protect our customers from supply shortages. Until the development of infrastructure and new projects and programs are complete, whether here locally or in Northern California, the water supply at the start of each year will be questionable. We will not know if there will be a shortage of water supplies until rain and snowfall have been measured throughout the State and it is determined if it will be adequate to meet all of our water needs. Adding to the complexity is the continued growth in California. It is expected that by 2030 the population will have grown from the current 38 million to 48 million. With this growth, demand for water supplies and related infrastructure will increase as well.

With this letter, the Foothill Family provides background information about why this uncertainty exists and how we are addressing it. To learn more about our water supplies, please go to the Foothill Municipal Water District website at [www.fmwd.com](http://www.fmwd.com) where you will find more information about:

1. The Foothill Family of water agencies,
2. Where our water comes from,
3. The current supply situation,
4. Next steps on remedying the water supply situation, and
5. Frequently asked questions.

If you have questions or would like additional information, please contact us at [fmwd@fmwd.com](mailto:fmwd@fmwd.com) or call your local water retailer.

Sincerely,  
Foothill Family of Water Agencies