



Financial Benefits for Customers After Historic Detachment

Rainbow Water began to receive water from the Eastern Municipal Water District (EMWD) after detachment finalization from the San Diego County Water Authority (SDCWA) on November 1, 2024. The landmark change made a significant step in Rainbow Water's commitment to securing cost-effective and reliable water supplies for its customers. As part of the last requirements by the Local Agency Formation Commission (LAFCO), Rainbow Water paid the first exit fee payment of \$3.2 million to SDCWA, to certify the reorganization.

Stabilizing Water Rates

The most significant form of relief for customers includes avoiding a rate increase in January 2025, as the change in wholesaler shields Rainbow Water's customers from SDCWA's wholesale water rate increase of 14% on January 1, 2025, and the proposed increase of over 16% on January 1, 2026.

Rainbow Water will absorb the impacts of the 3.6% imported water pass-through increase from Metropolitan Water District. This equates to approximately \$1.7 million annually in savings for customers due to the lower cost of water. Rainbow Water intends to hold rates flat at a 0% increase through January 1, 2026. The 18-month budget timeframe reflects the significant savings in wholesale water purchases despite other cost pressures within Rainbow Water. New development projects in the service area will also benefit, with capacity fees set to decrease by 31-48%, depending on meter size, from current levels, reflecting the elimination of previous SDCWA imposed charges that are not applicable with wholesale purchases from EMWD.





0%

Impact to Rainboy Water Customers 4%

Rainbow Water Absorbs the Full Imported Water Pass-Through Increase from Metropolitan Water District on January 1, 2025 Estimated Pass-Through Rate Increase from Metropolitan Water on January 1, 2026



14%

16+%

30%

Avoided Impact of Rate Increase on January 1, 2025 Avoided Impact of Rate Increase on January 1, 2026 Avoided Impact From 2025-2026 Total Rate Increases

What Would Happen to Rates in 2025 without Detachment?

The image above illustrates the impact of wholesale rates to Rainbow Water customers with EMWD and a comparison to what rates would have been had Rainbow Water remained with SDCWA.

A Stronger Voice in Future Wholesale Water Costs

The detachment milestone and new water wholesaler relationship empowers Rainbow Water customers' representation in regional water governance. The EMWD Board intends to complete the redistricting of their boundaries to include Rainbow Water placed in Division 2, represented by Director Steve Corona. A long-time farmer, Corona has advocated consistently for sustainable water rates during his 20 plus years serving on various regional water boards. The redistricting will allow customers the ability to vote for board member elections and provide public comment at board meetings.

Customers have been at the forefront of all decision making during the process for detachment, and post-detachment customers have equitable and fair rates across all water rate classes.

Will My Property Tax Bill Change?

In the coming weeks, customers will receive a letter from Eastern Municipal Water District about the change on property tax bills. The informational letter will explain an update to the FY 2025/2026 tax bill and addition of a charge for EMWD's Infrastructure Availability program, which will appear on tax bills as "EMWD Infra Avail Chg". This charge replaces the previous "CWA WTR AVAILABILITY" charge from the San Diego County Water Authority and will be a lower cost. This fixed charge assessment funds water and sewer infrastructure by providing funding for maintenance to ensure reliable service. EMWD will provide future communication related to its Infrastructure Availability charges starting mid-2025. There is no action needed from customers.

Explore more about our new water wholesaler and their origins as a agriculture water supplier. **emwd.org/who-we-are/history**



Major Accomplishments in 2024

For the past 70 years, Rainbow Water has worked to continuously improve and welcome innovation to deliver safe and reliable water to our customers. As a small agency, we have championed change and built a team that makes a difference every day. Outstanding accomplishments in 2024 include:

The historic completion of detachment from San Diego Water Authority to Eastern Municipal Water District came to an end in November 2024. The years long process involved efforts from staff, local representatives and the community to pave the way to bring: wholesale water reliability, mitigate future wholesale rate increases, significantly lower the cost of water, and free up financial resources to fund CIP and restore cash reserves.

- Operations and engineering teams completed three pump stations in less than 10 months to make infrastructure improvements required to finalize detachment.
- The heli-hydrant at Pala Mesa Tank was key to stopping the spread of the November 2024 Garden Fire in Fallbrook. The heli-hydrant is the first in San Diego County, and was completed in 2021 as a multi-agency partnership with CAL Fire, North County Fire Protection Agency, and Rainbow Water.
- The Regional CropSWAP Program was introduced in April 2024 and has awarded customers with nearly \$1 Million in grant funding to support sustainable agriculture production. The program is a multi-agency partnership led by Rancho Water, where participants receive financial incentives for comprehensive crop upgrades, irrigation efficiency upgrades, and other best management practices.
- The Thoroughbred Lift Station was finished in Summer 2024 to provide greater emergency resiliency and operational flexibility, as well as capacity in the wastewater collection system. The new facility at Thoroughbred Lane and SR76, has pipelines along SR76, Camino Del Rey, and Old River Road. The lift station collects an average of 600,000 gallons of sewer flows per day and is equipped with 350,000 gallons of emergency storage to help with emergency response and major system maintenance.
- Community outreach was expanded with onsite field trips to Rainbow Water headquarters (pictured above) in April 2024, where students from Bonsall High School toured departments and participated in interactive demonstrations to explore careers in the water industry. The Speakers Bureau launched in October 2024, with classroom visits to Chemistry and Computer Science classes on the importance of chemistry in the water industry and cyber security training.
- North County Water Agencies poster contest returned in early 2024 and drew art submissions from local fourth grade students.
 Four students from Bonsall Elementary School were recognized for their artistic achievement and are featured in the 2025 NCWA Calendar. Visit the Rainbow Water office to receive your complimentary 2025 NCWA Calendar.

Rainbow Water Awarded Top Workplaces 2024

TOP
WORK
PLACES
2024

The success of Rainbow Water is led by a team of committed employees with decades of expertise who work 365 days a year to continuously serve the community. In recognition of their dedication and collaborative work process, Rainbow Water was awarded a Top Workplaces 2024 by the San Diego Union-Tribune. The accolade is the fourth consecutive year Rainbow Water has earned the honor as an organization recognized for top performance from an anonymous employee survey administered by Energage LLC.

Holiday Reminders

Don't Be a Pain in the Drain

The holiday season brings an increase in grease build-up from November through January due to holiday cooking. Help prevent wastewater from backing up and keep the sewers flowing by properly disposing of fats, oils, and grease, also known as FOGs.

Drains, garbage disposals, sinks, and toilets are off-limits for disposing of thick oils and animal fats that can destroy plumbing systems. In addition, items such as medication, feminine hygiene products, and household waste can dramatically impact your pipes. Remember to let FOGs cool, place in the waste bin, and not pour down the drain. Use a compost bin to dispose of food scraps and avoid using the garbage disposal. When in doubt don't put it down the drain.

Watch the Don't Be a Pain in the Drain video to learn more about proper disposal of FOGs and household waste on EMWD's website: emwd.org/healthy-sewers

Holiday Office Hours

Rainbow Water offices will be closed on:

- Tuesday, December 24, 2024
- Wednesday, December 25, 2024
- Tuesday, December 31, 2024
- Wednesday, January 1, 2025

Bill payments can be made by phone or online. Call (760) 728-1178 to report water outages



3707 Old Highway 395, Fallbrook, CA 92028 Customer Care & After Hours: 760.728.1178 Office Hours: Mon-Fri 8:00 a.m. - 4:30 p.m. RAINBOWMWD.CA.GOV