

A close-up photograph showing an older person's hand on the left pouring water from a clear glass into a younger person's hand on the right, who is holding the glass. The background is a bright blue sky with soft, out-of-focus clouds. The bottom of the image features a decorative white wavy line that separates the main image from a light blue gradient area.

HIGHLANDS MUTUAL WATER COMPANY

*Providing Clearlake community with 100
years of safe, high quality, drinking water
and distinguished customer service.*

Our History



1925 - Highlands Mutual Water Company was incorporated - but was established years prior

1980 - **First** water company in the County to **use Ozone for pretreatment**

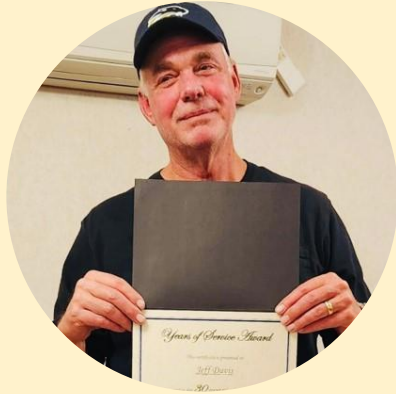
First and only water company in the County to **test for algae toxins in house**

First and only water company in the County allowed to recycle greater than 10% as a result of **using UV to disinfect recycled water**

More than **twice the water storage capacity** than any other water company in Lake County

First to introduce the concept of **rotating the lead cell during backwash**

Highlands Leadership



Jeff Davis
General Manager

- 30 plus Years of Water Industry Experience
- Served Highlands for 30 plus Years
- Certified Water Distribution & Treatment Operator

Mark Coats - President

Robert Kraft - Vice President

Jessica Chernoh - Secretary

Kathryn Davis - Treasurer

Rachelle Sapeta - Member

Board of Directors

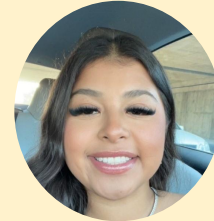
- Elected annually by Shareholders
- Longtime residents with strong ties to Clearlake Community
- Track record of success in business and community stewardship

Highlands Team



Our 7 Talented State Certified Operators

- 4 - Treatment Level 4 Operators
- 3 - Treatment Level 3 Operators
- Over 50 years collective experience



Our Friendly Office Staff

- Pride in excellent customer service
- Bilingual support
- 24-Hour Emergency Service
- Shareholder Alerts available by text and email*

Mutual Water Company



- Community owned, Not for Profit “Co-Op”
- Governed by resident shareholders, under Company bylaws, California Corporations Code, AB54/AB240, and State Water Resources Control Board (for water quality).
- Ultimate form of local control.
- Over 800 Mutual Water Companies statewide. Serve 1.3 million Californians.
- Exist in all of California’s 58 counties

Water Quality



In full compliance with all State water quality regulations.

Regularly take water samples. Submit to State for testing. Share test results online in Consumer Confidence Report.

Follow the letter *and* intent of the law. Go above and beyond to ensure safe, high quality, drinking water.

Infrastructure Investments

Annual investments to maintain and improve our system



New Generator System

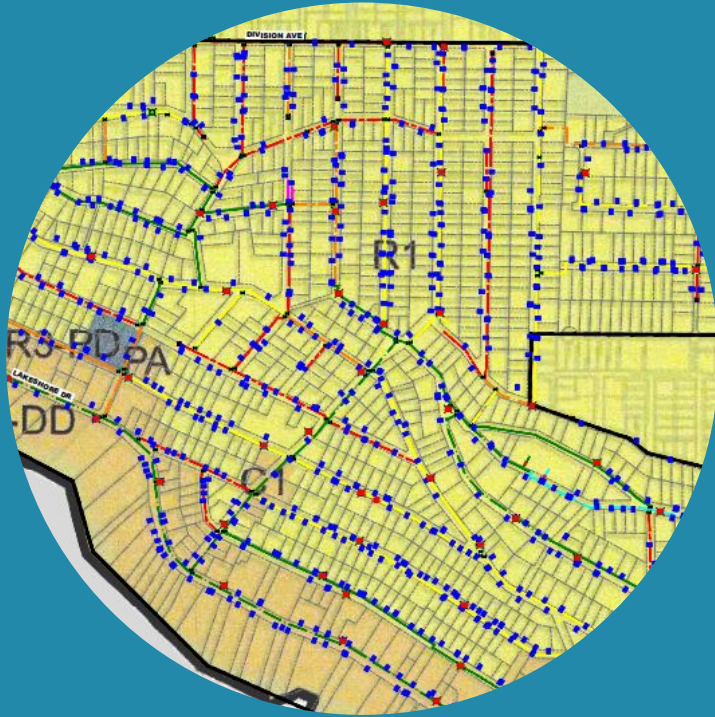


Trimble GPS Mapping Tool



New Carbon Contactor at the Plant

Highlands System Model



- Updated System Model.
Redefined our map and included current City zoning to accommodate growth.
- Current model is up to date and shows a very well running system.
- Information & Map of hydrants shared with Fire District Chief.



Water Line Upgrades



11,400 feet of pipe in the last 5 Years

6,400 feet - Highlands Water Company

3,300 feet - Developers

1,700 feet - Grants



Successful Collaboration

Successful Collaboration



Intertie

- Established in 1994
- Enables 4 south county water districts to connect in the event of emergency
- Utilized to support 2015 Rocky Fire, 2016 Clayton Fire, 2017 Sulfur Fire.



Fire District Support

- Installed 100% of fire hydrants requested by Fire District
- 19 hydrants in 2023 alone
- Monthly collaboration through “Unchartered Waters Group” - four local water companies and the Fire District, to work together for the betterment of the community.



Support for Development

Cost of Development

Best industry practice calls on **developers to pay for the costs to support new projects** – water, fire, power, school and city fees

Highlands Water Company connection fees remain competitive and below industry standards

Highlands Water Company believes that the costs for new development should **NOT** be passed along to our shareholders



Future Challenges

- Unpredictable weather patterns & drought
- Socioeconomics of the Clearlake community
- Keeping up with State regulations and requirements while limiting impact on our rates.



City "Proposal" & Misinformation Campaign

Highlands Water Document Center

Home | Community | Priority Projects | Clearlake Water Providers | Highlands Water Company

Highlands Water Company

SAVING HIGHLANDS WATER

If you're coming to this page, you've likely seen the Save Highlands Water messages posted around town. While the City didn't set out to become a water provider, we've experienced one too many situations where shareholders or future projects. Over time, that has led to our interest in saving H

Everyone who works at and governs our City does it because they want to help t something we can all be proud of. We have improved our parks, roads, senior or underway.

We want healthcare companies, hospitality companies, retail businesses and for concerned because nearly all the areas slated for growth are within Highlands' s multiple planned projects due to fire flow or water delivery issues.

We are primarily concerned about six areas of Highlands operations:

1. Failing infrastructure
2. Water quality problems
3. Inadequate fire flows
4. Limiting progress & development
5. Transparency & governance
6. Affordability & rates

We will continue to add information, so please check back here and sign up for our e-newsletter.

FAILING INFRASTRUCTURE

Highlands Water hired a consultant, EBA Engineering, which identified that Hi

1. The existing distribution system is "aged, undersized, and does not provide undoubtably one of the most fire-prone counties in the State."
2. Water supply for the service area is not anticipated to be sufficient for water
3. The water treatment facility is at capacity and cannot treat sufficient volum
4. The primary drinking water storage tank at the treatment plant has leaks a needed for all existing water storage facilities to meet regulatory requirement

Highlands water treatment plant does not consistently comply with State regulations and the system suffers from ongoing main pipeline failures. From everything we know, their treatment plant and distribution system will need substantial investment, all covered by its approximately 3,000 customers rather than partly through State funding. Highlands has a significant amount of deferred maintenance, far exceeding best practices. From what we know, Highlands only reacts to emergencies rather than proactively inspect and maintain water infrastructure including fire hydrants, pipelines, valves, pump stations, and treatment

EBA Engineering

SCOPE OF WORK

HIGHLANDS MUTUAL WATER COMPANY

EBA Project Number: 22-3171

OBJECTIVE

EBA Engineering represents the following Scope of Work (SOW) document with the intent of assisting Highlands Mutual Water Company (HMWC) with obtaining grant funding from the State Water Resources Control Board (SWRCB) – Division of Financial Assistance (DFA) to use grant funds will be used to evaluate the economic and technical feasibility of making improvements for HMWC for four categories: water supply, treatment, distribution, and distribution systems. Estimates of civil engineering design fees, water treatment, water distribution system deficit characterization studies, field and subconsultant fees are included herein.

BACKGROUND

HMWC was formed in 1925 for the purpose of owning and operating water supply, and fire protection systems serving the City of Clearlake, in Lake County, California. HMWC is the largest supplier of drinking water in Lake County with approximately 2,880 connections per the State Water Resources Control Board SABL. HMWC has been listed as "Failing" on the Water Boards Human Right to Water (H2W) list twice since 2019, and that HMWC is listed as a Severely Disadvantaged Community (SDAC).

Based on EBA Engineering's reports and conversations with HMWC staff, the infrastructure has deficiencies in many areas. First and foremost, with increasing regional temperatures and lowering water levels due to drought, water supply for the service area is not anticipated to be sufficient for water demand projections. Second, the water treatment facility is at capacity and cannot treat sufficient volume to meet preliminary projected water demand estimates. Third, the primary treatment plant drinking water storage tank has a leak, and repairs and maintenance operations are needed for all existing water storage facilities to meet regulatory code requirements. Finally, the existing water distribution system is aged, undersized, and does not provide sufficient pressure to provide fire flows in what is undoubtedly one of the most fire-prone counties in the State. This SOW has been tailored to provide projects in each of the four categories to assist HMWC with providing the Clearlake community with clean drinking water and adequate fire flows for the foreseeable future.

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Attachment T3
August 1, 2023



Affordability Risk Level		
Extreme Water Bill		No Risk
Household Socioeconomic Burden		High Risk
Percent of Median Household Income (%MHI)		High Risk

Support Highlands Water

Contact:

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Email: magen@highlandswater.com
Telephone: 707-994-2393

Visit the Highlands Water Company website
for updates or to volunteer
<https://highlandswater.com/>

