News Release



FOR IMMEDIATE RELEASE: March 22, 2023

CONTACT: Sharene Gonzales, Public Affairs Supervisor

Phone: 510.668.4208

Sharene.gonzales@acwd.com

@AlamedaCountyWD

Alameda County Water District Board of Directors Rescind Drought Surcharge

Fremont, Calif. – The Alameda County Water District Board of Directors voted unanimously at a special Board meeting on March 21, to rescind drought surcharges effective April 1. The decision comes following significant local and statewide precipitation illuminating a promising outlook and lessening drought conditions in the coming months.

ACWD imposed a surcharge of \$0.787 in March 2022, following the declaration of a water shortage emergency in December 2021. An increase to \$0.82 was effective March 1, 2023, and applies to every 748 gallons, or unit of water, customers use.

Temporary drought surcharges provide financial stability when revenues drop during a water shortage emergency and water demands are reduced. Since March 2022, surcharges have generated \$11.6 million, covering increased costs for water supply, operations, and necessary capital improvements.

The decision to roll back surcharges comes nearly three months sooner than prior assumptions based on financial planning.

"The rains have quenched our drought-stricken state, and for the first time in several years, we see California edging its way out of drought," said ACWD Board President Paul Sethy. "On behalf of the board, I extend a big 'Thank you' to our customers who have done a tremendous job conserving water – because of their water-saving efforts and ACWD's solid fiscal position, including reserves, the board can deliver on our promise to sunset drought surcharges," Sethy added.

Following the driest three-year period on record, multiple atmospheric rivers have soaked the region and begun to refill the state's reservoirs, foreshadowing the end of the drought in 2023. As a result, several factors were considered in the decision to rescind the surcharge, including local precipitation and anticipated Sierra snowmelt this spring, customers' continued efficient water use, and the District's financial condition.

-more-

News Release

ACWD Board Rescinds Drought Surcharge Page 2

"The board's action to rescind the surcharge signals that our water supplies are nearly sufficient to meet regular demands," Sethy said. "We look forward to easing restrictions, but we know recurring drought is a reality in California, and we encourage customers to turn some of their water-wise habits into a permanent practice."

Customer demands remain at 20% less compared to 2020, with a modest 3-year rebound projected beginning in 2024.

ACWD's water use restrictions and ordinance prohibiting some types of water use remain in effect. Several criteria will be considered to determine ending the local drought emergency status, including the State's drought emergency declaration and executive orders, associated State emergency regulations, and local and imported water supply conditions.

For more information on ACWD's drought status, visit acwd.org/drought.

###

Since 1914, the Alameda County Water District has supplied water to the residents and businesses of southern Alameda County. ACWD supplies drinking water to the more than 345,000 people living in the cities of Fremont, Newark and Union City. For more information, please visit www.acwd.org.