



OVERVIEW

About The Combination Study and Process

Carmichael Water District (CWD) and Sacramento Suburban Water District (SSWD) commissioned a study to explore combination opportunities. The goal is to examine how combining the two neighboring water utilities might encourage efficiencies, reduce costs, improve water supply reliability, and enhance customer service.

YOU'RE INVITED!

We invite you to learn more about ongoing discussions exploring potential combination, ask questions and provide input during a public workshop hosted by each District, and we welcome you to participate in the workshops in person or virtually.

Carmichael Water District Board Room
7837 Fair Oaks Blvd., Carmichael, CA 95608
Thursday, June 15, 2023, at 6:30 p.m.

Sacramento Suburban Water District
3701 Marconi Ave. Sacramento, CA 95821
Wednesday, June 21, 2023 at 6:30 p.m.

Background

The study is part of an ongoing exploratory process that grew from a Sacramento Regional Water Utility Collaboration Study initiated in 2020 in which CWD and SSWD participated with five other regional water providers. The CWD and SSWD Boards of Directors decided to continue exploring the possibility of increased collaboration and created a committee comprised of Board members from both water utilities. The Committee began meeting in July 2021, and in 2022, retained an independent financial consulting firm that specializes in working with government agencies and utilities, to conduct an initial study on the "Business Case for a Potential Combination" (the study).



Content

The study explores trends in the water industry and community, such as changing water demand, pressure to keep rates affordable, regulatory change, water supply reliability, and expansion to meet regional needs, and the feasibility for addressing those trends through combination. The study reviewed both water providers, including a comparison of organizational structures, management, customer services, billing, staffing, water treatment operations, capital improvement projects, and finances. The analysis addresses the benefits and associated costs of potential combination, as well as options for next steps.



Status

The CWD and SSWD Boards of Directors have accepted the study and directed their respective staffs to perform additional more detailed technical analysis concerning topics raised during the study's review. Ultimately, decisions about moving forward will occur after a deliberative, public process with opportunities for customer input.



Stay Updated and Share Your Thoughts

A copy of the study, "Business Case for a Potential Combination," updates about combination discussions and details about public meetings, are available on the CWD website at carmichaelwd.org and SSWD website at sswd.org.



FREQUENTLY ASKED QUESTIONS

Why did Carmichael Water District and Sacramento Suburban Water District initiate a study to explore potential combination opportunities?

The water industry and our communities are facing several changes and challenges, including the projected impacts of climate change on our water supplies and increasing regulations that will potentially make it difficult to keep rates affordable. The goal in initiating this independent initial study is to explore how combining our two neighboring water utilities might encourage efficiencies, reduce costs, improve water supply reliability, and enhance customer service.

What does the study examine?

The study explores trends in the water industry and our communities, such as changing water demands, long-term water rates affordability, regulatory change, water supply reliability, and the feasibility for addressing those trends through combining districts. The analysis included a review of both water providers, comprised of a comparison of organizational structures, management, customer services, billing, staffing, water operations, capital improvement projects, finances, and water resources. The analysis addresses the benefits and associated costs of potential combination, as well as options for next steps.

Who has been involved in shaping the study?

The study was developed with input from the CWD and SSWD Boards of Directors and staff. Staff provided input as part of the 2020 Sacramento Regional Water Utility Collaboration Study (conducted by CWD, SSWD, and five other water providers), which was used as a foundation for the current study.

Public meetings of the CWD/SSWD 2x2 Committee have provided opportunities for customer input, in addition to regular public Board meetings since July 2021. In addition, information is posted to the CWD website at carmichaelwd.org and SSWD website at sswd.org and articles have been included in SSWD bill inserts and newsletter.

When was the draft study released?

A final version of the initial study was accepted on February 27, 2023, and is available for review on the CWD website at carmichaelwd.org and SSWD website at sswd.org.

What happened after the report was accepted as complete by CWD and SSWD?

The CWD/SSWD 2x2 Committee and the CWD and SSWD Boards of Directors both reviewed the study and accepted the report. In doing so, they signaled their desire to continue exploring the combination process. The CWD and SSWD Boards of Directors also directed their staffs to begin a detailed technical analysis of questions and issues raised by the initial study.

After the technical study is completed, reviewed, and shared with the public, the Boards of Directors will then determine next steps.

Who paid for the study?

The costs were equally shared by CWD and SSWD.

How can I find out more and provide input?

CWD and SSWD are posting regular updates on their websites (carmichaelwd.org and sswd.org). Customers are also invited to attend public meetings discussing combination opportunities. Complete details on how to attend are available at carmichaelwd.org and sswd.org.

How are CWD and SSWD being thoughtful in exploring combination opportunities?

CWD and SSWD are taking care to undergo a deliberative, public process to explore combination opportunities. Since July 2021, this has included public discussions by the CWD/SSWD 2x2 Committee, which includes leadership and management from both water providers, and regular Board meeting reports.

The districts also retained a financial consulting firm that specializes in working with government agencies and utilities. The CWD and SSWD Boards of Directors have accepted the initial study and directed their respective staffs to do a detailed technical analysis on additional issues and questions raised during the study's review.

Ultimately, any decisions about moving forward will occur after an open, public process that provides opportunities for input.

