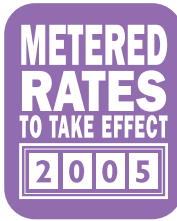




IN THE DARK ON METERED RATES?



All flat rate customers will be transitioned to a metered rate due to a federal mandate

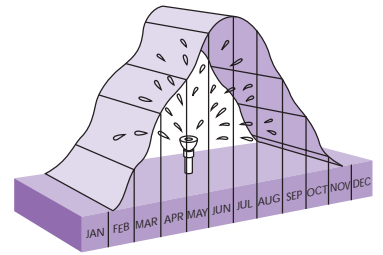
Comparisons May Shed Some Light
As you may know, federal law requires SJWD to convert all customers to metered rates in 2005. Starting with this bill, we are providing rate comparisons on our flat rate bills to better prepare customers for the transition to metered rates.

If you're a flat rate customer, this bill contains data obtained from only the most recent meter read period. (The number of days between meter reads is the same number of days in your flat-rate service period.) With subsequent bills, meter read data and comparisons will be added until a full year's data is presented.

Keep in mind that when customers are billed for actual water use, they tend to have lower bills in the winter and higher bills in the summer. Showing the comparisons over the course of one year illustrates these seasonal fluctuations in water use (and bill amounts) and provides a good estimate of your annual metered rate compared to your annual flat rate. The district plans to offer a bill-averaging option by

2005 so customers may pay a consistent amount each billing period.

Look in the "account activity" section of your bill for the comparison of your flat rate to a metered rate based on your household's water consumption.



With metered rates, water bills peak in the spring and summer.

We're Here to Help!

Some customers may find that they'll actually save money with water meters and may elect to switch to paying a metered rate at any time.* On the other hand, we are dedicated to lessening financial impacts as much as possible for those who may experience higher bills. That's why we offer a number of free programs to make the transition to metered rates a smooth one. Visit www.sjwd.org or call (916) 791-2663 for more information.

* We recommend comparing a full year's metered rate to a full year's flat rate or, at the very minimum, comparing your summer metered bill amounts to your flat rate before you make a decision to switch to a metered rate prior to 2005.

YOUR WATER BILL HAS A NEW LOOK

If you're a customer paying a flat rate, this month's bill has a new look! Pictured here is the typical new water bill. Bills for customers paying a

metered rate have a similar look. For more detailed information and a breakdown of cost descriptions, visit www.sjwd.org.

District Information:
Includes San Juan Water District's physical and mailing addresses, phone number, Web site and office hours.

Account Activity:
Shows total consumption for the current billing period and a calculated metered rate for comparison purposes only. You will not pay the metered rate until February 2005. (1 unit = 100 cubic feet = 748 gallons.)

Amount Due:
Indicates the total amount owed. If the amount due is followed by "CR," this indicates an account credit and no payment is due.

As a community services district, SJWD is a non-profit organization established for the benefit of the consumer. The water district cannot charge customers more than the cost of providing service.



Account Information:
Includes customer name, property address, customer and account numbers, bill and due dates and the service period for the bill. Flat rate customers, take note that the billing service period changed with your July or August bill. Flat rate bills are now calculated based on meter read dates. This change did not affect rates.

Special Message:
The special message box contains important customer service news, district programs and services, special notices and rate change reminders.

Payment Stub:
Please remove this portion of your bill and return it with your payment.

FLAT RATE CUSTOMERS WONDER "HAS MY RATE CHANGED?"

A Look at Where We've Been, Where We Are and Where We're Going

July/August 2003:

Billing service periods changed for flat rate customers. This change did not affect rates, but customers may have noticed a higher or lower bill due to the change in the number of days in the service period.

September 2003:

A board-approved 12 percent rate increase went into effect to cover the costs of bringing the district's water treatment plant in line with new, more stringent federal regulations in water treatment. In addition to helping cover the cost of water treatment plant upgrades, the rate increase will fund improvements to pump stations and reservoirs that are more than 20 years old. The rate increase was kept to a minimum through a grant, which covers 50 percent of the cost of the water treatment plant upgrades.

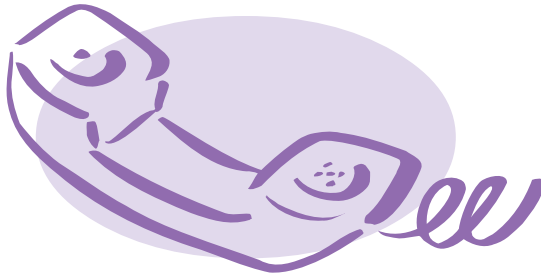
Also in September, the final phase of implementing a standardized rate for all flat rate customers went into effect. All customers now pay an equal share of the cost of providing service.

November/December 2003:

The first bills with rate comparison information are being mailed so flat rate customers can compare their current flat rate to a metered rate based on their water consumption.

February 2005:

Metered rates expected to take effect.



CUSTOMER INPUT MAKES A DIFFERENCE

At SJWD, earning and maintaining the trust of our customers is a top priority. We listen to your suggestions and often use your input in our policy- and decision-making. There are a variety of simple ways you can communicate with us:

- Complete our online customer survey at www.sjwd.org.
- Attend a board meeting. They take place on the second and fourth Wednesday of each month at 7 p.m. at the district offices at 9935 Auburn-Folsom Road in Granite Bay.
- Call us at (916) 791-0115.
- E-mail customer service staff at jgagnier@sjwd.org.

GENERAL MANAGER TO RETIRE AFTER 28 YEARS

Jim English, general manager for 14 years, will retire this December after 28 years with the district.



"The public has been wonderful about providing me the opportunity to work at something I never considered a job — it's a passion," English said. "My passion is as strong as ever and the district is in fine shape and well respected — it's the best time to move on and do other things."

Under his leadership, the district successfully overcame a number of challenges. The district's access to federal water supplies was protected through the installation of water meters on all SJWD residential and commercial properties. The district also took the lead on regional water issues, such as the development of a regional water master plan, and was instrumental in helping create the Water Forum Agreement intended to preserve the Lower American River.

Also during his tenure, the district saw overall water use decrease despite an increase in wholesale and retail customers, thanks to English's commitment to water efficiency programs and services.

English will be replaced by Shauna Lorance, who currently serves as the district's assistant general manager.

MARK YOUR CALENDARS

Local youth organizations are invited to join SJWD in planting acorns as part of the 13th annual New Oaks Project.



Saturday, December 6
9:30 a.m. to noon
San Juan Water District
9935 Auburn-Folsom Road
Granite Bay

This program is designed to help replace oak trees throughout the community that were lost to development. Youth organizations interested in participating must reserve a spot by calling (916) 791-2663.



DON'T FORGET TO CALL!

Are you planning to sell or vacate your current property? If so, remember to call us at (916) 791-0115 and provide us with an update about your property's status. This will ensure that we don't charge you unnecessarily.



SAN JUAN
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