



October 12, 2007

Dear Community Member,



The Emergency Storage Project is a system of reservoirs, interconnected pipelines and pumping stations designed to make water available to the San Diego region in the event of an interruption in imported water deliveries.

The Emergency Storage Project is part of the Water Authority's Capital Improvement Program to enhance and increase the operational flexibility of its water delivery system.

The San Diego County Water Authority's Lake Hodges Projects, part of the Emergency Storage Project, will help keep water flowing throughout the region if catastrophic events such as an earthquake or prolonged drought were to cut off imported water deliveries. A status update on the projects is summarized below.

Pump Station Update

Construction at the Lake Hodges Projects site is now concentrated in the pump station. The 120-foot-deep pump station excavation is complete and the contractor has started pouring the concrete walls of the building. All of the hydro-electromechanical equipment, which was manufactured around the world in places like Turkey, Brazil, China, Canada, Norway, and the United States, has been delivered to the site and installation is under way.

As a reminder, construction work is normally conducted Monday through Friday from 7 a.m. to 7 p.m. Occasional as-needed Saturday work is also conducted from 7 a.m. to 5 p.m. Previously, 24-hour tunneling operations and night work from 7 p.m. to 3 a.m. were also implemented. As construction activities progress, the contractor may resume these expanded hours to keep the project on schedule. The Water Authority will continue to keep the community updated on the project's construction activities. For questions or concerns about the construction, please call the toll-free Emergency Storage Project information line at **(877) 426-2010**.

Electric Switchyard Update

San Diego Gas & Electric will finish work on the electrical switchyard by the end of the year. Once the Lake Hodges Projects are complete in late 2008, electricity generated by the pump station will be transmitted to the SDG&E switchyard, then to a power line that connects to the local transmission system. The Lake Hodges Projects will have the ability to generate enough electricity to annually sustain nearly 26,000 homes.

Lake Hodges Community Landscape Committee

The initial Lake Hodges Community Landscape Committee meetings were held in September. The committee members were tasked with compiling community recommendations about the type of landscaping to include on the project site. The Water Authority's landscape architect will incorporate the feasible recommendations into a landscape design for the project site.

At the next committee meeting on Thursday, November 1, from 6-8 p.m. at the Del Dios Fire Station, the Water Authority's landscape architect will present the draft design. The landscape



committee meeting summaries are available on the Lake Hodges Projects website at:
<http://www.sdcwa.org/infra/esp-lakehodgesprojects.phtml>.

The landscape committee has six members. The Del Dios community has three representatives: Suzette Amon, Joe Ferguson, and Mike Kratz. The Lake Hodges Hills community has one representative: Dave Risoff. The Lake Hodges Native Plant Club and the San Diego Windsurf Association also each have one representative on the committee.

Website Updates

A photographic tour of the Lake Hodges Projects construction is now available on the Lake Hodges Projects website. The photo tour shows the construction of the tunnel, pipeline, and pump station. The website also contains links to subscribe to the email project update list and view the updated Lake Hodges Projects fact sheet, the Del Dios Town Council meeting summaries of the Water Authority's presentations, and copies of all community correspondence.

The 20-Gallon Challenge

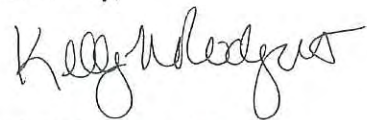
The Water Authority is encouraging all residents to participate in the 20-Gallon Challenge. If every person can save 20 gallons of water a day, it will significantly help to keep more water in storage to meet future demands. Saving water is easier than you might think. For conservation tips and information about water-saving incentive programs, visit www.20gallonchallenge.com.

For More Information

To reach the Lake Hodges Projects website, go to www.sdcwa.org, click on "Infrastructure," then "ESP," and finally "Lake Hodges Projects." If you have questions, please call our toll-free project information line at (877) 426-2010 or email us at ESPinfo@sdcwa.org.

We appreciate your patience and understanding as we construct these critical water facilities for the region.

Sincerely,



Kelly Rodgers, P.E.
Project Manager, Lake Hodges Projects
San Diego County Water Authority