



**LAS VIRGENES MUNICIPAL WATER DISTRICT**  
**4232 Las Virgenes Road, Calabasas, CA 91302**

**AGENDA**  
**REGULAR MEETING**  
**December 15, 2020, 9:00 AM**

Public Participation for Meetings of Las Virgenes Municipal Water District Board of Directors in Response to COVID-19

On March 4, 2020, Governor Newsom proclaimed a State of Emergency in California as a result of the threat of COVID-19. On March 17, 2020, Governor Newsom issued Executive Order N-29-20 (superseding the Brown Act-related provisions of Executive Order N-25-20 issued on March 12, 2020), which allows a local legislative body to hold public meetings via teleconferencing and to make public meetings accessible telephonically or otherwise electronically to all members of the public seeking to observe and to address the local legislative body. Pursuant to Executive Order N-29-20, please be advised that members of the Las Virgenes Municipal Water District will participate in meetings telephonically.

**PUBLIC PARTICIPATION:** Pursuant to Executive N-29-20 and given the current health concerns, members of the public can access meetings live on-line, with audio and limited video, at [www.LVMWD.com/LiveStream](http://www.LVMWD.com/LiveStream). In addition, members of the public can submit comments electronically for consideration by sending them to [www.LVMWD.com/LiveStream](http://www.LVMWD.com/LiveStream). To ensure distribution to the members of the Las Virgenes Municipal Water District Board of Directors prior to consideration of the agenda, please submit comments 24 hours prior to the day of the meeting. Those comments, as well as any comments received during the meeting, will be distributed to the members of the Board of Directors and will be made part of the official public record of the meeting. Contact Josie Guzman, Executive Assistant/Clerk of the Board, at (818) 251-2123 or [jguzman@lvmwd.com](mailto:jguzman@lvmwd.com) with any questions.

**ACCESSIBILITY:** If requested, the agenda and backup materials will be made available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and the federal rules and regulations adopted in implementation thereof. Any person who requires a disability-related modification or accommodation, in order to observe and/or offer public comment may request such reasonable modification, accommodation, aid, or service by contacting the Executive Assistant/Clerk of the Board by telephone at (818) 251-2123 or via email to [jguzman@lvmwd.com](mailto:jguzman@lvmwd.com) no later than 9:00 AM on the day before the scheduled meeting.

Members of the public wishing to address the Board of Directors are advised that a statement of Public Comment Protocols is available from the Clerk of the Board. Prior to speaking, each speaker is asked to review these protocols, complete a speakers' card, and hand it to the Clerk of the Board. Speakers will be recognized in the order the cards are received. A live webcast of the meeting will be available at LVMWD.com. Also, a web-based version of the speaker card is available for those who would like to submit written comments electronically or request to make public comment by telephone during the meeting.

The Public Comments agenda item is presented to allow the public to address the Board on matters not on the agenda. The public may also present comments on matters on the agenda; speakers for agendized items will be recognized at the time the item is called up for discussion.

Materials prepared by the District in connection with the subject matter on the agenda are available for public inspection at 4232 Las Virgenes Road, Calabasas, CA 91302. Materials prepared by the District and distributed to the Board during this meeting are available for public inspection at the meeting or as soon thereafter as possible. Materials presented to the Board by the public will be maintained as part of the records of these proceedings and are available upon request to the Clerk of the Board.

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## **PLEDGE OF ALLEGIANCE**

### **1 CALL TO ORDER AND ROLL CALL**

### **2 APPROVAL OF AGENDA**

### **3 PUBLIC COMMENTS**

Members of the public may now address the Board of Directors **ON MATTERS NOT APPEARING ON THE AGENDA**, but within the jurisdiction of the Board. No action shall be taken on any matter not appearing on the agenda unless authorized by Subdivision (b) of Government Code Section 54954.2

### **4 CONSENT CALENDAR**

Matters listed under the Consent Calendar are considered to be routine, non-controversial and normally approved with one motion. If discussion is requested by a member of the Board on any Consent Calendar item, or if a member of the public wishes to comment on an item, that item will be removed from the Consent Calendar for separate action.

#### **A List of Demands: December 15, 2020 (Pg. 6)**

Receive and File

#### **B Minutes: Regular Meeting of December 1, 2020 (Pg. 29)**

Approve

- C **Directors' Per Diem: November 2020 (Pg. 36)**  
Ratify
- D **Monthly Cash and Investment Report: October 2020 (Pg. 43)**  
Receive and file the Monthly Cash and Investment Report for October 2020.
- E **Summary of Financial Impacts of COVID-19 (Pg. 54)**  
Receive and file a summary of the financial impacts of COVID-19.
- F **Response to Coronavirus (COVID-19) Pandemic: Continuation of Emergency (Pg. 58)**  
Approve the continuation of an emergency declaration for response to the coronavirus (COVID-19) pandemic.
- G **CIS Software: Annual Support and Maintenance Agreement (Pg. 60)**  
Authorize the General Manager to execute an annual support and maintenance agreement with Advanced Utility Systems, in the amount of \$77,515.21, plus applicable taxes, for the District's Customer Information System software.
- H **Claim by Dennis Nagdeman and Rebecca Hurst Hass Nagdeman (Pg. 63)**  
Deny the claim submitted by Dennis Nagdeman and Rebecca Hurst Hass Nagdeman.
- I **Calleguas-Las Virgenes Municipal Water District Interconnection Project: SCE Right-of-Way and Utility Crossing Consent Agreement (Pg. 72)**  
Authorize the General Manager to execute a Right-of-Way and Utility Crossing Consent Agreement with Southern California Edison for the Calleguas-Las Virgenes Municipal Water District Interconnection Project.
- J **Calleguas-Las Virgenes Municipal Water District Interconnection Project: Change Order No. 1 (Pg. 94)**  
Authorize the General Manager to approve Change Order No. 1 to provide an additional 50 calendar days to the construction duration for for the Calleguas-Las Virgenes Municipal Water District Interconnection Project.

5 **ILLUSTRATIVE AND/OR VERBAL PRESENTATION AGENDA ITEMS**

- A **Oath of Office for Directors Charles Caspary, Division 1, and Len Polan, Division 4 (Pg. 99)**
- B **MWD Representative Report (Pg. 107)**
- C **Legislative and Regulatory Updates**
- D **Water Supply Conditions Update (Pg. 111)**

6 **TREASURER**

7 **BOARD OF DIRECTORS**

A **Election of Officers: President, Vice-President, Secretary and Treasurer (Pg. 113)**

Accept any final nominations and elect Directors to serve two-year terms as President, Vice-President, Secretary, and Treasurer of the Board of Directors.

B **Reappointment of Representative to Board of Metropolitan Water District of Southern California (Pg. 114)**

Reappoint Glen Peterson as the District's representative to the Board of Directors of Metropolitan Water District of Southern California.

C **Reappointment of Deputy Secretaries and Deputy Treasurer (Pg. 116)**

Reappoint David W. Pedersen, General Manager, and Josie Guzman, Executive Assistant/Clerk of the Board, as Deputy Secretaries, and Donald Patterson, Director of Finance and Administration, as Deputy Treasurer.

8 **GENERAL MANAGER**

A **Attorney Retainer Agreement with Olivarez Madruga Lemieux O'Neill, LLP: Approval (Pg. 117)**

Authorize the General Manager to execute an updated Attorney Retainer Agreement with Olivarez Madruga Lemieux O'Neill, LLP, for legal services.

9 **FACILITIES AND OPERATIONS**

A **Replacement of Construction Service Truck: Approval (Pg. 127)**

Authorize the General Manager to issue a purchase order to TransWest Truck Center of Fontana, in the amount of \$159,493.99, for an F-550 service truck with utility bed, one-ton truck-mounted crane, Boss power take-off driven air compressor/generator and associated equipment.

10 **FINANCE AND ADMINISTRATION**

A **Proposed Potable Water, Recycled Water and Sanitation Rates: Schedule Public Hearing (Pg. 147)**

Receive and file the 2020 Water, Recycled Water and Sanitation Rate Study and Proposition 218 Notice, and schedule a virtual public hearing on proposed potable water, recycled water and sanitation rates for February 2, 2021, at 9:00 a.m.

11 **ENGINEERING AND EXTERNAL AFFAIRS**

A **Automatic Meter Reading/Advanced Metering Infrastructure Project: Partial Termination and Award of Meter Installation Services (Pg. 272)**

Authorize the General Manager to partially terminate the agreement with Ferguson Waterworks and execute a new agreement, in the amount of \$2,167,565.10, for installation of water meters based on an updated special wage determination provided by the California Department of Industrial Relations for the Automatic Meter Reading/Advanced Metering Infrastructure Project.

12 **INFORMATION ITEMS**

A **Reimbursable Expenses for Fiscal Year 2019-20 (Pg. 286)**

B **Las Virgenes (Westlake) Reservoir Dam Spillway Repairs (Pg. 292)**

13 **NON-ACTION ITEMS**

A **Organization Reports**

B **Director's Reports on Outside Meetings**

C **General Manager Reports**

(1) General Business

(2) Follow-Up Items

D **Director's Comments**

14 **FUTURE AGENDA ITEMS**

15 **PUBLIC COMMENTS**

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16 **ADJOURNMENT**

Pursuant to Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and applicable federal rules and regulations, requests for a disability-related modification or accommodation, including auxiliary aids or services, in order to attend or participate in a meeting, should be made to the Executive Assistant/Clerk of the Board in advance of the meeting to ensure availability of the requested service or accommodation. Notices, agendas, and public documents related to the Board meetings can be made available in appropriate alternative format upon request.

## LAS VIRGENES MUNICIPAL WATER DISTRICT

To: LYNDA LO-HILL, TREASURER

Payments for Board Meeting of : December 15, 2020

Deputy Treasurer has verified that all checks and wire transfers were issued in conformance with LVMWD Administrative Code Section 2-6.203.

Wells Fargo Bank A/C No. 4806-994448

Checks Nos. 86360 through 86459 were issued in the total amount of \$ 724,993.01

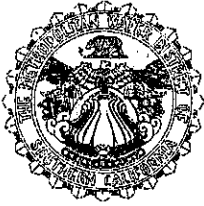
**Payments through wire transfers as follows:**

11/30/2020 Metropolitan Water District	Payment for water deliveries in the month of September 2020	\$	2,204,838.24
	Sub-Total Wires	\$	<u>2,204,838.24</u>
	Total Payments	\$	<u><u>2,929,831.25</u></u>

(Reference is hereby to these demands on file in the District's Check Register and by this reference the same is incorporated herein and made a part hereof.)

**CHECK LISTING FOR BOARD MEETING  
12/15/20**

		Check No. 86360 thru 86459 11/30/20	
Company Name	Company No.	Amount	Total
Potable Water Operations	101	64,207.11	64,207.11
Recycled Water Operations	102	2,738.00	2,738.00
Sanitation Operations	130	5,862.64	5,862.64
Potable Water Construction	201	2,424.75	2,424.75
Water Conservation Construction	203		-
Sani- Construction	230		-
Potable Water Replacement	301	127,164.52	127,164.52
Reclaimed Water Replace	302		-
Sanitation Replacement	330	11,200.00	11,200.00
Internal Service	701	177,362.41	177,362.41
JPA Operations	751	168,778.64	168,778.64
JPA Construction	752		-
JPA Replacement	754	165,254.94	165,254.94
<b>Total Printed</b>		<b>724,993.01</b>	<b>724,993.01</b>
<b>Net Total</b>		<b>724,993.01</b>	<b>724,993.01</b>



**MWD**  
**METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA**  
 700 North Alameda Street  
 Los Angeles, CA, 90012-2944

**INVOICE**

**Billed To:**  
 Las Virgenes Municipal Water District



**Service Address**  
 4232 Las Virgenes Road  
 Calabasas, CA 91302

September 2020	Page No. 1 of 1
Mailed: 10/09/2020	Due Date: 11/30/2020
Invoice Number: 10208	Revision: 0

**NOTICE**

The MWD Administrative Code Section 4507 and 4508 require that payment must be made in "Good Funds" by the due date or the payment will be considered delinquent and an additional charge shall be assessed.

DELIVERIES	Volume (AF)
Total Water Treated Delivered	1,912.8
Total Water Untreated Delivered	

SALES	Type	Volume (AF)	Rate (\$ /AF)	Total (\$ )
Full Service	Tier 1 Supply Rate	1,912.8	\$208.00	\$397,862.40
	System Access Rate	1,912.8	\$346.00	\$661,828.80
	Water Stewardship Rate	1,912.8	\$65.00	\$124,332.00
	System Power Rate	1,912.8	\$136.00	\$260,140.80
	Treatment Surcharge	1,912.8	\$323.00	\$617,834.40
<b>SUBTOTAL</b>				<b>\$2,061,998.40</b>

OTHER CHARGES AND CREDITS	Rate (\$ /AF)
Capacity Charge( Payment Schedule: M)	\$33,660.00
Readiness To Serve Charge( Payment Schedule: M)	\$117,829.00
Miscellaneous Debit/Credit (See Detail)	(\$8,649.16)
<b>SUBTOTAL</b>	<b>\$142,839.84</b>

ADDITIONAL INFORMATION	Volume (AF)	Tier1 %	Peak Day	Flow (CFS)
Capacity Charge			8/9/2018	45.9
Purchase Order Firm Delivery To Date (Jan 2015 to Dec 2024)	112,156.8			
Tier 1 Annual Limit (For Current Calendar Year)	24,359.0			
Tier 1 YTD Deliveries (For Current Calendar Year)	15,567.0	63.9		
Tier 1 Current Month Deliveries	1,912.8			
Purchase Order Commitment (Jan 2015 to Dec 2024)	162,390.0			

<b>INVOICE TOTAL</b>	Volume AF <b>1,912.8</b>	Amount Now Due <b>\$2,204,838.24</b>
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Note: Amount Due is based on highlighted fields

Approved for Payment:

John Zhao Date

Approved for Payment  
  
 David W. Pedersen, P.E.

**P A I D**  
 wired 11/30/20 JC



Batch Number - 283980

Bank Account - 00146807 Cash-General

Payment . . .		Address	Name	Payment Stub Message	Document . . .		Key		Amount	Invoice
Number	Date	Number			Ty	Number	Itm	Co		Number
86360	11/30/20	2317	ACORN NEWSPAPER	DISPLAY ADS-10/29/20	PV	172939	001	00701	544.00	159689
				DISPLAY ADS-10/29/20	PV	172939	002	00701	544.00	159689
				DISPLAY ADS-11/12	PV	173012	001	00701	544.00	160425
				DISPLAY ADS-11/12	PV	173012	002	00701	544.00	160425
				Payment Amount					2,176.00	
86361	11/30/20	21566	AECOM TECHNICAL SERVICES, INC.	P/E 10/30-MTR REPLCMNT	PV	173018	001	00701	2,357.25	2000423773
				Payment Amount					2,357.25	
86362	11/30/20	14518	ALLAMERICAN ASPHALT	RFND BAL - CLOSED A/C	PV	172783	001	00101	939.58	10000246
				RFND BAL - CLOSED A/C	PV	172784	001	00101	876.94	10000256
				Payment Amount					1,816.52	
86363	11/30/20	2387	AMERRAY HYDRAULICS CORP	BALL VALVES/CONNEC TORS	PV	172867	001	00701	2,419.97	51441
				Payment Amount					2,419.97	
86364	11/30/20	19264	A TO Z LAW	JPA COUNSEL SRV-OCT'20	PV	172882	001	00701	440.00	1773
				Payment Amount					440.00	
86365	11/30/20	5625	ASSOC. OF WATER AGENCIES OF VENTURA CO	CCWUC TRAIING 10/28 S.T.	PV	172789	001	00701	25.00	06-12964
				Payment Amount					25.00	
86366	11/30/20	20695	AT&T	SRV 10/5~11/4/20	PV	172858	001	00101	106.60	0051/110520
				SRV 10/5~11/4/20	PV	172858	002	00101	51.55	0051/110520
				SRV 10/5~11/4/20	PV	172858	003	00101	65.83	0051/110520
				SRV 10/5~11/4/20	PV	172858	004	00101	773.59	0051/110520
				SRV 10/5~11/4/20	PV	172858	005	00101	691.04	0051/110520

Batch Number - 283980

Bank Account - 00146807 Cash-General

Payment . . .		Address	Name	Payment Stub Message	. . . Document . . .		Key	Amount	Invoice
Number	Date	Number			Ty	Number	Itm Co		Number
				SRV	PV	172858	006 00101	54.01	0051/110520
				10/5~11/4/20					
				SRV	PV	172858	007 00101	51.55	0051/110520
				10/5~11/4/20					
				SRV	PV	172858	008 00101	51.55	0051/110520
				10/5~11/4/20					
				SRV	PV	172858	009 00101	51.55	0051/110520
				10/5~11/4/20					
				SRV	PV	172858	010 00101	51.55	0051/110520
				10/5~11/4/20					
				SRV	PV	172858	011 00101	51.55	0051/110520
				10/5~11/4/20					
				SRV	PV	172858	012 00101	51.55	0051/110520
				10/5~11/4/20					
				SRV	PV	172858	013 00101	214.49	0051/110520
				10/5~11/4/20					
				SRV	PV	172858	014 00101	51.55	0051/110520
				10/5~11/4/20					
				SRV	PV	172858	015 00101	25.77	0051/110520
				10/5~11/4/20					
				SRV	PV	172858	016 00101	25.78	0051/110520
				10/5~11/4/20					
				Payment Amount				2,369.51	
86367	11/30/20	2869	AT&T	SRV	PV	172859	001 00701	51.77	4639/111420
				11/14~12/13					
				SRV 11/5~12/4	PV	172860	001 00101	337.32	9054/110520
				SRV 11/7~12/6	PV	172861	001 00101	406.35	2043/110720
				SRV 11/7~12/6	PV	172862	001 00101	201.15	2045/110720
				SRV 11/7~12/6	PV	172863	001 00101	67.19	0123/110720
				SRV 11/7~12/6	PV	172864	001 00101	33.09	0124/110720
				Payment Amount				1,096.87	
86368	11/30/20	20491	BEST BEST & KRIEGER LLP	P/E 10/31 ST	PV	172880	001 00701	5,000.00	891121
				LBBY					
				P/E 10/31 FED	PV	172881	001 00701	7,500.00	891120
				LBBY					
				Payment Amount				12,500.00	
86369	11/30/20	18071	BLUE DIAMOND MATERIALS	7.46 TN A/C	PV	172983	001 00701	409.36	2056103
				FINE					
				Payment Amount				409.36	
86370	11/30/20	21392	BLUESPACE INTERIORS	INSTALL	PV	172823	001 00701	3,917.64	I-01812213
				CARPET-TAPIA					

Batch Number - 283980

Bank Account - 00146807 Cash-General

Payment		Address	Name	Payment Stub Message	Document	Key		Amount	Invoice
Number	Date	Number			Ty	Number	Itm Co		Number
				Payment Amount				3,917.64	
86371	11/30/20	15635	BRENNTAG PACIFIC, INC.	AMMONIUM SULFATE	PV	172835	001 00701	969.36	BPI97259
				AMMONIUM SULFATE	PV	172835	002 00701	155.00	BPI97259
				Payment Amount				1,124.36	
86372	11/30/20	2964	CA DEPARTMENT OF TAX&FEE ADMINISTRATIO N	WTR RIGHTS FY'20-21	PV	172912	001 00101	391.80	438493215
				Payment Amount				391.80	
86373	11/30/20	20655	CANNON CORPORATION	P/E 10/30 MULHLND BRDG	PV	172811	001 00701	2,295.25	74417
				P/E 10/31 INTRCNT DSGN	PV	172890	001 00701	2,259.75	74416
				Payment Amount				4,555.00	
86374	11/30/20	18107	CAROLLO ENGINEERING, INC	P/E PWP TEST/OP SPRT	PV	172889	001 00701	20,003.00	0192793
				P/E 10/31 PWP FUND GRANT	PV	172892	001 00701	3,086.75	0192124
				Payment Amount				23,089.75	
86375	11/30/20	21141	CAVANAUGH & ASSOCIATES, P.A.	'19 AWWA AUDIT VALIDATN	PV	172899	001 00101	2,500.00	WE.19.050-2
				Payment Amount				2,500.00	
86376	11/30/20	18860	CHEMTREAT, INC.	NOV'20 WTR TRMNT	PV	172797	001 00701	739.86	CIN010057534
				Payment Amount				739.86	
86377	11/30/20	21664	JING CHEN	RFND BAL - CLOSED A/C	PV	172781	001 00101	23.94	071792
				Payment Amount				23.94	
86378	11/30/20	20797	CHRIS' MOBILE TIRE SERVICE	RPR FLAT TIRE-#711	PV	172906	001 00701	140.00	173647
				INSTALL TIRE-#862	PV	172907	001 00701	529.30	173618
				RPR TIRE-LOADER#7 09	PV	172931	001 00701	242.00	173632
				RPL 2 NEW TIRES-#709	PV	172932	001 00701	2,131.44	173636

Batch Number - 283980  
Bank Account - 00146807 Cash-General

Payment		Address	Name	Payment Stub Message	Document	Key		Amount	Invoice
Number	Date	Number			Ty	Number	Itm Co		Number
				RPL 1	PV	172933	001 00701	290.45	173646
				WHL/TIRE-#862					
				Payment Amount				3,333.19	
86379	11/30/20	2539	CITY OF SIMI VALLEY	PURCH WTR 9/4~11/9	PV	172913	001 00101	10,997.98	70241523
				Payment Amount				10,997.98	
86380	11/30/20	4586	CONSOLIDATED ELECTRICAL DISTRIBUTORS	GEN PURP RELAY	PV	172816	001 00701	312.34	9009-415653
				WLK GNRTR SRV	PV	172870	001 00701	3,250.00	9009-416978
				F/U- WLK	PV	172871	001 00701	2,200.00	9009-416978
				GNRTR SRV					
				Payment Amount				5,762.34	
86381	11/30/20	2547	COUNTY SANITATION DISTRICTS OF LA COUNTY	TAPIA GRIT HAULG - SEPT20	PV	172787	001 00751	1,166.21	48892/093020
				TAPIA GRIT HAULG - OCT20	PV	172788	001 00751	1,085.12	48892/103120
				Payment Amount				2,251.33	
86382	11/30/20	20833	CPS HR CONSULTING	TEST SRV-RECRUITMENT	PV	172909	001 00701	1,185.00	SOP51995
				TEST SRV-RECRUITMENT	PV	173010	001 00701	800.00	SOP51845
				Payment Amount				1,985.00	
86383	11/30/20	19033	DENOVO VENTURES, LLC	DEC'20 DIST RCVRY	PV	172798	001 00701	4,938.00	69553
				Payment Amount				4,938.00	
86384	11/30/20	7847	DMV RENEWAL	LICENSE RENEW - SE632606	PV	172791	001 00701	27.00	SE632606/123120
				LICENSE RENEW - SE632605	PV	172792	001 00701	27.00	SE632605/123120
				LICENSE RENEW - SE632604	PV	172793	001 00701	27.00	SE632604/123120
				Payment Amount				81.00	
86385	11/30/20	4943	ENVICOM CORPORATION	P/E 8/25 JPA SOLAR PH2	PV	172836	001 00701	6,090.70	00015913
				P/E 9/25 JPA	PV	172837	001 00701	2,461.70	00015982

Batch Number - 283980  
Bank Account - 00146807 Cash-General

Payment Number	Payment Date	Address Number	Name	Payment Stub Message	Document Ty	Document Number	Key Itm	Key Co	Amount	Invoice Number
				SOLAR PH2						
				Payment Amount					8,552.40	
86386	11/30/20	8923	ENVIRONMENTAL EXPRESS, INC.	COD VIALS	PV	172938	001	00701	595.02	1000625770
				Payment Amount					595.02	
86387	11/30/20	18743	EUROFINS EATON ANALYTICAL, INC.	PW WEEKLY SAMPLES	PV	172896	001	00751	530.00	L0539979
				PW BI-MONTHLY SAMPLES	PV	172897	001	00751	195.00	L0541018
				PW WEEKLY SAMPLES	PV	172898	001	00751	530.00	L0540546
				Payment Amount					1,255.00	
86388	11/30/20	2654	FAMCON PIPE	COUPLINGS/CLAMP	PV	172868	001	00701	2,779.11	S100040598.00
				MISC CLA-VAL PARTS	PV	173006	001	00701	18,666.26	S100041104.00
				Payment Amount					21,445.37	
86389	11/30/20	2658	FEDERAL EXPRESS CORP	PCKG DEL	PV	172785	001	00751	61.26	7-180-76095
				11/4/20						
				PCKG DEL	PV	172934	001	00701	43.23	7-188-88626
				11/11 & 11/17/20						
				Payment Amount					104.49	
86390	11/30/20	2655	FERGUSON ENTERPRISES, LLC	RTN#3-AMR/AMI P/E 11/16	PD	172992	001	00301	992.75-	10660/RTN#3
				PMT#3-AMR/AMI P/E 11/16	PV	172993	001	00701	19,855.00	10660/PMT#3
		Alt Payee	3207	FERGUSON ENTERPRISES, INC. #1083 P. O. BOX 740827 LOS ANGELES CA 90074-0827						
				Payment Amount					18,862.25	
86391	11/30/20	21055	FIRESTONE COMPLETE AUTO CARE BRIDGESTONE	(6) TIRES/ALIGN-# 880	PV	172822	001	00701	3,147.69	195673
		Alt Payee	21088	FIRESTONE COMPLETE AUTO CARE 1100 E. THOUSAND OAKS BLVD.						

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Payment Number	Date	Address Number	Name	Payment Stub Message	Document Ty	Key Itm	Co	Amount	Invoice Number
THOUSAND OAKS CA 91362-2815									
								Payment Amount	
								3,147.69	
86392	11/30/20	19397	FIRST CHOICE SERVICES	10/20 COFFEE	PV	172799	001 00701	26.00	391540
				SRV-HQ					
				10/20 COFFEE	PV	172800	001 00701	31.16	391542
				SRV-RLV					
				10/20 COFFEE	PV	172801	001 00701	46.00	391541
				SRV-OPS					
				10/20 COFFEE	PV	172802	001 00701	47.76	391543
				SRV-TAPIA					
								Payment Amount	
								150.92	
86393	11/30/20	3864	FTI GROUP	TAX FORMS/W-2	PV	172790	001 00701	57.18	160254
				20020					
								Payment Amount	
								57.18	
86394	11/30/20	6770	G.I. INDUSTRIES	10/16~10/31	PV	172944	001 00701	1,550.36	2961422-0283-
				SHOP BLDG					1
				11/1~11/15	PV	172945	001 00701	778.33	2967372-0283-
				SHOP BLDG					2
		Alt Payee	6771	G.I. INDUSTRIES P. O. BOX 541065 LOS ANGELES CA 90054-1065					
								Payment Amount	
								2,328.69	
86395	11/30/20	20970	GARDA CL WEST, INC.	EXCESS TIME	PV	172846	001 00701	23.70	20455789
				FEES 10/19&21					
				ARMD TRANS	PV	173002	001 00701	340.58	10603194
				SRV-NOV'20					
								Payment Amount	
								364.28	
86396	11/30/20	2701	GRAINGER, INC.	STEP LADDER	PV	172917	001 00701	213.38	9688403816
				AERATORS	PV	172918	001 00701	81.17	9693557739
				LUBRICANT	PV	172919	001 00701	45.72	9697203827
				COMBO WRNCH	PV	172920	001 00701	380.65	9712178178
				SETS					
				DRAIN PIPE	PV	172921	001 00701	821.64	9689344845
				SOCKET WRENCH	PV	172922	001 00701	239.89	9713648849
				SET					
				CASTERS	PV	173019	001 00130	63.10	9656543825
				DRAIN	PV	173020	001 00751	172.20	9673369980
				COUPLERS					
		Alt Payee	5453	GRAINGER, INC.					

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Payment Number	Payment Date	Address Number	Name	Payment Stub Message	Document Ty	Document Number	Key Itm	Key Co	Amount	Invoice Number
			DEPT 805178142 PALATINE IL 60038-0001							
				Payment Amount					2,017.75	
86397	11/30/20	2705	HACH COMPANY	LAB SUPPLIES	PV	172833	001	00701	101.17	12201152
				ANNL INST	PV	173014	001	00701	20,744.00	12199527
				SRV-TAPIA						
		Alt Payee	6442 HACH COMPANY 2207 COLLECTIONS CENTER DR CHICAGO IL 60693							
				Payment Amount					20,845.17	
86398	11/30/20	7421	HAMNER, JEWELL AND ASSOCIATES	P/E 10/31 TWN LKS	PV	172886	001	00701	165.00	200535
				P/E 10/31-EMGCY GNRTRS	PV	173003	001	00701	11,493.65	200555
				Payment Amount					11,658.65	
86399	11/30/20	4409	HARRIS & ASSOCIATES, INC.	STNDBY CHGS 9/27~10/24	PV	172884	001	00701	312.50	46642
				Payment Amount					312.50	
86400	11/30/20	18646	HDR ENGINEERING, INC.	P/E 10/31-WSDR-CR EEKSIDE	PV	172732	001	00701	728.00	1200306137
				Payment Amount					728.00	
86401	11/30/20	20856	INTERNATIONAL PRINTING & TYPESETTING INC	CNTRCT COPIES-SDDLE PEAK	PV	172872	001	00701	344.93	22457
				CONTRACT COPIES-TAPIA	PV	172875	001	00701	640.58	22456
				6 CONTRC DOC-CRDLR TNK	PV	172988	001	00701	465.38	22461
				700 BIL INSRT-RW INCRS	PV	172989	001	00701	164.25	22469
				Payment Amount					1,615.14	
86402	11/30/20	21609	IWATER, INC.	INFRAMAP FLD/MGR	PV	173004	001	00701	17,748.00	8912
				Payment Amount					17,748.00	

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Payment		Address	Name	Payment Stub Message	Document	Key		Amount	Invoice
Number	Date	Number			Ty	Number	Itm Co		Number
86403	11/30/20	21197	JACOBS ENGINEERING GROUP INC.	P/E 9/25 PH2 WHT PAPER STDY	PV	172893	001 00701	23,316.88	W9Y23500-017- REV
				Payment Amount				23,316.88	
86404	11/30/20	20584	KAMBRIAN CORPORATION	OFFICE 365/AZURE LIC	PV	172885	001 00701	30,981.00	KINV5577
				Payment Amount				30,981.00	
86405	11/30/20	17447	KONECRANES INC.	LOAD TST CRANES-10/29	PV	172817	001 00701	3,902.00	154390455
				LOAD TST CRANES-10/29	PV	172817	003 00701	1,952.00	154390455
				LOAD TST CRANES-10/30	PV	172818	001 00701	1,056.00	154390577
				LOAD TST CRANES-10/30	PV	172818	003 00701	1,078.00	154390577
				Payment Amount				7,988.00	
86406	11/30/20	20622	L & L ROOFING	SEAL SKYLIGHTS-HQ/ OPS	PV	173021	001 00701	9,750.00	20-61
				Payment Amount				9,750.00	
86407	11/30/20	2611	LA DWP	TWN LKS P/S 10/15~11/14	PV	172914	001 00101	9,851.79	875698/111620
				RECTIFIER 10/14~11/16/2 0	PV	172915	001 00101	48.33	017698/111620
				RECTIFIER 10/15~11/17	PV	172916	001 00101	42.96	503850/111720
				Payment Amount				9,943.08	
86408	11/30/20	3352	LAS VIRGENES MUNICIPAL WATER DISTRICT	L/S #2 10/15~11/12	PV	172948	001 00130	57.82	0570/111820
				L/S #1 10/15~11/12	PV	172949	001 00130	54.97	1775/111820
				TAPIA 10/15~11/10	PV	172950	001 00751	473.74	1760/111820
				RLV 10/15~11/11	PV	172951	001 00751	386.43	2090/111820
				HQ PWP/DEMO 10/15~11/11	PV	172952	001 00751	325.03	2620/111820
				FIRE PRTC#8	PV	172953	001 00701	7.50	2650/111820



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Payment Number	Date	Address Number	Name	Payment Stub Message	Document Ty	Number	Key Itm	Co	Amount	Invoice Number
				10/15~11/11						
				HQ BLDG 8	PV	172954	001	00701	315.63	2647/111820
				10/15~11/11						
				FIRE PRTC#7	PV	172955	001	00701	7.50	2654/111820
				10/15~11/11						
				BLDG#7	PV	172956	001	00701	888.54	2656/111820
				10/15~11/11						
				BLDG#2	PV	172957	001	00701	360.15	2658/111820
				10/15~11/11						
				JED SMTH P/S	PV	172958	001	00101	58.34	0254/111820
				10/12~11/9						
				RLV FARM	PV	172959	001	00751	171.80	2080/111820
				10/15~11/11						
				RW P/S	PV	172970	001	00701	217.70	2645/110420
				9/23~10/28						
				BD#8/RECL	PV	172971	001	00701	237.51	2646/110420
				9/23~10/28						
				BD#8/RW	PV	172972	001	00701	207.72	2652/110420
				9/23~10/28						
				BD#7/RW	PV	172973	001	00701	237.41	2655/110420
				9/23~10/28						
				IND HILLS	PV	172974	001	00751	33.72	0558/110420
				9/24~10/29						
				MRRSN P/S	PV	172975	001	00751	33.72	0331/110420
				9/24~10/29						
				WLK FLT	PV	172976	001	00101	1,788.56	0907/110420
				9/24~10/29						
				WLK FLT	PV	172977	001	00101	315.63	0909/110420
				9/24~10/29						
				EQS TNK	PV	172978	001	00101	308.23	0896/110420
				9/23~10/28						
				RLV SOLAR	PV	172979	001	00754	114.02	9793/110420
				9/30~10/30						
				HQ PWP/DEMO	PV	172980	001	00751	11,086.11	0151/110420
				9/23~10/28						
				Payment Amount					17,687.78	
86409	11/30/20	20841	LIGHTHOUSE SERVICES, INC.	COMPLC HOTLN	PV	172794	001	00701	540.00	27037
				9/11/20~9/1/21						
				Payment Amount					540.00	
86410	11/30/20	2800	LOS ANGELES	WKLY/DGTL	PV	172895	001	00701	387.40	10004993857/2

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Payment		Address	Name	Payment Stub Message	Document	Key		Amount	Invoice
Number	Date	Number			Ty	Number	lrm Co		Number
			TIMES	THRU 11/25/21					0-21
				Payment Amount				387.40	
86411	11/30/20	2814	MCMASTER-CARR SUPPLY CO	PIPE	PV	172894	001 00101	279.35	46429804
				FTTINGS/CONNEC TORS					
				AIR FITTINGS	PV	173008	001 00101	58.88	48292732
		Alt Payee	3197 MC MASTER-CARR P. O. BOX 7690 CHICAGO IL 60680-7690						
				Payment Amount				338.23	
86412	11/30/20	21665	SCOTT MEHLMAN	RFND BAL - CLOSED A/C	PV	172782	001 00101	114.89	069804
				Payment Amount				114.89	
86413	11/30/20	21574	METERSYS	PROJECT MGMT AMR/AMI	PV	173013	001 00701	12,702.87	INV-000523
				Payment Amount				12,702.87	
86414	11/30/20	21558	MICHAEL K. NUNLEY & ASSOCIATES, INC.	P/E 10/31-TP OUTFALL REHAB	PV	173015	001 00701	201.88	8272
				P/E	PV	173016	001 00701	555.17	8271
				11/1-CNTRT VALVE DGSN					
				Payment Amount				757.05	
86415	11/30/20	14322	MILES CHEMICAL COMPANY, INC	53 GAL HYPOCHLORITE- PWP	PV	172982	001 00701	172.94	610232
				53 GAL HYPOCHLORITE- PWP	PV	172982	002 00701	45.00	610232
				Payment Amount				217.94	
86416	11/30/20	2846	NATIONAL PLANT SERVICES INC	CLEAN WET WELL-LS 1 & 2	PV	172821	001 00701	3,437.50	16082
				L/S 1 & 2 CLEANING 7/21	PV	172935	001 00130	1,725.00	15889
				CCTV & SWR LN CLN 9/18	PV	172936	001 00751	2,812.15	16084
				OLD TPNGA/WRCRST	PV	172937	001 00751	1,400.00	16174

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Payment		Address	Name	Payment Stub Message	Document	Key		Amount	Invoice
Number	Date	Number			Ty	Number	Lim Co		Number
				SWR 10/16					
				Payment Amount	9,374.65				
86417	11/30/20	2302	OFFICE DEPOT	DOCUMENT	PV	172923	001 00701	24.08	129428997001
				HOLDER					
				TONER	PV	172924	001 00701	60.16	129430386001
				DISTRICT	PV	172925	001 00701	842.49	129430385001
				OFFICE					
				SUPPLIES					
				ENVELOPES	PV	172926	001 00701	51.06	131120993001
				END TAB	PV	172927	001 00701	49.19	132529981001
				FOLDERS					
				CALCULATOR	PV	172928	001 00701	92.51	132309883001
				WALL SIGNS	PV	172929	001 00701	45.97	132531036001
				MAGNETS	PV	172930	001 00701	19.69	134133240001
				8 CASES OF	PV	172998	001 00701	306.51	134131929001
				PAPER					
				MISC OFFICE	PV	172999	001 00701	162.17	515389690001
				SUPPLIES					
				TAPE- BLK ON	PV	173000	001 00701	61.20	515414176001
				WHITE					
				PLANNERS &	PV	173001	001 00701	1,259.76	137741968001
				CALENDARS					
				STAPLER	PV	173005	001 00701	14.90	123627788002
				STAPLER	PV	173005	002 00701	17.93	123627788002
				Payment Amount	3,007.62				
86418	11/30/20	16372	OLIN CORPORATION - CHLOR ALKALI	4,828 GAL	PV	172734	001 00701	4,066.75	2896205
				HYPOCHLORITE					
				4,894 GAL	PV	172819	001 00701	4,272.24	2901241
				HYPOCHLORITE					
				4,934 GAL	PV	172981	001 00701	4,307.16	2904066
				HYPOCHLORITE					
		Alt Payee	16373	OLIN CORPORATION - CHLOR ALKALI P.O. BOX 402766 ATLANTA GA 30384-2766					
				Payment Amount	12,646.15				
86419	11/30/20	20728	OLIVAREZ MADRUGA LEMIEUX & O'NEILL	LEGAL	PV	172878	001 00701	12,756.37	140/103120
				CHARGES-OCT'20					

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Payment		Address	Name	Payment Stub Message	Document	Key		Amount	Invoice	
Number	Date	Number			Ty	Number	Itm	Co	Number	
				LEGAL	PV	172879	001	00701	37.75	140/103120
				CHARGES-OCT'20						
				Payment Amount					12,794.12	
86420	11/30/20	18946	PACIFIC	SRV P/E	PV	172814	001	00701	1,843.75	4390
			ADVANCED	10/31-NAOCL						
			CIVIL	TNK RPL						
			ENGINEERING,							
			INC.							
				DIGSTR2	PV	172815	001	00701	600.00	4387
				RHAB-P/E						
				10/31						
				Payment Amount					2,443.75	
86421	11/30/20	18996	PETTY CASH -	CASH	PV	172991	001	00701	78.76	112320
			KAREN NORMAN	EXP-JUL'19~NO						
				V'20						
				CASH	PV	172991	002	00701	23.15	112320
				EXP-JUL'19~NO						
				V'20						
				CASH	PV	172991	003	00701	25.00	112320
				EXP-JUL'19~NO						
				V'20						
				CASH	PV	172991	004	00701	13.35	112320
				EXP-JUL'19~NO						
				V'20						
				CASH	PV	172991	005	00701	2.00	112320
				EXP-JUL'19~NO						
				V'20						
				CASH	PV	172991	006	00701	10.59	112320
				EXP-JUL'19~NO						
				V'20						
				CASH	PV	172991	007	00701	1.40	112320
				EXP-JUL'19~NO						
				V'20						
				CASH	PV	172991	008	00701	54.72	112320
				EXP-JUL'19~NO						
				V'20						
				CASH	PV	172991	009	00701	29.20	112320
				EXP-JUL'19~NO						
				V'20						
				CASH	PV	172991	010	00701	25.00	112320

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Payment . . .		Address	Name	Payment Stub Message	Document . . .		Key		Amount	Invoice
Number	Date	Number			Ty	Number	Itm	Co		Number
				EXP-JUL'19~NO V20						
				CASH	PV	172991	011	00701	16.42	112320
				EXP-JUL'19~NO V20						
				CASH	PV	172991	012	00701	12.10	112320
				EXP-JUL'19~NO V20						
				CASH	PV	172991	013	00701	20.94	112320
				EXP-JUL'19~NO V20						
				Payment Amount					312.63	
86422	11/30/20	21441	PROGRESS SOFTWARE CORPORATION	MOVEIT MAINT 11/20~11/21	PV	172779	001	00701	1,020.00	IN661008
				Payment Amount					1,020.00	
86423	11/30/20	3809	PROGRESSIVE BUSINESS PUBLICATIONS	SFTY COMPLC ALERTS~21	PV	172908	001	00701	299.00	A64366260/20- 21
				Payment Amount					299.00	
86424	11/30/20	2585	PURETEC	11/1/20~1/31/ 21 DI RNTL	PV	172834	001	00701	265.77	1840622
				11/1/20~1/31/ 21 DI RNT-WLK	PV	172985	001	00701	86.13	1840811
				Payment Amount					351.90	
86425	11/30/20	18505	RAFTELIS FINANCIAL CONSULTANTS, INC.	P/E 10/31 RATE STDY	PV	172847	001	00701	8,406.25	17134
				Payment Amount					8,406.25	
86426	11/30/20	21594	RECYCLED WOOD PRODUCTS	130 YDS WOODCHIPS	PV	172824	001	00701	1,545.70	201276
				130 YDS WOODCHIPS	PV	172825	001	00701	1,545.70	201375
				130 YDS WOODCHIPS	PV	172826	001	00701	1,545.70	201431
				130 YDS WOODCHIPS	PV	172827	001	00701	1,545.70	201523
				130 YDS WOODCHIPS	PV	172828	001	00701	1,545.70	201587
				130 YDS WOODCHIPS	PV	172829	001	00701	1,545.70	201704

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Payment Number	Date	Address Number	Name	Payment Stub Message	Document Ty	Key Item	Co	Amount	Invoice Number
				WOODCHIPS					
				130 YDS	PV	173017	001 00701	1,545.70	201173
				WOODCHIPS					
				Payment Amount				10,819.90	
86427	11/30/20	20808	ROCKWELL	THNMGR RNWL	PV	172876	001 00701	3,011.26	9019430297
			AUTOMATION, INC.	11/5/20~11/4/ 21					
				THNMGR RNWL	PV	172876	003 00701	3,011.25	9019430297
				11/5/20~11/4/ 21					
				Payment Amount				6,022.51	
86428	11/30/20	21637	ROGERS	VARIABLE	PV	172736	001 00701	10,160.27	41381-REV
			EQUIPMENT SALES, INC	SPEED CONTRLR					
				Payment Amount				10,160.27	
86429	11/30/20	16022	ROLLS	SCFFLD	PV	172838	001 00701	2,268.02	6086913S1C
			SCAFFOLD & EQUIPMENT, INC	WLK-10/12~11/ 8/20					
				Payment Amount				2,268.02	
86430	11/30/20	20583	RT LAWRENCE	LOCKBOX	PV	172987	001 00701	949.77	44183
			CORPORATION	FEE-OCT'20					
				Payment Amount				949.77	
86431	11/30/20	20412	SHRED-IT USA	OCT'20 DOC	PV	172810	001 00701	198.71	8180719772
			LLC	SHRDG SRV					
				Payment Amount				198.71	
86432	11/30/20	2948	SMITH PIPE & SUPPLY	IRRGTN	PV	173007	001 00751	16.43	3672510
				MARKING FLAGS					
				Payment Amount				16.43	
86433	11/30/20	2958	SOUTHERN	CORNELL	PV	172940	001 00101	267.62	0400/110520
			CALIFORNIA GAS CO	10/2~11/3					
				RANCHO	PV	172941	001 00751	305.90	4200/110520
				10/2~11/3					
				HQ & SHOP	PV	172942	001 00701	900.31	3600/110520
				10/2~11/3					
				TAPIA	PV	172943	001 00751	936.65	4000/110520
				10/2~11/3					
				Payment Amount				2,410.48	
86434	11/30/20	8645	SOUTHERN	EE ANVRSRY	PV	172780	001 00701	901.79	100158-20
			CALIFORNIA	GIFT-KEY					

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Payment Number	Date	Address Number	Name	Payment Stub Message	Document Ty	Key Nm Co	Amount	Invoice Number
			TROPHY COMPANY	CHAINS				
				EE ANNVRSY GIFTS	PV	173022 001 00701	1,827.11	110014-20
				Payment Amount			2,728.90	
86435	11/30/20	16271	SPOK, INC.	PAGER SRV 11/11~12/10	PV	172877 001 00701	71.02	D0143084W
				PAGER SRV 11/11~12/10	PV	172877 002 00701	43.27	D0143084W
				Payment Amount			114.29	
86436	11/30/20	2969	STATE WATER RESOURCES CONTROL BOARD	RW FEE #1995001 FY19-20	PV	172911 001 00102	2,738.00	RW-1027569
				Payment Amount			2,738.00	
86437	11/30/20	21113	SURFSIDE RESTORATION & WATERPROOFING INC	WLK RES SPILLWAY RPR	PV	173024 001 00701	16,510.00	5236
				Payment Amount			16,510.00	
86438	11/30/20	21625	SYLVIR CONSULTING, INC	GRANT WRITING SRVS-AMI	PV	172735 001 00701	5,115.00	607
				Payment Amount			5,115.00	
86439	11/30/20	21137	TESLA, INC.	RW P/S-OCT'20 SOLAR	PV	172990 001 00701	8,934.88	18048486
				Payment Amount			8,934.88	
86440	11/30/20	12149	THATCHER CO. OF CALIFORNIA	4,096 GAL BISULFITE	PV	172733 001 00701	6,020.87	279918
				Payment Amount			6,020.87	
86441	11/30/20	21557	THE HOME DEPOT PRO-SUPPLY WORKS	CLOROX WIPES	PV	172903 001 00101	69.83	583136775
		Alt Payee	21560	THE HOME DEPOT PRO P. O. BOX 742440 LOS ANGELES CA 90074-2440				
				Payment Amount			69.83	
86442	11/30/20	21599	THE ROVISYS COMPANY	P/E 10/31-SCADA UPGD	PV	172883 001 00701	78,565.37	64121

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Payment		Address	Name	Payment Stub Message	Document	Key		Amount	Invoice
Number	Date	Number			Ty	Number	Itm Co		Number
				Payment Amount				78,565.37	
86443	11/30/20	20971	THOUSAND OAKS PLUMBING INC.	INSTL TCHLSS FAUCETS	PV	172737	001 00701	4,940.00	26443540
				INSTL TCHLSS FAUCETS	PV	172741	001 00701	1,560.00	26443683
				INSTL TCHLSS FAUCET	PV	172742	001 00701	260.00	26444083
				INSTL TCHLSS FAUCETS	PV	172743	001 00701	520.00	26446784
				RPR ANGLE STOP-BLDG8	PV	172744	001 00701	247.50	26976514
				Payment Amount				7,527.50	
86444	11/30/20	18651	TOYOTA MATERIAL HANDLING SOLUTIONS	SERVICE-UNIT# 134	PV	172904	001 00701	243.85	PSI-0215206
				SERVICE-UNIT #723	PV	172905	001 00701	656.53	PSI-0215207
				PM SRV-VEH#723	PV	172960	001 00701	164.96	PSI-0215385
				PM SRV-VEH#134	PV	172961	001 00701	117.27	PSI-0215386
				PM SRV-VEH#305	PV	172962	001 00701	167.96	PSI-0215387
				PM SRV-VEH#712	PV	172963	001 00701	91.00	PSI-0215389
				PM SRV-VEH#708	PV	172964	001 00701	91.00	PSI-0215390
				PM SRV-VEH#202	PV	172965	001 00701	164.96	PSI-0215492
				PM SRV-VEH#306	PV	172966	001 00701	91.00	PSI-0215493
				PM SRV-VEH#304	PV	172967	001 00701	91.00	PSI-0215494
				PM SRV & BTTRY-VEH#305	PV	172968	001 00701	378.34	PSI-0215522
				INSPCT STEERING-VEH# 708	PV	172969	001 00701	150.75	PSI-0215527
				Payment Amount				2,408.62	
86445	11/30/20	20880	TPX	SRV	PV	172865	001 00701	2,085.13	136803627-0



Batch Number - 283980

Bank Account - 00146807 Cash-General

Payment Number	Date	Address Number	Name	Payment Stub Message	Document Ty	Number	Key Itm	Co	Amount	Invoice Number
			COMMUNICATION S	11/16~12/15/20						
				SRV	PV	172865	002	00701	1,796.27	136803627-0
				11/16~12/15/20						
				SRV	PV	172865	004	00701	406.87	136803627-0
				11/16~12/15/20						
				SRV	PV	172865	007	00701	2,139.10	136803627-0
				11/16~12/15/20						
				Payment Amount					6,427.37	
86446	11/30/20	21252	TYLER TECHNOLOGIES, INC.	ERP IMPLTN	PV	172844	001	00701	10,500.00	045-319675
				10/14~10/23						
				ERP	PV	172845	001	00701	700.00	045-320381
				IMPLTN-10/14						
				Payment Amount					11,200.00	
86447	11/30/20	20935	US METRO GROUP, INC.	DISINFCT	PV	172820	001	00701	2,688.00	102893
				SRV-OCT'20						
				DISINFCT	PV	172820	003	00701	2,688.00	102893
				SRV-OCT'20						
				Payment Amount					5,376.00	
86448	11/30/20	2780	VALLEY NEWS GROUP	ADS DISPLAY	PV	172786	001	00751	175.00	10-29-20
				10/29/20						
				ADS DISPLAY	PV	172786	002	00751	175.00	10-29-20
				10/29/20						
				Payment Amount					350.00	
86449	11/30/20	21643	VALLEY SOIL, INC.	CUST	PV	173011	001	00701	785.00	26314
				ASST-SMART						
				SPRKLRS						
				Payment Amount					785.00	
86450	11/30/20	18604	VENTURA PEST CONTROL	PEST CNTRL	PV	172809	001	00701	135.00	736037
				SRV-NOV'20						
				PEST CNTRL	PV	172809	002	00701	100.00	736037
				SRV-NOV'20						
				PEST CNTRL	PV	172809	003	00701	340.00	736037
				SRV-NOV'20						
				Payment Amount					575.00	
86451	11/30/20	2436	VINCE BARNES AUTOMOTIVE	OIL/FLTRS-#81	PV	172848	001	00701	85.35	024859

Batch Number - 283980

Bank Account - 00146807 Cash-General

Payment		Address	Name	Payment Stub Message	Document	Key		Amount	Invoice	
Number	Date	Number			Ty	Number	Itm	Co	Number	
				HIGH PRSSR PUMP/JACK-#85 2	PV	172849	001	00701	1,435.89	024871
				OIL/FLTRS-#89 9	PV	172850	001	00701	72.87	024875
				RPLC VENT-PURGE VLV-#891	PV	172851	001	00701	335.49	024880
				SWAY BAR LINKS-MOUNTS	PV	172852	001	00701	601.54	024892
				RPLC OXYGEN SNSRS-#816	PV	172853	001	00701	340.29	024893
				OIL/FLTRS-#92 9	PV	172854	001	00701	163.65	024899
				RPLC REAR BRKS/SRV-#903	PV	172855	001	00701	360.89	024906
				OIL/FLTRS-#89 7	PV	172856	001	00701	57.81	024911
				OIL/FLTRS-#87 8	PV	172857	001	00701	68.52	024912
				Payment Amount					3,522.30	
86452	11/30/20	3034	VORTEX INDUSTRIES	RLV DOOR #6 RPR	PV	172901	001	00701	590.00	01-1453064
				WLK P/S DOOR-PM	PV	172902	001	00701	288.00	01-1447951
				Payment Amount					878.00	
86453	11/30/20	3035	VWR SCIENTIFIC	FILTERS	PV	172795	001	00701	703.65	8802637272
				TUBES, BUFFERS, PIPETS	PV	172796	001	00701	1,081.97	8802637271
		Alt Payee	3216	VWR INTERNATIONAL, INC P. O. BOX 640169 PITTSBURGH PA 15264-0169						
				Payment Amount					1,785.62	
86454	11/30/20	19685	W. LITTEN INC.	SPRYFLD 11/8~11/13	PV	172869	001	00701	8,124.39	20055
				SPRYFLD 11/16~11/18	PV	172986	001	00701	4,810.37	20056
				MAINT	PV	173023	001	00701	2,501.05	20057

Batch Number - 283980

Bank Account - 00146807 Cash-General

Payment Number	Payment Date	Address Number	Name	Payment Stub Message	Document Ty	Document Number	Key Ltm	Key Co	Amount	Invoice Number
				SRV-11/19~11/20						
				Payment Amount					15,435.81	
86455	11/30/20	21634	WATERSMART SOFTWARE, INC	AMR INTEFACE PLTFRM	PV	172887	001	00701	63,750.00	2398
				Payment Amount					63,750.00	
86456	11/30/20	18914	WECK LABORATORIES, INC.	WLK-OJ13052	PV	172840	001	00701	41.38	W0J1912-LV
				DIONIZED	PV	172841	001	00701	26.52	W0J2082-LV
				WTR-OJ27094	PV	172842	001	00701	7.43	W0K0480-LV
				TAPIA	PV	172843	001	00701	33.95	W0K0479-LV
				GRNDWTR-OJ27098						
				TAPIA	PV	172843	001	00701	33.95	W0K0479-LV
				EFFLNT-OJ27095						
				5						
				Payment Amount					109.28	
86457	11/30/20	20712	WOODARD & CURRAN INC.	P/E	PV	172994	001	00701	38,783.00	176617
				4/24-BRINE						
				MGMT STDY	PV	172995	001	00701	14,948.00	177599
				P/E						
				5/29-BRINE						
				MGMT STDY	PV	172996	001	00701	11,450.25	180987
				P/E						
				7/31-BRINE						
				MGMT STDY	PV	172997	001	00701	7,283.85	182419
				P/E						
				9/25-BRINE						
				MGMT STDY						
				Payment Amount					72,465.10	
86458	11/30/20	19524	XYLEM WATER SOLUTIONS USA, INC	RPR PARTS-RLV SUMP PUMP	PV	172946	001	00751	2,076.24	3556B47617
				SS SHIMS	PV	172947	001	00751	6.58	3556B48207
		Alt Payee	19683	XYLEM WATER SOLUTIONS USA, INC. 26717 NETWORK PLACE CHICAGO IL 60673-1267						
				Payment Amount					2,082.82	
86459	11/30/20	20592	YORK RISK	CLAIM	PV	172910	001	00701	8,200.00	500020564

Batch Number - 283980

Bank Account - 00146807 Cash-General

Payment Number	Date	Address Number	Name	Payment Stub Message	Document Ty Number	Key Item Co	Amount	Invoice Number
			SERVICES GROUP, INC.	ADMIN-10/20-0 9/21				
				Payment Amount			8,200.00	
				Total Amount of Payments Written			724,993.01	
				Total Number of Payments Written		100		



**LAS VIRGENES MUNICIPAL WATER DISTRICT**  
4232 Las Virgenes Road, Calabasas CA 91302

**MINUTES**  
**REGULAR MEETING**

9:00 AM

December 1, 2020

**PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance to the Flag was led by Keith Lemieux.

**1. CALL TO ORDER AND ROLL CALL**

The meeting was called to order at **9:00 a.m.** by Board President Lewitt via teleconference in the Board Room at Las Virgenes Municipal Water District headquarters at 4232 Las Virgenes Road, Calabasas, CA 91302. The meeting was conducted via teleconference pursuant to the provisions of the Governor's Executive Order, N-29-20, which suspended certain requirements of the Ralph M. Brown Act to support social distancing guidelines associated with response to the coronavirus (COVID-19) outbreak. Josie Guzman, Clerk of the Board, conducted the roll call.

Present: Directors Charles Caspary, Jay Lewitt, Lynda Lo-Hill, and Lee Renger  
 Absent: Len Polan  
 Staff Present: David Pedersen, General Manager  
 Joe McDermott, Director of Engineering and External Affairs  
 Don Patterson, Director of Finance and Administration  
 John Zhao, Director of Facilities and Operations  
 Josie Guzman, Clerk of the Board  
 Keith Lemieux, District Counsel

**2. APPROVAL OF AGENDA**

Director Caspary moved to approve the agenda. Motion seconded by Director Lo-Hill. Motion carried by the following roll call vote:

AYES: Caspary, Lewitt, Lo-Hill, Renger  
NOES: None  
ABSTAIN: None  
ABSENT: Polan

### **3. PUBLIC COMMENTS**

None.

### **4. CONSENT CALENDAR**

**A List of Demands: December 1, 2020: Receive and file**

**B Minutes Special Meeting of November 10, 2020, and Regular Meeting of November 17, 2020: Approve**

**C Water Supply Conditions Update**

Receive and file.

**D Response to Coronavirus (COVID-19) Pandemic: Continuation of Emergency**

**Approve the continuation of an emergency declaration for response to the coronavirus (COVID-19) pandemic.**

Director Lo-Hill moved to approve the Consent Calendar. Motion seconded by Director Caspary. Motion carried by the following roll call vote:

AYES: Caspary, Lewitt, Lo-Hill, Renger  
NOES: None  
ABSTAIN: None  
ABSENT: Polan

### **5. ILLUSTRATIVE AND/OR VERBAL PRESENTATION AGENDA ITEMS**

**A Legislative and Regulatory Updates**

Joe McDermott, Director of Engineering and External Affairs, reported that he and General Manager David Pedersen would be attending the South Coast Air Quality Management District's Virtual Working Group Meeting on December 10th regarding Proposed Amended Rule (PAR) 1110.2 - Emissions from Gaseous- and Liquid-Fueled Engines, PAR 1470 - Requirements for Stationary Diesel-Fueled Internal Combustion and Other Compression Ignition Engines, and PAR 1472 - Requirements for Facilities with Multiple Stationary Emergency Standby Diesel-Fueled Internal Combustion Engines. He noted that the District was seeking relief from emergency generator runtime limits for Public Safety Power Shutoff (PSPS) events and emergencies such as wildfires, and additional runtime hours for testing and maintenance.

Board President Lewitt commented that he was hopeful that this issue would be resolved for the District and the state. He asked staff to be cognizant of the District's time and expenses related to this issue.

## **6. TREASURER**

Director Lo-Hill stated that the Treasurer's report was in order.

## **7. BOARD OF DIRECTORS**

### **A Nomination of Officers: President, Vice President, Secretary, and Treasurer**

**Accept nomination of directors to serve two-year terms as President, Vice President, Secretary, and Treasurer of the Board.**

General Manager David Pedersen presented the report. He noted that the election of officers would take place at the December 15, 2020 Board Meeting.

Director Caspary moved to nominate Jay Lewitt as President.

Director Caspary moved to nominate Len Polan as Vice President.

Director Renger moved to nominate Lynda Lo-Hill as Secretary.

Director Lo-Hill moved to nominate Lee Renger as Secretary.

Lynda Lo-Hill expressed her interest in continuing to serve as the Treasurer of the Board. Director Renger stated that he would accept his nomination as Secretary

Board President Lewitt moved to nominate Lynda Lo-Hill as Treasurer.

There were no further nominations.

## **8. FINANCE AND ADMINISTRATION**

### **A Upgrade of TPx and ACC Internet Connection to 500 Mbps**

**Accept the proposal from TPx Communications and authorize the General Manager to execute a five-year agreement, in the annual amount of \$85,211.88 plus applicable taxes and fees; and accept the proposal from ACC Business and authorize the General Manager to execute a three-year agreement, in the annual amount of \$20,448 plus applicable taxes and fees, for telecommunications services including 500Mbps Internet connectivity.**

Ivo Nkwenji, Information Systems Manager, presented the report.

Director Lo-Hill moved to approve Item 8A. Motion seconded by Director Caspary.

Mr. Nkwenji responded to a question regarding the additional cost for enhanced Internet connectivity and bandwidth by confirming that due to the COVID-19 pandemic most of the District's employees were working remotely and connecting to the District's technology resources through a Virtual Private Network (VPN). He stated that the expense would allow for enhanced VPN connectivity and implementation of additional cloud-based software systems.

Motion carried by the following roll call vote:

AYES: Caspary, Lewitt, Lo-Hill, Renger

NOES: None

ABSTAIN: None

ABSENT: Polan

## **9. INFORMATION ITEMS**

None.

## **10. NON-ACTION ITEMS**

### **A Organization Reports**

Director Caspary reported that he attended the Association of California Water Agencies Joint Insurance Powers Authority (ACWA/JPIA) virtual meeting on November 30th. He noted that the District was recognized for receiving the President's Special Recognition Award for less than a 20 percent loss ratio for three years for its Worker's Compensation Program. He acknowledged District staff for working safely. He also reported that ACWA/JPIA noticed a decrease in claims for regular medical care; however, it noticed an increase in claims for COVID-19 related treatment. He noted that out of 18,000 COVID-19 tests conducted for Anthem Blue Cross and Kaiser members, 250 members tested positive and only 12 members required hospitalization. He also reported that ACWA/JPIA was audited by the State of California Division of Workers' Compensation, and the District ranked third in outstanding performance. He noted that the ACWA/JPIA's reinsurance costs had increased by 10 percent, but there were no major expected changes in the foreseeable future in the insurance market. He responded to a question regarding the low positive testing results in the industry for COVID-19 compared to the state and the country by stating that in his opinion it might be due to the closed working interactions amongst water, sanitation, and irrigation district staff, as well as the testing regiments implemented by public agencies, which have compartmentalized opportunities for transferring the virus.

### **B Director's Reports on Outside Meetings**

Director Lo-Hill reported that she attended the Colorado State University's Water in the West Symposium on November 18th and 19th. She noted that the symposium began with a virtual tour of the Denver Zoo, which highlighted the staff's dedication to water conservation and the use of a nature outdoor experience to share the idea of water conservation with visitors. She also noted that the symposium continued the theme of



relating water conservation to individuals' stories and encouraging people to become emotionally attached to conserving water. She stated that she learned that telling a story is a good way to engage others. She also reported that she attended the Association of Water Agencies of Ventura County (AWAVC) Water Symposium on November 19th. She acknowledged Eric Schlageter, Principal Engineer, on his participation in the panel discussion "Brine-ing Everyone Together: The Regional Brine Study."

Board President Lewitt acknowledged Mr. Schlageter and stated that it was important to maintain great relationships with the District's neighboring public agencies.

## **C General Manager Reports**

### **(1) General Business**

General Manager David Pedersen referred to Director Lo-Hill's comments regarding the tour of the Denver Zoo and noted that in 2015 District staff came in contact with the Denver Zoo after sea lions were found to be washing ashore in Malibu. He stated that the California Wildlife Center was seeking assistance on how to use recycled water for its rescue operation as the sea lions required an abundance of water for their enclosures. He noted that the Denver Zoo provided information on the measures they take to conserve water to assist the wildlife center. He reported that the implementation of the Tyler Munis Enterprise Resource Planning System was going live that day for the financial accounting system. He acknowledged Director of Finance and Administration Don Patterson, Finance Manager Angela Saccareccia, Principal Technology Analyst Andrew Spear, Purchasing Supervisor Gretchen Bullock, Senior Accountant Jennifer Chen, and the Finance and Administration staff on their efforts in moving this project forward. He also reported that the cracks were repaired at the Las Virgenes Reservoir spillway in preparation for the rainy season. He also reported that the challenge testing of the ultraviolet light/advanced oxidation process (UV/AOP) was completed at the Pure Water Demonstration Facility. He noted that cleaning was completed at Recycled Water Reservoir No. 2 and Cordillera Tank. He reported that a Public Safety Power Shutoff (PSPS) event occurred during the evening of November 27th and continued through midafternoon on November 28th, which affected the Upper Twin Lakes Pump Station in Chatsworth. He noted that a portable emergency generator was taken to the site and no operational problems were experienced. He mentioned that a recommendation to appoint a Deputy Treasurer and two Deputy Secretaries would be included on the December 15th Board meeting agenda, as well as a recommendation to reaffirm the appointment of MWD Representative Glen Peterson.

### **(2) Follow-Up Items**

General Manager David Pedersen stated that staff would bring back a report at the December 7th JPA meeting regarding the theoretical and actual efficiencies of the advanced treatment process for the Pure Water Project Las Virgenes-Triunfo. He also stated that staff would bring back a report at the December 15th LVMWD Board meeting regarding the financial impacts of COVID-19, along with the survey response to the State Water Resources Control Board. He also stated that staff would bring back a report at the January 19th LVMWD Board meeting regarding the District's collection policies and

practices, and the efforts taken to inform customers that they may update the number of people in their household for the purposes of sanitation billing and also their irrigated area data for water billing.

#### **D Directors' Comments**

Board President Lewitt noted that he and a friend were on a bicycle ride near the area of the Tapia Water Reclamation Facility, and Administrative Assistant Karen Norman provided them entry to the fire road. He also noted that Water Reclamation Manager Brett Dingman and Water Reclamation Plant Operator II John Asiatico met with them to discuss the operation of the facility.

Director Lo-Hill noted that she researched audio technology that could assist with communicating more clearly during virtual meetings. She suggested considering inexpensive and practical audio technology such as speakers, microphones, and amplifiers to use from home. She stated that she purchased some inexpensive ear pods with a built-in microphone, which were working effectively. Board President Lewitt suggested that it might be helpful to have staff work one-on-one with virtual meeting participants regarding any audio issues. General Manager David Pedersen stated that staff would follow-up.

#### **11. FUTURE AGENDA ITEMS**

None.

#### **12. PUBLIC COMMENTS**

None.

#### **13. ADJOURNMENT**

Seeing no further business to come before the Board, the meeting was duly adjourned at **9:40 a.m.**

---

Jay Lewitt, President  
Board of Directors  
Las Virgenes Municipal Water District

ATTEST:

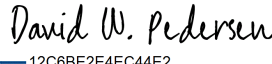
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Charles Caspary, Secretary  
Board of Directors  
Las Virgenes Municipal Water District

(SEAL)

December 1, 2020

To: Payroll  
 From: David W. Pedersen  
 General Manager

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**RE: Per Diem Request – November 2020**

Attached are the Director statements of attendance for meetings, conferences and miscellaneous functions, which are summarized in the table below. If you have any questions, please contact me. Thank you.

On April 25, 2017, the Board adopted Resolution No. 2513, amending the per diem rate to \$220.

	<u>Director</u>	<u>No. of Meetings</u>	<u>Rate</u>	<u>Total</u>
8014	Charles Caspary	6	\$220.00	\$1,320.00
19447	Jay Lewitt	7	\$220.00	\$1,540.00
21169	Lynda Lo-Hill	9	\$220.00	\$1,980.00
18856	Leonard Polan	6	\$220.00	\$1,320.00
14702	Lee Renger	5	\$220.00	\$1,100.00

\*LVMWD Code Section 2-2.106(a): “not exceeding a total of ten (10) days in any calendar month”

\*\*LVMWD Code Section 2-2.106(b): MWD director “not exceeding a total of ten (10) additional days in any calendar month.”



## LAS VIRGENES MUNICIPAL WATER DISTRICT - PER DIEM REPORT



To: Josie Guzman Director's Name: Jay Lewitt  
 Month of: November Division: 5

The following are Las Virgenes Municipal Water District Board of Directors Meetings, Committee Meetings/Conferences I have attended:

Date(s)	# of Days Claimed			Reimbursible Expenses <sup>2</sup> (Y/N)	Check One		Event Title
	Event	Travel <sup>1</sup>	Total		MWD	LVMWD	
11.2.20	1		1			x	JPA Board Meeting
11.3.20	1		1			x	LVMWD board meeting
11.9.20	1		1			x	Met Board Meeting
11.10.20	1		1			x	LVMWD board meeting
11.12.20	1		1			x	SC Water Coalition Annual Event
11.17.20	1		1			x	LVMWD board meeting
11.19.20	1		1			x	AWA Water Symposium
<b>TOTAL</b>			<b>7</b>				

Date Submitted: 11.30.20  
 Director Signature: JL

**NOTES:** 1. Travel the day before and/or after an authorized meeting or seminar outside of LA, Ventura and Orange Counties may be paid in accordance with Board Policy. 2. Attach completed Statement of Account and Claim for Personally Incurred Expenses form.

## LAS VIRGENES MUNICIPAL WATER DISTRICT - PER DIEM REPORT

To: Josie Guzman, Clerk of the BoardDirector's Name: Lynda Lo-HillMonth of: November, 2020Division: 2

The following are Las Virgenes Municipal Water District Board of Directors Meetings, Committee Meetings/Conferences I have attended:

Date(s)	# of Days Claimed			Reimbursible Expenses <sup>2</sup> (Y/N)	Check One		Event Title
	Event	Travel <sup>1</sup>	Total		MWD	LVMWD	
11/2/2020	1		1			X	JPA Triunfo & LVMWD
11/3/2020	1		1			X	LVMWD Board Meeting
11/5/2020	1		1			X	Tap Into Water
11/9/2020	1		1			X	MWD F&I E&O WP&S ComLeg,OPT
11/10/2020	1		1			X	LVMWD Special Board Meeting
11/10/2020	0		0			X	MWD Board, BayDelta
11/12/2020	1		1			X	Tap Into Water
11/12/2020	0		0			X	SoCal Water Coalition Awards
11/17/2020	1		1			X	LVMWD Board Meeting
11/18/2020 - 11/19/20	2		2			X	U Colorado Water in the West Symposium
11/19/2020	0		0			X	Waterwise online Breakfast
			0				
	TOTAL		9				

Date Submitted: 11/30/2020

**NOTES:** 1. Travel the day before and/or after an authorized meeting or seminar outside of LA, Ventura and Orange Counties may be paid in accordance with Board Policy. 2. Attach completed Statement of Account and Claim for Personally Incurred Expenses form.

Director Signature: Lynda Lo-Hill submitted by email







17238 OJ

# INVOICE

**Glen Peterson, Director**

*Metropolitan Water District of Southern California*

2936 Triunfo Canyon Rd

Agoura, CA. 91301

email: glenpsop@icloud.com

**DATE:** 12/01/20  
**INVOICE #** 24  
**FOR:** Director fees

**Bill To:**

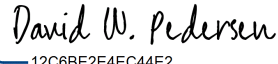
**Las Virgenes Municipal Water District**

4232 Las Virgenes Canyon Rd

Calabasas, CA. 91302

attn: Josie Guzman, Clerk of the Board

818-251-2100

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 12/2/2020

Date	Description	fee
11/6/2020	Northern Caucus	\$220.00
11/9/2020	Committee Meetings	\$220.00
11/10/2020	Board Meeting and committee meetings	\$220.00
11/12/2020	SCWC virtual annual meeting	\$220.00
11/17/2020	Report to LVMWD, November MWDSC meeting	\$220.00
11/19/2020	AWAVC water leaders meeting	\$220.00
	<b>TOTAL</b>	<b>\$1,320.00</b>

Make Check payable to Glen Peterson

**Thank you for the opportunity to serve**



December 15, 2020 LVMWD Regular Board Meeting

TO: Board of Directors

FROM: Finance & Administration

**Subject : Monthly Cash and Investment Report: October 2020**

**SUMMARY:**

During the month of October, the value of the District's investment portfolio increased from \$106,216,042, held on September 30th, to \$106,382,660, including \$10,010,000 in loan proceeds for the Automatic Meter Reading/Advanced Metering Infrastructure (AMR/AMI) Project. Two investments were called, and no investments matured in October. Four investments were purchased, increasing the book value to \$55,632,590. The value of the District's Local Agency Investment Fund (LAIF) account decreased to \$39,599,183, and the District's CAMP account increased to \$11,106,231.

**RECOMMENDATION(S):**

Receive and file the Monthly Cash and Investment Report for October 2020.

**FISCAL IMPACT:**

No

**ITEM BUDGETED:**

No

**DISCUSSION:**

As of October 31, 2020, the District held \$106,382,660, up 14.43% year-over-year. The portfolio was up 0.16% from the previous month's total of \$106,216,042. The majority of the funds were held in the District's investment account, which had an October 31st book value of \$55,632,590. LAIF held the majority of the remaining funds, in the amount of \$39,599,183. CAMP held \$11,106,231, and the remaining portion was held in a money market account. The annualized yield of the District's investment portfolio was 1.64% in October 2020, down from 1.68% in September. The annualized yield on the District's LAIF funds was 0.62% in October, down from September's 0.69%. The annualized yield on the District's CAMP funds

was 0.19% in October, down from September's 0.27%. The total yield on the District's accounts was 1.12%, down from 2.13% year-over-year.

The following investments were called during October 2020:

- 10/02/20 – FHLB agency bond, in the amount of \$1,000,000, with an original maturity of 04/02/25; YTM 1.05%.
- 10/02/20 – FHLB agency bond, in the amount of \$1,000,000, with an original maturity of 04/02/24; YTM 2.00%.

There were no investments that matured during October 2020.

The following investments were purchased during October 2020:

- 10/01/20 – State of Oklahoma Water Resources Board revenue bond, in the amount of \$100,000, with a maturity of 10/01/23; YTM 0.432%.
- 10/05/20 – FFCB agency callable bond, in the amount of \$1,000,000, with a maturity of 10/05/23; YTM 0.27%.
- 10/15/20 – City of Beverly Hills water revenue bond, in the amount of \$250,000, with a maturity of 06/01/22; YTM 0.373%.
- 10/27/20 – FNMA agency callable bond, in the amount of \$1,000,000, with a maturity of 10/27/25; YTM 0.54%.

The following transactions occurred in the District's LAIF account:

- 10/02/20 - Deposit in the amount of \$800,000.
- 10/08/20 – Deposit in the amount of \$1,000,000.
- 10/15/20 – Quarterly interest payment in the amount of \$92,385.25.
- 10/20/20 – Deposit in the amount of \$1,000,000.
- 10/29/20 – Withdraw in the amount of \$3,000,000.

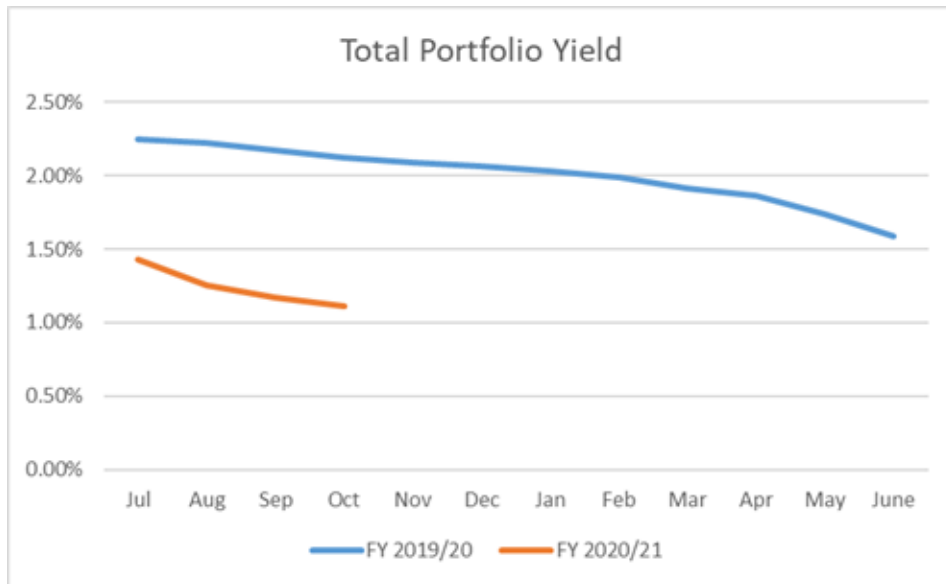
The District's investments are in compliance with the adopted Investment Policy, and the District has sufficient funds to meet expenditures during the next six months from funds held in LAIF.

#### Cash Analysis:

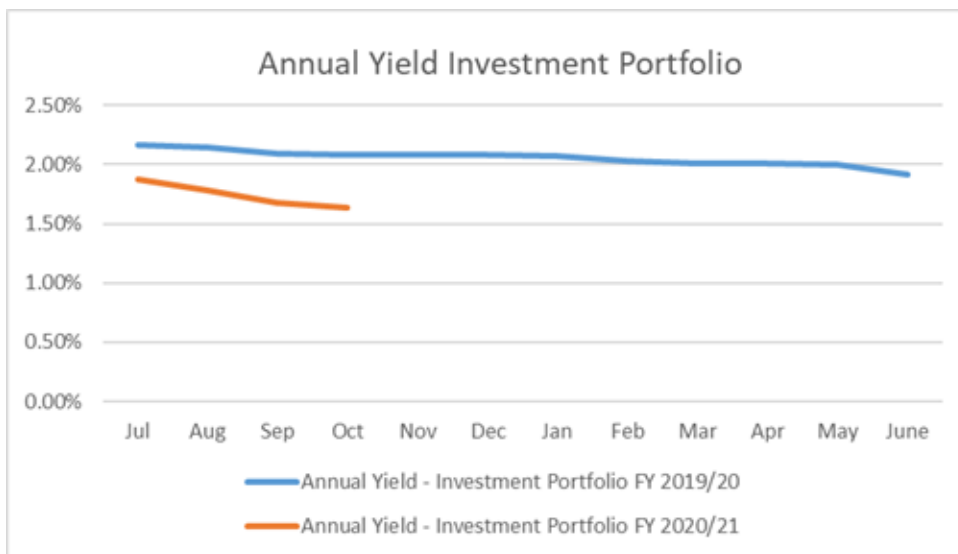
Another important aspect of the Monthly Cash and Investment Report is to monitor the District's performance as compared to its adopted Financial Policies. Attachment B shows the District's total cash and investments as of October 31, 2020 and compares the balances to the adopted Financial Policies. As shown for October, the Potable Water Enterprise had \$14.7 million available for capital projects, including \$10 million in loan proceeds for the AMR/AMI Project. The Sanitation Enterprise had cash and investments that exceeded the District's Financial Policies by \$8.7 million, and the Recycled Water Enterprise had cash and investments that exceeded the District's Financial Policy levels by \$15.7 million. The Board has assigned \$5 million in funds from the Recycled Water Enterprise and \$10 million in funds from the Sanitation Enterprise for use on the Pure Water Project Las Virgenes-Triumfo. Cash in excess of required reserves and assignments is available for capital projects.

#### Monthly Analysis:

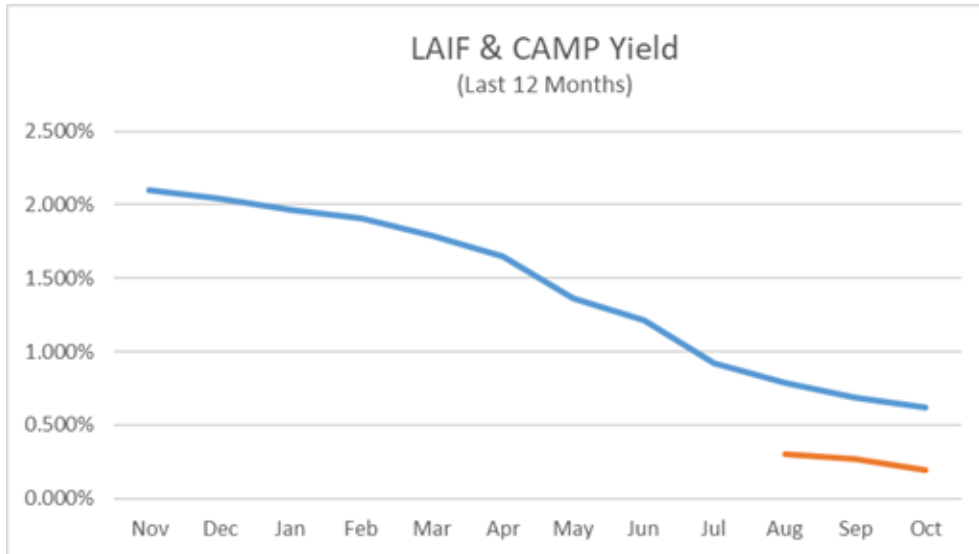
As of October 31, 2020, at book value, LAIF held 37.23% of the District's portfolio, the investment portfolio held 52.29%, CAMP held 10.44%, and the remaining portion was held in a money market account. As can be seen in the chart below, the total yield in September 2020 was 1.12%, down five basis points from September and down from 2.13% one year ago.



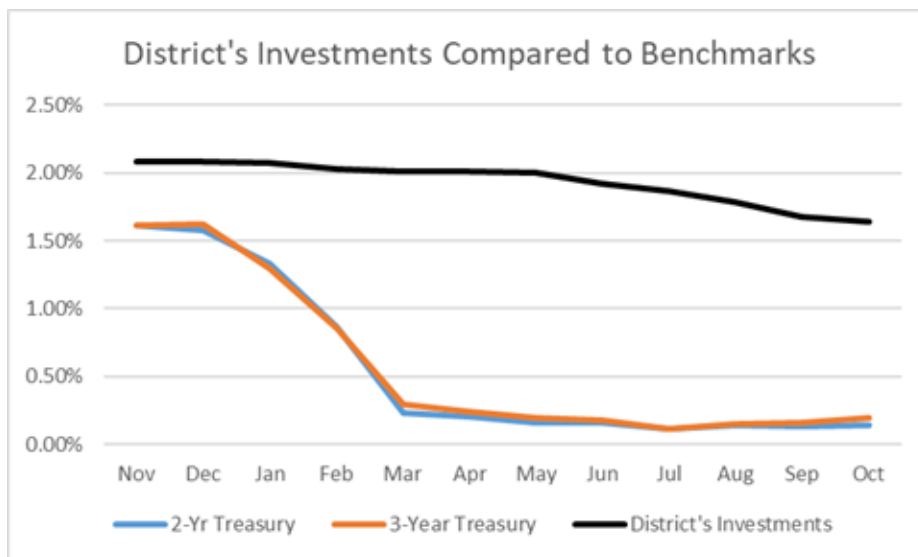
In October, the annualized yield for the District's investment portfolio was down from September at 1.64% and down from 2.08% a year ago. The chart below shows the annualized monthly yield for the current fiscal year compared with the same monthly yield over the previous year.



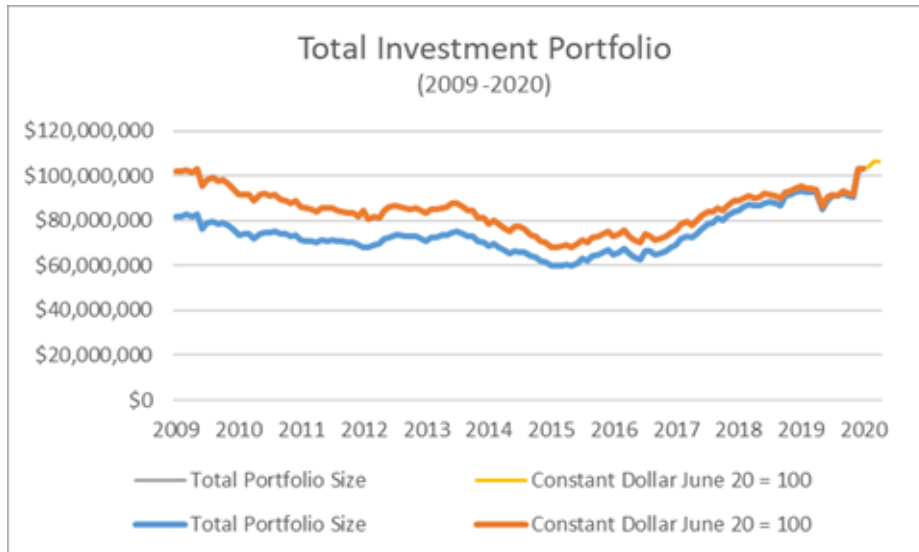
The following chart shows the average annualized LAIF and CAMP yields over the past 12 months. In October, the LAIF yield was 0.62%, down from September's 0.69% and down from 2.19% a year ago. The CAMP yield in October was 0.19%, down from September's 0.27%.



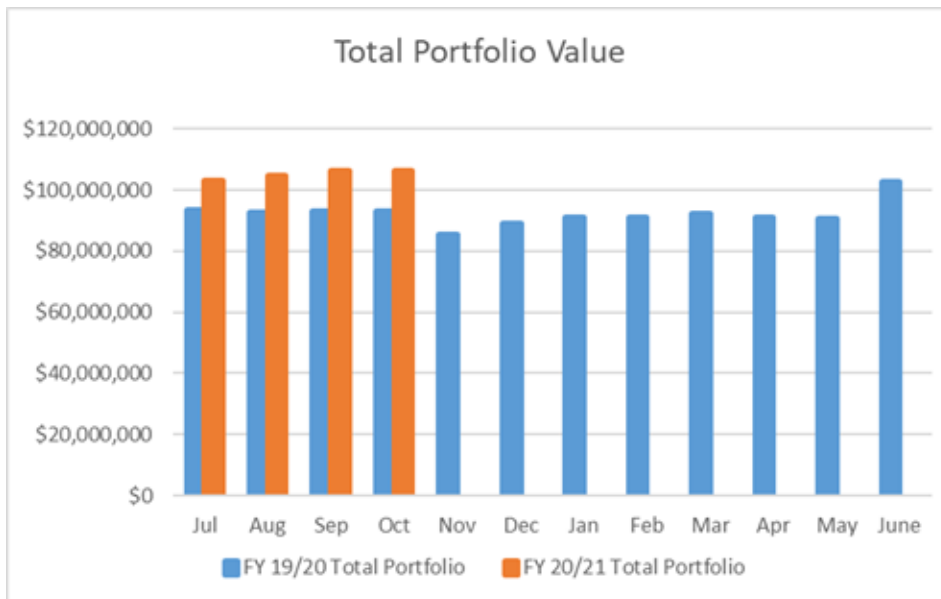
In order to benchmark how the District's portfolio is performing, it is useful to compare its investment portfolio with a comparable index. The District has historically compared its investment portfolio returns to the 2-Year and 3-Year Treasury notes. Because the District buys and holds its investments, the average portfolio yield should generally be flatter and trail the 2- and 3-year Treasuries.



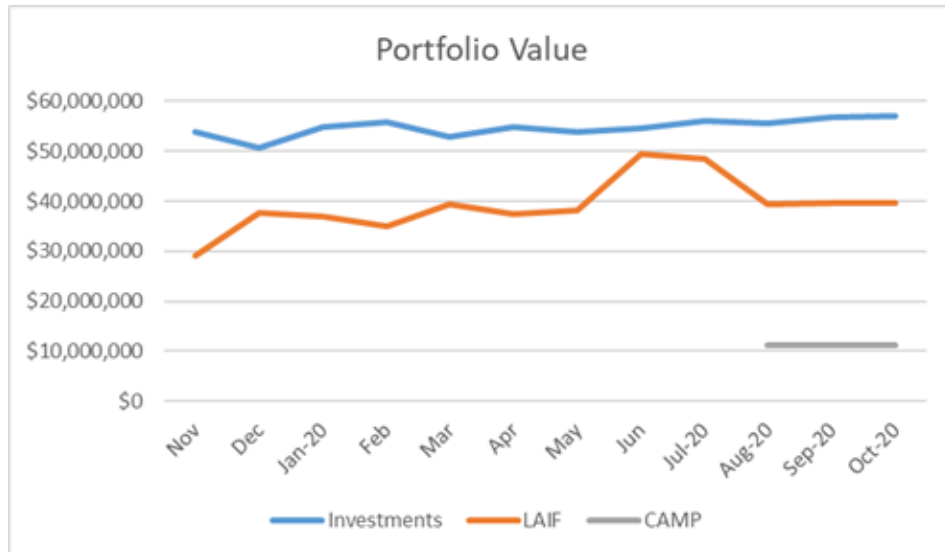
Equally important to monitoring performance is to monitor total portfolio value that includes the District's investment portfolio and LAIF accounts. The chart below shows the total portfolio value between 2009 and 2020. In October, the District's portfolio increased 0.16% from September to \$106,382,660. The increase in June 2020 reflects \$10 million in loan proceeds for the AMR/AMI Project.



The chart below compares total portfolio value in the current fiscal year, compared to the same period in the previous fiscal year.



The chart below shows the value of the District's investment and LAIF portfolios over the past 12-month period. The District's Investment Policy requires an amount equal to six months of operating budget to be kept in liquid funds, such as LAIF or CAMP, which is \$28.6 million.



**GOALS:**

Ensure Effective Utilization of the Public's Assets and Money

Prepared by: Donald Patterson, Director of Finance and Administration

**ATTACHMENTS:**

Monthly Investment Report - October

Definitions

Cash Report - October



Date: November 25, 2020  
 To: David W. Pedersen, General Manager  
 From: Finance and Administration Department  
 Subject: Investment Report for the Month of October 2020

**Summary of Investments**

Investments Maturing Within Six Months:

Disc./Cpn Rate	Yield To Maturity	Yield To Call	Investment Type	Date Invested	Next Call Date	Date Matures	Book Value	Par Value	Market Value	Market Value Source
2.400%	2.400%		1st Choice Bank - CD	05/22/19		11/23/20	245,000	245,000	245,385	Custodian
2.050%	2.050%		BMW Bank - CD	11/29/17		11/30/20	245,000	245,000	245,424	Custodian
2.200%	2.200%		Merrick Bank-CD	01/09/18		01/11/21	245,000	245,000	246,049	Custodian
			Sub-Total				735,000	735,000	736,858	

Investments Maturing After Six Months:

2.000%	2.046%	2.018%	FHLMC-Bullet	01/30/17		01/26/22	997,850	1,000,000	1,020,830	Custodian
2.250%	2.104%		FHLMC-Bullet	08/16/17		06/29/22	1,000,300	1,000,000	1,033,910	Custodian
1.980%	2.810%		FAMCA-Bullet	02/01/19		06/30/22	452,510	465,000	478,838	Custodian
0.180%	0.205%		FFCB-Callable Coupon	09/08/20	03/08/21	09/08/22	999,500	1,000,000	999,340	Custodian
1.750%	1.766%		FFCB-Bullet	09/13/17		09/13/22	999,250	1,000,000	1,029,180	Custodian
2.130%	2.338%		FAMCA-Bullet	01/24/18		01/24/23	990,240	1,000,000	1,042,290	Custodian
2.700%	2.700%		FFCB-Bullet	04/11/18		04/11/23	1,000,000	1,000,000	1,060,720	Custodian
3.250%	2.536%		FHLB-Bullet	02/25/19		06/09/23	1,028,810	1,000,000	1,077,180	Custodian
2.900%	2.980%		FAMCA-Bullet	08/01/18		07/24/23	996,263	1,000,000	1,071,750	Custodian
0.300%	0.300%	0.300%	FHLMC-Callable Coupon	08/13/20	08/10/21	08/10/23	1,000,000	1,000,000	997,710	Custodian
0.300%	0.300%	0.300%	FFCB-Callable Coupon	09/04/20	09/01/21	09/01/23	1,000,000	1,000,000	999,720	Custodian
3.375%	2.227%		FHLB-Bullet	03/28/19		09/08/23	1,048,330	1,000,000	1,088,640	Custodian
0.270%	0.282%	0.282%	FFCB-Callable Coupon	10/05/20	10/05/21	10/05/23	999,650	1,000,000	999,630	Custodian
1.850%	1.850%	1.850%	FHLMC-Callable Coupon	12/30/19	12/28/20	12/28/23	1,000,000	1,000,000	1,002,170	Custodian
2.370%	2.524%		FFCB-Bullet	03/12/19		02/05/24	992,950	1,000,000	1,068,100	Custodian
2.800%	2.800%	2.800%	FHLB-Callable Coupon	02/26/19	02/26/21	02/26/24	1,000,000	1,000,000	1,007,310	Custodian
2.160%	1.865%		FFCB-Bullet	06/28/19		06/03/24	1,013,820	1,000,000	1,066,370	Custodian
1.650%	1.650%	1.650%	FFCB-Callable Coupon	09/09/19	09/09/21	09/09/24	1,000,000	1,000,000	1,010,390	Custodian
1.740%	1.664%		FAMCA-Bullet	09/30/19		09/26/24	1,003,620	1,000,000	1,052,140	Custodian
1.790%	1.804%		FAMCA-Bullet	11/15/19		11/01/24	999,340	1,000,000	1,054,880	Custodian
0.700%	0.700%	0.700%	FHLMC-Callable Coupon	05/18/20	02/18/21	11/18/24	1,000,000	1,000,000	1,000,020	Custodian
1.950%	1.950%	1.950%	FHLMC-Callable Coupon	01/06/20	01/06/21	01/06/25	1,000,000	1,000,000	1,002,700	Custodian
1.800%	1.800%	1.800%	FHLMC-Callable Coupon	01/10/20	01/10/22	01/10/25	1,000,000	1,000,000	1,011,100	Custodian
1.125%	1.125%	1.125%	FFCB-Callable Coupon	03/17/20	03/17/21	03/17/25	1,000,000	1,000,000	1,003,020	Custodian
0.750%	0.613%		TVA-Bullet	06/10/20		05/15/25	1,006,060	1,000,000	1,011,590	Custodian
0.700%	0.700%	0.700%	FHLB-Callable Coupon	05/28/20	05/28/21	05/28/25	1,000,000	1,000,000	987,760	Custodian
0.480%	0.531%		FAMCA-Bullet	06/19/20		06/19/25	997,510	1,000,000	999,670	Custodian
0.650%	0.650%	0.650%	FHLMC-Callable Coupon	06/30/20	06/30/22	06/30/25	1,000,000	1,000,000	997,830	Custodian
0.625%	0.625%	0.625%	FNMA-Callable Coupon	07/21/20	07/21/22	07/21/25	1,000,000	1,000,000	994,700	Custodian
0.650%	0.650%	0.650%	FNMA-Callable Coupon	08/14/20	02/14/22	08/14/25	1,000,000	1,000,000	993,150	Custodian
0.500%	0.500%	0.500%	FHLMC-Callable Coupon	09/30/20	09/30/22	09/30/25	1,000,000	1,000,000	997,070	Custodian
0.540%	0.540%	0.540%	FNMA-Callable Coupon	10/27/20	10/25/21	10/27/25	1,000,000	1,000,000	999,100	Custodian
1.500%	1.500%		CAL ST-MuniBond	04/28/16		04/01/21	1,000,000	1,000,000	1,005,300	Custodian
1.713%	1.713%		CASPWR-Muni Bond	09/28/16		05/01/21	742,142	742,142	747,486	Custodian
2.387%	1.392%		SCVWTR-MuniBond	06/21/16		06/01/21	1,047,370	1,000,000	1,012,570	Custodian
1.960%	1.960%	1.960%	MOUSCD-MuniBond	07/14/16		08/01/21	600,000	600,000	603,162	Custodian
2.550%	2.550%		NYSDEV-Muni Bond	12/21/17		03/15/22	1,000,000	1,000,000	1,029,660	Custodian
2.000%	3.063%		CASPWR-Muni Bond	09/24/18		05/01/22	963,980	1,000,000	1,025,570	Custodian
0.373%	0.373%		BEVGEN-Muni Bond	10/15/20		06/01/22	250,000	250,000	249,950	Custodian
1.590%	1.590%		Maryland St.-Muni Bond	08/28/19		08/01/22	1,000,000	1,000,000	1,022,260	Custodian
2.500%	2.604%		SFOFAC-Muni Bond	11/09/17		09/01/22	497,650	500,000	511,150	Custodian

LVMWD Investment Report for the Month Ending October 31, 2020

Disc./Cpn Rate	Yield To Maturity	Yield To Call	Investment Type	Date Invested	Next Call Date	Date Matures	Book Value	Par Value	Market Value	Market Value Source
<b>Investments Maturing After Six Months (continued):</b>										
0.349%	0.349%		CSU-Muni Bond	09/17/20	Cont. 9/17/20	11/01/22	500,000	500,000	500,025	Custodian
3.297%	3.297%	3.297%	UNVHGR-Muni Bond	06/05/18	Cont. 6/5/18	05/15/23	930,000	930,000	994,700	Custodian
2.216%	1.420%		ONTGEN-Muni Bond	05/21/20		06/01/23	1,115,615	1,090,000	1,120,520	Custodian
2.250%	3.092%		CAS-Muni Bond	10/31/18		10/01/23	961,850	1,000,000	1,054,690	Custodian
0.432%	0.432%		OKSWTR-Muni Bond	10/01/20		10/01/23	100,000	100,000	99,833	Custodian
3.000%	2.500%		CAS-Muni Bond	05/01/19		04/01/24	1,022,980	1,000,000	1,084,330	Custodian
1.800%	1.800%		PASGEN - Muni Bond	02/26/20		05/01/24	260,000	260,000	269,222	Custodian
2.147%	2.147%		UNIGEN - Muni Bond	08/29/19		06/01/24	1,000,000	1,000,000	1,025,770	Custodian
2.224%	2.224%		SGTUTL - Muni Bond	12/18/19		10/01/24	500,000	500,000	524,525	Custodian
1.646%	1.646%		CASHGR - Muni Bond	02/27/20		11/01/24	400,000	400,000	414,220	Custodian
0.560%	0.560%		CASWTR - Muni Bond	08/06/20	Cont. 8/6/20	12/01/24	250,000	250,000	249,613	Custodian
1.498%	1.498%		ALEUTL - Muni Bond	07/16/20	Cont. 7/16/20	05/01/25	400,000	400,000	410,516	Custodian
0.719%	0.719%		BEVWTR - Muni Bond	08/12/20		06/01/25	500,000	500,000	496,645	Custodian
1.550%	1.550%		CAPITAL ONE BANK - CD	08/10/16		08/10/21	245,000	245,000	247,651	Custodian
1.000%	1.000%		CENERSTATE BK -CD	03/20/20		09/20/21	245,000	245,000	247,029	Custodian
0.950%	0.950%		LAKELAND BK -CD	03/27/20		09/27/21	245,000	245,000	246,962	Custodian
1.650%	1.650%		Farmers & Merchants BK-CD	01/15/20		01/18/22	245,000	245,000	249,679	Custodian
1.800%	1.800%		WellsFargo BK West-CD	01/17/20		01/18/22	245,000	245,000	250,128	Custodian
2.350%	2.350%		Goldman Sachs Bank - CD	06/21/17		06/21/22	245,000	245,000	254,026	Custodian
2.350%	2.350%		Sallie Mae Bank/Salt LK-CD	06/21/17		06/21/22	245,000	245,000	254,026	Custodian
0.250%	0.250%		Texas Capital BK NA - CD	08/27/20		08/08/22	245,000	245,000	245,588	Custodian
0.250%	0.250%		BK Hapoalim BM NY - CD	08/26/20		08/26/22	245,000	245,000	245,593	Custodian
2.400%	2.400%		American Express - CD	08/29/17		08/29/22	245,000	245,000	254,707	Custodian
2.400%	2.400%		Capital One NA - CD	08/30/17		08/30/22	245,000	245,000	255,270	Custodian
2.500%	2.500%		Wells Fargo Bank - CD	12/08/17		12/08/22	245,000	245,000	257,194	Custodian
2.650%	2.650%		Morgan Stanley Bank-CD	01/11/18		01/11/23	245,000	245,000	258,507	Custodian
3.150%	3.150%		CitiBank NA - CD	05/11/18		05/11/23	245,000	245,000	263,473	Custodian
2.850%	2.850%		1st MO St Bank - CD	02/13/19		08/14/23	245,000	245,000	263,208	Custodian
1.700%	1.700%		Medallion Bank UT-CD	12/23/19		12/22/23	245,000	245,000	256,456	Custodian
3.350%	3.350%		Morgan Stanley PVT BK-CD	01/10/19		01/10/24	245,000	245,000	269,502	Custodian
3.000%	3.000%		TIAA FSB - CD	02/22/19		02/22/24	245,000	245,000	267,515	Custodian
2.750%	2.750%		Comenity CAP Bank-CD	04/30/19		04/30/24	245,000	245,000	266,523	Custodian
2.650%	2.650%		Bank of New Eng Salem-CD	05/23/19		05/23/24	245,000	245,000	266,009	Custodian
2.150%	2.150%		Enerbank USA - CD	08/07/19		08/07/24	245,000	245,000	262,505	Custodian
1.750%	1.750%		1st Farmers BK7Trust-CD	09/04/19		09/04/24	245,000	245,000	259,036	Custodian
1.800%	1.800%		Kemba Financial CU-CD	01/08/20		01/08/25	245,000	245,000	260,526	Custodian
1.950%	1.950%		Knoxville EE CU - CD	01/16/20		01/16/25	245,000	245,000	262,125	Custodian
1.000%	1.000%		Somerset Trust Co - CD	03/19/20		03/19/25	245,000	245,000	252,524	Custodian
1.000%	1.000%		IBERIABANK - CD	03/20/20		03/20/25	245,000	245,000	252,522	Custodian
1.350%	1.350%		Pacific Western Bank - CD	04/16/20		04/16/25	245,000	245,000	256,383	Custodian
1.500%	1.500%		Celtic BK Salt Lake UT - CD	04/17/20		04/17/25	245,000	245,000	258,017	Custodian
1.350%	1.350%		1st Natl BK McGregor - CD	04/28/20		04/28/25	245,000	245,000	256,434	Custodian
1.050%	1.050%		State BK of India-NY - CD	06/19/20		06/10/25	245,000	245,000	253,242	Custodian
0.500%	0.500%		Minnwest Bank - CD	07/15/20		07/15/25	245,000	245,000	247,026	Custodian
0.500%	0.500%		Preferred Bank - CD	07/17/20		07/17/25	245,000	245,000	247,024	Custodian
0.600%	0.600%		Bank Baroda NY Brh - CD	07/23/20		07/22/25	245,000	245,000	248,165	Custodian
0.600%	0.600%		Flagstar Bank FSB - CD	07/22/20		07/22/25	245,000	245,000	248,165	Custodian
			Sub-Total				54,897,590	54,817,142	56,293,265	
			Total Investments				\$55,632,590	\$55,552,142	\$57,030,123	

LVMWD Investment Report for the Month Ending October 31, 2020  
 Interest earnings for the month were as followed:

	Amount Earned/Accrued	Current Yield
Investments		
Local Agency Investment Fund (LAIF)	76,941	1.640%
California Asset Management Program (CAMP)	20,460	0.620%
Blackrock Liquidity Fund - US Treasury Money Market Fund (Union Bank)	1,779	0.190%
Sweep Accounts (Wells Fargo Bank)	5	0.030%
	14	0.010%
<b>Total Earnings</b>	<b>\$99,199</b>	

**Schedule of Investment Balance Limitations (Per District investment policy)**

The source of the market valuation is as followed:

	Total Amount Invested	% of Total	Max. Limit Allowed
Investments (Note 1)			
Blackrock Liquidity Fund - US Treasury Money Market Fund (Union Bank)	\$55,632,590	52.29%	no limit
Local Agency Investment Fund (LAIF)	44,656	0.04%	no limit
California Asset Management Program (CAMP)	39,599,183	37.23%	75,000,000
	11,106,231	10.44%	no limit
<b>Total</b>	<b>\$106,382,660</b>	<b>100.00%</b>	

(Note 2)

Note 1: The average weighted duration for investments, excluding LAIF, is 1,102 days, which is under the assumption that callable coupons will not be called and will be held until maturity.  
 Note 2: In October 2020, Joint Powers Authority's participation in investment is \$9,200,142.88, of which \$5,890,969.04 (or 64.03%) belongs to LV.

**Bank Account Balances as of October 31, 2020:**

Bank Name	Account Type	Amount
Wells Fargo Bank	Checking	\$253,476 (Note 3)
Wells Fargo Bank	Sweep	1,105,435
	<b>Total</b>	<b>\$1,358,911</b>

Note 3: This is bank balance without adjusting for outstanding checks. The total amount of outstanding checks is unavailable at the time of reporting.

"All District investments are included in this report and all investments, except those relating to debt issues and deferred compensation programs funds, conform to District investment policy. All investment transactions within the period covered by this report, except for the exceptions noted above, conform to District investment policy. Deferred compensation program funds are not included in this report; their investment is directed by individual employees participating in the deferred compensation program and not by the District. Debt issue funds are included in this report; their investment is controlled by specific provisions of the issuance documents and not by the District."

"The deposits and investments of the District safeguard the principal and maintain the liquidity needs of the District, providing the District with the ability to meet expenditure requirements for the next six months. The maturity dates are compatible with foreseeable cash flow requirements. The deposits and investments can be easily and rapidly converted into cash without substantial loss of value."

Approved for December 15, 2020 Agenda:

\_\_\_\_\_  
 David W. Pedersen, General Manager

I HEREBY CERTIFY THAT THE FOREGOING IS TRUE AND CORRECT  
 TO THE BEST OF MY KNOWLEDGE

\_\_\_\_\_  
 Lynda Lo-Hill, Treasurer

Note: Gov. Agency Coupon Notes will distribute interest every six month.

## Monthly Investment Report Definitions

### Definitions

- Disc./Cpn Rate – The yield paid by a fixed income security.
- Yield to Call (YTC) – The rate of return of a security held to call when interest payments, market value and par value are considered.
- Yield to Maturity (YTM) – The rate of return of a security held to maturity when interest payments, market value and par value are considered.
- Bullet – A fixed income security that cannot be redeemed by the issuer until the maturity date.
- Callable – A fixed income security that can be redeemed by the issuer before the maturity date.
- Book Value – The price paid for the security.
- Par Value – The face value of a security.
- Market Value – The current price of a security.
- Sinking Bond – In the case of the CASPWR Bond held by the District, a sinking bond pays a portion of principal on a defined schedule throughout the life of the bond.
- Custodian – The financial institution that holds securities for an investor.

### Investment Abbreviations

- FHLB – Federal Home Loan Bank
- FHLMC – Federal Home Loan Mortgage Corporation (Freddie Mac)
- FNMA – Federal National Mortgage Association (Fannie Mae)
- FFCB – Federal Farm Credit Bank
- FAMCA/AGM – Federal Agricultural Mortgage Corporation (Farmer Mac)
- Bonds
  - BEVWTR – City of Beverly Hills water revenue
  - CAS/CAL ST – State of California
  - CASHGR – California State University
  - CASPWR – State of California Department of Water Resources
  - CTS – State of Connecticut
  - MDS – State of Maryland
  - MOUSCD – Mountain View Unified School District
  - NYSDEV – New York State Urban Development Revenue Bond
  - OKSWTR – State of Oklahoma Water Resources Board
  - ONTGEN – City of Ontario, CA
  - SCVWTR – Santa Clara Valley Water District
  - SFOFAC – City and County of San Francisco Community Facilities District
  - SGTUTL – South Gate Utility District
  - SRVSCD – San Ramon, CA Unified School District
  - UNIGEN – University of Northern Colorado
  - UNVHGR – University of California

**LVMWD CASH ANALYSIS -October 31, 2020**

	Restricted Cash	Cash Held by Policy	Policy Requirement	Available Funds
101 - Potable Water Operations		16,704,707	9,997,207	
201 - Potable Water Construction	(3,217,395)			
301 - Potable Water Replacement		22,360,609	11,177,935	
603 - Rate Stabilization Fund		<u>8,000,000</u>	<u>8,000,000</u>	
<b>Total Potable Water</b>	<b>(3,217,395)</b>	<b>47,065,315</b>	<b>29,175,142</b>	<b>14,672,778</b>
102 - Recycled Water Operations		11,505,008	1,100,143	
203 - Recycled Water Construction	204,963			
302 - Recycled Water Replacement		7,617,044	2,539,440	
<b>Total Recycled Water</b>	<b>204,963</b>	<b>19,122,053</b>	<b>3,639,582</b>	<b>15,687,433</b>
130 - Sanitation Operations		1,057,412	3,291,214	
230 - Sanitation Construction	4,071,165			
330 - Sanitation Replacement		19,482,568	12,573,074	
<b>Total Sanitation</b>	<b>4,071,165</b>	<b>20,539,980</b>	<b>15,864,287</b>	<b>8,746,857</b>
701 - Vested Sick Leave Reserve	1,373,625			
720 - Insurance Reserve		7,999,114	7,871,864	<b>127,250</b>
JPA	9,707,044			
701 - Internal Services Fund	(75,068)			
<i>Subtotal</i>	<u>12,064,334</u>	<u>94,726,461</u>		
<b>TOTAL</b>		<b>106,790,795</b>		

**Financial Policy** - Cash required to comply with District's adopted Financial Policy.

**Restricted Cash** - Revenue restricted to a particular purpose.

**Bond Covenants** - Money relating to bond financing that is restricted in use and required by promises made in bond documents.

Funds are reconciled at year-end.

**Potable Water Available Funds** includes \$10,010,000 in loan proceeds for AMR/AMI



December 15, 2020 LVMWD Regular Board Meeting

TO: Board of Directors

FROM: Finance & Administration

**Subject : Summary of Financial Impacts of COVID-19**

**SUMMARY:**

On November 3, 2020, Directory Charles Caspary requested a future agenda item with a report on the financial impacts of COVID-19 on the District, including a copy of the District's response to a recent State Water Resources Control Board (SWRCB) survey on the issue. This items provides a summary of the financial impacts of COVID-19 on the District. Also, attached is a copy of the District's response to the SWRCB survey. Although COVID-19 has resulted in significant impacts to the District's normal operation, the financial impacts through October 31, 2020 have been modest.

**RECOMMENDATION(S):**

Receive and file a summary of the financial impacts of COVID-19.

**FISCAL IMPACT:**

Yes

**ITEM BUDGETED:**

No

**FINANCIAL IMPACT:**

As discussed below, the overall financial impact of COVID-19 on the District has been minimal. However, the increasing dollar amount of past due accounts could have a larger impact if the current trend of increasingly large balances continues.

**DISCUSSION:**

The COVID-19 pandemic has resulted in significant financial and personal impacts on the

communities served by the District, especially those businesses that have faced restrictions in their operations. Although the District is explicitly exempt from most COVID-19 orders as an essential infrastructure operation/provider, staff has implemented numerous initiatives to comply with the COVID-19 restrictions to the maximum extent possible. These initiatives include encouraging employees to telecommute whenever possible, limiting the need for operations staff to congregate within closed areas to the extent possible and moving quickly to a virtual environment. Many of the tools used to manage operations during the COVID-19 pandemic were at least partially in place beforehand.

Because of the nature of the District's operations and the communities served, the monetary effects of COVID-19 on the District have been minimal. In the initial stages of the pandemic, the major unexpected cost, in the amount of \$49,875.11, was for emergency laptop purchases the District made to facilitate telecommuting by staff. The pandemic also required expediting the purchase of higher bandwidth Internet service to accommodate more remote work and teleconferencing, at an additional cost of \$40,188 per year. It is important to note that an upgrade to the District's network infrastructure was already being planned prior to the pandemic as various information systems were being migrated to a Software as a Service (SaaS) model. In addition, the District was exploring ways to leverage portable technology in various operations.

When reviewing the District's overall financial position as of October 31, 2020, the most recent period that is closed, staff identified a minimal impact from COVID-19. Revenues through the period were 98.71% of budget at \$21,754,896, and operating expenses were at 94.97% of budget at \$15,704,188, leaving \$6,050,708 available for capital projects and other non-operating expenses.

#### Customer Impacts:

On November 23, 2020, the District submitted the attached survey to the State Water Resources Control Board on the impacts of COVID-19. As shown in the survey results, prior to the impacts of the pandemic being felt on March 4, 2020, the District had 673 delinquent accounts, representing \$74,884.09. As of October 31, 2020, the number of delinquent accounts increased by 39.5% to 939, or 4.42% of total accounts, while the amount owed increased 614% to \$459,775.92. The total delinquent amount represents 2.11% of the District's revenue. During the reporting period, an additional 266 accounts (1.25%) became delinquent.

#### **GOALS:**

Ensure Effective Utilization of the Public's Assets and Money

Prepared by: Donald Patterson, Director of Finance and Administration

#### **ATTACHMENTS:**

Response to SWRCB Survey on Impacts of COVID-19

**Water System Information**

Public Water System ID: CA1910225  
 Water System Name: LAS VIRGENES MWD

This section asks questions about delinquent accounts from March 4, 2020 to the present.

To complete the section be sure to scroll down to Row 50

For all questions, the last billing period is defined as the billing period with the end date closest to October 31st.

If your most recent billing period ended after October 31st, but prior to the date you are completing this survey and the data is available, please use that billing period.

Billing frequency per 2019 eAR (if blank, please enter billing frequency in box)

Note: BM=Bi-monthly, M=Monthly, A=Annually, Q=Quarterly, O=Other

If billing frequency is "Other", enter further details below:

N/A

What is the date of the end of your last billing period? (Please enter in MM/DD/YYYY format)

Are charges included on the bill for other services besides water service (e.g. wastewater, trash, power, or fees)? (Y/N)

Instructions for Tables 1 and 2:

For each row, please enter the number of (Column B) Single Family delinquent accounts, (Column C) Multi Family delinquent accounts, and (Column D) total number of delinquent residential accounts.

If your data is not broken down by Single Family/Multi Family, leave Columns B and C blank and enter total number of delinquent accounts in Column D.

Table 1: Delinquent Residential Accounts

Please enter the single family, multi-family, and/or total number of delinquent accounts as of the specified date, and the dollar amount of delinquent accounts

Survey Question	Single Family	Multi Family	Total Residential
Total number of delinquent accounts as of March 4, 2020			673
Number of delinquent accounts as of the end of the last billing period			939
Dollar amount of delinquent accounts (this includes all bill debt, e.g. water, power, etc.)			459,775.92
If non-water charges are included in the total bill, please provide an estimate of the amount of water bill debt accrued solely for provision of drinking water			200,000

Please provide any additional context for Table 1:

Additionally, please provide a per-zipcode breakdown in Table 3 (next tab)

Table 2: Total Number of Residential Delinquent Accounts and Length of Delinquency

Please enter the single family, multi family, and/or total number of accounts that have been delinquent for the specified number of billing cycles.

How many accounts have been delinquent for	Single Family	Multi Family	Total Residential
1 billing cycle			539
2 billing cycles			181
3 billing cycles			75
4 billing cycles			144
5 billing cycles			
More than 5 billing cycles			

Have late fees been applied to delinquent accounts since March 4, 2020? (Y/N)

If yes, please provide the total dollar amount of late fees applied to delinquent accounts

Number of delinquent accounts on an extended payment plan

Do you already offer repayment plans in response to the COVID emergency? (Y/N)

If no, do you plan to offer repayment plans in response to the COVID emergency? (Y/N)

Please provide any further details regarding delinquent accounts and payment plans below.



We are offering customers 24 months extended payment plans due to covid. Our past due aging report groups past due amounts as 31-60, 61-90, 91-120, 120 and over, so line 39 is 120 days past due and over. The report also will not report on single vs multi-family accounts.



December 15, 2020 LVMWD Regular Board Meeting

TO: Board of Directors

FROM: General Manager

**Subject : Response to Coronavirus (COVID-19) Pandemic: Continuation of Emergency**

**SUMMARY:**

On March 24, 2020, the Board adopted Resolution No. 2572, declaring a state of emergency for the District's service area due to the coronavirus (COVID-19) pandemic and authorizing actions to support the response and recovery effort. On April 21, 2020, the Board adopted Resolution No. 2574, amending and reenacting the declaration of a local state of emergency and authorizing interest-free flexible payments plans for up to 24 months. On May 19, 2020, the Board adopted Resolution No. 2576, amending and reenacting the declaration of a local state of emergency and authorizing a waiver of service initiation fees for commercial customers who temporarily closed their accounts due to hardships associated with COVID-19. Subsequently, on June 16, 2020, the Board adopted Resolution No. 2578, amending and reenacting the declaration of a local state of emergency and authorizing a partial credit to commercial hotel customers for fixed sewer charges for the months of April and May 2020 with a maximum 50 percent reduction of the charges.

Section 2-6.402 of the Las Virgenes Municipal Water District Code requires that once the Board has declared an emergency, it must determine by a 4/5's vote at each subsequent regular Board meeting whether to continue or terminate the authorization for emergency. Staff recommends that the emergency declaration be continued.

**RECOMMENDATION(S):**

Approve the continuation of an emergency declaration for response to the coronavirus (COVID-19) pandemic.

**FISCAL IMPACT:**

No

**ITEM BUDGETED:**

No

**DISCUSSION:**

Resolution Nos. 2572, 2574, 2576, and 2578 authorized and directed the General Manager to temporarily grant relief to District customers, as follows:

- Avoid shutting off water service for non-payment;
- Discontinue the issuance of door tags and associated fees for non-payment;
- Waive late charges for past due water and wastewater bills; and
- Authorize interest-free flexible payment plans for up to 24 months.
- Authorize waiving service initiation fees for commercial customers who temporarily closed their accounts due to hardship associated with COVID-19
- Authorize a partial credit to commercial hotel customers for fixed sewer charges for the months of April and May 2020 with a maximum 50 percent reduction of the charges.

At the Board meeting, staff will provide a comprehensive update on the District's response to the coronavirus (COVID-19) pandemic, including the following items:

- Response actions taken to-date;
- Effectiveness of the above-described actions;
- Feedback received from customers; and
- Billing and financial metrics.

**GOALS:**

Provide Safe and Quality Water with Reliable Services

Prepared by: David W. Pedersen, General Manager



December 15, 2020 LVMWD Regular Board Meeting

TO: Board of Directors

FROM: Finance & Administration

**Subject : CIS Software: Annual Support and Maintenance Agreement**

**SUMMARY:**

The District has used the Advanced Utility Systems Customer Information System (CIS) since 2002. CIS functions include customer account information, rates, bill processing, collections, service orders and payments. A maintenance contract includes software updates and fixes for CIS and on-going technical support. Staff recommend renewing the annual support and maintenance agreement for CIS with Advanced Utility Systems.

**RECOMMENDATION(S):**

Authorize the General Manager to execute an annual support and maintenance agreement with Advanced Utility Systems, in the amount of \$77,515.21, plus applicable taxes, for the District's Customer Information System software.

**FISCAL IMPACT:**

Yes

**ITEM BUDGETED:**

Yes

**FINANCIAL IMPACT:**

The cost of this action is \$77,515.21. Sufficient funds are available in the adopted Fiscal Year 2020-21 Budget.

**DISCUSSION:**

A new annual support and maintenance agreement is necessary to ensure Advanced Utility Systems will continue to provide support, maintenance and upgrades for CIS. The service will

provide essential business continuity for the District and ensure that the software suite continues to operate properly. Licensing and maintenance along with technical support of the CIS software is proprietary and exclusively available through Advanced Utility Systems.

**GOALS:**

Ensure Effective Utilization of the Public's Assets and Money

Prepared by: Andrew Spear, Principal Technology Analyst

**ATTACHMENTS:**

Invoice for Annual Support and Maintenance of CIS Software

Remit To: N. Harris Computer Corporation  
62133 Collections Center Drive  
Chicago, IL 60693-0621

**Bill to**

Las Virgenes Mncpl Water Distr  
Andrew Spear  
4232 Las Virgenes Road  
Calabasas, CA 91302-1994  
USA

**Ship To**

Las Virgenes Mncpl Water Distr  
Andrew Spear  
4232 Las Virgenes Road  
Calabasas, CA 91302-1994  
USA

PO Number	Customer No.	Salesperson ID	Shipping Method	Payment Terms
	LAS01A		LOCAL DELIVERY	MN JAN

Ordered	Item Number	Description	Unit Price	Ext Price
1.00	AUS - CIS INFINITY	CIS Infinity Support: 1/1/2021 to 12/31/2021	US\$ 72,265.21	US\$ 72,265.21
1.00	AUS - API	SOAP API: 1/1/2021 to 12/31/2021	US\$ 5,250.00	US\$ 5,250.00
Please note that the payment is due on or before the maintenance period start date. Therefore, please allow at least 10 business days prior to the due date to mail your payment.			Subtotal	US\$ 77,515.21
Invoice Questions? Please call Fatima Awada at 613-226-5511 ext 2842 OR e-mail FAwada@harriscomputer.com			Misc	US\$ 0.00
			Tax	US\$ 0.00
			Freight	US\$ 0.00
			Trade Discount	US\$ 0.00
			Total	US\$ 77,515.21



December 15, 2020 LVMWD Regular Board Meeting

TO: Board of Directors

FROM: Finance & Administration

**Subject : Claim by Dennis Nagdeman and Rebecca Hurst Hass Nagdeman**

**SUMMARY:**

On November 5, 2020, the District received the attached claim from Dennis Nagdeman and Rebecca Hurst Hass Nagdeman for an unspecified amount exceeding \$40,000. The claimants state that their property in Calabasas was damaged by a series of water main breaks over the past six months to three years. Government Code Section 911.2 specifies that claims causing damage to personal property shall be presented not later than six months after the cause of such action. Therefore, the claim is procedurally insufficient, and the District does not have liability based on the facts presented.

**RECOMMENDATION(S):**

Deny the claim submitted by Dennis Nagdeman and Rebecca Hurst Hass Nagdeman.

**FISCAL IMPACT:**

No

**ITEM BUDGETED:**

No

**DISCUSSION:**

The claimants allege that a series of water main breaks that occurred over a period of six months to three years ago caused water infiltration in the ground below their home and that subsequent erosion caused damage to both hardscape and subsurface areas in front and in back of the property over a period of time. Staff investigated the claim and identified a series of water main breaks that occurred between the 4400 and 4900 blocks of Alta Tupelo Drive in 2016. A more recent break occurred on August 14, 2020 near Alta Tupelo Drive and Park Entrada, approximately 50 feet downhill from the subject property. The discharge from that leak traveled away from the subject property, and staff noted that there was no indication of ground movement,

such as hardscape cracks or raised sidewalks in the area. Staff also noted ample drainage in the area. The 2016 series of breaks are outside of the allowable time limits for claims provided pursuant to Government Code Section 911.2. Additionally, the District has no record of claims from others in the immediate area or at the time of or subsequent to the 2016 or 2020 breaks. Upon review of the claim by staff and District Counsel, the claim was determined to be procedurally insufficient and, therefore, it is recommended to be denied.

**GOALS:**

Ensure Effective Utilization of the Public's Assets and Money

Prepared by: Donald Patterson, Director of Finance and Administration

**ATTACHMENTS:**

Claim by Dennis Nagdeman and Rebecca Hurst Hass Nagdeman





Claim Against Las Virgenes Municipal Water District
Government Code Sections 910 and 910.4

Mail or Deliver To: Executive Assistant/ Clerk of the Board
Las Virgenes Municipal Water District
4232 Las Virgenes Road
Calabasas, CA 91302

Name of claimant/s: Dennis B Nagdeman & Rebecca Hurst Hass Nagdeman

Address/location of accident or occurrence:

Calabasas., CA 91302

Address to where replies/notices should be sent (if different from the above):

Telephone numbers: Home: Work/Cell:

Please answer the following questions. If more space is required, please attach additional sheets. Please attach any receipts, invoices, estimates or photos that may help in consideration of your claim.

- 1. When did damage or injury occur? (Give exact date and hour)
Between the last 6 months to 3 years
2. Where did the damage or injury occur?
The damages have been to the ground fill below our home, which in turn have caused damages to our home and outside our home.
3. How did the damage or injury occur? (Give full details)
Multiple water main breaks in the middle of our street just above our home have caused water to erode the subsurface under our home and hardscape in both the front and back of our home.
4. What damage or injuries do you claim?
Our home has sunk at least 1" from the front NE corner of our home to the SW corner of our home. The interior of the home has multiple cracks in drywall, stone floors, granite countertops, multiple window seals have been broken. The hardscape in the back of the home and the front of the home has cracked, broken and separated from the foundation of the home. Initially, we need to raise and stabilize the foundation.

5. If this claim is for damage to property, are you the legal owner of said property?  
Yes  No . If not, please list name and address of property owner.

6. What is the name/s of the District employee/s causing the injury, damage or loss, if known?  
N/A

7. If District employees were involved in causing the damage or injury, do you believe there was a particular act or omission on the part of the employees that caused it?  
N/A

8. What is the amount the damages claimed? (Attach copies of receipts, invoices, estimates, photos, etc.)

Amount claimed as of this date: \$ \_\_\_\_\_

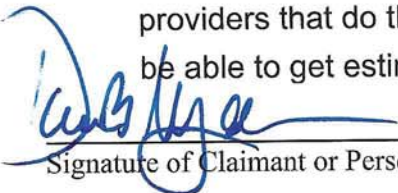
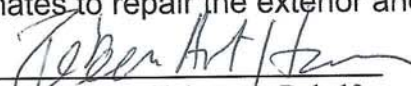
Estimated amount of future expenses: \$ \_\_\_\_\_

Total Amount Claimed: \$ \_\_\_\_\_

Basis for computation of amounts claimed: Just to raise and stabilize the home was estimated at about \$40K.

9. Other details? (Names, addresses of witnesses, doctors and hospitals)

We have two estimates for the above, but need to obtain estimates from two other service providers that do this kind of work. Once we have raised and stabilized our home, we will be able to get estimates to repair the exterior and interior damages that have occurred.

   
Signature of Claimant or Person Acting on Claimant's Behalf

10/26/2020

Date

Print Name of Signee (required): Dennis B Nagdeman, Rebecca Hurst Hass Nagdeman

This claim must be signed by claimant or by an authorized agent of the claimant. One copy must be filed with this office. Keep one copy for your records.

**Notice:** Section 72 of the Penal Code provides: "Every person who, with intent to defraud, presents for allowance or for payment to any state board or officer, or to any county, town, city, district, ward or village board or officer, authorized to allow or pay the same if genuine, any false or fraudulent claim, bill, account, voucher, or writing, is guilty of a felony".

Date Received: \_\_\_\_\_ Time: \_\_\_\_\_ Recorded by: \_\_\_\_\_

**Note:** This document is a Public Record and may be disclosed/released pursuant to the California Public Records Act.

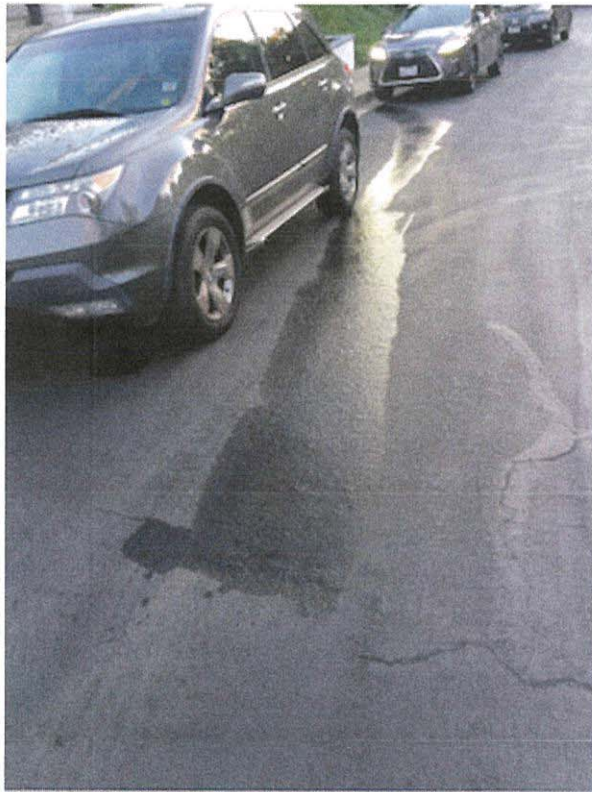


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December 15, 2020 LVMWD Regular Board Meeting

TO: Board of Directors

FROM: Engineering and External Affairs

**Subject : Calleguas-Las Virgenes Municipal Water District Interconnection Project:  
SCE Right-of-Way and Utility Crossing Consent Agreement**

**SUMMARY:**

The District's proposed 30-inch interconnection pipeline to the pump station/pressure regulating station (PS/PRS) for the Calleguas-Las Virgenes Municipal Water District Interconnection Project will cross underneath an existing underground, concrete-encased Southern California Edison (SCE) 69 kV duct bank. In addition, the pipeline will traverse an existing SCE access easement for its overhead electrical transmission facilities. As a result, SCE representatives have prepared the attached Right-of-Way and Utility Crossing Consent Agreement to define the terms and conditions for the utility crossing and joint use of the property. District Counsel reviewed the proposed Consent Agreement and approved it as to form. Staff recommends authorization for the General Manager to execute the proposed Right-of-Way and Utility Crossing Consent Agreement with SCE for the Calleguas-Las Virgenes Municipal Water District Interconnection Project.

**RECOMMENDATION(S):**

Authorize the General Manager to execute a Right-of-Way and Utility Crossing Consent Agreement with Southern California Edison for the Calleguas-Las Virgenes Municipal Water District Interconnection Project.

**FISCAL IMPACT:**

No

**ITEM BUDGETED:**

No

**FINANCIAL IMPACT:**



There is not financial impact associated with this agreement.

**DISCUSSION:**

Southern California Edison (SCE) requires a Right-of-Way and Utility Crossing Consent Agreement for the District's proposed improvements and future maintenance of the facilities at the interconnection PS/PRS site in close proximity to its underground 69 KV duct bank. After several reviews between SCE and Calleguas Municipal Water District (CMWD) staff, CMWD is moving forward with execution of the Consent Agreement. Because the Interconnection Agreement with CMWD for the project establishes that the District will own, operate and maintain the pipeline on the low-pressure side of the pump station, including the location of the undercrossing with SCE's 69 kV duct bank, the Consent Agreement requires execution by the District.

Following is a summary of the need for the proposed Consent Agreement:

- SCE has an existing access easement for its overhead electrical transmission facilities along the east side of the site, adjacent to Lindero Creek. The easement provides SCE with right-of-entry/access across the PS/PRS site. Currently, there are two paths across the site that SCE uses to gain access to its facilities. SCE's access to its facilities needs to be maintained prior to, during and following construction of the PS/PRS, pipelines and appurtenant facilities.
- The District's 30-inch interconnection pipeline to the PS/PRS, which to be constructed by CMWD's contractor, will cross underneath SCE's existing 69 kV underground, concrete-encased duct bank. The Consent Agreement includes Drawing No. C-02 that shows the location of the undercrossing, and Drawing No. C-18 that provides the engineered-crossing requirements established by SCE.

District Counsel reviewed the proposed Consent Agreement and approved it as to form. Staff recommends authorization for the General Manager to execute the proposed Right-of-Way and Utility Crossing Consent Agreement with SCE for the Calleguas-Las Virgenes Municipal Water District Interconnection Project.

**GOALS:**

Construct, Manage and Maintain All Facilities and Provide Services to Assure System Reliability and Environmental Compatibility

The Calleguas-Las Virgenes Municipal Water District Interconnection Project will increase system reliability.

Prepared by: Oliver Slosser, P.E., Senior Engineer

**ATTACHMENTS:**

Proposed Right-of-Way and Utility Crossing Consent Agreement  
Easement Map

October 26, 2020

Cesar Romero  
Calleguas Municipal Water District  
2100 Olsen Road  
Thousand Oaks, CA 91360

Subject: Las Virgenes-Calleguas Underground Pump Site  
LVMWD-CMWD Interconnect Project No. 450  
Lindero Canyon & Blackbird Ave., Westlake Village  
CON203792755/801927195

Southern California Edison ("SCE"), has reviewed your request for an underground crossing of SCE's transmission facilities and temporary construction area through the SCE easement access road as shown on the attached plans entitled "LVMWD-CMWD Interconnection Project No. 450, SCE Temporary Easement Location , PS/PRS Utility Plan-Existing and Project", sheet(s) 7 of 120, dated 5/14/2020, "Calleguas Municipal Water District, Las Virgenes-Calleguas Interconnection No. 450, Surveyed Pothole Data, Underground Pump Station," Dated 4/20/2020, "LVMWD-CMWD Interconnection Project No. 450, Waterline Plan and Profile, PS/PRS Inlet, STA. 1+00-3+00", sheet(s) 37 of 121, dated 4/13/2020, "LVMWD-CMWD Interconnection Project No. 450, Ex SCE Utility Crossing Detail Sheet", sheet(s) 23 of 120, dated 4/29/2020, "LVMWD-CMWD Interconnection Project No. 450, Water Line Plan and Profile PS/PRS Inlet," sheet(s) C-33 & C-34, Dated 9/29/2020, "LVMWD-CMWD Interconnection Project No. 450, PS/PRS; Site Overview and Horizontal Control, Utility Plan-Existing and Project, Access Road Plan and Profile, Grading Plan Cross Sections A and B and Detail, sheet(s) G-01, C-01C-02C-05, C-08, dated 9/28/2020 & 9/29/2020, "LVMWD-CMWD Interconnection Project No. 450, PS/PRS Excavation, Rough Grading and SCE Temporary Access Grading, sheet C-03, dated 9/24/2020, "LVMWD-CMWD Interconnection Project No. 450, EX SCE Utility Crossing Detail Sheet, sheet C-18, dated 9/24/2020.

As a utility operating high voltage electric lines that serve a major portion of Southern California, SCE's approval is granted subject to the conditions listed below to provide for the safety of others, to protect the electric system from damage and to prevent service interruptions.

This agreement is personal to CALLEGUAS MUNICIPAL WATER DISTRICT and LAS VIRGENES MUNICIPAL WATER DISTRICT, (Consentees) and is not transferable without SCE's prior written consent. Please be advised, you have one year (12 months) from the date of this Consent Letter in order to commence with construction of this project. If construction has not begun by that time, all plans must be re-evaluated to ensure compliance with the then current SCE Policies and Guidelines.

1. CALLEGUAS MUNICIPAL WATER DISTRICT is to provide the contractor's structural design and calculation for the conduit and duct bank support to SCE for approval two (2) weeks prior to construction.
2. Adequate access to all structures must be provided and at no time is there to be any interference with the free movement of SCE's equipment and materials (See Addendum 1 Table 1 – Standard Clearances).
3. At no time shall access to any SCE's facilities be cut off or impeded in any way during construction.
4. All equipment working on the right of way must maintain a minimum clearance of 25-feet from all SCE structures in conjunction with the minimum clearances set forth in the California Code of Regulations, Title 8 Article 37, Table II, Provisions for Preventing Accidents Due to Proximity to Overhead Lines. The minimum required equipment clearances also include SCE's Operating Conditions in which a minimum distance shall be maintained from all overhead conductors. (See Addendum 2 Table 2). If this minimum clearance cannot be maintained for any reason, CALLEGUAS MUNICIPAL WATER DISTRICT will notify SCE and SCE may (at their own discretion), order an outage at the sole expense of the CALLEGUAS MUNICIPAL WATER DISTRICT.
5. Existing SCE facilities shall be protected in place per the approved plans.
6. A vacuum excavator is to be used when trenching above or underneath SCE's facilities.
7. When CALLEGUAS MUNICIPAL WATER DISTRICT'S contractor is trenching underneath SCE's facilities, the entire exposed duct bank is to be supported per the approved plans.
8. If the 2-sack sand slurry mix (thermal back-fill) above the duct bank is removed, then it shall be replaced with the 2 sack sand slurry mix.
9. It must be emphasized that these conditions are given from a review of conceptual/proposed plans, dated as indicated above, and submitted by CALLEGUAS MUNICIPAL WATER DISTRICT. Any changes in the final plans may impose further conditions to this Consent.
10. Any modifications of or changes in approved plans must be approved by the Land Management Department, in writing, prior to commencement of development.
11. The SCE right of way shall be left in a condition satisfactory to SCE. The cost to repair any damage caused by CALLEGUAS MUNICIPAL WATER DISTRICT to the access roads, slopes, turnaround area, underground or overhead facilities, or any SCE facilities shall be paid for by CALLEGUAS MUNICIPAL WATER DISTRICT.
12. CALLEGUAS MUNICIPAL WATER DISTRICT understands that SCE will be maintaining its facilities, which includes washing of insulators.

13. Underground facilities installed on the right of way shall have a minimum cover of three feet and shall be capable of withstanding a gross load of 40 tons on a three-axle truck.
14. No additional structures or other development shall be permitted within the SCE right of way, other than those approved herein.
15. This Agreement must be in the possession of CALLEGUAS MUNICIPAL WATER DISTRICT's employees or its contractors, while on SCE's right of way, as a condition for issuance of the Agreement.
16. SCE shall be held harmless from any damage on or off the right of way resulting from the work being performed as described herein and approval of these drawings by SCE does not relieve the CALLEGUAS MUNICIPAL WATER DISTRICT or its engineers from any liability arising out of their design or construction of the project.
17. *REVISED* Staging of equipment or materials *shall be* permitted within the SCE right of way pending the following condition. CALLEGUAS MUNICIPAL WATER DISTRICT will construct a second temporary access path that connects to Lindero Canyon Road, "SCE access Path B." Calleguas' contractor will be allowed to stage equipment and materials along either Access Path "A" or "B" as long as the other path ("A" or "B") is kept open for SCE access.
18. CALLEGUAS MUNICIPAL WATER DISTRICT AND LAS VIRGENES MUNICIPAL WATER DISTRICT shall assume all liability for any damage on or off the right of way resulting from any grading on the right of way and/or change in water flow.
19. Cribbing shall be installed if the ditch is to be left open or endangers SCE facilities.
20. *REVISED* Access roads, a minimum of 16 feet usable width and capable of supporting 40-tons on a three-axle truck, must be provided at locations as indicated on the approved plans. *Calleguas will provide and maintain a 16-foot usable width path within Calleguas' Limits of Work Area as shown in the approved plans. To help improve the existing conditions along the SCE Access Path, Calleguas' contractor will scarify the subgrade to 6 inches, moisture condition it, and then recompact it to 90% relative density.*
21. No rock or similar material greater than 6 inches in diameter will be placed in the fill unless recommendations for such placement have been submitted by the Geotechnical Engineer and approved, in writing, in advance by the Land Management Department.
22. The proposed pipeline/underground cable shall be constructed, used, maintained, or removed so as not to damage, endanger, or interfere with the construction, use and maintenance of any existing pipelines, underground cables, electric or telephone lines, or other facilities in, on, over, under, or across the SCE right of way, including any facilities or improvements of SCE. Where crossing existing pipelines or underground facilities, CALLEGUAS MUNICIPAL WATER DISTRICT AND LAS VIRGENES MUNICIPAL WATER DISTRICT shall place its facilities a reasonably safe distance under or from such existing pipelines or underground facilities.
23. The proposed pipeline/underground cable shall be of such type of construction and material as to be sufficient and safe for the purposes for which it is to be used and shall

be maintained by CALLEGUAS MUNICIPAL WATER DISTRICT AND LAS VIRGENES MUNICIPAL WATER DISTRICT at all times in a safe condition, satisfactory to SCE.

- 24. The proposed pipeline shall be constructed to withstand a pressure equal to at least One Hundred and Fifty Percent (150%) of its maximum operating pressure, and shall be so tested upon completion of its construction. CALLEGUAS MUNICIPAL WATER DISTRICT shall give the Land Management Agent two (2) business days prior notice, in writing, of the time and place of the pressure testing of said pipeline, in order that a representative of SCE may be present. The representative can be contacted at (805) 654-7406.

**Addendum 1 Table 1 Standard Clearances from SCE Facilities**

<u>Towers, Engineered Steel Poles &amp; H-Frame</u>		<u>Voltages 161kv to 500kv</u>
Lattice-Aesthetic & H-Frame (dead-end)		100 ft.
Engineered Steel Poles (dead-end)		100 ft.
Suspension Towers & H-Frames		50 ft.
Suspension Steel Poles		50 ft.
<u>Towers, Wood and Lt-Weight Steel Poles &amp; H frames</u>		<u>Voltages 66kv to 115kv</u>
Engineered Steel Poles with Foundation (TSP) (dead-end)		25 ft.
H-Frame		25 ft.
Wood poles		25 ft.
Light weight steel poles		25 ft.
Anchors Rods		10 ft.
Guy Wires		10 ft.
Guy Poles		10 ft.
Lattice Anchor Towers (dead-end)		100 ft.
Lattice Suspension Towers		50 ft.

**Addendum 2 - Table 2 Minimum Working Clearance-Distances**

<u>Voltage</u> <u>(Nominal, kV, alternating current)</u>	<u>Minimum clearance distance</u> <u>(Feet)</u>
Up to 50	10
Over 50 to 175	15
Over 175 to 350	20
Over 350 to 550	27
Over 550 to 1,000	45
Over 1,000	As established by the utility owner / operator or registered professional engineer who is a qualified person with respect to electrical power transmission and distribution.

Note: The value that follows “to” is up to and includes that value. For example, over 50 to 200 means up to and including 200kV.

All costs incurred for the proposed project shall be borne by CALLEGUAS MUNICIPAL WATER DISTRICT.

This Consent is executed subject to General Order No. 69-C, of the Public Utilities Commission of the State of California dated and effective July 10, 1985, incorporated herein by this reference. As set forth in General Order No. 69-C, this grant is made conditional upon the right of SCE either on order of the Public Utilities Commission or on SCE's own motion to resume the use of the property in question (including, but not limited to the removal of any obstructions) whenever, in the interest of SCE's service to its patrons or consumers, it shall appear necessary or desirable to do so. Consentee agrees to comply with all applicable federal, state and local laws and regulations. This Consent should not be construed as a subordination of SCE's rights, title and interest in and to its easements, nor should this Consent be construed as a waiver of any of the provisions contained in said easements or a waiver of any costs of relocation of affected SCE facilities.

All notice required to be given to SCE herein, shall be made in writing and shall be deposited in the United States mail, first class, postage prepaid, addressed as follows:

Southern California Edison Company  
Land Management Department  
10180 Telegraph Road  
Ventura, CA 93004  
Attn: Amy Biamonte

CALLEGUAS MUNICIPAL WATER DISTRICT AND LAS VIRGENES MUNICIPAL WATER DISTRICT agrees, for itself, and for its and their agents and employees and any person or persons claiming under CALLEGUAS MUNICIPAL WATER DISTRICT to save harmless and indemnify SCE, its successors and assigns and its and their officers, agents, and employees, from and against all claims, demands, loss, damage, actions, causes of action, expense and/or liability arising or growing out of loss of or damage to property, including the property of SCE, its successors and assigns, and its and their officers, agents, and employees, or injury to or death of persons resulting in any manner, directly or indirectly, from the maintenance, use, operation, repair or presence of the use approved herein.

There are numerous sources of power frequency electric and magnetic field ("EMF"), including household or building wiring, electrical appliances and electric power transmission and distribution facilities. There have been numerous scientific studies about the potential health effects of EMF. Interest in a potential link between long-term exposures to EMF and certain diseases is based on the combination of this scientific research and public concerns.

While some 30 years of research have not established EMF as a health hazard, some health authorities have identified magnetic field exposures as a possible human carcinogen. Many of the questions about specific diseases have been successfully resolved due to an aggressive international research program. However, potentially important public health questions remain about whether there is a link between EMF exposures in homes or work and some diseases including childhood leukemia and a variety of other adult diseases (e.g. adult cancers and miscarriages). While scientific research is continuing on a wide range of questions relating to exposures at both work and in our communities, a quick resolution of the remaining scientific uncertainties is not expected.

Since you plan to enter SCE’s right of way that is in close proximity to SCE’s electric facilities, SCE wants to share with you and those who may enter the property under this agreement, the information available about EMF. Accordingly, SCE has attached to this document a brochure that explains some basic facts about EMF and that describes SCE’s policy on EMF. SCE also encourages you to obtain other information as needed to assist you in understanding the EMF issues with respect to your planned use of this right of way.

It is the Consentee’s responsibility to determine if the consent of any other party owning an interest in the property is required and to obtain such consent prior to engaging in any activity permitted hereby on the property.

We would appreciate the project completion date inserted in the space provided below.

Please have CALLEGUAS MUNICIPAL WATER DISTRICT AND LAS VIRGENES MUNICIPAL WATER DISTRICT sign and date the enclosed copy of this letter, thereby indicating acceptance of the above conditions, and return the signed copy to this office using the enclosed envelope.

As previously indicated, it is necessary that the use of the land within an operating high voltage transmission line right of way be closely coordinated. For this reason, it will be necessary for SCE to assume your project has been either delayed or cancelled in the event the copy of this letter has not been signed and returned within sixty (60) days from the date of this letter. Should this occur, any consent granted or implied is voided without further notice in order to protect our rights and facilities. If the project is subsequently reactivated, please contact SCE again prior to the start of any construction, referencing our Real Properties file number. We will then work together with you to ensure the project is coordinated so as to avoid interference with SCE installations and operations.

SCE appreciates the opportunity to review your plans and thanks you for your cooperation in coordinating your project with our company. If you have any questions please contact me at (805) 654-7406.

**CALLEGUAS MUNICIPAL WATER DISTRICT**

Accepted and Approved - Dated: \_\_\_\_\_

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

**Estimated Completion Date:** \_\_\_\_\_

**LAS VIRGENES MUNICIPAL WATER DISTRICT**

Accepted and Approved - Dated: \_\_\_\_\_

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

**SOUTHERN CALIFORNIA EDISON COMPANY**

Accepted and Approved - Dated: \_\_\_\_\_

Signature: \_\_\_\_\_

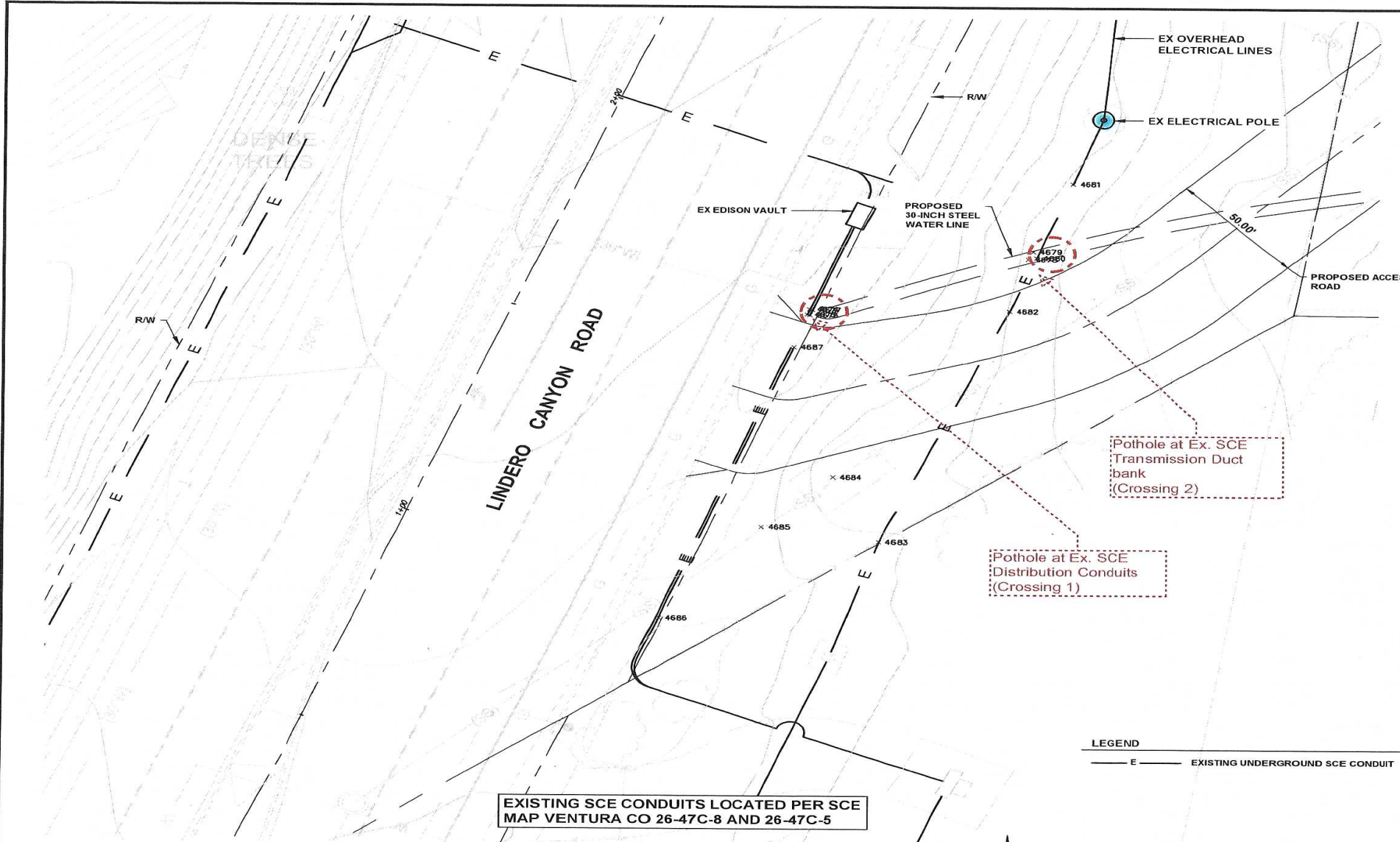
Print Name: \_\_\_\_\_

Title: \_\_\_\_\_





DWG: C:\Users\mwhill@phoenixcivil.com\Projects\California Interconnection\CDI Project\453\DWG - 453\EXISTING SCE DUCT BANKS AND EQUIPMENT.dwg  
 DATE: Apr 20, 2020 1:56pm  
 USER: mwhill  
 PROJECT: 453  
 SHEET: 26-47C-8



EXISTING SCE CONDUITS LOCATED PER SCE  
 MAP VENTURA CO 26-47C-8 AND 26-47C-5

**EXISTING SCE DUCT BANKS AND EQUIPMENT**

SCALE: 1" = 10'

AT INTERCONNECTION  
 UNDERGROUND PUMP STATION

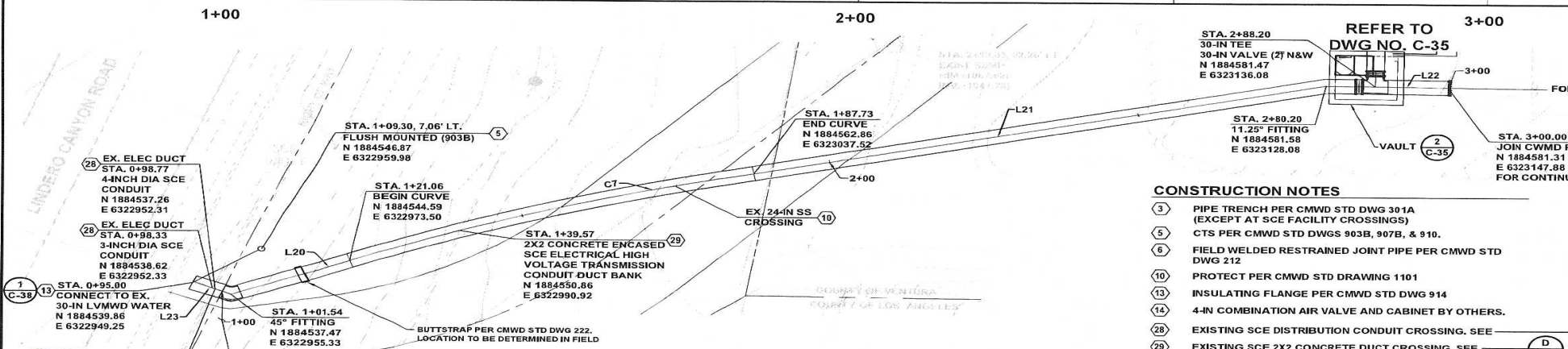
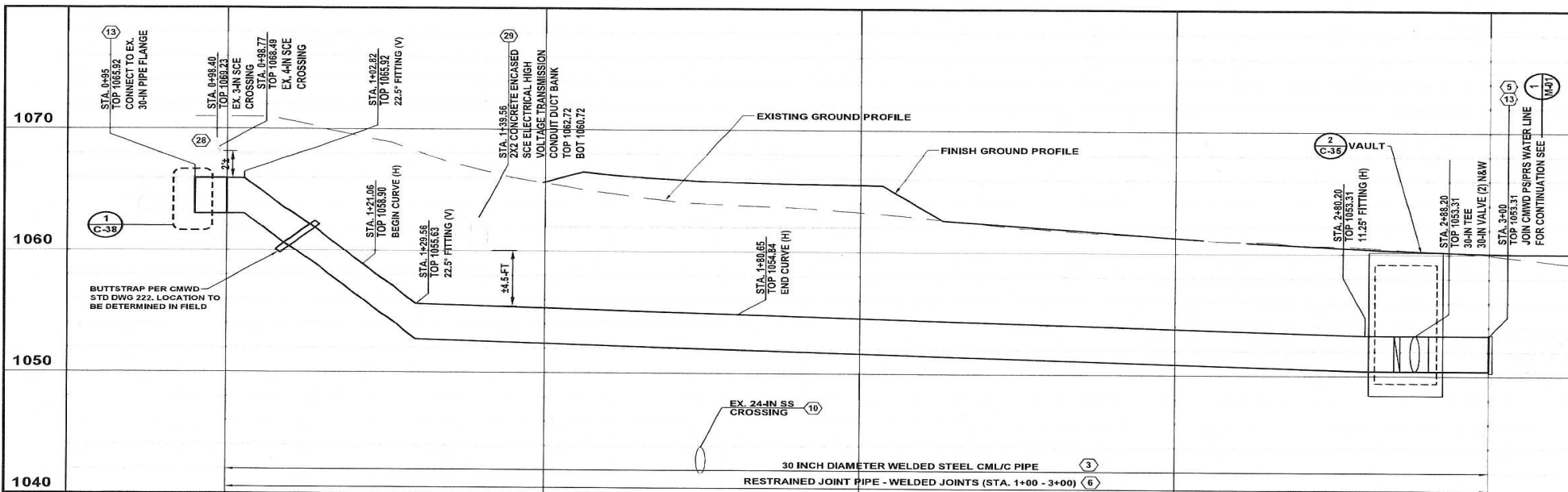
**LEGEND**

— E — EXISTING UNDERGROUND SCE CONDUIT

VERIFY SCALES  
 BAR IS ONE INCH ON ORIGINAL DRAWING  
 0" — 1"  
 IF NOT ONE INCH ON THIS SHEET,  
 ADJUST SCALES ACCORDINGLY

PREPARED BY:  
 PHOENIX CIVIL ENGINEERS  
 535 E. MAIN ST.  
 SANTA PAULA, CA 93060  
 805-658-6800





- CONSTRUCTION NOTES**
- 3 PIPE TRENCH PER CMWD STD DWG 30-1A (EXCEPT AT SCE FACILITY CROSSINGS)
  - 5 CTS PER CMWD STD DWGS 903B, 907B, & 910.
  - 6 FIELD WELDED RESTRAINED JOINT PIPE PER CMWD STD DWG 212
  - 10 PROTECT PER CMWD STD DRAWING 1101
  - 13 INSULATING FLANGE PER CMWD STD DWG 914
  - 14 4-IN COMBINATION AIR VALVE AND CABINET BY OTHERS.
  - 28 EXISTING SCE DISTRIBUTION CONDUIT CROSSING. SEE
  - 29 EXISTING SCE 2X2 CONCRETE DUCT CROSSING. SEE

**LVWMD 30-INCH WATER TO PS/PRS  
STA 1+00 TO STA 3+00**



Know what's below.  
Call 811 before you dig.

VERIFY SCALES  
BAR IS ONE INCH ON ORIGINAL DRAWING  
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ADJUST SCALES ACCORDINGLY

REVISIONS			
REV.	DESCRIPTION	BY	DATE
-	FINAL SUBMITTAL	JMT	09/29/20

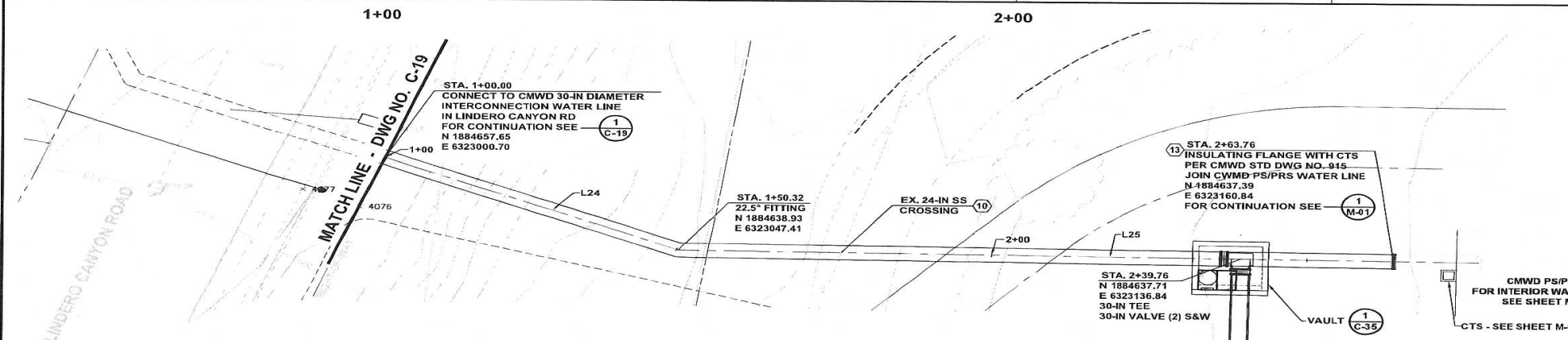
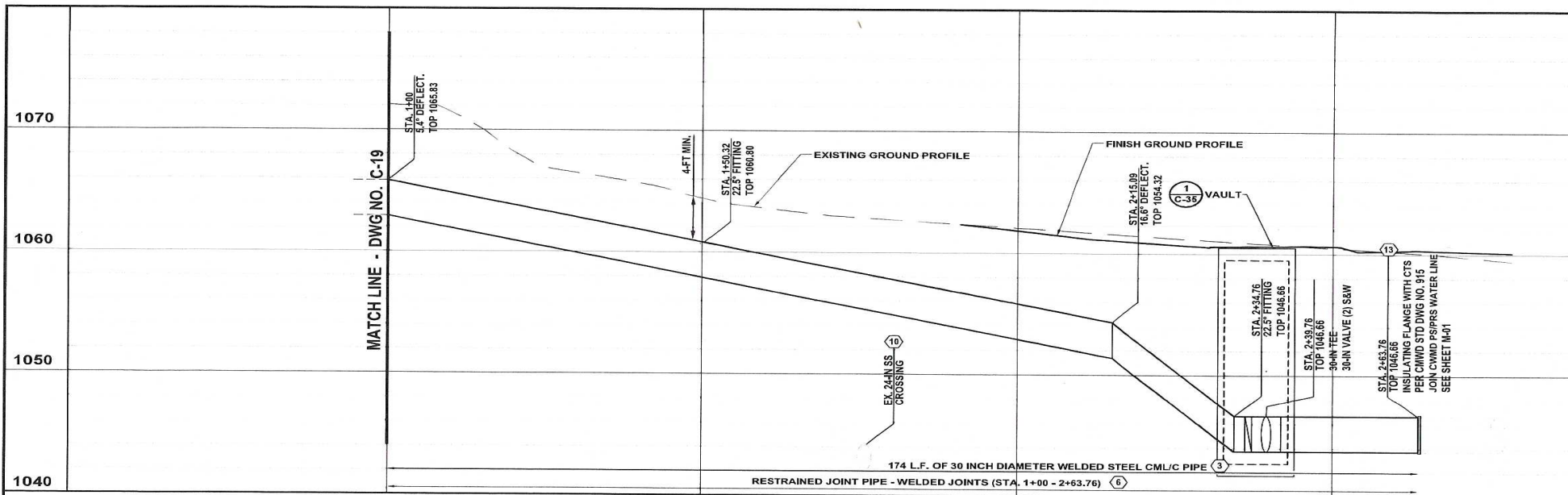
DESIGNED BY:  
JMT  
DRAWN BY:  
ADS  
CHECKED BY:  
JMT



PHOENIX CIVIL ENGINEERING, INC.  
535 E. MAIN STREET  
SANTA PAULA, CA 93060  
(805) 658-6800

ALLEGUAS MUNICIPAL WATER DISTRICT  
REVIEWED BY:  
MANAGER OF ENGINEERING  
ALLEGUAS MUNICIPAL WATER DISTRICT

REGISTERED PE 63214  
6/30/22  
EXP. DATE



**CWMD 30-INCH WATER FROM PS/PRS  
STA 1+00.00 - STA 2+63.76**

REFER TO  
DWG NO. C-35

LINE #	BEA
L24	N68' 0"
L25	N89' 1"



**CONSTRUCTION OF THE LVWMD 30-INCH STEEL WATER LINE ALONG LINDERO CANYON ROAD DONE BY OTHERS**

REVISIONS			
REV.	DESCRIPTION	BY	DATE
1	FINAL SUBMITTAL	JMT	09/29/20

DESIGNED BY:  
JMT  
DRAWN BY:  
ADS  
CHECKED BY:  
JMT



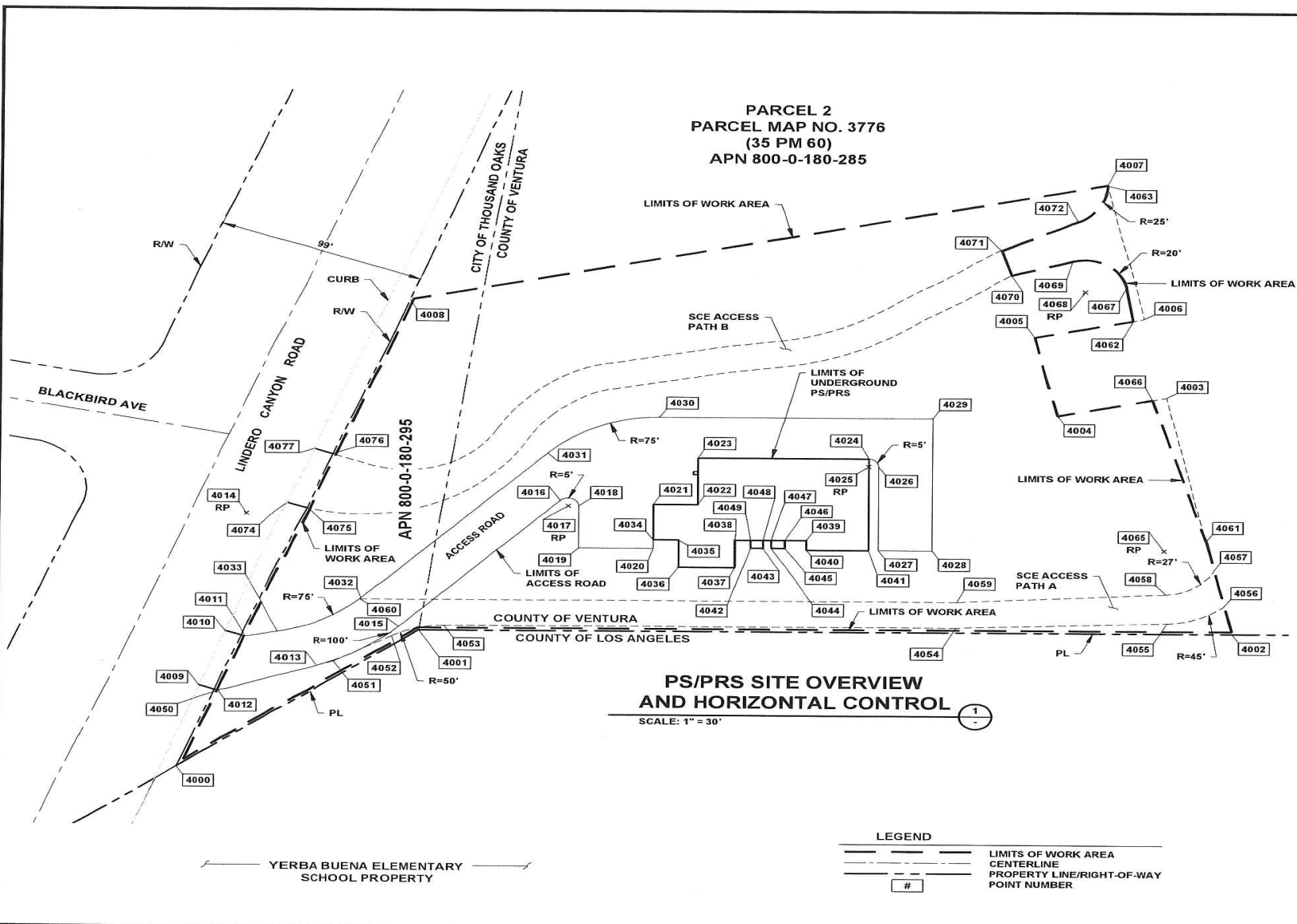
**PHOENIX CIVIL ENGINEERING, INC.**  
535 E. MAIN STREET  
SANTA PAULA, CA 93060  
(805) 658-6500

REGISTERED PE 6214      65022      DATE

**CALLEGUAS MUNICIPAL WATER DISTRICT**  
REVIEWED BY:  
MANAGER OF ENGINEERING  
CALLEGUAS MUNICIPAL WATER DISTRICT



PARCEL 2  
 PARCEL MAP NO. 3776  
 (35 PM 60)  
 APN 800-0-180-285



Point Table			
Point #	Northing	Easting	DESCR
4000	1884454.148	6322921.047	LI
4001	1884537.816	6323036.383	LI
4002	1884532.539	6323426.045	LI
4003	1884679.758	6323395.349	LI
4004	1884668.789	6323342.741	LI
4005	1884717.736	6323332.536	LI
4006	1884728.705	6323385.144	LI
4007	1884811.722	6323367.834	LI
4008	1884743.308	6323034.086	LI
4009	1884504.419	6322932.310	EX
4010	1884537.968	6322945.366	EX
4011	1884534.342	6322954.666	DV
4012	1884500.792	6322941.631	DV
4013	1884516.026	6322987.599	DV
4014	1884610.949	6322956.140	R
4015	1884540.088	6323026.700	DV
4016	1884618.053	6323104.988	DV
4017	1884614.509	6323108.526	R
4018	1884614.442	6323113.525	DV
4019	1884588.419	6323113.173	DV
4020	1884587.932	6323149.170	DV
4021	1884615.291	6323149.540	DV
4022	1884615.006	6323170.538	DV
4023	1884644.004	6323170.931	DV
4024	1884642.893	6323252.924	DV
4025	1884637.894	6323252.856	R
4026	1884637.826	6323257.855	DV
4027	1884585.831	6323257.151	DV
4028	1884585.492	6323282.149	DV
4029	1884667.485	6323283.259	DV
4030	1884669.250	6323152.913	DV
4031	1884647.402	6323099.042	DV
4032	1884557.803	6323009.060	DV
4033	1884537.258	6322970.090	DV
4034	1884593.293	6323149.242	CR
4035	1884593.130	6323161.241	CR
4036	1884576.132	6323161.011	CR
4037	1884575.766	6323188.009	CR
4038	1884592.765	6323188.239	CR
4039	1884592.304	6323222.236	CR
4040	1884586.304	6323222.236	CR
4041	1884585.899	6323252.152	CR
4042	1884587.663	6323195.727	CR
4043	1884587.582	6323201.726	CR
4044	1884587.527	6323205.726	CR
4045	1884587.446	6323211.725	CR

LEGEND	
	LIMITS OF WORK AREA
	CENTERLINE
	PROPERTY LINE/RIGHT-OF-WAY
	POINT NUMBER

DWG: C:\Users\mcmah\AppData\Local\Temp\MapInfo\MapInfo\2484\DWG\CIVIL SITE.DWG  
 DATE: Sep 29, 2020 12:16pm  
 DESIGNED BY: JMT  
 DRAWN BY: ADS  
 CHECKED BY: JMT  
 USER: ASO/wh  
 DWP-1090  
 DWP-WALL  
 DWP-LD  
 18033 NORTH RANCH TR, PCE  
 180331 PCE  
 180331 PCE

REVISIONS			
REV.	DESCRIPTION	BY	DATE
-	FINAL SUBMITTAL	JMT	09/29/20

VERIFY SCALES  
 BAR IS ONE INCH ON ORIGINAL DRAWING  
 0 = 1  
 IF NOT ONE INCH ON THIS SHEET,  
 ADJUST SCALES ACCORDINGLY

DESIGNED BY: JMT  
 DRAWN BY: ADS  
 CHECKED BY: JMT

PHOENIX CIVIL ENGINEERING, INC.  
 535 E. MAIN STREET  
 SANTA PAULA, CA 93060  
 (805) 658-6800

REGISTERED PE 69214  
 6/30/22  
 DATE

CALLEGUAS MUNICIPAL WATER DISTRICT

REVIEWED BY: \_\_\_\_\_  
 MANAGER OF ENGINEERING  
 CALLEGUAS MUNICIPAL WATER DISTRICT













APPROXIMATE LOCATION OF OVERHEAD POWER LINES APPROXIMATELY 50-FEET ABOVE EXISTING TRAIL

**CREEK**

**LINDERO**

(E) SCE OHD Transmission Easement

TO LINDERO FEEDER NO. 2

EX 24" DIA VCP SEWER LINE (TRIUNFO)

APN 800-0-180-285

PUMPS

CMWD FLOWMETER

5:1 SLOPE

SCE'S ACCESS TO THE EX OVERHEAD ELECTRIC TRANSMISSION LINES

PRS CONTROL VALVES

EX DIRT ROAD

LVMWD FLOWMETER

SERVICE METER AND SCE TRANSFORMER

SCE SERVICE CONDUIT

COUNTY LIMITS

(N) 30" pipe crossing under SCE's 69 kV encased duct bank, per Drawing C-18 details.

**SCE Access Path "B"**

**SCE Access Path "A"**

(N) 30" pipe crossing under SCE's conduits, per Drawing C-18 details.

(E) 69 kV SCE Pole

(N) CONC. D/W APRON

**LINDERO**

**CMWD 30" PIPELINE ALIGNMENT**

NEW FIRE HYDRANT LATERAL PIPELINE

**CYN**

(N) Temp ramp for SCE Access Path "B" in this area per Drawing C-03 near (E) SCE Pole

CONNECTION TO LVMWD SYSTEM

**BLACKBIRD AVENUE**

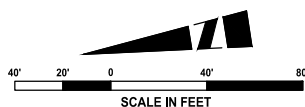
**AVENUE**

**ROAD**

**LVMWD 30" PIPELINE ALIGNMENT**

**LEGEND**

- PS/PRS SITE BOUNDARY
- PERMANENT ACCESS AND PIPELINE EASEMENT
- TEMPORARY CONSTRUCTION EASEMENT



VERIFY SCALES  
BAR IS ONE INCH ON ORIGINAL DRAWING  
IF NOT ONE INCH ON THIS SHEET, ADJUST SCALES ACCORDINGLY

USER: ASmith  
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 DATE: Jul 07, 2020 2:57pm  
 AREFS: CMD-EXH-BDR 450  
 CMD-VAULT  
 CMD-LO 15049SK1

PREPARED BY:  
**PHOENIX CIVIL ENGINEERING, INC.**  
 535 E. MAIN ST.  
 SANTA PAULA, CA 93060  
 805-658-6800



CALLEGUAS MUNICIPAL WATER DISTRICT  
 LAS VIRGENES-CALLEGUAS INTERCONNECTION  
 PROJECT 450



December 15, 2020 LVMWD Regular Board Meeting

TO: Board of Directors

FROM: Engineering and External Affairs

**Subject : Calleguas-Las Virgenes Municipal Water District Interconnection Project:  
Change Order No. 1**

**SUMMARY:**

On September 15, 2020, the Board accepted the low bid from Sully-Miller Contracting Company and authorized the General Manager to execute a construction contract, in the amount of \$4,683,270.55, for Calleguas-Las Virgenes Municipal Water District Interconnection Project. During the bidding process, several contractors notified the District of potential delays to procure the steel pipeline, which could potentially limit their ability to complete the project within the construction duration specified in the contract documents. As a result, staff issued an addendum to explain that a schedule adjustment would be considered due to the circumstances.

Change Order No.1 is recommended to allow sufficient time for the fabrication and procurement of the 30-inch steel pipeline required for the project. Staff recommends approval of Change Order No. 1, which has no additional cost but will increase the construction duration by 50 calendar days, from 180 to 230 calendar days. Board authorization is required because the 50-calendar-day extension exceeds the administrative authority of the General Manager to approve contract extensions by a maximum of 25% of the original duration.

**RECOMMENDATION(S):**

Authorize the General Manager to approve Change Order No. 1 to provide an additional 50 calendar days to the construction duration for for the Calleguas-Las Virgenes Municipal Water District Interconnection Project.

**FISCAL IMPACT:**

No

**ITEM BUDGETED:**

No

## **FINANCIAL IMPACT:**

This is no financial impact associated with this action.

## **DISCUSSION:**

The District and Calleguas Municipal Water District (CMWD) own and operate potable water systems that are dependent on imported water supplies. Both agencies are subject to scheduled and unscheduled interruptions of water deliveries that can negatively impact their ability to deliver potable water to their respective customers. On March 10, 2015, the District and CMWD entered into an Interconnection Agreement to improve the future reliability of their respective water systems. The proposed interconnection is a cost-effective way to deliver water between the agencies if one were to experience a complete or partial supply interruption that does not significantly affect the other agency. The interconnection would also facilitate filling of Las Virgenes Reservoir during the winter months and expand recycled water service through the construction of new pipeline laterals and service connections.

The District is responsible for the construction of the southern pipeline segment, connecting its system along Lindero Canyon Road near Thousand Oaks Boulevard to a new proposed Pump Station/Pressure Reducing Station (PS/PRS) site at the Los Angeles/Ventura County boundary. This section of pipeline will be installed along the southbound lanes of Lindero Canyon Road within the City of Westlake Village, from the proposed PS/PRS site southerly to Thousand Oaks Boulevard. The pipeline will consist of 4,977 linear feet of 30-inch welded steel pipe.

On September 15, 2020, the Board awarded a construction contract to Sully-Miller Contracting Company, in the amount of \$4,683,270.55, with a period of performance (construction duration) of 180 days. During the bidding process, the District became aware of potential delays in the procurement of the steel pipeline that was beyond the control of the bidders. Based on conversations with the potential bidders and their suppliers, staff issued an addendum stating that *"The District will approve a schedule-based change order for the selected bidder for a period equal to the delay incurred for procurement of steel pipeline up to three months (a total construction schedule of up to 270 calendar days). This change order request must be accompanied by documentation from the supplier showing the anticipated delay."*

On October 28, 2020, Sully-Miller submitted a request for Change Order No. 1, requesting an additional 50 calendar days for procurement of the steel pipe. Sully-Miller also included an updated construction schedule and documentation from the supplier validating the delay. Staff reviewed the request and recommends approval of the change order. Sully-Miller has provided adequate justification for the change order and worked diligently to minimize the overall delay to the project.

Change Order No. 1 would provide 50 additional calendar days to the construction schedule, which exceeds the General Manager's administrative authority to extend the original contract duration by up to 25%. As a result, Board authorization is required for approval of Change Order No. 1.

## **GOALS:**

Construct, Manage and Maintain All Facilities and Provide Services to Assure System Reliability and Environmental Compatibility

The Calleguas-Las Virgenes Municipal Water District Interconnection Project will increase system reliability.

Prepared by: Oliver Slosser, P.E., Senior Engineer

**ATTACHMENTS:**

Proposed Change Order No. 1





SULLY-MILLER CONTRACTING CO.

License 747612A

135 S. State College Blvd., STE. 400 ♦ Brea, CA 92821 ♦ PHONE 714-578-9600

Mr. Oliver Slosser  
4232 Las Virgenes Road  
Calabasas, CA 91302

October 28 2020

Subject: Calleguas – LVMWD Interconnection Project – COR #01 – Contract Extension

Mr. Slosser,

Per the response to bidders questions in Addendum 3, the lead time of the steel pipe line is expected to extend the project beyond the current 180 calendar day period allowed per the project specifications. In the Addendum response, the District recognized the potential delay and was receptive to a schedule based change order on the condition that documentation from the supplier accompany the request.

The attached letter from our supplier, West Coast Pipe, details that the delivery of pipe can begin 10 to 12 weeks from the approval of the shop drawings. Based on the current schedule, and the amount of actual work days needed to complete the work, our schedule is projected to have a completion date of May 8<sup>th</sup>.

We are requesting an additional 50 calendar days be added to the contract to compensate for the additional lead time of the pipe line material.

If you have any questions regarding this letter, or would like to discuss this issue further, please feel free to reach me at 714-720-3388.

Respectfully,

David Johnson  
Project Manager



10/28/2020

To: Sully-Miller Contracting Co.  
Scott Conover/David Johnson

**RE: Lead Time - Las Virgenes MWD - 30" Interconnection**

Delivery of straight pipe can begin 10 to 12 weeks after receipt of approved shop drawings.

Sincerely,

*Ivan L. Vukosav*

Ivan L. Vukosav  
Sales Manager



**CELIA ZAVALA**  
EXECUTIVE OFFICER

# COUNTY OF LOS ANGELES BOARD OF SUPERVISORS

KENNETH HAHN HALL OF ADMINISTRATION  
500 WEST TEMPLE STREET, ROOM 383  
LOS ANGELES, CALIFORNIA 90012  
(213) 974-1411 • FAX (213) 620-0636

ITEM 5A

MEMBERS OF THE BOARD

HILDA L. SOLIS

MARK RIDLEY-THOMAS

SHEILA KUEHL

JANICE HAHN

KATHRYN BARGER

November 25, 2020

Mr. Charles P. Caspary  
5537 Round Meadow Road  
Hidden Hills, CA 91302

Dear Mr. Caspary:

At its meeting held Tuesday, November 10, 2020, in lieu of election, the Los Angeles County Board of Supervisors reappointed you to the Las Virgenes Municipal Water District (Division 1) for a term of office expiring on December 6, 2024.

Your term of office will become effective when the "Oath of Office" has been completed and mailed to: Committee Book, Kenneth Hahn Hall of Administration, 500 West Temple Street, Room B50-b, Los Angeles, California 90012.

Sincerely,

Celia Zavaia  
Executive Officer

CZ:ty

c: Supervisor Sheila Kuehl  
Dean C. Logan, Registrar-Recorder/County Clerk  
Josie Guzman, Executive Assistant/Clerk of the Board,  
Las Virgenes Municipal Water District

## **INSTRUCTIONS FOR COMPLETING OATH FORM**

You may appear personally at this office, Room B50-b Kenneth Hahn Hall of Administration and subscribe to the oath in the presence of a Deputy Clerk of the Board of Supervisors.

If you choose to subscribe to the oath before a Notary Public, ensure that the Notary Public includes his/her title adjacent to his/her signature and include the Notary's stamp/seal in the space provided below the signature of the sworn person.

If you choose to subscribe to the oath before a Judge, a Deputy County Clerk or any person authorized under the law to administer the oath, ensure that his/her title is annotated adjacent to his/her name.

Please return the completed "Oath of Office" to:

Los Angeles County Board of Supervisors  
Executive Office - Commission Services Division  
500 West Temple Street, Room B50-b  
Los Angeles, CA 90012.

State of California  
County of Los Angeles

I, Celia Zavala, Executive Officer / Clerk of the Board of Supervisors, do hereby certify that

Charles P. Caspary was duly reappointed, in lieu of election, as a member of the  
Las Virgenes Municipal Water District (Division 1) for a term of office expiring on December 6, 2024.

WITNESS my hand this 10th day of November, 2020.

Said appointment was approved by the Board of Supervisors on November 10, 2020.



Signed on behalf of Celia Zavala, Executive Officer / Clerk of the Board of Supervisors, by:

Deputy Executive Officer, Clerk of the Board of Supervisors

Signature \_\_\_\_\_

Print Name \_\_\_\_\_



**- OATH OF OFFICE -**

FOR THE OFFICE OF Las Virgenes Municipal Water District (Division 1)

I, Charles P. Caspary do solemnly swear (or affirm) that I will support and defend the Constitution of the United States and the Constitution of the State of California against all enemies, foreign and domestic; that I will bear true faith and allegiance to the Constitution of the United States and the Constitution of the State of California; that I take this obligation freely, without any mental reservation or purpose of evasion, and that I will well and faithfully discharge the duties upon which I am about to enter.

\_\_\_\_\_  
Signature

Subscribed and sworn before me this  
\_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Signature

Telephone: \_\_\_\_\_

Business: \_\_\_\_\_

\_\_\_\_\_  
Print Name and Title of Person Administering Oath

State of California  
County of Los Angeles

I, Celia Zavala, Executive Officer / Clerk of the Board of Supervisors, do hereby certify that

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WITNESS my hand this 10th day of November, 2020.

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Deputy Executive Officer, Clerk of the Board of Supervisors

Signature \_\_\_\_\_

Print Name \_\_\_\_\_



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FOR THE OFFICE OF Las Virgenes Municipal Water District (Division 1)

I, Charles P. Caspary do solemnly swear (or affirm) that I will support and defend the Constitution of the United States and the Constitution of the State of California against all enemies, foreign and domestic; that I will bear true faith and allegiance to the Constitution of the United States and the Constitution of the State of California; that I take this obligation freely, without any mental reservation or purpose of evasion, and that I will well and faithfully discharge the duties upon which I am about to enter.

Charles P. Caspary  
Signature

Subscribed and sworn before me this  
1<sup>st</sup> day of December 2020

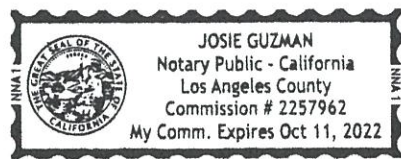
Josie Guzman  
Signature

Josie Guzman, Notary Public  
Print Name and Title of Person Administering Oath

Address: 5537 Round Meadow Road  
Hidden Hills, CA 91302

Telephone: (818) 347-2530

Business: \_\_\_\_\_





**CELIA ZAVALA**  
EXECUTIVE OFFICER

# COUNTY OF LOS ANGELES BOARD OF SUPERVISORS

KENNETH HAHN HALL OF ADMINISTRATION  
500 WEST TEMPLE STREET, ROOM 383  
LOS ANGELES, CALIFORNIA 90012  
(213) 974-1411 • FAX (213) 620-0636

MEMBERS OF THE BOARD

HILDA L. SOLIS  
MARK RIDLEY-THOMAS  
SHEILA KUEHL  
JANICE HAHN  
KATHRYN BARGER

November 25, 2020

Mr. Leonard E. Polan  
31755 Bedfordhurst Court  
Westlake Village, CA 91361

Dear Mr. Polan:

At its meeting held Tuesday, November 10, 2020, in lieu of election, the Los Angeles County Board of Supervisors reappointed you to the Las Virgenes Municipal Water District, (Division 4), for a term of office expiring on December 6, 2024.

Your term of office will become effective when the "Oath of Office" has been completed and mailed to: Committee Book, Kenneth Hahn Hall of Administration, 500 West Temple Street, Room B50-b, Los Angeles, California 90012.

Sincerely,

Celia Zavala  
Executive Officer

CZ:ty

c: Supervisor Sheila Kuehl  
Dean C. Logan, Registrar-Recorder/County Clerk  
Josie Guzman, Executive Assistant/Clerk of the Board,  
Las Virgenes Municipal Water District

## **INSTRUCTIONS FOR COMPLETING OATH FORM**

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If you choose to subscribe to the oath before a Notary Public, ensure that the Notary Public includes his/her title adjacent to his/her signature and include the Notary's stamp/seal in the space provided below the signature of the sworn person.

If you choose to subscribe to the oath before a Judge, a Deputy County Clerk or any person authorized under the law to administer the oath, ensure that his/her title is annotated adjacent to his/her name.

Please return the completed "Oath of Office" to:

Los Angeles County Board of Supervisors  
Executive Office - Commission Services Division  
500 West Temple Street, Room B50-b  
Los Angeles, CA 90012.



State of California  
County of Los Angeles

I, Celia Zavala, Executive Officer / Clerk of the Board of Supervisors, do hereby certify that

Leonard E. Polan was duly reappointed, in lieu of election, as a member of the  
Las Virgenes Municipal Water District (Division 4) for a term of office expiring on December 6, 2024.

WITNESS my hand this 10th day of November, 2020.

Said appointment was approved by the Board of Supervisors on November 10, 2020.



Signed on behalf of Celia Zavala, Executive Officer / Clerk of the Board of Supervisors, by:

Deputy Executive Officer, Clerk of the Board of Supervisors

Signature \_\_\_\_\_

Print Name \_\_\_\_\_

\_\_\_\_\_

**- OATH OF OFFICE -**

FOR THE OFFICE OF Las Virgenes Municipal Water District (Division 4)

I, Leonard E. Polan do solemnly swear (or affirm) that I will support and defend the Constitution of the United States and the Constitution of the State of California against all enemies, foreign and domestic; that I will bear true faith and allegiance to the Constitution of the United States and the Constitution of the State of California; that I take this obligation freely, without any mental reservation or purpose of evasion, and that I will well and faithfully discharge the duties upon which I am about to enter.

\_\_\_\_\_  
Signature

Subscribed and sworn before me this  
\_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Signature

Telephone: \_\_\_\_\_

Business: \_\_\_\_\_

\_\_\_\_\_  
Print Name and Title of Person Administering Oath

State of California  
County of Los Angeles

I, Celia Zavala, Executive Officer / Clerk of the Board of Supervisors, do hereby certify that

Leonard E. Polan was duly reappointed, in lieu of election, as a member of the  
Las Virgenes Municipal Water District (Division 4) for a term of office expiring on December 6, 2024.

WITNESS my hand this 10th day of November, 2020.

Said appointment was approved by the Board of Supervisors on November 10, 2020.



Signed on behalf of Celia Zavala, Executive Officer / Clerk of the Board of Supervisors, by:

Deputy Executive Officer, Clerk of the Board of Supervisors

Signature \_\_\_\_\_

Print Name \_\_\_\_\_



**- OATH OF OFFICE -**

FOR THE OFFICE OF Las Virgenes Municipal Water District (Division 4)

I, Leonard E. Polan do solemnly swear (or affirm) that I will support and defend the Constitution of the United States and the Constitution of the State of California against all enemies, foreign and domestic; that I will bear true faith and allegiance to the Constitution of the United States and the Constitution of the State of California; that I take this obligation freely, without any mental reservation or purpose of evasion, and that I will well and faithfully discharge the duties upon which I am about to enter.

[Signature]  
Signature

Address: 31755 Bedfordhurst Court  
Westlake Village, CA 91361

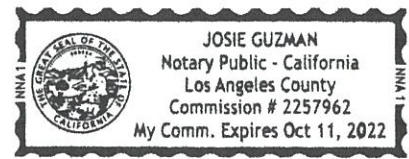
Telephone: (818) 968-2900

Business: \_\_\_\_\_

Subscribed and sworn before me this  
1st day of December 2020

[Signature]  
Signature

Josie Guzman, Notary Public  
Print Name and Title of Person Administering Oath





**REVISION NO. 1**

**Regular Board Meeting**  
**December 8, 2020**  
**12:00 p.m.**

Tuesday, December 8, 2020	
Meeting Schedule	
9:30 AM	RP&AM
10:00 AM	C&L
11:30 AM	Break
12:00 PM	Board

Live streaming is available for all board and committee meetings on our [mwdh2o.com](http://mwdh2o.com) website  
([Click to Access Board Meetings Page](#))

**Public Comment Via Teleconference Only:** Members of the public may present their comments to the Board on matters within their jurisdiction as listed on the agenda via teleconference only. To participate call (404) 400-0335 and use Code: 9601962.

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MWD Headquarters Building • 700 N. Alameda Street • Los Angeles, CA 90012

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**1. Call to Order**

- (a) Invocation: Kelli Shope, Assistant Ethics Officer
- (b) Pledge of Allegiance: Director David De Jesus, Three Valleys Municipal Water District

**2. Roll Call**

**3. Determination of a Quorum**

- 4. Opportunity for members of the public to address the Board on matters within the Board's jurisdiction. (As required by Government Code Section 54954.3(a))

**5. OTHER MATTERS AND REPORTS**

- A. Report on Directors' events attended at Metropolitan expense for month of November 2020
- B. Chairwoman's Monthly Activity Report
- C. General Manager's summary of activities for the month of November 2020

- D. General Counsel's summary of activities for the month of November 2020
  - i. Brown Act Compliance: Social Media Update
- E. General Auditor's summary of activities for the month of November 2020
- F. Ethics Officer's summary of activities for the month of November 2020

<b>CONSENT CALENDAR ITEMS — ACTION</b>
--

**6. CONSENT CALENDAR OTHER ITEMS — ACTION**

- A. Approval of the Minutes of the Meeting for November 10, 2020 (Copies have been submitted to each Director)  
Any additions, corrections, or omissions
- B. Approve committee assignments

**7. CONSENT CALENDAR ITEMS — ACTION**

- 7-1** Authorize an increase of \$203,100, for a new maximum amount payable of \$1,002,270, to an existing services agreement with ViaTRON Systems, Inc. for conversion of hard copy documents into electronic images for migration into the planned Enterprise Content Management System; the General Manager has determined the proposed action is exempt or otherwise not subject to CEQA. (OP&T)
- 7-2** Adopt the COVID-19 Member Agency Payment Deferment Program and amend the Administrative Code to add Section 4519 delegating authority to the General Manager to administer the Program; the General Manager has determined the proposed action is exempt or otherwise not subject to CEQA. (F&I)
- 7-3** Adopt Legislative Priorities and Principles for 2021; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA. (C&L)

- 7-4 Authorize execution of a Funding Agreement with the California Department of Water Resources, commit funds for Metropolitan's share of the Delta Conveyance Project planning and pre-construction costs, and authorize execution of an amendment to the Joint Powers Agreement for Delta Conveyance Design and Construction Authority; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA. (Bay-Delta)
- 7-5 Review and consider the City of Long Beach's certified Final EIR and Addenda and take related CEQA actions, and authorize the General Manager to enter into a Stormwater for Direct Use Pilot Program Agreement with the City of Long Beach and Rancho Los Cerritos. (WP&S)
- 7-6 Review and consider the City of Culver City's approved Final Initial Study/Mitigated Negative Declaration and take related CEQA actions, and authorize the General Manager to enter into a Stormwater for Direct Use Pilot Program Agreement with the City of Culver City and West Basin Municipal Water District. (WP&S)

Moved to  
Board Action

- ~~7-7 Authorize General Manager to enter into an agreement with Southern Nevada Water Authority to support the development of the Regional Recycled Water Program; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA. (WP&S)~~
- 7-8 Authorize an extension of the agricultural leases to D&L Farms and Sierra Cattle Company in the Sacramento-San Joaquin Bay Delta; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA. (RP&AM)  
[Conference with real property negotiators; properties total approximately 8,331 acres of land in areas known as Bacon Island and the eastern portions of Bouldin Island in Northern California, also identified as San Joaquin County Assessor Parcel Nos. 129-050-01; 129-050-02; 129-050-03; 129-050-04; 129-050-05; 129-050-06; 129-050-07; 129-050-08; 129-050-09; 129-050-11; 129-050-12; 129-050-13; 129-050-14; 129-050-15; 129-050-16; 129-050-17; 129-050-18; 129-050-19; 129-050-24; 129-050-25; 129-050-26; 129-050-27; 129-050-28; 129-050-52; 129-050-54; 129-050-55; 129-050-56; 129-050-60; 069-030-39; 069-100-01; and 069-100-02; agency negotiators: Anna Olvera, Kevin Webb and Lilly Shraibati; negotiating parties: Leisha and David Robertson dba D&L Farms; Robert Hilardes dba Sierra Cattle Company; under negotiation: price and terms; to be heard in closed session pursuant to Government Code Section 54956.8.]

**END OF CONSENT CALENDAR ITEMS**

## 8. OTHER BOARD ITEMS — ACTION

Added  
(Moved from  
Consent Section)

- 8-1** Authorize General Manager to enter into an agreement with Southern Nevada Water Authority to support the development of the Regional Recycled Water Program; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

## 9. BOARD INFORMATION ITEMS

- 9-1** Update on Conservation Program

## 10. FOLLOW-UP ITEMS

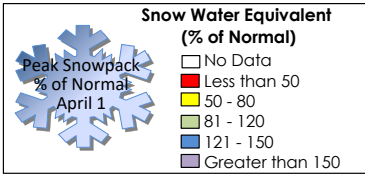
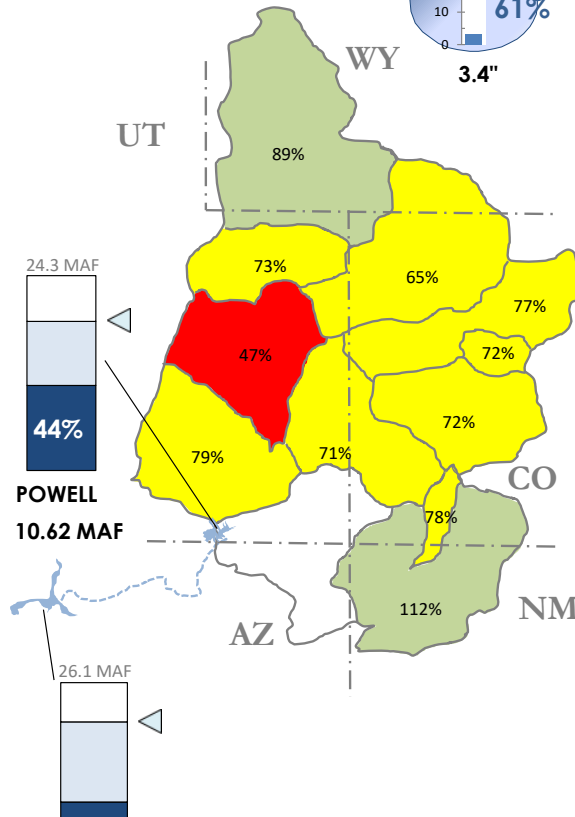
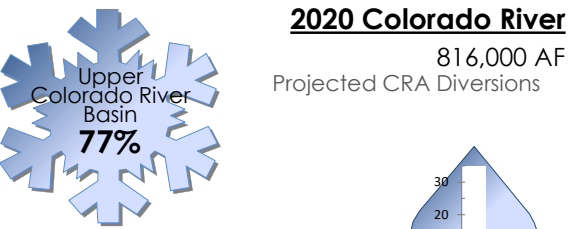
## 11. FUTURE AGENDA ITEMS

## 12. ADJOURNMENT

**NOTE:** Each agenda item with a committee designation will be considered and a recommendation may be made by one or more committees prior to consideration and final action by the full Board of Directors. The committee designation appears in parentheses at the end of the description of the agenda item e.g., (E&O, F&I). Committee agendas may be obtained from the Board Executive Secretary.

Writings relating to open session agenda items distributed to Directors less than 72 hours prior to a regular meeting are available for public inspection at Metropolitan's Headquarters Building and on Metropolitan's Web site <http://www.mwdh2o.com>.

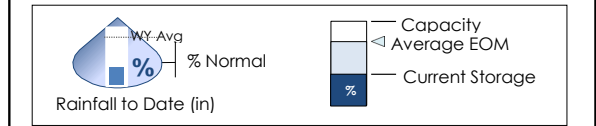
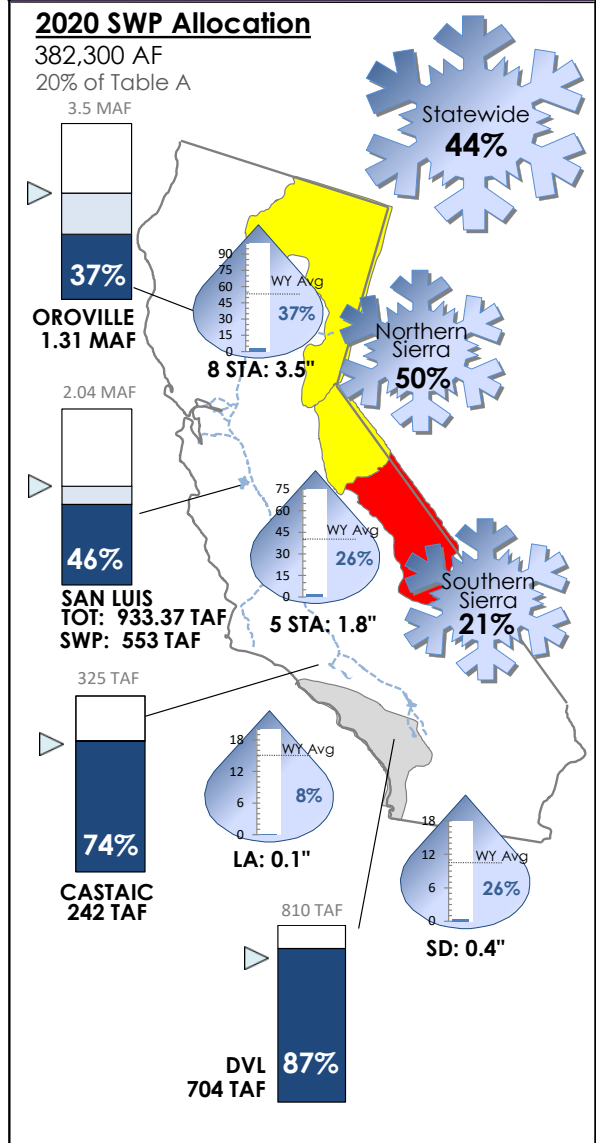
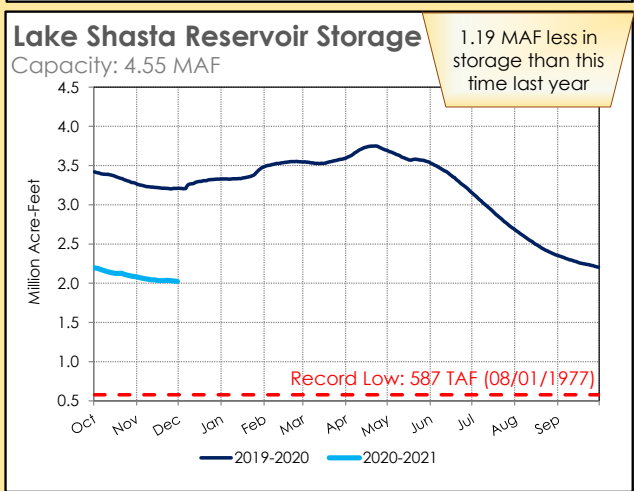
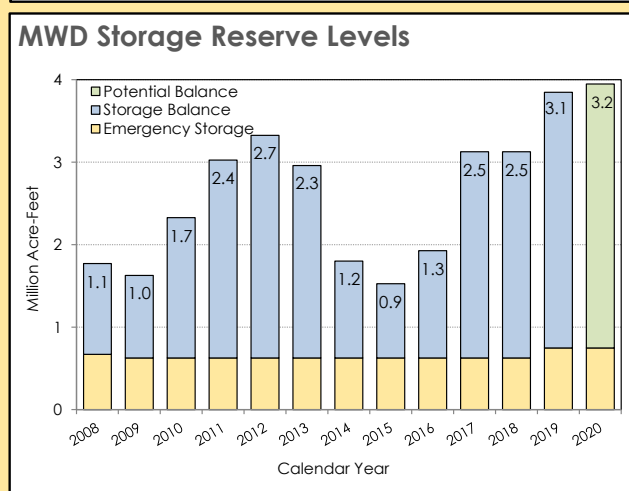
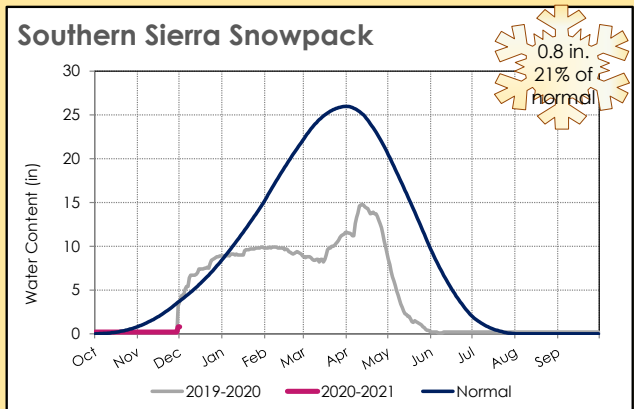
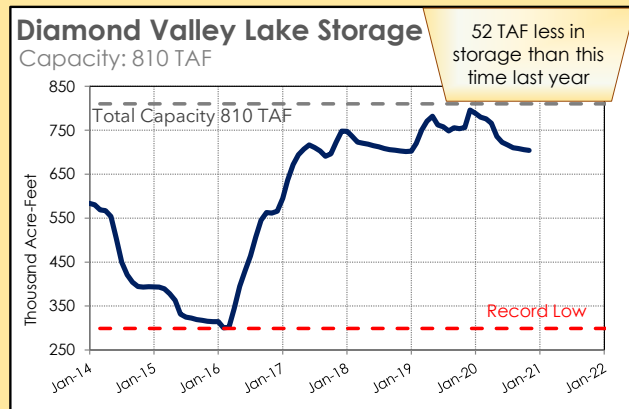
Requests for a disability related modification or accommodation, including auxiliary aids or services, in order to attend or participate in a meeting should be made to the Board Executive Secretary in advance of the meeting to ensure availability of the requested service or accommodation.



## Highlights

- ❖ Snowpack in the Sierra is at 44% of normal
- ❖ Precipitation at the 8 Station Index is at 37% of normal
- ❖ Snowpack in the Upper Colorado is at 77% of normal

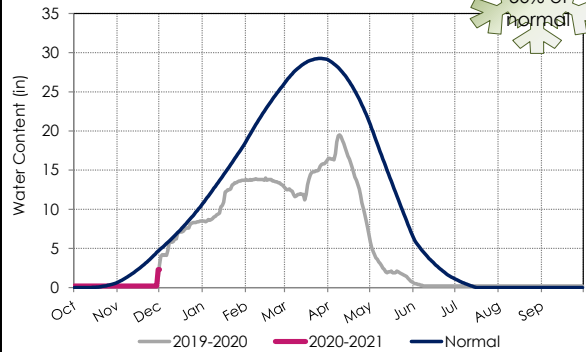
Precipitation in the Upper Colorado is at 61% of normal



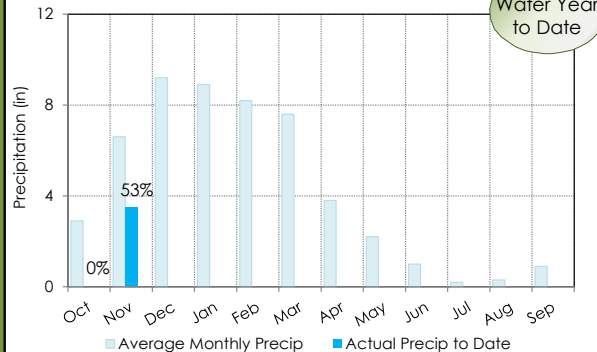
As of: 11/30/2020

# State Water Project Resources

## Northern Sierra Snowpack

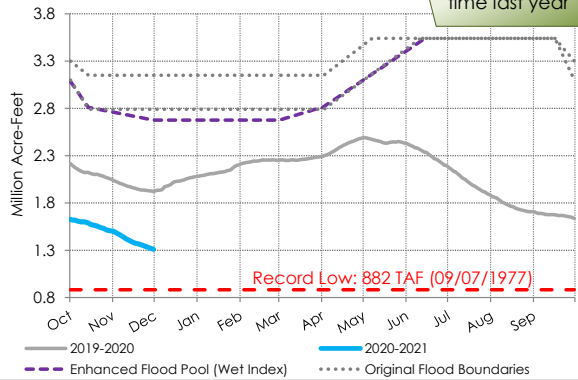


## 8 Station Index Precip

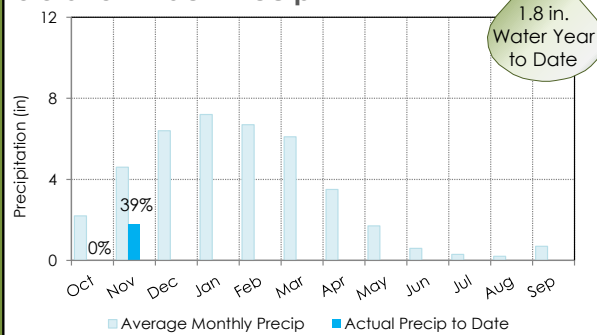


## Oroville Reservoir Storage

Capacity: 3.5 MAF

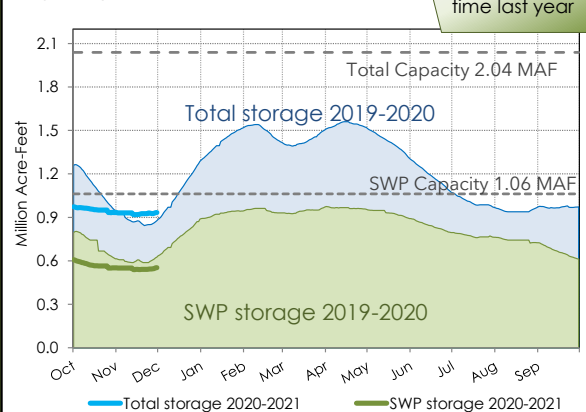


## 5 Station Index Precip



## San Luis Reservoir Storage

Capacity: 2.04 MAF

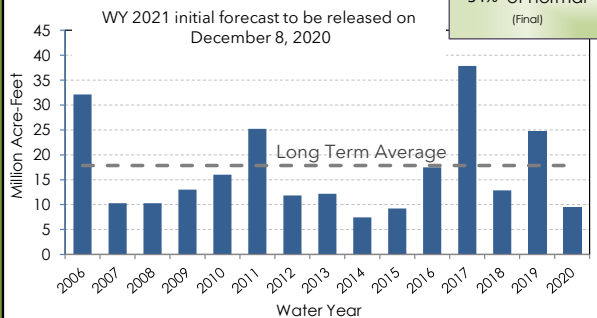


## Other SWP Contract Supplies

Calendar Year 2020

Carryover 330,766 AF  
Transfer Supplies 5,000 (est.) AF

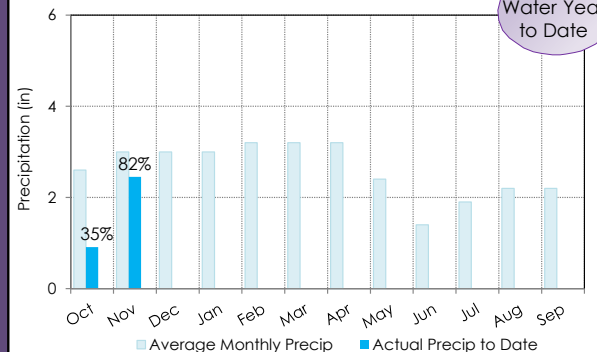
## Sacramento River Runoff



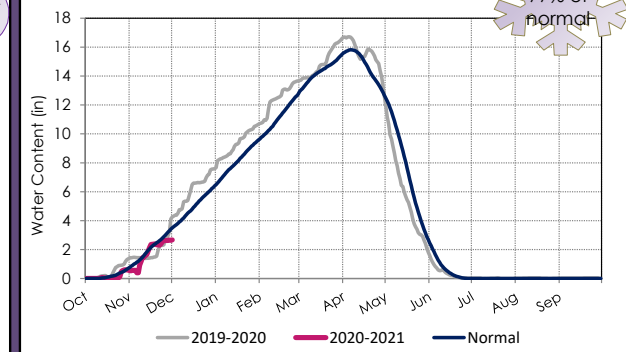
# Colorado River Resources

As of: 11/30/2020

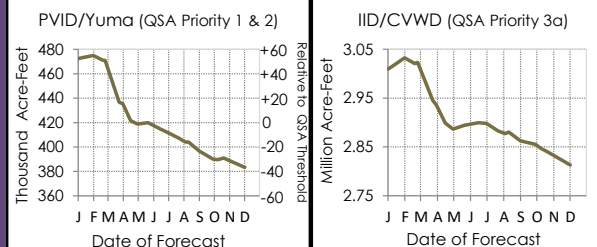
## Upper Colorado Basin Precip



## Upper Colorado Basin Snowpack

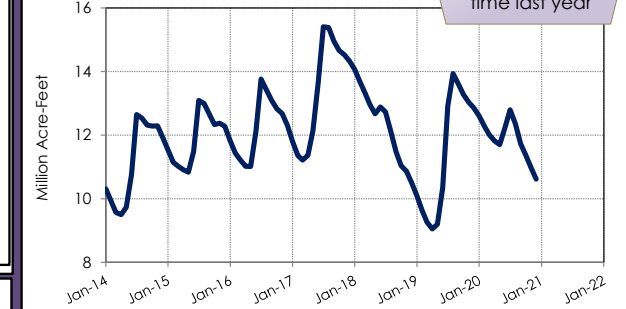


## 2020 Colorado River Ag Use



## Lake Powell Storage

Capacity: 24.3 MAF



## Lake Mead Shortage/Surplus Outlook

	2021	2022	2023	2024	2025
Shortage	0%	23%	44%	49%	53%
Surplus	0%	0%	4%	7%	11%

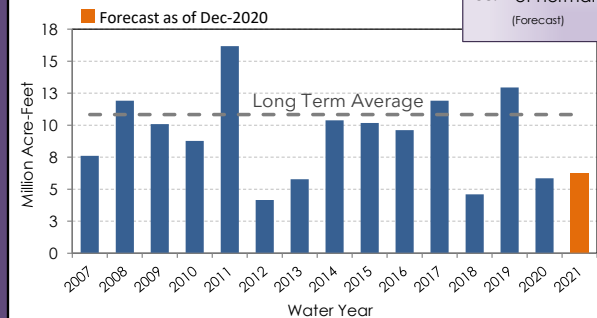
Likelihood based on results from the August 2020 CRSS model run. Includes DCP Contributions.

## Projected Lake Mead ICS

Calendar Year 2020

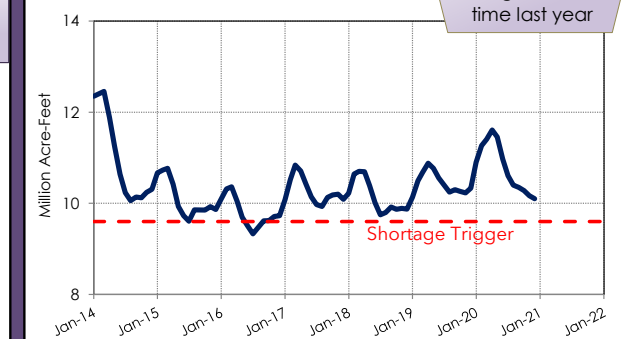
Put (+)/Take(-)  
+ 360,000

## Powell Unregulated Inflow



## Lake Mead Storage

Capacity: 26.1 MAF







December 15, 2020 LVMWD Regular Board Meeting

TO: Board of Directors

FROM: General Manager

---

**Subject : Election of Officers: President, Vice-President, Secretary and Treasurer**

---

**RECOMMENDATION(S):**

Accept any final nominations and elect Directors to serve two-year terms as President, Vice-President, Secretary, and Treasurer of the Board of Directors.

**FISCAL IMPACT:**

No

**ITEM BUDGETED:**

No

**DISCUSSION:**

On December 1, 2020, the Board accepted nominations for the offices of President, Vice President, Secretary and Treasurer. The officers will serve two-year terms pursuant to Las Virgenes Municipal Water District Code Section 2-2.104. Director Jay Lewitt was nominated to serve as President; Director Len Polan was nominated to serve as Vice President; Director Lee Renger was nominated to serve as Secretary; and Director Lynda Lo-Hill was nominated to service as Treasurer.

At the meeting, the Board will accept any final nominations for officers and conduct an election for officers to serve during the upcoming two-year term.

Prepared by: David W. Pedersen, General Manager



December 15, 2020 LVMWD Regular Board Meeting

TO: Board of Directors

FROM: General Manager

**Subject : Reappointment of Representative to Board of Metropolitan Water District of Southern California**

**SUMMARY:**

For almost 28 years, Glen Peterson has served as the District's representative to the Board of Directors of the Metropolitan Water District of Southern California (MWD). Mr. Peterson served on the Las Virgenes Municipal Water District Board of Directors for 32 years. On December 4, 2018, the Board reappointed Mr. Peterson to serve as the MWD Representative. He has expressed an interest in continuing to serve as the District's representative to the Board of Directors of MWD.

**RECOMMENDATION(S):**

Reappoint Glen Peterson as the District's representative to the Board of Directors of Metropolitan Water District of Southern California.

**FISCAL IMPACT:**

No

**ITEM BUDGETED:**

Yes

**FINANCIAL IMPACT:**

This action would not result in a net financial impact to the District.

**DISCUSSION:**

The District is entitled to one representative to serve on MWD's Board of Directors. Typically, the MWD Representative is selected from among the Member Agency's Board of Directors;

however, it is not mandatory that the MWD Representative be a Member Agency director. In fact, some MWD Member Agencies have appointed other qualified individuals to serve as their MWD Representatives. Examples include the cities of Anaheim, Fullerton, Los Angeles, Santa Monica and San Marino; Central Basin Municipal Water District; Foothill Municipal Water District, Las Virgenes Municipal Water District, and West Basin Municipal Water District.

Based on the assessed valuation of the service area, the District's voting entitlement for its MWD Representative is 0.87%, which is quite small. However, the District's influence in shaping policy at MWD is not limited to its voting entitlement. The District's MWD Representative can influence important MWD policy by persuading fellow Board Members and MWD staff. To effectively persuade others, an MWD Representative must have strong working relationships with fellow board members and staff, a thorough understanding of the potential impacts of policy decisions and a historical perspective on important issues. Glen Peterson possesses these qualifications and has expressed an interest in continuing to serve as the District's MWD Representative. In addition, Mr. Peterson was recently appointed by MWD Chairwoman Gloria Gray to chair the Water Planning and Stewardship Committee.

If approved, Mr. Peterson would continue to be eligible for payment, in the amount of \$220.00, for each day's attendance at meetings of the MWD Board or its Committees and for each day of service rendered as the District's MWD Representative, not to exceed a total of ten days in any calendar month. These are the same terms that would be applicable to a District director serving in the same capacity.

**GOALS:**

Provide Safe and Quality Water with Reliable Services

Prepared by: David W. Pedersen, General Manager



December 15, 2020 LVMWD Regular Board Meeting

TO: Board of Directors

FROM: General Manager

---

**Subject : Reappointment of Deputy Secretaries and Deputy Treasurer**

---

**SUMMARY:**

Pursuant to Water Code Section 71340, the Board may appoint deputy officers for the positions of secretary and treasurer to serve at the pleasure of the Board. Traditionally, the Board has appointed the General Manager and Executive Assistant/Clerk of the Board as Deputy Secretaries and the Director of Finance and Administration as Deputy Treasurer. By appointing District employees as deputies for these officers, the Board authorizes the employees to perform routine, day-to-day functions of the officers subject to any limitations specified by the Secretary, Treasurer, and/or Board.

**RECOMMENDATION(S):**

Reappoint David W. Pedersen, General Manager, and Josie Guzman, Executive Assistant/Clerk of the Board, as Deputy Secretaries, and Donald Patterson, Director of Finance and Administration, as Deputy Treasurer.

**FISCAL IMPACT:**

No

**ITEM BUDGETED:**

No

Prepared by: David W. Pedersen, General Manager



December 15, 2020 LVMWD Regular Board Meeting

TO: Board of Directors

FROM: General Manager

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**Subject : Attorney Retainer Agreement with Olivarez Madruga Lemieux O'Neill, LLP:  
Approval**

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**SUMMARY:**

The District contracts with Olivarez Madruga Lemieux O'Neill, LLP, Attorneys at Law (OMLO) for legal services. The contract provides for routine transactional matters to be handled by District Counsel for a fixed monthly fee. The contract also provides for litigation and other special legal services to be provided on an hourly basis based upon a pre-approved budget. The current monthly retainer fee is \$7,718, which was last increased in 2019. On behalf of OMLO, W. Keith Lemieux requested that the Board consider an updated agreement for legal services that is more consistent with the form of OMLO's contracts with its other clients.

**RECOMMENDATION(S):**

Authorize the General Manager to execute an updated Attorney Retainer Agreement with Olivarez Madruga Lemieux O'Neill, LLP, for legal services.

**FISCAL IMPACT:**

Yes

**ITEM BUDGETED:**

Yes

**FINANCIAL IMPACT:**

The updated agreement is expected to result in a minimal financial impact to the District for Fiscal Year 2020-21. The current monthly retainer fee is \$7,718, which would be adjusted, effective January 1, 2021, to reflect an estimated 1.7% 12-month change in the Consumer Price Index (CPI). Increases based on changes to the CPI would be limited to a maximum of 3.5%

## **DISCUSSION:**

In 2017, the District executed its current agreement with Olivarez Madruga Lemieux O'Neill, LLP, Attorneys at Law (OMLO) for legal services. The agreement originally provided for various transactional services based on a fixed fee of \$7,000 per month. The types of services provided as part of the fixed fee retainer include attendance at Board meetings, review of contracts, legal advice to the Board and General Manager and other routine legal services. In 2018, the agreement was modified to increase the monthly retainer for transactional services to \$7,350 (5.0%) per month to reflect increases in cost and the volume of transactional work. In 2019, the monthly retainer amount was increased again to \$7,718 per month (5.0%).

District Counsel has requested that the Board consider an updated agreement with OMLO for legal services to clarify, simplify and streamline contract management going forward. The updated agreement is also consistent with the form of OMLO's contracts with its other clients. Following is a summary of the key changes to the agreement:

- Provision of annual increases to the fixed monthly retainer fee based on the 12-month period published for the most recent calendar year of the Consumer Price Index for All Urban Consumers (CPI-U) for the Los Angeles County area as reported by the U.S. Bureau of Labor Statistics, with a 0.0% minimum and a 3.5% maximum adjustment.
- Definition of the types of services that are included with the fixed month retainer fee as compared to those considered special legal services that are charged on a blended rate hourly basis. Exhibits A and B of the proposed agreement define these services consistent with current practice.
- Specification that written approval is required by the District for any changes to rates beyond the annual CPI adjustments.

The updated agreement provides a mechanism to improve long-term contract management by including an automatic fee adjustment based on a published index, providing clarity on the handling of various types of legal services and allowing for authorization to respond quickly to urgent legal matters.

## **GOALS:**

Ensure Effective Utilization of the Public's Assets and Money

Prepared by: David W. Pedersen, General Manager

## **ATTACHMENTS:**

Proposed Attorney Retainer Agreement with Olivarez Madruga Lemieux O'Neill, LLP

**2020**  
**ATTORNEY RETAINER AGREEMENT**  
**OLIVAREZ MADRUGA LEMIEUX O'NEILL, LLP**  
**AND LAS VIRGENES MUNICIPAL WATER DISTRICT**

This ATTORNEY RETAINER AGREEMENT ("Agreement") is made and entered into by and between Olivarez Madruga Lemieux O'Neill, LLP ("Attorney"), and Las Virgenes Municipal Water District ("Client") as of the Effective Date indicated below. Attorney and Client are each sometimes referred to as a "Party" and collectively as the "Parties."

**AGREEMENT**

**1. Scope of Services.** Attorney shall provide legal advice on contractual, statutory, regulatory, and other legal matters related to the operation of Client. The Basic Legal Services provided by Attorney are more particularly described in the attached Exhibit A. Special Legal Services are set forth in the attached Exhibit B. Special Legal services shall be assigned in writing and, client may, in its discretion, assign special legal services to attorneys other than Attorney.

**2. Client Duties.** Client shall provide such assistance, information, cooperation, and access to books, records, and other information as is necessary for Attorney to effectively and efficiently render its services under this Agreement.

**3. Compensation to Attorney.**

(a) Client shall pay for Basic Legal Services at the monthly retainer amount of \$7,718.

(b) Client shall pay for litigation and formal administrative or other adjudicatory matters at the hourly rates specified in Exhibit C.

(c) Client shall pay for all other Special Legal Services following approval by the General Manager of an estimated budget at the blended hourly rate specified in Exhibit C or other rate approved by the General Manager for specialized legal services.

(d) Cost-of-Living Adjustment. The rates and amounts described herein shall be automatically increased as follows: Blended rates and retainer amounts will be adjusted annually using the cost of living index. At the start of calendar year , rates and amounts shall be increased based on the change in the cost of living for the 12-month period published for the most recent calendar year according to the Consumer Price Index for All Urban Consumers (CPI-U) for the

Los Angeles County area as reported by the U.S. Bureau of Labor Statistics, provided, however, that no such adjustment shall be less than zero or more than three and a half percent (3.5%). Nothing in this Agreement prevents rate increases at any other time. Rates which are specific to individual attorneys or other staff are reviewed annually and may be increased from time to time with written approval by the Client.

(e) Attorney may charge for various external costs such as copying, telephone charges, "out of plan" computerized legal research, messenger services, travel, filing fees, and other costs. Invoices for some costs are passed on directly, such as bills for certified shorthand reporters, technical consultants, and other fees. Client shall reimburse Attorney for reasonable and necessary expenses incurred for third-party services. Attorney shall seek Client's written or verbal approval of expenses expected to exceed \$500.

(f) Attorney shall submit monthly invoices to Client for services performed during the prior month. Payment is due within 30 days of the date of each invoice. Overdue payments will be charged interest of 10% per annum, compounded annually. If Client questions any charge, Client will do so within 15 business days of the invoice date.

**4. Term.** This Agreement shall be deemed in full force and effect as of the Effective Date and shall remain in effect until terminated as hereinafter provided, with the exception that any provision herein that explicitly states it shall survive the termination of this Agreement, shall indefinitely survive the termination of this Agreement.

**5. Attorney Representations.** Attorney makes the following representations which are agreed to be material to and form a part of the inducement for this Agreement:

(a) Attorney has the expertise, support staff, and facilities necessary to provide the services described in this Agreement.

(b) Attorney shall diligently provide such legal services as are necessary and assigned by Client in a timely and professional manner in accordance with the terms and conditions stated in this Agreement, will comply with all ethical duties, and will maintain the integrity of the attorney-client relationship. Attorney shall have the sole discretion to assign or reassign individual attorneys to represent Client.

(c) Attorney will preserve the attorney-client and attorney-work product privileges. Attorney will not disclose attorney-client or attorney-work product materials, except as necessary to promote client interests with the consent of client.



**6. Independent Contractor.** In the performance of legal services under this Agreement, Attorney shall be, and acknowledges that Attorney is, in fact and under law, an independent contractor and not an agent or employee of Client, except for the purposes of Government Code sections 825(a) and 995 et seq. Attorney has and retains the right to exercise full supervision and control of the manner and methods of providing services to Client under this Agreement.

Attorney retains full supervision and control over the employment, direction, compensation, and discharge of all persons assisting Attorney in the provision of services under this Agreement. With respect to Attorney's employees, Attorney shall be solely responsible for payment of wages, benefits and other compensation, compliance with all occupational safety, welfare and civil rights laws, tax withholding and payment of employee taxes (whether federal, state or local), and compliance with any and all other laws regulating employment.

**7. Indemnification and Insurance.**

(a) Client agrees that Attorney shall be treated as an "employee" solely for the purposes of Government Code sections 825(a) and 995 et seq. and shall provide a defense and indemnity of Attorney pursuant to the provisions of the Government Code.

(b) Attorney shall maintain the following minimum insurance policies and represents it is self-insured as follows:

- (i) Professional Liability: \$3 million per occurrence; \$3 million aggregate;
- (ii) Commercial Liability: \$2 million per occurrence; \$4 million aggregate;
- (iii) Automobile: \$2 million, combined single limit;
- (iv) Workers' Compensation: \$1 million policy limit;
- (v) Errors and Omissions: \$3 million policy limit; and
- (vi) Umbrella policy: \$5 million policy limit.

(c) Promptly following the Effective Date of this Agreement, but in no event before Attorney commences any services under this Agreement, Attorney shall provide evidence satisfactory to the Client that it has the above insurance coverage. The Client, its directors, officials, officers, employees, agents, and volunteers shall be covered as additional insured with respect to the above insurance coverage.

**8. Termination.** Either Party may at its election terminate this Agreement by providing the other part with written notice of said election. A Notice of Termination will be deemed effective thirty (30) days after personal delivery, or thirty-five (35) days after mailing by regular U.S. Mail, postage prepaid; provided, however, that Client may terminate this Agreement at will for cause or no cause with

immediate effect upon such determination by a majority of the board of directors of client and written notice thereof to Attorney. In the event this Agreement is terminated by either Party, Attorney shall submit to Client a final status report on any pending matters and shall deliver to Client all files, memoranda, documents, evidence, exhibits, correspondence and other items generated in the course of performing this Agreement upon or before the effective date of any written Notice of Termination. Client may, upon making a good faith determination and if the best interests of Client so require, terminate this Agreement and suspend all further work by Attorney effective immediately upon personal delivery of a Notice of Termination to Attorney.

**9. Ownership and Inspection of Files.** All files, pleadings, reports, exhibits, evidence, and other items generated or gathered in the course of providing services to Client under this Agreement are and shall remain the sole property of Client, and shall be returned to Client upon termination of this Agreement, except that Client shall have no right to obtain Attorney work product (as defined by CCP §§ 2018.010-2018.080) from Attorney except as otherwise provided by law. The provisions of this paragraph shall continue to survive after termination of this Agreement.

**10. Notices.** All notices required or provided for in this Agreement shall be provided to the Parties at the following addresses, by personal delivery or U.S. Mail, postage prepaid, registered or certified mail. A Party may, by written notice, designate a different address or person.

**Client:**

Las Virgenes Municipal Water District  
4232 Las Virgenes Road  
Calabasas, CA 91302

**Attorney:**

Attn: Keith Lemieux  
Olivarez Madruga Lemieux O'Neill, LLP  
500 S. Grand Avenue, 12th Floor  
Los Angeles, CA 90071

**11. Entire Agreement.** This document contains the entire agreement of the Parties relating to the services, rights, obligations and covenants contained herein and assumed by the Parties respectively. No inducements, representations, or promises have been made, other than those recited in this Agreement. No oral promise, modification, change, or inducement shall be effective or given any force or effect, and all changes or modifications to this Agreement shall be made in and reduced to writing, duly signed and agreed to by both Parties.

**12. Modification.** This Agreement may be amended at any time by formal written agreement of the Parties.

**13. Severability.** If any provision of this Agreement is held invalid or unenforceable by any court of final jurisdiction, it is the intent of the Parties that all other provisions of the Agreement be construed to remain fully valid, enforceable, and binding on the Parties.

**14. Waiver.** No waiver of a breach or provision of this Agreement shall constitute a waiver of any other breach or provision. The Parties' failure to enforce at any time, or from time to time, any provision of this Agreement shall not be construed as a waiver thereof. The remedies herein reserved shall be cumulative and additional to any other remedies in law or equity.

**15. Execution.** The Board of Directors authorized the execution of this Agreement at a regular meeting on \_\_\_\_\_, 2020 ("Effective Date"). This Agreement may be executed in counterparts, which together shall compose a single instrument. A Party's signature transmitted electronically shall be valid and effective.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized officers as of the Effective Date.

**LAS VIRGENES MUNICIPAL WATER DISTRICT**

By: \_\_\_\_\_

**OLIVAREZ MADRUGA LEMIEUX O'NEILL, LLP**

By: \_\_\_\_\_

W. Keith Lemieux  
Partner

**EXHIBIT A**

<b>Basic Legal Services shall include:</b>	
1.	Attendance at regular meetings of Board of Directors. Client will give direction on whether attendance will be in-person or remote
2.	General consultation by telephone and written communication with Board of Directors, General Manager and Staff. Attorney will apprise the General Manager of any substantial use of legal services by a board member
3.	Review agendas for Board of Directors' meetings prior to posting. Advise District Clerk on agenda item descriptions
4.	Review minutes of Board of Directors' meetings
5.	Review public hearing notices
6.	Prepare standard contracts for professional services and other routine agreements
7.	Provide general legal advice, written opinions, and consultation on routine land use and development matters
8.	Review government tort claims presented to the District and provide legal advice, written opinions, and consultation on same
9.	Review and approve risk management and administrative policies
10.	Review requests for proposals for various District projects
11.	Advise on destruction of documents per the District's retention schedule
12.	Assist in the review of public records requests, except as provided in Exhibit B. Review responsive documents that require legal determinations (e.g. privilege and other exceptions)
13.	Prepare, review, and approve as to form contracts of a routine nature with third party providers and public agencies
14.	Prepare, review, and approve as to form resolutions and ordinances and related staff reports of a routine nature
15.	Prepare correspondence and memorandums regarding the above-described matters
7.	Routine labor and employment matters.
8.	Monthly reports summarizing litigation activity.
9.	Other matters agreed upon by Attorney and the General Manager

**EXHIBIT B**

<b>Special Legal Services shall include:</b>	
1.	Litigation and formal administrative or other adjudicatory matters
2.	Labor and employment matters following formal filing of a claim.
3.	Real estate matters (e.g. purchase and sale, covenants, deeds, title issues)
4.	Land acquisition and disposal matters (including eminent domain and pre-condemnation offers)
5.	Non-routine contracts (including negotiating and redrafting unique agreements)
6.	The review of requests under the California Public Records Act (hereinafter "Records Requests") involving the production of documents in excess of 70 pages; and the review of three or more Records Requests within any 30-day period. Such review shall encompass all coordination efforts undertaken by Attorney to gather and organize potentially responsive records produced by district departments and divisions; all document review and legal analysis required to determine what, if any, materials and/or information is responsive to the request or may be withheld; all document production preparation (e.g., information redaction, document sorting and arranging and/or number stamping); and the drafting of all statutorily required correspondence to the requestor and follow-up responses
7.	Other matters agreed upon by Attorney and the General Manager

**EXHIBIT C**

<b>Litigation and Formal Administrative or Other Adjudicatory Hourly Rates</b>	
Litigation Partner Blended Rates	\$375.00/hr.
Litigation Associate Blended Rates	\$250.00/hr.
Of Counsel Blended Rates	\$400.00/hr.
Law Clerk and Paralegal Blended Rates	\$100.00/hr.

<b>Special Legal Services</b>	
Transactional Partner and Associate Rates	\$225.00/hr.
Law Clerk and Paralegal Rates	\$100.00/hr.



December 15, 2020 LVMWD Regular Board Meeting

TO: Board of Directors

FROM: Facilities & Operations

**Subject : Replacement of Construction Service Truck: Approval**

**SUMMARY:**

The Construction Section of the Facilities Division requires a variety of specialized tools and equipment to maintain the District's underground facilities. Much of the equipment is large, heavy and requires a specialized service truck. After 21 years of service, Vehicle No. 833, a 1999 Chevrolet 7500 with over 61,000 miles and 3,200 hours, has reached the end of its useful life. The vehicle's built-in compressor/ generator unit no longer complies with current State emission standards.

The adopted Fiscal Year 2020-21 Budget includes funding for a replacement vehicle for the Construction Section. Due to the specialized nature of the Construction Crew's work, staff proposes to purchase the new truck, utility body and compressor as a complete unit. The built-in generator/air compressor will be driven by a power take-off (PTO) from the truck rather than a separate engine. As a result, no State air emissions permit is required for the generator/air compressor. Staff recommends the purchase of an F-550 service truck with utility bed, one-ton truck-mounted crane, Boss PTO-driven air compressor/generator and associated equipment to replace Vehicle No. 833.

**RECOMMENDATION(S):**

Authorize the General Manager to issue a purchase order to TransWest Truck Center of Fontana, in the amount of \$159,493.99, for an F-550 service truck with utility bed, one-ton truck-mounted crane, Boss power take-off driven air compressor/generator and associated equipment.

**FISCAL IMPACT:**

Yes

**ITEM BUDGETED:**

Yes

**FINANCIAL IMPACT:**

The cost of the replacement vehicle is \$159,493.99. Sufficient funds are available in the adopted Fiscal Year 2020-21 Budget for this purpose.

**DISCUSSION:**

The goal for purchasing the new service truck is to ensure proper fitment of the tools and equipment needed for the Construction Crew. Three different truck suppliers were provided specifications and invited to inspect the current service truck. The Ford F-550 cab and chassis were selected to ensure driver safety, maneuverability and meet the Construction Crew’s needs. Members of the crew viewed and test drove a Ford F-550 with like equipment and determined that the vehicle best met their needs in terms of field of vision, safety and drive-ability for the hilly section's of the District’s service area. A shorter wheelbase allows the Ford F-550 chassis to better access to many of the District’s difficult to reach water mains as compared to the larger Freightliner or International models. Ford also offers the latest diesel engine technology, which includes all the necessary emissions equipment to lower the District’s carbon footprint and meet current California Air Resource Board requirements.

Following is a summary of the quotations received for the vehicle:

TransWest Truck Center of Fontana	\$159,493.99
Velocity Truck Centers of San Diego	\$160,147.70
Velocity Truck Centers of Oxnard	\$161,881.52

TransWest Truck Center of Fontana was the low bidder for the Ford F-550 utility bed and associated equipment. As a result, staff recommends authorization to issue a purchase order to TransWest Truck Center of Fontana for the replacement vehicle. Upon delivery of the new service truck, Vehicle No. 833 with be declared surplus equipment and sent for auction.

**GOALS:**

Construct, Manage and Maintain All Facilities and Provide Services to Assure System Reliability and Environmental Compatibility

Prepared by: Shawn Triplett, Facilities Manager

**ATTACHMENTS:**

Quotations for Replacement Service Truck





SALES (909) 770-5170  
 PARTS (909) 770-5180  
 SERVICE (909) 770-5620  
 10150 Cherry Ave  
 Fontana CA 92335

# Buyers Order

Deal#: DE-72256-1  
 Opp#: 2020-120752  
 Date: 11/06/2020

Contact: Clifford Romero - Mobile: (949)412-4698 - Email: CROMERO@VVGTRUCK.COM

Bill To: 113090  
 LAS VIRGENES MUNICIPAL WATER  
 4232 LAS VIRGENES RD  
 CALABASAS CA 91302 County: Los Angeles  
 Phone: (818) 251-2100  
 striplett@lvmwd.com

Ship To:

Unit#: On Order	Stock#:	New 2021 FORD F550	Price:	\$58,272.00
VIN:		GVW: 19500	Color: WHITE	
		CUSTOM BASKET W/PERFORATED STEEL - 144"L X 23"W X 6"D		\$2,025.00
		DOUGLAS CUSTOMER TRUCK BODY 11' PER QUOTE NUMBER 61292		<u>\$85,265.02</u>
			Unit Price:	<u>\$145,562.02</u>

Sub Total	\$145,562.02
Doc Fee	\$85.00
CA Tire Recycle Fee	\$10.50
Sales Tax (9.500%)	<u>\$13,836.47</u>
<b>Total Vehicle Sale Price</b>	<b><u>\$159,493.99</u></b>
Net Total	\$159,493.99

Lienholder: None

REG CAB, XL TRIM, 6.7L POWER STROKE V8 TURBO DIESEL ENG, TORQSHIFT 10-SPEED AUTO TRANS W/PTO PROVISION, A/C, AM/FM STEREO W/MP3 PLAYER & SYNC3 COMMUNICATIONS & ENTERTAINMENT SYSTEM, P/W & P/D/L'S, CRUISE CONTROL, MIRRORS - POWER/HEATED WITH MANUAL FOLD, 40/20/40 SPLIT VINYL BENCH SEAT, 4-WHEEL DISC BRAKES, PARKING BRAKE, 40-GAL AFT OF AXLE FUEL TANK, DAYTIME RUNNING LIGHTS, PLATFORM RUNNING BOARDS, 50-STATE EMISSIONS

ONLY THOSE ITEMS AND SERVICES SPECIFICALLY WRITTEN ON THIS ORDER ARE INCLUDED IN THE STATED PRICE.

ANY OTHER AGREEMENTS, UNLESS IN WRITING, ARE NOT BINDING ON SELLER.

The numbered pages of this Order comprise the entire agreement affecting this purchase and no other agreement or understanding of any nature concerning this purchase has been made or entered into, or will be recognized. I hereby certify that no credit has been extended to me for the purchase of this motor vehicle except as appears in writing on the face of this agreement. I have read and understand the final page of this agreement and agree to it as a part of this order the same as if it were printed above my signature. I certify that I am of legal age, or older, that I have legal capacity and authority to execute this agreement on behalf of my company, and hereby acknowledge receipt of a copy of this order.

LAS VIRGENES MUNICIPAL WATER  
 (Purchaser's Name)

Clifford Romero  
 (Salesperson Name)

X  
 (Purchaser's Signature)

(Approved By)

Date

Date





www.VelocityTruckCenters.com

# Buyers Order

Deal#: DE-72256  
 Opp#: 2020-120752  
 Date: 11/06/2020

Contact: Clifford Romero - Mobile: (949)412-4698 - Email: CROMERO@VVGTRUCK.COM

Bill To: 113090

LAS VIRGENES MUNICIPAL WATER  
 4232 LAS VIRGENES RD  
 CALABASAS CA 91302 County: Los Angeles  
 Phone: (818) 251-2100  
 striplett@lvmwd.com

Ship To:

Unit#: On Order	Stock#:	New 2021 FORD F550	Price:	\$58,872.00
VIN:		GVW: 19500	Color: WHITE	
		CUSTOM BASKET W/PERFORATED STEEL- 144"L X 23"W X 6"D		\$2,025.00
		DOUGLAS CUSTOMER TRUCK BODY 11' PER QUOTE NUMBER 61292		\$85,262.02
			Unit Price:	\$146,159.02

<b>Sub Total</b>	<b>\$146,159.02</b>
Doc Fee	\$85.00
CA Tire Recycle Fee	\$10.50
Sales Tax (9.500%)	\$13,893.18
<b>Total Vehicle Sale Price</b>	<b>\$160,147.70</b>
<b>Net Total</b>	<b>\$160,147.70</b>

Lienholder: None

REG CAB, XL TRIM, 6.7L POWER STROKE V8 TURBO DIESEL ENG, TORQSHIFT 10-SPEED AUTO TRANS W/PTO PROVISION, A/C, AM/FM STEREO W/MP3 PLAYER & SYNC3 COMMUNOCATIONS & ENTERTAINMENT SYSTEM, P/W & P/D/L'S, CRUISE CONTROL, MIRRORS - POWER/HEATED WITH MANUAL FOLD, 40/20/40 SPLIT VINYL BENCH SEAT, 4-WHEEL DISC BRAKES, PARKING BRAKE, 40-GAL AFT OF AXLE FUEL TANK, DAYTIME RUNNING LIGHTS, PLATFORM RUNNING BOARDS, 50-STATE EMISSIONS

ONLY THOSE ITEMS AND SERVICES SPECIFICALLY WRITTEN ON THIS ORDER ARE INCLUDED IN THE STATED PRICE.  
 ANY OTHER AGREEMENTS, UNLESS IN WRITING, ARE NOT BINDING ON SELLER.

The numbered pages of this Order comprise the entire agreement affecting this purchase and no other agreement or understanding of any nature concerning this purchase has been made or entered into, or will be recognized. I hereby certify that no credit has been extended to me for the purchase of this motor vehicle except as appears in writing on the face of this agreement. I have read and understand the final page of this agreement and agree to it as a part of this order the same as if it were printed above my signature. I certify that I am of legal age, or older, that I have legal capacity and authority to execute this agreement on behalf of my company, and hereby acknowledge receipt of a copy of this order.

LAS VIRGENES MUNICIPAL WATER  
 \_\_\_\_\_  
 (Purchaser's Name)

Clifford Romero  
 \_\_\_\_\_  
 (Salesperson Name)

X

\_\_\_\_\_  
 (Purchaser's Signature)

\_\_\_\_\_  
 (Approved By)

\_\_\_\_\_  
 Date

\_\_\_\_\_  
 Date

1. **TRADE-IN(S).** Purchaser shall deliver trade-in(s) in the same condition as at the time of inspection and appraisal by Seller reasonable wear and tear excepted, except as disclosed in the Agreement. Purchase represents that each truck shall be free and clear of all liens and encumbrances and warrants that the trade-in(s) are that type and condition described in this Agreement, including any attachments hereto.

2. **TERMS OF PAYMENT.** Unless otherwise agreed, net payment shall be due on delivery. Late payments shall bear interest at the rate of 18% per annum, or the maximum permitted by law, whichever is less. If acceptance of delivery is delayed by Purchaser, payment shall become due on the date when Seller is prepared to deliver. If the financial condition of Purchaser at any time does not, in the judgment of Seller, justify continuance of the work to be performed by Seller hereunder on the terms of payment as agreed upon, Seller may suspend such work, or postpone delivery, and require such assurances of Purchaser's performance as Seller deems adequate, including payment in advance, or Seller may cancel this order and shall receive reimbursement for its reasonable and proper cancellation charges. In the event of bankruptcy or insolvency of Purchaser, voluntary or involuntary, Seller shall be entitled to cancel any order then outstanding at any time and seek reimbursement for its reasonable and proper cancellation charges.

3. **CANCELLATION.** Purchaser may cancel this order only if Seller is able to cancel said order with the manufacturer, and only upon written notice. Upon cancellation or failure to accept delivery, Purchaser shall pay Seller reasonable cancellation changes and expenses, not to be less than Seller's out-of-pocket expenses including carrying costs.

4. **SALES AND OTHER TAXES.** Unless otherwise specified herein, Seller's price does not include federal excise, sales, use, or other taxes. Consequently, in addition to the price specified herein, the amount of any other excise, sales, use or other taxes applicable to the sale or use of the trucks purchased hereunder shall be paid by Purchaser, or in lieu thereof Purchaser shall provide Seller with a tax exemption certificate acceptable to the taxing authorities. Purchaser agrees that all taxes related to this transaction, whether arising at the time of the transaction or in the future, are Purchaser's responsibility and further agrees to promptly pay any such taxes.

5. **DELIVERY.** All trucks furnished hereunder shall be delivered to Purchaser at the Seller's dealership location or other location as designated in this Agreement. Unless otherwise provided, delivery will be made via carriers and routes designated by manufacturer with freight charges to be included in the purchase price. Delivery dates are approximate and are based upon receipt of all necessary information from Purchaser. Seller shall not be liable for delays in delivery or manufacturing, or other causes beyond Seller's control.

6. **TECHNICAL CHANGES.** Purchaser acknowledges that the manufacturer and Seller reserve the right to change the specifications of the truck(s) at any time without obligation to make such changes in other trucks previously delivered to Purchaser. In addition, manufacturer and Seller reserve the right to make design changes and substitution of materials subsequent to the receipt of the order which, in manufacturers or Seller's opinion are necessary to improve the truck. Purchaser agrees to accept any such changes as fulfillment of Seller's obligations under this order.

7. **REQUIRED EQUIPMENT.** This order shall be deemed to include, whether or not specified herein, all equipment or accessories required by the National Highway Traffic Safety Act or other regulations in effect at the time of order of receipt. It is agreed that any additional or different equipment not specified which is required at the time of delivery to meet the foregoing Act or other regulations will be added and the costs shall be paid by Purchaser. Purchaser understands that certain safety equipment is available that is not legally required and is available at Purchasers request for an additional fee.

8. **TITLE AND REMEDIES.** Until full payment by Purchaser of all amounts due hereunder, Seller reserves the title to all equipment furnished hereunder. If Purchaser defaults in payment or performance hereunder or becomes subject to insolvency, receivership, or bankruptcy proceedings, or makes an assignment for the benefit of creditors, or without the consent of Seller voluntarily or involuntarily sells, transfers, leases, or permits any lien or attachment on the equipment delivered hereunder, Seller may treat all amounts then or thereafter owing hereunder by Purchaser as immediately due and payable (subject only to credits required by law) and Seller may repossess said equipment by any means available by law and shall enjoy any and all other remedies of a secured creditor under the Uniform Commercial Code. Purchaser shall execute and deliver to Seller such financing statements and other documents, as Seller may deem appropriate to evidence, perfect, and protect the priority of its security interest in the truck(s) subject to this order.

9. **GENERAL.** Any assignment by Purchaser of this order or any rights hereunder, without written consent of Seller, shall be void. Clerical errors in this order may be automatically corrected by giving written notice thereof to Purchaser by a duly authorized representative of Seller. No waiver, alteration, or modification of any of the provisions hereof shall be binding unless and until in writing and signed by a duly authorized representative of Seller. To the extent not covered by other terms herein, including terms of warranty and limitation of liability, etc., the provisions of the Uniform Commercial Code shall govern this sale.

10. **IMPORT TARIFFS:** Purchaser acknowledges that any import tariffs imposed by the government are the sole responsibility of the Purchaser and will result in an increase in the Seller's price equal to the amount of the obligatory tariff.

This Agreement (including by reference the provisions set out in manufacturer's standard warranty or warranties) shall constitute the entire agreement between Purchaser and Seller, and no understandings or obligations not expressly set forth herein or in manufacturer's standard warranty or warranties are binding upon Purchaser or Seller.

ALL WARRANTIES, IF ANY, BY A MANUFACTURER OR SUPPLIER OTHER THAN SELLER ARE THEIRS, NOT SELLER'S, AND ONLY SUCH MANUFACTURER OR OTHER SUPPLIER SHALL BE LIABLE FOR PERFORMANCE UNDER SUCH WARRANTIES. SELLER HEREBY DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

Accepted and Agreed by: \_\_\_\_\_ (Date)

Signor's Name and Title: \_\_\_\_\_ (Signature)  
(Please Print Name and Title. Must be an Officer of the company Authorized to approve capital purchases.)



OFFICE (805) 983-2408  
FAX (805) 983-7570

2501 Camino Del Sol, Oxnard CA 93030

www.VelocityTruckCenters.com

# Buyers Order

Deal#: DE-74142

Opp#: 2020-122498

Date: 09/29/2020

Contact: Edd Aguilar - Mobile: 805-338-2866 - Email: eaguilar@vvgtruck.com

Bill To: 113090

LAS VIRGENES MUNICIPAL WATER  
4232 LAS VIRGENES RD  
Calabasas CA 91302 County: Los Angeles  
Phone: (818) 251-2100  
striplett@lvmwd.com

Ship To:

<b>Unit#: On Order Stock#:</b>	<b>New 2021 FORD F550</b>	<b>Price:</b>	<b>\$60,425.00</b>
VIN:	GVW: 19500		
	11' Douglass Built to customer Specs review with Douglass Truck Body		\$85,265.02
	Custom Basket from perforated steel		\$2,025.00
<b>To Be Delivered On or About: 1/29/2021</b>		<b>Unit Price:</b>	<b>\$147,715.02</b>

<b>Sub Total</b>	<b>\$147,715.02</b>
Doc Fee	\$85.00
CA Tire Recycle Fee	\$10.50
Sales Tax (9.500%)	\$14,041.00
DMV Electronic Filing	\$30.00
<b>Total Vehicle Sale Price</b>	<b>\$161,881.52</b>
<b>Net Total</b>	<b>\$161,881.52</b>

Lienholder: None

Ford F-550 Standard Cab XLT Trim, 6.7 Power Stroke V-8 Turbo Diesel, 10 speed Auto Trans With PTO Provision. F550 XT With Vinyl Seat & Adding Back The XLT Package.

ONLY THOSE ITEMS AND SERVICES SPECIFICALLY WRITTEN ON THIS ORDER ARE INCLUDED IN THE STATED PRICE.  
ANY OTHER AGREEMENTS, UNLESS IN WRITING, ARE NOT BINDING ON SELLER.

The numbered pages of this Order comprise the entire agreement affecting this purchase and no other agreement or understanding of any nature concerning this purchase has been made or entered into, or will be recognized. I hereby certify that no credit has been extended to me for the purchase of this motor vehicle except as appears in writing on the face of this agreement. I have read and understand the final page of this agreement and agree to it as a part of this order the same as if it were printed above my signature. I certify that I am of legal age, or older, that I have legal capacity and authority to execute this agreement on behalf of my company, and hereby acknowledge receipt of a copy of this order.

LAS VIRGENES MUNICIPAL WATER  
(Purchaser's Name)

Edd Aguilar  
(Salesperson Name)

X  
(Purchaser's Signature)

(Approved By)

Date

Date

1. **TRADE-IN(S).** Purchaser shall deliver trade-in(s) in the same condition as at the time of inspection and appraisal by Seller reasonable wear and tear excepted, except as disclosed in the Agreement. Purchase represents that each truck shall be free and clear of all liens and encumbrances and warrants that the trade-in(s) are that type and condition described in this Agreement, including any attachments hereto.

2. **TERMS OF PAYMENT.** Unless otherwise agreed, net payment shall be due on delivery. Late payments shall bear interest at the rate of 18% per annum, or the maximum permitted by law, whichever is less. If acceptance of delivery is delayed by Purchaser, payment shall become due on the date when Seller is prepared to deliver. If the financial condition of Purchaser at any time does not, in the judgment of Seller, justify continuance of the work to be performed by Seller hereunder on the terms of payment as agreed upon, Seller may suspend such work, or postpone delivery, and require such assurances of Purchaser's performance as Seller deems adequate, including payment in advance, or Seller may cancel this order and shall receive reimbursement for its reasonable and proper cancellation charges. In the event of bankruptcy or insolvency of Purchaser, voluntary or involuntary, Seller shall be entitled to cancel any order then outstanding at any time and seek reimbursement for its reasonable and proper cancellation charges.

3. **CANCELLATION.** Purchaser may cancel this order only if Seller is able to cancel said order with the manufacturer, and only upon written notice. Upon cancellation or failure to accept delivery, Purchaser shall pay Seller reasonable cancellation changes and expenses, not to be less than Seller's out-of-pocket expenses including carrying costs.

4. **SALES AND OTHER TAXES.** Unless otherwise specified herein, Seller's price does not include federal excise, sales, use, or other taxes. Consequently, in addition to the price specified herein, the amount of any other excise, sales, use or other taxes applicable to the sale or use of the trucks purchased hereunder shall be paid by Purchaser, or in lieu thereof Purchaser shall provide Seller with a tax exemption certificate acceptable to the taxing authorities. Purchaser agrees that all taxes related to this transaction, whether arising at the time of the transaction or in the future, are Purchaser's responsibility and further agrees to promptly pay any such taxes.

5. **DELIVERY.** All trucks furnished hereunder shall be delivered to Purchaser at the Seller's dealership location or other location as designated in this Agreement. Unless otherwise provided, delivery will be made via carriers and routes designated by manufacturer with freight charges to be included in the purchase price. Delivery dates are approximate and are based upon receipt of all necessary information from Purchaser. Seller shall not be liable for delays in delivery or manufacturing, or other causes beyond Seller's control.

6. **TECHNICAL CHANGES.** Purchaser acknowledges that the manufacturer and Seller reserve the right to change the specifications of the truck(s) at any time without obligation to make such changes in other trucks previously delivered to Purchaser. In addition, manufacturer and Seller reserve the right to make design changes and substitution of materials subsequent to the receipt of the order which, in manufacturers or Seller's opinion are necessary to improve the truck. Purchaser agrees to accept any such changes as fulfillment of Seller's obligations under this order.

7. **REQUIRED EQUIPMENT.** This order shall be deemed to include, whether or not specified herein, all equipment or accessories required by the National Highway Traffic Safety Act or other regulations in effect at the time of order of receipt. It is agreed that any additional or different equipment not specified which is required at the time of delivery to meet the foregoing Act or other regulations will be added and the costs shall be paid by Purchaser. Purchaser understands that certain safety equipment is available that is not legally required and is available at Purchasers request for an additional fee.

8. **TITLE AND REMEDIES.** Until full payment by Purchaser of all amounts due hereunder, Seller reserves the title to all equipment furnished hereunder. If Purchaser defaults in payment or performance hereunder or becomes subject to insolvency, receivership, or bankruptcy proceedings, or makes an assignment for the benefit of creditors, or without the consent of Seller voluntarily or involuntarily sells, transfers, leases, or permits any lien or attachment on the equipment delivered hereunder, Seller may treat all amounts then or thereafter owing hereunder by Purchaser as immediately due and payable (subject only to credits required by law) and Seller may repossess said equipment by any means available by law and shall enjoy any and all other remedies of a secured creditor under the Uniform Commercial Code. Purchaser shall execute and deliver to Seller such financing statements and other documents, as Seller may deem appropriate to evidence, perfect, and protect the priority of its security interest in the truck(s) subject to this order.

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ALL WARRANTIES, IF ANY, BY A MANUFACTURER OR SUPPLIER OTHER THAN SELLER ARE THEIRS, NOT SELLER'S, AND ONLY SUCH MANUFACTURER OR OTHER SUPPLIER SHALL BE LIABLE FOR PERFORMANCE UNDER SUCH WARRANTIES. SELLER HEREBY DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

Accepted and Agreed by: \_\_\_\_\_ (Company Name) \_\_\_\_\_ (Date)  
Signor's Name and Title: \_\_\_\_\_ X \_\_\_\_\_ (Signature)  
(Please Print Name and Title. Must be an Officer of the company Authorized to approve capital purchases.)



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Toll Free: 800.635.7641  
Fax: 661.327.3894

Sales Order #	61292
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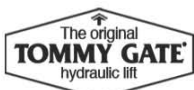
**Bill To:** Velocity Truck Center  
2501 Camino Del Sol  
Oxnard, CA 93030

**Ship** Velocity Truck Center  
2501 Camino Del Sol  
Oxnard, CA 93030  
Email: eaguilar@vvgtruck.com

Truck Make: Ford	Model: F550	Year: 2020	Additional Information: Attn: Edd Aguilar
Chassis Color: White	Body Color: White	Paint Code:	
Cab Type: Regular Cab	Cab Axle: 84"	Rear Axle: DRW	

Ln#	Item Code	Qty	Description	List Price	Extension
1	002-G6UT/23	1.0	Custom Douglass Truck Body, 11' - Manufactured to fit a full sized chassis with dual-rear-wheels. - Constructed with superior corrosion resistant A60 galvanized steel. - Heavy duty 14 & 18 gauge double panel doors with beveled edges. - Stainless steel paddle-operated slam latches. - Stainless steel piano hinges secured to body every 2.5". - Gas strut supports on all vertical doors and flip-top toolbox lids.  - DSF1 and CSF1 to be built at 60" - Compartment widths to be built at 34", 28", 42", 34"	\$ 7,770.00	\$ 6,216.00
2	003-0087	2.0	Raised Front Compartment - Increased storage capacity of the compartment.  - DSF1 and CSF1 60" tall	\$ 643.00	\$ 1,131.68
3	003-0088	2.0	Barn Doors - Reduces door size, meaning lighter weight and smaller swing out for working in smaller spaces.  - DSF1 and CSf1	\$ 269.00	\$ 473.44
4	003-0170	1.0	Round Wheel Well (PER PAIR) - Heavy duty 12ga one piece round wheel well reinforced with 3/4" split tube.	\$ 211.00	\$ 0.00
5	008-2051	1.0	3 - Point Stainless Steel Latch System for Model G6UT/23 - Full contact strikers offer positive locking to the body in three places for maximum security.	\$ 537.00	\$ 456.45
6	008-4051	1.0	Triple Seal Weatherstripping for Model G6UT/23 - OEM style weather stripping designed to protect your tools and equipment from the elements.	\$ 455.00	\$ 386.75

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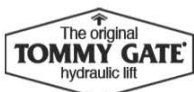
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Ln#	Item Code	Qty	Description	List Price	Extension
7	009-0035	1.0	Mount 11' Douglass Truck Body - Douglass certified mounting that meets or exceeds all D.O.T. requirements.	\$ 793.00	\$ 793.00
8	010-0007	1.0	Paint 11' Douglass Truck Body - PPG high solids corrosion resistant primer and PPG Delfeet paint applied by a certified PPG Technician.	\$ 1,576.00	\$ 1,576.00
10	008-0052	1.0	LED Tail Light Package (Grommet Style) - Brighter than bulb style lights for increased visibility and safety. - Mounted in shock absorbing rubber grommet. - Includes 9 Diode White LED back-up, 6 Diode Red Stop/Turn lights, and 3/4" Clearance lights package.	\$ 241.00	\$ 216.90
11	008-0412	1.0	Wiring Harness, Ford Chassis - OEM type harness that plugs directly into vehicles existing light wiring harness requiring no cutting or splicing.	\$ 208.00	\$ 187.20
12	003-0159	1.0	Work Platform, Rear, "V" Notch, for 23" wide compartments - HD work deck built from 1/4" steel plate with integral formed "V" notch. - Built-in driver side and curb side underbody boxes.	\$ 1,592.00	\$ 1,400.96
13	003-0164	1.0	Work Platform Upgrade, 1/4" Plate, Custom Size  - To be built at 30" to allow room for crane pedestal	\$ 268.00	\$ 241.20
14	003-3012	1.0	Latching Tailgate For Work-Platform - Removable tailgate for easy cargo access, with 2-Position automotive style rotary latches. - Actuated Stainless Steel Paddle Handle.	\$ 211.00	\$ 0.00
15	009-0029	1.0	Rear Frame Extension	\$ 337.00	\$ 337.00
16	009-0009	1.0	Cab Protector, Standard - Constructed with 2" x 2" square tubing for added strength. - Covered with expanded metal for maximum window protection.	\$ 576.00	\$ 506.88
17	010-0115	1.0	Paint Cab Protector	\$ 300.00	\$ 300.00
18	009-9033	1.0	Light Rack for Lightbar	\$ 638.00	\$ 638.00
19	069-0029	1.0	* * * Standard Towing Package * * *	\$ 0.00	\$ 0.00

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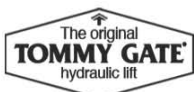
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Ln#	Item Code	Qty	Description	List Price	Extension
20	009-0074	1.0	Hitch, 2.5" Square Receiver, Heavy-Duty Class V (16K Capacity) - 16,000 lb Gross Tow Weight Rating - 1,600 lb Tongue Weight Rating - Includes 2" Reducer Sleeve with Retaining Pin - Never exceed the vehicle's weight rating, or the lowest rating of any component of the towing system	\$ 718.00	\$ 718.00
21	060-0072	1.0	7-Prong Hardwired plug for chassis, except GM's and pickups	\$ 11.85	\$ 11.85
22	009-0075	1.0	Install / Wire 7 - Prong Plug	\$ 55.65	\$ 55.65
23	008-3065	2.0	Stainless Grab Handle w/ Gasket	\$ 25.50	\$ 45.90
24	009-0080	2.0	Fold Down Step	\$ 127.00	\$ 254.00
25	069-0031	1.0	* * * Interior Configurations * * *	\$ 0.00	\$ 0.00
26	069-0002	1.0	Driver Side Front Compartment Interiors	\$ 0.00	\$ 0.00
27	003-0070	7.0	Mechanic Tool Drawer - Heavy Duty formed steel drawers w/ dual snap latches for secure holding drawers closed and long term durability. *Drawers can be made to meet almost any custom need.	\$ 177.00	\$ 1,090.32
28	008-0023	7.0	Roller Slides, Standard 18" - Heavy-duty 250# capacity - Stainless Steel Ball Bearing Rollerslides	\$ 65.95	\$ 415.49
29	069-0003	1.0	Driver Side Front #2 Compartment Interiors	\$ 0.00	\$ 0.00
30	003-0070	3.0	Mechanic Tool Drawer - Heavy Duty formed steel drawers w/ dual snap latches for secure holding drawers closed and long term durability. *Drawers can be made to meet almost any custom need.  - Drawers to fill compartment	\$ 177.00	\$ 467.28
31	008-0023	3.0	Roller Slides, Standard 18" - Heavy-duty 250# capacity - Stainless Steel Ball Bearing Rollerslides	\$ 65.95	\$ 178.07
32	069-0005	1.0	Driver Side Horizontal Compartment Interiors	\$ 0.00	\$ 0.00
33	003-0071	2.0	Mechanic Tool Drawer (Horizontal Compart.) - Heavy Duty formed steel drawers w/ dual snap latches for secure holding drawers closed and long term durability. *Drawers can be made to meet almost any custom need.	\$ 235.00	\$ 413.60

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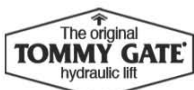
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Ln#	Item Code	Qty	Description	List Price	Extension
34	003-0072	2.0	Removable Dividers, Mech Drawer - Removable & adjustable galvanized steel dividers that allow for better tool and part organization.	\$ 122.00	\$ 214.72
35	008-0023	2.0	Roller Slides, Standard 18" - Heavy-duty 250# capacity - Stainless Steel Ball Bearing Rollerslides	\$ 65.95	\$ 118.71
36	069-0006	1.0	Driver Side Rear Compartment Interiors	\$ 0.00	\$ 0.00
37	003-0103	68.0	Adjustable Shelving, (DRW) - Heavy duty galvanized steel for corrosion resistance. - Shelves are "Fully" adjustable with virtually infinite placement options. - Mounted on rolled channel and secured with spring-nuts for easy adjustments.	\$ 2.80	\$ 167.55
		1.0	Custom Holder for Air Tool Ends		\$ 240.00
39	069-0007	1.0	Curb Side Front Compartment Interiors	\$ 0.00	\$ 0.00
40	003-0081	1.0	Oxy/Acet Rings & Clamps - HD Steel rings with welded steel clamp, for easy bottle replacement and secure storage.	\$ 183.00	\$ 161.04
41	003-0086	1.0	Louver, SS, For Compartment - Safely allows explosive gas to ventilate in the event of a leak.	\$ 183.00	\$ 161.04
42	060-0058	1.0	Reelcraft Hose Reel TW5425 OLP - Twin hoses for Oxygen and Acetylene. - Steel construction with double sealed O-rings to prevent leakage. - Dual 200psi hoses; 1/4"ID x 25' Long.	\$ 366.68	\$ 341.01
43	040-50	1.0	Inbound Freight for Stock Reelcraft Hose Reel	\$ 38.00	\$ 38.00
44	009-105	1.0	Install, Oxy/Acet Hose Reel	\$ 55.65	\$ 55.65
45	003-3074	1.0	Compartment Partition, Vertical Compartment - Steel Partition vertically dividing compartment. - Adds storage space for additional tools and equipment.	\$ 211.00	\$ 185.68
46	003-0103	48.0	Adjustable Shelving, (DRW) - Heavy duty galvanized steel for corrosion resistance. - Shelves are "Fully" adjustable with virtually infinite placement options. - Mounted on rolled channel and secured with spring-nuts for easy adjustments.	\$ 2.80	\$ 118.27
47	069-0008	1.0	Curb Side Front #2 Compartment Interiors	\$ 0.00	\$ 0.00

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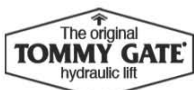
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Phone: 661.327.0258  
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Ln#	Item Code	Qty	Description	List Price	Extension
48	003-0070	3.0	Mechanic Tool Drawer - Heavy Duty formed steel drawers w/ dual snap latches for secure holding drawers closed and long term durability. *Drawers can be made to meet almost any custom need.  - Drawers to fill compartment	\$ 177.00	\$ 467.28
49	008-0023	3.0	Roller Slides, Standard 18" - Heavy-duty 250# capacity - Stainless Steel Ball Bearing Rollerslides	\$ 65.95	\$ 178.07
50	069-0010	1.0	Curb Side Horizontal Compartment Interiors	\$ 0.00	\$ 0.00
51	003-0103	84.0	Adjustable Shelving, (DRW) - Heavy duty galvanized steel for corrosion resistance. - Shelves are "Fully" adjustable with virtually infinite placement options. - Mounted on rolled channel and secured with spring-nuts for easy adjustments.	\$ 2.80	\$ 206.98
52	069-0011	1.0	Curb Side Rear Compartment Interiors	\$ 0.00	\$ 0.00
53	003-0103	68.0	Adjustable Shelving, (DRW) - Heavy duty galvanized steel for corrosion resistance. - Shelves are "Fully" adjustable with virtually infinite placement options. - Mounted on rolled channel and secured with spring-nuts for easy adjustments.	\$ 2.80	\$ 167.55
		1.0	* * * Custom Boxes * * *		\$ 0.00
		1.0	Custom Top Box - 25"T x 48"W x 23.5"D  - Door to open upward		\$ 825.00
56	010-0080	1.0	Paint Top Box - PPG high solids corrosion resistant primer and PPG Delfeet paint applied by a certified PPG Technician.	\$ 400.00	\$ 400.00
57	009-0100	1.0	Mount Box to Flatbed	\$ 50.50	\$ 50.50
		1.0	Custom Top Box - 25"T x 104"W x 23.5"D  - Box to have a support wall/divider built in 24" from the right making this a 2 compartment box. The left side (90"W) to have the barn doors.		\$ 1,750.00
59	010-0080	1.0	Paint Top Box - PPG high solids corrosion resistant primer and PPG Delfeet paint applied by a certified PPG Technician.	\$ 700.00	\$ 700.00

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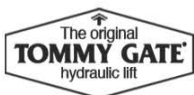


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Ln#	Item Code	Qty	Description	List Price	Extension
60	003-0088	1.0	Barn Doors - Reduces door size, meaning lighter weight and smaller swing out for working in smaller spaces.	\$ 269.00	\$ 236.72
61	009-0100	1.0	Mount Box to Flatbed	\$ 50.50	\$ 50.50
62	069-0037	1.0	* * * Misc Equipment * * *	\$ 0.00	\$ 0.00
		2.0	Custom Jack Hammer Holder - Location TBD - for 90lb and 60lb jack hammer		\$ 800.00
64	003-9107	2.0	Chock Block Holder in Wheel Well	\$ 150.00	\$ 270.00
65	009-9067	1.0	Special Water Jug Holder w/12" Riser  - To be installed on CSR panel	\$ 245.00	\$ 245.00
		1.0	Shovel Holder for (8) Shovels  - To be installed on D/S of cargo wall		\$ 600.00
67	060-0062	4.0	Carr Kick Out Steps, 24", #501020	\$ 438.91	\$ 1,632.75
68	009-100	2.0	Taxable Labor - Mounting Department  - Install Carr steps below DSF1, DSF2, CSF1 and CSF2	\$ 105.00	\$ 210.00
69	040-02	1.0	Freight Inbound	\$ 140.00	\$ 140.00
70	069-0032	1.0	* * * Crane Configurations * * *	\$ 0.00	\$ 0.00

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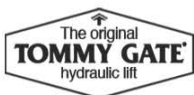


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Terms	COD

Ln#	Item Code	Qty	Description	List Price	Extension
71	061-1017	1.0	Auto Crane EHC-3 <sup>2</sup> PRX-FM, NexStar, 320991001 - Power Extension from 7' to 11', Manual from 11'-15' - Previously "3203" - 360° Continuous Power Rotation - Wireless FM NexStar Remote Control. Proportional Controls, 8 Button transmitter, LCD Diagnostics Screen on Receiver, Status Light, Level Sensors (for Crane Load Management). - Swivel block with hook latch. - Power - 5° to 75° boom elevation. - Automatic overload protection. - Meets OSHA 1910.180 requirements and ANSI B30.5 safety standards. - 8,800 GVWR minimum chassis requirement. - Two Year Factory Warranty	\$ 16,637.00	\$ 14,973.30
72	060-0145	1.0	Timed Relay, 15 amp 0-60 seconds, for Remote Start from Crane	\$ 90.13	\$ 90.13
73	040-20	1.0	Inbound Freight for AC3203 Crane	\$ 265.00	\$ 265.00
74	003-0060	1.0	Hoist Support, 3000lb- Cranes - Upgraded understructure and compartment support for crane.	\$ 678.00	\$ 596.64
75	009-0058	1.0	Boom Support, up to 3,500# Cap.	\$ 297.00	\$ 261.36
76	009-0065	1.0	Install, Crane, 1000# - 3500#  - Install on CS of work platform	\$ 241.00	\$ 241.00
77	060-0051	1.0	ANL-250, Bussman Fuse & Holder Kit	\$ 79.31	\$ 73.76
78	009-0063	1.0	Hoist Support Pedestal (3203) - Raises Crane from deck height to increase working height and load maneuverability.	\$ 1,337.00	\$ 1,203.30
		1.0	Paint Pedestal		\$ 200.00
80	009-0104	1.0	Stiff Leg, Crank Style	\$ 229.00	\$ 206.10
		1.0	* * * Boss Underdeck Compressor * * *		\$ 0.00
		1.0	Boss Air 185G 10G SCAR 3.05 BCAN - (10187)  - For a Ford F-550 Diesel 4x2 - Includes Unit, PTO, 2-piece Driveline Kit, DEF relocation kit, Generator package and Speed control. - LIST \$18,601.01		\$ 17,299.01

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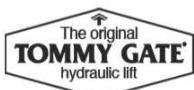


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Sales Order #	61292
Purchase Order	
VIN #	
Unit / Truck#	
Key Tag #	
Date	08/28/2020
Salesman	Tim
Terms	COD

Ln#	Item Code	Qty	Description	List Price	Extension
83	009-100	40.0	Taxable Labor - Mounting Department	\$ 105.00	\$ 4,200.00
84	060-9216	1.0	Cut driveline to size and balance (to install in-line compressor)	\$ 400.00	\$ 400.00
85	040-0500	1.0	Freight, Inbound	\$ 500.00	\$ 500.00
86	069-0033	1.0	* * * Air Ready System * * *	\$ 0.00	\$ 0.00
		1.0	Reelcraft Hose Reel 5635 ELP List \$362.00		\$ 337.00
88	060-0059	1.0	Roller Hose Guide Assembly	\$ 36.86	\$ 34.28
89	040-0050	1.0	Freight, Inbound	\$ 50.00	\$ 50.00
90	009-108	1.0	Underplatform Mounting Bracket	\$ 57.70	\$ 57.70
91	009-109	1.0	Install, Underplatform Reel	\$ 55.65	\$ 55.65
		20.0	3/8" Air Hose, per foot		\$ 67.00
93	009-100	1.0	Taxable Labor - Mounting Department	\$ 105.00	\$ 105.00
		1.0	* * * Boss Air Tools * * *		\$ 0.00
		1.0	Boss, Air Tools, PT60 Breaker - List \$1,051.00		\$ 998.44
		1.0	Boss, Air Tools, PT90 Breaker - List \$1099.00		\$ 1,043.14
		1.0	Boss, Air Tools, Clay Digger - List \$828.00		\$ 785.97
		1.0	Boss, Air Tools, Powder Puff Tamper - List \$1,117.00		\$ 1,060.52
		1.0	Boss, Air Tools, Moil Point 18" 1 1/8" x 6" Hex - List \$30.00		\$ 27.78
		1.0	Boss, Air Tools, Moil Point 18" 1" x 1 1/4" x 4" - List \$33.00		\$ 30.96
		1.0	Boss, Air Tools, Moil Point 7/8" x 3 1/4" x 14" - List \$25.00		\$ 23.69
		1.0	Boss, Air Tools, Clay Spade 15" 1 1/8" x 6" Hex - List \$103.00		\$ 97.51
		1.0	Boss, Air Tools, Clay Spade 7/8" x 3 1/4" Hex - List \$93.00		\$ 88.29

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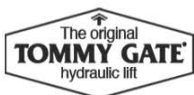
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Key Tag #	
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Terms	COD

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Ln#	Item Code	Qty	Description	List Price	Extension
		1.0	Boss, Air Tools, Clay Spade 15" 1" x 1 1/4" x 4" - List \$108.00		\$ 102.07
105	040-0350	1.0	Freight, Inbound	\$ 350.00	\$ 350.00
106	069-0024	1.0	* * * Remote Keyless Entry System * * *	\$ 0.00	\$ 0.00
107	060-90045	1.0	Pop-Lock System with 2 Fobs and Relay Kit (RC45A)	\$ 162.74	\$ 162.74
108	060-3003	12.0	Pop-Lock Remote Actuators #RANP-C2 - For use with standard paddle latches, includes C2 clear covers - Includes installs for all standard body compartments (8), as well as each of the doors on the top boxes mounted to the compartment tops (1 pop lock for box on CS and 3 locks for doors in box on DS)	\$ 44.81	\$ 537.72
109	009-100	12.0	Taxable Labor - Mounting Department	\$ 105.00	\$ 1,260.00
110	040-0035	1.0	Freight, Inbound	\$ 35.00	\$ 35.00
111	069-0023	1.0	* * * Interior Lighting Package * * *	\$ 0.00	\$ 0.00
112	060-9670	4.0	MSLS-1827-A - White LED Adhesive Strip Light 18"	\$ 25.75	\$ 103.00
113	060-9669	1.0	MSLS-2436-A - White LED Adhesive Strip Light 24"	\$ 35.02	\$ 35.02
114	060-9671	11.0	MSLS-3654-A - White LED Adhesive Strip Light 36"	\$ 42.75	\$ 470.25
115	040-0045	1.0	Freight, Inbound	\$ 45.00	\$ 45.00
116	009-100	8.0	Taxable Labor - Mounting Department  - (1) 24" at top of DSF1 - (1) 18" at top of DSF2, CSf2 - (1) 36" at top of DSH and CSH - (2) 36" on sides of DSR, CSF1, CSR - (1) 36" at top of CS top box - (2) 36" strips in 90" portion of DS top box, (1) 18" strip at top of 24" portion of DS top box. - (1) 18" strip in crane pedestal	\$ 105.00	\$ 840.00
		1.0	* * * Side Mount Pipe Rack * * *		\$ 0.00

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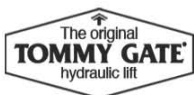
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Key Tag #	
Date	08/28/2020
Salesman	Tim
Terms	COD

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Ln#	Item Code	Qty	Description	List Price	Extension
118	009-9296	1.0	Side Mount Pipe Rack  - Minimum of 12' in length, no wider than the bins (24" width max) - To have ears at front, back, and where deemed necessary along the length of the pipe rack on both sides	\$ 735.00	\$ 735.00
119	010-0076	1.0	Paint Ladder Rack White - PPG high solids corrosion resistant primer and PPG Delfeet paint applied by a certified PPG Technician.	\$ 231.00	\$ 231.00
120	009-100	2.0	Taxable Labor - Mounting Department  - Labor to mount pipe rack to DS top of truck body/boxes	\$ 105.00	\$ 210.00
121	069-0089	1.0	* * * Auxiliary Lighting * * *	\$ 0.00	\$ 0.00
122	060-90027	1.0	ECCO 12+ Series Advantage 54" Light Bar	\$ 1,646.97	\$ 1,646.97
123	009-111	3.0	Install/Wire Added Light  - Install and wire light bar on top of cab protector	\$ 105.00	\$ 315.00
124	060-90100	8.0	Federal Signal, MPS1200U-AA, Micopulse Ultra Perimeter Flashers (Amber/Amber) - Title 13 Compliant	\$ 169.00	\$ 1,352.00
125	060-90101	8.0	Federal Signal, MPSUM12-1, Chrome Bezel for Micropulse 1200U	\$ 15.00	\$ 120.00
126	009-111	8.0	Install/Wire Added Light  - Install (4) lights on front of truck, grille, 2 on DS and 2 on CS - Install (2) lights on rear panels - Install (2) lights on rear bumper	\$ 105.00	\$ 840.00
127	008-0062	4.0	Light, Work, Rectangular, LED - High performance lighting installed on a multi-position swiveling bracket for easy adjustment and redirection. - 6 Bright LED's, Flood Beam pattern, powder coated aluminum housing, - 1,350 lumen, (5.9" x 3.6" x 1.6").	\$ 104.00	\$ 374.40
128	060-9900	1.0	Rigid Industries D-Series - Diffused Flood LED Pair (212513)  - List 219.00 for pair	\$ 196.68	\$ 196.68

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Date	08/28/2020
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Ln#	Item Code	Qty	Description	List Price	Extension
129	009-111	4.0	Install/Wire Added Light  - install (2) work lights on rear panels of truck - install (1) work light on DS on pipe rack, facing outwards - install (1) work light on CS, above DSH, facing outwards - Install Rigid D series lights in wheel well, centered, facing outwards	\$ 105.00	\$ 420.00
130	069-0036	1.0	* * * Body Protection Package * * *	\$ 0.00	\$ 0.00
131	003-0002	2.0	Alum Dia Plate, Rock Splash Guards 42"-60" - Aluminum placed on front of compartments behind cab to protect body from rocks and other road debris.	\$ 156.00	\$ 234.00
132	008-0301	1.0	Mud Flaps, 24x36 & 30 & 14, DRW	\$ 55.65	\$ 0.00

NON-TAX ITEMS

Ln#	Item Code	Qty	Description	List Price	Extension
9	060-23	1.0	Weight Certificate - certified vehicle weight certificate for DMV registration.	\$ 33.00	\$ 33.00

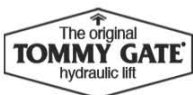
**Subtotal:** \$ 85,265.02  
**Sales Tax:** \$ 0.00  
**Shipping:** \$ 0.00  
**Grand Total:** \$ 85,265.02

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Revision # 10

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Sales Order #	61292b
Purchase Order #	
VIN #	
Unit / Truck#	
Key Tag #	
Date	10/29/2020
Salesman	Tim
Terms	COD

Page 1 of 1

**Bill To:** Velocity Truck Center  
2501 Camino Del Sol  
Oxnard, CA 93030

**Ship** Velocity Truck Center  
2501 Camino Del Sol  
Oxnard, CA 93030  
Email: eagular@vvgtruck.com

Truck Make:	Model:	Year:	Additional Information: Attn: Edd Aguilar
Chassis Color:	Body Color:	Paint Code:	
Cab Type:	Cab Axle:	Rear Axle:	

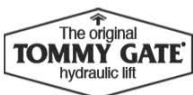
Ln#	Item Code	Qty	Description	List Price	Extension
		1.0	* * * Add-on to 61292 * * *		\$ 0.00
		1.0	Custom Basket w/ Perf. Steel & Conduit or Pipe Storage - 144"L x 23"W x 8"D  - To be mounted on top of Driver Side compartments - Basket portion to be 144"L x 18"W x 8"D - Conduit hook/ears on the Left of basket, 5" space ID between hooks and basket - To have 8" tall legs to leave an 8" gap from top of cabinets to the bottom of the basket of the rack		\$ 1,300.00
3	010-100	5.0	Taxable Labor - Paint Department	\$ 105.00	\$ 525.00
4	010-01	1.0	Paint Materials  - White	\$ 200.00	\$ 200.00

**Subtotal:** \$ 2,025.00  
**Sales Tax:** \$ 0.00  
**Shipping:** \$ 0.00  
**Grand Total:** \$ 2,025.00

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December 15, 2020 LVMWD Regular Board Meeting

TO: Board of Directors

FROM: Finance & Administration

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**Subject : Proposed Potable Water, Recycled Water and Sanitation Rates: Schedule Public Hearing**

---

**SUMMARY:**

The District has completed a five-year financial review, cost of services analysis and rate study for its potable water, recycled water and sanitation services to support the capital and operational needs through 2025. The study proposes to maintain the current budget-based rate structure with modifications to the tiers for commercial customers. The preliminary results of the study were presented to the Board on November 10, 2020. The next step in the process is to schedule a public hearing on the proposed potable water, recycled water and sanitation rates.

**RECOMMENDATION(S):**

Receive and file the 2020 Water, Recycled Water and Sanitation Rate Study and Proposition 218 Notice, and schedule a virtual public hearing on proposed potable water, recycled water and sanitation rates for February 2, 2021, at 9:00 a.m.

**FISCAL IMPACT:**

No

**ITEM BUDGETED:**

No

**FINANCIAL IMPACT:**

There is no financial impact associated with scheduling the public hearing.

**DISCUSSION:**

The Board discussed Guiding Principles for the current rate study on July 21, 2020. On August 18, 2020, Raffetis Financial Consultants, Inc., the District's rate consultant, presented the results of the financial review and revenue requirements for the period of 2021 through 2025. On November 10, 2020, the Board held a workshop to review the preliminary results of the cost of service analysis, along with proposed rates for the Potable Water, Recycled Water and Sanitation Enterprises over the next five years. The work was performed in accordance with the requirements of Proposition 218 and the following Guiding Principles:

1. Maintain a rate structure that is fair and equitable across customer classes and re-examine commercial water budgets to promote efficient use in a manner that supports business and economic development.
2. Maximize revenue stability to navigate variable economic and hydrologic conditions.
3. Provide a strong price signal to drive an efficiency ethic and minimize rate impacts to efficient customers.
4. Ensure that rates are compliant with California Law.

As part of the rate development process, the Board directed staff to reduce commercial accounts to three tiers: efficient, inefficient and wasteful. The Board also supported changing the calculation of commercial water budgets from 90% of a three-year rolling average to 100% of a two-year rolling average to support business growth. As part of the change, the District will implement additional educational programs targeting commercial customer conservation.

#### Next Steps:

Attached is a draft Proposition 218 notice that will be posted on [www.lvmwd.com](http://www.lvmwd.com) and mailed to all District customers. In addition, the District's webpage for the 2020 Rate Study will continue to be updated with all of the related materials. Following the noticing process, the Board will hold a public hearing on the proposed rates on February 2, 2021. Following consideration of public comment at the hearing, the Board will consider a recommendation to adopt the proposed rates with the first adjustment scheduled to become effective on March 1, 2021, and subsequent adjustments on January 1st of each year thereafter through 2025. Consistent with past practice, staff proposes to bring each year's rates to the Board for review and confirmation in December of the prior year.

#### Public Outreach:

The Proposition 218 notice will be posted on [www.lvmwd.com](http://www.lvmwd.com) and mailed to all customers. In addition, staff created a webpage for the 2020 Rate Study to consolidate all related materials in one location. Following are the specific resources available:

- Board presentations;
- Frequently Asked Questions (FAQs);
- Rate comparison with to surrounding agencies; and
- Interactive rate calculator.

District staff plans to conduct a specialized workshop with commercial customers to review the new water budget calculations and rate structure. In addition, staff proposes to hold two virtual public workshops. The first public workshop will be on January 13, 2021, at 5:00 p.m., and the second workshop will be held on January 21, 2021, at 7:00 p.m.

#### **GOALS:**

Ensure Effective Utilization of the Public's Assets and Money

Prepared by: Donald Patterson, Director of Finance and Administration

**ATTACHMENTS:**

2020 Water, Recycled Water and Sanitation Rate Study  
Proposition 218 Notice

# Las Virgenes Municipal Water District

2020 Water, Recycled Water,  
and Sanitation Rate Study

Draft Report / November 25, 2020





November 25, 2020

Donald Patterson  
Director of Finance & Administration  
Las Virgenes Municipal Water District  
4232 Las Virgenes Rd.  
Calabasas, CA 91302

**Subject: 2020 Potable Water, Recycled Water, and Sanitation Rate Study Report**

Dear Mr. Patterson,

Raftelis is pleased to provide this 2020 Potable Water, Recycled Water, and Sanitation Rate Study Report (Report) for Las Virgenes Municipal Water District (District).

The major objectives of the study include the following:

1. Develop financial plans for the Water, Recycled Water, and Sanitation Enterprises to ensure financial sufficiency, meet operation and maintenance (O&M) costs, and ensure sufficient funding for capital refurbishment and replacement (R&R) needs;
2. Conduct a cost-of-service analysis for the Potable Water and Recycled Water;
3. Develop fair and equitable 5-year potable water, recycled water, and sanitation rates to enhance revenue stability for recovering fixed costs while in compliance with Proposition 218 requirements.

This Report summarizes the key findings and recommendations related to the development of the financial plans for Potable Water, Recycled Water, and Sanitation Funds and the development of the associated potable water, recycled water, and sanitation rates.

It has been a pleasure working with you, and we thank you and the District staff for the support provided during the course of this study.

Sincerely,



**Sanjay Gaur**  
Project Manager



**Charles Diamond**  
Lead Analyst



**Michael Hicks**  
Analyst



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# 1. Introduction

## 1.1. Background of the Study

Las Virgenes Municipal Water District (District) serves the cities of Agoura Hills, Calabasas, Hidden Hills, and Westlake Village as well as surrounding unincorporated areas of Western Los Angeles County. The District occupies 122 square miles and serves a population of approximately 75,000 people. The District provides potable water, recycled water, and sanitation services to its customers through three separate enterprise funds. Sanitation services are provided through a Joint Powers Authority (JPA) with Triunfo Water and Sanitation District which serves a portion of Eastern Ventura County.

The District is organized under the Municipal Water District Act of 1911 (California Water Code Section 71000). A five-member Board of Directors, each elected by geographic divisions, provides governance. Directors serve overlapping four-year terms, and every two years -- concurrent with the installation of the newly elected Board – they select Board officers. The Board also selects a local representative from the District to serve on the Board of Directors of the Metropolitan Water District of Southern California.

The District has several sources of drinking water but imports almost all of its supplies from the Metropolitan Water District of Southern California (MWD), one of the world’s largest water wholesalers. Additionally, they receive some water from Ventura County and the City of Los Angeles. Most of the District’s water originates in the Sierra Nevada Mountains, the water is then transported more than 400 miles through the State Water Project’s California Aqueduct, entering the LVMWD service area at the east end of Calabasas. Water is then carried through the District through a system of more than 400 miles of water pipe. Customers are also located in 4 distinct elevation zones. Providing reliable water service to customers in elevated areas requires 25 storage tanks and 24 pump stations.

About 20% of the total water served to District customers is recycled water used to irrigate streetscapes, golf courses, school grounds, and other public and commercial landscapes. This recycled water is produced through extensive treatment of wastewater and is delivered through 66 miles of recycled water lines, three storage tanks, one reservoir, and four pumping stations.

The District provides sanitation services to most residents in its service area, with a system of 56 miles of trunk sewer lines and two lift stations which pump wastewater to the Tapia Water Reclamation Facility (TWRP), operated by The Las Virgenes - Triunfo Joint Powers Authority (JPA).

The major objectives of the study include the following:

1. Develop financial plans for the Potable Water, Recycled Water, and Sanitation Enterprises to ensure financial sufficiency, ability to fund operation and maintenance (O&M) needs necessary to ensure reliable service, and ensure sufficient funding for capital refurbishment and replacement (R&R) needs;
2. Conduct a cost-of-service analysis for the potable water and recycled water;
3. Develop fair and equitable 5-year potable water, recycled water, and sanitation rates in compliance with Proposition 218 requirements.

This Report summarizes the key findings and recommendations related to the development of the financial plans for Potable Water, Recycled Water, and Sanitation Funds and the development of the associated potable water, recycled water, and sanitation rates.

## 1.2. Legal Requirements and Rate Setting Methodology

### 1.2.1. LEGAL REQUIREMENTS

Proposition 218, reflected in the California Constitution as Article XIII D, was enacted in 1996 to ensure that rates and fees are reasonable and proportional to the cost of providing service. The principal requirements for fairness of the fees, as they relate to public water service, are as follows:

1. A property-related charge (such as water rates) imposed by a public agency on a parcel shall not exceed the costs required to provide the property-related service.
2. Revenues derived by the charge shall not be used for any purpose other than that for which the charge was imposed.
3. The amount of the charge imposed upon any parcel shall not exceed the proportional cost of service attributable to the parcel.
4. No charge may be imposed for a service unless that service is actually used or immediately available to the owner of property.
5. No fee or charge may be imposed for general governmental services including, but not limited to, police, fire, ambulance or library services, where the service is available to the public at large in substantially the same manner as it is to property owners.
6. A written notice of the proposed charge shall be mailed to the record owner of each parcel at least 45 days prior to the public hearing, when the agency considers all written protests against the charge.

As stated in AWWA’s *Principles of Water Rates, Fees, and Charges: Manual of Water Supply Practices M1*, 6<sup>th</sup> edition (*M1 Manual*), “water rates and charges should be recovered from classes of customers in proportion to the cost of serving those customers.” Proposition 218 requires that rates cannot be *arbitrary and capricious*, meaning that the rate-setting methodology must be sound and that there must be a nexus between the costs and the rates charged. This study follows industry standard rate setting methodologies set forth by the *M1 Manual*, adhering to Proposition 218 requirements by developing rates that do not exceed the proportionate cost of providing water services.

### 1.2.2. RATE SETTING METHODOLOGY

This report was prepared using the principles established by the American Water Works Association’s “Principles of Water Rates, Fees, and Charges: Manual of Water Supply Practices M1” (the “M1 Manual”) which establishes commonly accepted professional standards for cost of service studies. The M1 Manual general principles of rate structure design and the objectives of the Study are described below.

According to the M1 Manual, the first step in ratemaking analysis is to determine the adequate and appropriate funding of a utility. This is referred to as the “revenue requirements” analysis. This analysis considers the short-term and long-term service objectives of the utility over a given planning horizon, including capital facilities and system operations and maintenance, to determine the adequacy of a utility’s existing rates to recover its costs. A number of factors may affect these projections, including the number of customers served, water-use trends, nonrecurring sales, weather, conservation, use restrictions, inflation, interest rates, wholesale contracts, capital finance needs, changes in tax laws, and other changes in operating and economic conditions.

After determining a utility's revenue requirements, a utility's next step is determining the cost of service. Utilizing a public agency's approved budget, financial reports, operating data, and capital improvement plans, a rate study generally categorizes (functionalizes) the costs (such as treatment, storage, and pumping), expenses, and assets of the utility system among major operating functions to determine the cost of service.

After the assets and the costs of operating those assets are properly categorized by function, the rate study allocates those "functionalized costs" to the various customer classes (e.g., single-family residential, multi-family residential and commercial) by determining the characteristics of those classes and the contribution of each to incurred costs based on service characteristics and demand patterns. Rate design is the final part of the M1 Manual's rate-making procedure and generally uses the revenue requirement and cost of service analysis to determine appropriate rates for each customer class.

# 2. General Assumptions

## 2.1. Inflation

The Study period is for Fiscal Years (FY) 2020 to FY 2025. For all cost of service analyses in this report, the cost of service year will be FY 2020 and rate setting year will be FY 2021. It is important to note that the district updates its rates in January of each year with the exception of 2021. Various types of assumptions and inputs were incorporated into the Study based on discussions with, and/or at the direction of, District staff. These include the projected number of accounts and annual growth rates in consumption for different customer classes, inflation factors, and other assumptions. The inflation factor assumptions are presented in **Table 2-1** below. The JPA Recycled Water Wholesale costs refers to the District’s cost to purchase recycled water from the JPA after it is treated at the TWRF. The percentages are based on average historical increases and/or recent trends in price increases.

**Table 2-1: Inflation Factor Assumptions**

	2020	2021	2022	2023	2024	2025
<b>G&amp;A</b>	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%
<b>Salary &amp; Benefits</b>	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%
<b>Insurance</b>	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
<b>Allocated Costs</b>	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%
<b>Filter</b>	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
<b>Chemical</b>	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
<b>Electricity</b>	3.5%	9.0%	5.0%	5.0%	5.0%	5.0%
<b>Odor Control</b>	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
<b>Water Supply Costs</b>	5.7%	5.7%	5.7%	5.7%	5.7%	5.7%
<b>Local SS Cost</b>	5.7%	5.7%	5.7%	5.7%	5.7%	5.7%
<b>JPA RW Wholesale Cost</b>	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%
<b>JPA Treatment Costs</b>	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
<b>Construction</b>	3.8%	3.8%	3.8%	3.8%	3.8%	3.8%
<b>Non-Escalation</b>	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

## 2.2. Projected Demand and Growth

Since the District is nearly built out, the rates do not include a component for expansion of service. Additionally, no account growth is assumed in this study. The cost of expansion to serve new customers is covered by capital facilities charges which are not the subject of this Study. **Table 2-2** shows the projected account growth for the study period.

**Table 2-2: Projected Account Growth**

Acct Growths	2020	2021	2022	2023	2024	2025
<b>Potable Water</b>	0%	0%	0%	0%	0%	0%
<b>Recycled Water</b>	0%	0%	0%	0%	0%	0%
<b>Sanitation</b>	0%	0%	0%	0%	0%	0%

The estimated percent changes in potable and recycled water demand for each year of the Study period is shown below in **Table 2-3** and are based on District staff projections. FY 2020 sales figures (18,280 AF for potable water and 4,117 AF for recycled water) were used to determine the anticipated demand for the rest of the study period. For the purposes of this Study, District Staff wanted to incorporate cutbacks in demand starting in FY 2023 for Potable and Recycled Water to reflect the trend of decreasing usage across all customer classes.

**Table 2-3: Projected Water Demand Factor**

	2020	2021	2022	2023	2024	2025
<b>Potable Water Demand Assumptions</b>						
Residential	0.0%	0.2%	0.0%	-2.6%	-2.2%	-2.3%
Multi Family	0.0%	0.2%	0.0%	-2.6%	-2.2%	-2.3%
Commercial	0.0%	0.2%	0.0%	-2.6%	-2.2%	-2.3%
Irrigation	0.0%	0.2%	0.0%	-2.6%	-2.2%	-2.3%
<b>Recycled Water Demand Assumptions</b>						
Las Virgenes Valley Zone	0.0%	0.0%	0.0%	-2.8%	-2.5%	-2.2%
Calabasas Zone	0.0%	0.0%	0.0%	-2.8%	-2.5%	-2.2%
Calabasas/MWD Zone	0.0%	0.0%	0.0%	-2.8%	-2.5%	-2.2%
Western Zone	0.0%	0.0%	0.0%	-2.8%	-2.5%	-2.2%

## 2.3. Reserve Policy

A reserve policy is a written document that provides a basis for the District to cope with unanticipated reductions in revenues, offset fluctuations in costs of providing services, and fiscal emergencies such as revenue shortfalls, asset failure, and natural disaster. It also provides guidelines for sound financial management with an overall long-range perspective to maintain financial solvency and to mitigate financial risks associated with revenue instability, volatile capital costs, and emergencies. It also sets funds aside for replacement of capital assets as they age and for new capital projects. Additionally, adopting and adhering to a sustainable reserve policy enhances financial management transparency and helps achieve or maintain a certain credit rating for future debt issues.

The appropriate amount of reserves and reserve types are determined by a variety of factors, such as the size of the operating budget, the amount of debt, the type of rate structure, frequency of customer billing, and risk of natural disaster. With this being said, most reserves tend to fall into the following categories: operations & maintenance (O&M) cash flow, rate stabilization, capital repair and replacement (R&R), and emergency.

**Operating Reserves** – The purpose of an O&M reserve is to provide working capital to support the operation, maintenance, and administration of the utility. From a risk management perspective, the O&M reserve supports the District’s cash flow needs during normal operations and ensures that operations can continue should there be significant events that impact cash flows. As it is unlikely for a utility to precisely predict the revenues and revenue requirements for each billing period, a reserve set aside to hedge the risk of monthly negative cash positions is prudent financial planning. Another factor to consider when creating a cash flow reserve is the frequency of billing. A utility that bills once a month would require fewer minimum reserves than a utility that bills bi-monthly. The District has adopted a policy establishing an operating reserve of 25% of the current year operating budget.

**Rate Stabilization**– While it is not typical for utilities to have substantial rate increases in a short period of time, factors such as declining potable water sales and rapidly increasing potable water supply costs may result in large rate increases. In order to minimize rate shocks, the District has established a rate stabilization reserve to smooth rate increases through gradual increases in rates as opposed to abrupt and large rate increases. A rate stabilization reserve acts as a buffer to protect customers from experiencing large shifts in their bills. The District’s rate structure is designed to minimize large fluctuations in revenue but incrementally increases the percentage of fixed costs recovered through its readiness-to-serve charge. The District has established an \$8 million rate stabilization reserve.

**Emergency** – The purpose of an emergency fund is to allow the utility to provide uninterrupted service in light of a fiscal emergency, natural disaster, or facility failure. An emergency reserve decreases risk by recognizing the high capital costs of the facilities and setting aside adequate funds to restart the system after an unanticipated event or to replace an essential facility. Critical asset analysis completed by District staff provides the basis for the target level of emergency reserve. The emergency fund is 2.0% of the total value of capital assets.

**Capital Replacement** – Capital R&R reserves are used to fund future obligations that are necessary for maintaining a reliable infrastructure. Because water and sewer utilities are highly capital-intensive enterprises, it is important to accurately estimate long-term R&R costs and develop a reserve to fund the eventual replacement of the system and new capital projects. The capital replacement reserve is equal to the most recent three years of depreciation.

Raftelis reviewed the current reserve policies put in place by the District and, after discussions with District Staff, concluded that no changes to the policy needed to be made. **Table 2-4** below highlights each enterprise funds reserve policy and reserve target for FY 2021.

**Table 2-4: Current Unrestricted Reserve Targets for FY 2021**

Reserve Targets 2021	Water	Recycled	Sanitation
<b>Operating Reserves</b>			
25% of Operating budget	\$10,040,521	\$1,254,281	\$3,401,496
<b>Debt</b>			
100% of Debt Service	\$621,718	\$0	\$0
<b>Capital Replacement</b>			
100% of 3-yr Depreciation Expenses	\$12,435,703	\$494,406	\$14,480,484
<b>Emergency</b>			
2% of Capital Asset Value	\$4,586,326	\$202,309	\$3,922,099
<b>Rate Stabilization</b>			
	\$8,000,000	\$0	\$0
<b>Grand Total</b>	<b>\$35,684,268</b>	<b>\$1,950,996</b>	<b>\$21,804,079</b>

# 3. Potable Water Financial Plan

A review of a utility’s revenue requirements is a key first step in the rate study process. The review involves an analysis of annual operating revenues under the status quo, operation and maintenance (O&M) expenses, and reserve requirements. This section of the report provides a discussion of the projected revenues, O&M expenses, other reserve funding and revenue adjustments, to ensure the fiscal sustainability and solvency of the Potable Water Fund. Numbers shown in all the tables of this section are rounded; therefore, hand calculations based on the displayed numbers, such as summing or multiplying, may not equal the exact results shown.

## 3.1. Revenues from Current Potable Water Rates

The current rates were last adjusted on January 1, 2020. The District’s potable water service charges have three components: fixed readiness-to-serve charges, commodity charges, and elevation charges. Customers are grouped into one of the elevation zones, numbered one through four, which changes based on the District’s cost to pump potable water to that zone.

The District bills monthly for all its services which include regular and temporary metered customers. **Table 3-1 & Table 3-2** summarize the current RTS charges and **Table 3-3 & Table 3-4** summarize the current commodity charges.

**Table 3-1: Current Regular Monthly Readiness to Serve Charges**

Monthly RTS Charge (Regular)	Current
3/4"	\$33.72
3/4" x 1"	\$33.72
1"	\$54.97
1 1/2"	\$108.07
2"	\$171.80
2 1/2"	\$373.61
3"	\$373.61
4"	\$671.00
6"	\$1,701.28
8"	\$2,975.84
10"	\$4,462.83

**Table 3-2: Current Temporary Monthly Readiness to Serve Charges**

Monthly RTS Charge (Temporary)	Current
1"	\$82.46
2 1/2" & 3"	\$560.42
4"	\$1,006.50
6"	\$2,551.92
8"	\$4,463.76
10"	\$6,694.25



**Table 3-3: Current Commodity Charges**

<b>Commodity Charges</b>	<b>Current</b>
<b>Single- / Multi-Family Residential</b>	\$/HCF
Tier 1	\$2.85
Tier 2	\$3.50
Tier 3	\$4.20
Tier 4	\$5.22
<b>Commercial</b>	
Tier 1	\$2.85
Tier 2	\$3.50
Tier 3	\$4.20
Tier 4	\$5.22
<b>Irrigation</b>	
Tier 1	\$3.50
Tier 2	\$4.20
Tier 3	\$5.22
<b>Temporary</b>	
Zone 1	\$7.83
Zone 2	\$7.83
Zone 3	\$7.83
Zone 4	\$7.83

**Table 3-4: Current Monthly Elevation Charges**

<b>Elevation Charges by Zone</b>	<b>Current</b>
<b>Elevation Surcharges (Regular)</b>	\$/HCF
Zone 1	\$0.00
Zone 2	\$0.52
Zone 3	\$1.19
Zone 4	\$1.82
<b>Elevation Surcharges (Temporary)</b>	
Zone 1	\$0.00
Zone 2	\$0.78
Zone 3	\$1.79
Zone 4	\$2.73

**Table 3-5** and **Table 3-6** summarizes the projected number of accounts by meter size for the Study period. The existing number of accounts for FY 2020 was used to project the number of accounts through the remainder of the study period as the District is not expecting growth.

**Table 3-5: Projected Potable Water Accounts**

Meters Size	2020	2021	2022	2023	2024	2025
3/4"	478	478	478	478	478	478
3/4" x 1"	16,145	16,145	16,145	16,145	16,145	16,145
1"	2,217	2,217	2,217	2,217	2,217	2,217
1 1/2"	775	775	775	775	775	775
2"	745	745	745	745	745	745
3"	48	48	48	48	48	48
4"	26	26	26	26	26	26
6"	22	22	22	22	22	22
8"	4	4	4	4	4	4
10"	1	1	1	1	1	1
<b>Total - Accounts</b>	<b>20,461</b>	<b>20,461</b>	<b>20,461</b>	<b>20,461</b>	<b>20,461</b>	<b>20,461</b>

**Table 3-6: Projected Temporary Potable Water Accounts**

Meters Size	2020	2021	2022	2023	2024	2025
1"	4	4	4	4	4	4
2 1/2" & 3"	43	43	43	43	43	43
4"	-	-	-	-	-	-
6"	1	1	1	1	1	1
8"	-	-	-	-	-	-
10"	-	-	-	-	-	-
<b>Total - Accounts</b>	<b>48</b>	<b>48</b>	<b>48</b>	<b>48</b>	<b>48</b>	<b>48</b>

The projected potable water sales developed by District staff from **Table 3-7** were used to project potable water usage in each tier and were based on consumption data from FY 2020. District staff estimates that water usage will go down in the out years of the study starting in FY 2023 as mentioned in Section 2 **Table 2-3**, where Raftelis took the assumptions from District Staff into account and developed an estimate for the projected amount of usage for each year of the study period. Potable Water sales by Zone can be seen on **Table 3-8**. Note that Total usage is the same in both tables as the percentage reduction/increase from year to year is also used to adjust each zone.

**Table 3-7: Projected Potable Water Sales**

	2020	2021	2022	2023	2024	2025
<b>Residential</b>						
Tier 1	1,491,660	1,494,078	1,494,078	1,454,846	1,422,153	1,389,460
Tier 2	3,023,834	3,028,736	3,028,736	2,949,207	2,882,933	2,816,658
Tier 3	972,765	974,342	974,342	948,757	927,437	906,117
Tier 4	824,190	825,526	825,526	803,850	785,785	767,721
<b>Total - Residential</b>	<b>6,312,449</b>	<b>6,322,682</b>	<b>6,322,682</b>	<b>6,156,660</b>	<b>6,018,308</b>	<b>5,879,956</b>
<b>Multi Family</b>						
Tier 1	435,146	435,852	435,852	424,407	414,870	405,333

	2020	2021	2022	2023	2024	2025
Tier 2	54,247	54,335	54,335	52,908	51,719	50,530
Tier 3	42,066	42,134	42,134	41,028	40,106	39,184
Tier 4	23,341	23,379	23,379	22,765	22,254	21,742
<b>Total - Multi</b>	<b>554,800</b>	<b>555,700</b>	<b>555,700</b>	<b>541,108</b>	<b>528,948</b>	<b>516,788</b>
<b>Commercial</b>						
Tier 1	250,766	251,173	251,173	244,577	239,081	233,585
Tier 2	408,669	409,332	409,332	398,583	389,626	380,669
Tier 3	104,097	104,266	104,266	101,528	99,246	96,965
Tier 4	53,986	54,074	54,074	52,654	51,471	50,288
<b>Total - Comm</b>	<b>817,518</b>	<b>818,844</b>	<b>818,844</b>	<b>797,342</b>	<b>779,425</b>	<b>761,507</b>
<b>Irrigation</b>						
Tier 1	170,770	171,047	171,047	166,556	162,813	159,070
Tier 2	34,891	34,948	34,948	34,030	33,265	32,500
Tier 3	51,106	51,189	51,189	49,845	48,725	47,605
<b>Total - Irr</b>	<b>256,768</b>	<b>257,184</b>	<b>257,184</b>	<b>250,431</b>	<b>244,803</b>	<b>239,175</b>
<b>Temporary</b>						
Zone 1	628	629	629	613	599	585
Zone 2	7,650	7,663	7,663	7,462	7,294	7,126
Zone 3	67	67	67	65	64	62
Zone 4	-	-	-	-	-	-
<b>Total - Temp</b>	<b>8,346</b>	<b>8,359</b>	<b>8,359</b>	<b>8,140</b>	<b>7,957</b>	<b>7,774</b>
<b>Total Usage</b>	<b>7,949,881</b>	<b>7,962,768</b>	<b>7,962,768</b>	<b>7,753,680</b>	<b>7,579,440</b>	<b>7,405,200</b>
<b>Total Usage (AF)</b>	<b>18,250</b>	<b>18,280</b>	<b>18,280</b>	<b>17,800</b>	<b>17,400</b>	<b>17,000</b>
<b>Total wo Temp (hcf)</b>	<b>7,941,536</b>	<b>7,954,409</b>	<b>7,954,409</b>	<b>7,745,540</b>	<b>7,571,483</b>	<b>7,397,426</b>

**Table 3-8: Potable Water Sales by Zone**

Tiered Usage	2020	2021	2022	2023	2024	2025
<b>Zone Usage Summary (excl Temp)</b>						
<b>Zone 1</b>	4,698,384	4,706,000	4,706,000	4,582,429	4,479,453	4,376,477
<b>Zone 2</b>	2,695,797	2,700,167	2,700,167	2,629,266	2,570,181	2,511,096
<b>Zone 3</b>	458,770	459,514	459,514	447,448	437,393	427,338
<b>Zone 4</b>	88,584	88,728	88,728	86,398	84,457	82,515
<b>Total Usage excl. Temporary (hcf)</b>	<b>7,941,536</b>	<b>7,954,409</b>	<b>7,954,409</b>	<b>7,745,540</b>	<b>7,571,483</b>	<b>7,397,426</b>
<b>Total Usage (AF)</b>	<b>18,250</b>	<b>18,280</b>	<b>18,280</b>	<b>17,800</b>	<b>17,400</b>	<b>17,000</b>

**Table 3-9** shows the projected revenues for the Study period under the existing rates. Since the District adjusts rates in January, the FY 2020 rates includes ½ year under the old rates (July 2019 through December 2019) and ½ year under the new rates (January 2020 through June 2020).

The commodity revenues shown for FY 2020 through FY 2025 are calculated by multiplying the projected usage by the January 2020 rate. For example, the commodity charge revenue from Tier 1 usage for FY 2021 can be calculated as follows:

$$\begin{aligned} & \text{Projected Tier 1 Usage for FY 2021} \times \text{Tier 1 Rate} \\ & 1,494,078 \times \$2.85 = \$4,258,122 \end{aligned}$$

The same calculation is repeated for all tiers to determine the total commodity revenue for each year of the Study period.

Likewise, the same calculation is used to determine the elevation revenues except applied to an entire zone’s usage. For example, the elevation charge revenue for zone 2 usage for FY 2021 can be calculated as follows:

$$\begin{aligned} & \text{Projected Zone 2 Usage for FY 2021} \times \text{Zone 2 Rate} \\ & 2,700,167 \times \$0.52 = \$1,404,087 \end{aligned}$$

The same calculation is repeated for all zones to determine the total elevation revenue for each year of the Study period.

The readiness-to-serve (RTS) charge revenue is the fixed portion of the water service charge that increases with meter size. For example, the RTS charge revenue for all single-family homes with a 3/4" x 1" meter for FY 2021 is calculated as follows:

$$\begin{aligned} & \text{Fixed charge rate} \times \text{Number of Accounts} \times 12 \text{ months} \\ & \$33.72 \times 16,145 \times 12 = \$6,532,913 \end{aligned}$$

The same calculation is repeated for all meter sizes and then added together to determine the total RTS charge revenue. For FY 2021, the projected RTS charge revenue for all customers including temporary is \$12,120,732.

**Table 3-9: Projected Revenues from Current Potable Water Rates**

Rate Revenue Summary	2020	2021	2022	2023	2024	2025
<b>Monthly RTS Charge</b>	\$11,339,155	\$12,120,732	\$12,120,732	\$12,120,732	\$12,120,732	\$12,120,732
<b>Commodity Charges</b>	\$28,414,727	\$28,938,319	\$28,938,319	\$28,178,450	\$27,545,227	\$26,912,003
<b>Elevation Surcharges</b>	\$2,048,532	\$2,118,490	\$2,118,490	\$2,062,862	\$2,016,506	\$1,970,149
<b>Revenues from Current Rates</b>	<b>\$41,802,414</b>	<b>\$43,177,541</b>	<b>\$43,177,541</b>	<b>\$42,362,045</b>	<b>\$41,682,465</b>	<b>\$41,002,885</b>

### 3.2. Miscellaneous Potable Water Revenues

In addition to revenue from rates, the Potable Water Fund also receives miscellaneous revenues from different sources such as interest earnings, property taxes, and other operating/non-operating sources. Total miscellaneous revenues for the Study period are shown in **Table 3-10**. The figures below are based on District staff projections for the Study period. Revenues are not inflated year to year.

**Table 3-10: Projected Miscellaneous Potable Water Revenues**

<b>Revenue Summary</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
<b>Temporary Meter Fees</b>	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000
<b>Late Pay and other Non-Operating</b>	\$536,000	\$536,000	\$536,000	\$536,000	\$536,000	\$536,000
<b>Water Usage - Accidents</b>	\$29,500	\$29,500	\$29,500	\$29,500	\$29,500	\$29,500
<b>PW Supplement to RW</b>	\$1,542,080	\$2,099,432	\$2,162,279	\$2,286,177	\$2,413,012	\$2,547,665
<b>Other Operating &amp; Property Tax</b>	\$696,163	\$696,163	\$696,163	\$706,605	\$717,204	\$727,962
<b>Water Supply Pass-Through Revenue</b>	\$0	\$1,197,993	\$2,380,467	\$3,007,291	\$3,742,693	\$4,487,361
<b>Total</b>	<b>\$2,806,743</b>	<b>\$4,562,088</b>	<b>\$5,807,408</b>	<b>\$6,568,573</b>	<b>\$7,441,409</b>	<b>\$8,331,488</b>

## 3.3. Potable Water O&M Expenses

### 3.3.1. WATER SUPPLY COSTS

Based on projections and inputs from District staff, the sources of water, per unit price, and expected purchase quantities from each source are shown in **Table 3-11** below. The total potable water supply costs at the bottom of the table are determined by multiplying the per unit costs for each source of potable water by the corresponding quantity purchased from that source and adding in the fixed costs associated with each source. Estimated budgeted sales figures were used for Ventura and Simi Valley Purchases for FY 2020 - FY 2025 and projected sales were used for MWD Purchased Water for FY 2020 - FY 2025. Please note that the pass through revenue and its calculation is shown at the bottom of **Table 3-11**. This revenue will be included in Raftelis' projections. Pass through revenues cover any increases in the rates for wholesale water.

**Table 3-11: Projected Potable Water Supply Costs**

Line	MWD Rates		2020	2021	2022	2023	2024	2025
			A	B	C	D	E	F
1	Tier 1 Supply Rate (\$/AF)		\$208	\$218	\$229	\$241	\$253	\$265
2	Tier 2 Supply Rate (\$/AF)		\$295	\$310	\$325	\$341	\$359	\$377
3	System Access Rate (SAR, \$/AF)		\$346	\$363	\$381	\$401	\$421	\$442
4	Water Stewardship Rate (\$/AF)		\$65	\$68	\$72	\$75	\$79	\$83
5	System Power Rate (\$/AF)		\$136	\$143	\$150	\$157	\$165	\$174
6	Water Transfer/Delta Surcharge (\$/AF)		\$0	\$0	\$0	\$0	\$0	\$0
7	Treatment Surcharge (\$/AF)		\$323	\$339	\$356	\$374	\$393	\$412
8	Tier 1 Variable Rate		\$1,078	\$1,132	\$1,188	\$1,248	\$1,310	\$1,376
9	Tier 2 Variable Rate		\$1,165	\$1,223	\$1,284	\$1,349	\$1,416	\$1,487
10	Cap Reservation Charge (CRC, \$/cfs)		\$8,700	\$9,135	\$9,592	\$10,071	\$10,575	\$11,104
11	RTS Revenues (\$M, b)		\$136	\$143	\$150	\$157	\$165	\$174
12	LVMWD RTS Charges	<i>Projected by District</i>	\$1,371,238	\$1,439,800	\$1,511,790	\$1,587,379	\$1,666,748	\$1,750,086
13	MWD Tier 1 Limit		24,358 AF	24,358 AF	24,358 AF	24,358 AF	24,358 AF	24,358 AF
14	LVMWD Peak Demand for MWD CRC (cfs)		46	46	46	46	46	46
15	<b>Water Sales</b>		18,250 AF	18,280 AF	18,280 AF	17,800 AF	17,400 AF	17,000 AF
16	Water Loss		3.08%	3.08%	3.08%	3.08%	3.08%	3.08%
17	<b>Net Water Sales</b>	<i>Row 15 * Row 16</i>	<b>18,813 AF</b>	<b>18,843 AF</b>	<b>18,843 AF</b>	<b>18,348 AF</b>	<b>17,936 AF</b>	<b>17,524 AF</b>
18	<b>Water Purchase to make Non-Sales needs</b>							

Line	MWD Rates		2020	2021	2022	2023	2024	2025
			A	B	C	D	E	F
19	Recycled Water System Supplement	<i>Projected by District</i>	976 AF	985 AF	980 AF	980 AF	980 AF	980 AF
20	Plus Tank Inventories	<i>Projected by District</i>	0 AF	0 AF	0 AF	0 AF	0 AF	0 AF
21	Plus LV Reservoir Filling	<i>Projected by District</i>	1,290 AF	1,290 AF	1,290 AF	1,290 AF	1,290 AF	1,290 AF
22	Less LV Reservoir Draw	<i>Projected by District</i>	-199 AF	-199 AF	-199 AF	-199 AF	-199 AF	-199 AF
23	Less Non-MWD Purchase	<i>Projected by District</i>	-141 AF	-122 AF	-124 AF	-127 AF	-129 AF	-131 AF
24	Simi Valley	<i>Projected by District</i>	39 AF	39 AF	40 AF	41 AF	42 AF	42 AF
25	Ventura County	<i>Projected by District</i>	81 AF	83 AF	84 AF	86 AF	87 AF	89 AF
26	LADWP	<i>Projected by District</i>	21 AF	0 AF	0 AF	0 AF	0 AF	0 AF
27	<b>MWD Purchase</b>							
28	Tier 1	<i>Sum Row 17:23</i>	20,739 AF	20,797 AF	20,790 AF	20,293 AF	19,878 AF	19,463 AF
29	Tier 2		0 AF	0 AF	0 AF	0 AF	0 AF	0 AF
30	<b>MWD Water Supply Costs</b>							
31	Tier 1 Variable	<i>Row 8 * Row 28</i>	\$22,356,360	\$23,540,534	\$24,708,866	\$25,323,914	\$26,046,690	\$26,778,370
32	Tier 2 Variable		\$0	\$0	\$0	\$0	\$0	\$0
33	Capacity Reservation Charge		\$399,330	\$419,297	\$440,261	\$462,274	\$485,388	\$509,658
34	RTS	<i>Row 12</i>	\$1,371,238	\$1,439,800	\$1,511,790	\$1,587,379	\$1,666,748	\$1,750,086
35	Reservoir Filling		-\$1,500,695	-\$1,575,404	-\$1,654,217	-\$1,740,044	-\$1,829,900	-\$1,924,520
36	<b>Total MWD Purchased Water</b>	<i>Sum Row 31:35</i>	<b>\$22,626,233</b>	<b>\$23,824,226</b>	<b>\$25,006,700</b>	<b>\$25,633,524</b>	<b>\$26,368,926</b>	<b>\$27,113,594</b>
37	<b>Total Water Supply Costs</b>							
38	<b>Total MWD Purchased Water</b>		\$22,626,233	\$23,824,226	\$25,006,700	\$25,633,524	\$26,368,926	\$27,113,594
39	Simi Valley Purchase	<i>Projected by District</i>	\$61,269	\$62,910	\$64,912	\$68,612	\$72,523	\$76,657
40	Ventura Purchase	<i>Projected by District</i>	\$308,388	\$316,649	\$326,726	\$345,349	\$365,034	\$385,841
41	Draw From Reservoir	<i>Projected by District</i>	\$854,100	\$852,550	\$926,640	\$979,458	\$1,035,288	\$1,094,299
42	LVR Adjustment	<i>Projected by District</i>	\$157,941	\$169,613	\$174,397	\$184,338	\$194,845	\$205,951
43	<b>Total Water Supply Costs</b>		<b>\$24,007,931</b>	<b>\$25,225,948</b>	<b>\$26,499,375</b>	<b>\$27,211,281</b>	<b>\$28,036,616</b>	<b>\$28,876,342</b>
44	<b>(Pass Through Revenue)</b>	<i>(B...F)36 – A36</i>		\$1,197,993	\$2,380,467	\$3,007,291	\$3,742,693	\$4,487,361

### 3.3.2. POTABLE WATER OPERATING EXPENSES

Using the District’s FY 2020 budget values, inflation factors were assigned to each line item to determine future O&M costs for the Potable Water Fund. These inflation factors can be referenced in **Table 2-1**. **Table 3-12** summarizes budgeted and projected O&M expenses for the Potable Water Fund during the Study period. The Potable Water Supply Costs are taken from the calculated values in **Table 3-11** above. Other operating expenses include specialty expenses, public information, conservation, and conservation education (please refer to the District’s budget document for descriptions of each expense item).

**Table 3-12: Potable Water Operating Expenses Summary**

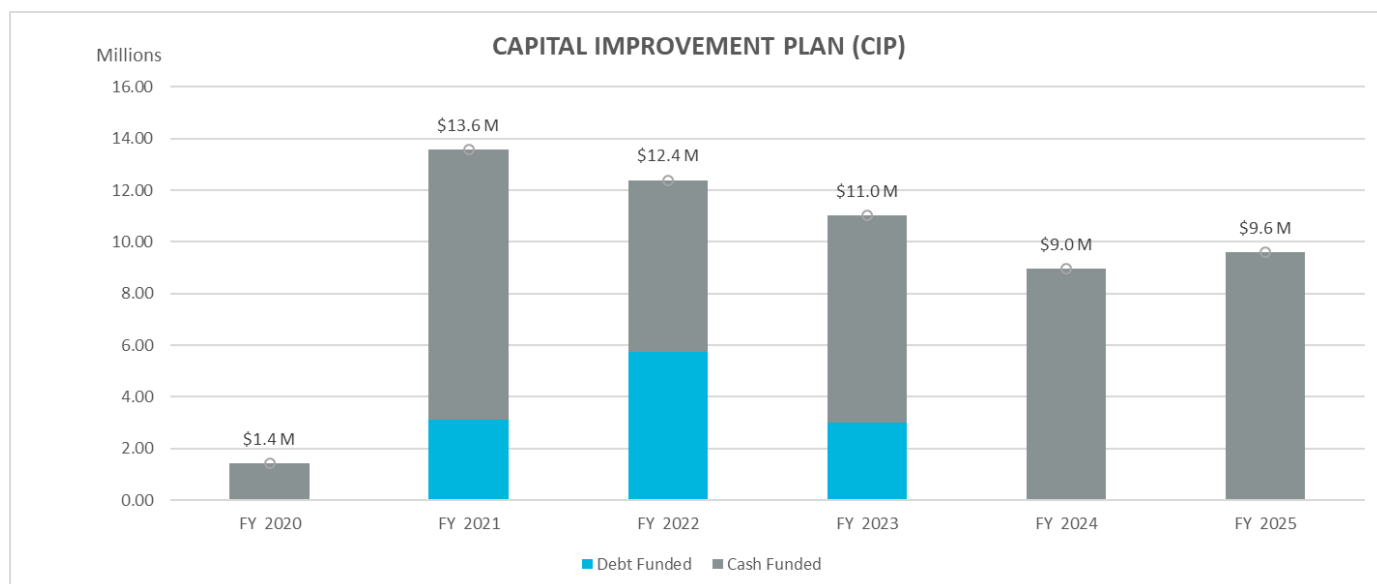
Water O&M Summary	2020	2021	2022	2023	2024	2025
<b>Source of Supply</b>	\$24,007,931	\$25,225,948	\$26,499,375	\$27,211,281	\$28,036,616	\$28,876,342
<b>Operating Expense</b>	\$2,312,802	\$2,589,620	\$2,661,620	\$2,772,305	\$2,887,719	\$3,008,071
<b>Maintenance Expense</b>	\$1,413,568	\$1,406,430	\$1,531,014	\$1,585,917	\$1,642,807	\$1,701,756
<b>Specialty Expenses</b>	\$441,803	\$646,881	\$677,995	\$701,939	\$726,737	\$752,419
<b>Public Information Expenses</b>	\$48,512	\$245,745	\$245,983	\$253,854	\$261,978	\$270,361
<b>Field Conservation Expenses</b>	\$416,349	\$262,115	\$262,206	\$270,597	\$279,256	\$288,192
<b>Community Conservation Education Expenses</b>	\$35,500	\$18,000	\$18,000	\$18,576	\$19,170	\$19,784
<b>Resource Conservation</b>	\$45,035	\$164,639	\$164,466	\$169,729	\$175,160	\$180,765
<b>Administrative Expenses</b>	\$8,649,634	\$9,602,707	\$9,514,718	\$9,819,189	\$10,133,403	\$10,457,672
<b>Grand Total</b>	<b>\$37,371,134</b>	<b>\$40,162,084</b>	<b>\$41,575,377</b>	<b>\$42,803,387</b>	<b>\$44,162,845</b>	<b>\$45,555,361</b>

### 3.4. Projected Capital Improvement Projects

The District has programmed approximately \$57M in capital expenditures during the Study period for the potable water enterprise, as shown in **Figure 3-1**. (A full list of projects and costs can be found in the Appendix.) The capital improvement project (CIP) costs for future years is determined by using the programmed/budgeted costs and inflating the value by the construction inflation factor shown in **Table 2-1**. The District plans to fund its CIP needs via 100 % pay-as-you-go (PAYGO) (grey) with a debt issuance for its Automatic Meter Reading (AMR) project (blue), as shown in **Figure 3-1**.



**Figure 3-1: Projected Potable Water CIP and Funding Sources**



### 3.5. Debt Service

The Potable Water Fund currently has issued debt to fund its AMR project as mentioned in the previous section. The AMR project will provide the District with communication technology that automatically collects water consumption and status data from water meters. The debt service cost for the project can be seen on **Table 3-13** below. The District does not have any other plans to issue any other debt for the Water Enterprise through FY 2025.

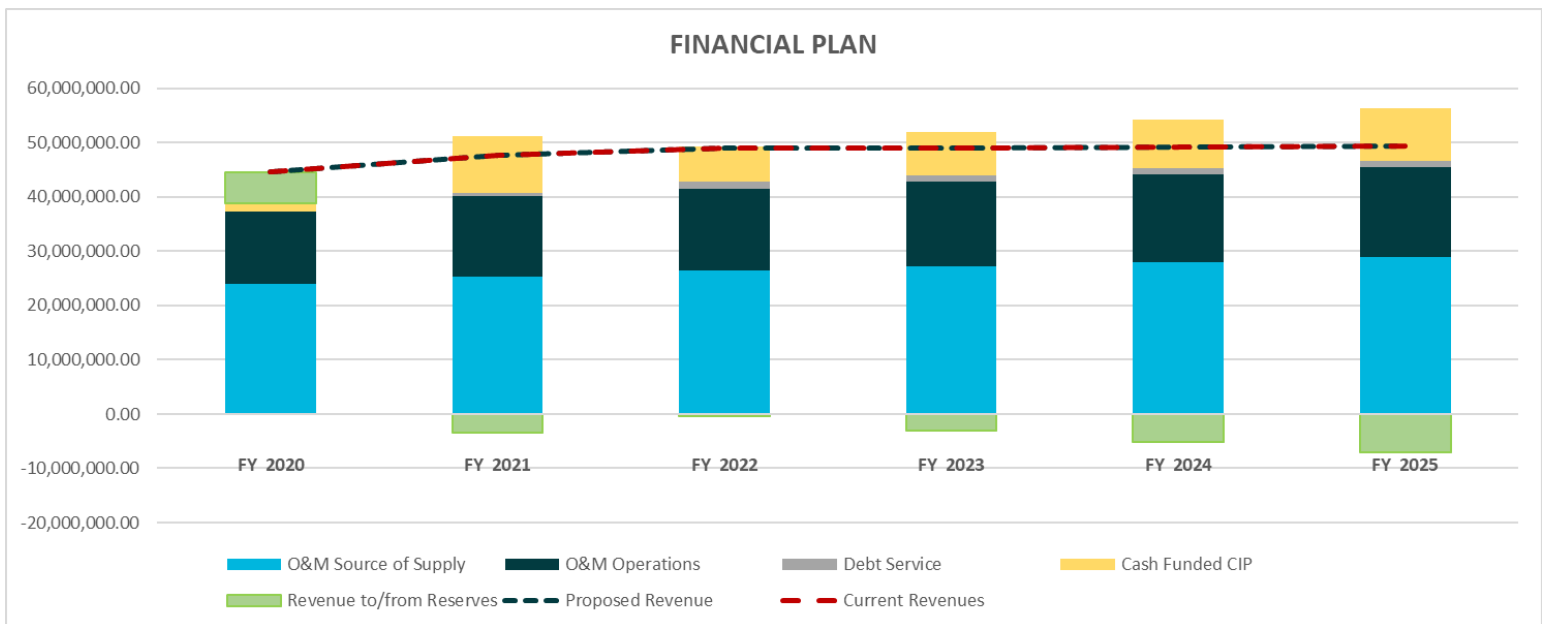
**Table 3-13: Potable Water Debt Service Schedule**

Debt Summary	2020	2021	2022	2023	2024	2025
<b>AMR Project Debt Svc.</b>	\$0	\$621,718	\$1,173,669	\$1,169,120	\$1,169,230	\$1,168,950
<b>Other Debt service</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Debt Service</b>	\$0	\$621,718	\$1,173,669	\$1,169,120	\$1,169,230	\$1,168,950

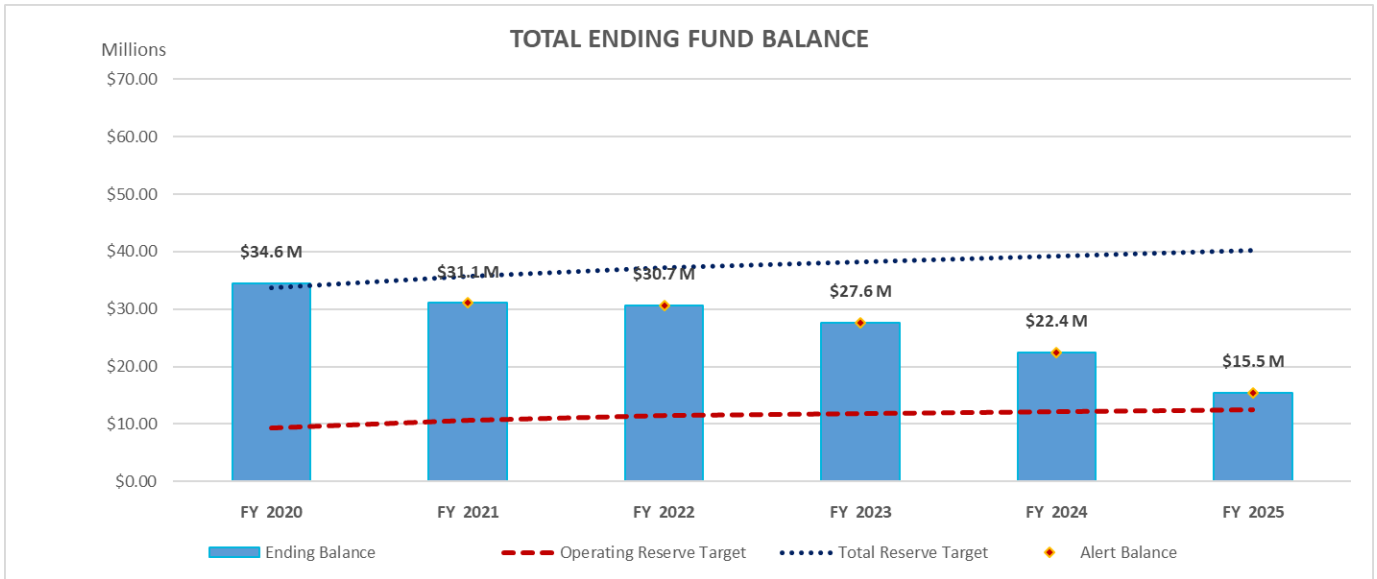
### 3.6. Status Quo Potable Water Financial Plan

Figure 3-2 shows the revenue shortfalls that begin in FY 2021 and carry through each year of the study period. The dashed lines represent the projected revenues from current rates without any adjustment (gross increase in rate revenues). Note that the blue dashed line (Proposed) matches the red dashed line (Current) as no revenue adjustments are made in this scenario. It is important to note that the status quo plan includes pass through revenues as mentioned in section 3.3.1. The stacked bars represent the expenditures, such as debt service (grey), O&M expenses (blue), O&M water supply expenses (teal), and PAYGO CIP (yellow). The green bars below the axis signify that the collected revenues are insufficient for operating and capital costs in those years and require drawing on the current water fund reserve balances as can be seen in Figure 3-3. This makes clear that the current water revenues are insufficient to recover the costs to operate in all years. Additionally, the District is not able to meet its target reserves under the status quo; thus, certain revenue adjustments are required. The District must also meet the minimum coverage requirements on its outstanding debt to ensure that it meets the associated debt covenants. The required debt coverage ratio for the District is 1.1, which means that the District’s net revenue must amount to at least 1.1 times annual debt service. Net revenues equal revenues less O&M expenses. Annual debt service includes annual principal and interest payments on all outstanding debt.

Figure 3-2: Status Quo Potable Water Financial Plan



**Figure 3-3 Status Quo Water Fund Ending Balances**



**Table 3-14** displays the pro forma of the District’s Potable Water Fund under current rates over the Study period. All projections shown in the table are based upon the District’s current rate structure. The pro-forma incorporates the data shown in **Table 3-9** for revenues from current rates, **Table 3-11** for revenues from pass through, **Table 3-10** for miscellaneous revenues, **Table 3-11** for potable water supply costs, **Table 3-12** for O&M expenses and **Figure 3-1** for Capital Projects (see Appendix for more detail on project list).

**Table 3-14: Potable Water Status Quo Financial Plan**

Water Proforma	2020	2021	2022	2023	2024	2025
<b>Revenue</b>						
Revenue from Current Rates	\$41,802,414	\$43,177,541	\$43,177,541	\$42,362,045	\$41,682,465	\$41,002,885
Additional Revenue from Adjustments	\$0	\$0	\$0	\$0	\$0	\$0
Water Supply Pass-Through Revenue	\$0	\$1,197,993	\$2,380,467	\$3,007,291	\$3,742,693	\$4,487,361
Other Revenue	\$2,806,743	\$3,364,095	\$3,426,941	\$3,561,282	\$3,698,716	\$3,844,127
<b>Total Revenue</b>	<b>\$44,609,157</b>	<b>\$47,739,629</b>	<b>\$48,984,949</b>	<b>\$48,930,618</b>	<b>\$49,123,874</b>	<b>\$49,334,372</b>
<b>O&amp;M</b>						
Source of Supply	\$24,007,931	\$25,225,948	\$26,499,375	\$27,211,281	\$28,036,616	\$28,876,342
All Other O&M	\$13,363,203	\$14,936,137	\$15,076,002	\$15,592,105	\$16,126,230	\$16,679,020
<b>Total O&amp;M</b>	<b>\$37,371,134</b>	<b>\$40,162,084</b>	<b>\$41,575,377</b>	<b>\$42,803,387</b>	<b>\$44,162,845</b>	<b>\$45,555,361</b>
<b>Net Operating Revenue (Excl. Debt)</b>	<b>\$7,238,023</b>	<b>\$7,577,544</b>	<b>\$7,409,573</b>	<b>\$6,127,231</b>	<b>\$4,961,029</b>	<b>\$3,779,011</b>
<b>Debt Service</b>	<b>\$0</b>	<b>\$621,718</b>	<b>\$1,173,669</b>	<b>\$1,169,120</b>	<b>\$1,169,230</b>	<b>\$1,168,950</b>
<b>Net Operating Revenue</b>	<b>\$7,238,023</b>	<b>\$6,955,826</b>	<b>\$6,235,904</b>	<b>\$4,958,111</b>	<b>\$3,791,799</b>	<b>\$2,610,061</b>
<b>CIP</b>						
Debt Funded	\$0	\$3,127,025	\$5,735,093	\$3,015,009	\$0	\$0
Cash Funded	\$1,415,242	\$10,434,608	\$6,657,354	\$7,995,775	\$8,966,294	\$9,598,404
<b>Total CIP</b>	<b>\$1,415,242</b>	<b>\$13,561,633</b>	<b>\$12,392,447</b>	<b>\$11,010,784</b>	<b>\$8,966,294</b>	<b>\$9,598,404</b>
<b>Net Cash Change</b>	<b>\$5,822,781</b>	<b>(\$3,478,782)</b>	<b>(\$421,451)</b>	<b>(\$3,037,664)</b>	<b>(\$5,174,495)</b>	<b>(\$6,988,343)</b>
<b>Beginning Fund Balance</b>	<b>\$28,732,447</b>	<b>\$34,555,228</b>	<b>\$31,076,446</b>	<b>\$30,654,995</b>	<b>\$27,617,331</b>	<b>\$22,442,835</b>
<b>Ending Balance</b>	<b>\$34,555,228</b>	<b>\$31,076,446</b>	<b>\$30,654,995</b>	<b>\$27,617,331</b>	<b>\$22,442,835</b>	<b>\$15,454,493</b>
<b>TARGET RESERVE BALANCE</b>	<b>\$33,749,558</b>	<b>\$35,684,268</b>	<b>\$37,227,868</b>	<b>\$38,192,585</b>	<b>\$39,219,658</b>	<b>\$40,280,371</b>
<b>PROJECTED DEBT COVERAGE</b>	<b>#N/A</b>	<b>12.19</b>	<b>6.31</b>	<b>5.24</b>	<b>4.24</b>	<b>3.23</b>

### 3.7. Proposed Potable Water Financial Plan

Raftelis developed a 5-year Financial Plan Model incorporating the known and projected cost increases for operating and capital expenditures. The results were presented and discussed with District Staff and the District Board. Raftelis devised several scenarios for the Board to review and the District deemed the scenario below the most appropriate as consistent annual increases will avoid even higher increases or “spikes” in future years. The proposed revenue adjustments for the water fund are shown below on **Table 3-15**. Note that this revenue adjustment is in addition to any adjustments that need to be made as a result of water supply pass through costs (increases in costs to purchase water from Metropolitan Water District).

**Table 3-15: Potable Water Proposed Adjustments**

2021	2022	2023	2024	2025
March	January	January	January	January
5.0%	5.0%	5.0%	5.0%	5.0%

The water financial plan with the proposed revenue adjustments is summarized in the following figures. In **Figure 3-4** the dashed red line represents projected revenues from current rates without any adjustment while the dashed blue line represents the projected revenues with the proposed revenue adjustments plus pass-through of water supply cost, shown in **Table 3-15**. The stacked bars represent the expenditures, such as debt service (grey), O&M expenses (blue), O&M water supply expenses (teal), and PAYGO CIP (yellow). The green bars above the axis in FY 2022 to FY 2025 signify that the collected revenues are sufficient for operating and capital costs, and that the water enterprise fund is able to build its reserves. **Figure 3-5** shows the forecasted water fund ending balances (blue bars) after incorporating the proposed revenue adjustments and projected expenses (shown in **Figure 3-4**), and the estimated water fund beginning balance as of FY 2020. The blue bar intersecting with the dotted blue line in FY 2025 indicates that the District will achieve its reserve target in FY 2025. **Table 3-16** numerically summarizes the financial plan under the proposed scenario; note that net cash flow is positive for all years of the study period except for FY 2021.

Figure 3-4: Proposed Potable Water Financial Plan

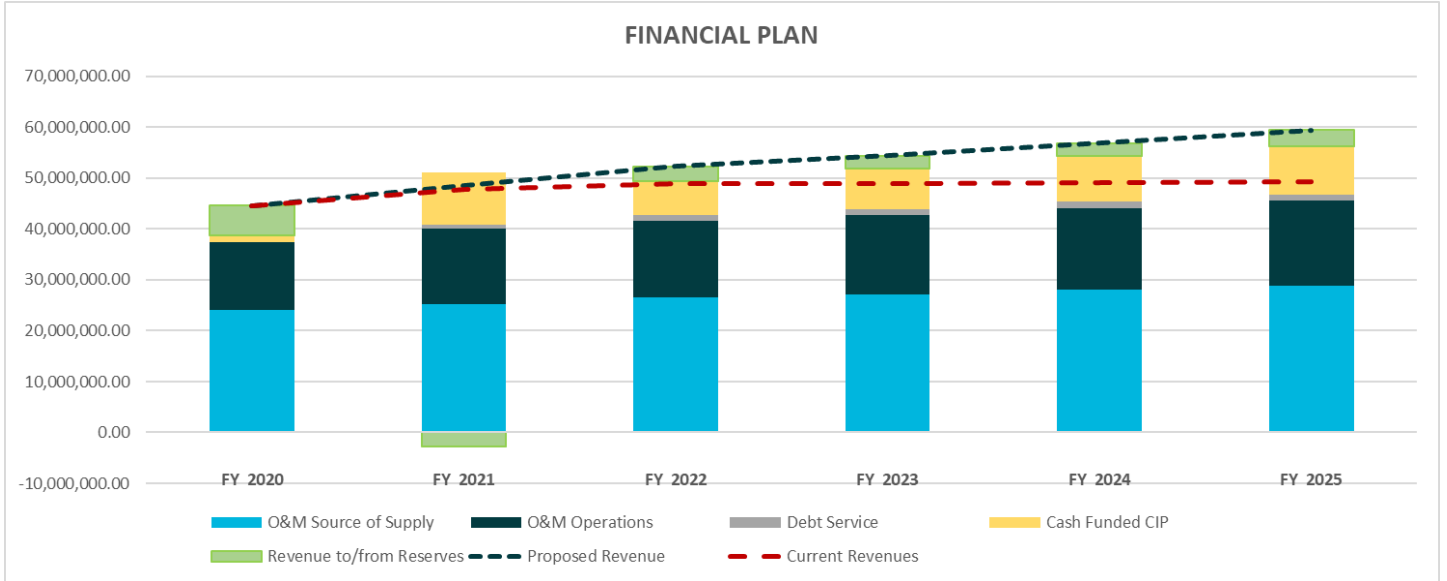
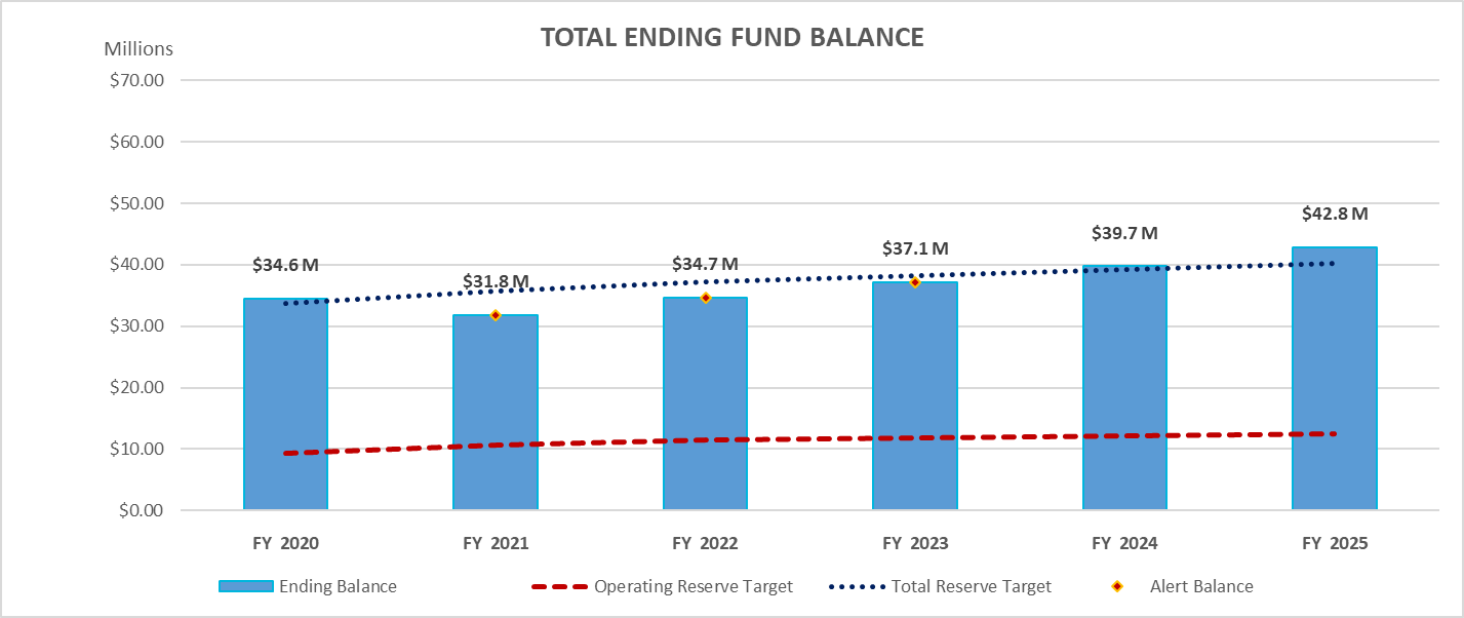


Figure 3-5: Projected Water Fund Ending Balances







**Table 3-16: Proposed Potable Water Financial Plan**

<b>Water Proforma</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
<b>Revenue</b>						
Revenue from Current Rates	\$41,802,414	\$43,177,541	\$43,177,541	\$42,362,045	\$41,682,465	\$41,002,885
Additional Revenue from Adjustments	\$0	\$719,626	\$3,292,287	\$5,509,713	\$7,776,515	\$10,082,359
Water Supply Pass-Through Revenue	\$0	\$1,197,993	\$2,380,467	\$3,007,291	\$3,742,693	\$4,487,361
Other Revenue	\$2,806,743	\$3,364,095	\$3,426,941	\$3,561,282	\$3,698,716	\$3,844,127
<b>Total Revenue</b>	<b>\$44,609,157</b>	<b>\$48,459,254</b>	<b>\$52,277,237</b>	<b>\$54,440,331</b>	<b>\$56,900,389</b>	<b>\$59,416,732</b>
<b>O&amp;M</b>						
Source of Supply	\$24,007,931	\$25,225,948	\$26,499,375	\$27,211,281	\$28,036,616	\$28,876,342
All Other O&M	\$13,363,203	\$14,936,137	\$15,076,002	\$15,592,105	\$16,126,230	\$16,679,020
<b>Total O&amp;M</b>	<b>\$37,371,134</b>	<b>\$40,162,084</b>	<b>\$41,575,377</b>	<b>\$42,803,387</b>	<b>\$44,162,845</b>	<b>\$45,555,361</b>
<b>Net Operating Revenue (Excl. Debt)</b>	<b>\$7,238,023</b>	<b>\$8,297,170</b>	<b>\$10,701,860</b>	<b>\$11,636,944</b>	<b>\$12,737,544</b>	<b>\$13,861,370</b>
<b>Debt Service</b>	<b>\$0</b>	<b>\$621,718</b>	<b>\$1,173,669</b>	<b>\$1,169,120</b>	<b>\$1,169,230</b>	<b>\$1,168,950</b>
<b>Net Operating Revenue</b>	<b>\$7,238,023</b>	<b>\$7,675,452</b>	<b>\$9,528,191</b>	<b>\$10,467,824</b>	<b>\$11,568,314</b>	<b>\$12,692,420</b>
<b>CIP</b>						
Debt Funded	\$0	\$3,127,025	\$5,735,093	\$3,015,009	\$0	\$0
Cash Funded	\$1,415,242	\$10,434,608	\$6,657,354	\$7,995,775	\$8,966,294	\$9,598,404
<b>Total CIP</b>	<b>\$1,415,242</b>	<b>\$13,561,633</b>	<b>\$12,392,447</b>	<b>\$11,010,784</b>	<b>\$8,966,294</b>	<b>\$9,598,404</b>
<b>Net Cash Change</b>	<b>\$5,822,781</b>	<b>(\$2,759,156)</b>	<b>\$2,870,837</b>	<b>\$2,472,049</b>	<b>\$2,602,020</b>	<b>\$3,094,017</b>
<b>Beginning Fund Balance</b>	<b>\$28,732,447</b>	<b>\$34,555,228</b>	<b>\$31,796,071</b>	<b>\$34,666,908</b>	<b>\$37,138,957</b>	<b>\$39,740,977</b>
<b>Ending Balance</b>	<b>\$34,555,228</b>	<b>\$31,796,071</b>	<b>\$34,666,908</b>	<b>\$37,138,957</b>	<b>\$39,740,977</b>	<b>\$42,834,994</b>
<b>TARGET RESERVE BALANCE</b>	<b>\$33,749,558</b>	<b>\$35,684,268</b>	<b>\$37,227,868</b>	<b>\$38,192,585</b>	<b>\$39,219,658</b>	<b>\$40,280,371</b>
<b>PROJECTED DEBT COVERAGE</b>	<b>#N/A</b>	<b>13.35</b>	<b>9.12</b>	<b>9.95</b>	<b>10.89</b>	<b>11.86</b>

# 4. Sanitation Financial Plan

A review of a utility’s revenue requirements is a key first step in the rate study process. The review involves an analysis of annual operating revenues under the status quo, O&M expenses, and reserve requirements. This section of the report provides a discussion of the projected revenues, O&M expenses, other reserve funding, and revenue adjustments estimated as required to ensure the fiscal sustainability and solvency of the Sanitation Fund. Numbers shown in all the tables of this section are rounded; therefore, hand calculations based on the displayed numbers, such as summing or multiplying, may not equal the exact results shown.

## 4.1. Revenues from Current Sanitation Rates

**Table 4-1** show the current residential sanitation rates effective since January 1, 2020. Single Family Residential (SFR) charges are based on the indoor water budget which estimate sanitation flows generated by each service based on household size and 55 gallons per capita per day which is consistent with the water usage and indoor water budget the District currently has in place. Estimated sanitation flows for residential are based on the formula below.

$$\frac{30 \text{ Days of service} \times \text{Household size} \times 55 \text{ Gallons per capita per day}}{\text{Gallons per hcf}}$$

$$\frac{30 \text{ Days of Service} \times 3 \text{ persons} \times 55 \text{ gallons per capita per day}}{748 \text{ gallons}} = 6.62$$

**Table 4-1: Current Residential Sanitation Rates**

Flow hcf	Household Size	Current
2.2	1	\$22.73
4.4	2	\$38.04
6.6	3	\$53.35
8.8	4	\$68.66
11	5	\$83.97
13.2	6+	\$99.28

**Table 4-2** shows the current commercial sanitation rates which consist of three components which are: account service charges, equivalent residential unit (ERU<sup>1</sup>) charges, variable charges by commercial class, and effluent strength for usage in excess of minimum ERU usage. The ERU charges for commercial customers recover the flow-based costs for 6.62 hcf, equivalent sanitation flows of a single residential unit in a 30-day billing period. Any flows beyond the 6.62 hcf/ERU are subject to the excess use charges.

<sup>1</sup> Equivalent Residential Unit - unit of measure used to equate non-residential wastewater flow to a specific number of single-family residences.

**Table 4-2: Current Commercial Sanitation Rates**

Commercial Charges		Current
<b>Monthly Account Service Charge</b>		
Class 1		\$7.42
Class 2		\$7.42
Class 3		\$7.42
Class 4		\$7.42
<b>Commercial Monthly ERU Charges</b>		
<b>ERU Charges</b>		
Class 1		\$44.52
Class 2		\$61.37
Class 3		\$81.27
Class 4		\$102.27
<b>Excess ERU Charges</b>		
Class 1		\$6.75
Class 2		\$9.30
Class 3		\$12.31
Class 4		\$15.49

**Table 4-3** summarizes the projected number of accounts and ERU by customer class for the Study period. The existing number of accounts/ERUs for FY 2020 remain stable through all years of the study period as the District is not expecting any significant growth. Note that while there are 726 Commercial accounts for FY 2020, this translates to 4,408 ERUs based on actual usage and strength characteristics of each commercial account. The ERUs were provided by District staff for FY 2020.

**Table 4-3: Projected Sanitation ERUs and Excess Usage Summary**

Single Family Residential	2020	2021	2022	2023	2024	2025
<i>Household Size (# of Accounts)</i>						
1	1,493	1,493	1,493	1,493	1,493	1,493
2	3,035	3,035	3,035	3,035	3,035	3,035
3	4,595	4,595	4,595	4,595	4,595	4,595
4	2,796	2,796	2,796	2,796	2,796	2,796
5	1,208	1,208	1,208	1,208	1,208	1,208
6+	599	599	599	599	599	599
<b>Subtotal - Single Family Residential</b>	<b>13,726</b>	<b>13,726</b>	<b>13,726</b>	<b>13,726</b>	<b>13,726</b>	<b>13,726</b>
	0	0	0	0	0	0
<b>Multi-Family Residential (MFR)</b>	0	0	0	0	0	0
<i># of Residents</i>	<b>18,804</b>	<b>18,804</b>	<b>18,804</b>	<b>18,804</b>	<b>18,804</b>	<b>18,804</b>
	0	0	0	0	0	0
<b>Commercial</b>	0	0	0	0	0	0
<i>(# of Accounts)</i>	0	0	0	0	0	0

Single Family Residential	2020	2021	2022	2023	2024	2025
Class 1	609	609	609	609	609	609
Class 2	97	97	97	97	97	97
Class 3	20	20	20	20	20	20
Class 4	0	0	0	0	0	0
<b>Subtotal - Accounts</b>	<b>726</b>	<b>726</b>	<b>726</b>	<b>726</b>	<b>726</b>	<b>726</b>
<b># of ERU</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Class 1	3,281	3,281	3,281	3,281	3,281	3,281
Class 2	990	990	990	990	990	990
Class 3	137	137	137	137	137	137
Class 4	0	0	0	0	0	0
<b>Subtotal - ERU</b>	<b>4,408</b>	<b>4,408</b>	<b>4,408</b>	<b>4,408</b>	<b>4,408</b>	<b>4,408</b>
<b>Excess Usage</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Class 1	174,892	174,892	174,892	174,892	174,892	174,892
Class 2	115,218	115,218	115,218	115,218	115,218	115,218
Class 3	18,296	18,296	18,296	18,296	18,296	18,296
Class 4	0	0	0	0	0	0
<b>Subtotal - Usage</b>	<b>308,406</b>	<b>308,406</b>	<b>308,406</b>	<b>308,406</b>	<b>308,406</b>	<b>308,406</b>

Revenues from the current sanitation rates can be determined by multiplying the current rates by the ERUs for the given year. For example, the annual sanitation revenues for Multi-Family Residential (MFR) customers under current rates are calculated as a follow:

$$\text{Household Size}^2 \times \text{Number of projected MFR ERUs for 2021} \times 12 \text{ months}$$

$$\$22.73 \times 18,804 \times 12 = \$5,128,979$$

The same calculation is repeated for the other customer classes under their respective household sizes and for each commercial customer class. The total revenues from current sanitation rates are shown in **Table 4-4** below.

**Table 4-4: Calculated Revenues from Current Sanitation Rates**

Calculated Revenue from Current Rates	2020	2021	2022	2023	2024	2025
<b>Single Family</b>	<b>\$8,878,118</b>	<b>\$8,968,901</b>	<b>\$8,968,901</b>	<b>\$8,968,901</b>	<b>\$8,968,901</b>	<b>\$8,968,901</b>
<b>Multi-Family</b>	<b>\$5,077,080</b>	<b>\$5,128,979</b>	<b>\$5,128,979</b>	<b>\$5,128,979</b>	<b>\$5,128,979</b>	<b>\$5,128,979</b>
<b>Commercial Charges</b>						
<i>Account Service Charges</i>	\$63,990	\$64,643	\$64,643	\$64,643	\$64,643	\$64,643
<i>Per ERU Charge</i>	\$2,589,699	\$2,615,525	\$2,615,525	\$2,615,525	\$2,615,525	\$2,615,525
<i>Variable Charges</i>	\$2,446,601	\$2,477,271	\$2,477,271	\$2,477,271	\$2,477,271	\$2,477,271
<b>Commercial Total</b>	<b>\$5,100,289</b>	<b>\$5,157,439</b>	<b>\$5,157,439</b>	<b>\$5,157,439</b>	<b>\$5,157,439</b>	<b>\$5,157,439</b>
<b>Grand Total</b>	<b>\$19,055,487</b>	<b>\$19,255,318</b>	<b>\$19,255,318</b>	<b>\$19,255,318</b>	<b>\$19,255,318</b>	<b>\$19,255,318</b>

<sup>2</sup> Household Size of 1 represents Single ERU; LVMWD provided Data for total MFR ERUs in System

## 4.2. Sanitation Revenues

In addition to revenue from rates, the Sanitation Fund also receives revenues from different sources such as Late Payment Fees, District Fees and other operating/non-operating sources. Total revenues for the Study period are shown in **Table 4-5**. Miscellaneous revenues are projected based on District staff estimates. Note that Sanitation Service Fees is equal to the grand total of **Table 4-4**.

**Table 4-5: Sanitation Revenue Summary**

Revenue Summary	2020	2021	2022	2023	2024	2025
Late Payment Fees and other non-operating revenues	\$335,000	\$340,025	\$345,125	\$350,302	\$355,557	\$360,890
Sanitation Service Fees	\$19,055,487	\$19,255,318	\$19,255,318	\$19,255,318	\$19,255,318	\$19,255,318
Coring Fees	\$295,000	\$295,000	\$295,000	\$295,000	\$295,000	\$295,000
Consolidated Sewer District Fees	\$215,000	\$215,000	\$215,000	\$218,225	\$221,498	\$224,821
<b>Total - Operating Revenue</b>	<b>\$19,900,487</b>	<b>\$20,105,343</b>	<b>\$20,110,444</b>	<b>\$20,118,845</b>	<b>\$20,127,373</b>	<b>\$20,136,029</b>

## 4.3. Sanitation O&M Expenses

Using the District's FY 2020 budget values, inflation factors were assigned to each line item to determine future O&M costs for the Sanitation Fund. **Table 4-6** summarizes budgeted and projected O&M expenses for the Sanitation Fund during the Study period. Purchased Services expenses include the District's share of JPA net expenses and payments to the City of Los Angeles<sup>3</sup> for additional sanitation treatment services. O&M expenses include Operating and Maintenance expenses and Other Operating Expenses include Specialty Expenses. Please refer to the District budget document for descriptions of each expense item.

**Table 4-6: Projected Sanitation O&M Expenses**

O&M Summary	2020	2021	2022	2023	2024	2025
Purchased Services	\$10,331,549	\$11,363,900	\$10,948,836	\$11,278,364	\$11,617,811	\$11,967,477
Operating Expenses	\$79,550	\$101,800	\$101,800	\$105,738	\$109,828	\$114,078
Maintenance Expenses	\$92,007	\$151,938	\$154,625	\$160,172	\$165,920	\$171,875
Specialty Expenses	\$0	\$0	\$0	\$0	\$0	\$0
Administrative Expenses	\$1,918,240	\$1,988,344	\$1,692,504	\$1,746,664	\$1,802,557	\$1,860,239
<b>Grand Total</b>	<b>\$12,421,346</b>	<b>\$13,605,982</b>	<b>\$12,897,765</b>	<b>\$13,290,937</b>	<b>\$13,696,117</b>	<b>\$14,113,670</b>

## 4.4. Projected Capital Improvement Projects

**Figure 4-1** shows the projected CIP spending over the study period, as provided by District staff. Capital project costs for FY 2021 and beyond are inflated by a factor of 3.8 % per year based on the District's recommendation. The District plans to fund the CIP costs with a mix of pay-as-you-go (PAYGO) and debt service as shown by the grey (Cash Funded) and blue (Debt Funded) bars in **Figure 4-1**. (A full list of projects and their costs can be found in the Appendix). The CIP costs for future years are determined by using the programmed/budgeted costs and inflating the value by the construction inflation factor. The District plans on issuing debt to fund the projected costs of the Pure Water Project which it plans to implement in FY 2022. The Pure Water Project will

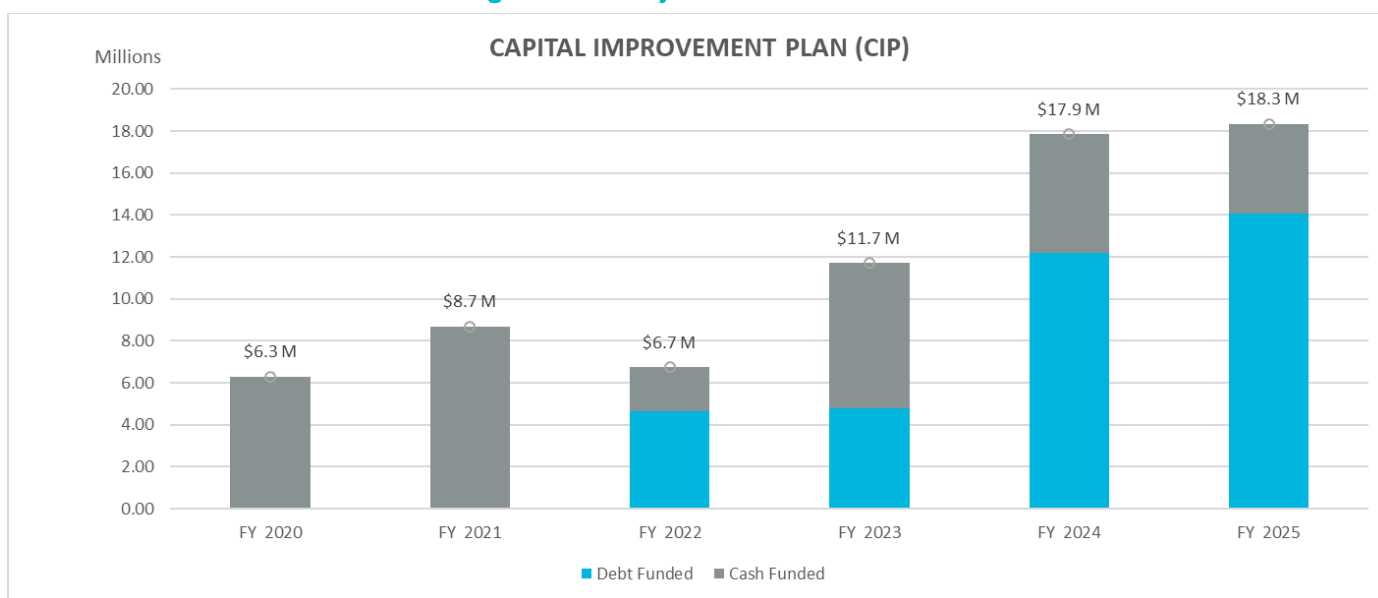
<sup>3</sup> Refer to official budget documentation for detail.

also be partially funded by the recycled water enterprise as the system benefits recycled water users. The percentage split of the project is seen in **Table 4-7** and was allocated with direction from District staff. The estimated split between recycled water and sanitation is based on the proportional share of benefit each system receives from the project.

**Table 4-7: Pure Water Project Costs Split**

Pure Water Project Split	2020	2021	2022	2023	2024	2025
<b>Pure Water Project Costs (Total)</b>	<b>\$0</b>	<b>\$4,942,000</b>	<b>\$5,824,157</b>	<b>\$5,998,882</b>	<b>\$6,705,797</b>	<b>\$15,034,620</b>
Pure Water Funded by Sanitation	0%	76%	76%	76%	76%	76%
Pure Water Funded by Recycled	0%	24%	24%	24%	24%	24%

**Figure 4-1: Projected Sanitation CIP**



## 4.5. Debt Service

The Sanitation Enterprise currently has no outstanding debt but, as mentioned in the previous section, the District plans on issuing debt to help fund the projected costs of the Pure Water Project. The assumed debt terms can be seen on **Table 4-8**. **Table 4-9** shows the projected cost to issue the debt and projected Annual Debt Service for each year that the debt is issued. **Table 4-10** shows the annual debt service payment for each year of the study period.

**Table 4-8: Assumed Debt Terms**

Proposed Debt Terms	2020	2021	2022	2023	2024	2025
<b>Terms (Yrs)</b>	30	30	30	30	30	30
<b>Interest Rates</b>	5%	5%	5%	5%	5%	5%
<b>Issuance Costs</b>	2%	2%	2%	2%	2%	2%

**Table 4-9: Proposed Debt Issuance**

Proposed Debt	2020	2021	2022	2023	2024	2025
<b>Proposed Debt Issue</b>	\$0	\$0	\$4,716,658	\$4,860,335	\$12,445,792	\$14,364,450
<b>Issuance Costs</b>	\$0	\$0	\$94,333	\$97,207	\$248,916	\$287,289
<b>Net Debt Proceeds</b>	\$0	\$0	\$4,622,324	\$4,763,128	\$12,196,876	\$14,077,161
<b>Annual Debt Service for New Debt</b>	\$0	\$0	\$306,825	\$316,172	\$809,617	\$934,428

**Table 4-10: Total Proposed Debt Service**

	2020	2021	2022	2023	2024	2025
<b>Total Proposed Debt Service</b>	\$0	\$0	\$306,825	\$622,997	\$1,432,614	\$2,367,042

## 4.6. Status Quo Potable Sanitation Financial Plan

**Table 4-11** displays the proforma of the District’s Sanitation Funds under current rates over the Study period. All projections shown in the table are based upon the District’s current rate structure and do not include any rate adjustments. The proforma incorporates revenues from current rates (**Table 4-4**), miscellaneous revenues (**Table 4-5**), O&M expenses (**Table 4-6**), capital expenditures (**Figure 4-1**), and debt service (**Table 4-10**). The financial plan is visualized in **Figure 4-2**, the dashed red line represents projected revenues from current rates without any adjustment. Note that the blue dashed line (Proposed) matches the red dashed line (Current) as no revenue adjustments are made in this scenario. The stacked bars represent the expenditures, such as debt service (grey), O&M expenses (blue), O&M purchased services (teal), and PAYGO CIP (yellow). The green bars below the axis in FY 2023 to FY 2025 signify that the collected revenues are not enough to cover the District’s expenses and must rely on reserves to fund its costs.

Under the “status quo” scenario, the District is unable to meet reserve requirements starting in FY 2023 as set in the Reserve Policy discussed in Section 3 and will begin drawing down on reserves starting that same year. Additionally, the cost of the Pure Water Project will add extra strain on the Sanitation Enterprise in the out years due to the high cost of the project. **Figure 4-3** shows the forecasted Sanitation Fund ending balances (blue) after incorporating the current revenues and expenses (shown in **Figure 4-2**) and the estimated beginning balance as of FY 2020. The dotted blue line in **Figure 4-3** is the recommended minimum target balance. The bars not intersecting with the dashed line shows that the Sanitation Enterprise does not meet its target balances and a downward trend in funds is inevitable if no revenue adjustments are made. Additionally, the required debt coverage ratio for the District is 1.1, which means that the District’s net revenue must amount to at least 1.1 times annual debt service. Net revenues equal revenues less O&M expenses. Annual debt service includes annual principal and interest payments on all outstanding debt.



Figure 4-2: Status Quo Sanitation Financial Plan

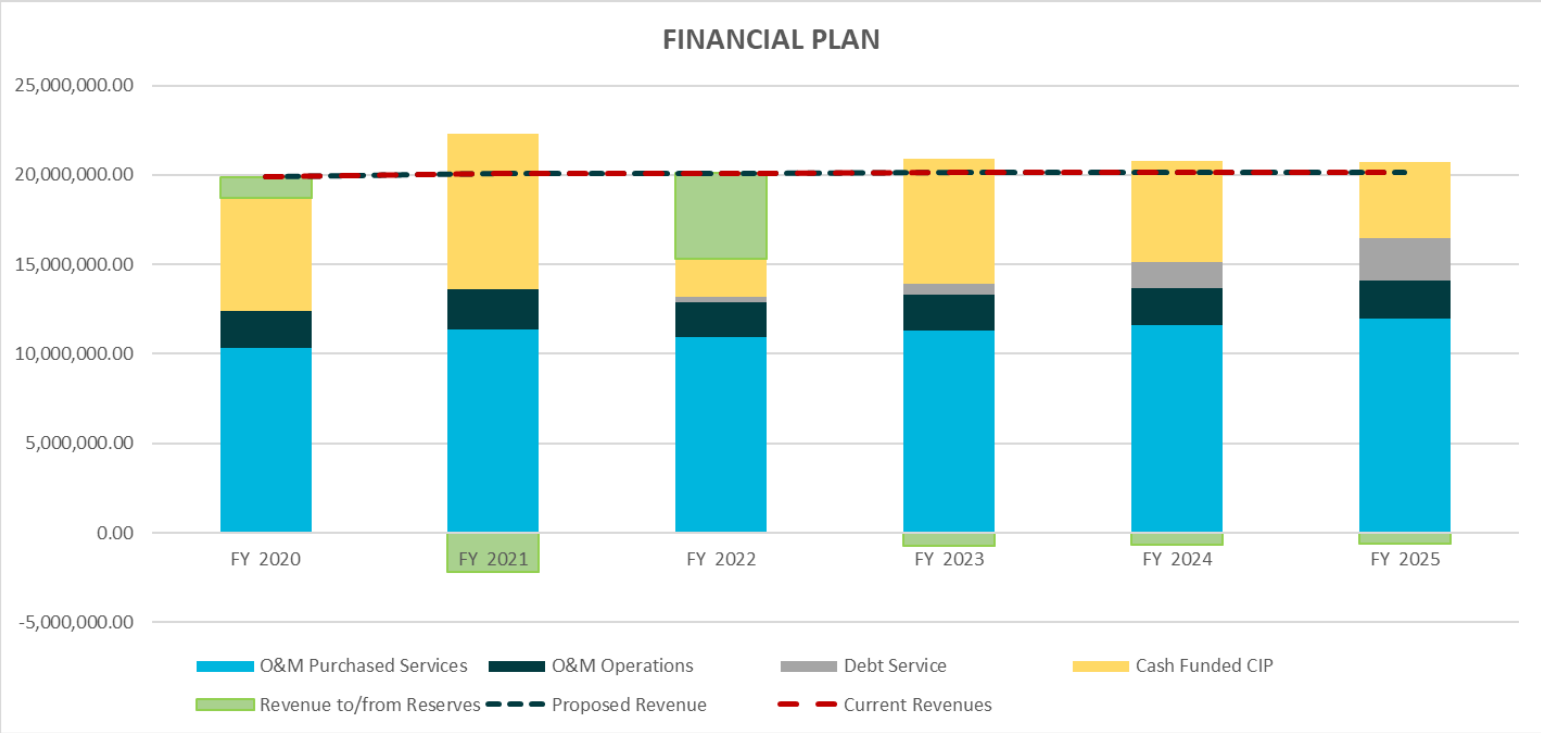
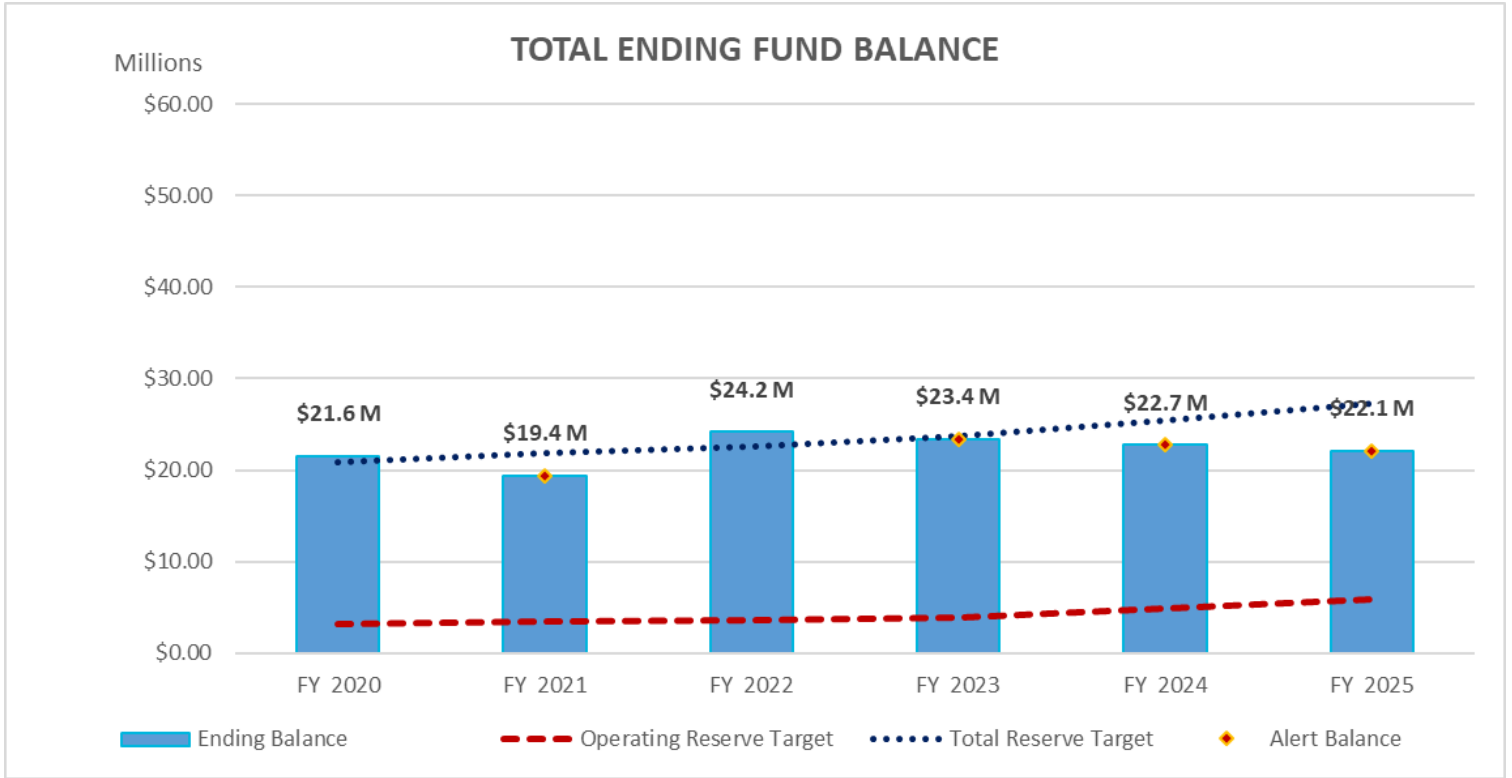


Figure 4-3: Projected Sanitation Fund Ending Balance – Status Quo



**Table 4-11: Sanitation Status Quo Financial Plan**

Sanitation Proforma	2020	2021	2022	2023	2024	2025
<b>Revenue</b>						
Revenue from Current Rates	\$19,055,487	\$19,255,318	\$19,255,318	\$19,255,318	\$19,255,318	\$19,255,318
Additional Revenue from Adjustments	\$0	\$0	\$0	\$0	\$0	\$0
Other Revenue	\$845,000	\$850,025	\$855,125	\$863,527	\$872,055	\$880,711
<b>Total Revenue</b>	<b>\$19,900,487</b>	<b>\$20,105,343</b>	<b>\$20,110,444</b>	<b>\$20,118,845</b>	<b>\$20,127,373</b>	<b>\$20,136,029</b>
<b>O&amp;M</b>						
Purchased Services	\$10,331,549	\$11,363,900	\$10,948,836	\$11,278,364	\$11,617,811	\$11,967,477
All Other O&M	\$2,089,797	\$2,242,082	\$1,948,929	\$2,012,574	\$2,078,305	\$2,146,193
<b>Total O&amp;M</b>	<b>\$12,421,346</b>	<b>\$13,605,982</b>	<b>\$12,897,765</b>	<b>\$13,290,937</b>	<b>\$13,696,117</b>	<b>\$14,113,670</b>
<b>Net Operating Revenue (Excl. Debt)</b>	<b>\$7,479,141</b>	<b>\$6,499,361</b>	<b>\$7,212,679</b>	<b>\$6,827,908</b>	<b>\$6,431,257</b>	<b>\$6,022,359</b>
<b>Debt Service</b>	\$0	\$0	\$306,825	\$622,997	\$1,432,614	\$2,367,042
<b>Net Operating Revenue</b>	<b>\$7,479,141</b>	<b>\$6,499,361</b>	<b>\$6,905,853</b>	<b>\$6,204,911</b>	<b>\$4,998,643</b>	<b>\$3,655,317</b>
<b>CIP</b>						
Debt Funded	\$0	\$0	\$4,622,324	\$4,763,128	\$12,196,876	\$14,077,161
Cash Funded	\$6,293,359	\$8,698,507	\$2,122,144	\$6,961,818	\$5,666,233	\$4,266,953
<b>Total CIP</b>	<b>\$6,293,359</b>	<b>\$8,698,507</b>	<b>\$6,744,468</b>	<b>\$11,724,946</b>	<b>\$17,863,109</b>	<b>\$18,344,114</b>
<b>Net Cash Change</b>	<b>\$1,185,782</b>	<b>(\$2,199,146)</b>	<b>\$4,783,709</b>	<b>(\$756,907)</b>	<b>(\$667,590)</b>	<b>(\$611,636)</b>
<b>Beginning Fund Balance</b>	\$20,381,779	\$21,567,561	\$19,368,415	\$24,152,124	\$23,395,218	\$22,727,627
<b>ENDING FUND BALANCE</b>	\$21,567,561	\$19,368,415	\$24,152,124	\$23,395,218	\$22,727,627	\$22,115,991
<b>TARGET RESERVE BALANCE</b>	\$20,842,766	\$21,804,079	\$22,623,947	\$23,754,387	\$25,408,123	\$27,217,620
<b>PROJECTED DEBT COVERAGE</b>	#N/A	#N/A	23.51	10.96	4.49	2.54

## 4.7. Proposed Sanitation Financial

Raftelis developed a 5-year Financial Plan Model incorporating the known and projected cost increases for operating and capital expenditures. The results were presented and discussed with District staff and the District Board. Raftelis devised several scenarios for the Board to review and the District deemed the scenario below the most appropriate and consistent annual increases will avoid even higher increases or “spikes” in future years. The District hopes to keep in line with its reserve target and build some reserves up as there are significant CIP expenditures for the Pure Water Project outside of this analysis’s study period. The proposed revenue adjustments for the sanitation fund are shown below on **Table 4-12**

**Table 4-12: Sanitation Proposed Adjustments**

2021	2022	2023	2024	2025
<b>March</b>	<b>January</b>	<b>January</b>	<b>January</b>	<b>January</b>
3.75%	3.75%	3.75%	3.75%	3.75%

The sanitation financial plan with the proposed revenue adjustments is summarized in the following figures. In **Figure 4-4**, the dashed red line represents projected revenues from current rates without any adjustment while the dashed blue line represents the projected revenues with the proposed revenue adjustments shown in **Table 4-12**. The stacked bars represent the expenditures, such as debt service (grey), O&M expenses (blue), O&M purchased services (teal), and PAYGO CIP (yellow). The green bars above the axis in FY 2022 to FY 2025 signify that the collected revenues are sufficient for operating and capital costs, and that the water enterprise fund is able to build reserves. **Figure 4-5** shows the forecasted sanitation fund ending balances (blue bars) after incorporating the revenues with proposed revenue adjustments and projected expenses (shown in **Figure 4-4**), and the estimated sanitation fund beginning balance as of FY 2020. The blue bar intersecting with the dotted blue line in FY 2022 indicates that the District will achieve its reserve target in FY 2022 which will allow the District to develop its reserves. **Table 4-13** numerically summarizes the financial plan under the proposed scenario; note that net cash flow is positive for all years of the study except for FY 2021.

Figure 4-4: Proposed Sanitation Financial Plan

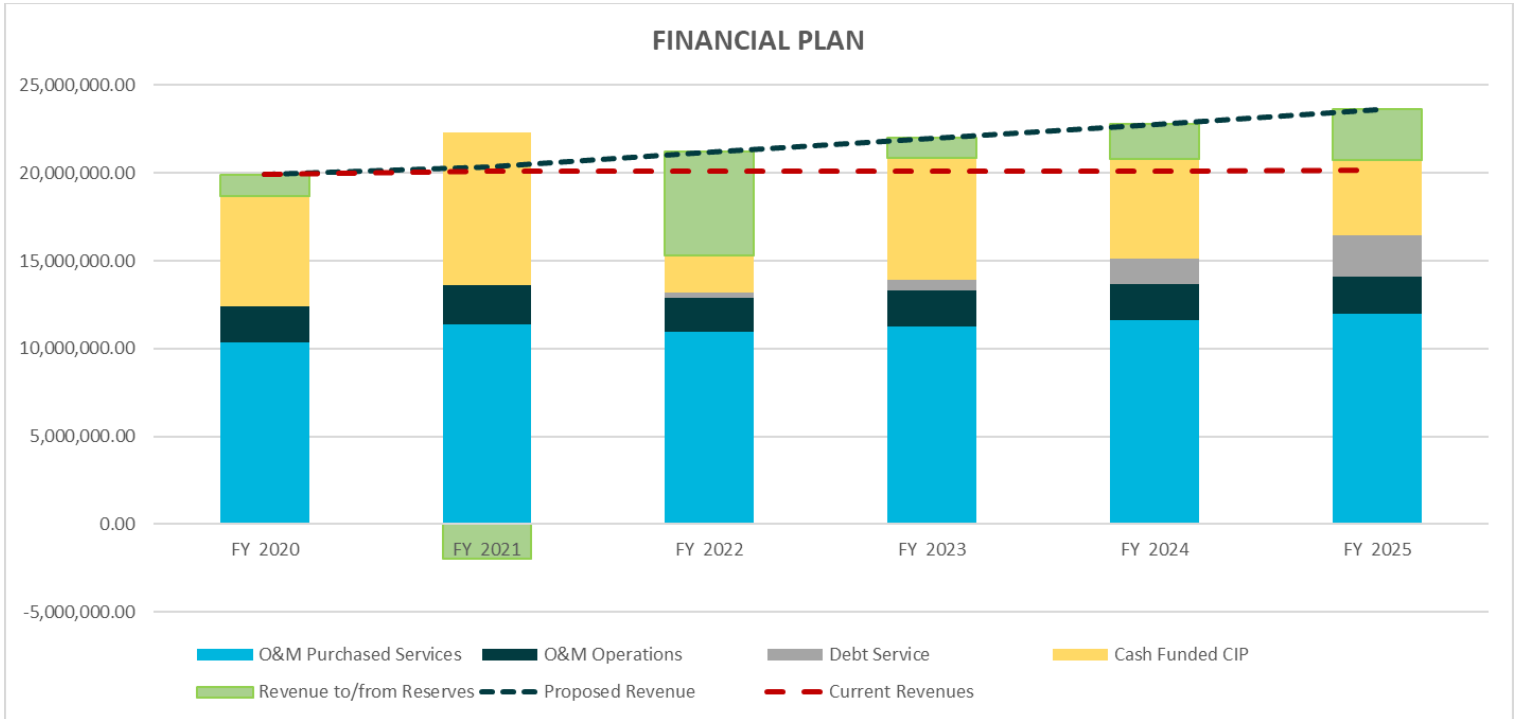
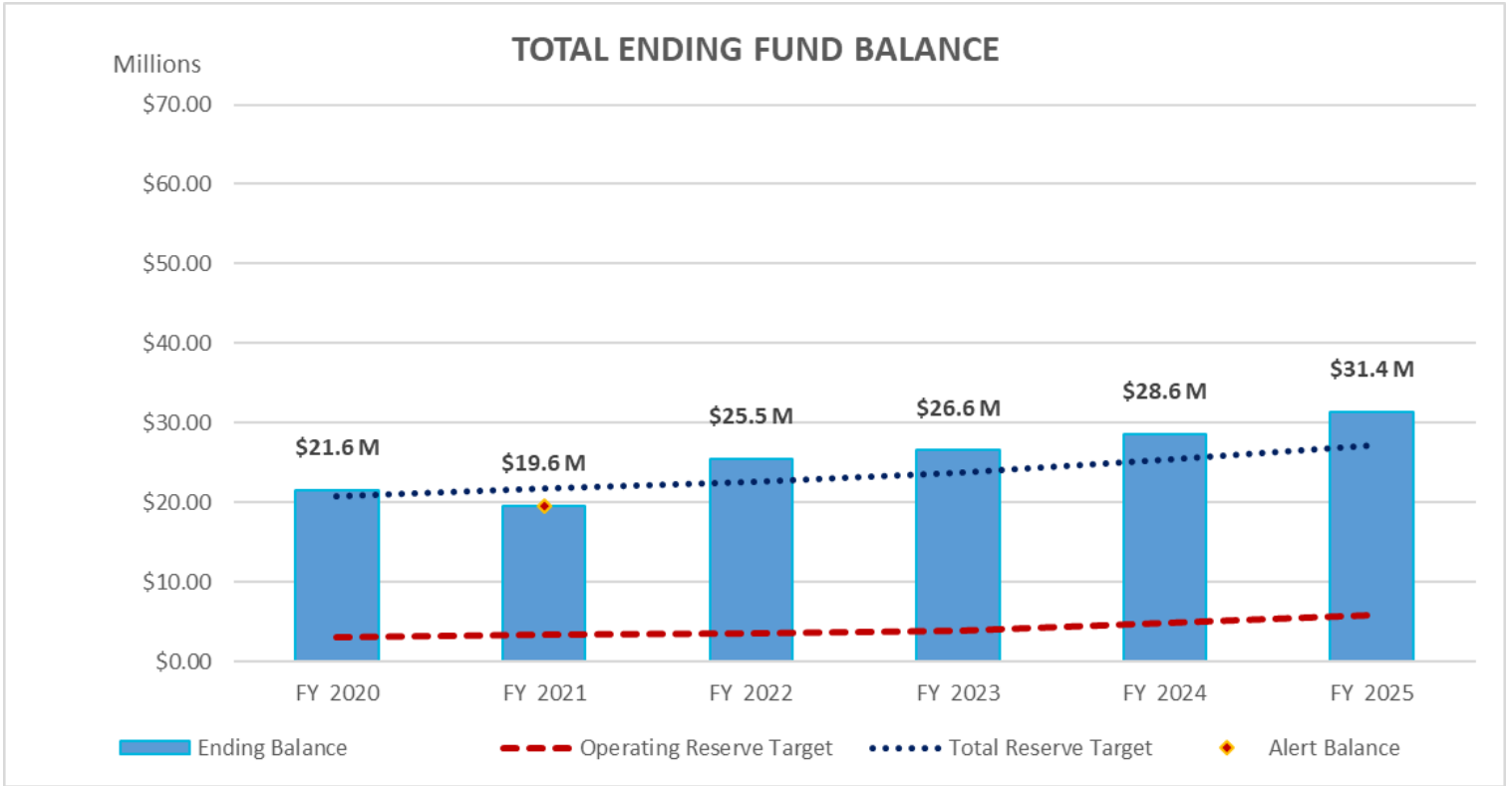


Figure 4-5: Projected Sanitation Fund Ending Balance - Proposed



**Table 4-13: Proposed Sanitation Financial Plan**

Sanitation Proforma	2020	2021	2022	2023	2024	2025
<b>Revenue</b>						
Revenue from Current Rates	\$19,055,487	\$19,255,318	\$19,255,318	\$19,255,318	\$19,255,318	\$19,255,318
Additional Revenue from Adjustments	\$0	\$240,691	\$1,096,651	\$1,859,849	\$2,651,668	\$3,473,180
Other Revenue	\$845,000	\$850,025	\$855,125	\$863,527	\$872,055	\$880,711
<b>Total Revenue</b>	<b>\$19,900,487</b>	<b>\$20,346,035</b>	<b>\$21,207,094</b>	<b>\$21,978,695</b>	<b>\$22,779,041</b>	<b>\$23,609,209</b>
<b>O&amp;M</b>						
Purchased Services	\$10,331,549	\$11,363,900	\$10,948,836	\$11,278,364	\$11,617,811	\$11,967,477
All Other O&M	\$2,089,797	\$2,242,082	\$1,948,929	\$2,012,574	\$2,078,305	\$2,146,193
<b>Total O&amp;M</b>	<b>\$12,421,346</b>	<b>\$13,605,982</b>	<b>\$12,897,765</b>	<b>\$13,290,937</b>	<b>\$13,696,117</b>	<b>\$14,113,670</b>
<b>Net Operating Revenue (Excl. Debt)</b>	<b>\$7,479,141</b>	<b>\$6,740,052</b>	<b>\$8,309,329</b>	<b>\$8,687,757</b>	<b>\$9,082,925</b>	<b>\$9,495,539</b>
<b>Debt Service</b>	<b>\$0</b>	<b>\$0</b>	<b>\$306,825</b>	<b>\$622,997</b>	<b>\$1,432,614</b>	<b>\$2,367,042</b>
<b>Net Operating Revenue</b>	<b>\$7,479,141</b>	<b>\$6,740,052</b>	<b>\$8,002,504</b>	<b>\$8,064,760</b>	<b>\$7,650,311</b>	<b>\$7,128,498</b>
<b>CIP</b>						
Debt Funded	\$0	\$0	\$4,622,324	\$4,763,128	\$12,196,876	\$14,077,161
Cash Funded	\$6,293,359	\$8,698,507	\$2,122,144	\$6,961,818	\$5,666,233	\$4,266,953
<b>Total CIP</b>	<b>\$6,293,359</b>	<b>\$8,698,507</b>	<b>\$6,744,468</b>	<b>\$11,724,946</b>	<b>\$17,863,109</b>	<b>\$18,344,114</b>
<b>Net Cash Change</b>	<b>\$1,185,782</b>	<b>(\$1,958,455)</b>	<b>\$5,880,360</b>	<b>\$1,102,943</b>	<b>\$1,984,078</b>	<b>\$2,861,544</b>
<b>Beginning Fund Balance</b>	<b>\$20,381,779</b>	<b>\$21,567,561</b>	<b>\$19,609,107</b>	<b>\$25,489,466</b>	<b>\$26,592,409</b>	<b>\$28,576,487</b>
<b>ENDING FUND BALANCE</b>	<b>\$21,567,561</b>	<b>\$19,609,107</b>	<b>\$25,489,466</b>	<b>\$26,592,409</b>	<b>\$28,576,487</b>	<b>\$31,438,031</b>
<b>TARGET RESERVE BALANCE</b>	<b>\$20,842,766</b>	<b>\$21,804,079</b>	<b>\$22,623,947</b>	<b>\$23,754,387</b>	<b>\$25,408,123</b>	<b>\$27,217,620</b>
<b>PROJECTED DEBT COVERAGE</b>	<b>#N/A</b>	<b>#N/A</b>	<b>27.08</b>	<b>13.95</b>	<b>6.34</b>	<b>4.01</b>

# 5. Recycled Water Financial Plan

A review of a utility’s revenue requirements is a key first step in the rate study process. The review involves an analysis of annual operating revenues under the status quo, O&M expenses, transfers between funds, and reserve requirements. This section of the report provides a discussion of the projected revenues, O&M expenses, other reserve funding, and revenue adjustments estimated as required to ensure the fiscal sustainability and solvency of the Recycled Water Fund. Numbers shown in all the tables of this section are rounded; therefore, hand calculations based on the displayed numbers, such as summing or multiplying, may not equal the exact results shown.

## 5.1. Revenues from Current RW Rates

The District’s Recycled Water enterprise provides service to four different geographic zones: the Las Virgenes Valley Zone, the Western Zone, the Calabasas MWD Zone and the Calabasas Zone.

The current rates were last adjusted on January 1, 2020. **Table 5-1** summarizes the current recycled water commodity charges and **Table 5-2** and **Table 5-3** summarize the current elevation charges for regular and temporary services. As part of previous studies’ objectives, the recycled water fixed charges were set to match the fixed charges from the potable water fund. These are summarized again on **Table 5-4** and **Table 5-5**.

**Table 5-1: Current RW Commodity Charges (\$/HCF)**

Commodity	Current
Tier 1	\$1.16
Tier 2	\$2.27
Tier 3	\$3.13
Temporary	\$4.70

**Table 5-2: Current RW Elevation Charges (\$/HCF)**

Elevation (Regular)	Current
Las Virgenes Valley	\$0.00
East/West Valley	\$0.37

**Table 5-3 Current RW Temporary Elevation Charges (\$/HCF)**

Elevation (Temporary)	Current
Las Virgenes Valley	\$0.00
East/West Valley	\$0.55



**Table 5-4: Current RW Monthly Readiness to Serve Charges**

Monthly RTS Charge (Regular)	Current
3/4"	\$33.72
3/4" x 1"	\$33.72
1"	\$54.97
1 1/2"	\$108.07
2"	\$171.80
2 1/2"	\$373.61
3"	\$373.61
4"	\$671.00
6"	\$1,701.28
8"	\$2,975.84
10"	\$4,462.83

**Table 5-5: Current Temporary RW Monthly Readiness to Serve Charges**

Monthly RTS Charge (Temporary)	Current
1"	\$82.46
2 1/2" & 3"	\$560.42
4"	\$1,006.50
6"	\$2,551.92
8"	\$4,463.76
10"	\$6,694.25

**Table 5-6** summarizes the projected number of accounts by meter size for the Study period. Similar to the Potable Water enterprise, the Recycled Water enterprise is not expecting growth in accounts, so the existing number of accounts for FY 2020 was used to project the number of accounts through the remainder of the study period as was also mentioned in **Table 2-2**.

**Table 5-6: Projected Recycled Water Accounts**

Accounts	2020	2021	2022	2023	2024	2025
<i>Las Virgenes Valley Zone</i>						
<b>Meter Size</b>						
3/4" x 1"	1	1	1	1	1	1
1 1/2"	1	1	1	1	1	1
2"	11	11	11	11	11	11
6"	2	2	2	2	2	2
<b>Total Accounts - Las Virgenes Valley Zone</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>15</b>
<i>Calabasas Zone</i>						
<b>Meter Size</b>						
1 1/2"	22	22	22	22	22	22
2"	8	8	8	8	8	8
3"	2	2	2	2	2	2
4"	2	2	2	2	2	2

Accounts	2020	2021	2022	2023	2024	2025
6"	2	2	2	2	2	2
<b>Total Accounts - Calabasas Zone</b>	<b>36</b>	<b>36</b>	<b>36</b>	<b>36</b>	<b>36</b>	<b>36</b>
<i>Calabasas/MWD Zone</i>						
<b>Meter Size</b>						
3/4" x 1"	1	1	1	1	1	1
1"	11	11	11	11	11	11
1 1/2"	65	65	65	65	65	65
2"	90	90	90	90	90	90
3"	1	1	1	1	1	1
<b>Total Accounts - Calabasas/MWD Zone</b>	<b>168</b>	<b>168</b>	<b>168</b>	<b>168</b>	<b>168</b>	<b>168</b>
<i>Western Zone</i>						
<b>Meter Size</b>						
3/4"	1	1	1	1	1	1
3/4" x 1"	9	9	9	9	9	9
1"	52	52	52	52	52	52
1 1/2"	119	119	119	119	119	119
2"	252	252	252	252	252	252
3"	3	3	3	3	3	3
4"	3	3	3	3	3	3
6"	2	2	2	2	2	2
10"	1	1	1	1	1	1
<b>Total Accounts - Western Zone</b>	<b>442</b>	<b>442</b>	<b>442</b>	<b>442</b>	<b>442</b>	<b>442</b>
<i>Temporary - All Zones</i>						
<b>Meter Size</b>						
2 1/2" & 3"	3	3	3	3	3	3
4"	1	1	1	1	1	1
<b>Total Accounts - Temporary - All Zones</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>

The projected recycled water sales shown on **Table 5-7** were used to project recycled water usage in each tier and were based on consumption data from FY 2020. Like potable water, District staff estimates that recycled water usage will go down in the out years of the study starting in FY 2023 due to conservation efforts. The change in Demand can be referenced on **Table 2-3**. Raftelis took the assumptions from District Staff into account and developed an estimate for the projected amount of usage for each year of the study period.

**Table 5-7: Projected Recycled Water Sales**

Usage	2020	2021	2022	2023	2024	2025
<i>Las Virgenes Valley Zone</i>						
<b>Commodity Charges</b>						
Tier 1	68,039	68,039	68,039	66,101	64,443	63,038
Tier 2	17,400	17,400	17,400	16,904	16,480	16,121
Tier 3	24,513	24,513	24,513	23,815	23,217	22,711
<b>Total</b>	<b>109,952</b>	<b>109,952</b>	<b>109,952</b>	<b>106,820</b>	<b>104,140</b>	<b>101,870</b>

Usage	2020	2021	2022	2023	2024	2025
<b>Calabasas Zone</b>						
<b>Commodity Charges</b>						
Tier 1	107,698	107,698	107,698	104,630	102,005	99,782
Tier 2	24,643	24,643	24,643	23,941	23,340	22,831
Tier 3	71,454	71,454	71,454	69,419	67,677	66,202
<b>Total</b>	<b>203,795</b>	<b>203,795</b>	<b>203,795</b>	<b>197,990</b>	<b>193,023</b>	<b>188,816</b>
<b>Calabasas/MWD Zone</b>						
<b>Commodity Charges</b>						
Tier 1	357,198	357,198	357,198	347,024	338,317	330,944
Tier 2	75,873	75,873	75,873	73,712	71,863	70,297
Tier 3	73,063	73,063	73,063	70,982	69,201	67,693
<b>Total</b>	<b>506,135</b>	<b>506,135</b>	<b>506,135</b>	<b>491,718</b>	<b>479,381</b>	<b>468,933</b>
<b>Western Zone</b>						
<b>Commodity Charges</b>						
Tier 1	645,495	645,495	645,495	627,109	611,375	598,050
Tier 2	141,821	141,821	141,821	137,781	134,324	131,397
Tier 3	181,983	181,983	181,983	176,799	172,364	168,607
<b>Total</b>	<b>969,299</b>	<b>969,299</b>	<b>969,299</b>	<b>941,690</b>	<b>918,063</b>	<b>898,054</b>
<b>Temporary - All Zones</b>						
<b>Commodity Charges</b>						
Las Virgenes Valley Zone	128	128	128	128	128	128
East/West Zone	4,176	4,176	4,176	4,176	4,176	4,176
Total Usage - Temporary - All Zones	4,304	4,304	4,304	4,304	4,304	4,304
<b>Total (hcf)</b>	<b>1,793,485</b>	<b>1,793,485</b>	<b>1,793,485</b>	<b>1,742,523</b>	<b>1,698,911</b>	<b>1,661,977</b>
<b>Total (AF)</b>	<b>4,117 AF</b>	<b>4,117 AF</b>	<b>4,117 AF</b>	<b>4,000 AF</b>	<b>3,900 AF</b>	<b>3,815 AF</b>

Table 5-8 shows the projected commodity revenues for the Study period under the existing rates. Since the District adjusts rates in January, the FY 2020 rates include ½ year under the old rates (July 2019 through December 2019) and ½ year under the new rates (January 2020 through June 2020). The commodity revenues shown for FY 2020 through FY 2025 are calculated by multiplying the projected usage by the January 2020 rate. For example, the commodity charge revenue from Tier 1 usage in the Las Virgenes Valley Zone for FY 2022 can be calculated as follows:

$$\begin{aligned} & \text{Projected Tier 1 Usage for FY 2022} \times \text{Tier 1 Rate} \\ & 68,039 \times \$1.16 = \$78,926 \end{aligned}$$

The same calculation is repeated for all tiers and zones to determine the total commodity revenue for each year of the Study period.

Likewise, the same calculation is used to determine the elevation revenues except applied to an entire zone's usage. For example, the elevation charge revenue for Calabasas Zone usage for FY 2022 can be calculated as follows:

$$\text{Projected Calabasas Zone Usage for FY 2022} \times \text{Zone Rate} \\ 203,795 \times \$0.37 = \$75,404$$

The same calculation is repeated for all zones to determine the total elevation revenue for each year of the Study period.

The readiness-to-serve (RTS) charge revenue is the fixed portion of the water service charge that increases with meter size. For example, the RTS charge revenue for Calabasas Zone customers with a 2" meter for FY 2022 is calculated as follows:

$$\text{Fixed charge rate} \times \text{Number of accounts} \times 12 \text{ months} \\ \$171.80 \times 8 \times 12 = \$16,493$$

The same calculation is repeated for all meter sizes and then added together to determine the total RTS charge revenue.

Table 5-8 shows the projected revenue for each zone after applying the calculations above and adding them all together.

**Table 5-8: Projected Revenues from Current Recycled Water Rates**

Calculated RW Sales Rev	2020	2021	2022	2023	2024	2025
RW Sales - LV Valley	\$259,424	\$260,959	\$260,959	\$255,401	\$250,644	\$246,615
RW Sales - Calabasas	\$590,429	\$590,849	\$590,849	\$577,179	\$565,481	\$555,574
RW Sales - Calabasas MWD	\$1,270,904	\$1,284,523	\$1,284,523	\$1,255,967	\$1,231,530	\$1,210,835
RW Sales - Western	\$2,833,156	\$2,897,297	\$2,897,297	\$2,840,359	\$2,791,634	\$2,750,370
<b>Total</b>	<b>\$4,953,913</b>	<b>\$5,033,628</b>	<b>\$5,033,628</b>	<b>\$4,928,906</b>	<b>\$4,839,289</b>	<b>\$4,763,394</b>

## 5.2. Miscellaneous RW Revenues

In addition to revenue from rates, the Recycled Water Fund also receives miscellaneous revenues from different sources such as interest earnings and other operating/non-operating sources. Table 5-9 summarizes all revenue for the study period. Note that the RW sales revenue matches the revenue calculated in Table 5-8. The figures below are based on District staff projections for the Study period. No inflation is assumed for any of the miscellaneous revenues during the study period.

**Table 5-9: Projected Potable Water Revenues**

Revenue Summary	2020	2021	2022	2023	2024	2025
Temporary Meter Charge	\$1,800	\$1,800	\$1,800	\$1,800	\$1,800	\$1,800
Temporary Meter Installation Fees	\$100	\$100	\$100	\$100	\$100	\$100
Late Payment Fees and other Non-Operating Revenues	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
Water Usage - Accidents	\$100	\$100	\$100	\$100	\$100	\$100
RW Sales - Calabasas	\$590,429	\$590,849	\$590,849	\$577,179	\$565,481	\$555,574
RW Sales - LV Valley	\$259,424	\$260,959	\$260,959	\$255,401	\$250,644	\$246,615
RW Sales - Calabasas MWD	\$1,270,904	\$1,284,523	\$1,284,523	\$1,255,967	\$1,231,530	\$1,210,835

Revenue Summary	2020	2021	2022	2023	2024	2025
RW Sales - Western	\$2,833,156	\$2,897,297	\$2,897,297	\$2,840,359	\$2,791,634	\$2,750,370
Other Income from Operations	\$90,000	\$90,000	\$90,000	\$90,000	\$90,000	\$90,000
<b>Grand Total</b>	<b>\$5,145,913</b>	<b>\$5,225,628</b>	<b>\$5,225,628</b>	<b>\$5,120,906</b>	<b>\$5,031,289</b>	<b>\$4,955,394</b>

## 5.3. RW O&M Expenses

### 5.3.1. RECYCLED WATER SUPPLY COSTS

Based on projections and inputs from District staff, the respective sources of water per unit price, and expected purchase quantities are shown in **Table 5-10** below. The total water supply costs at the bottom of **Table 5-10** are determined by multiplying the per unit costs for each source of water by the corresponding quantity purchased from that source and adding in the fixed costs associated with each source. Estimated sales figures were used for FY 2020 and projected sales were used for FY 2021 and beyond.

**Table 5-10: Projected Recycled Water Supply Costs**

Recycled Water Source of Supply	2020	2021	2022	2023	2024	2025
<b>RECYCLED WATER SUPPLY INFORMATION</b>						
Recycled Sales	4,117 AF	4,117 AF	4,117 AF	4,000 AF	3,900 AF	3,815 AF
Recycled Water Loss	3.08%	3.08%	3.08%	3.08%	3.08%	3.08%
Quantity to be Purchased	4,244 AF	4,244 AF	4,244 AF	4,123 AF	4,020 AF	3,933 AF
JPA RWTR	3,268 AF	3,259 AF	3,264 AF	3,143 AF	3,040 AF	2,953 AF
From Potable Water Fund	976 AF	985 AF	980 AF	980 AF	980 AF	980 AF
JPA RWTR	\$585 /AF	\$597 /AF	\$610 /AF	\$623 /AF	\$636 /AF	\$649 /AF
From Potable Water Fund	\$1,987 /AF	\$2,131 /AF	\$2,206 /AF	\$2,333 /AF	\$2,462 /AF	\$2,600 /AF
Source of Supply						
Purchased Water - JPA RWTR	\$1,912,511	\$1,947,296	\$1,991,240	\$1,957,941	\$1,933,427	\$1,917,282
Purchased Water - Potable Suppl	\$1,938,826	\$2,099,432	\$2,162,279	\$2,286,177	\$2,413,012	\$2,547,665

### 5.3.2. RECYCLED WATER OPERATING EXPENSES

Using the District's FY 2020 budget values, inflation factors were assigned to each line item to determine future O&M costs for the Recycled Water Fund. These inflation factors can be found on **Table 2-1**. **Table 5-11** summarizes budgeted and projected O&M expenses for the Recycled Water Fund during the Study period. Note that the source of supply costs match those found in **Table 5-10** in all years except FY 2020 where Raftelis is using the District's estimated sales figures. Please refer to the District budget document for descriptions of each expense item.

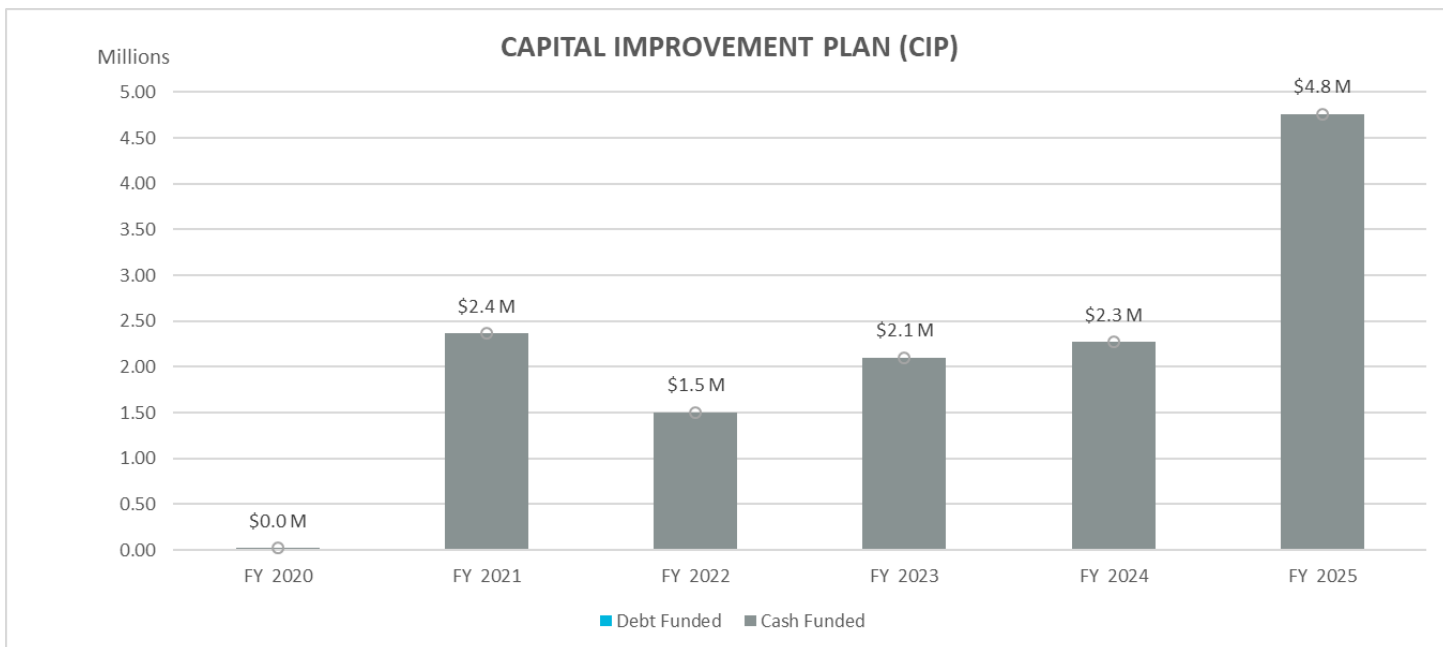
**Table 5-11: Projected Recycled Water Operating Expenses**

RW O&M Summary	2020	2021	2022	2023	2024	2025
Source of Supply	\$3,424,698	\$4,046,728	\$4,153,518	\$4,244,118	\$4,346,439	\$4,464,946
Operating Expenses	\$149,912	\$154,500	\$156,500	\$162,654	\$169,051	\$175,700
Maintenance Expenses	\$7,933	\$9,623	\$4,223	\$4,377	\$4,537	\$4,703
Resource Conservation	\$4,070	\$3,000	\$3,000	\$3,096	\$3,195	\$3,297
Administrative Expense	\$1,098,588	\$803,273	\$807,197	\$833,027	\$859,684	\$887,194
<b>Grand Total</b>	<b>\$4,685,202</b>	<b>\$5,017,125</b>	<b>\$5,124,438</b>	<b>\$5,247,272</b>	<b>\$5,382,906</b>	<b>\$5,535,841</b>

## 5.4. Projected Capital Improvement Projects

The District has programmed approximately \$13M in capital expenditures during the Study period for the Recycled Water enterprise, as shown in **Figure 5-1**. (A full list of projects and costs can be found in the Appendix). The CIP costs for future years are determined by using the programmed/budgeted costs and inflating the value by the construction inflation factor shown in **Table 2-1**. The District plans to fund all the replacement CIP via 100 percent pay-as-you go (PAYGO). Additionally, the District intends to fund 24% of the Pure Water Project through the Recycled Water Enterprise based on the calculated benefit as a percentage to the respective systems. These costs are included in **Figure 5-1** below.

**Figure 5-1: Projected Recycled Water Replacement CIP and Funding Sources**



## 5.5. Debt Service

The Recycled Water Fund currently has no outstanding debt. The District does not plan to issue debt in the next five years.

## 5.6. Status Quo Potable RW Financial Plan

**Figure 5-2** shows the revenue shortfalls that begin in FY 2021 and carry through each year of the study period. The dashed lines represent the projected revenues from current rates without any adjustment (gross increase in rate revenues). Note that the blue dashed line (Proposed) matches the red dashed line (Current) as no revenue adjustments are made in this scenario. The stacked bars represent the expenditures such as O&M expenses (blue), O&M supply expenses (teal), and PAYGO CIP (yellow). The green bars below the axis signify that the collected revenues are insufficient for operating and capital costs in those years and require drawing on the current fund reserve balances as can be seen in **Figure 5-3**. **Figure 5-3** also shows that the recycled water fund currently meets its target reserves; however, the reserves are depleted quickly as the Pure Water Project begins implementation. This makes clear that the current recycled revenues are insufficient and that certain revenue adjustments are required.

**Figure 5-2: Status Quo Recycled Water Financial Plan**

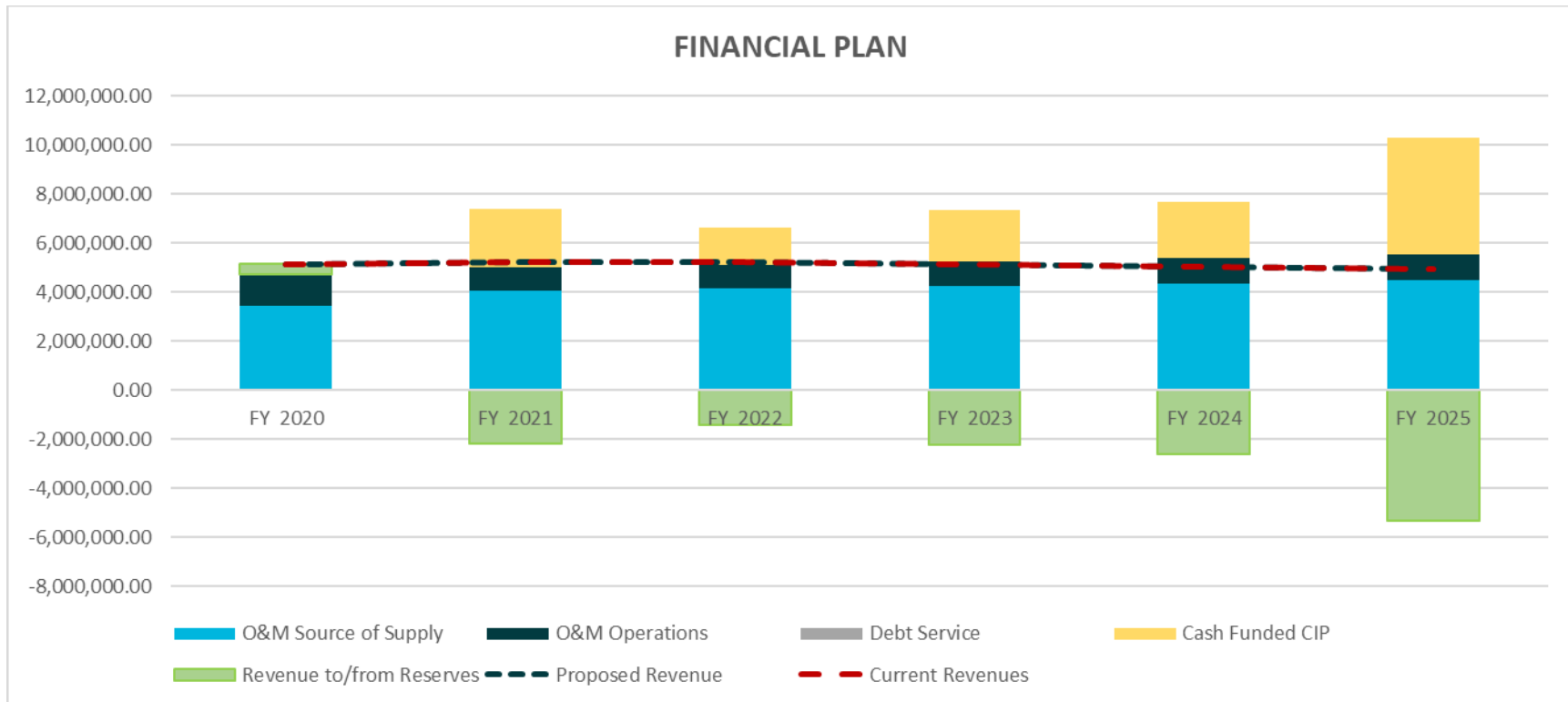


Figure 5-3: Status Quo Recycled Water Fund Ending Balances

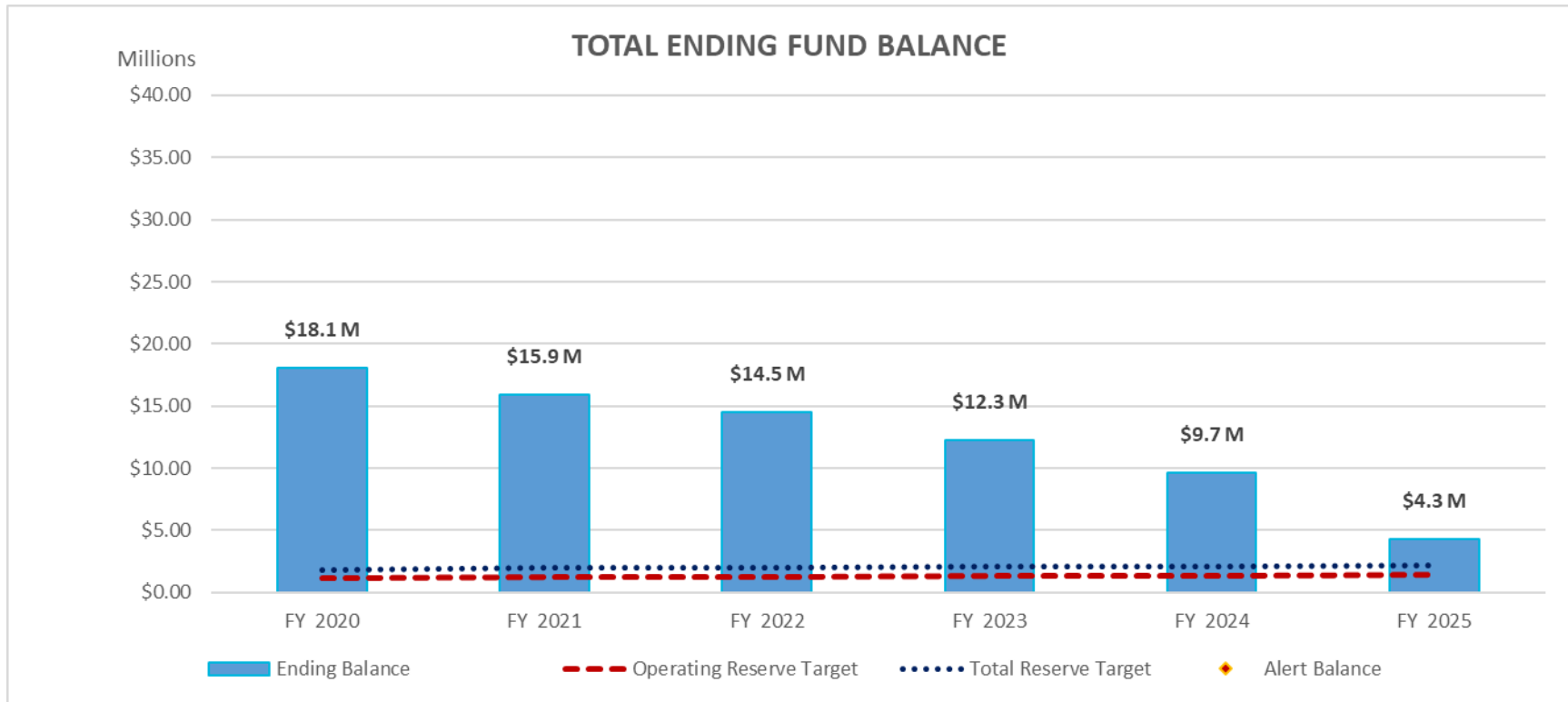


Table 5-12 displays the pro forma of the District’s Potable Water Fund under current rates over the Study period. All projections shown in the table are based upon the District’s current rate structure. The pro-forma incorporates the data shown in Table 5-8 for revenues from current rates, Table 5-9 for miscellaneous revenues, Table 5-10 for recycled water supply costs, Table 5-11 for O&M expenses and Figure 5-1 for Capital Projects.



**Table 5-12: Recycled Water Status Quo Financial Plan**

	2020	2021	2022	2023	2024	2025
<b>Revenue</b>						
Revenue from Current Rates	\$4,953,913	\$5,033,628	\$5,033,628	\$4,928,906	\$4,839,289	\$4,763,394
Additional Revenue from Adjustments	\$0	\$0	\$0	\$0	\$0	\$0
Other Revenues	\$192,000	\$192,000	\$192,000	\$192,000	\$192,000	\$192,000
<b>Total Operating Revenues</b>	\$5,145,913	\$5,225,628	\$5,225,628	\$5,120,906	\$5,031,289	\$4,955,394
<b>O&amp;M</b>						
Source of Supply	\$3,424,698	\$4,046,728	\$4,153,518	\$4,244,118	\$4,346,439	\$4,464,946
All Other O&M	\$1,260,503	\$970,396	\$970,920	\$1,003,154	\$1,036,467	\$1,070,894
<b>Total Operating Expenses</b>	\$4,685,202	\$5,017,125	\$5,124,438	\$5,247,272	\$5,382,906	\$5,535,841
<b>Net Operating Revenue (Excl. Debt)</b>	\$460,711	\$208,504	\$101,190	(\$126,366)	(\$351,618)	(\$580,447)
<b>Debt Service</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Net Operating Revenue</b>	\$460,711	\$208,504	\$101,190	(\$126,366)	(\$351,618)	(\$580,447)
<b>CIP</b>	\$0	\$0	\$0	\$0	\$0	\$0
Debt Funded	\$0	\$0	\$0	\$0	\$0	\$0
Cash Funded	\$23,889	\$2,368,617	\$1,504,598	\$2,102,664	\$2,273,726	\$4,761,888
Total CIP	\$0	\$0	\$0	\$0	\$0	\$0
<b>Net Cash Change</b>	\$436,822	(\$2,160,113)	(\$1,403,408)	(\$2,229,030)	(\$2,625,343)	(\$5,342,335)
<b>Beginning Fund Balance</b>	\$17,641,609	\$18,078,431	\$15,918,318	\$14,514,910	\$12,285,880	\$9,660,537
<b>ENDING FUND BALANCE</b>	\$18,078,431	\$15,918,318	\$14,514,910	\$12,285,880	\$9,660,537	\$4,318,202
<b>TARGET RESERVE BALANCE</b>	\$1,842,832	\$1,950,996	\$2,003,951	\$2,061,766	\$2,123,797	\$2,191,209
PROJECTED DEBT COVERAGE	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A

## 5.7. Proposed RW Financial Plan

Raftelis developed a 5-year Financial Plan Model incorporating the known and projected cost increases for operating and capital expenditures. The results were presented and discussed with District Staff and the District Board. Raftelis devised several scenarios for the Board to review and the District deemed the scenario below the most appropriate as consistent annual increases will avoid even higher increases or “spikes” in future years. The District’s goals are to keep up its reserve target and build its reserves as there are significant CIP expenditures for the Pure Water Project outside of this analysis’s study period. The proposed revenue adjustments for the recycled water fund are shown below on **Table 5-13**.

**Table 5-13: Recycled Water Proposed Adjustments**

2021	2022	2023	2024	2025
March	January	January	January	January
8.0%	8.0%	8.0%	8.0%	8.0%

The recycled water financial plan with the proposed revenue adjustments is summarized in the following figures. In **Figure 5-4** the dashed red line represents projected revenues from current rates without any adjustment while the dashed blue line represents the projected revenues with the proposed revenue adjustments shown in **Table 5-13**. The stacked bars represent the expenditures, such as debt service (grey), O&M expenses (blue), O&M water supply expenses (teal), and PAYGO CIP (yellow). The green bars remain below the axis so the District will continue drawing on its reserves but will still be able to maintain its reserve targets. **Figure 5-5** shows the forecasted recycled water fund ending balances (blue bars) after incorporating the proposed revenue adjustments and projected expenses (shown in **Figure 5-4**) and the estimated water fund beginning balance as of FY 2020. The blue bar intersecting with the dotted blue line in every year of the study period indicates that the District will maintain its reserve target. **Table 5-14** numerically summarizes the financial plan under the proposed scenario.

Figure 5-4: Proposed Recycled Water Financial Plan

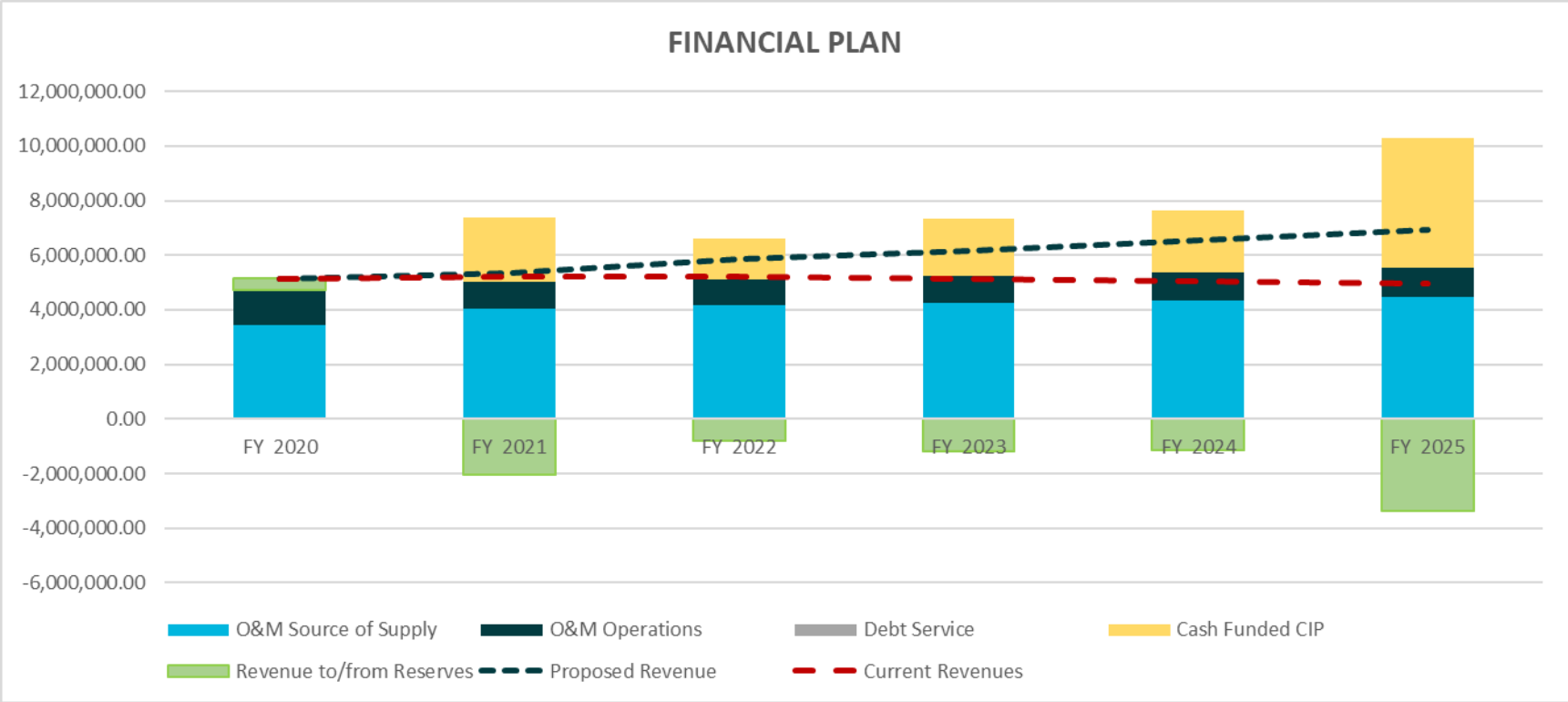
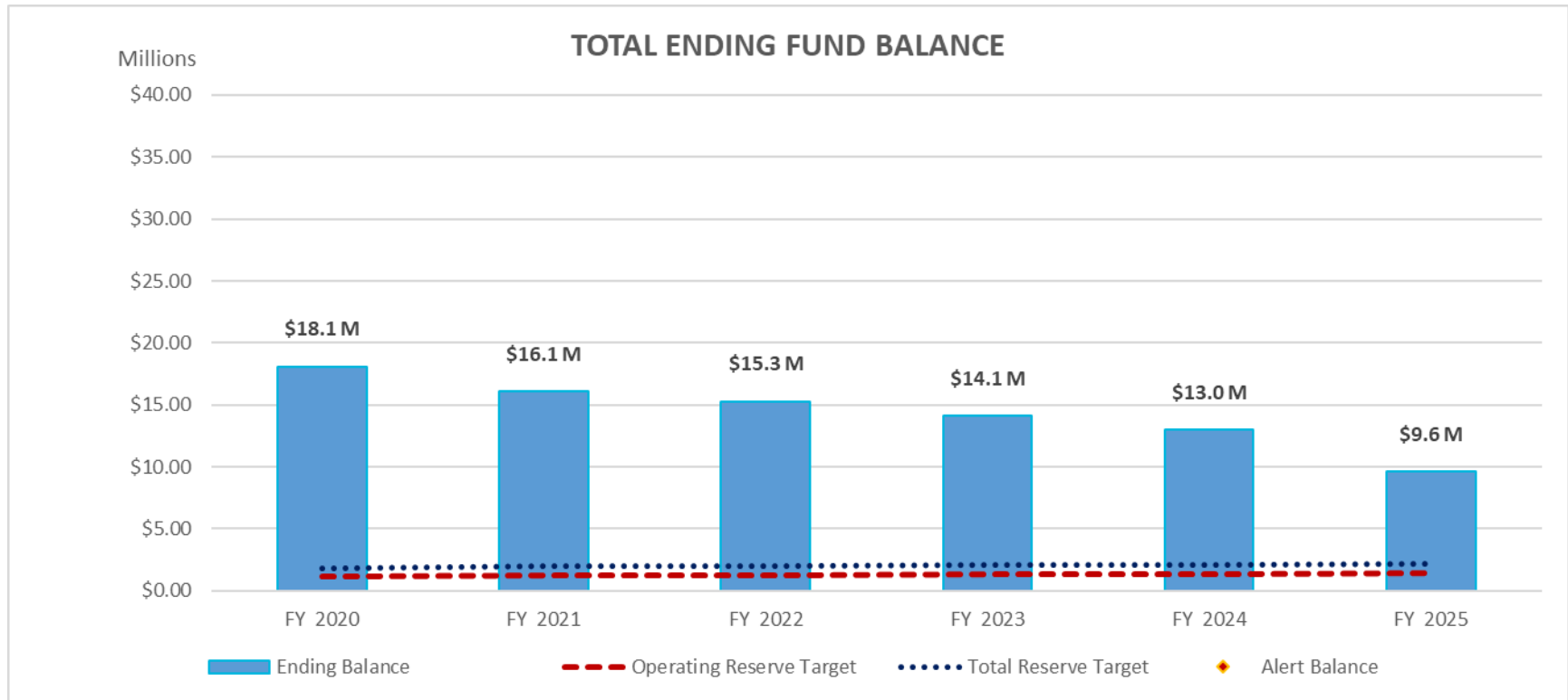


Figure 5-5: Proposed Recycled Water Fund Ending Balances



**Table 5-14: Proposed Recycled Water Financial Plan**

<b>Recycled Water Proforma</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
<b>Revenue</b>						
Revenue from Current Rates	\$4,953,913	\$5,033,628	\$5,033,628	\$4,928,906	\$4,839,289	\$4,763,394
Additional Revenue from Adjustments	\$0	\$134,230	\$620,143	\$1,050,133	\$1,500,666	\$1,976,373
Other Revenues	\$192,000	\$192,000	\$192,000	\$192,000	\$192,000	\$192,000
<b>Total Operating Revenues</b>	<b>\$5,145,913</b>	<b>\$5,359,859</b>	<b>\$5,845,771</b>	<b>\$6,171,039</b>	<b>\$6,531,954</b>	<b>\$6,931,767</b>
<b>O&amp;M</b>						
Source of Supply	\$3,424,698	\$4,046,728	\$4,153,518	\$4,244,118	\$4,346,439	\$4,464,946
All Other O&M	\$1,260,503	\$970,396	\$970,920	\$1,003,154	\$1,036,467	\$1,070,894
<b>Total Operating Expenses</b>	<b>\$4,685,202</b>	<b>\$5,017,125</b>	<b>\$5,124,438</b>	<b>\$5,247,272</b>	<b>\$5,382,906</b>	<b>\$5,535,841</b>
<b>Net Operating Revenue (Excl. Debt)</b>	<b>\$460,711</b>	<b>\$342,734</b>	<b>\$721,333</b>	<b>\$923,767</b>	<b>\$1,149,048</b>	<b>\$1,395,926</b>
<b>Debt Service</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Net Operating Revenue</b>	<b>\$460,711</b>	<b>\$342,734</b>	<b>\$721,333</b>	<b>\$923,767</b>	<b>\$1,149,048</b>	<b>\$1,395,926</b>
<b>CIP</b>						
Debt Funded	\$0	\$0	\$0	\$0	\$0	\$0
Cash Funded	\$23,889	\$2,368,617	\$1,504,598	\$2,102,664	\$2,273,726	\$4,761,888
Total CIP	\$0	\$0	\$0	\$0	\$0	\$0
<b>Net Cash Change</b>	<b>\$436,822</b>	<b>(\$2,025,883)</b>	<b>(\$783,265)</b>	<b>(\$1,178,897)</b>	<b>(\$1,124,678)</b>	<b>(\$3,365,962)</b>
<b>Beginning Fund Balance</b>	<b>\$17,641,609</b>	<b>\$18,078,431</b>	<b>\$16,052,548</b>	<b>\$15,269,283</b>	<b>\$14,090,386</b>	<b>\$12,965,709</b>
<b>ENDING FUND BALANCE</b>	<b>\$18,078,431</b>	<b>\$16,052,548</b>	<b>\$15,269,283</b>	<b>\$14,090,386</b>	<b>\$12,965,709</b>	<b>\$9,599,746</b>
<b>TARGET RESERVE BALANCE</b>	<b>\$1,842,832</b>	<b>\$1,950,996</b>	<b>\$2,003,951</b>	<b>\$2,061,766</b>	<b>\$2,123,797</b>	<b>\$2,191,209</b>
<b>PROJECTED DEBT COVERAGE</b>	<b>#N/A</b>	<b>#N/A</b>	<b>#N/A</b>	<b>#N/A</b>	<b>#N/A</b>	<b>#N/A</b>

# 6. Water Cost of Service Analysis and Rate Design

## 6.1. Potable Water Cost of Service Analysis

Proposition 218 requires a nexus between the rates charged and the costs of providing service. Based on the proposed financial plan, the cost of service analysis translates this financial requirement into actual rates. The first step in the cost of service analysis is to determine how much revenue is required to be collected from rates. The methodology used is based upon the premise that the utility must generate annual revenues adequate to meet its estimated annual expenses. As part of the cost of service analysis, several adjustments are made to determine the annual revenues needed from rates. Revenues from sources other than potable water rates and charges (e.g. revenues from miscellaneous services) are deducted. The financial plan (from Section 4) shows the required revenue adjustment for 2020 effective in January 2020, or six months of revenues under new rates; however, the calculated revenue requirement shown in **Table 6-1** is annualized. Numbers shown in all of the tables of this section are rounded; therefore, hand calculations based on the displayed numbers, such as summing or multiplying, may not equal the exact results shown.

**Table 6-1: Annualized Potable Water Revenue Requirement for FY 2020**

A	B	C	D
Line	REVENUE REQUIREMENTS	2020	Notes
1	O&M Expenses	\$37,371,134	Table 3-12
2	Debt Service	\$0	Table 3-13
3	Rate Funded Replacement CIP	\$1,415,242	Figure 3-1
4	Net Cash Change	\$5,822,781	
5	Mid-Year Adjustment	\$1,324,865	
6	<b>SUBTOTAL REVENUE REQUIREMENTS</b>	<b>\$45,934,022</b>	
7			
8	<i>Less Non-Operating Revenues</i>		
11	Temporary Meter Fees	(\$3,000)	Table 3-10
12	Late Payment Fees and other Non-Operating Revenues	(\$536,000)	Table 3-10
13	Water Usage - Accidents	(\$29,500)	Table 3-10
14	PW Supplement to RW	(\$1,542,080)	Table 3-10
19	Other Income from Operations (Includes Property Tax)	(\$696,163)	Table 3-10
20	<b>SUBTOTAL NON-OPERATING REVENUE REQUIREMENTS</b>	<b>(\$2,806,743)</b>	
21			
22	<b>NET REVENUE REQUIREMENTS</b>	<b>\$43,127,279</b>	

According to the M1 Manual, the costs incurred by a water utility are based upon the specific service requirements or cost drivers imposed on the system by its customers. Each of the various water utility facilities

are designed and sized to meet one or more of these cost drivers. The capital costs incurred in the construction/installation of these facilities, as well as the O&M expenses incurred in running the system, are linked to these service requirements. The principal service requirements that drive costs include the annual volume of water consumed, the peak water demands incurred, the number of customers in the system, and the number of fire services required to maintain adequate fire protection. Accordingly, these service requirements are the basis for the selection of the cost components used in the second step in the cost-of-service allocation process.

The American Water Works Association recommends two methods for classifying costs among various customers: (1) the Base-Extra Capacity method in which costs are allocated to the different customer categories proportionate to their use of the water system; and (2) the Commodity-Demand method in which costs are proportionately allocated to each customer category based on their peak demand. Although the two methods vary in the way in which costs are allocated, both result in rates designed to recover the reasonable cost of service during periods of both average and peak demands. This Study uses the Base-Extra Capacity method, which is widely used in the water industry to serve retail customers.

The second step in the cost of service analysis is to functionalize the revenue requirements into cost components. This analysis employs the “Base-Extra Capacity” method, under which water utility costs of service are assigned to basic functional cost components including:

- **Potable water supply costs** – the cost of procuring water to meet customer demands.
- **Base costs** — fixed costs incurred to meet average demand. Base costs include operations and maintenance and capital costs under average (base) demand conditions, a portion of operations and maintenance costs associated with storage, treatment, pumping and distributions facilities, and certain water capital cost investments.
- **Extra capacity or peaking costs** — fixed water system costs to meet maximum day and maximum hour, or peaking, demand. Extra capacity costs are associated with meeting water demands that exceed average (base) levels of use by system customers. These costs are incurred because of water use variations and peak demands of customers.
- **Conservation** — costs associated with conservation/efficiency programs
- **Meter Service** — costs of meter maintenance/repair and some capacity-related costs
- **Customer-service** — costs of meter reading, billing, and other customer services
- **Administration** — (e.g.: HR, IT, Facility Costs, Accounting, Governance)

Both base and peaking costs are considered fixed costs along with billing and customer service costs, fire protection and meter service costs. Customer costs are costs associated with serving customers, such as meter reading, billing, customer service, etc. Direct fire protection costs are related to the costs that apply solely to the fire protection function of the water system, both public and private, such as fire hydrants and related branch mains and valves, and the additional capacity required in the system to accommodate fire flow in case of an emergency.

Raftelis analyzed the previous study’s peaking factor characteristics and discussed them with District staff who said that the peaking factors and their calculations are still up to date. **Table 6-2** below summarizes the peaking characteristics of the District’s water system determined by the District’s Water Master Plan. The following definitions are used to determine the water system peaking factors:

- **Average Daily Flow**– volume of water delivered to the system over the course of a year divided by 365 days.
- **Average Hourly Flow**– volume of water delivered to the system over the course of a year divided by 8,760 hours (hours in a year).
- **Peak Day Demand** – largest volume of water delivered to the system in a single day.
- **Peak Hour Demand** – maximum volume of water delivered to the system in a single hour.

The Max Day peaking factor<sup>4</sup> is calculated as follows:

$$\frac{\text{Peak Day Demand}}{\text{Average Daily Flow}} = 2.10$$

The Max Hour peaking factor<sup>5</sup> (Peak Hour Demand) is calculated as follows:

$$\frac{\text{Peak Hour Demand}}{\text{Average Hourly Flow}} = 2.50$$

These ratios will be used in the following sections to determine the appropriate percentage allocation of total O&M and capital costs towards peaking

**Table 6-2: Potable Water System Peaking Factors**

A	B	C
Line		Peaking Factors
1	Base	1.00
2	Max Day	2.10
3	Max Hour	2.50

**Table 6-3** summarizes the allocation percentages for the peaking factors using the peaking factors found in **Table 6-2** Base represents average daily demand during the year, which has been normalized to a factor of 1.00 (Column B, Line 1).

The allocation bases (Columns C to E) are calculated using the equations outlined in this section. Columns are represented in these equations as letters and rows are represented as numbers. For example, Column D, Line 2 is shown as D2.

The Max Day allocations are calculated as follows:

- » Base Delivery:  $B1 / B2 \times 100\% = C2$
- » Max Day:  $(B2 - B1) / B2 \times 100\% = D2$

The Max Hour allocations are calculated as follows:

- » Base Delivery:  $B1 / B3 \times 100\% = C3$
- » Max Day:  $(B2 - B1) / B3 \times 100\% = D3$
- » Max Hour:  $(B3 - B2) / B3 \times 100\% = E3$

<sup>4</sup> Figure provided by District staff

<sup>5</sup> Figure provided by District staff



**Table 6-3: Allocation of Extra Capacity to Cost Components**

Line	Allocation Factor	Peaking Factor	Base	Max Day	Max Hour
No.	A	B	C	D	E
1	Base	1.00	100.0%		
2	Max Day	2.10	47.6%	52.4%	
3	Max Hour	2.50	40.0%	44.0%	16.0%

The revenue to be recovered from rates is allocated according to the categories listed below in **Table 6-4**. Note that the annualized revenue adjustment (shown in row 5 of **Table 6-1**) applies only to water system costs (Base Fixed, Peaking, B&CS and Meter). The water supply costs reflect the anticipated water costs for FY 2020.

For further detail please see Appendix, which shows the step-by-step allocations for each cost component. Note that the revenue required from rates (Column C Line 14 **Table 6-4**) is equal to the Net Revenue Requirement from **Table 6-1** Column C Line 22.

**Table 6-4: Allocated Potable Water System Costs**

A	B	C
Line	Cost Component	2020
1	Water Supply	\$19,683,242
2	Power	\$2,177,845
3	Base	\$7,837,568
4	Max Day	\$10,398,835
5	Max Hour	\$1,941,756
6	Conservation	\$731,260
7	Rev Offset	-\$1,264,663
8	Fire	\$0
9	Meters	\$1,048,775
10	B&CS	\$572,662
11	General	\$0
12	<b>Total</b>	<b>\$43,127,279</b>
13	Pass-through Rev	\$0
14	<b>Revenue Required from Rates</b>	<b>\$43,127,279</b>

According to the M1 Manual, the cost-of-service approach to setting water rates results in the proportionate distribution of costs to each customer or customer class based on the costs that each incurs. A dual set of fees—fixed and variable—is an extension of this cost causation theory. For example, a utility incurs some costs associated with serving customers irrespective of the amount or rate of water they use, such as billing and customer service costs. These types of costs are referred to as customer-related costs and typically are costs that would be recovered through a fixed charge. These costs are usually recovered on a per-customer basis or some

other non-consumptive basis. Regardless of the level of a customer's consumption, a customer will be charged this minimum amount in each bill.

Utilities invest in and continue to maintain facilities to provide capacity to meet all levels of desired consumption including the peak<sup>6</sup> demand plus fire protection, and these costs must be recovered regardless of the amount of water used during a given period. Thus, peaking costs along with base costs and fixed water system costs to meet average demand are generally considered as fixed water system costs. It is ideal that agencies recover 100 percent of their fixed costs through monthly base fees; however, this forgoes the affordability for essential use and heavily impacts efficient users. To balance between affordability and revenue stability, it is a common practice that a portion of the base costs and peaking costs are recovered in the monthly base fee along with customer-related costs and meter-related costs.

The most common method for levying base fees is by meter size. Meter size is a proxy for the potential demand that each customer places on the water system. The District's base meter is most commonly a  $\frac{3}{4}$  by 1-inch meter. The ratio at which the meter charge increases is a function of the meter's safe operating capacity. For example, based on the AWWA meter capacity ratios, a customer that has a 2-inch meter has the capacity equivalency of 5.33  $\frac{3}{4}$ -inch meters. (A 2-inch meter has a safe operating capacity of 160 gallons per minute (gpm) compared to a  $\frac{3}{4}$ -inch meter which has a safe operating capacity of 30 gpm, as listed in Table B-1 in the M1 Manual).

Billing and customer service costs related to meter reading, billing, and collections are distributed among customers based on the total number of bills rendered in a test year, which is FY 2020 for this Study. Meter service costs, costs related to maintenance and costs related to customer meters and services, are distributed to customers in proportion to estimated costs for meters and services installed. Capacity costs, costs related to capital and costs related to customer meters and services, are distributed in proportion to meter demand capacity as provided by the M1 Manual. According to the M1 Manual, distribution of meter service costs and capacity costs by equivalent meter and service ratios recognizes that meter and service costs vary, depending on considerations such as the size of service pipe, materials used, locations of meters and other local characteristics for various size meters as compared to 1-inch meters and services.

The components of water system costs (column C of **Table 6-4**) are recovered through either RTS charge revenues, commodity charge revenues, elevation charge revenues, or a combination of the three.

As shown in **Table 6-5** below, the entirety of the water supply is recovered from commodity charges (column C). On the other hand, meter costs and billing & customer service costs are entirely recovered from RTS charges (column D). Base and peaking costs are recovered from both RTS charges and commodity charges (columns C & D). Power costs are recovered from a combination of elevation charges and commodity charges (columns B & C).

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<sup>6</sup> Peaking costs are the costs related to providing water during high-demand periods.

**Table 6-5: Potable Water Revenue Requirements Allocated to Rate Components**

	Revenue Requirement	2020 @ Proposed Rates	Elevation Charges	Commodity Charges	Readiness-to-serve Charges
Line	by Cost Categories	A	B	C	D
1	Water Supply	\$19,683,242		\$19,683,242	
2	Power	\$2,177,845	\$1,797,794	\$380,051	
3	Base	\$7,837,568		\$3,762,032	\$4,075,535
4	Max Day	\$10,398,835		\$4,991,441	\$5,407,394
5	Max Hour	\$1,941,756		\$932,043	\$1,009,713
6	Conservation	\$731,260		\$731,260	
7	Rev Offset	(\$1,264,663)		(\$1,264,663)	
8	Meters	\$1,048,775			\$1,048,775
9	B&CS	\$572,662			\$572,662
10	General	\$0			
11	Total	\$43,127,279	\$1,797,794	\$29,215,406	\$12,114,079

Table 6-6 allocates the commodity charge revenue requirements of \$29,215,406 (Table 6-5 Column C Line 11) to the various commodity rate components: (1) Base Power, (2) Water Supply, (3) Delivery, (4) Peaking, (5) Conservation, and (6) Revenue Offset.

**Table 6-6: Potable Water Commodity Revenue Requirements Allocated to Rate Components**

Line	2020	Rev Req	Base Power	Supply	Delivery	Peaking	Conservation	Rev Offset
1	Supply	\$19,683,242		\$19,683,242				
2	Power	\$380,051	\$380,051					
3	Base	\$3,762,032			\$3,762,032			
4	Max Day	\$4,991,441				\$4,991,441		
5	Max Hour	\$932,043				\$932,043		
6	Conserv	\$731,260					\$731,260	
7	Rev Offset	(\$1,264,663)						(\$1,264,663)
8	<b>Total</b>	<b>\$29,215,406</b>	<b>\$380,051</b>	<b>\$19,683,242</b>	<b>\$3,762,032</b>	<b>\$5,923,484</b>	<b>\$731,260</b>	<b>(\$1,264,663)</b>

Table 6-7 allocates the RTS charge rate revenue of \$12,114,079 (Table 6-5 Column D Line 11) to the various RTS rate components: (1) Billings and Customer Service, (2) Meters and Capacity.

**Table 6-7: Water RTS Revenue Requirements Allocated to Rate Components**

Line	2020	Rev Req	Billing & Customer Service	Meters & Capacity
1	Base	\$4,075,535		\$4,075,535
2	Max Day	\$5,407,394		\$5,407,394
3	Max Hour	\$1,009,713		\$1,009,713
4	Meters	\$1,048,775		\$1,048,775
5	B&CS	\$572,662	\$572,662	
6	Total	\$12,114,079	\$572,662	\$11,541,417

## 6.2. Potable Water Rate Calculations

### 6.2.1. READINESS TO SERVE (RTS) CHARGES

In order to create parity across the various meter sizes, each meter size is assigned a factor relative to a ¾” meter, which has a value of 1. According to the AWWA M1 Manual, a particular meter size’s ratio of meter and capacity servicing costs relative to that of a ¾” meter is its “Equivalent Meter Units” (EMU). For example, as noted earlier, a 2-inch meter has 5.33 times the throughput capacity of a ¾” meter and, therefore, has a multiplication factor of 5.33 to determine its EMU to ¾” meter. The Meter & Capacity factor escalates as meter size increases because the District’s cost to service a meter increases with its size. **Table 6-8** summarizes the EMUs for the regular services.

**Table 6-8: Equivalent Meter Units (EMUs) for FY 2020 for Regular Services**

Regular Services	Number of Accts	Meter & Capacity Factor	# of Bills per Year	Capacity EMUs per Year
	A	B	C = A x 12	D = B x C
¾"	478	1.00	5,736	5,736
¾" x 1"	16,145	1.00	193,740	193,740
1"	2,221	1.67	26,652	44,420
1 1/2"	775	3.33	9,300	31,000
2"	745	5.33	8,940	47,680
2 1/2"	-	11.67	-	-
3"	91	11.67	1,087	12,682
4"	26	21.00	312	6,552
6"	23	53.33	276	14,720
8"	4	93.33	48	4,480
10"	1	140.00	12	1,680
<b>Total</b>	<b>20,509</b>		<b>246,103</b>	<b>362,690</b>

RTS Charge components include two components: Billing & Customer Service, which is uniform for all accounts, and Meter Service and Capacity costs, which increase with meter capacity ratios. Since the cost of Billing & Customer Service does not fluctuate with usage, the unit cost is simply the line item’s revenue requirement divided by the number of bills issued. Meter & Capacity costs do increase with capacity of usage for each meter size; therefore, the revenue requirement must be divided by the EMUs to determine the unit rate. The unit rate for each Regular Service RTS component for FY 2020, is shown in **Table 6-9**.

**Table 6-9: Components for FY 2020 RTS Charge for Regular Services**

	Rev Requirement	Units of Service	Unit Cost of Service
	A	B	A / B
<b>Billing and Customer Service</b>	\$572,662	246,103	\$2.33
<b>Meters and Capacity</b>	\$11,541,417	362,690	\$31.82

The cost of service RTS charges proposed for FY 2020 in **Table 6-10** are built from adding up the monthly service charge components – Billing & Customer Service and Meters & Capacity. As noted above, the customer service cost is the same for each account regardless of meter size. The capacity component of the monthly base fee is determined by multiplying the unit cost of \$31.82

(found in **Table 6-9**) by the appropriate meter factor found in column B of **Table 6-8**. Adding these two components together yields the total cost of service monthly base fee for each meter size for FY 2020, as shown in **Table 6-10** below.

**Table 6-10: Cost of Service Readiness-to-Serve Charges**

Meter Size	Number of Accounts	Billing & CS	Capacity	Cost of Service RTS Charges
		A	B	C = A + B
3/4"	478	\$2.33	\$31.82	\$34.15
3/4" x 1"	16,145	\$2.33	\$31.82	\$34.15
1"	2,221	\$2.33	\$53.04	\$55.36
1 1/2"	775	\$2.33	\$106.07	\$108.40
2"	745	\$2.33	\$169.72	\$172.04
2 1/2"	-	\$2.33	\$371.25	\$373.58
3"	91	\$2.33	\$371.25	\$373.58
4"	26	\$2.33	\$668.26	\$670.58
6"	23	\$2.33	\$1,697.16	\$1,699.49
8"	4	\$2.33	\$2,970.03	\$2,972.36
10"	1	\$2.33	\$4,455.04	\$4,457.38

One of the District’s policy goals in the previous study was to enhance revenue stability by recovering 50 percent of the base and peaking costs through RTS charges along with the entirety of the Meters and Billing & Customer Service costs projected for the Study period. The District successfully completed this goal and Raftelis recommended that they increase their recovery to 52% to further enhance revenue stability for this study period. **Table 6-11** below shows the cost of service rates and the 5-year RTS charges. The proposed rates for FY 2021, the rate-setting year, is a result of the cost of service analysis developed during the study. Rates for all years on and beyond FY 2021 are adjusted based on the proposed revenue adjustment per year from **Table 3-15**. At the direction of District staff, Temporary Services are charged at the RTS rate with a 1.5 times adjustment factor.

**Table 6-11: Proposed 5-Year Readiness-To-Serve Charges**

Five-Year Rate Schedule	2020	2021	2022	2023	2024	2025
Monthly RTS	Revised COS	5.0%	5.0%	5.0%	5.0%	5.0%
3/4"	\$34.15	\$35.86	\$37.66	\$39.55	\$41.53	\$43.61
3/4" x 1"	\$34.15	\$35.86	\$37.66	\$39.55	\$41.53	\$43.61
1"	\$55.37	\$58.14	\$61.05	\$64.11	\$67.32	\$70.69
1 1/2"	\$108.40	\$113.82	\$119.52	\$125.50	\$131.78	\$138.37
2"	\$172.05	\$180.66	\$189.70	\$199.19	\$209.15	\$219.61
2 1/2"	\$373.59	\$392.27	\$411.89	\$432.49	\$454.12	\$476.83
3"	\$373.59	\$392.27	\$411.89	\$432.49	\$454.12	\$476.83
4"	\$670.59	\$704.12	\$739.33	\$776.30	\$815.12	\$855.88
6"	\$1,699.49	\$1,784.47	\$1,873.70	\$1,967.39	\$2,065.76	\$2,169.05
8"	\$2,972.36	\$3,120.98	\$3,277.03	\$3,440.89	\$3,612.94	\$3,793.59
10"	\$4,457.38	\$4,680.25	\$4,914.27	\$5,159.99	\$5,417.99	\$5,688.89

## 6.2.2. ELEVATION CHARGES

Elevation charges recover the costs associated with pumping water to the District’s various geographic areas, or pumping zones. The per-unit cost to pump water to each zone changes along with the zone number. Since the costs to deliver water to these areas can vary widely, customers are charged only for the costs to deliver water to their specific zone. **Table 6-12** shows each zone’s share of every cost component related to pumping. Energy costs are divided among the zones based on actual energy costs incurred by each zone. The pump stations and tanks costs are distributed by the number of pump stations and tanks serving each zone, respectively.

**Table 6-12: Allocation Factors for Power Costs to Zones**

	Zone 1	Zone 2	Zone 3	Zone 4
<b>Energy Costs<sup>7</sup></b>	20%	55%	19%	6%
<b>Pump Stations w/o Energy<sup>8</sup></b>	13%	65%	17%	4%
<b>Tanks<sup>9</sup></b>	5%	62%	29%	5%
<b>System Operations<sup>10</sup></b>	20%	55%	19%	6%

Using the percentages shown in **Table 6-12**, the total cost for each line item is distributed to each zone, as shown in **Table 6-13**. The total power costs for each zone (Row E) are then divided by the total potable water delivered to each zone (Row F) to develop the unit elevation cost (Row G).

**Table 6-13: Power Costs Allocated to Zones**

Elevation Surcharges Revenue Requirements		Zone 1	Zone 2	Zone 3	Zone 4
Energy Costs	<b>A</b>	\$165,945	\$443,232	\$155,895	\$44,928
Pump Stations w/o Energy	<b>B</b>	\$74,367	\$371,835	\$99,156	\$24,789
Tanks	<b>C</b>	\$7,173	\$93,247	\$43,037	\$7,173
System Operations	<b>D</b>	\$132,565	\$354,075	\$124,537	\$35,890
<b>Total Elevation Rev Requirements</b>	<b>E = A+B+C+D</b>	<b>\$380,051</b>	<b>\$1,262,389</b>	<b>\$422,626</b>	<b>\$112,780</b>
Water Flow Through Each Zone (hcf) <sup>11</sup>	<b>F</b>	7,949,881 hcf	2,911,312 hcf	458,837 hcf	88,584 hcf
<b>Unit Elevation Cost</b>	<b>G = E/F</b>	<b>\$0.05 /hcf</b>	<b>\$0.43 /hcf</b>	<b>\$0.92 /hcf</b>	<b>\$1.27 /hcf</b>

Potable water delivered to the District’s higher zones must first be pumped through lower zones. For example, water being delivered to Zone 3 must first pass through Zones 1 and 2. A summary of water delivery for each zone is presented in the graphics below. It is important to note that a portion of Zone 3 customers flow includes domestic water customers who are served water purchased by the District from sources other than the Metropolitan Water District of Southern California.

<sup>7</sup> Based on average actual energy costs over two-year period, for FY 2019 and FY 2020. Figure provided by District staff.

<sup>8</sup> Based on number of pump stations in zone as a percentage of total pump stations.

<sup>9</sup> Based on number of tanks in zone as a percentage of total tanks.

<sup>10</sup> Base on average allocated energy, pump, and tanks costs

<sup>11</sup> Estimated using FY 2020 data provided by District staff for water flow through each zone. Zone 3 has to go through Zone 1 then zone 2. Zone 4 must go through Zone 1 then Zone 2.

Water delivery to Zone 3:



Water delivery to Zone 4:



Note that since all water usage must be pumped through Zone 1, the cost to pump through Zone 1 is recovered in the Base Power Unit rate which is covered in the commodity charge. **Table 6-14** summarizes the necessary adjustments to each zone’s power costs to account for the zone-to-zone pumping.

**Table 6-14: Elevation Charges and Base Power Rate Calculations**

	2020	Zone 1	Zone 2	Zone 3	Zone 4
<b>Unit Elevation Cost Before Adjustment</b>		\$0.05	\$0.43	\$0.92	\$1.27
<b>Elevation Rev Requirements Before Adjustment</b>	\$2,177,845 <sup>12</sup>	\$380,051	\$1,262,389	\$422,626	\$112,780
<b>Adjustments for Elevation Cost through Zone 2</b>					
Units through zone 2 to zone 3 <sup>13</sup>	\$119,280		(\$51,722)	\$51,722	\$0
Units through zone 2 to zone 4 <sup>14</sup>	\$88,584		(\$38,412)	\$0	\$38,412
<b>Adjusted Elevation Rev Requirements</b>	\$2,177,845	\$380,051	\$1,172,256	\$474,347	\$151,192
<b>Units of Service</b>		7,949,881 hcf	2,703,448 hcf	458,837 hcf	88,584 hcf
<b>Adjusted Unit Elevation Cost</b>		\$0.05 /hcf	\$0.43 /hcf	\$1.03 /hcf	\$1.71 /hcf

The cost of service elevation charges developed for each zone in **Table 6-14** are shown in the FY 2020 column for the 5-Year Proposed Elevation Charges listed in **Table 6-15** below. The elevation charges are increased each year of the Study period, per the proposed revenue adjustments found in **Table 3-15**.

<sup>12</sup> From **Table 6-5**

<sup>13</sup> Units based on District staff estimates

<sup>14</sup> Units based on District staff estimates

**Table 6-15: Proposed 5-Year Elevation Charges**

Five-Year Rate Schedule	2020	2021	2022	2023	2024	2025
Elevation Charges (\$/HCF)	Revised COS	5.0%	5.0%	5.0%	5.0%	5.0%
<b>Zone 1</b>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Zone 2</b>	\$0.44	\$0.47	\$0.50	\$0.53	\$0.56	\$0.59
<b>Zone 3</b>	\$1.04	\$1.10	\$1.16	\$1.22	\$1.29	\$1.36
<b>Zone 4</b>	\$1.71	\$1.80	\$1.89	\$1.99	\$2.09	\$2.20

### 6.2.3.COMMODITY CHARGES

Raftelis first conducted a cost of service analysis in 2015 for the District and identified six different rate components for the potable water commodity rates. These components will continue to be used for this study and include Base Power, Water Supply, Delivery, Peaking, Conservation, and Revenue Offsets. Each of the rate components is described in **Table 6-16** below.

**Table 6-16: Descriptions of Potable Water Volumetric Rate Components**

Rate Components	Description
<b>Base Power</b>	To recover power costs to produce and deliver potable water to base zone
<b>Water Supply</b>	To recover potable water supply costs using the following supply allocation: 1. Blended MWD Tier 1 water and other local purchases to meet Tiers 1, 2 and 3 demand for regular services 2. MWD Tier 2 to meet highest tier demand and temporary services
<b>Delivery</b>	To recover remaining base water system costs (costs to meet average daily flow)
<b>Peaking Costs</b>	To recover remaining peak water system costs (costs to meet peak hour, peak day and peak season)
<b>Conservation</b>	To recover the District’s conservation program costs from inefficient and excessive usage (Tiers 3 and 4)
<b>Revenue Offsets</b>	To provide affordability for essential usage, ad valorem property tax revenues are dedicated to offset essential and efficient use (Tiers 1 & 2) revenue requirements.

#### 6.2.3.1. Commercial Water Tiers

Additionally, the District discussed with Raftelis that it would like to reevaluate its commercial rates. Raftelis analyzed the current commercial water budget and created several scenarios that were presented to District staff. District staff determined that changing the Commercial Water Budgets rolling average so that it is based on a 2-year rolling average as opposed to the 90% of the three-year average currently in place, and switching the commercial tiers so that they are based on 3 tiers rather than 4, was the most appropriate scenario.

The formulas below show how Las Virgenes will calculate a commercial customer’s water budget. Note that Commercial accounts with less than two years of history will use what history is available and commercial accounts with no history will have a daily average (CWD) entered by the District and used in the calculation until there is history. Note that this formula is currently in place to calculate the commercial water budget.

Commercial daily average (hcf/day):



$$CWD = (\text{sum of usage over billing periods}) / (\text{sum of days over billing period})$$

Commercial water budget (hcf):  

$$CWB = (CWD + Ca) * M * Dc$$

Where:

- CWD = commercial water daily average (hcf)
- Dc = commercial drought factor (1, changeable)
- Ca = commercial adjustment (hcf/day)

Revising the structure to a 3-tier inclining structure is based on efficient, inefficient, and excessive usage. The efficient tier (Tier 1) will be the commercial customer’s water budget. Tier 2, the inefficient tier, will be based on 150% of the commercial customers water budget, and the excessive Tier (Tier 3) will be any usage over Tier 2.

Table 6-17 below summarizes the change in commercial tier structure.

**Table 6-17: Revised Commercial Tiers**

Tier	Starting HCF (>)	Ending HCF (<=)
1	0	CWB
2	CWB	1.5 * CWB
3	1.5 * CWB	>1.5 * CWB

Taking these changes into account, Raftelis analyzed FY 2020 water consumption under the proposed rate structure in order to evaluate proposed commodity rates. Table 6-18 below shows revised demand and compares it with current demand. Note that total demand remains the same for both columns as the usage was reallocated to the newly developed commercial tiers.

**Table 6-18: Revised Potable Water Demand**

Line No	A Demand for Water Supply 2020	B Current	C Revised
1	Tier 1	2,177,572	1,926,806
2	Tier 2	3,657,520	3,248,851
3	Tier 3	1,153,818	1,049,722
4	Tier 4	952,625	898,638
5	Temporary	8,346	8,346
6	Commercial Tier 1	N/A	673,345
7	Commercial Tier 2	N/A	75,069
8	Commercial Tier 3	N/A	69,105
9	Total	7,949,881	7,949,881

### 6.2.3.2. Water Supply

Due to the configuration of the District, water for certain areas is purchased from other agencies such as Ventura County. Blended water supply sources from these local purchases and MWD Tier 1 (shown in Table 3-11); are designated for regular usage in Tiers 1 through 3. As discussed, and agreed to by District staff, excessive use (Tier 4) should pay for the next available marginal water supply costs at the MWD Tier 2 unit cost to signal the

true value of water supplies. If a significant number of customers use water excessively, the District will need to acquire more expensive water from MWD Tier 2.

The unit rate for water supply is calculated to include 3.08% water loss and converted to per hcf (100 cubic feet or 748 gallons). The MWD Tier 2 unit cost is shown in row 9 of **Table 3-11** and the unit rate is calculated to include water loss and converted to hcf which is shown in **Table 6-19** below.

**Table 6-19: Unit Cost for Potable Water Highest Tier**

A	B	C
Unit Cost	Unit Cost with Water Loss	Unit Cost per HCF
<i>Table 3-11</i>	$A / (1-3.08\%)$	$B / 435.6$
<b>\$1,165 / AF</b>	<b>\$1,202 / AF</b>	<b>\$2.76 /hcf</b>

In order to calculate the blended unit rate for the water supply component for the lower tiers, Raftelis first calculated the proposed revenue generated for the Excessive Tier by taking Column C of **Table 6-19** and multiplying it by total Tier 4 usage (Column C **Table 6-18** row 4), Temporary Usage (Column C **Table 6-18** row 5), and Commercial Tier 3 usage (Column C **Table 6-18** row 8).

**Table 6-20: Excessive Tier Revenue**

	A	B	C	D
	Tier Source	Usage	Unit Cost	Projected Revenue
<b>1</b>	Tier 4	898,638	\$2.76 /hcf	\$2,479,759
<b>2</b>	Temporary	8,346	\$2.76 /hcf	\$23,029
<b>3</b>	Commercial Tier 3	69,105	\$2.76 /hcf	\$190,693
<b>4</b>	Total	<b>976,089</b>		<b>\$2,693,481</b>

This revenue is then subtracted from the overall water supply revenue requirement found in **Table 6-5** Column C Line 1 and divided by the remaining usage (Row 9 **Table 6-18** less Column B Row 4 **Table 6-20**) as shown on **Table 6-21**.

**Table 6-21: Blended Unit Rate Calculation**

Line	Notes	Unit Cost Calculation
<b>1</b>	\$19,683,242 – \$2,693,481	\$16,989,761
<b>2</b>	7,949,881 - 976,089	6,973,793
<b>3</b>	<b>Row 1 / Row 2</b>	<b>\$2.44 /hcf</b>

**Table 6-22** below summarizes the unit cost for water by Tier.

**Table 6-22 Potable Water Supply Rate Component of Commodity Charges**

2020 Water Supply Rate	Supply Sources	Unit Rate
<b>Tier 1</b>	Blended	\$2.44 /hcf
<b>Tier 2</b>	Blended	\$2.44 /hcf
<b>Tier 3</b>	Blended	\$2.44 /hcf
<b>Tier 4</b>	MWD Tier 2	\$2.76 /hcf
<b>Temporary</b>	MWD Tier 2	\$2.76 /hcf
<b>Commercial Tier 1</b>	Blended	\$2.44 /hcf
<b>Commercial Tier 2</b>	Blended	\$2.44 /hcf
<b>Commercial Tier 3</b>	MWD Tier 2	\$2.76 /hcf

The actual water supply rates for FY 2022 to FY 2025 will be calculated annually to reflect the actual water supply costs for that particular year. Calculating actual supply costs annually will allow the District to accurately pass-through wholesale water supply cost increases to retail customers.

**6.2.3.3. Base Power and Delivery**

As mentioned in Section 6.2.2 since all water usage must be pumped through Zone 1, the cost to pump through Zone 1 is recovered in the Base Power Unit rate which is the elevation revenue requirement generated for Zone 1 divided by all water usage. The calculation for the Base Power unit is shown below. Base power is applied to all tiers uniformly.

**Table 6-23: Base Power Unit Rate Calculation**

<b>Base Power Unit Rate</b>	
Base Power Revenue Requirement	\$380,051
Units of Service	7,949,881 hcf
<b>Base Power Unit Rate</b>	<b>\$0.05 /hcf</b>

Likewise, the delivery rate is calculated by taking the revenue required from the Base delivery component (Table 6-5 row 3) and dividing it by total usage. The delivery component is applied uniformly to all tiers.

**Table 6-24: Base Delivery Unit Rate Calculation**

<b>Base Delivery Calculation</b>	
<b>Base Delivery Revenue Requirement</b>	\$3,762,032
<b>Units of Service</b>	7,949,881 hcf
<b>Base Delivery Unit Rate</b>	<b>\$0.47 /hcf</b>

**6.2.3.4. Conservation**

The conservation program costs (Table 6-5 Row 6 Column C) are allocated to commercial and residential inefficient and excessive tiers. Excessive tiers are charged a higher portion of the conservation related costs as the District will implement messaging outreach programs that will target specific users who are typically above their water budget. In more extreme circumstances (i.e. continuous excessive usage), the District will conduct site visits to the users to encourage efficient water usage.

Additionally, the District will implement a commercial conservation program that hopes to encourage awareness of excessive usage to all commercial customers emphasizing awareness especially to users who are regularly above their commercial water budget. This program totals around \$55,000 and is added on in addition to the conservation revenue requirements from **Table 6-5**. The costs for this program are uniformly added onto each of the three commercial tiers.

**Table 6-25 & Table 6-26** below shows the allocation of commercial conservation program costs. The split between tiers were discussed and agreed to with District staff based on the conservation outreach program targets. **Table 6-27** shows the final cost of service unit rate for the conservation component after adding together the unit rates for tables **Table 6-25** and **Table 6-26**. Numbers shown in the tables are rounded; therefore, hand calculations based on the displayed numbers, such as summing or multiplying, may not equal the exact results shown.

**Table 6-25: Conservation Program Unit Rate**

Tiers Allocation	Demand for Water Supply 2020	Accountable Usage	Rev Requirements	Unit Rate (\$/hcf)
Tier 1	1,926,806	0%	\$0	\$0.00 /hcf
Tier 2	3,248,851	0%	\$0	\$0.00 /hcf
Tier 3	1,049,722	10%	\$68,624	\$0.07 /hcf
Tier 4	898,638	100%	\$587,467	\$0.65 /hcf
Temporary	8,346	100%	\$5,456	\$0.65 /hcf
Commercial Tier 1	673,345	0%	\$0	\$0.00 /hcf
Commercial Tier 2	75,069	50%	\$24,537	\$0.33 /hcf
Commercial Tier 3	69,105	100%	\$45,176	\$0.65 /hcf
<b>Total</b>	<b>7,949,881</b>	<b>1,118,595</b>	<b>\$731,260</b>	

**Table 6-26: Commercial Conservation Program Costs**

Commercial Conservation Program	Demand for Water Supply 2020	Accountable Usage	Rev Requirements	Unit Rate (\$/hcf)
Commercial Tier 1	673,345	100.0%	\$45,300	\$0.07 /hcf
Commercial Tier 2	75,069	100.0%	\$5,050	\$0.07 /hcf
Commercial Tier 3	69,105	100.0%	\$4,649	\$0.07 /hcf
<b>Total</b>	<b>817,518</b>	<b>817,518</b>	<b>\$55,000</b>	

**Table 6-27: Total Conservation Unit Rate**

2020 Conservation Rate	Unit Rate
Tier 1	\$0.00 /hcf
Tier 2	\$0.00 /hcf
Tier 3	\$0.07 /hcf
Tier 4	\$0.65 /hcf

Temporary	\$0.65 /hcf
Commercial Tier 1	\$0.07 /hcf
Commercial Tier 2	\$0.39 /hcf
Commercial Tier 3	\$0.72 /hcf

### 6.2.3.5. Peaking

**Table 6-28** determines each tier’s peaking factor which compares the minimum and maximum seasonal system usage. The peaking factors for each tier and customer class play an integral role in determining the cost of providing service to said customer class or tier. Tier 4 and Temporary are combined as the temporary usage is highly variable and does not depend on the season, and therefore discretely using the temporary usage gives an inaccurate peaking factor. Furthermore, temporary water rates are designed to match tier 4 costs, so the usage is combined, and peaking factors matched.

**Table 6-28: Peaking Characteristics for Potable Water Tiered Usage**

Tiers	Peaking Factors
Tier 1	25.3%
Tier 2	237.0%
Tier 3	336.9%
Tier 4 + Temp	394.8%
Commercial Tier 1	167.9%
Commercial Tier 2	139.9%
Commercial Tier 3	563.3%

**Table 6-29** calculates the unit rate peaking factors for each tier. The projected sales for each tier from **Table 6-18** are multiplied by the peaking factors developed in **Table 6-28**, to determine the “equivalent peaking usage total”. The equivalent peaking usage total is divided by the peaking revenue requirement of \$5.9M found in **Table 6-5**. The resulting unit peaking rate of \$0.35 is then multiplied by the peaking factor percentages for each tier to determine the peaking rate component for each tier.

**Table 6-29: Peaking Rate Component of Commodity Charges**

Line	Tier	Projected Sales (Table 6-18)	Peaking Factors (Table 6-28)	Equivalent Peaking Use	Unit Rate (\$ / hcf)	Notes
		A	B	C = A*B	F = C10 *B	
1	Tier 1	1,926,806	25.3%	487,482	\$0.09 /hcf	
2	Tier 2	3,248,851	237.0%	7,699,901	\$0.83 /hcf	
3	Tier 3	1,049,722	336.9%	3,536,776	\$1.18 /hcf	
4	Tier 4 + Temp	906,984	394.8%	3,580,938	\$1.38 /hcf	
5	Commercial Tier 1	673,345	167.9%	1,130,546	\$0.59 /hcf	
6	Commercial Tier 2	75,069	139.9%	104,987	\$0.49 /hcf	
7	Commercial Tier 3	69,105	563.3%	389,237	\$1.97 /hcf	

8	Total	7,949,881		16,929,866		
9	Peaking Rev Requirements			\$5,923,484		Table 6-5
10	Unit Peaking Rate (\$/equiv hcf)			\$0.35 /hcf		C9 / C8

### 6.2.3.6. Revenue Offset

Revenue offsets (revenues from property tax dedicated to providing affordability for essential and efficient use and other non-rate related revenues) are allocated uniformly for Tiers 1 and 2 for residential. Commercial Tier 1 also receives a portion of the revenue offset. The split in Revenue offset components for Residential and Commercial was based on the property tax percentage split that the District currently has in place which is allocated 85% to residential and 15% to commercial. The 135% of accountable usage to commercial Tier 1 is used to allocate 15% of the revenue offset requirement from **Table 6-5** to commercial. The unit rates for revenue offsets can be seen on **Table 6-30**.

**Table 6-30: Revenue Offset Rate Component of Commodity Charges**

Line	Tiers Allocation	Demand for Water Supply 2020 A	Accountable Usage B	Rev Req Allocation C = A*B/B4	Rev Requirements D = C*D4	Unit Rate (\$/hcf) E = B*D5	Notes
1	Tier 1	1,926,806	100%	32%	-\$400,475	-\$0.21 /hcf	
2	Tier 2	3,248,851	100%	53%	-\$675,254	-\$0.21 /hcf	
3	Tier 3	1,049,722	0%	0%	\$0	\$0.00 /hcf	
	Tier 4	898,638	0%	0%	\$0	\$0.00 /hcf	
	Temp	8,346	0%	0%	\$0	\$0.00 /hcf	
	Com Tier 1	673,345	135%	15%	-\$188,933	-\$0.28 /hcf	
	Com Tier 2	75,069	0%	0%	\$0	\$0.00 /hcf	
	Com Tier 3	69,105	0%	0%	\$0	\$0.00 /hcf	
4	Total	7,949,881	6,084,673		<b>(\$1,264,663)</b>		
5					<b>-\$0.21 /hcf</b>		D4 / B4

### 6.2.3.7. Cost of Service Commodity Charge

Adding together the various commodity charge components produces the total cost of service commodity charge for each tier, as found below in **Table 6-31**. The proposed rates for FY 2021, the rate-setting year, is a result of the cost of service analysis developed during the study. Rates for all years on and beyond FY 2021 are adjusted based on the proposed revenue adjustment per year from **Table 3-15**. At the direction of District staff, Temporary Services are charged at the Tier 4 rate with a 1.5 times adjustment factor.

**Table 6-31: Cost of Service Commodity Charges for FY 2020**

Commodity Charge (\$ / hcf)	Base Power	Water Supply	Delivery	Peaking	Conserv	Rev Offset	Revised COS
Tier 1	\$0.05	\$2.44	\$0.47	\$0.09	\$0.00	(\$0.21)	<b>\$2.84 /hcf</b>
Tier 2	\$0.05	\$2.44	\$0.47	\$0.83	\$0.00	(\$0.21)	<b>\$3.58 /hcf</b>
Tier 3	\$0.05	\$2.44	\$0.47	\$1.18	\$0.07	\$0.00	<b>\$4.21 /hcf</b>

<b>Tier 4</b>	\$0.05	\$2.76	\$0.47	\$1.38	\$0.65	\$0.00	<b>\$5.32 /hcf</b>
<b>Temporary Services<sup>15</sup></b>	\$0.05	\$2.76	\$0.47	\$1.38	\$0.65	\$0.00	<b>\$7.98 /hcf</b>
<b>Commercial Tier 1</b>	\$0.05	\$2.44	\$0.47	\$0.59	\$0.07	(\$0.28)	<b>\$3.34 /hcf</b>
<b>Commercial Tier 2</b>	\$0.05	\$2.44	\$0.47	\$0.49	\$0.39	\$0.00	<b>\$3.85 /hcf</b>
<b>Commercial Tier 3</b>	\$0.05	\$2.76	\$0.47	\$1.97	\$0.72	\$0.00	<b>\$5.98 /hcf</b>

Table 6-32 shows the proposed commodity charges with a pass-through adjustment added onto FY 2021. Table 6-33 shows the proposed pass through adjustment for FY 2021 which is added on top of the revised cost of service rate with revenue adjustment. Note that each year after FY 2021 does not contain a pass thru adjustment as the pass-through adjustment will be calculated each year after FY 2021 by District Staff and added on top of the rate.

**Table 6-32: Proposed 5-Year Commodity Charges With Pass Thru on FY 2021**

Five-Year Rate Schedule	2020	2021 <sup>16</sup>	2022	2023	2024	2025
Commodity Charge (\$/HCF)	Revised COS	5%	5%	5%	5%	5%
<b>Tier 1</b>	\$2.84	\$3.14	\$3.30	\$3.47	\$3.65	\$3.84
<b>Tier 2</b>	\$3.58	\$3.91	\$4.11	\$4.32	\$4.54	\$4.77
<b>Tier 3</b>	\$4.21	\$4.58	\$4.81	\$5.06	\$5.32	\$5.59
<b>Tier 4</b>	\$5.32	\$5.74	\$6.03	\$6.34	\$6.66	\$7.00
<b>Temporary Services</b>	\$7.98	\$8.53	\$8.96	\$9.41	\$9.89	\$10.39
<b>Commercial Tier 1</b>	\$3.34	\$3.66	\$3.85	\$4.05	\$4.26	\$4.48
<b>Commercial Tier 2</b>	\$3.85	\$4.20	\$4.41	\$4.64	\$4.88	\$5.13
<b>Commercial Tier 3</b>	\$5.98	\$6.43	\$6.75	\$7.09	\$7.45	\$7.83

**Table 6-33: Proposed Pass Through**

		A	B	C
		2020	2021	Notes
<b>1</b>	Source of Supply	\$24,007,931	\$25,225,948	<i>Table 3-11 Line 43</i>
<b>2</b>	Total Water Usage (HCF)	7,941,536	7,954,409	<i>Table 3-7 Line 32</i>
<b>3</b>	Cost per HCF	\$3.02	\$3.17	<i>Row 1 / Row 2</i>
<b>4</b>	Incremental Pass Through Rates		<b>\$0.15</b>	<i>B3 – A3</i>

<sup>15</sup> Temporary Services are charged at the Tier 4 rate with a 1.5 times adjustment factor.

<sup>16</sup> FY 2021 includes pass thru adjustment which will be calculated and added onto subsequent years rates.

# 7. Recycled Water Cost of Service Analysis and Rate Design

## 7.1. Recycled Water Cost of Service Analysis

Proposition 218 requires a nexus between the rates charged and the costs of providing service. Based on the proposed financial plan, the cost of service analysis translates this financial requirement into actual rates. The first step in the cost of service analysis is to determine how much revenue is required to be collected from rates. The methodology used is based upon the premise that the utility must generate annual revenues adequate to meet its estimated annual expenses. As part of the cost of service analysis, several adjustments are made to the appropriate cost elements to ensure the adequate collection of revenues by determining the annual revenues needed from rates. Revenues from sources other than recycled water rates and charges (e.g. revenues from miscellaneous services) are deducted.

Currently, Recycled Water (recycled water) customers pay a 3-tier commodity charge and elevation charges based on total recycled water usage along with an RTS charge component that is aligned with the potable water RTS charge. As part of this cost of service analysis, Raftelis recommended the District create a unique RTS charge that is separate from the potable water charges. This will be discussed in a later section of this chapter. The financial plan (from Section 5) shows the required revenue adjustment for FY 2020 effective in January 2020, or 6 months of revenues under new rates; however, the calculated revenue requirement shown in **Table 7-1** is annualized.

**Table 7-1: Annualized Recycled Water Revenue Requirement for FY 2020**

A Line	B REVENUE REQUIREMENTS	C 2020	D Notes
1	O&M Expenses	\$4,685,202	<i>Table 5-11</i>
2	Debt Service	\$0	
3	Rate Funded Replacement CIP	\$23,889	<i>Figure 5-1</i>
4	Net Cash Change	\$436,822	
5	Mid-Year Adjustment	\$79,715	
6	<b>SUBTOTAL REVENUE REQUIREMENTS</b>	<b>\$5,225,628</b>	
7			
8	<i>Less Non-Operating Revenues</i>		
9	Temporary Meter Charge	(\$1,800)	<i>Table 5-9</i>
10	Temporary Meter Installation Fees	(\$100)	<i>Table 5-9</i>
11	Late Payment Fees and other Non Operating Revenues	(\$100,000)	<i>Table 5-9</i>
12	Water Usage - Accidents	(\$100)	<i>Table 5-9</i>
13	Other Income from Operations	(\$90,000)	<i>Table 5-9</i>
14	<b>SUBTOTAL NON-OPERATING REVENUE REQUIREMENTS</b>	<b>(\$192,000)</b>	



A	B	C	D
Line	REVENUE REQUIREMENTS	2020	Notes
15			
16	NET REVENUE REQUIREMENTS	\$5,033,628	

**Table 7-2** summarizes the peaking characteristics of the District’s water system determined by the District’s recycled water Master Plan. These ratios are used to determine the appropriate percentage allocation of total O&M and capital costs towards peaking, as shown in the Appendix. As detailed in Section 7, the Max Day and Max Hour peaking factors are calculated as follows:

$$Max\ Day = \frac{Peak\ Day\ Demand}{Average\ Daily\ Flow} = 2.10$$

$$Max\ Hour = \frac{Peak\ Hour\ Demand}{Average\ Hourly\ Flow} = 2.50$$

**Table 7-2: Recycled Water System Peaking Factors**

A	B	C
Line		Peaking Factors
1	Base	1.00
2	Max Day	2.50
3	Max Hour	5.00

**Table 7-3** summarizes the allocation percentages for the peaking factors using the peaking factors found in **Table 7-2**. Base represents average daily demand during the year, which has been normalized to a factor of 1.00 (Column B, Line 1).

The allocation bases (Columns C to E) are calculated using the equations outlined in this section. Columns are represented in these equations as letters and rows are represented as numbers. For example, Column D, Line 2 is shown as D2.

The Max Day allocations are calculated as follows:

- » Base Delivery:  $B1 / B2 \times 100\% = C2$
- » Max Day:  $(B2 - B1) / B2 \times 100\% = D2$

The Max Hour allocations are calculated as follows:

- » Base Delivery:  $B1 / B3 \times 100\% = C3$
- » Max Day:  $(B2 - B1) / B3 \times 100\% = D3$
- » Max Hour:  $(B3 - B2) / B3 \times 100\% = E3$

**Table 7-3: Allocation of Extra Capacity to Cost Components**

Line No.	Allocation Factor A	Peaking Factor B	Base C	Max Day D	Max Hour E
1	Base	1.00	100.0%		
2	Max Day	2.50	40.0%	60.0%	
3	Max Hour	5.00	20.0%	30.0%	50.0%

Similar to cost of service for water services, the second step in the cost of service analysis for recycled water services is to functionalize the revenue requirement into cost components. This analysis employs the “Base-Extra Capacity” method under which utility costs of service are assigned to basic functional cost components including: supply costs; base costs (fixed costs incurred to meet average demand); extra capacity or peaking costs (fixed water system costs to meet maximum day and maximum hour, or peaking, demand); and conservation, meter service and customer-service related costs as described in the M1 Manual. The Base-Extra Capacity method is widely used in the water industry to serve retail customers. The revenue to be recovered from rates of \$5M is allocated according to the categories in **Table 7-4**. See the Appendix for detailed step by step allocations of recycled water system costs into cost categories.

**Table 7-4: Recycled Water Revenue Requirements Allocated to Rate Components**

		2020 A	Commodity B	Elevation C	RTS D
1	Water Supply	\$2,540,002	\$2,540,002		
2	Power	\$884,696	\$446,611	\$438,085	
3	Base	\$571,104	\$274,130		\$296,974
4	Peaking	\$1,094,523	\$525,371		\$569,152
5	Conservation	\$0			
6	Rev Offset	-\$192,000	-\$192,000		
7	Fire	\$0			
8	Meters	\$116,846			\$116,846
9	B&CS	\$18,457			\$18,457
10	Total	\$5,033,628	\$3,594,114	\$438,085	\$1,001,429

## 7.2. RW Rates Calculations

### 7.2.1. RECYCLED WATER COMMODITY CHARGES

Similar to Water, commodity charges for recycled water usage will also utilize a Water Budget Tiered Rate Structure.

In meeting Proposition 218 requirements, Raftelis conducted a cost of service analysis and identified several different rate components for recycled water commodity rates, including Base Power and Delivery, Water Supply, Peaking Costs, and Revenue Offsets. Each of the rate components is described in **Table 7-5**, below.

**Table 7-5: Descriptions of Potable Water Volumetric Rate Components**

Rate Components	Description
Base Power and Delivery	To recover power costs to produce and deliver water to base zone to meet average demand and remaining base water system costs.
Water Supply	To recover water supply costs using the following supply allocation: 1. Recycled water purchased from JPA used to meet all usage, with highest priority for Tier 1 (Efficient) usage Water Supply  2. Potable Water Supplement is used to meet Tier 2 (Inefficient) demand along with JPA supply (estimated by District staff)  3. Remaining Potable Supplement and JPA supply are used to meet Tier 3
Peaking Costs	To recover the remaining peaking water system costs
Revenue Offset	To provide affordability for essential usage, ad valorem property tax revenues and other non-rate revenues are dedicated to offset essential Tier 1 revenue requirements.

**7.2.1.1. Water Supply**

The projected water supply costs for FY 2020 are made up of purchased water from the JPA and purchased supplemental water from the potable water supply. Recycled water usage beyond 3,170 AF/year requires the District to use higher priced potable water to meet demands. The District’s projected demand is 4,117 AF as seen on **Table 5-10**. The potable water supply is used to cover excessive usage that goes above District JPA purchases. As mentioned in **Table 7-5**, JPA water is allocated to the first two tiers and is blended with the potable supplement for the second tier. **Table 7-6** shows the water supply costs from **Table 7-4** split between JPA and the potable supplement.

**Table 7-6: Recycled Water Supply Sources**

Sources	Water Supply Costs
JPA RWTR	\$997,922
Supplemental Potable Water	\$1,542,080
<b>Total</b>	<b>\$2,540,002</b>

In order to calculate the blended unit rate, Raftelis first calculated the proposed revenue generated for the excessive tier using the projected demand from the potable water supply fund. **Table 7-7** below summarizes the Recycled Water purchases and sales and **Table 7-8** summarizes the demand per hcf at each tier, as well as the quantity of water available from each source at each tier. Note that Column C of **Table 7-7** is the actual recycled water sales after factoring in Recycled Water Loss.

**Table 7-7: Recycled Water Supply Sources and Demand**

	A	B	C
	Water Supply Sources	Quantity Available	Quantity Available for Sales
1	JPA RWTR	3,268 AF	3,170 AF
2	From Potable Water Fund	976 AF	947 AF
3	Total	4,244 AF	4,117 AF

**Table 7-8: Recycled Water Demand per Tier**

	A Tier	B Demand (HCF)	C Blended	D From Potable Water Fund
1	Tier 1	1,178,431	1,178,431	-
2	Tier 2	259,737	202,612	57,125
3	Tier 3	351,014	-	351,014
4	Temporary	4,304	-	4,304
5	Total HCF	1,793,485	1,381,043	412,442
6	Total AF	4,117	3,170	947

The supplemental potable water supply costs (Table 7-6) is divided by the projected demand to determine the unit cost for potable supplement. Column E of Table 7-9 factors in the water loss percentage which was seen in Table 5-10. Factoring in this loss, the purchased potable supplement that is available for sale is 947 AF or 412,442 hcf.

The cost of supplemental potable water is allocated in this way as excessive usage causes the District to pay for more expensive water to supplement any shortcomings that cannot be covered by JPA recycled water. As such, inefficient and excessive tiers are charged the costs to purchase this water.

**Table 7-9: Supplemental Potable Water Supply Cost**

A	B	C	D	E	F
	Quantity Available (AF)	2020 Supply Rev Req (From Table 7-6)	Unit Cost AF	Unit Cost with Water Loss	Unit Cost HCF
Water Supply Sources			D= C/B	E = D/(1+3.08%)	F = E/435.6
From Potable Water Fund	976	\$1,542,080	\$1,580	\$1,630	\$3.74

The unit rate for Supplemental Potable is multiplied by the supplemental water sales (Column C Row 3 Table 7-7) to determine the amount of revenue that will be covered by the excessive tier. This revenue is subtracted from the total water supply requirement to determine the JPA / blended revenue requirement. This calculation is seen on Table 7-10.

**Table 7-10: Blended Revenue Requirement**

Water Supply Revenue Requirement	Potable Supplement Revenue	JPA / Blended Rev Requirement
A	B = \$3.74/hcf * 412,442 hcf	C = A - B
\$2,540,002	\$1,543,544	\$996,458

The JPA / blended Revenue Requirement is then divided by the JPA / blended demand (Row 5 Column C Table 7-8) to determine the JPA unit rate. This calculation can be seen in the formula below:

Unit Cost Calculation:

$$\frac{(Blended\ Revenue\ Requirement)}{Blended\ Demand}$$

$$\frac{\$996,458}{1,381,043\ hcf} = \$0.72/hcf$$

This unit cost reflects the cost of just recycled water when not mixed with potable supplement and is assigned to Tier 1. To determine the blended Tier 2 costs, a weighted average is created by multiplying the previous mentioned units by their respective amounts from each source as show in **Table 7-8**. The formula below shows the determination of the unit cost.

$$\frac{(Tier\ 2\ JPA\ Demand * JPA\ Unit\ Rate) + (Tier\ 2\ Supplement\ Demand * Potable\ Supplement\ Rate)}{Tier\ 2\ Demand}$$

$$\frac{202,612 * \$0.72 + 57,125 * \$3.74}{202,612 + 57,125} = \$1.39/hcf$$

**Table 7-11** shows the water supply unit cost for each tier. Note that temporary is set equal to the highest tier cost.

**Table 7-11: Unit Cost for Water Supply**

	A	B
	Tier	Unit Cost
1	Tier 1	\$0.72 /hcf
2	Tier 2	\$1.39 /hcf
3	Tier 3	\$3.74 /hcf
4	Temporary	\$3.74 /hcf

**7.2.1.2. Delivery and Base Power**

Delivery costs (**Table 7-12**) are recovered uniformly from each tier. The revenue requirement for the rate component is divided by the total number of recycled water units sold to determine the unit rate.

**Table 7-12: Delivery Rate Component of Recycled Water Commodity Charges**

	2020	Notes
Revenue Requirement	\$274,130	Row 3 Column B Table 7-4
Unit of Service	1,793,485	Row 5 Column B Table 7-8
Unit Rate	<b>\$0.15 /hcf</b>	

As with potable water, all recycled water usage must be pumped through the Las Virgenes Valley Zone. The cost to pump through this Zone is recovered in the Base Power Unit rate which is the elevation revenue requirement generated for the Las Virgenes Valley Zone divided by all water usage. The calculation for the Base Power unit is shown below. Base power is applied to all tiers uniformly.

**Table 7-13: Base Power Component of Recycled Water Commodity Charges**

	2020	Notes
Revenue Requirement	\$446,611	Row 2 Column B Table 7-4
Unit of Service	1,793,485	Row 5 Column B Table 7-8
Unit Rate	\$0.25 /hcf	

**7.2.1.3. Peaking**

Table 7-14 determines each tier’s peaking factor which compares the minimum and maximum seasonal system usage. The peaking factors for each tier and customer class play an integral role in determining the cost of providing service to said customer class or tier. Tier 3 and Temporary are combined as the temporary usage is highly variable and does not depend on the season; therefore, discretely using the temporary usage gives an inaccurate peaking factor. Furthermore, temporary water rates are designed to match tier 3 costs, so the usage is combined, and peaking factors matched much like in Potable water.

**Table 7-14: Peaking Characteristics for Recycled Water Tiered Usage**

Tiers	Peaking Factors
Tier 1	414%
Tier 2	1468%
Tier 3	1071%
Temporary	1071%

Table 7-15 calculates the unit rate peaking factors for each tier. The projected sales for each tier from Table 7-8 are multiplied by the peaking factors developed in Table 7-14 to determine the “equivalent peaking usage total.” The equivalent peaking usage total is divided by the peaking revenue requirement of \$525,371 found in Table 7-4. The resulting unit peaking rate of \$0.04 is then multiplied by the peaking factor percentages for each tier to determine the peaking rate component for each tier.

**Table 7-15: Peaking Rate Component of Commodity Charges**

Line	Tier	Projected Sales (Table 7-8) A	Peaking Factors (Table 7-14) B	Equivalent Peaking Use C = A * B	Unit Rate (\$ / hcf) F = C7 * B	Notes
1	Tier 1	1,178,431	414%	4,883,604	\$0.17 /hcf	
2	Tier 2	259,737	1468%	3,813,046	\$0.62 /hcf	
3	Tier 3	351,014	1071%	3,759,527	\$0.45 /hcf	
4	Temporary	4,304	1071%	46,098	\$0.45 /hcf	
5	<b>Total</b>	1,793,485		12,502,275		
6	<b>Peaking Rev Requirements</b>			<b>\$525,371</b>		<b>Table 7-4</b>
7	<b>Unit Peaking Rate (\$/equiv hcf)</b>			<b>\$0.04 /hcf</b>		<b>C6 / C5</b>

#### 7.2.1.4. Revenue Offset

Revenue offsets (revenues from property tax and other non-rate revenues dedicated to providing affordability for essential and efficient use and other non-rate related revenues) are allocated entirely to Tier 1. The unit rate is determined by dividing Tier 1 usage from the overall revenue offset requirement as shown in **Table 7-16**.

**Table 7-16: Revenue Offset Rate Component of Commodity Charges**

	2020	Notes
Revenue Requirement	(\$192,000)	Table 7-4
Unit of Service	1,178,431	Table 7-8
Unit Rate	-\$0.16 /hcf	

#### 7.2.1.5. Cost of Service Commodity Charge

Adding together the various commodity charge components produces the total cost of service commodity charge for each tier, as found below in **Table 7-17**. The proposed rates for FY 2021, the rate-setting year, is a result of the cost of service analysis developed during the study. Rates for all years on and beyond FY 2021 are adjusted based on the proposed revenue adjustment per year from **Table 5-13**. At the direction of District staff, Temporary Services are charged at the Tier 3 rate with a 1.5 times adjustment factor.

**Table 7-17: Cost of Service Commodity Charges for FY 2020**

Commodity Charge (\$ / hcf)	Base Power	Water Supply	Delivery	Peaking	Rev Offset	Revised COS
Tier 1	\$0.25	\$0.72	\$0.15	\$0.17	(\$0.16)	\$1.14
Tier 2	\$0.25	\$1.39	\$0.15	\$0.62	\$0.00	\$2.41
Tier 3	\$0.25	\$3.74	\$0.15	\$0.45	\$0.00	\$4.60
Temporary	\$0.25	\$3.74	\$0.15	\$0.45	\$0.00	\$6.90

Table 7-18 shows the proposed commodity charges for the study period.

**Table 7-18: Proposed 5-Year Recycled Water Commodity Charges**

Five-Year Rate Schedule	2020	2021	2022	2023	2024	2025
Commodity Charge (\$/HCF)	Revised COS	8%	8%	8%	8%	8%
Tier 1	\$1.14	\$1.24	\$1.34	\$1.45	\$1.57	\$1.70
Tier 2	\$2.41	\$2.61	\$2.82	\$3.05	\$3.30	\$3.57
Tier 3	\$4.60	\$4.97	\$5.37	\$5.80	\$6.27	\$6.78
Temporary <sup>17</sup>	\$6.90	\$7.46	\$8.06	\$8.71	\$9.41	\$10.17

## 7.2.2. ELEVATION CHARGES

Elevation charges recover the costs associated with pumping water to the District's various geographic areas, or zones. The District does not add elevation charges to recycled water customers within the Las Virgenes Valley Zone (Zone L) but does assess elevation charges for all other zones. **Table 7-19** summarizes the recycled water sales in hcf delivered to Zone L versus all other Zones.

<sup>17</sup> Temporary Services are charged at the Tier 4 rate with a 1.5 times adjustment factor.

**Table 7-19: FY 2020 Projected Recycled Water Sales in Zones**

		Projected Sales (From Table 5-7)
1	Zone L	109,952
2	All Other Zones	1,683,533
3	<b>Total</b>	<b>1,793,485</b>

Since Zone L does not incur elevation charges, the revenue requirement is recovered from the sales to all other zones. **Table 7-20** shows the calculation to determine the per unit rate for elevation charges to recycled water customers outside of Zone L.

**Table 7-20: FY 2020 Elevation Charges**

	2020	Notes
Revenue Requirement	\$438,085	Table 7-4
Unit of Service	1,683,533	Row 2 of Table 7-19
Unit Rate	<b>\$0.27 /hcf</b>	Rounded up to nearest cent

The elevation charge unit rate of \$0.27/hcf for all recycled water usage outside of Zone L, is increased by the proposed revenue adjustment percentage found in **Table 5-13** for each year of the Study period.

**Table 7-21: Proposed 5-Year Elevation Charges (\$/hcf)**

Five-Year Rate Schedule	2020	2021	2022	2023	2024	2025
Commodity Charge (\$/HCF)	Revised COS	8%	8%	8%	8%	8%
Las Virgenes Valley Zone	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Calabasas Zone	\$0.27	\$0.30	\$0.33	\$0.36	\$0.39	\$0.43
Calabasas/MWD Zone	\$0.27	\$0.30	\$0.33	\$0.36	\$0.39	\$0.43
Western Zone	\$0.27	\$0.30	\$0.33	\$0.36	\$0.39	\$0.43

### 7.2.3. READINESS TO SERVE CHARGE

Raftelis recommended to District staff conducting an independent cost of service analysis that would create a separate meter charge for recycled water which would separate it from the potable water RTS charges. The current RTS charges for recycled water are tied to the potable water meter charge, which is no longer representative of the cost of recycled water. A similar process was done to develop the rates for the Recycled RTS charges.

In order to create parity across the various meter sizes, each meter size is assigned a factor relative to a ¾” meter, which has a value of 1. According to the AWWA M1 Manual, a particular meter size’s ratio of meter and capacity servicing costs relative to that of a ¾” meter is its “Equivalent Meter Units” (EMU). For example, as noted earlier, a 2-inch meter has 5.33 times the throughput capacity of a ¾” meter and therefore has a multiplication factor of 5.33 to determine its EMU to ¾” meter. The Meter & Capacity factor escalates as meter



size increases because the District's cost to service a meter increases with its size. **Table 7-22** summarizes the EMUs for the regular services.

**Table 7-22: Equivalent Meter Units (EMUs) for FY 2020 for Regular Services**

Regular Services	Number of Accts	Meter & Capacity Factor	# of Bills per Year	Capacity EMUs per Year
	A	B	C = A x 12	D = B x C
3/4"	1	1.00	12	12
3/4" x 1"	11	1.00	132	132
1"	63	1.67	756	1,260
1 1/2"	207	3.33	2484	8,280
2"	361	5.33	4332	23,104
3"	6	11.67	72	840
4"	5	21.00	60	1,260
6"	6	53.33	72	3,840
8"	0	93.33	0	-
10"	1	140.00	12	1,680
<b>Total</b>	<b>661</b>		<b>7,932</b>	<b>40,408</b>

RTS Charge components include two components: Billing & Customer Service, which is uniform for all accounts, and Meter Service and Capacity Costs, which increase with meter capacity ratios. Since the cost of Billing & Customer Service does not fluctuate with usage, the unit cost is simply the line item's revenue requirement divided by the number of bills issued. Meter & Capacity costs do increase with capacity of usage for each meter size; therefore, the revenue requirement must be divided by the EMUs to determine the unit rate. The unit rate for each RTS component for FY 2020, is shown in **Table 7-23**.

**Table 7-23: Components for FY 2020 RTS Charge for Regular Services**

	Rev Requirement (A)	Units of Service (B)	Unit Cost of Service (A / B)
Billing and Customer Service	\$18,457	7,932	\$2.33
Meters and Capacity	\$982,972	40,408	\$24.33

The cost of service RTS charges proposed for FY 2020 in **Table 7-24** are built from adding up the monthly service charge components, Billing & Customer Service and Meters & Capacity. As noted above, the customer service cost is the same for each account regardless of meter size. The capacity component of the monthly base fee is determined by multiplying the unit cost of \$24.33 (found in **Table 7-23**) by the appropriate meter factor found in column B of **Table 7-22**. Adding these two components together yields the total cost of service monthly base fee for each meter size for FY 2020, as shown in **Table 7-24** below.

**Table 7-24: Cost of Service Readiness-to-Serve Charges**

Meter Size	Number of Accounts	Billing & CS	Capacity	Cost of Service RTS Charges
		A	B	C = A + B
3/4"	1	\$2.33	\$24.33	\$26.65
3/4" x 1"	11	\$2.33	\$24.33	\$26.65

Meter Size	Number of Accounts	Billing & CS	Capacity	Cost of Service RTS Charges
		A	B	C = A + B
1"	63	\$2.33	\$40.54	\$42.87
1 1/2"	207	\$2.33	\$81.09	\$83.41
2"	361	\$2.33	\$129.74	\$132.07
3"	6	\$2.33	\$283.81	\$286.13
4"	5	\$2.33	\$510.85	\$513.18
6"	6	\$2.33	\$1,297.40	\$1,299.72
8"	0	\$2.33	\$2,270.44	\$2,272.77
10"	1	\$2.33	\$3,405.66	\$3,407.99

One of the District’s policy goals is to enhance revenue stability by recovering 50 percent of the base and peaking costs through RTS charges along with the entirety of the Meters and Billing & Customer Service costs projected for the Study period. Similar to potable water, Recycled water meter costs recover 52% of overall base and peaking costs. The proposed rates for FY 2021, the rate-setting year, is a result of the cost of service analysis developed during the Study. Rates for all years on and beyond FY 2021 are adjusted based on the proposed revenue adjustment per year from **Table 5-13**. At the direction of District staff, Temporary Services are charged at the RTS rate with a 1.5 times adjustment factor.

**Table 7-25: Proposed 5-Year Readiness-To-Serve Charges**

Five-Year Rate Schedule	2020	2021	2022	2023	2024	2025
Monthly RTS	Revised COS	8%	8%	8%	8%	8%
3/4"	\$26.65	\$28.79	\$31.10	\$33.59	\$36.28	\$39.19
3/4" x 1"	\$26.65	\$28.79	\$31.10	\$33.59	\$36.28	\$39.19
1"	\$42.87	\$46.31	\$50.02	\$54.03	\$58.36	\$63.03
1 1/2"	\$83.41	\$90.09	\$97.30	\$105.09	\$113.50	\$122.58
2"	\$132.07	\$142.64	\$154.06	\$166.39	\$179.71	\$194.09
3"	\$286.13	\$309.03	\$333.76	\$360.47	\$389.31	\$420.46
4"	\$513.18	\$554.24	\$598.58	\$646.47	\$698.19	\$754.05
6"	\$1,299.72	\$1,403.71	\$1,516.01	\$1,637.30	\$1,768.29	\$1,909.76
8"	\$2,272.77	\$2,454.60	\$2,650.97	\$2,863.05	\$3,092.10	\$3,339.47
10"	\$3,407.99	\$3,680.64	\$3,975.10	\$4,293.11	\$4,636.56	\$5,007.49

# 8. Sanitation Rates

Raftelis reviewed the District's current cost of service and found that it is still up to date and that a cost of service update was not needed for the sanitation enterprises rates as the numbers are still reasonable and proportional to the prior study. Raftelis also discussed with District staff that, given that the wastewater system will see major changes as a result of the pure water project implementation, an update will be needed once the infrastructure is in place. As such, Raftelis recommends that the District maintain its current policies with respect to the 2015 Sanitation Cost of Service and Rate Design and increase rates each year by the financial plan's required revenue adjustments seen in **Table 4-12**. The proposed rates for FY 2021 through FY 2025 are calculated by multiplying the revenue adjustment for those years from the previous year's rate<sup>18</sup> which can be seen in **Table 8-1** below.

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<sup>18</sup>  $rate_t \times (1 + \text{Revenue Adjustment } \%) = rate_{t+1}$  where  $t = \text{any given year}$

**Table 8-1: Proposed Sanitation Rates**

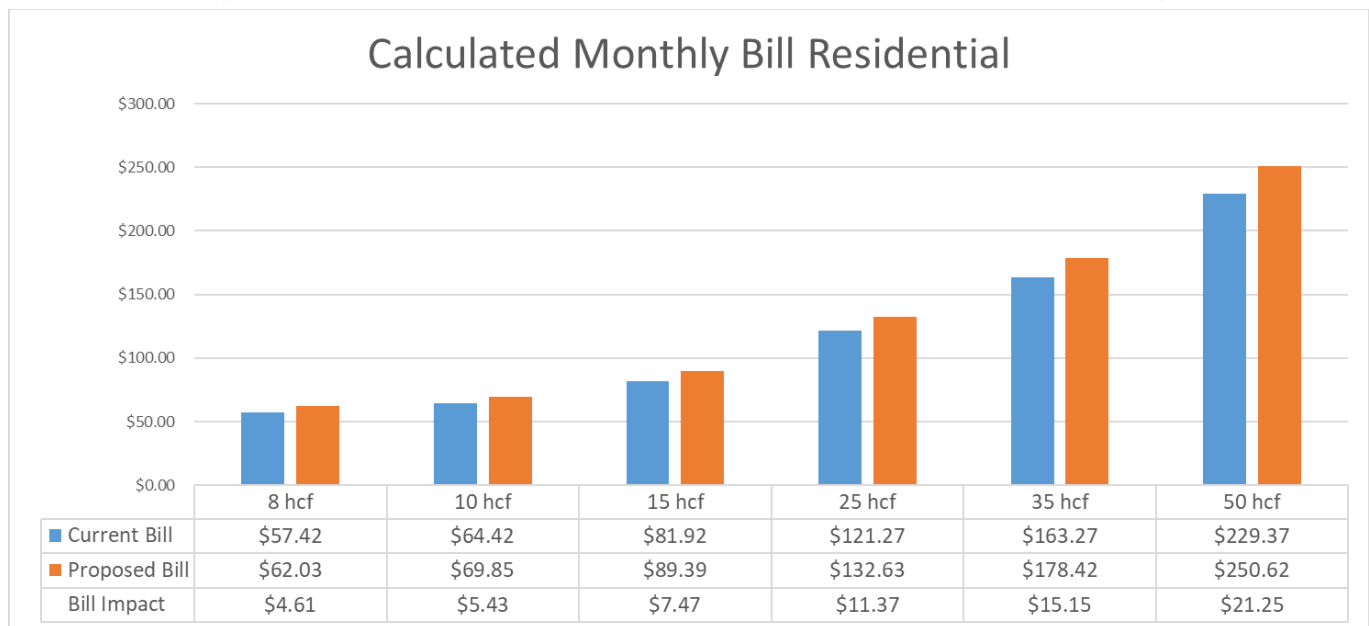
		Current	2021	2022	2023	2024	2025
			3.75%	3.75%	3.75%	3.75%	3.75%
<b>Residential Monthly Service Charge</b>	Household Size						
	1	\$22.73	\$23.59	\$24.48	\$25.40	\$26.36	\$27.35
	2	\$38.04	\$39.47	\$40.96	\$42.50	\$44.10	\$45.76
	3	\$53.35	\$55.36	\$57.44	\$59.60	\$61.84	\$64.16
	4	\$68.66	\$71.24	\$73.92	\$76.70	\$79.58	\$82.57
	5	\$83.97	\$87.12	\$90.39	\$93.78	\$97.30	\$100.95
	6+	\$99.28	\$103.01	\$106.88	\$110.89	\$115.05	\$119.37
<b>Commercial Monthly Account Service Charge</b>	Class 1	\$7.42	\$7.70	\$7.99	\$8.29	\$8.61	\$8.94
	Class 2	\$7.42	\$7.70	\$7.99	\$8.29	\$8.61	\$8.94
	Class 3	\$7.42	\$7.70	\$7.99	\$8.29	\$8.61	\$8.94
	Class 4	\$7.42	\$7.70	\$7.99	\$8.29	\$8.61	\$8.94
<b>Commercial Monthly ERU Charges</b>	ERU Charges						
	Class 1	\$44.52	\$46.19	\$47.93	\$49.73	\$51.60	\$53.54
	Class 2	\$61.37	\$63.68	\$66.07	\$68.55	\$71.13	\$73.80
	Class 3	\$81.27	\$84.32	\$87.49	\$90.78	\$94.19	\$97.73
	Class 4	\$102.27	\$106.11	\$110.09	\$114.22	\$118.51	\$122.96
	Excess ERU						
	Class 1	\$6.75	\$7.01	\$7.28	\$7.56	\$7.85	\$8.15
	Class 2	\$9.30	\$9.65	\$10.02	\$10.40	\$10.79	\$11.20
	Class 3	\$12.31	\$12.78	\$13.26	\$13.76	\$14.28	\$14.82
	Class 4	\$15.49	\$16.08	\$16.69	\$17.32	\$17.97	\$18.65

# 9. Customer Impact Analysis

## 9.1. Potable water Customer Impacts

Residential customer impacts shown in **Figure 9-1** below compares the dollar impact of FY 2020 versus the proposed FY 2021 rates which also include MWD pass through. The customer profile shown is that of a Zone 1 customer with a ¾” x 1” meter and a Landscape area of 4000 square feet. **Table 9-1** shows how the customer impacts are broken down between District and Pass Through Costs.

**Figure 9-1: Residential Potable Water Bill Impacts with MWD Pass Through**

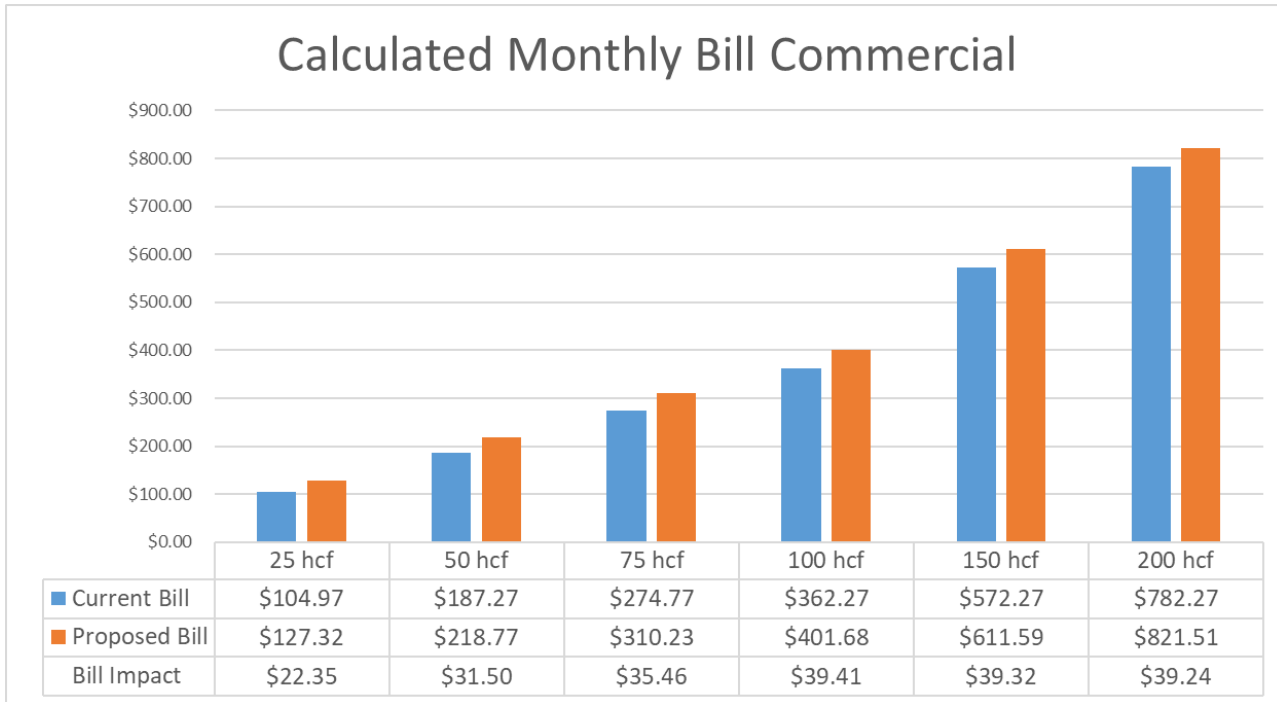


**Table 9-1: Residential Potable Water Bill Impacts with MWD Pass Through**

Usage	8 hcf	10 hcf	15 hcf	25 hcf	35 hcf	50 hcf
<b>Bill Impacts</b>	+\$4.61	+\$5.43	+\$7.47	+\$11.37	+\$15.15	+\$21.25
<b>MWD Pass Through</b>	<b>\$1.19</b>	<b>\$1.48</b>	<b>\$2.22</b>	<b>\$3.71</b>	<b>\$5.19</b>	<b>\$7.41</b>
<b>District Costs</b>	<b>\$3.43</b>	<b>\$3.95</b>	<b>\$5.25</b>	<b>\$7.66</b>	<b>\$9.96</b>	<b>\$13.83</b>

Commercial customer impacts shown in **Figure 9-2** below compares the dollar impact of FY 2020 versus the proposed FY 2021 rates which also include MWD pass through. The customer profile shown is that of a Zone 1 customer with a ¾” x 1” meter and a commercial water budget of 100 hcf which is approximately the average water budget for most commercial customers. **Table 9-2** shows how the customer impacts are broken down between District and Pass Through Costs.

**Figure 9-2: Commercial Potable Water Bill Impacts with MWD Pass Through**



**Table 9-2: Commercial Potable Water Bill Impacts with MWD Pass Through**

	25 hcf	50 hcf	75 hcf	100 hcf	150 hcf	200 hcf
<b>Bill Impacts</b>	+\$22.35	+\$31.50	+\$35.46	+\$39.41	+\$39.32	+\$39.24
<b>MWD Pass Through</b>	<b>\$3.71</b>	<b>\$7.41</b>	<b>\$11.12</b>	<b>\$14.82</b>	<b>\$22.23</b>	<b>\$29.65</b>
<b>District Costs</b>	<b>\$18.64</b>	<b>\$24.09</b>	<b>\$24.34</b>	<b>\$24.59</b>	<b>\$17.09</b>	<b>\$9.59</b>

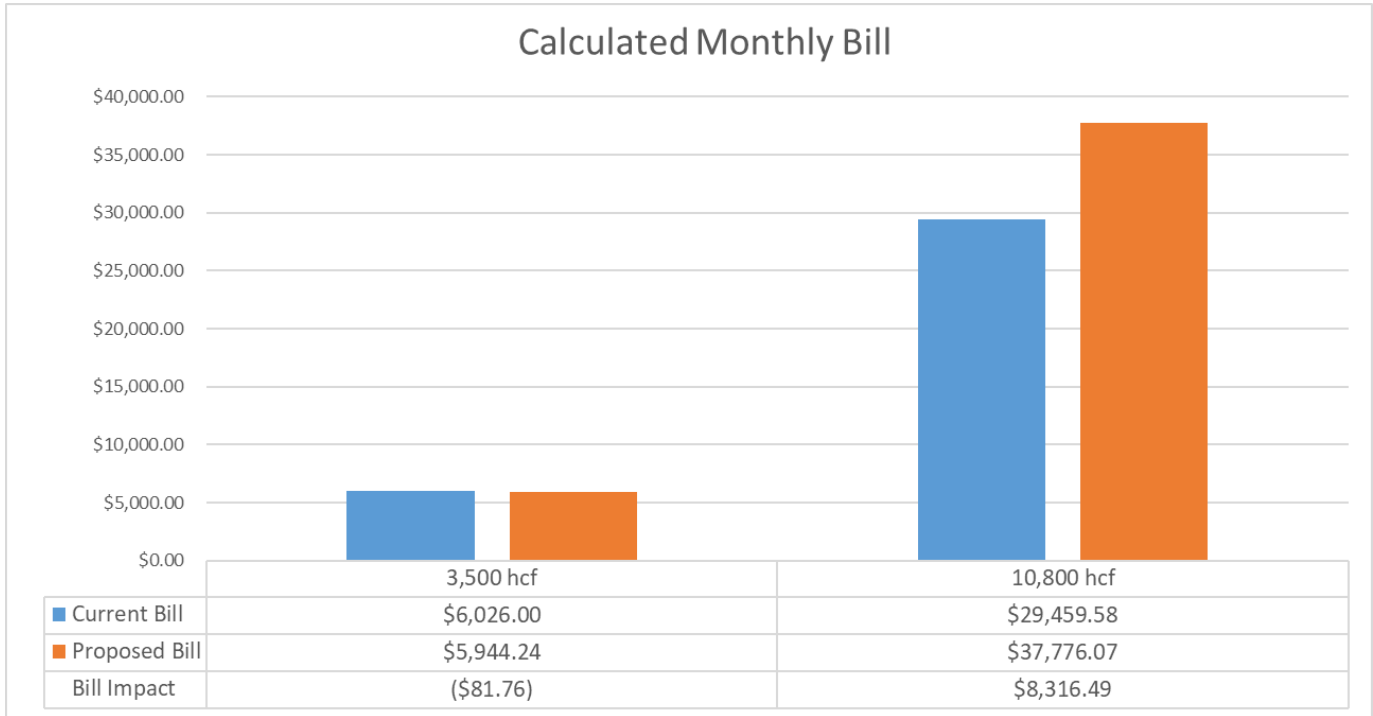
## 9.2. Recycled Water Customer Impacts

Raftelis analyzed impacts for two different types of recycled water customers and compared what their bills would be if they used potable irrigation water instead on **Table 9-3**. Column B shows an efficient Recycled customer who stays within their tier 1 budget where column C shows an excessive user who goes into the inefficient and excessive tiers. As shown in the table below, efficient customers should expect to see a decrease in their bills, whereas excessive users will have to pay a higher cost for going above their water budgets. **Figure 9-3** visualizes the tabular data.

**Table 9-3: Recycled Water Bill Impacts**

	A	B	C
<b>Usage</b>		<b>3,500 hcf</b>	<b>10,800 hcf</b>
<b>Current Bill</b>		\$6,026.00	\$29,459.58
<b>Proposed Bill</b>		\$5,944.24	\$37,776.07
<b>Bill Impacts</b>		<b>(\$81.76)</b>	<b>\$8,316.49</b>
<b>Potable Water Equivalent Charge</b>		<b>\$14,382.93</b>	<b>\$48,820.35</b>
<b>% Difference</b>		59%	23%

**Figure 9-3: Recycled Water Bill Impacts**



### 9.3. Sanitation Customer Impacts

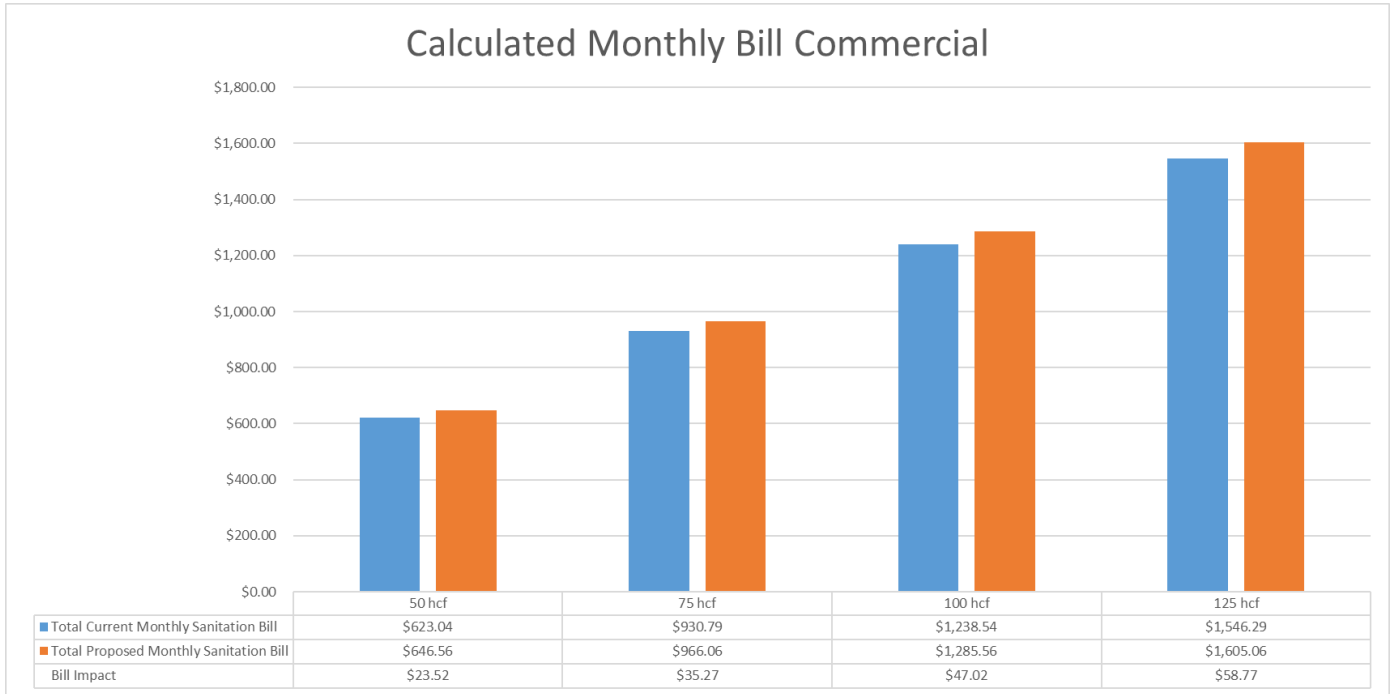
Because the cost of service remained the same, the only changes to the rates are the result of the percentage increase in revenue adjustments. Because of this, residential sanitation customers will see a 3.75% increase on their monthly bills. **Table 9-4** below shows the dollar increase for a household size of three.

**Table 9-4: Residential Sanitation Bill Impacts**

Household Size of 3	Current	Proposed	Bill Impact
<b>Residential Sanitation Bill</b>	\$53.35	\$55.36	\$2.01

Likewise, commercial customers will also see a 3.75% increase in their monthly bills. **Figure 9-4** below shows the bill impacts for different usage amounts each month.

**Figure 9-4: Commercial Sanitation Bill Impacts**





# APPENDICES

# 10. APPENDIX 1 Capital Improvement Projects:

## 10.1. Potable Water

		FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
10521	SCADA System Communication Upgrades (LV Only)	\$0	\$873,575	\$0	\$0	\$0	\$0
10694	Building No. 8 Office Space Rehabilitation	\$0	\$578,925	\$0	\$0	\$0	\$0
10679	New Fire Panel for Building #8	\$0	\$92,338	\$0	\$0	\$0	\$0
10683	Boardroom Audio/Video Upgrade	\$0	\$49,864	\$0	\$0	\$0	\$0
10701	Electronic Document Management System	\$0	\$103,750	\$0	\$0	\$0	\$0
10663	ERP Systems	\$0	\$418,113	\$0	\$0	\$0	\$0
201837	Business Intelligence Tools	\$0	\$5,188	\$134,981	\$0	\$0	\$0
10706	Mobility Review	\$0	\$51,875	\$53,820	\$0	\$0	\$0
201864	Building No. 7 Air Conditioner Repair	\$0	\$181,666	\$0	\$0	\$0	\$0
201865	Multi Site Security Assessment and Improvement - LV Or	\$0	\$77,034	\$79,923	\$0	\$0	\$0
201886	Mobile Crane Replacement	\$0	\$207,500	\$0	\$0	\$0	\$0
201892	CIS Mobile Capability	\$0	\$17,119	\$17,761	\$0	\$0	\$0
201905	Building No. 1 Drainage Improvements	\$0	\$0	\$0	\$175,333	\$0	\$0
201917	Construction Services Truck Replacement	\$0	\$181,563	\$0	\$0	\$0	\$0
201919	Customer Service Security Improvements	\$0	\$160,813	\$0	\$0	\$0	\$0
201935	Dump Truck Replacement	\$0	\$0	\$118,405	\$0	\$0	\$0
201936	Backhoe Replacement	\$0	\$0	\$0	\$122,845	\$0	\$0
201937	Shop Lifts - Fleet Maintenance	\$0	\$0	\$0	\$111,677	\$0	\$0
10430	Twin Lakes Pump Station Pipeline Project	\$0	\$1,141,250	\$1,184,047	\$0	\$0	\$0
10662	Potable Water System PLC Upgrade Phase 1	\$0	\$0	\$0	\$210,802	\$0	\$0
99991	Westlake Filter Plant PLC Upgrade	\$0	\$0	\$203,182	\$0	\$0	\$0
99998	Water System PLC Upgrade Phase 2	\$0	\$0	\$153,926	\$0	\$0	\$0
10655	Cornell Pump Station Upgrades	\$0	\$0	\$538,203	\$0	\$0	\$0
10674	Pressure Reducing Station #45 (Kimberly) Rehabilitation	\$0	\$230,490	\$193,753	\$0	\$0	\$0
10675	Pressure Reducing Station #32 (Old Chimney) Rehabilitat	\$0	\$288,112	\$193,753	\$0	\$0	\$0
10684	Upper Oaks Pump Station Electrical Upgrade	\$0	\$10,375	\$131,322	\$0	\$0	\$0

		FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
10705	Pressure Regulating Station Rehabilitation #55 (Hindu Te	\$0	\$83,000	\$21,528	\$265,345	\$0	\$0
201843	JBR Pump Station Pump 2 Rehabilitation	\$0	\$41,085	\$0	\$0	\$0	\$0
201850	Cla-Val Repair Truck	\$0	\$0	\$0	\$223,354	\$0	\$0
201870	Roadside Bridge Waterline Relocation	\$0	\$141,100	\$0	\$0	\$0	\$0
201873	Surge Tank(s)	\$0	\$109,560	\$0	\$0	\$0	\$0
201874	Stunt Road Pump Station Improvements	\$0	\$336,150	\$0	\$0	\$0	\$0
201885	Mobile Generators	\$0	\$155,625	\$0	\$0	\$0	\$0
201891	Latigo and Seminole Pax Mixers for Tanks	\$0	\$149,400	\$0	\$0	\$0	\$0
201893	JBR Pump Station Valve Replacements	\$0	\$0	\$165,982	\$0	\$0	\$0
201894	Agoura Pump Station Onsite Generator	\$0	\$0	\$0	\$309,346	\$0	\$0
201896	Conduit Pressure Regulating (PR) Station Rehabilitation	\$0	\$0	\$326,582	\$0	\$0	\$0
201898	"Iwater" Program	\$0	\$33,200	\$0	\$0	\$0	\$0
201899	Three Springs VFD Pump Station Project	\$0	\$0	\$240,039	\$0	\$0	\$0
10660	AMR Implementation	\$0	\$3,127,025	\$5,735,093	\$3,015,009	\$0	\$0
201851	Three Inch (3") & Larger Meter Replacements	\$0	\$77,813	\$80,730	\$0	\$0	\$0
10678	Deerlake Tank and Twin Lakes Tank Pump Station (Parent	\$0	\$0	\$0	\$0	\$0	\$0
10685	Deerlake Tank Construction	\$0	\$177,413	\$1,078,416	\$0	\$0	\$0
10686	Twin Lakes P/S Improvement	\$0	\$363,125	\$387,097	\$0	\$0	\$0
10651	Tank Renovation: Equestrian Tank	\$0	\$176,868	\$0	\$0	\$0	\$0
10671	Saddle Peak Tank Rehabilitation	\$0	\$1,357,251	\$0	\$0	\$0	\$0
201867	Water Tank Rehab. - Upper Oaks and Dardenne	\$0	\$0	\$269,102	\$0	\$0	\$0
201868	Potable Water Tank Rehabilitation	\$0	\$0	\$0	\$2,331,667	\$1,527,179	\$1,880,322
201841	Vehicle Replacement Program	\$0	\$51,875	\$53,820	\$223,354	\$231,730	\$240,420
201842	IT Capital Purchases	\$0	\$77,813	\$80,730	\$83,758	\$86,899	\$90,157
201847	Potable Water System Rehabilitation	\$0	\$103,750	\$107,641	\$294,828	\$305,884	\$317,354
201848	PW System Small Valve Replacement	\$0	\$103,750	\$107,641	\$294,828	\$305,884	\$317,354

		FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
201853	Meter Vault Upgrades	\$0	\$68,475	\$71,043	\$0	\$0	\$0
201878	Potable Water System Pipe Rehabilitation and Replacement	\$0	\$311,250	\$0	\$1,244,083	\$4,634,602	\$4,808,399
201897	Pressure Regulating Station Valve Replacements (Multiple S	\$0	\$41,085	\$0	\$805,751	\$835,966	\$867,315
201903	Emergency Pipeline Construction Repair and Replacement	\$0	\$410,850	\$426,257	\$442,242	\$458,826	\$476,032
201920	Pressure Vessel Maintenance Program	\$0	\$0	\$0	\$111,677	\$115,865	\$120,210
201921	Fire Hardening - LVMWD Facilities	\$0	\$0	\$0	\$223,354	\$231,730	\$240,420
201922	Potable System Coatings Program	\$0	\$0	\$0	\$111,677	\$115,865	\$120,210
201924	Cathodic Protection Program	\$0	\$0	\$0	\$111,677	\$115,865	\$120,210
10556	Interconnection With CMWD	\$0	\$4,767,313	\$1,614,609	\$0	\$0	\$0
10672	Stationary Emergency Generator - PW Pump Station	\$0	\$3,454,875	\$0	\$0	\$0	\$0
201871	Wildlife Corridor Utility Relocation - LVMWD	\$0	\$51,875	\$284,171	\$0	\$0	\$0
201908	Electric Vehicle Charging Stations	\$0	\$75,323	\$0	\$0	\$0	\$0
201925	Interconnection With CMWD - Offset	\$0	(\$2,075,000)	\$0	\$0	\$0	\$0
201926	Stationary Emergency Generator - PW Pump Station - Offset	\$0	(\$3,454,875)	\$0	\$0	\$0	\$0
201927	Wildlife Corridor Utility Relocation - LVMWD - Offset	\$0	(\$51,875)	(\$284,171)	\$0	\$0	\$0
10642	Westlake Pump Station and Filtration Plant Landscaping	\$0	\$0	\$0	\$0	\$0	\$0
201889	Westlake Treatment Plant and Pump Station Access Road P	\$0	\$51,875	\$0	\$298,178	\$0	\$0
201923	Raw Water Reservoir Cover (Westlake)	\$0	\$81,963	\$0	\$0	\$0	\$0
10690	Westlake Filter Plant - Woolsey Fire	\$0	\$3,986,494	\$0	\$0	\$0	\$0
10700	Troutdale Pipeline - Woolsey Fire	\$0	\$678,525	\$0	\$0	\$0	\$0
10691	Woolsey Fire - Repair LV Facilities	\$0	\$356,070	\$0	\$0	\$0	\$0
201931	Woolsey Fire - Westlake Filter Plant - Reimbursement	\$0	(\$3,986,494)	\$0	\$0	\$0	\$0
201932	Woolsey Fire - Repair LV Facilities - Reimbursement	\$0	(\$356,070)	\$0	\$0	\$0	\$0
201934	Troutdale Pipeline - Woolsey Fire - Reimbursement	\$0	(\$678,525)	\$0	\$0	\$0	\$0
XXXXXX	FY 2019-20 Budgeted Potable Water Construction	\$0	\$0	\$0	\$0	\$0	\$0
XXXXXX	FY 2019-20 Budgeted Potable Water	\$1,415,242	\$0	\$0	\$0	\$0	\$0
	<b>Total CIP Fund</b>	<b>\$1,415,242</b>	<b>\$13,561,633</b>	<b>\$12,392,447</b>	<b>\$11,010,784</b>	<b>\$8,966,294</b>	<b>\$9,598,404</b>
	<b>Total CIP Fund</b>	<b>\$1,415,242</b>	<b>\$15,068,481</b>	<b>\$13,769,386</b>	<b>\$11,010,784</b>	<b>\$8,966,294</b>	<b>\$9,598,404</b>

## 10.2. Recycled

		FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
201901	Wildlife Corridor Utility Relocation - JPA Recycled Water	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
201928	Wildlife Corridor Utility Relocation - JPA - Offset	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10629	Canyon Oaks Park RW Main Extension	\$0	\$0	\$0	\$287,371	\$0	\$0	\$0	\$0
10665	Cordillera Tank Rehab	\$0	\$0	\$0	\$850,688	\$0	\$0	\$0	\$0
10666	Calabasas Park Recycled Water Main Extension	\$0	\$0	\$0	\$0	\$0	\$494,813	\$0	\$0
201869	Recycled Water Tank Rehabilitation	\$0	\$0	\$0	\$0	\$0	\$0	\$409,004	\$424,341
XXXXXX	FY 2019-20 Budgeted Recycled Water	\$0	\$0	\$23,889	\$0	\$0	\$0	\$0	\$0
	Pure Water Recycled Allocation	\$0	\$0	\$0	\$1,230,558	\$1,504,598	\$1,607,851	\$1,864,722	\$4,337,547
<b>Grand Total</b>		<b>\$0</b>	<b>\$0</b>	<b>\$23,889</b>	<b>\$2,368,617</b>	<b>\$1,504,598</b>	<b>\$2,102,664</b>	<b>\$2,273,726</b>	<b>\$4,761,888</b>

## 10.3. Sanitation

		FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
10520	SCADA System Communication Upgrades	\$0	\$44,427	\$0	\$312,223	\$269,942	\$0
201866	Multi Site Security Assessment and Improvement - JPA	\$0	\$23,728	\$24,618	\$0	\$0	\$0
201839	Rancho Reliability Improvements	\$0	\$96,687	\$100,312	\$104,074	\$107,977	\$112,026
201840	Tapia Water Reclamation Facility Improvements	\$0	\$96,687	\$100,312	\$104,074	\$107,977	\$112,026
201915	Fire Hardening - JPA Facilities	\$0	\$193,373	\$200,625	\$208,148	\$215,954	\$224,052
10635	Pure Water Project	\$0	\$3,896,767	\$4,764,561	\$5,091,529	\$5,904,953	\$13,735,566
201911	Pure Water Project Grant Offset	\$0	\$0	(\$1,082,567)	\$0	\$0	\$0
80748	Rancho: Replace Agitators	\$0	\$0	\$0	\$437,585	\$453,994	\$0
10693	Pavement Restoration Rancho	\$0	\$0	\$0	\$418,662	\$0	\$0
10668	Rancho Las Virgenes Storm Water Diversion Structure Replacement	\$0	\$104,785	\$89,369	\$0	\$0	\$0
10670	Centrate 24" Valve Replacement	\$0	\$211,685	\$0	\$0	\$0	\$0
10680	Rancho Las Virgenes Digester Cleaning and Repair	\$0	\$454,911	\$0	\$0	\$0	\$0
70019	Centrate Tank Inspection and Rehabilitation Assessment	\$0	\$7,325	\$0	\$0	\$0	\$0
201862	Rancho Valving In Street Replacement	\$0	\$0	\$192,646	\$0	\$0	\$0
201907	Rancho Generator Study and Purchase	\$0	\$222,672	\$209,243	\$0	\$0	\$0
10596	Lift Stations Programmable Logic Controller Upgrades	\$0	\$0	\$0	\$0	\$0	\$0
99983	Trunk Sewer System Improvements	\$0	\$0	\$1,194,811	\$1,239,616	\$1,286,102	\$1,334,331
201855	Lift Station No. 1 Pump Replacement	\$0	\$0	\$426,257	\$0	\$0	\$0
201856	Lift Station No. 2 Pump Replacement	\$0	\$0	\$0	\$0	\$458,826	\$0
201914	Lift Station Improvements	\$0	\$155,625	\$1,194,811	\$1,239,616	\$0	\$0
10567	Tapia Programmable Logic Controller Upgrades	\$0	\$1,731,084	\$0	\$0	\$0	\$0
10661	A/B Bus Electrical Modification	\$0	\$73,248	\$0	\$0	\$0	\$0
60030	Grit Chamber Mixing System Replacement	\$0	\$0	\$0	\$104,863	\$0	\$0
60031	New RAS Wet Well and Pumps	\$0	\$87,897	\$0	\$883,054	\$0	\$0
60032	Pavement Restoration Tapia	\$0	\$0	\$0	\$340,606	\$0	\$0
10619	Summer Season TMDL Compliance	\$0	\$1,918,499	\$0	\$0	\$0	\$0

		FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
10669	Develop Tour Seating Area at Tapia	\$0	\$8,032	\$0	\$0	\$0	\$0
10702	Tapia Effluent Pump Station 4160 Volt Feeder Relocation	\$0	\$73,248	\$300,937	\$0	\$0	\$0
10703	Tapia Tertiary Filter Rehabilitation	\$0	\$0	\$0	\$62,445	\$0	\$0
201854	Tapia Influent Pump Replacement	\$0	\$0	\$300,937	\$0	\$0	\$0
201857	Tapia Hypochlorite Tank Replacement	\$0	\$141,514	\$0	\$0	\$0	\$0
201858	Tapia Secondary Clarifier Rehabilitation	\$0	\$0	\$0	\$221,552	\$0	\$0
201859	Tapia Effluent Meter Replacement	\$0	\$24,172	\$0	\$0	\$0	\$0
201860	Tapia Sludge Wet Well Re-circulation Piping Replacement	\$0	\$0	\$47,724	\$0	\$0	\$0
201861	Tapia Air Line Repair	\$0	\$0	\$37,997	\$260,185	\$0	\$0
201875	Tapia Gantry Crane	\$0	\$0	\$87,849	\$0	\$0	\$0
201904	Tapia Flow Equalization - Design/Construct	\$0	\$73,248	\$189,986	\$197,110	\$2,723,964	\$2,826,113
201906	Tapia HVAC Replacement	\$0	\$222,672	\$0	\$0	\$0	\$0
201912	Concrete Corrosion/Crack Repair - Tapia	\$0	\$48,343	\$50,156	\$52,037	\$0	\$0
201913	Tapia Effluent Pump Station Rehabilitation	\$0	\$0	\$0	\$0	\$4,517,445	\$0
201916	Tapia Control Building Improvements	\$0	\$0	\$0	\$1,750,338	\$1,815,976	\$0
201918	003 Discharge Point Rehabilitation	\$0	\$563,493	\$0	\$0	\$0	\$0
10689	Rancho Fire Repair - Woolsey Fire	\$0	\$1,087,044	\$0	\$0	\$0	\$0
10692	JPA Facility Facilities Repair - Woolsey Fire	\$0	\$640,731	\$0	\$0	\$0	\$0
201930	Rancho Fire Repair - Woolsey Fire - Reimbursement	\$0	(\$1,087,044)	\$0	\$0	\$0	\$0
201933	JPA Facility Facilities Repair - Woolsey Fire - Reimbursement	\$0	(\$241,717)	\$0	\$0	\$0	\$0
XXXXXX	FY 2019-20 Budgeted Sanitation	\$6,293,359	\$0	\$0	\$0	\$0	\$0
	<b>Grand Total</b>	<b>\$6,293,359</b>	<b>\$8,698,507</b>	<b>\$6,744,468</b>	<b>\$11,724,946</b>	<b>\$17,863,109</b>	<b>\$18,344,114</b>
		<b>\$6,293,359</b>	<b>\$10,873,134</b>	<b>\$8,430,585</b>	<b>\$13,027,717</b>	<b>\$17,863,109</b>	<b>\$18,344,114</b>

# 11. APPENDIX 2 Cost of Service Allocations:

## 11.1. Potable

### 11.1.1. CAPITAL

	FY 2020	Water Supply	Power	Base	Max Day	Max Hour	Conservation	Rev Offset	Fire	Meters	B&CS	General	Total
		Peaking Factors		Base	Max Day	Max Hour							
		Base	1.00	100.0%									
		Max Day	2.10	47.6%	52.4%								
		Max Hour	2.50	40.0%	44.0%	16.0%							
	Total Asset	Water Supply	Power	Base	Max Day	Max Hour	Conservation	Rev Offset	Fire	Meters	B&CS	General	Total
<b>Potable Water</b>													
Land & Land Rights	\$6,800,720											100.0%	100.0%
Source of Supply (Tanks)	\$40,957,290			47.6%	52.4%							0.0%	100.0%
Source of Supply (Tanks)-Intangible	\$87,723			47.6%	52.4%							0.0%	100.0%
Pumping Plant	\$23,971,873			47.6%	52.4%							0.0%	100.0%
Water Treatment Plant (w/LR)	\$20,084,821			47.6%	52.4%							0.0%	100.0%
Transmission & Distribution Plant	\$74,970,423			40.0%	44.0%	16.0%						0.0%	100.0%
Transmission & DistriIntangible	\$129,849			40.0%	44.0%	16.0%						0.0%	100.0%
Distribution Mains	\$27,790			40.0%	44.0%	16.0%						0.0%	100.0%
Meter Installation - Non Tract	\$5,173,238										100.0%	0.0%	100.0%
Cost of Meters - Installed	\$1,956,869									100.0%	0.0%	0.0%	100.0%
Fire Hydrants Installed	\$3,824,375								100.0%			0.0%	100.0%
Meter Installation - In Tract-Donated	\$5,499,072										100.0%	0.0%	100.0%
Meter Installation - In Tract-Other	\$1,617,774										100.0%	0.0%	100.0%
Other Construction	\$311,209											100.0%	100.0%
General Asset Allocation to Funds	\$17,256,463											100.0%	100.0%
CONSTRUCTION IN PROGRESS	\$1,633,183											100%	100%
<b>Total Asset</b>	<b>\$204,302,671</b>	<b>\$0</b>	<b>\$0</b>	<b>\$70,575,847</b>	<b>\$77,633,432</b>	<b>\$12,020,490</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,824,375</b>	<b>\$14,246,953</b>	<b>\$0</b>	<b>*****</b>	<b>*****</b>
<b>Capital Allocation Factors</b>		<b>0.0%</b>	<b>0.0%</b>	<b>34.5%</b>	<b>38.0%</b>	<b>5.9%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>1.9%</b>	<b>7.0%</b>	<b>0.0%</b>	<b>12.7%</b>	<b>100.0%</b>



## 11.1.2. O&M

	FY 2020	Water Supply	Power	Base	Max Day	Max Hour	Conservation	Rev Offset	Fire	Meters	B&CS	General	Total
<b>Source of Supply</b>													
5000 Purchased Water - MWD	\$22,626,233	92.2%		3.1%	3.4%	1.3%	0.0%					0.0%	100.0%
5054 Draw from Reservoir	\$854,100	0.0%			100.0%							0.0%	100.0%
5105 Purchased Water - Ventura Co.	\$308,388	100.0%	0.0%									0.0%	100.0%
5110 Purchased Water - Simi Dist. #8	\$61,263	100.0%	0.0%									0.0%	100.0%
5125 Water Supply - LVR Adjustment	\$157,941	0.0%			100.0%							0.0%	100.0%
<b>Subtotal - Source of Supply</b>	<b>\$24,007,931</b>												
<b>Operating Expense</b>													
5400 Labor	\$1,093,101		47.0%	21.2%	23.3%	8.5%						0.0%	100.0%
5405.1 Energy	\$842,200		94.8%	2.1%	2.3%	0.8%						0.0%	100.0%
5405.2 Telephone	\$47,050		70.2%	11.9%	13.1%	4.8%						0.0%	100.0%
5405.3 Gas	\$13,183		98.6%	0.6%	0.6%	0.2%						0.0%	100.0%
5405.4 Water	\$7,148		36.4%	25.4%	28.0%	10.2%						0.0%	100.0%
5410 Supplies/Material	\$125,898		32.2%	27.1%	29.8%	10.8%						0.0%	100.0%
5410.10 Hypochlorite	\$6,500		0.0%	40.0%	44.0%	16.0%						0.0%	100.0%
5415 Outside Services	\$127,200		53.1%	18.8%	20.6%	7.5%						0.0%	100.0%
5420 Permits and Fees	\$40,748		87.4%	5.0%	5.5%	2.0%						0.0%	100.0%
5425 Consulting Services	\$3,768		0.0%	40.0%	44.0%	16.0%						0.0%	100.0%
<b>Subtotal - Operating Expense</b>	<b>\$2,312,802</b>												
<b>Maintenance Expense</b>													
5500 Labor	\$885,757		36.9%	25.2%	27.8%	10.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
5510 Supplies/Material	\$153,291		20.5%	31.8%	35.0%	12.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
5515 Outside Services	\$243,604		10.1%	36.0%	39.6%	14.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
5518 Building Maintenance	\$64,776		0.0%	40.0%	44.0%	16.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
5520 Permits and Fees	\$20,000		0.0%	40.0%	44.0%	16.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
5530 Capital Outlay	\$40,140		0.0%	40.0%	44.0%	16.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
<b>Subtotal - Maintenance Expense</b>	<b>\$1,413,568</b>												

	FY 2020	Water Supply	Power	Base	Max Day	Max Hour	Conservation	Rev Offset	Fire	Meters	B&CS	General	Total
<b>Specialty Expenses</b>													
Inventory Adjustment	\$0		0.0%	40.0%	44.0%	16.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
5700 SCADA Services	\$121,008		77.1%	9.2%	10.1%	3.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
5710.2 Technical Services	\$54,876		1.3%	39.5%	43.4%	15.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
5715.2 Other Lab Services	\$1,000		0.0%	40.0%	44.0%	16.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
5715.3 Tapia Lab Sampling	\$80,778		85.6%	5.7%	6.3%	2.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
5725 Gen Supplies/Small Tools	\$5,800		0.0%	40.0%	44.0%	16.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
7202 Allocated Lab Expense	\$178,341		69.5%	12.2%	13.4%	4.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
<b>Subtotal - Specialty Expenses</b>	<b>\$441,803</b>												
<b>Public Information Expenses</b>													
6602 School Education Program	\$41,749		0.0%									100.0%	100.0%
6604 Public Education Program	\$2,862		0.0%									100.0%	100.0%
6606 Community Group Outreach	\$3,901		0.0%									100.0%	100.0%
6608 Intergovernmental Coordination	\$0		0.0%									100.0%	100.0%
<b>Subtotal - Public Information Exp</b>	<b>\$48,512</b>												
<b>Field Conservation Expenses</b>													
6639 Turf Removal Program	\$0		0.0%				100.0%					0.0%	100.0%
6640 RainBarrel Program	\$1,181		0.0%				100.0%					0.0%	100.0%
6709 WBIC Irrigation Controller	\$415,168		0.0%				100.0%					0.0%	100.0%
<b>Subtotal - Field Conservation Ex</b>	<b>\$416,349</b>												
<b>Community Conservation Education Expenses</b>													
6742 Demonstration Garden Grant	\$15,500		0.0%									100.0%	100.0%
6749 Residential Customer Training	\$20,000		0.0%									100.0%	100.0%
<b>Subtotal - Community Conservat</b>	<b>\$35,500</b>												
<b>Resource Conservation Expenses</b>													
6785 Watershed Programs	\$12,397		0.0%									100.0%	100.0%
6790 Back Flow Protection	\$32,638		0.0%									100.0%	100.0%
<b>Subtotal - Resource Conservatic</b>	<b>\$45,035</b>												

	FY 2020	Water Supply	Power	Base	Max Day	Max Hour	Conservation	Rev Offset	Fire	Meters	B&CS	General	Total
<b>Administrative Expenses</b>													
6260 Rental Charge - Facility Repl	\$255,375		0.0%									100.0%	100.0%
6516 Other Professional Services	\$181,650		0.0%									100.0%	100.0%
7135.1 Property Insurance	\$118,122		0.0%									100.0%	100.0%
7135.4 Earthquake Insurance	\$133,767		0.0%									100.0%	100.0%
7145 Claims Paid	\$0		0.0%									100.0%	100.0%
7155 Other Expense	\$0		0.0%									100.0%	100.0%
7203 Allocated Building Maint	\$92,425		0.0%									100.0%	100.0%
7205 Allocated Legal	\$20,000		0.0%									100.0%	100.0%
Allocated Rental Property Exp	\$0		0.0%									100.0%	100.0%
7225 Allocated Support Services	\$2,173,666		0.0%								15.0%	85.0%	100.0%
7226 Allocated Operations Services	\$5,674,630		0.0%									100.0%	100.0%
Allocated Insurance	\$0		0.0%									100.0%	100.0%
<b>Subtotal - Administrative Exper</b>	<b>\$8,649,634</b>												
<b>TOTAL OPERATING EXPEN</b>	<b>\$37,371,134</b>	<b>\$21,225,322</b>	<b>\$2,177,845</b>	<b>\$1,504,358</b>	<b>\$2,666,835</b>	<b>\$601,743</b>	<b>\$416,349</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$326,050</b>	<b>\$8,452,631</b>	<b>\$37,371,134</b>
	TRUE	57%	6%	4%	7%	2%	1%	0%	0%	0%	1%	23%	100%

	FY 2020	Water Supply	Power	Base	Max Day	Max Hour	Conservation	Rev Offset	Fire	Meters	B&CS	General	Total
O&M		57%	6%	4%	7%	2%	1%	0%	0%	0%	1%	23%	100%
Recycled Funding							100%						100%
Rev Offset								100%					100%
Capital		0%	0%	35%	38%	6%	0%	0%	2%	7%	0%	13%	100%
Rev Req excl WS			9%	18%	24%	4%	2%	0%	1%	2%	1%	39%	100%
Rev Req		46%	5%	10%	13%	2%	1%	0%	0%	1%	1%	21%	100%
General Cost												100%	100%
General Cost Reallocation				34.8%	46.2%	8.6%	3.2%			4.7%	2.5%		100%
<b>NET REVENUE REQUIREMENTS</b>	<b>FY 2020</b>	<b>Water Supply</b>	<b>Power</b>	<b>Base</b>	<b>Max Day</b>	<b>Max Hour</b>	<b>Conservation</b>	<b>Rev Offset</b>	<b>Fire</b>	<b>Meters</b>	<b>B&amp;CS</b>	<b>General</b>	<b>Total</b>
<b>REVENUE REQUIREMENTS</b>													
O&M Expenses	\$37,371,134	\$21,225,322	\$2,177,845	\$1,504,358	\$2,666,835	\$601,743	\$416,349	\$0	\$0	\$0	\$326,050	\$8,452,631	\$37,371,134
Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Rate Funded Replacement CIP	\$1,415,242	\$0	\$0	\$488,892	\$537,781	\$83,268	\$0	\$0	\$26,492	\$98,691	\$0	\$180,118	\$1,415,242
Net Cash Change	\$5,822,781	\$0	\$0	\$2,011,465	\$2,212,612	\$342,593	\$0	\$0	\$108,998	\$406,049	\$0	\$741,065	\$5,822,781
Mid Year Adjustment	\$1,324,865	\$0	\$0	\$457,671	\$503,438	\$77,951	\$0	\$0	\$24,800	\$92,389	\$0	\$168,615	\$1,324,865
<b>SUBTOTAL REVENUE REQUIR</b>	<b>\$45,934,022</b>	<b>\$21,225,322</b>	<b>\$2,177,845</b>	<b>\$4,462,386</b>	<b>\$5,920,666</b>	<b>\$1,105,555</b>	<b>\$416,349</b>	<b>\$0</b>	<b>\$160,290</b>	<b>\$597,129</b>	<b>\$326,050</b>	<b>\$9,542,429</b>	<b>\$45,934,022</b>
<i>Less Non-Operating Revenues</i>													
Conservation Violation Charge	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Penalty for Unsustainable Wtr Use	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Temporary Meter Fees	(\$3,000)	\$0	\$0	\$0	\$0	\$0	\$0	(\$3,000)	\$0	\$0	\$0	\$0	(\$3,000)
Late Payment Fees and other Non C	(\$536,000)	\$0	\$0	\$0	\$0	\$0	\$0	(\$536,000)	\$0	\$0	\$0	\$0	(\$536,000)
Water Usage - Accidents	(\$29,500)	\$0	\$0	\$0	\$0	\$0	\$0	(\$29,500)	\$0	\$0	\$0	\$0	(\$29,500)
<b>PW Supplement to RW</b>	<b>(\$1,542,080)</b>	<b>(\$1,542,080)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$1,542,080)</b>
PW Suppl RW-Prior Yr Adj	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MWD Conser Credit	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Prop 50 - IRWMP	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MWD Future Supply Actions Funding	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Income from Operations (Inclu	(\$696,163)	\$0	\$0	\$0	\$0	\$0	\$0	(\$696,163)	\$0	\$0	\$0	\$0	(\$696,163)
<b>SUBTOTAL NON-OPERATING</b>	<b>(\$2,806,743)</b>	<b>(\$1,542,080)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$1,264,663)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$2,806,743)</b>
<b>NET REVENUE REQUIREMENT:</b>	<b>\$43,127,279</b>	<b>\$19,683,242</b>	<b>\$2,177,845</b>	<b>\$4,462,386</b>	<b>\$5,920,666</b>	<b>\$1,105,555</b>	<b>\$416,349</b>	<b>(\$1,264,663)</b>	<b>\$160,290</b>	<b>\$597,129</b>	<b>\$326,050</b>	<b>\$9,542,429</b>	<b>\$43,127,279</b>
Reallocation of General Costs		\$0	\$0	\$3,319,423	\$4,404,189	\$822,386	\$309,708	\$0	\$0	\$444,185	\$242,538	-\$9,542,429	\$0
Reallocation of Public Fire Protection Costs		\$0	\$0	\$55,758	\$73,980	\$13,814	\$5,202	\$0	-\$160,290	\$7,461	\$4,074	\$0	(\$0)
<b>NET ADJUSTED REV REQMT F</b>	<b>\$43,127,279</b>	<b>\$19,683,242</b>	<b>\$2,177,845</b>	<b>\$7,837,568</b>	<b>\$10,398,835</b>	<b>\$1,941,756</b>	<b>\$731,260</b>	<b>-\$1,264,663</b>	<b>\$0</b>	<b>\$1,048,775</b>	<b>\$572,662</b>	<b>\$0</b>	<b>\$43,127,279</b>
		46%	5%	18%	24%	5%	2%	-3%	0%	2%	1%	0%	

## 11.2. Recycled

### 11.2.1. CAPITAL

FY 2020	Water Supply	Power	Base	Max Day	Max Hour	Conservation	Rev Offset	Fire	Meters	B&CS	General	Total
		<b>Peaking Factors</b>	<b>Base</b>	<b>Max Day</b>	<b>Max Hour</b>							
		Base	1.00	100.0%								
		Max Day	2.50	40.0%	60.0%							
		Max Hour	5.00	20.0%	30.0%	50.0%						
Total Asset	Water Supply	Power	Base	Max Day	Max Hour	Conservation	Rev Offset	Fire	Meters	B&CS	General	Total
<b>RECYCLED WATER</b>												
Land & Land Rights	\$3,397										100%	100%
Source of Supply (Tanks)	\$692,617		40%	60%	0%						0%	100%
Pumping Plant	\$309,040		40%	60%	0%						0%	100%
Transmission & Distribution Plant	\$7,934,316		40%	60%	0%						0%	100%
Meter Installation - Non Tract	\$228,676		40%	60%	0%						0%	100%
Cost of Meters - Installed	\$176,772		20%	30%	50%						0%	100%
Meter Installation - In Tract-Donated	\$288,531		20%	30%	50%						0%	100%
Meter Installation - In Tract-Other	\$88,456		20%	30%	50%						0%	100%
Other Construction	\$28,015										100%	100%
General Asset Allocation to Funds	\$899,496										100%	100%
CONSTRUCTION IN PROGRESS	\$0										100%	100%
<b>Total Asset</b>	<b>\$10,649,315</b>	<b>\$0</b>	<b>\$3,776,611</b>	<b>\$5,664,917</b>	<b>\$276,880</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$930,908</b>	<b>\$10,649,315</b>
		<b>0%</b>	<b>35%</b>	<b>53%</b>	<b>3%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>9%</b>	<b>100%</b>

## 11.2.2. O&M

	FY 2020	Water Supply	Power	Base	Max Day	Max Hour	Conservation	Rev Offset	Fire	Meters	B&CS	General	Total
<b>Source of Supply</b>													
Purchased Water - JPA RWTR	\$1,882,618	53%	47%									0%	100%
Purchased Water - Potable Suppl	\$1,542,080	100%		0%								0%	100%
Purch Water-PW Supp-Prior Yr Adj	\$0											100%	100%
<b>Subtotal - Source of Supply</b>	<b>\$3,424,698</b>												
<b>Operating Expenses</b>													
Labor	\$144,185			20%	30%	50%						0%	100%
Energy	\$4,091			20%	30%	50%						0%	100%
Supplies/Material	\$0			20%	30%	50%						0%	100%
Outside Services	\$0			20%	30%	50%						0%	100%
Permits and Fees	\$1,636			20%	30%	50%						0%	100%
<b>Subtotal - Operating Expenses</b>	<b>\$149,912</b>												
<b>Maintenance Expenses</b>													
Labor	\$2,167			20%	30%	50%						0%	100%
Supplies/Material	\$250			20%	30%	50%						0%	100%
Outside Services	\$5,516			20%	30%	50%						0%	100%
<b>Subtotal - Maintenance Expenses</b>	<b>\$7,933</b>												
<b>Specialty Expenses</b>													
Tech Services	\$0											100%	100%
<b>Subtotal - Specialty Expenses</b>	<b>\$0</b>												
<b>Resource Conservation</b>													
Back Flow Protection	\$4,070											100%	100%
<b>Subtotal - Resource Conservation</b>	<b>\$4,070</b>												
<b>Administrative Expense</b>													
Rental Charge - Facility Repl	\$12,368											100%	100%
Other Professional Services	\$0											100%	100%
Claims Paid	\$900											100%	100%
Other Expense	\$0											100%	100%
Allocated G & A	\$0											100%	100%
Allocated Support Services	\$157,916											100%	100%
Allocated Operations Services	\$327,404											100%	100%
<b>Subtotal - Administrative Expense</b>	<b>\$1,098,588</b>												
<b>TOTAL OPERATING EXPENSES</b>	<b>\$4,685,202</b>	<b>\$2,540,002</b>	<b>\$884,696</b>	<b>\$31,569</b>	<b>\$47,354</b>	<b>\$78,923</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,102,658</b>	<b>\$4,685,202</b>
<b>O&amp;M Allocation Factors</b>		<b>54%</b>	<b>19%</b>	<b>1%</b>	<b>1%</b>	<b>2%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>24%</b>	<b>100%</b>

	FY 2020	Water Supply	Power	Base	Max Day	Max Hour	Conservation	Rev Offset	Fire	Meters	B&CS	General	Total
O&M		54%	19%	1%	1%	2%	0%	0%	0%	0%	0%	24%	100%
Recycled Funding							100%					0%	100%
Rev Offset								100%				0%	100%
Capital		0%	0%	35%	53%	3%	0%	0%	0%	0%	0%	9%	100%
Rev Req excl WS				8.3%	12.5%	3.5%	0.0%	0.0%	0.0%	0.0%	0.0%	76%	100%
Rev Req		49%	17%	4%	6%	2%	0%	0%	0%	0%	0%	22%	100%
General Cost												100%	100%
General Cost Reallocation				34.3%	51.4%	14.3%	0.0%	0.0%			0.0%	0%	100%
<b>Revenue Requirements</b>	<b>FY 2020</b>	<b>Water Supply</b>	<b>Power</b>	<b>Base</b>	<b>Max Day</b>	<b>Max Hour</b>	<b>Conservation</b>	<b>Rev Offset</b>	<b>Fire</b>	<b>Meters</b>	<b>B&amp;CS</b>	<b>General</b>	<b>Total</b>
<b>REVENUE REQUIREMENTS</b>													
O&M Expenses	\$4,685,202	\$2,540,002	\$884,696	\$31,569	\$47,354	\$78,923	\$0	\$0	\$0	\$0	\$0	\$1,102,658	\$4,685,202
Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Rate Funded Replacement CIP	\$23,889	\$0	\$0	\$8,472	\$12,708	\$621	\$0	\$0	\$0	\$0	\$0	\$2,088	\$23,889
Net Cash Change	\$436,822	\$0	\$0	\$154,912	\$232,368	\$11,357	\$0	\$0	\$0	\$0	\$0	\$36,185	\$436,822
Mid-Year Adjustment	\$79,715	\$0	\$0	\$28,270	\$42,405	\$2,073	\$0	\$0	\$0	\$0	\$0	\$6,968	\$79,715
<b>SUBTOTAL REVENUE REQUIREMENTS</b>	<b>\$5,225,628</b>	<b>\$2,540,002</b>	<b>\$884,696</b>	<b>\$223,223</b>	<b>\$334,834</b>	<b>\$92,973</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,149,900</b>	<b>\$5,225,628</b>
<i>Less Non-Operating Revenues</i>													
Temporary Meter Charge	(\$1,800)	\$0	\$0	\$0	\$0	\$0	\$0	(\$1,800)	\$0	\$0	\$0	\$0	(\$1,800)
Temporary Meter Installation Fees	(\$100)	\$0	\$0	\$0	\$0	\$0	\$0	(\$100)	\$0	\$0	\$0	\$0	(\$100)
Late Payment Fees and other Non Operating	(\$100,000)	\$0	\$0	\$0	\$0	\$0	\$0	(\$100,000)	\$0	\$0	\$0	\$0	(\$100,000)
Water Usage - Accidents	(\$100)	\$0	\$0	\$0	\$0	\$0	\$0	(\$100)	\$0	\$0	\$0	\$0	(\$100)
Other Income from Operations	(\$90,000)	\$0	\$0	\$0	\$0	\$0	\$0	(\$90,000)	\$0	\$0	\$0	\$0	(\$90,000)
<b>SUBTOTAL NON-OPERATING REVENUES</b>	<b>(\$192,000)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$192,000)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$192,000)</b>
<b>NET REVENUE REQUIREMENTS</b>	<b>\$5,033,628</b>	<b>\$2,540,002</b>	<b>\$884,696</b>	<b>\$223,223</b>	<b>\$334,834</b>	<b>\$92,973</b>	<b>\$0</b>	<b>(\$192,000)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,149,900</b>	<b>\$5,033,628</b>
General to Meters/B&CS										\$116,846	\$18,457	(\$135,303)	\$0
Reallocate General Costs		\$0	\$0	\$347,881	\$521,821	\$144,894	\$0	\$0	\$0	\$0	\$0	(\$1,014,596)	\$0
<b>NET RW COMMODITY REV BEFORE</b>	<b>\$5,033,628</b>	<b>\$2,540,002</b>	<b>\$884,696</b>	<b>\$571,104</b>	<b>\$856,655</b>	<b>\$237,868</b>	<b>\$0</b>	<b>-\$192,000</b>	<b>\$0</b>	<b>\$116,846</b>	<b>\$18,457</b>	<b>\$0</b>	<b>\$5,033,628</b>

# NOTICE OF PUBLIC HEARING

## PROPOSED RATE CHANGES TO POTABLE WATER, RECYCLED WATER AND SANITATION SERVICE RATES

December 15, 2020

Dear Customer,

In compliance with Proposition 218, the Board of Directors of Las Virgenes Municipal Water District (LVMWD or District) will hold a virtual public hearing on Tuesday, February 2, 2021 to consider proposed potable water, recycled water and sanitation rate changes for the next five years. To participate, please join us virtually by following the instructions below.

The District is entirely dependent upon imported potable water supplied by the Metropolitan Water District of Southern California (MWD); currently, there are no local potable water sources. The proposed rates include MWD adopted increases in water rates to its member agencies that will be effective in January 2021. There are also undetermined MWD increases expected in 2022 through 2025 that LVMWD intends to "pass through" in conformance with Government Code Section 53756. These increases cover the escalating costs of water distribution, water treatment, and the repair and replacement of aging MWD infrastructure. Sixty percent of LVMWD's annual operating budget is for the purchase of water from MWD.

In addition, the District is proposing to increase its rates to meet the ongoing costs of providing safe, reliable water and sanitation services to the community. The increases are needed to:

1. Meet current and projected costs of operating and maintaining the potable water, recycled water and sanitation systems.
2. Construct, repair, replace and upgrade the existing potable water, recycled water and sanitation systems.
3. Comply with existing and new regulatory requirements.

The proposed rate adjustments do not modify the current water-budget based rate structure for residential customers. Commercial customer's budgets are proposed to be modified to a three-tier structure based on the average usage from the previous two years. There are no proposed changes to the rate structure for recycled water or sanitation.

You received this notice because you are a property owner or tenant directly responsible for the payment of services provided by the District. You may submit a written protest to the proposed rate increases; however, only one protest will be counted per identified parcel. Two community meetings will be held prior to the public hearing (see details on back).

If you have any questions or comments regarding LVMWD's proposed rate adjustments, you may contact me at [generalmanager@lvmwd.com](mailto:generalmanager@lvmwd.com); or by telephone at (818) 251-2200; or by mail to General Manager, LVMWD, 4232 Las Virgenes Road, Calabasas, CA 91302.

Sincerely,



David W. Pedersen  
General Manager

### PUBLIC HEARING

**FEBRUARY 2, 2021, 9:00 A.M.**

[HTTPS://ZOOM.US/J/96850947050?pwd=UYTSUY9LDTY4S045SLQ2NMNTb0NVZz09](https://zoom.us/j/96850947050?pwd=UYTSUY9LDTY4S045SLQ2NMNTb0NVZz09)

PASSCODE: 601583

OR IPHONE ONE-TAP :

US: +16699006833,,96850947050# OR +12532158782,,96850947050#

OR TELEPHONE: DIAL(FOR HIGHER QUALITY, DIAL A NUMBER BASED ON YOUR CURRENT LOCATION):

US: +1 669 900 6833 OR +1 253 215 8782 OR +1 346 248 7799 OR +1 312 626 6799 OR +1 929 205 6099 OR +1 301 715 8592

WEBINAR ID: 968 5094 7050

INTERNATIONAL NUMBERS AVAILABLE: [HTTPS://ZOOM.US/U/AB0CSLESFB](https://zoom.us/j/96850947050)



## POTABLE AND RECYCLED WATER RATE STRUCTURE

There are six classes of potable and recycled water customers: single-family residential, multi-family residential, potable water irrigation, recycled water irrigation, commercial and temporary water service.

The structure has three components:

1. "Readiness to serve charge," which is a fixed monthly service charge — depending on the size of the meter — to cover a significant portion of the District's fixed costs such as meter maintenance and replacement, meter reading, billing and customer service.
2. "Commodity charge," which is a volumetric charge per unit of water used.
3. "Elevation charge," which applies in certain areas of the District to cover the cost of pumping water to higher elevations.

Every month, each customer is billed on a "water budget" reflecting a reasonable amount of water based on their individual needs and current weather data.

**Single- and multi-family residential:** Residential water budgets consist of indoor and outdoor components and, if necessary, special needs.

Indoor water budgets are calculated using three factors:

- 55 gallons per person per day per California Water Code Section 10608.20
- Number of people in the household
- Number of days in the billing cycle

The indoor water budget for multi-family customers is calculated by multiplying the average occupancy by the number of dwelling units served by one meter.

Outdoor water budgets are calculated using three factors:

- Amount of irrigated area
- Actual daily plant water loss or "evapotranspiration" (ET<sub>o</sub>)
- ET<sub>o</sub> adjustment factor (0.80 for existing landscapes and 0.55 for new landscapes per the CA Model Water Efficient Landscape Ordinance)

Special Needs: An additional monthly allocation may be designated for:

- Medical needs
- Licensed day care facilities
- Large farm animals (horses, llamas, alpacas)

**Potable and recycled water irrigation:** Individualized water budgets are calculated using three factors:

- Amount of irrigated area
- Actual daily plant water loss or "evapotranspiration" (ET<sub>o</sub>)
- ET<sub>o</sub> adjustment factor (0.80 for existing landscapes, 0.55 for new landscapes and 1.0 for high traffic public areas)

**Commercial:** Water budgets are proposed to be calculated using a two-year rolling average of each customer's monthly water use, compared to the current 90% of a three-year rolling average.

### WATER BUDGET TIERS

Tier descriptions for the various customer classes are shown in the tables below. Tier sizes under water budgets vary depending upon customer-specific needs.

<b>SINGLE / MULTI-FAMILY RESIDENTIAL</b>		
TIER	TIER NAME	DESCRIPTION
Tier 1	Efficient Indoor	Indoor Water Budget
Tier 2	Efficient Outdoor	Outdoor Water Budget
Tier 3	Inefficient	Over 100% to 150% of Total Water Budget <sup>1</sup>
Tier 4	Excessive	Over 150% of Total Water Budget

<sup>1</sup> Total Water Budget = Efficient Indoor + Efficient Outdoor

<b>COMMERCIAL</b>	
TIER	DESCRIPTION
Tier 1	100% of Water Budget <sup>(1)</sup>
Tier 2	Over 100% to 150% of Total Water Budget
Tier 3	Over 150% of Total Water Budget

<sup>(1)</sup> Water Budget = 100% of two-year rolling average

<b>POTABLE / RECYCLED WATER IRRIGATION</b>		
TIER	TIER NAME	DESCRIPTION
Tier 1	Efficient Outdoor	Water Budget
Tier 2	Inefficient	Over 100% to 150% of Water Budget
Tier 3	Excessive	Over 150% of Water Budget

## RATE TABLES

The following tables compare the current and proposed rates.

### POTABLE WATER - READINESS TO SERVE CHARGE (MONTHLY)

	Current	3/1/2021	1/1/2022	1/1/2023	1/1/2024	1/1/2025
3/4"	\$33.72	\$35.86	\$37.66	\$39.55	\$41.53	\$43.61
3/4" x 1"	\$33.72	\$35.86	\$37.66	\$39.55	\$41.53	\$43.61
1"	\$54.97	\$58.14	\$61.05	\$64.11	\$67.32	\$70.69
1-1/2"	\$108.07	\$113.82	\$119.52	\$125.50	\$131.78	\$138.37
2"	\$171.80	\$180.66	\$189.70	\$199.19	\$209.15	\$219.61
3"	\$373.61	\$392.27	\$411.89	\$432.49	\$454.12	\$476.83
4"	\$671.00	\$704.12	\$739.33	\$776.30	\$815.12	\$855.88
6"	\$1,701.28	\$1,784.47	\$1,873.70	\$1,967.39	\$2,065.76	\$2,169.05
8"	\$2,975.84	\$3,120.98	\$3,277.03	\$3,440.89	\$3,612.94	\$3,793.59
10"	\$4,462.83	\$4,680.25	\$4,914.27	\$5,159.99	\$5,417.99	\$5,688.89

Readiness to serve charge for a temporary meter is 1.5 times the charge above.

### Potable Water - Commodity Charge (\$/HCF) All charges are \$/hcf; hcf is hundred cubic feet = 748 gallons = one billing unit.

	Current	3/1/2021 <sup>[1]</sup>	1/1/2022	1/1/2023	1/1/2024	1/1/2025
Residential Tier 1 - Indoor Efficient	\$2.85	\$3.14	\$3.30	\$3.47	\$3.65	\$3.84
Residential Tier 2 - Outdoor Efficient	\$3.50	\$3.91	\$4.11	\$4.32	\$4.54	\$4.77
Residential Tier 3 - Inefficient	\$4.20	\$4.58	\$4.81	\$5.06	\$5.32	\$5.59
Residential Tier 4 - Excessive	\$5.22	\$5.74	\$6.03	\$6.34	\$6.66	\$7.00
Temporary Services	\$7.83	\$8.53	\$8.96	\$9.41	\$9.89	\$10.39
Commercial Tier 1 – Efficient	N/A	\$3.66	\$3.85	\$4.05	\$4.26	\$4.48
Commercial Tier 2 – Inefficient	N/A	\$4.20	\$4.41	\$4.64	\$4.88	\$5.13
Commercial Tier 3 – Excessive	N/A	\$6.43	\$6.75	\$7.09	\$7.45	\$7.83

[1] 2021 includes pass through adjustment. For 2022-2025, similar pass through adjustments will be applied when the actual amounts are determined.

### Potable Water Elevation Charges (\$/HCF)

	Current	3/1/2021	1/1/2022	1/1/2023	1/1/2024	1/1/2025
Zone 1	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Zone 2	\$0.52	\$0.47	\$0.50	\$0.53	\$0.56	\$0.59
Zone 3	\$1.19	\$1.10	\$1.16	\$1.22	\$1.29	\$1.36
Zone 4	\$1.82	\$1.80	\$1.89	\$1.99	\$2.09	\$2.20

Elevation charge for a temporary meter is 1.5 times the zone charge.

The elevation charge is determined by the highest zone that water is pumped prior to reaching the customer.

### Potable Water - Irrigation Customer Charge (\$/HCF)

	Current	3/1/2021 <sup>[1]</sup>	1/1/2022	1/1/2023	1/1/2024	1/1/2025
Tier 1 - Efficient	\$2.85	\$3.91	\$4.11	\$4.32	\$4.54	\$4.77
Tier 2 - Inefficient	\$3.50	\$4.58	\$4.81	\$5.06	\$5.32	\$5.59
Tier 3 - Excessive	\$4.20	\$5.74	\$6.03	\$6.34	\$6.66	\$7.00

[1] 2021 includes pass through adjustment. For 2022-2025, similar pass through adjustments will be applied when the actual amounts are determined.

**RATE TABLES** *(continued)*

**RECYCLED WATER - READINESS TO SERVE CHARGE (MONTHLY)**

	Current	3/1/2021	1/1/2022	1/1/2023	1/1/2024	1/1/2025
3/4"	\$33.72	\$28.79	\$31.10	\$33.59	\$36.28	\$39.19
3/4" x 1"	\$33.72	\$28.79	\$31.10	\$33.59	\$36.28	\$39.19
1"	\$54.97	\$46.31	\$50.02	\$54.03	\$58.36	\$63.03
1-1/2"	\$108.07	\$90.09	\$97.30	\$105.09	\$113.50	\$122.58
2"	\$171.80	\$142.64	\$154.06	\$166.39	\$179.71	\$194.09
3"	\$373.61	\$309.03	\$333.76	\$360.47	\$389.31	\$420.46
4"	\$671.00	\$554.24	\$598.58	\$646.47	\$698.19	\$754.05
6"	\$1,701.28	\$1,403.71	\$1,516.01	\$1,637.30	\$1,768.29	\$1,909.76
8"	\$2,975.84	\$2,454.60	\$2,650.97	\$2,863.05	\$3,092.10	\$3,339.47
10"	\$4,462.83	\$3,680.64	\$3,975.10	\$4,293.11	\$4,636.56	\$5,007.49

Readiness to serve charge for a temporary meter is 1.5 times the charge above.

**Recycled Water - Commodity Charge (\$/HCF)** All charges are \$/hcf; hcf is hundred cubic feet = 748 gallons = one billing unit.

	Current	3/1/2021	1/1/2022	1/1/2023	1/1/2024	1/1/2025
Tier 1 - Efficient	\$1.16	\$1.24	\$1.34	\$1.45	\$1.57	\$1.70
Tier 2 - Inefficient	\$2.27	\$2.61	\$2.82	\$3.05	\$3.30	\$3.57
Tier 3 - Excessive	\$3.13	\$4.97	\$5.37	\$5.80	\$6.27	\$6.78
Temporary	\$4.70	\$7.46	\$8.06	\$8.71	\$9.41	\$10.17

**RECYCLED WATER - ELEVATION CHARGE**

	Current	3/1/2021	1/1/2022	1/1/2023	1/1/2024	1/1/2025
Las Virgenes Valley	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
East/West	\$0.37	\$0.30	\$0.33	\$0.36	\$0.39	\$0.43

Elevation charge for a temporary meter is 1.5 times the zone charge.

*The elevation charge is determined by the highest zone that water is pumped prior to reaching the customer.*

**RATE TABLES** *(continued)*

<b>Sanitation - Residential Monthly Service Charge</b>						
<b>Household Size</b>	<b>Current</b>	<b>3/1/2021</b>	<b>1/1/2022</b>	<b>1/1/2023</b>	<b>1/1/2024</b>	<b>1/1/2025</b>
1	\$22.73	\$23.59	\$24.48	\$25.40	\$26.36	\$27.35
2	\$38.04	\$39.47	\$40.96	\$42.50	\$44.10	\$45.76
3	\$53.35	\$55.36	\$57.44	\$59.60	\$61.84	\$64.16
4	\$68.66	\$71.24	\$73.92	\$76.70	\$79.58	\$82.57
5	\$83.97	\$87.12	\$90.39	\$93.78	\$97.30	\$100.95
6+	\$99.28	\$103.01	\$106.88	\$110.89	\$115.05	\$119.37

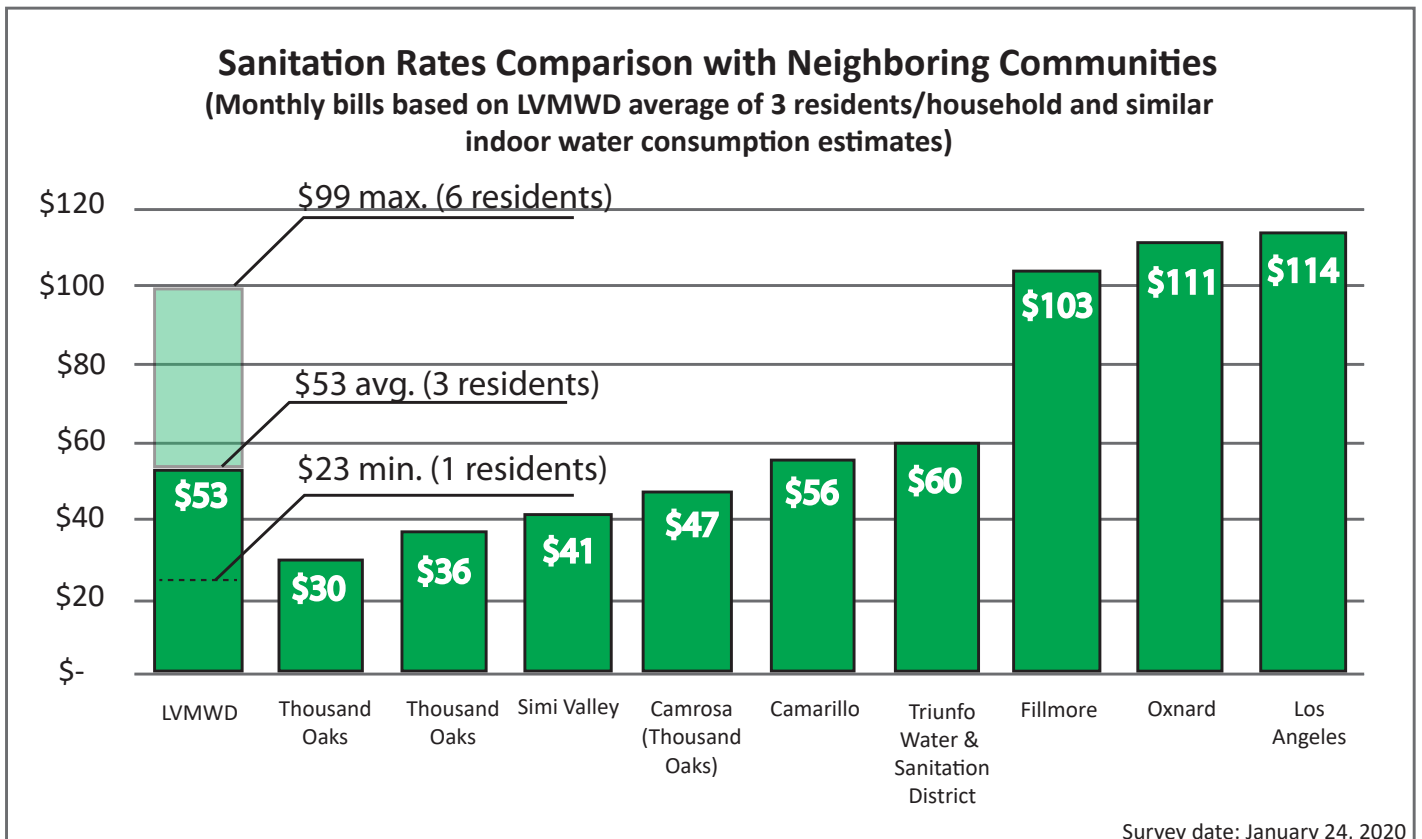
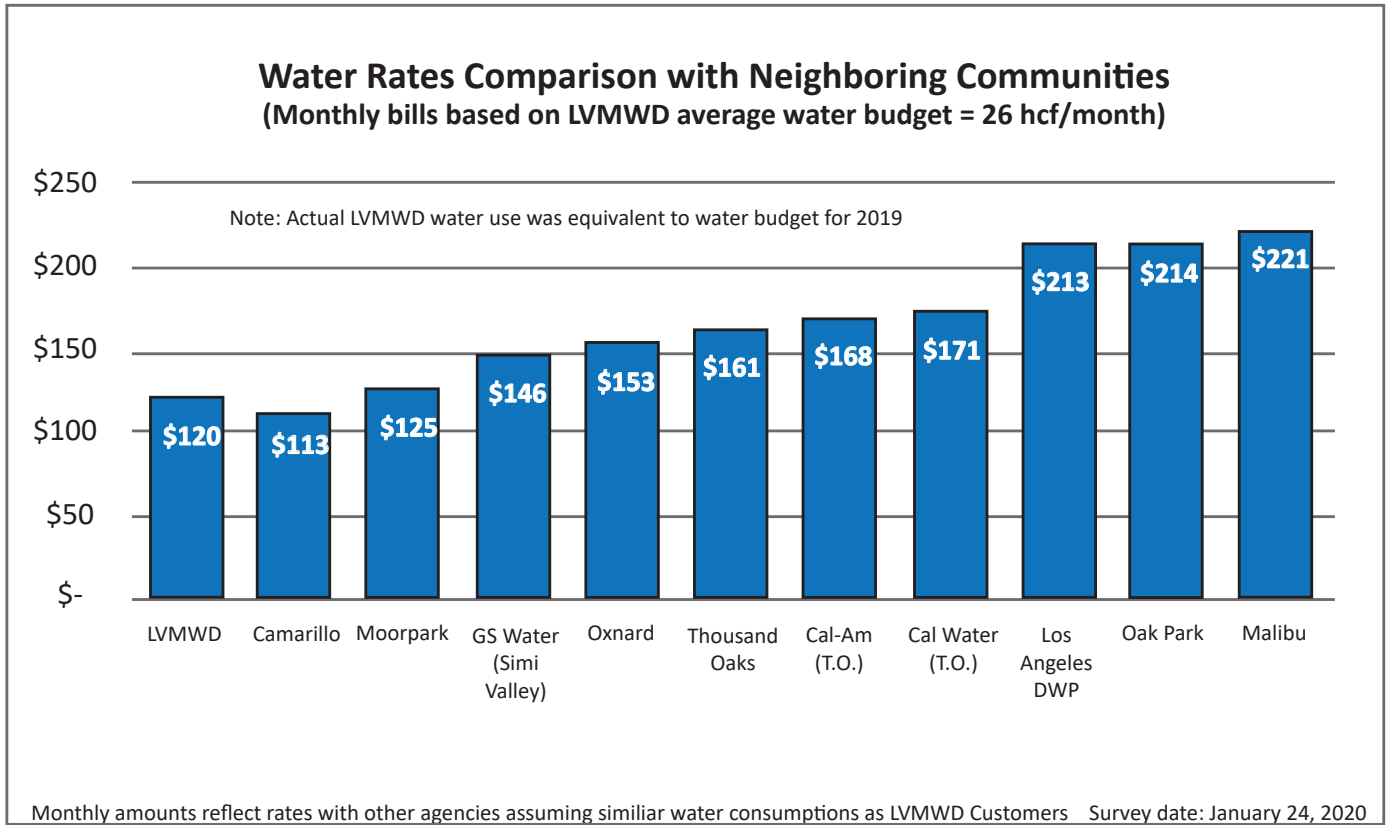
<b>Sanitation - Commercial Monthly Account Service Charge</b>						
	<b>Current</b>	<b>3/1/2021</b>	<b>1/1/2022</b>	<b>1/1/2023</b>	<b>1/1/2024</b>	<b>1/1/2025</b>
Class 1	\$7.42	\$7.70	\$7.99	\$8.29	\$8.61	\$8.94
Class 2	\$7.42	\$7.70	\$7.99	\$8.29	\$8.61	\$8.94
Class 3	\$7.42	\$7.70	\$7.99	\$8.29	\$8.61	\$8.94
Class 4	\$7.42	\$7.70	\$7.99	\$8.29	\$8.61	\$8.94

<b>Sanitation - Commercial Monthly ERU Charges</b>						
<b>ERU Charges</b>	<b>Current</b>	<b>3/1/2021</b>	<b>1/1/2022</b>	<b>1/1/2023</b>	<b>1/1/2024</b>	<b>1/1/2025</b>
Class 1	\$44.52	\$46.19	\$47.93	\$49.73	\$51.60	\$53.54
Class 2	\$61.37	\$63.68	\$66.07	\$68.55	\$71.13	\$73.80
Class 3	\$81.27	\$84.32	\$87.49	\$90.78	\$94.19	\$97.73
Class 4	\$102.27	\$106.11	\$110.09	\$114.22	\$118.51	\$122.96
<b>Excess ERU</b>						
Class 1	\$6.75	\$7.01	\$7.28	\$7.56	\$7.85	\$8.15
Class 2	\$9.30	\$9.65	\$10.02	\$10.40	\$10.79	\$11.20
Class 3	\$12.31	\$12.78	\$13.26	\$13.76	\$14.28	\$14.82
Class 4	\$15.49	\$16.08	\$16.69	\$17.32	\$17.97	\$18.65

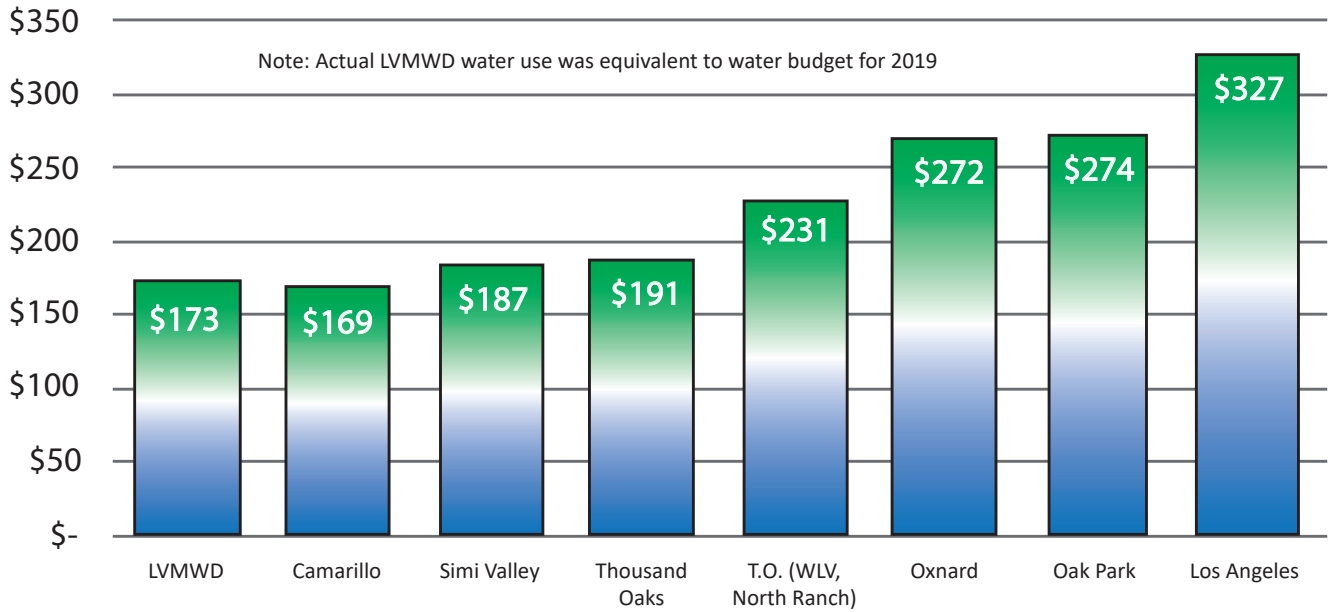
ERU = Equivalent Residential Unit

## RATE COMPARISONS

Many factors affect the cost of providing services. Costs vary among providers because many conditions differ from one area to another. Providers may be private entities operating for profit and regulated by the California Public Utilities Commission or public agencies required to establish rates based on cost of service. The following tables provide comparisons based on the cost of service to the customer and do not reflect any special conditions.



**Combined Water and Sanitation Rates Comparison**  
 (Monthly bills based on LVMWD average water budget = 26 hcf/month &  
 3 residents/household)



**Guiding Principles**

The proposed rates were developed based on the following guiding principles:

1. Maintain a rate structure that is fair and equitable across customer classes.
  - a) Re-examine commercial water budgets to promote efficient use in a manner that supports business and economic development.
2. Maximize revenue stability to navigate variable economic and hydrologic conditions.
3. Provide a strong price signal to drive an efficiency ethic and minimize rate impacts to efficient customers.
4. Ensure that rates are compliant with California Law.

**Rates impact each customer differently. Please visit [www.LVMWD.com/2020RateStudy](http://www.LVMWD.com/2020RateStudy) to see exactly how the proposed rates impact you, review FAQs and to use the Rate Calculator.**



Las Virgenes MWD  
4232 Las Virgenes Road  
Calabasas, CA 91302

Indicia

**Notice of Public Hearing  
on potable water,  
recycled water and  
sanitation service rates**

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### Community Meeting Dates

You are invited to attend either of the following informational events intended to answer any questions you may have regarding the proposed rate structure:

- **JANUARY 13, 2021 – 5:00 P.M.**

*HTTPS://ZOOM.US/j/91887953787?PWD=U051SMI2YzFicFJNNKU0UM9NWkLUZz09*

*PASSCODE: 402108*

*OR IPHONE ONE-TAP :*

*US: +16699006833,,91887953787# OR +13462487799,,91887953787#*

*OR TELEPHONE: DIAL(FOR HIGHER QUALITY, DIAL A NUMBER BASED ON YOUR CURRENT LOCATION):*

*US: +1 669 900 6833 OR +1 346 248 7799 OR +1 253 215 8782 OR +1 301 715 8592 OR +1 312 626 6799 OR +1 929 205 6099*

*WEBINAR ID: 918 8795 3787*

*INTERNATIONAL NUMBERS AVAILABLE: HTTPS://ZOOM.US/j/ADVDIKU08C*

- **JANUARY 21, 2021 – 7:00 P.M.**

*HTTPS://ZOOM.US/j/97163263245?PWD=OTFxcUDDTnp3TCTPQVJ3QLLT2ZBZz09*

*PASSCODE: 389948*

*OR IPHONE ONE-TAP :*

*US: +16699006833,,97163263245# OR +13462487799,,97163263245#*

*OR TELEPHONE: DIAL(FOR HIGHER QUALITY, DIAL A NUMBER BASED ON YOUR CURRENT LOCATION):*

*US: +1 669 900 6833 OR +1 346 248 7799 OR +1 253 215 8782 OR +1 301 715 8592 OR +1 312 626 6799 OR +1 929 205 6099*

*WEBINAR ID: 971 6326 3245*

*INTERNATIONAL NUMBERS AVAILABLE: HTTPS://ZOOM.US/j/AGK1JQEHS*



December 15, 2020 LVMWD Regular Board Meeting

TO: Board of Directors

FROM: Engineering and External Affairs

**Subject : Automatic Meter Reading/Advanced Metering Infrastructure Project:  
Partial Termination and Award of Meter Installation Services**

**SUMMARY:**

The District is required by California State law to pay prevailing wage rates for all outsourced labor through contractual services. The requirement applies to capital improvement projects that are awarded to contractors, maintenance activities through outside service agreements and other labor needs for contracts that exceed \$1,000. Standard prevailing wage rates are stipulated for many work classifications but not for work associated with meter change-outs.

In February 2019, the State of California Department of Industrial Relations (DIR) granted the District a special wage determination for the Meter Technician classification for the installation of meters for the Automatic Meter Reading/Advanced Metering Infrastructure Project (Advanced Meter Project). In anticipation of the special wage determination expiring before the project award, the District requested an extension or update of the special wage determination, but the request was denied. Staff believed that the initial denial was an error and appealed the decision, but the appeal was also denied. Pursuant to California Labor Code requirements, DIR staff stated that they could not extend or provide a new special wage determination for the District because the contract for the work had already been awarded.

After deliberating with DIR staff and District's Counsel, it was determined that the best course of action would be to terminate the meter installation portion of the current agreement with Ferguson Waterworks, request and obtain a new special wage determination and award a new agreement to Ferguson Waterworks for an amount that accounts for the new special wage determination. This course of action will avoid significant increases in installation cost and keep the project on schedule.

**RECOMMENDATION(S):**

Authorize the General Manager to partially terminate the agreement with Ferguson Waterworks and execute a new agreement, in the amount of \$2,167,565.10, for installation of water meters based on an updated special wage determination provided by the California Department of Industrial Relations for the Automatic Meter Reading/Advanced Metering Infrastructure



Project.

**FISCAL IMPACT:**

Yes

**ITEM BUDGETED:**

Yes

**FINANCIAL IMPACT:**

The cost of this action is \$132,076.60, which constitutes a 6.5% increase in the rate for the special wage determination. Sufficient funds are available in the adopted Fiscal Year 2020-21 Budget. No additional appropriation is required.

**DISCUSSION:**

A major component of the agreement for the Automatic Meter Reading/Advanced Metering Infrastructure Project (Advanced Meter Project) involves the installation of the new water meters equipped with AMI (Advanced Meter Infrastructure) data transmission modules throughout the District's service territory. While attempting to identify a prevailing wage rate in DIR's standard list of rates for various work classifications, the District discovered that no wage determination exists that accurately characterizes the craft, classification or type of worker associated with AMI meter installation. The closest craft under the plumber classification was for fire sprinkler fitter, and the hourly rate with benefits ranged from \$60 to \$80, which is very high for the skillset required to change out a water meter. For advanced meter projects, it is common industry practice throughout the State for agencies to request a special wage from DIR that more closely aligns with the nature of the work associated with meter change-outs.

Staff originally requested a special wage determination in February 2019 (see Attachment A) after the scope of work for the project had been developed. Following is a summary of the tasks associated with the project scope for the position titled "Water Meter Technician":

- Loosening the nuts that hold the water meter in place and removing the existing water meter;
- Inserting a new water meter and tightening the nuts that hold the meter in place, and
- Mounting the water meter radio attachment to existing water meter cover.

The special wage determination for meter technician expired in February 2020, and the District's request for an extension was denied. Staff requested an extension prior to the expiration and did not receive a response from DIR until May 2020, right before the contract was scheduled to be awarded to Ferguson in June 2020. Staff believed that DIR staff had made an error because they had been providing extensions for other agencies that had made similar requests. The District awarded the project, and staff proceeded to appeal DIR's decision subsequent to the award. In their second response, DIR stipulated that it would not reissue a new determination for a contract that had already been awarded. It was not clear as to why other agencies had been afforded an extension, while the District was not. DIR staff later explained that other special wage determinations that they issued had "built-in" escalators that would account for the inflation of labor costs and allowed for an extension. It remains

unclear why the District was not provided with a special wage determination that had similar built-in escalators.

Staff, in consultation with District Counsel, determined that the best way forward would be to cancel the portion of the agreement that involves installation of the meters, obtain a new special wage determination from DIR and then to award a new agreement to Ferguson for the portions of work that involve meter installations for a dollar amount that utilizes the new special wage determination. The alternative would be for the contractor to perform the work and utilize the wage from DIR's general wage determination, a fire sprinkler fitter, which would cost the District about \$1 million more in labor. Even this classification is questionable, and the District could be on the hook for significantly more should DIR at a later date determine that the Contractor should have paid wages and benefits for the plumber classification. The recommended course of action to partially terminate and award a new contract for the meter installation work will cost the District an additional \$132,076.60. Normally, this would be handled as a change order under the existing agreement. However, DIR would not provide a new special wage determination when the project had already been awarded.

A valid wage determination is essential for compliance with the terms of the agreement and any installation of meters without a current wage determination, other than those listed on DIR's standard list, would constitute a breach of that agreement. Consequently, and in order to obtain a new wage determination from DIR, consistent with the provision of Section 2.2.1 of the agreement that allows for termination of the agreement in whole or in part, the District provided official notice to Ferguson Waterworks of its intent to terminate those portions of the agreement that provide for water meter installations (Attachment C). Concurrently, with the partial termination of the agreement, the District will re-award the installation part of the contract to Ferguson Waterworks for an adjusted amount based on the new DIR special wage determination received on November 6, 2020 (Attachment B).

The District has no obligation to re-issue a call for bids as the original solicitation did not entail a competitive sealed bid process, rather it consisted of a competitive request for proposals (RFP). Ferguson was selected based on a combination of overall qualifications and experience, market-share/product reliability, its AMI solution (system capabilities), as well as cost competitiveness. Furthermore, all vendors that could have been awarded the work would have been afforded the same adjustment in the cost for installation services as they all based their pricing on the original special wage determination provided in the RFP. All other portions of the agreement will remain in full force and effect. All work not related to the actual installation of the meters will continue to move forward, and no delays of performance should occur by Ferguson Waterworks.

### **GOALS:**

Ensure Effective Utilization of the Public's Assets and Money

Prepared by: Craig A. Jones, Management Analyst II

### **ATTACHMENTS:**

Attachment A: Prevailing Wage Determination (S-2019-1)

Attachment B: Prevailing Wage Determination (S-2020-51)

Attachment C: Notice of Intent Letter to Ferguson Waterworks



**PREVAILING WAGE DETERMINATION MADE BY THE DIRECTOR  
OF INDUSTRIAL RELATIONS PURSUANT TO CALIFORNIA LABOR CODE  
PART 7, CHAPTER 1, ARTICLE 2, SECTIONS 1770, 1773, & 1773.1**

**Issue Date:** February 28, 2019

**Determination:** S-2019-1

**Craft:** Meter Technician

**Reference:** 61-47-4

**Project:** This prevailing wage determination is being issued pursuant to a request received on January 14, 2019 from the Las Virgenes Municipal Water District for an Advanced Metering Infrastructure project in Los Angeles County. This wage determination applies only to the project for which it was requested. If this contract is modified or extended, a new determination will be required.

**Wage Rates:**

<b><u>Classification(s)</u></b>	<b><u>Basic Straight-Time Hourly Rate</u></b>
Meter Technician Level I (0-6 Months) <sup>a</sup>	\$25.25*
Meter Technician Level I (6-12 Months) <sup>a</sup>	\$27.51*
Meter Technician Level II (12-18 Months) <sup>a</sup>	\$32.02*
Meter Technician Level II (18-24 Months) <sup>a</sup>	\$35.64*
Meter Technician Level III (24-30 Months) <sup>a</sup>	\$37.10*
Meter Technician Level III (After 30 Months) <sup>a</sup>	\$38.42*

**Employer Payments: (Labor Code Section 1773.1)**

**Meter Technician Level I (0-6 Months)**

Health & Welfare	\$2.90 per hour worked
Pension	\$1.52 per hour worked
Vacation/Holiday	\$0.97 per hour worked

**Meter Technician Level I (6-12 Months)**

Health & Welfare	\$2.90 per hour worked
Pension	\$1.65 per hour worked
Vacation/Holiday <sup>a</sup>	\$1.06 per hour worked

**Meter Technician Level II (12-18 Months)**

Health & Welfare	\$2.90 per hour worked
Pension	\$1.92 per hour worked
Vacation/Holiday <sup>a</sup>	\$1.23 per hour worked

**Meter Technician Level II (18-24 Months)**

Health & Welfare	\$2.90 per hour worked
Pension	\$2.14 per hour worked
Vacation/Holiday <sup>a</sup>	\$1.37 per hour worked

**Meter Technician Level III (24-30 Months)**

Health & Welfare	\$2.90 per hour worked
Pension	\$2.23 per hour worked
Vacation/Holiday <sup>a</sup>	\$1.43 per hour worked

**Meter Technician Level III (After 30 Months)**

Health & Welfare	\$2.90 per hour worked
Pension	\$2.31 per hour worked
Vacation/Holiday <sup>a</sup>	\$1.48 per hour worked

<sup>a</sup> Applies to employees with 0-4 years of service with the company. Vacation amounts after 4 years are listed below.

5 years	\$1.63	6 years	\$1.92	7-11 years	\$2.22
12 years	\$2.36	13 years	\$2.51	14 years	\$2.66
15 years	\$2.81	16-20 years	\$2.96	21 years	\$3.10
22 years	\$3.25	23 years	\$3.40	24 years	\$3.55
25 years	\$3.69	26 years	\$3.84	27-29 years	\$3.99
30-31 years	\$4.14	32+ years	\$4.43		

**Straight Time hours:**

Eight (8) hours per day, five (5) consecutive days, Monday through Friday, consisting of forty (40) hours per week.

**Overtime:**

One and one-half times (1½X) the basic straight-time hourly rate is paid for all daily overtime hours and all hours worked on Saturdays and Sundays. Double (2X) the basic-straight time hourly rate is paid for all hours worked on Holidays and all hours in excess of twelve (12) hours in a day.

**Recognized Holidays:**

New Year’s Day, Martin Luther King Day, President’s Day, Memorial Day, Independence Day, Labor Day, Veteran’s Day, Thanksgiving Day, Day after Thanksgiving, Christmas Day and one (1) of the following days as selected by the employee: Easter, Cesar Chavez Day, Columbus Day, Christmas Eve and New Year’s Eve. In addition, new employees shall receive one (1) floating holiday, two (2) floating holidays after 6 months of service with the company.

**Travel and Subsistence:**

In accordance with Labor Code Sections 1773.1 and 1773.9, contractors shall make travel and/or subsistence payments to each worker to execute the work. Travel and/or subsistence requirements for each craft, classification or type of worker may be obtained from the Prevailing Wage Unit at (415) 703-4774.

<sup>a</sup> Based on length of service with the employer.

\* The rates are in effect throughout the duration of the project.



## TRANSMISSION

Urgent     Action Needed     Please Call To Discuss     As You Requested     For Your Information

**DATE:** November 6, 2020  
**TO:** Craig Jones, Management Analyst  
Las Virgenes Municipal Water District  
*cjones@lvmd.com*  
**FROM:** Melanie Wo, Research Data Analyst  
**SUBJECT:** Special Prevailing Wage Determination for Meter Technician  
**Project** – Advanced Metering Infrastructure Project  
**County** – Los Angeles  
**PAGES:** 3

### MESSAGE

In response to a request received from Las Virgenes Municipal Water District on October 23, 2020, we have enclosed the Director's Special Prevailing Wage Determination S-2020-51 for the aforementioned project within Los Angeles County. Please note that this determination applies only to the project for which it was requested. This determination is being issued based upon the information provided which indicates that the contract for this project has not been let or signed. If the contract is not signed within twelve (12) months, please contact the Office of the Director - Research Unit for updated special determinations.

In the absence of a special prevailing wage determination, the awarding body should refer to the Director's General Prevailing Wage Determinations. In addition, please note that any extension or renewal of this contract will require the issuance of either a new special prevailing wage determination or the use of the general prevailing wage determinations in effect on the date the contract is extended or renewed.

We hope this addresses your concerns in this matter. If you have further questions, please contact the Office of the Director Research Unit at (415) 703-4774. You may also visit our website at <http://www.dir.ca.gov/oprl/DPreWageDetermination.htm> to obtain current prevailing wage information.

**PREVAILING WAGE DETERMINATION MADE BY THE DIRECTOR  
OF INDUSTRIAL RELATIONS PURSUANT TO CALIFORNIA LABOR CODE  
PART 7, CHAPTER 1, ARTICLE 2, SECTIONS 1770, 1773, & 1773.1**

**Issue Date:** November 6, 2020

**Determination:** S-2020-51

**Craft:** Meter Technician

**Reference:** 61-47-4

**Project:** This prevailing wage determination is being issued pursuant to a request received on October 23, 2020 from Las Virgenes Municipal Water District for an Advanced Metering Infrastructure project in Los Angeles County. This wage determination applies only to the project for which it was requested. If this contract is modified or extended, a new determination will be required.

**Wage Rates:**

<b><u>Classification(s)</u></b>	<b><u>Basic Straight-Time Hourly Rate</u></b>
Meter Technician Level I (0-6 Months) <sup>a</sup>	\$26.26**
Meter Technician Level I (7-12 Months) <sup>a</sup>	\$28.61**
Meter Technician Level II (13-18 Months) <sup>a</sup>	\$33.30**
Meter Technician Level II (19-24 Months) <sup>a</sup>	\$37.06**
Meter Technician Level III (25-30 Months) <sup>a</sup>	\$38.58**
Meter Technician Level III (After 30 Months) <sup>a</sup>	\$39.95**

**Employer Payments: (Labor Code Section 1773.1)**

**Meter Technician Level I (0-6 Months)**

Health & Welfare	\$2.90 per hour worked
Pension	\$1.58 per hour worked
Vacation/Holiday	\$1.01 per hour worked

**Meter Technician Level I (7-12 Months)**

Health & Welfare	\$2.90 per hour worked
Pension	\$1.72 per hour worked
Vacation/Holiday	\$1.10 per hour worked

**Meter Technician Level II (13-18 Months)**

Health & Welfare	\$2.90 per hour worked
Pension	\$2.00 per hour worked
Vacation/Holiday	\$1.28 per hour worked

**Meter Technician Level II (19-24 Months)**

Health & Welfare	\$2.90 per hour worked
Pension	\$2.22 per hour worked
Vacation/Holiday	\$1.43 per hour worked

**Meter Technician Level III (25-30 Months)**

Health & Welfare	\$2.90 per hour worked
Pension	\$2.31 per hour worked
Vacation/Holiday	\$1.48 per hour worked

**Meter Technician Level III (After 30 Months)**

Health & Welfare	\$2.90 per hour worked
Pension	\$2.40 per hour worked
Vacation/Holiday	\$1.54 per hour worked

Vacation amounts above apply to employees with 0-4 years of service with the company.

Vacation amounts after 4 years are listed below.

5 years	\$1.69	6 years	\$2.00	7-11 years	\$2.30
12 years	\$2.46	13 years	\$2.61	14 years	\$2.77
15 years	\$2.92	16-20 years	\$3.07	21 years	\$3.23
22 years	\$3.38	23 years	\$3.53	24 years	\$3.69
25 years	\$3.84	26 years	\$4.00	27-29 years	\$4.15
30-31 years	\$4.30	32+ years	\$4.61		

**Straight Time hours:**

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**Overtime:**

One and one-half times (1½X) the basic straight-time hourly rate is paid for all daily overtime hours and all hours worked on Saturdays and Sundays. Double (2X) the basic-straight time hourly rate is paid for all hours worked on Holidays and all hours in excess of twelve (12) hours in a day.

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<sup>a</sup> Based on length of service with the employer.

\*\* Effective January 1, 2021:

<u>Meter Technician Level I (0-6 Months)</u>	<u>Meter Technician Level II (12-18 Months)</u>	<u>Meter Technician Level III (24-30 Months)</u>
Basic Hourly Rate Increases \$0.79	Basic Hourly Rate Increases \$1.00	Basic Hourly Rate Increases \$1.16
Pension Increases \$0.04	Pension Increases \$0.06	Pension Increases \$0.07
Vacation/Holiday Increases \$0.03	Vacation/Holiday Increases \$0.04	Vacation/Holiday Increases \$0.04
<u>Meter Technician Level I (6-12 Months)</u>	<u>Meter Technician Level II (18-24 Months)</u>	<u>Meter Technician Level III (After 30 Months)</u>
Basic Hourly Rate Increases \$0.86	Basic Hourly Rate Increases \$1.11	Basic Hourly Rate Increases \$1.20
Pension Increases \$0.05	Pension Increases \$0.07	Pension Increases \$0.07
Vacation/Holiday Increases \$0.03	Vacation/Holiday Increases \$0.04	Vacation/Holiday Increases \$0.05

Vacation amounts after 4 years:

5 years	\$1.74	6 years	\$2.06	7-11 years	\$2.37
12 years	\$2.53	13 years	\$2.69	14 years	\$2.85
15 years	\$3.01	16-20 years	\$3.17	21 years	\$3.32
22 years	\$3.48	23 years	\$3.64	24 years	\$3.80
25 years	\$3.96	26 years	\$4.12	27-29 years	\$4.27
30-31 years	\$4.43	32+ years	\$4.75		





Dedicated to Providing High-Quality Water Service in a Cost-Effective and Environmentally Sensitive Manner

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HEADQUARTERS  
4232 Las Virgenes Road  
Calabasas, CA 91302  
(818) 251-2100  
Fax (818) 251-2109

WESTLAKE  
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[www.LVMWD.com](http://www.LVMWD.com)

MEMBER AGENCY OF THE  
METROPOLITAN WATER  
DISTRICT  
OF SOUTHERN CALIFORNIA

**Glen D. Peterson**  
MWD Representative

November 17, 2020

Attention: Jon Price  
11909 Tech Center Ct.  
Poway, CA 92064

Dear Mr. Price,

Please find the attached Notice of Termination. Please review the attached Notice and if in agreement, sign and date the electronic signature line via DocuSign. Should you have any questions, please do not hesitate to contact Mr. Craig Jones at 818-251-2131.

Sincerely,

Joe McDermott, PE  
Director of Engineering and External Affairs  
Las Virgenes Municipal Water District  
4232 Las Virgenes Road  
Calabasas, CA 91302  
Phone 818-251-2130  
Email: [jmcdermott@lvmwd.com](mailto:jmcdermott@lvmwd.com)

State of California  
 Department of Industrial Relations  
 Office of the Director – Research Unit



P.O. Box 420603  
 San Francisco, CA 94142-0603  
 Phone: (415) 703-4774  
 Fax: (415) 703-4771

## TRANSMISSION

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**Issue Date:** November 6, 2020

**Determination:** S-2020-51

**Craft:** Meter Technician

**Reference:** 61-47-4

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Meter Technician Level III (After 30 Months) <sup>a</sup>	\$39.95**

**Employer Payments: (Labor Code Section 1773.1)**

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15 years	\$2.92	16-20 years	\$3.07	21 years	\$3.23
22 years	\$3.38	23 years	\$3.53	24 years	\$3.69
25 years	\$3.84	26 years	\$4.00	27-29 years	\$4.15
30-31 years	\$4.30	32+ years	\$4.61		

**Straight Time hours:**

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**Overtime:**

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<sup>a</sup> Based on length of service with the employer.

\*\* Effective January 1, 2021:

**Meter Technician Level I (0-6 Months)**

Basic Hourly Rate Increases \$0.79

Pension Increases \$0.04

Vacation/Holiday Increases \$0.03

**Meter Technician Level II (12-18 Months)**

Basic Hourly Rate Increases \$1.00

Pension Increases \$0.06

Vacation/Holiday Increases \$0.04

**Meter Technician Level III (24-30 Months)**

Basic Hourly Rate Increases \$1.16

Pension Increases \$0.07

Vacation/Holiday Increases \$0.04

**Meter Technician Level I (6-12 Months)**

Basic Hourly Rate Increases \$0.86

Pension Increases \$0.05

Vacation/Holiday Increases \$0.03

**Meter Technician Level II (18-24 Months)**

Basic Hourly Rate Increases \$1.11

Pension Increases \$0.07

Vacation/Holiday Increases \$0.04

**Meter Technician Level III (After 30 Months)**

Basic Hourly Rate Increases \$1.20

Pension Increases \$0.07

Vacation/Holiday Increases \$0.05

Vacation amounts after 4 years:

5 years	\$1.74	6 years	\$2.06	7-11 years	\$2.37
12 years	\$2.53	13 years	\$2.69	14 years	\$2.85
15 years	\$3.01	16-20 years	\$3.17	21 years	\$3.32
22 years	\$3.48	23 years	\$3.64	24 years	\$3.80
25 years	\$3.96	26 years	\$4.12	27-29 years	\$4.27
30-31 years	\$4.43	32+ years	\$4.75		

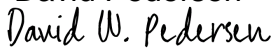
**Notice of Proposed Partial Termination of Agreement for Services dated 06-17-20  
between Las Virgenes Municipal Water District and Ferguson Waterworks  
(Agreement)**

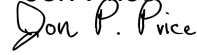
As discussed between the parties, the special wage determination for meter technician issued by the Department of Industrial Relations (DIR) for the Agreement has expired. DIR will not reissue such determination unless a new contract is awarded. A valid wage determination is essential for compliance with the terms of the Agreement and any installation of meters without a current wage determination would constitute a breach of that Agreement.

Consequently, and in order to obtain a new wage determination from DIR, consistent with the provision of Section 2.2.1 of the Agreement, Las Virgenes Municipal Water District (LVMWD) is providing official notice to Ferguson Waterworks of intent to terminate those portions of the Agreement that provide for installation of the water meters. Concurrently with this partial termination, LVMWD will re-award the installation part of the contract to Ferguson Waterworks, for an adjusted amount based on the new DIR wage determination received November 6, 2020 (attached). We will be requesting Ferguson to provide LVMWD with an updated adjustment to the installation contract amount prior to re-award for the meter installation work.

All other portions of the Agreement will remain in full force and effect. All work not related to the actual installation of the meters will continue to move forward and no delays of performance should occur by Ferguson. It is anticipated that the LVMWD Board will take action on the new contract at the December 15, 2020 meeting.

By counter-signing this Notice of Partial Termination, Ferguson Waterworks acknowledges and agrees to the provisions herein.

~~David Pedersen~~  
  
12C6BE2E4EC44E2...  
Date: 11/27/2020  
General Manager  
Las Virgenes Municipal Water District

~~Jon Price~~  
  
3C93D0DF2A314D9...  
Date: 11/24/2020  
General Manager  
Ferguson WaterWorks

## INFORMATION ONLY



December 15, 2020 LVMWD Regular Board Meeting

TO: Board of Directors

FROM: Finance & Administration

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**Subject : Reimbursable Expenses for Fiscal Year 2019-20**

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**SUMMARY:**

The Las Virgenes Municipal Water District Code requires that the District publish a list of reimbursable expenditures over \$100 incurred during the prior fiscal year. Attached is the Fiscal Year 2019-20 Reimbursable Expenses Report. On December 10, 2020, a notice was published in the *Las Virgenes and Calabasas Enterprise* to indicate the availability of the report.

**FISCAL IMPACT:**

No

**ITEM BUDGETED:**

No

**DISCUSSION:**

Pursuant to Section 2-2.107 of the Las Virgenes Municipal Water District Code and Government Code Section 53065.5, the District is required to report reimbursed expenditures in excess of \$100 in a publicly available document at the District's headquarters in December and January.

In the interest of transparency, the District has historically reported more than minimally required by law. While the law requires the reporting of reimbursed expenditures over \$100, the District's report contains all employee/director-related expenditures over \$100 that were reimbursed to the employee/director or directly paid with a District credit card. This approach is most transparent and appears to be consistent with the intent of the law to publicly report employee/director-related expenditures over \$100 that are incurred in the course of one's position or to expand knowledge and resources for the District through attendance at training

events and conferences.

**GOALS:**

Ensure Effective Utilization of the Public's Assets and Money

Prepared by: Angela Saccareccia, Finance Manager

**ATTACHMENTS:**

Fiscal Year 2019-20 Reimbursable Expenses Report

**LAS VIRGENES MUNICIPAL WATER DISTRICT  
REPORTABLE EXPENSE REIMBURSEMENTS  
FOR FISCAL YEAR ENDED JUNE 30, 2020**

NAME		DATE	EVENT	CONFERENCES & OTHER MEETINGS ATTENDED					OTHER EXPENSES	TOTAL
LAST	FIRST			LOCATION	REGISTRATION	TRAVEL	LODGING	MEALS	EXPLANATION	
CASPARY	CHARLES	7/12/19	ACWA STATE LEGISLATIVE MEETING	SACRAMENTO, CA		208.46		7.49		215.95
CASPARY	CHARLES	8/23/19	ACWA STATE LEGISLATIVE MEETING	SACRAMENTO, CA		389.96				389.96
CASPARY	CHARLES	10/25/19	ACWA STATE LEGISLATIVE MEETING	SACRAMENTO, CA		178.96				178.96
CASPARY	CHARLES	12/2-12/6/19	ACWA CONFERENCE	SAN DIEGO, CA	725.00	1,260.60				1,985.60
CASPARY	CHARLES	1/24/20	ACWA STATE LEGISLATIVE MEETING	SACRAMENTO, CA		231.96				231.96
CASPARY	CHARLES	2/21/20	ACWA STATE LEGISLATIVE MEETING	SACRAMENTO, CA		177.96				177.96
CASPARY	CHARLES	3/13/20	ACWA STATE LEGISLATIVE MEETING	SACRAMENTO, CA		182.96		7.49		190.45
									<b>Sub-Total</b>	<b>3,370.84</b>
LEWITT	JAY	8/21-8/23/19	CASA CONFERENCE	SAN DIEGO, CA	595.00	254.44	584.06	29.86		1,463.36
LEWITT	JAY	9/11-9/12/19	WATER INNOVATION SUMMIT	SNOWBIRD, UT	85.00	440.64	172.97	72.58		771.19
LEWITT	JAY	12/2-12/6/19	ACWA CONFERENCE	SAN DIEGO, CA	725.00	223.31	1,066.08	100.58		2,114.97
LEWITT	JAY	1/21-1/23/20	CASA CONFERENCE	INDIAN WELLS, CA	595.00	186.30	439.74	73.89		1,294.93
LEWITT	JAY	2/23-2/24/20	CASA CONFERENCE	WASHINGTON DC	695.00	430.33	758.68	126.42		2,010.43
LEWITT	JAY	2/25-3/3/20	ACWA CONFERENCE	WASHINGTON DC	568.00	179.06	758.68	54.85		1,560.59
									<b>Sub-Total</b>	<b>9,215.47</b>
LO-HILL	LYNDA	7/7-7/10/19	CSDA BOARD LEDERSHIP ACADEMY	NAPA, CA	600.00	313.72	653.46	151.84		1,719.02
LO-HILL	LYNDA	8/21-8/23/19	CASA CONFERENCE	SAN DIEGO, CA	595.00	194.25	584.06	28.97		1,402.28
LO-HILL	LYNDA	9/17-9/20/19	COLORADO RIVER SYMPOSIUM	SANTE FE, NM	725.00	774.51	333.37	81.47		1,914.35
LO-HILL	LYNDA	12/2-12/6/19	ACWA CONFERENCE	SAN DIEGO, CA	725.00	348.56	896.26			1,969.82
LO-HILL	LYNDA	1/21-1/23/20	CASA CONFERENCE	INDIAN WELLS, CA	595.00	181.70		32.59		809.29
LO-HILL	LYNDA	2/23-2/24/20	CASA CONFERENCE	WASHINGTON DC	695.00	337.03	848.34	66.89		1,947.26
LO-HILL	LYNDA	2/25-2/27/20	ACWA CONFERENCE	WASHINGTON DC	710.00	431.1	848.34	50.63		2,040.07
LO-HILL	LYNDA	3/10-3/13/20	WTR EDU COLORODO RIVER TOUR	LAS VEGAS, NV	999.00	143.26		34.75		1,177.01
									<b>Sub-Total</b>	<b>12,979.10</b>
POLAN	LEONARD	8/21-8/23/19	CASA CONFERENCE	SAN DIEGO, CA	595.00	256.77	584.06	24.47		1,460.30
POLAN	LEONARD	9/7-9/8/19	WATERUSE SYMPOSIUM	SAN DIEGO, CA	775.00	222.35	280.90	62.42		1,340.67
									<b>Sub-Total</b>	<b>2,800.97</b>
RENGER	LEE	1/21-1/23/20	CASA CONFERENCE	INDIAN WELLS, CA	595.00	215.16	659.61	71.92		1,541.69
ALMAGUER	FRANK	2/9-2/12/20	LEADERSHIP TRAINING	COVINA, CA	499.00	59.86	429.63	47.08		1,035.57
ARENAS	ANDY	7/22/19	BACKFLOW WORKSHOP		175.00					175.00
ARENAS	ANDY	8/21/20	CLA-VAL CVU201 TRAINING		150.00					150.00
ARENAS	ANDY	9/23-9/25/19	LEADERSHIP TRAINING	IRVINE, CA	499.00	166.58	97.90	33.77		797.25
									<b>Sub-Total</b>	<b>1,122.25</b>
BAIRD	STEVEN	9/17/19	CAPIO SEMINAR	NEWPORT BEACH, CA	45.00	86.88				131.88
BAIRD	STEVEN	9/25-9/26/19	CAPIO WORKSHOP	SACRAMENTO, CA	45.00	192.76	230.84			468.60
BAIRD	STEVEN	12/17/19	CAPIO TRAINING	RANCHO CUCAMONGA, CA	45.00	80.97				125.97
BAIRD	STEVEN	2/13/20	ACWA COMUNICATION COMM MTG	SACRAMENTO, CA		185.68				185.68
									<b>Sub-Total</b>	<b>912.13</b>
BOSSON	URSULA	10/6-10/11/19	CIS USER CONFERENCE	DENVER, CO	2,150.00	311.27	1,157.95	95.14		3,714.36
BULLOCK	GRETCHEN	2/16-2/21/20	CAPPO CONFERENCE	SAN DIEGO, CA	450.00	238.65	679.80	104.61		1,473.06
CAPPS	MARY	12/11-12/13/19	LAW & ELECTION SEMINAR	GARDEN GROVE, CA	500.00	610.32				1,110.32



**LAS VIRGENES MUNICIPAL WATER DISTRICT  
REPORTABLE EXPENSE REIMBURSEMENTS  
FOR FISCAL YEAR ENDED JUNE 30, 2020**

NAME		DATE	EVENT	CONFERENCES & OTHER MEETINGS ATTENDED					OTHER EXPENSES	TOTAL
LAST	FIRST			LOCATION	REGISTRATION	TRAVEL	LODGING	MEALS	EXPLANATION	
CLARK	RIKI	9/8-9/11/19	WATERUSE SYMPOSIUM	SAN DIEGO, CA	850.00	318.55	842.25	63.53		2,074.33
CLARK	RIKI	2/4-2/5/20	CAPIO/EMERGENCY COMM ACADEMY	FOLSOM, CA	865.00	178.75	213.80			1,257.55
									<b>Sub-Total</b>	<b>3,331.88</b>
FIELDS	GARY	7/7-7/12/19	ESRI USER CONFERENCE	SAN DIEGO, CA		428.64	1,499.00	276.04		2,203.68
GARCIA	GUILLERMO	8/21/19	CLA-VAL CVU201 TRAINING	COSTA MESA, CA	150.00					150.00
GARMAN	TRAVIS	10/21-10/23/19	LEADERSHP TRAINING	NEWHALL, CA	499.00	112.41				611.41
GLASSON	ROB	10/1-10/2/19	WONDERWARE CONFERENCE	FORREST HILLS, CA			142.15			142.15
GUZMAN	JOSIE	8/23/19	CCAC ATHENIAN DIALOGUE	SANTA CLARITA, CA	75.00	37.93				112.93
GUZMAN	JOSIE	9/18-9/20/19	MASTER MUNICIPAL CLERK	POMONA, CA	1,000.00	71.57				1,071.57
GUZMAN	JOSIE	11/15/19	CCAC ATHENIAN DIALOGUE	BURBANK, CA	75.00	31.09				106.09
GUZMAN	JOSIE	2/5-2/7/20	MASTER MUNICIPAL CLERK	SAN JOSE, CA	1,225.00	351.90				1,576.90
GUZMAN	JOSIE	2/11/20	CITY CLERK ASSOC WORKSHOP	RANCHO CUCAMONGA, CA	50.00	82.69				132.69
									<b>Sub-Total</b>	<b>3,000.18</b>
HELGAGER	JEFF	8/21/19	CLA-VAL CVU201 TRAINING	COSTA MESA, CA	150.00	85.49				235.49
HENDRICKS	WILLIAM	8/21/19	CLA-VAL CVU201 TRAINING	COSTA MESA, CA	150.00					150.00
HENDRICKS	WILLIAM	11/21-11/22/19	PRUE WATER REUSE WORKSHOP	PISMO BEACH, CA		180.58	202.50	113.06		496.14
									<b>Sub-Total</b>	<b>496.14</b>
JOHNSON	DARRELL	9/24/19	AWWA WATER COMPLIANCE	WEBINAR	156.00					156.00
JOHNSON	DARRELL	10/20-10/24/19	AWWA CONFERENCE	SAN DIEGO, CA	445.00	213.42	759.48	138.35		1,556.25
JOHNSON	DARRELL	3/16-3/20/20	LEADERSHIP TRAINING	WEBINAR	2,500.00					2,500.00
									<b>Sub-Total</b>	<b>4,212.25</b>
LOZA	JESSICA	1/27/20	CUSTOMER SERVICE TRAINING	OXNARD, CA	199.00	58.86		15.74		273.60
MAGANA	MARIO	11/21-11/22/19	PURE WATER REUSE WORKSHOP	PISMO BEACH, CA			202.50	106.31		308.81
MCDERMOTT	WILLIAM	9/8-9/10/19	WATERUSE SYMPOSIUM	SAN DIEGO, CA	700.00	176.32	561.80	31.77		1,469.89
MCDERMOTT	WILLIAM	11/12-11/13/19	CMUA STRATEGIC MEETING	OAKLNAD, CA		430.12	158.46			588.58
MCDERMOTT	WILLIAM	2/11/20	WATER,PARK &WILDLIFE HEARING	SACRRAMENTO, CA		500.36		66.00		566.36
MCDERMOTT	WILLIAM	3/11/20	PROTECT CITY RE WILDFIRES PANEL	SAN DIEGO, CA		180.50				180.50
									<b>Sub-Total</b>	<b>2,805.33</b>
MCNUTT	MIKE	8/21-8/23/19	CASA CONFERENCE	SAN DIEGO, CA		248.64	591.18	35.94		875.76
MCNUTT	MIKE	1/14/20	SURVEY TRIP RE CASA CONFERENCE	INDIAN WELLS, CA		180.55				180.55
MCNUTT	MIKE	1/21-1/23/20	CASA CONFERENCE	INDIAN WELLS, CA		180.55		47.17		227.72
									<b>Sub-Total</b>	<b>1,284.03</b>
MORRISON	MICHELLE	1/28/20	CUSTOMER SERVICE TRAINING	OXNARD, CA	199.00			12.33		211.33
NIKOLAJEVS	VIKTOR	9/29-10/1/19	MISAC CONFERENCE	MONTEREY, CA	300.00		356.18	85.58		741.76
NIKOLAJEVS	VIKTOR	10/8-10/11/19	CIS USER CONFERENCE	DENVER, CO	950.00	231.84	694.77	71.00		1,947.61
									<b>Sub-Total</b>	<b>2,689.37</b>

**LAS VIRGENES MUNICIPAL WATER DISTRICT  
REPORTABLE EXPENSE REIMBURSEMENTS  
FOR FISCAL YEAR ENDED JUNE 30, 2020**

NAME		DATE	EVENT	CONFERENCES & OTHER MEETINGS ATTENDED					OTHER EXPENSES	
LAST	FIRST			LOCATION	REGISTRATION	TRAVEL	LODGING	MEALS	EXPLANATION	TOTAL
PANIAGUA	SHERRI	9/22-9/26/19	IPMA-HR CONFERENCE	MIAMI, FL	669.00	480.73	505.11	137.60		1,792.44
PANIAGUA	SHERRI	11/18-11/22/19	CALPELRA CONFERENCE	MONTEREY, CA	695.00	167.83	1,111.40	120.88		2,095.11
PANIAGUA	SHERRI	1/22-1/24/20	LCW EMPLOYMENT LAW CONFERENCE	SAN FRANCISCO, CA	595.00	225.07	673.92	71.69		1,565.68
PANIAGUA	SHERRI	2/21/20	CALPELRA CONFERENCE PLANNING MTG	OAKLAND, CA		217.91				217.91
PANIAGUA	SHERRI	5/19/20	COVID-19 TRAINING/RETURN TO WORK	VIRTUAL	200.00					200.00
<b>Sub-Total</b>										<b>5,871.14</b>
PATTERSON	DONALD	9/4/19	CALEPA WORKSHOP	SACRAMENTO, CA		153.33		17.69		171.02
PATTERSON	DONALD	9/23-9/25/19	CA PUBLIC FINANCE CONFERENCE	SAN FRANCISCO, CA	215.00	303.27	645.20	80.01		1,243.48
PATTERSON	DONALD	12/3/19	TAX SEMINAR	LAKEWOOD, CA	430.00	55.33				485.33
PATTERSON	DONALD	12/5/19	GFOA GAAP UPDATE	WEBINAR	135.00					135.00
PATTERSON	DONALD	1/15-1/16/20	CMTA TRAINING	CLAREMONT, CA	275.00	65.10	166.88	26.56		533.54
PATTERSON	DONALD	1/28-1/31/20	CSMFO CONFERENCE	ANAHEIM, CA		115.79	566.40	52.54		734.73
<b>Sub-Total</b>										<b>3,303.10</b>
PEDERSEN	DAVID	8/7/19	CA WATEREUSE ACTION PLAN MEETING	SACRAMENTO, CA		293.80				293.80
PEDERSEN	DAVID	8/14-8/16/19	URBAN WATER INSTITUTE CONFERENCE	SAN DIEGO, CA	425.000		521.50	16.73		963.23
PEDERSEN	DAVID	8/23/19	WATEREUSE STATE LEG. COM MEETING	SAN DIEGO, CA		406.42		20.76		427.18
PEDERSEN	DAVID	9/9-9/11/19	WATEREUSE SYMPOSIUM	SAN DIEGO, CA	700.000	172.14	337.15			1,209.29
PEDERSEN	DAVID	9/11-9/12/19	WATER INNOVATION SUMMIT	SNOWBIRD, UT	85.000	265.43	172.97	97.14		620.54
PEDERSEN	DAVID	10/30/19	WATER EDUCATION FOUNDATION SUMMIT	SACRAMENTO, CA		164.58		15.03		179.61
PEDERSEN	DAVID	12/2-12/5/19	ACWA CONFERENCE	SAN DIEGO, CA	725.00	147.87	707.34	61.07		1,641.28
PEDERSEN	DAVID	12/13/19	CASA PLANNING MEEETING	SACRAMENTO,CA		456.69		2.00		458.69
PEDERSEN	DAVID	1/21-1/23/20	CASA CONFERENCE	INDIAN WELLS, CA	595.00		439.74	31.58		1,066.32
PEDERSEN	DAVID	1/30-1/31/20	ACWA BOARD DIRECTOR MEETING	SACRAMENTO,CA		202.03	229.01			431.04
PEDERSEN	DAVID	1/24/20	ACWA WATERUSE MEETING	SACRAMENTO, CA		525.41		2.72		528.13
PEDERSEN	DAVID	2/11/20	ACWA WATER MGMT COMM MEETING	SACRAMENTO, CA		478.58		19.82		498.40
PEDERSEN	DAVID	2/21/20	WATERUSE LEG/REG COMM MEETING	SACRAMENTO, CA		438.46				438.46
PEDERSEN	DAVID	2/19-2/20/20	URBAN WATER INSTITUTE CONFERENCE	PALM SPRINGS, CA	525.00	212.11		42.65		779.76
<b>Sub-Total</b>										<b>9,535.73</b>
RABAJA	ERIK	7/18/19	NUTRIENT TRAINING	VENTURA, CA	150.00	47.32				197.32
ROBERTS	DAVE	8/21-8/24/19	WATER DATA SUMMIT	SACRAMENTO, CA	100.00	420.26	526.68	21.05		1,067.99
ROBERTS	DAVE	9/30-10/4/19	WATERSMART CONFERENCE	LAS VEGAS, NV	456.05	256.25	317.03	60.57		1,089.90
<b>Sub-Total</b>										<b>2,157.89</b>
SACCARECCIA	ANGELA	10/27-10/30/19	CALPERS CONFERENCE	OAKLAND, CA	449.00	349.81	823.29	120.77		1,742.87
SACCARECCIA	ANGELA	12/5/19	GFOA GAAP UPDATE	WEBINAR	135.00					135.00
SACCARECCIA	ANGELA	1/27-1/31/20	CSMFO CONFERENCE	ANAHEIM, CA	575.00	157.40	951.60	194.03		1,878.03
<b>Sub-Total</b>										<b>3,755.90</b>
SMITH	AMANDA	10/8-10/11/19	CIS CONFERENCE	DENVER, CO	950.00	347.95	694.77	23.04		2,015.76
SMITH	AMANDA	1/14/20	SUPERVISOR TRAINING	BURBANK, CA	149.00	36.34				185.34
SMITH	AMANDA	1/28/20	CUSTOMER SERVICE TRAINING	OXNARD, CA	199.00	11.74		9.90		220.64
<b>Sub-Total</b>										<b>2,421.74</b>
SONGER	MARIA	10/7-10/10/19	NEOGOV CONFERENCE	LAS VEGAS, NV	999.00	245.77	425.19	49.82		\$ 1,719.78
SONGER	MARIA	10/27-10/30/19	CALPERS CONFERENCE	OAKLAND, CA	449.00	339.67	823.29	64.40		1,676.36
<b>Sub-Total</b>										<b>3,396.14</b>
SPEAR	ANDREW	9/29-10/1/19	MISAC CONFERNCE	MONTEREY, CA	300.00	354.08	356.18	70.99		1,081.25
SPEAR	ANDREW	10/8-10/11/19	CIS USER CONFERENCE	DENVER, CO	950.00	353.21	694.77	85.16		2,083.14
<b>Sub-Total</b>										<b>3,164.39</b>

**LAS VIRGENES MUNICIPAL WATER DISTRICT  
REPORTABLE EXPENSE REIMBURSEMENTS  
FOR FISCAL YEAR ENDED JUNE 30, 2020**

NAME		DATE	EVENT	CONFERENCES & OTHER MEETINGS ATTENDED					OTHER EXPENSES	TOTAL
LAST	FIRST			LOCATION	REGISTRATION	TRAVEL	LODGING	MEALS	EXPLANATION	
WALDEN	JUSTIN	8/21/19	CLA-VAL CVU201 TRAINING	COSTA MESA, CA	150.00	85.49				<b>235.49</b>
ZHAO	JOHN	10/21~10/24/19	ACWA CONFERENCE	SAN DIEGO, CA	500.00	20.00	379.74			899.74
ZHAO	JOHN	12/2~12/4/19	ACWA CONFERENCE	SAN DIEGO, CA	725.00	161.00	446.58	34.28		1,366.86
ZHAO	JOHN	6/24~6/25/20	ACWA CONFERENCE	SAN DIEGO, CA	150.00					150.00
									<b>Sub-Total</b>	<b>2,416.60</b>
									<b>Grand Total</b>	<b>97,686.85</b>

ACWA = ASSOCIATION OF CALIFORNIA WATER AGENCIES  
 AWA = ASSOCIATION OF WATER AGENCIES  
 AWAVC = ASSOCIATION OF WATER AGENCIES VENTURA COUNTY  
 CALPELRA = CALIFORNIA PUBLIC EMPLOYERS LABOR RELATIONS ASSOCIATION  
 CALPERS = CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
 CAPIO = CALIFORNIA PUBLIC INFORMATION OFFICIALS  
 CAPPO = CALIFORNIA ASSOCIATION OF PUBLIC PROCUREMENT OFFICIALS  
 CASA = CALIFORNIA ASSOCIATION OF SANITATION AGENCIES  
 CCAC = CITY CLERKS ASSOCIATION OF CALIFORNIA  
 CIS = CUSTOMER INFORMATION SYSTEM  
 CMTA = CALIFORNIA MUNICIPAL TREASURERS ASSOCIATION  
 CMUA = CALIFORNIA MUNICIPAL UTILITIES ASSOCIATION

CSMFO = CALIFORNIA SOCIETY OF MUNICIPAL FINANCE OFFICERS  
 CWEA = CALIFORNIA WATER ENVIRONMENT ASSOCIATION  
 CWSRF = CLEAN WATER STATE REVOLVING FUND  
 ESRI = ENVIRONMENTAL SYSTEMS RESEARCH INSTITUTE  
 GFOA = GOVERNMENT FINANCE OFFICERS ASSOCIATION  
 IPMA-HR = INTERNATIONAL PUBLIC MANAGEMENT ASSOCIATION FOR HUMAN RESOURCES  
 LCW = LIEBERT CASSIDY WHITMORE  
 MISAC = MUNICIPAL INFORMATION SYSTEMS ASSOCIATION OF CALIFORNIA  
 MMC = MASTER MUNICIPAL CLERK  
 OSHA = OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION  
 RWQCB = REGIONAL WATER QUALITY CONTROL BOARD



December 15, 2020 LVMWD Regular Board Meeting

TO: Board of Directors

FROM: Facilities & Operations

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**Subject : Las Virgenes (Westlake) Reservoir Dam Spillway Repairs**

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**SUMMARY:**

On September 1, 2020, Director Charles Caspary requested a future agenda item with information on the repair of small cracks that were noted during the annual inspection the Las Virgenes (Westlake) Reservoir Dam spillway. The cracks occurred due to alkali-silica reaction (ASR), more commonly known as "concrete cancer". ASR is a destructive swelling reaction of concrete with high alkaline cement and reactive silica found in many common local aggregates when it is exposed to moisture. ASR repairs were completed by a contractor using Sikadur-35 high-pressure grout injection. Attached for reference is the specification sheet for the high-pressure grout used for the repair, along with photos of the work in progress and upon completion.

**FISCAL IMPACT:**

No

**ITEM BUDGETED:**

No

**GOALS:**

Construct, Manage and Maintain All Facilities and Provide Services to Assure System Reliability and Environmental Compatibility

Prepared by: John Zhao, Director of Facilities and Operations

**ATTACHMENTS:**

Specifications for Sikadur-35

Photos of Repair Work

## PRODUCT DATA SHEET

# Sikadur<sup>®</sup>-35 Hi-Mod LV

HIGH MODULUS, LOW VISCOSITY, HIGH STRENGTH EPOXY GROUTING/SEALING/BINDER ADHESIVE

### PRODUCT DESCRIPTION

Sikadur<sup>®</sup>-35 Hi-Mod LV is a 2-component, 100 % solids, moisture-tolerant, low-viscosity, high-strength, multipurpose, epoxy resin adhesive. It conforms to the current ASTM C-881, Types I, II, and IV, Grade-1, Class C\* and AASHTO M-235 specifications.

\*except for gel time

### USES

Sikadur<sup>®</sup>-35 Hi-Mod LV may only be used by experienced professionals.

- Pressure-injection of cracks in structural concrete, masonry, wood, etc.
- Gravity-feed of cracks in horizontal concrete and masonry.
- Epoxy resin binder for epoxy mortar patching and overlay of interior, horizontal surfaces.
- Seal interior slabs and exterior above-grade slabs from water, chlorides, and mild chemical attack; also improves wearability.

### CHARACTERISTICS / ADVANTAGES

- Super low viscosity.
- Convenient easy mix ratio A:B = 2:1 by volume.
- Unique, high-strength, structural adhesive for “can’t dry” surfaces.
- Deep penetrating and tenacious bonding of cracks in structural concrete.
- High-early-strength developing adhesive.
- Excellent chemical resistance in flooring systems.

### PRODUCT INFORMATION

<b>Packaging</b>	3 gal. (11 L) units; 1 gal. (3.8 L) units; 12 fl. oz. (355 ml) units, 12/case
<b>Color</b>	Clear, amber
<b>Shelf Life</b>	2 years in original, unopened containers.
<b>Storage Conditions</b>	Store dry at 40–95 °F (4–35 °C). Condition material to 65–75 °F (18–24 °C) before using.
<b>Viscosity</b>	Approx. 375 cps.

# TECHNICAL INFORMATION

## Compressive Strength

### Neat

	40 °F (4 °C)	73 °F (23 °C)	90 °F (32 °C)	(ASTM D-695) 50 % R.H.
4 hours	-	-	-	
8 hours	-	180 psi (1.2 MPa)	3,200 psi (22.1 MPa)	
16 hours	-	4,500 psi (31.1 MPa)	6,300 psi (43.5 MPa)	
1 day	-	6,000 psi (41.4 MPa)	9,100 psi (62.8 MPa)	
3 days	4,000 psi (27.6 MPa)	10,700 psi (73.8 MPa)	10,500 psi (72.5 MPa)	
7 days	6,800 psi (46.9 MPa)	11,000 psi (75.9 MPa)	10,500 psi (72.5 MPa)	
14 days	10,300 psi (71.1 MPa)	12,000 psi (82.8 MPa)	10,500 psi (72.5 MPa)	
28 days	12,400 psi (85.6 MPa)	13,000 psi (89.7 MPa)	10,500 psi (72.5 MPa)	

### Epoxy Mortar (1: 5)

	40 °F (4 °C)	73 °F (23 °C)	90 °F (32 °C)	(ASTM D-695) 50 % R.H.
4 hours	-	-	800 psi (5.5 MPa)	
8 hours	-	-	4,100 psi (28.3 MPa)	
16 hours	-	400 psi (2.8 MPa)	5,700 psi (39.3 MPa)	
1 day	120 psi (0.8 MPa)	5,000 psi (34.5 MPa)	6,900 psi (47.6 MPa)	
3 days	6,200 psi (42.8 MPa)	6,800 psi (46.9 MPa)	7,000 psi (48.3 MPa)	
7 days	6,300 psi (43.5 MPa)	7,900 psi (54.5 MPa)	8,800 psi (60.7 MPa)	
14 days	6,800 psi (46.9 MPa)	8,500 psi (58.7 MPa)	8,800 psi (60.7 MPa)	
28 days	7,000 psi (48.3 MPa)	8,600 psi (59.3 MPa)	8,800 psi (60.7 MPa)	

## Modulus of Elasticity in Compression

	Neat	Mortar	(ASTM D-695) 73 °F (23 °C) 50 % R.H.
7 days	3.2 x 10 <sup>5</sup> psi (2,200 MPa)	-	
28 days	-	8.1 x 10 <sup>5</sup> psi (5,600 MPa)	

## Flexural Strength

	Neat	Mortar	(ASTM D-790) 73 °F (23 °C) 50 % R.H.
14 day	14,000 psi (96,6 MPa)	2,200 psi (15,2 MPa)	

## Modulus of Elasticity in Flexure

	Neat	Mortar	(ASTM D-790) 73 °F (23 °C) 50 % R.H.
14 days	3.7 x 10 <sup>5</sup> psi (2,600 MPa)	9.5 X 10 <sup>5</sup> (6,500 MPa)	

<b>Tensile Strength</b>		<b>Neat</b>	<b>Mortar</b>	(ASTM D-638) 73 °F (23 °C) 50 % R.H.
	7 days	8,900 psi (61.4 MPa)	840 psi (5.8 MPa)	
<b>Tensile Modulus of Elasticity</b>		<b>Neat</b>	<b>Mortar</b>	(ASTM D-638) 73 °F (23 °C) 50 % R.H.
	14 days	4.1 X 10 <sup>5</sup> psi (2800 MPa)	7.6 X 10 <sup>5</sup> psi (5200 MPa)	
<b>Elongation at Break</b>		<b>Neat</b>	<b>Mortar</b>	(ASTM D-638) 73 °F (23 °C) 50 % R.H.
	7 day	5.4 %	0.3 %	
<b>Tensile Adhesion Strength</b>	2 days	(moist cure)	4,000 psi (27.6 MPa)	(ASTM C-882): Hardened concrete to hardened concrete 73 °F (23 °C) 50 % R.H.
	14 days	(moist cure)	2,900 psi (20.0 MPa)	
	2 days	(dry cure)	2,800 psi (19.3 MPa)	
<b>Shear Strength</b>		<b>Neat</b>	<b>Mortar</b>	(ASTM D-732) 73 °F (23 °C) 50 % R.H.
	14 days	5,100 psi (35,2 MPa)	2,300 psi (15.9 MPa)	
<b>Heat Deflection Temperature</b>		<b>Neat</b>	<b>Mortar</b>	(ASTM D-648) [fiber stress loading = 264 psi (1.8 MPa)]
	7 day	124 °F (51 °C)	129 °F (54 °C)	
<b>Water Absorption</b>	7 days		0.27 %	(ASTM D-570) 73 °F (23 °C) 50 % R.H.

## APPLICATION INFORMATION

<b>Mixing Ratio</b>	Component "A": Component "B" = 2:1 by volume.			
<b>Coverage</b>	1 gal. yields 231 in <sup>3</sup> of adhesive and grout. 1 gal. of adhesive, when mixed with 5 gal. by loose volume of oven-dried aggregate, yields approximately 808.5 in <sup>3</sup> of epoxy mortar.			
<b>Pot Life</b>	Approx. 25 minutes (mass of 60 grams)			
<b>Cure Time</b>	<b>Tack-Free Time</b>	<b>40 °F (4 °C)</b>	<b>73 °F (23 °C)</b>	<b>95 °F (35 °C)</b>
	(3-5 mils) Neat	14–16 hours	3–3.5 hours	1.5–2 hours



# APPLICATION INSTRUCTIONS

## SUBSTRATE PREPARATION

Surface must be clean and sound. It may be dry or damp, but free of standing water. Remove dust, laitance, grease, curing compounds, impregnations, waxes, foreign particles and disintegrated materials.

**Concrete** - Blast clean, shot blast or use other approved mechanical means to provide an open roughened texture.

**Steel** - Should be cleaned and prepared thoroughly by blast cleaning.

## MIXING

Proportion 1 part Component 'B' to 2 parts Component 'A' by volume into a clean pail. Mix thoroughly for 3 minutes with Sika Paddle on low-speed (400–600 rpm) drill until uniformly blended. Mix only that quantity that can be used within its pot life. To prepare an epoxy mortar, slowly add 4–5 parts by loose volume of an oven-dried aggregate to 1 part of the mixed Sikadur®-35 Hi-Mod LV and mix until uniform in consistency.

## APPLICATION METHOD / TOOLS

**To gravity feed cracks** - Blow vee-notched crack clean with oil-free compressed air. Pour neat Sikadur®-35 Hi-Mod LV into vee-notched crack. Continue placement until completely filled. Seal underside of slab prior to filling if cracks reflect through.

**To pressure-inject cracks** - Use automated injection equipment or manual method. Set appropriate injection ports based on system used. Seal ports and crack with Sikadur® 31, Hi-Mod Gel or Sikadur® 33. When the epoxy adhesive seal has cured, inject Sikadur®-35 Hi-Mod LV with steady pressure. Consult Technical Service for additional information.

**To seal slabs** - Spread neat Sikadur®-35 Hi-Mod LV over slab. Allow penetration. Remove excess to prevent surface film. Seal interior slabs and above-grade exterior slabs only.

**For an epoxy mortar** - Prime prepared surface with neat Sikadur®-35 Hi-Mod LV. Place prepared epoxy mortar before primer becomes tack-free. Place the epoxy mortar using trowels. Compact and level with vibrating screed or trowels. Finish with finishing trowel. Sikadur®-35 Hi-Mod LV mortar is for interior use only.

## LIMITATIONS

- Minimum substrate and ambient temperature 40°F (4°C).
- Do not thin with solvents. Consult Technical Service at 800-933-7452.
- Use oven-dried aggregate only.
- Maximum epoxy mortar thickness is 1.5 in. (38 mm) per lift.
- Epoxy mortar is for interior use only.
- Do not seal exterior slabs on grade.

- Minimum age of concrete must be 21–28 days, depending on curing and drying conditions, for mortar and to seal slabs.
- Porous substrates must be tested for moisture-vapor transmission prior to application.
- Not for injection of cracks under hydrostatic pressure at the time of application.
- Do not inject cracks greater than 1/4 in. (6 mm) Consult Technical Service.
- Not an aesthetic product. Color may alter due to variations in lighting and/or UV exposure.

## BASIS OF PRODUCT DATA

Results may differ based upon statistical variations depending upon mixing methods and equipment, temperature, application methods, test methods, actual site conditions and curing conditions.

## OTHER RESTRICTIONS

## ENVIRONMENTAL, HEALTH AND SAFETY

For further information and advice regarding transportation, handling, storage and disposal of chemical products, user should refer to the actual Safety Data Sheets containing physical, environmental, toxicological and other safety related data. User must read the current actual Safety Data Sheets before using any products. In case of an emergency, call CHEMTREC at 1-800-424-9300, International 703-527-3887.

## LEGAL DISCLAIMER

- KEEP CONTAINER TIGHTLY CLOSED
- KEEP OUT OF REACH OF CHILDREN
- NOT FOR INTERNAL CONSUMPTION
- FOR INDUSTRIAL USE ONLY
- FOR PROFESSIONAL USE ONLY

Prior to each use of any product of Sika Corporation, its subsidiaries or affiliates ("SIKA"), the user must always read and follow the warnings and instructions on the product's most current product label, Product Data Sheet and Safety Data Sheet which are available at [usa.sika.com](http://usa.sika.com) or by calling SIKA's Technical Service Department at 1-800-933-7452. Nothing contained in any SIKA literature or materials relieves the user of the obligation to read and follow the warnings and instructions for each SIKA product as set forth in the current product label, Product Data Sheet and Safety Data Sheet prior to use of the SIKA product.

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Product Data Sheet  
Sikadur®-35 Hi-Mod LV  
August 2018, Version 01.01  
020204030010000189

Sikadur-35Hi-ModLV-en-US-(08-2018)-1-1.pdf

SPILLWAY - DAY 1



## SPILLWAY - DAY 2



SPILLWAY - DAY 3



SPILLWAY - DAY 3

