LAS VIRGENES MUNICIPAL WATER DISTRICT

4232 Las Virgenes Road, Calabasas, CA 91302

AGENDA
REGULAR MEETING
February 2, 2021, 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 Board of Directors will participate in meetings via teleconferencing.

PUBLIC PARTICIPATION: Pursuant to Executive Order N-29-20 and given the current health concerns, members of the public can access and request to speak at meetings live on-line, with audio and limited video, at www.LVMWD.com/LiveStream. In addition, members of the public can submit written comments electronically for consideration at 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 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 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.

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: February 2, 2021 (Pg. 5)**
Receive and File

B **Minutes: Regular Meeting of January 19, 2021 (Pg. 35)**
Approve

C **Water Supply Conditions Update (Pg. 46)**

Receive and File

D **Response to Coronavirus (COVID-19) Pandemic: Continuation of Emergency (Pg. 48)**

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

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

A **Legislative and Regulatory Updates**

6 **TREASURER**

7 **FINANCE AND ADMINISTRATION**

A **Proposed Potable Water, Recycled Water and Sanitation Rates for 2021-25: Public Hearing and Adoption (Pg. 50)**

Conduct a public hearing on the proposed potable water, recycled water and sanitation rates; and, upon conclusion of the public hearing and in the absence of a majority protest: (1) find that the recommended actions are exempt from the provisions of the California Environmental Quality Act; and (2) pass, approve, and adopt proposed Resolution No. 2587, revising the District's potable water, recycled water and sanitation rates for 2021 through 2025.

RESOLUTION NO. 2587

A RESOLUTION OF THE BOARD OF DIRECTORS OF LAS VIRGENES MUNICIPAL WATER DISTRICT REVISING POTABLE WATER, RECYCLED WATER AND SANITATION RATES

(Reference is hereby made to Resolution No. 2587 on file in the District's Resolution Book and by this reference the same is incorporated herein.)

B **Potable Water Standby Charge: Adoption (Pg. 186)**

Waive the full reading and give second reading by title only; pass, approve and adopt proposed Ordinance No. 283 as it relates to continuation of the Water Replacement Fund Standby Charge for Fiscal Year 2021-22; and order publication within 15 days of adoption using a summary of the Ordinance.

ORDINANCE NO. 283 (SECOND READING AND ADOPTION)

AN ORDINANCE OF THE BOARD OF DIRECTORS OF LAS VIRGENES MUNICIPAL WATER DISTRICT AS IT RELATES TO STANDBY CHARGES FOR THE FISCAL YEAR COMMENCING JULY 1, 2021

(Reference is hereby made to Ordinance No. 283 on file in the District's Ordinance Book and by this reference the same is incorporated herein.)

8 **ENGINEERING AND EXTERNAL AFFAIRS**

A **Update on Collections Policies, Procedures and Outstanding Debt (Pg. 190)**

Receive and file an update on the District's collections policies, procedures and outstanding debt.

9 **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**

10 **FUTURE AGENDA ITEMS**

11 **PUBLIC COMMENTS**

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12 **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 : February 2, 2021

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. 100296 through 100406 were issued in the total amount of	$	**1,294,322.66**

Payments through wire transfers as follows:

Sub-Total Wires	$	-
Total Payments	$	**1,294,322.66**

(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
02/02/21

Company Name	Company No.	Check No. 100296 thru 100339 01/19/21 Amount	Check No. 100340 thru 100406 01/26/21 Amount	Total
Potable Water Operations	101	4,084.97	26,585.06	30,670.03
Recycled Water Operations	102			-
Sanitation Operations	130	7,711.63	263.80	7,975.43
Potable Water Construction	201	509.00	1,532.50	2,041.50
Water Conservation Construction	203			-
Sani- Construction	230			-
Potable Water Replacement	301	75,453.75		75,453.75
Reclaimed Water Replace	302			-
Sanitation Replacement	330		35,070.43	35,070.43
Internal Service	701	33,726.68	52,306.64	86,033.32
JPA Operations	751	51,985.59	56,422.27	108,407.86
JPA Construction	752			-
JPA Replacement	754	872,673.84	75,996.50	948,670.34
	Total Printed	**1,046,145.46**	**248,177.20**	**1,294,322.66**
	Net Total	**1,046,145.46**	**248,177.20**	**1,294,322.66**

A/P CASH DISBURSEMENTS JOURNAL

CASH ACCOUNT: 999 100100 Cash-General

CHECK NO	CHK DATE	TYPE	VENDOR	NAME	INVOICE	DOCUMENT	INV DATE	PO	CHECK RUN	NET
					INVOICE DTL DESC					
100296	01/19/2021	PRTD	21660	ADVANCED INDUSTRIAL	10671/PMT#1	1715	11/30/2020		011921	42,655.00
	Invoice: 10671/PMT#1					PMT#1 - SDDDLE PEAK TANK REHAB PRJ. PE 11/30/20				
					44,900.00 E CIP10671 .NON-LABOR . . 301440 900000 Capital Asset Expenses					
					-2,245.00 E CIP10671 .NON-LABOR . . 301 201000 Contract Retainage					
					10671/PMT#2	1716	12/31/2020		011921	32,798.75
	Invoice: 10671/PMT#2					PMT#2 - SADDLE PEAK TANK REHAB PRJ. P/E 12/31/20				
					34,525.00 E CIP10671 .NON-LABOR . . 301440 900000 Capital Asset Expenses					
					-1,726.25 E CIP10671 .NON-LABOR . . 301 201000 Contract Retainage					
							CHECK	100296 TOTAL:		75,453.75
100297	01/19/2021	PRTD	21485	AGNEW MULTILINGUAL	19358	1635	11/30/2020	22100027	011921	2,000.00
	Invoice: 19358					SUBTITLING PWP VIDEOS				
					2,000.00 E CIP10635 .NON-LABOR . . 754440 900000 Capital Asset Expenses					
							CHECK	100297 TOTAL:		2,000.00
100298	01/19/2021	PRTD	2383	AMERICAN WATER WORKS	7001862072	1765	10/26/2020		011921	399.00
	Invoice: 7001862072					SAFETY VIDEO STREAMING 2/1/21-1/31-22				
					399.00 701320 710500 Dues, Subsc & Memberships					
							CHECK	100298 TOTAL:		399.00
100299	01/19/2021	PRTD	2397	AQUATIC BIOASSAY & C	LVS1220.1094	1727	12/28/2020		011921	6,450.00
	Invoice: LVS1220.1094					NPDES BIOASSAY 12/8-12/10				
					6,450.00 751810 571520 Other Laboratory Serv					
							CHECK	100299 TOTAL:		6,450.00
100300	01/19/2021	PRTD	2404	ASTRA INDUSTRIAL SER	000175825	1720	12/23/2020		011921	180.00
	Invoice: 000175825					ANNL CALBRTION - BACKFLOW GAUGE				
					180.00 101700 551000 Supplies/Material					
							CHECK	100300 TOTAL:		180.00

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CASH ACCOUNT: 999 100100 Cash-General

CHECK NO	CHK DATE	TYPE	VENDOR	NAME	INVOICE	DOCUMENT	INV DATE	PO	CHECK RUN	NET
					INVOICE DTL DESC					
100301	01/19/2021	PRTD	2869	AT&T	2043/010721	1837	01/07/2021		011921	409.41
	Invoice: 2043/010721					SVCS 1/7/21-2/6/21				
					409.41 101100 540520	Telephone				
	Invoice: 9054/010521				9054/010521	1839	01/05/2021		011921	340.29
						SVCS 1/5/21-2/4/21				
					340.29 101122 540520	Telephone				
	Invoice: 2045/010721				2045/010721	1842	01/07/2021		011921	202.66
						SVCS 1/7/21-2/6/21				
					202.66 101100 540520	Telephone				
	Invoice: 0123/010721				0123/010721	1845	01/07/2021		011921	67.70
						SVCS 1/7/21-2/6/21				
					67.70 101300 540520	Telephone				
	Invoice: 0124/010721				0124/010721	1847	01/07/2021		011921	33.34
						SVCS 1/7/21-2/6/21				
					33.34 101207 540520	Telephone				
							CHECK	100301 TOTAL:		1,053.40
100302	01/19/2021	PRTD	9631	AT&T LONG DISTANCE	806368136/010421	1836	01/04/2021		011921	14.65
	Invoice: 806368136/010421					LONG DIST 12/1/20-1/1/21				
					3.77 701002 540520	Telephone				
					10.88 751810 540520	Telephone				
							CHECK	100302 TOTAL:		14.65
100303	01/19/2021	PRTD	21392	BLUESPACE INTERIORS	I-01827853	1723	12/23/2020		011921	4,323.19
	Invoice: I-01827853					REPLACE LOBBY CARPET TO SCADA ROOM				
					4,323.19 751810 551500	Outside Services				
							CHECK	100303 TOTAL:		4,323.19
100304	01/19/2021	PRTD	30008	CAL SIERRA CONSTRUCT	10665/PMT#2	1811	12/30/2020		011921	172,539.00
	Invoice: 10665/PMT#2					PMT#2-CORDILLERA TNK REHAB P/E 12/30/20				
					181,620.00 E CIP10665 .NON-LABOR . .					
					754440 900000	Capital Asset Expenses				
					-9,081.00 E CIP10665 .NON-LABOR . .					
					754 201000	Contract Retainage				
	Invoice: 10665/PMT#1				10665/PMT#1	1812	11/30/2020		011921	157,719.00
						PMT#1-CORDILLERA TNK REHAB P/E 11/30/20				
					166,020.00 E CIP10665 .NON-LABOR . .					

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CHECK NO	CHK DATE	TYPE	VENDOR	NAME	INVOICE	DOCUMENT	INV DATE	PO	CHECK RUN	NET
					INVOICE DTL DESC					
					754440 900000 Capital Asset Expenses					
					-8,301.00					
					E CIP10665 .NON-LABOR . .					
					754 201000 Contract Retainage					
								CHECK	100304 TOTAL:	330,258.00
100305	01/19/2021	PRTD	2964	CALIFORNIA DEPT OF T	44-008690/2020	1767	12/31/2020		011921	524.00
Invoice: 44-008690/2020						UNDERGROUND STORAGE TANK FEE 2020				
					524.00 701325 552000 Permits and Fees					
								CHECK	100305 TOTAL:	524.00
100306	01/19/2021	PRTD	2513	CAPCO ANALYTICAL SER	202077	1726	12/21/2020		011921	365.00
Invoice: 202077						DEC'20 SAMPLING				
					365.00 751820 571520 Other Laboratory Serv					
								CHECK	100306 TOTAL:	365.00
100307	01/19/2021	PRTD	2547	COUNTY SANITATION DI	48892/123120	1835	12/31/2020		011921	1,568.55
Invoice: 48892/123120						TAPIA GRIT HAULING-DEC'20				
					1,568.55 751810 541500 Outside Services					
								CHECK	100307 TOTAL:	1,568.55
100308	01/19/2021	PRTD	20643	CSI SERVICES, INC.	10280	1636	12/17/2020		011921	1,520.00
Invoice: 10280						CORDILLA COATING INSPC 11/19 & 11/20				
					1,520.00					
					E CIP10665 .NON-LABOR . .					
					754440 900000 Capital Asset Expenses					
								CHECK	100308 TOTAL:	1,520.00
100309	01/19/2021	PRTD	2601	DELL COMPUTER CORP.	10451864595	1735	12/24/2020	22100005	011921	11,389.71
Invoice: 10451864595						GIS & FILE SERVER				
					11,389.71 701420 543000 Capital Outlay					
								CHECK	100309 TOTAL:	11,389.71
100310	01/19/2021	PRTD	19033	DENOVO VENTURES, LLC	70641	1760	01/01/2021		011921	4,938.00
Invoice: 70641						FEB'21 DIST RECOVERY				
					4,938.00 701420 621500 Equip Maintenance					
								CHECK	100310 TOTAL:	4,938.00

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CHECK NO	CHK DATE	TYPE	VENDOR	NAME	INVOICE	DOCUMENT	INV DATE	PO	CHECK RUN	NET
					INVOICE DTL DESC					
100311	01/19/2021	PRTD	18743	EUROFINS EATON ANALY	L0546744	1722	12/18/2020		011921	560.00
	Invoice: L0546744					PW WEEKLY SAMPLES - 11/24/20				
					560.00 751750	571520 Other Laboratory Serv				
					L0546341	1724	12/16/2020		011921	1,910.00
	Invoice: L0546341					PW MONTHLY SAMPLES - 12/01/20				
					1,910.00 751750	571520 Other Laboratory Serv				
					L0547275	1728	12/22/2020		011921	595.00
	Invoice: L0547275					PW BI-MONTHLY SAMPLES 12/01/20				
					595.00 751750	571520 Other Laboratory Serv				
					L0547273	1729	12/22/2020		011921	560.00
	Invoice: L0547273					PW WEELY SAMPLES 12/01/20				
					560.00 751750	571520 Other Laboratory Serv				
					L0548878	1730	01/05/2021		011921	1,200.00
	Invoice: L0548878					PW QUARTER 1-ONLY 12/8/20				
					1,200.00 751750	571520 Other Laboratory Serv				
					L0548877	1731	01/05/2021		011921	1,200.00
	Invoice: L0548877					PW QUARTER 1-ONLY 12/8/20				
					1,200.00 751750	571520 Other Laboratory Serv				
							CHECK	100311 TOTAL:		6,025.00
100312	01/19/2021	PRTD	21579	EXTRA PACKAGING LLC	97076	1747	12/15/2020	22100012	011921	5,611.63
	Invoice: 97076					DEWATERING LINERS-SEWER CLEANING				
					5,611.63 130100	551000 Supplies/Material				
							CHECK	100312 TOTAL:		5,611.63
100313	01/19/2021	PRTD	2659	FENCE FACTORY	122523	1710	12/28/2020		011921	1,385.49
	Invoice: 122523					REPAIR GATE - LV2 ENTRANCE				
					1,385.49 101100	541500 Outside Services				
							CHECK	100313 TOTAL:		1,385.49
100314	01/19/2021	PRTD	6770	G.I. INDUSTRIES	2968189-0283-9	1761	01/04/2021		011921	1,274.84
	Invoice: 2968189-0283-9					12/16/20-12/31/20 SHOP BLDG				
					1,274.84 701002	551500 Outside Services				
					2968021-0283-4	1768	01/01/2021		011921	96.64
	Invoice: 2968021-0283-4					1/1/21-1/31/21 DISP-RLV				
					96.64 751820	551800 Building Maintenance				
					2968022-0283-2	1769	01/01/2021		011921	96.64
	Invoice: 2968022-0283-2					1/1/21-1/31/21 DISP-RLV FARM				

A/P CASH DISBURSEMENTS JOURNAL

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CHECK NO	CHK DATE	TYPE	VENDOR	NAME	INVOICE	DOCUMENT	INV DATE	PO	CHECK RUN	NET
					INVOICE DTL DESC					
					96.64 751830 551500 Outside Services					
							CHECK	100314 TOTAL:		1,468.12
100315	01/19/2021	PRTD	2690	GIBBS INTERNATIONAL	455413	1764	10/30/2020		011921	1,651.73
	Invoice: 455413				REPAIR INSTRUMENT PANEL FOR TRUCK #163					
					1,651.73 701325 551500 Outside Services					
							CHECK	100315 TOTAL:		1,651.73
100316	01/19/2021	PRTD	19548	GRM INFORMATION MANA	0419594	1738	12/31/2020		011921	106.76
	Invoice: 0419594				DEC'20 RECORDS STORAGE					
					106.76 701121 623500 Records Management					
					0419595	1739	12/31/2020		011921	310.92
	Invoice: 0419595				DEC'20 RECORDS STORAGE					
					310.92 701121 623500 Records Management					
							CHECK	100316 TOTAL:		417.68
100317	01/19/2021	PRTD	18679	GSE CONSTRUCTION, IN	10680/PMT#7	1700	12/17/2020		011921	538,745.00
	Invoice: 10680/PMT#7				PMT#7 - DIGESTER #2 REHAB PRJ. P/E 12/17/20					
					567,100.00 E CIP10680 .NON-LABOR . . 754440 900000 Capital Asset Expenses					
					-28,355.00 E CIP10680 .NON-LABOR . . 754 201000 Contract Retainage					
							CHECK	100317 TOTAL:		538,745.00
100318	01/19/2021	PRTD	20823	INVOICE CLOUD INC.	964-2022_12	1740	12/31/2020		011921	7,062.00
	Invoice: 964-2022_12				INVOICE CLOUD FEES-DEC'20					
					7,062.00 701221 622000 Outside Services					
							CHECK	100318 TOTAL:		7,062.00
100319	01/19/2021	PRTD	2997	J G TUCKER & SONS	14815	1798	12/22/2020		011921	572.94
	Invoice: 14815				SENSORS O2 AND LEL/GAS DETECTORS					
					572.94 101100 541000 Supplies/Material					
							CHECK	100319 TOTAL:		572.94
100320	01/19/2021	PRTD	3352	LAS VIRGENES MUNICIP	2645/123020	1748	12/30/2020		011921	196.28
	Invoice: 2645/123020				RWPS 11/25/20-12/22/20					
					196.28 701001 540540 Water					

A/P CASH DISBURSEMENTS JOURNAL

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CHECK NO	CHK DATE	TYPE	VENDOR	NAME	INVOICE	DOCUMENT	INV DATE	PO	CHECK RUN	NET
					INVOICE DTL DESC					
	Invoice: 2646/123020				2646/123020	1749	12/30/2020		011921	231.39
						BL #8/RECL 11/25/20-12/22/20				
					231.39 701001 540540	Water				
	Invoice: 2652/123020				2652/123020	1750	12/30/2020		011921	148.27
						BD #8/RW 11/25/20-12/22/20				
					148.27 701001 540540	Water				
	Invoice: 2655/123020				2655/123020	1751	12/30/2020		011921	232.63
						BD #7/RW 11/25/20-12/22/20				
					232.63 701002 540540	Water				
	Invoice: 0558/123020				0558/123020	1752	12/30/2020		011921	33.72
						IND HILLS 11/24/20-12/23/20				
					33.72 751223 540540	Water				
	Invoice: 0331/123020				0331/123020	1753	12/30/2020		011921	33.72
						MORRISON P/S 11/24/20-12/23/20				
					33.72 751125 540540	Water				
	Invoice: 9793/010621				9793/010621	1763	01/06/2021		011921	150.84
						RLV SOLAR 11/30/20-12/30/20				
					150.84					
					E CIP10688 .NON-LABOR . .					
					754440 900000	Capital Asset Expenses				
							CHECK	100320 TOTAL:		1,026.85
100321	01/19/2021 PRTD	2814	MCMASTER-CARR SUPPLY		50267984	1795	12/15/2020		011921	75.83
	Invoice: 50267984					(2) EXTENSION CABLES FOR DIESEL FUEL TOTES				
					75.83 701325 551000	Supplies/Material				
							CHECK	100321 TOTAL:		75.83
100322	01/19/2021 PRTD	20236	KAREN MILES		060348	1775	01/11/2021		011921	204.32
	Invoice: 060348					REFUND CR. BAL - OPEN A/C				
					204.32 101 230500	Deposit Refd Clearing-Billing				
							CHECK	100322 TOTAL:		204.32
100323	01/19/2021 PRTD	5736	MISCO WATER		15522SW	1711	12/30/2020		011921	1,524.12
	Invoice: 15522SW					REBUILD KIT-BISULFITE PUMPS				
					1,524.12 751810 541000	Supplies/Material				
							CHECK	100323 TOTAL:		1,524.12

A/P CASH DISBURSEMENTS JOURNAL

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CHECK NO	CHK DATE	TYPE	VENDOR	NAME	INVOICE	DOCUMENT	INV DATE	PO	CHECK RUN	NET
					INVOICE DTL DESC					
100324	01/19/2021	PRTD	2365	MSO TECHNOLOGIES	6829	1797	12/22/2020		011921	450.00
	Invoice: 6829				3 HRS PLC PROGRAMMING DISCHGE FLOW AT TAPIA					
					450.00 751810 551500 Outside Services					
							CHECK	100324 TOTAL:		450.00
100325	01/19/2021	PRTD	20772	NATIONAL PAYMENT COR	930124	1736	12/31/2020		011921	89.89
	Invoice: 930124				DEC'20 ELEC PAYSTUBS					
					89.89 701420 621500 Equip Maintenance					
							CHECK	100325 TOTAL:		89.89
100326	01/19/2021	PRTD	2846	NATIONAL PLANT SERVI	16198	1757	11/04/2020		011921	2,100.00
	Invoice: 16198				CLEAN L/S#2-10/20					
					2,100.00 130100 551500 Outside Services					
							CHECK	100326 TOTAL:		2,100.00
100327	01/19/2021	PRTD	21659	ONTARIO REFRIGERATIO	GW18843	1799	12/30/2020		011921	269.43
	Invoice: GW18843				SERVICE@SWAMP COOLER - BLDG 7					
					269.43 701002 551500 Outside Services					
							CHECK	100327 TOTAL:		269.43
100328	01/19/2021	PRTD	18116	PACIFIC ENERGY CONST	5589	1741	12/21/2020		011921	7,678.49
	Invoice: 5589				DEMO WORK-12/7-12/16					
					7,678.49 751750 551500 Outside Services					
					5590	1742	12/21/2020		011921	2,116.16
	Invoice: 5590				MCC CLEANING 12/16					
					2,116.16 751820 551500 Outside Services					
							CHECK	100328 TOTAL:		9,794.65
100329	01/19/2021	PRTD	21594	RECYCLED WOOD PRODUC	203500	1701	12/28/2020		011921	3,091.40
	Invoice: 203500				260 YDS WOODCHIPS					
					3,091.40 751820 541080 Amendment					
					203521	1702	12/29/2020		011921	1,545.70
	Invoice: 203521				130 YDS WOODCHIPS					
					1,545.70 751820 541080 Amendment					
					203561	1703	12/30/2020		011921	3,091.40
	Invoice: 203561				260 YDS WOODCHIPS					
					3,091.40 751820 541080 Amendment					

A/P CASH DISBURSEMENTS JOURNAL

CASH ACCDUNT: 999 100100 Cash-General

CHECK NO	CHK DATE	TYPE	VENDOR	NAME	INVOICE	DOCUMENT	INV DATE	PO	CHECK RUN	NET
					INVOICE DTL DESC					
	Invoice: 203764				203764	1758	01/04/2021		011921	1,545.70
					1,545.70 751820	541080	130 YDS WOODCHIPS Amendment			
	Invoice: 203807				203807	1759	01/05/2021		011921	1,545.70
					1,545.70 751820	541080	130 YDS WOODCHIPS Amendment			
							CHECK	100329 TOTAL:		10,819.90
100330	01/19/2021	PRTD	17174	ROTH STAFFING COMPAN	13967291	1756	01/01/2021		011921	686.40
	Invoice: 13967291				686.40 701430	622000	TEMP SRV 12/21-12/25-R.G. Outside Services			
							CHECK	100330 TOTAL:		686.40
100331	01/19/2021	PRTD	20412	SHRED-IT USA LLC	8181124470	1737	12/22/2020		011921	198.71
	Invoice: 8181124470				198.71 701121	623500	DEC'20 DOC SHREDDING SRV Records Management			
							CHECK	100331 TOTAL:		198.71
100332	01/19/2021	PRTD	2958	SOUTHERN CALIFORNIA	1200/010621	1770	01/06/2021		011921	17.54
	Invoice: 1200/010621				17.54 101109	540530	JBR P/S 12/2/20-1/4/21 Gas			
	Invoice: 0400/010821				0400/010821	1771	01/08/2021		011921	19.42
					19.42 101110	540530	CORNELL 12/4/20-01/06/21 Gas			
	Invoice: 4000/010821				4000/010821	1772	01/08/2021		011921	2,163.66
					2,163.66 751810	540530	TAPIA 12/4/20-1/6/21 Gas			
	Invoice: 4200/010821				4200/010821	1773	01/08/2021		011921	344.90
					344.90 751820	540530	RANCHO 12/4/20-1/6/21 Gas			
	Invoice: 3600/010821				3600/010821	1774	01/08/2021		011921	2,998.95
					2,249.21 701001	540530	HQ & OPS 12/4/20-1/6/21 Gas			
					749.74 701002	540530	Gas			
							CHECK	100332 TOTAL:		5,544.47
100333	01/19/2021	PRTD	2969	STATE WATER RESOURCE	APPID529585	1766	12/23/2020		011921	509.00
	Invoice: APPID529585				509.00		PRD FEE @LINDERO CNY RD.			

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CASH ACCOUNT: 999 100100 Cash-General

CHECK NO	CHK DATE	TYPE	VENDOR	NAME	INVOICE	DOCUMENT	INV DATE	PO	CHECK RUN	NET
					INVOICE DTL DESC					
					E CIP10556 .NON-LABOR . .					
					201440 900000 Capital Asset Expenses					
							CHECK	100333 TOTAL:		509.00
100334	01/19/2021	PRTD	12149	THATCHER CO. OF CALI	281022	1725	12/22/2020		011921	6,367.35
Invoice: 281022							4,081 GAL BISULFITE			
					6,367.35 751810 541011 Sodium Bisulfite					
							CHECK	100334 TOTAL:		6,367.35
100335	01/19/2021	PRTD	19135	TRANSUNION RISK AND	974571/DEC'20	1719	01/01/2021		011921	246.00
Invoice: 974571/DEC'20							BAD DEBT SRV - DEC'20			
					246.00 701221 622000 Outside Services					
							CHECK	100335 TOTAL:		246.00
100336	01/19/2021	PRTD	3006	UNDERGROUND SERVICE	DSB20197277	1732	01/01/2021		011921	372.91
Invoice: DSB20197277							DIG SAFE PERMIT FEE - DEC'20			
					372.91 101700 551500 Outside Services					
					1220200419	1733	01/01/2021		011921	278.95
Invoice: 1220200419							163 TICKETS - DEC'20			
					278.95 101700 551500 Outside Services					
							CHECK	100336 TOTAL:		651.86
100337	01/19/2021	PRTD	3035	VWR SCIENTIFIC	8803288499	1718	12/23/2020		011921	505.91
Invoice: 8803288499							PIPETS - 2			
					505.91 701341 551000 Supplies/Material					
							CHECK	100337 TOTAL:		505.91
100338	01/19/2021	PRTD	18521	WALTON MOTORS & CONT	42313	1805	12/29/2020		011921	1,517.67
Invoice: 42313							(3) 3HP UNIMOUNT MOTORS			
					1,517.67 751820 551000 Supplies/Material					
							CHECK	100338 TOTAL:		1,517.67
100339	01/19/2021	PRTD	8510	WORK BOOT WAREHOUSE	2-1-1001092	1717	12/29/2020		011921	186.26
Invoice: 2-1-1001092							SAFETY FOOTWEAR S. MORRISON			
					186.26 701325 680000 Safety					
							CHECK	100339 TOTAL:		186.26

A/P CASH DISBURSEMENTS JOURNAL

NUMBER OF CHECKS 44 *** CASH ACCOUNT TOTAL *** 1,046,145.46

	COUNT	AMOUNT
TOTAL PRINTED CHECKS	44	1,046,145.46

*** GRAND TOTAL *** 1,046,145.46

A/P CASH DISBURSEMENTS JOURNAL

CASH ACCOUNT: 999 100100 Cash-General

CHECK NO	CHK DATE	TYPE	VENDOR	NAME	INVOICE	DOCUMENT	INV DATE	PO	CHECK RUN	NET
					INVOICE DTL DESC					
100340	01/26/2021	PRTD	19071	A BEE MAN	23647	1827	11/20/2020		012621	145.00
	Invoice: 23647				BEE REMOVAL-WARING PLACE					
					145.00 701224 551500 Outside Services					
					23650	1828	11/24/2020		012621	145.00
	Invoice: 23650				BEE REMOVAL-31166 VIA COLINAS					
					145.00 701224 551500 Outside Services					
					23656	1829	12/01/2020		012621	145.00
	Invoice: 23656				BEE REMOVAL-5781 RAINBO HILL					
					145.00 701224 551500 Outside Services					
							CHECK	100340 TOTAL:		435.00
100341	01/26/2021	PRTD	3077	AIRGAS USA, LLC	9976649250	1826	12/31/2020		012621	273.00
	Invoice: 9976649250				DEC'20 CYLINDER RENT					
					273.00 701002 551500 Outside Services					
							CHECK	100341 TOTAL:		273.00
100342	01/26/2021	PRTD	18941	AMERICAN COLLISION C	5488	1855	12/23/2020		012621	2,000.00
	Invoice: 5488				REPAIR FRONT END DAMAGE FOR VEHICLE #901					
					2,000.00 701325 551500 Outside Services					
							CHECK	100342 TOTAL:		2,000.00
100343	01/26/2021	PRTD	19264	ARNDLD LAROCHELLE MA	2208	1832	01/11/2021		012621	420.00
	Invoice: 2208				JPA COUNSEL SRV-DEC'20					
					420.00 751840 687200 Outside Services					
							CHECK	100343 TOTAL:		420.00
100344	01/26/2021	PRTD	20695	AT&T A/C -0051	0051-010521-01	1918	01/05/2021		012621	106.90
	Invoice: 0051-010521-01				SRV 12/5/20~1/4/21@WLK FLT P/S					
					106.90 101600 540520 Telephone					
					0051-010521-2	1919	01/05/2021		012621	51.77
	Invoice: 0051-010521-2				SRV 12/5/20~1/4/21@LIFT STA#1					
					51.77 130100 540520 Telephone					
					0051-010521-3	1920	01/05/2021		012621	66.01
	Invoice: 0051-010521-3				SRV 12/5/20~1/4/21@LIFT STA#2					
					66.01 130100 540520 Telephone					
					0051-010521-4	1921	01/05/2021		012621	771.82
	Invoice: 0051-010521-4				SRV 12/5/20~1/4/21@WSTWTR TRMT					
					771.82 751810 540520 Telephone					

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CASH ACCOUNT: 999 100100 Cash-General

CHECK NO	CHK DATE	TYPE	VENDOR	NAME	INVOICE	DOCUMENT	INV DATE	PO	CHECK RUN	NET
					INVOICE DTL DESC					
				Invoice: 0051-010521-5	0051-010521-5	1922	01/05/2021		012621	695.82
					695.82 701002	540520	SRV 12/5/20~1/4/21@BLD#2 FIRE PNL Telephone			
				Invoice: 0051-010521-6	0051-010521-6	1923	01/05/2021		012621	54.41
					54.41 701001	540520	SRV 12/5/20~1/4/21@BLDG MNT-MISC Telephone			
				Invoice: 0051-010521-7	0051-010521-7	1924	01/05/2021		012621	51.61
					51.61 751820	540520	SRV 12/5/20~1/4/21@RANCH FIRE PNL Telephone			
				Invoice: 0051-010521-8	0051-010521-8	1925	01/05/2021		012621	51.61
					51.61 101107	540520	SRV 12/5/20~1/4/21@LV-2 P/S Telephone			
				Invoice: 0051-010521-9	0051-010521-9	1926	01/05/2021		012621	51.61
					51.61 101107	540520	SRV 12/5/20~1/4/21@LV2 PS&CAL FLW Telephone			
				Invoice: 0051-010521-10	0051-010521-10	1927	01/05/2021		012621	51.61
					51.61 101104	540520	SRV 12/5/20~1/4/21@STUNT RD P/S Telephone			
				Invoice: 0051-010521-11	0051-010521-11	1928	01/05/2021		012621	51.61
					51.61 101108	540520	SRV 12/5/20~1/4/21@JED SMITH P/S Telephone			
				Invoice: 0051-010521-12	0051-010521-12	1929	01/05/2021		012621	51.61
					51.61 101117	540520	SRV 12/5/20~1/4/21@MTN GATE P/S Telephone			
				Invoice: 0051-010521-13	0051-010521-13	1930	01/05/2021		012621	215.76
					215.76 101110	540520	SRV 12/5/20~1/4/21@CORNELL P/S Telephone			
				Invoice: 0051-010521-14	0051-010521-14	1931	01/05/2021		012621	51.61
					51.61 101121	540520	SRV 12/5/20~1/4/21@RANCHVIEW P/S Telephone			
				Invoice: 0051-010521-15	0051-010521-15	1932	01/05/2021		012621	25.81
					25.81 101123	540520	SRV 12/5/20~1/4/21@LOWR OAKS P/S Telephone			
				Invoice: 0051-010521-16	0051-010521-16	1933	01/05/2021		012621	25.80
					25.80 101124	540520	SRV 12/5/20~1/4/21@UPPR OAKS P/S Telephone			
								CHECK	100344 TOTAL:	2,375.37

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CASH ACCOUNT: 999 100100 Cash-General

CHECK NO	CHK DATE	TYPE	VENDOR	NAME	INVOICE	DOCUMENT	INV DATE	PO	CHECK RUN	NET
					INVOICE DTL DESC					
100345	01/26/2021	PRTD	16253	AT&T MOBILITY	992789332X01112021	1899	01/03/2021		012621	3,538.05
	Invoice: 992789332X01112021						SRV 12/4/20-1/3/21			
					30.73 101300	540520	Telephone			
					143.85 701122	540520	Telephone			
					22.66 701220	540520	Telephone			
					34.90 701223	540520	Telephone			
					61.46 701230	540520	Telephone			
					24.20 701320	540520	Telephone			
					30.92 701321	540520	Telephone			
					158.75 701322	540520	Telephone			
					200.58 701224	540520	Telephone			
					24.56 701325	540520	Telephone			
					56.53 701326	540520	Telephone			
					30.73 701330	540520	Telephone			
					1,333.85 701331	540520	Telephone			
					22.73 701340	540520	Telephone			
					22.94 701350	540520	Telephone			
					30.73 701410	540520	Telephone			
					931.23 701420	540520	Telephone			
					30.73 751750	540520	Telephone			
					55.04 751810	540520	Telephone			
					54.73 751820	540520	Telephone			
					236.20 701224	540520	Telephone			
							CHECK	100345 TOTAL:		3,538.05
100346	01/26/2021	PRTD	6777	JOHN DEERE FINANCIAL	667068	1983	01/05/2021		012621	160.21
	Invoice: 667068						HY-GARD FLUID 10 GAL			
					160.21 751810	678800	District Sprayfield			
							CHECK	100346 TOTAL:		160.21
100347	01/26/2021	PRTD	4490	CALIFORNIA WATER EFF	MD-2021-147	1984	01/01/2021		012621	2,036.26
	Invoice: MD-2021-147						CALWEP/AWE DUES 2021			
					2,036.26 701121	710500	Dues, Subsc & Memberships			
							CHECK	100347 TOTAL:		2,036.26
100348	01/26/2021	PRTD	18624	SCOTT CAMERON	072301	1786	01/11/2021		012621	4.45
	Invoice: 072301						REFUND CR. BAL - CLOSED A/C			
					4.45 101	230500	Deposit Refd Clearing-Billing			
							CHECK	100348 TOTAL:		4.45
100349	01/26/2021	PRTD	21655	CATALYST DIVING	112420.01	1810	11/24/2020		012621	11,637.00
	Invoice: 112420.01						BI-ANNUAL CLEANING-RES 2			
					11,637.00 751200	541500	Outside Services			

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CASH ACCOUNT: 999 100100 Cash-General

CHECK NO	CHK DATE	TYPE	VENDOR	NAME	INVOICE	DOCUMENT	INV DATE	PO	CHECK RUN	NET
					INVOICE DTL DESC					
							CHECK	100349 TOTAL:		11,637.00
100350	01/26/2021	PRTD	30024	WENDY CHANG	082690	1793	01/11/2021		012621	222.60
	Invoice: 082690					REFUND CR. BAL - CLOSED A/C				
					222.60 101 230500	Deposit Refd Clearing-Billing				
							CHECK	100350 TOTAL:		222.60
100351	01/26/2021	PRTD	18860	CHEMTREAT, INC.	CIN010087309	1844	01/04/2021		012621	739.86
	Invoice: CIN010087309					JAN'21-WATER TREATMENT				
					739.86 701001 551000	Supplies/Material				
							CHECK	100351 TOTAL:		739.86
100352	01/26/2021	PRTD	2539	CITY OF SIMI VALLEY	70267950	1940	01/13/2021		012621	8,798.75
	Invoice: 70267950					PURCH WATER 11/9-1/11/21				
					8,798.75 101001 511000	Purch Water-Simi Dist#8				
							CHECK	100352 TOTAL:		8,798.75
100353	01/26/2021	PRTD	2605	DELTA PACIFIC INDUST	5520	1854	12/28/2020		012621	495.82
	Invoice: 5520					CITRUS SOLVENT & BATTERY CLEANER				
					495.82 701325 551000	Supplies/Material				
							CHECK	100353 TOTAL:		495.82
100354	01/26/2021	PRTD	2657	FARWEST CORROSION CO	10000306	1780	01/11/2021		012621	939.58
	Invoice: 10000306					REFUND CR. BAL - CLOSED A/C				
					939.58 101 230500	Deposit Refd Clearing-Billing				
							CHECK	100354 TOTAL:		939.58
100355	01/26/2021	PRTD	21055	FIRESTONE COMPLETE A	196241	1778	12/29/2020		012621	956.39
	Invoice: 196241					(4) TIRES/ALIGN-#928				
					956.39 701325 551500	Outside Services				
							CHECK	100355 TOTAL:		956.39
100356	01/26/2021	PRTD	19397	FIRST CHOICE SERVICE	395807	1796	12/29/2020		012621	52.00
	Invoice: 395807					12/20-COFFEE SRV-HQ				
					52.00 701410 620000	Forms, Supplies And Postage				
					395808	1800	12/29/2020		012621	34.53
	Invoice: 395808					12/20 COFFEE SRV-OPS				

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CASH ACCOUNT: 999 100100 Cash-General

CHECK NO	CHK DATE	TYPE	VENDOR	NAME	INVOICE	DOCUMENT	INV DATE	PO	CHECK RUN	NET
					INVOICE DTL DESC					
					34.53 701410 620000 Forms, Supplies And Postage					
				Invoice: 395809	395809	1801	12/29/2020		012621	61.03
					12/20 COFFEE SRV-RLV					
					61.03 701410 620000 Forms, Supplies And Postage					
				Invoice: 395810	395810	1802	12/29/2020		012621	28.74
					12/20 COFFEE SRV-TAPIA					
					28.74 701410 620000 Forms, Supplies And Postage					
							CHECK	100356 TOTAL:		176.30
100357	01/26/2021	PRTD	6770	G.I. INDUSTRIES	2533819-0283-7	1779	01/04/2021		012621	429.32
				Invoice: 2533819-0283-7	12/16-12/31 DISP-TAPIA RAGS					
					429.32 751810 541500 Outside Services					
				Invoice: 2533781-0283-9	2533781-0283-9	1848	01/01/2021		012621	696.31
					01/21 DISP-TAPIA					
					696.31 751810 551800 Building Maintenance					
				Invoice: 2533782-0283-7	2533782-0283-7	1849	01/01/2021		012621	783.00
					01/21 DISP-TAPIA GRIT					
					783.00 751810 541500 Outside Services					
				Invoice: 2496685-0283-7	2496685-0283-7	1850	01/01/2021		012621	221.99
					01/21 DISP-WLK					
					221.99 101600 551800 Building Maintenance					
							CHECK	100357 TOTAL:		2,130.62
100358	01/26/2021	PRTD	20970	GARDA CL WEST, INC.	10615426	1851	01/01/2021		012621	340.58
				Invoice: 10615426	ARMORED TRANSPORT-JAN'21					
					340.58 701410 622000 Outside Services					
							CHECK	100358 TOTAL:		340.58
100359	01/26/2021	PRTD	2701	GRAINGER	9749930005	1820	12/17/2020		012621	492.96
				Invoice: 9749930005	FULL BODY HARNESS					
					492.96 701321 572500 Genl Supplies/Small Tools					
				Invoice: 9748206092	9748206092	1821	12/15/2020		012621	59.44
					TELESCOPE TREE PRUNER					
					59.44 101600 541000 Supplies/Material					
				Invoice: 9748235265	9748235265	1822	12/15/2020		012621	299.55
					CHAIN HOIST					
					299.55 701326 572500 Genl Supplies/Small Tools					
					9748206100	1823	12/15/2020		012621	420.60

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CASH ACCOUNT: 999 100100 Cash-General

CHECK NO	CHK DATE	TYPE	VENDOR	NAME	INVOICE	DOCUMENT	INV DATE	PO	CHECK RUN	NET
					INVOICE DTL DESC					
	Invoice: 9748206100				ANGLE GRINDER					
					420.60 701326 572500 Genl Supplies/Small Tools					
					9757737086	1824	12/29/2020		012621	153.85
	Invoice: 9757737086				FLUOR BULBS					
					153.85 751810 551000 Supplies/Material					
					9758491899	1825	12/29/2020		012621	146.02
	Invoice: 9758491899				GREASE GUN & STOPPERS					
					146.02 130100 551000 Supplies/Material					
							CHECK	100359 TOTAL:		1,572.42
100360	01/26/2021	PRTD	2705	HACH COMPANY	12258449	1818	12/23/2020		012621	1,294.30
	Invoice: 12258449				DIGITAL PH SENSOR					
					1,294.30 101600 541000 Supplies/Material					
							CHECK	100360 TOTAL:		1,294.30
100361	01/26/2021	PRTD	16543	INTERNATIONAL INSTIT	12461/APR21-MAR22	1935	01/06/2021		012621	215.00
	Invoice: 12461/APR21-MAR22				MBRSHP-APR'21-MAR'22					
					215.00 701121 710500 Dues, Subsc & Memberships					
							CHECK	100361 TOTAL:		215.00
100362	01/26/2021	PRTD	20856	INTERNATIONAL PRINTI	22495	1857	01/05/2021		012621	192.72
	Invoice: 22495				PHOTO ENLARGEMENTS					
					192.72 701230 660400 Public Education Programs					
					22496	1858	01/06/2021		012621	793.88
	Invoice: 22496				BACK FLOW DOOR HANGERS					
					793.88 701221 620000 Forms, Supplies And Postage					
							CHECK	100362 TOTAL:		986.60
100363	01/26/2021	PRTD	5230	KENNEDY/JENKS CONSUL	143979	1875	01/08/2021		012621	1,532.50
	Invoice: 143979				P/E 1/1-TWIN LAKES P/S DSGN					
					1,532.50					
					E CIP10430 .NON-LABOR . .					
					201440 900000 Capital Asset Expenses					
							CHECK	100363 TOTAL:		1,532.50
100364	01/26/2021	PRTD	21522	VERA KLEYNBERG	069399	1788	01/11/2021		012621	71.78
	Invoice: 069399				REFUND CR. BAL - CLOSED A/C					
					71.78 101 230500 Deposit Refd Clearing-Billing					

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CHECK NO	CHK DATE	TYPE	VENDOR	NAME	INVOICE	DOCUMENT	INV DATE	PO	CHECK RUN	NET
					INVOICE DTL DESC					
							CHECK	100364 TOTAL:		71.78
100365	01/26/2021	PRTD	2611	LA DWP	503850/011921	1980	01/19/2021		012621	42.96
	Invoice: 503850/011921					RECTIFIER 12/17/20-1/19/21				
					42.96 101700	540510 Energy				
					875698/011521	1981	01/15/2021		012621	8,225.14
	Invoice: 875698/011521					TWIN LAKES P/S 12/16/20-1/14/21				
					8,225.14 101106	540510 Energy				
					017698/011521	1982	01/15/2021		012621	48.33
	Invoice: 017698/011521					RECTIFIER 12/16/20-1/15/21				
					48.33 101700	540510 Energy				
							CHECK	100365 TOTAL:		8,316.43
100366	01/26/2021	PRTD	3352	LAS VIRGENES MUNICIP	2080/012021	1978	01/20/2021		012621	174.65
	Invoice: 2080/012021					RLV FARM 12/9/20-1/12/21				
					174.65 751830	540540 Water				
					0254/012021	1979	01/20/2021		012621	54.97
	Invoice: 0254/012021					JED SMITH P/S 12/7/20-1/11/21				
					54.97 101108	540540 Water				
							CHECK	100366 TOTAL:		229.62
100367	01/26/2021	PRTD	20122	LAURA MARGO	059288	1787	01/11/2021		012621	109.90
	Invoice: 059288					REFUND CR. BAL - CLOSED A/C				
					109.90 101	230500 Deposit Refd Clearing-Billing				
							CHECK	100367 TOTAL:		109.90
100368	01/26/2021	PRTD	17639	MARTIN TEITELBAUM CO	9999517	1783	01/11/2021		012621	939.58
	Invoice: 9999517					REFUND CR. BAL - CLOSED A/C				
					939.58 101	230500 Deposit Refd Clearing-Billing				
							CHECK	100368 TOTAL:		939.58
100369	01/26/2021	PRTD	2814	MCMASTER-CARR SUPPLY	51072711	1936	01/06/2021		012621	78.31
	Invoice: 51072711					(4) LOWER PRESSURE PIPE FITTING CONNECTOR				
					78.31 751820	551000 Supplies/Material				
					51148211	1937	01/07/2021		012621	320.37
	Invoice: 51148211					TAPIA MAIN SUPPLIES				
					320.37 751810	551000 Supplies/Material				

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CHECK NO	CHK DATE	TYPE	VENDOR	NAME	INVOICE	DOCUMENT	INV DATE	PO	CHECK RUN	NET
					INVOICE DTL DESC					
							CHECK		100369 TOTAL:	398.68
100370	01/26/2021	PRTD	20973	MERRIMAC ENERGY GROU	2210012	1846	01/04/2021		012621	22,301.05
	Invoice: 2210012					8,764 GAL REG UNLEADED				
					22,301.05 701325 551010	Fuel				
							CHECK		100370 TOTAL:	22,301.05
100371	01/26/2021	PRTD	21407	MESA WATER DISTRICT	SALES2190	1934	01/07/2021		012621	206.25
	Invoice: SALES2190					JAN'21 FEE SHARE				
					206.25 701122 710500	Dues, Subsc & Memberships				
							CHECK		100371 TOTAL:	206.25
100372	01/26/2021	PRTD	14322	MILES CHEMICAL COMPA	614335	1859	01/05/2021		012621	217.94
	Invoice: 614335					53 GAL HYPOCHLORITE-PWP				
					217.94 751750 541000	Supplies				
							CHECK		100372 TOTAL:	217.94
100373	01/26/2021	PRTD	21558	MKN-MICHAEL K NUNLEY	8507	1754	12/28/2020		012621	353.29
	Invoice: 8507					P/E 12/26-CENTRATE VALVE DSGN				
					353.29					
					E CIP10695 .NON-LABOR . .					
					754440 900000	Capital Asset Expenses				
					8508	1830	12/31/2020		012621	100.94
	Invoice: 8508					12/31/20-TP OUTFALL REHAB				
					100.94					
					E CIP10695 .NON-LABOR . .					
					754440 900000	Capital Asset Expenses				
							CHECK		100373 TOTAL:	454.23
100374	01/26/2021	PRTD	21544	ROBERT ODELLO	500434-005385	1790	01/11/2021		012621	167.05
	Invoice: 500434-005385					REFUND CR. BAL - CLOSED A/C				
					167.05 101 230500	Deposit Refd Clearing-Billing				
							CHECK		100374 TOTAL:	167.05
100375	01/26/2021	PRTD	16372	OLIN CORPORATION	2917954	1782	12/29/2020		012621	4,221.61
	Invoice: 2917954					4,836 GAL HYPOCHLORITE				
					4,221.61 751810 541014	Sodium Hypochlorite				
					2918908	1784	12/31/2020		012621	4,319.38
	Invoice: 2918908					4,948 GAL HYPOCHLORITE				

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CHECK NO	CHK DATE	TYPE	VENDOR	NAME	INVOICE	DOCUMENT	INV DATE	PO	CHECK RUN	NET
					INVOICE DTL DESC					
					4,319.38 751810 541014 Sodium Hypochlorite					
					2920331	1867	01/05/2021		012621	4,273.99
				Invoice: 2920331	4,896 GAL HYPOCHLORITE					
					4,273.99 751810 541014 Sodium Hypochlorite					
					2921120	1868	01/07/2021		012621	4,270.50
				Invoice: 2921120	4,892 GAL HYPOCHLORITE					
					4,270.50 751810 541014 Sodium Hypochlorite					
							CHECK	100375 TOTAL:		17,085.48
100376	01/26/2021	PRTD	13586	ORACLE AMERICA, INC.	44869245	1900	12/31/2020		012621	18,750.00
				Invoice: 44869245	JDE HR/PR SPRT 10/1-12/31/20					
					18,750.00 E CIP10663 .NON-LABOR . .					
					330440 900000 Capital Asset Expenses					
							CHECK	100376 TOTAL:		18,750.00
100377	01/26/2021	PRTD	18946	PACIFIC ADVANCED CIV	4537	1831	12/31/2020		012621	270.00
				Invoice: 4537	P/E 12-31-20-DIGSTR2 REHAB					
					270.00 E CIP10680 .NON-LABOR . .					
					754440 900000 Capital Asset Expenses					
							CHECK	100377 TOTAL:		270.00
100378	01/26/2021	PRTD	30025	PATRIOT PAVING INC	10000331	1794	01/11/2021		012621	759.49
				Invoice: 10000331	REFUND CR. BAL - CLOSED A/C					
					759.49 101 230500 Deposit Refd Clearing-Billing					
							CHECK	100378 TOTAL:		759.49
100379	01/26/2021	PRTD	4675	PEPPERDINE UNIVERSIT	19SROUSE-2	1789	07/21/2020		012621	12,637.16
				Invoice: 19SROUSE-2	SURVEY-PUBLIC OPINION PWP					
					12,637.16 E CIP10635 .NON-LABOR . .					
					754440 900000 Capital Asset Expenses					
							CHECK	100379 TOTAL:		12,637.16
100380	01/26/2021	PRTD	8484	PRAXAIR DISTRIBUTION	60784316	1852	12/22/2020		012621	227.37
				Invoice: 60784316	AIR BOTTLES RENTAL 11/20/20-12/20/20					
					227.37 101100 541000 Supplies/Material					
					61092675	1860	01/05/2021		012621	462.40

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CHECK NO	CHK DATE	TYPE	VENDOR	NAME	INVOICE	DOCUMENT	INV DATE	PO	CHECK RUN	NET
						INVOICE DTL DESC				
	Invoice: 61092675					(8) AIR BREATHING BOTTLES				
					462.40 101100 541000	Supplies/Material				
							CHECK	100380 TOTAL:		689.77
100381	01/26/2021	PRTD	20334	PRUDENTIAL OVERALL S	172033101	1901	12/04/2020		012621	130.37
	Invoice: 172033101					12/20 UNIFORMS/MATS/TOWELS				
					61.87 751810 551000	Supplies/Material				
					68.50 701999 731600	Uniforms				
					172034431	1902	12/11/2020		012621	130.37
	Invoice: 172034431					12/20 UNIFORMS/MATS/TOWELS				
					61.87 751810 551000	Supplies/Material				
					68.50 701999 731600	Uniforms				
					172035755	1903	12/18/2020		012621	130.37
	Invoice: 172035755					12/20 UNIFORMS/MATS/TOWELS				
					61.87 751810 551000	Supplies/Material				
					68.50 701999 731600	Uniforms				
					172037061	1905	12/25/2020		012621	130.37
	Invoice: 172037061					12/20 UNIFORMS/MATS/TOWELS				
					61.87 751810 551000	Supplies/Material				
					68.50 701999 731600	Uniforms				
					172033259	1906	12/07/2020		012621	31.04
	Invoice: 172033259					12/20 UNIFORMS/MATS/TOWELS				
					21.44 101600 551000	Supplies/Material				
					9.60 701999 731600	Uniforms				
					172034602	1907	12/14/2020		012621	31.04
	Invoice: 172034602					12/20 UNIFORMS/MATS/TOWELS				
					21.44 101600 551000	Supplies/Material				
					9.60 701999 731600	Uniforms				
					172035905	1908	12/21/2020		012621	35.04
	Invoice: 172035905					12/20 UNIFORMS/MATS/TOWELS				
					21.44 101600 551000	Supplies/Material				
					13.60 701999 731600	Uniforms				
					172037227	1909	12/28/2020		012621	35.04
	Invoice: 172037227					12/20 UNIFORMS/MATS/TOWELS				
					21.44 101600 551000	Supplies/Material				
					13.60 701999 731600	Uniforms				
					172033103	1910	12/04/2020		012621	448.80
	Invoice: 172033103					12/20 UNIFORMS/MATS/TOWELS				
					63.28 701002 551000	Supplies/Material				
					385.52 701999 731600	Uniforms				
					172034433	1911	12/11/2020		012621	302.03

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CHECK NO	CHK DATE	TYPE	VENDOR	NAME	INVOICE	DOCUMENT	INV DATE	PO	CHECK RUN	NET
							INVOICE DTL DESC			
				Invoice: 172034433			12/20 UNIFORMS/MATS/TOWELS			
					63.28 701002	551000	Supplies/Material			
					238.75 701999	731600	Uniforms			
					172035757	1912	12/18/2020		012621	368.12
				Invoice: 172035757			12/20 UNIFORMS/MATS/TOWELS			
					63.28 701002	551000	Supplies/Material			
					304.84 701999	731600	Uniforms			
					172037063	1913	12/25/2020		012621	298.03
				Invoice: 172037063			12/20 UNIFORMS/MATS/TOWELS			
					63.28 701002	551000	Supplies/Material			
					234.75 701999	731600	Uniforms			
					172033102	1914	12/04/2020		012621	64.03
				Invoice: 172033102			12/20 UNIFORMS/MATS/TOWELS			
					30.83 751820	551000	Supplies/Material			
					33.20 701999	731600	Uniforms			
					172034432	1915	12/11/2020		012621	64.03
				Invoice: 172034432			12/20 UNIFORMS/MATS/TOWELS			
					30.83 751820	551000	Supplies/Material			
					33.20 701999	731600	Uniforms			
					172035756	1916	12/18/2020		012621	64.03
				Invoice: 172035756			12/20 UNIFORMS/MATS/TOWELS			
					30.83 751820	551000	Supplies/Material			
					33.20 701999	731600	Uniforms			
					172037062	1917	12/25/2020		012621	64.03
				Invoice: 172037062			12/20 UNIFORMS/MATS/TOWELS			
					30.83 751820	551000	Supplies/Material			
					33.20 701999	731600	Uniforms			
							CHECK	100381 TOTAL:		2,326.74
100382	01/26/2021	PRTD	17295	QUADIENT LEASING USA	N8616187	1876	12/08/2020		012621	1,069.15
				Invoice: N8616187			MAIL MACHINE PMT 10/9/20-1-8-21			
					1,069.15 701410	620500	Equip Rental			
							CHECK	100382 TOTAL:		1,069.15
100383	01/26/2021	PRTD	18505	RAFTELIS FINANCIAL C	17607	1815	12/10/2020		012621	4,778.31
				Invoice: 17607			P/E 11/30 RATE STUDY			
					4,778.31 701410	652200	Mgmt Consultant Fees			
							CHECK	100383 TOTAL:		4,778.31

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CHECK NO	CHK DATE	TYPE	VENDOR	NAME	INVOICE	DOCUMENT	INV DATE	PO	CHECK RUN	NET
					INVOICE DTL DESC					
100384	01/26/2021	PRTD	21594	RECYCLED WOOD PRODUC	203844	1862	01/06/2021		012621	1,545.70
	Invoice: 203844					130 YDS WOODCHIPS				
					1,545.70 751820 541080	Amendment				
	Invoice: 203890				203890	1863	01/07/2021		012621	1,545.70
						130 YDS WOODCHIPS				
					1,545.70 751820 541080	Amendment				
	Invoice: 203953				203953	1864	01/08/2021		012621	1,545.70
						130 YDS WOODCHIPS				
					1,545.70 751820 541080	Amendment				
	Invoice: 204054				204054	1865	01/11/2021		012621	1,545.70
						130 YDS WOODCHIPS				
					1,545.70 751820 541080	Amendment				
	Invoice: 204106				204106	1866	01/12/2021		012621	1,545.70
						130 YDS WOODCHIPS				
					1,545.70 751820 541080	Amendment				
							CHECK	100384 TOTAL:		7,728.50
100385	01/26/2021	PRTD	16022	ROLLS SCAFFOLD & EQU	6087600S1C	1838	12/31/2020	22100020	012621	2,268.02
	Invoice: 6087600S1C					SCAFFOLD-WLK 12/7/20-1/3/21				
					2,268.02 101600 551599	Woolsey Fire				
							CHECK	100385 TOTAL:		2,268.02
100386	01/26/2021	PRTD	17174	ROTH STAFFING COMPAN	13969898	1834	01/08/2021		012621	1,029.60
	Invoice: 13969898					TEMP SRV 12/28-12/30-20 R.G.				
					1,029.60 701430 622000	Outside Services				
							CHECK	100386 TOTAL:		1,029.60
100387	01/26/2021	PRTD	30022	JOHN M. ROTH	015841	1791	01/11/2021		012621	106.48
	Invoice: 015841					REFUND CR. BAL - CLOSED A/C				
					106.48 101 230500	Deposit Refd Clearing-Billing				
							CHECK	100387 TOTAL:		106.48
100388	01/26/2021	PRTD	9624	BARBARA SCHUR	670349-028942	1781	01/11/2021		012621	149.04
	Invoice: 670349-028942					REFUND CR. BAL - CLOSED A/C				
					149.04 101 230500	Deposit Refd Clearing-Billing				
							CHECK	100388 TOTAL:		149.04

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CHECK NO	CHK DATE	TYPE	VENDOR	NAME	INVOICE	DOCUMENT	INV DATE	PO	CHECK RUN	NET
					INVOICE DTL DESC					
100389	01/26/2021	PRTD	2958	SOUTHERN CALIFORNIA	9400/010121	1938	01/01/2021		012621	43.58
	Invoice: 9400/010121						WLK P/S 12/1-1/1/21 23 THERMS			
					43.58 101600 540530		Gas			
							CHECK	100389 TOTAL:		43.58
100390	01/26/2021	PRTD	16271	SPOK, INC.	E0143084M	1939	01/09/2021		012621	115.76
	Invoice: E0143084M						PAGER SRV 1/11-2/10/21			
					71.83 701331 540520		Telephone			
					43.93 751820 540520		Telephone			
							CHECK	100390 TOTAL:		115.76
100391	01/26/2021	PRTD	2737	TELEDYNE ISCO, INC.	S020441128	1861	01/07/2021		012621	796.07
	Invoice: S020441128						(3) PUMP HEAD TUBING			
					796.07 751810 551000		Supplies/Material			
							CHECK	100391 TOTAL:		796.07
100392	01/26/2021	PRTD	21599	THE ROVISYS COMPANY	65494	1804	01/06/2021		012621	49,901.11
	Invoice: 65494						P/E 12/31 SCADA UPGRADE			
					49,901.11					
					E CIP10567 .NON-LABOR . .					
					754440 900000		Capital Asset Expenses			
							CHECK	100392 TOTAL:		49,901.11
100393	01/26/2021	PRTD	17645	TORO ENTERPRISES INC	10000301	1785	01/11/2021		012621	146.69
	Invoice: 10000301						REFUND CR. BAL - CLOSED TEMP A/C			
					146.69 101 230500		Deposit Refd Clearing-Billing			
							CHECK	100393 TOTAL:		146.69
100394	01/26/2021	PRTD	21252	TYLER TECHNOLOGIES,	045-324795	1806	12/21/2020		012621	4,200.00
	Invoice: 045-324795						ERP IMPLEMENTATION 12/7-12/10/20			
					4,200.00					
					E CIP10663 .NON-LABOR . .					
					330440 900000		Capital Asset Expenses			
					045-325201	1807	12/24/2020		012621	4,200.00
	Invoice: 045-325201						ERP IMPLEMENTATION 12/15-12/17/20			
					4,200.00					
					E CIP10663 .NON-LABOR . .					
					330440 900000		Capital Asset Expenses			
					045-326529	1808	12/31/2020		012621	700.00

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CHECK NO	CHK DATE	TYPE	VENDOR	NAME	INVOICE	DOCUMENT	INV DATE	PO	CHECK RUN	NET
					INVOICE DTL DESC					
	Invoice: 045-326529				ERP IMPLEMENTATION 12/22/20					
					700.00 E CIP10663 .NON-LABOR . .					
					330440 900000 Capital Asset Expenses					
					045-325470	1809	12/31/2020	012621		7,220.43
	Invoice: 045-325470				INVENTORY BARCODE READER					
					7,220.43 E CIP10663 .NON-LABOR . .					
					330440 900000 Capital Asset Expenses					
							CHECK	100394 TOTAL:		16,320.43
100395	01/26/2021 PRTD	3429	UNITED PARCEL SERVIC		000025W020021	1945	01/09/2021	012621		14.57
	Invoice: 000025W020021				SHIPPING CHARGE -1 PACKAGE @12/2/20					
					14.57 701410 620000 Forms, Supplies And Postage					
							CHECK	100395 TOTAL:		14.57
100396	01/26/2021 PRTD	2780	VALLEY NEWS GROUP		11-19-2020	1975	11/19/2020	012621		350.00
	Invoice: 11-19-2020				ADS BULK COMPOST/TURN DOWN IRRIGATION 11/19/20					
					175.00 701230 660400 Public Education Programs					
					175.00 751840 660400 Public Education Programs					
					11-1	1976	11/01/2020	012621		350.00
	Invoice: 11-1				ADS BULK COMPOST/TAP IN 2020 EVENT 11/5, 11/12					
					175.00 751840 660400 Public Education Programs					
					175.00 701230 660200 School Education Programs					
					11-12	1977	11/12/2020	012621		350.00
	Invoice: 11-12				ADS BULK COMPOST & LV TAP BOTH 11/12					
					175.00 701230 660400 Public Education Programs					
					175.00 751840 660400 Public Education Programs					
							CHECK	100396 TOTAL:		1,050.00
100397	01/26/2021 PRTD	18604	VENTURA PEST CONTROL		743221	1840	01/05/2021	012621		575.00
	Invoice: 743221				PEST CONTROL-JAN'21					
					90.00 101200 551500 Outside Services					
					45.00 101600 551500 Outside Services					
					50.00 701002 551500 Outside Services					
					37.50 751820 551500 Outside Services					
					50.00 701001 551500 Outside Services					
					87.50 751200 551500 Outside Services					
					100.00 751810 551500 Outside Services					
					40.00 751100 551500 Outside Services					
					75.00 751830 551500 Outside Services					
					742765	1841	01/05/2021	012621		55.00

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CHECK NO	CHK DATE	TYPE	VENDOR	NAME	INVOICE	DOCUMENT	INV DATE	PO	CHECK RUN	NET
					INVOICE DTL DESC					
	Invoice: 742765				GOPHER TREATMENT-WLK					
					55.00 101600 551500 Outside Services					
					746505	1843	01/12/2021		012621	975.00
	Invoice: 746505				RODENT PROOF/TRAP-TAPIA					
					975.00 751810 551500 Outside Services					
							CHECK	100397 TOTAL:		1,605.00
100398	01/26/2021	PRTD	21295	VERTICAL ELEVATOR SO	8736	1776	01/01/2021		012621	290.00
	Invoice: 8736				DEC'20 ELEVATOR SRV					
					145.00 701001 551500 Outside Services					
					145.00 701002 551500 Outside Services					
							CHECK	100398 TOTAL:		290.00
100399	01/26/2021	PRTD	2436	VINCE BARNES AUTOMOT	024948	1817	12/16/2020		012621	207.62
	Invoice: 024948				OIL/FILTERS-MIRROR ASSEMBLY					
					207.62 701325 551500 Outside Services					
					024974	1869	01/04/2021		012621	294.18
	Invoice: 024974				OIL FILTERS,SRV TRANS-#815					
					294.18 701325 551500 Outside Services					
					024975	1870	01/05/2021		012621	375.00
	Invoice: 024975				INSTALL LIGHT BAR-#900					
					375.00 701325 551500 Outside Services					
					024977	1871	01/06/2021		012621	375.00
	Invoice: 024977				INSTALL LIGHT BAR-#943					
					375.00 701325 551500 Outside Services					
					024981	1872	01/07/2021		012621	98.60
	Invoice: 024981				OIL/FILTER-#924					
					98.60 701325 551500 Outside Services					
					024982	1873	01/07/2021		012621	60.28
	Invoice: 024982				OIL/FILTER-#936					
					60.28 701325 551500 Outside Services					
					024987	1874	01/12/2021		012621	99.81
	Invoice: 024987				OIL/FILTERS-#904					
					99.81 701325 551500 Outside Services					
							CHECK	100399 TOTAL:		1,510.49
100400	01/26/2021	PRTD	3035	VWR SCIENTIFIC	8803377096	1943	01/07/2021		012621	32.58
	Invoice: 8803377096				1 BOX PLASTIC CANOES					
					32.58 701341 551000 Supplies/Material					

A/P CASH DISBURSEMENTS JOURNAL

CASH ACCOUNT: 999 100100 Cash-General

CHECK NO	CHK DATE	TYPE	VENDOR	NAME	INVOICE	DOCUMENT	INV DATE	PO	CHECK RUN	NET
					INVOICE DTL DESC					
					8803370162	1944	01/07/2021		012621	175.09
				Invoice: 8803370162		(2) PHOSPHATE BUFFER				
					175.09 701341 551000	Supplies/Material				
					8803405720	1946	01/11/2021		012621	531.22
				Invoice: 8803405720		3 BOXES LARGE NITRILE GLOVES				
					531.22 701341 551000	Supplies/Material				
					8803394624	1947	01/08/2021		012621	1,223.22
				Invoice: 8803394624		(2) EC MUG MEDIUM				
					1,223.22 701341 551000	Supplies/Material				
							CHECK	100400 TOTAL:		1,962.11
100401	01/26/2021	PRTD	19685	W. LITTEN INC.	21001	1803	01/04/2021		012621	5,183.80
	Invoice: 21001					SPRAYFIELD 12/28-12/31/20				
					5,183.80 751810 678800	District Sprayfield				
					21002	1856	01/11/2021		012621	7,129.00
				Invoice: 21002		SPRAYFIELD 1/4-1/8				
					7,129.00 751810 678800	District Sprayfield				
							CHECK	100401 TOTAL:		12,312.80
100402	01/26/2021	PRTD	30023	WEALTHPOINT REALATY	083425	1792	01/11/2021		012621	230.75
	Invoice: 083425					REFUND CR. BAL - CLOSED A/C				
					230.75 101 230500	Deposit Refd Clearing-Billing				
							CHECK	100402 TOTAL:		230.75
100403	01/26/2021	PRTD	3047	WESCO DISTRIBUTION,	061134	1819	12/29/2020		012621	209.80
	Invoice: 061134					LAMP RECYCLE BOXES				
					209.80 751750 551000	Supplies/Material				
							CHECK	100403 TOTAL:		209.80
100404	01/26/2021	PRTD	19537	WUNDERLICH-MALEC SYS	67110	1833	01/11/2021		012621	2,480.00
	Invoice: 67110					P/E 12/31/20-PLC PRGM CENTRATE TANK 3				
					2,480.00					
					E CIP10711 .NON-LABOR . .					
					754440 900000	Capital Asset Expenses				
							CHECK	100404 TOTAL:		2,480.00

A/P CASH DISBURSEMENTS JOURNAL

CASH ACCOUNT: 999 100100 Cash-General

CHECK NO	CHK DATE	TYPE	VENDOR	NAME	INVOICE	DOCUMENT	INV DATE	PO	CHECK RUN	NET
					INVOICE DTL DESC					
100405	01/26/2021	PRTD	3067	XEROX CORPORATION	012306841	1968	01/13/2021		012621	543.40
	Invoice: 012306841				LSE PMT&USAGE-DEC20-95 COPIER/HQ 2NDFL					
					480.84 701 225000 Curr Equip Lease-Computer					
					5.40 701420 625000 Equip Interest Expense					
					46.19 701420 620500 Equip Rental					
					10.97 701420 620000 Forms, Supplies And Postage					
					012306840	1969	01/13/2021		012621	674.48
	Invoice: 012306840				LSE PMT&USAGE-DEC20-D95 COPIER/HQ1STFL					
					608.41 701 225000 Curr Equip Lease-Computer					
					6.83 701420 625000 Equip Interest Expense					
					58.44 701420 620500 Equip Rental					
					.80 701420 620000 Forms, Supplies And Postage					
					012306842	1970	01/13/2021		012621	215.21
	Invoice: 012306842				LEASE PMT&USUAGE-DEC20-5845 APT/TAPIA					
					185.28 701 225000 Curr Equip Lease-Computer					
					4.38 701420 625000 Equip Interest Expense					
					18.41 701420 620500 Equip Rental					
					7.14 701420 620000 Forms, Supplies And Postage					
					012306844	1971	01/13/2021		012621	828.02
	Invoice: 012306844				LSE PMT&USUAGE-DEC20-XC60 COLOR PRINTER/HQ					
					643.21 701 225500 Curr Equip Payable					
					7.22 701420 625000 Equip Interest Expense					
					61.79 701420 620500 Equip Rental					
					115.80 701420 620000 Forms, Supplies And Postage					
					012306845	1972	01/13/2021		012621	151.13
	Invoice: 012306845				LSE PMT-DEC20-C70EFI COLOR PRINTER/HQ					
					136.48 701 225500 Curr Equip Payable					
					1.53 701420 625000 Equip Interest Expense					
					13.12 701420 620500 Equip Rental					
					012306843	1973	01/01/2021		012621	180.89
	Invoice: 012306843				LEASE PMT/USG 5945 OPS 11/21-12/21/20					
					158.55 701 225000 Curr Equip Lease-Computer					
					2.68 701420 625000 Equip Interest Expense					
					15.32 701420 620500 Equip Rental					
					4.34 701420 620000 Forms, Supplies And Postage					
								CHECK	100405 TOTAL:	2,593.13
100406	01/26/2021	PRTD	19524	XYLEM WATER SOLUTION	3556B45463	1755	10/26/2020	22100028	012621	10,254.00
	Invoice: 3556B45463				WEDCO STARTUP-PWP DEMO					
					10,254.00					
					E CIP10638 .NON-LABOR . .					
					754440 900000 Capital Asset Expenses					

		CHECK 100406 TOTAL:	10,254.00
NUMBER OF CHECKS	67	*** CASH ACCOUNT TOTAL ***	248,177.20

	COUNT	AMOUNT
TOTAL PRINTED CHECKS	67	248,177.20

*** GRAND TOTAL *** 248,177.20

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

MINUTES
REGULAR MEETING

9:00 AM January 19, 2021

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance to the Flag was led by Darrell Johnson.

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, Len Polan, and Lee Renger
Absent:	None
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 Wayne Lemieux, District Counsel

2. APPROVAL OF AGENDA

Director Polan moved to approve the agenda. Motion seconded by Director Renger.

Motion carried unanimously by roll call vote.

3. PUBLIC COMMENTS

None.

4. CONSENT CALENDAR

A List of Demands: January 19, 2021: Receive and file

B Minutes Regular Meeting of January 5, 2021: Approve

C Directors' Per Diem – December 2020: Ratify

D CIS Software Upgrade: Authorization of Change Order for Advanced Meter Project and Collections Process

Authorize the General Manager to approve Change Order No. 1, in the amount of $59,850, to the Annual Support and Maintenance Agreement with Advanced Utility Systems by Harris Industries for upgrades to the Customer Information System.

E Amendment to Las Virgenes Municipal Water District Code: Waiver of Compost Bulk-Loading Fee

Pass, approve, and adopt proposed Resolution No. 2586, modifying the Las Virgenes Municipal Water District Code to allow the General Manager to temporarily waive bulk-loading fees for compost when the Rancho Las Virgenes Composting Facility's Cure Building is filled to capacity and compost supply exceeds demand.

RESOLUTION NO. 2586

A RESOLUTION OF THE BOARD OF DIRECTORS OF LAS VIRGENES MUNICIPAL WATER DISTRICT AUTHORIZING ACTIONS TO SUPPORT THE RESPONSE AND RECOVERY EFFORT RELATED TO THE WOOLSEY FIRE

(Reference is hereby made to Resolution No. 2586 on file in the District's Resolution Book and by this reference the same is incorporated herein.)

Director Polan moved to approve the Consent Calendar. Motion seconded by Director Caspary. Motion carried unanimously by roll call vote.

5. ILLUSTRATIVE AND/OR VERBAL PRESENTATION AGENDA ITEMS

A Recognition of Director Charles Caspary for 20 Years of Service

General Manager David Pedersen recognized Director Charles Caspary for 20 Years of

Service on the Las Virgenes Municipal Water District Board of Directors. He noted that Director Caspary would receive a certificate and his 20-year pin.

The Board acknowledged Director Caspary for his service.

B MWD Representative Report

Glen Peterson, MWD Representative, reported that the MWD Board elected Directors Charles Trevino and Michael Hogan to the Executive Committee; approved the final draft of the General Manager's job description for the recruitment brochure; conducted a training session on the Ralph M. Brown Act; and awarded a contract to improve the Disaster Recovery Facility. He noted that Director Jerry Butkiewicz was removed as Vice Chair of the Board, and Directors John Murray and Jesus Quiñonez were presented their 15-year service pins. He reported that water levels in the Colorado River and the State Water Project were low; however, there was much water in storage and water supplies should not be affected.

Director Lo-Hill referred to the recent recorded tour conducted by MWD and inquired whether the MWD staff would be asked to conduct a live-narrated virtual tour. Mr. Peterson responded that it would be up to the tour guides on how tours are presented; however, he stated that he would follow-up with MWD staff. He noted that Board President Lewitt had also asked him to follow-up on MWD outreach regarding water supplies and drought.

Mr. Peterson also responded to a question regarding disagreements related to the appointment of Randy Record as Chair of the Finance and Insurance Committee by stating that he believed it was likely related to the City of Los Angeles and San Diego County Water Authority disagreements related to the former Water Stewardship Charge.

Mr. Peterson also reported that MWD was seeking COVID-19 vaccines for all employees.

Board President Lewitt noted that he spoke with Mr. Peterson regarding asking MWD to educate the public on the importance of the snowpack for the water supply. He also noted that he spoke with General Manager David Pedersen regarding seeking COVID-19 vaccinations for essential District employees who work at District facilities.

C Legislative and Regulatory Updates

Joe McDermott, Director of Engineering and External Affairs, noted that a letter was sent to the State's COVID-19 Task Force recommending that water and wastewater employees who were essential workers be given Category 1B priority to receive the COVID-19 vaccine. He reported that the District did not receive priority, and a copy of the letter was forwarded to Senator Henry Stern's office. He reported that Los Angeles County Supervisor Sheila Kuehl would not seek reelection on the County Board of Supervisors. He also reported that staff spoke with representatives from the California Board of Forestry regarding the proposed revisions to the State Fire Safety regulations in response to receive wildfires in California. He noted that Julia Hall, Senior Legislative

Advocate from the Association of California Water Agencies (ACWA), reached out to the District and other agencies that were impacted by wildfires to seek comments on the draft regulations. He stated that District staff reviewed the proposed changes to the guidelines regarding 100-foot setback requirements, and noted that staff received assurance that the proposed changes would only apply to new development and not to existing infrastructure. He responded to a question regarding whether the proposed guideline changes might apply to the Pure Water Project Las Virgenes-Triunfo by stating that although the project would be new it would not serve new development.

Mr. McDermott also reported that the State Legislature reconvened on January 11th. He noted that Governor Gavin Newsom introduced the proposed state budget on January 8th in the amount of $227 billion for the next fiscal year. He also noted that the state reported a $15 billion surplus despite the anticipated budget deficit from economic impacts related to the COVID-19 pandemic. He also noted that the proposed budget included a $600 stimulus for low-income families, funding for reopening schools, and vaccine distribution. He responded to a question regarding what might have caused the $15 billion surplus by stating that high income earners were able to work remotely and the state continued to receive tax revenues. General Manager David Pedersen added that the stock market performance and taxes on capital gains shored up revenues to the state.

D Water Supply Conditions Update

Joe McDermott, Director of Engineering and External Affairs, presented the report. He reported that the snowpack in the Sierras was at 51 percent of normal, and the snowpack in the Upper Colorado Basin was at 75 percent of normal. He noted that the District had not yet received its allocation from the State Water Project. He responded to a question regarding precipitation and snowpack reporting for the Lower Colorado River Basin by stating that water is received from the Upper Colorado River Basin, and that to his knowledge there was no reporting from any other basin. General Manager David Pedersen responded to a question regarding distinguishing the Upper and Lower Colorado River Basins on the Water Supply Conditions Report by stating that the areas highlighted in yellow were the areas in the Upper Colorado River Basin.

6. TREASURER

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

7. BOARD OF DIRECTORS

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

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

Ursula Bosson, Customer Service Manager, presented the report. She noted that the District began installing flow restriction devices for nonpayment of delinquent accounts.

She stated that staff identified 117 accounts as eligible to have flow restrictors installed, and staff was processing these in groups of 20 in order to evaluate public feedback and perception in order to move forward with this program. She noted that the customers were notified by phone and by receiving a door tag, and only two out of the 20 accounts had flow restriction devices installed. She stated that another 20 accounts were scheduled to have flow restriction devices installed in the coming week, which had dropped to ten after notifications were sent.

Joe McDermott, Director of Engineering and External Affairs, noted that Ms. Bosson was receiving phone calls from other agencies regarding the District's policy on the installation of flow restriction devices for nonpayment of delinquent accounts.

General Manager David Pedersen responded to a question regarding the past due balances compared to the previous reporting period and whether installation of flow restriction devices might have an impact in collecting past due balances by stating that the amount shown on the chart was the cumulative amount that fluctuates monthly. He stated that the amount had decreased likely due to outreach efforts and the policy on installation of flow restriction devices. Ms. Bosson added that recently two customers made significant payments on their past due accounts after they received the flow restriction device notification, and the District was targeting high water users.

Ms. Bosson responded to a question regarding concerns with the large amount of past due accounts by stating that this was due to Governor Gavin Newsom's Executive Order prohibiting water shutoff for nonpayment in response to the COVID-19 pandemic.

Director Caspary suggested reaching out to the Association of California Water Agencies (ACWA) to seek funding from the state's $15 billion surplus to backstop some of the debt from past due accounts due to the Governor's Executive Order.

Director Polan moved to approve Item 7A. Motion seconded by Director Lo-Hill. Motion carried unanimously by roll call vote.

8. FACILITIES AND OPERATIONS

A Contract Laboratory Services: Award

Authorize the General Manager to execute a one-year agreement with Weck Laboratories, Inc., in the amount of $167,608, with four one-year renewal options for contract laboratory services.

Doug Anders, Administrative Services Coordinator, presented the report.

Director Polan moved to approve Item 8A. Motion seconded by Director Caspary. Motion carried unanimously by roll call vote.

9. FINANCE AND ADMINISTRATION

A Independent Audit Services: Renewal

Determine whether or not to approve the second one-year renewal option with The Pun Group, and, if approved, authorize the General Manager to execute the agreement, in the amount of $42,436, for independent audit services.

General Manager David Pedersen presented the report. He stated that staff would propose presenting the next audit in a two-step process in order to be more responsive to the Board's questions. He explained that staff would present the unaudited financial statements at the first meeting in December, and the auditor would present the independent auditor's report at the second meeting in December.

Director Caspary moved to approve Item 9A. Motion seconded by Director Polan.

A discussion ensued regarding maintaining the current agreement for another year and going out to bid for independent auditing services for Fiscal Year 2022.

Director Caspary amended his motion to approve the second one-year renewal option with The Pun Group and authorize the General Manager to execute the agreement, in the amount of $42,436, for independent audit services, and direct staff to issue a Request for Proposals for audit services for the Board's review before the end of the year, including concurrence by the Las Virgenes – Triunfo Joint Powers Authority (JPA).

Don Patterson, Director of Finance and Administration, responded to a question regarding the timing to issue a Request for Proposal by stating that the process would take approximately three months, which would include 30 to 40 hours of staff time.

Amended motion seconded by Director Polan.

General Manager David Pedersen responded to a question regarding informing the JPA Board regarding the proposal to go out bid for auditing services by stating that staff would share the action taken with the JPA Board, and recommend that the JPA Board take the same action. He noted that there would be advantages to the JPA in using the same auditor.

Motion carried by the following roll call vote:

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

10. ENGINEERING AND EXTERNAL AFFAIRS

A Woolsey Fire Facility Repair Project No. 2, Westlake Filtration Plant: Reject All Bids and Reissue Call for Bids

Reject all bids and authorize the reissuance of a call for Bids for Woolsey Fire Facility Repair Project No. 2.

Veronica Hurtado, Assistant Engineer, presented the report.

Director Polan moved to approve Item 10A. Motion seconded by Director Caspary.

Don Patterson, Director of Finance and Administration, responded to a question regarding whether the District's insurance carrier had reviewed the bids submitted by stating that the insurance carrier did not review the results from the bids; however, they reviewed the plans and specifications and raised questions regarding the scope of work.

Motion carried unanimously by roll call vote.

B Greater Los Angeles County Integrated Regional Water Management Plan: Updated Memorandum of Understanding

Authorize the General Manager to execute the updated Memorandum of Understanding for developing, administering, updating, and implementing the Greater Los Angeles County Integrated Regional Water Management Plan.

General Manager David Pedersen presented the report.

Director Polan moved to approve Item 10B. Motion seconded by Director Caspary.

General Manager David Pedersen responded to a question regarding the parties involved in the Memorandum of Understanding (MOU) by stating that the Leadership Committee consisted of representatives from five sub-regions, including the City of Los Angeles, Los Angeles County Flood Control District, Water Replenishment District of Southern California, West Basin Municipal Water District, the Santa Monica Bay Restoration Commission, and other interest groups that manage water in Los Angeles County. He also responded to a question regarding preparation of the plan document by stating that a consultant under contract with the Los Angeles County Flood Control District would prepare the plan document, and the members of the Leadership Committee have the ability to make suggestions and edits to the document.

Motion carried unanimously by roll call vote.

C Customer Outreach Efforts on Billing Methodology and Residential Water Budgets

Receive and file the report on customer outreach efforts on billing methodology and residential water budgets.

Ursula Bosson, Customer Service Manager, presented the report and PowerPoint presentation.

Director Lo-Hill moved to approve Item 10C. Motion seconded by Director Polan.

Director Lo-Hill asked staff to include the phone number and the link to the webpage for customers who want to make changes to their water budget; make it easy for customers to make changes to their account online when they are unable to contact customer service staff during normal business hours; allow customers to use an online form to make changes without them having to print, complete, and submit the form; contact customers who apply for a smart water controller regarding rates; include additional information on the rate calculator webpage; consider installing vinyl banners outside District properties for additional advertising such as free compost; and make changes to the water adjustment request page to include the ability to update the number of people in the household.

Board President Lewitt suggested making the link more distinct to access additional information on the webpage for customers who receive an electronic bill. He inquired whether the District had invested in social media for additional outreach. Ms. Bosson responded that she would follow-up with staff and report back to the Board.

Board President Lewitt suggested finding ways to ensure that customers are aware they need to update the number of people in their household to determine their water budget. Ms. Bosson noted that the WaterSmart Customer Portal would include water budget information and suggestions on how customers may conserve water.

Motion carried unanimously by roll call vote.

11. NON-ACTION ITEMS

A Organization Reports

None.

B Director's Reports on Outside Meetings

None.

C General Manager Reports

(1) General Business

General Manager David Pedersen reported that the first public meeting regarding proposed rate increases was held on January 13th and another meeting would be held on January 21st. He also reported that a meeting would be held for commercial customers on January 26th. He stated that recordings of the meetings would be posted on the District website. He noted that these meetings were in preparation for the Proposition 218 public hearing scheduled for the February 2nd Board meeting. He mentioned that the one-year anniversary of the Willow Incident would occur on January 26th. He stated that staff was coordinating with the City of Calabasas, Mountains Recreation and Conservation Authority, and the Los Angeles County Sheriff's Department to prepare in case the public

comes to visit the helicopter crash site. He also stated that additional security measures would be implemented at the entrance to the District's property and at the dog park. He noted that the Association of California Water Agencies (ACWA) Spring Conference was rescheduled to May 11th through 14th, and he recommended that the Board reinstate the May 4th Regular Board meeting instead of meeting on May 11th. He also noted that a Special Board meeting would be held on March 23rd so that District Counsel may conduct biennial training for the Board regarding AB 1234 Ethics Training, AB 1661 Sexual Harassment Prevention Training, the Ralph M. Brown Act, conflict of interest, and customer privacy issues. He also reported that staff was conducting outreach regarding availability of excess compost pickup, Monday through Saturday. He noted that the public would need to check in with staff for compost pickup on Monday through Friday. He also reported that the Rancho Las Virgenes Solar Field Landscaping Project was completed, and excess compost was used for the project. He noted that red flag warning conditions were in effect due to high winds. He stated that the District was on high alert for potential wildfires and was experiencing Public Safety Power Shutoff (PSPS) events, which typically affects the Twin Lakes Pump Station. He noted that an emergency generator was staged at the pump station. He also reported the Resource Conservation District of the Santa Monica Mountains expressed an interest in leasing office space on the second floor of Building No. 1. He stated that staff was working on a draft lease agreement to present to the Board in Closed Session in February. He responded to a question regarding the number of people who participated in the public meeting for the proposed rate increases by stating that there were approximately three to five people who participated. He noted that staff conducted extensive outreach by advertising in local newspapers and social media, and a Proposition 218 notice was sent to all customers. He stated that outreach would continue to encourage participation in the upcoming public meetings.

Brett Dingman, Water Reclamation Manager, responded to a question regarding whether appointments were needed for compost pickup Monday through Friday by stating that customers could call Customer Service in advance in order to obtain a gate code for entry to the facility to self-load compost.

General Manager David Pedersen responded to a question regarding whether the people who participated in the January 13th public meeting had any questions regarding the proposed rate increases by stating that they did not pose any questions during the meeting.

(2) Follow-Up Items

General Manager David Pedersen noted a report on the District's collection policy and practices, and a review of their effectiveness would be presented at the February 2nd Board meeting. He also noted that the annual report on contracts issued under the General Manager's authority would be presented at the February 16th Board meeting, including the contracts that include an annual consumer price index (CPI) adjustment.

D Directors' Comments

Board President Lewitt noted that he uses his smartphone to access his account online; however, after clicking on the link for his invoice he was unable go back to the homepage or locate the link where he could make changes to the number of people in the household or access information regarding water budgets. He asked staff to follow-up on customers' access to their accounts who use mobile devices.

12. FUTURE AGENDA ITEMS

None.

13. PUBLIC COMMENTS

None.

14. CLOSED SESSION

A Conference with District Counsel – Anticipated Litigation (Government Code Section 54956.9(d)(2)): Two Cases

Tort Claim by Dennis Nagdeman and Rebecca Hurst Hass Nagdeman

Tort Claim against Southern California Edison

B Conference with District Counsel – Existing Litigation (Government Code Section 54956.9(A)):

George Kreider v. Las Virgenes Municipal Water District, et al.

The Board recessed to Closed Session at **10:55 a.m.** and reconvened to Open Session at **11:10 a.m.**

Wayne Lemieux, District Counsel, announced that the Board received reports in Closed Session, and there was no reportable action taken except for referring one of the tort claims for action.

Director Caspary moved to deny the claim by Dennis Nagdeman and Rebecca Hurst Hass Nagdeman. Motion seconded by Director Polan. Motion carried unanimously by roll call vote.

15. OPEN SESSION AND ADJOURNMENT

Seeing no further business to come before the Board, the meeting was duly adjourned at **11:11 a.m.**

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

ATTEST:

Lee Renger, Secretary
Board of Directors
Las Virgenes Municipal Water District

(SEAL)

Water Supply Conditions Report

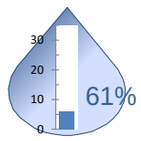
As of: 01/14/2021

2021 Colorado River

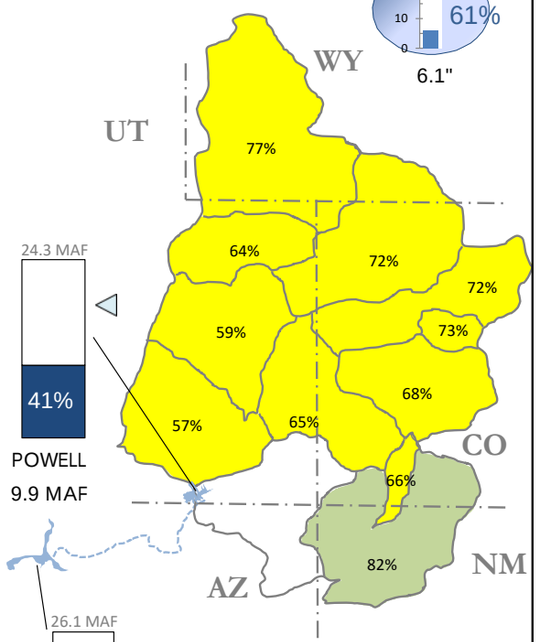
1,067,000 AF

Projected CRA Diversions

Upper Colorado River Basin 70%



6.1"



24.3 MAF

41%

POWELL

9.9 MAF

26.1 MAF

40%

MEAD

10.41 MAF

1084.79 FT

Snow Water Equivalent (% of Normal)

Peak Snowpack % of Normal April 1

- No Data
- Less than 50
- 50 - 80
- 81 - 120
- 121 - 150
- Greater than 150

Turn page for more CRA Data

Flip Over for SWP Data

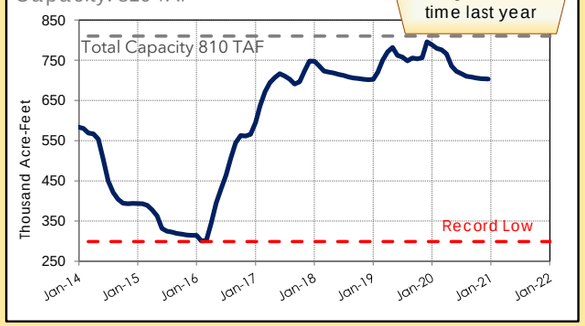
Highlights

- Snowpack in the Sierra is at 48% of normal
- Precipitation at the 8 Station Index is at 40% of normal
- Snowpack in the Upper Colorado is at 70% of normal
- Precipitation in the Upper Colorado is at 61% of normal

Diamond Valley Lake Storage

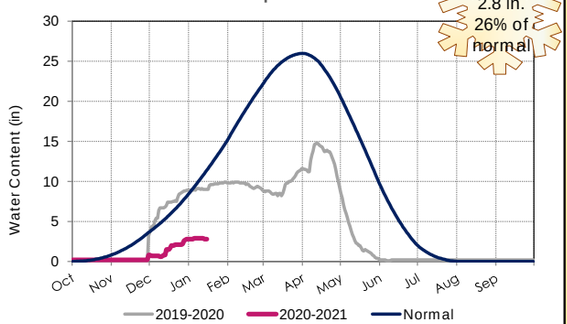
Capacity: 810 TAF

85 TAF less in storage than this time last year

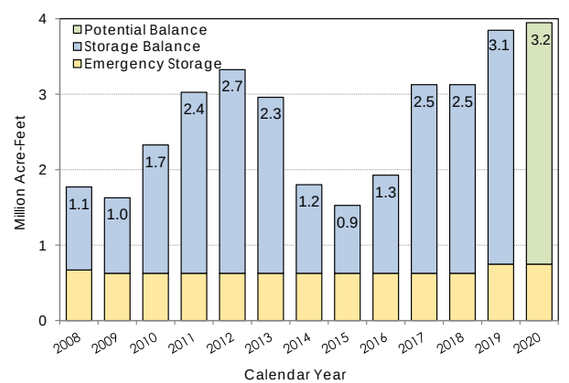


Southern Sierra Snowpack

2.8 in. 26% of normal



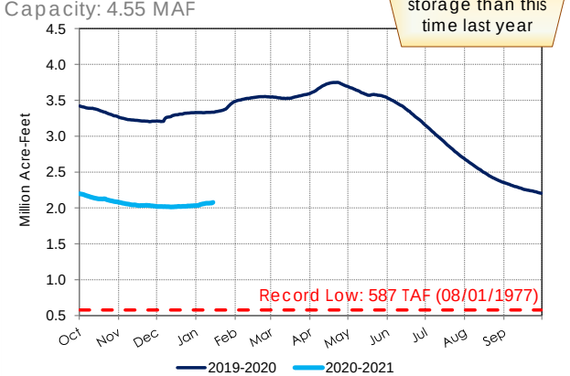
MWD Storage Reserve Levels



Lake Shasta Reservoir Storage

Capacity: 4.55 MAF

1.26 MAF less in storage than this time last year



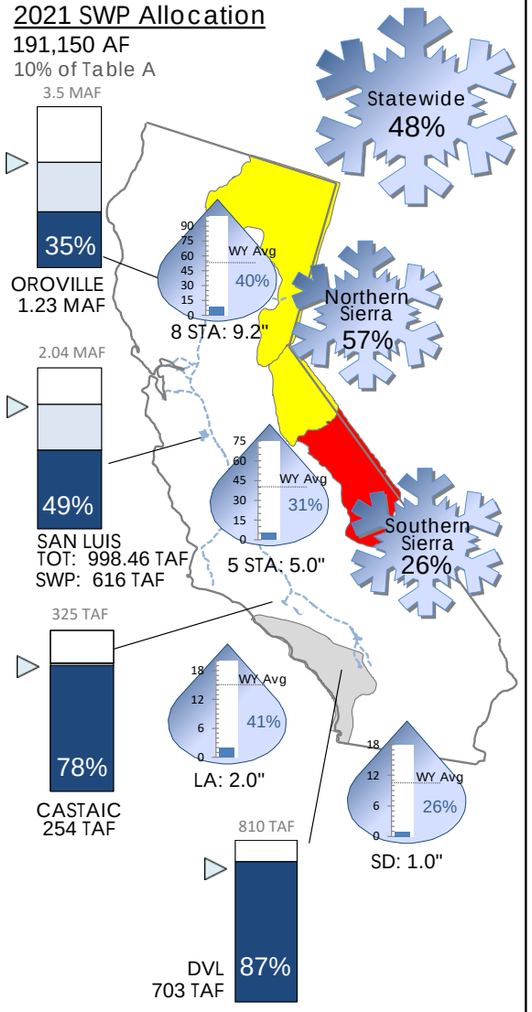
Water Supply Conditions Report

As of: 01/14/2021

2021 SWP Allocation

191,150 AF

10% of Table A



- WY Avg
- % Normal
- Rainfall to Date (in)
- Capacity
- Average EOM
- Current Storage

Flip Over for CRA Data

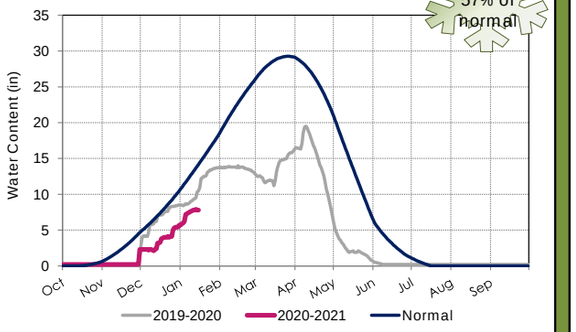
Turn page for more SWP Data

State Water Project Resources

As of: 01/14/2021

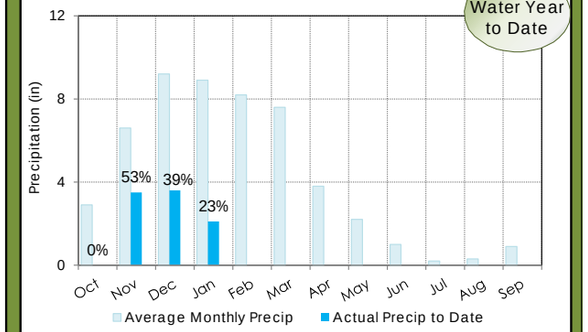
Northern Sierra Snowpack

7.8 in.
57% of normal



8 Station Index Precip

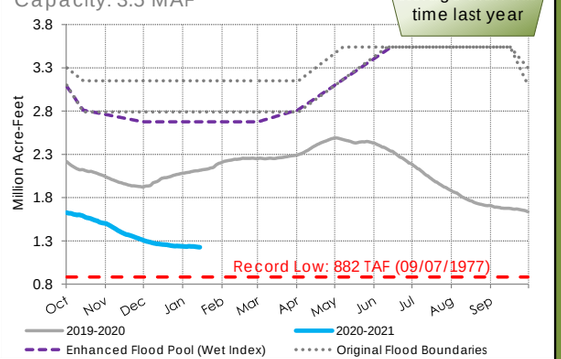
9.2 in.
Water Year to Date



Oroville Reservoir Storage

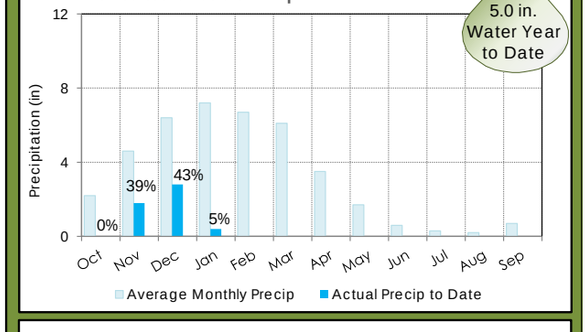
Capacity: 3.5 MAF

892 TAF less in storage than this time last year



5 Station Index Precip

5.0 in.
Water Year to Date



Other SWP Contract Supplies

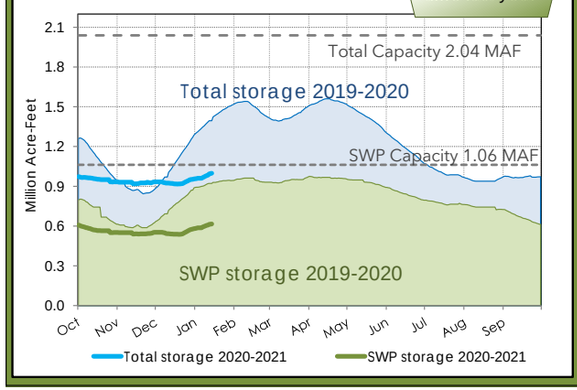
Calendar Year 2021

Carryover	Transfer Supplies
207,000 AF	TBD

San Luis Reservoir Storage

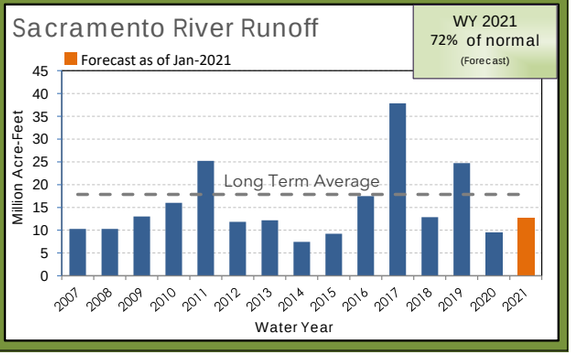
Capacity: 2.04 MAF

314 TAF less in SWP storage than this time last year



Sacramento River Runoff

WY 2021
72% of normal
(Forecast)

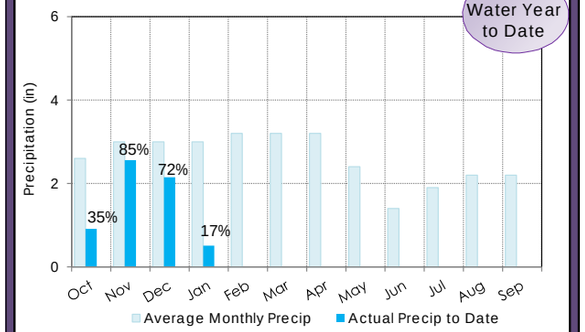


Colorado River Resources

As of: 01/14/2021

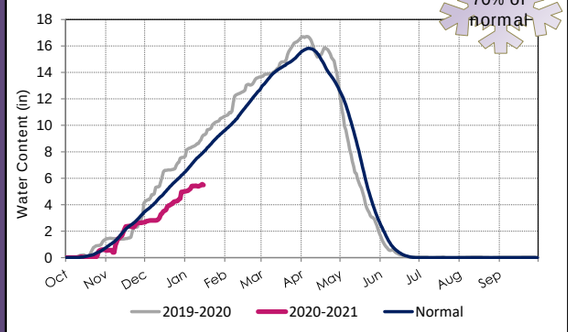
Upper Colorado Basin Precip

6.1 in.
Water Year to Date

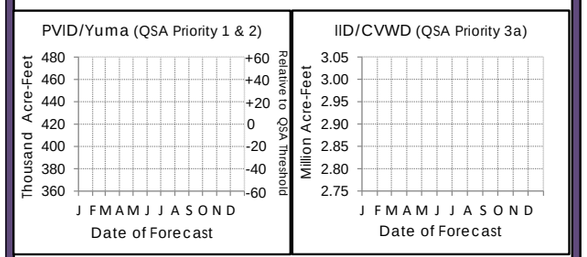


Upper Colorado Basin Snowpack

5.5 in
70% of normal



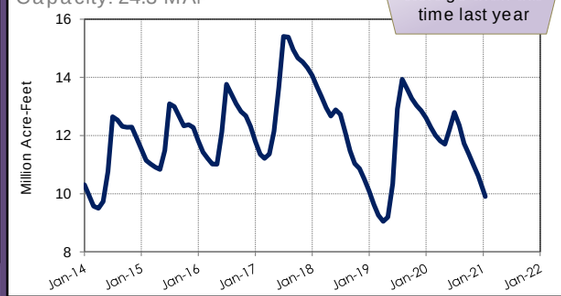
2021 Colorado River Ag Use



Lake Powell Storage

Capacity: 24.3 MAF

2.54 MAF less in storage than this time last year



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.

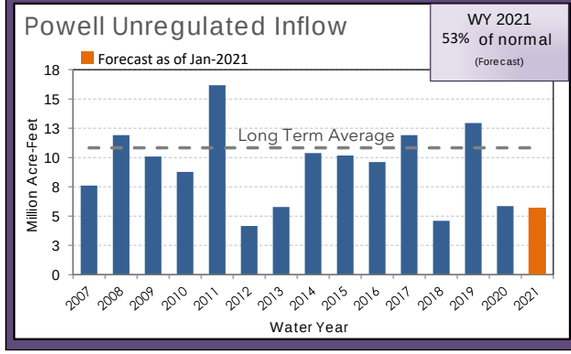
Projected Lake Mead ICS

Calendar Year 2021

Put (+)/Take(-)
-59,000 AF

Powell Unregulated Inflow

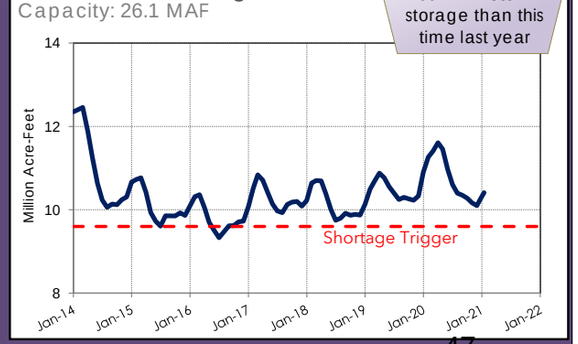
WY 2021
53% of normal
(Forecast)



Lake Mead Storage

Capacity: 26.1 MAF

667 TAF less in storage than this time last year



February 2, 2021 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.

GOALS:

Provide Safe and Quality Water with Reliable Services

Prepared by: David W. Pedersen, General Manager

February 2, 2021 LVMWD Regular Board Meeting

TO: Board of Directors

FROM: Finance & Administration

Subject : Proposed Potable Water, Recycled Water and Sanitation Rates for 2021-25: Public Hearing and Adoption

SUMMARY:

Over the past year, the District has completed a five-year financial review, cost of service and rate study to update its rates for potable water, recycled water and sanitation services to meet the District's operational and capital needs through 2025. Staff has performed public outreach on the proposed process and rates, which included conducting three virtual community meetings held in January. At this time, staff recommends that the Board conduct a public hearing in accordance with the requirements of Proposition 218 and consider adoption of the proposed rates.

RECOMMENDATION(S):

Conduct a public hearing on the proposed potable water, recycled water and sanitation rates; and, upon conclusion of the public hearing and in the absence of a majority protest: (1) find that the recommended actions are exempt from the provisions of the California Environmental Quality Act; and (2) pass, approve, and adopt proposed Resolution No. 2587, revising the District's potable water, recycled water and sanitation rates for 2021 through 2025.

RESOLUTION NO. 2587

A RESOLUTION OF THE BOARD OF DIRECTORS OF LAS VIRGENES MUNICIPAL WATER DISTRICT REVISING POTABLE WATER, RECYCLED WATER AND SANITATION RATES

(Reference is hereby made to Resolution No. 2587 on file in the District's Resolution Book and by this reference the same is incorporated herein.)

FISCAL IMPACT:

Yes

ITEM BUDGETED:

No

FINANCIAL IMPACT:

Adoption of the proposed potable water, recycled water and sanitation rates will ensure the District recovers the cost of providing the services through December 31, 2025.

DISCUSSION:

Background:

On August 6, 2019, the Board authorized the General Manager to execute a professional services agreement with Raftelis Financial Consultants, Inc. (Raftelis) to complete a financial analysis and rate study for the five-year period beginning on January 1, 2021. The work was initiated well in advance of January 1, 2021 to provide adequate time necessary to coordinate the rate process with the examination of potential debt for completion of significant capital improvement projects.

On July 21, 2020, the Board approved the following Guiding Principles for the rate study to ensure that the District provides reliable water and sanitation services to its customers, while supporting water-use efficiency as a California way of life.

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

On August 18, 2020, Raftelis representatives presented the Board with the results of the financial review and revenue requirements necessary to accomplish the Guiding Principles, planned operation and maintenance activities, and the next five-years of the Infrastructure Investment Plan. Raftelis presented three scenarios for each enterprise that were designed to meet the revenue requirements over the next five-year period.

- Scenario No. 1 – Even revenue adjustments over the five-year period.
- Scenario No. 2 – Deferment of revenue adjustments to 2022, except for the pass-through of wholesale water cost increases from Metropolitan Water District of Southern California.
- Scenario No. 3 – A hybrid approach consisting of a lower revenue adjustment in 2021, followed by even revenue adjustments for 2022 through 2025.

The Board directed staff to focus the rate development on Scenario Nos. 1 and 3 for the potable water and sanitation enterprises, and on Scenario No. 1 for the recycled water enterprise. The Board also supported a recommendation to modify commercial water budgets to be 100% of the two-year rolling average and reduce the number of tiers for commercial accounts to three: efficient, inefficient, and excessive.

On November 10th, Raftelis representatives presented the Board with the results of the cost of service analysis and proposed rates under each of the scenarios discussed above. At that meeting, the Board directed staff to proceed with Scenario No. 1, even rate adjustments over the five-year period.

On December 15, 2020, the Board received and filed the attached 2020 Potable Water, Recycled Water and Sanitation Rate Study, reflecting the direction and previous actions of the Board. At that time, the Board also set the public hearing for February 2, 2021.

Proposition 218:

In 1996, Proposition 218 was passed by voters and added Articles XIIC and D to the California Constitution. The statute defines the process for public agencies to adjust their water and sanitation rates, which includes conducting a public hearing. On December 15, 2020, the Board set a public hearing for February 2, 2021, at 9:00 a.m. to accept comments and any protests on the proposed potable water, recycled water and sanitation rates. The attached Proposition 218 notice that includes information on the proposed rates and public hearing was sent to all affected parties, posted on the District's website and published in the *Las Virgenes and Calabasas Enterprise* on January 14 and 21, 2021.

Community Outreach:

Staff developed a webpage dedicated to the 2020 Rate Study on the District's website at www.lvmwd.com/for-customers/2020ratestudy that has been updated throughout the rate development process. The webpage includes links to all reports and presentations that were provided to the Board during the rate development process, together with a rate calculator to enable customers to evaluate the impact of the proposed rates on their individual bills. Staff also conducted virtual public meetings on the proposed rates on January 13 and 21, 2021. The meetings were advertised in *The Acorn, Las Virgenes and Calabasas Enterprise* and via social media. In addition, a third public meeting geared toward commercial customers was held on January 26, 2021. A copy of the meeting notices were posted on the bulletin board outside the District's headquarters and at Agoura Hills and Westlake Village City Halls.

California Environmental Quality Act:

The District, as the lead agency under the California Environmental Quality Act (CEQA), in consultation with District Counsel, prepared a Preliminary Exemption Assessment for the proposed actions to evaluate any potential environmental impacts. The District determined that the proposed actions are statutorily exempt from further CEQA review under Public Resources Code Section 21080(b)(8) and California Code of Regulations Section 15273 because the water service fees are necessary and reasonable to pay for the administration, operation, maintenance, and improvements of the water systems and will not result in the expansion of the water systems.

Next Steps:

If approved, the first year of rate adjustments will become effective on March 1, 2021. Staff will return to the Board each fall to provide a financial update and recommend that the Board confirm the rate adjustments for the following calendar year, which would become effective on

January 1st.

GOALS:

Ensure Effective Utilization of the Public's Assets and Money

Prepared by: Donald Patterson, Director of Finance and Administration

ATTACHMENTS:

2020 Potable Water, Recycled Water and Sanitation Rate Study
Proposition 218 Notice
Proposed Resolution No. 2587

Las Virgenes Municipal Water District

2020 Water, Recycled Water, and Sanitation Rate Study

Final Report / December 15, 2020

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December 15, 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 (TWRF), 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*, 6th 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
G&A	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%
Salary & Benefits	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%
Insurance	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
Allocated Costs	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%
Filter	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
Chemical	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Electricity	3.5%	9.0%	5.0%	5.0%	5.0%	5.0%
Odor Control	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Water Supply Costs	5.7%	5.7%	5.7%	5.7%	5.7%	5.7%
Local SS Cost	5.7%	5.7%	5.7%	5.7%	5.7%	5.7%
JPA RW Wholesale Cost	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%
JPA Treatment Costs	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Construction	3.8%	3.8%	3.8%	3.8%	3.8%	3.8%
Non-Escalation	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
Potable Water	0%	0%	0%	0%	0%	0%
Recycled Water	0%	0%	0%	0%	0%	0%
Sanitation	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
Potable Water Demand Assumptions						
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%
Recycled Water Demand Assumptions						
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
Operating Reserves			
25% of Operating budget	$10,040,521	$1,254,281	$3,401,496
Debt			
100% of Debt Service	$621,718	$0	$0
Capital Replacement			
100% of 3-yr Depreciation Expenses	$12,435,703	$494,406	$14,480,484
Emergency			
2% of Capital Asset Value	$4,586,326	$202,309	$3,922,099
Rate Stabilization			
	$8,000,000	$0	$0
Grand Total	**$35,684,268**	**$1,950,996**	**$21,804,079**

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

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

Table 3-4: Current Monthly Elevation Charges

Elevation Charges by Zone	Current
Elevation Surcharges (Regular)	$/HCF
Zone 1	$0.00
Zone 2	$0.52
Zone 3	$1.19
Zone 4	$1.82
Elevation Surcharges (Temporary)	
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
Total - Accounts	**20,461**	**20,461**	**20,461**	**20,461**	**20,461**	**20,461**

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"	-	-	-	-	-	-
Total - Accounts	**48**	**48**	**48**	**48**	**48**	**48**

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
Residential						
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
Total - Residential	**6,312,449**	**6,322,682**	**6,322,682**	**6,156,660**	**6,018,308**	**5,879,956**
Multi Family						
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
Total - Multi	**554,800**	**555,700**	**555,700**	**541,108**	**528,948**	**516,788**
Commercial						
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
Total - Comm	**817,518**	**818,844**	**818,844**	**797,342**	**779,425**	**761,507**
Irrigation						
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
Total - Irr	**256,768**	**257,184**	**257,184**	**250,431**	**244,803**	**239,175**
Temporary						
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	-	-	-	-	-	-
Total - Temp	**8,346**	**8,359**	**8,359**	**8,140**	**7,957**	**7,774**
Total Usage	**7,949,881**	**7,962,768**	**7,962,768**	**7,753,680**	**7,579,440**	**7,405,200**
Total Usage (AF)	***18,250***	***18,280***	***18,280***	***17,800***	***17,400***	***17,000***
Total wo Temp (hcf)	***7,941,536***	***7,954,409***	***7,954,409***	***7,745,540***	***7,571,483***	***7,397,426***

Table 3-8: Potable Water Sales by Zone

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

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:

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

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:

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

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:

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

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
Monthly RTS Charge	$11,339,155	$12,120,732	$12,120,732	$12,120,732	$12,120,732	$12,120,732
Commodity Charges	$28,414,727	$28,938,319	$28,938,319	$28,178,450	$27,545,227	$26,912,003
Elevation Surcharges	$2,048,532	$2,118,490	$2,118,490	$2,062,862	$2,016,506	$1,970,149
Revenues from Current Rates	**$41,802,414**	**$43,177,541**	**$43,177,541**	**$42,362,045**	**$41,682,465**	**$41,002,885**

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

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

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	*Projected by District*	$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	**Water Sales**		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	**Net Water Sales**	*Row 15 * Row 16*	***18,813 AF***	***18,843 AF***	***18,843 AF***	***18,348 AF***	***17,936 AF***	***17,524 AF***
18	**Water Purchase to make Non-Sales needs**							

Line	MWD Rates		2020	2021	2022	2023	2024	2025
			A	B	C	D	E	F
19	Recycled Water System Supplement	*Projected by District*	976 AF	985 AF	980 AF	980 AF	980 AF	980 AF
20	Plus Tank Inventories	*Projected by District*	0 AF	0 AF	0 AF	0 AF	0 AF	0 AF
21	Plus LV Reservoir Filling	*Projected by District*	1,290 AF	1,290 AF	1,290 AF	1,290 AF	1,290 AF	1,290 AF
22	Less LV Reservoir Draw	*Projected by District*	-199 AF	-199 AF	-199 AF	-199 AF	-199 AF	-199 AF
23	Less Non-MWD Purchase	*Projected by District*	-141 AF	-122 AF	-124 AF	-127 AF	-129 AF	-131 AF
24	Simi Valley	*Projected by District*	39 AF	39 AF	40 AF	41 AF	42 AF	42 AF
25	Ventura County	*Projected by District*	81 AF	83 AF	84 AF	86 AF	87 AF	89 AF
26	LADWP	*Projected by District*	21 AF	0 AF	0 AF	0 AF	0 AF	0 AF
27	**MWD Purchase**							
28	Tier 1	*Sum Row 17:23*	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	**MWD Water Supply Costs**							
31	Tier 1 Variable	*Row 8 * Row 28*	$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	*Row 12*	$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	**Total MWD Purchased Water**	*Sum Row 31:35*	**$22,626,233**	**$23,824,226**	**$25,006,700**	**$25,633,524**	**$26,368,926**	**$27,113,594**
37	**Total Water Supply Costs**							
38	**Total MWD Purchased Water**		$22,626,233	$23,824,226	$25,006,700	$25,633,524	$26,368,926	$27,113,594
39	Simi Valley Purchase	*Projected by District*	$61,269	$62,910	$64,912	$68,612	$72,523	$76,657
40	Ventura Purchase	*Projected by District*	$308,388	$316,649	$326,726	$345,349	$365,034	$385,841
41	Draw From Reservoir	*Projected by District*	$854,100	$852,550	$926,640	$979,458	$1,035,288	$1,094,299
42	LVR Adjustment	*Projected by District*	$157,941	$169,613	$174,397	$184,338	$194,845	$205,951
43	**Total Water Supply Costs**		**$24,007,931**	**$25,225,948**	**$26,499,375**	**$27,211,281**	**$28,036,616**	**$28,876,342**
44	**(Pass Through Revenue)**	*(B…F)36 – A36*		$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).

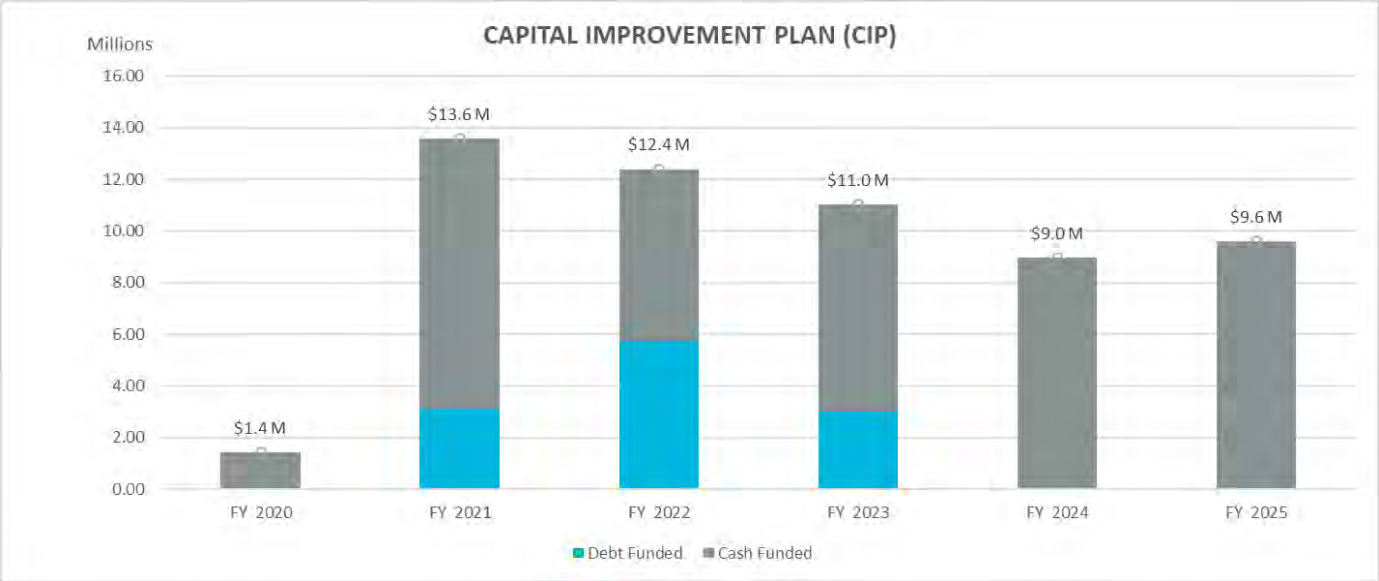
Table 3-12: Potable Water Operating Expenses Summary

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

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
AMR Project Debt Svc.	$0	$621,718	$1,173,669	$1,169,120	$1,169,230	$1,168,950
Other Debt service	$0	$0	$0	$0	$0	$0
Total Debt Service	$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

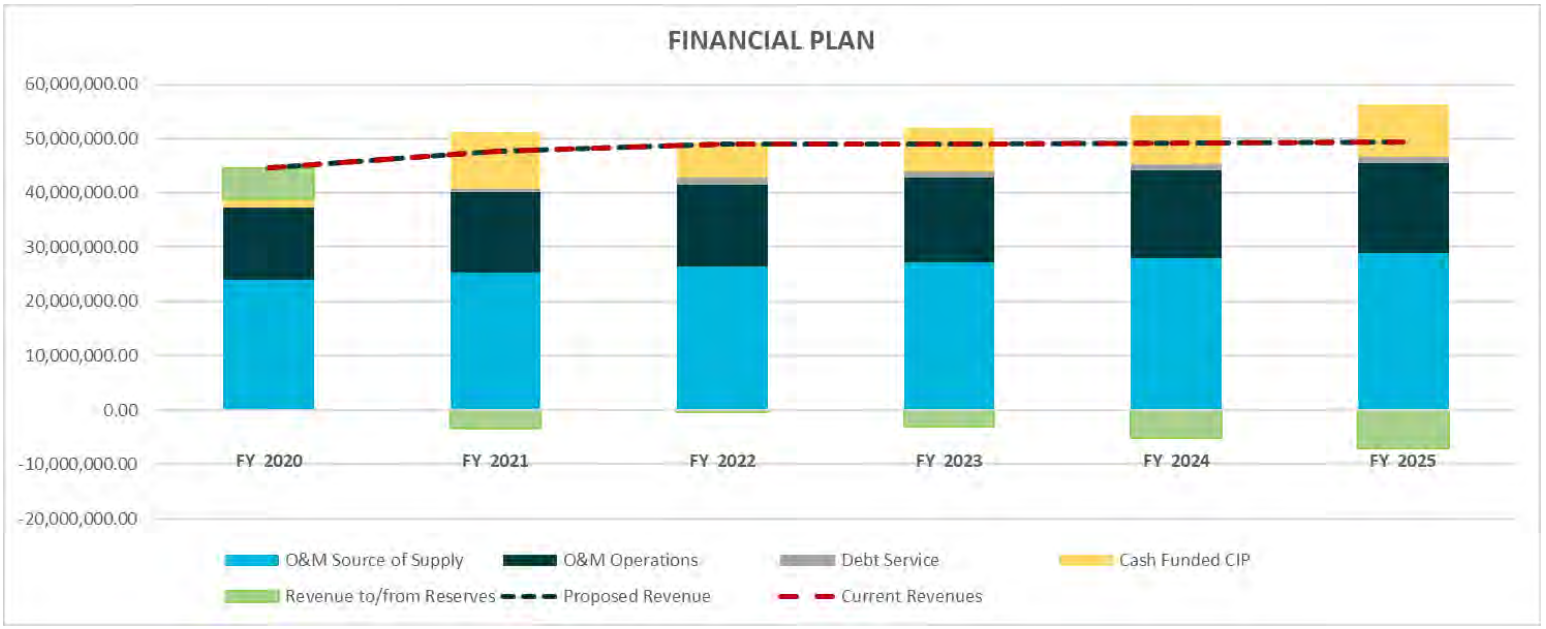


Figure 3-3 Status Quo Water Fund Ending Balances

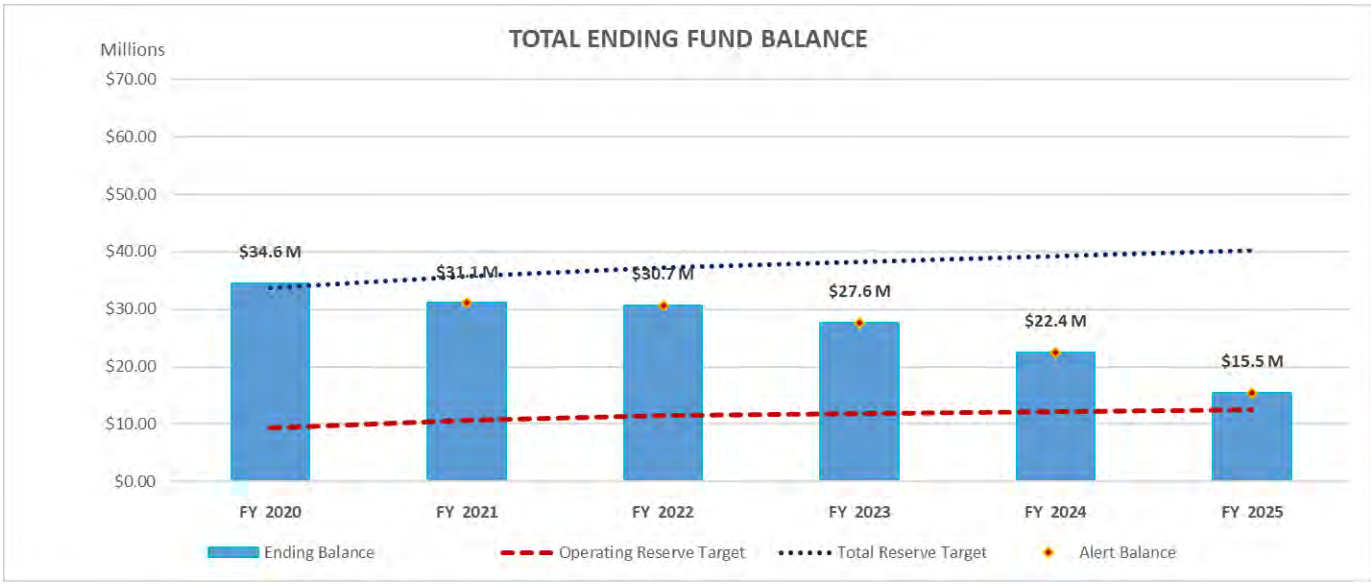


Table 3-14 displays the pro forma of the District's Potable Water Fund under current rates over the Study period. All projections shown in the table are based upon the District's current rate structure. The pro-forma incorporates the data shown in **Table 3-9** for revenues from current rates, **Table 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
Revenue						
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
Total Revenue	**$44,609,157**	**$47,739,629**	**$48,984,949**	**$48,930,618**	**$49,123,874**	**$49,334,372**
O&M						
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
Total O&M	**$37,371,134**	**$40,162,084**	**$41,575,377**	**$42,803,387**	**$44,162,845**	**$45,555,361**
Net Operating Revenue (Excl. Debt)	**$7,238,023**	**$7,577,544**	**$7,409,573**	**$6,127,231**	**$4,961,029**	**$3,779,011**
Debt Service	**$0**	**$621,718**	**$1,173,669**	**$1,169,120**	**$1,169,230**	**$1,168,950**
Net Operating Revenue	**$7,238,023**	**$6,955,826**	**$6,235,904**	**$4,958,111**	**$3,791,799**	**$2,610,061**
CIP						
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
Total CIP	**$1,415,242**	**$13,561,633**	**$12,392,447**	**$11,010,784**	**$8,966,294**	**$9,598,404**
Net Cash Change	**$5,822,781**	**($3,478,782)**	**($421,451)**	**($3,037,664)**	**($5,174,495)**	**($6,988,343)**
Beginning Fund Balance	$28,732,447	$34,555,228	$31,076,446	$30,654,995	$27,617,331	$22,442,835
Ending Balance	$34,555,228	$31,076,446	$30,654,995	$27,617,331	$22,442,835	$15,454,493
TARGET RESERVE BALANCE	$33,749,558	$35,684,268	$37,227,868	$38,192,585	$39,219,658	$40,280,371
PROJECTED DEBT COVERAGE	#N/A	12.19	6.31	5.24	4.24	3.23

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 though 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

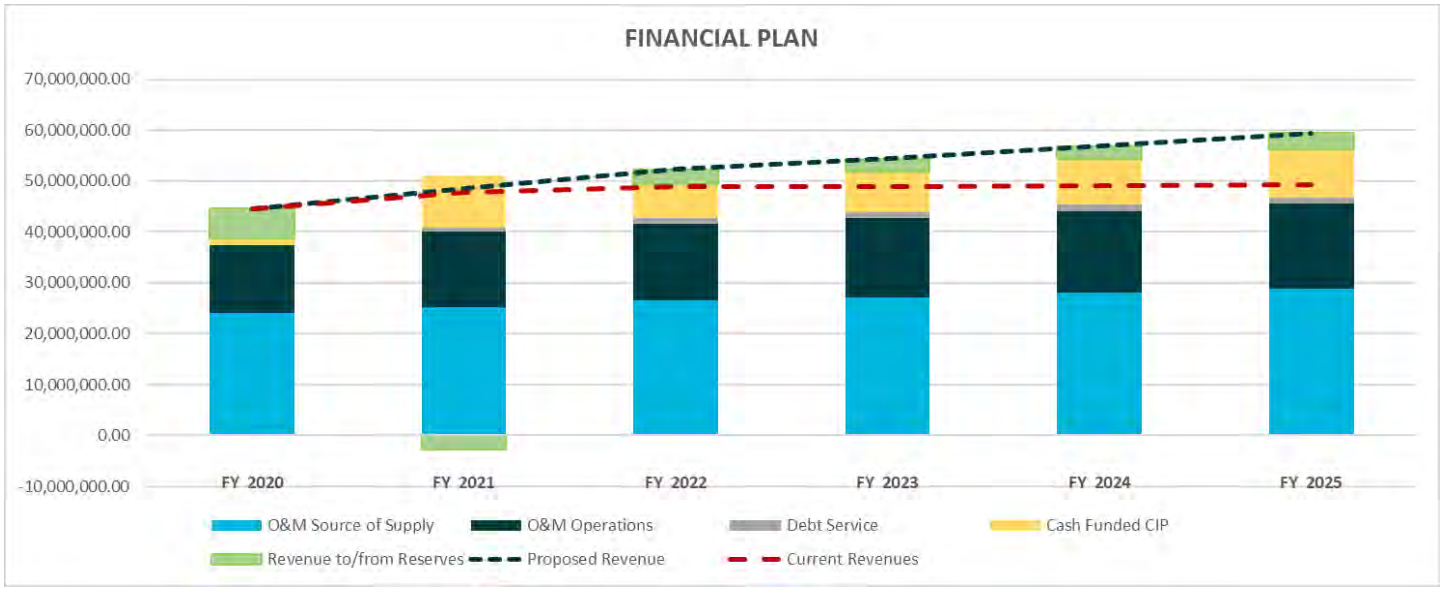


Figure 3-5: Projected Water Fund Ending Balances

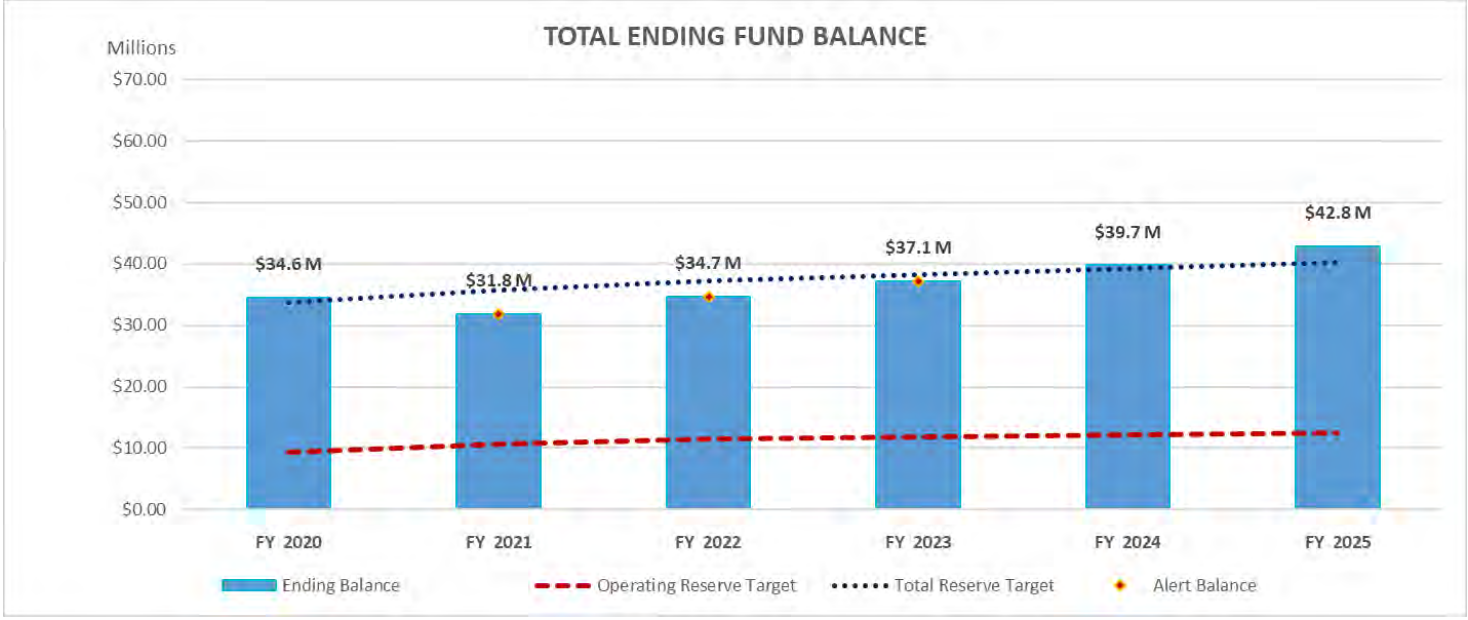


Table 3-16: Proposed Potable Water Financial Plan

Water Proforma	2020	2021	2022	2023	2024	2025
Revenue						
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
Total Revenue	**$44,609,157**	**$48,459,254**	**$52,277,237**	**$54,440,331**	**$56,900,389**	**$59,416,732**
O&M						
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
Total O&M	**$37,371,134**	**$40,162,084**	**$41,575,377**	**$42,803,387**	**$44,162,845**	**$45,555,361**
Net Operating Revenue (Excl. Debt)	$7,238,023	$8,297,170	$10,701,860	$11,636,944	$12,737,544	$13,861,370
Debt Service	$0	$621,718	$1,173,669	$1,169,120	$1,169,230	$1,168,950
Net Operating Revenue	**$7,238,023**	**$7,675,452**	**$9,528,191**	**$10,467,824**	**$11,568,314**	**$12,692,420**
CIP						
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
Total CIP	**$1,415,242**	**$13,561,633**	**$12,392,447**	**$11,010,784**	**$8,966,294**	**$9,598,404**
Net Cash Change	**$5,822,781**	**($2,759,156)**	**$2,870,837**	**$2,472,049**	**$2,602,020**	**$3,094,017**
Beginning Fund Balance	$28,732,447	$34,555,228	$31,796,071	$34,666,908	$37,138,957	$39,740,977
Ending Balance	$34,555,228	$31,796,071	$34,666,908	$37,138,957	$39,740,977	$42,834,994
TARGET RESERVE BALANCE	$33,749,558	$35,684,268	$37,227,868	$38,192,585	$39,219,658	$40,280,371
PROJECTED DEBT COVERAGE	#N/A	13.35	9.12	9.95	10.89	11.86

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.

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

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

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[1]) 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.

[1] 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
Monthly Account Service Charge	
Class 1	$7.42
Class 2	$7.42
Class 3	$7.42
Class 4	$7.42
Commercial Monthly ERU Charges	
ERU Charges	
Class 1	$44.52
Class 2	$61.37
Class 3	$81.27
Class 4	$102.27
Excess ERU Charges	
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
Household Size (# of Accounts)						
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
Subtotal - Single Family Residential	**13,726**	**13,726**	**13,726**	**13,726**	**13,726**	**13,726**
	0	0	0	0	0	0
Multi-Family Residential (MFR)	0	0	0	0	0	0
# of Residents	**18,804**	**18,804**	**18,804**	**18,804**	**18,804**	**18,804**
	0	0	0	0	0	0
Commercial	0	0	0	0	0	0
(# of Accounts)	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
Subtotal - Accounts	**726**	**726**	**726**	**726**	**726**	**726**
# of ERU	0	0	0	0	0	0
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
Subtotal - ERU	**4,408**	**4,408**	**4,408**	**4,408**	**4,408**	**4,408**
Excess Usage	0	0	0	0	0	0
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
Subtotal - Usage	**308,406**	**308,406**	**308,406**	**308,406**	**308,406**	**308,406**

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:

$$Household\ Size\ 1^{2} \times Number\ of\ projected\ MFR\ ERUs\ for\ 2021 \times 12\ months$$
$$\$22.73 \times 18{,}804 \times 12 = \$5{,}128{,}979$$

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
Single Family	**$8,878,118**	**$8,968,901**	**$8,968,901**	**$8,968,901**	**$8,968,901**	**$8,968,901**
Multi-Family	**$5,077,080**	**$5,128,979**	**$5,128,979**	**$5,128,979**	**$5,128,979**	**$5,128,979**
Commercial Charges						
Account Service Charges	$63,990	$64,643	$64,643	$64,643	$64,643	$64,643
Per ERU Charge	$2,589,699	$2,615,525	$2,615,525	$2,615,525	$2,615,525	$2,615,525
Variable Charges	$2,446,601	$2,477,271	$2,477,271	$2,477,271	$2,477,271	$2,477,271
Commercial Total	**$5,100,289**	**$5,157,439**	**$5,157,439**	**$5,157,439**	**$5,157,439**	**$5,157,439**
Grand Total	**$19,055,487**	**$19,255,318**	**$19,255,318**	**$19,255,318**	**$19,255,318**	**$19,255,318**

[2] 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
Total - Operating Revenue	**$19,900,487**	**$20,105,343**	**$20,110,444**	**$20,118,845**	**$20,127,373**	**$20,136,029**

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[3] 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
Grand Total	**$12,421,346**	**$13,605,982**	**$12,897,765**	**$13,290,937**	**$13,696,117**	**$14,113,670**

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

[3] 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
Pure Water Project Costs (Total)	**$0**	**$4,942,000**	**$5,824,157**	**$5,998,882**	**$6,705,797**	**$15,034,620**
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
Terms (Yrs)	30	30	30	30	30	30
Interest Rates	5%	5%	5%	5%	5%	5%
Issuance Costs	2%	2%	2%	2%	2%	2%

Table 4-9: Proposed Debt Issuance

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

Table 4-10: Total Proposed Debt Service

	2020	2021	2022	2023	2024	2025
Total Proposed Debt Service	$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

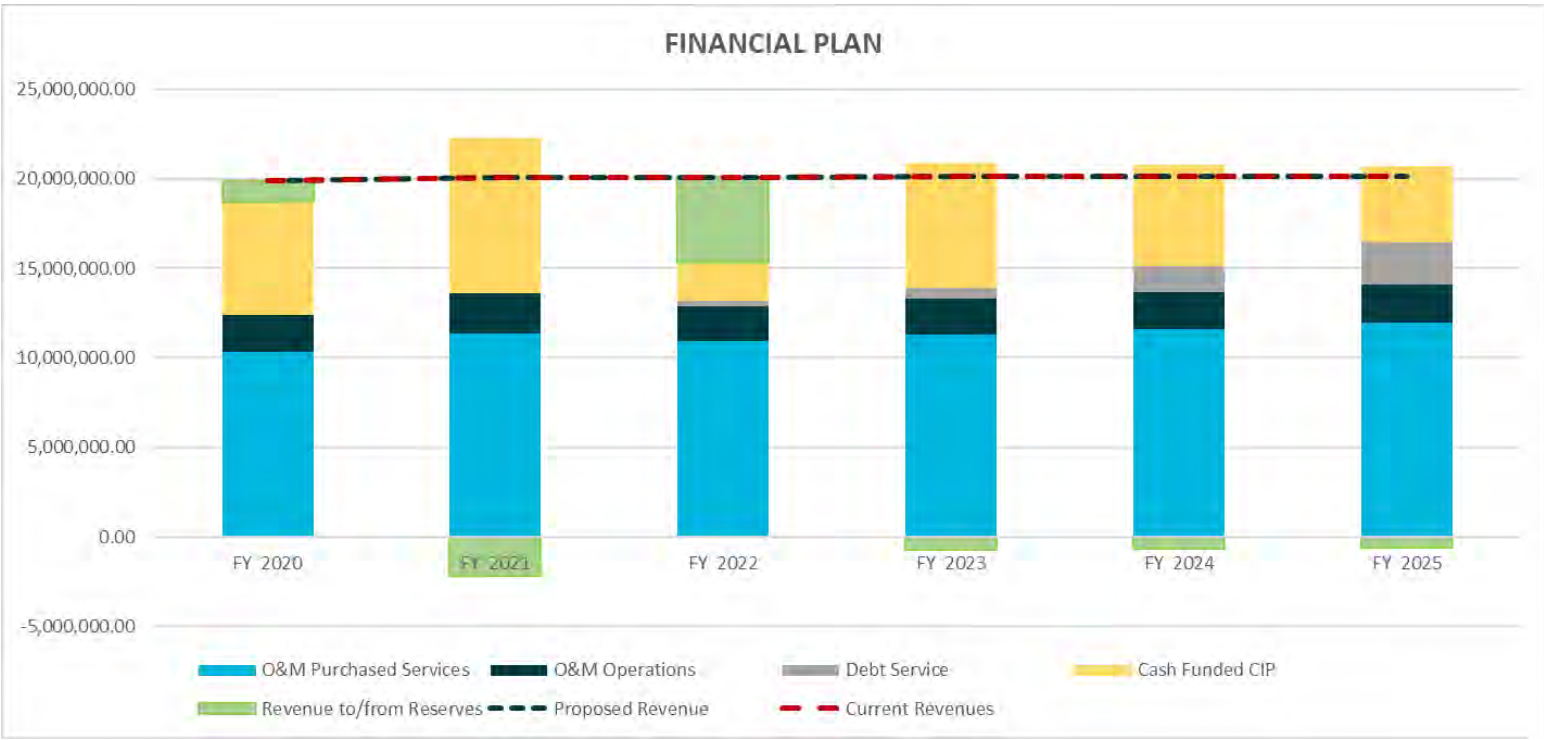


Figure 4-3: Projected Sanitation Fund Ending Balance – Status Quo

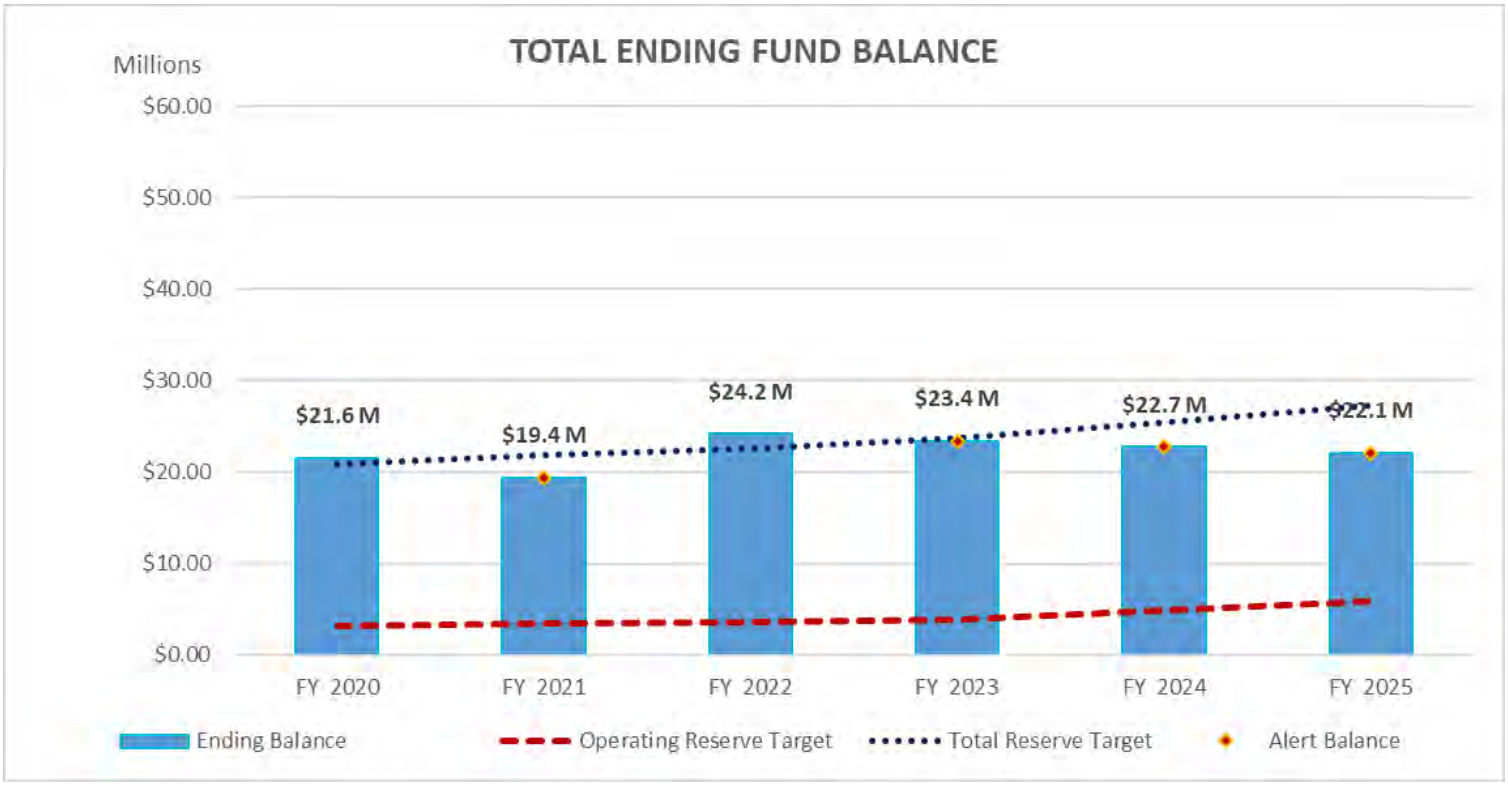


Table 4-11: Sanitation Status Quo Financial Plan

Sanitation Proforma	2020	2021	2022	2023	2024	2025
Revenue						
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
Total Revenue	**$19,900,487**	**$20,105,343**	**$20,110,444**	**$20,118,845**	**$20,127,373**	**$20,136,029**
O&M						
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
Total O&M	$12,421,346	$13,605,982	$12,897,765	$13,290,937	$13,696,117	$14,113,670
Net Operating Revenue (Excl. Debt)	**$7,479,141**	**$6,499,361**	**$7,212,679**	**$6,827,908**	**$6,431,257**	**$6,022,359**
Debt Service	$0	$0	$306,825	$622,997	$1,432,614	$2,367,042
Net Operating Revenue	**$7,479,141**	**$6,499,361**	**$6,905,853**	**$6,204,911**	**$4,998,643**	**$3,655,317**
CIP						
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
Total CIP	**$6,293,359**	**$8,698,507**	**$6,744,468**	**$11,724,946**	**$17,863,109**	**$18,344,114**
Net Cash Change	**$1,185,782**	**($2,199,146)**	**$4,783,709**	**($756,907)**	**($667,590)**	**($611,636)**
Beginning Fund Balance	$20,381,779	$21,567,561	$19,368,415	$24,152,124	$23,395,218	$22,727,627
ENDING FUND BALANCE	$21,567,561	$19,368,415	$24,152,124	$23,395,218	$22,727,627	$22,115,991
TARGET RESERVE BALANCE	$20,842,766	$21,804,079	$22,623,947	$23,754,387	$25,408,123	$27,217,620
PROJECTED DEBT COVERAGE	#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
March	January	January	January	January
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

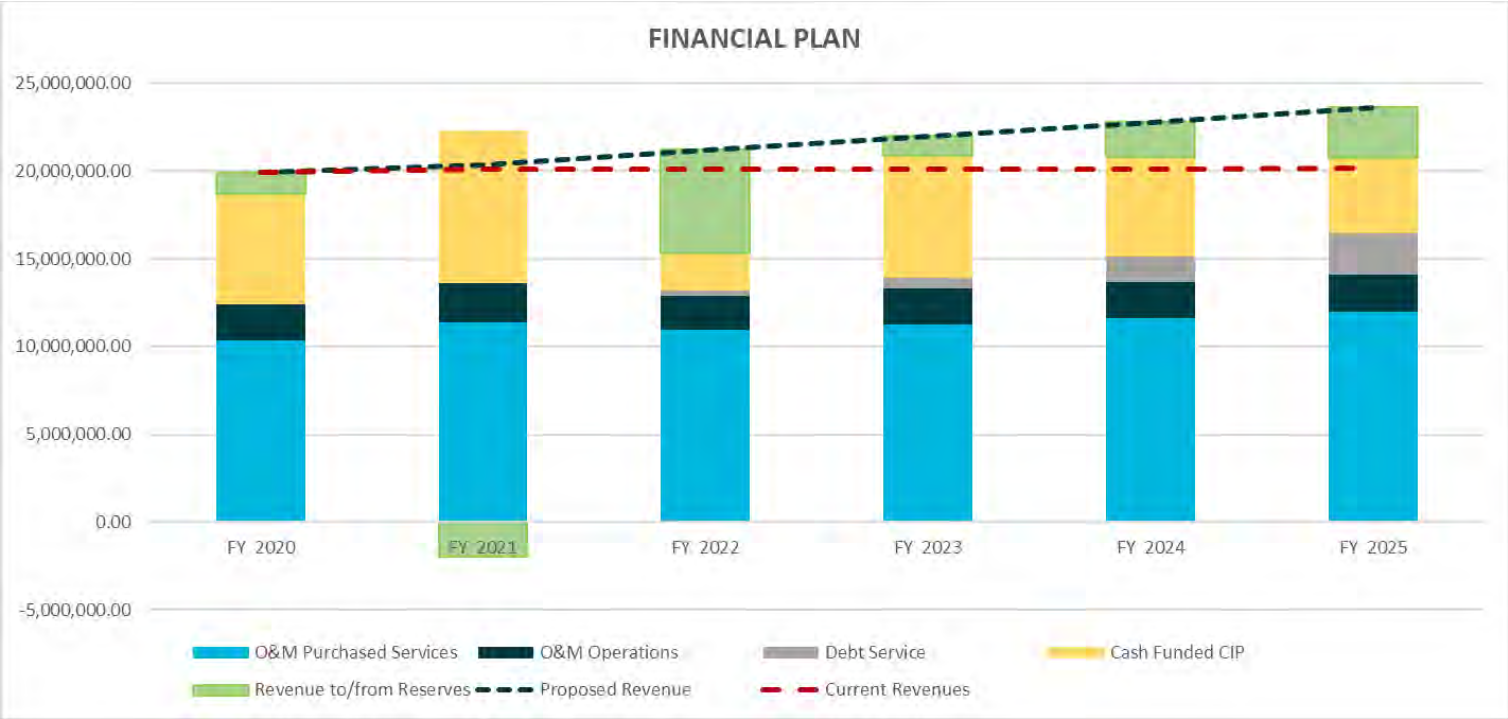


Figure 4-5: Projected Sanitation Fund Ending Balance - Proposed

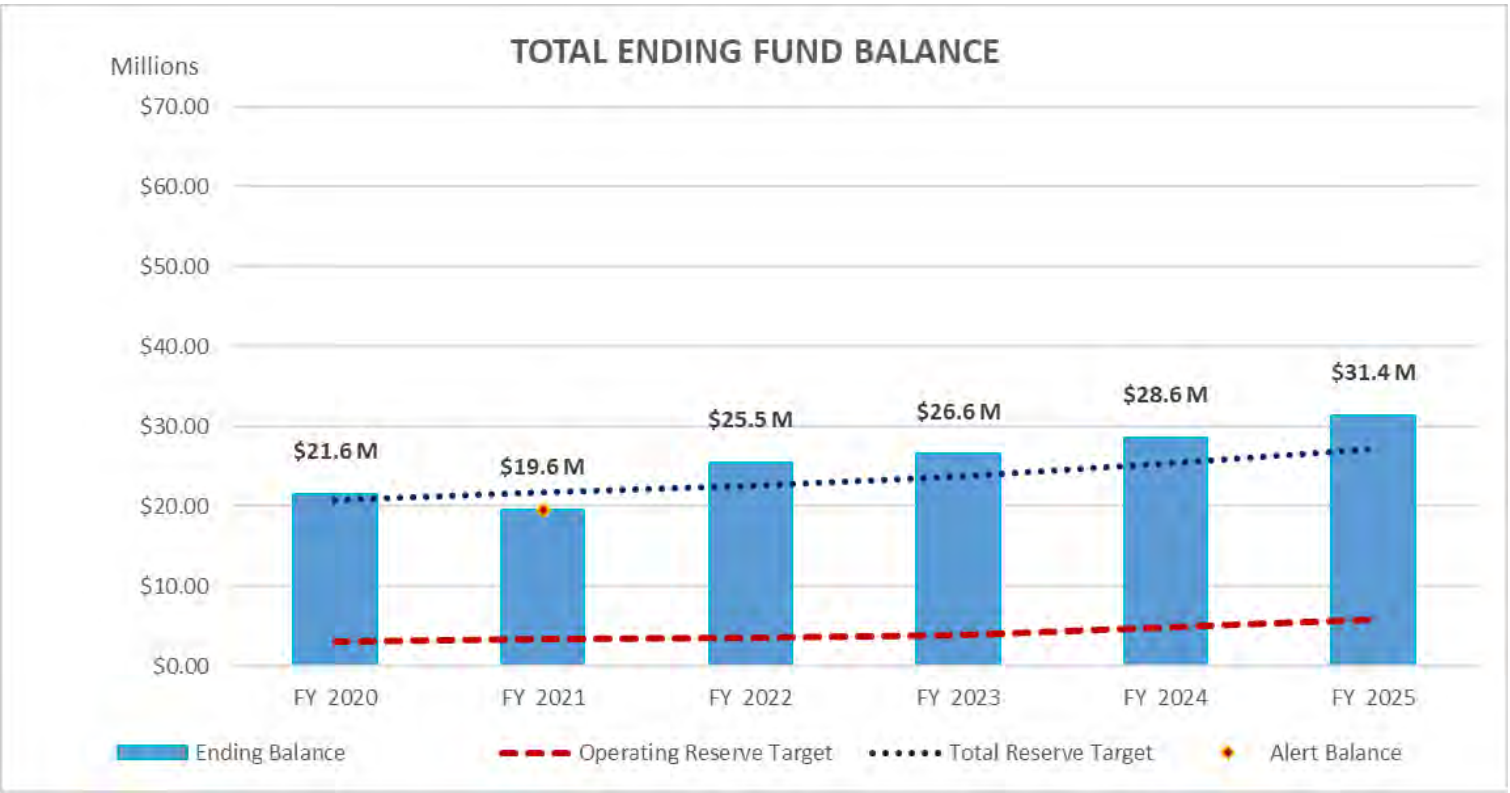


Table 4-13: Proposed Sanitation Financial Plan

Sanitation Proforma	2020	2021	2022	2023	2024	2025
Revenue						
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
Total Revenue	**$19,900,487**	**$20,346,035**	**$21,207,094**	**$21,978,695**	**$22,779,041**	**$23,609,209**
O&M						
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
Total O&M	$12,421,346	$13,605,982	$12,897,765	$13,290,937	$13,696,117	$14,113,670
Net Operating Revenue (Excl. Debt)	**$7,479,141**	**$6,740,052**	**$8,309,329**	**$8,687,757**	**$9,082,925**	**$9,495,539**
Debt Service	$0	$0	$306,825	$622,997	$1,432,614	$2,367,042
Net Operating Revenue	**$7,479,141**	**$6,740,052**	**$8,002,504**	**$8,064,760**	**$7,650,311**	**$7,128,498**
CIP						
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
Total CIP	**$6,293,359**	**$8,698,507**	**$6,744,468**	**$11,724,946**	**$17,863,109**	**$18,344,114**
Net Cash Change	**$1,185,782**	**($1,958,455)**	**$5,880,360**	**$1,102,943**	**$1,984,078**	**$2,861,544**
Beginning Fund Balance	$20,381,779	$21,567,561	$19,609,107	$25,489,466	$26,592,409	$28,576,487
ENDING FUND BALANCE	$21,567,561	$19,609,107	$25,489,466	$26,592,409	$28,576,487	$31,438,031
TARGET RESERVE BALANCE	$20,842,766	$21,804,079	$22,623,947	$23,754,387	$25,408,123	$27,217,620
PROJECTED DEBT COVERAGE	#N/A	#N/A	27.08	13.95	6.34	4.01

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
Las Virgenes Valley Zone						
Meter Size						
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
Total Accounts - Las Virgenes Valley Zone	**15**	**15**	**15**	**15**	**15**	**15**
Calabasas Zone						
Meter Size						
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
Total Accounts - Calabasas Zone	**36**	**36**	**36**	**36**	**36**	**36**
Calabasas/MWD Zone						
Meter Size						
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
Total Accounts - Calabasas/MWD Zone	**168**	**168**	**168**	**168**	**168**	**168**
Western Zone						
Meter Size						
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
Total Accounts - Western Zone	**442**	**442**	**442**	**442**	**442**	**442**
Temporary - All Zones						
Meter Size						
2 1/2" & 3"	3	3	3	3	3	3
4"	1	1	1	1	1	1
Total Accounts - Temporary - All Zones	**4**	**4**	**4**	**4**	**4**	**4**

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
Las Virgenes Valley Zone						
Commodity Charges						
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
Total	**109,952**	**109,952**	**109,952**	**106,820**	**104,140**	**101,870**

Usage	2020	2021	2022	2023	2024	2025
Calabasas Zone						
Commodity Charges						
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
Total	**203,795**	**203,795**	**203,795**	**197,990**	**193,023**	**188,816**
Calabasas/MWD Zone						
Commodity Charges						
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
Total	**506,135**	**506,135**	**506,135**	**491,718**	**479,381**	**468,933**
Western Zone						
Commodity Charges						
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
Total	**969,299**	**969,299**	**969,299**	**941,690**	**918,063**	**898,054**
Temporary - All Zones						
Commodity Charges						
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
Total (hcf)	**1,793,485**	**1,793,485**	**1,793,485**	**1,742,523**	**1,698,911**	**1,661,977**
Total (AF)	**4,117 AF**	**4,117 AF**	**4,117 AF**	**4,000 AF**	**3,900 AF**	**3,815 AF**

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 a calculated as follows:

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

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:

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

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:

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

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
Total	**$4,953,913**	**$5,033,628**	**$5,033,628**	**$4,928,906**	**$4,839,289**	**$4,763,394**

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
Grand Total	**$5,145,913**	**$5,225,628**	**$5,225,628**	**$5,120,906**	**$5,031,289**	**$4,955,394**

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
RECYCLED WATER SUPPLY INFORMATION						
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.

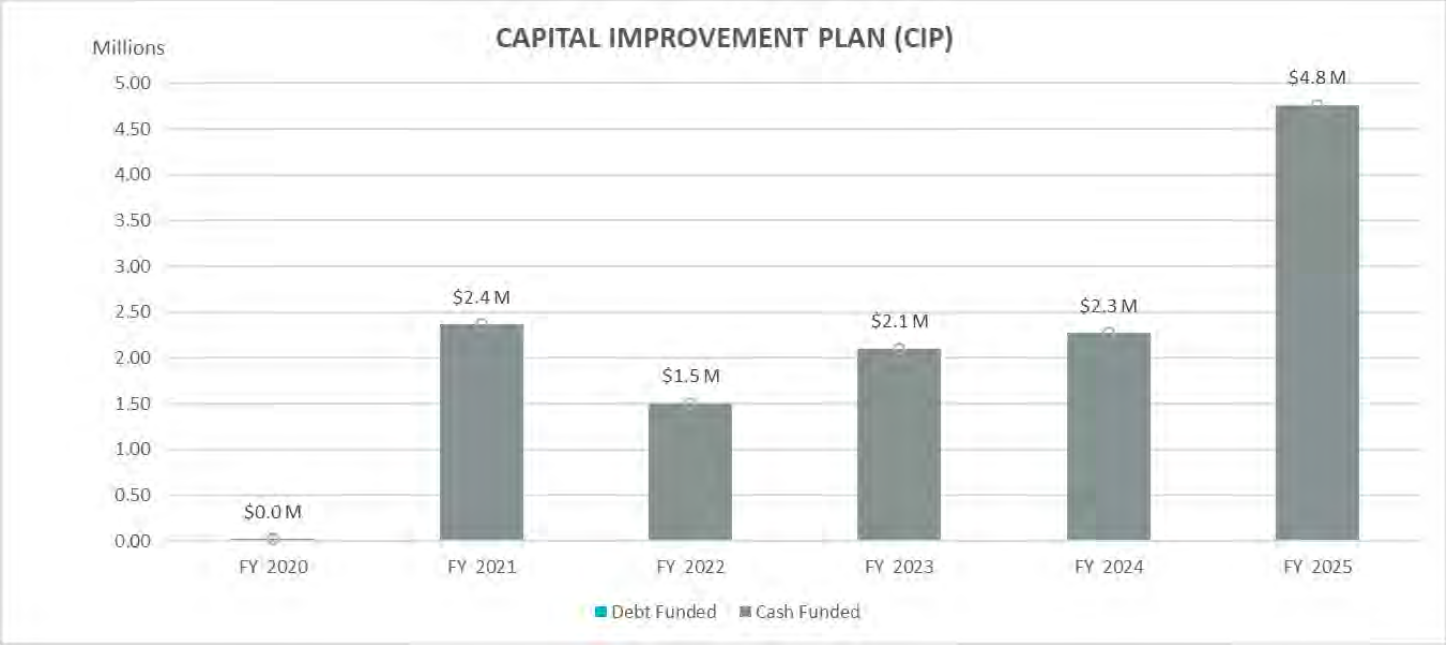
Table 5-11: Projected Recycled Water Operating Expenses

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
Grand Total	**$4,685,202**	**$5,017,125**	**$5,124,438**	**$5,247,272**	**$5,382,906**	**$5,535,841**

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

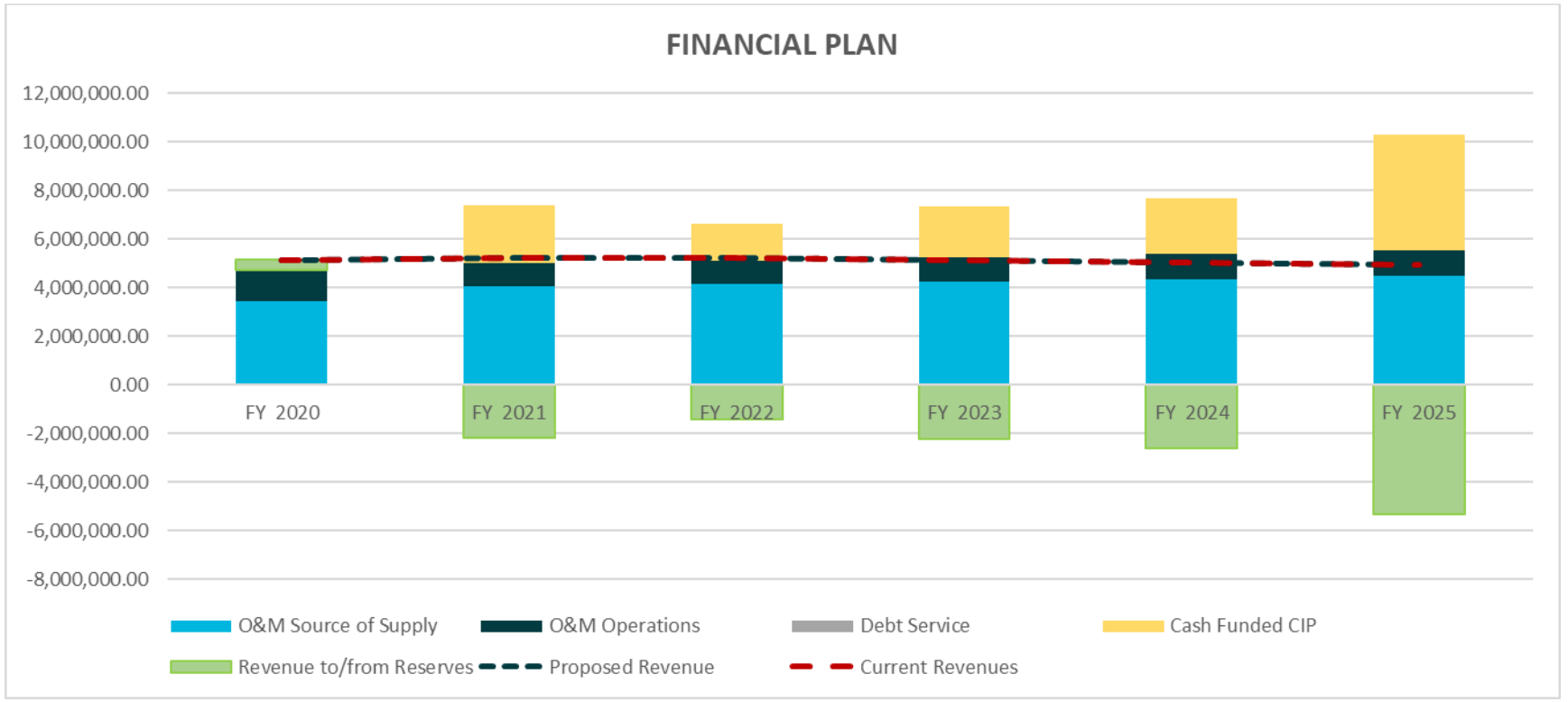


Figure 5-3: Status Quo Recycled Water Fund Ending Balances

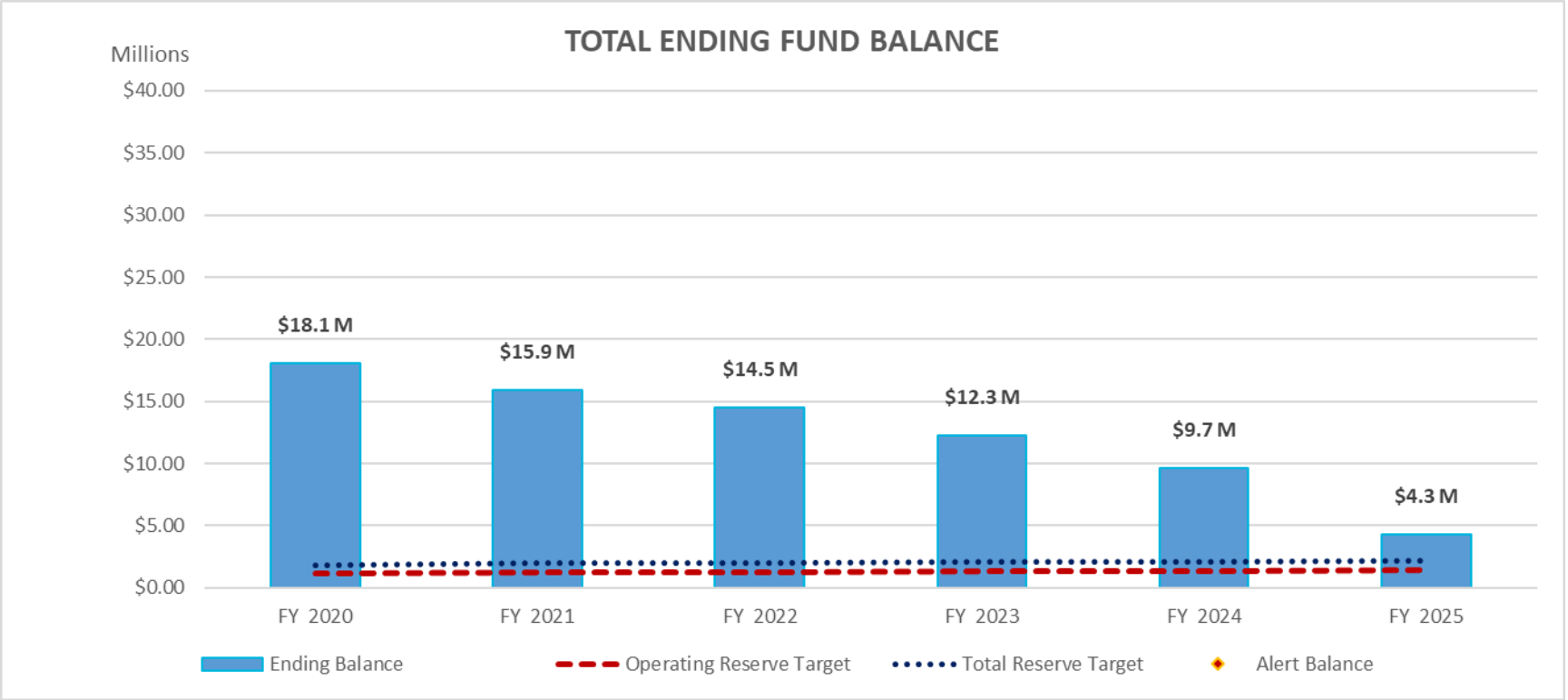


Table 5-12 displays the pro forma of the District's Potable Water Fund under current rates over the Study period. All projections shown in the table are based upon the District's current rate structure. The pro-forma incorporates the data shown in **Table 5-8** for revenues from current rates, **Table 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
Revenue						
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
Total Operating Revenues	$5,145,913	$5,225,628	$5,225,628	$5,120,906	$5,031,289	$4,955,394
O&M						
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
Total Operating Expenses	$4,685,202	$5,017,125	$5,124,438	$5,247,272	$5,382,906	$5,535,841
Net Operating Revenue (Excl. Debt)	$460,711	$208,504	$101,190	($126,366)	($351,618)	($580,447)
Debt Service	$0	$0	$0	$0	$0	$0
Net Operating Revenue	$460,711	$208,504	$101,190	($126,366)	($351,618)	($580,447)
CIP	$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
Net Cash Change	$436,822	($2,160,113)	($1,403,408)	($2,229,030)	($2,625,343)	($5,342,335)
Beginning Fund Balance	$17,641,609	$18,078,431	$15,918,318	$14,514,910	$12,285,880	$9,660,537
ENDING FUND BALANCE	$18,078,431	$15,918,318	$14,514,910	$12,285,880	$9,660,537	$4,318,202
TARGET RESERVE BALANCE	$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

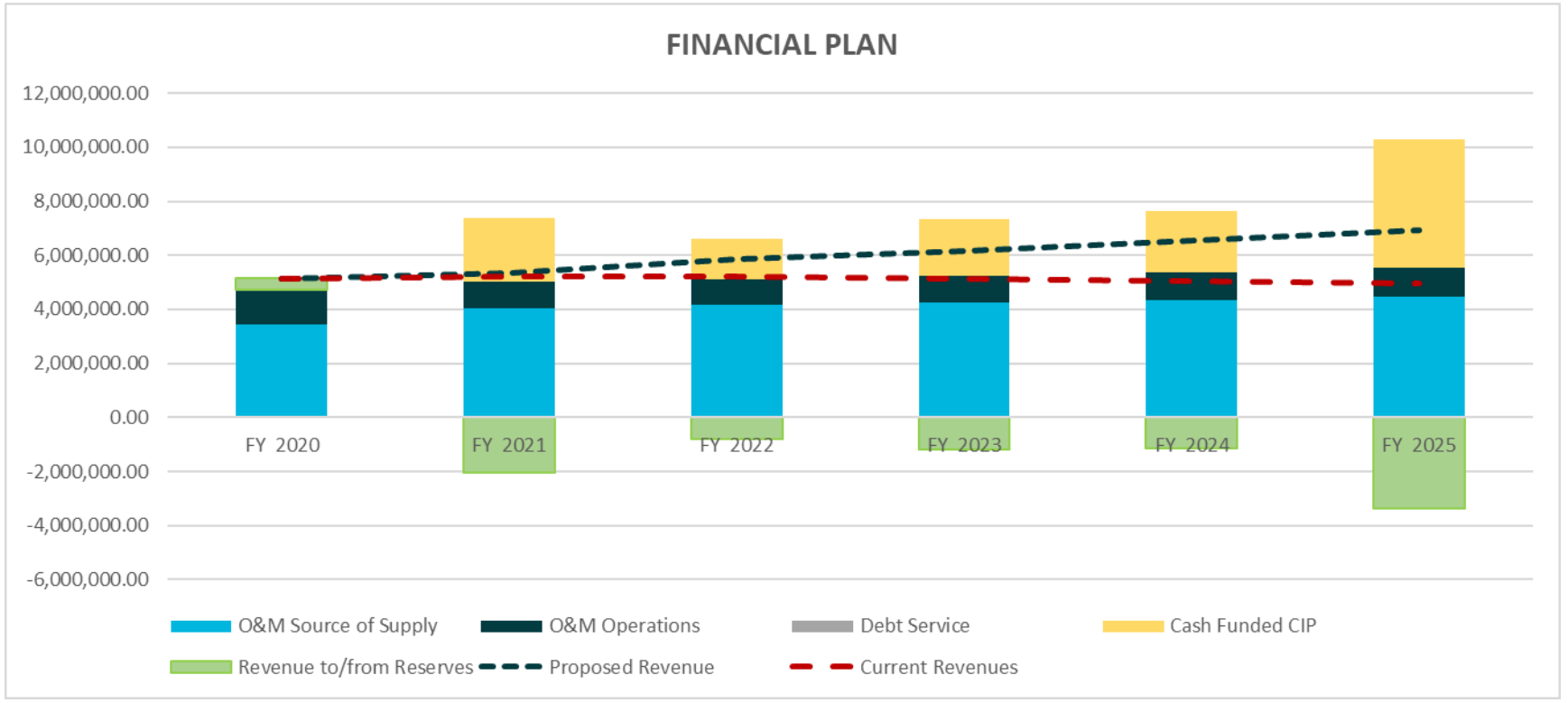


Figure 5-5: Proposed Recycled Water Fund Ending Balances

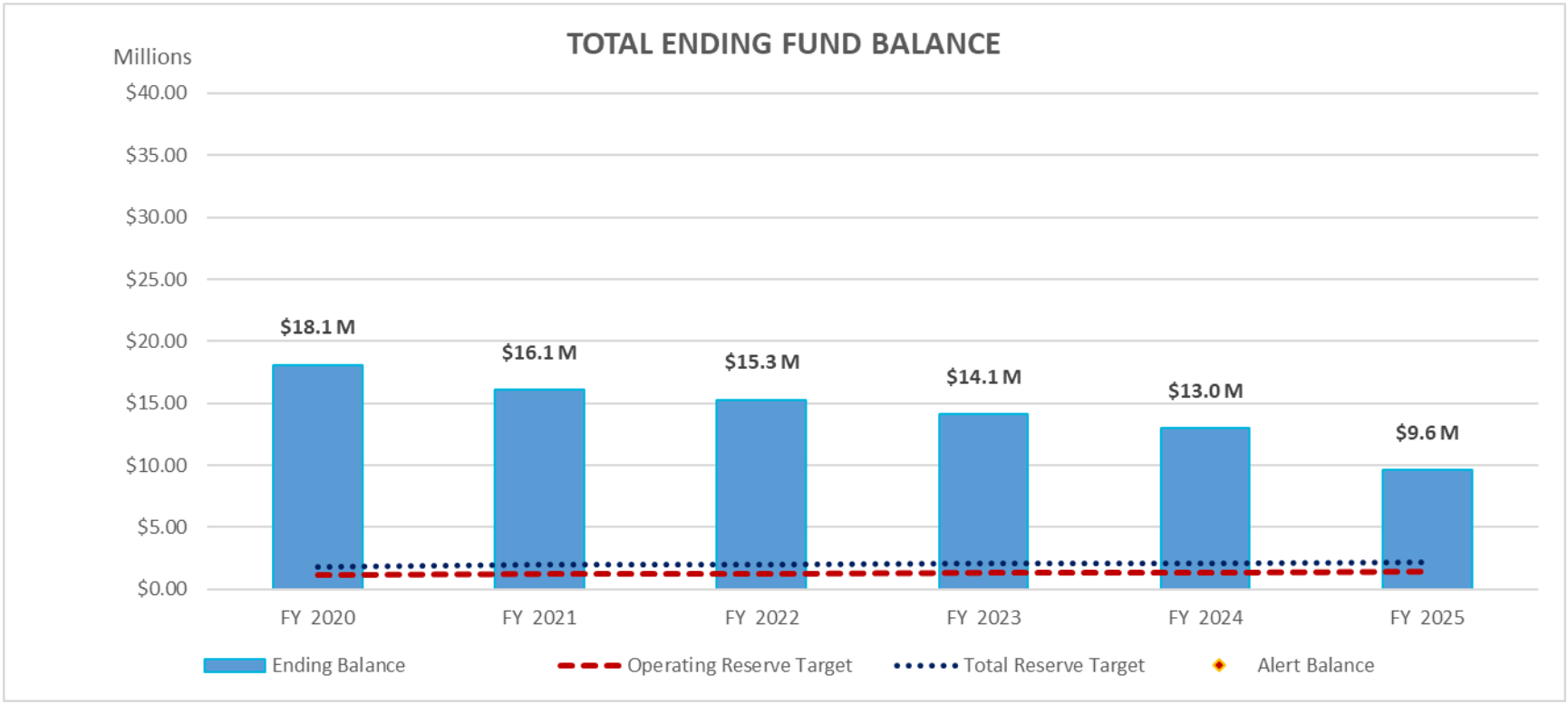


Table 5-14: Proposed Recycled Water Financial Plan

Recycled Water Proforma	2020	2021	2022	2023	2024	2025
Revenue						
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
Total Operating Revenues	**$5,145,913**	**$5,359,859**	**$5,845,771**	**$6,171,039**	**$6,531,954**	**$6,931,767**
O&M						
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
Total Operating Expenses	**$4,685,202**	**$5,017,125**	**$5,124,438**	**$5,247,272**	**$5,382,906**	**$5,535,841**
Net Operating Revenue (Excl. Debt)	**$460,711**	**$342,734**	**$721,333**	**$923,767**	**$1,149,048**	**$1,395,926**
Debt Service	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Net Operating Revenue	**$460,711**	**$342,734**	**$721,333**	**$923,767**	**$1,149,048**	**$1,395,926**
CIP						
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
Net Cash Change	**$436,822**	**($2,025,883)**	**($783,265)**	**($1,178,897)**	**($1,124,678)**	**($3,365,962)**
Beginning Fund Balance	$17,641,609	$18,078,431	$16,052,548	$15,269,283	$14,090,386	$12,965,709
ENDING FUND BALANCE	$18,078,431	$16,052,548	$15,269,283	$14,090,386	$12,965,709	$9,599,746
TARGET RESERVE BALANCE	$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

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	**SUBTOTAL REVENUE REQUIREMENTS**	**$45,934,022**	
7			
8	***Less Non-Operating Revenues***		
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	**SUBTOTAL NON-OPERATING REVENUE REQUIREMENTS**	**($2,806,743)**	
21			
22	**NET REVENUE REQUIREMENTS**	**$43,127,279**	

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[4] is calculated as follows:

$$\frac{\text{Peak Day Demand}}{\text{Average Daily Flow}} = 2.10$$

The Max Hour peaking factor[5] (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 x 100% = C2
- Max Day: (B2 - B1) / B2 x 100% = D2

The Max Hour allocations are calculated as follows:

- Base Delivery: B1 / B3 x 100% = C3
- Max Day: (B2 - B1) / B3 x 100% = D3
- Max Hour: (B3 - B2) / B3 x 100% = E3

[4] Figure provided by District staff
[5] 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	**Total**	**$43,127,279**
13	Pass-through Rev	$0
14	**Revenue Required from Rates**	**$43,127,279**

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[6] 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 ¾ 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 ¾-inch meters. (A 2-inch meter has a safe operating capacity of 160 gallons per minute (gpm) compared to a ¾-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).

[6] 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	**Total**	**$29,215,406**	**$380,051**	**$19,683,242**	**$3,762,032**	**$5,923,484**	**$731,260**	**($1,264,663)**

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
3/4"	478	1.00	5,736	5,736
3/4" 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
Total	**20,509**		**246,103**	**362,690**

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
Billing and Customer Service	$572,662	246,103	$2.33
Meters and Capacity	$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
Energy Costs[7]	20%	55%	19%	6%
Pump Stations w/o Energy [8]	13%	65%	17%	4%
Tanks[9]	5%	62%	29%	5%
System Operations[10]	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	**A**	$165,945	$443,232	$155,895	$44,928
Pump Stations w/o Energy	**B**	$74,367	$371,835	$99,156	$24,789
Tanks	**C**	$7,173	$93,247	$43,037	$7,173
System Operations	**D**	$132,565	$354,075	$124,537	$35,890
Total Elevation Rev Requirements	**E = A+B+C+D**	**$380,051**	**$1,262,389**	**$422,626**	**$112,780**
Water Flow Through Each Zone (hcf)[11]	**F**	7,949,881 hcf	2,911,312 hcf	458,837 hcf	88,584 hcf
Unit Elevation Cost	**G = E/F**	**$0.05 /hcf**	**$0.43 /hcf**	**$0.92 /hcf**	**$1.27 /hcf**

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.

[7] Based on average actual energy costs over two-year period, for FY 2019 and FY 2020. Figure provided by District staff.
[8] Based on number of pump stations in zone as a percentage of total pump stations.
[9] Based on number of tanks in zone as a percentage of total tanks.
[10] Base on average allocated energy, pump, and tanks costs
[11] 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
Unit Elevation Cost Before Adjustment		**$0.05**	**$0.43**	**$0.92**	**$1.27**
Elevation Rev Requirements Before Adjustment	**$2,177,845**[12]	**$380,051**	**$1,262,389**	**$422,626**	**$112,780**
Adjustments for Elevation Cost through Zone 2					
Units through zone 2 to zone 3[13]	$119,280		($51,722)	$51,722	$0
Units through zone 2 to zone 4[14]	$88,584		($38,412)	$0	$38,412
Adjusted Elevation Rev Requirements	$2,177,845	$380,051	$1,172,256	$474,347	$151,192
Units of Service		7,949,881 hcf	2,703,448 hcf	458,837 hcf	88,584 hcf
Adjusted Unit Elevation Cost		**$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**.

[12] From **Table 6-5**
[13] Units based on District staff estimates
[14] 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%
Zone 1	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Zone 2	$0.44	$0.47	$0.50	$0.53	$0.56	$0.59
Zone 3	$1.04	$1.10	$1.16	$1.22	$1.29	$1.36
Zone 4	$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
Base Power	To recover power costs to produce and deliver potable water to base zone
Water Supply	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
Delivery	To recover remaining base water system costs (costs to meet average daily flow)
Peaking Costs	To recover remaining peak water system costs (costs to meet peak hour, peak day and peak season)
Conservation	To recover the District's conservation program costs from inefficient and excessive usage (Tiers 3 and 4)
Revenue Offsets	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):

$$CWD = (sum\ of\ usage\ over\ billing\ periods)/(sum\ of\ days\ over\ billing\ period)$$

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	A	B	C
No	**Demand for Water Supply 2020**	**Current**	**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**
Table 3-11	***A / (1-3.08%)***	***B / 435.6***
$1,165 /AF	$1,202 /AF	$2.76 /hcf

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**
1	Tier 4	898,638	$2.76 /hcf	$2,479,759
2	Temporary	8,346	$2.76 /hcf	$23,029
3	Commercial Tier 3	69,105	$2.76 /hcf	$190,693
4	Total	**976,089**		**$2,693,481**

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
1	$19,683,242 – $2,693,481	$16,989,761
2	7,949,881 - 976,089	6,973,793
3	**Row 1 / Row 2**	**$2.44 /hcf**

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
Tier 1	Blended	$2.44 /hcf
Tier 2	Blended	$2.44 /hcf
Tier 3	Blended	$2.44 /hcf
Tier 4	MWD Tier 2	$2.76 /hcf
Temporary	MWD Tier 2	$2.76 /hcf
Commercial Tier 1	Blended	$2.44 /hcf
Commercial Tier 2	Blended	$2.44 /hcf
Commercial Tier 3	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

Base Power Unit Rate	
Base Power Revenue Requirement	$380,051
Units of Service	7,949,881 hcf
Base Power Unit Rate	**$0.05 /hcf**

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

Base Delivery Calculation	
Base Delivery Revenue Requirement	$3,762,032
Units of Service	7,949,881 hcf
Base Delivery Unit Rate	**$0.47 /hcf**

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
Total	**7,949,881**	**1,118,595**	**$731,260**	

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
Total	**817,518**	**817,518**	**$55,000**	

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

	Tiers Allocation	Demand for Water Supply 2020	Accountable Usage	Rev Req Allocation	Rev Requirements	Unit Rate ($/hcf)	Notes
Line		A	B	C = A*B/B4	D = C*D4	E = B*D5	
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		**($1,264,663)**		
5					**-$0.21 /hcf**		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)	**$2.84 /hcf**
Tier 2	$0.05	$2.44	$0.47	$0.83	$0.00	($0.21)	**$3.58 /hcf**
Tier 3	$0.05	$2.44	$0.47	$1.18	$0.07	$0.00	**$4.21 /hcf**

Tier 4	$0.05	$2.76	$0.47	$1.38	$0.65	$0.00	**$5.32 /hcf**
Temporary Services[15]	$0.05	$2.76	$0.47	$1.38	$0.65	$0.00	**$7.98 /hcf**
Commercial Tier 1	$0.05	$2.44	$0.47	$0.59	$0.07	($0.28)	**$3.34 /hcf**
Commercial Tier 2	$0.05	$2.44	$0.47	$0.49	$0.39	$0.00	**$3.85 /hcf**
Commercial Tier 3	$0.05	$2.76	$0.47	$1.97	$0.72	$0.00	**$5.98 /hcf**

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[16]	2022	2023	2024	2025
Commodity Charge ($/HCF)	Revised COS	5%	5%	5%	5%	5%
Tier 1	$2.84	$3.14	$3.30	$3.47	$3.65	$3.84
Tier 2	$3.58	$3.91	$4.11	$4.32	$4.54	$4.77
Tier 3	$4.21	$4.58	$4.81	$5.06	$5.32	$5.59
Tier 4	$5.32	$5.74	$6.03	$6.34	$6.66	$7.00
Temporary Services	$7.98	$8.53	$8.96	$9.41	$9.89	$10.39
Commercial Tier 1	$3.34	$3.66	$3.85	$4.05	$4.26	$4.48
Commercial Tier 2	$3.85	$4.20	$4.41	$4.64	$4.88	$5.13
Commercial Tier 3	$5.98	$6.43	$6.75	$7.09	$7.45	$7.83

Table 6-33: Proposed Pass Through

		A	B	C
		2020	2021	*Notes*
1	Source of Supply	$24,007,931	$25,225,948	***Table 3-11 Line 43***
2	Total Water Usage (HCF)	7,941,536	7,954,409	***Table 3-7 Line 32***
3	Cost per HCF	$3.02	$3.17	***Row 1 / Row 2***
4	Incremental Pass Through Rates		**$0.15**	***B3 – A3***

[15] Temporary Services are charged at the Tier 4 rate with a 1.5 times adjustment factor.

[16] 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	*Table 5-11*
2	Debt Service	$0	
3	Rate Funded Replacement CIP	$23,889	*Figure 5-1*
4	Net Cash Change	$436,822	
5	Mid-Year Adjustment	$79,715	
6	**SUBTOTAL REVENUE REQUIREMENTS**	**$5,225,628**	
7			
8	***Less Non-Operating Revenues***		
9	Temporary Meter Charge	($1,800)	*Table 5-9*
10	Temporary Meter Installation Fees	($100)	*Table 5-9*
11	Late Payment Fees and other Non Operating Revenues	($100,000)	*Table 5-9*
12	Water Usage - Accidents	($100)	*Table 5-9*
13	Other Income from Operations	($90,000)	*Table 5-9*
14	**SUBTOTAL NON-OPERATING REVENUE REQUIREMENTS**	**($192,000)**	

A Line	B REVENUE REQUIREMENTS	C 2020	D 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:

$$Max\ Day = \frac{\text{Peak Day Demand}}{\text{Average Daily Flow}} = 2.10$$

$$Max\ Hour = \frac{\text{Peak Hour Demand}}{\text{Average Hourly Flow}} = 2.50$$

Table 7-2: Recycled Water System Peaking Factors

A Line	B	C 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 x 100% = C2
- Max Day: (B2 - B1) / B2 x 100% = D2

The Max Hour allocations are calculated as follows:

- Base Delivery: B1 / B3 x 100% = C3
- Max Day: (B2 - B1) / B3 x 100% = D3
- Max Hour: (B3 - B2) / B3 x 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
Total	**$2,540,002**

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 Water Supply Sources	B Quantity Available	C 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 Quantity Available (AF)	C 2020 Supply Rev Req	D Unit Cost AF	E Unit Cost with Water Loss	F Unit Cost HCF
Water Supply Sources		**(From Table 7-6)**	**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 Tier	B 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	**$0.15 /hcf**	

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	**Total**	1,793,485		12,502,275		
6	**Peaking Rev Requirements**			**$525,371**		**Table 7-4**
7	**Unit Peaking Rate ($/equiv hcf)**			**$0.04 /hcf**		**C6 / C5**

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[17]	$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.

[17] 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	**Total**	**1,793,485**

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	**$0.27 /hcf**	*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 Commodity Charge ($/HCF)	2020 Revised COS	2021 8%	2022 8%	2023 8%	2024 8%	2025 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 A	Meter & Capacity Factor B	# of Bills per Year C = A x 12	Capacity EMUs per Year 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
Total	**661**		**7,932**	**40,408**

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 A	Capacity B	Cost of Service RTS Charges 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 A	Capacity B	Cost of Service RTS Charges 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 Monthly RTS	2020 Revised COS	2021 8%	2022 8%	2023 8%	2024 8%	2025 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[18] which can be seen in **Table 8-1** below.

[18] *$rate_t$ X (1+Revenue Adjustment %) = $rate_{t+1}$ where t = any given year*

Table 8-1: Proposed Sanitation Rates

		Current	2021 3.75%	2022 3.75%	2023 3.75%	2024 3.75%	2025 3.75%
Residential Monthly Service Charge	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
Commercial Monthly Account Service Charge	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
Commercial Monthly ERU Charges	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

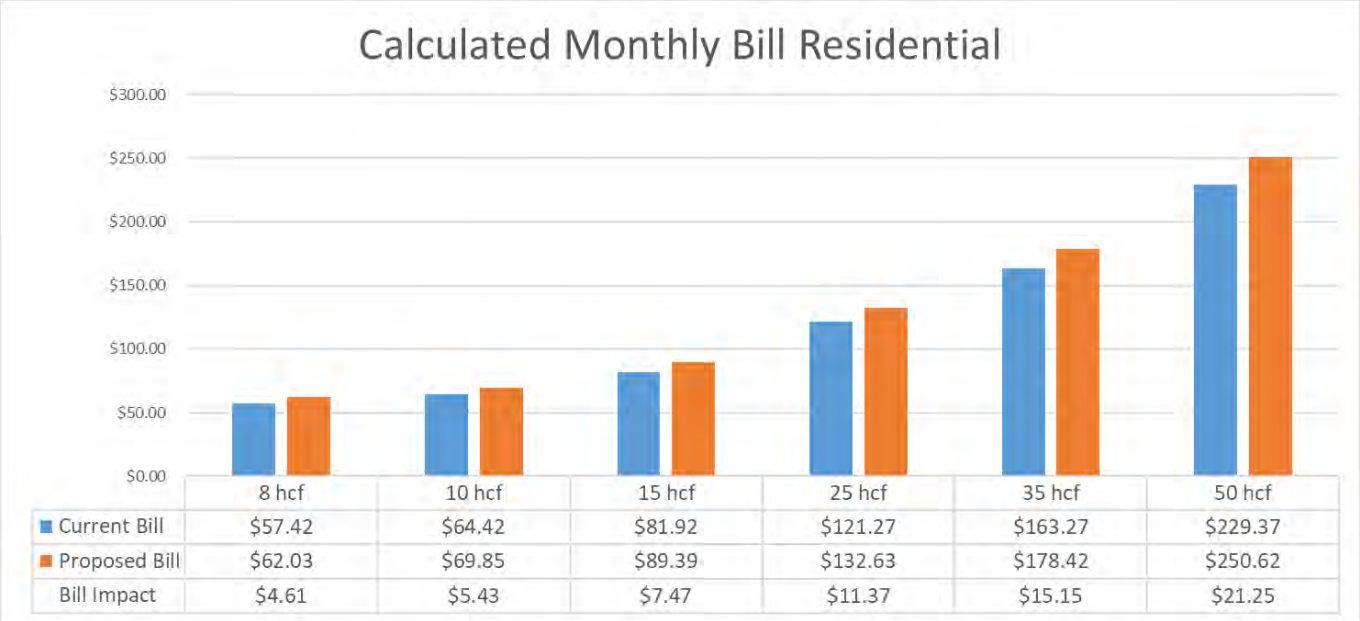


Table 9-1: Residential Potable Water Bill Impacts with MWD Pass Through

Usage	8 hcf	10 hcf	15 hcf	25 hcf	35 hcf	50 hcf
Bill Impacts	+$4.61	+$5.43	+$7.47	+$11.37	+$15.15	+$21.25
MWD Pass Through	**$1.19**	**$1.48**	**$2.22**	**$3.71**	**$5.19**	**$7.41**
District Costs	**$3.43**	**$3.95**	**$5.25**	**$7.66**	**$9.96**	**$13.83**

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

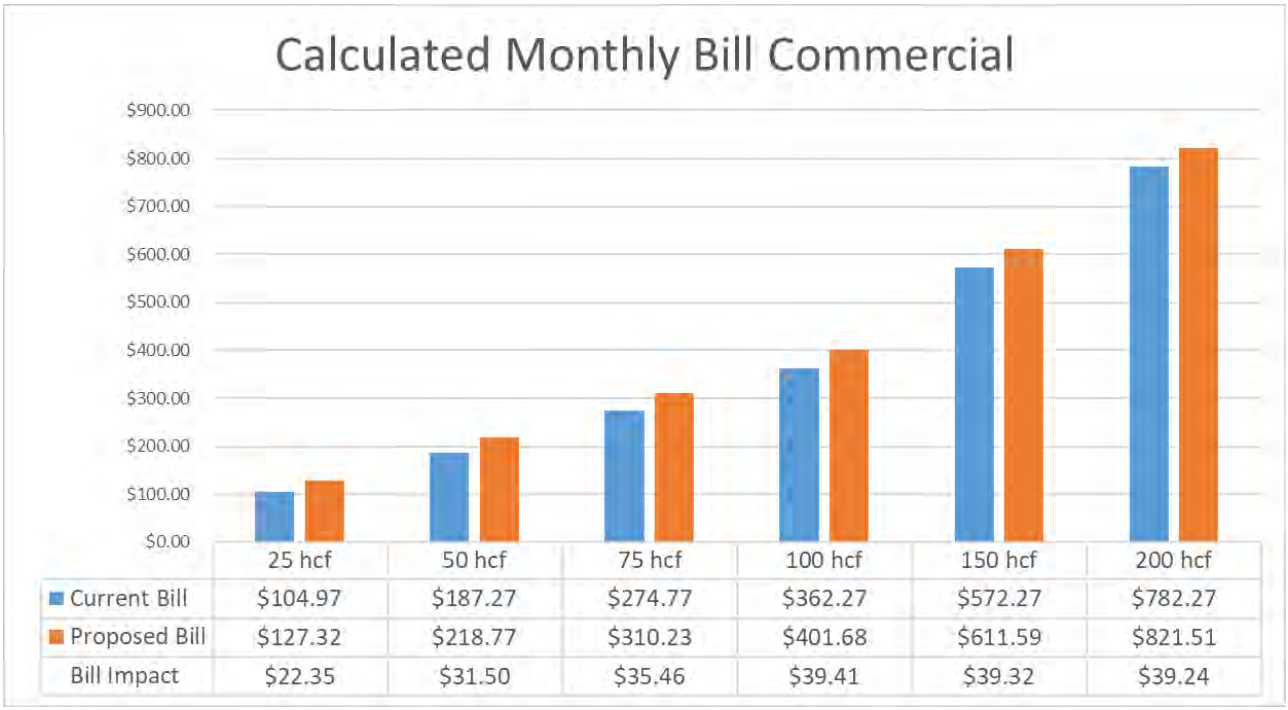


Table 9-2: Commercial Potable Water Bill Impacts with MWD Pass Through

	25 hcf	50 hcf	75 hcf	100 hcf	150 hcf	200 hcf
Bill Impacts	+$22.35	+$31.50	+$35.46	+$39.41	+$39.32	+$39.24
MWD Pass Through	**$3.71**	**$7.41**	**$11.12**	**$14.82**	**$22.23**	**$29.65**
District Costs	**$18.64**	**$24.09**	**$24.34**	**$24.59**	**$17.09**	**$9.59**

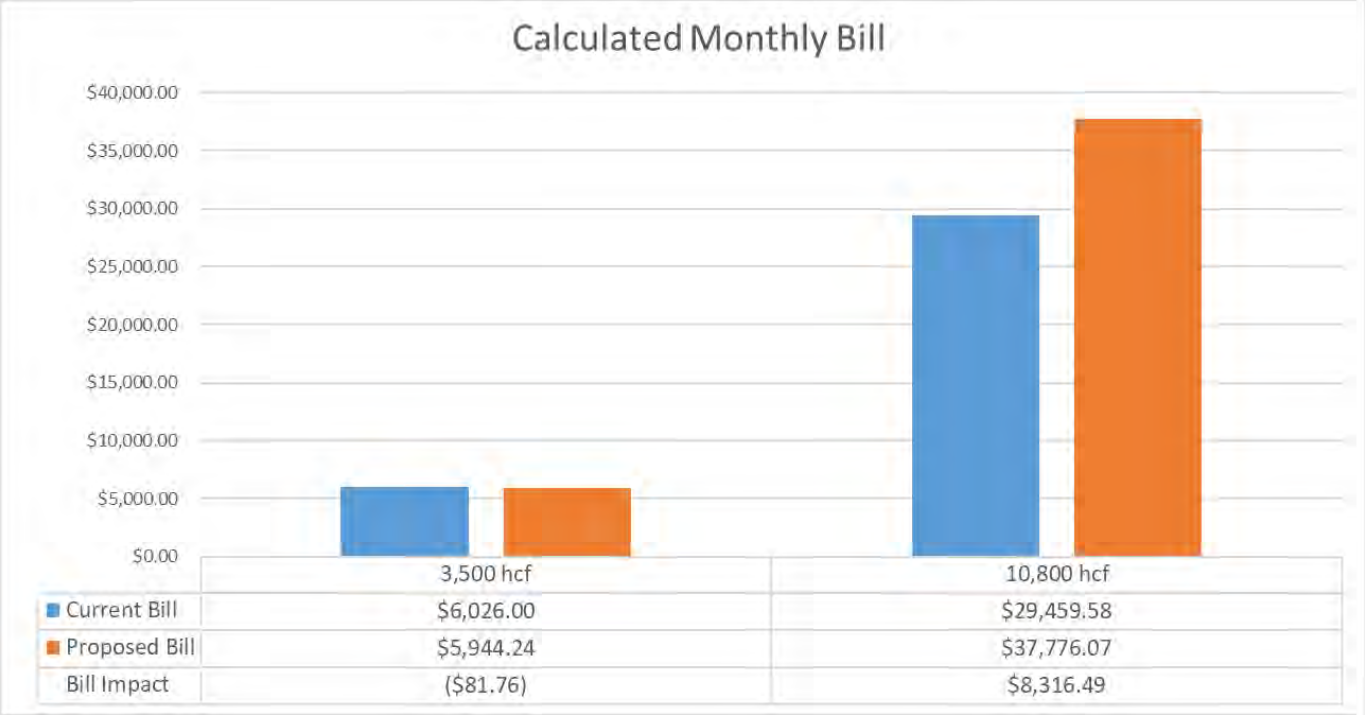
9.2. Recycled Water Customer Impacts

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
Usage	**3,500 hcf**	**10,800 hcf**
Current Bill	$6,026.00	$29,459.58
Proposed Bill	$5,944.24	$37,776.07
Bill Impacts	**($81.76)**	**$8,316.49**
Potable Water Equivalent Charge	**$14,382.93**	**$48,820.35**
% Difference	59%	23%

Figure 9-3: Recycled Water Bill Impacts



9.3. Sanitation Customer Impacts

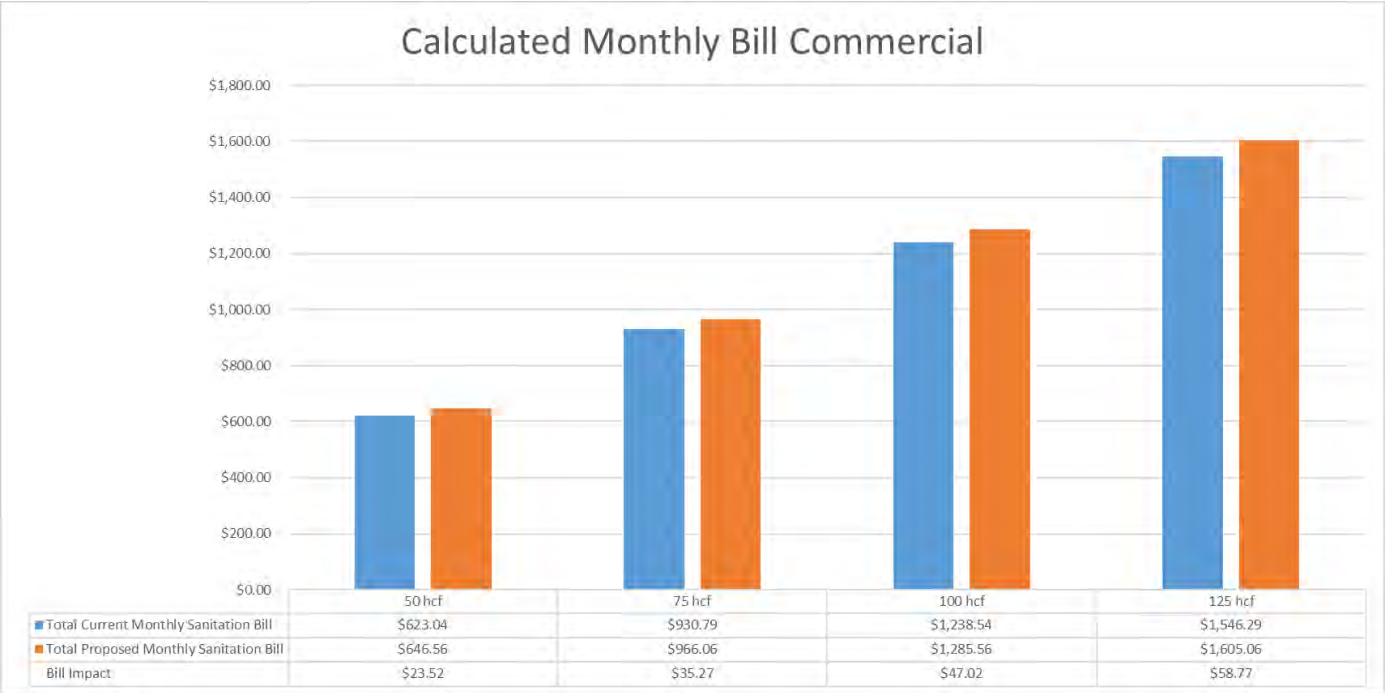
Because the cost of service remained the same, the only changes to the rates are the result of the percentage increase in revenue adjustments. Because of this, residential sanitation customers will see a 3.75% increase on their monthly bills. **Table 9-4** below shows the dollar increase for a household size of three.

Table 9-4: Residential Sanitation Bill Impacts

Household Size of 3	Current	Proposed	Bill Impact
Residential Sanitation Bill	$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



	50 hcf	75 hcf	100 hcf	125 hcf
Total Current Monthly Sanitation Bill	$623.04	$930.79	$1,238.54	$1,546.29
Total Proposed Monthly Sanitation Bill	$646.56	$966.06	$1,285.56	$1,605.06
Bill Impact	$23.52	$35.27	$47.02	$58.77

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
	Total CIP Fund	**$1,415,242**	**$13,561,633**	**$12,392,447**	**$11,010,784**	**$8,966,294**	**$9,598,404**
	Total CIP Fund	**$1,415,242**	**$15,068,481**	**$13,769,386**	**$11,010,784**	**$8,966,294**	**$9,598,404**

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
Grand Total		**$0**	**$0**	**$23,889**	**$2,368,617**	**$1,504,598**	**$2,102,664**	**$2,273,726**	**$4,761,888**

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
	Grand Total	**$6,293,359**	**$8,698,507**	**$6,744,468**	**$11,724,946**	**$17,863,109**	**$18,344,114**
		$6,293,359	**$10,873,134**	**$8,430,585**	**$13,027,717**	**$17,863,109**	**$18,344,114**

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
Potable Water													
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 (WLR)	$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 & Distri/Intangible	$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%	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%
Total Asset	**$204,302,671**	**$0**	**$0**	**$70,575,847**	**$77,633,432**	**$12,020,490**	**$0**	**$0**	**$3,824,375**	**$14,246,953**	**$0**	********	********
Capital Allocation Factors		**0.0%**	**0.0%**	**34.5%**	**38.0%**	**5.9%**	**0.0%**	**0.0%**	**1.9%**	**7.0%**	**0.0%**	**12.7%**	**100.0%**

11.1.2. O&M

	FY 2020	Water Supply	Power	Base	Max Day	Max Hour	Conservation	Rev Offset	Fire	Meters	B&CS	General	Total
Source of Supply													
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	$61,269	100.0%	0.0%									0.0%	100.0%
5125 Water Supply - LVR Adjustment	$157,941	0.0%			100.0%							0.0%	100.0%
Subtotal - Source of Supply	***$24,007,931***												
Operating Expense													
5400 Labor	$1,099,101		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	$13,189		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%
Subtotal - Operating Expense	**$2,312,802**												
Maintenance Expense													
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	$159,291		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%
Subtotal - Maintenance Expense	**$1,413,568**												

	FY 2020	Water Supply	Power	Base	Max Day	Max Hour	Conservation	Rev Offset	Fire	Meters	B&CS	General	Total
Specialty Expenses													
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%
Subtotal – Specialty Expenses	**$441,803**												
Public Information Expenses													
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%
Subtotal – Public Information Exp	**$48,512**												
Field Conservation Expenses													
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%
Subtotal – Field Conservation Ex	**$416,349**												
unity Conservation Education Expenses													
6742 Demonstration Garden Grant	$15,500		0.0%									100.0%	100.0%
6749 Residential Customer Training	$20,000		0.0%									100.0%	100.0%
Subtotal – Community Conservat	**$35,500**												
Resource Conservation Expenses													
6785 Watershed Programs	$12,397		0.0%									100.0%	100.0%
6790 Back Flow Protection	$32,638		0.0%									100.0%	100.0%
Subtotal – Resource Conservatic	**$45,035**												

	FY 2020	Water Supply	Power	Base	Max Day	Max Hour	Conservation	Rev Offset	Fire	Meters	B&CS	General	Total
Administrative Expenses													
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%
Subtotal - Administrative Exper	**$8,649,634**												
TOTAL OPERATING EXPEN	**$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**
	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%**
NT REVENUE REQUIREMENTS	**FY 2020**	**Water Supply**	**Power**	**Base**	**Max Day**	**Max Hour**	**Conservation**	**Rev Offset**	**Fire**	**Meters**	**B&CS**	**General**	**Total**
REVENUE REQUIREMENTS													
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**
SUBTOTAL REVENUE REQUIR	$45,934,022	$21,225,322	$2,177,845	$4,462,386	$5,920,666	$1,105,555	$416,349	$0	$160,290	$597,129	$326,050	$9,542,429	**$45,934,022**
Less Non-Operating Revenues													
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)**
PW Supplement to RW	($1,542,080)	($1,542,080)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**($1,542,080)**
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)**
SUBTOTAL NON-OPERATING	($2,806,743)	($1,542,080)	$0	$0	$0	$0	$0	($1,264,663)	$0	$0	$0	$0	($2,806,743)
NET REVENUE REQUIREMENT	**$43,127,279**	**$19,683,242**	**$2,177,845**	**$4,462,386**	**$5,920,666**	**$1,105,555**	**$416,349**	**($1,264,663)**	**$160,290**	**$597,129**	**$326,050**	**$9,542,429**	**$43,127,279**
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)**
NET ADJUSTED REV REQMT F	**$43,127,279**	**$19,683,242**	**$2,177,845**	**$7,837,568**	**$10,398,835**	**$1,941,756**	**$731,260**	**-$1,264,663**	**$0**	**$1,048,775**	**$572,662**	**$0**	**$43,127,279**
		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
			Peaking Factors	Base	Max Day	Max Hour							
		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
RECYCLED WATER													
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%
Total Asset	**$10,649,315**	**$0**	**$0**	**$3,776,611**	**$5,664,917**	**$276,880**	**$0**	**$0**	**$0**	**$0**	**$0**	**$930,908**	**$10,649,315**
		0%	**0%**	**35%**	**53%**	**3%**	**0%**	**0%**	**0%**	**0%**	**0%**	**9%**	**100%**

11.2.2. O&M

	FY 2020	Water Supply	Power	Base	Max Day	Max Hour	Conservation	Rev Offset	Fire	Meters	B&CS	General	Total
Source of Supply													
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%
Subtotal - Source of Supply	**$3,424,698**												
Operating Expenses													
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%
Subtotal - Operating Expenses	**$149,912**												
Maintenance Expenses													
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%
Subtotal - Maintenance Expenses	**$7,933**												
Specialty Expenses													
Tech Services	$0											100%	100%
Subtotal - Specialty Expenses	**$0**												
Resource Conservation													
Back Flow Protection	$4,070											100%	100%
Subtotal - Resource Conservation	**$4,070**												
Administrative Expense													
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	$927,404											100%	100%
Subtotal - Administrative Expense	**$1,098,588**												
TOTAL OPERATING 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**
O&M Allocation Factors		**54%**	**19%**	**1%**	**1%**	**2%**	**0%**	**0%**	**0%**	**0%**	**0%**	**24%**	**100%**

	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%

Revenue Requirements	FY 2020	Water Supply	Power	Base	Max Day	Max Hour	Conservation	Rev Offset	Fire	Meters	B&CS	General	Total
REVENUE REQUIREMENTS													
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	$38,185	**$436,822**
Mid-Year Adjustment	$79,715	$0	$0	$28,270	$42,405	$2,073	$0	$0	$0	$0	$0	$6,968	**$79,715**
SUBTOTAL REVENUE REQUIREMEN	**$5,225,628**	**$2,540,002**	**$884,696**	**$223,223**	**$334,834**	**$92,973**	**$0**	**$0**	**$0**	**$0**	**$0**	**$1,149,900**	**$5,225,628**
Less Non-Operating Revenues													
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 Operati	($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)**
SUBTOTAL NON-OPERATING REVE	**($192,000)**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**($192,000)**	**$0**	**$0**	**$0**	**$0**	**($192,000)**
NET REVENUE REQUIREMENTS	**$5,033,628**	**$2,540,002**	**$884,696**	**$223,223**	**$334,834**	**$92,973**	**$0**	**($192,000)**	**$0**	**$0**	**$0**	**$1,149,900**	**$5,033,628**
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**
NET RW COMMODITY REV BEFORE	**$5,033,628**	**$2,540,002**	**$884,696**	**$571,104**	**$856,655**	**$237,868**	**$0**	**-$192,000**	**$0**	**$116,846**	**$18,457**	**$0**	**$5,033,628**

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; 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
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

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" (ETo)
- ETo 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" (ETo)
- ETo 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.

Single / Multi-Family Residential

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[1]
Tier 4	Excessive	Over 150% of Total Water Budget

[1] Total Water Budget = Efficient Indoor + Efficient Outdoor

Commercial

TIER	DESCRIPTION
Tier 1	100% of Water Budget[1]
Tier 2	Over 100% to 150% of Total Water Budget
Tier 3	Over 150% of Total Water Budget

[1] Water Budget = 100% of two-year rolling average

Potable / Recycled Water Irrigation

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[1]	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, similiar 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[1]	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, similiar pass through adjustments will be applied when the actual amounts are determined.						

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.						

Sanitation - Residential Monthly Service Charge						
Household Size	Current	3/1/2021	1/1/2022	1/1/2023	1/1/2024	1/1/2025
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

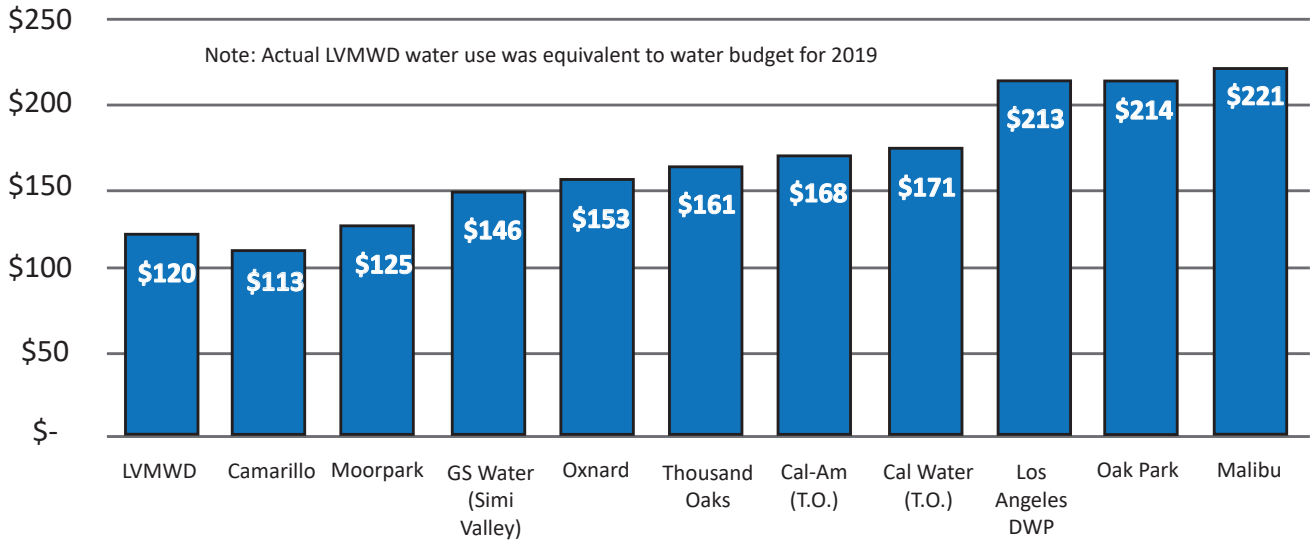
Sanitation - Commercial Monthly Account Service Charge						
	Current	3/1/2021	1/1/2022	1/1/2023	1/1/2024	1/1/2025
Class 1	$7.42	$7.70	$7.99	$8.29	$8.61	$8.94
Class 2	$7.42	$7.70	$7.99	$8.29	$8.61	$8.94
Class 3	$7.42	$7.70	$7.99	$8.29	$8.61	$8.94
Class 4	$7.42	$7.70	$7.99	$8.29	$8.61	$8.94

Sanitation - Commercial Monthly ERU Charges						
ERU Charges	Current	3/1/2021	1/1/2022	1/1/2023	1/1/2024	1/1/2025
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
ERU = Equivalent Residential Unit						

RATE COMPARISONS

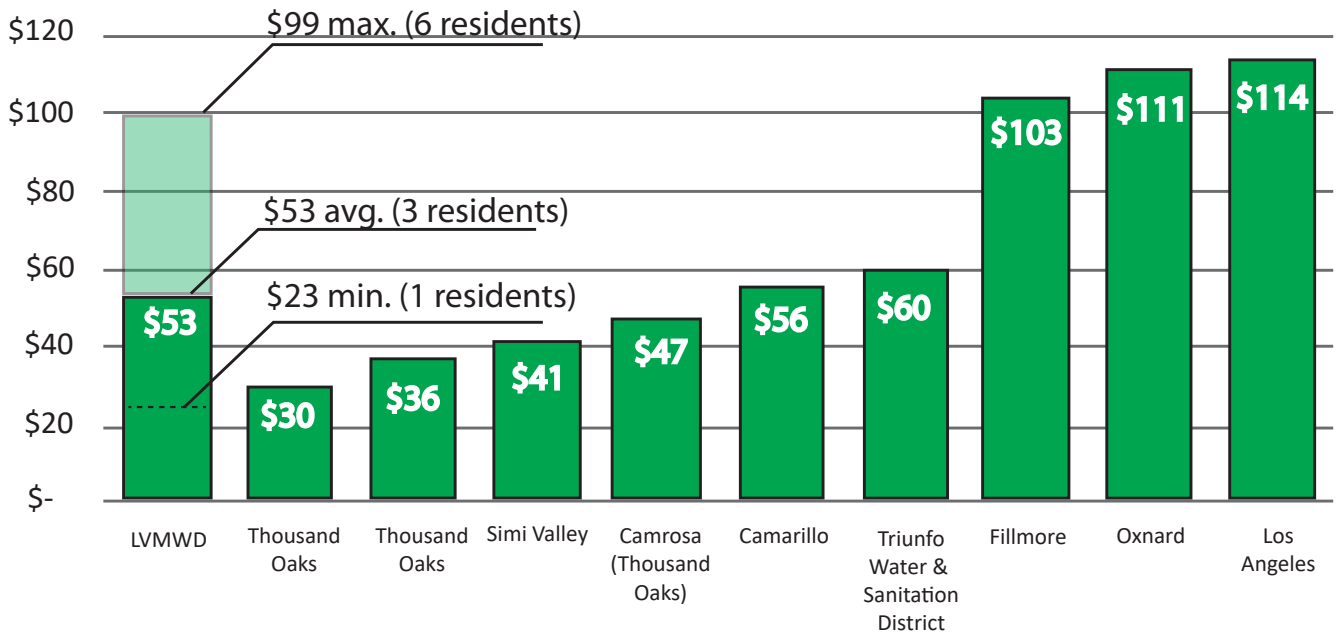
Many factors affect the cost of providing services. Costs vary among providers because many conditions differ from one area to another. Providers may be private entities operating for profit and regulated by the California Public Utilities Commission or public agencies required to establish rates based 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.

Water Rates Comparison with Neighboring Communities
(Monthly bills based on LVMWD average water budget = 26 hcf/month)



Monthly amounts reflect rates with other agencies assuming similiar water consumptions as LVMWD Customers Survey date: January 24, 2020

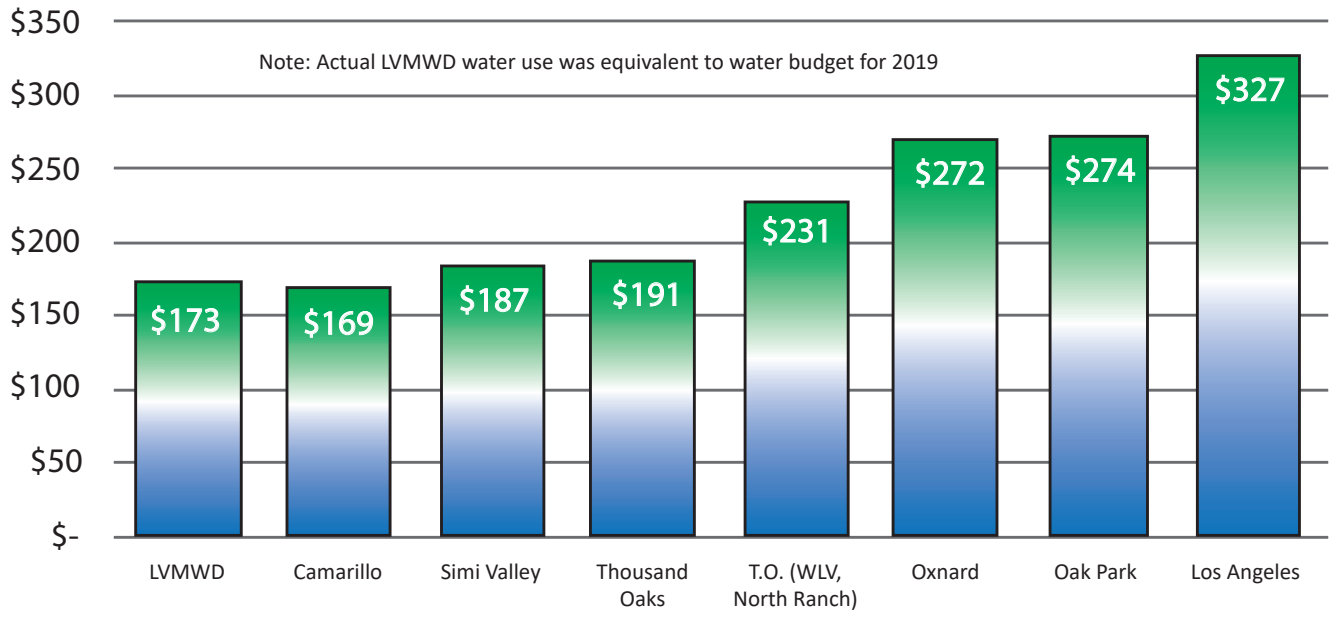
Sanitation Rates Comparison with Neighboring Communities
(Monthly bills based on LVMWD average of 3 residents/household and similar indoor water consumption estimates)



Survey date: January 24, 2020

Combined Water and Sanitation Rates Comparison

(Monthly bills based on LVMWD average water budget = 26 hcf/month & 3 residents/household)



Monthly amounts reflect rates with other agencies assuming similiar water consumptions as LVMWD Customers Survey date: January 24, 2020

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 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

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/u/adVDIkUo8C

- **January 21, 2021 – 7:00 p.m.**
  https://zoom.us/j/97163263245?pwd=OTFxcUdDTnp3TCtPQVJ3QlJLT2ZBZz09
  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/u/agk1JqehS

20201210-sb-22M

RESOLUTION NUMBER 2587

A RESOLUTION OF THE BOARD OF DIRECTORS OF LAS VIRGENES MUNICIPAL WATER DISTRICT REVISING POTABLE WATER, RECYCLED WATER, AND SANITATION RATES

WHEREAS, Las Virgenes Municipal Water District ("District") is a municipal water district established pursuant to Water Code section 71000 et seq.;

WHEREAS, the Board of Directors of the District ("Board") has previously adopted rules and regulations governing potable water service, recycled water service, and sanitation service, and has established rates for such services;

WHEREAS, the District purchases potable water from the Metropolitan Water District of Southern California ("MWD") to provide reliable potable water service to District customers. MWD imports water from two sources: the Colorado River through the Colorado River Aqueduct and Northern California through the California Aqueduct. Reductions in water supplies and restrictions on water imports have resulted, and will continue to result, in increases in the cost of the wholesale water and reductions in the reliability of supply of potable water the District purchases from MWD;

WHEREAS, in addition to the increased costs of imported potable water supply, the District anticipates current and projected cost increases for: (1) operations and maintenance ("O&M") of the potable water system, recycled water system and sanitation system, including increases in the cost of energy required to pump water, recycled water and treat and dispose of sewage within the District; and (2) ongoing repair, replacement, and upgrade for potable water system, recycled water system and sanitation system capital facilities;

WHEREAS, Water Code section 375 authorizes the District to adopt and enforce water conservation through rate structure design;

WHEREAS, the District has determined the amount of water required to satisfy the reasonably necessary requirements of each class of potable water and recycled water customers (for convenience, this allocation is hereafter sometimes referred to as a "water budget");

WHEREAS, the level of service for each class of sanitation customer is a function of the amount of water delivered to the customer and, therefore, is also affected by the water budget;

WHEREAS, the following rates for potable water service, recycled water service and sanitation service are calculated to recover the costs to provide potable water service, recycled water service, and sanitation service, respectively, and to allocate those costs among customer classes and service areas in proportion to the costs to the District imposed by such customer classes and service areas;

WHEREAS, the revenues derived from the potable water service, recycled water service, and sanitation service fees will not exceed the cost to provide potable water service, recycled water service and sanitation service, respectively, and revenues from such fees shall be used exclusively for the services for which the fees are charged;

WHEREAS, the respective fees will not exceed the proportional cost of the services attributable to each parcel upon which they are imposed;

WHEREAS, the potable water service fees will not be imposed on a parcel unless potable water services are actually used by, or immediately available to, the owner of the parcel;

WHEREAS, the recycled water service fees will not be imposed on a parcel unless recycled water services are actually used by, or immediately available to, the owner of the parcel;

WHEREAS, the sanitation service fees will not be imposed on a parcel unless sanitation services are actually used by, or immediately available to, the owner of the parcel;

WHEREAS, the District, as the lead agency under the California Environmental Quality Act ("CEQA"), in consultation with the District's Legal Counsel, prepared a Preliminary Exemption Assessment for this Resolution to evaluate its potential environmental impacts. The District determined this Resolution and the rates adopted by this resolution are exempt from further CEQA review under Public Resources Code section 21080(b)(8) and California Code of Regulations section 15273 because the water service fees are necessary and reasonable to pay for the administration, operation, maintenance, and improvements of the water systems and will not result in the expansion of the water systems;

WHEREAS, California Constitution Article XIII D, section 6 ("Article XIII D") requires that prior to increasing property-related fees, the District shall provide written notice (the "Notice") by mail of: (1) the proposed increases to such rates and charges to the record owner of each parcel upon which the rates and charges are proposed for imposition and any tenant directly liable for payment of the rates and charges; (2) the amount of the rates and charges proposed to be imposed on each parcel; (3) the basis upon which the rates and charges were calculated; (4) the reason for the rates and charges; and (5) the date, time, and location of a public hearing (the "Hearing") on the proposed rates and charges;

WHEREAS, pursuant to Article XIII D such Notice is required to be provided to the affected property owners and any tenant directly liable for the payment of the rates and charges not less than forty-five days prior to the Hearing on the proposed rates and charges;

WHEREAS, the District provided such Notice to the affected property owners and tenants of the proposed rates for the water service fees in compliance with Article XIII D;

WHEREAS, the District held public community meetings publicized by the District's website, and published notices, on January 14, 2021, January 21, 2021, and January 26, 2021 to review the proposed rate changes with members of the public who attended;

WHEREAS, the Hearing was held on this day, February 2, 2021; and

WHEREAS, at the Hearing the Board heard and considered all oral testimony, written materials, and written protests concerning the establishment and imposition of the proposed rate increases, and at the close of the Hearing the District did not receive written protests against the

establishment and imposition of the proposed rate increases from a majority of the affected property owners and tenants directly liable for the payment of the water service fees;

WHEREAS, due to the fiscal impacts referenced above, the Board has determined that it is in the best interests of the District to adopt the proposed increases to the rates for all customer classes of water service;

WHEREAS, the District has established comprehensive long range potable water, recycled water, and sanitation system master plans to create a reliable infrastructure and a sustainable water supply for existing customers; and

WHEREAS, the master plans identify fairly and accurately anticipated costs and revenues for water service, recycled water service, and sanitation service.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF LAS VIRGENES MUNICIPAL WATER DISTRICT DOES RESOLVE AS FOLLOWS:

SECTION 1: Findings. The board finds, determines and declares the above recitals are true.

SECTION 2: Amendment. Section 3-4.102 of Resolution No. 2475 is hereby amended and reenacted to read as follows:

"**3-4.102 READINESS TO SERVE CHARGE**

A potable water customer shall pay the following monthly readiness to serve charge based upon the size of the meter serving the property and effective with the date of service. This charge is to offset the cost of providing facilities to serve the customer and shall be paid whether the customer takes delivery of water or not.

Meter Size	**Commencing with Meter Reads on or after:**				
	3/1/2021	1/1/2022	1/1/2023	1/1/2024	1/1/2025
3/4"	$35.86	$37.66	$39.55	$41.53	$43.61
3/4" x 1"	$35.86	$37.66	$39.55	$41.53	$43.61
1"	$58.14	$61.05	$64.11	$67.32	$70.69
1 1/2"	$113.82	$119.52	$125.50	$131.78	$138.37
2"	$180.66	$189.70	$199.19	$209.15	$219.61
3"	$392.27	$411.89	$432.49	$454.12	$476.83
4"	$704.12	$739.33	$776.30	$815.12	$855.88
6"	$1,784.47	$1,873.70	$1,967.39	$2,065.76	$2,169.05
8"	$3,120.98	$3,277.03	$3,440.89	$3,612.94	$3,793.59
10"	$4,680.25	$4,914.27	$5,159.99	$5,417.99	$5,688.89

"

SECTION 3: Amendment. Section 3-4.103 of Resolution No. 2475 is hereby amended and reenacted to read as follows:

"**3-4.103 COMMODITY CHARGES**

(a) In addition to the readiness to serve charge, each customer shall pay a commodity charge for water delivered through each meter in a monthly period based on the class of customer, tier allotments, and the elevation zone within which the customer's property is located as follows.

(b) The District establishes individualized water budgets for each residential customer based on number of people in the household, irrigated area, evapotranspiration rate, and adjustments. Water budgets are calculated as indicated below:

Water budget = (number of people in household)(55 gallons per person per day)+(evapotranspiration rates)(ET adjustment factor)(square feet of irrigated area)(drought factor)

Tier allotments, stated in billing units, for residential class of customers are as follows:

Residential		
Tier 1	Efficient Indoor	Indoor Water Budget
Tier 2	Efficient Outdoor	Outdoor Water Budget
Tier 3	Inefficient	Over 100% to less than 150% of Total Water Budget
Tier 4	Excessive	150% or more of Total Water Budget
Total Budget = Efficient Indoor + Efficient Outdoor		

(c) Each residential customer shall pay a charge for the units of water delivered to offset the cost of delivery, as follows:

	Commencing with meter reads on or after:				
	3/1/2021	1/1/2022	1/1/2023	1/1/2023	1/1/2024
Tier 1	$3.14	$3.30	$3.47	$3.65	$3.84
Tier 2	$3.91	$4.11	$4.32	$4.54	$4.77
Tier 3	$4.58	$4.81	$5.06	$5.32	$5.59
Tier 4	$5.74	$6.03	$6.34	$6.66	$7.00

(Rates for Years commencing January 1, 2022 through January 1, 2024, will be adjusted from the rates herein to reflect changes in the cost of wholesale water from the MWD.)

(d) Tier allotments for irrigation class of customers are determined by irrigated areas and evapotranspiration rates. Water budgets are calculated as indicated below:

Water budget = (evapotranspiration rates)(ET adjustment factor)(square feet of irrigated area)(drought factor)

Tier allotments, stated in billing units, for irrigation class of customers are as follows:

Irrigation		
Tier 1	Efficient Outdoor	Outdoor Water Budget
Tier 2	Inefficient	Over 100% to less than 150% of Total Water Budget
Tier 3	Excessive	150% or more of Total Water Budget
Total Budget = Efficient Outdoor		

(e) Each irrigation customer shall pay a charge for the units of water delivered to offset the cost of delivery, as follows:

	Commencing with meter reads on or after:				
	3/1/2021	1/1/2022	1/1/2023	1/1/2024	1/1/2025
Tier 1	$3.91	$4.11	$4.32	$4.54	$4.77
Tier 2	$4.58	$4.81	$5.06	$5.32	$5.59
Tier 3	$5.74	$6.03	$6.34	$6.66	$7.00

(Rates for Years commencing January 1, 2022 through January 1, 2025, will be adjusted from the rates herein to reflect changes in the cost of wholesale water from the MWD.)

(f) Tier allotments for commercial class of customers are determined by individualized water budgets based on each customer's historical usage. Water budgets are calculated as indicated below:

Water budget = ((previous two-year rolling average)/(number of days in billing cycle))(drought factor)

Tier allotments, stated in billing units, for irrigation class of customers are as follows:

Commercial	
Tier 1	100% of Budget
Tier 2	Over 100% to less than 150% of Total Water Budget
Tier 3	150% or more of Total Water Budget
Total Water Budget = 100% of two-year rolling average.	

(g) Each customer shall pay a charge for the units of water delivered to offset the cost of delivery, as follows:

	Commencing with meter reads on or after:				
	3/1/2021	1/1/2022	1/1/2023	1/1/2024	1/1/2025
Tier 1	$3.66	$3.85	$4.05	$4.26	$4.48
Tier 2	$4.20	$4.41	$4.64	$4.88	$5.13
Tier 3	$6.43	$6.75	$7.09	$7.45	$7.83

(Rates for Years commencing January 1, 2022 through January 1, 2025, will be adjusted from the rates herein to reflect changes in the cost of wholesale water from the MWD.)

(h) Each customer shall pay a charge for each unit of water delivered to offset the cost of pumping as follows:

Zone	**Commencing with meter reads on or after:**				
	3/1/2021	3/1/2022	3/1/2023	3/1/2024	3/1/2025
Zone 1	$0.00	$0.00	$0.00	$0.00	$0.00
Zone 2	$0.47	$0.50	$0.53	$0.56	$0.59
Zone 3	$1.10	$1.16	$1.22	$1.29	$1.36
Zone 4	$1.80	$1.89	$1.99	$2.09	$2.20

(The elevation charge is determined by the highest zone the water is pumped to prior to reaching the customer.)

As used herein, the elevation zones are:

(a) Zone 1, which includes domestic water customers receiving water that does not require pumping above a hydraulic gradient of 1235′ prior to delivery to the customer. As used in this Title, Hydraulic Gradient (or H.G.) shall mean the maximum water elevation represented by the pressure in the water system, or the maximum surface elevation of the water in the reservoir serving the system.

(b) Zone 2, which includes domestic water customers receiving water that requires pumping to elevations between 1235' and 1700' prior to delivery to the customer.

(c) Zone 3, which includes domestic water customers receiving water that requires pumping to elevations between 1700' and 2200' prior to delivery to the customer.

(d) Zone 4, which includes domestic water customers receiving water that requires pumping to elevations greater than 2200' prior to delivery to the customer. "

SECTION 4: Amendment. Section 4-4.102 of Resolution No. 2475 is hereby amended and reenacted to read as follows:

"4-4.102 MONTHLY WATER RATES INSIDE THE DISTRICT

A customer obtaining permanent recycled water service for property located within the district shall pay the monthly water rates set forth below based upon the size of the meter serving the property. This charge is to offset the cost of providing facilities to serve the customer and shall be paid whether the customer takes delivery of water or not.

Meter Size	**Commencing with meter reads on or after:**				
	3/1/2021	1/1/2022	1/1/2023	1/1/2024	1/1/2025
3/4"	$28.79	$31.10	$33.59	$36.28	$39.19
¾" x 1"	$28.79	$31.10	$33.59	$36.28	$39.19
1"	$46.31	$50.02	$54.03	$58.36	$63.03
1-1/2"	$90.09	$97.30	$105.09	$113.50	$122.58
2"	$142.64	$154.06	$166.39	$179.71	$194.09
3"	$309.03	$333.76	$360.47	$389.31	$420.46
4"	$554.24	$598.58	$646.47	$698.19	$754.05
6"	$1,403.71	$1,516.01	$1,637.30	$1,768.29	$1,909.76
8"	$2,454.60	$2,650.97	$2,863.05	$3,092.10	$3,339.47
10"	$3,680.64	$3,975.10	$4,293.11	$4,636.56	$5,007.49

"

SECTION 5: Amendment. Section 4-4.103 of Resolution No. 2475 is hereby amended and reenacted to read as follows:

"**4-4.103 COMMODITY CHARGES**

(a) Each recycled water customer shall pay a commodity charge for water delivered through each meter in a monthly period based on the class of customer, tier allotments, and the elevation zone within which the customer's property is located as follows.

(b) The District establishes individualized water budgets for each recycled water customer based on irrigated area, evapotranspiration rate, and adjustments. Water budgets are calculated as indicated below:

Water budget = (evapotranspiration rates)(ET adjustment factor)(square feet of irrigated area)(drought factor)

Tier allotments for recycled water customers are determined by irrigated areas and evapotranspiration rates.

Tier 1	Efficient
Tier 2	Inefficient
Tier 3	Excessive

(c) Each customer shall pay a charge for the units of water delivered to offset the cost of delivery, as follows:

	Commencing with meter reads on or after:				
	3/1/2021	1/1/2022	1/1/2023	1/1/2024	1/1/2025
Tier 1	$1.24	$1.34	$1.45	$1.57	$1.70
Tier 2	$2.61	$2.82	$3.05	$3.30	$3.57
Tier 3	$4.97	$5.37	$5.80	$6.27	$6.78

(d) Each customer shall pay a charge for each unit of water delivered to offset the cost of pumping as follows:

Zone	**Commencing with meter reads on or after:**				
	1/1/2016	1/1/2017	1/1/2018	1/1/2019	1/1/2020
LV Valley	$0.00	$0.00	$0.00	$0.00	$0.00
Western System/ Calabasas	$0.30	$0.33	$0.36	$0.39	$0.43

"

SECTION 7: Amendment. Section 5-4.102 of Resolution No. 2475 is hereby amended and reenacted to read as follows:

"**5-4.102 RESIDENTIAL SERVICE CHARGES**

(a) Each sanitation customer assigned to the Single and Multi-Family Class shall pay a monthly service charge to offset the cost of collection, treatment, and disposal of sewage and administrative cost.

(b) The service charge shall be based on the number of persons per household as follows:

	Commencing with meter reads on or after:				
Number of Persons	3/1/2021	1/1/2022	1/1/2023	1/1/2024	1/1/2025
1	$23.59	$24.48	$25.40	$26.36	$27.35
2	$39.47	$40.96	$42.50	$44.10	$45.76
3	$55.36	$57.44	$59.60	$61.84	$64.16
4	$71.24	$73.92	$76.70	$79.58	$82.57
5	$87.12	$90.39	$93.78	$97.30	$100.95
6 or more	$103.01	$106.88	$110.89	$115.05	$119.37

"

SECTION 9: Amendment. Section 5-4.103 of Resolution No. 2475 is hereby amended and reenacted to read as follows:

"**5-4.103 NON-RESIDENTIAL SERVICE CHARGES**

(a) Each non-residential sewer customer shall pay a monthly account charge to offset the cost of administering the customer's account as follows:

Commencing with meter reads on or after:				
3/1/2021	1/1/2022	1/1/2023	1/1/2024	1/1/2025
$7.70	$7.99	$8.29	$8.61	$8.94

(b) The monthly service charge for non-residential developments shall be based upon the quality and quantity of water reaching the sewer as follows:

		Commencing with meter reads on or after:				
		3/1/2021	1/1/2022	1/1/2023	1/1/2024	1/1/2025
Inclusive of hcf/ERU		ERU Charges				
6.6	Class 1	$46.19	$47.93	$49.73	$51.60	$53.54
6.6	Class 2	$63.68	$66.07	$68.55	$71.13	$73.80
6.6	Class 3	$84.32	$87.49	$90.78	$94.19	$97.73
6.6	Class 4	$106.11	$110.09	$114.22	$118.51	$122.96

Excess hcf/ERU		Excess ERU ($/hcf)				
6.6	Class 1	$7.01	$7.28	$7.56	$7.85	$8.15
6.6	Class 2	$9.65	$10.02	$10.40	$10.79	$11.20
6.6	Class 3	$12.78	$13.26	$13.76	$14.28	$14.82
6.6	Class 4	$16.08	$16.69	$17.32	$17.97	$18.65

"

SECTION 10: Effective Dates.

A. Commencing upon March 1, 2021, and on January 1 of each fiscal year thereafter, and pursuant to Government Code section 53756, fees established by this resolution shall be adjusted, following notice as required by law, to incorporate and pass though wholesale water rate increases imposed by the Metropolitan Water District.

B. This resolution is effective March 1, 2021, and applies to potable and recycled water sold, and sanitation services rendered after this date.

PASSED, APPROVED, AND ADOPTED on February 2, 2021.

_____
Jay Lewitt, President

ATTEST:

_____
Lee Renger, Secretary

(SEAL)

APPROVED AS TO FORM:

_____
W. Keith Lemieux, District Counsel

February 2, 2021 LVMWD Regular Board Meeting

TO: Board of Directors

FROM: Finance & Administration

Subject : Potable Water Standby Charge: Adoption

SUMMARY:

On November 17, 2020, the Board adopted Resolution No. 2585, regarding the District's intent to continue the Water Replacement Fund Standby Charge pursuant to the Municipal Water District Law of 1911. On January 5, 2021, a public hearing was conducted for proposed Ordinance No. 283, as it relates to continuation of the Standby Charge for the fiscal year commencing on July 1, 2021, and the proposed Ordinance was given first reading by title only. There were no pubic comments. At this time, staff recommends that the Board adopt the Ordinance.

RECOMMENDATION(S):

Waive the full reading and give second reading by title only; pass, approve and adopt proposed Ordinance No. 283 as it relates to continuation of the Water Replacement Fund Standby Charge for Fiscal Year 2021-22; and order publication within 15 days of adoption using a summary of the Ordinance.

ORDINANCE NO. 283 (SECOND READING AND ADOPTION)

AN ORDINANCE OF THE BOARD OF DIRECTORS OF LAS VIRGENES MUNICIPAL WATER DISTRICT AS IT RELATES TO STANDBY CHARGES FOR THE FISCAL YEAR COMMENCING JULY 1, 2021

(Reference is hereby made to Ordinance No. 283 on file in the District's Ordinance Book and by this reference the same is incorporated herein.)

FISCAL IMPACT:

Yes

ITEM BUDGETED:

Yes

FINANCIAL IMPACT:

The continuation of the Water Replacement Fund Standby Charge is expected to provide approximately $510,000 in revenue during Fiscal Year 2021-22 to support the Potable Water Replacement Fund.

GOALS:

Ensure Effective Utilization of the Public's Assets and Money

Prepared by: Angela Saccareccia, Finance Manager

ATTACHMENTS:

Proposed Ordinance No. 283

ORDINANCE NO. 283

AN ORDINANCE OF THE BOARD OF DIRECTORS OF LAS VIRGENES MUNICIPAL WATER DISTRICT AS RELATES TO STANDBY CHARGES FOR THE FISCAL YEAR COMMENCING JULY 1, 2021

BE IT ORDAINED BY THE BOARD OF DIRECTORS OF LAS VIRGENES MUNICIPAL WATER DISTRICT as follows:

Section 1. Purpose

This ordinance fixes and continues a standby charge to be levied against each lot or parcel within the district for the fiscal year commencing July 1, 2021, for the purpose of financing the district's potable water replacement program. This charge is imposed pursuant to the Municipal Water District Law.

Section 2. Findings

The Board of Directors finds, determines and declares as follows:

(a) The board has provided a duly published and mailed notice of public hearing and has conducted a public hearing to consider adoption of a standby assessment;

(b) The board has considered the written and oral comments presented by interested parties concerning the assessment;

(c) The district has approved a categorical exemption for the project under the California Environmental Quality Act because the charges are not designed to increase or expand services;

(d) The standby assessment will be used to pay for a portion of the cost of the potable water replacement programs instituted by the district. Revenue generated from the standby charge does not exceed the cost of the program.

(e) The report of a qualified engineer that forms the basis for the standby charge in on file with the District;

(f) It is in the best interests of the district and the community which it serves to pay for a portion of water programs from the proceeds of standby assessments because landowners benefit from maintaining available water supply.

Section 3. Standby Charge

An annual standby charge in the amount of $10.00 per acre for parcels over one acre, and $10.00 for each parcel of land of less than one acre is hereby levied against all land within the district for the fiscal year commencing July 1, 2021. A description of the lands (by assessor parcel number) affected by the assessment is on file with the secretary.

Section 4. Collection

The Board of Supervisors and Auditor of the County of Los Angeles are hereby directed to levy, collect and remit to the district this standby charge at the time and in the manner required by law for the levying of taxes for county purposes.

Section 5. Deferrals

(a) A property owner may request a complete or partial deferral from the standby charge by filing a written request by April 12th, 2021 during the fiscal year for which the deferral is sought. The deferral shall be processed and evaluated in accordance with this section.

(b) The following property is eligible for deferral:

(i) Property owned and occupied by a federal, state or local governmental agency.

(ii) Property permanently dedicated to open-space.

(iii) Property which cannot use water supplied by the district due to restrictions imposed by deed or governmental agencies with land use jurisdiction.

(iv) Property which cannot reasonably be expected to derive any benefit from facilities constructed with the proceeds of the water standby charge.

(c) If the general manager approves the request, the charges paid by the applicant shall be refunded and no charge shall be levied for subsequent years. The applicant shall execute an agreement to repay the charges with interest if the property ceases to be eligible for the deferral. The agreement shall be recorded.

(d) If the general manager denies the request, the applicant may appeal denial of the deferral by the general manager by filing a written request for review within 10-days after the general manager's decision. The board shall promptly consider the request for review. The decision of the board shall be final.

(e) The general manager shall adopt reasonable rules and regulations to implement this section.

PASSED, APPROVED and **ADOPTED** on_____, 2021

_____
Jay Lewitt
President

ATTEST:

_____
Lee Renger
Secretary

APPROVED AS TO FORM:

_____
W. Keith Lemieux
District Counsel

(SEAL)

February 2, 2021 LVMWD Regular Board Meeting

TO: Board of Directors

FROM: Engineering and External Affairs

Subject : Update on Collections Policies, Procedures and Outstanding Debt

SUMMARY:

Customer Service and Finance staff have been working together to update and expand the District's collections policies and procedures. With Board approval of a contract with Continental Credit Control for collections services on January 7, 2020, staff has started to implement new collection procedures for closed accounts with unpaid balances.

RECOMMENDATION(S):

Receive and file an update on the District's collections policies, procedures and outstanding debt.

FISCAL IMPACT:

No

ITEM BUDGETED:

Yes

FINANCIAL IMPACT:

There is no financial impact associated with this action.

DISCUSSION:

The District endeavors to collect on all outstanding debt to ensure that payment is received for services rendered. Collection efforts, which are referred to Continental Credit Control, have and continue to be focused on closed accounts for customers who relocate outside the District's service area. Unpaid balances for customers who relocate within the District's service area must be paid before new service is initiated.

Following is a summary of the District's collections procedures for unpaid, closed accounts:

- Collection Letter No. 1 is mailed to the customer seven days after the due date of a closing bill and a late fee is assessed to the account.
- If an email address is available, an email is also sent to the customer advising of the outstanding balance due.
- Collection Letter No. 2, advising the customer that their account remains past due and further action will be taken, is sent if there is no response from the customer within 14 days of the first notice.
- Over the next 30-day period, skip tracing is performed to locate the customer.
- If the account remains unpaid, Collection Letter No. 3 is sent to advise the customer that their account has been reported to a credit reporting agency and that their credit may be negatively affected if payment is not received timely.

With the award of the contract to Continental Credit Control, staff has updated the collection policies and practices for the District's closed accounts. These changes include the following:

- Greater emphasis on tracing customers and contacting them by phone, email and U.S. mail.
- Monthly referral of accounts that remain unpaid after 90 days of being closed to the collections agency.
- Monthly reporting to the Board on the number of accounts and total dollar amount written off and reported to the collection agency, together with a summary of the total debt amount recovered.
- Monthly reporting of bad debt payments made to the collection agency on closed accounts.

For Fiscal Year 2020-21, 181 accounts, in the aggregate amount of $84,486, have been written off as bad debt and referred to Continental Credit Control for collections. The District will receive a monthly report and payment from Continental Credit Control on any bad debt recovered. The collections fee charged to the District ranges from 25% to 35%, depending on the level of action needed to obtain payment. Any payments received via the collections agency will be applied to the District's bad debt account and used to offset the amount of bad debt that is written off (expensed).

GOALS:

Ensure Effective Utilization of the Public's Assets and Money

Prepared by: Ursula Bosson, Customer Service Manager, and Angela Saccareccia, Finance Manager