

## **IMPORTANT NOTICE**

Attached is a revised March 15, 2022 SCV Water Regular Board meeting packet, please note that Item 7.2 from the original packet was moved to Item 6.4 under the Consent Calendar, there were no other changes. Login information remains the same.

Thank you.



**SCV**  
**WATER**



# SCV WATER AGENCY TELECONFERENCE REGULAR BOARD MEETING

**TUESDAY, MARCH 15, 2022**  
**START TIME: 6:30 PM (PST)**

Join the Board meeting from your  
computer, tablet or smartphone:  
<https://scvwa.zoomgov.com/j/1605635774>

-OR-

Listen in Toll Free by Phone  
+1-(833)-568-8864  
Webinar ID: 160 563 5774

**To participate in public comment from your computer, tablet, or smartphone:**

When the Board President announces the agenda item you wish to speak on, click the “**raise hand**” feature in Zoom\*. You will be notified when it is your turn to speak.

**To participate in public comment via phone:**

When the Board President announces the agenda item you wish to speak on, **dial \*9 to raise your hand**. Phone participants will be called on by the **LAST TWO digits** of their phone number. **When it is your turn to speak, dial \*6 to unmute**. When you are finished with your public comment dial **\*6 to mute**.

Can't attend? If you wish to still have your comments/concerns addressed by the Board of Directors, all written public comments can be submitted by 4:30 PM the day of the meeting by either e-mail or mail.\*\* Please send all written comments to the Board Secretary. Refer to the Board Agenda for more information.

\*For more information on how to use Zoom go to [support.zoom.us](https://support.zoom.us) or for “raise hand” feature instructions, visit <https://support.zoom.us/hc/en-us/articles/205566129-Raise-Hand-In-Webinar>

\*\*All written comments received after 4:30 PM the day of the meeting will be posted to [yourscvwater.com](https://yourscvwater.com) the next day. Public comments can also be heard the night of the meeting.

**Please Note:** Pursuant to the provisions of AB 361 this meeting is being held remotely. The SCV Water Board will continue to hold remote Board and Committee meetings due to the continuing State of Emergency for COVID-19 and state and local official's continuance to impose or recommend measures to promote social distancing. The public may not attend meetings in person. The public may use the above methods to attend and participate in the public Board meetings.

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**REVISED**

**SANTA CLARITA VALLEY WATER AGENCY  
REGULAR BOARD MEETING AGENDA**

**SANTA CLARITA VALLEY WATER AGENCY  
RIO VISTA WATER TREATMENT PLANT  
BOARD AND TRAINING ROOM  
27234 BOUQUET CANYON ROAD  
SANTA CLARITA, CA 91350**

**TELECONFERENCE ONLY  
NO PHYSICAL LOCATION FOR MEETING**

**TUESDAY, MARCH 15, 2022, AT 6:30 PM**

**TELECONFERENCING NOTICE**

Pursuant to the provisions of AB 361 this meeting is being held remotely. The SCV Water Board will continue to hold remote Board and Committee meetings due to the continuing State of Emergency for COVID-19 and state and local official's continuance to impose or recommend measures to promote social distancing. Any Director may call into the Agency Board meeting using the **Agency's Call-In Number 1-(833)-568-8864, Webinar ID: 160 563 5774 or Zoom Webinar by clicking on the link <https://scvwa.zoomgov.com/j/1605635774>** without otherwise complying with the Brown Act's teleconferencing requirements.

The public may not attend the meeting in person. Any member of the public may listen to the meeting or make comments to the Board using the call-in number or Zoom Webinar link above. Please see the notice below if you have a disability and require an accommodation in order to participate in the meeting.

**If the State of Emergency for COVID-19 expires prior to this meeting and after the posting of this Agenda, this meeting will be held in person at the above listed address.**

We request that the public submit any comments in writing if practicable, which can be sent to [ajacobs@scvwa.org](mailto:ajacobs@scvwa.org) or mailed to April Jacobs, Board Secretary, Santa Clarita Valley Water Agency, 27234 Bouquet Canyon Road, Santa Clarita, CA 91350. All written comments received before 4:30 PM the day of the meeting will be distributed to the Board members and posted on the Santa Clarita Valley Water Agency website prior to the start of the meeting. Anything received after 4:30 PM the day of the meeting will be made available at the meeting and will be posted on the SCV Water website the following day.

**OPEN SESSION BEGINS AT 6:30 PM**

- 1. CALL TO ORDER**
- 2. PLEDGE OF ALLEGIANCE**

**3. PUBLIC COMMENTS** – Members of the public may comment as to items within the subject matter jurisdiction of the Agency that are not on the Agenda at this time. Members of the public wishing to comment on items covered in this Agenda may do so at the time each item is considered. (Comments may, at the discretion of the Board’s presiding officer, be limited to three minutes for each speaker.) Members of the public wishing to comment on items covered in Closed Session before they are considered by the Board must request to make comment at the commencement of the meeting at 6:30 PM.

**4. APPROVAL OF THE AGENDA**

**5. SPECIAL PROCEDURES PAGE**

5.1	Public Hearing on Division Boundaries Adjustment as Required by Election Code	
5.2 *	Approve a Resolution Adopting Division Boundaries as Required by the Election Code	7

**6. CONSENT CALENDAR PAGE**

6.1 *	Approve Minutes of the March 1, 2022 Santa Clarita Valley Water Agency Regular Board of Directors Meeting	15
6.2 *	Approve Receiving and Filing of October 2021 Monthly Financial Report – <a href="https://yourscvwater.com/wp-content/uploads/2022/02/Check-Register-October-2021.pdf">https://yourscvwater.com/wp-content/uploads/2022/02/Check-Register-October-2021.pdf</a>	21
6.3 *	Approve Receiving and Filing of November 2021 Monthly Financial Report – <a href="https://yourscvwater.com/wp-content/uploads/2022/02/Check-Register-November-2021-1.pdf">https://yourscvwater.com/wp-content/uploads/2022/02/Check-Register-November-2021-1.pdf</a>	39
6.4 *	Approve Adoption of a Resolution for Volunteer Personnel Workers’ Compensation Insurance	57

**7. ACTION ITEMS FOR APPROVAL PAGE**

7.1 *	Approve a Resolution Revising Wholesale Water Rates	61
7.2 *	Approve a Revised COVID-19 Supplemental Paid Sick and Emergency Administrative Leave Policy to Comply with SB 114	117
7.3 *	Approve a Resolution Concurring in Nomination of Scott H. Quady of Calleguas Municipal Water District for the JPIA Captive Insurance Board	125
7.4 *	Consider and Approve Returning to In Person Meetings as of April 1, 2022 for all SCV Water Board and Committee Meetings	131

**8. GENERAL MANAGER’S REPORT ON ACTIVITIES, PROJECTS AND PROGRAMS**

**9. COMMITTEE MEETING RECAP REPORT FOR INFORMATIONAL PURPOSES ONLY PAGE**

9.1 *	February 28, 2022 Rescheduled Finance and Administration Committee Meeting Report	133
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**10. PRESIDENT’S REPORT**

**11. AB 1234 WRITTEN AND VERBAL REPORTS PAGE**

11.1 *	March 3, 2022 Special Districts Association of North Los Angeles County Executive Board Meeting – Director Armitage	139
11.2 *	March 3, 2022 Meeting with Chief Financial and Administrative Officer Eric Campbell and Ratepayer Advocate – Director Colley	143
11.3 *	March 4, 2022 NWRRA Federal Affairs Committee – Vice President Gladbach	145
11.4	Other AB 1234 Reports	

**12. CLOSED SESSION – SEPARATE DIAL-IN PHONE NUMBER WILL BE PROVIDED TO THE BOARD AND APPROPRIATE STAFF**

- 12.1 Conference with Legal Counsel – Existing Litigation – Paragraph (1) of Subdivision (d) of Government Code Section 54956.9, Santa Clarita Valley Water Agency v. Whittaker Corporation, Case No: 2:18-cv-6825 SB (RAOx)

**OPEN SESSION CONTINUES WITH THE LINK/PHONE NUMBER LISTED  
ON THE FIRST PAGE OF THIS AGENDA**

**13. CLOSED SESSION ANNOUNCEMENTS**

**14. DIRECTOR REQUESTS FOR FUTURE AGENDA ITEMS**

**15. ADJOURNMENT**

- \* Indicates Attachment
- ◆ Indicates Handout

**Note: The Board reserves the right to discuss or take action or both on all of the above Agenda items.**

**NOTICES**

Any person may make a request for a disability-related modification or accommodation needed for that person to be able to participate in the public meeting by telephoning April Jacobs, Secretary to the Board of Directors, at (661) 297-1600, or in writing to Santa Clarita Valley Water Agency at 27234 Bouquet Canyon Road, Santa Clarita, CA 91350. Requests must specify the nature of the disability and the type of accommodation requested. A telephone number or other contact information should be included so that Agency staff may discuss appropriate arrangements. Persons requesting a disability-related accommodation should make the request with adequate time before the meeting for the Agency to provide the requested accommodation.

March 15, 2022

Page 4 of 4

Pursuant to Government Code Section 54957.5, non-exempt public records that relate to open session agenda items and are distributed to a majority of the Board less than seventy-two (72) hours prior to the meeting will be available for public inspection at the Santa Clarita Valley Water Agency, located at 27234 Bouquet Canyon Road, Santa Clarita, CA 91350, during regular business hours. When practical, these public records will also be made available on the Agency's Internet Website, accessible at <http://www.yourscvwater.com>.

Posted on March 9, 2022.

MBS



# BOARD MEMORANDUM

**DATE:** March 15, 2022  
**TO:** Board of Directors  
**FROM:** Steve Cole *SM*  
Assistant General Manager  
**SUBJECT:** Approve a Resolution Adopting Division Boundaries as Required by the Election Code

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### SUMMARY/DISCUSSION

The Santa Clarita Valley Water Agency is required by the Agency's Act and Elections Code Section 22000 et seq. to adjust the boundaries of the Agency's electoral divisions every 10 years after each federal decennial census so that the divisions are as equal in population as practicable and that they comply with federal and state voting rights laws.

The Agency's consultant presented the decennial census population information to the Agency Board of Directors at a public special Board meeting on October 27, 2021, and held two public hearings, as required by the Elections Code, on the potential adjustment of division boundaries on January 25, 2022 and this meeting on March 15, 2022 respectively. The approved map must be submitted to the Los Angeles County Registrar of Voters by April 17, 2022.

As part of the adjustment of division boundaries, the Board may consider maintaining communities of interest, geography, topography, compactness, planned growth, and preserving the core of existing divisions, among other principles. Federal and state law also requires that the divisions be as equal in population as practicable and comply with state and federal voting rights laws. The process must also not draw divisions to favor or disfavor political incumbents, candidates, or political parties.

Census data from 2020 shows the current division boundaries still result in an almost perfectly balanced population distribution, with less than 1% difference between any of the three. Even with expected growth at the mid-decade point, the existing divisions are projected to be close to population balance. The Agency's consultant presented this information to the Board, which included an updated existing division map that includes two very small recent annexations.

Based on this data and previous Board discussions, the Board consensus was to maintain the current division map with the minor alterations.

### FINANCIAL CONSIDERATIONS

None.

### RECOMMENDATION

That the Board of Directors approve the attached resolution adopting the Agency division boundaries.

Attachment

*M65*



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RESOLUTION NO. \_\_\_\_\_

**RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE SANTA CLARITA VALLEY WATER AGENCY  
ADJUSTING DIVISION BOUNDARIES  
FOLLOWING 2020 DECENNIAL FEDERAL CENSUS**

**WHEREAS**, the Santa Clarita Valley Water Agency is required by the Agency's Act and Elections Code Section 22000 et seq. to adjust the boundaries of the Agency's electoral divisions after each federal decennial census so that the divisions are as equal in population as practicable and that they comply with federal and state voting rights laws; and

**WHEREAS**, the Agency's consultant presented the decennial census population information to the Agency Board of Directors at a public special Board meeting on October 27, 2021, and held public hearings, as required by the Elections Code, on the potential adjustment of division boundaries on January 25, 2022 and March 15, 2022; and

**WHEREAS**, the Board of Directors considered the information provided and the many factors that may be taken into consideration in determining how to adjust division boundaries, including the information in the staff reports, maps, and presentations; and

**WHEREAS**, the Agency's demographer presented information that demonstrates that the growth patterns in the Agency's service area since the last census have been nearly equally dispersed between the existing division boundaries; and

**WHEREAS**, the Board of Directors has determined that the existing divisions, with minor changes to include certain small areas that were recently annexed, meet the requirements of existing state and federal law; and

**WHEREAS**, the Board of Directors finds that the proposed adjusted boundaries of the divisions in Exhibit A (Attached) are as nearly equal in population as possible and comply with state and federal law.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the Santa Clarita Valley Water Agency does hereby adopt the existing boundaries of the Agency divisions set forth in Exhibit A to this Resolution and hereby does direct the timely filing thereof with the County of Los Angeles Registrar/Recorder and the County of Ventura Registrar/Recorder.

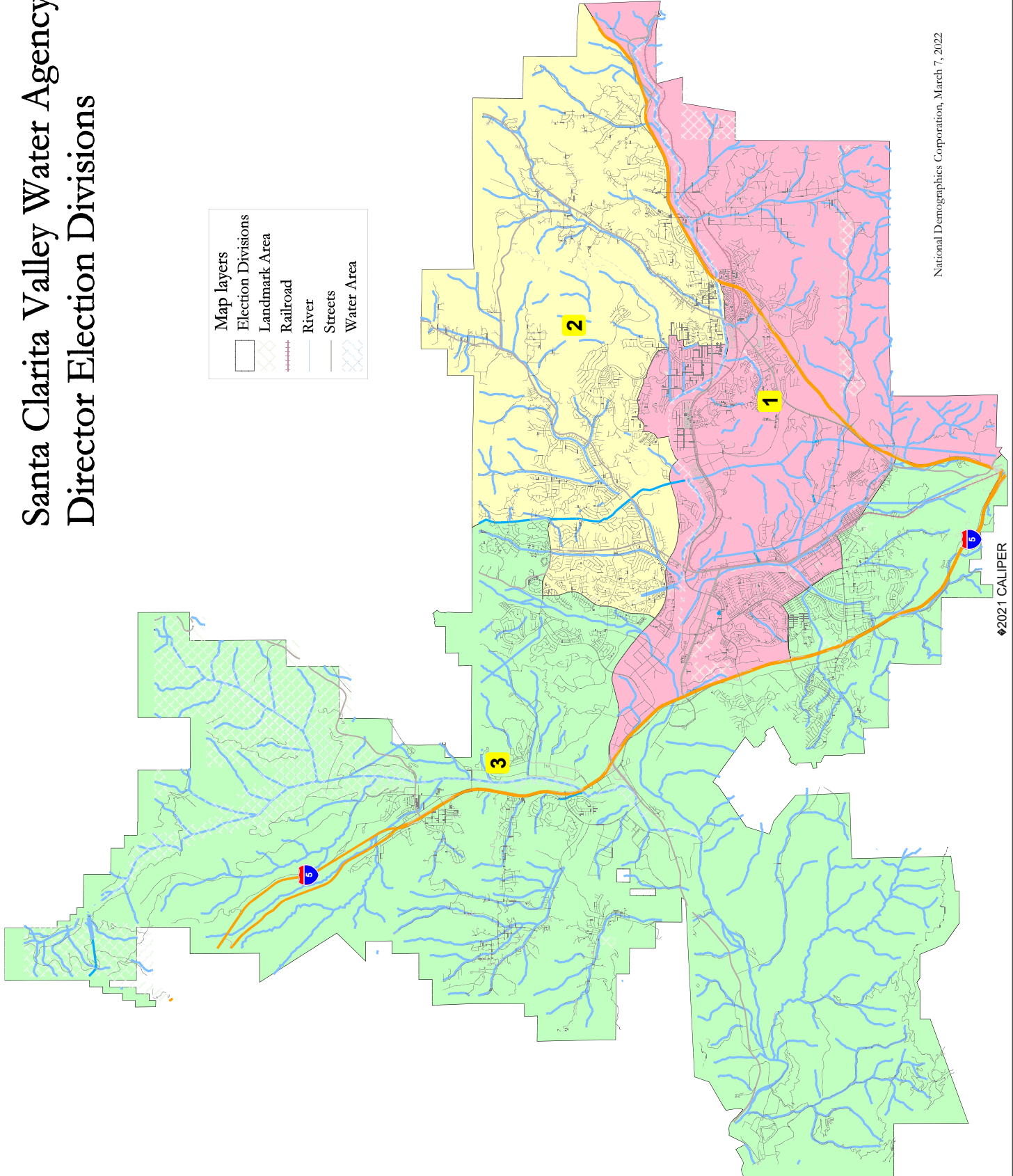
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**EXHIBIT A**

**Map of SCVWA Service Area Showing Division Boundaries**

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# Santa Clarita Valley Water Agency Director Election Divisions



National Demographics Corporation, March 7, 2022

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Minutes of the Regular Meeting of the Board of Directors of the Santa Clarita Valley Water Agency – March 1, 2022

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A regular meeting of the Board of Directors of the Santa Clarita Valley Water Agency was held via teleconference at 6:30 PM on Tuesday, March 1, 2022. A copy of the Agenda is inserted in the Minute Book of the Agency preceding these minutes.

**DIRECTORS PRESENT:** Kathye Armitage, B. J. Atkins, Beth Braunstein, Ed Colley, William Cooper, Jeff Ford, Jerry Gladbach, R. J. Kelly, Gary Martin, Dan Mortensen, Piotr Orzechowski and Lynne Plambeck via teleconference.

**DIRECTORS ABSENT:** None.

Also present via teleconference: Accounting Tech II Kyle Arnold, Administrative Technician Terri Bell, Assistant General Manager Steve Cole, Associate Engineer Elizabeth Sobczak, Board Secretary April Jacobs, Chief Engineer Courtney Mael, Chief Financial and Administrative Officer Eric Campbell, Chief Operating Officer Keith Abercrombie, Communications Manager Kathie Martin, Controller Amy Aguer, Data Scientist Najwa Pitois, Director of Finance and Administration Rochelle Patterson, Director of Technology Services Cris Perez, Executive Assistants Eunie Kang and Leticia Quintero, Financial Analyst Darine Conner, General Counsel Tom Bunn and Joe Byrne, General Manager Matthew Stone, Interim Director of Water Resources Dirk Marks, Management Analyst I Liza Moncada, Principal Engineers Brent Payne and Jason Yim, Right of Way Agent Kristina Jacob, Senior Engineers Shadi Bader and Orlando Moreno, Senior Management Analyst Kim Grass, Water Systems Supervisor Gil Hermosillo, and members of the public.

President Martin called the meeting to order at 6:30 PM. A quorum was present.

President Martin announced that there was no need to go into Closed Session therefore Items 12 and 13 would not be covered. There were no other changes to the March 1, 2022 Board Agenda and it was accepted as shown (Item 4).

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Upon motion of Vice President Mortensen, seconded by Director Cooper and carried, the Board approved the Consent Calendar including Resolution No's SCV-255, SCV-256, SCV-257, SCV-258, SCV-259, SCV-260, SCV-261, SCV-262 and SCV-263 by the following roll call votes (Item 5):

Director Armitage	Yes	Director Atkins	Yes
Director Braunstein	Yes	Director Colley	Yes
Director Cooper	Yes	Director Ford	Yes
Vice President Gladbach	Yes	Director Kelly	Yes
President Martin	Yes	Vice President Mortensen	Yes
Director Orzechowski	Yes	Director Plambeck	Yes

**RESOLUTION NO. SCV-255**

**RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE SANTA CLARITA VALLEY WATER AGENCY**



**APPROVING, PURSUANT TO THE I-5 HOV/TRUCK LANES PROJECT EIR, FUNDING FOR  
A CONSTRUCTION COST OF PITCHESS PIPELINE MODIFICATIONS DURING THE I-5  
NORTH CAPACITY ENHANCEMENTS PROJECT TO LOS ANGELES COUNTY  
METROPOLITAN TRANSPORTATION AUTHORITY**

<https://yourscvwater.com/wp-content/uploads/2022/03/SCV-Water-Approved-Resolution-030122-Resolution-SCV-255.pdf>

**RESOLUTION NO. SCV-256**

**JOINT RESOLUTION OF  
THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES,  
THE BOARD OF DIRECTORS OF THE SANTA CLARITA VALLEY WATER AGENCY  
APPROVING AND ACCEPTING THE NEGOTIATED EXCHANGE OF PROPERTY TAX  
REVENUES RESULTING FROM ANNEXATION OF TRACT 60259 TO COUNTY LIGHTING  
MAINTENANCE DISTRICT 1687**

<https://yourscvwater.com/wp-content/uploads/2022/03/SCV-Water-Approved-Resolution-030122-Resolution-SCV-256.pdf>

**RESOLUTION NO. SCV-257**

**JOINT RESOLUTION OF  
THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES,  
THE BOARD OF DIRECTORS OF THE SANTA CLARITA VALLEY WATER AGENCY  
APPROVING AND ACCEPTING THE NEGOTIATED EXCHANGE OF PROPERTY TAX  
REVENUES RESULTING FROM ANNEXATION OF TRACT 60259 TO COUNTY LIGHTING  
MAINTENANCE DISTRICT 1687**

<https://yourscvwater.com/wp-content/uploads/2022/03/SCV-Water-Approved-Resolution-030122-Resolution-SCV-257.pdf>

**RESOLUTION NO. SCV-258**

**JOINT RESOLUTION OF  
THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES,  
THE BOARD OF TRUSTEES OF THE GREATER LOS ANGELES COUNTY VECTOR  
CONTROL DISTRICT, THE BOARD OF DIRECTORS OF THE SANTA CLARITA VALLEY  
WATER AGENCY APPROVING AND ACCEPTING THE  
NEGOTIATED EXCHANGE OF PROPERTY TAX REVENUES  
RESULTING FROM ANNEXATION OF TRACT 60259  
TO COUNTY LIGHTING MAINTENANCE DISTRICT 1687**

<https://yourscvwater.com/wp-content/uploads/2022/03/SCV-Water-Approved-Resolution-030122-Resolution-SCV-258.pdf>

**RESOLUTION NO. SCV-259**

**JOINT RESOLUTION OF  
THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES,  
THE BOARD OF TRUSTEES OF THE GREATER LOS ANGELES COUNTY VECTOR  
CONTROL DISTRICT, THE BOARD OF DIRECTORS OF THE SANTA CLARITA VALLEY  
WATER AGENCY APPROVING AND ACCEPTING THE  
NEGOTIATED EXCHANGE OF PROPERTY TAX REVENUES  
RESULTING FROM ANNEXATION OF TRACT 60259  
TO COUNTY LIGHTING MAINTENANCE DISTRICT 1687**

<https://yourscvwater.com/wp-content/uploads/2022/03/SCV-Water-Approved-Resolution-030122-Resolution-SCV-259.pdf>

**RESOLUTION NO. SCV-260**

**JOINT RESOLUTION OF  
THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES,  
THE BOARD OF TRUSTEES OF THE GREATER LOS ANGELES COUNTY VECTOR  
CONTROL DISTRICT, THE BOARD OF DIRECTORS OF THE SANTA CLARITA VALLEY  
WATER AGENCY APPROVING AND ACCEPTING THE  
NEGOTIATED EXCHANGE OF PROPERTY TAX REVENUES  
RESULTING FROM ANNEXATION OF TRACT 60259  
TO COUNTY LIGHTING MAINTENANCE DISTRICT 1687**

<https://yourscvwater.com/wp-content/uploads/2022/03/SCV-Water-Approved-Resolution-030122-Resolution-SCV-260.pdf>

**RESOLUTION NO. SCV-261**

**JOINT RESOLUTION OF  
THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES,  
THE BOARD OF TRUSTEES OF THE GREATER LOS ANGELES COUNTY VECTOR  
CONTROL DISTRICT, THE BOARD OF DIRECTORS OF THE SANTA CLARITA VALLEY  
WATER AGENCY APPROVING AND ACCEPTING THE  
NEGOTIATED EXCHANGE OF PROPERTY TAX REVENUES  
RESULTING FROM ANNEXATION OF TRACT 60259  
TO COUNTY LIGHTING MAINTENANCE DISTRICT 1687**

<https://yourscvwater.com/wp-content/uploads/2022/03/SCV-Water-Approved-Resolution-030122-Resolution-SCV-261.pdf>

**RESOLUTION NO. SCV-262**

**JOINT RESOLUTION OF  
THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES,  
THE BOARD OF TRUSTEES OF THE GREATER LOS ANGELES COUNTY VECTOR  
CONTROL DISTRICT, THE BOARD OF DIRECTORS OF THE SANTA CLARITA VALLEY  
WATER AGENCY APPROVING AND ACCEPTING THE  
NEGOTIATED EXCHANGE OF PROPERTY TAX REVENUES  
RESULTING FROM ANNEXATION OF TRACT 60259**

**TO COUNTY LIGHTING MAINTENANCE DISTRICT 1687**

<https://yourscvwater.com/wp-content/uploads/2022/03/SCV-Water-Approved-Resolution-030122-Resolution-SCV-262.pdf>

**RESOLUTION NO. SCV-263**

**JOINT RESOLUTION OF  
THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES,  
THE BOARD OF TRUSTEES OF THE GREATER LOS ANGELES COUNTY VECTOR  
CONTROL DISTRICT, THE BOARD OF DIRECTORS OF THE SANTA CLARITA VALLEY  
WATER AGENCY APPROVING AND ACCEPTING THE  
NEGOTIATED EXCHANGE OF PROPERTY TAX REVENUES  
RESULTING FROM ANNEXATION OF TRACT 60259  
TO COUNTY LIGHTING MAINTENANCE DISTRICT 1687**

<https://yourscvwater.com/wp-content/uploads/2022/03/SCV-Water-Approved-Resolution-030122-Resolution-SCV-263.pdf>

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Upon motion of Director Cooper, seconded by Vice President Gladbach and carried, the Board authorized the General Manager to issue a purchase order to Hazen and Sawyer, Inc. in the amount not to exceed \$898,833 for final design services for the proposed PFAS groundwater treatment improvements for the existing T7, U4 and U6 Wells, VOC groundwater treatment for the existing Saugus 1 and 2 Wells, and a new disinfection facility to be located at the existing SCVWA Rio Vista Intake Pump Station by the following roll call votes (Item 6.1):

Director Armitage	Yes	Director Atkins	Yes
Director Braunstein	Yes	Director Colley	Yes
Director Cooper	Yes	Director Ford	Yes
Vice President Gladbach	Yes	Director Kelly	Yes
President Martin	Yes	Vice President Mortensen	Yes
Director Orzechowski	Yes	Director Plambeck	Yes

Upon motion of Director Plambeck, seconded by Director Kelly and carried, the Board voted to continue virtual meetings pursuant to AB 361 for an additional 30 days based on the findings that (1) found that a state of emergency related to COVID-19 is currently in effect and (2) Los Angeles County officials continue to impose or recommend measures to promote social distancing by the following roll call votes (Item 6.2):

Director Armitage	Yes	Director Atkins	Yes
Director Braunstein	Yes	Director Colley	No
Director Cooper	No	Director Ford	Yes
Vice President Gladbach	Yes	Director Kelly	Yes
President Martin	No	Vice President Mortensen	No
Director Orzechowski	No	Director Plambeck	Yes

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**Committee Meeting Recap Reports for Informational Purposes Only (Item 7).**

Director Orzechowski had a question on Item 7.2 pertaining to Kerns and West and the work they are doing for the Agency. There was a brief discussion on this item.

There were no other comments on the recap reports.

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**Written Reports for Informational Purposes Only (Item 8).**

Director Armitage had comments on (1) the Finance, Administration and Information Technology Section Report pertaining to Cyber Security Training, (2) the Water Resources and Outreach Section Report on the HOA engagement efforts, (3) the potential collaboration with the City to use the underground infiltration basins near the Via Princessa Metrolink Station to capture stormwater for recharge purposes and (4) had a question about the meeting with the Hart School District to promote the purple prep recycled water program on how many schools would be involved. Lastly, she mentioned the award the Agency just received on the work that was done on the Budget and congratulated the Finance Team.

There were no other comments on the written reports.

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**President's Report (Item 9).**

The President updated the Board on upcoming meetings, events and Board reminders.

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**AB 1234 Written and Verbal Reports (Item 10).**

Written reports were submitted by Directors Ford and Plambeck which were included in the Board packet. Additional written reports were submitted by President Martin and Directors Armitage and Plambeck which were posted on the SCV Water website and are part of the record.

Director Plambeck reported that she attended the Planning and Conservation League Assembly on February 24, 2022, a written report was also submitted and posted to the SCV Water website.

Director Cooper reported that he virtually attended the ACWA Groundwater Committee meeting on February 16, 2022 and the ACWA Water Quality Committee February 17, 2022.

There were no other AB 1234 Reports.

**Director Reports (Item 11).**

Director Armitage acknowledged Human Resources for all their hard work related to COVID. She also mentioned that she listened to a webinar hosted by the California Special District Association on creating partnerships with schools, specifically high schools. She stated it was

very interesting and there was a lot of good information and strategies that were shared, she wanted to know who she should reach out to so that she can share that information. Lastly, she mentioned that she attended a virtual presentation by SCV Water's Sustainability Manager Matt Dickens given to the students at College of the Canyons Institute of Sustainability. She thought it was a very well done and glad to see the outreach with our local community college.

There were no other Director reports.

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Items 12 and 13 were removed from the Agenda and there was no discussion.

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**Director Requests for Approval for Event Attendance (Item 14).**

There were no Director requests for event attendance.

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The meeting was adjourned at 8:06 PM (Item 15).

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April Jacobs, Board Secretary

ATTEST:

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President of the Board



# Monthly Financial Report

## OCTOBER 2021

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# Statement of Revenues and Expenses



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SCV Water  
Statement of Revenues and Expenses  
For the 4th Period Ending 10.31.21

	(A)			(B)			(C)			(D)			(E)			(F)			(G)			(H)		
	Actual	Budget	Variance	Percent	Actual	Budget	Variance	Percent	Actual	Budget	Variance	Percent	Actual	Budget	Variance	Percent	Actual	Budget	Variance	Percent	Actual	Budget	Variance	Percent
(1)	\$ 8,262,843	\$ 6,830,416	\$ 1,432,427	21%	Water Sales				\$ 35,150,499	\$ 27,321,664	\$ 7,828,835	29%	\$ 1,060,999	\$ 1,442,622	\$ (381,623)	(26%)	\$ 35,150,499	\$ 27,321,664	\$ 7,828,835	29%	\$ 1,060,999	\$ 1,442,622	\$ (381,623)	(26%)
(2)	7,842	5,699	2,143	38%	Water Sales - WWWR				31,496	22,797	8,699	38%	6,114,586	5,697,661	416,925	7%	31,496	22,797	8,699	38%	6,114,586	5,697,661	416,925	7%
(3)	50,666	34,037	16,629	49%	Water Sales - Recycled				213,016	136,148	76,868	56%	713,487	801,288	(87,800)	(11%)	213,016	136,148	76,868	56%	713,487	801,288	(87,800)	(11%)
(4)	144	80,000	(79,856)	(100%)	Misc Fees and Charges				19,345	320,000	(300,655)	(94%)	3,827,802	3,852,237	(24,436)	(1%)	19,345	320,000	(300,655)	(94%)	3,827,802	3,852,237	(24,436)	(1%)
(5)	\$ 8,321,496	\$ 6,950,152	\$ 1,371,343	20%	<b>Total Operating Revenues</b>				\$ 35,414,356	\$ 27,800,610	\$ 7,613,746	27%	\$ 35,414,356	\$ 27,800,610	\$ 7,613,746	27%	\$ 35,414,356	\$ 27,800,610	\$ 7,613,746	27%	\$ 35,414,356	\$ 27,800,610	\$ 7,613,746	27%
(6)	\$ 630,408	\$ 381,539	\$ 248,870	65%	<b>Operating Expenses</b>				\$ 1,060,999	\$ 1,442,622	\$ (381,623)	(26%)	\$ 1,060,999	\$ 1,442,622	\$ (381,623)	(26%)	\$ 1,060,999	\$ 1,442,622	\$ (381,623)	(26%)	\$ 1,060,999	\$ 1,442,622	\$ (381,623)	(26%)
(7)	2,627,823	1,619,740	1,008,083	62%	Management				6,114,586	5,697,661	416,925	7%	6,114,586	5,697,661	416,925	7%	6,114,586	5,697,661	416,925	7%	6,114,586	5,697,661	416,925	7%
(8)	224,869	242,518	(17,649)	(7%)	Finance, Admin & IT				713,487	801,288	(87,800)	(11%)	713,487	801,288	(87,800)	(11%)	713,487	801,288	(87,800)	(11%)	713,487	801,288	(87,800)	(11%)
(9)	1,276,519	1,112,723	163,796	15%	Customer Care				3,827,802	3,852,237	(24,436)	(1%)	3,827,802	3,852,237	(24,436)	(1%)	3,827,802	3,852,237	(24,436)	(1%)	3,827,802	3,852,237	(24,436)	(1%)
(10)	864,284	1,173,438	(309,155)	(26%)	Trans & Distribution				2,718,570	4,480,972	(1,762,402)	(39%)	2,718,570	4,480,972	(1,762,402)	(39%)	2,718,570	4,480,972	(1,762,402)	(39%)	2,718,570	4,480,972	(1,762,402)	(39%)
(11)	500,470	914,829	(414,359)	(45%)	Pumping Wells & Storage				1,377,964	3,259,300	(1,881,336)	(58%)	1,377,964	3,259,300	(1,881,336)	(58%)	1,377,964	3,259,300	(1,881,336)	(58%)	1,377,964	3,259,300	(1,881,336)	(58%)
(12)	-	973,418	(973,418)	(100%)	Water Resources				467,647	3,893,673	(3,426,026)	(88%)	467,647	3,893,673	(3,426,026)	(88%)	467,647	3,893,673	(3,426,026)	(88%)	467,647	3,893,673	(3,426,026)	(88%)
(13)	1,125,012	1,115,026	9,986	1%	Source of Supply				3,457,705	1,247,148	2,210,557	181%	3,457,705	1,247,148	2,210,557	181%	3,457,705	1,247,148	2,210,557	181%	3,457,705	1,247,148	2,210,557	181%
(14)	462,937	372,105	90,833	24%	Water Quality, Treatment & Maintenance				1,183,401	1,247,148	(63,747)	(5%)	1,183,401	1,247,148	(63,747)	(5%)	1,183,401	1,247,148	(63,747)	(5%)	1,183,401	1,247,148	(63,747)	(5%)
(15)	\$ 7,712,323	\$ 7,905,337	\$ (193,014)	(2%)	<b>Total Operating Expenses</b>				\$ 20,922,160	\$ 28,355,772	\$ (7,433,612)	(26%)	\$ 20,922,160	\$ 28,355,772	\$ (7,433,612)	(26%)	\$ 20,922,160	\$ 28,355,772	\$ (7,433,612)	(26%)	\$ 20,922,160	\$ 28,355,772	\$ (7,433,612)	(26%)
(16)	\$ 609,173	\$ (955,184)	\$ 1,564,358	(164%)	<b>Net Operating Revenues (Expenses)</b>				\$ 14,492,196	\$ (555,163)	\$ 15,047,358	(2710%)	\$ 14,492,196	\$ (555,163)	\$ 15,047,358	(2710%)	\$ 14,492,196	\$ (555,163)	\$ 15,047,358	(2710%)	\$ 14,492,196	\$ (555,163)	\$ 15,047,358	(2710%)
(17)	\$ 2,125,330	\$ 1,539,378	\$ 585,952	38%	<b>Non-Operating Revenues and (Expenses)</b>				\$ 3,627,704	\$ 6,157,513	\$ (2,529,809)	(41%)	\$ 3,627,704	\$ 6,157,513	\$ (2,529,809)	(41%)	\$ 3,627,704	\$ 6,157,513	\$ (2,529,809)	(41%)	\$ 3,627,704	\$ 6,157,513	\$ (2,529,809)	(41%)
(18)	(798,789)	(3,935,736)	3,136,947	(80%)	Non-Operating Revenues <sup>1</sup>				(3,139,156)	(15,742,945)	12,603,789	(80%)	(3,139,156)	(15,742,945)	12,603,789	(80%)	(3,139,156)	(15,742,945)	12,603,789	(80%)	(3,139,156)	(15,742,945)	12,603,789	(80%)
(19)	-	-	-	0%	Capital Improvement Projects - Pay Go				(32,007,788)	(29,707,904)	(2,299,885)	8%	(32,007,788)	(29,707,904)	(2,299,885)	8%	(32,007,788)	(29,707,904)	(2,299,885)	8%	(32,007,788)	(29,707,904)	(2,299,885)	8%
(20)	\$ 1,326,541	\$ (2,396,358)	\$ 3,722,899	(155%)	Debt Service				\$ (31,519,240)	\$ (39,293,336)	\$ 7,774,096	(20%)	\$ (31,519,240)	\$ (39,293,336)	\$ 7,774,096	(20%)	\$ (31,519,240)	\$ (39,293,336)	\$ 7,774,096	(20%)	\$ (31,519,240)	\$ (39,293,336)	\$ 7,774,096	(20%)
(21)	\$ 1,935,714	\$ (3,351,542)	\$ 5,287,257	(158%)	<b>Increase (Decrease) in Net Position</b>				\$ (17,027,044)	\$ (39,848,498)	\$ 22,821,454	(57%)	\$ (17,027,044)	\$ (39,848,498)	\$ 22,821,454	(57%)	\$ (17,027,044)	\$ (39,848,498)	\$ 22,821,454	(57%)	\$ (17,027,044)	\$ (39,848,498)	\$ 22,821,454	(57%)

Monthly Changes of more than 10% and \$20,000

- (a) Overall consumption was higher than anticipated - mainly residential and irrigation customers due to hot/dry October temperatures
- (b) Late Fees/Disconnects suspended due to COVID executive order
- (c) Perchlorate Litigation expenses higher than budgeted
- (d) Higher emergency main line and service line repair expenses - budgeted evenly
- (e) BMP implementation is under budget due to the continuation of COVID-19 related public health and safety measures resulting in lower conservation program participation
- (f) Firming Programs - started to ramp up in November
- (g) More engineering time has been allocated to standard specification and process improvement, with a smaller percentage allocated to CIP.
- (h) Non-Operating Revenues are higher due to higher than budgeted Facility Capacity Fee receipts
- (i) Timing of capital projects vary from month to month

<sup>1</sup>Non-Operating Revenues include: Grants & Reimbursements, 1% Property Tax, Cell Sites, FCF, Lab Revenues, Interest Income

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# Ten Largest Disbursements Check Register

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**SCV Water**  
**Ten Largest Disbursements**  
**October 1, 2021 to October 31, 2021**

No.	Supplier_Name	Invoice_Description	Payment_Amount
	Association Of California Water Agencies Joint Power Insurance Authority	Auto & GL Program Renewal 10/1/2021-9/30/2022	1,161,321.75
<b>1</b>	<b>Association Of California Water Agencies Joint Power Insurance Authority</b>		<b>1,161,321.75</b>
	Department of Water Resources	August Variable 2021	640,554.00
<b>2</b>	<b>Department of Water Resources</b>		<b>640,554.00</b>
	Pacific Tank & Construction, Inc.	Retention - S16-702 Vista Cyn. PH2B S16-702 (1000076) Vista Cyn PH2B #73404	375,758.91 261,415.10
<b>3</b>	<b>Pacific Tank &amp; Construction, Inc.</b>		<b>637,174.01</b>
	Nossaman, LLP	Perchlorate July 2021 VOCLGL PERCH Ins Jul VOCLGL Arbitration Settlement July	323,778.35 128.00 2,703.00
<b>4</b>	<b>Nossaman, LLP</b>		<b>326,609.35</b>
	Rosedale-Rio Bravo Water Storage District	July & August 2021 PG&E / O&M	223,545.50
<b>5</b>	<b>Rosedale-Rio Bravo Water Storage District</b>		<b>223,545.50</b>
	So. California Edison Co.	Acct-4924 9/17/21	191,866.61
<b>6</b>	<b>So. California Edison Co.</b>		<b>191,866.61</b>
	GSE Construction Company Inc.	Valley Center Well PFAS Groundwater Treatment Improvements - Progress Payment #05	163,495.00
<b>7</b>	<b>GSE Construction Company Inc.</b>		<b>163,495.00</b>
	So. California Edison Co.	Acct-5589 9/21/21	147,566.49
<b>8</b>	<b>So. California Edison Co.</b>		<b>147,566.49</b>
	Evoqua Water Technologies, LLC.	Filtration Media RVWTP	143,795.42
<b>9</b>	<b>Evoqua Water Technologies, LLC.</b>		<b>143,795.42</b>
	Filippin Engineering, Inc.	Services through 8/31/2021 Services through 9/17/21 Skyline Ranch Services through 4/30/21 Metrolink Services through 5/31/21 Metrolink Services through 7/31/21 61105-12 Services through 8/14/21 61105-12 Services through 8/31/21 61105-12 Services through 6/30/21 61105-12 Services through 5/31/21 FIVEPOINT IN-TRACT 2A Services through 7/17/21 6115-12 Services through 7/17/21 61105-16 Services through 7/17/21 61105-16 Services through 8/14/21 61105-16 Services through 7/17/21 61105-17 Services through 7/17/21 Tract 61105-02 Services through 7/17/21 Mission Village Services through 8/31/21 61105-18 Services through 8/14/21 61105-18 Services through 7/31/21 61105-18 Services through 7/17/21 61105-18 Services through 9/17/21 61105-16 Services through 8/31/21 61105-16 VWD6781 thru 6/30/21	13,524.00 7,644.00 6,530.75 6,100.50 2,719.50 2,719.50 73.50 22,890.84 15,390.70 73.50 2,058.00 12,507.50 2,457.00 2,976.75 441.00 294.00 1,617.00 2,278.50 6,541.50 6,468.00 13,597.50 9,988.65 294.00
<b>10</b>	<b>Filippin Engineering, Inc.</b>		<b>139,186.19</b>
<b>Total</b>			<b>3,775,114.32</b>
<b>Total-All Checks Issued During October 2021</b>			<b>7,744,651.44</b>
<b>Largest Ten Vendor Payments as Compared to Total</b>			<b>49%</b>

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# Director Stipends



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**DIRECTORS STIPENDS PAID IN NOVEMBER 2021**  
For the Month of October 2021

**Director Kathy Armitage**

Date	Meeting	Amount
10/05/21	Regular Board Meeting	\$239.00
10/11/21	Executive Board Meeting Special Districts Assoc. of Northern LA County	\$0.00
10/11/21	Ad Hoc Board Technology & Remote Public Participation Committee Meeting	\$239.00
10/19/21	Regular Board Meeting	\$239.00
10/21/21	Public Outreach and Legislation Committee Meeting	\$239.00
10/27/21	Special Board Meeting	\$239.00
	<b>Stipend Total</b>	<b>\$1,195.00</b>
	<b>Total Paid Days</b>	<b>5</b>
	<b>Total Meetings</b>	<b>6</b>

**Director B. J. Atkins**

Date	Meeting	Amount
10/05/21	Regular Board Meeting	\$239.00
10/13/21	Water Resources and Watershed Committee Meeting	\$239.00
10/19/21	Regular Board Meeting	\$239.00
10/20/21	SCV-GSA Special Board Meeting	\$239.00
10/21/21	Public Outreach and Legislation Committee Meeting	\$239.00
10/27/21	Special Board Meeting	\$239.00
	<b>Stipend Total</b>	<b>\$1,434.00</b>
	<b>Total Paid Days</b>	<b>6</b>
	<b>Total Meetings</b>	<b>6</b>

**Director Beth Braunstein**

Date	Meeting	Amount
10/05/21	Regular Board Meeting	\$239.00
10/18/21	Finance and Administration Committee Meeting	\$239.00
10/19/21	Regular Board Meeting	\$239.00
10/21/21	AWA 29th Annual Water Symposium	\$239.00
10/27/21	Special Board Meeting	\$239.00
	<b>Stipend Total</b>	<b>\$1,195.00</b>
	<b>Total Paid Days</b>	<b>5</b>
	<b>Total Meetings</b>	<b>5</b>

**Director Ed Colley**

Date	Meeting	Amount
10/05/21	Regular Board Meeting	\$239.00
10/13/21	Water Resources and Watershed Committee Meeting	\$239.00
10/18/21	Finance and Administration Committee Meeting	\$239.00
10/19/21	Regular Board Meeting	\$239.00
10/27/21	Special Board Meeting	\$239.00
	<b>Stipend Total</b>	<b>\$1,195.00</b>
	<b>Total Paid Days</b>	<b>5</b>
	<b>Total Meetings</b>	<b>5</b>

**Director William Cooper**

Date	Meeting	Amount
10/05/21	Regular Board Meeting	\$239.00
10/07/21	Engineering and Operations Committee Meeting	\$239.00
10/11/21	Ad Hoc Board Technology & Remote Public Participation Committee Meeting	\$239.00
10/13/21	Water Resources and Watershed Committee Meeting	\$239.00
10/19/21	Regular Board Meeting	\$239.00
10/20/21	SCV-GSA Special Board Meeting	\$239.00
10/22/21	ACWA Committee Appointments Meeting	\$239.00
10/25/21	Agenda Planning Meeting	\$239.00
10/27/21	Special Board Meeting	\$239.00
	<b>Stipend Total</b>	<b>\$2,151.00</b>
	<b>Total Paid Days</b>	<b>9</b>
	<b>Total Meetings</b>	<b>9</b>

**Director Jeff Ford**

Date	Meeting	Amount
10/05/21	Regular Board Meeting	\$239.00
10/07/21	Engineering and Operations Committee Meeting	\$239.00
10/13/21	Water Resources and Watershed Committee Meeting	\$239.00
10/19/21	Regular Board Meeting	\$239.00
10/27/21	Special Board Meeting	\$239.00
	<b>Stipend Total</b>	<b>\$1,195.00</b>
	<b>Total Paid Days</b>	<b>5</b>
	<b>Total Meetings</b>	<b>5</b>

**Director Jerry Gladbach**

Date	Meeting	Amount
10/01/21	NWRA Federal Affairs Committee Meeting	\$239.00
10/05/21	Regular Board Meeting	\$239.00
10/11/21	Ad Hoc Board Technology & Remote Public Participation Committee Meeting	\$239.00
10/13/21	Water Resources and Watershed Committee Meeting	\$239.00
10/19/21	Regular Board Meeting	\$239.00
10/20/21	SCV-GSA Special Board Meeting	\$239.00
10/21/21	Public Outreach and Legislation Committee Meeting	\$239.00
10/25/21	Agenda Planning Meeting	\$239.00
10/27/21	Special Board Meeting	\$239.00
10/28/21	ACWA/NWRA Organization Meetings	\$239.00
	<b>Stipend Total</b>	<b>\$2,390.00</b>
	<b>Total Paid Days</b>	<b>10</b>
	<b>Total Meetings</b>	<b>10</b>

**Director Gary Martin**

Date	Meeting	Amount
10/05/21	Regular Board Meeting	\$239.00
10/07/21	Engineering and Operations Committee Meeting	\$239.00
10/18/21	Finance and Administration Committee Meeting	\$239.00
10/19/21	Regular Board Meeting	\$239.00
10/20/21	SCV-GSA Special Board Meeting	\$239.00
10/21/21	AWA 29th Annual Water Symposium	\$239.00
10/25/21	Agenda Planning Meeting	\$239.00
10/27/21	Special Board Meeting	\$239.00
	<b>Stipend Total</b>	<b>\$1,912.00</b>
	<b>Total Paid Days</b>	<b>8</b>
	<b>Total Meetings</b>	<b>8</b>

**Director Piotr Orzechowski**

Date	Meeting	Amount
10/05/21	Regular Board Meeting	\$239.00
10/07/21	Engineering and Operations Committee Meeting	\$239.00
10/11/21	Ad Hoc Board Technology & Remote Public Participation Committee Meeting	\$239.00
10/19/21	Regular Board Meeting	\$239.00
10/27/21	Special Board Meeting	\$239.00
	<b>Stipend Total</b>	<b>\$1,195.00</b>
	<b>Total Paid Days</b>	<b>5</b>
	<b>Total Meetings</b>	<b>5</b>

<b>TOTAL PAID DAYS</b>	<b>75</b>
<b>TOTAL MEETINGS</b>	<b>76</b>
<b>TOTAL STIPENDS</b>	<b>\$17,925.00</b>

**Director R. J. Kelly**

Date	Meeting	Amount
10/05/21	Regular Board Meeting	\$239.00
10/18/21	Finance and Administration Committee Meeting	\$239.00
10/19/21	Regular Board Meeting	\$239.00
10/21/21	Public Outreach and Legislation Committee Meeting	\$239.00
10/27/21	Special Board Meeting	\$239.00
	<b>Stipend Total</b>	<b>\$1,195.00</b>
	<b>Total Paid Days</b>	<b>5</b>
	<b>Total Meetings</b>	<b>5</b>

**Director Dan Mortensen**

Date	Meeting	Amount
10/05/21	Regular Board Meeting	\$239.00
10/18/21	Finance and Administration Committee Meeting	\$239.00
10/19/21	Regular Board Meeting	\$239.00
10/25/21	Agenda Planning Meeting	\$239.00
10/27/21	Special Board Meeting	\$239.00
	<b>Stipend Total</b>	<b>\$1,195.00</b>
	<b>Total Paid Days</b>	<b>5</b>
	<b>Total Meetings</b>	<b>5</b>

**Director Lynne Plambeck**

Date	Meeting	Amount
10/05/21	Regular Board Meeting	\$239.00
10/07/21	Engineering and Operations Committee Meeting	\$239.00
10/11/21	Ad Hoc Board Technology & Remote Public Participation Committee Meeting	\$239.00
10/19/21	Regular Board Meeting	\$239.00
10/20/21	SCV-GSA Special Board Meeting	\$239.00
10/21/21	Public Outreach and Legislation Committee Meeting	\$239.00
10/27/21	Special Board Meeting	\$239.00
	<b>Stipend Total</b>	<b>\$1,675.00</b>
	<b>Total Paid Days</b>	<b>7</b>
	<b>Total Meetings</b>	<b>7</b>

# Director Reimbursements

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**CA Govt. Code Section 53065.5**

**List of Reimbursement for "Individual Charges" = \$100 or more**

**Annual Disclosure for Fiscal Year 20/21** AP Transactions Updated as of: **10/31/21**

**DIRECTORS** P- Card (VISA) Transactions Updated as of: **10/31/21** \*Dec PCard transactions affect Jan cash.

<b>Date of Reimbursement</b>	<b>Recipient of Reimbursement</b>	<b>Reason for Reimbursement</b>	<b>Amount of Reimbursement</b>
10/07/21	Martin, Gary	UWI Board Meeting & Conference, Costa Mesa - 9/8-9/9/21 - Expense (Meals, Lodging)	187.06
10/07/21	Martin, Gary	UWI Board Meeting & Conference, Costa Mesa - 9/8-9/9/21 - Travel Expense (Mileage, Parking)	119.64
10/27/21	Orzechowski, Piotr	CSDA Leadership Academy Conference, Lake Tahoe - 9/26-9/29/21 - Expense (Lodging)	560.58
10/27/21	Orzechowski, Piotr	CSDA Leadership Academy Conference, Lake Tahoe - 9/26-9/29/21 - Travel Expense (Mileage, Parking)	507.00

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# Monthly Financial Report

## NOVEMBER 2021



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# Statement of Revenues and Expenses

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**SCV Water**  
**Statement of Revenues and Expenses**  
**For the 5th Period Ending 11.30.21**

	(A)		(B)		(C)		(D)		(E)	(F)		(G)		(H)
	Actual		Budget		Variance	Percent	Variance	Percent		Actual	Budget	Variance	Percent	
(1)	\$ 7,485,465	\$ 5,976,614	\$ 1,508,851	25% (a)	Water Sales			\$ 42,635,964	\$ 33,298,278	\$ 9,337,686	28%	(1)		
(2)	7,813	5,689	2,113	37% (a)	Water Sales - WWR			39,309	28,497	10,812	38%	(2)		
(3)	28,801	34,037	(5,236)	(15%) (b)	Water Sales - Recycled			241,817	170,185	71,632	42%	(3)		
(4)	901	70,000	(69,099)	(99%) (b)	Misc Fees and Charges			20,246	390,000	(369,754)	(95%)	(4)		
(5)	<u>\$ 7,522,980</u>	<u>\$ 6,086,350</u>	<u>\$ 1,436,629</u>	<u>24%</u>	<b>Total Operating Revenues</b>			<u>\$ 42,937,336</u>	<u>\$ 33,886,960</u>	<u>\$ 9,050,376</u>	<u>27%</u>	(5)		
					<b>Operating Expenses</b>									
(6)	\$ 1,536,473	\$ 353,695	\$ 1,182,779	334% (c)	Management			\$ 2,597,472	\$ 1,796,317	\$ 801,156	45%	(6)		
(7)	1,405,590	1,354,957	50,633	4%	Finance, Admin & IT			7,520,176	7,052,617	467,559	7%	(7)		
(8)	242,202	186,257	55,945	30% (d)	Customer Care			955,689	987,544	(31,855)	(3%)	(8)		
(9)	964,329	1,032,871	(68,542)	6%	Trans & Distribution			4,792,131	4,765,108	27,022	1%	(9)		
(10)	2,219,072	1,033,125	1,185,947	115% (e)	Pumping Wells & Storage			4,937,642	5,514,097	(576,455)	(10%)	(10)		
(11)	502,302	780,490	(278,189)	(36%) (f)	Water Resources			1,880,265	4,039,790	(2,159,525)	(53%)	(11)		
(12)	941,132	971,118	(29,987)	(3%)	Source of Supply			1,408,778	4,864,791	(3,456,013)	(71%)	(12)		
(13)	1,352,480	861,584	490,896	57% (e)	Water Quality, Treatment & Maintenance			4,810,186	4,542,456	267,730	6%	(13)		
(14)	476,051	291,681	184,370	63% (g)	Engineering Services			1,659,452	1,538,829	120,623	8%	(14)		
(15)	<u>\$ 9,639,631</u>	<u>\$ 6,745,778</u>	<u>\$ 2,893,853</u>	<u>43%</u>	<b>Total Operating Expenses</b>			<u>\$ 30,561,791</u>	<u>\$ 35,101,550</u>	<u>\$ (4,539,759)</u>	<u>(13%)</u>	(15)		
(16)	<u>\$ (2,116,651)</u>	<u>\$ (659,427)</u>	<u>\$ (1,457,224)</u>	<u>221%</u>	<b>Net Operating Revenues (Expenses)</b>			<u>\$ 12,375,545</u>	<u>\$ (1,214,590)</u>	<u>\$ 13,590,134</u>	<u>(1119%)</u>	(16)		
					<b>Non-Operating Revenues and (Expenses)</b>									
(17)	\$ 1,090,220	\$ 2,098,074	\$ (1,007,854)	(48%) (h)	Non-Operating Revenues <sup>1</sup>			\$ 4,717,925	\$ 8,255,587	\$ (3,537,663)	(43%)	(17)		
(18)	(1,368,577)	(3,935,736)	2,567,160	(65%) (i)	Capital Improvement Projects - Pay Go			(4,507,732)	(19,678,681)	15,170,949	(77%)	(18)		
(19)	-	-	-	0%	Debt Service			(32,007,788)	(29,707,904)	(2,299,885)	8%	(19)		
(20)	<u>\$ (278,356)</u>	<u>\$ (1,837,662)</u>	<u>\$ 1,559,306</u>	<u>(85%)</u>	<b>Net Non-Operating Revenues and (Expenses)</b>			<u>\$ (31,797,596)</u>	<u>\$ (41,130,998)</u>	<u>\$ 9,333,402</u>	<u>(23%)</u>	(20)		
(21)	<u>\$ (2,395,008)</u>	<u>\$ (2,497,089)</u>	<u>\$ 102,082</u>	<u>(4%)</u>	<b>Increase (Decrease) in Net Position</b>			<u>\$ (19,422,051)</u>	<u>\$ (42,345,587)</u>	<u>\$ 22,923,536</u>	<u>(54%)</u>	(21)		

Monthly Changes of more than 10% and \$20,000

- (a) Overall consumption was higher than anticipated - mainly residential and irrigation customers due to hot/dry November temperatures
- (b) Late Fees/Disconnects suspended due to COVID executive order
- (c) Perchlorate Litigation expenses higher than budgeted
- (d) Timing of bill printing service - YTD in line with budget
- (e) A thermal event shut the solar panel system down from late July through early November and then fuse failures shut it down again until January. We are currently running about 45% due to residual failures. This issue will continue to result in purchased power costs higher than projected.
- (f) BMP implementation is under budget due to the continuation of COVID-19 related public health and safety measures resulting in lower conservation program participation
- (g) More engineering time has been allocated to standard specification and process improvement, with a smaller percentage allocated to CIP.
- (h) Non-Operating Revenues are lower due to timing of Grants and Reimbursement receipt of funds
- (i) Timing of capital projects vary from month to month

<sup>1</sup>Non-Operating Revenues include: Grants & Reimbursements, 1% Property Tax, Cell Sites, FCF, Lab Revenues, Interest Income

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# Ten Largest Disbursements Check Register

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**SCV Water**  
**Ten Largest Disbursements**  
**November 1, 2021 to November 30, 2021**

No.	Supplier_Name	Invoice_Description	Payment_Amount
	Nossaman, LLP	Perchlorate Legal Aug 21 - VOCLGL	575,396.31
		Perchlorate Legal Sept 21 - VOCLGL	471,439.83
		Perch Insurance Issues Sept 21 - VOCLGL	695.50
		Perch Insurance Aug 21 - VOCLGL	384.00
<b>1</b>	<b>Nossaman, LLP</b>		<b>1,047,915.64</b>
	Department of Water Resources	September 21 Variable	901,013.00
<b>2</b>	<b>Department of Water Resources</b>		<b>901,013.00</b>
	Pacific Tank & Construction, Inc.	Cherry Willow Ph2B - S16-702 (1000474)	516,998.40
<b>3</b>	<b>Pacific Tank &amp; Construction, Inc.</b>		<b>516,998.40</b>
	So. California Edison Co.	Acct-2152 10/11/21	431,422.42
<b>4</b>	<b>So. California Edison Co.</b>		<b>431,422.42</b>
	So. California Edison Co.	Acct-4924 10/18/21	329,970.88
<b>5</b>	<b>So. California Edison Co.</b>		<b>329,970.88</b>
	So. California Edison Co.	Acct-2152 11/5/21	271,100.27
<b>6</b>	<b>So. California Edison Co.</b>		<b>271,100.27</b>
	Rosedale-Rio Bravo Water Storage District	September 2021 PG&E / O&M	203,534.92
<b>7</b>	<b>Rosedale-Rio Bravo Water Storage District</b>		<b>203,534.92</b>
	GSE Construction Company Inc.	Valley Center Well PFAS Groundwater Treatment Improvements - Progress Payment #06	201,400.00
<b>8</b>	<b>GSE Construction Company Inc.</b>		<b>201,400.00</b>
	Semitropic Water Storage District	Water Withdrawal SEP 2021	150,890.28
<b>9</b>	<b>Semitropic Water Storage District</b>		<b>150,890.28</b>
	Newhall Land and Farming Co.	Magic Mountain Pipeline P6A - Progress Payment #21	117,999.50
<b>10</b>	<b>Newhall Land and Farming Co.</b>		<b>117,999.50</b>
<b>Total</b>			<b>4,172,245.31</b>
<b>Total-All Checks Issued During November 2021</b>			<b>6,865,807.53</b>
<b>Largest Ten Vendor Payments as Compared to Total</b>			<b>61%</b>



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# Director Stipends

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Director Jerry Gladbach

Date	Meeting	Amount
11/02/21	Regular Board Meeting	\$239.00
11/02/21	USCV/JPA Meeting	\$0.00
11/02/21	Devil's Den Water District Special Board Meeting	\$0.00
11/05/21	Special Board Meeting	\$239.00
11/10/21	Water Resources and Watershed Committee Meeting	\$239.00
11/16/21	Regular Board Meeting	\$239.00
11/18/21	Public Outreach and Legislation Committee Meeting	\$239.00
11/23/21	SCV-GSA Special Board Meeting	\$239.00
11/24/21	Agenda Planning Meeting	\$239.00
11/30/21	ACWA Energy Committee	\$239.00
	<b>Stipend Total</b>	<b>\$1,912.00</b>
	<b>Total Paid Days</b>	<b>8</b>
	<b>Total Meetings</b>	<b>10</b>

Director R. J. Kelly

Date	Meeting	Amount
11/02/21	Regular Board Meeting	\$239.00
11/02/21	Devil's Den Water District Special Board Meeting	\$0.00
11/05/21	Special Board Meeting	\$239.00
11/15/21	Finance and Administration Committee Meeting	\$239.00
11/16/21	Regular Board Meeting	\$239.00
11/18/21	Public Outreach and Legislation Committee Meeting	\$239.00
	<b>Stipend Total</b>	<b>\$1,195.00</b>
	<b>Total Paid Days</b>	<b>5</b>
	<b>Total Meetings</b>	<b>6</b>

Director Gary Martin

Date	Meeting	Amount
11/02/21	Regular Board Meeting	\$239.00
11/02/21	USCV/JPA Meeting	\$0.00
11/04/21	Engineering and Operations Committee Meeting	\$239.00
11/05/21	Special Board Meeting	\$239.00
11/05/21	VIA Ruby Ball 2021 - VIA Bash	\$0.00
11/15/21	Finance and Administration Committee Meeting	\$239.00
11/16/21	Regular Board Meeting	\$239.00
11/23/21	SCV-GSA Special Board Meeting	\$239.00
11/24/21	Agenda Planning Meeting	\$239.00
11/24/21	DCA Board of Directors Meeting	\$0.00
11/29/21	ACWA JPIA Board Meeting	\$239.00
11/30/21	ACWA Groundwater Committee	\$239.00
	<b>Stipend Total</b>	<b>\$2,151.00</b>
	<b>Total Paid Days</b>	<b>9</b>
	<b>Total Meetings</b>	<b>12</b>

Director Dan Mortensen

Date	Meeting	Amount
11/02/21	Regular Board Meeting	\$239.00
11/02/21	USCV/JPA Meeting	\$0.00
11/04/21	City of Santa Clara State of the City	\$239.00
11/05/21	Special Board Meeting	\$239.00
11/15/21	Finance and Administration Committee Meeting	\$239.00
11/16/21	Regular Board Meeting	\$239.00
11/24/21	Agenda Planning Meeting	\$239.00
	<b>Stipend Total</b>	<b>\$1,434.00</b>
	<b>Total Paid Days</b>	<b>6</b>
	<b>Total Meetings</b>	<b>7</b>

Director Piotr Orzechowski

Date	Meeting	Amount
11/02/21	Regular Board Meeting	\$239.00
11/04/21	Engineering and Operations Committee Meeting	\$239.00
11/05/21	Special Board Meeting	\$239.00
11/16/21	Regular Board Meeting	\$239.00
	<b>Stipend Total</b>	<b>\$956.00</b>
	<b>Total Paid Days</b>	<b>4</b>
	<b>Total Meetings</b>	<b>4</b>

Director Lynne Plambek

Date	Meeting	Amount
11/02/21	Regular Board Meeting	\$239.00
11/03/21	ACWA Webinar PFAS Litigation Strategies	\$239.00
11/04/21	Engineering and Operations Committee Meeting	\$239.00
11/05/21	Special Board Meeting	\$239.00
11/10/21	SCV Chamber of Commerce 11th Annual Patriots Program	\$239.00
11/16/21	Regular Board Meeting	\$239.00
11/18/21	Public Outreach and Legislation Committee Meeting	\$239.00
11/23/21	SCV GSA Special Board Meeting	\$239.00
11/30/21	ACWA 2021 Fall Conference	\$239.00
	<b>Stipend Total</b>	<b>\$2,151.00</b>
	<b>Total Paid Days</b>	<b>9</b>
	<b>Total Meetings</b>	<b>9</b>

<b>TOTAL PAID DAYS</b>	<b>78</b>
<b>TOTAL MEETINGS</b>	<b>91</b>
<b>TOTAL STIPENDS</b>	<b>\$18,642.00</b>

# Director Reimbursements

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CA Govt. Code Section 53065.5

List of Reimbursement for "Individual Charges" = \$100 or more

Annual Disclosure for Fiscal Year 20/21 AP Transactions Updated as of: 11/30/21

P- Card (VISA) Transactions Updated as of: 11/30/21 \*Dec PCard transactions affect Jan cash.

**DIRECTORS**

Date of Reimbursement	Recipient of Reimbursement	Reason for Reimbursement	Amount of Reimbursement
			-


\*\* No Transactions November 2021\*\*



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## BOARD MEMORANDUM

**DATE:** March 1, 2022  
**TO:** Board of Directors  
**FROM:** Rochelle Patterson   
Director of Finance and Administration  
**SUBJECT:** Approve Adoption of a Resolution for Volunteer Personnel Workers' Compensation Insurance

---

### SUMMARY

At its November 18, 1997, meeting, the ACWA JPIA's (Association of California Water Agencies Joint Powers Insurance Authority) Board of Directors approved a recommendation of the Executive and Risk Management Committees, which requires all Liability Program members to adopt a resolution making volunteers subject to workers' compensation coverage. This is a standard recommendation of the Risk Management and Member Services Departments. Most JPIA members have adopted such a resolution, including the legacy Agency, CLWA (Castaic Lake Water Agency).

### DISCUSSION

Section 3363.5 of the California Labor Code empowers public agencies to designate those persons performing voluntary service without pay for the Agency, shall be deemed employees for purposes of workers' compensation benefits. This is accomplished by means of the governing body of the agency adopting a resolution to that effect.

Covering volunteers under workers' compensation has significant benefits. Workers' compensation benefits are statutorily defined. Claims costs are usually significantly lower compared to liability lawsuits for the same injuries or illnesses. The claims are easier to control since litigation is generally avoided. Also, providing benefits to volunteer workers under the "no-fault" workers' compensation system can be seen as good public relations. JPIA has highlighted the need for this resolution due to some recent losses where a resolution had not been in place.

Volunteers can include student interns, youth and civic groups undertaking projects, or individuals responding to or assisting in emergency situations. The Agency Directors attending meetings or performing other services for which they are not compensated on a per diem or other basis, are considered volunteers. All of these can be provided with workers' compensation benefits.

On February 28, 2022, the Finance and Administration Committee considered staff's recommendation to adopt a resolution approving volunteer personnel workers' compensation insurance.

## **FINANCIAL CONSIDERATIONS**

The Agency does not have volunteers (other than the existing Board of Directors) currently. When volunteer service is performed, the "equivalent payroll" will be reported for both workers' compensation and liability purposes. An "equivalent payroll" would be the hourly wage that would normally be paid for the work done by a volunteer. At current workers' compensation rates (depending on type of volunteer work), the cost of this coverage would be .94% to 4.06% of "equivalent payroll."

## **RECOMMENDATION**

The Finance and Administration Committee recommends that the Board of Directors adopt the attached resolution approving Volunteer Personnel Workers' Compensation Insurance.

RP

Attachment

M65

RESOLUTION NO. \_\_\_\_

**A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE SANTA CLARITA VALLEY WATER AGENCY  
APPROVING VOLUNTEER PERSONNEL  
WORKERS' COMPENSATION INSURANCE**

**WHEREAS**, this Board desires to provide Workers' Compensation Insurance benefits for persons authorized by the Agency to perform volunteer services for the Agency, and;

**WHEREAS**, the Legislature of the State of California has provided through legislation (Labor Code Section 3363.5) authorization for the inclusion of such coverage in the Agency's workers' compensation insurance policy.

**NOW, THEREFORE, BE IT RESOLVED**, that the Board of Directors of the Santa Clarita Valley Water Agency hereby adopts the policy that an unpaid person authorized to perform volunteer service for the Agency shall be deemed to be an employee of the Agency for the purposes of Workers' Compensation Insurance benefits provided for by law for any injury or illness sustained by them while engaged in the performance of services for the Agency under its direction and control.

DRAFT

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## BOARD MEMORANDUM

**DATE:** March 7, 2022  
**TO:** Board of Directors  
**FROM:** Eric Campbell *EC*  
Chief Financial and Administrative Officer  
**SUBJECT:** Approve a Resolution Revising Wholesale Water Rates

---

### SUMMARY

Agency staff has completed its wholesale water rate analysis that has resulted in a proposed new wholesale water rate structure and wholesale water rates. Currently, SCV Water provides wholesale water service to one agency, the Los Angeles County Waterworks District No.36 ("District 36"). In November, Staff reviewed the recommended new wholesale water rates with the Finance and Administration Committee. Two implementation options were discussed by the committee – one option to provide a transition path with an initial lower rate, and the other option to implement the new wholesale rate in April 2022, rather than in January 2022. Staff was directed to review any legal considerations with counsel and bring a recommended option to Board of Directors in December 2021.

Staff consulted with legal counsel and due to a combination of factors, a preferred option has been selected and legal counsel has advised that the Agency not consider the change in wholesale rates until after January 1, 2022. This would provide the Agency with the benefit of recently enacted SB 323, which shortens the time during which a party may challenge new rates to 120 days. Further, counsel advised that the option of adopted new rates at their full cost of service that take effect in April 2022 was preferable to adopting transitional rates that do not recover the new determination of cost of service.

Staff prepared an item for approval of new wholesale water rates for Board consideration at the January 18, 2022, regular Board meeting, to take effect in April 2022. At this meeting, the Board requested some additional work to clarify the Administrative Record. The work has been updated and is attached to the resolution as Attachment 1.

The proposed wholesale rates are comprised of a fixed monthly readiness-to-serve charge that is designed to recover the costs of maintaining the necessary capacity to serve District 36, up to the full capacity of the two turnouts that connect the District to the Agency. The proposed rates also include a variable charge that is based on the cost of the water supplied by the Agency to District 36.

The fixed charge included significant consideration of the uncertainty of frequency and amounts of water that District 36 may actually purchase. As a direct result of this uncertainty, the wholesale rate is only required to be cost based but not in proportion to the service provided. The revenue generated from the wholesale rates will be used to offset costs that would otherwise be included in the retail rates.

On December 13, 2021, the Finance and Administration Committee considered staff's update on recommending approval of a resolution revising wholesale water rates.

**FINANCIAL CONSIDERATIONS**

The proposed rates will recover \$292,338 annually in fixed costs of providing District 36 with the readiness to serve water. Up to an additional \$257,300 (1250 AF x \$205.88 per AF) could be received by the Agency if District 36 purchased this amount of water. In recent years, District 36 has purchased very little water.

**RECOMMENDATION**

The Finance and Administration Committee recommends that the Board of Directors approve the attached resolution revising the wholesale water rates.

EC

Attachment

M65

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE SANTA CLARITA VALLEY WATER AGENCY  
REVISING AND ADOPTING RATES FOR WHOLESALE WATER SERVICE CHARGES**

**WHEREAS**, pursuant to Santa Clarita Valley Water Agency Act, the Santa Clarita Valley Water Agency (Agency) is authorized to (i) acquire water and water rights, including but not limited to, water from the State of California under the State Water Resources Development System; (ii) provide, sell, and deliver that water, for municipal, industrial, domestic and other purposes; and (iii) impose charges for such wholesale water services; and

**WHEREAS**, the Agency provides wholesale water service to one retail water purveyor – Los Angeles County Waterworks District No. 36 (District 36); and

**WHEREAS**, the Agency is able to meet approximately half of the urban water demand within its service area with imported water, and the Agency primarily meets the balance of demand with local groundwater and a small portion of recycled water; and

**WHEREAS**, the sole source of local groundwater for urban water supply in the Santa Clarita Valley is the Santa Clara River Valley Groundwater Basin, East Subbasin (the Basin); and

**WHEREAS**, to stabilize its revenues and fully recover the costs of providing water service, staff has prepared the attached comprehensive Wholesale Water Rate Study (the Rate Study) (Attachment 1) for its wholesale water service charges; and

**WHEREAS**, the wholesale water rate structure consists of two components:

1. a fixed monthly charge (the Fixed Charge) designed to recover the fixed costs of the Agency directly related to maintaining the readiness to serve water up to the full capacity of the turnouts that connect District 36 to the Agency; and
2. a variable per acre foot charge (the Variable Charge) designed to recover the Agency's costs for the treatment and distribution of imported water to District 36; and

**WHEREAS**, staff has prepared a Rate Study that includes a methodology for annually calculating the amount of the Fixed Charge and rates for the Variable Charge, and the Agency has distributed to District 36 a copy the Rate Study, which sets forth the Agency's costs of providing wholesale water services and the anticipated sources of revenue available to fund those costs; and

**WHEREAS**, based on the Rate Study, the Board has determined that the amount of the proposed charges are no more than necessary to cover the reasonable costs of providing the wholesale water services, and that the manner in which those costs are allocated to District 36 bears a fair or reasonable relationship to the District 36 burdens on, or benefits received from, the Agency's wholesale water service activities; and

**WHEREAS**, the new rates will take effect beginning April 1, 2022, and will be revised each January 1 thereafter based on the annual year over year increase in the Consumer Price Index provided, however, that such increase shall not cause the wholesale water service charges to exceed the reasonable cost of providing wholesale water service; and



**WHEREAS**, in accordance with the California Environmental Quality Act (CEQA) and the CEQA Guidelines, Agency staff has determined that the increases in water service charges are exempt from CEQA pursuant to Section 15378 and Section 15273 of the CEQA Guidelines and Public Resources Code section 21080(b)(8) because: (i) the increased charges are for the purpose of meeting operational and maintenance expenses of the aforementioned services; and (ii) the charges constitute the creation of a funding mechanism/other governmental fiscal activity which does not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment; and

**WHEREAS**, the adoption of this Resolution is exempt from CEQA for the same reason.

**NOW THEREFORE BE IT RESOLVED**, by the Board of Directors of the Santa Clarita Valley Water Agency, as follows:

1. **FINDINGS AND DETERMINATIONS**: The foregoing Recitals are true and correct and are hereby made legislative findings and determinations of the Board of Directors (the Board) and by this reference made an operative part of this Resolution.
2. **FIXED CHARGE**: The Board hereby adopts, the Fixed Charge at the rate of \$24,362 per month, effective April 1, 2022.
3. **VARIABLE CHARGE**: The Board hereby adopts the Variable Charge at the rate of \$205.88 per acre-foot effective April 1, 2022.
4. **ANNUAL ADJUSTMENT**: Beginning January 1, 2023, and each January 1 thereafter until otherwise modified by the Board of Directors, the rates for the Fixed Charge and Variable Charge set forth above shall be adjusted for inflation in an amount not to exceed the year over year increase in the Los Angeles specific Consumer Price Index (CPI) provided, however, that no such annual adjustment shall exceed the reasonable cost of providing wholesale water service to District 36.
5. **AUTHORIZATIONS OF AGENCY GENERAL MANAGER**: The General Manager is hereby authorized and directed to take all actions necessary to effectuate and implement the rates for the wholesale water service charges and other authorizations set forth herein, including the annual adjustment to the wholesale water service charges.
6. **WHOLESALE WATER RATE SUFFICIENT TO FUND AGENCY OPERATING EXPENSES**: Based upon the evidence presented to the Board in the form of staff financial analysis and the Rate Study, the Board has determined that the wholesale water rates adopted in this Resolution will be sufficient to fund Agency operating expenses, Notwithstanding the foregoing, the Board of Directors shall review the wholesale water rates annually, as a part of its budget process, and may increase or decrease the wholesale water rates at any time if it determines an adjustment is necessary in accordance with this Resolution, and applicable law.
7. **CEQA**: The Board is adopting the wholesale water rates herein to meet the Agency's operating expenses. Therefore, the Board finds and determines, based upon substantial evidence, that the establishment of the rates for wholesale water service charges are exempt from CEQA, pursuant to Section 21080(b)(8) of the Public Resources Code and Section 15273(a) of the State CEQA Guidelines because the establishment of water

rates is for the purpose of meeting operating expenses and purchasing materials (e.g., water).

8. EFFECTIVE DATE: This Resolution shall be effective as of the date of adoption. The increased rates for wholesale water service charges set forth herein shall become effective as authorized herein.
9. SUPERSEDES PRIOR RESOLUTIONS: All resolutions or administrative actions by the Board, or parts thereof that are inconsistent with any provision of this Resolution are hereby superseded only to the extent of such inconsistency.
10. INVALIDITY: If any section, subsection, subdivision, sentence, clause, or phrase in this Resolution or any part thereof is for any reason held to be unconstitutional or invalid, ineffective by any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this Resolution or any part thereof. The Board hereby declares that it would have adopted each section irrespective of the fact that any one or more subsections, subdivisions, sentences, clauses, or phrases be declared unconstitutional, invalid, or ineffective. If the water rates established by this Resolution are declared invalid or otherwise set aside by any court of competent jurisdiction, the water rates in effect prior to the effective date of this Resolution shall be deemed by this Resolution to be restored, revived, and brought to full force and effect.
11. MAILING: The Secretary of the Agency is hereby directed to mail copies of this Resolution to District 36.

DRAFT

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## ATTACHMENT 1

SANTA CLARITA VALLEY WATER AGENCY WHOLESALE WATER RATE STUDY



---

# Santa Clarita Valley Water Agency

---

## Wholesale Water Rate Study

March 2022

*\*Providing responsible water stewardship to ensure the Santa Clarita Valley has reliable supplier of high-quality water at a reasonable cost\**

27234 BOUQUET CANYON ROAD • SANTA CLARITA, CALIFORNIA 91350-2173 • 661 297•1600 FAX 661 297•1611  
website address: [www.yoursvwater.com](http://www.yoursvwater.com)

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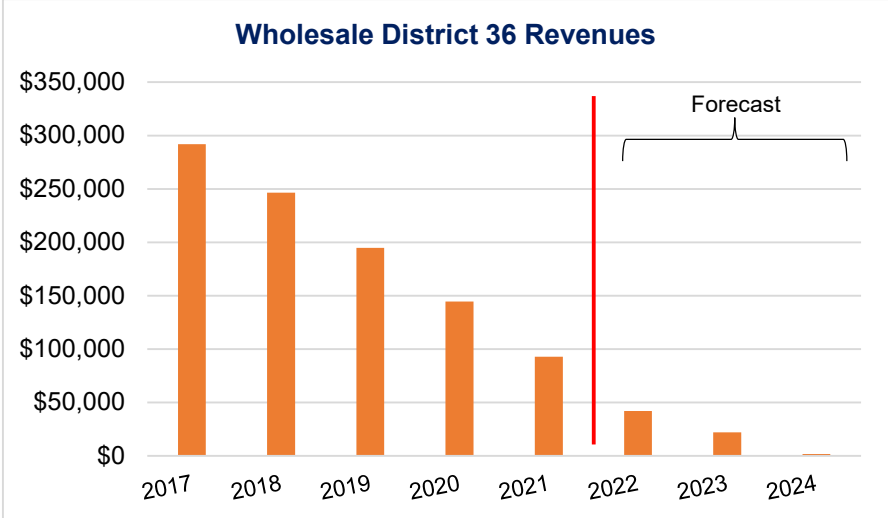
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**INTRODUCTION**

The existing wholesale water rates were approved by the Board on November 20, 2017. Based on the rate design, which in part relied on a multi-year average of imported water purchases to recover a portion of fixed costs, wholesale water revenues from Los Angeles County Waterworks District (“District 36”) have declined over the past several years and are projected to continue to decline under the current rate plan, as shown in Chart 1. Recognizing the need to fairly apportion the costs for wholesale services, including the standby value of the SCV Water delivery facilities and supply, staff prepared an assessment of the service needs of District 36 and the cost to provide this service. The result is a proposed “product” (set of charges) that is different than a common set of fixed and variable charges. The proposed product is comprised of a monthly fixed charge that recovers the costs associated with the Agency maintaining the ability to serve the District demand for water up to the full capacity of the two turnouts (pipeline connections) that connect the Agency to the District. The proposal also includes a variable charge per unit of water purchased from the Agency that recovers the cost of water sold.

*Chart 1: Actual and Projected Wholesale Gross Revenues with Current Rate Structure*



As the service needs of District 36 include infrequent purchases of water involving significant uncertainty regarding the frequency and volumes of water purchased, the proposed product is required to be cost-based but not proportional to the service level required. The lack of requirement for proportional cost allocation is fully due to the uncertainty of the frequency of transactions and amounts of water that will be purchased in any and all transactions. In other words, since it cannot be determined how often or how much water will be transacted for, it is not possible to determine the exact amount of costs incurred to provide the service.



Revenues generated from the proposed product will be available to offset retail costs. This means that wholesale revenues directly reduce the revenue requirements that retail rates need to collect.

This proposed set of wholesale charges are designed to match the expected intermittent requests of District 36. Should District 36 at some point need regular supplies of water or extended periods of water supply, the proposed set of charges will not be sufficient, and another set of charges will need to be developed.

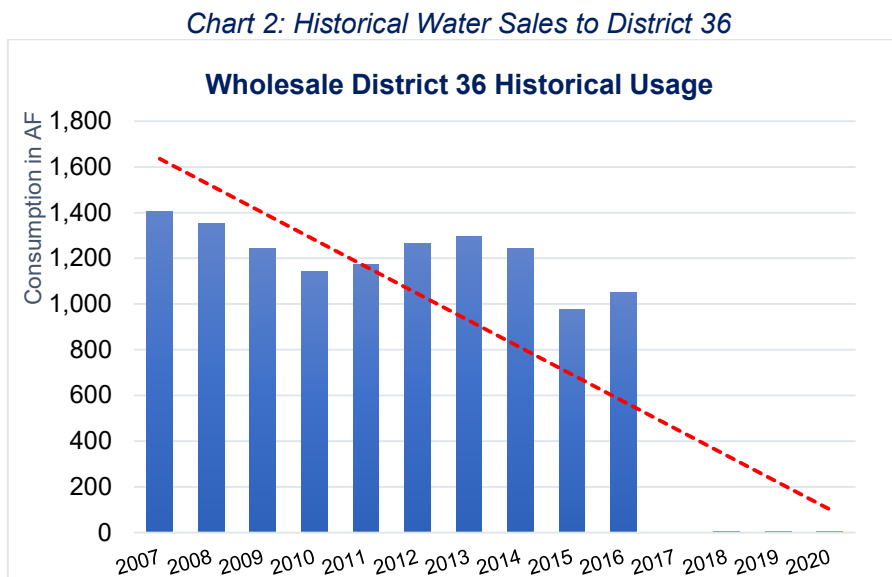
**CURRENT RATES**

Current rates for Calendar Year (CY) 2021 and 2022 are shown in Table 1 below. These rates were calculated based on a detailed water rate study dated March 16, 2016.

*Table 1: Current Wholesale Water Rates*

<b>Current Wholesale Water Rates</b>		
Calendar Year	Annual Fixed Charge	Variable Rate per AF
2021	\$92,849	\$242.92
2022	\$42,528	\$250.21

Sales to District 36 are forecast to continue to decline as shown in Chart 2. Under the existing rates, this will result in declining revenues as the fixed rate was set to recover 80% of the fixed costs of water that was actually sold to its wholesale customers. Now that the Agency has only a single wholesale customer, this rate design no longer generates enough revenues to cover the cost to provide standby capacity.



## PROPOSED RATES & RATE DESIGN

The proposed rates were calculated using procedures described in the AWWA's M1 Manual, Stand-by-Charges, for determining wholesale water rates. It is important to remember that there is no "one-size-fits-all" approach to establishing cost-based water rates when developing wholesale water rates, the M1 Manual is aimed at outlining the basic elements involved in wholesale water rates and suggesting alternative rules of procedure for formulating rates, thus allowing the exercise of judgment and preference to meet local conditions and requirements.

This 2022 Wholesale Water Rate analysis conducted by staff follows the same methodology of cost functionalization as was used in the recently completed retail rate study. Functions are major groupings of many different types of costs that result in an output such as water quality and treatment. Functionalized costs were reviewed and only those costs applicable to wholesale water service were included in this study. Exhibit A, attached, contains data tables by Function that contain the full retail cost of service numbers, the carve out of costs common to both retail and wholesale service, and a table showing the cost allocation for the wholesale charges.

Since the merger of water agencies in the Santa Clarita Valley, District 36 remains as the only wholesale customer of the Agency. As a result, the total amount of wholesale cost recovery is much smaller than in past wholesale water rate studies. The wholesale water rate structure is designed to meet the following Agency objectives:

- Ensure financial sufficiency by meeting the operation and maintenance (O&M) costs, and capital replacement and improvement costs, associated with maintaining the readiness to serve District 36, and the supply of high-quality water that may be requested by District 36
- Encourage efficient use and conservation of water by establishing a rate design framework that incentivizes conservation
- Recover the customer billing costs associated with providing wholesale water service

New rates were developed by staff and reviewed by the Ratepayer Advocate. This report serves as the documentation for the analysis. The new rate structure includes two components:

- The **Fixed Charge** is a monthly charge designed to recover the costs of the Agency maintaining its readiness to serve District 36 at any time for up to the full capacity of the turnouts that connect District 36 to the Agency. For the Agency to be able to provide this service, costs of water quality and treatment facilities, and associated personnel salaries and benefits, laboratory and testing costs, regulatory fees, and professional services were included. In addition, customer account costs including billing, salaries and benefits were allocated; water resources costs comprised of personnel salaries and benefits, water acquisition costs, and the water shortage contingency plan were included. Also included in the fixed charge are portions of the water treatment capital improvement plan (structures and plants) and transmission and distribution transmission mains capital improvements. Table 2 summarizes these costs originated from the Agency budget.

*Table 2: Wholesale Water Rate Fixed Charge Costs by Function*

Function	Fixed Cost
Water Quality & Treatment	\$ 48,923
Customer Accounts	\$ 30
Administrative and General	\$ 150,131
Water Resources	\$ 86,914
Water Treatment-Structures & Plant	\$ 3,634
Transmission & Distribution -Transmission Mains	\$ 2,706
<b>Total Annual Fixed Cost Recovery</b>	<b>\$ 292,338</b>

*Table 3: Wholesale Water Rate Variable Charge Costs by Function*

Function	Variable Cost Per ccf
Source of Supply	\$ 0.28
Purchase Power	\$ 0.02
Water Quality & Treatment	\$ 0.05
Water Resources	\$ 0.13
<b>Total</b>	<b>\$ 0.48</b>

To ensure rate equity, a customer should be required to bear any direct costs incurred to provide the service interconnection as well as the maintenance of that interconnection. In providing the readiness-to serve charge, there are generally two types of rates to fairly collect the costs associated with reserving capacity and then the use of that capacity. First, the customer is assessed a fixed demand charge to recover the costs of providing standby or reserved capacity. This charge is billed to the customer regardless of the amount of water consumed. Once a customer consumes water on a standby basis, a consumption charge is applied for all water consumed. By using both rate components, this will ensure that the customer is not subsidized by other customers.

The analysis used data from the Agency's 2021 retail cost-of-service and water-rate study is located at ([SCVWA rate study \(00379845.DOCX;4\) \(yourscvwater.com\)](#), Pg.13) and [Exhibit A](#).

## Water Demand in Acre Feet (AF)

The water supply and demand are expressed in acre feet (AF). The acre feet forecast in Table 4 is based on a number of components, including population growth projections from the Santa Clarita Economic Development Corporation (Data (scvedc.org)), as well as legal obligations for lower consumption. Table 4 shows the forecasted volumes in the current retail cost-of-service study.

*Table 4: Projected Water Sales in Acre Feet*

Projected Sales in AF				
	2021	2022	2023	2024
SCV Water Agency	58,636	58,810	58,940	59,073
L.A. County WWD #36	-	-	-	-
<b>Total Projected Sales in AF</b>	<b>58,636</b>	<b>58,810</b>	<b>58,940</b>	<b>59,073</b>

## Variable Operating Expenditures

Table 5 breaks down the cost functions' variable costs into major categories relevant to wholesale service. This table includes the total cost of these items (attributable to the sum of wholesale and retail driven costs). The \$12,767,336 of total variable cost for these functions were reduced by a non-operating revenue offset of \$659,579. The costs shown in Table 5 are divided by the full expected number of ccf to be purchased by Agency customers (Retail and Wholesale). The result is the wholesale water variable cost per ccf. The analysis used data from the Agency's 2021 retail cost-of-service and water-rate study, which was derived from the Agency's budget and other financial documents. There are other variable operating costs that do not apply to wholesale water (such as purchased power costs for operating wells and pumping facilities) and these are not shown in this table, but also received a revenue offset in the retail cost of service analysis. See [Exhibit A](#) (Table A.1.3, Table A.2.3, Table A.3.3, Table A.4.3 and Table A.6.3) for more detail.

Table 5: Functional Variable Cost Components

Functions	Allocated Variable Cost	Variable Cost per ccf
<b>Source of Supply</b>	<b>\$ 7,501,112</b>	<b>\$ 0.28</b>
<i>Buena Vista/ Rosedale Rio Bravo (BV/RRB) Supply</i>	4,417,409	0.17
<i>Firming Programs</i>	3,083,703	0.11
<b>Purchased Power</b>	<b>\$ 433,867</b>	<b>\$ 0.02</b>
<i>Power Purchased - Treatment Plant</i>	433,867	0.02
<b>Water Quality &amp; Treatment</b>	<b>\$ 1,374,520</b>	<b>\$ 0.05</b>
<i>Chemicals</i>	1,374,520	0.05
<b>Water Resources</b>	<b>\$ 3,457,837</b>	<b>\$ 0.13</b>
<i>Agency Publications</i>	27,753	0.01
<i>Community Relations</i>	159,325	0.01
<i>Public Outreach &amp; Activities</i>	808,555	0.02
<i>Water Efficiency and Conservation</i>	2,462,203	0.09
<b>Total Variable Cost</b>	<b>\$ 12,767,336</b>	<b>\$ 0.48</b>
<i>Revenue Offset</i>	\$ (659,575)	
<b>Total Adjusted Variable Cost</b>	<b>\$ 12,107,761</b>	
Units of Service in ccf	25,617,472	
Variable Cost per ccf	\$0.48	
Variable Cost per AF	\$205.88	

The unit cost formula used to calculate the Variable Cost per ccf is:

$$\text{Variable Cost} = \frac{\text{(Variable Operating Expenditures – Allocated Revenue Offset)}}{\text{"Units of Service"}}$$

Unit of Service in ccf is the water sales of the Agency for a year.

### Fixed Operating Expenditures

All other operating costs are fixed as they do not vary with the amount of water sales. The Operating and Maintenance (O&M) expenses and planned capital improvement, by function and their allocated amounts to wholesale water rates are shown in Table 6. Only relevant costs were allocated to the wholesale readiness-to-serve fixed charge.

Table 6: Fixed Costs by Function (O&M and Capital)

Functions	Fixed	Revenue OffSet Allocated to Wholesale	Net Cost Allocated to Wholesale Rates
Water Quality and Treatment	\$ 1,160,009	\$ (21,954)	\$ 48,923
Customer Accounts	2,425,388	(2)	30
Administrative and General	7,448,115	(34,303)	150,131
Water Resources	4,311,877	(34,303)	86,914
<b>Total O&amp;M Fixed Cost</b>	<b>\$ 15,345,388</b>	<b>\$ (90,562)</b>	<b>\$ 285,998</b>
CIP Functions	Fixed	Revenue OffSet Allocated to Wholesale	Net Cost Allocated to Wholesale Rates
Water Treatment -Structures and Plant	\$ 10,934,607	\$ (1,172)	\$ 3,634
T&D-Transmission Mains	8,140,351	(1,172)	2,706
<b>Total CIP Cost</b>	<b>\$ 19,074,957</b>	<b>\$ (2,344)</b>	<b>\$ 6,340</b>
<b>Total Fixed Cost</b>	<b>\$ 34,420,345</b>	<b>\$ (92,907)</b>	<b>\$ 292,338</b>

The capital improvement projects (CIP) shown in Table 6, are directly related to wholesale water service.

### Fixed Cost Allocation Methodology

The fixed costs were allocated to the wholesale fixed charge from three categories in the retail cost of service study: Source of Supply, Maximum Day Demand, and Customer Service.

2. Maximum Day Demand (MDD) are the costs of delivering water to customers on the day with the highest demand, which includes Water Quality and Treatment, and CIP costs.
3. Customer Service which includes Customer Accounts

The first step is to calculate the fixed unit cost.

$\text{Fixed Unit Cost} = \frac{\text{Fixed Operating Expenditures} - \text{Allocated Revenue Offset}}{\text{“Units of Service”}}$
--

The fixed unit cost is then multiplied by the readiness to serve volume.

1. Source of Supply categories:

$\text{Annual Fixed Cost} = \text{Readiness to Serve Volume} \times \text{Fixed Unit Cost}$
---

The readiness to serve volume is based on the Ten-Year Average purchase volumes by District 36 during the calendar years 2006 through 2015. This average represents the base volume of water that can be reasonably requested by the District based on past usage. The calculated amount of 1238.4AF per year was rounded up to 1250AF. Rounding to 1250AF was reasonable given the uncertainty of the actual activity. Charges for providing District 36 with accessibility to water are classified as "readiness-to-serve" charges. Since they are assessed whether or not water is utilized, they make up a constant amount of District 36' bills. This methodology follows the AWWA capacity standards to scale fixed rates to ensure a consistent pricing baseline.

2. Maximum Day Demand (MDD) categories:

<p><b>Annual Fixed Cost =      Capacity Base X Fixed Unit Cost</b></p>
--

Capacity base is calculated using the Waterworks District 36 turnouts capacity of 6,600 gallon per minute.

The AWWA guidelines recommend using a 2-to-4-hour multiplier for the capacity requirement when estimating the system's maximum day capacity. In this study, staff chose 3 hours to represent the midpoint of the 2-to-4-hour range. The capacity of system infrastructure is far more than the average daily demand placed on the system by users, and the cost of capacity maintenance, repair, and replacement must be recovered fairly from all customers.

District 36 Turnouts MDD Capacity =  $(6,600 \text{ GPM} \times 60 \text{ mins} \times 3 \text{ hours}) / 748 = 1,588 \text{ CCF/Day}$   
 This calculation was used to allocate relevant costs from the retail rate study that were attributed to MDD. There are many possible ways to derive an MDD number under these conditions of uncertainty. Staff elected to use a method consistent with past cost estimates in its rate analysis. This calculation will be reviewed at each annual review of wholesale rate performance.

The following section of Figures are showing the detail of costs included in Table 6.

**Fixed Operating Expenditures Breakdown**

The figures that follow are showing the fixed operating costs by each function listed in Table 6. Under the column "Fixed" are the costs that were attributable to both retail and wholesale service. The column labeled "Allocated to Wholesale Rates" represent the amount of these fixed costs that were allocated to recovery from the proposed fixed, readiness-to-serve charge net of an allocation of non-rate revenue offset.

Figure 1: Water Quality and Treatment

Functions	Fixed	Allocated to Wholesale Rates
Water Quality and Treatment - Benefits	\$ 318,015	\$ 13,412
Water Quality and Treatment - Labor	583,315	24,601
Backflow Prevention	213	9
Laboratory Expense	157,946	6,661
Maintenance & Repair - Treatment Equipment	10,719	452
Miscellaneous Expense (testing samples, gases)	33,013	1,392
Professional Services - Outside Services & Consulting	17,015	718
Regulatory Fees	39,773	1,677
<b>Water Quality and Treatment</b>	<b>\$ 1,160,009</b>	<b>\$ 48,923</b>

Figure 2: Customer Accounts

Functions	Fixed	Allocated to Wholesale Rates
Customer Accounts - Benefits	\$ 552,378	\$ 7
Customer Accounts - Labor	1,086,674	14
Billing & Collecting	723,920	9
Uncollectable Accounts	62,416	1
<b>Customer Accounts</b>	<b>\$ 2,425,388</b>	<b>\$ 30</b>

Figure 3: Water Resources

Functions	Fixed	Allocated to Wholesale Rates
DD Landowner Expenditure	\$ 204,980	\$ 4,132
DD Variable DWR Charges	102,490	2,066
Groundwater Sustainability Agency	250,000	5,039
Water Resources - Benefits	706,154	14,234
Water Resources - Labor	1,822,953	36,745
Water Shortage Contingency Plan	20,000	403
Water Acquisition costs- Ventura	20,498	413
Water Acquisition costs- Semi Tropic	84,240	1,698
Water Acquisition costs- BV/RRB	60,000	1,209
Salt and Nutrient Management Plant	100,000	2,016
Annexation Support	50,000	1,008
Grant Administration	200,000	4,031
Professional Services - Outside Services & Consulting	640,563	12,912
Integrated Regional Water Management Plan	50,000	1,008
<b>Water Resources</b>	<b>\$ 4,311,877</b>	<b>\$ 86,914</b>



Figure 4: Administrative and General

Functions	Fixed	Allocated to Wholesale Rates
General & Administrative - Labor	\$ 1,776,854	\$ 35,816
Management - Labor	253,842	5,117
Payroll Taxes (UEI)	2,916	59
General & Administrative - Benefits	895,057	18,042
Management - Benefits	119,601	2,411
Retiree Benefits	191,642	3,863
Earthquake/Flood Insurance	21,871	441
Liability/Property Insurance	486,972	9,816
Parts & Material	43,096	869
Professional Services - Outside Services & Consulting	220,542	4,445
Security/Alarm Services	51,032	1,029
Capital Equipment to CIP	(32,322)	(652)
Dues and Memberships	82,325	1,659
Employee Expense	45,498	917
Employee Travel	45,376	915
Internal Relations	20,673	417
Maintenance & Repair - Office Equipment	21,413	432
Miscellaneous Expenses (bank fees, special projects)	85,704	1,728
Office Supplies	67,203	1,355
Overhead Allocation	(221,481)	(4,464)
Professional Development - Education/Training	132,834	2,678
Professional License/Fees	36,451	735
Professional Services - Accounting	29,886	602
Professional Services - Outside Services & Consulting	220,277	4,440
Publications	6,932	140
Recruitment	10,935	220
Rent/HOA Dues	20,486	413
Safety Training and Equipment	62,462	1,259
Supplies and Services	110,720	2,232
Temporary Personnel	91,582	1,846
Uniforms	43,377	874
Utilities	144,387	2,910
Vehicle Expense (Repairs)	546,222	11,010
Vehicle Operating (Includes Fuel)	73,265	1,477
Director - Benefits	124,528	2,510
Director - Compensation	82,292	1,659
Director - Expenses	49,454	997
Professional Services - Legal	408,035	8,225
Professional Services - Legislative Advocate Services	118,467	2,388
Professional Services - Outside Services & Consulting	63,790	1,286
Computer Support	893,919	18,019
<b>Administrative and General</b>	<b>\$ 7,448,115</b>	<b>\$ 150,131</b>

Figure 5: Water Treatment, Transmission and Distribution CIP Projects

CIP Functions	Fixed	Allocated to Wholesale Rates
Water Treatment - Structures	\$ 508,430	\$ 169
Water Treatment - Plant	10,426,177	3,465
<b>Water Treatment -Structures and Plant</b>	<b>\$ 10,934,607</b>	<b>\$ 3,634</b>
T&D-Transmission Mains	8,140,351	2,706
<b>T&amp;D-Transmission Mains</b>	<b>\$ 8,140,351</b>	<b>\$ 2,706</b>
<b>Total CIP Cost</b>	<b>\$ 19,074,957</b>	<b>\$ 6,340</b>

These capital improvement projects, which are included in the proposed rates, only include projects allocated to wholesale customers.

### Water Rate Revenue Requirements and Revenue Offsets

The revenue requirement is the amount of revenues needed to be collected through rates. This is the sum of all operating costs reduced by non-rate revenues. Table 7 shows the Agency’s total revenue requirements from the retail cost of service study (\$76,212,883). Also shown is the amount of non-rate revenues (\$32,558,931) that were allocated to the cost categories in the retail cost of service study. Of that amount, \$1,701,805 was allocated to the Source of Supply cost category and a portion of these were allocated to wholesale rates, described below. Non-rate revenue consists of miscellaneous fees, service connections fees, 1% property taxes, communication and rental income, investment revenues, and grants and these were used as offsets to operational expenses.

Staff recognizes that there are multiple alternative thoughts on how to use or whether to use non-rate revenues to offset wholesale costs. In the retail rate study, all of the identified \$32,941,760 was used to offset rate requirements. For the proposed wholesale rate design, staff derived an amount to use for reducing the variable charge and the fixed charge. This section of this paper describes this effort. Staff believes that on an annual basis, all assumptions in this rate design should be reassessed and modified if needed. This is one area that is expected to continue to evolve over time.

In this assessment of wholesale rates, Table 7 shows that in the retail cost of service study, \$1,701,805 of the \$32,941,760 was allocated to the cost category “Source of Supply”. The variable charge (cost of water sold) in the wholesale rate assessment, was provided the same offset allocation as the retail cost of water. Staff considered this to be a fair and reasonable approach.

For a reduction to the fixed charge, a small proportion of non-rate revenues were applied against the total revenue requirement. In the retail cost of service analysis, Table 7 shows that there was \$4,047,280 of revenue offset allocated to the cost category “MDD” (Maximum Daily Demand). In consideration of the uncertainty of the frequency, timing, and volume of capacity that is being held for the District, a small percentage of the offset was applied, totaling \$92,907 (Table 6). Staff determined that this was fair and reasonable. District 36 has approximately 1,300 accounts. This offset represents a \$6 per month reduction in each customer’s bill. For a single-family residential

## SANTA CLARITA VALLEY WATER AGENCY WHOLESALE WATER RATE STUDY

customer using 13 hcf per month, their bill would be 10% higher without this offset. In consideration that the proposed wholesale rate design will result in a monthly 5% customer bill increase to the Districts customers, and that the rate design establishes Agency wholesale fixed revenues back to a level of wholesale revenues receive from the district ten years ago, this was determined to be fair and reasonable.

**Table 7: Retail Revenue Cost of Service Non-rate Revenue Offset**

Cost Allocation Summary	Cost of Service	Source of Supply	Base	MDD	PHD	Meters	Customer Service	Public Fire Protection Service
O&M Expense	\$ 77,422,023	\$32,941,760	\$ 22,293,556	\$ 10,076,152	\$ 7,866,263	\$ 547,143	\$ 3,608,334	\$ 88,817
Other Obligations	31,349,791	-	13,022,980	3,871,338	6,129,943	4,177,763	4,113,972	33,795
Non-Rate Revenues Offset	(32,558,931)	(1,701,805)	(13,015,464)	(4,047,280)	(5,990,674)	(3,834,151)	(3,934,183)	(35,375)
<b>Total Revenue Requirements</b>	<b>\$ 76,212,883</b>	<b>\$31,239,955</b>	<b>\$ 22,301,071</b>	<b>\$ 9,900,209</b>	<b>\$ 8,005,532</b>	<b>\$ 890,755</b>	<b>\$ 3,788,124</b>	<b>\$ 87,237</b>

## FINANCIAL RESULTS FORECAST

Wholesale water rate components (fixed and variable) are based on the actual and projected Agency expenses for providing wholesale water service to its Wholesale Customer, District 36. Annual rate changes will be based on the Consumer Price Index (CPI). The assumptions for the table below are that annually, the wholesale rate will increase by 3% due to changes in the CPI, and water usage will be 500 AF in Calendar 2022 and each year after that, usage will increase by 10% each year. Table 8 is a scenario of what rates may look like under these assumptions. This is not a table of what the rates will necessarily be.

**Table 8: Projected Wholesale Water Rates for Calendar Years 2022-2026**

Wholesale Water Rates								
	Current Rates			Proposed Rates				
	2022			2022	2023	2024	2025	2026
	Jan	Feb	Mar	Apr-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec
Annual Rate Increase	-	-	-	-	3%	3%	3%	3%
Fixed Charge	\$3,544	\$3,544	\$3,544	\$219,254	\$301,108	\$310,141	\$319,446	\$329,029
Variable per AF	\$250.21	\$250.21	\$250.21	\$205.88	\$212.05	\$218.42	\$224.97	\$231.72
Projected Operating Revenue	\$6,910,416	\$6,910,416	\$7,774,218	\$80,052,122	\$85,487,878	\$91,312,445	\$98,207,437	\$105,644,007
Wholesale Water Usage in AF	-	-	-	500	550	605	666	732
Projected Wholesale Revenue	\$3,544	\$3,544	\$3,544	\$322,192	\$417,738	\$442,283	\$469,162	\$498,658

**RECOMMENDATION**

Staff recommends that the fixed monthly readiness-to-serve charge of \$24,362 and the variable charge of \$205.88 per AF of water purchased be approved by the Board. These proposed rates will create certainty of revenue collection for providing District 36 with the readiness to serve water supply up to their two turnout’s capacity on an infrequent, intermittent basis. The operating and capital improvement costs allocated to wholesale water rates are summarized in Table 9. The result of this cost allocation are the proposed wholesale rates shown in Tables 9 and 10.

*Table 9: Operating and Capital Improvement Costs Allocated to Wholesale Water Rates*

		Capacity Base		6,600 GPM				
		Readiness to Serve Volume		1,250 AF				
O&M Functions	Variable Unit Cost	Unit	Fixed Unit Cost	Cost Components	Multiplier (Capacity or Usage)	Unit	Total Annual Cost	Total Monthly Cost
Source of Supply	\$0.28							
Purchase Power - Treatment Plant	\$0.02							
Water Quality & Treatment	\$0.05		\$30.80	MDD	1,588	ccf - Turnouts MDD Capacity	\$48,923	\$4,077
Customer Accounts			\$2.52	# of Bills	12	Bills	\$30	\$3
Administrative and General			\$0.28	Source of Supply	544,499	Readiness to Serve Volume	\$150,131	\$12,511
Water Resources	\$0.13		\$0.16	Source of Supply	544,499	Readiness to Serve Volume	\$86,914	\$7,243
		<b>\$0.48</b>	<b>ccf</b>			<b>Annual Fixed</b>	<b>\$285,998</b>	
		<b>\$205.88</b>	<b>per AF</b>			<b>Monthly Fixed</b>		<b>\$23,833</b>
CIP Functions	Variable Unit Cost	Unit	Fixed Unit Cost	Cost Components	Multiplier (Capacity or Usage)	Unit	Total Annual Cost	Total Monthly Cost
Water Treatment-Structures & Plant			\$2.29	MDD	1,588	ccf - Turnouts MDD Capacity	\$3,634	\$302.86
T&D-Transmission Mains			\$1.70	MDD	1,588	ccf - Turnouts MDD Capacity	\$2,706	\$225
						<b>Annual Fixed</b>	<b>\$6,340</b>	
						<b>Monthly Fixed</b>		<b>\$528</b>
						<b>Total Fixed</b>	<b>\$292,338</b>	<b>\$24,362</b>

\*Readiness to Serve Volume:Based on pre 2017 Ten-Year Rolling Average Usage

*Table 10: Proposed Wholesale Water Rates*

Wholesale Water Rates		
Calendar Year	Annual Fixed Charge	Variable Rate per AF
2022	\$292,338	\$205.88

**EXHIBIT A**

## Exhibit A

### Source of Supply

#### O&M Expenses

**Table A.1**

**Retail Water Rate Cost of Service**

Source of Supply	Variable	Fixed								Total Source of Supply	
	Source of Supply	Source of Supply	Base	MDD	PHD	Meters	Customer Service	Public Fire Protection Service	Total Fixed		
Buena Vista/ Rosedale Rio Bravo (BV/RRB) Supply	\$ 4,417,409	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,417,409
Firming Programs	\$ 3,083,703	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,083,703
Source of Supply	\$ 7,501,112	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,501,112

**Table A.1.1**

**Costs Allocated to Wholesale District 36 and Retail**

Source of Supply	Variable	Fixed								Total Source of Supply	
	Source of Supply	Source of Supply	Base	MDD	PHD	Meters	Customer Service	Public Fire Protection Service	Total Fixed		
Buena Vista/ Rosedale Rio Bravo (BV/RRB) Supply	\$ 4,417,409	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,417,409
Firming Programs	\$ 3,083,703	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,083,703
Source of Supply	\$ 7,501,112	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,501,112

**Table A.1.2**

**Costs Allocated to Wholesale District 36**

Source of Supply	Variable*	Fixed							
	Source of Supply	Source of Supply	Base	MDD	PHD	Meters	Customer Service	Public Fire Protection Service	Total Fixed
Buena Vista/ Rosedale Rio Bravo (BV/RRB) Supply	\$ 0.17	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Firming Programs	\$ 0.11	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Source of Supply	\$ 0.28	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

\*Variable Cost per ccf

## Exhibit A

### Purchase Power

#### O&M Expenses

**Table A.2**
**Retail Water Rate Cost of Service**

Purchase Power	Variable	Fixed								Total Purchase Power	
	Source of Supply	Source of Supply	Base	MDD	PHD	Meters	Customer Service	Public Fire Protection Service	Total Fixed		
Power Purchased	\$ 69,729	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 69,729
Power Purchased - Pumping	\$ 8,160,827	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,160,827
Power Purchased - Sewer	\$ 10,330	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,330
Power Purchased - Treatment Plant	\$ 433,867	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 433,867
Power Purchased - Wells	\$ 173,547	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 173,547
<b>Purchased Power</b>	<b>\$ 8,848,299</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 8,848,299</b>

**Table A.2.1**
**Costs Allocated to Wholesale District 36 and Retail**

Purchase Power	Variable	Fixed								Total Purchase Power	
	Source of Supply	Source of Supply	Base	MDD	PHD	Meters	Customer Service	Public Fire Protection Service	Total Fixed		
Power Purchased	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Power Purchased - Pumping	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Power Purchased - Sewer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Power Purchased - Treatment Plant	\$ 433,867	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 433,867
Power Purchased - Wells	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Purchased Power</b>	<b>\$ 433,867</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 433,867</b>

**Table A.2.2**
**Costs Allocated to Wholesale District 36**

Purchase Power	Variable*	Fixed							
	Source of Supply	Source of Supply	Base	MDD	PHD	Meters	Customer Service	Public Fire Protection Service	Total Fixed
Power Purchased	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Power Purchased - Pumping	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Power Purchased - Sewer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Power Purchased - Treatment Plant	\$ 0.02	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Power Purchased - Wells	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Purchased Power</b>	<b>\$ 0.02</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

\*Variable Cost per ccf

**Exhibit A**

**Water Quality and Treatment**

**O&M Expenses**

**Table A.3**

**Retail Water Rate Cost of Service**

Water Quality and Treatment	Variable	Fixed							Total Fixed	Total Source of Supply
	Source of Supply	Source of Supply	Base	MDD	PHD	Meters	Customer Service	Public Fire Protection Service		
Chemicals	\$ 1,374,520	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,374,520
Water Quality and Treatment - Benefits	\$ -	\$ -	\$ 703,610	\$ 318,015	\$ 510,813	\$ -	\$ -	\$ -	\$ -	\$ 1,532,438
Water Quality and Treatment - Labor	\$ -	\$ -	\$ 1,290,589	\$ 583,315	\$ 936,952	\$ -	\$ -	\$ -	\$ -	\$ 2,810,856
Backflow Prevention	\$ -	\$ -	\$ 471	\$ 213	\$ 342	\$ -	\$ -	\$ -	\$ -	\$ 1,025
Laboratory Expense	\$ -	\$ -	\$ 349,457	\$ 157,946	\$ 253,702	\$ -	\$ -	\$ -	\$ -	\$ 761,105
Maintenance & Repair - Treatment Equipment	\$ -	\$ -	\$ 23,715	\$ 10,719	\$ 17,217	\$ -	\$ -	\$ -	\$ -	\$ 51,650
Miscellaneous Expense (testing samples, gases)	\$ -	\$ -	\$ 73,042	\$ 33,013	\$ 53,027	\$ -	\$ -	\$ -	\$ -	\$ 159,082
Professional Services - Outside Services & Consulting	\$ -	\$ -	\$ 37,646	\$ 17,015	\$ 27,331	\$ -	\$ -	\$ -	\$ -	\$ 81,992
Regulatory Fees	\$ -	\$ -	\$ 87,998	\$ 39,773	\$ 63,885	\$ -	\$ -	\$ -	\$ -	\$ 191,656
<b>Water Quality and Treatment</b>	<b>\$ 1,374,520</b>	<b>\$ -</b>	<b>\$ 2,666,527</b>	<b>\$ 1,160,009</b>	<b>\$ 1,863,268</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,589,804</b>

**Table A.3.1**

**Costs Allocated to Wholesale District 36 and Retail**

Water Quality and Treatment	Variable	Fixed							Total Fixed	Total Water Quality and Treatment
	Source of Supply	Source of Supply	Base	MDD	PHD	Meters	Customer Service	Public Fire Protection Service		
Chemicals	\$ 1,374,520	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,374,520
Water Quality and Treatment - Benefits	\$ -	\$ -	\$ -	\$ 318,015	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 318,015
Water Quality and Treatment - Labor	\$ -	\$ -	\$ -	\$ 583,315	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 583,315
Backflow Prevention	\$ -	\$ -	\$ -	\$ 213	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 213
Laboratory Expense	\$ -	\$ -	\$ -	\$ 157,946	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 157,946
Maintenance & Repair - Treatment Equipment	\$ -	\$ -	\$ -	\$ 10,719	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,719
Miscellaneous Expense (testing samples, gases)	\$ -	\$ -	\$ -	\$ 33,013	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 33,013
Professional Services - Outside Services & Consulting	\$ -	\$ -	\$ -	\$ 17,015	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,015
Regulatory Fees	\$ -	\$ -	\$ -	\$ 39,773	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 39,773
<b>Water Quality and Treatment</b>	<b>\$ 1,374,520</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,160,009</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,534,529</b>

**Table A.3.2**

**Costs Allocated to Wholesale District 36**

Water Quality and Treatment	Variable	Fixed							Total Fixed
	Source of Supply	Source of Supply	Base	MDD	PHD	Meters	Customer Service	Public Fire Protection Service	
Chemicals	\$ 0.05	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Water Quality and Treatment - Benefits	\$ -	\$ -	\$ -	\$ 13,412	\$ -	\$ -	\$ -	\$ -	\$ -
Water Quality and Treatment - Labor	\$ -	\$ -	\$ -	\$ 24,601	\$ -	\$ -	\$ -	\$ -	\$ -
Backflow Prevention	\$ -	\$ -	\$ -	\$ 9	\$ -	\$ -	\$ -	\$ -	\$ -
Laboratory Expense	\$ -	\$ -	\$ -	\$ 6,661	\$ -	\$ -	\$ -	\$ -	\$ -
Maintenance & Repair - Treatment Equipment	\$ -	\$ -	\$ -	\$ 452	\$ -	\$ -	\$ -	\$ -	\$ -
Miscellaneous Expense (testing samples, gases)	\$ -	\$ -	\$ -	\$ 1,392	\$ -	\$ -	\$ -	\$ -	\$ -
Professional Services - Outside Services & Consulting	\$ -	\$ -	\$ -	\$ 718	\$ -	\$ -	\$ -	\$ -	\$ -
Regulatory Fees	\$ -	\$ -	\$ -	\$ 1,677	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Water Quality and Treatment</b>	<b>\$ 0.05</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 48,923</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

\*Variable Cost per ccf



## Exhibit A

### Customer Accounts

#### O&M Expenses

**Table A.4**

**Retail Water Rate Cost of Service**

Customer Accounts	Variable	Fixed								Total Customer Accounts	
	Source of Supply	Source of Supply	Base	MDD	PHD	Meters	Customer Service	Public Fire Protection Service	Total Fixed		
Customer Accounts - Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 552,377.67	\$ -	\$ 552,378	\$ 552,378
Customer Accounts - Labor	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,086,673.69	\$ -	\$ 1,086,674	\$ 1,086,674
Billing & Collecting	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 723,920.05	\$ -	\$ 723,920	\$ 723,920
Uncollectable Accounts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 62,416.41	\$ -	\$ 62,416	\$ 62,416
Maintenance & Repairs - Meters	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 367,768.89	\$ -	\$ -	\$ 367,769	\$ 367,769
<b>Customer Accounts</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 367,768.89</b>	<b>\$ 2,425,387.82</b>	<b>\$ -</b>	<b>\$ 2,793,157</b>	<b>\$ 2,793,157</b>

**Table A.4.1**

**Costs Allocated to Wholesale District 36 and Retail**

Customer Accounts	Variable	Fixed								Total Customer Accounts	
	Source of Supply	Source of Supply	Base	MDD	PHD	Meters	Customer Service	Public Fire Protection Service	Total Fixed		
Customer Accounts - Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 552,378	\$ -	\$ 552,378	\$ 552,378
Customer Accounts - Labor	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,086,674	\$ -	\$ 1,086,674	\$ 1,086,674
Billing & Collecting	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 723,920	\$ -	\$ 723,920	\$ 723,920
Uncollectable Accounts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 62,416	\$ -	\$ 62,416	\$ 62,416
Maintenance & Repairs - Meters	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Customer Accounts</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,425,388</b>	<b>\$ -</b>	<b>\$ 2,425,388</b>	<b>\$ 2,425,388</b>

**Table A.4.2**

**Costs Allocated to Wholesale District 36**

Customer Accounts	Variable	Fixed							
	Source of Supply	Source of Supply	Base	MDD	PHD	Meters	Customer Service	Public Fire Protection Service	Total Fixed
Customer Accounts - Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7	\$ -	\$ 7
Customer Accounts - Labor	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14	\$ -	\$ 14
Billing & Collecting	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9	\$ -	\$ 9
Uncollectable Accounts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1	\$ -	\$ 1
Maintenance & Repairs - Meters	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Customer Accounts</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 30</b>	<b>\$ -</b>	<b>\$ 30</b>

**Exhibit A**

**Administrative and General**

**O&M Expenses**

**Table A.5**

**Retail Water Rate Cost of Service**

Administrative and General	Variable		Fixed							Total Fixed	Total Administrative and General
	Source of Supply	Source of Supply	Base	MDD	PHD	Meters	Customer Service	Public Fire Protection Service			
General & Administrative - Labor	\$ -	\$ 1,776,864	\$ 1,624,351	\$ 734,168	\$ 528,660	\$ 42,792	\$ 282,209	\$ 6,946	\$ 4,995,980	\$ 4,995,980	
Management - Labor	\$ -	\$ 253,842	\$ 232,056	\$ 104,884	\$ 75,525	\$ 6,113	\$ 40,316	\$ 992	\$ 713,728	\$ 713,728	
Payroll Taxes (UEI)	\$ -	\$ 2,916	\$ 2,666	\$ 1,205	\$ 868	\$ 70	\$ 463	\$ 11	\$ 8,199	\$ 8,199	
General & Administrative - Benefits	\$ -	\$ 895,057	\$ 818,237	\$ 369,823	\$ 266,303	\$ 21,556	\$ 142,157	\$ 3,499	\$ 2,516,632	\$ 2,516,632	
Management - Benefits	\$ -	\$ 119,601	\$ 109,336	\$ 49,417	\$ 35,584	\$ 2,880	\$ 18,996	\$ 468	\$ 336,283	\$ 336,283	
Retiree Benefits	\$ -	\$ 191,642	\$ 175,194	\$ 79,183	\$ 57,019	\$ 4,615	\$ 30,438	\$ 749	\$ 538,840	\$ 538,840	
Earthquake/Flood Insurance	\$ -	\$ 21,871	\$ 19,994	\$ 9,037	\$ 6,507	\$ 527	\$ 3,474	\$ 86	\$ 61,494	\$ 61,494	
Liability/Property Insurance	\$ -	\$ 486,972	\$ 445,176	\$ 201,209	\$ 144,887	\$ 11,728	\$ 77,343	\$ 1,904	\$ 1,369,218	\$ 1,369,218	
Parts & Material	\$ -	\$ 43,096	\$ 39,397	\$ 17,806	\$ 12,822	\$ 1,038	\$ 6,845	\$ 168	\$ 121,172	\$ 121,172	
Professional Services - Outside Services & Consulting	\$ -	\$ 220,542	\$ 201,614	\$ 91,124	\$ 65,617	\$ 5,311	\$ 35,028	\$ 862	\$ 620,098	\$ 620,098	
Security/Alarm Services	\$ -	\$ 51,032	\$ 46,652	\$ 21,086	\$ 15,183	\$ 1,229	\$ 8,105	\$ 200	\$ 143,486	\$ 143,486	
Capital Equipment to CIP	\$ -	\$ (32,322)	\$ (29,548)	\$ (13,355)	\$ (9,617)	\$ (778)	\$ (5,133)	\$ (126)	\$ (90,879)	\$ (90,879)	
Dues and Memberships	\$ -	\$ 82,325	\$ 75,259	\$ 34,015	\$ 24,494	\$ 1,983	\$ 13,075	\$ 322	\$ 231,474	\$ 231,474	
Employee Expense	\$ -	\$ 45,498	\$ 41,593	\$ 18,799	\$ 13,537	\$ 1,096	\$ 7,226	\$ 178	\$ 127,926	\$ 127,926	
Employee Travel	\$ -	\$ 45,376	\$ 41,462	\$ 18,749	\$ 13,501	\$ 1,093	\$ 7,207	\$ 177	\$ 127,585	\$ 127,585	
Internal Relations	\$ -	\$ 20,673	\$ 18,899	\$ 8,542	\$ 6,151	\$ 498	\$ 3,283	\$ 81	\$ 58,127	\$ 58,127	
Maintenance & Repair - Office Equipment	\$ -	\$ 21,413	\$ 19,575	\$ 8,847	\$ 6,371	\$ 516	\$ 3,401	\$ 84	\$ 60,206	\$ 60,206	
Miscellaneous Expenses (bank fees, special projects)	\$ -	\$ 85,704	\$ 78,348	\$ 35,411	\$ 25,499	\$ 2,064	\$ 13,612	\$ 335	\$ 240,973	\$ 240,973	
Office Supplies	\$ -	\$ 67,203	\$ 61,435	\$ 27,767	\$ 19,995	\$ 1,618	\$ 10,674	\$ 263	\$ 188,955	\$ 188,955	
Overhead Allocation	\$ -	\$ (221,481)	\$ (202,472)	\$ (91,512)	\$ (65,896)	\$ (5,334)	\$ (35,177)	\$ (866)	\$ (622,738)	\$ (622,738)	
Professional Development - Education/Training	\$ -	\$ 132,834	\$ 121,433	\$ 54,885	\$ 39,522	\$ 3,199	\$ 21,097	\$ 519	\$ 373,490	\$ 373,490	
Professional License/Fees	\$ -	\$ 36,451	\$ 33,323	\$ 15,061	\$ 10,845	\$ 878	\$ 5,789	\$ 143	\$ 102,490	\$ 102,490	
Professional Services - Accounting	\$ -	\$ 29,886	\$ 27,321	\$ 12,349	\$ 8,892	\$ 720	\$ 4,747	\$ 117	\$ 84,032	\$ 84,032	
Professional Services - Outside Services & Consulting	\$ -	\$ 220,277	\$ 201,372	\$ 91,015	\$ 65,538	\$ 5,305	\$ 34,986	\$ 861	\$ 619,354	\$ 619,354	
Publications	\$ -	\$ 6,932	\$ 6,337	\$ 2,864	\$ 2,063	\$ 167	\$ 1,101	\$ 27	\$ 19,492	\$ 19,492	
Recruitment	\$ -	\$ 10,935	\$ 9,997	\$ 4,518	\$ 3,254	\$ 263	\$ 1,737	\$ 43	\$ 30,747	\$ 30,747	
Rent/HOA Dues	\$ -	\$ 20,486	\$ 18,727	\$ 8,464	\$ 6,095	\$ 493	\$ 3,254	\$ 80	\$ 57,599	\$ 57,599	
Safety Training and Equipment	\$ -	\$ 62,462	\$ 57,101	\$ 25,808	\$ 18,584	\$ 1,504	\$ 9,920	\$ 244	\$ 175,623	\$ 175,623	
Supplies and Services	\$ -	\$ 110,720	\$ 101,217	\$ 45,748	\$ 32,942	\$ 2,666	\$ 17,585	\$ 433	\$ 311,311	\$ 311,311	
Temporary Personnel	\$ -	\$ 91,582	\$ 83,721	\$ 37,840	\$ 27,246	\$ 2,206	\$ 14,545	\$ 358	\$ 257,500	\$ 257,500	
Uniforms	\$ -	\$ 43,377	\$ 39,654	\$ 17,923	\$ 12,906	\$ 1,045	\$ 6,889	\$ 170	\$ 121,963	\$ 121,963	
Utilities	\$ -	\$ 144,387	\$ 131,995	\$ 59,659	\$ 42,959	\$ 3,477	\$ 22,932	\$ 564	\$ 405,974	\$ 405,974	
Vehicle Expense (Repairs)	\$ -	\$ 546,222	\$ 499,341	\$ 225,690	\$ 162,515	\$ 13,155	\$ 86,754	\$ 2,135	\$ 1,535,813	\$ 1,535,813	
Vehicle Operating (Includes Fuel)	\$ -	\$ 73,265	\$ 66,977	\$ 30,272	\$ 21,798	\$ 1,764	\$ 11,636	\$ 286	\$ 206,000	\$ 206,000	
Director - Benefits	\$ -	\$ 124,528	\$ 113,840	\$ 51,453	\$ 37,050	\$ 2,999	\$ 19,778	\$ 487	\$ 350,135	\$ 350,135	
Director - Compensation	\$ -	\$ 82,292	\$ 75,229	\$ 34,002	\$ 24,484	\$ 1,982	\$ 13,070	\$ 322	\$ 231,379	\$ 231,379	
Director - Expenses	\$ -	\$ 49,454	\$ 45,210	\$ 20,434	\$ 14,714	\$ 1,191	\$ 7,855	\$ 193	\$ 139,050	\$ 139,050	
Professional Services - Legal	\$ -	\$ 408,035	\$ 373,015	\$ 168,594	\$ 121,401	\$ 9,827	\$ 64,806	\$ 1,595	\$ 1,147,273	\$ 1,147,273	
Professional Services - Legislative Advocate Services	\$ -	\$ 118,467	\$ 108,299	\$ 48,949	\$ 35,247	\$ 2,853	\$ 18,815	\$ 463	\$ 333,093	\$ 333,093	
Professional Services - Outside Services & Consulting	\$ -	\$ 63,790	\$ 58,315	\$ 26,357	\$ 18,979	\$ 1,536	\$ 10,131	\$ 249	\$ 179,358	\$ 179,358	
Computer Support	\$ -	\$ 893,919	\$ 817,196	\$ 369,353	\$ 265,964	\$ 21,528	\$ 141,977	\$ 3,495	\$ 2,513,431	\$ 2,513,431	
<b>Administrative and General</b>	<b>\$ -</b>	<b>\$ 7,448,115</b>	<b>\$ 6,808,862</b>	<b>\$ 3,077,442</b>	<b>\$ 2,216,008</b>	<b>\$ 179,374</b>	<b>\$ 1,182,946</b>	<b>\$ 29,117</b>	<b>\$ 20,941,865</b>	<b>\$ 20,941,865</b>	

**Exhibit A**

**Administrative and General**

**O&M Expenses**

**Table A.5.1**

**Costs Allocated to Wholesale District 36 and Retail**

Administrative and General	Variable		Fixed						Total Fixed	Total Administrative and General
	Source of Supply	Source of Supply	Base	MDD	PHD	Meters	Customer Service	Public Fire Protection Service		
General & Administrative - Labor	\$ -	\$ 1,776,864	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,776,864	\$ 1,776,864
Management - Labor	\$ -	\$ 253,842	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 253,842	\$ 253,842
Payroll Taxes (UEI)	\$ -	\$ 2,916	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,916	\$ 2,916
General & Administrative - Benefits	\$ -	\$ 895,057	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 895,057	\$ 895,057
Management - Benefits	\$ -	\$ 119,601	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 119,601	\$ 119,601
Retiree Benefits	\$ -	\$ 191,642	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 191,642	\$ 191,642
Earthquake/Flood Insurance	\$ -	\$ 21,871	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,871	\$ 21,871
Liability/Property Insurance	\$ -	\$ 486,972	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 486,972	\$ 486,972
Parts & Material	\$ -	\$ 43,096	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 43,096	\$ 43,096
Professional Services - Outside Services & Consulting	\$ -	\$ 220,542	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 220,542	\$ 220,542
Security/Alarm Services	\$ -	\$ 51,032	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 51,032	\$ 51,032
Capital Equipment to CIP	\$ -	\$ (32,322)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (32,322)	\$ (32,322)
Dues and Memberships	\$ -	\$ 82,325	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 82,325	\$ 82,325
Employee Expense	\$ -	\$ 45,498	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,498	\$ 45,498
Employee Travel	\$ -	\$ 45,376	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,376	\$ 45,376
Internal Relations	\$ -	\$ 20,673	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,673	\$ 20,673
Maintenance & Repair - Office Equipment	\$ -	\$ 21,413	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,413	\$ 21,413
Miscellaneous Expenses (bank fees, special projects)	\$ -	\$ 85,704	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 85,704	\$ 85,704
Office Supplies	\$ -	\$ 67,203	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 67,203	\$ 67,203
Overhead Allocation	\$ -	\$ (221,481)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (221,481)	\$ (221,481)
Professional Development - Education/Training	\$ -	\$ 132,834	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 132,834	\$ 132,834
Professional License/Fees	\$ -	\$ 36,451	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 36,451	\$ 36,451
Professional Services - Accounting	\$ -	\$ 29,886	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 29,886	\$ 29,886
Professional Services - Outside Services & Consulting	\$ -	\$ 220,277	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 220,277	\$ 220,277
Publications	\$ -	\$ 6,932	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,932	\$ 6,932
Recruitment	\$ -	\$ 10,935	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,935	\$ 10,935
Rent/HOA Dues	\$ -	\$ 20,486	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,486	\$ 20,486
Safety Training and Equipment	\$ -	\$ 62,462	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 62,462	\$ 62,462
Supplies and Services	\$ -	\$ 110,720	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 110,720	\$ 110,720
Temporary Personnel	\$ -	\$ 91,582	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 91,582	\$ 91,582
Uniforms	\$ -	\$ 43,377	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 43,377	\$ 43,377
Utilities	\$ -	\$ 144,387	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 144,387	\$ 144,387
Vehicle Expense (Repairs)	\$ -	\$ 546,222	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 546,222	\$ 546,222
Vehicle Operating (Includes Fuel)	\$ -	\$ 73,265	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 73,265	\$ 73,265
Director - Benefits	\$ -	\$ 124,528	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 124,528	\$ 124,528
Director - Compensation	\$ -	\$ 82,292	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 82,292	\$ 82,292
Director - Expenses	\$ -	\$ 49,454	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 49,454	\$ 49,454
Professional Services - Legal	\$ -	\$ 408,035	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 408,035	\$ 408,035
Professional Services - Legislative Advocate Services	\$ -	\$ 118,467	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 118,467	\$ 118,467
Professional Services - Outside Services & Consulting	\$ -	\$ 63,790	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 63,790	\$ 63,790
Computer Support	\$ -	\$ 893,919	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 893,919	\$ 893,919
<b>Administrative and General</b>	<b>\$ -</b>	<b>\$ 7,448,115</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 7,448,115</b>	<b>\$ 7,448,115</b>

**Exhibit A**

**Administrative and General**

**O&M Expenses**

**Table A.5.2**

**Costs Allocated to Wholesale District 36**

Administrative and General	Variable	Fixed							Total Fixed
	Source of Supply	Source of Supply	Base	MDD	PHD	Meters	Customer Service	Public Fire Protection Service	
General & Administrative - Labor	\$ -	\$ 35,816	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,816
Management - Labor	\$ -	\$ 5,117	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,117
Payroll Taxes (UEI)	\$ -	\$ 59	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 59
General & Administrative - Benefits	\$ -	\$ 18,042	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,042
Management - Benefits	\$ -	\$ 2,411	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,411
Retiree Benefits	\$ -	\$ 3,863	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,863
Earthquake/Flood Insurance	\$ -	\$ 441	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 441
Liability/Property Insurance	\$ -	\$ 9,816	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,816
Parts & Material	\$ -	\$ 869	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 869
Professional Services - Outside Services & Consulting	\$ -	\$ 4,445	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,445
Security/Alarm Services	\$ -	\$ 1,029	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,029
Capital Equipment to CIP	\$ -	\$ (652)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (652)
Dues and Memberships	\$ -	\$ 1,659	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,659
Employee Expense	\$ -	\$ 917	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 917
Employee Travel	\$ -	\$ 915	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 915
Internal Relations	\$ -	\$ 417	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 417
Maintenance & Repair - Office Equipment	\$ -	\$ 432	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 432
Miscellaneous Expenses (bank fees, special projects)	\$ -	\$ 1,728	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,728
Office Supplies	\$ -	\$ 1,355	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,355
Overhead Allocation	\$ -	\$ (4,464)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (4,464)
Professional Development - Education/Training	\$ -	\$ 2,678	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,678
Professional License/Fees	\$ -	\$ 735	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 735
Professional Services - Accounting	\$ -	\$ 602	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 602
Professional Services - Outside Services & Consulting	\$ -	\$ 4,440	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,440
Publications	\$ -	\$ 140	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 140
Recruitment	\$ -	\$ 220	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 220
Rent/HOA Dues	\$ -	\$ 413	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 413
Safety Training and Equipment	\$ -	\$ 1,259	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,259
Supplies and Services	\$ -	\$ 2,232	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,232
Temporary Personnel	\$ -	\$ 1,846	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,846
Uniforms	\$ -	\$ 874	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 874
Utilities	\$ -	\$ 2,910	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,910
Vehicle Expense (Repairs)	\$ -	\$ 11,010	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,010
Vehicle Operating (Includes Fuel)	\$ -	\$ 1,477	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,477
Director - Benefits	\$ -	\$ 2,510	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,510
Director - Compensation	\$ -	\$ 1,659	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,659
Director - Expenses	\$ -	\$ 997	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 997
Professional Services - Legal	\$ -	\$ 8,225	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,225
Professional Services - Legislative Advocate Services	\$ -	\$ 2,388	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,388
Professional Services - Outside Services & Consulting	\$ -	\$ 1,286	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,286
Computer Support	\$ -	\$ 18,019	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,019
<b>Administrative and General</b>	<b>\$ -</b>	<b>\$ 150,131</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 150,131</b>

Exhibit A

Water Resources

O&M Expenses

Table A.6 Retail Water Rate Cost of Service

Water Resources	Variable	Fixed							Total Fixed	Total Water Resources
	Source of Supply	Source of Supply	Base	MDD	PHD	Meters	Customer Service	Public Fire Protection Service		
Agency Publications	\$ 27,753	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 27,753
Community Relations	\$ 159,325	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 159,325
Public Outreach & Activities	\$ 808,555	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 808,555
Water Efficiency and Conservation	\$ 2,462,203	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,462,203
DD Landowner Expenditure	\$ -	\$ 204,980	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 204,980	\$ 204,980
DD Variable DWR Charges	\$ -	\$ 102,490	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 102,490	\$ 102,490
Groundwater Sustainability Agency	\$ -	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 250,000	\$ 250,000
Water Resources - Benefits	\$ -	\$ 706,154	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 706,154	\$ 706,154
Water Resources - Labor	\$ -	\$ 1,822,953	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,822,953	\$ 1,822,953
Water Shortage Contingency Plan	\$ -	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,000	\$ 20,000
Water Acquisition costs- Ventura	\$ -	\$ 20,498	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,498	\$ 20,498
Water Acquisition costs- Semi Tropic	\$ -	\$ 84,240	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 84,240	\$ 84,240
Water Acquisition costs- BV/RRB	\$ -	\$ 60,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60,000	\$ 60,000
Salt and Nutrient Management Plant	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ 100,000
Annexation Support	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000	\$ 50,000
Grant Administration	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ 200,000
Professional Services - Outside Services & Consulting	\$ -	\$ 640,563	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 640,563	\$ 640,563
Integrated Regional Water Management Plan	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000	\$ 50,000
<b>Water Resources</b>	<b>\$ 3,457,837</b>	<b>\$ 4,311,877</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,311,877</b>	<b>\$ 7,769,713</b>

Table A.6.1 Costs Allocated to Wholesale District 36 and Retail

Water Resources	Variable	Fixed							Total Fixed	Total Water Resources
	Source of Supply	Source of Supply	Base	MDD	PHD	Meters	Customer Service	Public Fire Protection Service		
Agency Publications	\$ 27,753	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 27,753
Community Relations	\$ 159,325	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 159,325
Public Outreach & Activities	\$ 808,555	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 808,555
Water Efficiency and Conservation	\$ 2,462,203	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,462,203
DD Landowner Expenditure	\$ -	\$ 204,980	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 204,980	\$ 204,980
DD Variable DWR Charges	\$ -	\$ 102,490	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 102,490	\$ 102,490
Groundwater Sustainability Agency	\$ -	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 250,000	\$ 250,000
Water Resources - Benefits	\$ -	\$ 706,154	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 706,154	\$ 706,154
Water Resources - Labor	\$ -	\$ 1,822,953	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,822,953	\$ 1,822,953
Water Shortage Contingency Plan	\$ -	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,000	\$ 20,000
Water Acquisition costs- Ventura	\$ -	\$ 20,498	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,498	\$ 20,498
Water Acquisition costs- Semi Tropic	\$ -	\$ 84,240	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 84,240	\$ 84,240
Water Acquisition costs- BV/RRB	\$ -	\$ 60,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60,000	\$ 60,000
Salt and Nutrient Management Plant	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ 100,000
Annexation Support	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000	\$ 50,000
Grant Administration	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ 200,000
Professional Services - Outside Services & Consulting	\$ -	\$ 640,563	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 640,563	\$ 640,563
Integrated Regional Water Management Plan	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000	\$ 50,000
<b>Water Resources</b>	<b>\$ 3,457,837</b>	<b>\$ 4,311,877</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,311,877</b>	<b>\$ 7,769,713</b>

Table A.6.2 Costs Allocated to Wholesale District 36

Water Resources	Variable*	Fixed							Total Fixed
	Source of Supply	Source of Supply	Base	MDD	PHD	Meters	Customer Service	Public Fire Protection Service	
Agency Publications	\$ 0.01	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Community Relations	\$ 0.01	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public Outreach & Activities	\$ 0.02	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Water Efficiency and Conservation	\$ 0.09	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
DD Landowner Expenditure	\$ -	\$ 4,132	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,132
DD Variable DWR Charges	\$ -	\$ 2,066	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,066
Groundwater Sustainability Agency	\$ -	\$ 5,039	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,039
Water Resources - Benefits	\$ -	\$ 14,234	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,234
Water Resources - Labor	\$ -	\$ 36,745	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 36,745
Water Shortage Contingency Plan	\$ -	\$ 403	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 403
Water Acquisition costs- Ventura	\$ -	\$ 413	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 413
Water Acquisition costs- Semi Tropic	\$ -	\$ 1,698	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,698
Water Acquisition costs- BV/RRB	\$ -	\$ 1,209	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,209
Salt and Nutrient Management Plant	\$ -	\$ 2,016	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,016
Annexation Support	\$ -	\$ 1,008	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,008
Grant Administration	\$ -	\$ 4,031	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,031
Professional Services - Outside Services & Consulting	\$ -	\$ 12,912	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,912
Integrated Regional Water Management Plan	\$ -	\$ 1,008	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,008
<b>Water Resources</b>	<b>\$ 0.13</b>	<b>\$ 86,914</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 86,914</b>

\*Variable Cost per ccf

## Exhibit A

### Other Functions

#### O&M Expenses

**Table A.7**

**Retail Water Rate Cost of Service**

Other Functions	Variable	Fixed								Total Other Functions	
	Source of Supply	Source of Supply	Base	MDD	PHD	Meters	Customer Service	Public Fire Protection Service	Total Fixed		
Pumping and Wells ( excluding purchased Power)	\$ -	\$ -	\$ 3,185,273	\$ 1,439,667	\$ 2,312,470	\$ -	\$ -	\$ -	\$ -	\$ 6,937,410	\$ 6,937,410
Engineering	\$ -	\$ -	\$ 1,524,523	\$ 689,048	\$ 1,106,785	\$ -	\$ -	\$ -	\$ -	\$ 3,320,355	\$ 3,320,355
Transmission, Distribution & Maintenance	\$ 214,697	\$ -	\$ 8,060,505	\$ 3,643,155	\$ 367,731	\$ -	\$ -	\$ -	\$ 59,699	\$ 12,131,090	\$ 12,345,787
<b>Other Functions</b>	<b>\$ 214,697</b>	<b>\$ 8,066,284</b>	<b>\$ 12,770,301</b>	<b>\$ 5,771,869</b>	<b>\$ 3,786,986</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 59,699</b>	<b>\$ 30,455,139</b>	<b>\$ 22,603,552</b>

**Table A.7.1**

**Costs Allocated to Wholesale District 36 and Retail**

Other Functions	Variable	Fixed								Total Other Functions	
	Source of Supply	Source of Supply	Base	MDD	PHD	Meters	Customer Service	Public Fire Protection Service	Total Fixed		
Pumping and Wells ( excluding purchased Power)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Engineering	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transmission, Distribution & Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Other Functions</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

## Exhibit A

### Total O&M Costs

#### O&M Expenses

**Table A.8**

**Retail Water Rate Cost of Service**

Total O&M Costs	Variable	Fixed								TOTAL O&M
	Source of Supply	Source of Supply	Base	MDD	PHD	Meters	Customer Service	Public Fire Protection Service	Total Fixed	
<b>Total O&amp;M Costs</b>	\$ 21,396,465	\$ 19,826,275	\$ 22,145,690	\$ 10,009,320	\$ 7,866,263	\$ 547,143	\$ 3,608,334	\$ 88,817	\$ 64,091,842	\$ 77,422,023

**Table A.8.1**

**Costs Allocated to Wholesale District 36 and Retail**

Total O&M Costs allocated to Wholesale District 36 and Retail	Variable	Fixed								TOTAL COS allocated to Wholesale & Water Rate
	Source of Supply	Source of Supply	Base	MDD	PHD	Meters	Customer Service	Public Fire Protection Service	Total Fixed	
<b>Total O&amp;M Costs</b>	\$ 12,767,336	\$ 11,759,992	-	\$ 1,160,009	-	-	\$ 2,425,388	-	\$ 15,345,388	\$ 28,112,724

**Table A.8.2**

**Costs Allocated to Wholesale District 36 and Retail**

Total O&M Costs allocated to Wholesale District 36	Variable *	Fixed								
	Source of Supply	Source of Supply	Base	MDD	PHD	Meters	Customer Service	Public Fire Protection Service	Total Fixed	
<b>Total O&amp;M Costs</b>	\$ 0.48	\$ 237,045	-	\$ 48,923	-	-	-	\$ 30	-	\$ 285,998

*\*Variable Cost per ccf*

Exhibit A

Capital Improvement Project (CIP)

CIP

Table A.9 Retail Water Rate Cost of Service

CIP	Variable	Fixed								Total CIP	
	Source of Supply	Source of Supply	Base	MDD	PHD	Meters	Customer Service	Public Fire Protection Service	Total Fixed		
Source of Supply	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Pumping	\$ -	\$ -	\$ 37,762,283	\$ 17,067,645	\$ 26,399,964	\$ -	\$ -	\$ -	\$ -	\$ 81,229,891	\$ 81,229,891
Water Treatment	\$ -	\$ -	\$ 24,192,893	\$ 10,934,607	\$ 17,563,750	\$ -	\$ -	\$ -	\$ -	\$ 52,691,250	\$ 52,691,250
<i>WT-Structures</i>	-	-	1,124,904	508,430	816,667	-	-	-	-	2,450,000	2,450,000
<i>WT-Plant</i>	-	-	23,067,990	10,426,177	16,747,083	-	-	-	-	50,241,250	50,241,250
Transmission and Distribution	\$ -	\$ -	\$ 69,188,583	\$ 8,140,351	\$ 13,075,467	\$ 47,964,983	\$ 47,232,600	\$ 388,000	\$ -	\$ 185,989,983	\$ 185,989,983
Engineering	\$ -	\$ -	\$ 3,009,238	\$ 1,360,103	\$ 2,184,671	\$ -	\$ -	\$ -	\$ -	\$ 6,554,013	\$ 6,554,013
General	\$ -	\$ -	\$ 5,590,563	\$ 1,661,905	\$ 2,631,489	\$ 1,793,449	\$ 1,766,064	\$ 14,508	\$ -	\$ 13,457,979	\$ 13,457,979
Water Resources	\$ -	\$ -	\$ 15,364,102	\$ 6,944,205	\$ 11,154,153	\$ -	\$ -	\$ -	\$ -	\$ 33,462,460	\$ 33,462,460
<b>Total CIPs</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 155,107,662</b>	<b>\$ 46,108,816</b>	<b>\$ 73,009,494</b>	<b>\$ 49,758,432</b>	<b>\$ 48,998,664</b>	<b>\$ 402,508</b>	<b>\$ -</b>	<b>\$ 373,385,576</b>	<b>\$ 373,385,576</b>

Table A.9.1 Costs Allocated to Wholesale District 36 and Retail

CIP	Variable	Fixed								Total CIP	
	Source of Supply	Source of Supply	Base	MDD	PHD	Meters	Customer Service	Public Fire Protection Service	Total Fixed		
Source of Supply	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Pumping	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Water Treatment	\$ -	\$ -	\$ -	\$ 10,934,607	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,934,607	\$ 10,934,607
<i>Water Treatment - Structures</i>	-	-	-	508,430	-	-	-	-	-	508,430	508,430
<i>Water Treatment - Plant</i>	-	-	-	10,426,177	-	-	-	-	-	10,426,177	10,426,177
T&D-Transmission Mains	\$ -	\$ -	\$ -	\$ 8,140,351	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,140,351	\$ 8,140,351
Engineering	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
General	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Water Resources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total CIPs</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 19,074,957</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 19,074,957</b>	<b>\$ 19,074,957</b>

Table A.9.1 Costs Allocated to Wholesale District 36

CIP	Variable	Fixed							
	Source of Supply	Source of Supply	Base	MDD	PHD	Meters	Customer Service	Public Fire Protection Service	Total Fixed
Source of Supply	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Pumping	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Water Treatment	\$ -	\$ -	\$ -	\$ 3,634	\$ -	\$ -	\$ -	\$ -	\$ 3,634
<i>Water Treatment - Structures</i>	-	-	-	169	-	-	-	-	169
<i>Water Treatment - Plant</i>	-	-	-	3,465	-	-	-	-	3,465
T&D-Transmission Mains	\$ -	\$ -	\$ -	\$ 2,706	\$ -	\$ -	\$ -	\$ -	\$ 2,706
Engineering	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
General	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Water Resources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total CIPs</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 6,340</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 6,340</b>



[This page intentionally left blank.]



# Wholesale Water Rates

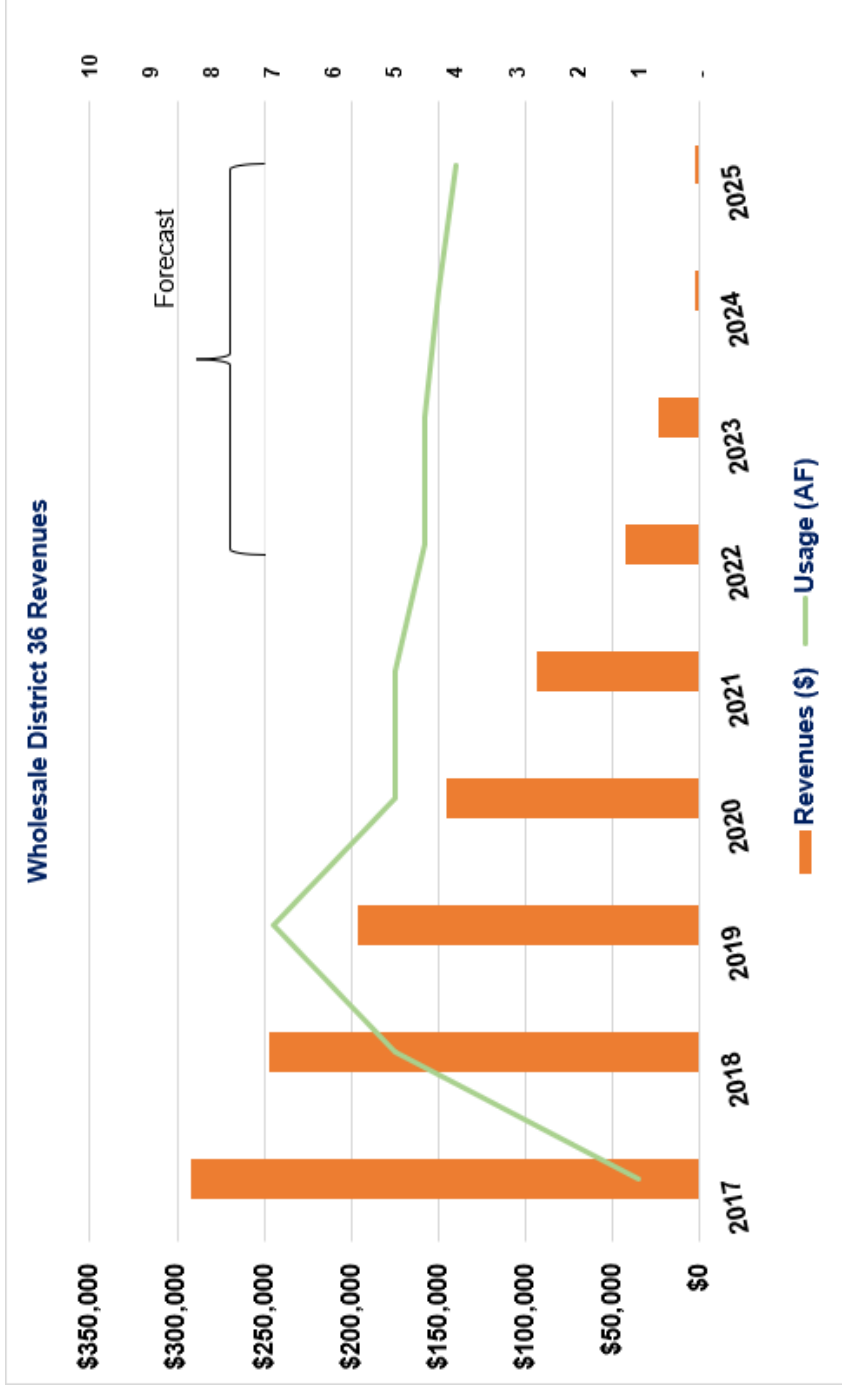
Overview of the process, methodology, and results

# Agenda

- Why the need for a new wholesale rate
  - Factors considered
- The product (rate design)
- Key rate elements
  - Volumetric uncertainty
  - Determining Peak demand with uncertainty
- Issues of interest



# The Need for a New Wholesale Water Rate



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# Reassessing the Service Needed by the District

- Infrequent purchases
- Unknown frequency of purchases
- Uncertainty in volumes purchased when called on

How do you determine the cost of providing this service?

1. Cost of the capacity that could be called on at any time
2. Cost of maintaining this level of capacity in case it is requested
3. Cost of the water purchased



# The Methodology Used in Setting Wholesale Water Rates

The projected revenue from the wholesale water rates in FY 2022 was \$68,392 at the time of the retail rate study, representing 0.05 % of the total operating revenue (\$80 million) – staff determined that the wholesale rates need to be reassessed in a separate study



The staff and ratepayer advocate determined that the wholesale water rates for District 36 should be conceptually like a standby\* service or readiness to serve rate.

Wholesale water rates are not “standby charges” for purposes of article XIII D of the California constitution. They are not imposed on property or as an incident of property ownership and relate to costs associated with providing wholesale water service to the customer.

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## Standby Service/Readiness to serve rates can be considered for wholesale water rates when:

- A utility places random, infrequent loads on another utility's system
- A water utility wishes to acquire finished potable water from an outside source in the event of an interruption or temporary lack of access to the source water supply
- A water utility pursues arrangements for standby water service to back up their water supply
- The water utility providing standby service has the necessary reserve capacity to supply the level of standby demand requested by another utility without compromising the safe yield commitment and operational integrity to its customers
- Transmission main interconnections are in place to transfer the water on demand

Excerpted from American Waterworks Association M1

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# The “Product” ...Rate Design Recommended

- Fixed, monthly “readiness-to-serve” charge
    - Recover fixed costs of being on call with enough capacity to serve
  - Variable charge per AF of water
    - Recover the cost of water supplied
- ✓ Proposed fixed charge over 12 months is over \$292,000. No water purchase necessary
- ✓ Existing wholesale revenues on track for approximately \$94,000 per year
- ✓ Proposed fixed charge revenue is close to annual wholesale revenue earned under existing rate structure during the years 2005-2016

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# Two main calculations and where they fit into wholesale rates

## Base annual water usage

- Under the proposed rates, the fixed charge is calculated based on **a 10-year average demand rounded up**
- **This calc is used to allocate fixed costs to the fixed charge**

## MDD-modification

- MDD is used to allocate costs from the MDD category of the Retail Cost of Service
- Modification needed due to infrequent use and uncertainty in quantity
- Fire Service Charge has similar characteristics so used that approach



# District 36 Historic Water Purchase Volumes

Year	Los Angeles County Waterworks District 36				Total
	Purchased from SCVWA		Local Production		
	Imported Water <sup>1</sup>	Alluvium <sup>3</sup>	Saugus Formation <sup>4</sup>		
1980	0	-	-	-	0
1981	0	-	-	-	0
1982	145	-	-	-	145
1983	207	-	-	-	207
1984	240	-	-	-	240
1985	272	-	-	-	272
1986	342	-	-	-	342
1987	361	-	-	-	361
1988	434	-	-	-	434
1989	457	-	-	-	457
1990	513	-	-	-	513
1991	435	-	-	-	435
1992	421	-	-	-	421
1993	465	-	-	-	465
1994	453	-	-	-	453
1995	477	-	-	-	477
1996	533	-	-	-	533
1997	785	-	-	-	785
1998	578	-	-	-	578
1999	654	-	-	-	654
2000	800	-	-	-	800
2001	907	-	-	-	907
2002	1,069	-	-	-	1,069
2003	1,175	-	-	-	1,175
2004	854	380	-	-	1,234
2005	857	343	-	-	1,200
2006	1,289	-	-	-	1,289
2007	1,406	-	-	-	1,406
2008	1,354	-	-	-	1,354
2009	1,243	-	-	-	1,243
2010	1,141	-	-	-	1,141
2011	1,172	-	0	-	1,172
2012	471	-	794	-	1,265
2013	485	-	811	-	1,296
2014	4	-	1,238	-	1,242
2015	3	-	973	-	976
2016	3	-	1,047	-	1,050
2017	1	-	0	-	1
2018	5	-	0	-	5
2019	7	-	0	-	7
2020	5	-	0	-	5
2021	5	-	-	-	5
2022	5	-	-	-	5

Year	Total
2006	1289
2007	1406
2008	1354
2009	1243
2010	1141
2011	1172
2012	1265
2013	1296
2014	1242
2015	976
Ten Year Average	1238.4 rounded up to 1250

Water purchased by year is the sum of Imported and Local Production.



# MDD Cost Allocation from Retail to Wholesale

MDD Cost Allocations		
Water Quality Treatment	Total	\$ 1,160,009
	Wholesale	\$ 48,923
Capital Improvement	Total	\$ 19,074,957
	Wholesale	\$ 6,340
Combined	Total	\$ 20,234,966
	Wholesale	\$ 55,263
		4.22%
		0.03%
		0.27%

A total of \$55,263 was allocated from the retail cost of service MDD costs to the wholesale rate analysis



**Question: Why is a different methodology used to calculate Maximum Day Demand (MDD) for the wholesale water customer? What does it have to do with the fire standards?**

## Unit of Service Analysis



## Question on MDD: Continued

$$\text{Retail Customer's MDD (2021 Study)} = \frac{\text{Maximum Day Usage}}{\text{Average Day Usage}} = \frac{105,898}{70,185} = 150.88\%$$

Unable to use this methodology for District 36 because of the uncertainty of frequency and amounts of water purchased.

Wholesale Customer's MDD was calculated using the same methodology as the fire service accounts because the water for both fire service and wholesale sales is called up (purchased) irregularly and primarily for only supplemental purposes.

Fire Service: Required System Capacity on Max Day = 1,500 ~ 4,500 gpm x 2-4 hours\*

District 36: Required System Capacity on Max Day = 6,600 gpm x 3 hours (same number of hours as retail analysis used)

Clarify this is not a fire flow fire service calc. used max capacity for 3 hours. Used the method but recognized...



# Other Issues of interest

- How much money are we talking about?
- Overcollect revenues?
- How does wholesale rates impact retail rates?
- Customer impact



## Proposed Wholesale Fixed Charge: How much revenue are we proposing?

The proposed fixed wholesale rate will generate **\$24,362** per month

In FY 21-22 wholesale revenues will equal 3 months X **\$24,362** per month (\$73,085) for April, May and June 2022 + (\$70,314) from the existing rates for the 9 months – June 2021-March 2022 = **\$143,399**

This equals **0.18%** of Agency expected total operating revenue (**\$80,052,122**)

In FY 22-23, if there are no **CPI** cost increases this fixed charge would generate **\$24,362** per month x 12 = **\$292,338**

This equals **0.34%** of Agency expected total operating revenue (**\$85,487,878**)

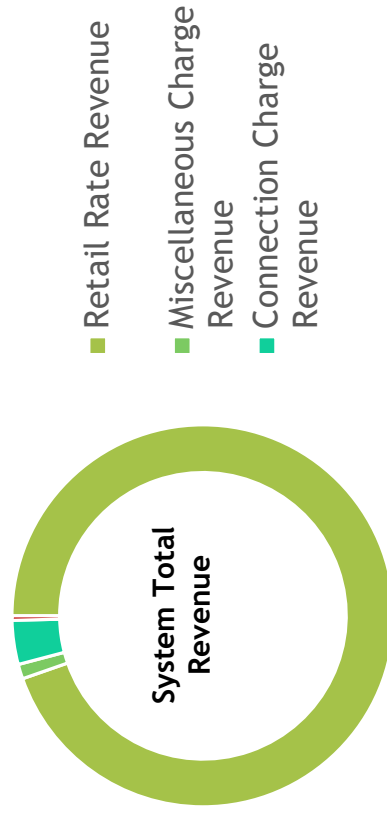
These amounts will be taken into consideration when planning the amount of the actual retail revenue increase for the year.



# Question: Will SCV Water Over-collect revenue?

- The revenue collected from wholesale water rates will offset future revenue requirements for the retail customers

SCV Water Revenues by Type



The system's total revenue requirements are offset by non-rate revenues such as revenue from connection charges and miscellaneous charges. The wholesale rate revenue will **Also be used to offset the revenue requirements.**





## How Does Wholesale Revenue Help Keep Retail Rates as Low as Possible?

- Each year a budget is approved and the prior year budget vs actuals are assessed.
  - If there is a surplus of revenue above the actual costs incurred in the prior year, that revenue is available to fund operating cost increases or additional capital funding.
  - The Agency is in the first year of a five year rate plan. Years 2 through 5 have approved increases of up to 6.5%. The better the prior year's financial results: larger than anticipated sales and/or smaller than planned expenses, compared to the anticipated increase in costs for the coming year will determine the actual amount of retail rate increase for each of the next 4 years (through FY26).
- The revenues received from the fixed charge component of the wholesale rate can go directly towards offsetting costs that would otherwise need to be recovered from retail customers or to fund additional capital projects.



## **Question: The allocated costs to wholesale customers were offset by the non-rate revenue, why?**

SCV Water does not have to use non-rate revenues to offset rates; however, the Agency decided to use the same unit rates that are used for retail customers to consider fairness and affordability of the new proposed rates.

The offset totaled \$92,907 per year. Spread over the District's approximately 1,300 accounts this equates to an approximate \$6 per month per customer.



## Requested Board Action

The requested Board action is to approve the proposed wholesale water rates, to be effective April 1.

Annual Fixed charge: \$292,338

Variable Charge: \$205.88 per AF



# Questions/Comments/Discussion

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## BOARD MEMORANDUM

**DATE:** March 7, 2022

**TO:** Board of Directors *RP*

**FROM:** Rochelle Patterson  
Director of Finance and Administration

**SUBJECT:** Approve a Revised COVID-19 Supplemental Paid Sick and Emergency Administrative Leave Policy to Comply with SB 114

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### SUMMARY

On February 9, 2022, Governor Newsom signed Senate Bill 114 (SB 114), which took effect on February 19, 2022, and requires covered employers to provide additional banks of supplemental paid sick leave for certain COVID-19 related absences. The Agency is therefore issuing this revised COVID-19 Supplemental Paid Sick and Emergency Administrative Leave Policy.

### DISCUSSION

The purpose of the COVID-19 Supplemental Paid Sick and Emergency Administrative Leave Policy (Policy) was to comply with the COVID-19 Supplemental Paid Sick Leave (SPSL) created by Senate Bill 95 (SB 95) in March of 2021, which had sunset on September 30, 2021, but has subsequently been extended to September 30, 2022, through SB 114. The policy also provides Emergency Administrative Leave (EAL) to those employees needing childcare assistance (a provision not covered by SB 95 or SB 114).

The Board of Directors extended the provision of the SB 95 Policy through June 30, 2022, but SB 114 has different rules for the number of hours granted for SPSL. The previous policy, SB 95 (including the Board policy extension) allowed employees with eligible absences, 80 hours of SPSL. SB 114 also grants employees with eligible absences, 80 hours of SPSL but has split the hours into two 40-hour banks.

**Bank 1:** Up to 40-hours of leave is available only for any covered reason.

Leave under Bank 1 taken for a COVID-19 vaccine or booster shot is limited to three days or 24 hours, and includes time spent attending an appointment and/or for COVID-19 vaccine or booster shot-related symptoms (for each vaccine/booster). However, if a health care provider verifies the employee or family member continues to experience symptoms related to the vaccine/booster, more than three days or 24 hours of time off may be available.

**Bank 2:** Up to 40-hours of additional leave is available if the employee tests positive for or is caring for a family member who tests positive for COVID-19.

An employee who tests positive may be required, at no cost to the employee, to submit to a diagnostic test on or after the fifth day after the test resulting in the positive

diagnosis was taken and provide documentation of the results to the Agency. Similarly, if leave requested under Bank 1 is because a family member for whom employee is providing care tests positive for COVID-19, the Agency may require that the employee provide documentation of that family member's test results before paying the additional leave. The Agency has no obligation to provide additional leave under Bank 1 for an employee who refuses to provide documentation of test results upon Agency request.

COVID-19 Supplemental Paid Sick Leave is an entitlement above and beyond an employee's normal sick leave entitlement. It shall be available first for the reasons set forth in the policy, beginning February 19, 2022, and will be retroactive to January 1, 2022, for any claims that could have arisen under the guidelines set forth below. The rights and entitlements provided in this Policy currently sunset on September 30, 2022, unless otherwise extended by the state or Board of Directors.

In addition, a provision for EAL was included in the policy for those employees needing childcare assistance. This EAL Policy extension does not "refill" hours already utilized by staff under this policy.

Should time be needed beyond what is provided under SB 114 or EAL (as appropriate), the employee could use regular sick leave or vacation time.

Under SB 114 (as well as SB 95), the paid sick leave is capped at \$511 per day and \$5,110 in total. (See COVID-19 Supplemental Paid Sick Leave and Emergency Administrative Leave Policy, attached as Attachment 1).

#### **FINANCIAL CONSIDERATIONS**

The financial impact is impossible to predict without first knowing how many employees will need to utilize the leave. Since January 2022, approximately \$111,550 have been expensed for COVID related leave. Current trends would suggest direct COVID related (illness or quarantine) leave may continue to trend downward.

#### **RECOMMENDATION**

That the Board of Directors approve the attached Revised COVID-19 Supplemental Paid Sick Leave (to comply with SB 114) and Emergency Administrative Leave Policy. This policy can be extended by the state or Board of Directors, as conditions warrant.

RP

Attachment

MBS



POLICIES, RULES AND REGULATIONS	
Title: <b>COVID-19 SUPPLEMENTAL PAID SICK AND EMERGENCY ADMINISTRATIVE LEAVE POLICY</b>	
Approval Date: <del>December 21, 2021</del> <u>March 15, 2022</u>	Effective Date: January 1, 2021 <u>2</u>
Approved By: Board of Directors	DMS # <del>27778</del>

**COVID-19 Supplemental Paid Sick and Emergency Administrative Leave Policy**

On or about March 4, 2020, Governor Newsom Declared a State of Emergency in California and on March 12, 2020, signed Executive Order N-25-20 to formalize state actions to limit the spread and manage certain impacts of a Novel Coronavirus disease also known as COVID-19.

Since then, As events have unfolded, additional measures to contain and slow the spread of the virus have been ordered by federal, state or county health officials. The Santa Clarita Valley Water Agency (“Agency”) is has continued ing to monitor reports from federal, state, and county health organizations to receive the most current information and requirements, and relay it to staff in a timely manner, and to provide assistance to employees affected by COVID-19 with job protected-leave.

**PURPOSE**

On March 16, 2020, the Board of Directors adopted and implemented an Emergency Administrative Leave (EAL) COVID-19 Policy, which policy was revised and on January 5, 2021, the policy was revised. The purpose of which the policy was to grant discretionary access toof up to ten (10) days (two work weeks) EAL to cover employee absences due to work unavailability because of the COVID-19 pandemic.

On March 19, 2021, Governor Newsom signed Senate Bill No. 95 which requires sd covered employers to provide a new bank of supplemental paid sick leave for certain COVID-19-related reasons. In response thereto, the Agency issued the SB 95 COVID-19 Supplemental Paid Sick and Emergency Administrative Leave Policy, a combined Supplemental Paid Sick Leave and Emergency Administrative Leave policy which replaced ds and superseded ds the Emergency Administrative Leave Policy – COVID-19, sets forth the Supplemental Paid Sick Leave benefits available to employees pursuant to Senate Bill 95, and provides sd additional benefits in the form of up to ten (10) days of EAL to cover employee absences from work resulting from the need to provide childcare for children whose school or daycare is impacted as a result of the COVID-19 pandemic, which policy will as be in effect from January 1, 2021 and will was originally set to sunset as of September 30, 2021, or as otherwise extended by the State of California or by the Agency, at its discretion but was subsequently extended to June 30, 2022. The SB 114 Supplemental Paid Sick Leave will sunset as of September 30, 2022, or as otherwise extended by the State of California or by the Agency, at its discretion.

On February 9, 2022, Governor Newsom signed Senate Bill 114, which took effect on February 19, 2022, and requires covered employers to provide additional banks of supplemental paid sick





POLICIES, RULES AND REGULATIONS	
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[leave for certain COVID-19- related reasons absences. The Agency is therefore issuing this revised COVID-19 Supplemental Paid Sick and Emergency Administrative Leave Policy.](#)

**1.0 COVID-19 Supplemental Paid Sick Leave**

COVID-19 Supplemental Paid Sick Leave is an entitlement above and beyond an employee’s normal sick leave entitlement. It shall be available first for the reasons set forth herein ~~As described below will be available for use~~ beginning ~~April 1~~ February 19, 20212, and will be retroactive to January 1, 20212 for any claims that could have arisen under the guidelines set forth below. For any employee claims that arose between the dates of January 1, 20212 ~~to and April~~ February 19, 20212, employees should contact Human Resources.

**1.1 Eligibility**

All full-time and part-time employees unable to work (or telework) due to one of the following reasons will be eligible:

- 1.1.1 The covered employee is subject to a quarantine or isolation period related to COVID-19 as defined by an order or guidelines of the State Department of Public Health, the federal Centers for Disease Control and Prevention, or a local health officer who has jurisdiction over the workplace. If the covered employee is subject to more than one of the foregoing, the covered employee shall be permitted to use COVID-19 supplemental paid sick leave for the minimum quarantine or isolation period under the order or guidelines that provides for the longest such minimum period.
- 1.1.2 The covered employee has been advised by a health care provider to self-quarantine or isolate due to concerns related to COVID-19.
- 1.1.3 The covered employee is attending an appointment for themselves or a family member to receive a COVID-19 vaccine or booster for protection against contracting COVID-19.
- 1.1.4 The covered employee is experiencing symptoms, or caring for a family member experiencing symptoms, related to a COVID-19 vaccine that prevent the employee from being able to work or telework.



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1.1.5 The covered employee is experiencing symptoms of COVID-19 and seeking a medical diagnosis.

1.1.6 The covered employee is caring for a family member (minor or adult child, parent, spouse, domestic partner, grandparent, grandchild or sibling) who is subject to an order or guidelines described in Section 1.1.1 or who has been advised to self-quarantine, as described in Section 1.1.2.

1.1.7 The covered employee is caring for a child (regardless of age) whose school or place of care is closed or otherwise unavailable for reasons related to COVID-19 on the premises.

[1.1.8 The covered employee tests positive or is caring for a family member who tests positive for COVID-19.](#)

“Child” means a biological, adopted, or foster child, a stepchild, a legal ward, or a child to whom the employee stands in loco parentis (“as if” the employee was the parent).

**1.2 Amount of Paid Sick Leave**

All eligible full-time employees will have up to 80 hours of paid sick leave ([up to 40 hours from two separate “banks”](#)) available to use for the qualifying reasons above. Eligible part-time employees will have the number of hours worked, on average, over a two-week period, of paid sick leave available to use for the qualifying reasons above.

For part-time employees with varying hours, to such an extent that the hours worked cannot be determined with certainty, one of two methods for computing the number of hours paid will be used:

- The average number of hours that the employee was scheduled per day over the 6-month period ending on the date on which the employee takes leave, including hours for which the employee took leave of any type; or,
- If the employee has worked less than 6 months, the expected number of hours to be scheduled per day at the time of hire.

[There are two separate “up to 40 hour” leave banks:](#)



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- Bank 1: Up to 40-hours of leave is available only for any covered reason.
  - Leave under Bank 1 taken for a COVID-19 vaccine or booster shot is limited to three days or 24 hours, and includes time spent attending an appointment and/or for COVID-19 vaccine or booster shot-related symptoms (for each vaccine/booster). However, if a health care provider verifies the employee or family member continues to experience symptoms related to the vaccine/booster, more than three days or 24 hours of time off may be available.
- Bank 2: Up to 40-hours of *additional* leave is available if the employee tests positive for or is caring for a family member who tests positive for COVID-19.
  - An employee who tests positive may be required, at no cost to the employee, to submit to a diagnostic test on or after the fifth day after the test resulting in the positive diagnosis was taken and provide documentation of the results to the Agency. Similarly, if leave requested under Bank 1 is because a family member for whom employee is providing care tests positive for COVID-19, the Agency may require that the employee provide documentation of that family member's test results before paying the additional leave. The Agency has no obligation to provide additional leave under Bank 1 for an employee who refuses to provide documentation of test results upon Agency request.

**1.3 Rate of Pay**

COVID-19 Supplemental Paid Sick Leave will be paid at the employee's regular rate of pay, for leave taken for reasons 1.1.1 – 1.1.~~7~~8 above.

Pay will not exceed:

- \$511 per day and \$5,110 in total for leave taken

**1.4 Interaction with Other Paid Leave**



<b>POLICIES, RULES AND REGULATIONS</b>	
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The employee may use COVID-19 Supplemental Paid Sick Leave under this policy before using any other accrued paid time off for the qualifying reasons stated above.

**2.0 EAL Eligibility in Addition to Supplemental Paid Sick Leave**

In addition to the eligibility reasons contained in section 1.1 to receive COVID-19 Supplemental Paid Sick Leave, employees who are unable to work or telework because of the need to provide childcare for children whose school or daycare is closed as a result of the COVID-19 pandemic may, at the discretion of the General Manager considering operational needs at the time of the request, be provided with up to a total of ten (10) days (two work weeks) of EAL, offset by any EAL taken under the “Emergency Administrative Leave Policy – COVID-19” between January 1, 2021 and ~~the effective date of this policy~~ June 30, 2022.

- 2.1** Understanding that the provision of some basic services may require some level of skeletal or flex staffing, the General Manager is authorized to provide EAL on an intermittent or staggered basis.
- 2.2** EAL is not available for employees who are unable to work or telework because their children are required by a federal, state or local regulation to quarantine after engaging in non-essential travel. Non-essential travel includes vacation travel or other discretionary travel. Employees should consult with Human Resources prior to engaging in travel to determine whether the travel is considered to be non-essential.

**3.0 Procedure for Requesting Emergency Paid Sick Leave or EAL**

Employees must notify their department manager or Human Resources of the need and specific reason for leave under this policy. Human Resources will provide a form to employees to complete to certify a leave request, and employees may be requested to provide medical certification, a medical note, or other documentation supporting the need for leave under appropriate circumstances and when practicable to obtain. Verbal notification will be accepted until practicable to provide written notice.



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Once COVID-19 Supplemental Paid Sick Leave or EAL has begun, the employee and their manager must determine reasonable procedures for the employee to report periodically on the employee’s status and intent to continue to receive paid sick time.

**4.0 Carryover**

COVID-19 Supplemental Paid Sick Leave under this policy will not be provided beyond September 30, 20212 unless extended by the legislature. Any unused emergency paid sick leave will not carry over to the next year or be paid out to employees, except that an employee taking leave at the time of the expiration of this policy shall be permitted to take the full amount of leave to which the employee otherwise would have been entitled.

EAL under this policy will not be provided beyond ~~September~~June 30, 20212, unless otherwise extended by the Board of Directors. Any unused EAL will not carry over or be paid out to employees.

If the legislature extends COVID-19 Supplemental Paid Sick Leave beyond September 30, 20212, and/or if the Board of Directors extends EAL beyond ~~September~~June 30, 20212, this policy will automatically be extended without the need for further action by the Board of Directors, but only for the leave type(s) that were extended.

**5.0 Job Protections**

No employee who appropriately utilizes COVID-19 Supplemental Paid Sick Leave or EAL under this policy will be discharged, disciplined or discriminated against for use of leave under the policy or any request to use leave under this policy.

Please contact the Human Resources department with any questions.

*(Originally Adopted June 2021; readopted September 2021; December 2021; March 2022)*



## BOARD MEMORANDUM

**DATE:** March 3, 2022

**TO:** Board of Directors *MC*

**FROM:** Steve Cole  
Assistant General Manager

**SUBJECT:** Approve a Resolution Concurring in Nomination of Scott H. Quady of Calleguas Municipal Water District for the JPIA Captive Insurance Board

### SUMMARY / DISCUSSION

ACWA JPIA has set up a “captive insurance company” called the California Water Insurance Fund (CWIF). It is a wholly owned private insurance company set up in Utah as a non-profit organization. It is expected to save members money with discounted excess and reinsurance costs, higher investment earnings, and a wider variety of risk financing options. CWIF is owned by ACWA JPIA, has its own Board of Directors, and is managed by ACWA JPIA staff.

There are two positions to be filled on the CWIF Board of Directors. Candidates must be nominated by resolution by their own agency and receive concurring resolutions from three other ACWA JPIA members.

Calleguas Municipal Water District has nominated Director Scott H. Quady to the CWIF Board of Directors and has requested that Santa Clarita Valley Water Agency adopt a concurring resolution of support of that nomination. Director Quady has represented Calleguas Municipal Water District on the ACWA JPIA Board of Directors for the past six years and on this CWIF Board for three years. He has extensive knowledge of both the water industry and public agency finance and would apply that knowledge to a role on the CWIF Board of Directors. Scott H. Quady’s Biographical information is attached (Attachment 1) for your consideration.

### FINANCIAL CONSIDERATIONS

None.

### RECOMMENDATION

That the Board of Directors approve the attached resolution (Attachment 2) concurring in nomination of Scott H. Quady of Calleguas Municipal Water District to the California Water Insurance Fund Board, an ACWA JPIA Captive Insurance Company.

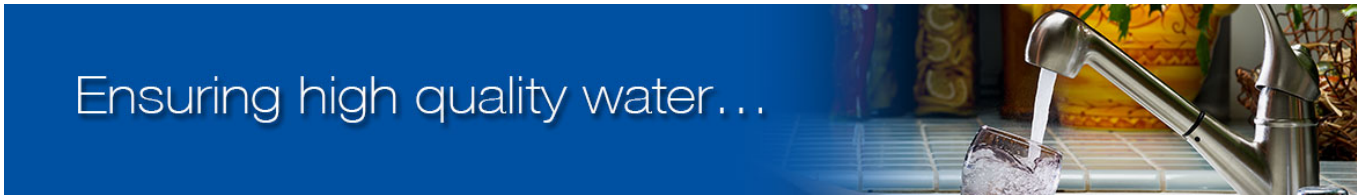
Attachments

*MCS*

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(<https://www.calleguas.com/>)



MENU



(<http://www.bewaterwise.com/>)

# Board Of Directors Details



## Scott H. Quady

Treasurer

Division 2 - Map (<https://www.calleguas.com/images/pdfs/cmwd-bod-map-div-2.pdf>)

(Scalable version of map (<http://gis.ventura.org/CountyView/>). To display, select Layers - Specials Districts - Water - Calleguas Municipal Water Divisions.)

*Term Expires December 2024*

Scott H. Quady was elected Calleguas Municipal Water District Board representative of Division 2 in November, 2008, served as Board President 2012-2016, and currently serves as Board Treasurer.



Retired in 2017 from employment as an Environmental Resource Analyst, he has long-term experience in the non-profit, private and municipal agency sectors.

Academically, he holds a Master of Science degree in environmental science, a Bachelor of Science degree in biochemistry, and is a Thousand Oaks High School alumnus.

Career track and training include:

- Engineer-In-Training (EIT) certificate from the California Department of Consumer Affairs.
- Water Treatment Operator (Grade II) from the California Department of Health Services.
- Management level certifications (Grade 4) from the California Water Environment Association (CWEA) for two vocations: Laboratory Analyst and Environmental Compliance Inspector.

Director Quady is chair of the Calleguas Water Quality Committee and the Finance Committees. He serves on the Association of California Water Agencies (ACWA) Water Quality and Water Management Committees. He is Calleguas' representative on the Board of Directors of the ACWA/Joint Powers Insurance Authority (ACWA/JPIA) and was elected to its California Water Insurance Fund Board in May 2019. He also serves on the Board of Directors of the Ventura County Regional Energy Alliance.

Other affiliations: Mr. Quady serves on the Emmett R. Quady Foundation, where he advocates for educational categories in science/mathematics, and U.S. Naval History.

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**ATTACHMENT 2**

RESOLUTION NO. \_\_\_\_\_

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
SANTA CLARITA VALLEY WATER AGENCY  
CONCURRING IN NOMINATION OF SCOTT H. QUADY OF  
CALLEGUAS MUNICIPAL WATER DISTRICT  
TO THE CALIFORNIA WATER INSURANCE FUND BOARD  
AN ACWA JPIA CAPTIVE INSURANCE COMPANY**

**WHEREAS**, the Santa Clarita Valley Water Agency is a member of the ACWA JPIA; and

**WHEREAS**, the Nominating Procedures for the California Water Insurance Fund Board provide that in order for a nomination to be made to the California Water Insurance Fund Board, three member districts must concur with the nominating district, and

**WHEREAS**, another ACWA JPIA member, the Calleguas Municipal Water District has requested that the Santa Clarita Valley Water Agency concur in its nomination of its member of the ACWA JPIA Board of Directors to the California Water Insurance Fund Board.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the Santa Clarita Valley Water Agency concurs with the nomination of Scott H. Quady from Calleguas Metropolitan Water District to the California Water Insurance Fund Board.

**BE IT FURTHER RESOLVED** that the Santa Clarita Valley Water Agency Board Secretary is hereby directed to transmit a certified copy of this resolution to the ACWA JPIA at P.O. Box 619082, Roseville, CA 95661-9082, forthwith.

**ADOPTED** this 15<sup>th</sup> day of March 2022.

\_\_\_\_\_  
Board President

ATTEST:

\_\_\_\_\_  
Secretary

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## BOARD MEMORANDUM

**DATE:** March 2, 2022

**TO:** Board of Directors

**FROM:** Matthew G. Stone, General Manager *MGS*  
Thomas Bunn and Joseph Byrne, General Counsel

**SUBJECT:** Consider and Approve Returning to In Person Meetings as of April 1, 2022 for all SCV Water Board and Committee Meetings

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### SUMMARY/DISCUSSION

At the September 28, 2021 adjourned Board meeting, pursuant to AB 361, the Board of Directors adopted Resolution No. SCV-235 that authorized the Board to continue to have remote meetings based upon the continued state of emergency for COVID-19, and made findings that (1) Los Angeles County officials have imposed or recommended measures to promote social distancing; and (2) meeting in person would present imminent risks to the health and safety of attendees. In order to continue to hold remote meetings pursuant to AB 361, the Board is required to reconsider the circumstances of the state of emergency and make one or both of the above findings within 30 days of the last action.

Consistent with this requirement, at the October 19, November 17, December 7, 2021, January 4, 2022, February 1, 2022 and March 1, 2022 regular Board meetings, the Board reconsidered the circumstances of the state of emergency and authorized continued remote meetings for an additional 30 days, making one of the above findings - that state and local officials continue to impose or recommend measures to promote social distancing.

At the time this report was prepared, there is a continued state of emergency for COVID-19. Recently both the California Department of Public Health and LA County Public Health have modified certain precautions including the requirement for masks to be worn indoors. LA County Public Health now recommends but does not require this measure. Other measures such as quarantine provisions for symptomatic individuals and close contacts with known infected persons remain in effect. The number of cases and hospitalizations has continued to decline. This item is on the Agenda for the Board to consider whether to continue remote meetings pursuant to AB 361 for an additional 30 days beyond March 16, 2022.

Two key concerns with returning to in person meetings include the ability for the public to provide comment on matters before the Board and for those attending in person to have reduced risk of COVID-19 transmission. With respect to public participation the Agency offers the ability to submit written comments in advance of the meeting and several members of the public have regularly done so. Staff are also working to implement the Board's recently approved hybrid meeting format with technology being installed and tested in March. Finally, depending on conditions the social distancing measures that have been installed in the Board room can remain in place for a period of time, and attendees can also wear masks if they prefer to do so.

The recommendation below, to not extend this provision another 30 days, would bring to an end the use of AB 361 temporary exemptions to the Brown Act and return to SCV Water to regular in person Brown Act meetings after the most recent Board approved extension expires on March 31, 2022, which authorized continued remote meetings pursuant to AB 361 based on a finding that state and local officials continue to impose or recommend social distancing.

Due to previously noticed Committee meetings staff is requesting that when the Board does vote to discontinue the findings as stated in AB 361, that they continue remote meetings through March 31, 2022, which is already authorized by the Board, to cover meetings already noticed. The first regularly scheduled Board or Committee meeting after that date is the April 5, 2022 regular Board meeting.

### **FINANCIAL CONSIDERATIONS**

None.


### **RECOMMENDATION**

That, in light of continuing improving conditions, the ability for the public to comment in writing should they not be able to attend, the social distancing measures available in the boardroom, and the anticipated completion of hybrid meeting technology installation, the Board of Directors vote to not further extend virtual meetings pursuant to AB 361, and direct staff to prepare to return the Agency to in person meetings as of April 1, 2022, with SCV Water's first anticipated in person meeting at the regularly scheduled April 5, 2022 Board meeting.



## BOARD MEMORANDUM

**DATE:** March 1, 2022

**TO:** Board of Directors 

**FROM:** Eric Campbell  
Chief Financial and Administrative Officer

**SUBJECT:** February 28, 2022 Rescheduled Finance and Administration Committee Meeting Report

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The Finance and Administration Committee met at 6:00 PM on Monday, February 28, 2022 via teleconference. In attendance were Chair Dan Mortensen, Directors Beth Braunstein, Ed Colley, R. J. Kelly and Gary R. Martin. Staff members on the call included Controller Amy Aguer, Accounting Technician II Kyle Arnold, Assistant General Manager Steve Cole, Management Analyst II Erika Dill, Sr. Management Analyst Kim Grass, Director of Finance and Administration Rochelle Patterson, Executive Assistant Leticia Quintero, General Manager Matt Stone, and Customer Service Manager Kathleen Willson. General Counsel Lutfi Kharuf from BBK Law was present, along with members of the public. A copy of the agenda is attached.

**Item 1: Pledge of Allegiance**

**Item 2: Public Comment** – There was public comment.

**Item 3: Recommend Adoption of a Resolution Approving Volunteer Workers' Compensation Insurance** – Staff and the Committee discussed this item and agreed that it be placed on the consent calendar at the March 15, 2022 regular Board meeting.

**Item 4: Informational Report on Examples of Ratepayer Assistance Programs** – Staff presented an informational report to the Committee, and the item will be presented to the full Board at the April 5, 2022 regular Board meeting.

**Item 5: Recommend Receiving and Filing of October 2021 Financial Report** – Staff and the Committee discussed this item and agreed that it be placed on the consent calendar at the March 15, 2022 regular Board meeting.

**Item 6: Recommend Receiving and Filing of November 2021 Financial Report** – Staff and the Committee discussed this item and agreed that it be placed on the consent calendar at the March 15, 2022 regular Board meeting.

**Item 7: Committee Planning Calendar** – Staff and the Committee briefly reviewed the FY 2021/22 Committee Planning Calendar.

**Item 8: General Report on Finance and Administration Activities** – Staff presented a graphic chart of the most recent Accounts Receivable, which reflected recent arrearage credits. Staff also stated that cleanup now begins on past-due customer accounts, as they will now receive notices of shutoff. Staff announced that the Agency was awarded the Distinguished Budget Award from GFOA (Government Finance Officers Association) for its FY 2021/22 and 2022/23 Biennial Budget.

**Item 9: Adjournment** – The meeting was adjourned at 7:25 PM.

EC/ed

Attachment

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**Date:** February 22, 2022

**To:** **Finance and Administration Committee**  
Dan Mortensen, Chair  
Beth Braunstein  
Ed Colley  
R. J. Kelly  
Gary R. Martin

**From:** Eric Campbell  
Chief Financial and Administrative Officer

The **Finance and Administration Committee** is scheduled to meet via teleconference on **Monday, February 28, 2022 at 6:00 PM**; dial-in information is listed below.

**TELECONFERENCE ONLY  
NO PHYSICAL LOCATION FOR MEETING**

**TELECONFERENCING NOTICE**

Pursuant to the provisions of AB 361 this meeting is being held remotely. The SCV Water Board will continue to hold remote Board and Committee meetings due to the continuing State of Emergency for COVID-19 and state and local official's continuance to impose or recommend measures to promote social distancing. Any Director may call into the Agency Committee meeting using the **Agency's Call-In Number (1-833-568-8864), Webinar ID 161 738 4468 or Zoom Webinar by clicking on the link <https://scvwa.zoomgov.com/j/1617384468>** without otherwise complying with the Brown Act's teleconferencing requirements.

The public may not attend the meeting in person. Any member of the public may listen to the meeting or make comments to the Committee using the call-in number or Zoom Webinar link above. Please see the notice below if you have a disability and require an accommodation in order to participate in the meeting.

**If the State of Emergency for COVID-19 expires prior to this meeting and after the posting of this Agenda, this meeting will be held in person at the Santa Clarita Valley Water Agency, 27234 Bouquet Canyon Road, Santa Clarita, CA 91350 in the Board and Training Rooms.**



We request that the public submit any comments in writing if practicable, which can be sent to [edill@scvwa.org](mailto:edill@scvwa.org) or mailed to **Erika Dill, Management Analyst II**, SCV Water, 27234 Bouquet Canyon Road, Santa Clarita, CA 91350. All written comments received before 4:00 PM the day of the meeting will be distributed to the Committee members and posted on the SCV Water website prior to the meeting. Anything received after 4:00 PM the day of the meeting will be posted on the SCV Water website the following day.

## MEETING AGENDA

<u>ITEM</u>		<u>PAGE</u>
1.	<b><u>PLEDGE OF ALLEGIANCE</u></b>	
2.	<b><u>PUBLIC COMMENTS</u></b> – Members of the public may comment as to items within the subject matter jurisdiction of the Agency that are not on the Agenda at this time. Members of the public wishing to comment on items covered in this Agenda may do so at the time each item is considered. (Comments may, at the discretion of the Committee Chair, be limited to three minutes for each speaker.)	
3.	* Recommend Adoption of a Resolution Approving Volunteer Workers' Compensation Insurance	9
4.	* Informational Report on Examples of Ratepayer Assistance Programs	13
5.	* Recommend Receiving and Filing of October 2021 Financial Report  October 2021 Check Registers Link: <a href="https://yourscvwater.com/wp-content/uploads/2022/02/October-2021-Check-Register.pdf">https://yourscvwater.com/wp-content/uploads/2022/02/October-2021-Check-Register.pdf</a>	15
6.	* Recommend Receiving and Filing of November 2021 Financial Report  November 2021 Check Registers Link: <a href="https://yourscvwater.com/wp-content/uploads/2022/02/Check-Register-November-2021.pdf">https://yourscvwater.com/wp-content/uploads/2022/02/Check-Register-November-2021.pdf</a>	33
7.	* Committee Planning Calendar	51
8.	General Report on Finance and Administration Activities	
9.	Adjournment	
	* Indicates attachments	
	◆ To be distributed	

**NOTICES:**

Any person may make a request for a disability-related modification or accommodation needed for that person to be able to participate in the public meeting by telephoning **Erika Dill, Management Analyst II** at (661) 297-1600, or writing to SCV Water at 27234 Bouquet Canyon Road, Santa Clarita, CA 91350. Requests must specify the nature of the disability and the type of accommodation requested. A telephone number or other contact information should be included so that Agency staff may discuss appropriate arrangements. Persons requesting a disability-related accommodation should make the request with adequate time before the meeting for the Agency to provide the requested accommodation.

Pursuant to Government Code Section 54957.5, non-exempt public records that relate to open session agenda items and are distributed to a majority of the Committee less than seventy-two (72) hours prior to the meeting will be available for public inspection at SCV Water, located at 27234 Bouquet Canyon Road, Santa Clarita, California 91350, during regular business hours. When practical, these public records will also be made available on the Agency's Internet Website, accessible at <http://www.yourscvwater.com>.

Posted on February 22, 2022.

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## DIRECTOR AB 1234 REPORT

**Director Name:** Kathye Armitage

**Meeting Attended:** Special Districts Association of North Los Angeles County, Executive Board Meeting

**Date of Meeting:** March 3, 2022

**Location:** Virtual

**Board Meeting to Be Presented At:** March 15, 2022

### Points of Interest:

#### Background

The California Special Districts Association (CSDA) is a non-profit association that promotes good governance and services through professional development and advocacy for independent special districts. SCV Water is a special district that is a member of CSDA.

CSDA has 23 chapters throughout California, the newest of which is the Special Districts Association of North Los Angeles County (SDANLAC) with two representatives from SCV Water serving on the Executive Board.

#### Purpose of meeting

The purpose of this meeting was to get updates from the CSDA Senior Public Affairs Field Coordinator, Chris Palmer, and continue planning for the first quarterly general membership meeting which is scheduled for March 31, 2022, 11:30-1:30 in the Antelope Valley. Invitations are being sent to SDANLAC members.

#### Key points

- Updates from the Senior Public Affairs Field Coordinator of CSDA, Chris Palmer
  - CSDA will be hosting its Legislative Days on May 17 and 18, which is an opportunity for members to engage with state legislators
    - Chapter Presidents Dinner will be on May 16th
  - A Zoom meeting will be held with Assemblymember Lackey on March 11th at 11:00 am to discuss legislative priorities
    - Drew Mercy will attend to represent SDANLAC, others invited to listen in
  - CSDA is hosting its Special Districts Leadership Academy on April 3-6 in San Diego
- A survey was sent to SDANLAC members to help get a sense of topics for presentations and speakers that members would like to have at quarterly meetings
  - Survey results were discussed
    - Most requests were for updates from county, state, and federal officials

- Logistics about the first quarterly meeting were discussed
  - Date will remain March 31st 11:30-1:30
  - Location will likely be a restaurant in the Antelope Valley that has an outdoor patio
  - Invitations will be sent by Kathie Martin
  - Agenda: agency introductions, sponsor information, guest speaker (TBA), CSDA update, LAFCO update, and update from legislative representatives
- The next meeting of the Executive Board of SDANLAC is scheduled for March 23, 2022 at 2:00 pm.

Special Districts Association of North Los Angeles County

Board Meeting (Virtual)

2 p.m. March 3, 2022

Agenda

1. Roll Call - Judy Shay, Chapter Administrator
  
2. Approval of Minutes from Jan. 26 Meeting
  
3. CSDA Updates - Chris Palmer, CSDA Senior Public Affairs Field Coordinator
  
4. Survey Results - Kathie Martin, Director
  
5. First Quarterly Meeting Lunch (March 31)
  - Location
  - Invitation
  - Agenda
  - Guest Speaker
  
6. Other Discussions
  
7. Next Board Meeting
  
8. Adjournment

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## DIRECTOR AB 1234 REPORT

Director Name: Ed Colley

Meeting Attended: Eric Campbell and Ratepayer Advocate

Date of Meeting: March 3, 2022

Board Meeting to Be Presented At: March 15, 2022

Points Of Interest: Following several email exchanges with staff concerning the Wholesale Rates to be charged to District 36, we set up a meeting to discuss the issues. In attendance at the two-hour virtual meeting were myself, Eric Campbell, and the Ratepayer Advocate. Most of the meeting focused on three issues. First, we discussed the history of the current rates, and the fact that the CLWA Board had approved the anticipated reduction over time of collections from District 36. In other words, the current rates are performing exactly as planned according to the prior study and staff recommendation. Second, the fairness of collecting property taxes from District 36 residents without providing the services and/or water that the taxes ordinarily pay for. No conclusion was reached during the meeting of the best way to use these tax collections to offset the wholesale rate, but Eric and the advocate agreed to work on the issue. Third, we discussed the Maximum Daily Demand (MDD) calculation. In the existing draft report the MDD is assumed to be equivalent to three hours of unconstrained flow from a turnout, which has no relationship to customer demands. I suggested that Eric attempt to get the actual Maximum Daily Demand from District 36. Eric assured me that other errors would be corrected as well, and that he would provide me an updated draft prior to its inclusion in the March 15 meeting agenda and staff report. The meeting was cordial and productive.



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## DIRECTOR'S AB 1234 REPORT

ITEM NO. 11.3
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Director's Name: Jerry Gladbach

Meeting Attended: NWRA's Federal Affairs Committee

Date of Meeting: March 4, 2022

Date of Meeting to be Presented: March 15, 2022

Points of Interest:

The Continuing Resolution's funding ends on March 11, 2022. There is a strong effort to approve another one that would fund the Government through the end of the fiscal year.

There is a significant amount of dollars for water infrastructure and the Bureau of Reclamation has more money than they have ever had.

Some members of the House are calling for a hearing to see how the money is being spent, particularly the funding for transportation, however only a small amount has been distributed.

Senator Bennett, of Colorado, has told the water users in Colorado to get their requests in soon for the '23 fiscal year.

Michael Braine has been appointed Deputy Director of BoR responsible for their budget, and Gary Gold, of the Salt River Project, has been appointed Deputy Assistant for Water and Science in the Dept. of Interior. Both are great friends of water agencies.

NWRA is tracking EPA's efforts on developing regulations covering PFAS and PFOA etc. The proposed regulations must go through the Office of Management and Budget before they are issued. OMB had reached out to NWRA and ACWA to get input on the cost of compliance. Best, Best and Krieger is working with the two associations. I invited them to reach out to SCVWA to get out costs for these programs. They will submit a report to OMB, to assist OMB in their analysis of the costs to compliance.

The Senate is pushing for a large sum for forest health, however in the House it is not a high priority.

The drought continues, however Colorado is predicted to get a large snowstorm this weekend.

The Columbia Basin is in good shape.

A delegation from the ag industry in the Ukraine visited Kansas to discuss groundwater and agriculture. It was a very informative meeting. Representatives from Kansas continue to be in contact with the visitors from the Ukraine and it is very very sad what is happening in the Ukraine now.

It was pointed out that the BoR has just opened up a new program from WATER SMART to fund projects.

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From: NWRA [llyle@nwra.org](mailto:llyle@nwra.org)  
 Subject: NWRA Federal Affairs Alert: Reminder March 4 Federal  
 Affairs Meeting  
 Date: Mar 4, 2022 at 9:06:41 AM  
 To: [ejglad@aol.com](mailto:ejglad@aol.com)



March 4, 2022

**To:** NWRA Federal Affairs Committee

**From:** NWRA Federal Affairs Team

**RE:** March 4 Federal Affairs Meeting  
 Friday, March 4, 2022 at 12:30 Eastern, 11:30 Central, 10:30 Mountain, 9:30 Pacific

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Federal Affairs Committee members,

As a reminder NWRA will hold its monthly Federal Affairs Committee call today Friday, March 4th at 12:30 Eastern, 11:30 Central, 10:30 Mountain, 9:30 Pacific. Please find login information and the agenda for today's call below. Also please see the notice about an Irrigation Caucus farm bill discussion that will be taking place later today.

NWRA Federal Affairs Committee Call  
 Friday, February 4, 2022  
 12:30 Eastern, 11:30 Central, 10:30 Mountain, 9:30 Pacific

**Federal Affairs Meeting Login:**

Join online Zoom Meeting:  
[https://us02web.zoom.us/j/82108151952?](https://us02web.zoom.us/j/82108151952?pwd=WU9JcVhDTVZOUkEvSm4zcEdFK0dRUT09)  
[pwd=WU9JcVhDTVZOUkEvSm4zcEdFK0dRUT09](https://us02web.zoom.us/j/82108151952?pwd=WU9JcVhDTVZOUkEvSm4zcEdFK0dRUT09)

Join with one tap mobile:  
 Meeting ID: [821 0815 1952](https://us02web.zoom.us/j/82108151952?pwd=WU9JcVhDTVZOUkEvSm4zcEdFK0dRUT09)  
 Passcode: 455135  
 One tap mobile  
[+13017158592,,82108151952#](https://us02web.zoom.us/j/82108151952?pwd=WU9JcVhDTVZOUkEvSm4zcEdFK0dRUT09) US (Washington DC)

Join by dial in:  
[+1-301-715-8592](https://us02web.zoom.us/j/82108151952?pwd=WU9JcVhDTVZOUkEvSm4zcEdFK0dRUT09)  
 Meeting ID: [821 0815 1952](https://us02web.zoom.us/j/82108151952?pwd=WU9JcVhDTVZOUkEvSm4zcEdFK0dRUT09)  
 Passcode: 455135

**Agenda**

- I. Welcome
- II. Appropriations / Infrastructure
- III. Federal Agency Update
- IV. Task Force Updates
  - a. Litigation Review
  - b. Water Quality
  - c. Environment
  - d. Forest Health
  - e. Water Supply
  - f. Army Corps
  - g. Groundwater
  - h. Water Power
- VI. NWRA Events
  - a. DC Meeting
- VII. Other Business

#### **Irrigation Caucus Farm Bill Priority and Strategy Discussion**

As an added bonus, the NWRA Irrigation Caucus will be hosting a Farm Bill priority discussion on Friday the 4th at 3:00 Eastern. On the call the Caucus will discuss its Farm Bill priorities. Login information for this meeting is below. Thanks to the Irrigation Caucus for hosting this discussion.

#### **Join Zoom Meeting**

**[https://us02web.zoom.us/j/83735994163?](https://us02web.zoom.us/j/83735994163?pwd=WWVpSXdhLzlkOGY2UHc2cGFbd2JLdz09)**  
**[pwd=WWVpSXdhLzlkOGY2UHc2cGFbd2JLdz09](#)**

#### **Join with one tap mobile**

**Meeting ID: 837 3599 4163**

**Passcode: 824213**

**One tap mobile**

**+16465588656,,83735994163#**

#### **Join by dial in:**

**+1-646-558-8656**

**Meeting ID: 837 3599 4163**

**Passcode: 824213**

Please let me know if we can provide any additional information.

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NWRA | (202) 698-0693 | [nwra@nwra.org](mailto:nwra@nwra.org) | [nwra.org](http://nwra.org)

STAY CONNECTED

