

October 5, 2021

**NOTICE OF A MEETING OF THE
VENTURA COUNTY WATERWORKS DISTRICT NO. 17
SOMIS CITIZENS' ADVISORY COMMITTEE**

NOTICE IS HEREBY GIVEN that a meeting of the Ventura County Waterworks District No. 17 Bell Canyon Citizens' Advisory Committee will be held **Tuesday, October 12, 2021 from 7:00 p.m. to adjournment** via Zoom. To electronically join the meeting please follow the provided steps – At the specific time (7:00 p.m.) dial the number (669) 900-6833, when prompted enter the meeting ID 470 052 7072. You can also join the meeting by visiting this link - **Join Zoom Meeting** <https://us02web.zoom.us/j/4700527072>

Advisory Committee Members: Please contact the District Office by telephone at (805-378-3005), or by email at wspc@ventura.org, no later September 21, if you are unable to participate on the call.

Sincerely,



Joseph C. Pope, P.E.
Director, Water and Sanitation

AGENDA OF MEETING

1. CALL TO ORDER
2. PUBLIC COMMENTS - Members of the public may address the Citizens' Advisory Committee on items of interest to the public that are within the subject matter jurisdiction of the Committee but do not appear on the agenda. With respect to agenda items, the public will be given an opportunity to address the Committee when the item is reached in the meeting.



3. COMMITTEE MEMBER COMMENTS - Members of the Citizens' Advisory Committee may address the meeting with information or observations relevant to the operation of District 17 but do not appear on the Agenda.
4. DISCUSSION OF WATER RATES - Members of the Citizens' Advisory Committee will discuss together the water rate model, planning assumptions, the timing of future planned projects, and staff's proposed water rates.
 - A. ACTION: Approve staff's recommended water rate increase for 2022.
 - B. ACTION: Approve staff's recommended pass-through rate increases for calendar years 2023 through 2027.
5. FUTURE AGENDA ITEMS
6. ADJOURNMENT

****NOTICES:** The following information is provided to help you understand, follow, and participate in the Board meeting: Public Comments – Public comment is the opportunity for members of the public to participate in meetings by addressing the Citizens Advisory Committee in connection with one or more agenda or non-agenda items.

- Observe the Citizens Advisory Committee meeting live at: <https://us02web.zoom.us/j/4700527072>
- **If you wish to make a comment on a specific agenda item, you may attend by Zoom and you will be given a chance to be heard. If you prefer to submit a written comment ahead of time, please submit your comment via email by 5:00 p.m. on the day prior to the Committee meeting. Please submit your comment to WSPC@ventura.org. Please indicate in the Subject Line, the Agenda item number (e.g., Item No. 3A). Your email will be read by the Water and Sanitation Director and placed into the record.**
- **If you are watching the live stream of the Committee meeting and would like to make a general public comment for items not on the day's agenda or to comment on a specific agenda item as it is being heard, you may log in to Zoom and speak, or you can submit your comment to WSPC@ventura.org. Please indicate in the Subject Line, the Agenda item number (e.g., Item No. 3A). Every effort will be made to read your comment into the record, but some comments may not be read due to time limitations. Comments received after an agenda item will be made part of the record if received prior to the end of the meeting.**



4. DISCUSSION OF WATER RATES

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- A. ACTION: Approve staff's recommended water rate increase for 2022.

- B. ACTION: Approve staff's recommended pass-through rate increases for calendar years 2023 through 2027.



Ventura County Waterworks District No. 17

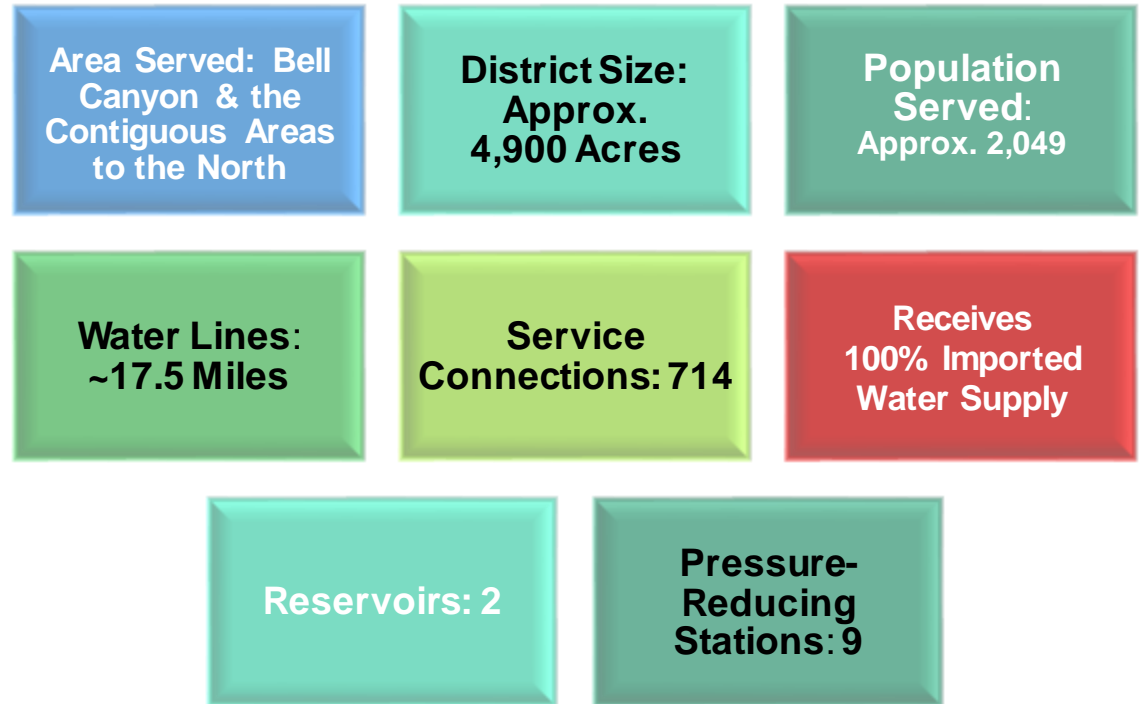
Proposed Water Rate Adjustments for Calendar Year 2022

Joseph C. Pope, P.E
Director, Water and Sanitation
County of Ventura Public Works Agency
October 2021

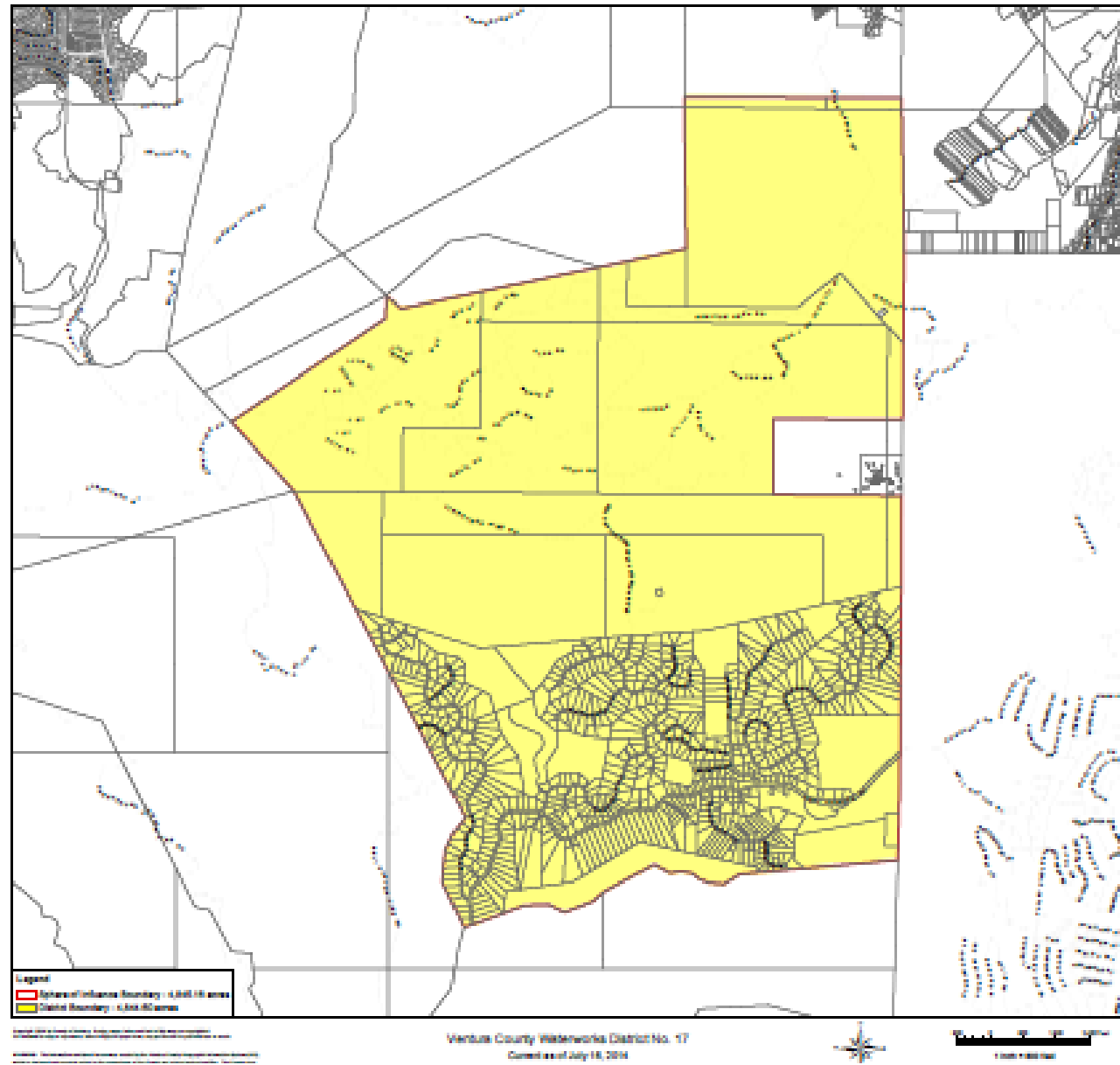
October 12, 2021

PUBLIC **VENTURA COUNTY** **WORKS** **Ventura County** **Waterworks District No. 17 (Bell Canyon)**

- Formed on April 11, 1977
- The Ventura County Board of Supervisors (BOS) is the Board of Directors for District 17.
- The Citizens' Advisory Committee reviews all policy, budget, and water rate recommendations before they are recommended to the BOS.



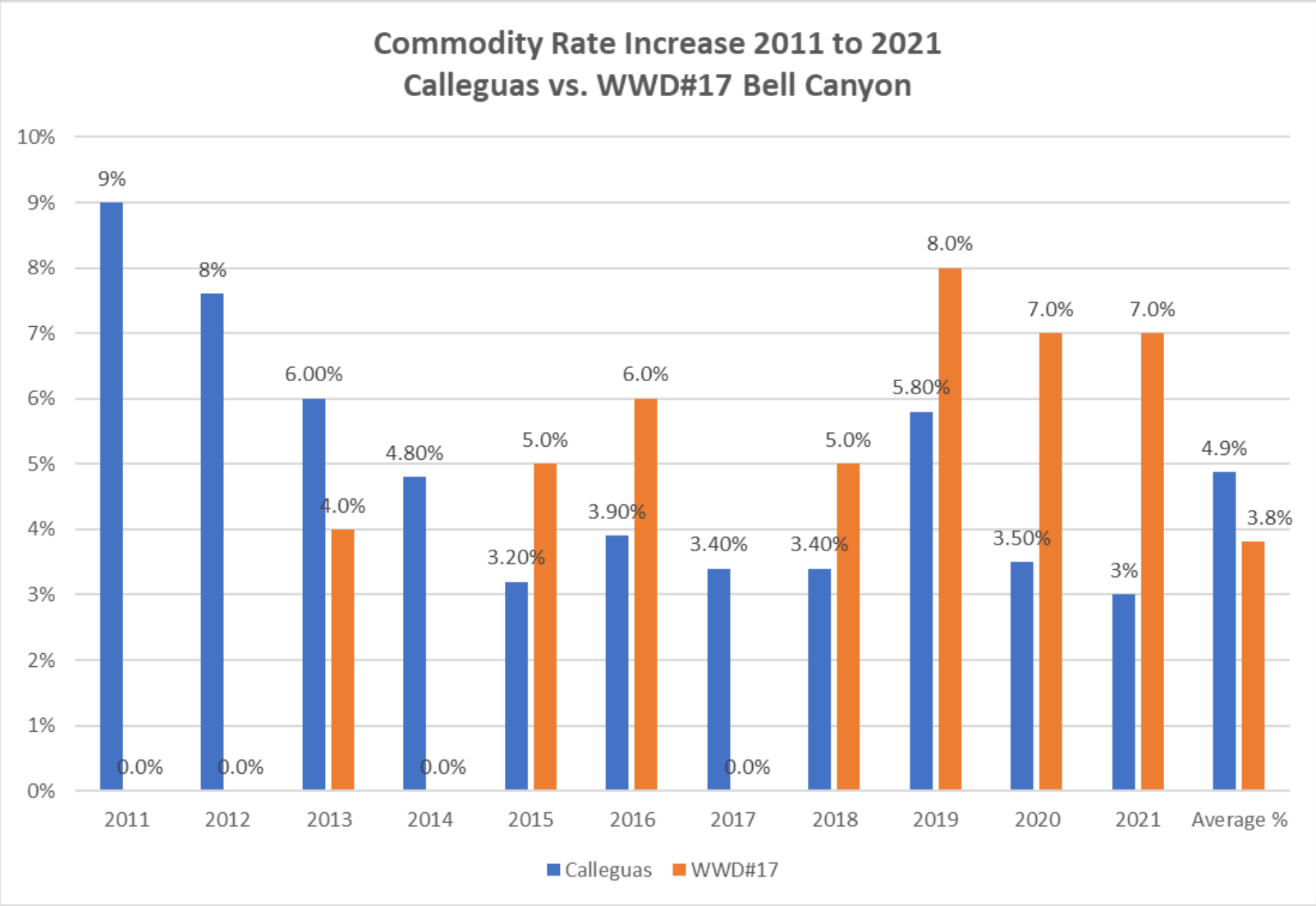
Ventura County Waterworks District No. 17 (Bell Canyon) Service Area



Financial Conditions of the District

- Ended Fiscal Year 2021 (June 30, 2021) with healthy reserve fund balance of \$2.4M
- Calleguas Municipal Water District Approved Rate increase of 3.5% for 2022
- Assumed inflationary increases used for rate analysis:
 - Labor 3.5%, Electricity 4%, and materials 3%
- 1.74MG Reservoir and Saddlebow Pipeline projects will be financed by 0% interest State Revolving Fund Loan with 30% Principal forgiveness
- Repair and Recoating of Reservoir #1 Planned for FY 2024 (funded from reserves)
- Past rate increases and proportionally higher fixed meter rate increases put District in good financial condition, allowing modest inflationary increases in future years
- PROPOSED Rate increase is 4.5% for commodity and fixed charges for 2022
- PROPOSED Pass-Through Rate Increases of future Calleguas Rates for 2023-2027

Calleguas vs. WWD#17 Historic Rate Increases 2011-2021



Pass-Through Rates Explained

- CA Government Code 53756

An agency providing water, wastewater, sewer, or refuse collection service may adopt a schedule of fees or charges authorizing automatic adjustments that pass-through increases in wholesale charges for water, sewage treatment, or wastewater treatment or adjustments for inflation, if it complies with all of the following:

(a) It adopts the schedule of fees or charges for a property-related service for a period not to exceed five years pursuant to Section 53755.

(b) The schedule of fees or charges may include a schedule of adjustments, including a clearly defined formula for adjusting for inflation. Any inflation adjustment to a fee or charge for a property-related service shall not exceed the cost of providing that service.

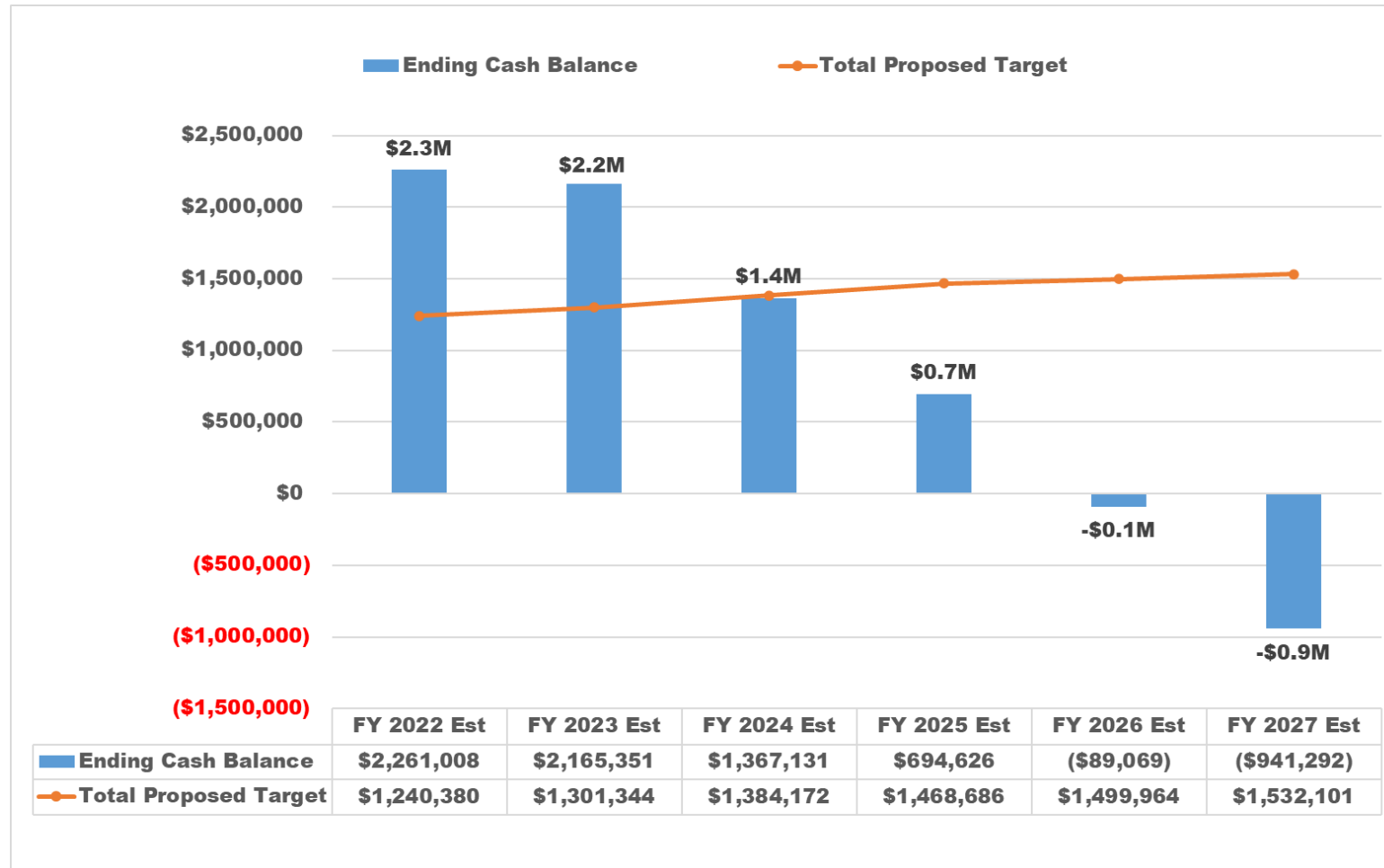
(c) The schedule of fees or charges for an agency that purchases wholesale water, sewage treatment, or wastewater treatment from a public agency may provide for automatic adjustments that pass through the adopted increases or decreases in the wholesale charges for water, sewage treatment, or wastewater treatment established by the other agency.

(d) Notice of any adjustment pursuant to the schedule shall be given pursuant to subdivision (a) of Section 53755, not less than 30 days before the effective date of the adjustment.

Fiscal Year 2022-2023 Budget Analysis by Category

	FY21	FY22		
	Adopted	Requested	Var (\$)	Var (%)
O&M Expenditures	Budget	Budget		
County & Agency Svcs	\$124.28	\$136.15	\$11.87	9.6%
Imported Water Cost	\$2,016.50	\$2,267.10	\$250.60	12.4%
Operation & Maintenance	\$64.30	\$107.86	\$43.56	67.7%
Regulatory Permit Costs	\$57.50	\$2.00	(\$55.50)	-96.5%
System Maint, Repairs & Rep	\$252.00	\$203.90	(\$48.10)	-19.1%
Labor Cost	\$571.10	\$578.60	\$7.50	1.3%
Depreciation Expense	\$104.21	\$104.18	(\$0.03)	0.0%
Grand Total	\$3,189.89	\$3,399.79	\$209.90	6.6%

Ventura County Waterworks District No. 17
 Bell Canyon Water Services
 Cash Reserves Forecast With No Rate Increases



Cash Reserves go negative due to operating losses and future debt service

Bell Canyon Water Services

Proposed Rate Increase Recommendation

- **4.5% Commodity rate adjustment**

Commodity Rates for Residential Customers			
Tier	Proposed Monthly Use (HCF)	Current 2021	Proposed 2022
1	0 - 10	\$5.01	\$5.24
2	>10 – 54	\$5.94	\$6.21
3	> 54	\$7.45	\$7.79

Note: Rates per 100 Cubic Feet of Water (HCF)=748 Gallons

Commodity Rates for Other Customer Classes		
Customer Class	Current 2021	Proposed 2022
Commercial	\$6.07	\$6.34
Industrial	\$6.07	\$6.34
Institutional	\$6.07	\$6.34
Temporary Construction	\$6.25	\$6.53

Ventura County Waterworks District No. 17
Bell Canyon Water Services
Proposed Meter Charge Recommendation

- 4.5% Fixed meter charge increase

Monthly Meter Charges		
Meter Size	Current 2021	Proposed 2022
3/4-inch	\$22.10	\$23.09
1-inch	\$31.78	\$33.21
1 1/2-inch	\$56.00	\$58.52
2-inch	\$85.06	\$88.89
3-inch	\$177.09	\$185.06
4-inch	\$312.69	\$326.76
6-inch	\$637.18	\$665.85
Monthly Fireline Charges		
Meter Size	Current 2021	Proposed 2022
6-inch	\$40.71	\$42.55

Note: Water used through private fire services will be charged at the temporary construction water rate

PROPOSED Pass-Through Rate Increases of future Calleguas Rates for 2023-2026

Future Pass-Through Estimates at Current Rate Increase of 3.5%

	January 2021	February 2022	February 2023	February 2024	February 2025	February 2026
Rates per Hundred Cubic Feet (HCF)						
TIER 1	\$5.01	\$5.24	\$5.42	\$5.61	\$5.81	\$6.01
TIER 2	\$5.94	\$6.21	\$6.43	\$6.65	\$6.89	\$7.13
TIER 3	\$7.45	\$7.79	\$8.06	\$8.34	\$8.64	\$8.94
Non-Residential	\$6.07	\$6.34	\$6.56	\$6.79	\$7.03	\$7.28
Temporary Construction	\$6.25	\$6.53	\$6.76	\$7.00	\$7.24	\$7.49
Monthly Meter Service Charge						
Meters 3/4"	\$22.10	\$23.09	\$23.90	\$24.73	\$25.60	\$26.50
Meters 1"	\$31.78	\$33.21	\$34.37	\$35.58	\$36.82	\$38.11
Meters 1.5"	\$56.00	\$58.52	\$60.57	\$62.69	\$64.88	\$67.15
Meters 2"	\$85.06	\$88.89	\$92.00	\$95.22	\$98.55	\$102.00
Meters 3"	\$177.09	\$185.06	\$191.54	\$198.24	\$205.18	\$212.36
Meters 4"	\$312.69	\$326.76	\$338.20	\$350.03	\$362.28	\$374.96
Meters 6"	\$637.18	\$665.85	\$689.15	\$713.28	\$738.24	\$764.08
Fireline 6"	\$40.70	\$42.55	\$44.04	\$45.58	\$47.18	\$48.83

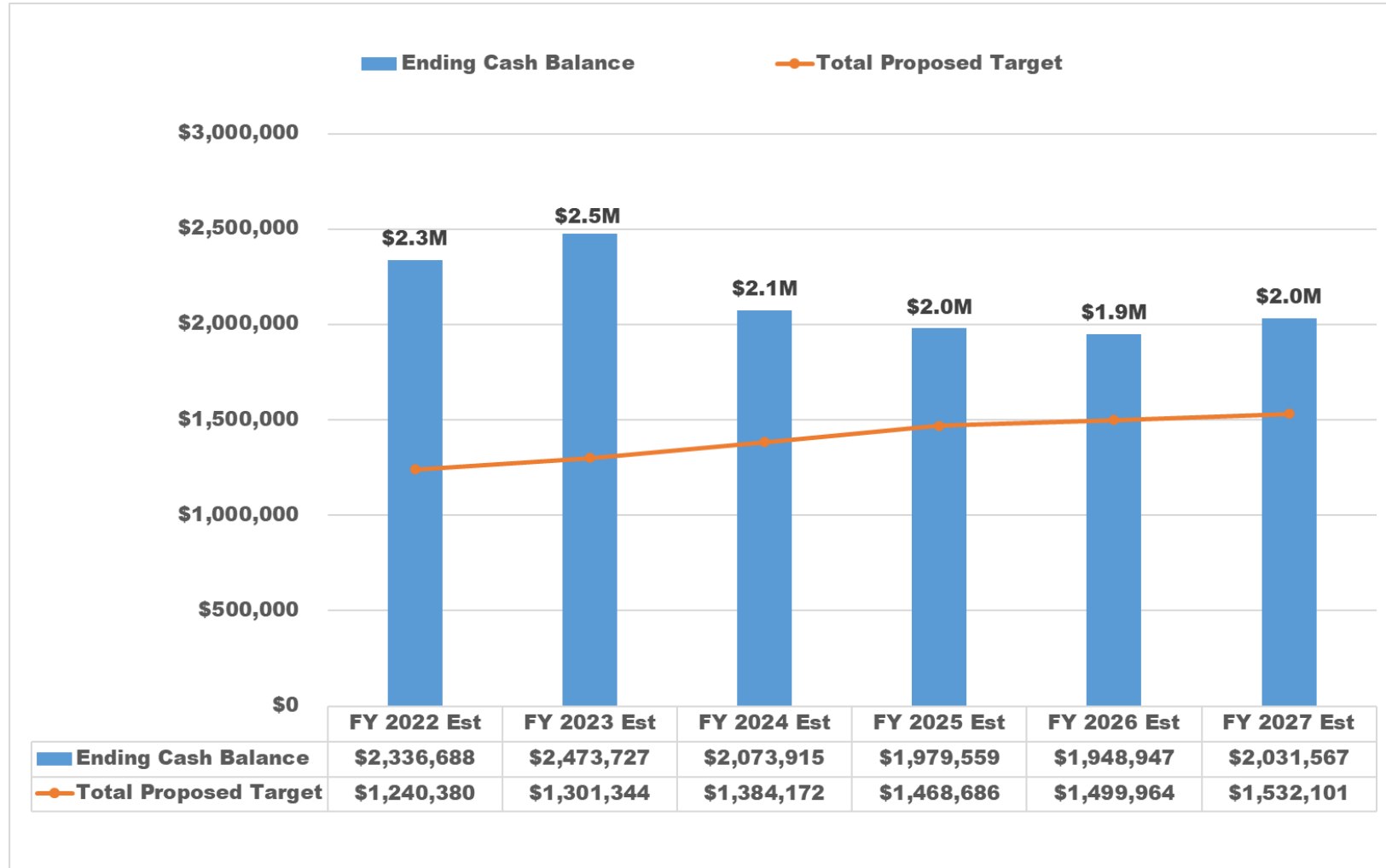
Bell Canyon Water Services

PROPOSED Pass-Through Rate Increases of future Calleguas Rates for 2023-2026

Future Pass-Through Estimates at the Average Rate Increase of 4.9%

	January 2021	February 2022	February 2023	February 2024	February 2025	February 2026
Rates per Hundred Cubic Feet (HCF)						
TIER 1	\$5.01	\$5.24	\$5.50	\$5.77	\$6.05	\$6.35
TIER 2	\$5.94	\$6.21	\$6.51	\$6.83	\$7.17	\$7.52
TIER 3	\$7.45	\$7.79	\$8.17	\$8.57	\$8.99	\$9.43
Non-Residential	\$6.07	\$6.34	\$6.65	\$6.98	\$7.32	\$7.68
Temporary Construction	\$6.25	\$6.53	\$6.85	\$7.19	\$7.54	\$7.91
Monthly Meter Service Charge						
Meters 3/4"	\$22.10	\$23.09	\$24.22	\$25.41	\$26.65	\$27.96
Meters 1"	\$31.78	\$33.21	\$34.84	\$36.54	\$38.33	\$40.21
Meters 1.5"	\$56.00	\$58.52	\$61.39	\$64.40	\$67.55	\$70.86
Meters 2"	\$85.06	\$88.89	\$93.25	\$97.81	\$102.61	\$107.64
Meters 3"	\$177.09	\$185.06	\$194.13	\$203.64	\$213.62	\$224.09
Meters 4"	\$312.69	\$326.76	\$342.77	\$359.57	\$377.19	\$395.67
Meters 6"	\$637.18	\$665.85	\$698.48	\$732.70	\$768.60	\$806.27
Fireline 6"	\$40.70	\$42.55	\$44.63	\$46.82	\$49.12	\$51.52

Cash Reserve Forecast With Recommended 4.5% Rate Increase



Proposed Rate Increases maintains cash reserves above targeted range

Proposed Water Rate Increases Impact on Residential Customers

Meter / Service	Usage Hundred Cubic Feet (HCF)	2021 Bill	2022 Bill	% Increase
1" Residential	50	\$309.72	\$323.66	4.5%



Calculators are available on our website: <http://pwa.vcpublicworks.org/wsd/ratesandcharges/>

ACTION ITEMS for Citizens Advisory Committee

- APPROVE Staff's Recommended Rate increase is 4.5% for commodity and fixed charges for 2022
- APPROVE Staff's Recommended Pass-Through Rate Increases of future Calleguas Rates for 2023-2027 (5 years)

PUBLIC **VENTURA COUNTY** **WORKS**



Administration Team

Questions?

October 12, 2021

5. FUTURE AGENDA ITEMS

6. ADJOURNMENT

The next District 17 regularly scheduled Citizens' Advisory Committee will be held on November 16, 2021.