

Central Services
Joan Araujo, Director

Engineering Services
Vacant, Director

Roads & Transportation
Anitha Balan, Director

Water & Sanitation
Vacant, Director

Watershed Protection
Vacant, Director

July 18, 2024

**NOTICE OF A REGULAR MEETING OF THE VENTURA
COUNTY WATERWORKS DISTRICT NO. 38
LAKE SHERWOOD CITIZENS' ADVISORY COMMITTEE**

NOTICE IS HEREBY GIVEN that a meeting of the Ventura County Waterworks District No. 38 Citizens' Advisory Committee will be held **Thursday, July 25, 2024**, from 3:30 p.m. to adjournment at the **Sherwood Lake Country Club, 341 Williamsburg, Thousand Oaks, CA 91361**

Committee members must attend in person and members of the public are also invited to attend the meeting in person or via Zoom. To electronically join the meeting please follow the provided steps – At the specific time (3:30 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://us06web.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 than July 22, 2024, if you are unable to participate on the call.

Sincerely,



David Fleisch, P.E.
Assistant Director



AGENDA OF THE MEETING

1. CALL TO ORDER
2. APPROVAL OF THE MINUTES OF THE April 25, 2024 MEETING
3. PUBLIC COMMENTS - Members of the public may address the Citizens' Advisory Committee (CAC) 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.
4. DISTRICT STAFF REPORT
 - A. BUDGET AND FINANCIAL REVIEW - An update on the budget and financial status of the District.
 - B. WATER QUALITY REPORT – A report regarding water quality complaints, if any, received by the District since the previous CAC meeting and how these complaints were resolved.
 - C. WATER SUPPLY CONDITIONS – An update on water supply conditions within the District, Southern California, and throughout the State.
 - D. CALLEGUAS MUNICIPAL WATER DISTRICT / METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA UPDATE – An update on decisions and rulings by these agencies which may impact the District.
Calleguas Pass-through Rates
 - E. UPDATE ON AVENUES OF PUBLIC OUTREACH – How the District is reaching out to its customers concerning water conservation.
 - F. BOARD LETTER TRACKER - UPDATE ON VENTURA COUNTY BOARD OF SUPERVISORS AGENDA ITEMS RELATED TO THE DISTRICT – A status report on what items District staff has recently presented, or may be presenting, before the Ventura County Board of Supervisors
 - G. UPDATE ON ADVANCED METERING INFRASTRUCTURE (AMI) IMPLEMENTATION - The AMI project is an integrated system of smart meters, communications networks, and data management systems that enables two-way communication between utilities and customers which is being implement within the District.
 - H. CAPITAL PROJECTS REVIEW - The Capital Project Status Report provides regular reporting on the status of active capital projects within the District.
 - I. OPERATIONS AND MAINTENANCE QUARTERLY REPORT

5. DIRECTOR'S INFORMATIONAL ITEMS

6. ADJOURNMENT

*** The next Waterworks District 38 Citizens' Advisory Committee meeting is scheduled for October 24, 2024**

****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.

- **If you wish to make a comment on a specific agenda item, please log on to the meeting by Zoom and you will be given a chance to be heard. If you prefer to submit a written comment, 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, please log on to the meeting by Zoom and you will be given a chance to be heard. If you prefer to submit a written comment, please 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.**

IN COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT, IF YOU NEED SPECIAL ASSISTANCE TO PARTICIPATE IN THIS MEETING, PLEASE CONTACT (805) 378-3005. REASONABLE ADVANCE NOTIFICATION OF THE NEED FOR ACCOMODATION PRIOR TO THE MEETING (48 HOURS ADVANCE NOTICE IS PREFERABLE) WILL ENABLE US TO MAKE REASONABLE ARRANGEMENTS TO ENSURE ACCESSIBILITY TO THIS MEETING.

**CITIZENS' ADVISORY COMMITTEE
VENTURA COUNTY WATERWORKS DISTRICT NO. 38
MINUTES OF THE April 25, 2024, MEETING**

COMMITTEE MEMBERS IN ATTENDANCE: Nathan Stockmeir, Dick Hibma,
Geoffrey Patterson, Kathy Zetterberg
Thomas Gentile

COMMITTEE MEMBERS ABSENT: None

COMMITTEE MEMBER VACANCY: None

STAFF: Joseph Pope, Director
zoom Brendan Gonzales, Admin Asst II
zoom Jean Fontayne, Staff Services Manager
Sara Negrete, Principal Accountant
zoom Gilberto Minero, Staff Services Specialist

GUESTS:

1. **CALL TO ORDER**
The meeting was called to order at 3:30 p.m.
All CAC Members are present.
2. **APPROVAL OF THE MINUTES OF THE JANUARY 25, 2022, MEETING**
Mr. Hibma moved to approve the minutes. All approved.
Vote: Ayes - 5, Nays- 0, Absence- 0, Abstained- 0
3. **PUBLIC COMMENTS**
 - None
4. **DISTRICT STAFF REPORT –**
 - A. **Budget and Financial Review:**
 - Financials ending March 31, 2024.
 - Water sales are at 62% of what we Budgeted.
 - Water purchase is at 65% of what we Budgeted.
 - Cash reserves are stable with a healthy balance.
 - B. **Water Quality Report**
 - There were zero water quality complaints in over a year.
 - B. **Water Supply Conditions**
 - State water project currently is at 40% allocation. Storage is very high.
 - Snowpack is still very healthy, above normal for our state.

D. Calleguas Municipal Water District / Metropolitan Updates

- Metropolitan has some extreme rate increases coming. They will have an 11% rate increase for tier one treated water.
- Calleguas is looking at a 9-9 1/2% increase. Don't know if we will have to pass this along next year. We will look at this again in August. Rather than raising rates, Calleguas took the hit in reserves and now will have to raise rates.

E. Update on Avenues of Public Outreach

- None

F. Board Letter Tracker

- None

G. Update on Advanced Metering Infrastructure

- 23% of customers are in the AMI portal.

H. Capital Projects Review

- Pump station that the developer is going to have to build.

I. Operations and Maintenance Quarterly Report

- Distribution repairs 1 service line repair and valve maintenance 338 valves.
- Looking at our water delivery and water loss, we are a little high in loss, but not too far off from average.
- Below medium for water demands.
- Lift station design is the next maintenance project.

5. DIRECTORS INFORMATIONAL ITEMS

- Payment portal we moved out of house ACH handling to invoice cloud. By using the services. A customer fee of 75 cents will be applied when someone makes their payment on our third-party processing center. You have recommendations to pay the fee or not.

COMMITTEE MEMBERS' COMMENTS/FUTURE AGENDA ITEMS

- Dick Hibma is recommending Ron Coleman to replace his CAC Membership. We will see if he is interested.

6. ADJOURNMENT

The meeting was adjourned at 4:00 p.m.

3. PUBLIC COMMENTS - Members of the public may address the Citizens' Advisory Committee (CAC) 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.

4. DISTRICT STAFF REPORT

A. BUDGET AND FINANCIAL REVIEW - An update on the budget and financial status of the District.

WATERWORKS DISTRICT #38
LAKE SHERWOOD
OPERATIONS AND MAINTENANCE
FINANCIAL STATUS REPORT

| CURRENT PERIOD ACTIVITIES TO AP11 FY24 (ENDING 05/30/2024) | | | | | | | | | |
|--|--|--|--------------------|--------------------|--------------------|-------------------------|--------------------|------------------------------|------------------------|
| Waterworks District #38 Lake Sherwood | | | | | | | | | |
| ADHOC Details Report | | | | | | | | | |
| | | | | | | | | | |
| 1 | Total Beginning Balances | | \$7,216,227 | \$7,788,307 | \$7,930,690 | \$7,816,588 | \$7,816,588 | | 7,816,587.87 |
| 2 | Total Ending Balances | | \$7,788,307 | \$7,930,690 | \$7,816,588 | \$7,441,348 | \$7,949,567 | | 7,929,406.18 |
| 3 | | | | | | | | | |
| 4 | Total Proposed Targets | | \$1,470,529 | \$1,411,941 | \$1,083,706 | \$1,378,260 | \$944,048 | | 1,246,595.42 |
| 5 | Alert | | ok | ok | ok | ok | ok | | ok |
| 6 | O&M/ Rate Stab Fund | | | | | FY24 ADPT BUDGET | FY24 ACTUAL | FY24 Actual/ Budget % | FY24 YR-END PRJ |
| 7 | Beginning Balances | | \$1,906,545 | \$2,297,488 | \$2,579,524 | \$2,126,318 | \$2,126,318 | | \$2,126,318.37 |
| 8 | O&M Revenue | | | | | | | | |
| 9 | Interest Earnings | | - | - | - | - | \$0 | | \$0 |
| 10 | Planning and Eng. Svcs External | | 8,071 | 3,356 | 16,743 | 5,000 | \$21,814 | 436% | 21,814 |
| 11 | Permit & Line Ext. Fees | | 360 | 1,470 | 5,042 | 3,000 | \$9,095 | 303% | \$9,095 |
| 12 | Meter, Other Sales and Misc Rev. | | 17,772 | 53,867 | 59,507 | 29,908 | \$29,940 | 100% | \$43,278 |
| 13 | Water Sales | | 4,462,041 | 4,193,647 | 2,714,518 | 3,610,894 | \$2,490,151 | 69% | \$3,244,362 |
| 14 | Total - O&M Revenue | | \$4,488,244 | \$4,252,340 | \$2,795,810 | \$3,648,802 | \$2,551,000 | | \$3,318,549 |
| 15 | O&M Expenditure | | | | | | | | |
| 16 | System Maint. Supp. & Contract | | 65,508 | 159,470 | 315,192 | 213,800 | \$52,829 | 25% | \$210,652 |
| 17 | Indirect Cost Recovery | | 21,939 | 16,266 | 21,129 | 23,751 | \$23,751 | 100% | \$23,751 |
| 18 | Misc. Expense | | 46,903 | 35,092 | 38,026 | 96,501 | \$15,156 | 16% | \$108,302 |
| 19 | Other Professional Svcs | | 1,075 | 481 | 3,210 | 10,000 | \$1,148 | 11% | \$10,000 |
| 20 | Small Tools & Minor Equipment | | 20,726 | 1,557 | 413 | 5,000 | (\$0) | 0% | \$5,000 |
| 21 | Federal State Permits and Fees | | 6,300 | 9,000 | 10,480 | 2,000 | \$8,586 | 429% | \$0 |
| 22 | O&M Labor | | 389,018 | 394,432 | 329,844 | 541,400 | \$270,430 | 50% | \$313,913 |
| 23 | Mgmt & Admin Svcs | | 96,300 | 109,000 | 125,600 | 152,500 | \$116,900 | 77% | \$116,910 |
| 24 | Eng. & Tech. Surveys | | - | - | - | 10,000 | \$0 | 0% | \$10,000 |
| 25 | Water Analysis | | 566 | 1,255 | 4,825 | 4,300 | \$4,621 | 107% | \$4,621 |
| 26 | Cross Connection Fees | | 1,700 | 2,100 | - | 5,000 | \$4,026 | 81% | \$0 |
| 27 | Water Purchase | | 3,202,405 | 3,000,872 | 2,194,758 | 2,737,090 | \$2,075,431 | 76% | \$2,619,148 |
| 28 | Water System Power | | 38,695 | 73,561 | 41,400 | 55,000 | \$39,476 | 72% | \$55,000 |
| 29 | Depreciation Expense | | 146,066 | 146,267 | 146,267 | 143,041 | \$134,480 | 94% | \$143,041 |
| 30 | Contribution to other Funds | | - | 8,551 | 7,710 | 28,300 | \$2,430 | 9% | \$28,300 |
| 31 | Meter Purchases | | 60,100 | 12,400 | 6,015 | 40,000 | \$30,870 | 77% | \$40,000 |
| 32 | Conservation Program | | - | - | - | 1,000 | \$0 | 0% | \$0 |
| 33 | Contingencies | | - | - | - | - | \$0 | | \$0 |
| 34 | CFR Adjustment - Depreciation adj | | - | - | 4,149 | - | \$0 | | \$0 |
| 35 | Total - O&M Expenditure | | \$4,097,301 | \$3,970,304 | \$3,249,016 | \$4,068,683 | \$2,780,133 | | \$3,688,637 |
| 36 | Net of Operation | | \$390,943 | \$282,036 | (\$453,206) | (\$419,881) | (\$229,133) | | (\$370,088) |
| 37 | Transfer to/fr Capital Reserve | | \$0 | \$0 | \$0 | \$0 | \$0 | | \$0 |
| 38 | Reserve for Cap. Deprec | | \$0 | \$0 | \$0 | \$0 | \$0 | | \$0 |
| 39 | Ending Fund Balance | | \$2,297,488 | \$2,579,524 | \$2,126,318 | \$1,706,438 | \$1,897,185 | | \$1,756,231 |
| 40 | | | | | | | | | |
| 41 | Minimum Balance | | | | | | | | |
| 42 | 25% of O&M expenses | | \$1,024,325 | \$992,576 | \$812,254 | \$1,017,171 | \$695,033 | | \$922,159 |
| 43 | 10% of rate revenue | | \$446,204 | \$419,365 | \$271,452 | \$361,089 | \$249,015 | | \$324,436 |
| 44 | | | | | | | | | |
| 45 | O&M Analysis: | | | | | | | | |
| 46 | % of Water Cost/Water Sales | | 72% | 72% | 81% | 76% | 83% | | 81% |
| 47 | % of O&M Labor/Water Sales | | 9% | 9% | 12% | 15% | 11% | | 10% |
| 48 | Gross Profit : (Water Sales less Water Cost&Power) | | \$1,220,941 | \$1,119,215 | \$478,361 | \$818,804 | \$375,244 | | \$570,214 |
| 49 | Net Profit (Net Result of Operation) | | \$390,943 | \$282,036 | (\$453,206) | (\$419,881) | (\$229,133) | | (\$370,088) |
| 50 | Net Profit Margin (Net Profit/ Revenue) | | 9% | 7% | -16% | -12% | -9% | | -11% |
| 51 | | | | | | | | | |
| 52 | | | | | | | | | |

WATERWORKS DISTRICT #38
LAKE SHERWOOD
OPERATIONS AND MAINTENANCE
FINANCIAL STATUS REPORT

| | | | | FY24 ADPT | | FY24 | | | | |
|------------------------------|--|-----------|--|-------------------|-------------------|-------------------|------------------|------------------|---------------------|--------------------|
| Acquisition&Replacement Fund | | | | FY21 ACTUAL | FY22 ACTUAL | FY23 ACTUAL | BUDGET | FY24 ACTUAL | Actual/ Budget % | FY24 YR-END PRJ |
| 53 | Beginning Balances | | | \$5,309,682 | \$5,490,819 | \$5,351,166 | \$5,690,270 | \$5,690,270 | | \$5,690,269.50 |
| 55 | | | | | | | | | | |
| 56 | Capital Sources of Funds | | | | | | | | | |
| 57 | Interest Earning | | | \$ 42,734 | \$ 28,820 | \$ 205,739 | 47,600.0 | \$152,437 | 320% | \$314,670 |
| 58 | Capital Improv. Charges | | | \$ - | \$ 6,590 | \$ 15,039 | 4,000.0 | \$75,195 | 1880% | \$75,195 |
| 59 | Depreciation Expense | CY Funded | | \$ 146,066 | \$ 146,267 | \$ 146,267 | 143,041.0 | \$134,480 | 94% | \$143,041 |
| 60 | Total - Capital Sources of Funds | | | \$ 188,800 | \$ 181,678 | \$ 367,046 | \$194,641 | \$362,112 | | \$532,906 |
| 61 | Capital Uses of Funds | | | | | | | | | |
| 62 | Water System Improv & Construction Proj | | | | | | | | | |
| 63 | System Improvements/Replacement | | | \$ 3,274 | \$ 556 | \$ 27,942 | 40,000.0 | \$0 | 0% | \$40,000 |
| 64 | Water System Replacement | | | \$ 3,311 | \$ 266,698 | \$ - | 100,000.0 | \$0 | 0% | \$0 |
| 65 | Water Construction Projects | | | \$ - | \$ - | \$ - | - | \$0 | | \$0 |
| 66 | Other Equipment | | | \$ 1,078 | \$ 54,077 | \$ - | 10,000.0 | \$0 | 0% | \$10,000 |
| 67 | Contingencies | | | \$ - | \$ - | \$ - | - | \$0 | | \$0 |
| 68 | Contributions-ISF & Other Funds | | | \$ - | \$ - | \$ - | - | \$0 | | \$0 |
| 69 | Total - Capital Uses of Funds | | | \$ 7,663 | \$ 321,331 | \$ 27,942 | \$150,000 | \$0 | | \$50,000 |
| 70 | Net Capital Fund Balance | | | \$ 181,137 | \$ (139,653) | \$ 339,104 | \$44,641 | \$362,112 | | \$482,906 |
| 71 | Transfer to/fr O&M / Rate Stabilization Fund | | | \$ - | \$ - | \$ - | \$0 | \$0 | | \$0 |
| 72 | Ending Fund Balance | | | \$5,490,819 | \$5,351,166 | \$5,690,270 | \$5,734,911 | \$6,052,381 | | \$6,173,175 |

WATERWORKS DISTRICT #38
LAKE SHERWOOD
OPERATIONS AND MAINTENANCE
FINANCIAL STATUS REPORT

| CURRENT PERIOD ACTIVITIES TO AP11 FY24 (ENDING 05/30/2024) | | A | B | C | D | E | F | H |
|--|---|--|----------------|----------------------|------------|----------------|---------------|---------------------|
| | | ACTUAL | ADOPTED BUDGET | CURRENT PERIOD FY 24 | | | % of | Year-End Projection |
| DESCRIPTION | | FY 23 | FY 24 | EXP/REV | ENC | TOTAL | Act/Bud | 06/30/24 |
| EXPENDITURES | | | | | | | | |
| 1 | <u>NON CAPITALIZED EXPENDITURES:</u> | | | | | | | |
| 2 | System Improvements/Replacement | 27.9 | 40.0 | 0.0 | 0.0 | 0.0 | 0.0% | 40.0 |
| 5 | Sub-Total Non Capitalized Expenditures | 27.9 | 40.0 | 0.0 | 0.0 | 0.0 | 0.0% | 40.0 |
| 6 | <u>WATER SYSTEM IMPROVEMENT/REPLACEMENT:</u> | | | | | | | |
| 7 | Water System Replacement | 0.0 | 100.0 | 0.0 | 0.0 | 0.0 | 0.0% | 0.0 |
| 10 | Sub-Total Water System Improvement | 0.0 | 100.0 | 0.0 | 0.0 | 0.0 | 0.0% | 0.0 |
| 11 | <u>WATER CONSTRUCTION PROJECT</u> | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | | 0.0 |
| 12 | Water Construction Project | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0% | 0.0 |
| 13 | Other Equipment | 0.0 | 10.0 | 0.0 | 0.0 | 0.0 | | 10.0 |
| 15 | Sub-Total Water Water Constructrion Project | 0.0 | 10.0 | 0.0 | 0.0 | 0.0 | 0.0% | 10.0 |
| 16 | Total Expenditures | 27.9 | 150.0 | 0.0 | 0.0 | 0.0 | 0.0% | 50.0 |
| 17 | REVENUES | | | | | | 0.0% | |
| 18 | Interest Earning | 205.7 | 47.6 | 152.4 | 0.0 | 152.4 | 320.2% | 314.7 |
| 19 | Capital Improv. Charges | 15.0 | 4.0 | 75.2 | 0.0 | 75.2 | 1879.9% | 75.2 |
| 22 | Total Revenues | 220.8 | 51.6 | 227.6 | 0.0 | 227.6 | 441.1% | 389.9 |
| 23 | Net of Operation | 192.8 | (98.4) | 227.6 | 0.0 | 227.6 | | 339.9 |
| 24 | Beginning Capital Fund Balance | 5,351.2 | 5,690.3 | 5,690.3 | | 5,690.3 | | 5,690.3 |
| 25 | Depreciation Expense | 146.3 | 143.0 | 146.0 | | 146.0 | | 143.0 |
| 26 | Ending Capital Fund Balance Reserve | 5,690.3 | 5,734.9 | 6,063.9 | | 6,063.9 | | 6,173.2 |
| 27 | | | | | | | | |
| 28 | | | | | | | | |
| 29 | | SUMMARY OF CAPITAL FUND BALANCE | | | Capital | Funded | Total | |
| 30 | | | | Acq Fund | Depr Fund | Cap Fund | | |
| 31 | | Beginning Fund Balance | | | 2,005.8 | 3,684.5 | 5,690.3 | |
| 32 | | Revenue & Depreciation | | | 389.9 | 143.0 | 532.9 | |
| 33 | | Expenditure & Encumbrances | | | 10.0 | 40.0 | 50.0 | |
| 34 | | Ending Fund Balance | | | 2,385.7 | 3,787.5 | 6,173.2 | |

WATERWORKS DISTRICT #38
LAKE SHERWOOD
OPERATIONS AND MAINTENANCE
FINANCIAL STATUS REPORT

| CURRENT PERIOD ACTIVITIES TO AP11 FY24 (ENDING 05/30/2024) | | | | | | |
|--|---|------------------|------------------|------------------|--------------|---------------------|
| | | B | B | D | E | F |
| | | ACTUAL | ADOPTED BUDGET | CURRENT | % of | Year-End Projection |
| | DESCRIPTION | FY 23 | FY 24 | ACTUAL | Act/Adpt Bud | 06/30/24 |
| | EXPENDITURES | | | | | |
| 1 | System Maint. Supp. & Contract | - | 213.8 | 52.8 | 25% | 210.7 |
| 3 | General Supplies | 132.07 | 31.0 | 33.7 | 109% | 88.6 |
| 5 | Pump Station Replacement | 131.95 | 43.2 | 7.2 | 17% | 96.9 |
| 6 | Emergency Repair | 21.45 | 80.0 | - | 0% | - |
| 7 | PLC Replacement | - | 10.0 | - | 0% | - |
| 8 | SCADA Radio Replacement | 5.89 | 15.0 | 4.7 | 31% | 11.2 |
| 10 | Utility Billing System Maintenance | - | 7.6 | - | 0% | - |
| 11 | Pipe Material/fittings, valves, pumps | 23.83 | 15.0 | 7.2 | 48% | 13.0 |
| 12 | Radios, Valve replcmnt/adj, ZII Alarm, PRS ZI&II | - | 12.0 | - | 0% | 1.0 |
| 2 | Indirect Cost Recovery | 21.1 | 23.8 | 23.8 | 100% | 23.8 |
| 4 | Misc. Expense | 38.0 | 96.5 | 15.2 | 16% | 108.3 |
| 5 | Other Professional Svcs | 3.2 | 10.0 | 1.1 | 11% | 10.0 |
| 6 | Small Tools & Minor Equipment | 0.4 | 5.0 | (0.0) | 0% | 5.0 |
| 7 | Federal State Permits and Fees | 10.5 | 2.0 | 8.6 | 429% | - |
| 8 | O&M Labor | 329.8 | 541.4 | 270.4 | 50% | 313.9 |
| 9 | Mgmt & Admin Svcs | 125.6 | 152.5 | 116.9 | 77% | 116.9 |
| 10 | Eng. & Tech. Surveys | - | 10.0 | - | 0% | 10.0 |
| 11 | Water Analysis | 4.8 | 4.3 | 4.6 | 107% | 4.6 |
| 12 | Cross Connection Fees | - | 5.0 | 4.0 | 81% | - |
| 13 | Conservation Program | - | 1.0 | - | 0% | - |
| 3 | Water Purchase | 2,194.8 | 2,737.1 | 2,075.4 | 76% | 2,619.1 |
| 5 | Water System Power | 41.4 | 55.0 | 39.5 | 72% | 55.0 |
| 6 | Depreciation Expense | 146.3 | 143.0 | 134.5 | 94% | 143.0 |
| 7 | Contribution to other Funds | 7.7 | 28.3 | 2.4 | 9% | 28.3 |
| 8 | Meter PurchaseS | 6.0 | 40.0 | 30.9 | 77% | 40.0 |
| 10 | ACFR Adjustments | 4.1 | | | | |
| 11 | TOTAL EXPENDITURES | 3,249.0 | 4,068.7 | 2,780.1 | | 3,688.6 |
| 12 | REVENUES | | | | | |
| 13 | Interest Earning | - | - | - | | - |
| 14 | Planning and Eng. Svcs External | 16.7 | 5.0 | 21.8 | 436% | 21.8 |
| 4 | Permit & Line Ext. Fees | 5.0 | 3.0 | 9.1 | 303% | 9.1 |
| 6 | Meter, Other Sales and Misc Rev. | 59.5 | 29.9 | 29.9 | 100% | 43.3 |
| 7 | Water Sales | 2,714.5 | 3,610.9 | 2,490.2 | 69% | 3,244.4 |
| 8 | TOTAL REVENUES | 2,795.8 | 3,648.8 | 2,551.0 | | 3,318.5 |
| 9 | RESULT OF OPERATION | (453.2) | (419.9) | (229.1) | | (370.1) |
| 10 | O&M Fund Balance Reserve: | | | | | |
| 11 | Beginning Fund Balance | \$2,579.5 | \$2,126.3 | \$2,126.3 | | \$2,126.3 |
| 12 | Net of Operation | (\$453.2) | (\$419.9) | (\$229.1) | | (\$370.1) |
| 13 | O&M Fund Balance Reserve: | \$2,126.3 | \$1,706.4 | \$1,897.2 | | \$1,756.2 |
| 14 | Required O&M Fund Reserve: 25% of Exp. | \$812.3 | \$1,017.2 | \$695.0 | | \$922.2 |
| 15 | O&M FBR vs Required Reserve | ok | ok | ok | ok | ok |

4. DISTRICT STAFF REPORT

- B. WATER QUALITY REPORT – A report regarding water quality complaints, if any, received by the District since the previous CAC meeting and how these complaints were resolved.

None

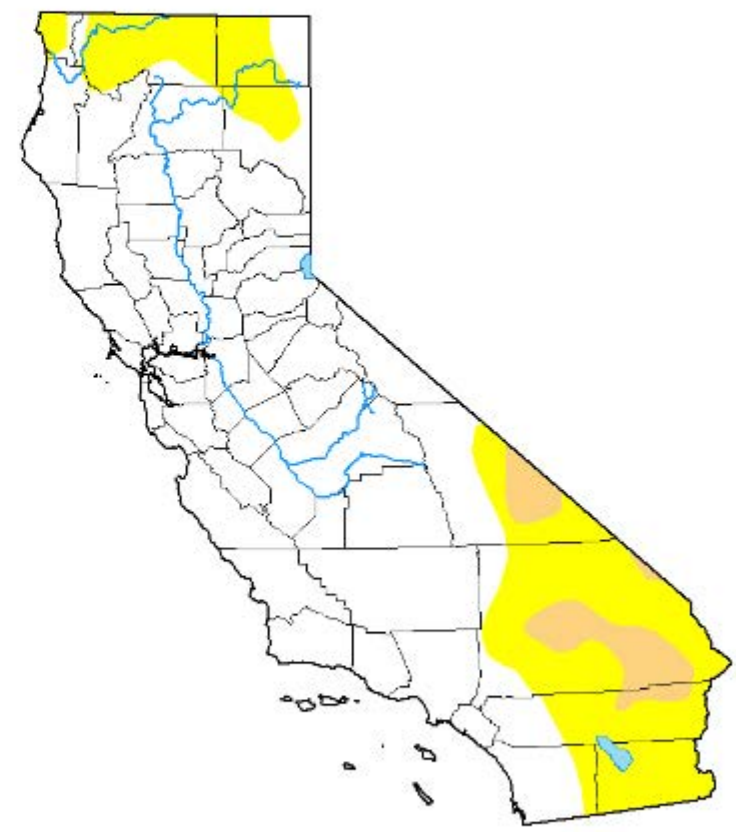
- C. WATER SUPPLY CONDITIONS – An update on water supply conditions within the District, Southern California, and throughout the State.

Drought Classification

- None
- D0 (Abnormally Dry)
- D1 (Moderate Drought)
- D2 (Severe Drought)
- D3 (Extreme Drought)
- D4 (Exceptional Drought)
- No Data



< July 2, 2024 >



< July 4, 2023 >

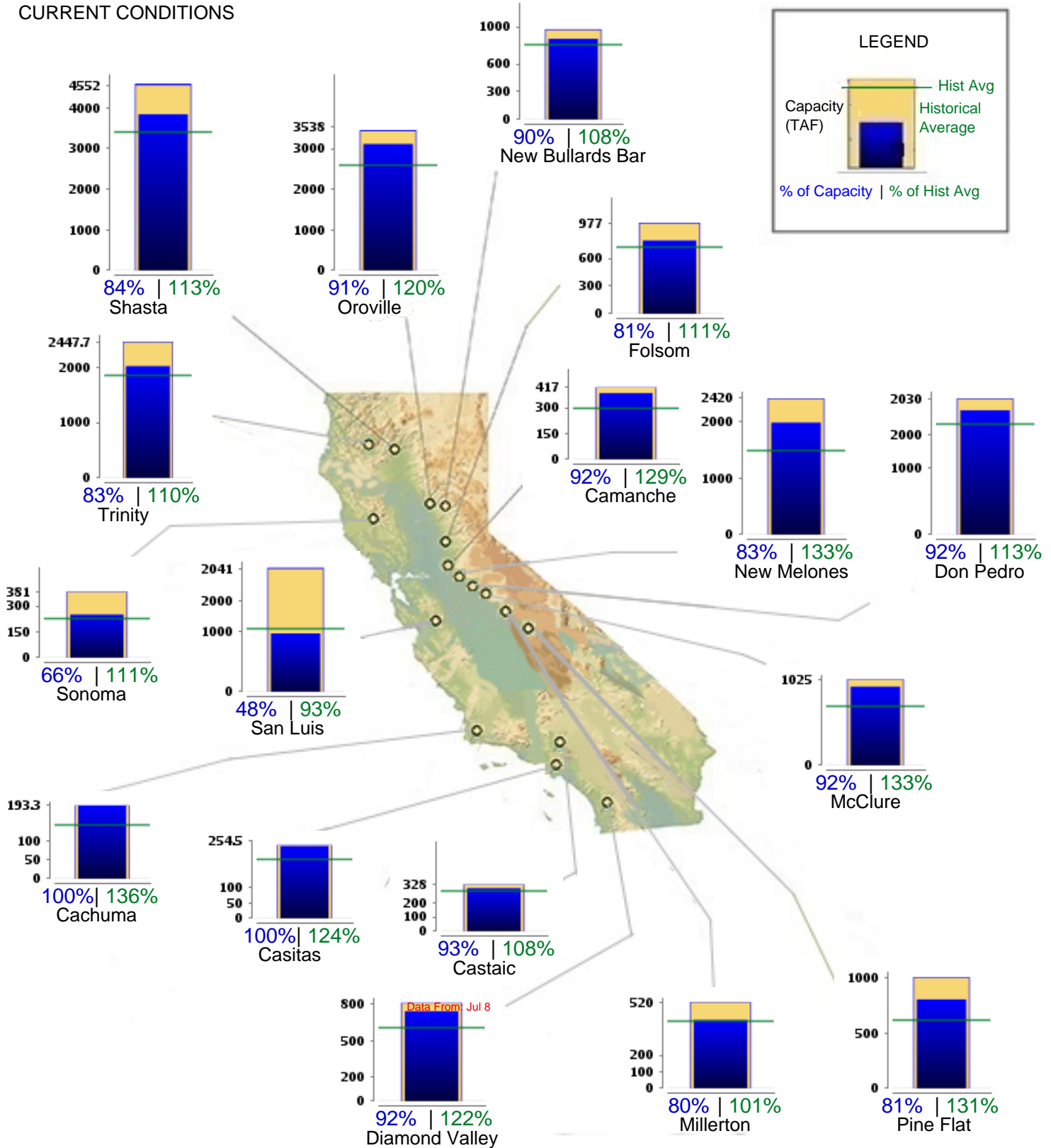
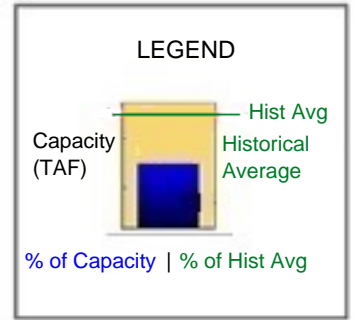


CURRENT RESERVOIR CONDITIONS

CALIFORNIA MAJOR WATER SUPPLY RESERVOIRS

Midnight - July 9, 2024

CURRENT CONDITIONS



4. DISTRICT STAFF REPORT

- D. CALLEGUAS MUNICIPAL WATER DISTRICT/
METROPOLITAN WATER DISTRICT OF SOUTHERN
CALIFORNIA UPDATE – An update on decisions and
rulings by these agencies which may impact the District.

Calleguas Pass Through Water Rates: The proposed 2025 rates for potable water are: Tier 1 at \$1,895 per AF and reflects a 9.5% increase in the Tier 1 rate. The proposed rates include the 11.1% increase in the Metropolitan Water District Tier 1 Rate and the 5.5% increase in Calleguas rate. With the adoption of the 2025 & 2026 Metropolitan water rates, there is no longer a charge for tier 2 water. Calleguas has also eliminated this charge from its water rate schedule

SCOTT H. QUADY, PRESIDENT
DIVISION 2

RAUL AVILA, SECRETARY
DIVISION 1

THIBAUT ROBERT, DIRECTOR
DIVISION 4



ANDY WATERS, VICE PRESIDENT
DIVISION 3

JACQUELYN MCMILLAN, TREASURER
DIVISION 5

KRISTINE MCCAFFREY
GENERAL MANAGER

www.calleguas.com

2100 OLSEN ROAD • THOUSAND OAKS, CALIFORNIA 91360-6800 805/526-9323 • FAX: 805/522-5730

BOARD MEMORANDUM

Date: June 19, 2024

To: Board of Directors

From: Dan Smith, Manager of Finance

Subject: Public hearing and discussion regarding adoption of proposed Resolution No. 2091, establishing rules, rates and regulations for water service; Resolution No. 2092, establishing rates for discharge to the Salinity Management Pipeline; and Resolution No. 2093, adjusting fees for annexation to the District.

Objective: Establish rates and fees to provide water and other services in a cost-effective manner by holding a public hearing to discuss the resolutions for the proposed rates and fees to be charged by the District effective January 1, 2025

Recommended Action: Open the Public Hearing and adopt Resolutions 2091, 2092, and 2093

Budget Impact: The proposed water rate and other fee adjustments are reflected in the 2024-25 annual budget.

Discussion: On April 9, 2024, the Metropolitan Water District (Metropolitan) adopted their water rates for calendar years 2025 & 2026. The Metropolitan rate process began in February and required Metropolitan staff to develop 13 different rate alternatives during the process. Calleguas staff worked with our purveyors and local City Counsels to comment in person and in writing on the Metropolitan proposed increases. This comment campaign helped the Metropolitan Board and staff understand the impacts their rate decision would have to the customers in our service area. The alternative approved by the Metropolitan Board adjusted the property tax collected to support the cost of the State Water Project from 0.0035% of a properties assessed valuation to 0.0070%. The other adopted Metropolitan increases that directly affected Calleguas rates were an 11.1% increase in their Tier 1 treated water rate, 8% increase in the Readiness to Serve charge and a 16.1% increase in the Capacity Reservation Charge.

The District has incorporated the Metropolitan increases into the Calleguas proposed rate structure. Because the Metropolitan rate makes up 75% of the Calleguas Tier 1 rate, the impact to the District's rates is significant but necessary to continue to purchase the needed water supply for our service area.

District staff has completed the 2024-25 Calleguas annual budget as part of the rate setting process. Staff worked diligently to keep costs down and is working to rebuild the reserves utilized over the last few years during the drought. Staff is continuing to budget for reduced water sales and has estimated water sales of 73,000 acre-feet (AF) in calendar year 2025, a 0% increase from 2024 estimates. Based on the proposed budget and water sales, the District is looking for a 5.5% increase on their portion of the Tier 1 water rate.

The proposed water rates, fees and charges are developed based on the cost of service to provide water to the Calleguas service area. The water rates are based on the District's ability to have funds to cover labor costs, purchases of water, treatment of water, and operation costs, as well as to provide funding for the District's ongoing Capital Improvement Program. The cost of purchasing imported water from the Metropolitan Water District and the cost to operate and maintain the complex water system, have increased.

Staff has calculated it has insufficient funds with the current rates to meet the above referenced objectives, so staff is recommending an increase to these rates to meet its funding needs.

The public hearing was properly noticed and the District has not received any comments on the proposed rates since the setting of this public hearing on May 15, 2024. Below is a brief description of the proposed changes to the water rates and fees. Additional information is provided in the packet.

Water Rates

Variable Rates: The proposed 2025 rates for potable water are: Tier 1 at \$1,895 per AF and reflects a 9.5% increase in the Tier 1 rate. The proposed rates include the 11.1% increase in the Metropolitan Water District Tier 1 Rate and the 5.5% increase in Calleguas' rate. With the adoption of the 2025 & 2026 Metropolitan water rates, there is no longer a charge for tier 2 water. Calleguas has also eliminated this charge from its water rate schedule.

Capacity Charge (CC): The CC is based on the highest weekly flow rate for a purveyor between May 1 and September 30. Purveyors with substantial production capacity from local supplies have the ability to take less water during that high demand period, which allows for wholesale water treatment, storage, delivery, and emergency supply infrastructure to be built at smaller capacities and saves money. The proposed CC for 2025 is \$55,472 per peak week flow (in cubic feet per second [cfs]), representing a decrease of 3.3%. Although the revenue requirement to fund the Capacity Charge increased by 3.0% due to the increase in the Metropolitan Rate, the 6.5% increase in the peak cfs has reduced the overall Capacity Charge rate. The increase in cfs from year to year is due to the purveyors coming off the restricted use of water that was required during the drought.

Readiness to Serve Charge (RTS): The RTS Charge is a direct pass through from Metropolitan, with no Calleguas component. An increase of 8.8% is proposed in 2025 based on the adopted Metropolitan RTS Charge.

Temporary Water Rate: The Temporary Water Rate is the rate charged to someone other than a purveyor, typically a contractor, and may only be used for short term purposes. In the past, the rate was set at two times the Tier 2 variable rate. Since the District no longer has a Tier 2 rate, the Temporary Water Rate is now set at two times the Tier 1 rate.

Overall: Considering all fixed and variable costs, as well as lower sales, the overall increase to the purveyors is expected to average 9.18%, with slight variations due to different purveyors' payments under the CC and RTS. All proposed changes would become effective January 1, 2025.

Wheeling Rate

During FY 2015-16, the District completed the Cost of Service study developing a rate to wheel water through the water system, assuming capacity for the water is available. A rate of \$29.39 per acre foot was calculated for calendar year 2025 by determining the fair share of the construction costs of the pipes and dividing by the 10-year average annual delivery capacity of the pipes. The current change represents an 8.1% increase in the rate. The increase in the rate is due to the decrease in water sales the District has experienced over the last few years. The change in the 10-year average in annual deliveries continues to decrease.

Salinity Management Pipeline (SMP) Rates

The first SMP rates were effective on January 1, 2012 and were established at a rate that would make it cost effective for purveyors to build and operate groundwater desalters. Since 2012, the SMP rates have been tied to the rising Tier 1 rate of potable water. The proposed rates for discharge in 2022 are proposed to increase 9.5%, consistent with the increase in the potable water variable rate. The rate for brine is proposed to be \$749.10 per AF and the rate for non-brine is proposed to be \$60.00 per AF. In accordance with Ordinance No. 19, Rules and Regulations for Use of the SMP, rates for SMP discharges outside the service area are 150% of the rates inside the service area.

Annexation Fees

Each year Calleguas adjusts its per-acre fee using financial information from the preceding fiscal year. The fee is based on a back property tax due calculation based on the assessed valuation of property within the District and converted into a per acre charge. An Annexation Fee rate of \$4,179 per acre is proposed for 2025, and represents an increase of \$191 or 5.0%.

Attachment: Resolutions 2091, 2092, 2093

RESOLUTION NO. 2091

A RESOLUTION PURSUANT TO ORDINANCE NO. 12
ESTABLISHING RATES, RULES, AND REGULATIONS
FOR WATER SERVICE TO AGENCIES WITHIN THE
CALLEGUAS MUNICIPAL WATER DISTRICT

WHEREAS, the Board of Directors of Calleguas Municipal Water District (the "District") by Ordinance No. 12 established rates, rules, and regulations for water sold to its Member Agencies; and

WHEREAS, Ordinance No. 12 provides for the Board of Directors to have the absolute and sole authority to implement new rates or pass through charges imposed on the District; and

WHEREAS, most recently, the Board of Directors of the District by Resolution No. 2077 adopted July 5, 2023, established rates for water sold to its Member Agencies; and

WHEREAS, the Metropolitan Water District of Southern California ("Metropolitan") adopted new rates, rules and regulations for water service to its member agencies on April 9, 2024; and

WHEREAS, the Board of Directors of the District has determined that certain modifications to the District's rates, rules, and regulations for water service are necessary and desirable in accordance with the rate structure adopted by Metropolitan; and

WHEREAS, the Board of Directors of the District find that said modifications are for the purpose of meeting operating and construction expenses, and are therefore exempt from requirements of the California Environmental Quality Act.

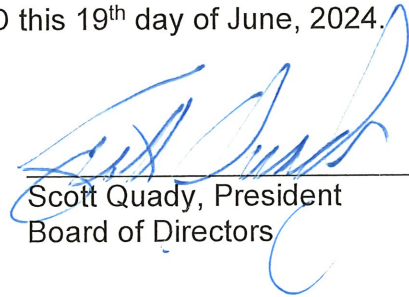
NOW, THEREFORE, THE BOARD OF DIRECTORS OF CALLEGUAS MUNICIPAL WATER DISTRICT RESOLVES AS FOLLOWS:

SECTION 1. In accordance with Ordinance No. 12, the rates and charges set forth in the CALLEGUAS RATE SCHEDULE attached hereto as Exhibit A, and incorporated herein by reference are hereby approved and adopted as the Calleguas Municipal Water District Rate Schedule to be imposed as set forth therein.

SECTION 2. Resolution No. 2077 adopted July 5, 2023, is hereby rescinded effective at 12:01 a.m., January 1, 2025, at which time this Resolution No. 2091 shall become effective.

SECTION 3. All Member Agencies serviced by the District shall be notified promptly of the water rates hereby established in accordance with the provisions of Ordinance No. 12.

ADOPTED, SIGNED AND APPROVED this 19th day of June, 2024.



Scott Quady, President
Board of Directors

I HEREBY CERTIFY that the foregoing Resolution was adopted at a meeting of the Board of Directors of Calleguas Municipal Water District held on June 19, 2024.

ATTEST:



Raul Avila, Secretary
Board of Directors

(SEAL)

Exhibit A
Calleguas Municipal Water District Rate Schedule

| | Effective January 1, 2025 |
|---|--------------------------------------|
| Water Supply Rates | |
| Tier 1 Supply Rate (\$/AF) | \$ 1,895 |
| Minimum Service Charge | |
| per month | \$ 150 |
| Capacity Rate (Capacity Reservation Charge) | |
| per cu ft per second (cfs) | \$ 55,472 |
| Temporary Water Rate | |
| per 100 cu ft | \$ 8.70 |
| Water Wheeling Rate | |
| per AF | \$ 29.39 |
| Readiness to Serve (MWD Pass-through) | |
| Distributed to Member Agencies based on their 10 yr rolling fiscal year of average purchases | \$ 9,096,290 |

4. DISTRICT STAFF REPORT

- E. UPDATE ON AVENUES OF PUBLIC OUTREACH –How the District is reaching out to its customers concerning water conservation.

- F. BOARD LETTER TRACKER - UPDATE ON VENTURA COUNTY BOARD OF SUPERVISORS AGENDA ITEMS RELATED TO THE DISTRICT – A status report on what items District staff has recently presented, or may be presenting, before the Ventura County Board of Supervisors

CCR Receive and File 7/23/24

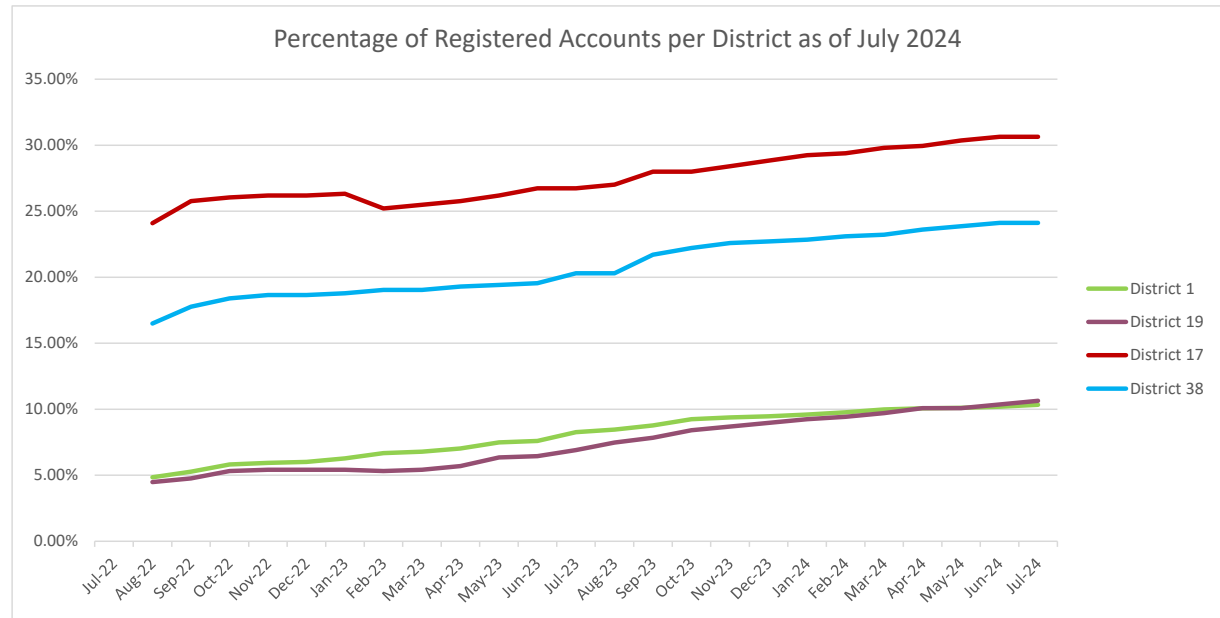
4. DISTRICT STAFF REPORT

- G. UPDATE ON ADVANCED METERING INFRASTRUCTURE (AMI) IMPLEMENTATION - The AMI project is an integrated system of smart meters, communications networks, and data management systems that enables two-way communication between utilities and customers which is being implement within the District.

Total Accounts per district

| District 1 | District 19 | District 17 | District 38 |
|--------------|-------------|-------------|-------------|
| 11013 | 1071 | 718 | 788 |

| Month | District 1 | District 19 | District 17 | District 38 |
|--------|------------|-------------|-------------|-------------|
| Jan-24 | 9.60% | 9.24% | 29.25% | 22.84% |
| Feb-24 | 9.76% | 9.43% | 29.39% | 23.10% |
| Mar-24 | 9.99% | 9.71% | 29.81% | 23.22% |
| Apr-24 | 10.07% | 10.08% | 29.94% | 23.60% |
| May-24 | 10.11% | 10.08% | 30.36% | 23.86% |
| Jun-24 | 10.19% | 10.36% | 30.64% | 24.11% |
| Jul-24 | 10.34% | 10.64% | 30.64% | 24.11% |
| Aug-22 | 4.85% | 4.48% | 24.09% | 16.50% |
| Sep-22 | 5.27% | 4.76% | 25.77% | 17.77% |
| Oct-22 | 5.82% | 5.32% | 26.04% | 18.40% |
| Nov-22 | 5.94% | 5.42% | 26.18% | 18.65% |
| Dec-22 | 6.01% | 5.42% | 26.18% | 18.65% |
| Jan-23 | 6.27% | 5.42% | 26.32% | 18.78% |
| Feb-23 | 6.67% | 5.32% | 25.21% | 19.04% |
| Mar-23 | 6.78% | 5.42% | 25.49% | 19.04% |
| Apr-23 | 7.03% | 5.70% | 25.77% | 19.29% |
| May-23 | 7.48% | 6.35% | 26.18% | 19.42% |
| Jun-23 | 7.60% | 6.44% | 26.74% | 19.54% |
| Jul-23 | 8.26% | 6.91% | 26.74% | 20.30% |
| Aug-23 | 8.45% | 7.47% | 27.02% | 20.30% |
| Sep-23 | 8.77% | 7.84% | 27.99% | 21.70% |
| Oct-23 | 9.24% | 8.40% | 27.99% | 22.21% |
| Nov-23 | 9.38% | 8.68% | 28.41% | 22.59% |
| Dec-23 | 9.46% | 8.96% | 28.83% | 22.72% |



4. DISTRICT STAFF REPORT

H. CAPITAL PROJECTS REVIEW - The Capital Project Status Report provides regular reporting on the status of active capital projects within the District.

None

I. OPERATIONS AND MAINTENANCE QUARTERLY REPORT

- An update on Operations and Maintenance for the Fourth Quarter of Fiscal Year 2024.



District 38 O&M Updates

FY 2024 – Forth Quarter (April 1, 2024 to June 30, 2024)

Operations & Maintenance – Distribution Repairs

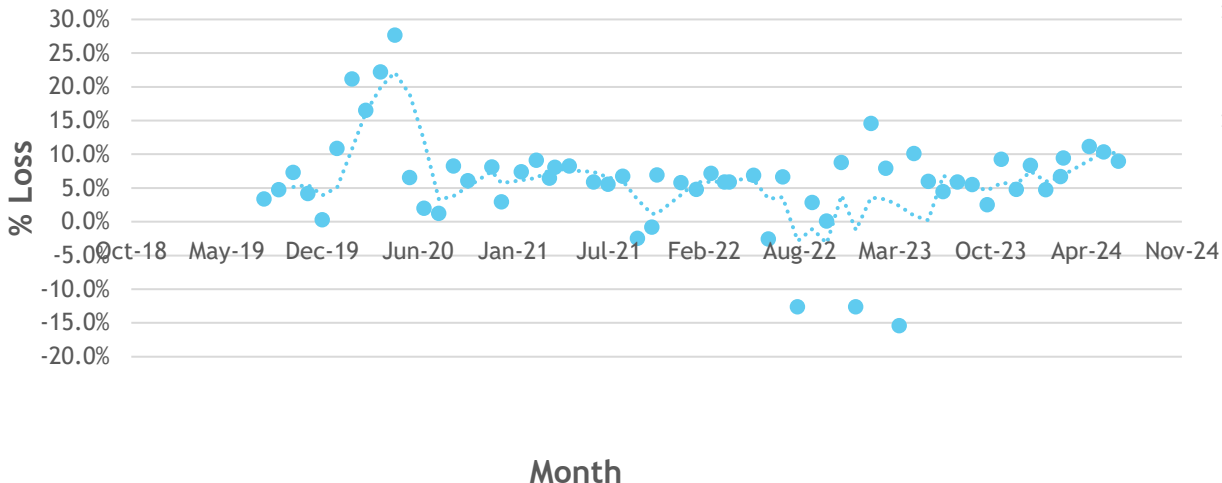
- ▶ Main Line Repairs: 0
- ▶ Service Line Repairs: 0
- ▶ AirVac and Hydrant Leaks: 0
- ▶ Fire Flow Tests: 2
- ▶ Valve Maintenance: 0

Operations & Maintenance – Source Water

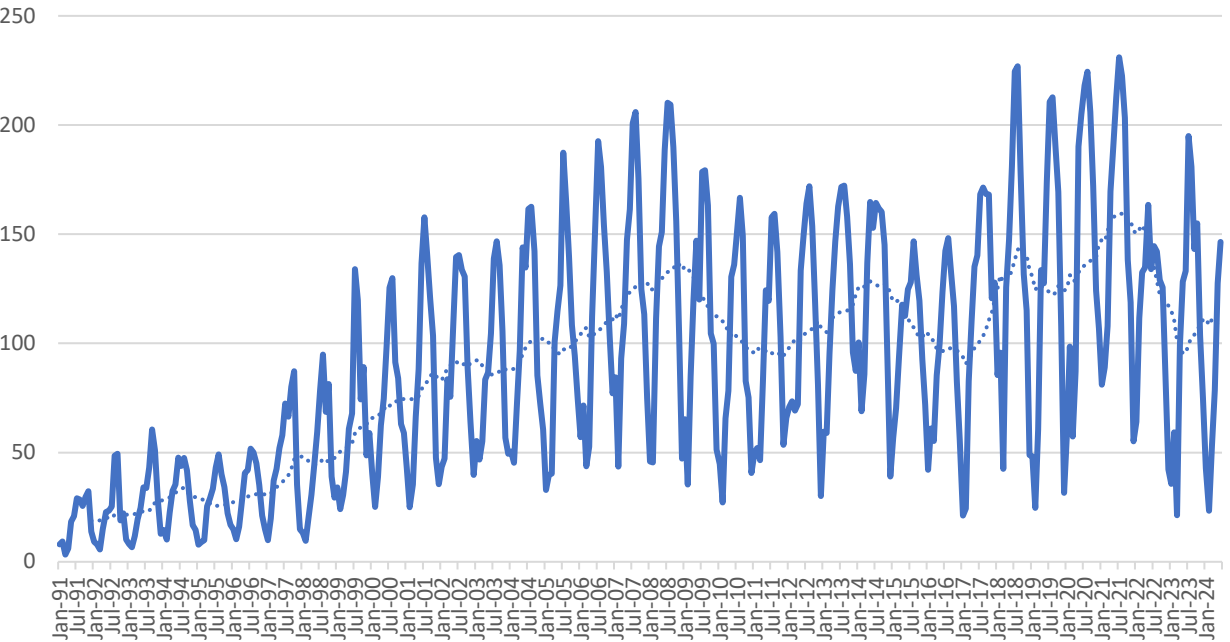
▶ CMWD

- ▶ 352.3 AF Delivered (April - June)
- ▶ 35.04 AF (9.9%) Water Loss in Quarter

% Water Loss (Consumed VS CMWD)

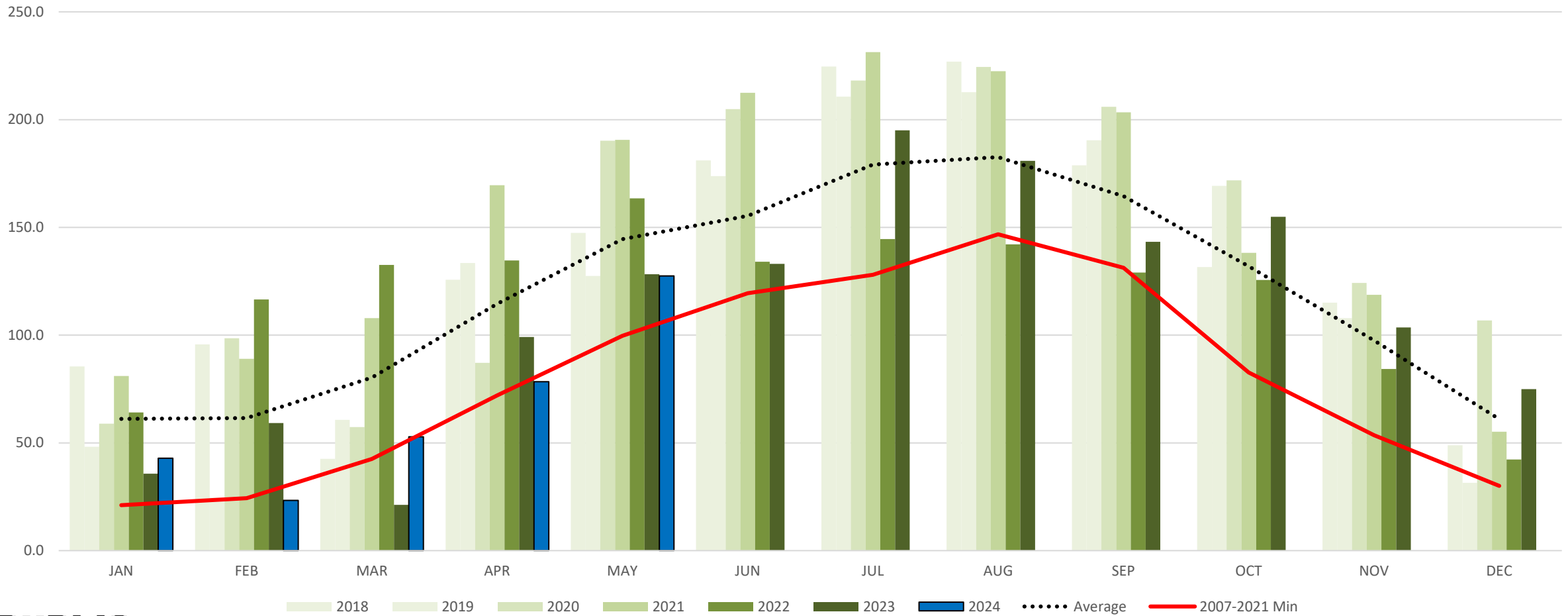


CMWD Purchase (AF)



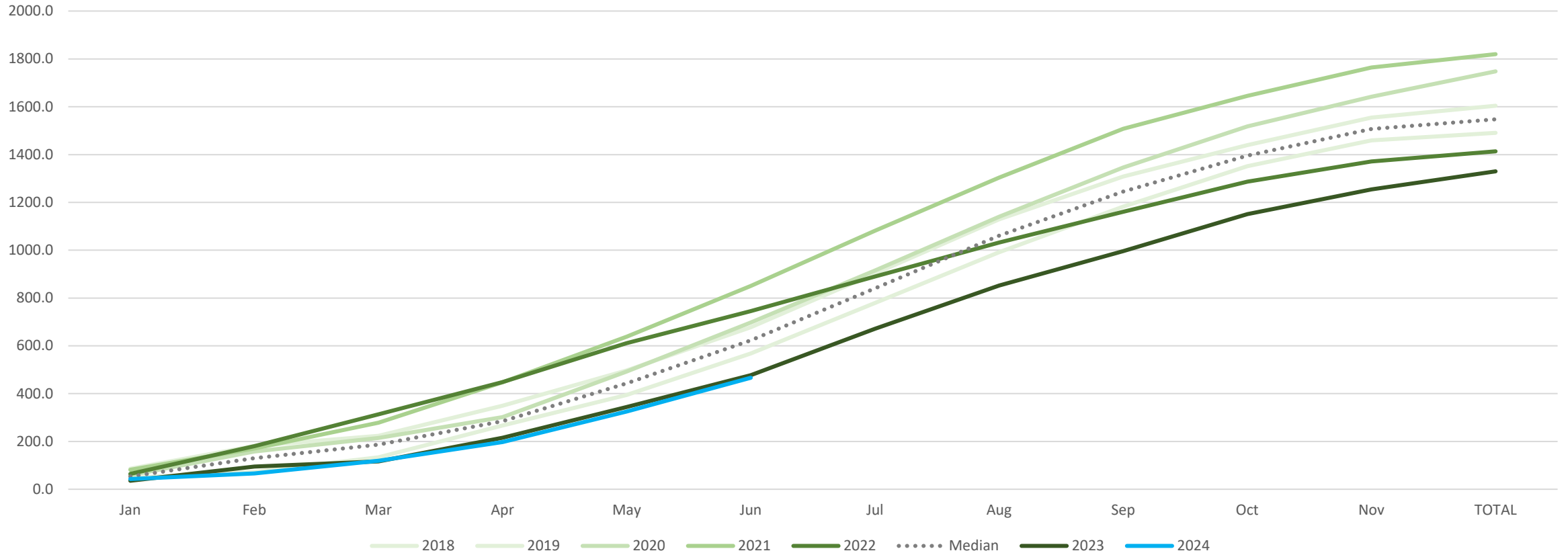
Operations & Maintenance – Purchases (AF)

District 38 Monthly Demand (AF)



Cumulative Periodic and Annual Demands

District 38 Cumulative Annual Demand (AF)



Customer Service and Meter Reading

- ▶ Customer Account Activity (turn on/off)
 - ▶ \$864 labor
- ▶ Customer Service Orders (check for leaks, verify reads, pressure, etc.)
 - ▶ \$3,681 labor
- ▶ Line Locations
 - ▶ \$1,119 labor
- ▶ Meter Replacements
 - ▶ \$0 labor for 0 meters
- ▶ New webpage to promote Customer Portal:
 - ▶ <https://www.vcpublishworks.org/wsd/customerportal/>

Operations & Maintenance – Looking Forward

- ▶ Pump Station Design
- ▶ 12” gravity line install from Morevale Reservoir



Questions?

5. COMMITTEE MEMBERS' COMMENTS/ FUTURE AGENDA
ITEMS

6. ADJOURNMENT

***The next District 38 Citizens' Advisory Committee meeting is
scheduled for October 25, 2024.**