



NOTICE OF SPECIAL BUDGET & FINANCE COMMITTEE MEETING October 23, 2023

Responsible for the review of District finances including: rates, fees, charges and other sources of revenue; budget and reserves; audit; investments; insurance; and other financial matters.

NOTICE IS HEREBY GIVEN that the San Lorenzo Valley Water District has called a special meeting of the Budget & Finance Committee to be held on **Monday, October 23, 2023, at 2:00 p.m.**, at the SLVWD Conference Room, 12788 Highway 9, Boulder Creek, CA, and via videoconference and teleconference.

Any person in need of any reasonable modification or accommodation in order to participate in the meeting may contact the District Secretary's Office at (831) 430-4636 a minimum of 72 hours prior to the scheduled meeting.

This meeting is being conducted as an in-person meeting under the Brown Act, Government Code section 54953, and a quorum of the Committee must participate from the location(s) within the District that are identified above. Members of the public may attend the meeting at the identified location(s). Teleconferencing/videoconferencing access as set forth below is being provided as a convenience only and is not guaranteed. The meeting may continue in person even if teleconferencing/videoconferencing capability is disrupted or unavailable.

The meeting access information is as follows:

Please click the link below to join the webinar:

<https://us02web.zoom.us/j/83319354471>

Webinar ID: 833 1935 4471

Or One tap mobile :

+16699006833,,83319354471# US (San Jose)

+16694449171,,83319354471# US

Or Telephone:

Dial(for higher quality, dial a number based on your current location):

+1 669 900 6833 US (San Jose)

+1 669 444 9171 US

1. Convene Meeting
Roll Call

2. Unfinished Business:

Members of the public will be given the opportunity to address each scheduled item prior to Committee action. The Chairperson of the Committee may establish a time limit for members of the public to address the Committee on agenda items.

a. RATE STUDY UPDATE

Discussion by the Committee regarding the Rate Study process with a draft presentation by Raftelis on possible rate schedules.

3. Informational Material:

Here is a link to previous B & F Committee meeting minutes:

[All Finance Meeting Minutes | San Lorenzo Valley Water District \(slvwd.com\)](https://www.slvwd.com/All-Finance-Meeting-Minutes)

4. Adjournment

Agenda documents, including materials related to an item on this agenda submitted to the Committee after distribution of the agenda packet, are available for public inspection and may be reviewed at the office of the District Secretary, 13060 Highway 9, Boulder Creek, CA 95006 during normal business hours. Such documents may also be available on the District website at www.slvwd.com subject to staff's ability to post the documents before the meeting.

Certification of Posting

I hereby certify that on October 20, 2023, I posted a copy of the foregoing agenda in the outside display case at the District Office, 13060 Highway 9, and at the SLVWD Boardroom, 12788 Highway 9, Boulder Creek, California, said time being at least 24 hours in advance of the special meeting of the B & F Committee of the San Lorenzo Valley Water District in compliance with California Government Code Section 54956.

Executed at Boulder Creek, California, on October 20, 2023.

Holly B. Hossack, District Secretary

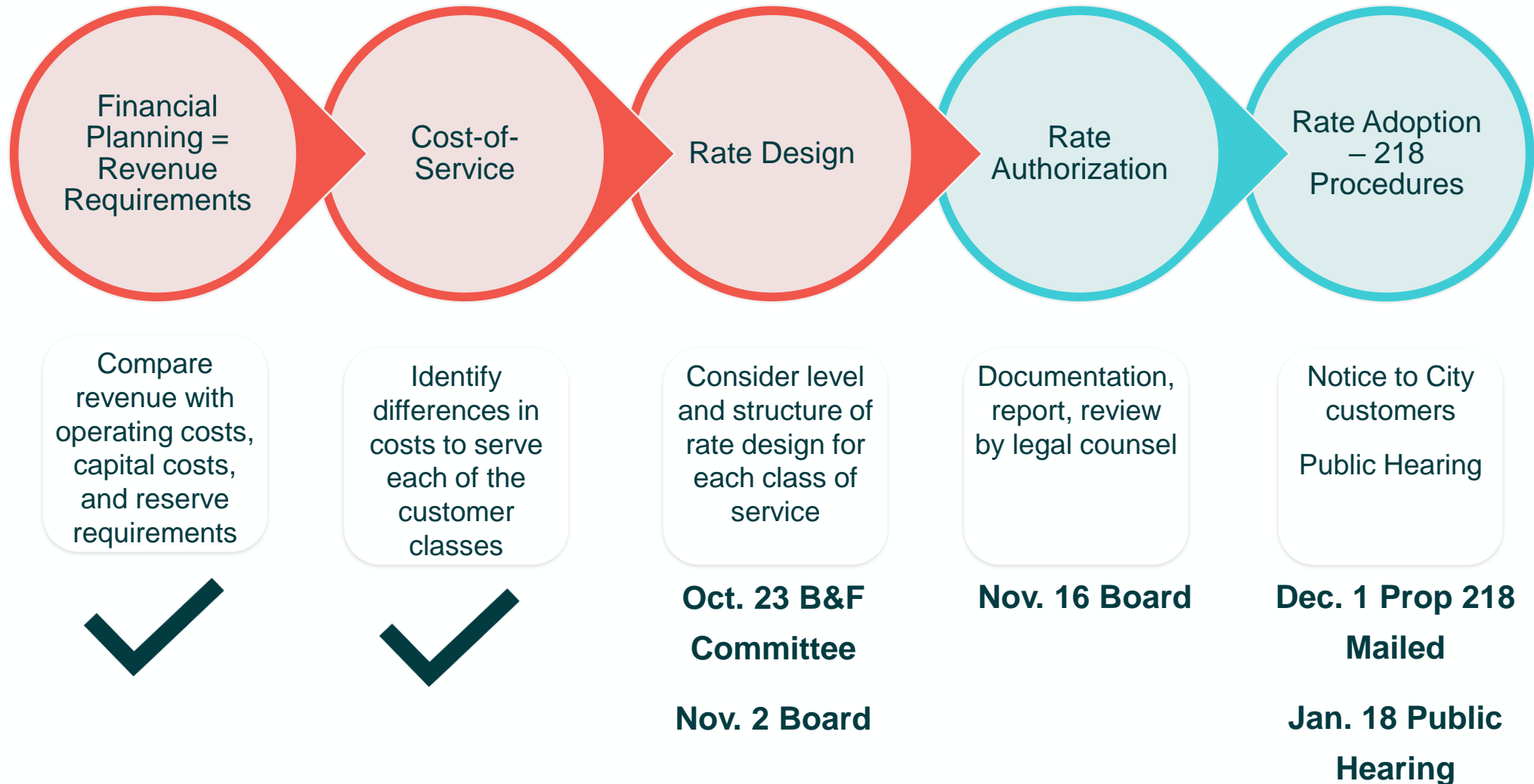


Water Rate Alternatives & Wastewater Rates

Budget & Finance Committee:
October 23, 2023



Key Steps in Conducting the District's Rate Study



Water Revenue Adjustments – Selected Financial Plan

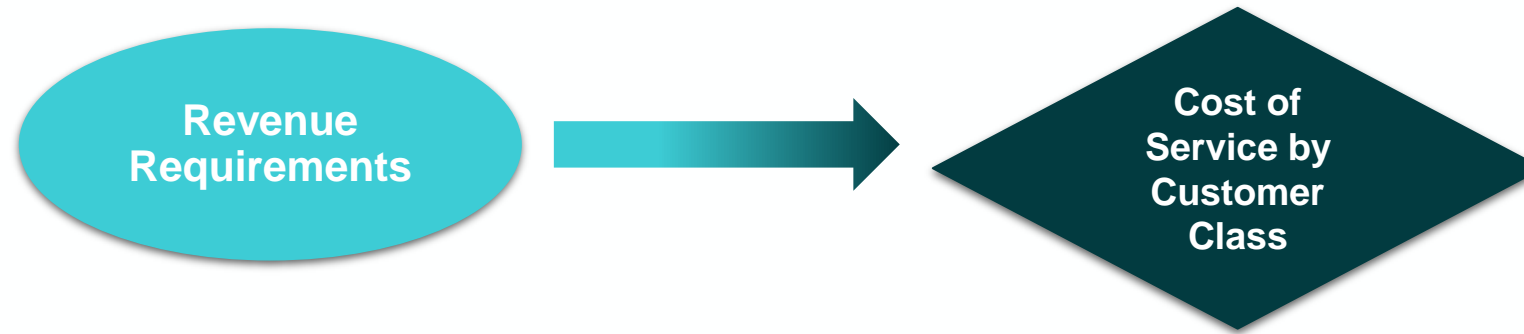
	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Revenue Adjustments	10.0%	10.0%	7.0%	7.0%	7.0%
Effective Month	February	January	January	January	January

- This is the planned *overall* rate-based **revenue** adjustment.
- Individual bill changes will vary based on the mix of fixed vs variable charge recovery and the amount of water billed.

Cost of Service



What is Cost of Service?



Method to recover costs:

- Between fixed charges and variable rates
- From customers in proportion to their use of the system, recognizing the impact of each class on system facilities and operations.

Best Practices and industry guidance used throughout the U.S. to set utility water and wastewater rates:

- **Water:** American Water Works Assn. (AWWA) Manual of *“Principles of Water Rates, Fees and Charges”*
- **Wastewater:** Water Environment Federation (WEF) Manual *“Financing and Charges for Wastewater Systems”*

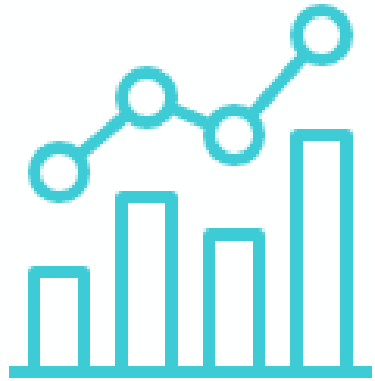
SLVWD Cost of Service Alignment

Customer Class	Current Revenue (\$M)	Revenue Neutral COS (\$M)	Difference (\$M)	Over (+) / Under (-)
Single Family	\$8.89	\$8.89	\$0.00	Neutral
Commercial*	\$1.96	\$1.81	\$0.15	+
Industrial	\$0.50	\$0.51	-\$0.01	-
Irrigation	\$0.12	\$0.17	-\$0.05	-
Surplus Water Station	\$0.10	\$0.14	-\$0.04	-
Private Fireline	\$0.00	\$0.04	-\$0.04	-
Total	\$11.57	\$11.57	\$0.00	
* Commercial Includes Multifamily				

Water Rate Structure Alternatives



Pricing Objectives – Priority for SLVWD



Revenue Stability



Affordability



Conservation

Notes:

Increase revenue stability by increasing the fixed charges. That has a larger impact on lower water users than higher water users.

8 10 Average single family is 6 ccf/mo, which is 70% of annual usage for that class.

Things to Keep in Mind

- Each alternative recovers the same amount of revenue requirements
- However, each alternative impacts customers differently
- Totals may not add due to rounding

Current Water Rate Structure

- Fixed
 - › Monthly Service Charge
- Volumetric
 - › Uniform: All customers
 - › Uniform: Surplus Water Station
- Currently recovers about 31% of rate-revenue through the fixed charge.

Water Rate Structure Alternatives

- **Option 1a and 1b**

- Fixed (a-35% or b-45%)
 - › Monthly Service Charge
 - › Capital Charge
 - › Private Fireline
- Volumetric
 - › Uniform: All customers
 - › Uniform: Surplus Water Station

- **Option 2a and 2b**

- Fixed (a-35% or b-45%)
 - › Monthly Service Charge
 - › Capital Charge
 - › Private Fireline
- Volumetric
 - › 3-Tier for SF Residential
 - › Uniform by Customer Class
 - Commercial*
 - Industrial
 - Irrigation
 - › Uniform: Surplus Water Station

- **Option 3a and 3b**

- Fixed (a-35% or b-45%)
 - › Monthly Service Charge
 - › Capital Charge
 - › Private Fireline
- Volumetric
 - › 2-Tier for SF Residential
 - › Uniform by Customer Class
 - Commercial*
 - Industrial
 - Irrigation
 - › Uniform: Surplus Water Station

* Commercial includes multifamily.

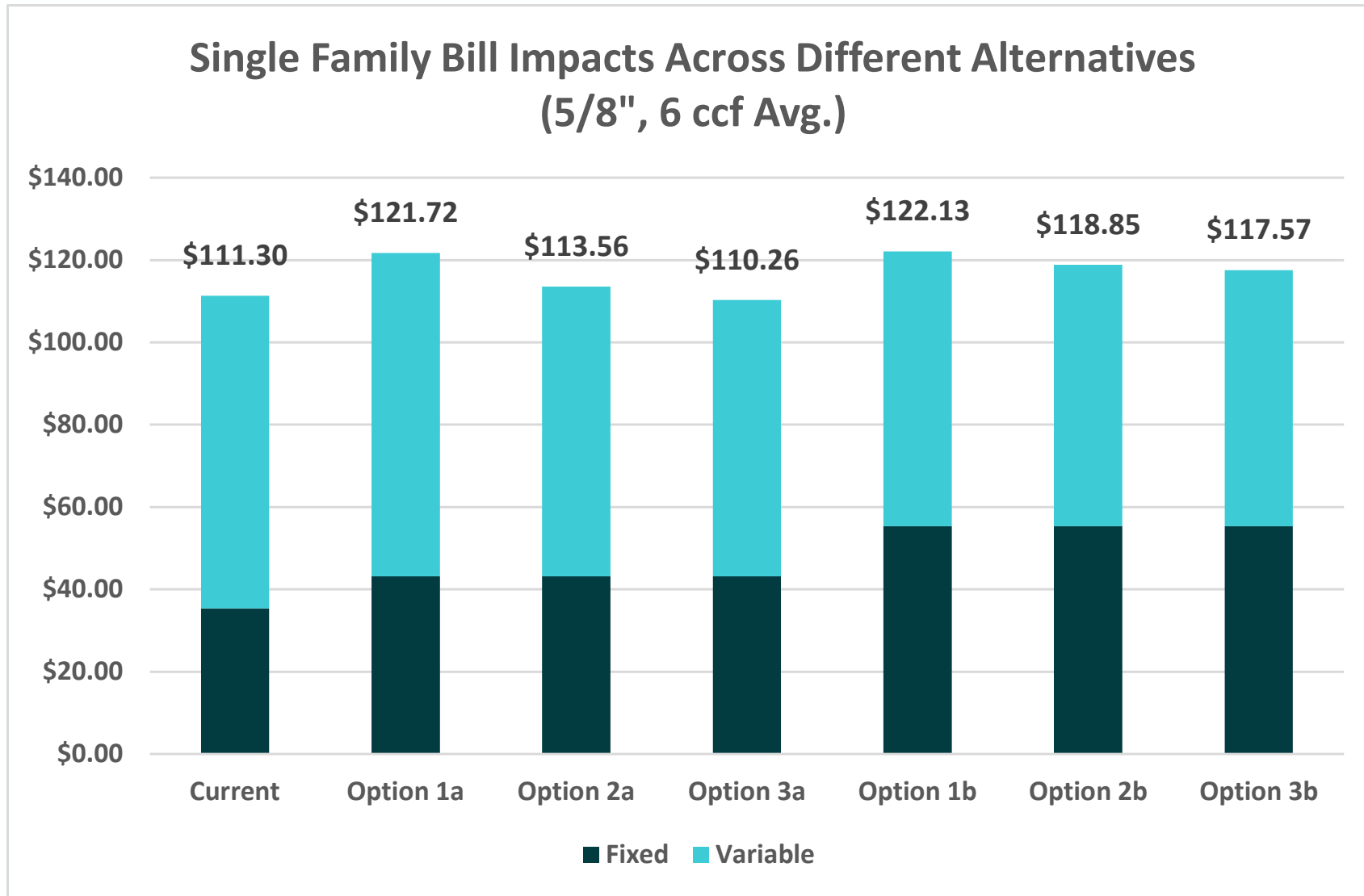
Option 2a/2b: Overview

- Fixed: Same as Option 1a: 35% / 1b: 45% fixed cost recovery
- Volumetric:
 - › Single Family Residential: 3-Tier (winter low and summer peak)
 - 0 – 4 ccf (~57% of usage)
 - 5 – 8 ccf (~22% of usage)
 - > 8 ccf (~21% of usage)
 - › Commercial: Uniform
 - › Industrial: Uniform
 - › Irrigation: Uniform
 - › Surplus Water Station: Uniform

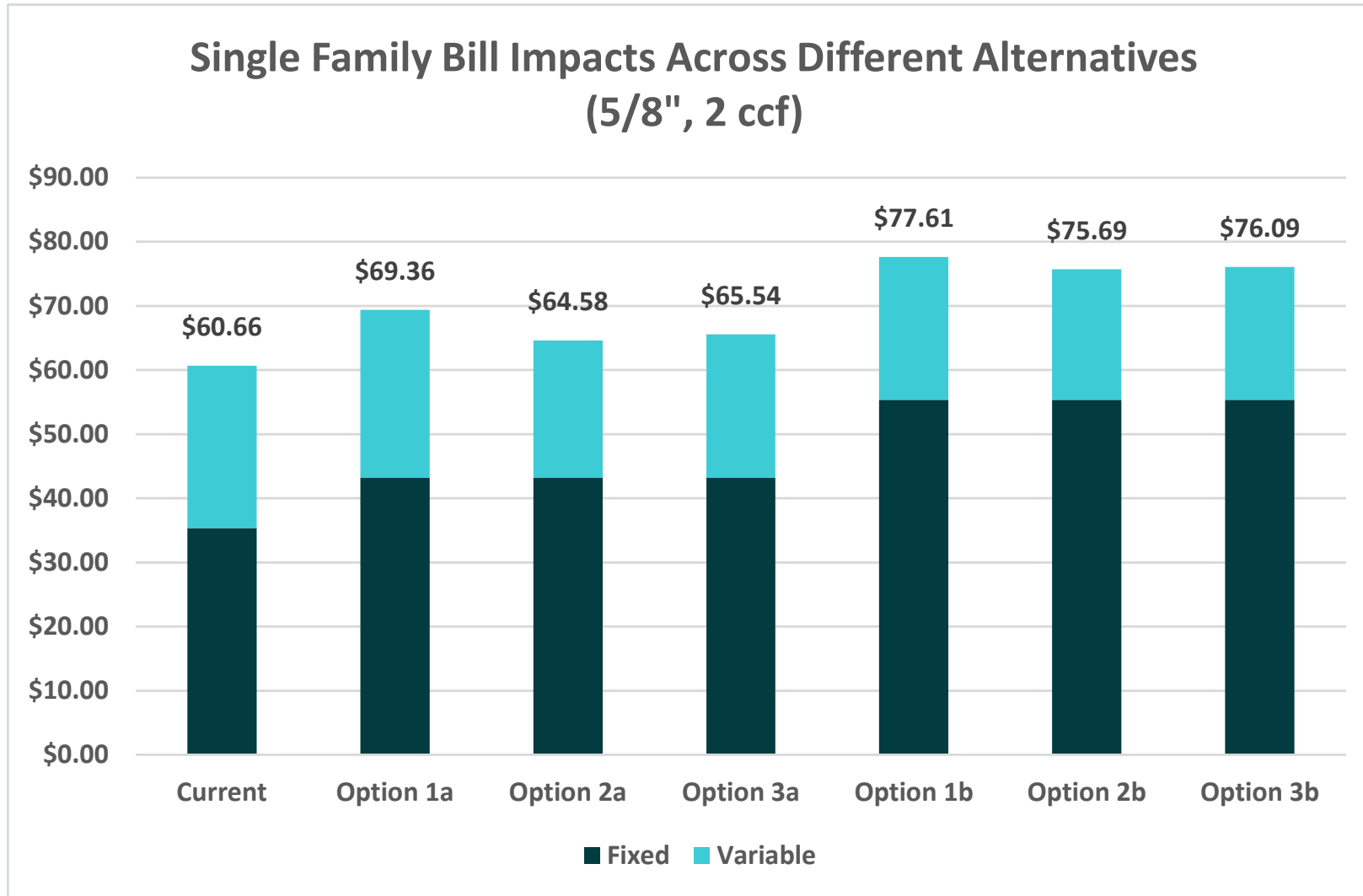
Option 3a/3b: Overview

- Fixed: Same as Option 1a: 35% / 1b: 45% fixed cost recovery
- Volumetric:
 - › Single Family Residential: 2-Tier (density and 52 gpcd)
 - 0 – 6 ccf (~70% of usage)
 - > 6 ccf (~30% of usage)
 - › Commercial: Uniform
 - › Industrial: Uniform
 - › Irrigation: Uniform
 - › Surplus Water Station: Uniform

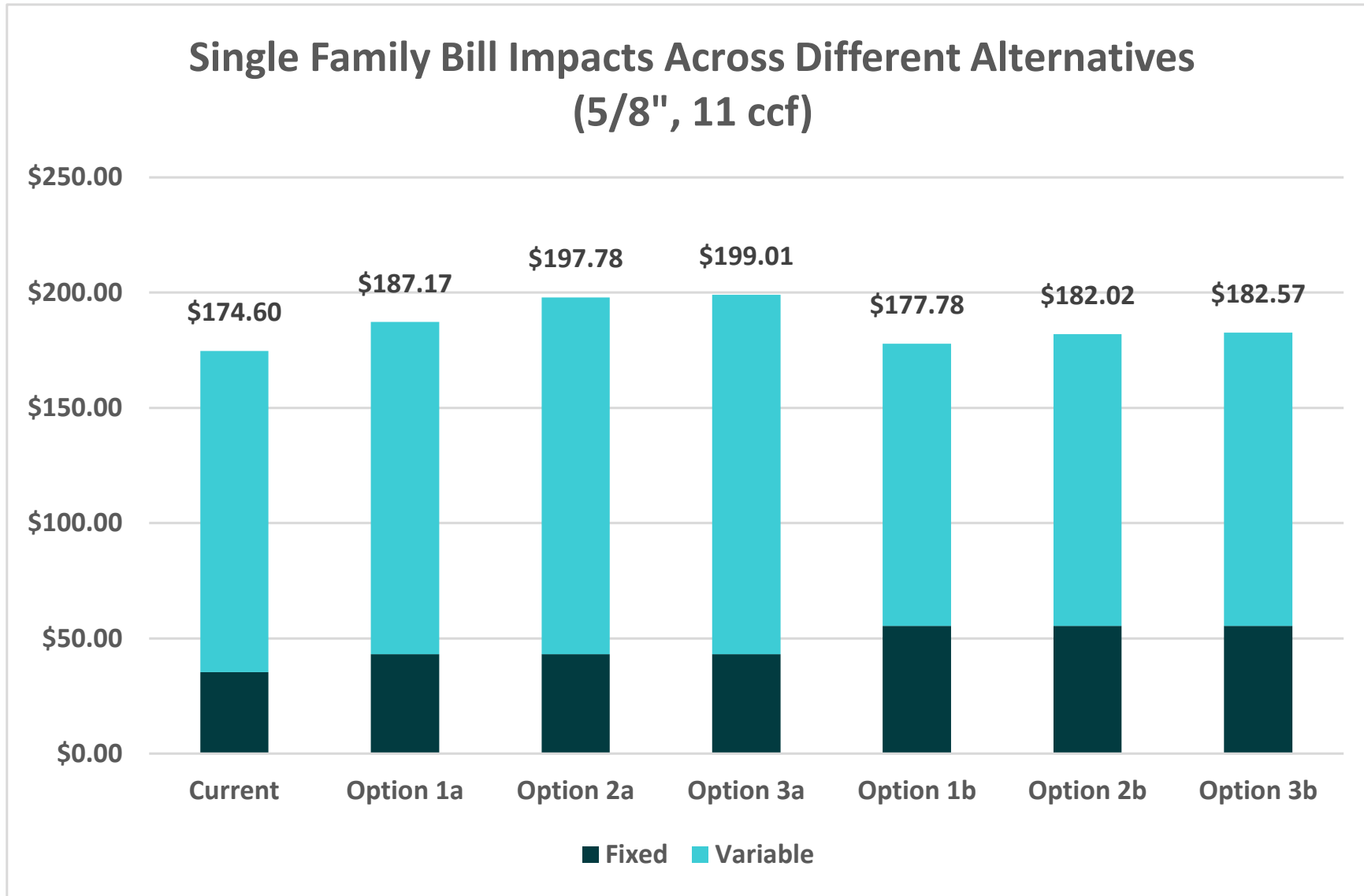
Single Family Bill Impacts – 6 ccf (average)



Single Family Bill Impacts – Very Low Use



Single Family Bill Impacts – Very High Use



Board/Committee Water Rate Recommendations

- Fixed Recovery – 35% or 45%?
- Single Family Residential: 2-tier or 3-tier?

Proposed Wastewater Rates



Water Revenue Adjustments – Selected Financial Plan

	Current	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Revenue Adjustments		3.0%	3.0%	3.0%	3.0%	3.0%
Effective Month		February	January	January	January	January
Charge, \$/mo	\$257.47	\$265.20	\$273.16	\$281.36	\$289.81	\$298.51

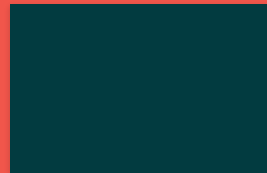
- This is the planned *overall* rate-based revenue adjustment.
- Given the bill is 100% fixed charge (\$/mo) and the users are all single family homes, the overall revenue adjustment equals the unit rate adjustment.

Project Schedule

- Rates Discussion with Board – November 2, 2023
- Board Rate Authorization – November 16, 2023
- District Prepares Prop. 218 – November 17 – Nov 30, 2023
- District Mails Prop. 218 Notices – December 1, 2023
- Public Hearing – January 18, 2024
- Rates Implemented – February 1, 2024

Thank you

Backup Slides – not for distribution




**Backup for 35% vs 45%
service, capital, & private
fire line**



Option 1a: Monthly Service Charge

Meter Size	Meter	+	Customer	= Proposed	Current	Difference (\$)	Difference (%)
5/8"	\$24.26		\$11.27	\$35.53	\$35.34	\$0.19	1%
3/4"	\$24.26		\$11.27	\$35.53	\$35.34	\$0.19	1%
1"	\$40.43		\$11.27	\$51.70	\$52.97	(\$1.27)	-2%
1.5"	\$80.86		\$11.27	\$92.13	\$97.05	(\$4.92)	-5%
2"	\$129.38		\$11.27	\$140.65	\$149.94	(\$9.29)	-6%
3"	\$258.75		\$11.27	\$270.02	\$290.97	(\$20.95)	-7%
4"	\$404.30		\$11.27	\$415.57	\$449.64	(\$34.07)	-8%




35%

Fixed Recovery Option

Option 1a: Monthly Capital Charge

Monthly Capital Charges	Current	Proposed FY 2024
5/8"	\$0.00	\$7.65
3/4"	\$0.00	\$7.65
1"	\$0.00	\$12.75
1.5"	\$0.00	\$25.49
2"	\$0.00	\$40.79
3"	\$0.00	\$81.57
4"	\$0.00	\$127.45




35%

Fixed Recovery Option

Option 1a: Monthly Service Charge Plus Capital Charge, FY2024

Meter Size	Current	Proposed	Difference (\$)	Difference (%)
5/8"	\$35.34	\$43.18	\$7.84	22%
3/4"	\$35.34	\$43.18	\$7.84	22%
1"	\$52.97	\$64.45	\$11.48	22%
1.5"	\$97.05	\$117.62	\$20.57	21%
2"	\$149.94	\$181.44	\$31.50	21%
3"	\$290.97	\$351.59	\$60.62	21%
4"	\$449.64	\$543.02	\$93.38	21%




35%

Fixed Recovery Option

Option 1a: Monthly Private Fire Line Charge - Derivation

Fire Line Size	Fire Capacity Ratio	Current	Proposed	No. of Lines
1"	1.00	\$0.00	\$37.17	83
1.5"	2.90	\$0.00	\$107.99	2
2"	6.19	\$0.00	\$230.12	2
3"	17.98	\$0.00	\$668.46	--
4"	38.32	\$0.00	\$1,424.51	--



35%

Fixed Recovery Option

Option 1a: Monthly Service Charge – 5yr Schedule

Monthly Service Charges	Current FY 2023	Proposed FY 2024	Proposed FY 2025	Proposed FY 2026	Proposed FY 2027	Proposed FY 2028
5/8"	\$35.34	\$35.53	\$39.09	\$41.83	\$44.76	\$47.90
3/4"	\$35.34	\$35.53	\$39.09	\$41.83	\$44.76	\$47.90
1"	\$52.97	\$51.70	\$56.87	\$60.86	\$65.13	\$69.69
1.5"	\$97.05	\$92.13	\$101.35	\$108.45	\$116.05	\$124.18
2"	\$149.94	\$140.65	\$154.72	\$165.56	\$177.15	\$189.56
3"	\$290.97	\$270.02	\$297.03	\$317.83	\$340.08	\$363.89
4"	\$449.64	\$415.57	\$457.13	\$489.13	\$523.37	\$560.01

Option 1a: Monthly Capital Charge – 5yr Schedule

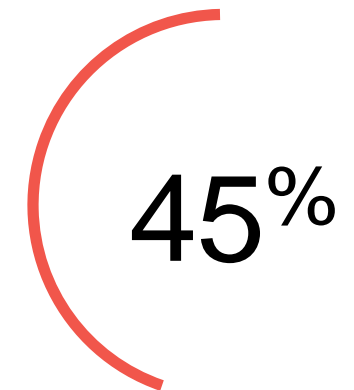
Monthly Capital Charges	Current FY 2023	Proposed FY 2024	Proposed FY 2025	Proposed FY 2026	Proposed FY 2027	Proposed FY 2028
5/8"	\$0.00	\$7.65	\$8.42	\$9.01	\$9.65	\$10.33
3/4"	\$0.00	\$7.65	\$8.42	\$9.01	\$9.65	\$10.33
1"	\$0.00	\$12.75	\$14.03	\$15.02	\$16.08	\$17.21
1.5"	\$0.00	\$25.49	\$28.04	\$30.01	\$32.12	\$34.37
2"	\$0.00	\$40.79	\$44.87	\$48.02	\$51.39	\$54.99
3"	\$0.00	\$81.57	\$89.73	\$96.02	\$102.75	\$109.95
4"	\$0.00	\$127.45	\$140.20	\$150.02	\$160.53	\$171.77

Option 1a: Monthly Private Fire Service Charge – 5yr Schedule

Monthly Fire Service Charges	Current FY 2023	Proposed FY 2024	Proposed FY 2025	Proposed FY 2026	Proposed FY 2027	Proposed FY 2028
1"	\$0.00	\$37.17	\$40.89	\$43.76	\$46.83	\$50.11
1.5"	\$0.00	\$107.99	\$118.79	\$127.11	\$136.01	\$145.54
2"	\$0.00	\$230.12	\$253.14	\$270.86	\$289.83	\$310.12
3"	\$0.00	\$668.46	\$735.31	\$786.79	\$841.87	\$900.81
4"	\$0.00	\$1,424.51	\$1,566.97	\$1,676.66	\$1,794.03	\$1,919.62

Option 1b: Monthly Service Charge

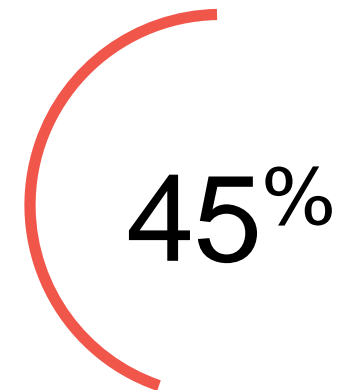
Meter Size	Meter + Customer = Proposed	Current	Difference (\$)	Difference (%)
5/8"	\$36.43 + \$11.27 = \$47.70	\$35.34	\$12.36	35%
3/4"	\$36.43 + \$11.27 = \$47.70	\$35.34	\$12.36	35%
1"	\$60.72 + \$11.27 = \$71.99	\$52.97	\$19.02	36%
1.5"	\$121.43 + \$11.27 = \$132.71	\$97.05	\$35.66	37%
2"	\$194.30 + \$11.27 = \$205.57	\$149.94	\$55.63	37%
3"	\$388.59 + \$11.27 = \$399.86	\$290.97	\$108.89	37%
4"	\$607.17 + \$11.27 = \$618.45	\$449.64	\$168.81	38%



Fixed Recovery Option

Option 1b: Monthly Capital Charge

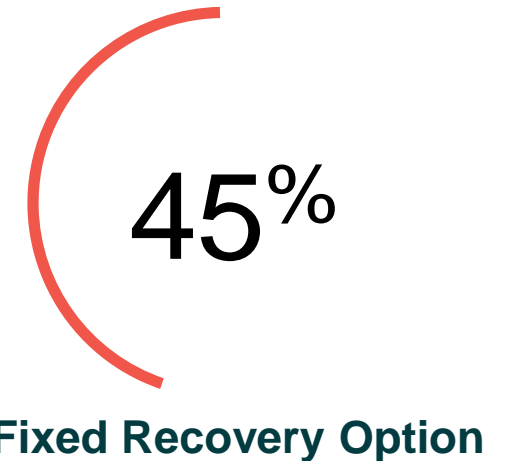
Monthly Capital Charges	Current	Proposed FY 2024
5/8"	\$0.00	\$7.65
3/4"	\$0.00	\$7.65
1"	\$0.00	\$12.75
1.5"	\$0.00	\$25.49
2"	\$0.00	\$40.79
3"	\$0.00	\$81.57
4"	\$0.00	\$127.45



Fixed Recovery Option

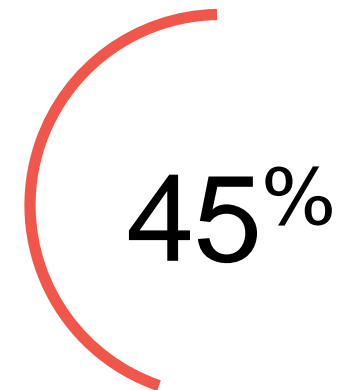
Option 1b: Monthly Service Charge Plus Capital Charge, FY2024

Meter Size	Current	Proposed	Difference (\$)	Difference (%)
5/8"	\$35.34	\$55.35	\$20.01	57%
3/4"	\$35.34	\$55.35	\$20.01	57%
1"	\$52.97	\$84.74	\$31.77	60%
1.5"	\$97.05	\$158.20	\$61.15	63%
2"	\$149.94	\$246.36	\$96.42	64%
3"	\$290.97	\$481.43	\$190.46	65%
4"	\$449.64	\$745.90	\$296.26	66%



Option 1a: Monthly Private Fire Line Charge

Fire Line Size	Fire Capacity Ratio	Current	Proposed	No. of Lines
1"	1.00	\$0.00	\$37.17	83
1.5"	2.90	\$0.00	\$107.99	2
2"	6.19	\$0.00	\$230.12	2
3"	17.98	\$0.00	\$668.46	--
4"	38.32	\$0.00	\$1,424.51	--



Fixed Recovery Option

Option 1a: Volumetric Charge – Uniform Rate (Current Structure), \$/ccf

Commodity Charge	Base	+ Peaking	+ Conservation	= Proposed	Current	Difference (\$)	Difference (%)
All Customer Classes	\$9.58	\$3.26	\$0.23	\$13.09	\$12.66	\$0.43	3%
Surplus Water Station	\$9.58	\$14.54	\$0.23	\$24.37	\$17.99	\$6.38	35%

Option 1a: Commodity Charge – Uniform Rate (Current Structure) – 5yr Schedule

Commodity Charges	Current FY 2023	Proposed FY 2024	Proposed FY 2025	Proposed FY 2026	Proposed FY 2027	Proposed FY 2028
All Customer Classes	\$12.66	\$13.09	\$14.40	\$15.41	\$16.49	\$17.65
Surplus Water Station	\$17.99	\$24.37	\$26.81	\$28.69	\$30.70	\$32.85

Option 1b: Volumetric Charge – Uniform Rate (Current Structure), \$/ccf

Commodity Charge	Base	+ Peaking	+ Conserva- tion	= Proposed	Current	Difference (\$)	Difference (%)
All Customer Classes	\$9.58	\$1.30	\$0.23	\$11.13	\$12.66	(\$1.54)	-12.1%
Surplus Water Station	\$9.58	\$5.82	\$0.23	\$15.64	\$17.99	(\$2.35)	-13.1%

Option 1b: Volumetric Charge – Uniform Rate (Current Structure) – 5yr Schedule

Commodity Charges	Current FY 2023	Proposed FY 2024	Proposed FY 2025	Proposed FY 2026	Proposed FY 2027	Proposed FY 2028
All Customer Classes	\$12.66	\$11.13	\$12.25	\$13.11	\$14.03	\$15.02
Surplus Water Station	\$17.99	\$15.64	\$17.21	\$18.42	\$19.71	\$21.09

Water Rates Alt. – 3-tier Res at 35% and 45%



Option 2a: Volumetric Charge – Residential 3-Tier

Commodity Charge	Base	+	Peaking	+	Conservation	= Proposed	Current	Difference (\$)	Difference (%)
Residential 3-Tier Option									
Residential									
Tier 1: 0 – 4 ccf	\$9.58		\$0.87		\$0.23	\$10.70	\$12.66	(\$1.96)	-15%
Tier 2: 5 – 8 ccf	\$9.58		\$3.97		\$0.23	\$13.79	\$12.66	\$1.13	9%
Tier 3: > 8 ccf	\$9.58		\$9.06		\$0.23	\$18.88	\$12.66	\$6.22	49%
Commercial	\$9.58		\$2.47		\$0.23	\$12.29	\$12.66	(\$0.37)	-3%
Industrial	\$9.58		\$4.21		\$0.23	\$14.03	\$12.66	\$1.37	11%
Irrigation	\$9.58		\$12.28		\$0.23	\$22.10	\$12.66	\$9.44	75%
Surplus Water Station	\$9.58		\$14.61		\$0.23	\$24.44	\$17.99	\$6.45	36%

Option 2a: Commodity Charge – Residential 3-Tier – 5yr Schedule

Commodity Charges	Current FY 2023	Proposed FY 2024	Proposed FY 2025	Proposed FY 2026	Proposed FY 2027	Proposed FY 2028
Residential 3-Tier Option						
Residential						
Tier 1: 0 – 4 ccf	\$12.66	\$10.70	\$11.77	\$12.60	\$13.49	\$14.44
Tier 2: 5 – 8 ccf	\$12.66	\$13.79	\$15.17	\$16.24	\$17.38	\$18.60
Tier 3: > 8 ccf	\$12.66	\$18.88	\$20.77	\$22.23	\$23.79	\$25.46
Commercial	\$12.66	\$12.29	\$13.52	\$14.47	\$15.49	\$16.58
Industrial	\$12.66	\$14.03	\$15.44	\$16.53	\$17.69	\$18.93
Irrigation	\$12.66	\$22.10	\$24.31	\$26.02	\$27.85	\$29.80
Surplus Water Station	\$17.99	\$24.44	\$26.89	\$28.78	\$30.80	\$32.96

Option 2b: Commodity Charge Derivation – Residential 3-Tier

Commodity Charge	Base	Peaking	Conservation	Proposed	Current	Difference (\$)	Difference (%)
Residential 3-Tier Option							
Residential							
Tier 1: 0 – 4 ccf	\$9.58	\$0.35	\$0.23	\$10.17	\$12.66	(\$2.49)	-20%
Tier 2: 5 – 8 ccf	\$9.58	\$1.59	\$0.23	\$11.41	\$12.66	(\$1.25)	-10%
Tier 3: > 8 ccf	\$9.58	\$3.62	\$0.23	\$13.45	\$12.66	\$0.79	6%
Commercial	\$9.58	\$0.99	\$0.23	\$10.81	\$12.66	(\$1.85)	-15%
Industrial	\$9.58	\$1.68	\$0.23	\$11.51	\$12.66	(\$1.15)	-9%
Irrigation	\$9.58	\$4.91	\$0.23	\$14.74	\$12.66	\$2.08	16%
Surplus Water Station	\$9.58	\$5.85	\$0.23	\$15.67	\$17.99	(\$2.32)	-13%

Option 2b: Commodity Charge – Residential 3-Tier – 5yr Schedule

Commodity Charges	Current FY 2023	Proposed FY 2024	Proposed FY 2025	Proposed FY 2026	Proposed FY 2027	Proposed FY 2028
Residential 3-Tier Option						
Residential						
Tier 1: 0 – 4 ccf	\$12.66	\$10.17	\$11.19	\$11.98	\$12.82	\$13.72
Tier 2: 5 – 8 ccf	\$12.66	\$11.41	\$12.56	\$13.44	\$14.39	\$15.40
Tier 3: > 8 ccf	\$12.66	\$13.45	\$14.80	\$15.84	\$16.95	\$18.14
Commercial	\$12.66	\$10.81	\$11.90	\$12.74	\$13.64	\$14.60
Industrial	\$12.66	\$11.51	\$12.67	\$13.56	\$14.51	\$15.53
Irrigation	\$12.66	\$14.74	\$16.22	\$17.36	\$18.58	\$19.89
Surplus Water Station	\$17.99	\$15.67	\$17.24	\$18.45	\$19.75	\$21.14

Water Rates Alt. – 2-tier Res at 35% and 45%



Option 2a: Volumetric Charge – Residential 2-Tier

Commodity Charge	Base	+	Peaking	+	Conservation	= Proposed	Current	Difference (\$)	Difference (%)
Residential 2-Tier Option									
Residential									
Tier 1: 0 – 6 ccf	\$9.58		\$1.36		\$0.23	\$11.18	\$12.66	(\$1.48)	-12%
Tier 2: > 6 ccf	\$9.58		\$7.93		\$0.23	\$17.75	\$12.66	\$5.09	40%
Commercial	\$9.58		\$2.47		\$0.23	\$12.29	\$12.66	(\$0.37)	-3%
Industrial	\$9.58		\$4.21		\$0.23	\$14.03	\$12.66	\$1.37	11%
Irrigation	\$9.58		\$12.28		\$0.23	\$22.10	\$12.66	\$9.44	75%
Surplus Water Station	\$9.58		\$14.61		\$0.23	\$24.44	\$17.99	\$6.45	36%

Option 2a: Commodity Charge – Residential 2-Tier – 5yr Schedule

Commodity Charges	Current FY 2023	Proposed FY 2024	Proposed FY 2025	Proposed FY 2026	Proposed FY 2027	Proposed FY 2028
Residential 2-Tier Option						
Residential						
Tier 1: 0 – 6 ccf	\$12.66	\$11.18	\$12.30	\$13.17	\$14.10	\$15.09
Tier 2: > 6 ccf	\$12.66	\$17.75	\$19.53	\$20.90	\$22.37	\$23.94
Commercial	\$12.66	\$12.29	\$13.52	\$14.47	\$15.49	\$16.58
Industrial	\$12.66	\$14.03	\$15.44	\$16.53	\$17.69	\$18.93
Irrigation	\$12.66	\$22.10	\$24.31	\$26.02	\$27.85	\$29.80
Surplus Water Station	\$17.99	\$24.44	\$26.89	\$28.78	\$30.80	\$32.96

Option 2b: Volumetric Charge – Residential 2-Tier

Commodity Charge	Base	+	Peaking	+	Conservation	= Proposed	Current	Difference (\$)	Difference (%)
Residential 2-Tier Option									
Residential									
Tier 1: 0 – 6 ccf	\$9.58		\$0.54		\$0.23	\$10.37	\$12.66	(\$2.29)	-18%
Tier 2: > 6 ccf	\$9.58		\$3.17		\$0.23	\$13.00	\$12.66	\$0.34	3%
Commercial	\$9.58		\$0.99		\$0.23	\$10.81	\$12.66	(\$1.85)	-15%
Industrial	\$9.58		\$1.68		\$0.23	\$11.51	\$12.66	(\$1.15)	-9%
Irrigation	\$9.58		\$4.91		\$0.23	\$14.74	\$12.66	\$2.08	16%
Surplus Water Station	\$9.58		\$5.85		\$0.23	\$15.67	\$17.99	(\$2.32)	-13%

Option 2b: Volumetric Charge – Residential 2-Tier – 5yr Schedule

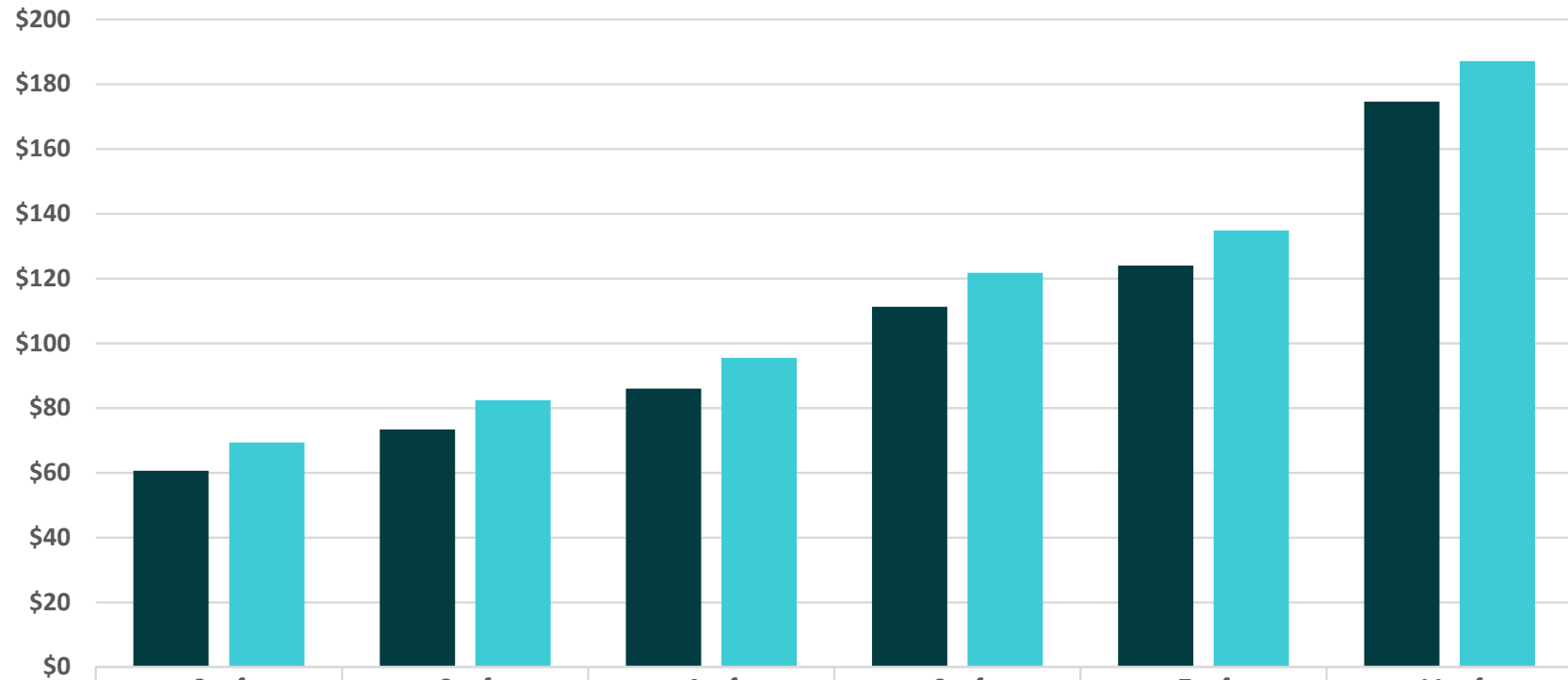
Commodity Charges	Current FY 2023	Proposed FY 2024	Proposed FY 2025	Proposed FY 2026	Proposed FY 2027	Proposed FY 2028
Residential 2-Tier Option						
Residential						
Tier 1: 0 – 6 ccf	\$12.66	\$10.37	\$11.41	\$12.21	\$13.07	\$13.99
Tier 2: > 6 ccf	\$12.66	\$13.00	\$14.30	\$15.31	\$16.39	\$17.54
Commercial	\$12.66	\$10.81	\$11.90	\$12.74	\$13.64	\$14.60
Industrial	\$12.66	\$11.51	\$12.67	\$13.56	\$14.51	\$15.53
Irrigation	\$12.66	\$14.74	\$16.22	\$17.36	\$18.58	\$19.89
Surplus Water Station	\$17.99	\$15.67	\$17.24	\$18.45	\$19.75	\$21.14

Water Rates Alt. – Each option for SF various levels



Single Family Bill Impacts – Option 1a

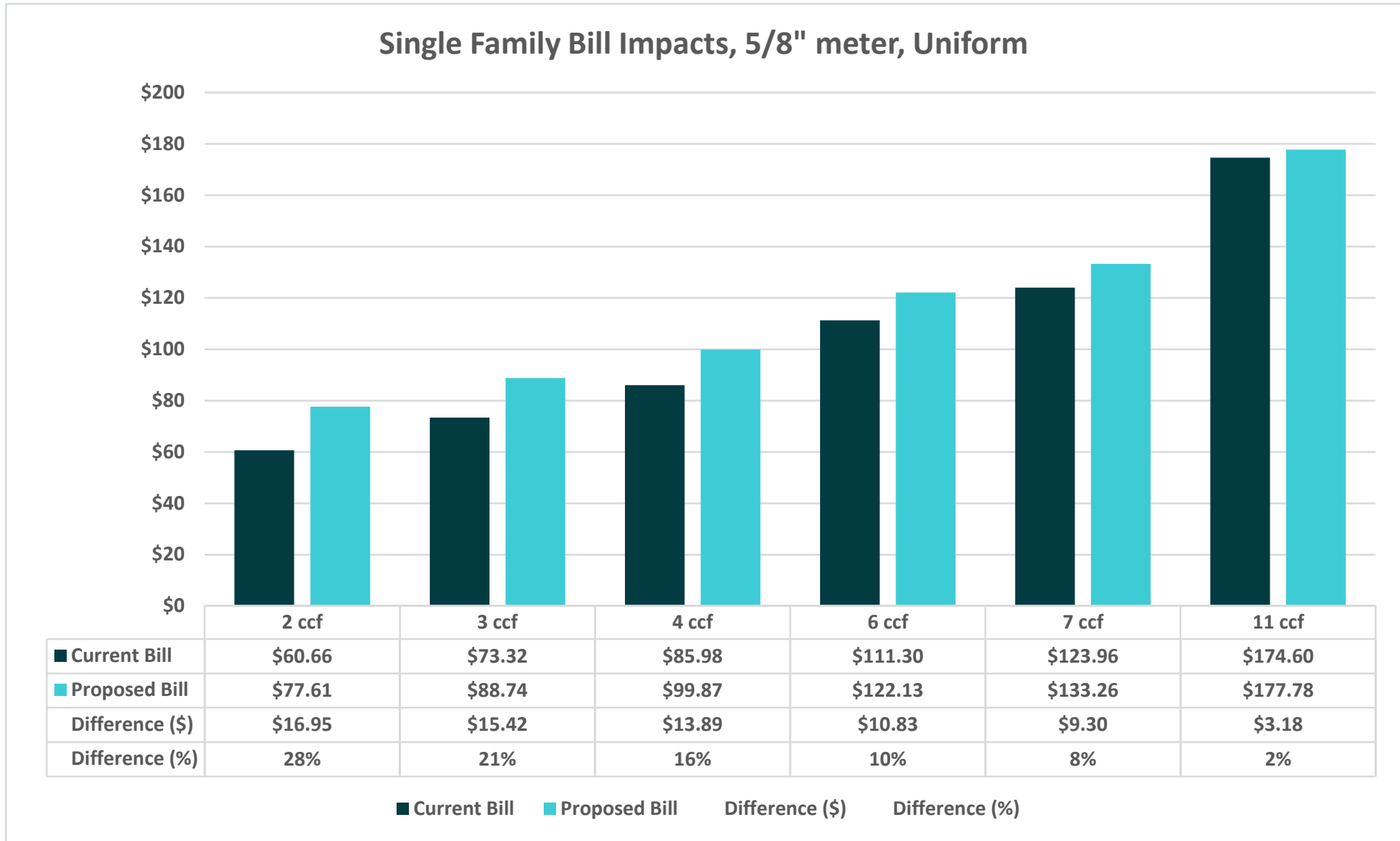
Single Family Bill Impacts, 5/8" meter, Uniform



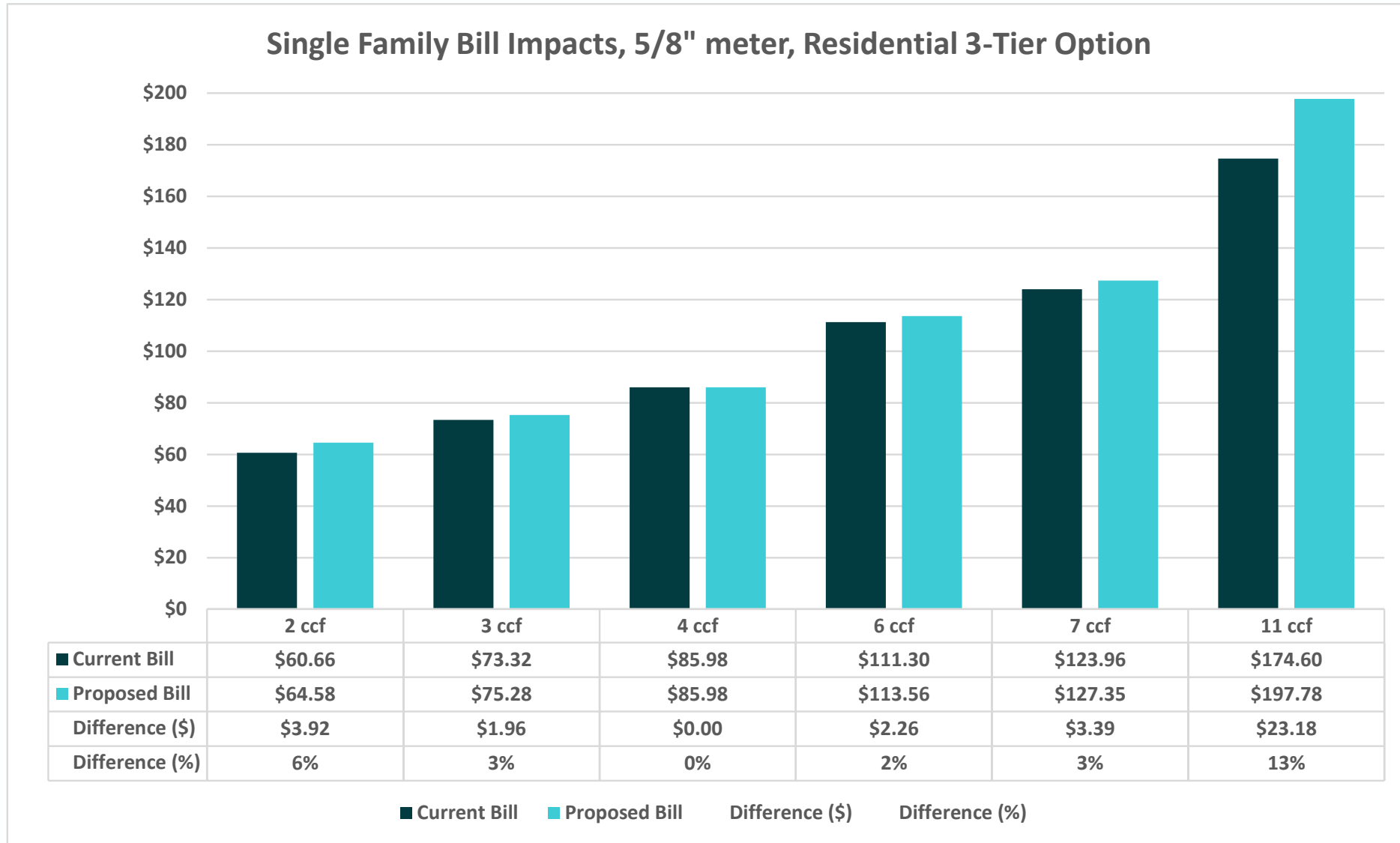
	2 ccf	3 ccf	4 ccf	6 ccf	7 ccf	11 ccf
Current Bill	\$60.66	\$73.32	\$85.98	\$111.30	\$123.96	\$174.60
Proposed Bill	\$69.36	\$82.45	\$95.54	\$121.72	\$134.81	\$187.17
Difference (\$)	\$8.70	\$9.13	\$9.56	\$10.42	\$10.85	\$12.57
Difference (%)	14%	12%	11%	9%	9%	7%

■ Current Bill
 ■ Proposed Bill
 Difference (\$)
 Difference (%)

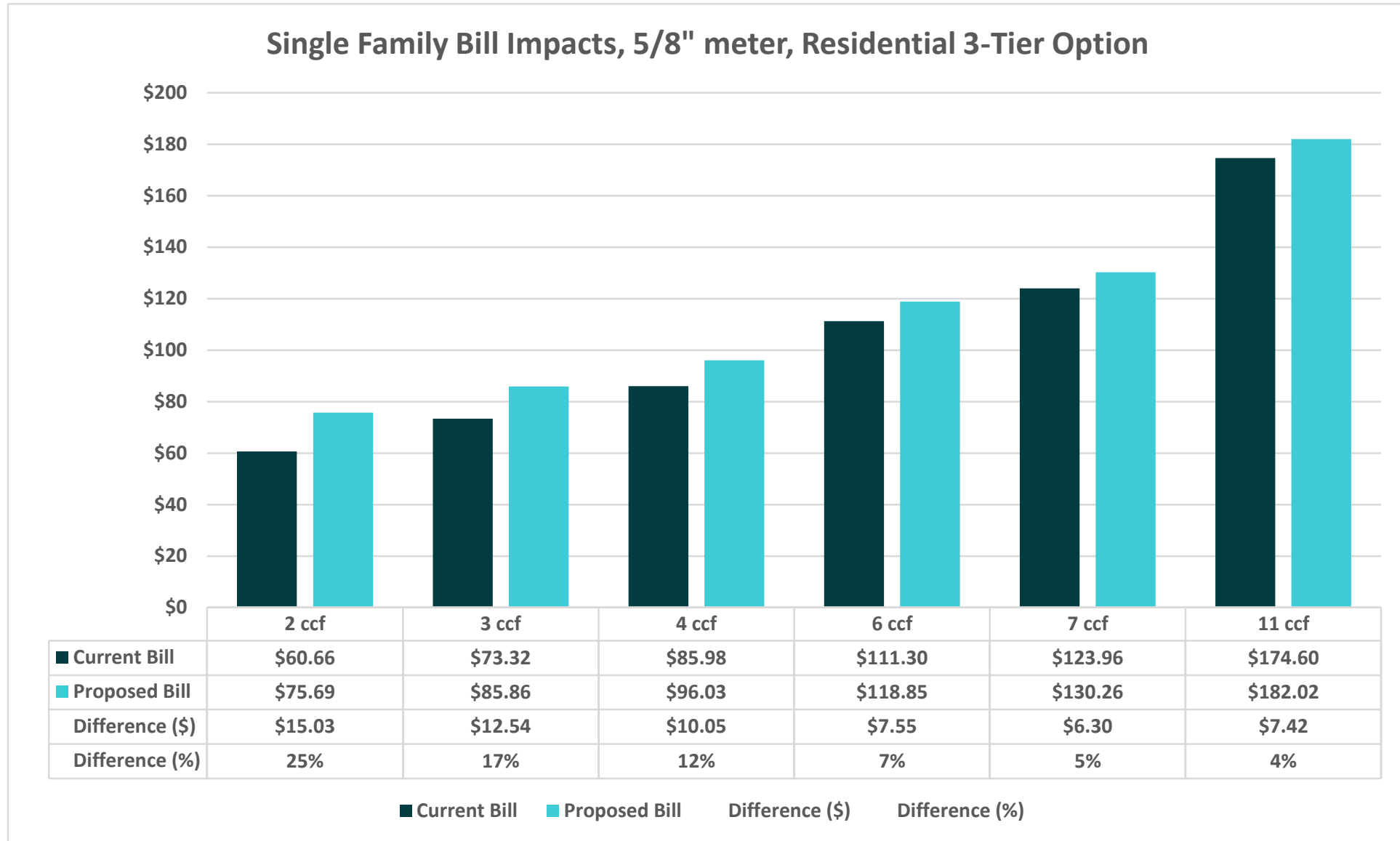
Single Family Bill Impacts – Option 1b



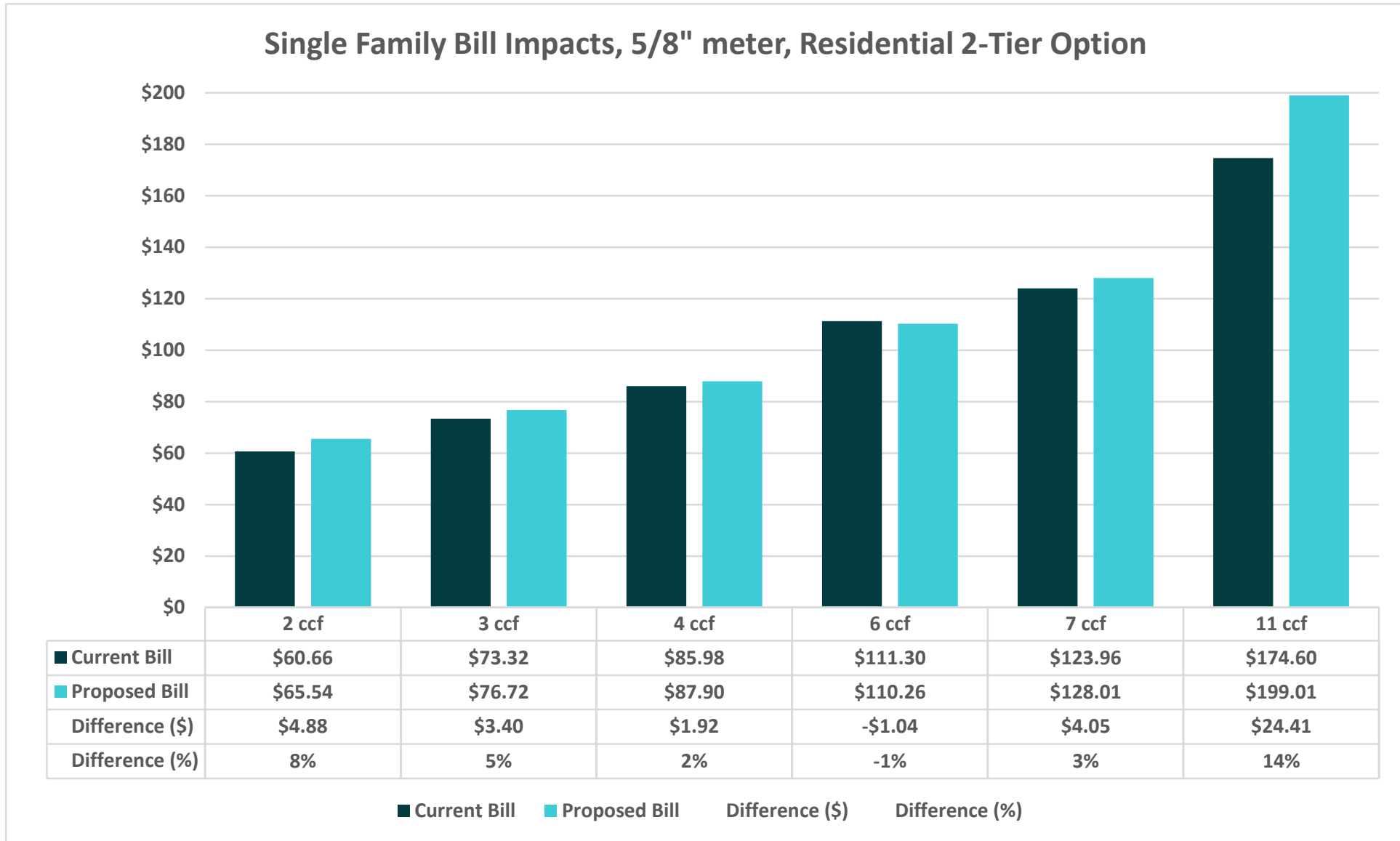
Single Family Bill Impacts – Option 2a



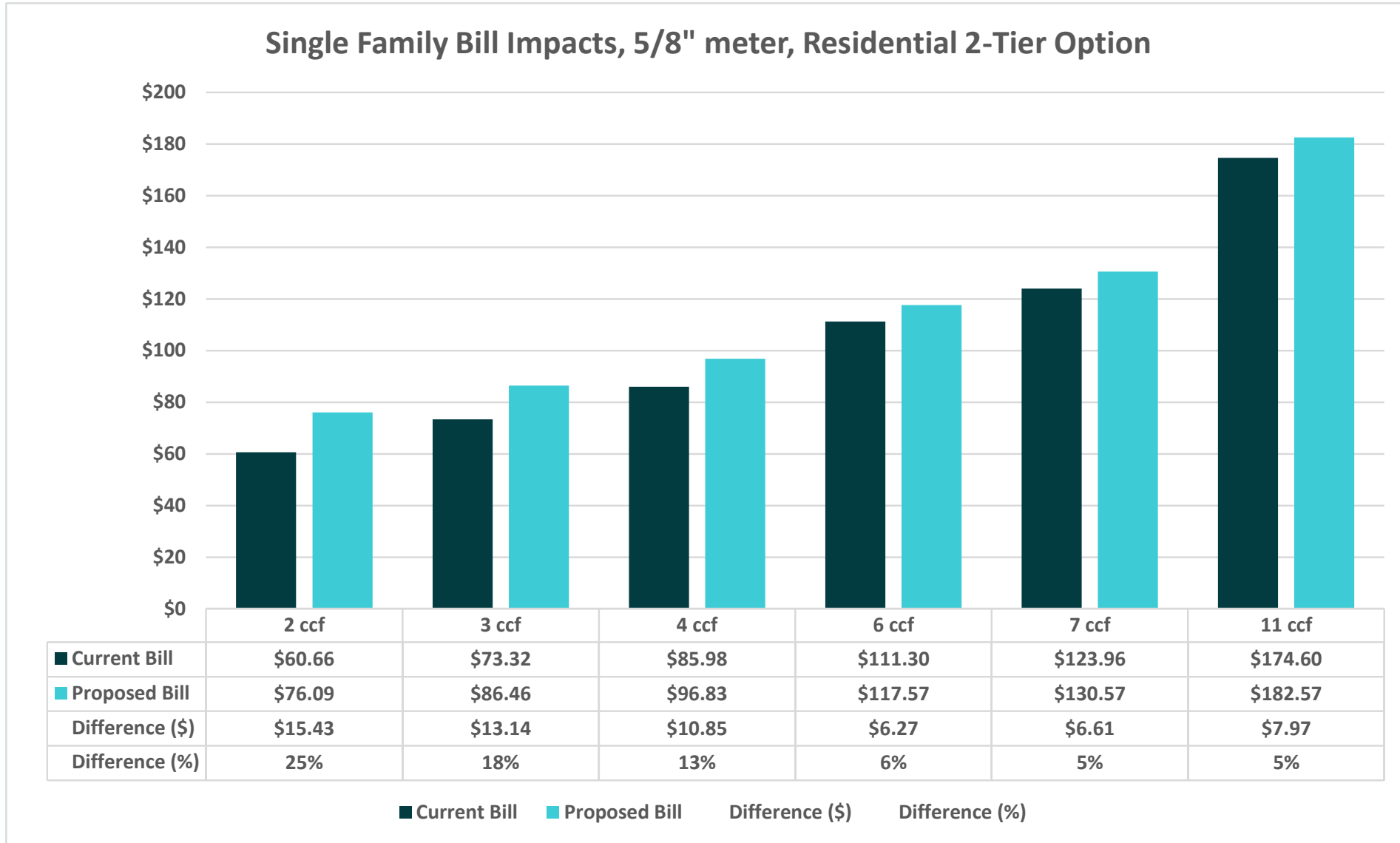
Single Family Bill Impacts – Option 2b



Single Family Bill Impacts: Option 3a



Single Family Bill Impacts: Option 3b



Water Rates Alt. – No Capital Charge & 35% Fixed Recovery



Monthly Service Charge

Meter Size	Current	Proposed FY 2024	Difference (\$)	Difference (%)
5/8"	\$35.34	\$43.34	\$8.00	23%
3/4"	\$35.34	\$43.34	\$8.00	23%
1"	\$52.97	\$64.71	\$11.74	22%
1.5"	\$97.05	\$118.15	\$21.10	22%
2"	\$149.94	\$182.28	\$32.34	22%
3"	\$290.97	\$353.28	\$62.31	21%
4"	\$449.64	\$545.67	\$96.03	21%

Monthly Service Charges	Current FY 2023	Proposed FY 2024	Proposed FY 2025	Proposed FY 2026	Proposed FY 2027	Proposed FY 2028
5/8"	\$35.34	\$43.34	\$47.68	\$51.02	\$54.60	\$58.43
3/4"	\$35.34	\$43.34	\$47.68	\$51.02	\$54.60	\$58.43
1"	\$52.97	\$64.71	\$71.19	\$76.18	\$81.52	\$87.23
1.5"	\$97.05	\$118.15	\$129.97	\$139.07	\$148.81	\$159.23
2"	\$149.94	\$182.28	\$200.51	\$214.55	\$229.57	\$245.64
3"	\$290.97	\$353.28	\$388.61	\$415.82	\$444.93	\$476.08
4"	\$449.64	\$545.67	\$600.24	\$642.26	\$687.22	\$735.33

Monthly Private Fire Service Charge

Fire Line Size	Current	Proposed FY 2024
1"	\$0.00	\$41.47
1.5"	\$0.00	\$120.48
2"	\$0.00	\$256.74
3"	\$0.00	\$745.78
4"	\$0.00	\$1,589.28

Monthly Fire Service Charges	Current FY 2023	Proposed FY 2024	Proposed FY 2025	Proposed FY 2026	Proposed FY 2027	Proposed FY 2028
1"	\$0.00	\$41.47	\$45.62	\$48.82	\$52.24	\$55.90
1.5"	\$0.00	\$120.48	\$132.53	\$141.81	\$151.74	\$162.37
2"	\$0.00	\$256.74	\$282.42	\$302.19	\$323.35	\$345.99
3"	\$0.00	\$745.78	\$820.36	\$877.79	\$939.24	\$1,004.99
4"	\$0.00	\$1,589.28	\$1,748.21	\$1,870.59	\$2,001.54	\$2,141.65

Commodity Charge – Uniform Rate (Current Structure)

Commodity Charge	Current	Proposed	Difference (\$)	Difference (%)
All Customer Classes	\$12.66	\$13.04	\$0.38	3%
Surplus Water Station	\$17.99	\$25.19	\$7.20	40%

Commodity Charges	Current FY 2023	Proposed FY 2024	Proposed FY 2025	Proposed FY 2026	Proposed FY 2027	Proposed FY 2028
All Customer Classes	\$12.66	\$13.04	\$14.35	\$15.36	\$16.44	\$17.60
Surplus Water Station	\$17.99	\$25.19	\$27.71	\$29.65	\$31.73	\$33.96

Commodity Charge – Residential 2-Tier

Commodity Charge	Current	Proposed	Difference (\$)	Difference (%)
Residential 2-Tier Option				
Residential				
Tier 1: 0 – 6 ccf	\$12.66	\$10.99	(\$1.67)	-13%
Tier 2: > 6 ccf	\$12.66	\$18.07	\$5.41	43%
Commercial	\$12.66	\$12.19	(\$0.47)	-4%
Industrial	\$12.66	\$14.06	\$1.40	11%
Irrigation	\$12.66	\$22.76	\$10.10	80%
Surplus Water Station	\$17.99	\$25.27	\$7.28	40%

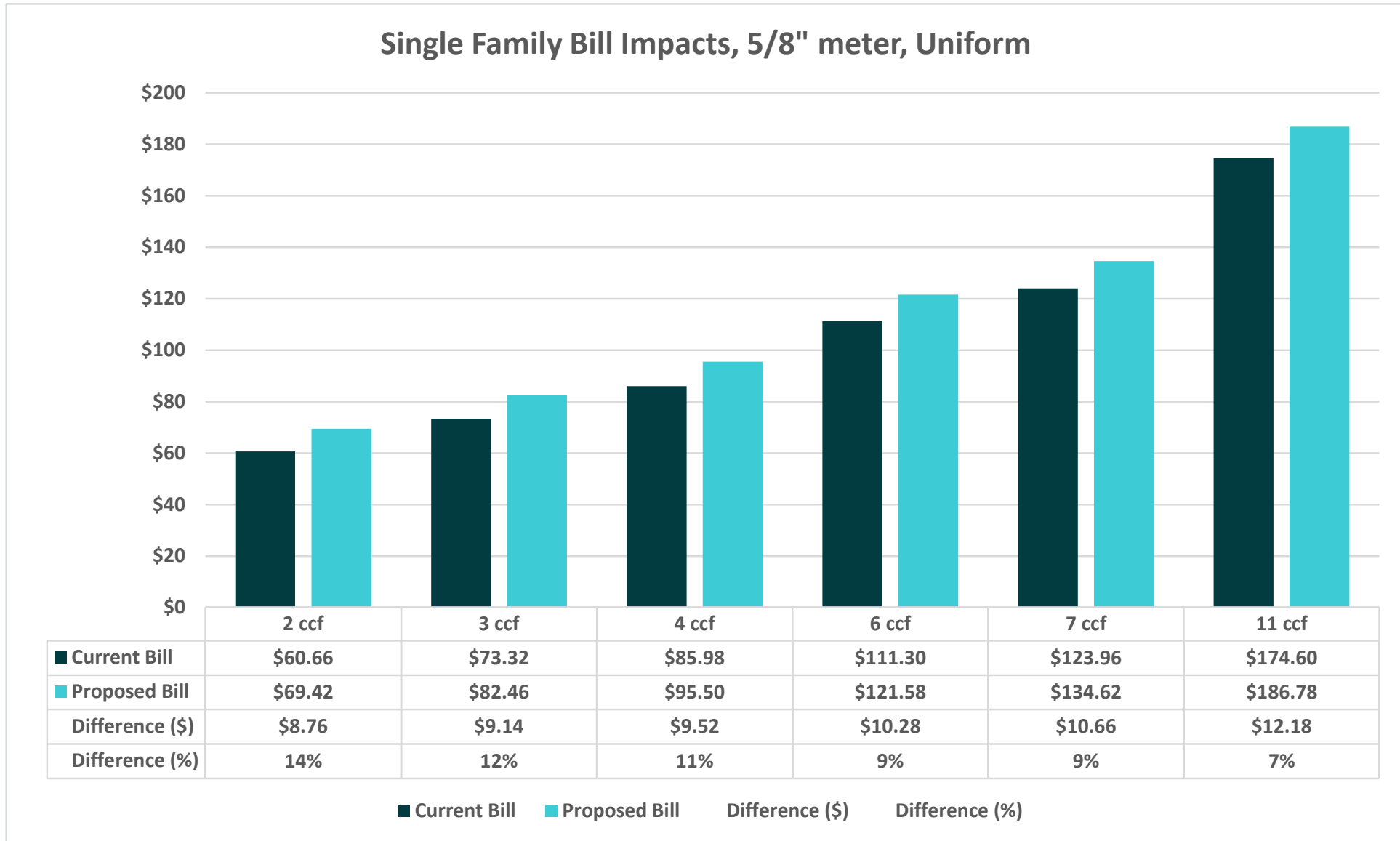
Commodity Charges	Current FY 2023	Proposed FY 2024	Proposed FY 2025	Proposed FY 2026	Proposed FY 2027	Proposed FY 2028
Residential 2-Tier Option						
Residential						
Tier 1: 0 – 6 ccf	\$12.66	\$10.99	\$12.09	\$12.94	\$13.85	\$14.82
Tier 2: > 6 ccf	\$12.66	\$18.07	\$19.88	\$21.28	\$22.77	\$24.37
Commercial	\$12.66	\$12.19	\$13.41	\$14.35	\$15.36	\$16.44
Industrial	\$12.66	\$14.06	\$15.47	\$16.56	\$17.72	\$18.97
Irrigation	\$12.66	\$22.76	\$25.04	\$26.80	\$28.68	\$30.69
Surplus Water Station	\$17.99	\$25.27	\$27.80	\$29.75	\$31.84	\$34.07

Commodity Charge – Residential 3-Tier

Commodity Charge	Current	Proposed FY 2024	Difference (\$)	Difference (%)
Residential 3-Tier Option				
Residential				
Tier 1: 0 – 4 ccf	\$12.66	\$10.47	(\$2.19)	-17%
Tier 2: 5 – 8 ccf	\$12.66	\$13.80	\$1.14	9%
Tier 3: > 8 ccf	\$12.66	\$19.28	\$6.62	52%
Commercial	\$12.66	\$12.19	(\$0.47)	-4%
Industrial	\$12.66	\$14.06	\$1.40	11%
Irrigation	\$12.66	\$22.76	\$10.10	80%
Surplus Water Station	\$17.99	\$25.27	\$7.28	40%

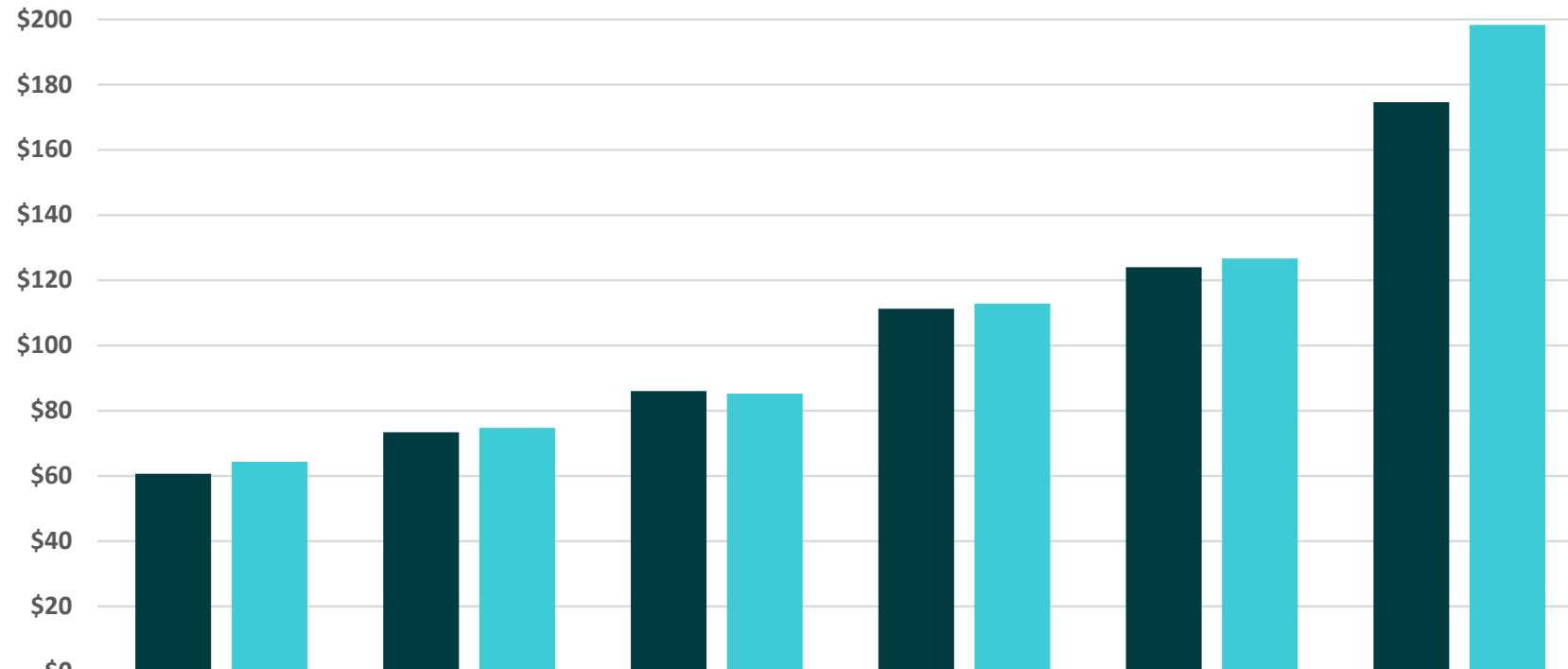
Commodity Charges	Current FY 2023	Proposed FY 2024	Proposed FY 2025	Proposed FY 2026	Proposed FY 2027	Proposed FY 2028
Residential 3-Tier Option						
Residential						
Tier 1: 0 – 4 ccf	\$12.66	\$10.47	\$11.52	\$12.33	\$13.20	\$14.13
Tier 2: 5 – 8 ccf	\$12.66	\$13.80	\$15.18	\$16.25	\$17.39	\$18.61
Tier 3: > 8 ccf	\$12.66	\$19.28	\$21.21	\$22.70	\$24.29	\$26.00
Commercial	\$12.66	\$12.19	\$13.41	\$14.35	\$15.36	\$16.44
Industrial	\$12.66	\$14.06	\$15.47	\$16.56	\$17.72	\$18.97
Irrigation	\$12.66	\$22.76	\$25.04	\$26.80	\$28.68	\$30.69
Surplus Water Station	\$17.99	\$25.27	\$27.80	\$29.75	\$31.84	\$34.07

Single Family Bill Impacts – Uniform



Single Family Bill Impacts: 3-Tier

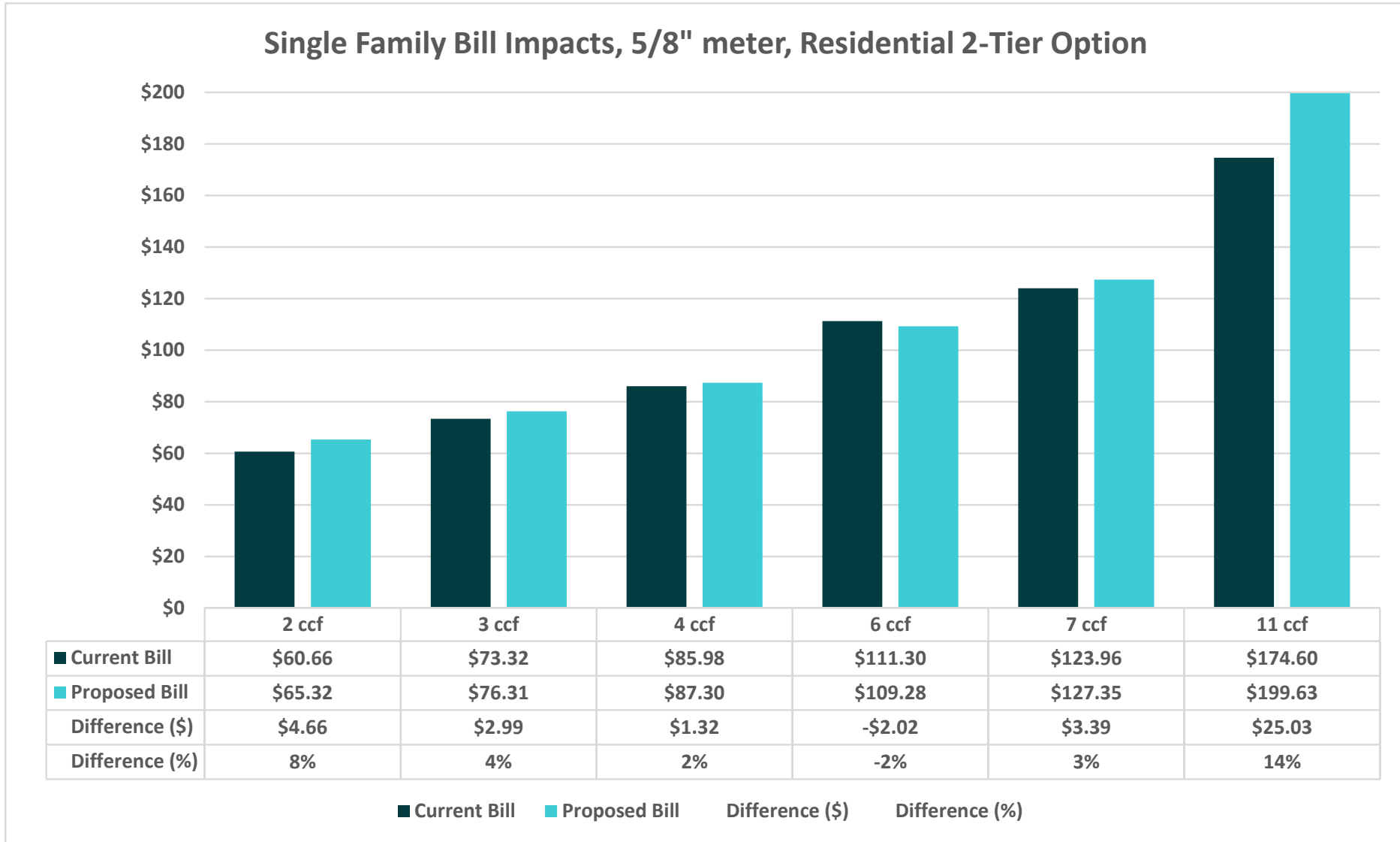
Single Family Bill Impacts, 5/8" meter, Residential 3-Tier Option



	2 ccf	3 ccf	4 ccf	6 ccf	7 ccf	11 ccf
■ Current Bill	\$60.66	\$73.32	\$85.98	\$111.30	\$123.96	\$174.60
■ Proposed Bill	\$64.28	\$74.75	\$85.22	\$112.82	\$126.62	\$198.26
Difference (\$)	\$3.62	\$1.43	-\$0.76	\$1.52	\$2.66	\$23.66
Difference (%)	6%	2%	-1%	1%	2%	14%

■ Current Bill ■ Proposed Bill Difference (\$) Difference (%)

Single Family Bill Impacts: 2- Tier



Option 3a/3b: Water Use Efficiency Standards

- Current = 55 gpcd
- Potential (not yet approved):
 - › 47 gpcd 2025
 - › 42 gpcd 2030
- Using 52 gpcd & 3 persons per single family household for 2-tier option,
 - › Tier 1: 0 – 6 ccf (~70%)
 - › Tier 2: > 6 ccf (~30%)