



**MINUTES OF THE REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
LA PUENTE VALLEY COUNTY WATER DISTRICT**

A regular meeting of the Board of Directors of the La Puente Valley County Water District was held on Monday, May 14, 2018, at 5:30 p.m. at the District office, 112 N. First St., La Puente, California.

Meeting Called to Order:

President Rojas called the meeting to order at 5:30 p.m.

Pledge of Allegiance:

President Rojas led the meeting in the Pledge of Allegiance.

Directors Present:

William Rojas, President; John Escalera, Vice President; Charles Aguirre, Director; John Escalera, Director and Henry Hernandez, Director.

Staff Present:

Greg Galindo, General Manager; Gina Herrera, Office Manager; Roy Frausto, Engineering and Compliance Manager; Cesar Ortiz, Water Production and Treatment Supervisor; Keith Bowman, Distribution Supervisor; Shaunte Maldonado, Customer Support and Accounting Clerk II; Rosa Ruehlman, Office Administrator and Roland Trinh, District Counsel.

Others Present:

Cindy Byerrum with Platinum Consultants, Chris Brown with Fedak & Brown LLP, past Board Member Yvonne Garcia, family and friends of Mrs. Ruehlman; Jack and Faith Ruehlman, Lucy Cole, Cindy and Samantha Szucs, Chris and Anna Hamilton, Maria De Pujadas, Steve Stolar and Maria Montes.

Public Comment:

Mrs. Garcia made comments about Mrs. Ruehlman thanking her for her forty years of service and dedication to the District.

Adoption of Agenda:

President Rojas asked for the approval of the agenda.

Motion by Director Aguirre, seconded by Director Hernandez that the agenda be adopted as presented.

Motion approved by the following vote:

Ayes: Rojas, Escalera, Aguirre, Hastings and Hernandez.

Nays: None.

Consent Calendar:

President Rojas asked for the approval of the Consent Calendar.

- A. Approval of the Minutes of the Regular Meeting of the Board of Directors held on April 23, 2018.
- B. Approval of District Expenses for the Month of April 2018.
- C. Approval of City of Industry Waterworks System Expenses for the Month of April 2018.
- D. Receive and File the District's Water Sales Report for April 2018.

E. Receive and File the City of Industry Waterworks System's Water Sales Report for April 2018.

F. Receive and File the Water Production Report for April 2018.

Motion by President Rojas, seconded by Director Hastings, to approve the consent calendar as presented.

Motion approved by the following vote:

Ayes: Rojas, Escalera, Aguirre, Hastings and Hernandez.

Nays: None.

Consideration of Resolution 252 Recognizing Rosa B. Ruehlman for Forty Years of Employment with the District.

- Mr. Galindo stated that it was appropriate that he read the Resolution being considered for Mrs. Ruehlman. He then proceeded to read the Resolution.

Motion by President Rojas, seconded by Director Hastings to approve Resolution 252, recognizing Rosa B. Ruehlman for her forty years of employment with the District.

Motion approved by the following vote:

Ayes: Rojas, Escalera, Aguirre, Hastings and Hernandez.

Nays: None.

Before the Board entered recess, statements expressing appreciation to Mrs. Ruehlman for her years of service and dedication to the District were made by Vice President Escalera and Director Aguirre.

The Board recessed for a presentation of Resolution 252 to Rosa B. Ruehlman followed by a short reception.

Meeting reconvened at 6:03 p.m.

Presentation by Fedak & Brown LLP of the District's 2017 Audited Financial Report. (Presentation attached)

- Mr. Galindo introduced Mr. Chris Brown from Fedak & Brown LLP.
- Mr. Brown provided a presentation on the 2017 Audited Financial Report.
- During the presentation, Mr. Brown answered various questions from the Directors and General Manager.
- Mr. Brown stated that his firm was issuing an unmodified opinion and found no material weaknesses in the District's financial controls. He also thanked staff and Mrs. Byerrum for their efforts in the audit process.

Action/Discussion Items:

A. Acceptance of the District's 2017 Audited Financial Report.

After a brief discussion on the findings of the 2017 Audited Financial Report, motion by Vice President Escalera, seconded by President Rojas to accept the District's 2017 Audited Financial Report prepared by Fedak & Brown LLP.

Motion approved by the following vote:

Ayes: Rojas, Escalera, Aguirre, Hastings and Hernandez.

Nays: None.

B. Presentation of the Preliminary Findings of the Water Rate and Fee Study. (Presentation attached)

- Mr. Galindo provided a presentation on the preliminary findings from the Water Rate and Fee Study being performed by Raftelis Financial Consultants.
- Mr. Galindo provided a summary of the process to date for the water rate study.

- Mr. Galindo stated that Raftelis completed the cost of service analysis which was predicated on the Financial Plan that was developed as part of the study.
- As part of the presentation, Mr. Galindo shared the recommended rate adjustments to water service and water usage charges, along with proposed water system connection fee and miscellaneous fees.
- During the presentation, there was much discussion regarding the different rate adjustments and the proposed timing of the adjustments.
- Mr. Galindo stated that there was no action required. He stated that unless the Board would like to have staff modify the financial plan and bring back alternative options, he will inform Raftelis to proceed with finalizing their report. He added the report will be brought back to the Board for consideration.

There was no objection from any Directors to this approach.

General Manager's Report:

- Mr. Galindo reported that he is planning a vacation for the second week of June, which will be the same week that most of the Directors will be attending the AWWA conference. He added that the first regular Board meeting in June, will need to be rescheduled due to those conflicts and will add an item to consider rescheduling this meeting to the next Board meeting agenda.
- Mr. Galindo also reported on the progress of the Banbridge Pump Station Retrofit Project. He presented some pictures of the work that had been completed.

Information Items:

- A. Upcoming Events.
 - Mr. Galindo provided an update on the upcoming events in 2018. He verified with the Directors who will be planning on attending the next few events.
- B. Correspondence to the Board of Directors.
 - Included in the Board Meeting Agenda Packet.

Attorney Comments:

Mr. Trinh had no comments.

Board Member Comments:

- A. Report on events attended.
 - President Rojas reported that he attended 2 events; SCWUA April 26th and ACWA Spring Conference May 7th-10th.
 - Vice President Escalera reported that he attended 1 event; SCWUA April 26th.
 - Director Aguirre reported that he attended 1 event; SCWUA April 26th.
- B. Other comments.
 - Vice President Escalera requested that the meeting be adjourned in honor of Jim Escalera.

Future Agenda Items:

No Future Agenda Items.

Adjournment:

With no further business or comment, the meeting was adjourned in honor of Jim Escalera at 7:40 p.m.

William R. Rojas, President

Greg B. Galindo, Secretary

La Puente Valley County Water District

Board of Directors

Presentation of 2017 Audit Results

Fedak & Brown LLP



Introduction & Background

- **Your Audit Team:**
 - **Christopher Brown – Engagement Partner**
 - **Charles Fedak – Technical Review**
 - **Jeff Palmer – Supervisor**
 - **Alec German – Audit Staff**

The Auditor's Opinion

Unmodified “CLEAN” Opinion

- In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the **La Puente Valley County Water District** as of December 31, 2017....

Audit Process & Guidance

- **The Audit Process is Governed by:**
 - **Statements of Auditing Standards**
 - **Federal and State Requirements**
 - **GAAP – Accounting Practices that are Accordance with Governmental Accounting Standards Board (GASB)**

Audit Process

- **Interim Fieldwork – Assess the District’s Internal Controls and Effectiveness**
 - **Gain and Understanding of the District’s Control Framework**
 - **Test of Controls Testing – Accounting Cycles**
- **Final Fieldwork**
 - **Agree Balance to Supporting Documentation**
 - **Perform Analysis of Key Relationships**

Issued Reports

- **The District's Annual Financial Report**
- **The Management Report**
 - **We did not Identify Material Weakness Within the District's Internal Control Structure**

Financial Highlights

Condensed Statements of Net Position

	<u>2017</u>	<u>2016</u>	<u>Change</u>
Assets:			
Current assets	\$ 4,228,122	3,688,132	539,990
Non-current assets	742,515	737,639	4,876
Capital assets, net	7,871,662	8,060,819	(189,157)
Total assets	<u>12,842,299</u>	<u>12,486,590</u>	<u>355,709</u>
Deferred outflows of resources	<u>216,368</u>	<u>173,169</u>	<u>43,199</u>
Liabilities:			
Current liabilities	547,267	363,729	183,538
Non-current liabilities	1,793,181	1,686,233	106,948
Total liabilities	<u>2,340,448</u>	<u>2,049,962</u>	<u>290,486</u>
Deferred inflows of resources	<u>42,824</u>	<u>82,029</u>	<u>(39,205)</u>
Net position:			
Investment in capital assets	7,871,662	8,060,819	(189,157)
Unrestricted	2,803,733	2,466,949	336,784
Total net position	<u>\$ 10,675,395</u>	<u>10,527,768</u>	<u>147,627</u>

Financial Highlights

Condensed Statements of Revenues, Expenses and Changes in Net Position

	<u>2017</u>	<u>2016</u>	<u>Change</u>
Revenues:			
Operating revenues	\$ 3,481,156	3,437,050	44,106
Non-operating revenues	317,104	284,424	32,680
Total revenues	<u>3,798,260</u>	<u>3,721,474</u>	<u>76,786</u>
Expenses:			
Operating expenses	3,415,126	3,281,429	133,697
Non-operating expense	785	-	785
Depreciation expense	525,947	539,463	(13,516)
Total expenses	<u>3,941,858</u>	<u>3,820,892</u>	<u>120,966</u>
Net income before capital contributions	(143,598)	(99,418)	(44,180)
Capital contributions	<u>291,225</u>	<u>8,292</u>	<u>282,933</u>
Change in net position	147,627	(91,126)	238,753
Net position:			
Beginning of year	<u>10,527,768</u>	<u>10,618,894</u>	<u>(91,126)</u>
End of year	<u>\$ 10,675,395</u>	<u>10,527,768</u>	<u>147,627</u>

Financial Highlights

In 2017:

Net Position - Increased \$147,627 to \$10,675,395 as a result of ongoing operations.

Total Revenues - Increased \$76,786.

- **Operating Revenues** - Increased \$44,106 due primarily to increases of \$73,753 in water consumption sales and \$27,351 in water treatment services, which were offset by a decrease of \$62,260 in water treatment operations and maintenance fees.
- **Non-operating Revenues** - Increased \$31,895 due primarily to increases of \$14,807 in property taxes, \$10,009 in investment earnings, and \$7,600 in other non-operating revenue.

Total Expenses - Increased \$120,966.

- **Operating Expenses** - Increased \$133,697 due primarily to increases of \$172,290 in salaries and benefits, \$45,194 in assessments, and \$29,986 in water treatment costs, which were offset by decreases of \$53,594 in source of supply, \$31,885 in transmission and distribution, \$17,812 in pumping costs, and \$9,301 in general and administrative expenses.
- **Non-operating Expense** - Increased \$785 due primarily to a loss on disposal of capital assets.

Capital Contributions - Increased \$282,933 due primarily to increases of \$210,130 in capital contributions from a developer and \$72,803 in developer fees.



PRELIMINARY FINDINGS OF THE COMPREHENSIVE WATER RATE AND FEE STUDY

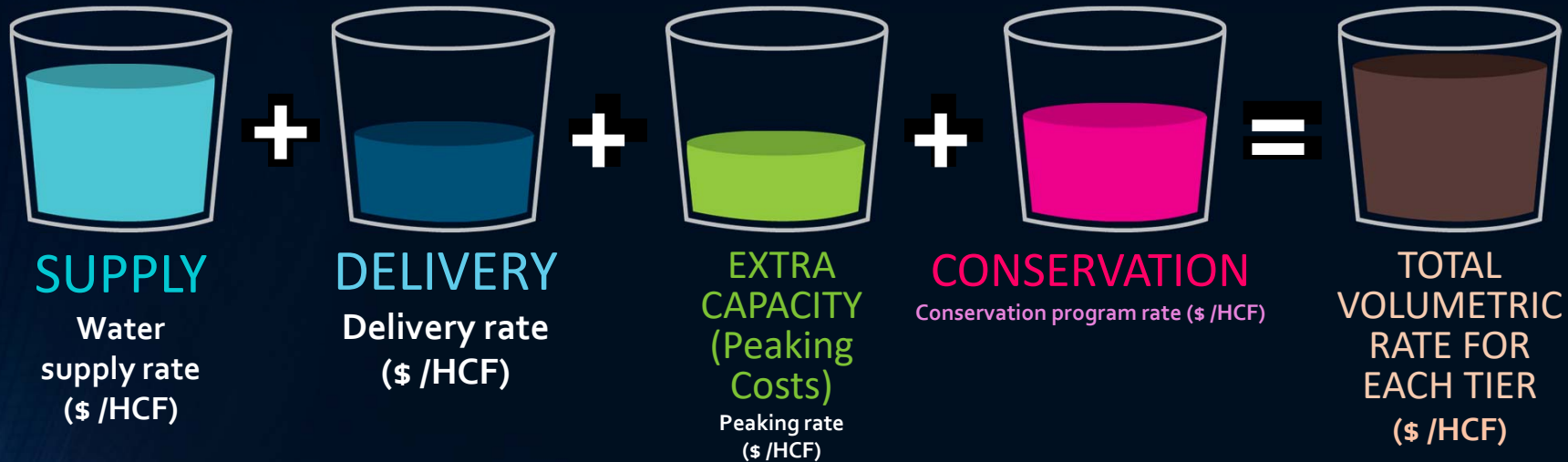
May 14, 2018

Proposition 218 Requirements

1. An agency cannot collect revenue beyond what is necessary to provide service.
2. Revenues derived by the charge shall not be used for any other purpose other than that for which the charge was imposed.
3. The amount of the fee may not exceed the proportional cost of service for the parcel.
4. No charge may be imposed for a service unless that service is actually used or immediately available to the owner of property.
5. A written notice of the proposed charge shall be mailed to the record owner of each parcel at least 45 days prior to the public hearing, when the agency considers all written protests against the charge.

Proposition 218 Requirements

After Recent Court Cases (i.e. Capistrano Taxpayers Association vs. City of San Juan Capistrano)



- Agencies must develop a **nexus** between their tiered rates and their costs to serve those tiers and **document** the methodology used in a report
- We develop a **nexus** between rates and cost of service by adding unit rates for each cost component

Rate Study Steps

1. Rate Setting Framework

- Financial goals and policies
- Pricing objective

2. Financial Plan

- Evaluation of CIP and financing options
- Cash flow analysis for financial sufficiency

3. Cost of Service & Rate Design

- Cost allocations
- Rate design
 - Rate calculations
 - Customer impact analyses

4. Final Rate Adoption

- Report
- Prop 218 Notice
- Public Hearing

Cost of Service

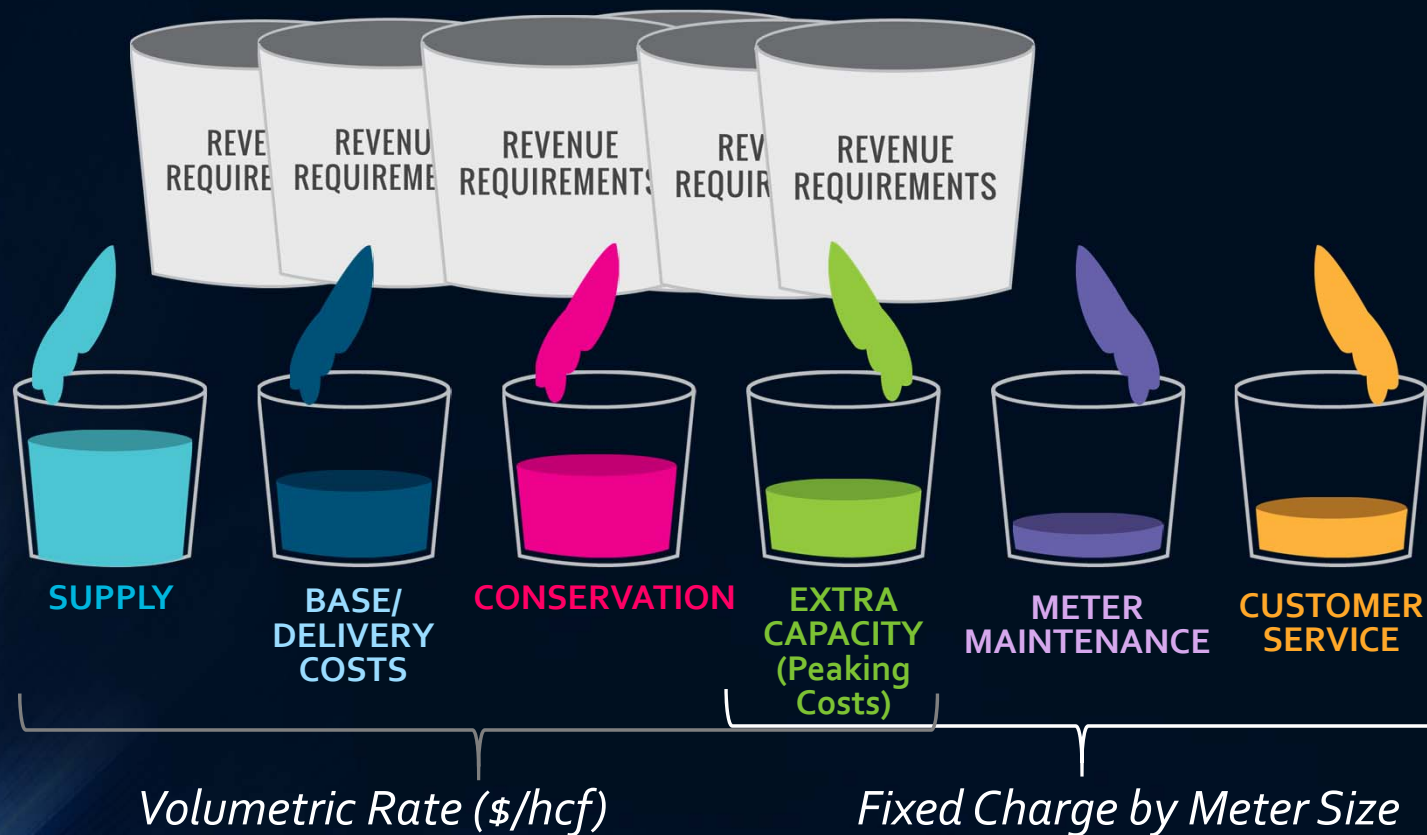
**Fiscal Year
Revenue
Requirement**

**Functionalized
Revenue
Requirement**
(Supply, Treatment,
Distribution)

**Allocate Cost
Components**
(Base, Extra Capacity,
Customer, Conservation)

**Distribute to
Customer Class
Based on Cost of
Service**

Cost of Service Allocation to Cost Components



Peaking Costs (Extra Capacity Costs)



- Average Daily Demand (Base) costs are costs associated maintain and operating the water system to serve water during average flow
- Peaking (Extra Capacity) costs are costs to serve water when flows are above average daily demand flows
- Basis – water system is designed to meet Max Day demand (measures of extra capacity) plus fire flow
- Costs are proportional to the way the system was designed
- The different customer classes (and tiers) display different peaking factors and therefore have different responsibility for peaking costs
- Base costs are shared equally by all classes based on their yearly flow
- Peaking costs are distributed using peaking factor specific to each class

Class Peaking Factor (2016 Water Usage Data)

Class	Avg Bi-Monthly Use	Max bi-Monthly Use	Peaking Factor
Residential	45,617	55,899	1.23
Tier 1	31,228	33,006	1.06
Tier 2	14,389	22,893	1.59
Tier 3	-	-	NA
Multi-Family	13,316	14,543	1.09
Commercial	14,949	16,980	1.14
Industrial	6,361	7,248	1.14
Public Authority	5,895	9,221	1.56
Irrigation / Landscape	15,306	23,802	1.56

Cost of Service

Distribute Cost Components to Customer Classes



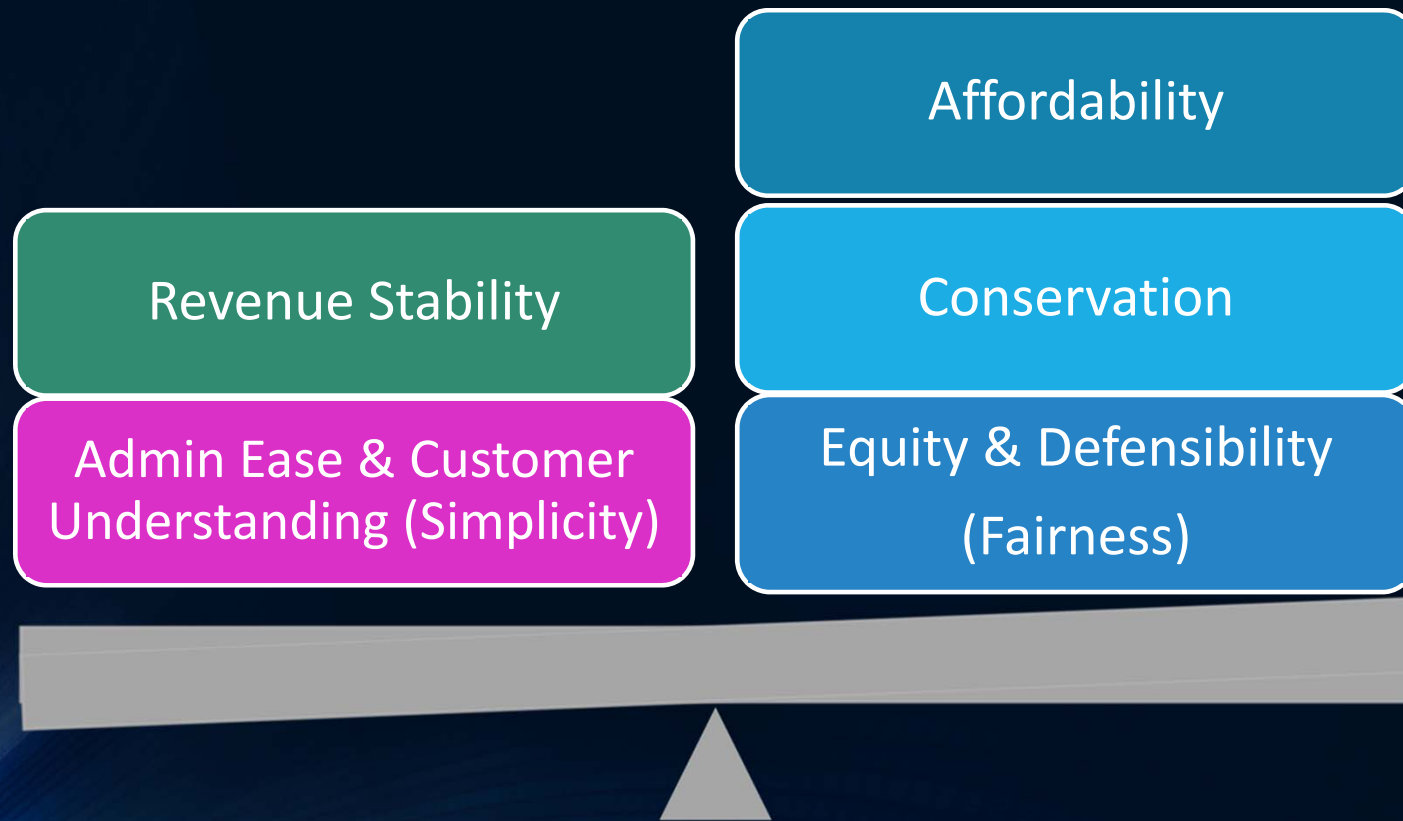
Develop Units Rates for each Cost Component (Bucket) which are used to Distribute Costs to Each Class

CUSTOMER CLASSES (Cost to Serve Each Class)

(Single Family, Multi-family, Commercial etc.)

Balancing Competing Pricing Objectives

Five main Pricing Objectives that compete with one another



Pricing Objectives Exercise Results

	Director 1	Director 2	Director 3	Director 4	Director 5	Total Score
Conservation	1	1	1	1	1	5
Affordability	5	4	4	4	5	22
Rev Stability	4	5	5	5	3	22
Fairness	3	3	3	3	2	14
Simplicity	2	2	2	2	4	12

Rate Design: Cost Component Recovery

Fixed charge by meter size collects these cost components:

- Meter Maintenance Costs
- Customer Service - Billing and Collection
- Fire protection – public fire hydrants
- Normally collect a portion of extra capacity costs; we vary the amount of capacity costs collected by the fixed charge to reach the District's fixed revenue goals

Volumetric rate (\$/hcf) collects these cost components:

- Supply Costs
- Base Costs
- Extra Capacity Costs
- Conservation Costs

10 Year Financial Plan

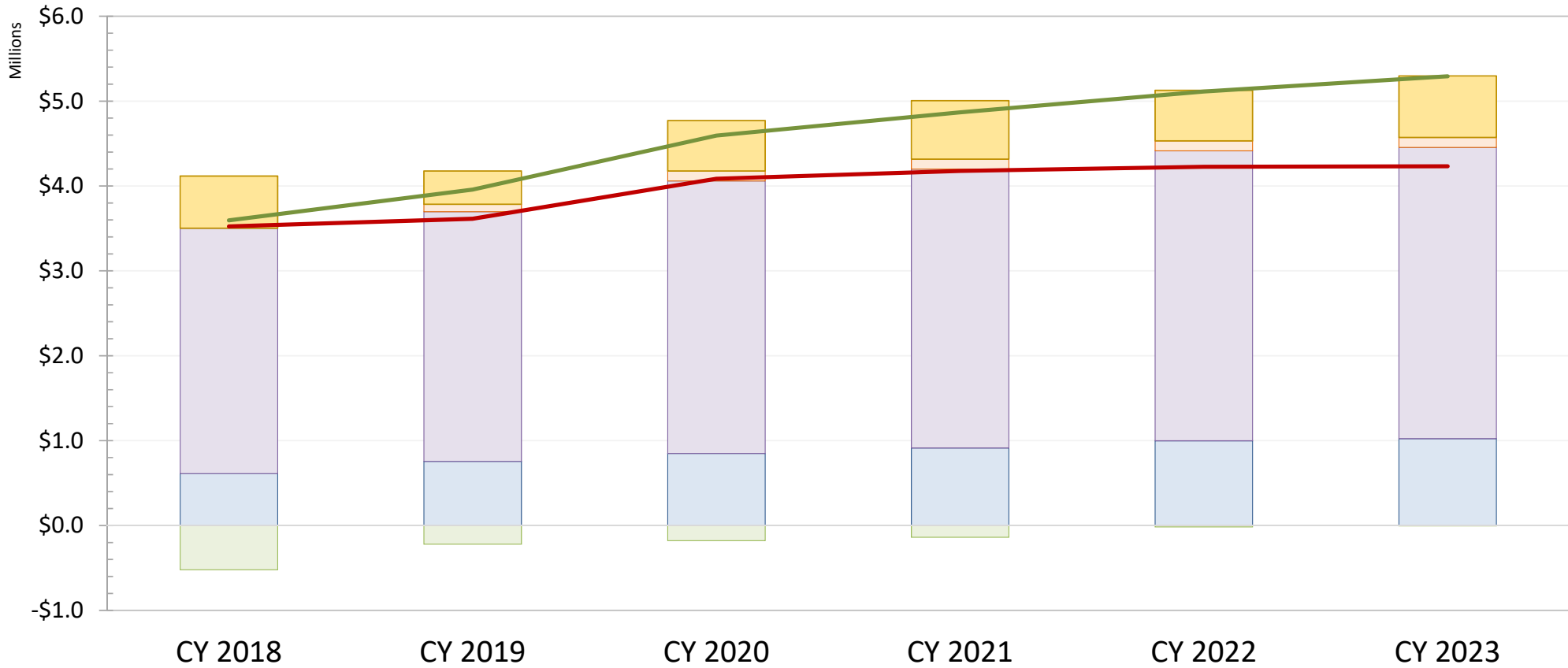
Expense Projections

- Operating Expense
 - Pumping Cost
 - Assessments and Leases
 - Treatment (non-BPOU)
 - Transmission & Distribution
 - Customer Accounts
 - General Admin
 - Labor and Benefits
- Capital Improvements
 - Pay Go
 - Capital Outlay
 - Debt Service

Revenue Projections

- Operating Revenue
 - Water Usage and Service Charges
 - Water Surplus Sales
 - Miscellaneous Fees
 - Management Fees
 - Labor Reimbursement
- Non-Operating Revenue
 - Property Taxes
 - Investment Earnings
 - Rental Revenue
 - Developer Fees

Water Financial Plan



Water Supply Costs

Other Water O&M

Debt Service

Reserve Funding

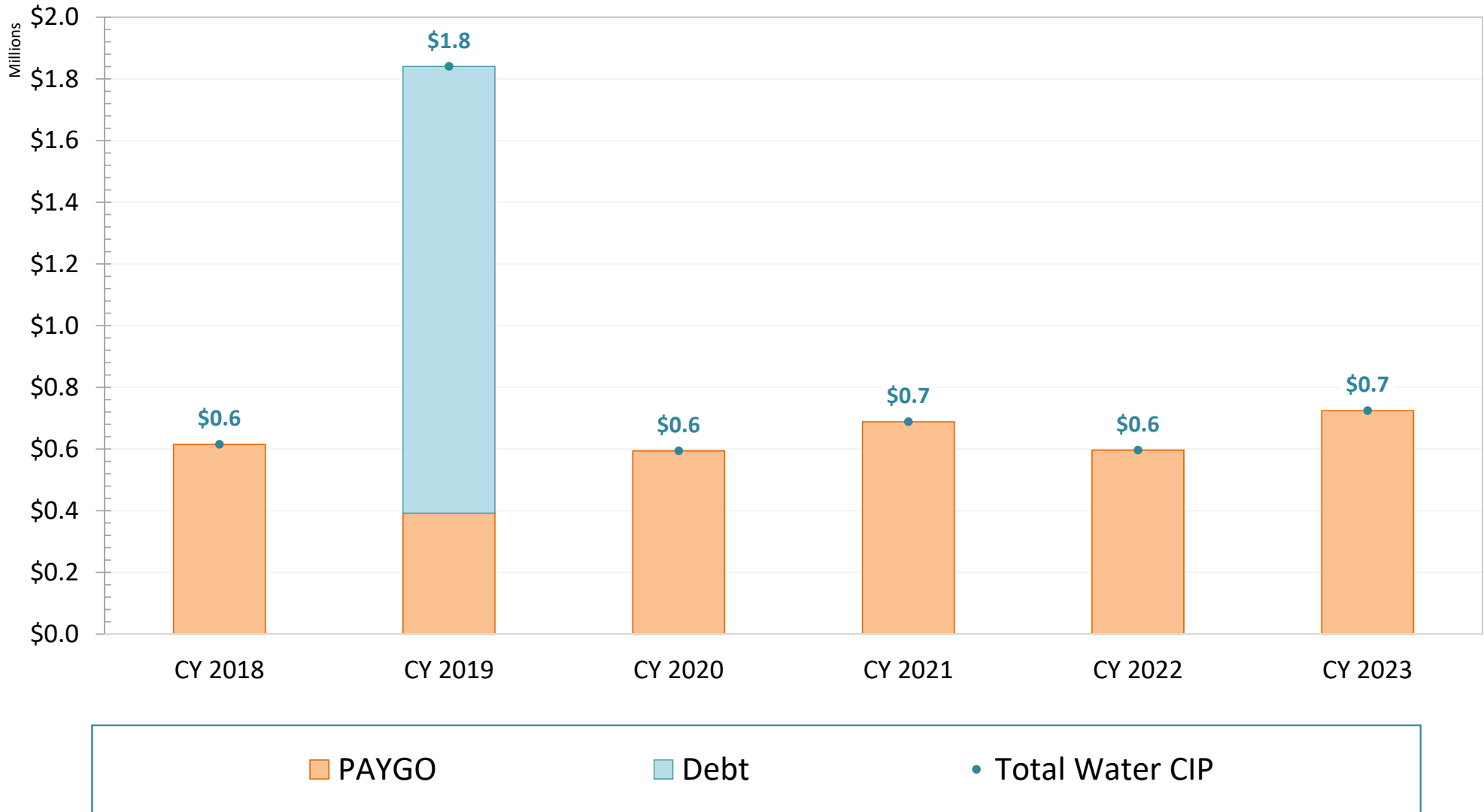
Rate Funded Capital

Current Revenues

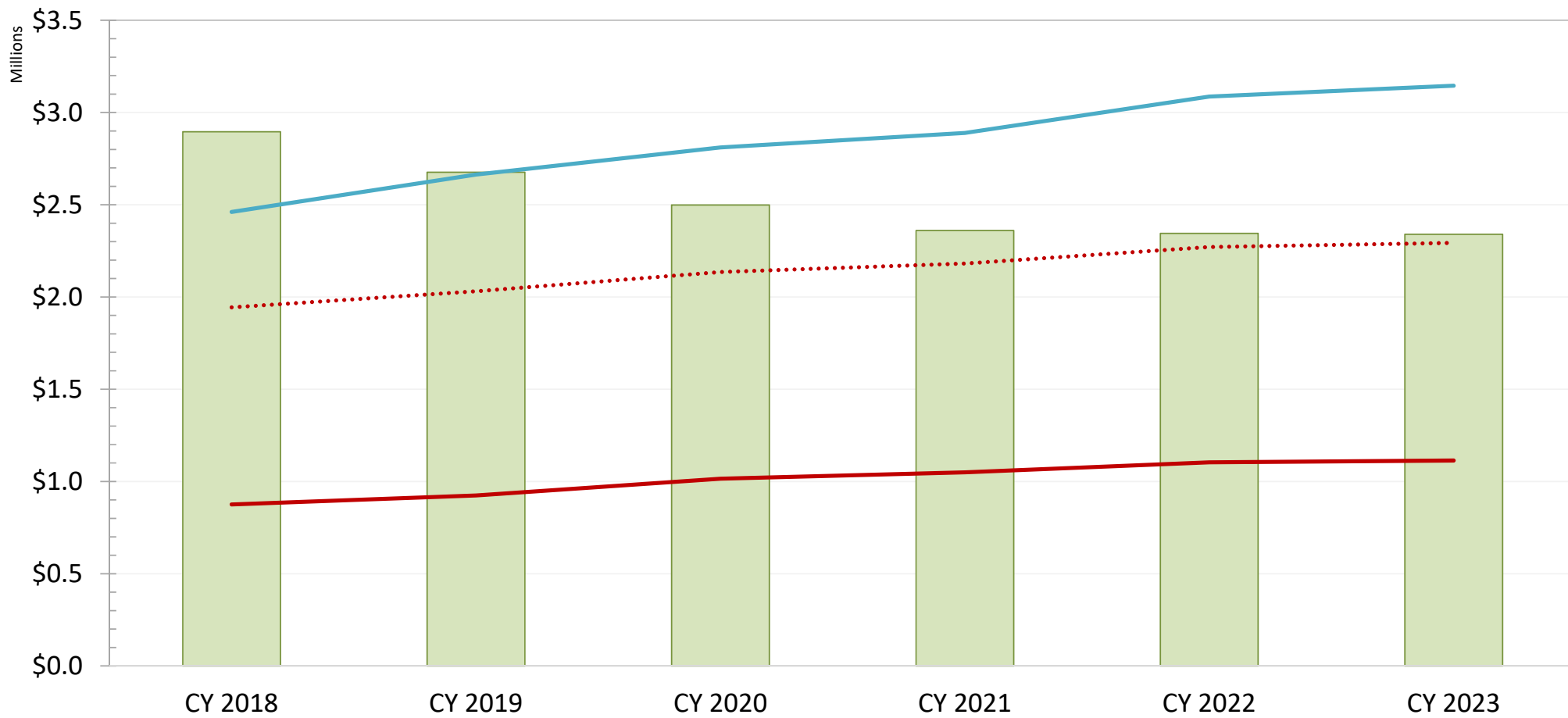
Proposed Revenues

Capital Projects	CY 2018	CY 2019	CY 2020	CY 2021	CY 2022	CY 2023
Alternative Supply (Growth Related)	\$250,000	\$1,450,000	\$0	\$0	\$0	\$0
R&R (Capacity, Fire Suppression)	\$50,000	\$0	\$0	\$0	\$0	\$200,000
R&R (Gen. Fire Suppression)	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
R&R (Source of Supply, Capacity)			\$150,000	\$100,000	\$0	
R&R (Capacity)	\$140,000	\$330,000	\$255,000	\$390,000	\$410,000	\$360,000
R&R (Customer)	\$70,000	\$250,000	\$50,000	\$50,000	\$50,000	\$50,000
Capital Outlay (Vehicles and Equipment)	\$100,000	\$105,000	\$100,000	\$85,000	\$65,000	\$10,000
Anticipated Grant Funding	\$0	-\$353,000				
Developer Fees (Capacity Fees)	-\$5,000	-\$5,000	-\$5,000	-\$5,000	-\$5,000	-\$5,000
Total CIP Expenditure	\$615,000	\$1,787,000	\$560,000	\$630,000	\$530,000	\$625,000

Capital Projects & Funding Sources



Water Enterprise Ending Balances



Ending Balance

Total Min Target

Alert Balance

O&M Reserve Target

Total Max Target

Revenue Requirements and Major Assumptions

	CY 2017	CY 2018	CY 2019	CY 2020	CY 2021	CY 2022
Revenue Adjustment		15.5%	7.5%	7.5%	7.5%	7.5%
Effective Month		October	October	October	October	October
Wtr Demand - Residential (SF & MF)	100%	107%	103%	100%	100%	100%
Wtr Demand – All Other	100%	107%	103%	94%	100%	100%
Total Potable Water Sales (AF)	1,402 AF	1,500 AF	1,545 AF	1,504 AF	1,504 AF	1,504 AF
Proposed Debt Proceeds	-	-	\$ 1.6M	-	-	-

Current Customer Classes

Class Identification	Rate Class
Single Family Residential	SF Residential (Tiered Rates)
Multi-family	Non-Residential
Commercial	Non-Residential
Industrial	Non-Residential
Irrigation	Non-Residential
Public Authority	Non-Residential
Total	Non-Residential

Customers and Usage

Water Meters	CY 2017	% of Total	% of Water Usage
Single Family Residential	1,949	81%	45%
Multi-family	54	2%	13%
Commercial	280	12%	15%
Industrial	7	0%	6%
Irrigation	86	4%	15%
Public Authority	27	1%	6%
Total	2,403	100%	100%

Customer Meters

Meter Size	Total	% of Total
5/8"	1,450	60.3%
3/4"	653	27.2%
1"	161	6.7%
1.5"	20	0.8%
2"	98	4.1%
3"	7	0.3%
4"	10	0.4%
6"	4	0.2%
8"	-	-
10"	-	-
Total	2,403	

Private Fire Service Customers

Meter Size	Total	% of Total
1"	-	0.0%
1.5"	-	0.0%
2"	-	0.0%
3"	-	0.0%
4"	10	22.7%
6"	6	13.6%
8"	24	54.5%
10"	2	4.5%
12"	2	4.5%
Total	2,403	

Proposed Adjustment to Bi-Monthly Service Charge

Meter Size	# of Cust.	% of Total Customers	Current	Oct-18	Oct-19	Oct-20	Oct-21	Oct-22
5/8"	1,450	60%	\$31.02	\$30.69	\$33.00	\$35.47	\$38.13	\$40.99
3/4"	653	27%	\$37.19	\$39.62	\$42.59	\$45.78	\$49.22	\$52.91
1"	161	7%	\$49.54	\$57.47	\$61.78	\$66.41	\$71.39	\$76.74
1.5"	20	1%	\$100.50	\$102.08	\$109.74	\$117.97	\$126.82	\$136.33
2"	98	4%	\$127.36	\$155.62	\$167.30	\$179.84	\$193.33	\$207.83
3"	7	0%	\$245.94	\$298.40	\$320.78	\$344.84	\$370.70	\$398.51
4"	10	0%	\$358.35	\$459.03	\$493.45	\$530.46	\$570.25	\$613.02
6"	4	0%	\$682.60	\$905.21	\$973.10	\$1,046.08	\$1,124.54	\$1,208.88
8"	-	0%	\$1,006.84	\$1,440.62	\$1,548.67	\$1,664.82	\$1,789.68	\$1,923.91
10"	-	0%	\$1,006.84	\$2,065.27	\$2,220.17	\$2,386.68	\$2,565.68	\$2,758.11
Total	2,403							

Bi-Monthly Service Charge

Meter Size	2018 Increase	2019 Increase	2020 Increase	2021 Increase	2022 Increase	Total Bi-Monthly Increase
5/8"	\$ (0.33)	\$ 2.30	\$ 2.47	\$ 2.66	\$ 2.86	\$ 9.97
3/4"	\$ 2.43	\$ 2.97	\$ 3.19	\$ 3.43	\$ 3.69	\$ 15.72
1"	\$ 7.93	\$ 4.31	\$ 4.63	\$ 4.98	\$ 5.35	\$ 27.20
1.5"	\$ 1.58	\$ 7.66	\$ 8.23	\$ 8.85	\$ 9.51	\$ 35.83
2"	\$ 28.26	\$ 11.67	\$ 12.55	\$ 13.49	\$ 14.50	\$ 80.47
3"	\$ 52.46	\$ 22.38	\$ 24.06	\$ 25.86	\$ 27.80	\$ 152.57
4"	\$ 100.68	\$ 34.43	\$ 37.01	\$ 39.78	\$ 42.77	\$ 254.67
6"	\$ 222.61	\$ 67.89	\$ 72.98	\$ 78.46	\$ 84.34	\$ 526.28
8"	\$ 433.78	\$ 108.05	\$ 116.15	\$ 124.86	\$ 134.23	\$ 917.07
10"	\$ 1,058.43	\$ 154.90	\$ 166.51	\$ 179.00	\$ 192.43	\$ 1,751.27

Bi-Monthly Service Charge

Meter Size	2018 Increase	2019 Increase	2020 Increase	2021 Increase	2022 Increase
5/8"	-1%	7.5%	7.5%	7.5%	7.5%
3/4"	7%	7.5%	7.5%	7.5%	7.5%
1"	16%	7.5%	7.5%	7.5%	7.5%
1.5"	2%	7.5%	7.5%	7.5%	7.5%
2"	22%	7.5%	7.5%	7.5%	7.5%
3"	21%	7.5%	7.5%	7.5%	7.5%
4"	28%	7.5%	7.5%	7.5%	7.5%
6"	33%	7.5%	7.5%	7.5%	7.5%
8"	43%	7.5%	7.5%	7.5%	7.5%
10"	105%	7.5%	7.5%	7.5%	7.5%

Water Use Rates

Zone	Usage Per Zone	% of Total	Current	
			Tier 1 (1 -25 hcf)	Tier 2 (> 25 hcf)
Zone 1	436,690	67%	\$ 1.61	\$ 2.32
Zone 2	189,186	29%	\$ 1.81	\$ 2.52
Zone 3	9,084	1.4%	\$ 1.98	\$ 2.69
Zone 4	15,620	2.4%	\$ 1.86	\$ 2.57
Zone 5	2,770	0.4%	\$ 2.12	\$ 2.83

Water Use Rates

	Current		Proposed 2018	
Zone	Tier 1 (1 -25 hcf)	Tier 2 (> 25 hcf)	Tier 1 (1 -20 hcf)	Tier 2 (> 20 hcf)
Zone 1	\$ 1.61	\$ 2.32	\$1.74	\$2.98
Zone 2	\$ 1.81	\$ 2.52	\$1.94	\$3.17
Zone 3	\$ 1.98	\$ 2.69	\$2.13	\$3.37
Zone 4	\$ 1.86	\$ 2.57	\$1.97	\$3.21
Zone 5	\$ 2.12	\$ 2.83	\$2.13	\$3.37

Proposed Rates - Multi-Family, Industrial & Commercial

Zone	Current	Oct-18	Oct-19	Oct-20	Oct-21	Oct-22
Zone 1	\$1.95	\$2.08	\$2.24	\$2.40	\$2.58	\$2.78
Zone 2	\$2.15	\$2.28	\$2.45	\$2.63	\$2.83	\$3.04
Zone 3						
Zone 4	\$2.20	\$2.31	\$2.48	\$2.67	\$2.87	\$3.09
Zone 5						

% Increase

	2018	2019	2020	2021	2022
	6.66%	7.50%	7.50%	7.50%	7.50%
	5.85%	7.50%	7.50%	7.50%	7.50%
	5.05%	7.50%	7.50%	7.50%	7.50%

Proposed Rates – Public Authority & Irrigation

Zone	Current	Oct-18	Oct-19	Oct-20	Oct-21	Oct-22
Zone 1	\$1.95	\$2.29	\$2.46	\$2.64	\$2.84	\$3.06
Zone 2	\$2.15	\$2.48	\$2.67	\$2.87	\$3.09	\$3.32
Zone 3						
Zone 4	\$2.20	\$2.52	\$2.71	\$2.91	\$3.13	\$3.36
Zone 5						

% Increase

	2018	2019	2020	2021	2022
	17.34%	7.50%	7.50%	7.50%	7.50%
	15.54%	7.50%	7.50%	7.50%	7.50%
	14.52%	7.50%	7.50%	7.50%	7.50%

SFR (Zone 1) Bill Impacts

5/8" Meter Size	Bi-Monthly Usage (hcf)	Current Bi-monthly Bill	\$1.74	\$2.98	Total Volumetric Charge	Total Proposed Bi-monthly Bill	Difference (\$)	Difference (%)	% of Bills Less Than
5/8"	4	\$37.46	4	0	\$6.96	\$37.66	\$0.20	0.5%	5%
	8	\$43.90	8	0	\$13.92	\$44.62	\$0.72	1.6%	14%
50% of Average	10	\$47.12	10	0	\$17.41	\$48.10	\$0.98	2.1%	20%
	12	\$50.34	12	0	\$20.89	\$51.58	\$1.24	2.5%	27%
	14	\$53.56	14	0	\$24.37	\$55.06	\$1.50	2.8%	33%
	16	\$56.78	16	0	\$27.85	\$58.54	\$1.76	3.1%	39%
	18	\$60.00	18	0	\$31.33	\$62.02	\$2.02	3.4%	46%
Average Usage	20	\$63.22	20	0	\$34.81	\$65.51	\$2.29	3.6%	52%
	22	\$66.44	20	2	\$40.76	\$71.46	\$5.02	7.6%	58%
	26	\$73.59	20	6	\$52.66	\$83.36	\$9.77	13.3%	68%
150% of Average	30	\$82.87	20	10	\$64.57	\$95.26	\$12.39	15.0%	76%
	34	\$92.15	20	14	\$76.47	\$107.16	\$15.01	16.3%	82%
	38	\$101.43	20	18	\$88.37	\$119.06	\$17.63	17.4%	86%
200% of Average	42	\$110.71	20	22	\$100.27	\$130.97	\$20.26	18.3%	90%
	46	\$119.99	20	26	\$112.17	\$142.87	\$22.88	19.1%	92%
	50	\$129.27	20	30	\$124.08	\$154.77	\$25.50	19.7%	94%

Public Authority & Irrigation Customer Impacts

2" Meter Size	Bi-Monthly Usage (hcf)	Current Monthly Bill	\$2.29	Total Volumetric Charge	Total Proposed Monthly Bill	Difference (\$)	Difference (%)
	0	\$127.36	-	\$0.00	\$155.62	\$28.26	22.2%
	25	\$176.11	25	\$57.20	\$212.83	\$36.72	20.9%
	50	\$224.86	50	\$114.41	\$270.03	\$45.17	20.1%
	75	\$273.61	75	\$171.61	\$327.24	\$53.63	19.6%
	100	\$322.36	100	\$228.82	\$384.44	\$62.08	19.3%
	125	\$371.11	125	\$286.02	\$441.65	\$70.54	19.0%
	150	\$419.86	150	\$343.23	\$498.85	\$78.99	18.8%
Average Usage	175	\$468.61	175	\$400.43	\$556.05	\$87.44	18.7%
	200	\$517.36	200	\$457.63	\$613.26	\$95.90	18.5%
	225	\$566.11	225	\$514.84	\$670.46	\$104.35	18.4%
	250	\$614.86	250	\$572.04	\$727.67	\$112.81	18.3%
	275	\$663.61	275	\$629.25	\$784.87	\$121.26	18.3%
	300	\$712.36	300	\$686.45	\$842.08	\$129.72	18.2%

Water System Connection Fee

Meter Size	Current Water System Connection Fee	AWWA Hydraulic Capacity Factors	Proposed
5/8"	\$1,804.15	1.00	\$2,021
3/4"	\$2,706.23	1.50	\$3,031
1"	\$4,510.38	2.50	\$5,052
1.5"	\$9,020.76	5.00	\$10,104
2"	\$14,433.21	8.00	\$16,167
3"	\$28,866.43	16.00	\$32,334
4"	\$45,103.79	25.00	\$50,522
6"	\$90,207.59	50.00	\$101,044
8"	\$144,332.14	80.00	\$161,670
10"	NA	115.00	\$232,401

Miscellaneous Fees

Fee Description	Current Base Fee	Proposed Base Fee	Difference (\$)
Application Fee / Connection or Transfer of Service	\$20.00	\$32.48	\$12.48
Improper Use of Fire Connections Service	\$50.00	\$52.73	\$2.73
Temporary Service / Construction Meter Application Fee	\$15.00	\$35.67	\$20.67
Temporary Service / Construction Meter Deposit	\$0.00	\$7.02	\$7.02
Temporary Service / Construction Meter Use Charge	\$4.00	\$5.65	\$1.65
Fire Flow Availability Testing Fee	\$115.00	\$124.36	\$9.36
Delinquent Bill Fee	\$6.00	\$6.56	\$0.56
Door Hanger-Notice of Disconnection Fee	\$7.00	\$14.04	\$7.04
Disconnection Processing Fee	\$25.00	\$29.97	\$4.97
Service Reconnection -After Hours (after shut-off for non-payment)	\$25.00	\$151.77	\$126.77
Returned Check / Dishonored Payment Fee	\$20.00	\$21.18	\$1.18
Meter Tampering Charge	\$70.00	\$69.80	-\$0.20
Meter Testing Fee (if meter is found accurate)	\$60.00	\$62.98	\$2.98
Termination Notice Fee (Failure to Test Backflow Device)	\$15.00	\$33.19	\$18.19
Service Reconnection Fee (after disconnection for failure to test backflow device)	\$30.00	\$34.52	\$4.52

Monthly Service Charge Comparison

Purveyor	Meter Sizes				
	5/8"	3/4"	1"	1-1/2"	2"
Valley County Water	\$ 16.11	\$ 16.11	\$ 31.64	\$ 57.54	\$ 88.62
City of Azusa	\$ 15.17	\$ 15.17	\$ 24.71	\$ 48.57	\$ 77.20
City of Monrovia	\$ 30.56	\$ 30.56	\$ 38.72	\$ 61.06	\$ 77.28
LPVCWD	<u>\$ 15.35</u>	<u>\$ 19.81</u>	<u>\$ 28.73</u>	<u>\$ 51.04</u>	<u>\$ 77.81</u>
San Gabriel County Water	\$ 20.09	\$ 20.09	\$ 29.21	\$ 51.98	\$ 79.31
Walnut Valley Water	\$ 20.00	\$ 20.00	\$ 25.20	\$ 59.53	\$ 77.73
Suburban Water Systems (SJH)	\$ 13.11	\$ 19.66	\$ 32.76	\$ 65.52	\$ 104.84
City of Whittier	\$ 20.18	\$ 20.18	\$ 30.13	\$ 67.06	\$ 90.90
Industry Public Utilities	<u>\$ 23.10</u>	<u>\$ 25.66</u>	<u>\$ 30.78</u>	<u>\$ 43.59</u>	<u>\$ 58.96</u>
Valencia Heights Water Company	\$ 26.27	\$ 31.05	\$ 39.23	\$ 52.30	\$ 80.07
City of Covina (District One)	\$ 33.24	\$ 33.24	\$ 49.44	\$ 76.43	\$ 115.15
Rowland Water	\$ 33.44	\$ 33.44	\$ 33.44	\$ 157.28	\$ 250.16
Golden State Water	\$ 15.60	\$ 23.40	\$ 39.00	\$ 78.00	\$ 124.80
SGVWC (Los Angeles Division)	\$ 22.43	\$ 33.65	\$ 56.09	\$ 112.17	\$ 179.50
City of Glendora	\$ 39.65	\$ 40.88	\$ 53.14	\$ 88.24	\$ 126.72



Commodity Rate

Purveyor	Tier 1	Tier 2	Tier 3	Average	% of Average
Valley County Water	1.250	2.000	3.480	2.243	-24%
City of Azusa	1.093	1.783	2.25	1.709	-42%
San Gabriel County Water	1.870	3.550	3.740	3.053	4%
City of Monrovia	1.810			1.810	-38%
LPVCWD Zone-1	1.740	2.98		2.360	-20%
LPVCWD Zone-2	1.940	3.17		2.251	-23%
City of Whittier	1.990	2.730		2.360	-20%
VHWC Zone-1	1.850	2.775	3.700	2.775	-6%
VHWC Zone-2	1.990	2.915	3.840	2.915	-1%
Industry Public Utilities	2.100	2.700		2.400	-18%
Suburban Water Systems Z-1	2.771	3.111		2.941	0%
Suburban Water Systems Z-2	2.884	3.179		2.547	-13%
City of Covina	2.710	3.020		2.865	-2%
SGVWC	3.708	4.168		3.861	31%
Rowland Water Zone-1	2.620	3.34	4.620	3.527	20%
Rowland Water Zone-2	2.780	3.50	4.780	3.687	25%
Walnut Valley Water Zone-1	3.180	3.580	3.580	3.447	17%
Walnut Valley Water Zone-2	3.390	3.790	3.790	3.657	24%
City of Glendora Zone-1	2.360	4.070		3.215	9%
City of Glendora Zone-2	2.480	4.190		2.910	-1%
Golden State Water	3.899	4.484	5.157	5.169	76%
				2.938	



Purveyor	5 HCF	10 HCF	15 HCF	20 HCF	25 HCF	
Valley County Water	\$ 22.36	\$ 30.11	\$ 40.11	\$ 56.03	\$ 73.43	
City of Monrovia	\$ 39.61	\$ 48.66	\$ 57.71	\$ 66.76	\$ 75.81	
City of Azusa	\$ 21.33	\$ 30.24	\$ 39.16	\$ 50.41	\$ 61.66	
LPVCWD (Zone 1)	\$ 24.05	\$ 32.75	\$ 47.65	\$ 62.55	\$ 77.45	
LPVCWD (Zone 2)	\$ 25.05	\$ 34.75	\$ 50.60	\$ 66.45	\$ 82.30	
City of Whittier	\$ 30.13	\$ 40.08	\$ 50.03	\$ 59.98	\$ 73.63	
San Gabriel County	\$ 29.44	\$ 38.79	\$ 48.14	\$ 65.89	\$ 83.64	
Industry Public Utilites	\$ 33.60	\$ 44.10	\$ 54.60	\$ 68.10	\$ 81.60	
VHWC (Zone 1)	\$ 35.52	\$ 44.77	\$ 55.87	\$ 69.75	\$ 83.62	
VHWC (Zone 2)	\$ 36.22	\$ 46.17	\$ 56.12	\$ 72.55	\$ 87.12	
Suburban (Zone 1)	\$ 26.97	\$ 40.82	\$ 54.68	\$ 68.53	\$ 84.09	
Suburban (Zone 2)	\$ 27.53	\$ 41.95	\$ 56.37	\$ 70.79	\$ 86.69	
Walnut Valley Water (Zone 1)	\$ 51.80	\$ 51.80	\$ 68.90	\$ 86.80	\$ 104.70	
Walnut Valley Water (Zone 2)	\$ 53.90	\$ 53.90	\$ 72.05	\$ 91.00	\$ 109.95	
SGVWC	\$ 40.97	\$ 59.51	\$ 78.97	\$ 99.81	\$ 120.64	
City of Covina	\$ 46.79	\$ 60.34	\$ 73.89	\$ 88.68	\$ 103.78	
Rowland Water (Zone 1)	\$ 59.64	\$ 59.64	\$ 72.74	\$ 131.08	\$ 177.28	
Rowland Water (Zone 2)	\$ 61.24	\$ 61.24	\$ 75.14	\$ 135.88	\$ 183.68	
Golden State Water	\$ 55.23	\$ 55.23	\$ 76.14	\$ 150.31	\$ 202.48	
Average	\$ 41.43	\$ 48.62	\$ 62.26	\$ 89.15	\$ 112.75	

	Least Expensive				Most Expensive
Scale	1	2	3	4	5

Water Service Affordability

Area	Household Incomes	LP Average Annual Bill (\$37/Mo)	% of Household Income
Los Angeles County (2010-14)	\$ 55,870	\$ 444.00	0.79%
40% of LA County	\$ 22,348	\$ 444.00	1.99%
City of La Puente (2010-14)	\$ 54,660	\$ 444.00	0.81%
40% of La Puente	\$ 21,864	\$ 444.00	2.03%