



**AGENDA for a SPECIAL**  
**CAPITAL IMPROVEMENT AND RATES**  
**STANDING COMMITTEE**  
**VALLEY COUNTY WATER DISTRICT**  
**14521 RAMONA BOULEVARD,**  
**BALDWIN PARK, CALIFORNIA**  
**WEDNESDAY, MAY 23, 2012 AT 3:00 P.M.**

**COMMITTEE MEMBERS:**

Director Jonathan Contreras, Chairperson  
Director Armando Macias, Co-Chair  
Vice President Lenet Pacheco, Alternate

**ITEMS FOR DISCUSSION**

1. Water Service Rates Review - Consumption, Ready-to-Serve, and Capital Improvement Charges
  - Projected Revenues: Scenario 2 - \$15.0 Million Dollar Bond Issue FY2013
    - i. Alternative 1: No Increase in Fire Protection Ready to Serve Charge
    - ii. Alternative 2: Tier 1 to Remain at \$0.39 Per Unit for Year 2017
    - iii. Alternative 3: Tier 2 Adjusted to Include 12 Commercial and 24 Residential Units
    - iv. Alternative 4: Tier 2 Adjusted to Include 15 Commercial and 30 Residential Units

**NEXT MEETING:**                      **To be determined.**

cc:                      Board of Directors  
                            E-Mail Distribution List

*In compliance with the Americans with Disabilities Act, if you have a disability, and you need a disability-related modification or accommodation to participate in this meeting, please contact the District at 626-338-7301. Requests must be made as early as possible and at least one full business day before the start of the meeting.*

**VALLEY COUNTY WATER DISTRICT**  
**Water Service Rates - Projected Revenues**  
**Consumption, Ready-to-Serve, and Capital Improvement Charges**

**PROJECTED REVENUES - Current assumptions based on Long Range Financial Plan**

Revenue	Type	Projected Revenue				
		2013	2014	2015	2016	2017
Consumption Charges	Variable	3,106,208	3,249,551	3,348,898	3,493,100	3,917,821
Ready to Serve Charges	Fixed	3,046,220	3,137,563	3,215,732	3,311,465	3,642,811
Capital Improvement Charges	Fixed	927,106	955,555	979,618	1,008,714	1,109,620
<b>TOTAL PROJECTED REVENUE</b>		<b>\$ 7,079,533</b>	<b>\$ 7,342,669</b>	<b>\$ 7,544,248</b>	<b>\$ 7,813,278</b>	<b>\$ 8,670,251</b>

**CHANGE IN PROJECTED REVENUES - Committee Alternative: No increase in fire protection Ready to Serve Charges**

Revenue	Type	Projected Change in Revenue				
		2013	2014	2015	2016	2017
Consumption Charges	Variable	-	-	-	-	-
Ready to Serve Charges	Fixed	(186,243)	(222,018)	(252,738)	(290,493)	(420,238)
Capital Improvement Charges	Fixed	-	-	-	-	-
<b>TOTAL PROJECTED CHANGE IN REVENUE</b>		<b>\$ (186,243)</b>	<b>\$ (222,018)</b>	<b>\$ (252,738)</b>	<b>\$ (290,493)</b>	<b>\$ (420,238)</b>

**CHANGE IN PROJECTED REVENUES - Committee Alternative: Tier 1 to remain at \$0.39 per unit for year 2017**

Revenue	Type	Projected Change in Revenue				
		2013	2014	2015	2016	2017
Consumption Charges	Variable	-	-	-	-	(12,097)
Ready to Serve Charges	Fixed	-	-	-	-	-
Capital Improvement Charges	Fixed	-	-	-	-	-
<b>TOTAL PROJECTED CHANGE IN REVENUE</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (12,097)</b>

**CHANGE IN PROJECTED REVENUES - Committee Alternative: Tier 2 adjusted to include 12 units for commercial and 24 units for residential**

Revenue	Type	Projected Change in Revenue				
		2013	2014	2015	2016	2017
Consumption Charges	Variable	378,312	419,178	434,149	450,900	527,924
Ready to Serve Charges	Fixed	-	-	-	-	-
Capital Improvement Charges	Fixed	-	-	-	-	-
<b>TOTAL PROJECTED CHANGE IN REVENUE</b>		<b>\$ 378,312</b>	<b>\$ 419,178</b>	<b>\$ 434,149</b>	<b>\$ 450,900</b>	<b>\$ 527,924</b>

**CHANGE IN PROJECTED REVENUES - Committee Alternative: Tier 2 adjusted to include 15 units for commercial and 30 units for residential**

Revenue	Type	Projected Change in Revenue				
		2013	2014	2015	2016	2017
Consumption Charges	Variable	133,352	165,145	171,043	183,258	233,065
Ready to Serve Charges	Fixed	-	-	-	-	-
Capital Improvement Charges	Fixed	-	-	-	-	-
<b>TOTAL PROJECTED CHANGE IN REVENUE</b>		<b>\$ 133,352</b>	<b>\$ 165,145</b>	<b>\$ 171,043</b>	<b>\$ 183,258</b>	<b>\$ 233,065</b>

**VALLEY COUNTY WATER DISTRICT**  
**Water Service Rates - Commercial Customers**  
**Consumption, Ready-to-Serve, and Capital Improvement Charges**

<b>RATE SCENARIO ASSUMPTIONS:</b>	1	\$15.0 million dollar debt issue
	2	Discontinued MWD Replenishment Program
	3	Nominal population growth within District service area
	4	3% District expense increase per year

**COMMERCIAL - CONSUMPTION CHARGES**

Tiered Rates	Current	Proposed				
	FY2009-FY 2012	2013	2014	2015	2016	2017
1 - 4 units	0.29	0.34	0.35	0.36	0.37	0.41
4 - 18 units	0.69	0.82	0.84	0.86	0.89	0.98
19 + units	1.15	1.36	1.40	1.44	1.48	1.63

**COMMERCIAL - READY TO SERVE CHARGES**

Meter Size	Current	Proposed				
	FY2009-FY2012	2013	2014	2015	2016	2017
5/8"	9.55	11.32	11.66	11.95	12.31	13.54
3/4"	9.55	11.32	11.66	11.95	12.31	13.54
1"	15.94	18.89	19.46	19.94	20.54	22.59
1 1/2"	31.79	37.67	38.80	39.77	40.96	45.06
2"	50.88	60.29	62.10	63.65	65.56	72.12
3"	95.45	113.11	116.50	119.41	123.00	135.30
4"	159.11	188.55	194.20	199.06	205.03	225.53
6"	318.14	377.00	388.31	398.01	409.95	450.95
8"	509.04	603.21	621.31	636.84	655.95	721.54

**COMMERCIAL- CAPITAL IMPROVEMENT CHARGES**

Meter Size	Current	Proposed				
	FY2009-FY2012	2013	2014	2015	2016	2017
5/8"	3.25	3.85	3.97	4.07	4.19	4.61
3/4"	4.88	5.78	5.96	6.11	6.29	6.92
1"	8.13	9.63	9.92	10.17	10.48	11.52
1 1/2"	16.25	19.26	19.83	20.33	20.94	23.03
2"	26.00	30.81	31.73	32.53	33.50	36.85
3"	48.75	57.77	59.50	60.99	62.82	69.10
4"	81.25	96.28	99.17	101.65	104.70	115.17
6"	162.50	192.56	198.34	203.30	209.40	230.34
8"	260.00	308.10	317.34	325.28	335.03	368.54

TOTAL RATE ADJUSTMENT (% OF CHANGE)

18.5%

3.0%

2.5%

3.0%

10.0%

**VALLEY COUNTY WATER DISTRICT**  
**Water Service Rates - Residential Customers**  
**Consumption, Ready-to-Serve, and Capital Improvement Charges**

<b>RATE SCENARIO ASSUMPTIONS:</b>	1	\$15.0 million dollar debt issue
	2	Discontinued MWD Replenishment Program
	3	Nominal population growth within District service area
	4	3% District expense increase per year

**RESIDENTIAL - CONSUMPTION CHARGES**

Tiered Rates	Current	Proposed				
	FY2009-FY 2012	2013	2014	2015	2016	2017
1 - 8 units	0.29	0.34	0.35	0.36	0.37	0.41
9 - 36 units	0.69	0.82	0.84	0.86	0.89	0.98
37 + units	1.15	1.36	1.40	1.44	1.48	1.63

**RESIDENTIAL - READY TO SERVE CHARGES**

Meter Size	Current	Proposed				
	FY2009-FY2012	2013	2014	2015	2016	2017
5/8"	15.20	18.02	18.56	19.02	19.58	21.54
3/4"	15.20	18.02	18.56	19.02	19.58	21.54
1"	25.38	30.08	30.98	31.76	32.70	35.98
1 1/2"	50.60	59.96	61.76	63.30	65.20	71.72
2"	81.00	95.98	98.86	101.34	104.38	114.82

**RESIDENTIAL - CAPITAL IMPROVEMENT CHARGES**

Meter Size	Current	Proposed				
	FY2009-FY2012	2013	2014	2015	2016	2017
5/8"	6.50	7.70	7.94	8.14	8.38	9.22
3/4"	9.76	11.56	11.92	12.22	12.58	13.84
1"	16.26	19.26	19.84	20.34	20.96	23.04
1 1/2"	32.50	38.52	39.66	40.66	41.88	46.06
2"	52.00	61.62	63.46	65.06	67.00	73.70

<b>TOTAL RATE ADJUSTMENT (% OF CHANGE)</b>	<b>18.5%</b>	<b>3.0%</b>	<b>2.5%</b>	<b>3.0%</b>	<b>10.0%</b>
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**VALLEY COUNTY WATER DISTRICT**  
**Water Service Rates - Fire Protection Customers**  
**Consumption, Ready-to-Serve, and Capital Improvement Charges**

- RATE SCENARIO ASSUMPTIONS:**
- 1 \$15.0 million dollar debt issue
  - 2 Discontinued MWD Replenishment Program
  - 3 Nominal population growth within District service area
  - 4 3% District expense increase per year

**FIRE PROTECTION - CONSUMPTION CHARGES**

Tiered Rates	Current	Proposed				
	FY2009-FY 2012	2013	2014	2015	2016	2017
1 - 4 units	0.29	0.34	0.35	0.36	0.37	0.41
4 - 18 units	0.69	0.82	0.84	0.86	0.89	0.98
19 + units	1.15	1.36	1.40	1.44	1.48	1.63

**FIRE PROTECTION - READY TO SERVE CHARGES**

Meter Size	Current	Proposed				
	FY2009-FY2012	2013	2014	2015	2016	2017
4"	138.36	163.96	168.88	173.10	178.29	196.12
6"	276.64	327.82	337.65	346.09	356.48	392.12
8"	442.64	524.53	540.26	553.77	570.38	627.42
10"	636.36	754.09	776.71	796.13	820.01	902.01

<b>TOTAL RATE ADJUSTMENT (% OF CHANGE)</b>	<b>18.5%</b>	<b>3.0%</b>	<b>2.5%</b>	<b>3.0%</b>	<b>10.0%</b>
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