REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE FLORIN RESOURCE CONSERVATION DISTRICT

Agenda

Wednesday, July 18, 2018

6:30 PM

9257 Elk Grove Blvd.
Elk Grove, CA 95624

Compliance with Government Code Section 54957.5

Public records, including writings related to an agenda item for an open session of a regular meeting of the Florin Resources Conservation District that are distributed less than 72 hours before the meeting, are available for public inspection during normal business hours at the Administration building of Elk Grove Water District, located at 9257 Elk Grove Blvd. Elk Grove, California. In addition, such writings may be posted, whenever possible, on the Elk Grove Water District website at www.egwd.org.

The Board will discuss all items on the agenda, and may take action on any item listed as an "Action" item. The Board may discuss items that do not appear on the agenda, but will not act on those items unless there is a need to take immediate action and the Board determines by a two-thirds (2/3) vote that the need for action arose after posting of the agenda.

If necessary, the Meeting will be adjourned to Closed Session to discuss items on the agenda listed under "Closed Session." At the conclusion of the Closed Session, the meeting will reconvene to "Open Session."

CALL TO ORDER, ROLL CALL AND PLEDGE OF ALLEGIANCE

Public Comment – Please complete a Request to Speak Form if you wish to address the Board. Members of the audience may comment on matters that are not included on the agenda. Each person will be allowed three (3) minutes, or less if a large number of requests are received on a particular subject. No action may be taken on a matter raised under "Public Comment" until the matter has been specifically included on an agenda as an action item. Items listed on the agenda will be opened for public comment as they are considered by the Board of Directors.

1. Proclamations and Announcements

Associate Director Comment

Public Comment

2. Consent Calendar (Stefani Phillips, Secretary and Patrick Lee, Treasurer)

a. Minutes of Special Board Meeting of June 13, 2018
b. Minutes of Regular Board Meeting of June 20, 2018
c. FRCD Cash Flow Worksheet –June, 2018
d. Warrants Paid – June, 2018
e. Active Accounts – June, 2018
f. Bond Covenant Status for FY 2017- 18 – June, 2018
g. Revenues and Expenses – Actual vs Budget FY 2017- 18 – June, 2018
h. Cash Accounts – June, 2018
i. Consultants Expenses – June, 2018
j. Major Capital Improvement Projects – June, 2018

Associate Director Comment

Public Comment

Recommended Action: **Approve Florin Resource Conservation District Consent Calendar items a-j.**

3. Committee Meetings (Stefani Phillips, Secretary)

Associate Director Comment

Public Comment

4. Elk Grove Water District Operations Report – June 2018
(Mark J. Madison, General Manager)

Associate Director Comment

Public Comment

5. Elk Grove Water District Fiscal Year 2017-18 Quarterly Operating Budget Status Report (Patrick Lee, Finance Manager/Treasurer)

Associate Director Comment

Public Comment

6. Elk Grove Water District Fiscal Year 2017-18 Quarterly Capital Reserve Status Report (Patrick Lee, Finance Manager/Treasurer)

Associate Director Comment

Public Comment

7. Elk Grove Water District Schedule of Charges, Rates, Fees and Deposits
(Patrick Lee, Finance Manager/Treasurer)

Associate Director Comment

Public Comment

Recommended Action: **Adopt Ordinance 07.18.18.01, amending Ordinance No. 12.14.16.01, Exhibit A, in its entirety and revising the Elk Grove Water District's Schedule of Charges, Rates, Fees and Deposits.**

8. Public Hearing and Consideration of the 2018 Water Rate Study and Adoption of New Water Service Rates and Private Fire Protection Service Rates
(Patrick Lee, Finance Manager/Treasurer)

Associate Director Comment

Public Comment

Recommended Action: **Adopt Ordinance 07.18.18.02, approving the 2018 Water Rate Study Report and adopt new water service rates and private fire protection service rates.**

9. Outside Agency Meetings Report (Mark J. Madison, General Manager)

Associate Director Comment

Public Comment

10. Legislative Report (Sarah Jones, Program Manager)

Associate Director Comment

Public Comment

11. Directors Comments

Adjourn to Regular Meeting – August 15, 2018

July 18, 2018

TO: Chairperson and Directors of the Florin Resource Conservation District

FROM: Stefani Phillips, Board Secretary

SUBJECT: **CONSENT CALENDAR**

RECOMMENDATION

It is recommended that the Florin Resource Conservation District Board of Directors approve Florin Resource Conservation District Consent Calendar items a – j.

SUMMARY

Consent Calendar items a – j are standing items on the Regular Board Meeting agenda.

By this action, the Board will approve Florin Resource Conservation District Consent Calendar items a – j.

DISCUSSION

Background

Consent Calendar items are standing items on the Regular Board Meeting agenda.

Present Situation

Consent Calendar items a – j are standing items on the Regular Board Meeting agenda.

ENVIRONMENTAL CONSIDERATIONS

There are no direct environmental considerations associated with this report.

STRATEGIC PLAN CONFORMITY

Fiscal stability is in conformity with the District's Business Practice goals of the 2012-2017 Strategic Plan.

FINANCIAL SUMMARY

There is no financial impact associated with this report.

Respectfully Submitted,

STEFANI PHILLIPS,
BOARD SECRETARY

And

PATRICK LEE,
TREASURER

Attachments

MINUTES OF THE SPECIAL MEETING OF THE FLORIN RESOURCE CONSERVATION DISTRICT BOARD OF DIRECTORS

Wednesday, June 13, 2018

The special meeting of the Florin Resource Conservation District Board of Directors was called to order at 6:30 p.m. by Tom Nelson, Chairperson, at 9257 Elk Grove Blvd., Elk Grove, CA.

Call to Order, Roll Call, and Pledge of Allegiance.

Directors Present:	Bob Gray, Lisa Medina, Tom Nelson
Directors Absent:	Sophia Scherman, Jeanne Sabin
Staff Present:	Mark J. Madison, General Manager; Bruce Kamilos, Assistant General Manager; Stefani Phillips, Board Secretary
Associate Directors Present:	None present
General Counsel Present:	None present
Consultants Present:	None present

Public Comment
No comments were made.

1. Closed Session
The Board of Directors voted unanimously to terminate the District's agreement with Meyers Nave' to serve as its General Counsel, effective July 1, 2018.

Adjourn to regular meeting on June 20, 2018 at 6:30 p.m.

Respectfully submitted,

Stefani Phillips

Stefani Phillips, Board Secretary

SP/AK

MINUTES OF THE REGULAR MEETING OF THE FLORIN RESOURCE CONSERVATION DISTRICT BOARD OF DIRECTORS

Wednesday, June 20, 2018

The regular meeting of the Florin Resource Conservation District Board of Directors was called to order at 6:30 p.m. by Tom Nelson, Chairperson, at 9257 Elk Grove Blvd., Elk Grove, CA.

Call to Order, Roll Call, and Pledge of Allegiance.

Directors Present:	Bob Gray, Lisa Medina, Tom Nelson
Directors Absent:	Sophia Scherman, Jeanne Sabin
Staff Present:	Mark Madison, General Manager; Bruce Kamilos, Assistant General Manager; Stefani Phillips, Board Secretary; Patrick Lee, Finance Manager; Donella Murillo, Finance Supervisor; and Sarah Jones, Program Manager
Staff Absent:	None
Associate Directors Present:	Shahid Chaudhry
Associate Directors Absent:	Ken Strom
General Counsel Present:	Ren Nosky, Nosky Legal Group
Public Present:	Suzanne Pecci, Lynn Wheat

Public Comment

Suzanne Pecci, Sacramento Central Groundwater Authority's (SCGA) Agricultural-Residential representative commented she noticed the Elk Grove Water District (EGWD) is looking to contract with a new general counsel. She mentioned, with the rate study going on there should be a point made that the EGWD is a private corporation. Chairperson, Tom Nelson informed Ms. Pecci that the EGWD is not a private organization, that it is a subset of the Florin Resource Conservation District (FRCD), therefore making it a public agency. Mr. Madison followed, affirming that the EGWD is the FRCD, stating the District is a Resource Conservation District (RCD) formed under RCD laws. He mentioned that the EGWD is an enterprise of the FRCD, meaning it is a special function. There was much discussion on the topic.

Ms. Pecci submitted an article titled, "Ruling has environmentalists declaring victory over Stockton Water, Sewage".

Ratepayer, Lynn Wheat asked Mr. Madison to define enterprise. Mr. Madison responded that the EGWD is a function of the FRCD and runs the FRCD's activity of operating a water system, explaining that the money between the FRCD and EGWD is separate.

Ms. Pecci commented the accounts of the FRCD and EGWD were combined a couple months ago. Mr. Madison explained the decision made a few months ago to combine the FRCD and the EGWD only modified the activities of the FRCD to water related activities that benefit the EGWD ratepayers.

Mr. Madison advised Mr. Nelson that they not get into a debate on the subject because it is not an item on the agenda and are only accepting public comment at this time.

1. Proclamations and Announcements

Nothing to report.

2. Closed Session

No reportable action was taken.

3. Professional Services Agreement For Interim General Counsel Services Between The Florin Resource Conservation District and Nosky Legal Group

Mr. Madison provided background on the subject, mentioning that on June 13, 2018, the FRCD Board of Directors (Board) terminated the professional services agreement between the FRCD and Meyers Nave for General Counsel Services. In summary, it is imperative that the FRCD retain General Counsel at all times and so it was recommended that the Board retain an attorney to provide legal services, primarily as the interim General Counsel for the FRCD. By this action, if approved, the FRCD Board would authorize the General Manager to execute a professional services agreement with the Nosky Legal Group to provide interim General Counsel legal services for a term of six months.

Mr. Gray stated, the rates quoted are competitive and he sees no reason to oppose; he thinks the agreement is good. Director Lisa Medina agreed with Vice-chair Gray's comments and believes the rates are reasonable. Mr. Nelson commented he agreed with the other board members and asked for comment from the associate directors.

Associate Director, Shahid Chaudhry stated, he believes it is a reasonable agreement. He questioned if the District used Nosky Legal Group in the past and parted ways, why the District was going back. Mr. Madison responded the Nosky Legal Group was used in the past as more of a guide for the District, helping assess and review proposals to find a law firm that would meet the criteria the FRCD was looking for. He mentioned the duration and scope of services provided from Nosky Legal Group at that time was limited.

Ms. Pecci asked what the new scope of services were for the Nosky Legal Group. Mr. Nelson responded that the scope is to provide legal services in many areas.

MSC (Gray/Medina) to authorize the General Manager to execute a Professional Services Agreement, between the Florin Resource Conservation District and Nosky Legal Group, for Interim General Counsel Services to be provided to the Florin Resource Conservation District and Elk Grove Water District. 3/0: Ayes: Gray, Medina, and Nelson.

4. Consent Calendar

a. Regular Board Meeting Minutes of May, 2018
b. FRCD Cash Flow Worksheet – May, 2018
c. Warrants Paid – May, 2018
d. Active Accounts – May, 2018
e. Bond Covenant Status – May, 2018
f. Revenues and Expenses – May, 2018
g. Cash Accounts – May, 2018
h. Consultants Expenses – May, 2018
i. Major Capital Improvement Projects – May, 2018

MSC (Medina/Gray) to approve FRCD Consent Calendar items a-i 3/0: Ayes: Gray, Medina, and Nelson.

5. Committee Meetings

Stefani Phillips, Board Secretary, presented the Committee Meetings to the Board. There were three (3) committee meetings held in the month of May. The Community Advisory Committee (CAC) and the Finance Committee (FC) held two (2) combined meetings on Wednesday, May 2, 2018 and May 23, 2018 to review the 2018-2022 Water Rate and Connection Fee Studies. On May 23, 2018, the FC met to review the Draft Fiscal Year 2018-2019 Elk Grove Water District Operating Budget.

MSC (Gray/Medina) to accept the minutes of the combined Community Advisory Committee and Finance Committee Meetings held on Wednesday, May 2, 2018 and May 23, 2018; and the Special Finance Committee Meeting held on Wednesday, May 23, 2018. 5/0: Ayes: Gray, Medina, Nelson, Sabin and Scherman.

6. Elk Grove Water District Operations Report – May 2018

Mr. Madison presented the Elk Grove Water District (EGWD) Operations Report – May 2018 to the Board.

Summary:

- Door tags and shutoffs (468 & 67, respectively) remain a little higher than what is expected but not too much different than April.
- There were three pressure complaint, two were unsubstantiated but one was legitimate due to an operational problem with our shallow wells. This operational problem has now been corrected and we are also going to pilot test some new pressure monitoring equipment that may provide us with real time pressure date in our distribution system.
- There were five water quality complaints, two of which were unsubstantiated but three were legitimate. These three stemmed from an operational malfunction at the Hampton Water Treatment Plant which has now been corrected. Be advised that this was an aesthetic problem only and there was no significant impairment to water quality.
- 150 hydrants were checked. The District's hydrant maintenance target is set at 135 per month (ea. hydrant once per year).
- 159 valves were exercised. The District's valve exercising target is set at 120 per month (every valve once per 3 years).
- Wells 11D, 14D, 3, and 13 were the main sources of supply for Service Area 1.
- The refurbishment of Well 8 was completed and that well was placed back online at the end of the month.
- Production for Service Area 1 increased a lot compared to last month. 126 million gallons compared to 76 million gallons in April.
- Total customer usage for EGWD (SA1 and SA2) also rose by approximately 69 million gallons from April but remained down by 31.41% compared to May 2013.
- The Static and Pumping Water level charts have the same 2nd quarter date presented last month. The next set of measurements will occur in July.
- All required sampling was performed with no anomalies.
- All required regulatory reports were submitted on time and there were no excursions of any regulatory requirements.
- All preventative maintenance activities have been performed in compliance with our Standard Operating Procedures.
- Backflow prevention program. As of the end of February, we had 13 delinquent customers. All but one of these have been resolved as of this time.
- We had 3 formal safety meetings and it has been 854 days since we have had a lost time injury.
- Service Line Replacements – 21 service lines were replaced in May as our Utility crew now back working on that project. We hope to complete the Service Line Replacement project by November.
- There were 4 service line leaks in May. 3 were from pinholes and was an old saddle.
- Pressures in Service Area 1 remained stable in the 60 psi range. Pressures in Service Area 2 were also about the same.

7. Elk Grove Water District Fiscal Year 2019-23 Capital Improvement Program

Assistant General Manager, Bruce Kamilos presented the Fiscal Year (FY) 2019-23 Capital Improvement Program (CIP) to the Board. He provided a brief background, mentioning each

year staff and the Infrastructure Committee (IC) get together to thoroughly review each project in the CIP.

Mr. Kamilos highlighted the chlorine tank project has been eliminated from the CIP report and will reduce the CIP budget by $80,000. He stated the CIP presented for approval is for $6.7 million dollars in project costs over the next five (5) year window.

Mr. Kamilos mentioned that California Environmental Quality Act (CEQA) does not apply to the adoption of the CIP resolution. He stated that CEQA will be addressed on a project-by-project basis.

Mr. Gray mentioned it was the first time staff and the IC were able to agree on the CIP in one (1) meeting.

Mr. Madison complimented Bruce and his team for the development of the CIP and for maintaining cost control on the CIP.

Mr. Chaudhry asked if any of the projects are considered CEQA. Mr. Kamilos stated, by in large all the District's projects have categorical exemptions.

MSC (Nelson/Medina) to adopt Resolution No. 06.20.18.01, approving the Elk grove Water District Fiscal Year 2018-23 Capital Improvement Program and approving an appropriation of $1,314,000 from designated reserve funds to the Fiscal Year 2018-19 Capital Improvement Program budget. 3/0: Ayes: Gray, Medina, and Nelson.

8. Elk Grove Water District Fiscal Year 2018-19 Operating Budget

Finance Manager, Patrick Lee presented the EGWD FY 2018-19 Operating Budget, providing background to the Board. In summary, the proposed EGWD FY 2018-19 Operating Budget reflects no revenue adjustment as recommended by the 2018 Water Rate Study. He mentioned the proposed EGWD FY 2018-19 Operating Budget contains revenues of approximately $14,821,253 and projected expenditures of approximately $14,812,816, including deposits into the Repair and Replacement and Long-Term Capital Improvement Reserves of approximately $1,445,400. The projected revenues in excess of expenditures are approximately $8,436, which will be added to operating reserves for future use.

Mr. Gray commented that it is a nice, balanced budget.

Mr. Madison stated the budget is based on an assumption that the rate study, which is pending based on the Proposition 218 protesting period, will stay essentially the same as when presented to the Board at the Regular FRCD Board Meeting on May 16, 2018. The budget will be based off the water rate adjustments in the study.

Mr. Madison complimented Mr. Lee for his work on the budget, which qualifies the District for a distinction award from the Government Finance Officers Association (GFOA).

MSC (Nelson/Medina) to adopt Resolution No. 06.20.18.02, approving the Elk Grove Water Districts Fiscal Year 2018-19 Operating Budget. 3/0: Ayes: Gray, Medina, and Nelson.

9. Investment Policy Guidelines Fiscal Year 2018-19

Mr. Lee presented the Investment Policy Guidelines for FY 2018-19. He explained which California Government Codes establish the investment policy guidelines. He also mentioned the guidelines have to be adopted every year.

Mr. Nelson mentioned the District may look at this policy later in the year.

Mr. Chaudhry asked if there were any changes made to the investment policy guidelines. Mr. Lee responded there were no changes, it was on the agenda as a formality to adopt the policy.

MSC (Medina/Nelson) to adopt Resolution No. 06.20.18.03, approving the Fiscal Year 2018-19 Investment Policy Guidelines of the Florin Resource Conservation District. 3/0: Ayes: Gray, Medina, and Nelson.

10. Revised Elk Grove Water District Reserve and Capital Investment Policy

Mr. Lee presented the revised EGWD Reserve and Capital Investment Policy to the Board, explaining that it was las updated in August 2012. In summary, since 2012, staff have done financial analysis reviews on the reserve funds to insure financial stability. Due to the increase in elections, staff is proposing a revised reserve and capital investment policy specifically for the elections and special studies reserve fund. Currently the reserve fund is $120,000 and the staff is recommending it be changed to $150,000. The other five (5) reserve funds would remain unchanged.

Mr. Nelson clarified that the District will maintain $150,000 each year, not add $150,000 each year.

Mr. Gray suggested to consider an additional reserve bucket for a new administrative building. Mr. Nelson commented that would be a good discussion for a future board meeting.

Mr. Madison mentioned a goal of his is to have an expanded feasibility study on the administrative building. He mentioned that after there is a better understanding of what is needed and/or wanted, the Board can discuss an additional reserve bucket; part of the study would include how to appropriate funds and the use of funds and availability.

MSC (Gray/Medina) to adopt Resolution No. 06.20.18.04, approving a revised Elk Grove Water District Reserve and Capital Investment Policy. 3/0: Ayes: Gray, Medina, and Nelson.

11. Sacramento Central Groundwater Authority Proposed Budget Update

Mr. Madison presented the Sacramento Central Groundwater Authority (SCGA) proposed budget update to the Board. He started by providing the FRCD/EGWD's stance on past proposed SCGA budgets.

Mr. Madison mentioned the fundamental issue of the SCGA budget for FY 2018-19 is how the contributions have been calculated and assessed to the different parties. He explained he voted no at the last SCGA board meeting and that on May 13, 2018 he wrote a letter to Darrell Eck, Executive Officer of SCGA stating the concerns the District has. The four (4) basic problems the FRCD/EGWD has with the proposed budget are: 1. it is not equitable, 2. there is room for escapement, 3. the Zone 13 collections, and 4. the way the SCGA derives contributions are outside of the Joint Powers Agreement (JPA).

Ms. Medina asked if legal counsel looked into the agreement. Mr. Madison responded purportedly, yes. He mentioned SCGA's legal counsel verbally stated it was legal, but there was nothing in writing.

Mr. Madison mentioned that the first voting session resulted in a no, but there will be a revote at a special meeting dedicated to re-entertain the matter.

Ms. Medina asked if Mr. Madison has heard a response to the letter he sent to Mr. Eck. He mentions he has not heard back, but his requests were clear. He explained there are two (2) problems: 1. The SCGA is dragging their feet on a rate study and 2. Now the SCGA is not proposing adoption of new rate study for another 2 years.

Mr. Madison wants to make sure the District is not complicit so he recommends the FRCD only change its vote from no to yes on two (2) conditions: 1. Get clear reaffirmation from SCGA's legal that this does not violate JPA and 2. Get Board and staff to provide a firm commitment that they will move forward diligently on a rate study with intent to adopt before the start of the next fiscal year.

Ms. Medina asked if there has been a previous formal commitment from the Board to perform a rate study. Mr. Madison responded no.

Ms. Medina also asked how much the District is supposed to contribute. Mr. Madison responded, as of three (3) to four (4) years ago the contribution was $0 due to an exemption of those who pumped less than 5,000 acre feet a year, which has now been waived. Now the District is being requested to pay $46,000.

Ms. Medina asked if there is any way to determine how much of the contributions are for the Agriculture (Ag) sector from Zone 13. Mr. Madison responded that Zone 13 contributions collect $2.2 million, with $120,000 earmarked for the SCGA. In summary, the SCGA's budget is $860,000. It is estimated that yearly, Ag pumps 60%, Agriculture-Residential (Ag-Res) pumps 12%, and urban contributors pump 28% of the groundwater pumped in the SCGA service area. If looking at Ag alone, even if the Zone 13 money only went towards Ag, it does not cover 60% of the SCGA's budget. When looking at determining contributions based on how much water is pumped, Ag and Ag-Res are not paying their fair share.

Ms. Medina mentioned she wants the District to be protected. Discussion continued.

Ren Nosky, Nosky Legal Group provided clarity on the JPA, stating the budget itself only needs a majority vote including the five (5) signatories, but changes in the financial contributions of all the members needs a super majority. He mentioned, it seems that over time, some of the financial contributions in the SCGA budget that would otherwise require a super majority vote have been lumped into the budget to be passed with a majority vote.

Mr. Gray asked if there is a possibility of getting written commitment for the SCGA to perform a rate study and have it completed within one (1) year. Mr. Madison responded, it is not likely. There was much discussion on the topic.

Mr. Madison mentioned that Ag-Res also voted no. Ms. Pecci, the Ag-Res alternate board member, commented that she did not understand why Ag-Res voted no.

Mr. Madison asked if the Board would like him to change his vote from no to yes, and if so, should he add conditions with it. Ms. Medina mentioned she is hesitant to change the vote and does not understand why the SCGA will not answer the District's questions.

Mr. Chaudhry stated, all the factors Mr. Madison mentioned are very logical and reasonable. He mentioned that changing the vote from No to Yes without getting assurances from the SCGA is probably not a good idea, because the district would be giving up without getting anything in return; there should be give and take. He believes unless the District gets assurance in writing that a rate study will be done in the near future and a legal opinion in writing that they are in compliance with the JPA, the District should not change their vote.

Mr. Gray mentioned to change the vote to yes only if the SCGA gets a written legal opinion and they commit to complete a rate study by next year. He mentions that if not, the District will not pay next year. Mr. Madison commented that he likes Mr. Gray's idea because the District is telling the SCGA what they want to happen and if it does not happen, they do not get the District's money. In summary, this will be what Mr. Madison brings up at the SCGA Special Board Meeting.

12. Legislative Report

Program Manager, Sarah Jones presented the legislative report.

Mrs. Jones reported that water conservation bills AB 1668 and SB 606 were signed into law May 31, 2018. In summary, although the Regional Water Authority's (RWA) and the Association of California Water Agency's (ACWA) position was opposed unless amended, several key amendments were made late in the process that both agencies consider as a major improvement from the initial draft legislation.

Mrs. Jones also mentioned Proposition 68 was approved by voters. In summary, it will provide $1.6 billion for water-related projects.

Mrs. Jones stated the proposed "water tax," language based on SB 623 that was included in the state's draft budget as a trailer bill was terminated in budget negotiations.

Other bills discussed include SB 998, which outlines a regulatory process for water shut-offs and AB 3206, which proposes regulations regarding meter accuracy testing by water agencies.

13. Directors Comments

Mr. Nelson thanked Ms. Phillips for the meeting minutes.

Adjourn to regular meeting on July 18, 2018 at 6:30 p.m.

Respectfully submitted,

Stefani Phillips

Stefani Phillips, Board Secretary
AK/SP

Florin Resource Conservation District

FRCD Cash Flow
For the Month Ended June 30, 2018

Cash in Bank – Beginning	**$ 15,252.63**
Grant Reimbursements:	**$ 5,587.24**
Disbursements:	
Check # 1066-Card Services SLEWS-Materials	**-$ 40.90**
Check # 1067-VOID	**0.00**
Check # 1068-EGUSD SLEWS Transportation	**-$ 676.25**
Check # 1069-EGWD Salary Allocation PM	**-$ 66.22**
Check # 1070-VOID	**0.00**
Check # 1071-EGUSD SLEWS Transportation	**-$ 237.10**
Cash in Bank – Ending	**$ 19,819.40**

9257 Elk Grove Blvd. Elk Grove, CA 95624 (916) 685-3556 Fax (916) 685-5376

Check History Report

6/1/2018 to 6/30/2018
Elk Grove Water District

Check Number	Check Date	Vendor Number	Name	Check	Explanation
047167	6/6/2018	AT&T	AT&T MOBILITY-ROC	324.40	
047168	6/6/2018	BATTER	BATTERIES PLUS	235.91	
047169	6/6/2018	BG SOLU	SOLUTIONS BY BG INC.	9,120.00	Daily Tasks/Help Tickets
047170	6/6/2018	BSK4	BSK ASSOCIATES	335.00	Various Invoices-Sampling-Treatment
047171	6/6/2018	CCPPM	CCPPM	4,151.07	CCR Mailing-2017
047172	6/6/2018	CHI TI	CHICAGO TITLE CO	27.73	Account Closed- Customer Refund
047173	6/6/2018	CINTAS	CINTAS	49.99	
047174	6/6/2018	COUNTY4	SACRAMENTO COUNTY UTILITIES	363.61	
047175	6/6/2018	CR FIRA	FIRST AMERICAN TITLE	74.01	Account Closed- Customer Refund
047176	6/6/2018	CR TC	FIDELITY NATIONAL TITLE COMP	10.82	Account Closed- Customer Refund
047177	6/6/2018	CRF BAP	BARBARA PREDDY	31.63	Account Closed- Customer Refund
047178	6/6/2018	CRF LEN	LENNAR HOMES CA, INC	4.50	Account Closed- Customer Refund
047179	6/6/2018	CRFMJI	MARK & JENNIFER IRWIN	76.09	Account Closed- Customer Refund
047180	6/6/2018	CRFPCO	PLACER TITLE COMPANY	15.58	Account Closed- Customer Refund
047181	6/6/2018	CRFTRN	TRICIA NWOKOCHA	69.22	Account Closed- Customer Refund
047182	6/6/2018	CTF YUZ	YUHUI ZHENG	53.31	Account Closed- Customer Refund
047183	6/6/2018	DATAPRO	DATAPROSE LLC	16,932.61	Monthly Billing-May 2018 & Public Hearing Notice
047184	6/6/2018	EG FORD	ELK GROVE FORD	3.48	
047185	6/6/2018	FASTENA	FASTENAL COMPANY	74.12	
047186	6/6/2018	GOLDEN	GOLDEN STATE FLOW	5,982.78	Materials-Distribution
047187	6/6/2018	GRAINGE	GRAINGER	173.17	
047188	6/6/2018	HACH	HACH COMPANY	532.74	Materials-Treatment
047189	6/6/2018	HANFORD	HANDFORD SAND & GRAVEL, INC	86.20	
047190	6/6/2018	INFINIT	INFINITE IT SOLUTIONS INC.	6,160.00	I.T. Contracted Services
047191	6/6/2018	JAN PRO	JAN-PRO CLEANING SYSTEMS OF	500.00	Janitorial-MOC/ADMIN
047192	6/6/2018	PACE	PACE SUPPLY CORP	1,516.34	Materials & Supplies-Bull Heads
047193	6/6/2018	PEST	PEST CONTROL CENTER INC	80.00	
047194	6/6/2018	REPUBLI	REPUBLIC SERVICES #922	1,198.01	
047195	6/6/2018	ROOCO	ROOCO RENTS	1,231.40	Various Invoices-Materials & Supplies- Bull Heads/Distribution
047196	6/6/2018	ROTH	ROTH STAFFING COMPANIES, L.P.	1,067.57	Temporary Customer Service Help
047197	6/6/2018	SIERRA	SIERRA OFFICE SUPPLIES	1,531.08	Various Invoices-OPS, ADMIN and TECH Services
047198	6/6/2018	SMUD	SMUD	4,857.62	
047199	6/6/2018	SMUD	SMUD	51.41	
047200	6/6/2018	SMUD	SMUD	2,626.80	
047201	6/6/2018	SMUD	SMUD	8,588.76	
047202	6/6/2018	SMUD	SMUD	125.61	
047203	6/6/2018	SMUD	SMUD	2,542.62	
047204	6/6/2018	SMUD	SMUD	691.04	
047205	6/6/2018	SMUD	SMUD	2,221.87	
047206	6/6/2018	SMUD	SMUD	1,978.79	
047207	6/6/2018	TOSHIBA	TOSHIBA FINANCIAL SERVICES	593.01	Copier-ADMIN
047208	6/6/2018	ULTRA	ULTRA TRUCK WORKS, INC	15.07	

Consent Calendar
Item# d

047209	6/6/2018	W SADLE	WILLIAM SADLER	337.77	Clothing Reimbursement
047210	6/6/2018	WIL	WILFREDO QUINTERO	229.53	Clothing Reimbursement
047211	6/6/2018	WILL SC	WILLIAM SCOTSMAN, INC.	558.99	Temporary Trailer Rental-MOC
047212	6/6/2018	ZOOM	ZOOM IMAGING SOLUTIONS, INC	8.09	
047213	6/13/2018	AFLAC	AFLAC	1,900.63	
047214	6/13/2018	BEN RES	BENEFIT RESOURCE, INC	100.00	
047215	6/13/2018	BONY2	THE BANK OF NEW YORK MELLON	2,220.00	Bond Administration
047216	6/13/2018	BRENNTA	BRENNTAG PACIFIC, INC	1,796.35	Supplies-Treatment
047217	6/13/2018	BRINKS	BRINK'S INCORPORATED	322.84	
047218	6/13/2018	BSK4	BSK ASSOCIATES	924.00	Various Invoices-Sampling-Treatment
047219	6/13/2018	CALPER3	CALPERS-FRAS-CASH PAYMENT & PROCESSING UNIT	125,379.66	OPEB-2017-2018
047220	6/13/2018	CINTAS	CINTAS	27.40	
047221	6/13/2018	CONSOLI	CONSOLIDATED COMMUNICATIONS	1,509.28	Ethernet Service/Phones-MOC
047222	6/13/2018	CPM 2	COMMERICAL PUMP & MECHANICAL	9,495.25	Well 8 Pump Replacement
047223	6/13/2018	CRFCHS	CHARLES SEA	27.90	Account Closed- Customer Refund
047224	6/13/2018	CRFFTC	FIRST AMERICAN TITLE COMPANY	87.52	Account Closed- Customer Refund
047225	6/13/2018	CS MJM	CARD SERVICES	6,005.71	Contracted Services, Parking, Needs Assessment
047226	6/13/2018	CS SJ	CARD SERVICES	115.70	Safety, Parking, Meals
047227	6/13/2018	CS SP	CARD SERVICES	39.04	Supplies, Parking & Employee Appreciation
047228	6/13/2018	FASTENA	FASTENAL COMPANY	41.28	
047229	6/13/2018	HERBURG	HERBURGER PUBLICATIONS, INC	595.00	
047230	6/13/2018	HEWITT	Aaron Hewitt	294.32	Clothing Reimbursement
047231	6/13/2018	LIGHTSP	LIGHTSPEED SERVICES INC	14,754.83	Fiber Optic Cable
047232	6/13/2018	OREILLY	O'REILLY AUTO PARTS	53.14	
047233	6/13/2018	PACE	PACE SUPPLY CORP	1,721.20	Materials & Supplies-Distribution
047234	6/13/2018	PAULA M	PAULA MAITA & COMPANY	877.94	
047235	6/13/2018	PERMANE	THE PERMANENTE MEDICAL GROUP	1,090.00	HR Services
047236	6/13/2018	PURCH	PURCHASE POWER	520.99	
047237	6/13/2018	ROTH	ROTH STAFFING COMPANIES, L.P.	438.52	Temporary Customer Service Help
047238	6/13/2018	SAC 5	SACRAMENTO COUNTY	8.00	
047239	6/13/2018	SAC BEE	THE SACRAMENTO BEE	550.00	Advertising - Associate Board of Directors
047240	6/13/2018	SALAS	RICHARD SALAS	499.69	Clothing Reimbursement
047241	6/13/2018	SIERRA	SIERRA OFFICE SUPPLIES	142.28	
047242	6/13/2018	SIGN CE	THE SIGN CENTER	331.77	
047243	6/13/2018	SUMMIT	AIR WORKS INC	121.00	
047244	6/13/2018	SWRCB2	SWRCB-DWOCP	60.00	
047245	6/13/2018	VERIZON	VERIZON WIRELESS	457.37	
047246	6/20/2018	A. TEIC	A. TEICHERT & SON, INC	152.10	
047247	6/20/2018	AMAZON	AMAZON CAPITAL SERVICES	77.19	
047248	6/20/2018	AQUA	AQUA SIERRA CONTROLS, INC	1,243.19	Provide Programming for Well #3 & Well #9
047249	6/20/2018	BG SOLU	SOLUTIONS BY BG INC.	6,045.00	Daily Tasks/Help Tickets
047250	6/20/2018	BRENNTA	BRENNTAG PACIFIC, INC	810.70	Supplies-Treatment
047251	6/20/2018	BSK4	BSK ASSOCIATES	100.00	Various Invoices-Sampling-Treatment
047252	6/20/2018	CAL STE	CALIFORNIA STEAM	185.76	
047253	6/20/2018	CAL STE	CALIFORNIA STEAM	63.36	
047254	6/20/2018	CDW	CDW GOVERNMENT	6,151.07	Replacement Desktop Computers (5)
047255	6/20/2018	COEG	CITY OF ELK GROVE	294.44	
047256	6/20/2018	COUNTY3	COUNTY OF SACRAMENTO	25.00	
047257	6/20/2018	COUNTY4	SACRAMENTO COUNTY UTILITIES	112.37	
047258	6/20/2018	CRF NT	NORTH AMERICAN TITLE COMPANY	217.98	Account Closed- Customer Refund

047259	6/20/2018	CRF STA	STANLEY REAL ESTATE	77.66	Account Closed- Customer Refund
047260	6/20/2018	CRF STE	STEWART TITLE	20.00	Account Closed- Customer Refund
047261	6/20/2018	CRFAS	FRED A. SAVAGE ESTATE	24.46	Account Closed- Customer Refund
047262	6/20/2018	CRFCYM	CYNTHIA M MARTIN	50.00	Account Closed- Customer Refund
047263	6/20/2018	CRFDEK	DESMOND KAN	6.45	Account Closed- Customer Refund
047264	6/20/2018	CRFFTC	FIRST AMERICAN TITLE COMPANY	83.29	Account Closed- Customer Refund
047265	6/20/2018	CRFGUS	GURPREET SINGH	110.63	Account Closed- Customer Refund
047266	6/20/2018	CRFOLD1	OLD REPUBLIC TITLE COMPANY	82.75	Account Closed- Customer Refund
047267	6/20/2018	CRFORA	ORANGE COAST TITLE	43.88	Account Closed- Customer Refund
047268	6/20/2018	CRFPPP	PHAP & PHI PHAN	67.83	Account Closed- Customer Refund
047269	6/20/2018	CRFRNA	ROBERT & NORMA ANDERSON	45.20	Account Closed- Customer Refund
047270	6/20/2018	CRFSAS	SARAH STEVENSON	21.14	Account Closed- Customer Refund
047271	6/20/2018	CRFTYO	TYANNA OGILVIE	40.72	Account Closed- Customer Refund
047272	6/20/2018	CS BK	CARD SERVICES	1,945.84	Conferences, Seminars, Hotel, Parking, Software, Materials
047273	6/20/2018	CS JC	CARD SERVICES	382.60	Materials & Supplies-Distribution
047274	6/20/2018	CS RS	CARD SERVICES	1,914.61	Materials & Supplies-Utility Crew
047275	6/20/2018	CS SS	CARD SERVICES	897.91	Materials & Supplies-Treatment
047276	6/20/2018	EG FORD	ELK GROVE FORD	564.00	Repairs & Maintenance- Vehicles
047277	6/20/2018	FASTENA	FASTENAL COMPANY	6.47	
047278	6/20/2018	FERRELL	FERRELLGAS	10.04	
047279	6/20/2018	GOLDEN	GOLDEN STATE FLOW	3,215.42	Materials & Supplies-Distribution
047280	6/20/2018	INT STA	INTERSTATE OIL COMPANY	2,466.22	Fuel
047281	6/20/2018	JAN PRO	JAN-PRO CLEANING SYSTEMS OF	125.00	
047282	6/20/2018	JAYS	JAY'S TRUCKING SERVICE	1,806.21	Various Invoices-Materials & Supplies-Hampton, MOC and Bull Heads
047283	6/20/2018	LAKE V	LAKE VUE ELECTRIC, INC	255.00	
047284	6/20/2018	MEYERS	MEYERS NAVE PROFESSIONAL LAW CORPORATION	8,586.06	Legal- May 2018
047285	6/20/2018	OREILLY	O'REILLY AUTO PARTS	12.02	
047286	6/20/2018	PACE	PACE SUPPLY CORP	5.95	
047287	6/20/2018	PAULA M	PAULA MAITA & COMPANY	114.90	
047288	6/20/2018	PG&E	PACIFIC GAS & ELECTRIC COMPANY	9.02	
047289	6/20/2018	PLA10	PLACER TITLE	0.99	
047290	6/20/2018	RDO 1	RDO TRUST # 80-5800	308.40	
047291	6/20/2018	ROTH	ROTH STAFFING COMPANIES, L.P.	657.78	Temporary Customer Service Help
047292	6/20/2018	SIERR C	SIERRA CHEMICAL COMPANY	878.77	Supplies-Treatment
047293	6/20/2018	SIERRA	SIERRA OFFICE SUPPLIES	409.45	
047294	6/20/2018	UNITED	UNITED SITE SERVICES	274.65	
047295	6/20/2018	ACWAJPI	CB&T/ ACWA-JPIA	63,770.96	Medical Benefits- July 2018
047296	6/20/2018	BAY ALA	BAY ALARM COMPANY	45.77	
047297	6/20/2018	COUNTY5	COUNTY OF SACRAMENTO DEPT. OF TECHNOLOGY	6,090.00	Backbone Fees-Radio's 2018-2019
047298	6/20/2018	CSD5	CONSUMNES COMMUNITY	100.00	
047299	6/20/2018	ESRI	ENVIRONMENTAL SYSTEMS RESEARCH INSTITUTE, INC	26,935.56	ARC GIS Year 3 of 3
047300	6/20/2018	INFINIT	INFINITE IT SOLUTIONS INC.	6,160.00	I.T. Contracted Services
047301	6/20/2018	WATER T	WATERTRAX USA, INC	9,755.45	Annual WaterTrax License
047302	6/25/2018	COUNTY	COUNTY OF SACRAMENTO	405,537.45	Sacramento County Water Billings- April/May 2018
047303	6/25/2018	CRF FAC	FIRST AMERICAN TITLE COMPANY	17.07	Account Closed- Customer Refund
047304	6/25/2018	CRF LEN	LENNAR HOMES CA, INC	23.19	Account Closed- Customer Refund
047305	6/25/2018	CRF LEN	LENNAR HOMES CA, INC	34.60	Account Closed- Customer Refund
047306	6/25/2018	CRFABP	BARBARA PREDDY	50.74	Account Closed- Customer Refund

047307	6/25/2018	CRFALI	ALLIED TITLE & ESCROW SERVICES	116.90	Account Closed- Customer Refund
047308	6/25/2018	CRFELM	ELM PROPERTIES	114.49	Account Closed- Customer Refund
047309	6/25/2018	CRFFTC	FIRST AMERICAN TITLE COMPANY	10.17	Account Closed- Customer Refund
047310	6/25/2018	CRFGRL	GREGORY LIVESTOCK CO	1,754.23	Account Closed- Customer Refund
047311	6/25/2018	CRFLAG	LAURIE GRISWOLD	55.86	Account Closed- Customer Refund
047312	6/25/2018	CRMIR	MICHAEL RUSSO	82.37	Account Closed- Customer Refund
047313	6/25/2018	CRTAH	TAH MS BORROWER LLC	6.45	Account Closed- Customer Refund
047314	6/25/2018	CRTITS	TITUS BUILDERS	101.21	Account Closed- Customer Refund
047315	6/25/2018	EG FORD	ELK GROVE FORD	352.12	Various Invoices- Repairs & Maintenance Vehicles
047316	6/25/2018	HDR	HDR ENGINEERING INC.	23,175.49	Rate Study Consultants-April/May Invoicing
047317	6/25/2018	ISCC	ISCC, INC	149.00	
047318	6/25/2018	PAN PAC	PAN-PACIFIC SUPPLY COMPANY	865.25	Digital Industrial Gage-Treatment
047319	6/25/2018	PLA10	PLACER TITLE	34.82	
047320	6/25/2018	RDO 1	RDO TRUST # 80-5800	5,203.14	Repairs & Maintenance- New Tracks for the Bore Rig
047321	6/25/2018	SIERRA	SIERRA OFFICE SUPPLIES	189.79	
047322	6/25/2018	WIL	WILFREDO QUINTERO	200.47	Clothing Reimbursement
047323	6/30/2018	A. TEIC	A. TEICHERT & SON, INC	779.48	Various Invoices-Materials & Supplies-Utility Crew
047324	6/30/2018	ALAN AR	ALAN ARAGON	371.03	Clothing Reimbursement
047325	6/30/2018	AMAZON	AMAZON CAPITAL SERVICES	52.04	
047326	6/30/2018	B WAGNE	BRANDON WAGNER	49.32	Clothing Reimbursement
047327	6/30/2018	BG SOLU	SOLUTIONS BY BG INC.	2,655.00	Daily Tasks/Help Tickets
047328	6/30/2018	BRENNTA	BRENNTAG PACIFIC, INC	2,871.84	Materials/Supplies-Treatment
047329	6/30/2018	BSK4	BSK ASSOCIATES	315.00	Various Invoices-Sampling-Treatment
047330	6/30/2018	C.PHILL	CHRIS PHILLIPS	300.51	Clothing Reimbursement
047331	6/30/2018	CARRILL	JOSE CARRILLO	500.00	Clothing Reimbursement
047332	6/30/2018	CINTAS	CINTAS	99.30	
047333	6/30/2018	COUNTY4	SACRAMENTO COUNTY UTILITIES	991.79	
047334	6/30/2018	CRF LEN	LENNAR HOMES CA, INC	66.67	Account Closed- Customer Refund
047335	6/30/2018	CRF SRI	STANLEY REAL ESTATE & INVESTMENT TRUST ACCOUNT	94.93	Account Closed- Customer Refund
047336	6/30/2018	CRFJAP	JAMEY PUDGE	69.45	Account Closed- Customer Refund
047337	6/30/2018	GOLDEN	GOLDEN STATE FLOW	4,677.30	Materials & Supplies-Distribution
047338	6/30/2018	HERBURG	HERBURGER PUBLICATIONS, INC	508.00	Advertisement-Red, White & Blue
047339	6/30/2018	INT STA	INTERSTATE OIL COMPANY	1,573.15	Fuel
047340	6/30/2018	J MELLO	JUSTIN MELLO	267.91	Clothing Reimbursement
047341	6/30/2018	JMENDOZ	JOSE MENDOZA	182.89	Clothing Reimbursement
047342	6/30/2018	KAMILOS	BRUCE KAMILOS	99.19	Mileage Reimbursement
047343	6/30/2018	KAVERT	AMBER KAVERT	31.50	Employee Appreciation & Mileage Reimbursement
047344	6/30/2018	PEST	PEST CONTROL CENTER INC	80.00	
047345	6/30/2018	RADIAL	RADIAL TIRE OF ELK GROVE	518.48	Repairs & Maintenance-Truck #417
047346	6/30/2018	RDO 1	RDO TRUST # 80-5800	18.95	
047347	6/30/2018	ROOCO	ROOCO RENTS	1,014.60	Materials & Supplies-Hampton & ADMIN
047348	6/30/2018	ROTH	ROTH STAFFING COMPANIES, L.P.	1,938.72	Temporary Customer Service Help
047349	6/30/2018	SHAW	STEVE SHAW	52.84	Clothing Reimbursement
047350	6/30/2018	SHERWIN	THE SHERWIN WILLIAMS CO.	140.06	
047351	6/30/2018	SIERRA	SIERRA OFFICE SUPPLIES	357.65	
047352	6/30/2018	SMUD	SMUD	637.91	
047353	6/30/2018	TRAFF S	TRAFFIC SIGN SPECIALTIES	105.06	
047354	6/30/2018	ULTRA	ULTRA TRUCK WORKS, INC	430.27	
047355	6/30/2018	VANCE	JOHN VANCE	188.19	Clothing Reimbursement
047356	6/30/2018	WHITE	HDS WHITE CAP CONST SUPPLY	90.92	

047357	6/30/2018	ZOOM	ZOOM IMAGING SOLUTIONS, INC	8.09	
047358	6/30/2018	A. TEIC	A. TEICHERT & SON, INC	527.90	Materials- MOC
047359	6/30/2018	B WAGNE	BRANDON WAGNER	76.00	
047360	6/30/2018	BACKFLO	BACKFLOW DISTRIBUTORS, INC	14,201.45	Two 8 " Backflow Devices & Materials-Crest Williams
047361	6/30/2018	CENTER	CENTERLINE STRIPING COMPANY	3,921.00	ADMIN Parking Lot Upgrades
047362	6/30/2018	GRAINGE	GRAINGER	456.84	
047363	6/30/2018	HOLT	HOLT OF CALIFORNIA	754.87	Repairs & Maintenance for Back Hoe
047364	6/30/2018	MAITA	MAITA CHEVROLET	240.00	
047365	6/30/2018	PACE	PACE SUPPLY CORP	8,298.54	Various Invoices-Materials & Supplies-Bull Heads & Distribution
047366	6/30/2018	PEST	PEST CONTROL CENTER INC	80.00	
047367	6/30/2018	RBI	ROBERTSON-BRYAN, INC	522.00	Compliance Reporting Services
047368	6/30/2018	RDO 1	RDO TRUST # 80-5800	59.25	
047369	6/30/2018	SIERRA	SIERRA OFFICE SUPPLIES	19.92	
047370	6/30/2018	SMUD	SMUD	5,141.34	
047371	6/30/2018	SMUD	SMUD	1,948.99	
047372	6/30/2018	SMUD	SMUD	6,582.55	
047373	6/30/2018	SMUD	SMUD	9,182.68	
047374	6/30/2018	SMUD	SMUD	238.98	
047375	6/30/2018	SMUD	SMUD	3,586.60	
047376	6/30/2018	SMUD	SMUD	3,607.77	
047377	6/30/2018	SMUD	SMUD	3,114.88	
047378	6/30/2018	SOUTHWE	SOUTHWEST ANSWERING SERVICE,	258.17	
			Total:	**926,837.76**	

Elk Grove Water District
Active Account Information
6/30/2018

	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE
Water Accounts:												
Metered												
Residential	11,787	11,811	11,786	11,812	11,789	11,784	11,806	11,780	11,793	11,794	11,805	11,799
Commercial	527	526	527	527	527	527	530	530	528	529	531	531
Fire Service	175	175	177	178	177	177	177	177	177	178	178	177
Total Accounts	12,489	12,512	12,490	12,517	12,493	12,488	12,513	12,487	12,498	12,501	12,514	12,507

Elk Grove Water District
Active Account Information
FY 2016/2017

	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE
Water Accounts:												
Metered												
Residential	11,670	11,674	11,671	11,800	11,784	11,779	11,780	11,782	11,792	11,801	11,805	11,803
Commercial	520	521	523	525	524	525	524	526	528	524	525	528
Fire Service	174	174	175	175	175	175	175	175	176	175	175	175
Total Accounts	12,364	12,369	12,369	12,500	12,483	12,479	12,479	12,483	12,496	12,500	12,505	12,506

Elk Grove Water District

Bond Covenant Status

For Fiscal Year 2017-18

As of June 30, 2018

Adjusted for Prepayments

Operating Revenues:			
Charges for Services	$	14,734,710	
Operating Expenses:			
Salaries & Benefits (2)		3,972,961	
Seminars, Conventions and Travel		28,503	
Office & Operational		931,703	
Purchased Water		2,918,805	
Outside Services		915,995	
Equipment Rent, Taxes, an Utilities		373,319	
Total Operating Expenses		9,141,286	
Net Operating Income	$	5,593,424	
Annual Interest & Principal Payments $3,823,349	$	3,823,349	(1)
Debt Service Coverage Ratio, YTD Only:		**1.46**	
Required		**1.15**	

Notes:

1. **Reflects budget divided by number of months year to date.** However, first Principal/Interest Payments made in September. Projected Annual Budget Coverage Ratio is **1.40**
2. Reflects only YTD due to CalPERS, not entire prepayment for year.

Elk Grove Water District
Year to Date Revenues and Expenses Compared to Budget
As of June 30, 2018

	General Ledger Reference	YTD Activity	Annual Budget	12/12=100.00% Variance	% Realized
Revenues	**4100 - 4900**	**$ 14,734,710**	**$ 14,294,096**	**$ 440,613**	**103.08%**
Salaries & Benefits (4)	**5100 - 5280**	**4,165,172**	**4,109,177**	**55,995**	**101.36%**
less Capitalized Labor		**(192,211)**	**(560,829)**	**368,618**	**34.27%**
Adjusted Salaries and Benefits:		**$ 3,972,961**	**$ 3,548,348**	**$ 424,613**	**111.97%**
Seminars, Conventions and Travel	**5300 - 5350**	**28,503**	**50,500**	**(21,997)**	**56.44%**
Office & Operational	**5410 - 5494**	**931,703**	**984,881**	**(53,177)**	**94.60%**
Purchased Water est. (3)	**5495 - 5495**	**2,918,805**	**3,010,765**	**(91,961)**	**96.95%**
Outside Services	**5505 - 5580**	**915,995**	**941,110**	**(25,115)**	**97.33%**
Equipment Rent, Taxes, Utilities	**5620 - 5760**	**373,319**	**409,000**	**(35,681)**	**91.28%**
Total Operational Expenses		**$ 9,141,286**	**$ 8,944,604**	**$ 196,682**	**102.20%**
Net Operating Inome		**$ 5,593,424**	**$ 5,349,492**	**$ 243,931**	**104.56%**
Non-Operating Revenues					
Interest Received	**9910 - 9910**	**102,474**	**110,000**	**(7,526)**	**93.16%**
Unrealized Gains/Losses	**9911 - 9911**	**(81,648)**	**-**	**(81,648)**	**-**
Other Income/Expense	**9920 - 9973**	**(87,189)**	**14,900**	**(102,089)**	**-585.16%**
Total Non-Operating Revenues		**$ (66,363)**	**$ 124,900**	**$ (191,263)**	**-53.13%**
Capital Expenses (2):					
Capital Improvements		**805,562**	**980,000**	**(174,438)**	**82.20%**
Capital Replacements		**463,368**	**630,185**	**(166,817)**	**73.53%**
Equipment	**1705 - 1760**	**83,969**	**100,000**	**(16,031)**	**83.97%**
Unforeseen Capital Projects		**-**	**45,815**	**(45,815)**	**0.00%**
Capital Expenses:		**$ 1,352,900**	**$ 1,756,000**	**$ (403,100)**	**77.04%**
Bond Interest Accrued	**7300 - 7300**	**1,833,349**	**1,833,349**	**-**	**100.00%**
Total Non Operating Expenses		**$ 3,186,249**	**$ 3,589,349**	**$ (403,100)**	**88.77%**
Revenues in Excess of All Expenditures, including Capital		**$ 2,340,812**	**$ 1,885,043**	**$ 455,769**	**124.18%**
Bond Retirement (1):		**$ 1,990,000**	**$ 1,990,000**	**$ -**	**100.00%**
Net Position after Capital and Debt Retirement Expenditures		**$ 350,812**	**$ (104,957)**	**$ 455,769**	

Notes:

1. **Bond retirement payments are made two times a year in September and March**
2. **YTD Activity includes $192,211 in capitalized labor charged to capital projects**
3. **There is a lag in water billings from the Sacramento Water District. Included above is an estimate of costs to date based on water used.**
4. **Total salaries expense includes $537,500 in pension expense related to GASB 68. Actual contributions of $317,812 was deferred and will offset net pension liability in subsequent years**

Florin Resource Conservation District
CASH - Detail Schedule of Investments
6/30/2018

G/L Account Fund	Account number / name	Investment Name	Investment Type		Restrictions	Market Value
HELD BY BOND TRUSTEE:						
1110-000-20 Water	BNY 892744 FRCD 2014A DEBT SERVICE	Dreyfus Inst Treasury	MM Mutual Fund		Restricted	0.00
1112-000-20 Water	BNY 743850 FRCD 2016A DEBT SERVICE	Dreyfus Inst Treasury	MM Mutual Fund		Restricted	0.00
					Subtotal	**$ -**
1001-000-20 Water	Cash on Hand				Unrestricted	**$ 300.00**
HELD BY F&M BANK:						
1011-000-10 FRCD	F&M 08-032009-01 CHECKING ACCOUNT				Unrestricted	20,231.98
1011-000-20 Water	F&M 08-032017-01 OPERATING ACCOUNT				Unrestricted	1,495,922.88
1084-000-20 Water	F&M 08-03201702-31 MONEY MARKET			1.41%	Unrestricted	2,000,000.00
1031-000-20 Water	F&M 08-032912-01 CREDIT CARD ACCOUNT				Unrestricted	890,605.67
1061-000-20 Water	F&M 08-032890-01 PAYROLL ACCOUNT				Unrestricted	96,358.71
1071-000-20 Water	F&M 08-032920-01 DRAFTS ACCOUNT				Unrestricted	190,347.36
					Subtotal	**$ 4,693,466.60**
INVESTMENTS						
1080-000-20 Water	Office of the Treasurer - Sacramento California	LAIF	Investment Pool	1.41%	Unrestricted	**$ 508,443.11**
1081-000-20 Water	CALTrust Medium Term		Investment	1.45%	Unrestricted	**$ 1,276,260.34**

1082-000-20 Water

PURCHASE DATE	CUSIP	ISSUED BY	CALL DATE	MATURITY DATE	% of Portfolio	Current Yield	COST BASIS	MARKET VALUE
9/30/2016	N/A	Union Bank of California	N/A	N/A	1.89%	0.30%	$ 151,097.32	$ 151,097.32
6/14/2016	3130A8AZ6	Federal Home Loan Bank (FHLB)	6/14/17 - one time	12/14/2018	6.230%	1.160%	$ 500,745.00	$ 497,755.00
6/28/2016	3134G9VN4	Federal Home Loan Mortgage Corp. (FHLMC)	9/28/16 - qrtly	6/28/2019	12.470%	1.510%	$ 1,000,000.00	994,820.00
6/30/2016	3136G3SR7	Federal National Mortgage Association (FNMA)	12/30/16 - qrtly	12/30/2019	12.320%	1.400%	$ 1,000,000.00	983,740.00
9/30/2016	3136G4DB6	Federal National Mortgage Association (FNMA)	3/30/17 - qrtly	3/30/2020	12.250%	1.280%	$ 1,000,000.00	977,960.00
6/9/2016	3133EGCP8	Federal Farm Credit Banks (FFCB)	9/1/16 - cont.	12/1/2020	12.210%	1.670%	$ 1,000,000.00	974,520.00
6/16/2016	3136G3PY5	Federal National Mortgage Association (FNMA)	12/16/16 - qrtly	12/16/2020	12.210%	1.590%	$ 1,000,000.00	975,000.00
11/1/2017	3133EHM34	Federal Farm Credit Bank Bonds(FFCB)	11/01/22 - cont.	11/1/2022	12.17%	2.300%	$ 1,000,000.00	971,600.00
9/30/2016	3136G4CY7	Federal National Mortgage Association (FNMA)	3/30/17 - qrtly	9/30/2021	6.00%	1.560%	$ 500,000.00	479,360.00
11/2/2016	3130A9RZ6	Federal Home Loan Bank (FHLB)	4/28/17 - qrtly	10/28/2021	12.25%	1.020%	$ 1,000,000.00	977,760.00
							$ 8,151,842.32	**$ 7,983,612.32**

YTM = Yield to Maturity
qtrly = quarterly
cont. = continuous

Total	**$ 14,462,082.37**
Total Restricted	**$ -**
Total Unrestricted	**$ 14,462,082.37**

Consultant Expenses
June 30, 2018

Fiscal Retainer Contracts

Consultant	Description	Current Month	Paid to date	Budget/Contract Amount	Percent of year (92%)
Meyers Nave Professional Law Corp	Task orders	$ 8,586	$ 205,834	$ 205,000	100.41%
Solutions by BG, Inc.	Task orders	$ 17,820	$ 140,615	$ 127,920	109.92%
Infinite IT Solutions Inc.	Task orders	$ 12,320	$ 44,995	$ 250,000	18.00%

Major Contracts

Consultant	Description	Current Month	Paid to date	Budget/Contract Amount	Percent of Contract
Eaton Pumps Sales & Service	Well 1D Rehab	$ -	$ 87,718	$ 86,968	100.86%
HDR Engineering, Inc.	Water Rate Study	$ 23,175	$ 76,545	$ 77,370	98.93%
Norwood Construction Services	Meeting & I.T. BLDG	$ -	$ 558,497	$ 558,498	100.00%

Elk Grove Water District
Major Capital Improvement Project
Budget vs Actuals
June 30, 2018

Capital Project	Total Project Budget	Total Project Exp to Date	Percent Spent	Capitalized Labor	Fund Type	Project Type	2017-18 Budget	Jun Project Exp	Total YTD (1)	YTD % Spent	
Radio Antennas	$ 80,000	$ 9,529	11.91%	$ 2,033	CIP	Treatment	$ 80,000	$ 3,595	$ 9,529	11.91%	
Well 8 Pump Replacement	100,000	94,838	94.84%	-	CIP	Treatment	100,000	9,495	94,838	94.84%	
RRWTF Modular Meeting Room/IT Center	591,568	645,395	109.10%	810	CIP	Building and Site	550,000	-	603,827	109.79%	
Fiber Optic Cable	135,000	136,165	100.86%	645	CIP	Building and Site	-	14,755	17,521	#DIV/0!	(2)
Service Line Replacements	500,000	436,265	87.25%	58,261	CIP	Supply/Distribution	250,000	29,054	76,601	30.64%	
Well 1D Pump Replacement	64,000	38,280	59.81%	-	CIP	Supply/Distribution	-	-	3,248	#DIV/0!	(2)
Truck Replacements	100,000	83,969	83.97%	-	CIP	Building and Site	100,000	-	83,969	83.97%	
Backyard Water Mains/Service Replacement	138,000	-	0.00%	-	R&R	Supply/Distribution	138,000	-	-	0.00%	
Well Rehabilitation (One Year)	93,000	97,914	105.28%	-	R&R	Supply/Distribution	93,000	-	97,914	105.28%	
Kent Street Water Main	280,000	239,568	85.56%	87,032	R&R	Supply/Distribution	280,000	189	239,568	85.56%	
Emerald Vista Water Main Relocations	-	28,271	#DIV/0!	15,720	R&R	Supply/Distribution	28,271	-	28,271	100.00%	(3)
Camden Water Main Relocations	-	25,914	#DIV/0!	18,623	R&R	Supply/Distribution	25,914	-	25,914	100.00%	(3)
Media Replacement Filter Vessels	100,000	122,031	122.03%	9,088	R&R	Treatment	50,000	-	66,887	133.77%	
Well 9 Fence Replacement	15,000	4,814	32.09%	-	R&R	Building and Site	15,000	-	4,814	32.09%	
Unforeseen Capital Projects	100,000	-	0.00%	-	-		45,815	-	-	0.00%	(3)
Sub-Total	$ 2,296,568	$ 1,962,952	85.47%	$ 192,211			$ 1,756,000	$ 57,088	$ 1,352,900	77.04%	

(1) Includes $192,211 in capitalized labor through 6/30/18
(2) Capital projects budgeted for in prior years, however, work carried over and completed in current year.
(3) Unexpected project in current year. Will be offset against Unforseen Capital Projects budget.

July 18, 2018

TO: Chairperson and Directors of the Florin Resource Conservation District

FROM: Stefani Phillips, Board Secretary

SUBJECT: **COMMITTEE MEETINGS**

RECOMMENDATION

No action by the Florin Resource Conservation District Board of Directors is required at this time.

SUMMARY

The Board has requested a monthly summary of committee meetings. No committee meetings were held in the month of June.

DISCUSSION

Background

At the Regular Board Meeting held on May 27, 2015, the FRCD Board of Directors determined that the committee meeting minutes will be brought to the FRCD Regular Board Meeting and placed under agenda item Committee Meetings. The agenda item Committee Meetings, were placed after Consent Calendar for approval. This item may be moved within the agenda, if necessary, by direction from Chairperson. The committee meeting minutes shall be accepted by the FRCD Board of Directors.

Present Situation

No committee meetings were held in the month of June.

ENVIRONMENTAL CONSIDERATIONS

There are no direct environmental considerations associated with this report.

STRATEGIC PLAN CONFORMITY

This item is in keeping with the District's Business Practice goals of the 2012-2017 Strategic Plan.

AGENDA ITEM No. 3

FINANCIAL SUMMARY

There is no financial impact associated with this item at this time.

Respectfully Submitted,

STEFANI PHILLIPS,
BOARD SECRETARY

July 18, 2018

TO: Chairperson and Directors of the Florin Resource Conservation District

FROM: Mark J. Madison, General Manager

SUBJECT: **ELK GROVE WATER DISTRICT OPERATIONS REPORT – JUNE 2018**

RECOMMENDATION

This item is presented for information only. No action by the Florin Resource Conservation District Board of Directors is proposed at this time.

SUMMARY

The Elk Grove Water District (EGWD) Operations Report is a standing item on the regular board meeting agenda.

All regulatory requirements were met for the month of June. Other notable events are described below.

DISCUSSION

Background

Every month, staff presents an update of the activities related to the operations of the District. Included for the Board's review is the EGWD's June 2018 Operations Report.

Present Situation

The EGWD June 2018 Operations Report highlights are as follows:

- **Operations Activities Summary –** Notable items in the activities summary are that the District hung 450 door hangers for past due balances which resulted in 46 shutoffs. There were 3 water pressure complaints and 4 water quality complaints. One of the water quality complaints was validated. Staff identified and corrected the problem. Upon further inspection, none of the water pressure complaints were valid.

- **Production –** The Combined Total Service Area 1 production graph on page 13 shows that production during the month of June increased 1.83 percent compared to June 2017, and is 19.46 percent less than what was produced in 2013. The Total Demand/Production for both service areas on page 14 shows that customer

use during the month of June, compared to June 2013, was down by 17.92 percent.

- **Static and Pumping Level Graphs –** The second quarter soundings are shown and indicate that all of the static water levels in deeper zones have increased as compared to 2016. The shallow zones have also shown improvement.

- **Treatment (Compliance Reporting) –** All samples taken during the month are in compliance with all regulatory permit requirements. No exceedances of any maximum contaminant levels were found and all water supplied to the District's customers met or exceeded safe drinking water standards.

- **Preventative Maintenance Program –** The tables included in this section of the report also include certain activities completed to date. Below is a list of out-of-ordinary maintenance work completed in June:

    - Staff corrected an issue with a malfunctioning storage tank level transducer.
    - Staff repaired/replaced various chemical fittings and lines at HVWTP.
    - Staff facilitated PLC/SCADA reprogramming for wells 3, 8, and 9.
    - Staff corrected an issue with a malfunctioning magnetic flowmeter at well #8.
    - Staff identified and replaced a malfunctioning solenoid valve at well #13.
    - Staff replaced both electrolytic cells in the sodium hypochlorite generation system at RRWTP.

- **Backflow Prevention Program 2018 –** There were 66 notices issued for the month. From the initial testing notices 24 devices passed. There were 42 secondary notices issued, of which we have received 24 passing tests. There is a total of 13 outstanding devices as of this month, which will require further investigation.

- **Safety Meetings/Training –** There were 2 safety training sessions conducted for the month. Only 2 safety sessions are required by OSHA standards.

- **Service Line Replacement Map –** The District replaced 9 residential service lines in the month of June.

- **Service and Main Leaks Map –** There were 3 service line leaks and no main leaks reported for the month.

ENVIRONMENTAL CONSIDERATIONS

There are no direct environmental considerations associated with this report.

STRATEGIC PLAN CONFORMITY

The District's Strategic Plan addresses responsible business practices and the importance of providing the community with safe drinking water. The EGWD Operations Report is a key document for managing the District's distribution and treatment system. The EGWD Operations Report assists the District toward its responsibility of delivering safe drinking water.

FINANCIAL SUMMARY

There is no financial impact associated with this report.

Respectfully Submitted,

MARK J. MADISON
GENERAL MANAGER

MJM/ah

EGWD

OPERATIONS REPORT

June 2018

Elk
Grove
Water
District

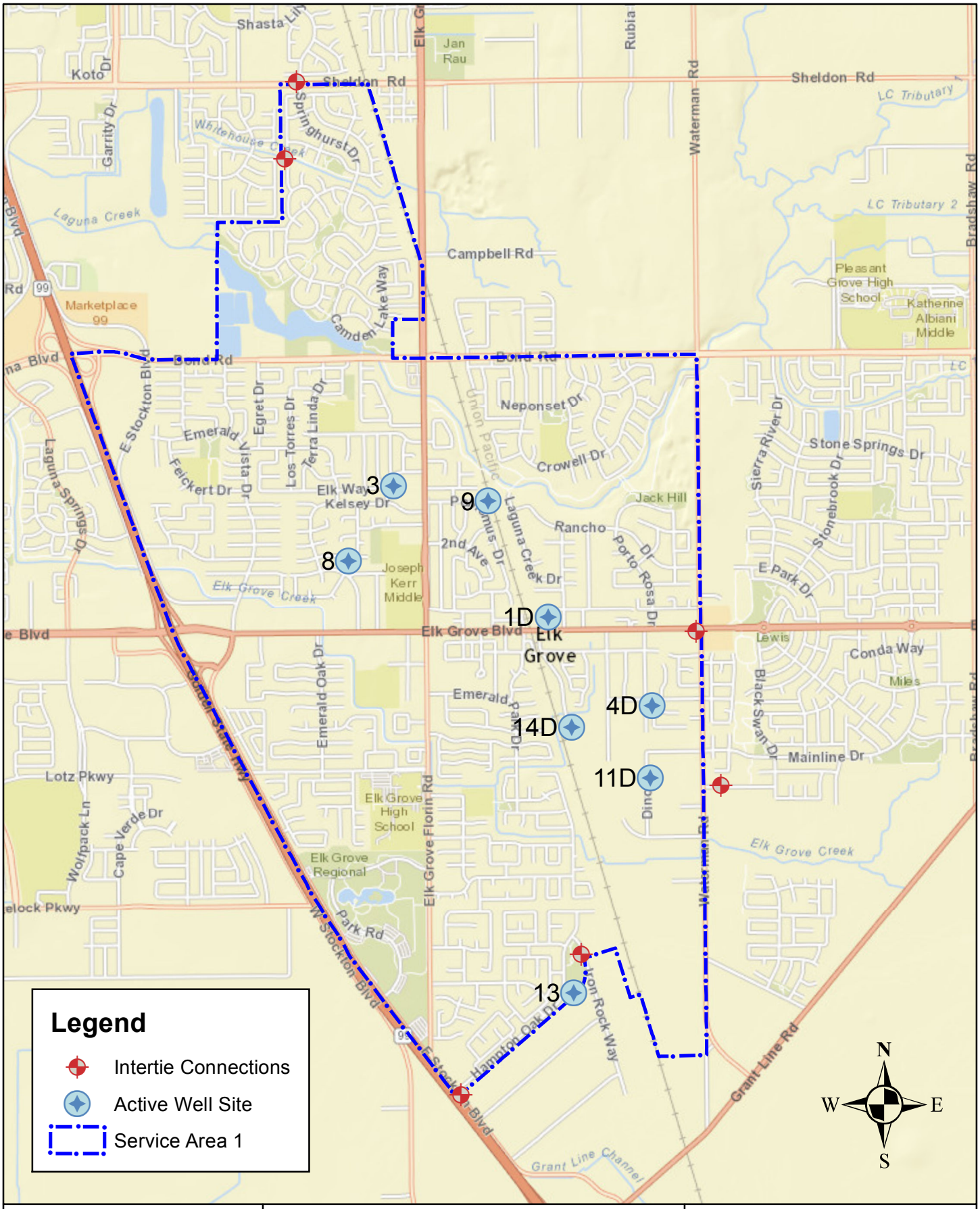
Elk Grove Water District
A DEPARTMENT OF THE
Florin Resource Conservation District

Elk Grove Water District
Operations Report
Table of Contents

Operations Activities Summary

Service Requests:	June-18		YTD (Since Jan. 1, 2018)	
Department	Service Request	Hours	Service Request	Hours
Distribution				
Door Hangers	450	26.75	2,981	157
Shut offs	46	26.28	356	121.03
Turn ons	50	11.10	401	90.10
Investigations	40	26.53	191	178.13
USA Locates	196	49	1,104	276
Customer Complaints				
-Pressure	3	1.50	10	4.50
-Water Quality	4	3.75	11	12.50
-Other	0	0	0	0

Work Orders:	June-18		YTD (Since Jan. 1, 2018)	
Department	Work Orders	Hours	Work Orders	Hours
Treatment:				
Preventative Maint.	30	72.50	135	291.50
Corrective Maint.	8	63	69	290
Water Samples	13	36	102	301
Distribution:				
Meters Installed	0	0	1	0.75
Meter Change Out	24	19	117	99.25
Preventative Maint.				
-Hydrant Maintenance (135)	150	30.5	964	302.50
-Valve Exercising (120)	166	27	933	208
-Other	0	0	0	0
Corrective Maint.				
-Leaks	3	169.5	17	489.75
-Other	3	19	70	293.50
Valve Locates	0	0	0	0
Utility:				
Service Line Replacement	16	274	67	990.60
Corrective Maint.	0	0	0	0



Active Well Sites & Intertie Connections

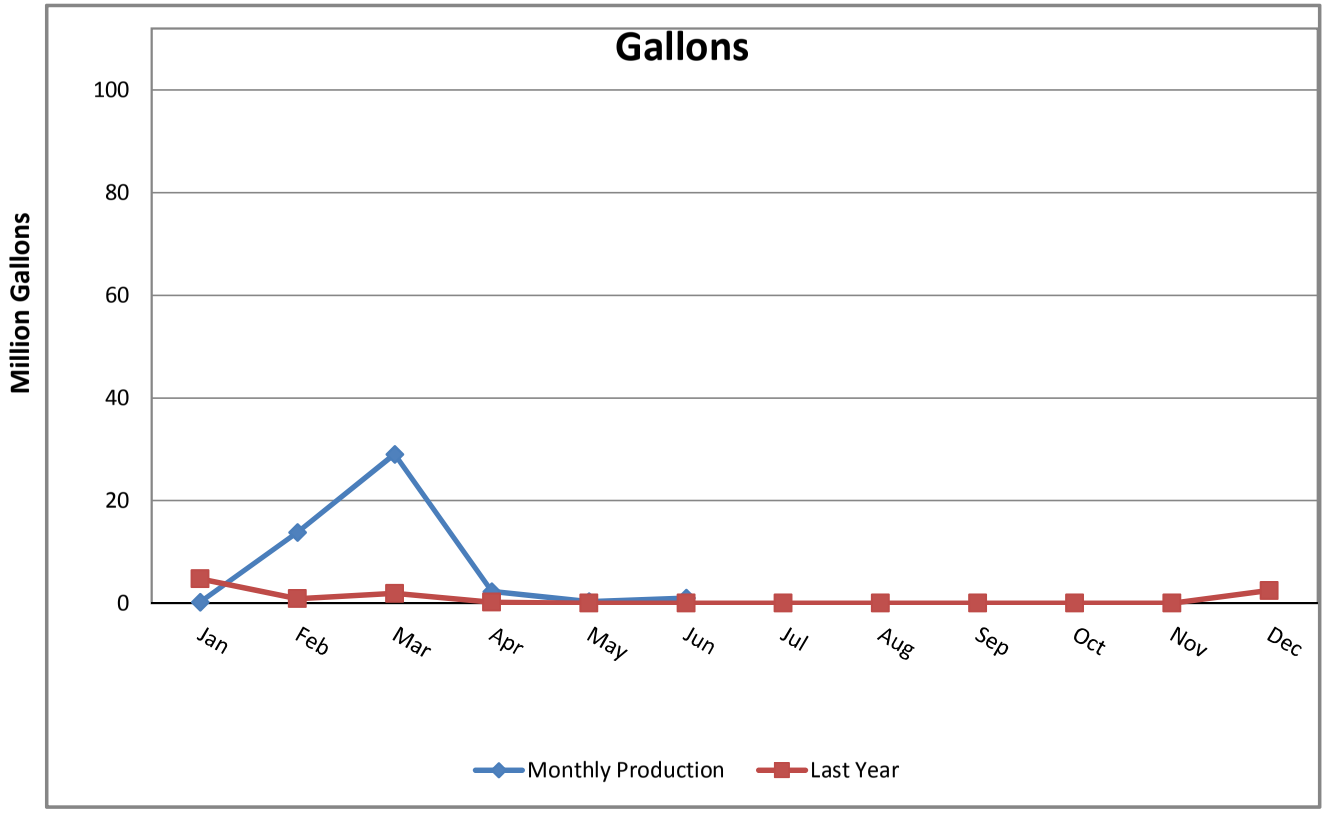
0 1,250 2,500 5,000 Feet

Elk Grove Water District

Elk Grove Water District

Monthly Production

Well 1D School -- June 2018



Selected Month Production
1,003,346 Gallons

Average GPM:
1,778

Motor:

Volts:	470
Volts (Rated):	460
RPM:	1787
RPM (Rated):	2115
Amps A:	179
Amps A (Rated):	222
Amps B:	177
Amps B (Rated):	222
Amps C:	174
Amps C (Rated):	222
Motor Temp:	116.2 F
Hour Meter:	9.40
KW Hour Total:	1,760.00

Chlorine:

Dosing:	1.67 mg/L
Demand:	0.71 mg/L
Residual:	0.96 mg/L

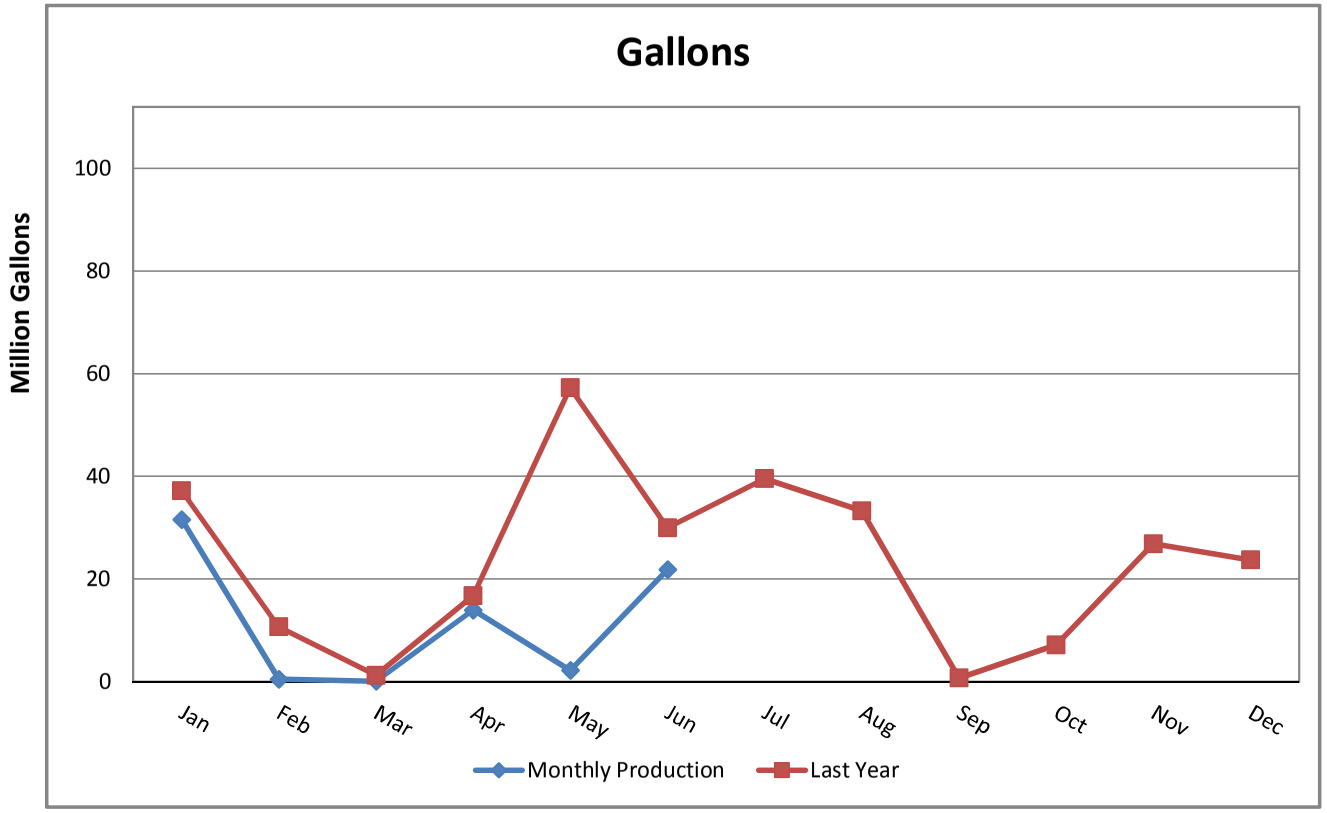
Vibration Reading:

Base Line:	0.05 in/sec
Current:	0.04 in/sec

Elk Grove Water District

Monthly Production

Well 4D Webb -- June 2018



Selected Month Production
21,825,603 Gallons

Average GPM:
1,708

Motor:

Volts:	479
Volts (Rated):	460
RPM:	1618
RPM (Rated):	1775
Amps A:	190
Amps A (Rated):	225
Amps B:	189
Amps B (Rated):	225
Amps C:	189
Amps C (Rated):	225
Motor Temp:	171 F
Hour Meter:	212.90
KW Hour Total:	30,120.00

Chlorine:

Dosing:	1.75 mg/L
Demand:	0.69 mg/L
Residual:	1.06 mg/L

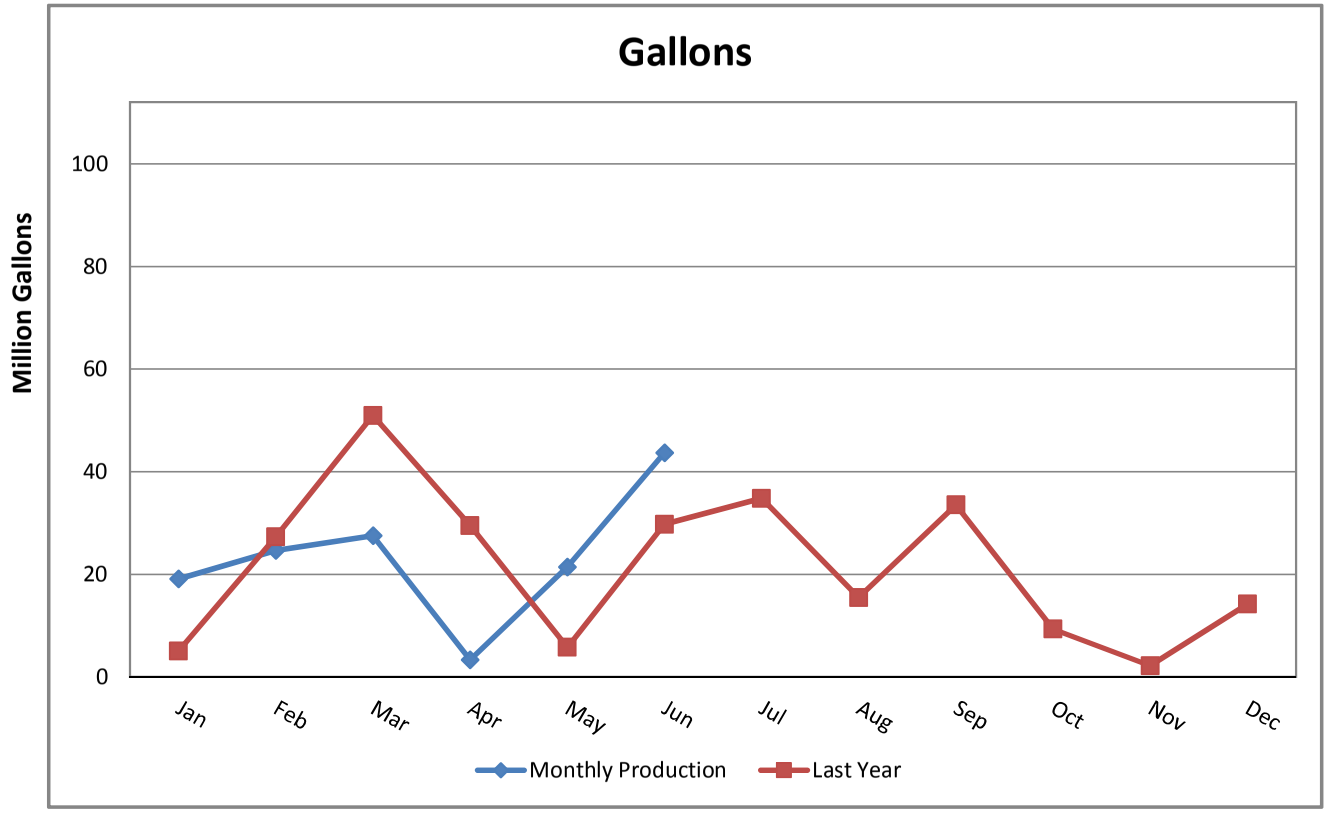
Vibration Reading:

Base Line:	0.05 in/sec
Current:	0.04 in/sec

Elk Grove Water District

Monthly Production

Well 11D Dino -- June 2018



Selected Month Production
43,681,288 Gallons

Average GPM:
1,700

Motor:

Volts:	481
Volts (Rated):	460
RPM:	1582
RPM (Rated):	1775
Amps A:	178
Amps A (Rated):	225
Amps B:	178
Amps B (Rated):	225
Amps C:	180
Amps C (Rated):	225

Motor Temp:	160.7 F
Hour Meter:	428.00
KW Hour Total:	52,920.00

Chlorine:

Dosing:	1.76 mg/L
Demand:	0.7 mg/L
Residual:	1.06 mg/L

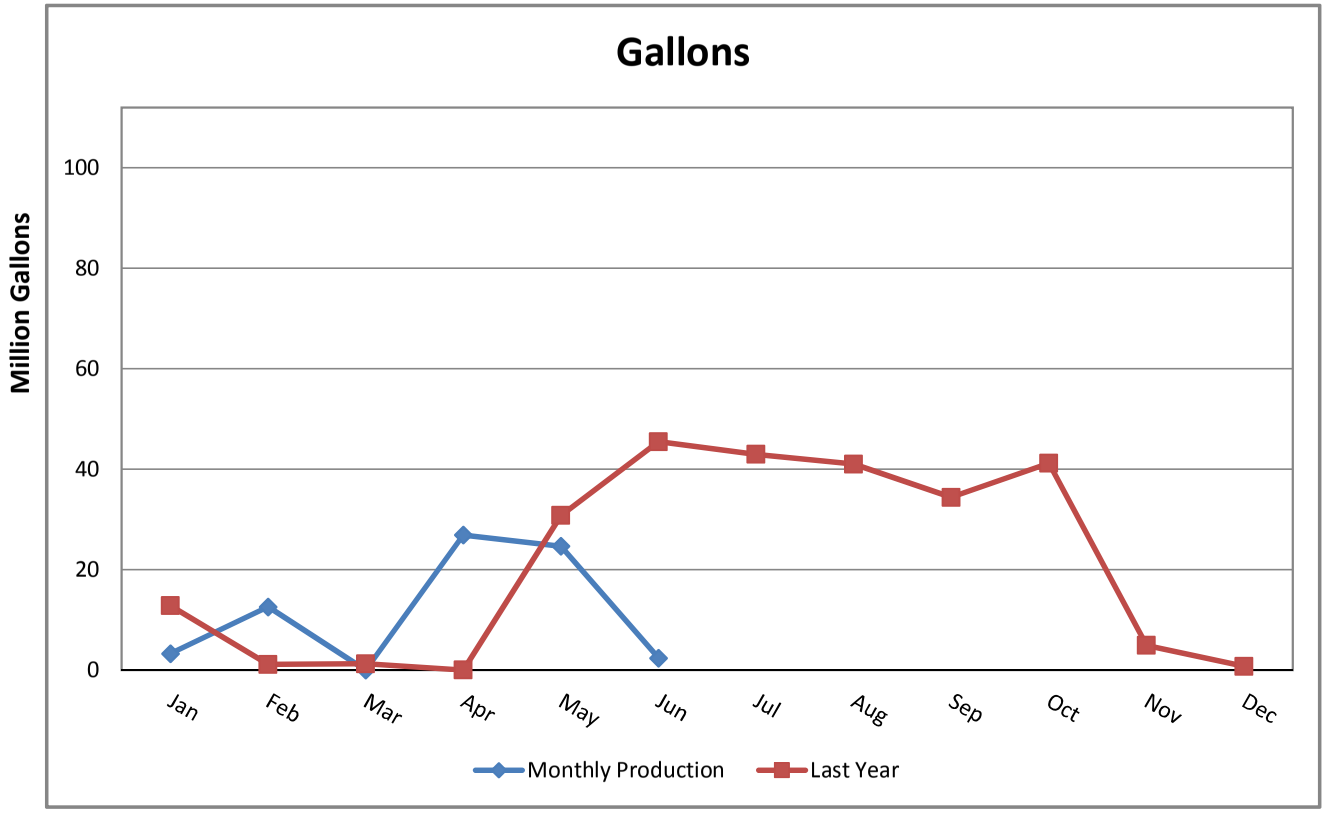
Vibration Reading:

Base Line:	0.05 in/sec
Current:	0.02 in/sec

Elk Grove Water District

Monthly Production

Well 14D Railroad -- June 2018



Selected Month Production
2,392,075 Gallons

Average GPM:
1,607

Motor:

Volts:	476
Volts (Rated):	460
RPM:	1787
RPM (Rated):	1785
Amps A:	164
Amps A (Rated):	171
Amps B:	164
Amps B (Rated):	171
Amps C:	157
Amps C (Rated):	171

Motor Temp.:	116.2 F
Hour Meter:	24.80
KW Hour Total:	59,520.00

(KWH total is for the entire facility)

Chlorine:

Dosing:	1.86 mg/L
Demand:	0.9 mg/L
Residual:	0.96 mg/L

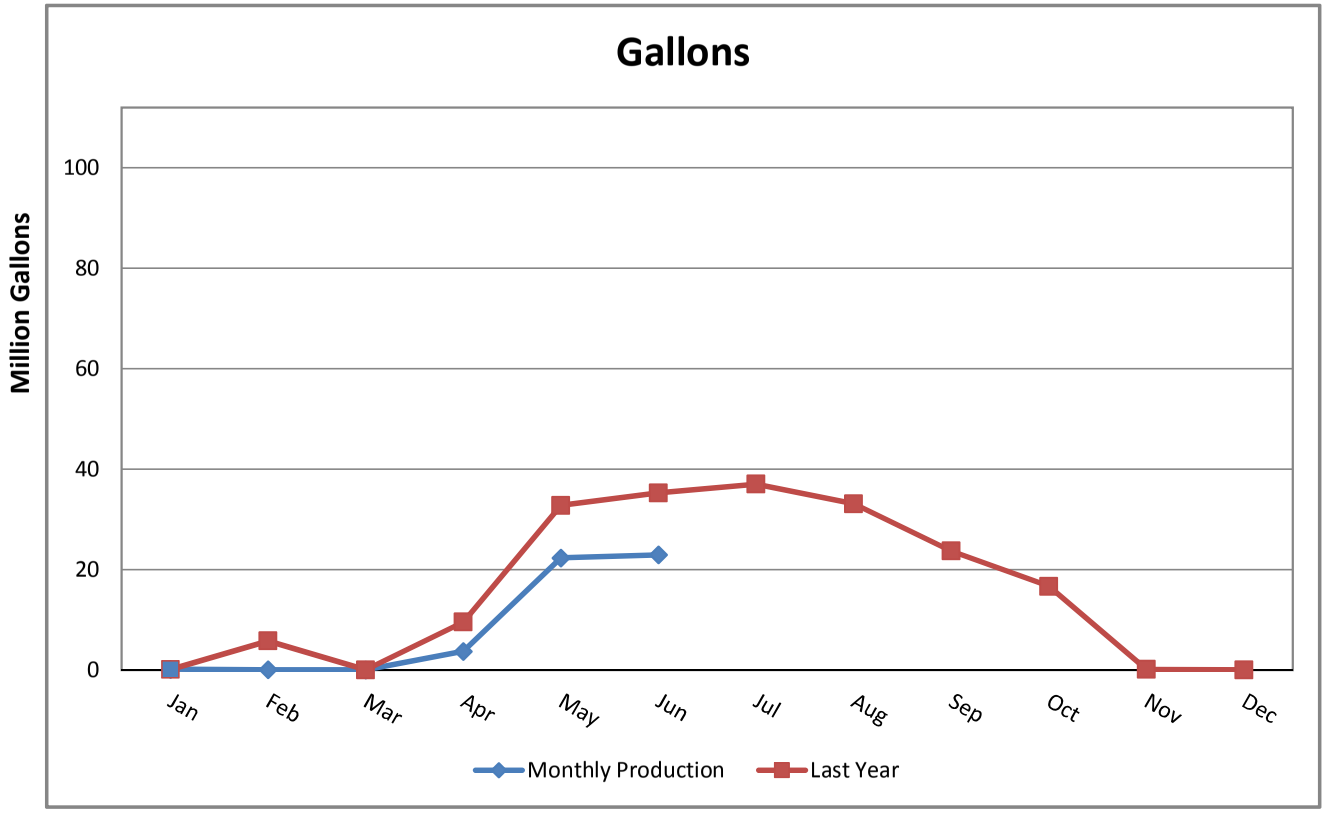
Vibration Reading:

Base Line:	0.02 in/sec
Current:	0.03 in/sec

Elk Grove Water District

Monthly Production

Well 3 Mar-Val -- June 2018



Selected Month Production
22,930,000 Gallons

Average GPM:
842

Motor:

Volts:	479
Volts (Rated):	460
RPM:	1772
RPM (Rated):	1983
Amps A:	88
Amps A (Rated):	88
Amps B:	87
Amps B (Rated):	88
Amps C:	88
Amps C (Rated):	88

Motor Temp.:	200.1 F
Hour Meter:	453.50
KW Hour Total:	27,557.00

Chlorine:

Dosing:	1.19 mg/L
Demand:	0.27 mg/L
Residual:	0.92 mg/L

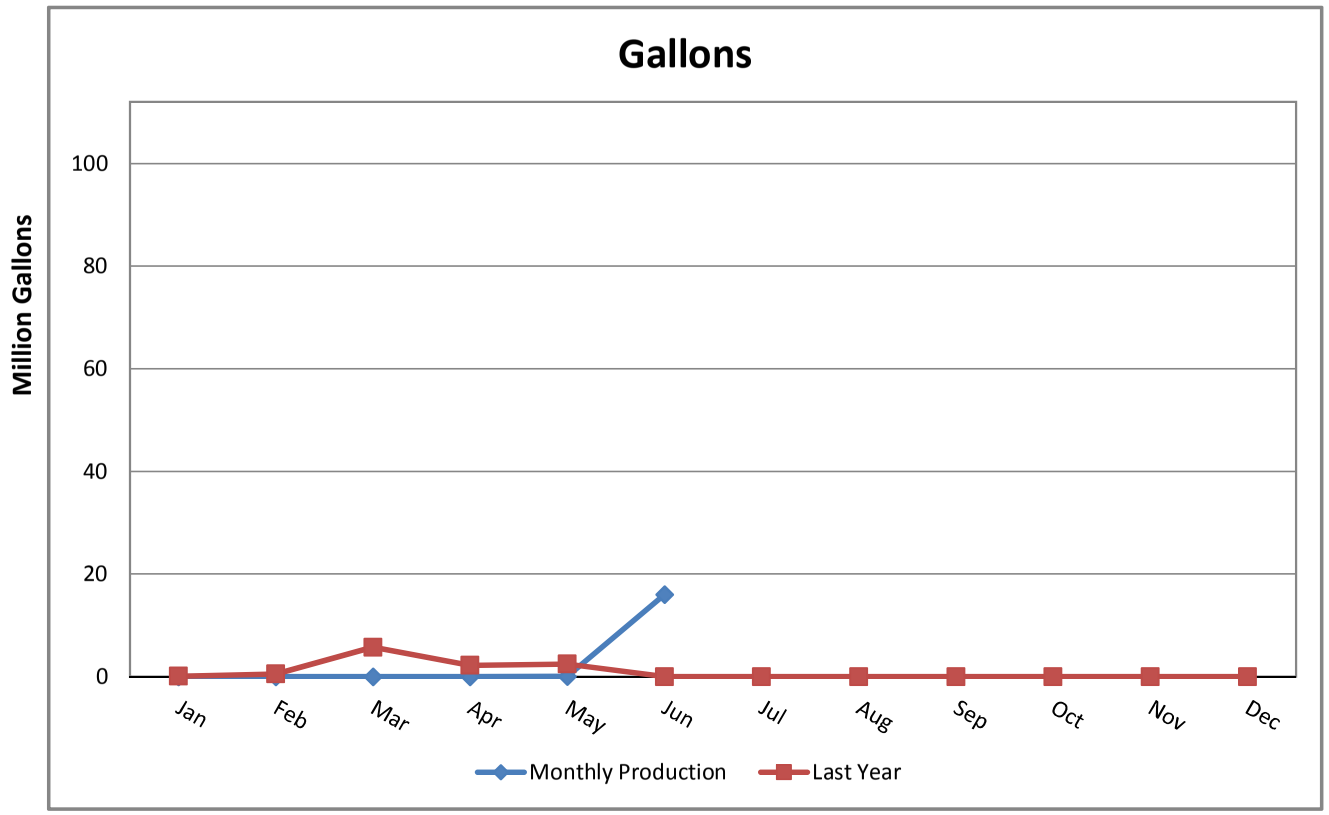
Vibration Reading:

Base Line:	0.02 in/sec
Current:	0.06 in/sec

Elk Grove Water District

Monthly Production

Well 8 Williamson -- June 2018
(Submersible)



Selected Month Production
15,975,892 Gallons

Average GPM:
541

Motor:

Volts:	463
Volts (Rated):	460
Amps A:	60
Amps A (Rated):	65
Amps B:	59
Amps B (Rated):	65
Amps C:	60
Amps C (Rated):	65
Hour Meter:	492.00
KW Hour Total:	19,800.00

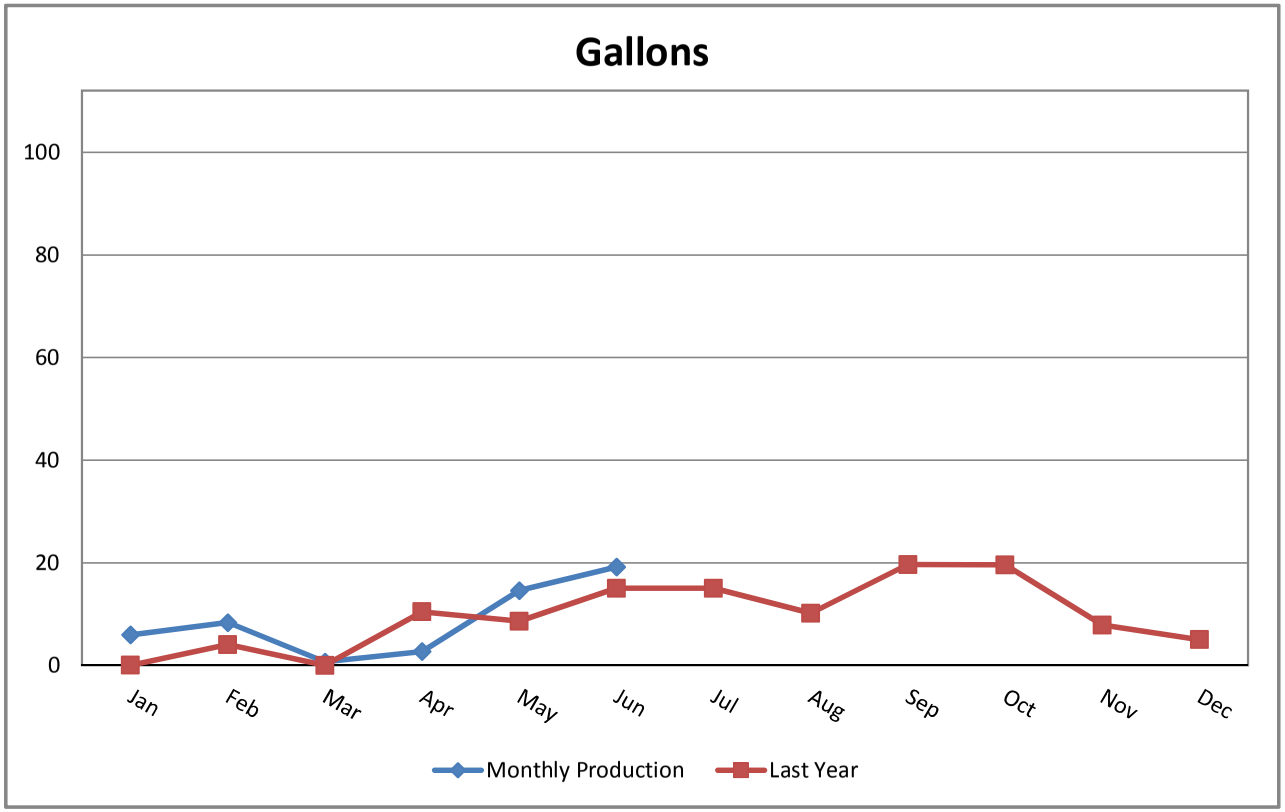
Chlorine:

Dosing:	1.21 mg/L
Demand:	0.36 mg/L
Residual:	0.85 mg/L

Elk Grove Water District

Monthly Production

Well 9 Polhemus -- June 2018
(Submersible)



Selected Month Production
19,178,000 Gallons

Average GPM:
475

Motor:

Volts:	479
Volts (Rated):	460
Amps A:	59
Amps A (Rated):	65
Amps B:	57
Amps B (Rated):	65
Amps C:	62
Amps C (Rated):	65
Hour Meter:	672.20
KW Hour Total:	26,540.00

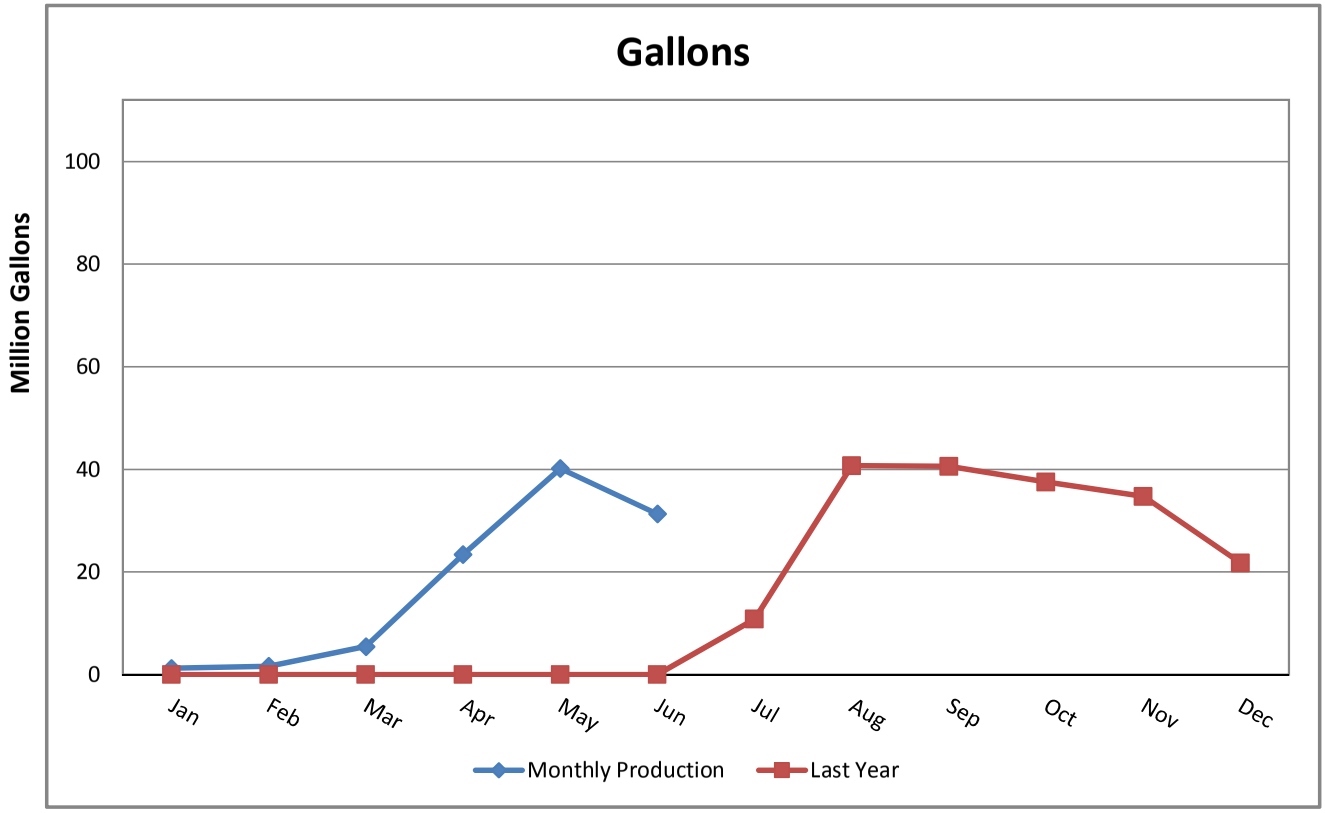
Chlorine:

Dosing:	1.03 mg/L
Demand:	0.07 mg/L
Residual:	0.96 mg/L

Elk Grove Water District

Monthly Production

Well 13 Hampton -- June 2018



Selected Month Production
31,327,190 Gallons

Average GPM:
968

Motor:

Volts:	479
Volts (Rated):	460
RPM:	1787
RPM (Rated):	1785
Amps A:	103
Amps A (Rated):	141
Amps B:	105
Amps B (Rated):	141
Amps C:	106
Amps C (Rated):	141
Motor Temp.:	120.2 F
Hour Meter:	539.20
KW Hour Total:	39,840.00

Chlorine:

Dosing:	1.5 mg/L
Demand:	0.65 mg/L
Residual:	0.85 mg/L

Vibration Reading:

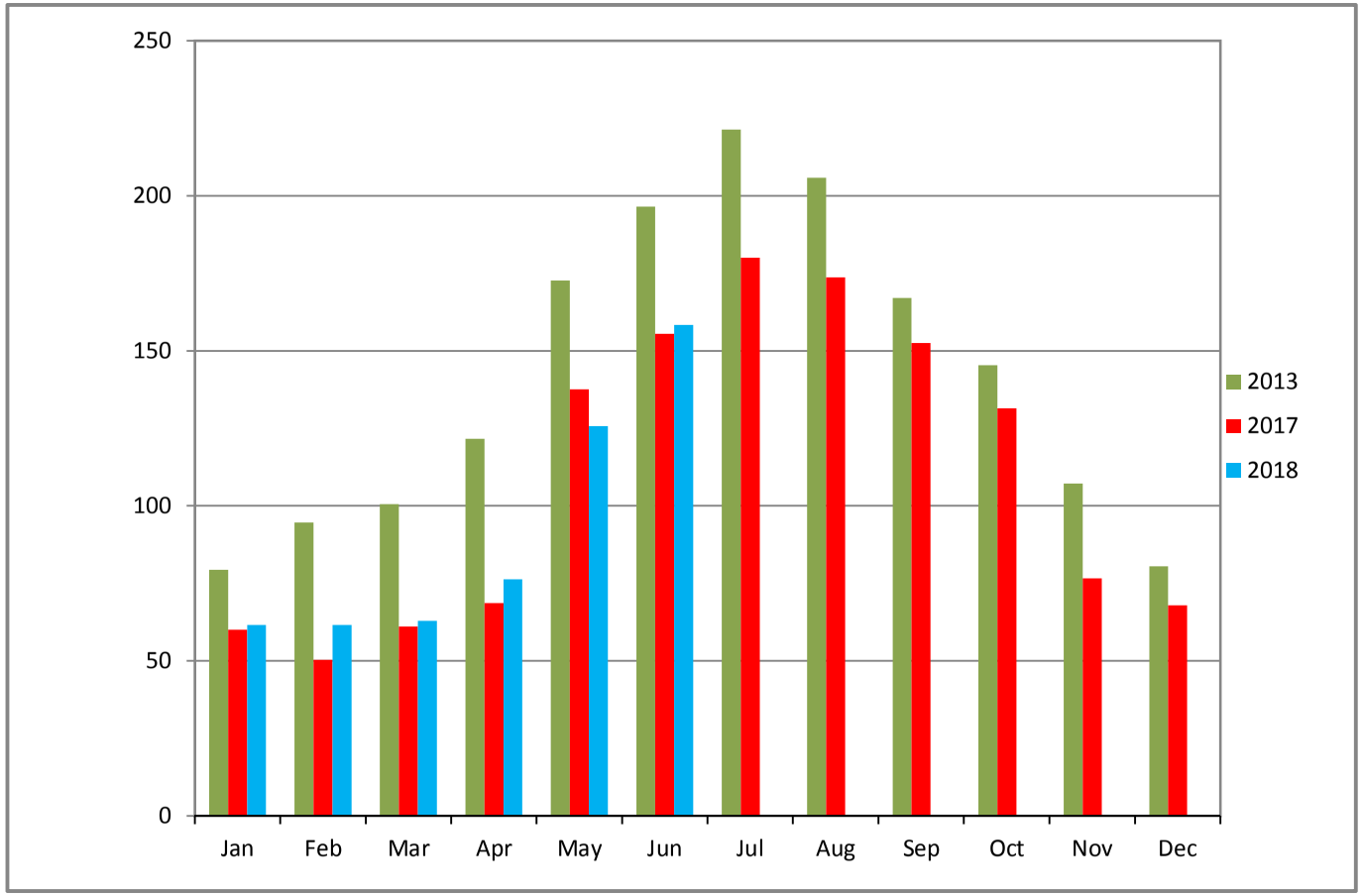
Base Line:	0.02 in/sec
Current:	0.03 in/sec

Elk Grove Water District

Combined Total Production

Service Area 1

Jun-2018



Current Month Production:
158,313,394 Gallons

Highest Day Demand of the Month:	Date of Occurance
5,797,805	30-Jun-18

Highest Day Demand of the Calender Year:	Date of Occurance
5,797,805	30-Jun-18

"Water Year" Rainfall: (Oct-17 to Sep-18)

Current Month:	0.00 in
Year To Date:	15.96 in

"Water Year" Rainfall: (Oct-16 to Sep-17)

June 2017	0.10 in
Year To Date:	33.08 in
Last Year Total:	33.08 in

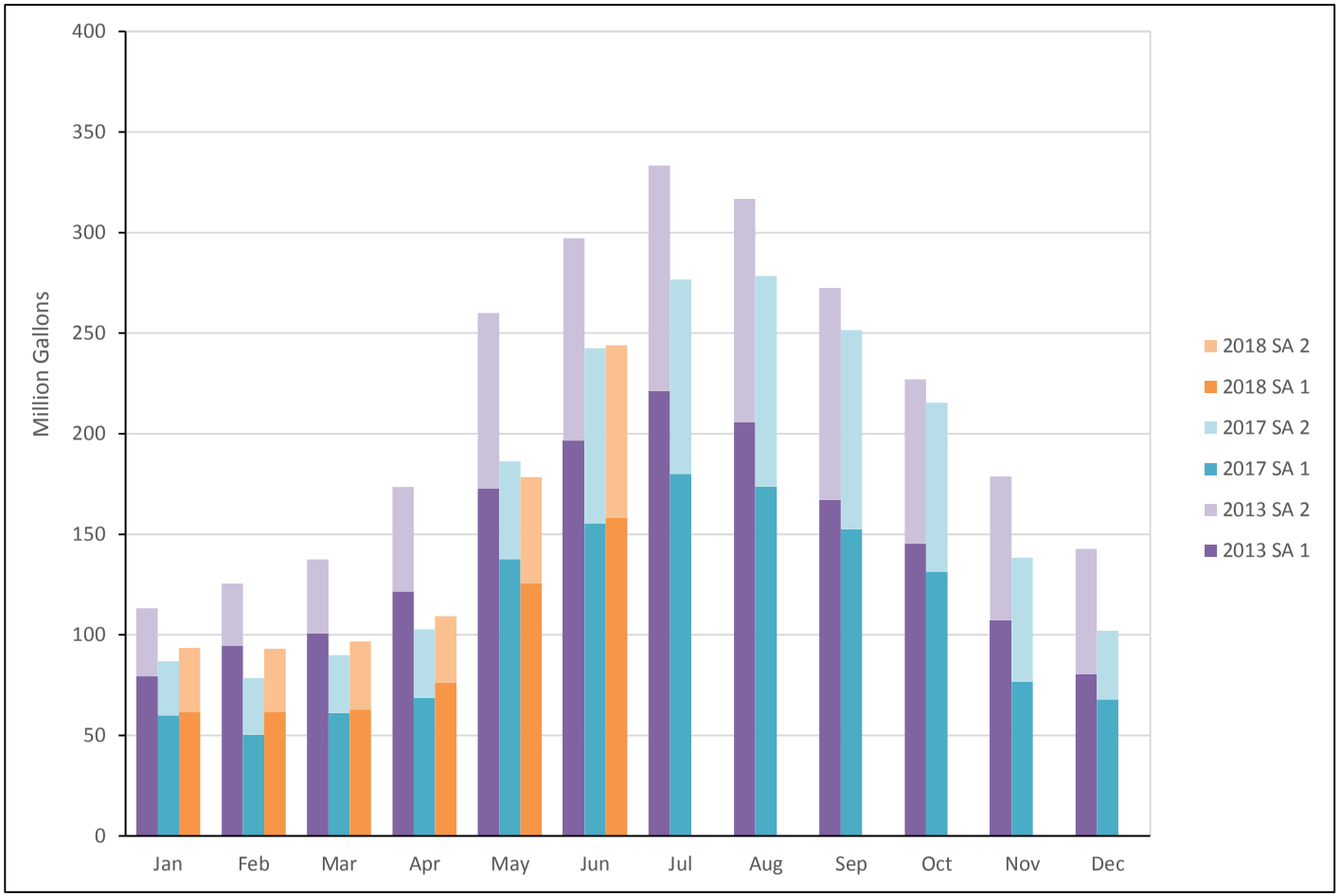
Temperature:

This Month High	102 F
This Month Low	49 F
This Month Average	72.75 F
JUNE-17 High	107 F
JUNE-17 Low	47 F
JUNE-17 Average	74.5 F

Elk Grove Water District

Total Demand/Production

Jun-2018



Current Month Demand/Production:
243,993,054 Gallons
Reduction From June 2013: 17.92%
GPCD: 181.3 Gallons per Day
R-GPCD: 137.8 Gallons per Day

Service Area 1
Active Connections: 7,921
Current Month Demand/Production:
158,313,394 Gallons
Reduction From June 2013: 19.46%
GPCD: 185.1 Gallons per Day
R-GPCD: 144.4 Gallons per Day

Service Area 2
Active Connections: 4,415
Current Month Demand/Production:
85,679,660 Gallons
Reduction From June 2013: 14.92%
GPCD: 174.6 Gallons per Day
R-GPCD: 129.2 Gallons per Day

Elk Grove Water District Water Usage

Monthly Production (gallons)

2013	January	February	March	April	May	June	July	August	September	October	November	December
GW (SA1)	68,254,916*	81,368,191*	100,542,522	121,613,523	172,623,839	196,557,137	221,335,388	205,830,850	166,997,536	145,352,530	107,186,459	80,494,167
Purchased (SA2)	33,769,956	30,929,052	36,942,972	51,911,200	87,470,372	100,709,224	112,128,192	110,885,764	105,417,136	81,665,892	71,505,060	62,165,532
Total	102,024,872	112,297,243	137,485,494	173,524,723	260,094,211	297,266,361	333,463,580	316,716,614	272,414,672	227,018,422	178,691,519	142,659,699

2015	January	February	March	April	May	June	July	August	September	October	November	December
GW (SA1)	62,684,574	57,365,413	86,489,437	88,984,850	106,158,389	114,555,359	127,038,586	125,052,315	117,883,208	99,385,733	64,079,715	57,508,787
Purchased (SA2)	28,648,400	30,029,208	36,876,400	51,626,212	52,734,000	62,368,240	71,273,928	75,055,068	70,123,504	63,526,892	46,873,420	34,399,772
Total	91,332,974	87,394,621	123,365,837	140,611,062	158,892,389	176,923,599	198,312,514	200,107,383	188,006,712	162,912,625	110,953,135	91,908,559

2016	January	February	March	April	May	June	July	August	September	October	November	December
GW (SA1)	54,579,679	53,455,693	56,776,025	80,317,655	110,937,338	148,518,660	164,758,463	159,501,571	140,200,584	99,019,629	63,087,762	59,635,559
Purchased (SA2)	27,516,676	26,507,624	27,531,636	34,054,196	51,071,196	75,541,268	96,246,656	93,992,184	86,904,136	75,682,640	37,088,084	28,894,492
Total	82,096,355	79,963,317	84,307,661	114,371,851	162,008,534	224,059,928	261,005,119	253,493,755	227,104,720	174,702,269	100,175,846	88,530,051

2017	January	February	March	April	May	June	July	August	September	October	November	December
GW (SA1)	59,973,881	50,320,832	61,080,559	68,658,752	137,599,305	155,472,951	180,086,739	173,684,119	152,475,400	131,390,808	76,619,642	67,874,741
Purchased (SA2)	26,951,188	28,184,640	28,756,860	34,167,892	48,653,660	87,003,620	96,535,384	104,766,376	98,979,848	84,154,488	61,788,540	34,228,480
Total	86,925,069	78,505,472	89,837,419	102,826,644	186,252,965	242,476,571	276,622,123	278,450,495	251,455,248	215,545,296	138,408,182	102,103,221

2018	January	February	March	April	May	June	July	August	September	October	November	December
GW (SA1)	61,547,751	61,558,850	62,848,303	76,267,144	125,703,221	158,313,394						
Purchased (SA2)	31,925,388	31,512,492	33,779,680	32,989,792	52,692,860	85,679,660						
Total	93,473,139	93,071,342	96,627,983	109,256,936	178,396,081	243,993,054	0	0	0	0	0	0

% Reduction from 2013	8.38%	17.12%	29.72%	37.04%	31.41%	17.92%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

*Notes

2013 January and February production numbers do not match actually recorded production because of an open intertie delivering water to SA2. Information below is further details.

SA1 = Service Area 1, SA2 = Service Area 2. SA1 is all groundwater (GW) production. SA2 is all purchased water from SCWA.

Actual Recorded Prod. (Jan. 2013) - Service Area 1 79,361,342 gallons (Includes water delivered to SA2 due to open intertie. Intertie closed end of Feb. 2013)

Actual Recorded Prod. (Feb. 2013) - Service Area 1 94,608,406 gallons (Includes water delivered to SA2 due to open intertie. Intertie closed end of Feb. 2013)

To determine estimate of Feb. 2013 production delivered to Service Area 1, use multiplier from March data which is seasonally similar.)

Service Area 1 Multiplier = 1.39 (calculated from March 2013 Prod. Data/March 2014 Prod. Data)

Calc'd Feb. 2013 Prod. = Feb. 2014 Prod. Data x 1.39 = 79,737,924

To determine estimate of Jan. 2013 production, use prorated amount from Feb. 2013 data. (This method due to Jan. 2014 being unseasonably hot.)

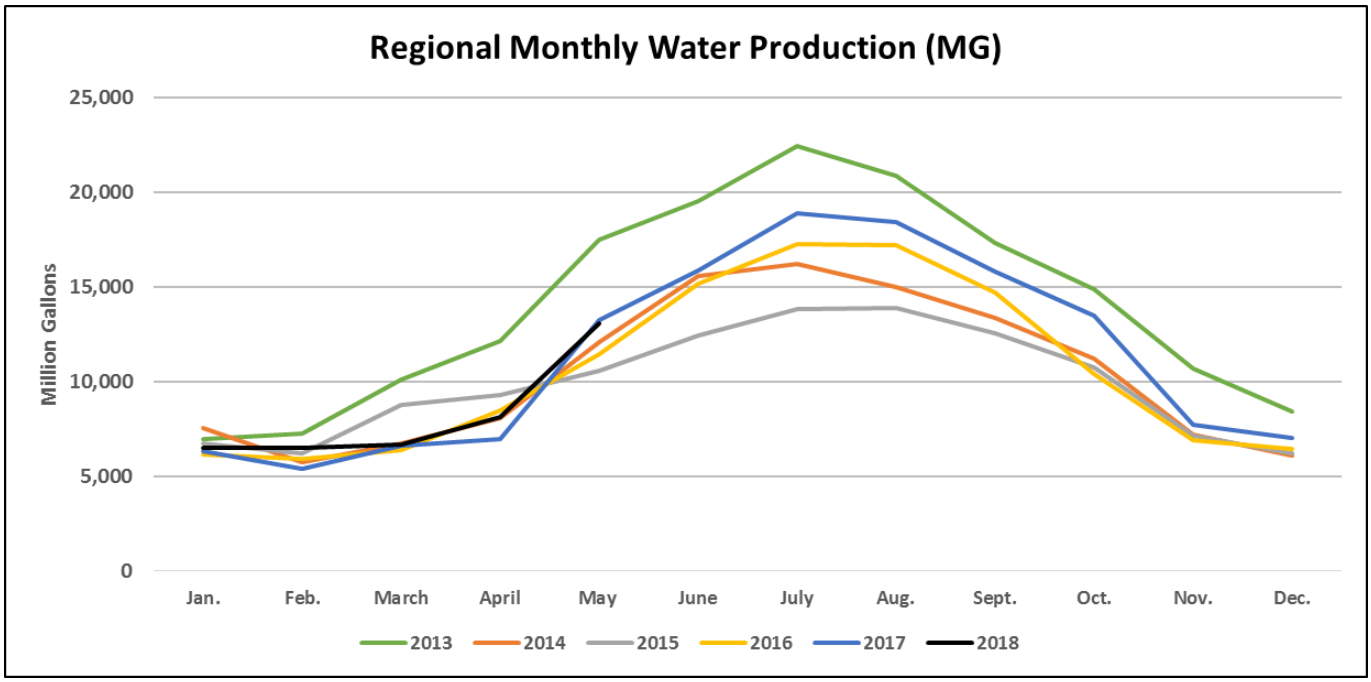
Calc'd Jan. 2013 Prod. = (Feb. 2013 Prod. Data Calc'd / Feb. 2013 Prod. Data Actual) x Jan. 2013 Prod. Data Actual = 68,254,916

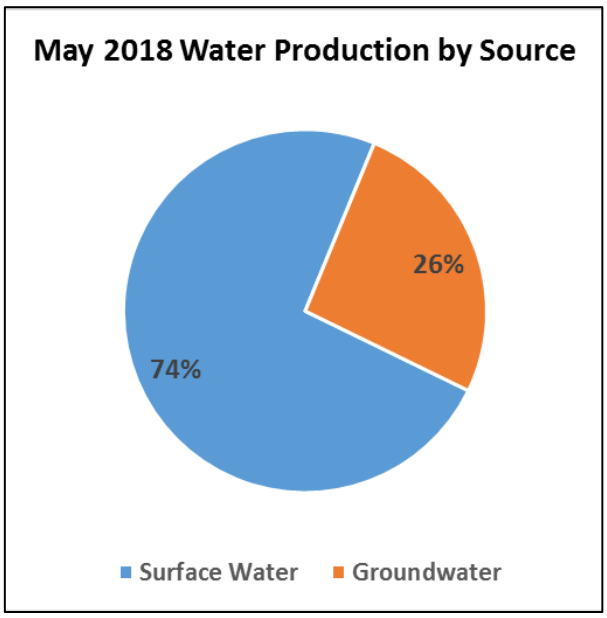
Service Area 2		Consumption	
2018	# Accts	CCF	Gallons
Jan	4,408	42,681	31,925,388
Feb	4,408	42,129	31,512,492
Mar	4,408	45,160	33,779,680
Apr	4,408	44,104	32,989,792
May	4,408	70,445	52,692,860
Jun	4,408	114,545	85,679,660
Jul			0
Aug			0
Sep			0
Oct			0
Nov			0
Dec			0

Regional Water Authority
BUILDING ALLIANCES IN NORTHERN CALIFORNIA

Data Summary May 2018

Regional Monthly Water Production (Million Gallons)												
	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
2018	6,461	6,468	6,632	8,129	13,031							
2017	6,285	5,407	6,620	6,943	13,232	15,858	18,870	18,398	15,765	13,454	7,710	6,998
2016	6,154	5,900	6,354	8,435	11,413	15,136	17,257	17,190	14,696	10,357	6,910	6,407
2015	6,714	6,179	8,781	9,282	10,536	12,419	13,789	13,866	12,560	10,759	7,131	6,217
2014	7,528	5,724	6,741	8,034	12,069	15,536	16,196	14,996	13,357	11,201	7,201	6,090
2013	6,953	7,232	10,094	12,105	17,472	19,483	22,413	20,855	17,311	14,848	10,649	8,430



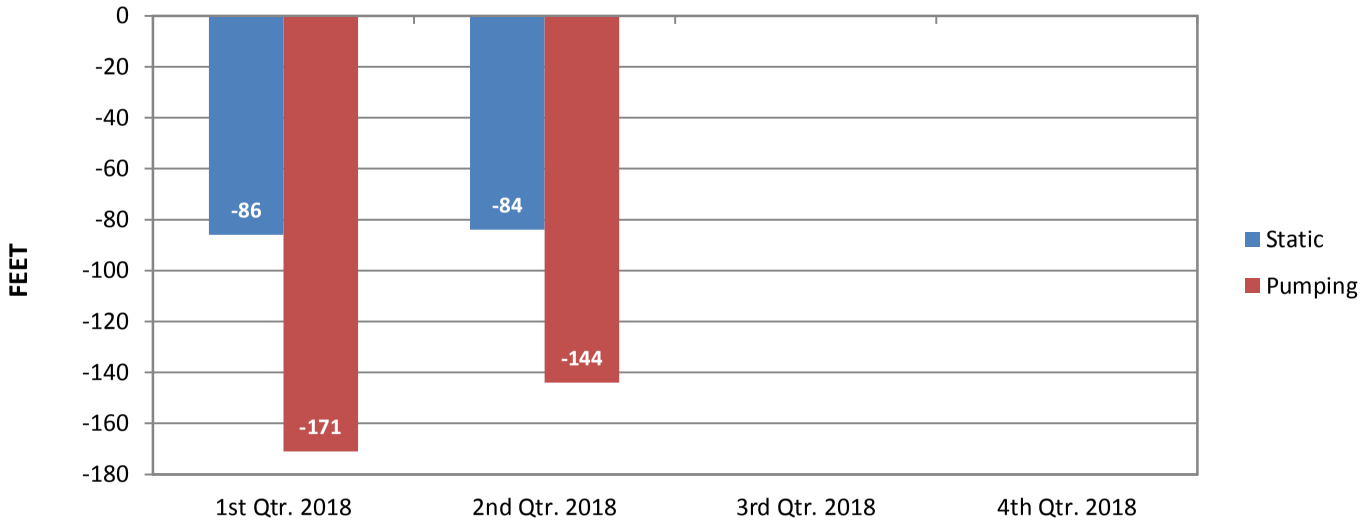


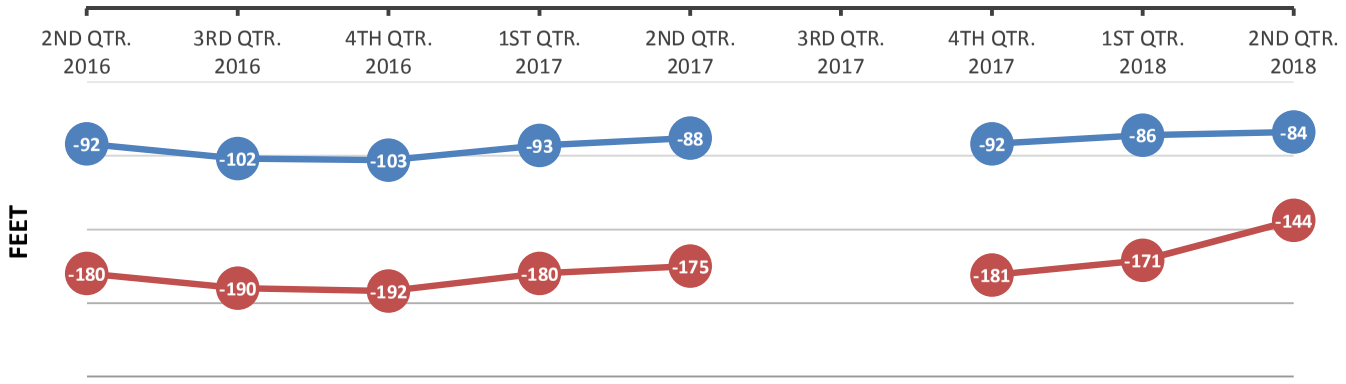
Monthly Water Production by Source (MG)							
	Jan.	Feb.	Mar.	Apr.	May	June	July
SW	3,793	3,949	4,331	5,625	9,595		
GW	2,663	2,521	2,297	2,504	3,436		
Total	**6,456**	**6,469**	**6,627**	**8,129**	**13,031**		
	July	**Aug.**	**Sept.**	**Oct.**	**Nov.**	**Dec.**	**Total**
SW							27,293
GW							13,420
Total							40,713
SW=surface water GW=groundwater							

Elk Grove Water District

Static and Pumping Levels

Well 1D School St





Latest Well Sounding

Static:	84 Ft
Pumping:	144 Ft
Drawdown:	60 Ft
GPM:	1,776
Specific Capacity:	29.600

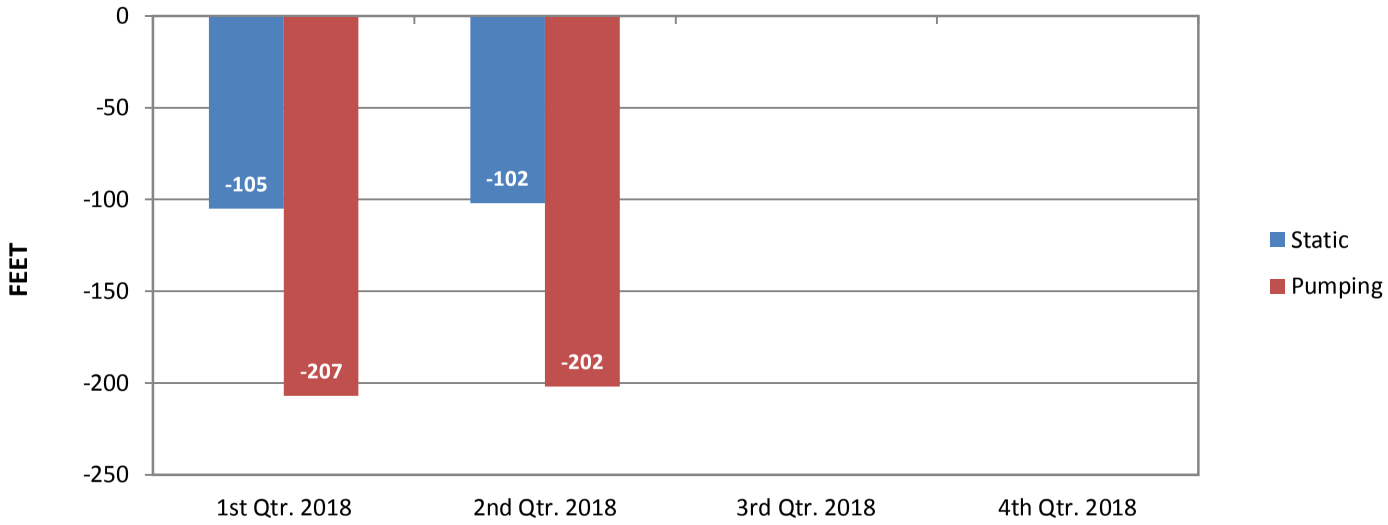
Latest Sand Tester Results:

15 Min:	< 5 ppm

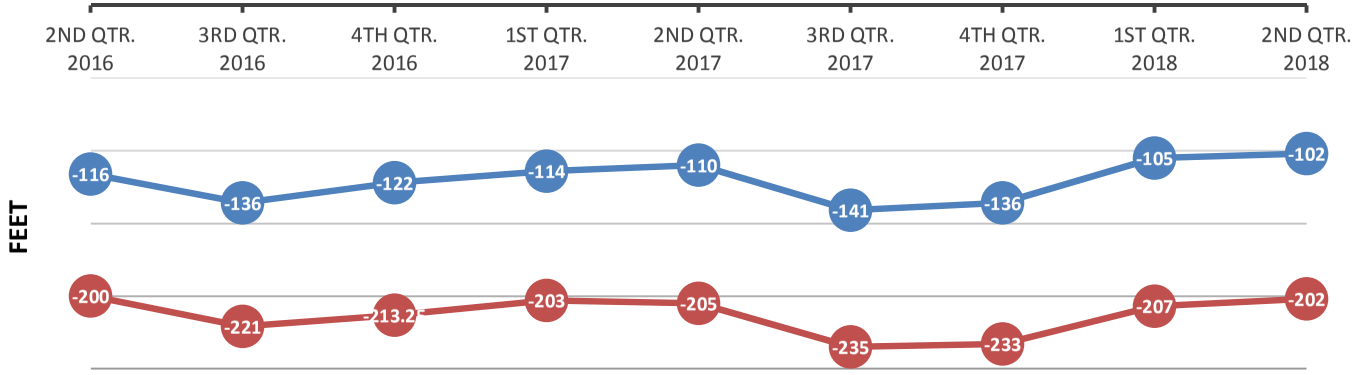
Elk Grove Water District

Static and Pumping Levels

Well 4D Webb St



Sounding Quarter/Year



Latest Well Sounding

Static:	102 Ft
Pumping:	202 Ft
Drawdown:	100 Ft
GPM:	1,687.00
Specific Capacity:	16.870

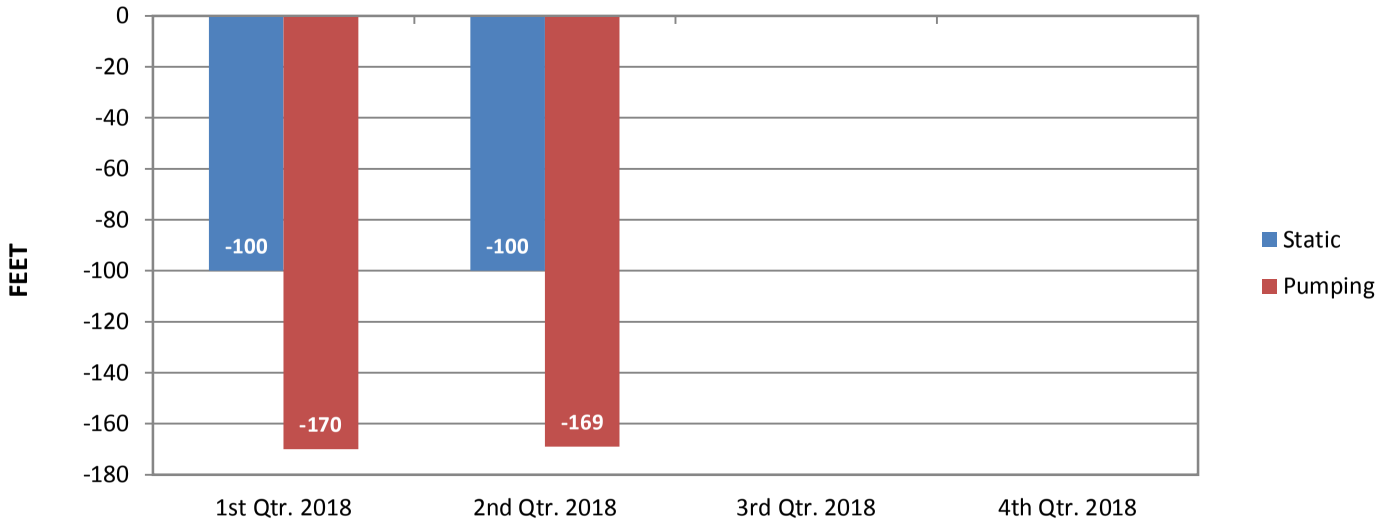
Latest Sand Tester Results:

15 Min:	< 5 ppm

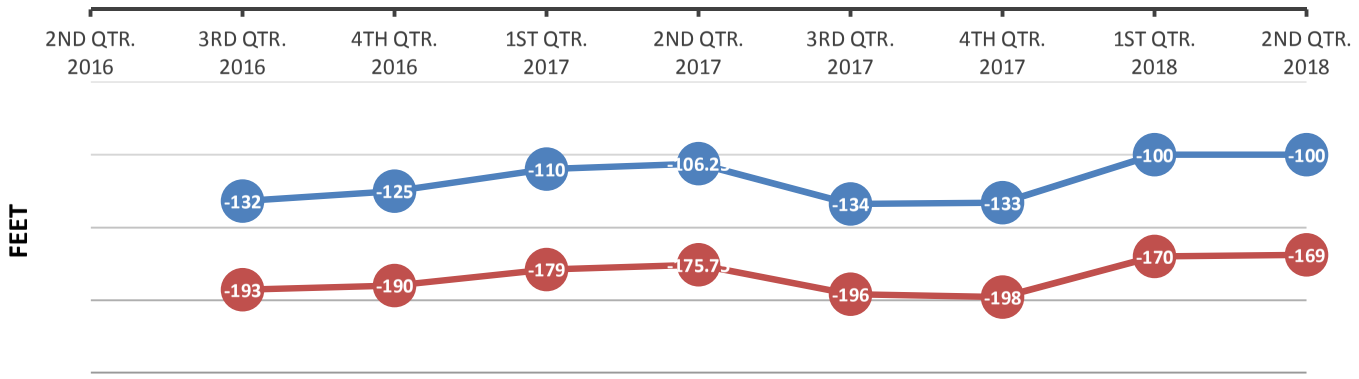
Elk Grove Water District

Static and Pumping Levels

Well 11D Dino



Sounding Quarter/Year



Latest Well Sounding

Static:	100 Ft
Pumping:	169 Ft
Drawdown:	69 Ft
GPM:	1,719.00
Specific Capacity:	24.913

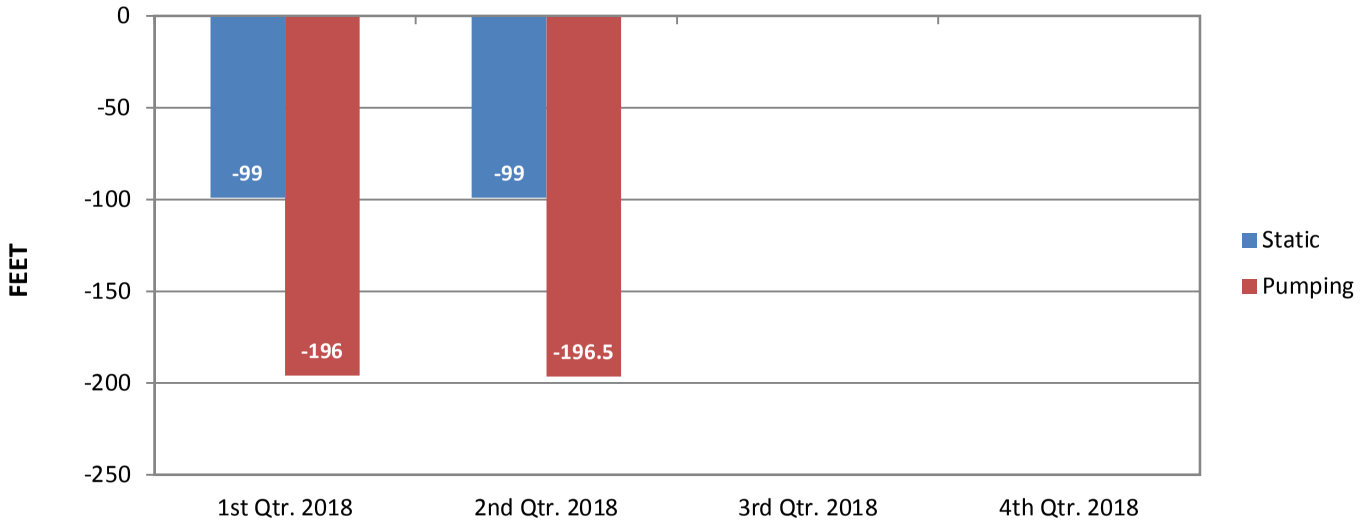
Latest Sand Tester Results:

15 Min:	< 5 ppm

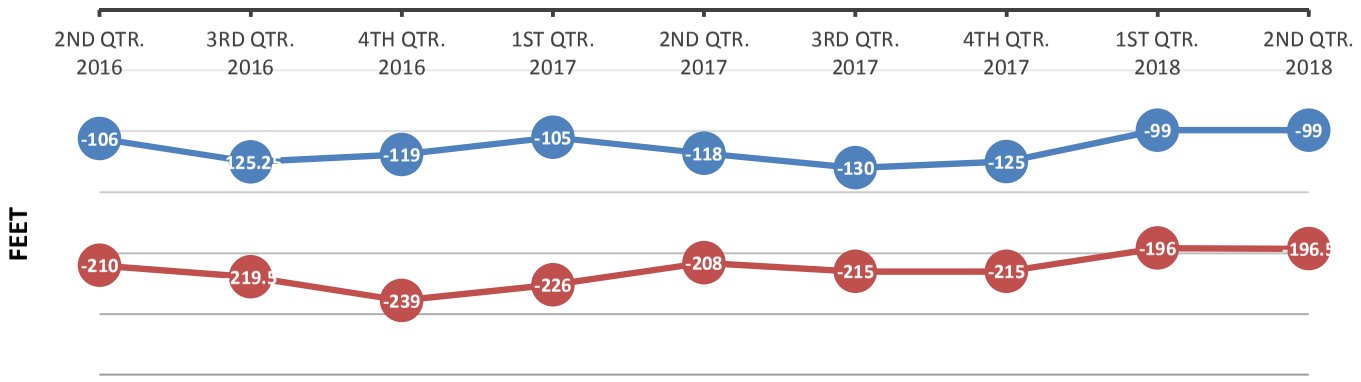
Elk Grove Water District

Static and Pumping Levels

Well 14D Railroad



Sounding Quarter/Year



Latest Well Sounding

Static:	99 Ft
Pumping:	196.5 Ft
Drawdown:	97.5 Ft
GPM:	1,687.00
Specific Capacity:	17.303

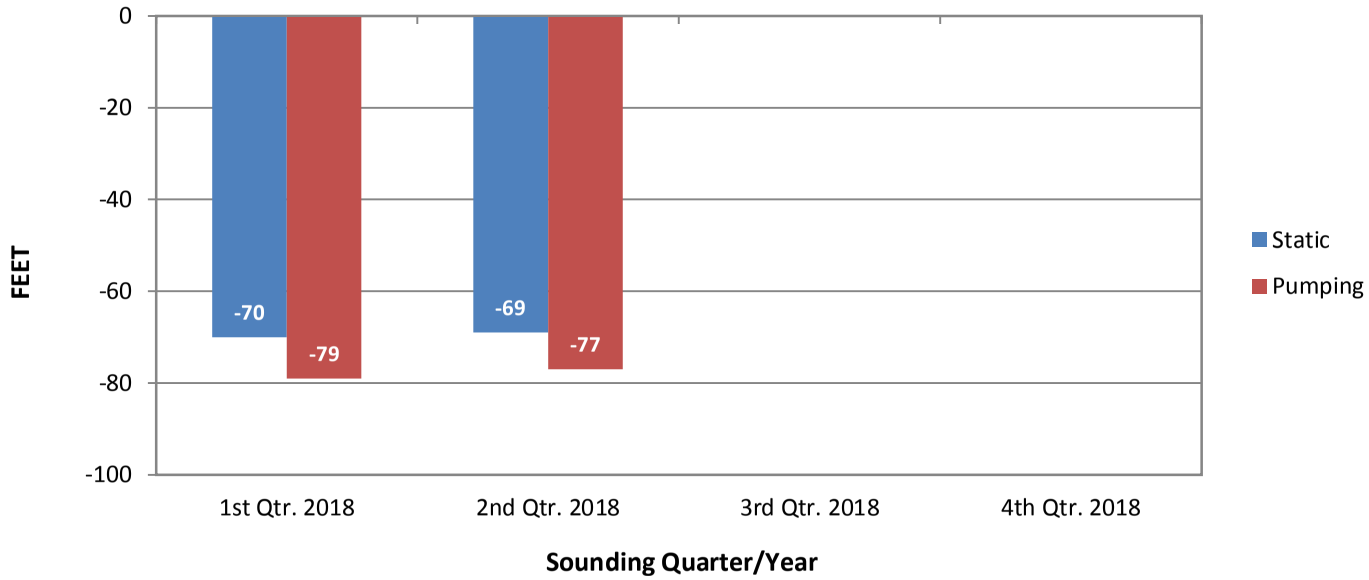
Latest Sand Tester Results:

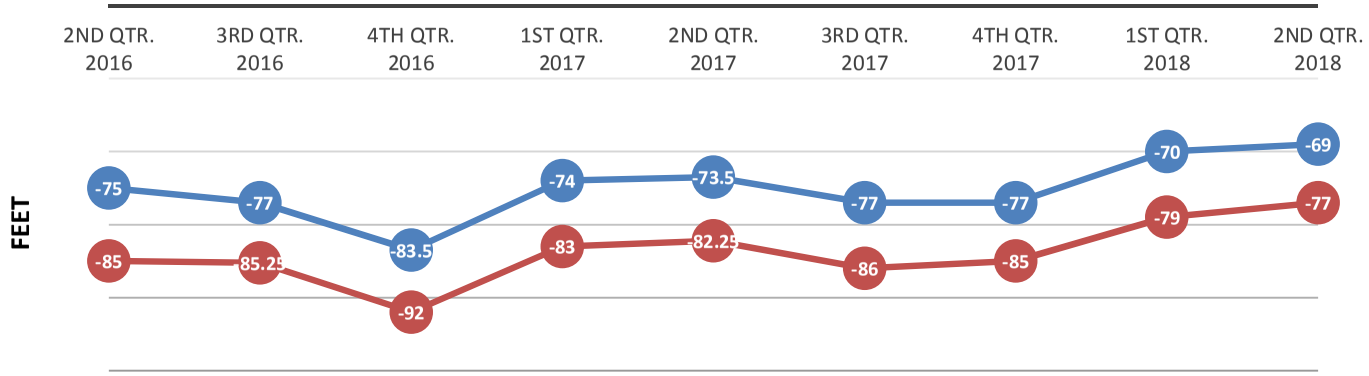
15 Min:	< 5 ppm

Elk Grove Water District

Static and Pumping Levels

Well 3 Mar-Val





Latest Well Sounding

Static:	69 Ft
Pumping:	77 Ft
Drawdown:	8 Ft
GPM:	760.00
Specific Capacity:	95.000

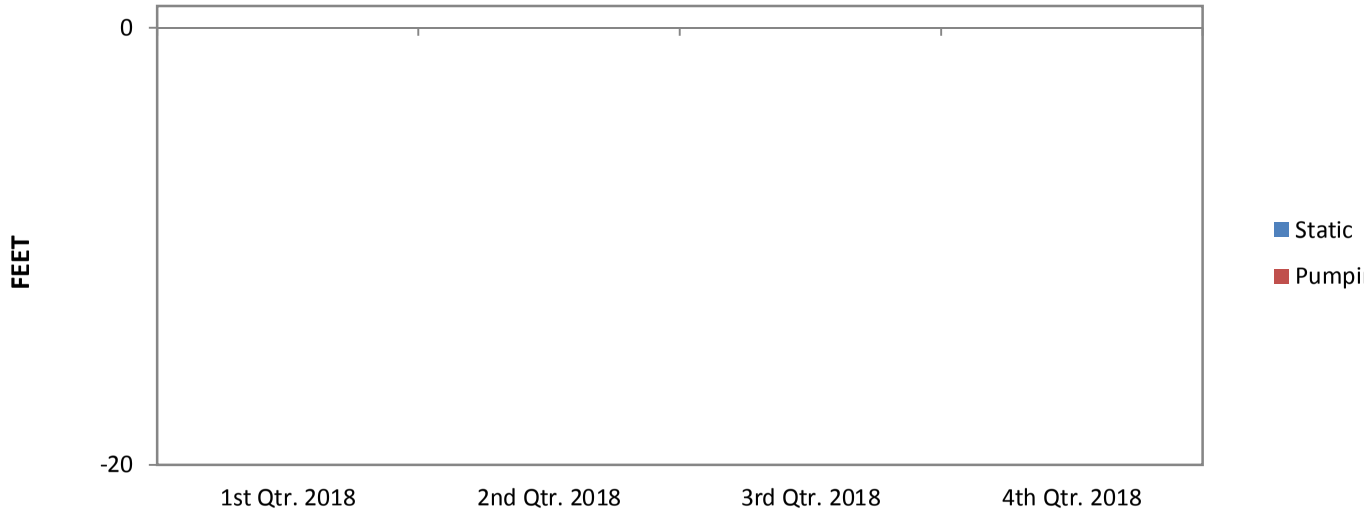
Latest Sand Tester Results:

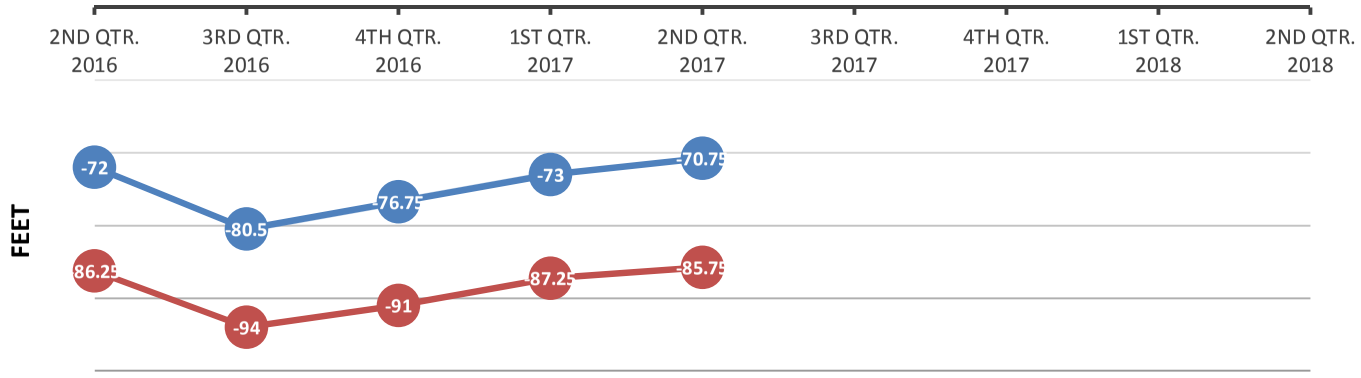
15 Min: 7.044 ppm

Elk Grove Water District

Static and Pumping Levels

Well 8 Williamson





Latest Well Sounding

Static:	70.75 Ft
Pumping:	85.75 Ft
Drawdown:	15 Ft
GPM:	860.00
Specific Capacity:	57.333

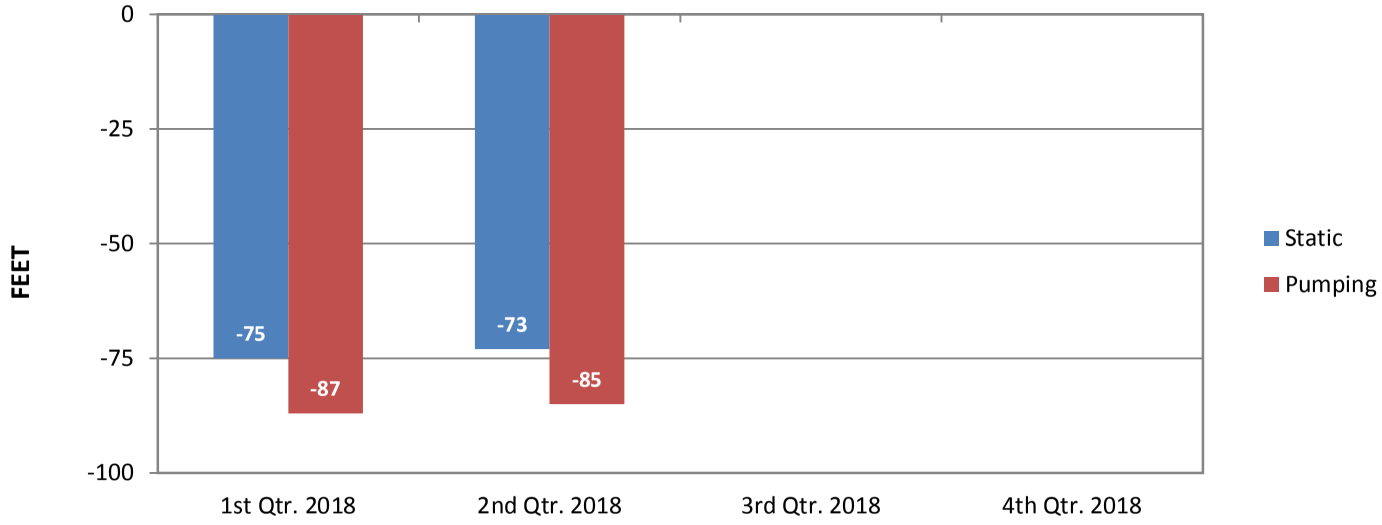
Latest Sand Tester Results:

15 Min:	3.52 ppm

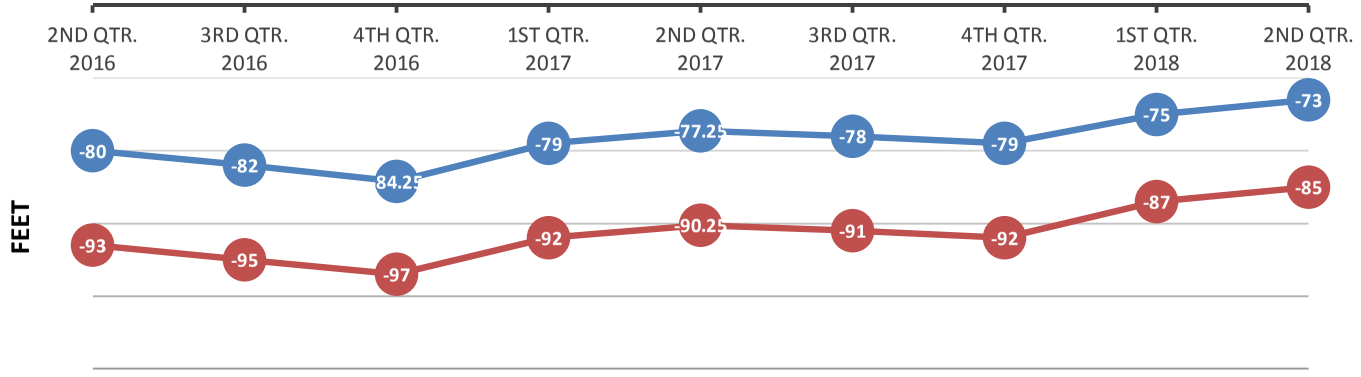
Elk Grove Water District

Static and Pumping Levels

Well 9 Polhemus



Sounding Quarter/Year



Latest Well Sounding

Static:	73 Ft
Pumping:	85 Ft
Drawdown:	12 Ft
GPM:	460.00
Specific Capacity:	38.333

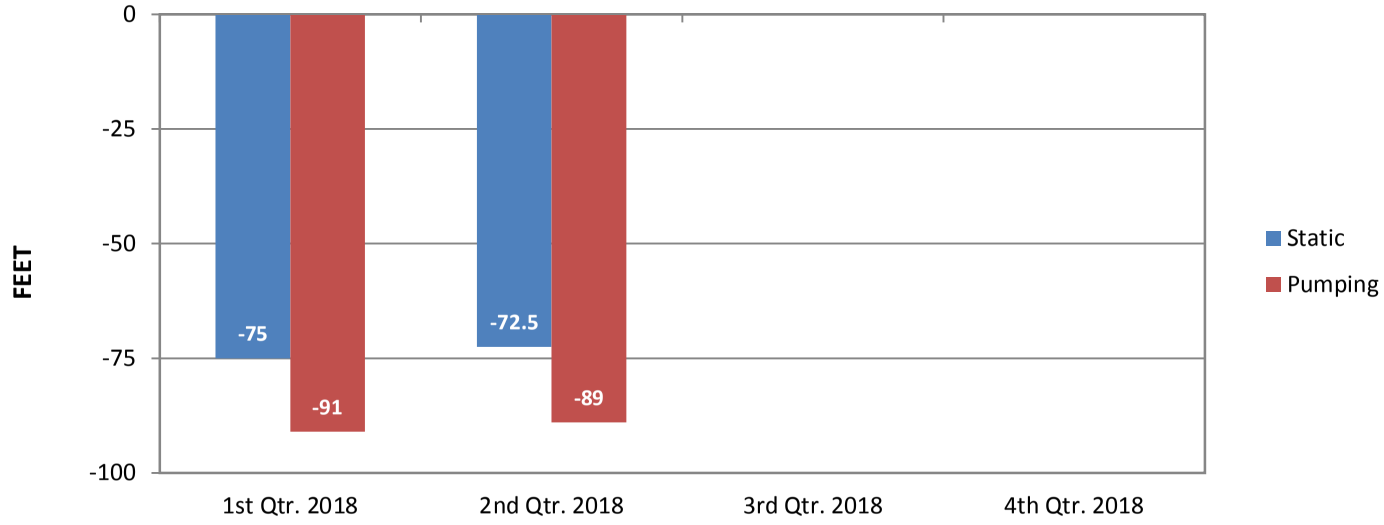
Latest Sand Tester Results:

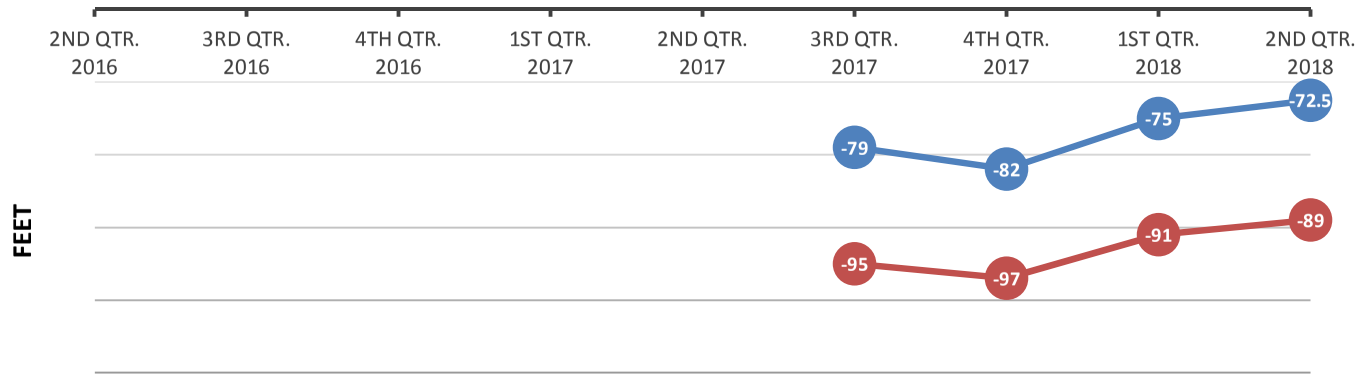
15 Min: < 5 ppm

Elk Grove Water District

Static and Pumping Levels

Well 13 Hampton





Latest Well Sounding

Static:	72.5 Ft
Pumping:	89 Ft
Drawdown:	16.5 Ft
GPM:	988
Specific Capacity:	59.879

Latest Sand Tester Results:

15 Min: < 5 ppm

Monthly Sample Report - June 2018
Water System: Elk Grove Water System

Sampling Point: 01 - 8693 W. Camden			
Sample Date	**Sample Class**	**Sample Name**	**Collection Occurrence**
6/5/2018	Distribution System	Bacteriological	Week
6/12/2018	Distribution System	Bacteriological	Week
6/19/2018	Distribution System	Bacteriological	Week
6/26/2018	Distribution System	Bacteriological	Week

Sampling Point: School Well 01D - Raw Water			
Sample Date	**Sample Class**	**Sample Name**	**Collection Occurrence**

Sampling Point: 02 - 9425 Emerald Vista			
Sample Date	**Sample Class**	**Sample Name**	**Collection Occurrence**
6/5/2018	Distribution System	Bacteriological	Week
6/12/2018	Distribution System	Bacteriological	Week
6/19/2018	Distribution System	Bacteriological	Week
6/26/2018	Distribution System	Bacteriological	Week

Sampling Point: - Mar-Val Well 3 Raw Water			
Sample Date	**Sample Class**	**Sample Name**	**Collection Occurrence**

Sampling Point: 03 - 8809 Valley Oak			
Sample Date	**Sample Class**	**Sample Name**	**Collection Occurrence**
6/5/2018	Distribution System	Bacteriological	Week
6/12/2018	Distribution System	Bacteriological	Week
6/19/2018	Distribution System	Bacteriological	Week
6/26/2018	Distribution System	Bacteriological	Week

Sampling Point: Webb Well 04D - Raw Water			
Sample Date	**Sample Class**	**Sample Name**	**Collection Occurrence**

Sampling Point: 04 - 10122 Glacier Point			
Sample Date	**Sample Class**	**Sample Name**	**Collection Occurrence**
6/5/2018	Distribution System	Bacteriological	Week
6/12/2018	Distribution System	Bacteriological	Week
6/19/2018	Distribution System	Bacteriological	Week
6/26/2018	Distribution System	Bacteriological	Week

Sampling Point: 05 - 9230 Amsden Ct.			
Sample Date	**Sample Class**	**Sample Name**	**Collection Occurrence**
6/5/2018	Distribution System	Bacteriological	Week
6/12/2018	Distribution System	Bacteriological	Week
6/19/2018	Distribution System	Bacteriological	Week
6/26/2018	Distribution System	Bacteriological	Week

Sampling Point: 06 - 9227 Rancho Dr.			
Sample Date	**Sample Class**	**Sample Name**	**Collection Occurrence**
6/5/2018	Distribution System	Bacteriological	Week
6/12/2018	Distribution System	Bacteriological	Week
6/19/2018	Distribution System	Bacteriological	Week
6/26/2018	Distribution System	Bacteriological	Week

Sampling Point: 07 - Al Gates Park Mainline Dr.			
Sample Date	**Sample Class**	**Sample Name**	**Collection Occurrence**
6/5/2018	Distribution System	Bacteriological	Week
6/12/2018	Distribution System	Bacteriological	Week
6/19/2018	Distribution System	Bacteriological	Week
6/26/2018	Distribution System	Bacteriological	Week

Sampling Point: - Williamson Well 8 Raw Water			
Sample Date	**Sample Class**	**Sample Name**	**Collection Occurrence**
6/28/2018	Source Water	3 mo - Bacteriological	Quarterly
6/28/2018	Source Water	3 mo - Fe,Mn,As Total	Quarterly
6/28/2018	Source Water	3 mo - Fe,Mn,As Dissolved	Quarterly

6/28/2018	Source Water	3 mo - 1,2,3, TCP	Quarterly

Sampling Point: 08 - 9436 Hollow Springs Wy.

Sample Date	Sample Class	Sample Name	Collection Occurrence
6/5/2018	Distribution System	Bacteriological	Week
6/12/2018	Distribution System	Bacteriological	Week
6/19/2018	Distribution System	Bacteriological	Week
6/26/2018	Distribution System	Bacteriological	Week
6/12/2018	Distribution System	Fluoride	Week

Sampling Point: Polhemus Well 9 Raw Water

Sample Date	Sample Class	Sample Name	Collection Occurrence

Sampling Point: 09 - 8417 Blackman Wy.

Sample Date	Sample Class	Sample Name	Collection Occurrence
6/5/2018	Distribution System	Bacteriological	Week
6/12/2018	Distribution System	Bacteriological	Week
6/19/2018	Distribution System	Bacteriological	Week
6/26/2018	Distribution System	Bacteriological	Week

Sampling Point: 10 - 9373 Oreo Ranch Cir.

Sample Date	Sample Class	Sample Name	Collection Occurrence
6/5/2018	Distribution System	Bacteriological	Week
6/12/2018	Distribution System	Bacteriological	Week
6/19/2018	Distribution System	Bacteriological	Week
6/26/2018	Distribution System	Bacteriological	Week

Sampling Point: Dino Well 11D - Raw Water

Sample Date	Sample Class	Sample Name	Collection Occurrence

Sampling Point: Hampton Well 13 - Raw Water			
Sample Date	**Sample Class**	**Sample Name**	**Collection Occurrence**
6/5/2018	Source Water	Fe, Mn, As, Total	Weekly
6/5/2018	Source Water	Bacteriological	Weekly
6/12/2018	Source Water	Fe, Mn, As, Total	Weekly
6/12/2018	Source Water	Bacteriological	Weekly
6/19/2018	Source Water	Fe, Mn, As, Total	Weekly
6/19/2018	Source Water	Bacteriological	Weekly
6/26/2018	Source Water	Fe, Mn, As, Total	Weekly
6/26/2018	Source Water	Bacteriological	Weekly

Sampling Point: Hampton WTP Effluent			
Sample Date	**Sample Class**	**Sample Name**	**Collection Occurrence**
6/5/2018	Treated Effluent	Fe, Mn, As, Total	Weekly
6/12/2018	Treated Effluent	Fe, Mn, As, Total	Weekly
6/19/2018	Treated Effluent	Fe, Mn, As, Total	Weekly
6/26/2018	Treated Effluent	Fe, Mn, As, Total	Weekly

Sampling Point: Hampton WTP Backwash Tank			
Sample Date	**Sample Class**	**Sample Name**	**Collection Occurrence**

Sampling Point: Railroad Well 14D - Raw Water			
Sample Date	**Sample Class**	**Sample Name**	**Collection Occurrence**

Sampling Point: Railroad WTP Effluent			
Sample Date	**Sample Class**	**Sample Name**	**Collection Occurrence**
6/5/2018	Treated Plant Effluent	WTP Eff - Fe,Mn,As,Al Total	Month
6/5/2018	Treated Plant Effluent	WTP Eff - Fe,Mn,As,Al Dissolved	Month

Sampling Point: Railroad WTP Backwash Tank			
Sample Date	**Sample Class**	**Sample Name**	**Collection Occurrence**

Sampling Point: Special Distribution/Construction Samples			
Sample Date	**Sample Class**	**Sample Name**	**Collection Description**
6/4/2018	Distribution System	Bacteriological	New Service Line 9620 E. Stockton Blvd
6/12/2018	Distribution System	Bacteriological	New Service Line 9620 E. Stockton Blvd

Colors	Monthly Total	Yearly Total
Black = Scheduled	57	398
Green = Unscheduled	3	47
Red = Incomplete Sample	0	0

Elk Grove Water District
A DEPARTMENT OF THE
Florin Resource Conservation District

July 5, 2018

Sacramento Regional County
Sanitation District
Environmental Specialist
10060 Goethe Rd.
Sacramento, CA. 95827

MONTHLY COMPLIANCE REPORT

Enclosed is the Monthly Compliance Report Form from Elk Grove Water District for June 2018.

If you have any further questions, you may contact me at 916-585-9386

STEVE SHAW
WATER TREATMENT SUPERVISOR

COMPLIANCE REPORT FORM

Attn: Neal Stallions	E-mail: stallionsn@sacsewer.com	Wastewater Source Control Section
Phone (916) 875-6656		Fax (916) 875-6374
From: Steve Shaw		
Company: **Elk Grove Water District**		Permit #**WTP010**

The following reports and information are attached (check all that apply):

Month:	**June**	**Year:**	**2018**

__X_ Water use/flow meter report

Hampton WTP – 844,538

Railroad WTP – 0

	Date	**Time**	**pH**
Hampton WTP			
Railroad WTP			

_ __ Monitoring results/analytical report

Discharge Rate

Check the statement below that applies to this report:

____ Based on a review of this facility's flow data, discharge rate limit was exceeded.

__X__ I certify that this facility is in compliance with the discharge rate limit.

____ Attached is a description of anticipated changes that may significantly alter the nature, quality, or volume of the wastewater discharged.

____ Flow monitoring equipment certification (Flow or pH meter, etc.)

____ Other (describe):

Domestic Calculation

Domestic Usage	Number of Employees	Business Days per Month	Allowance (gallons per day)	Gallons
Production	3	18	15	810
Office	4	18	10	720
Drivers/Field	19	18	3	1026
			Total	2556

Certification Statement

"I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate and complete. I am aware that there are significant penalties for submitting false information including the possibility of fine and imprisonment for knowing violations".

SIGNATURE of Authorized Representative: 

PRINTED NAME, TITLE: Steve Shaw (Name) Water Treatment Supervisor (Title)

DATE: 7-5-2018

Elk Grove Water District
A DEPARTMENT OF THE
Florin Resource Conservation District

July 3, 2018

State Water Resources Control Board
Division of Drinking Water
1001 I Street
13th Floor
Sacramento, CA. 95814

MONTHLY SUMMARY OF DISTRIBUTION SYSTEM COLIFORM MONITORING

Enclosed is the Monthly Summary of Distribution System Coliform Monitoring report from Elk Grove Water District for June 2018.

If you have any further questions, you may contact me at 916-585-9386.

STEVE SHAW
WATER TREATMENT SUPERVISOR

9257 Elk Grove Blvd. Elk Grove, CA 95624 (916) 685-3556 Fax (916) 685-5376

MONTHLY SUMMARY OF DISTRIBUTION SYSTEM COLIFORM MONITORING
(including triggered source monitoring for systems subject to the Groundwater Rule)

System Name	System Number
Elk Grove Water District	3410008

Sampling Period: Month	Year
June	2018

	Number Required	Number Collected	Number Total Coliform Positives	Number Fecal/ E.coli Positives
1. Routine Samples (see note 1)	40	40	0	0
2. Repeat Samples following Samples that are Total Coliform Positive and Fecal/E.coli ***Negative*** (see notes 5 and 6)		0	0	☐
3. Repeat Samples following Routine Samples that are Total Coliform ***Positive*** and Fecal/E.coli Positive (see notes 5 and 6)		0	☐	☐
4. MCL Computation for Total Coliform Positive Samples				
a. Totals (sum of columns)		40	0	
b. If 40 or more samples collected in month, determine percent of samples that are total coliform positive [(total number positive/total number collected) x 100] =	0 %			
c. Is system in compliance. …with fecal/E. coli MCL? (see notes 2 and 3)	☑ Yes	☐ No		
…with monthly MCL? (see note 4)	☑ Yes	☐ No		
5. Source Samples Triggered by Routine Samples that are Total Coliform Positive (This applies **only** to systems subject to the Groundwater Rule - see notes 7 and 8)		0	0	☐

6. Invalidated Samples
(Note what samples, if any, were invalidated; who authorized the invalidation; and when replacement samples were collected. Attach additional sheets, if necessary.)

7. Summary Completed By: Steve Shaw

Signature	Title	Date
	Water TreatmentSupervisor	7/3/18

NOTES AND INSTRUCTIONS:

1. Routine samples include:
   a. Samples required pursuant to 22 CCR Section 64423 and any additional samples required by an approved routine sample siting plan established pursuant to 22 CCR Section 64422.
   b. Extra samples are required for systems collecting less than five routine samples per month that had one or more total coliform positives in previous month;
   c. Extra samples for systems with high source water turbidities that are using surface water or groundwater under direct influence of surface water and do not practice filtration in compliance with regulations;
2. Note: For a repeat sample following a total coliform positive sample, any fecal/*E.coli* positive repeat (boxed entry) **constitutes an MCL violation and requires immediate notification to the Department** (22, CCR, Section 64426.1).
3. Note: For repeat sample following a fecal/*E.coli* positive sample, any total coliform positive repeat (boxed entry) **constitutes an MCL violation and requires immediate notification to the Department** (22, CCR, Section 64426.1).
4. Total coliform MCL **(Notify Department within 24 hours of MCL violation):**
   a. For systems collecting less than 40 samples, if two or more samples are total coliform positive, then the MCL is violated.
   b. For systems collecting 40 or more samples, if more than 5.0 percent of samples collected are total coliform positive, then the MCL is violated.
5. Positive results and their associated repeat samples are to be tracked on the Coliform Monitoring Worksheet.
6. Repeat samples must be collected within 24 hours of being notified of the positive results. For systems collecting more than one routine sample per month, three repeat samples must be collected for each total coliform positive sample. For systems collecting one or fewer routine samples per month, four repeat samples must be collected for each total coliform positive sample.
7. For systems subject to the Groundwater Rule: Positive results and the associated triggered source samples are to be tracked on the Coliform Monitoring Worksheet.
8. For triggered sample(s) required as a result of a total coliform routine positive sample, an *E.coli*, enterococci, or coliphage positive triggered sample (boxed entry) **requires immediate notification to the Department, Tier 1 public notification, and corrective action.**

10/2009 - 8477

Elk Grove Water District
A DEPARTMENT OF THE
Florin Resource Conservation District

July 5, 2018

State Water Resources Control Board
Division of Drinking Water
1001 I Street
13th Floor
Sacramento, CA. 95814

MONTHLY SUMMARY OF THE HAMPTON GROUNDWATER TREATMENT PLANT

Enclosed is the Monthly Summary of the Hampton GWTP report from Elk Grove Water District for June 2018.

If you have any further questions, you may contact me at 916-585-9386.

STEVE SHAW
WATER TREATMENT SUPERVISOR

Elk Grove Water District

Hampton GWTP Monthly Report

PWS Number 3410008-013 Month: June

GWTP Name Hampton Water Treatment Plant

Date	Meter Reading	Production	Backwash Meter	Reclaim Water
last day	373713776		5518825	541498
1	375147080	1433304	5551177	541498
2	376481639	1334559	5579928	541498
3	377859522	1377883	5612320	541498
4	379298216	1438694	5644771	541498
5	380632566	1334350	5677116	541498
6	382032241	1399675	5709427	541498
7	383456245	1424004	5741766	541498
8	384809538	1353293	5774048	541498
9	386173793	1364255	5806328	541498
10	387597896	1424103	5838681	541498
11	389021539	1423643	5871126	541498
12	390436964	1415425	5903667	541498
13	391812348	1375384	5936202	541498
14	391891870	79522	5936202	541498
15	392509573	617703	5947037	541498
16	392509573	0	5947037	541498
17	392509573	0	5947037	541498
18	392509573	0	5947037	541498
19	393941047	1431474	5979429	541498
20	395284469	1343422	6011843	541498
21	396559255	1274786	6044173	541498
22	396632108	72853	6044173	541498
23	397910229	1278121	6073042	541498
24	398125770	215541	6076622	541498
25	398125770	0	6076622	541498
26	399439696	1313926	6109059	541498
27	400862459	1422763	6141609	541498
28	402351435	1488976	6174105	541498
29	403694666	1343231	6206595	541498
30	405040966	1346300	6235423	541498
31				
	Total	31,327,190	716,598	0

Weekly In-House Monitoring (mg/L) R (Raw) T (Treated)As (ug/L)

Date	Fe, R	Fe, T	Mn, R	Mn, T	As, R	As, T
6/5/2018	0.001	0.031	0.062	0	10	2
6/12/2018	0.006	0.015	0.13	0.007	12	2
6/19/2018	0.001	0.02	0.01	0	10	2.5
6/26/2018	0.011	0.013	0.004	0	10	2

Total Gallons Sodium Hypochlorite: 317 Gal
Pounds per day 12.78 Lbs/Day
Dosage (Milligrams Per Liter @ 12.5% Cl) 1.8 mg/L

Total Gallons Ferric Chloride: 181.1 Gal
Dosage (Milligrams Per Liter @ 38% FeCl) .65mg/L

Total Gallons Sodium Hydroxide: 226.4 Gal
Dosage (Gallons Per Hour @ 50% NaOH) 0.48 Gal/Hr

Total Gallons Sulfuric Acid : 181.1 Gal
Dose (Gallons Per Hour @ 93%) 0.33 Gal/Hr

Weekly Average		
	Inf. pH	Eff. pH
Week 1: 7.0 to 7.2		
Cl2		0.82
Week 2: 6.9 to 7.4		
Cl2		0.92
Week 3: 6.8 to 7.6		
Cl2		0.62
Week 4: 6.9 to 7.3		
Cl2		0.8
Week 5: to		
Cl2		

Total Backwashed 716,598 Gal

Total Reclaim 0 Gal

Total Water Pumped 31,327,190 Gal

Total Water Treated 31,327,190 Gal

Reporting Limits/Units
Iron = 0.100 mg/L
Manganese = 0.010 mg/L
Arsenic = 1.0 µg/L

Maximum Contaminant Levels (MCLs)
Iron (Fe) = 0.300 mg/L (Secondary)
Manganese (Mn) = 0.050 mg/L (Secondary)
Arsenic (As) = 10 µg/L (Primary)

Prepared By: Steve Shaw Date: 7/5/2018

Elk Grove Water District
A DEPARTMENT OF THE
Florin Resource Conservation District

July 5, 2018

State Water Resources Control Board
Division of Drinking Water
1001 I Street
13th Floor
Sacramento, CA. 95814

MONTHLY SUMMARY OF DISTRIBUTION SYSTEM FLUORIDATION MONITORING

Enclosed is the Monthly Summary of Distribution System Fluoridation Monitoring report from Elk Grove Water District for June 2018.

If you have any further questions, you may contact me at 916-585-9386.

STEVE SHAW
WATER TREATMENT SUPERVISOR

9257 Elk Grove Blvd. Elk Grove, CA 95624 (916) 685-3556 Fax (916) 685-5376

Elk Grove Water District Area 2

DISTRIBUTION SYSTEM

MONTHLY FLUORIDATION MONITORING REPORT

Water System Name: Elk Grove Water District **System Number:** 3410008

Contact Name: Steve Shaw **Telephone:** (916) 585-9386

Month/Year: June 2018

Week	*Location of samples taken**	*Monitoring Results (mg/L)*		
		Date	Time	Result
1	Hollow Springs	6-5-2018	10:22	.74
1	Al Gates Park	6-5-2018	10:36	.71
1	Oreo Ranch	6-5-2018	10:50	.64
1	Blackman	6-5-2018	11:42	.72
2	Hollow Springs	6-12-2018	8:26	.59
2	Al Gates Park	6-12-2018	8:51	.64
2	Oreo Ranch	6-12-2018	9:04	.64
2	Blackman	6-12-2018	11:38	.68
3	Hollow Springs	6-19-2018	9:47	.74
3	Al Gates Park	6-19-2018	10:01	.63
3	Oreo Ranch	6-19-2018	10:20	.64
3	Blackman	6-19-2018	11:29	.56
4	Hollow Springs	6-26-2018	8:54	.63
4	Al Gates Park	6-26-2018	9:09	.65
4	Oreo Ranch	6-26-2018	9:21	.66
4	Blackman	6-26-2018	12:08	.65
5	Hollow Springs			
5	Al Gates Park			
5	Oreo Ranch			
5	Blackman			

*Samples must be taken pursuant to approved sampling plan

Monthly fluoride split sample results:

Date: 6-12-2018

Water system personnel: .59 mg/L

Approved laboratory: .66 mg/L

(12/98)

Elk Grove Water District
A DEPARTMENT OF THE
Florin Resource Conservation District

July 3, 2018

State Water Resources Control Board
Division of Drinking Water
1001 I Street
13th Floor
Sacramento, CA 95814

QUARTERLY REPORT FOR DISINFECTANT RESIDUALS COMPLIANCE MONITORING

Enclosed is the Quarterly Report for Disinfectant Residuals Compliance Monitoring from Elk Grove Water District for 2nd Quarter 2018.

If you have any further questions, you may contact me at 916-585-9386

STEVE SHAW
WATER TREATMENT SUPERVISOR

9257 Elk Grove Blvd. Elk Grove, CA 95624 (916) 685-3556 Fax (916) 685-5376

State Water Resources Control Board
Division of Drinking Water

Sacramento District Office

Quarterly Report for Disinfectant Residuals Compliance
For Systems Using Chlorine or Chloramines

System Name: Elk Grove Water District Area 1 System No.: 3410008

Calendar Year: 2018 Quarter: 2nd

1st Quarter

	Month	Number of Samples Taken	Monthly Ave. Chlorine Level (mg/L)
Previous Year	April		0.96
	May		0.99
	June		1.00
	July		0.94
	August		1.00
	September		0.99
	October		0.96
	November		0.99
	December		0.89
Current Year	January	30	0.91
	February	24	0.92
	March	24	0.92
Running Annual Average (RAA):			0.96
Meets standard? (i.e. RAA ≤ MRDL of 4.0 mg/L as Cl_2)			☑ Yes ☐ No

2nd Quarter

	Month	Number of Samples Taken	Monthly Ave. Chlorine Level (mg/L)
Previous Year	July		0.94
	August		1.00
	September		0.99
	October		0.96
	November		0.99
	December		0.89
Current Year	January		0.91
	February		0.92
	March		0.92
	April	24	0.80
	May	30	0.87
	June	24	0.96
Running Annual Average (RAA):			0.93
Meets standard? (i.e. RAA ≤ MRDL of 4.0 mg/L as Cl_2)			☑ Yes ☐ No

3rd Quarter

	Month	Number of Samples Taken	Monthly Ave. Chlorine Level (mg/L)
Previous Yr	October		0.96
	November		0.99
	December		0.89
Current Year	January		0.91
	February		0.92
	March		0.92
	April		0.80
	May		0.87
	June		0.96
	July	24	0.98
	August	30	1.26
	September	24	0.92
Running Annual Average (RAA):			0.95
Meets standard? (i.e. RAA ≤ MRDL of 4.0 mg/L as Cl_2)			☑ Yes ☐ No

4th Quarter

	Month	Number of Samples Taken	Monthly Ave. Chlorine Level (mg/L)
Current Year	January		0.91
	February		0.92
	March		0.92
	April		0.80
	May		0.87
	June		0.96
	July		0.98
	August		1.26
	September		0.92
	October	30	1.00
	November	24	0.92
	December	24	0.87
Running Annual Average (RAA):			0.94
Meets standard? (i.e. RAA ≤ MRDL of 4.0 mg/L as Cl_2)			☑ Yes ☐ No

Comments: The Elk Grove Water District is split into two different water systems. Area 1 water is produced and distributed by Elk Grove Water District.

Signature: Date: July 3, 2018

State Water Resources Control Board
Division of Drinking Water

Sacramento District Office

Quarterly Report for Disinfectant Residuals Compliance
For Systems Using Chlorine or Chloramines

System Name: Elk Grove Water District Area 2 System No.: 3410008

Calendar Year: 2018 Quarter: 2nd

1st Quarter

	Month	Number of Samples Taken	Monthly Ave. Chlorine Level (mg/L)
Previous Year	April		1.19
	May		1.21
	June		1.17
	July		1.14
	August		1.13
	September		1.09
	October		0.94
	November		0.87
	December		0.89
Current Year	January	20	1.24
	February	16	1.16
	March	16	1.02
Running Annual Average (RAA):			1.09
Meets standard? (i.e. RAA ≤ MRDL of 4.0 mg/L as Cl_2)			☑ Yes ☐ No

2nd Quarter

	Month	Number of Samples Taken	Monthly Ave. Chlorine Level (mg/L)
Previous Year	July		1.14
	August		1.13
	September		1.09
	October		0.94
	November		0.87
	December		0.89
Current Year	January		1.24
	February		1.16
	March		1.02
	April	16	1.07
	May	20	1.35
	June	16	1.21
Running Annual Average (RAA):			1.09
Meets standard? (i.e. RAA ≤ MRDL of 4.0 mg/L as Cl_2)			☑ Yes ☐ No

3rd Quarter

	Month	Number of Samples Taken	Monthly Ave. Chlorine Level (mg/L)
Previous Yr	October		0.94
	November		0.87
	December		0.89
Current Year	January		1.24
	February		1.16
	March		1.02
	April		1.07
	May		1.35
	June		1.21
	July	16	1.41
	August	20	1.65
	September	16	1.15
Running Annual Average (RAA):			1.16
Meets standard? (i.e. RAA ≤ MRDL of 4.0 mg/L as Cl_2)			☑ Yes ☐ No

4th Quarter

	Month	Number of Samples Taken	Monthly Ave. Chlorine Level (mg/L)
Current Year	January		1.24
	February		1.16
	March		1.02
	April		1.07
	May		1.35
	June		1.21
	July		1.41
	August		1.65
	September		1.15
	October	20	1.20
	November	16	1.34
	December	16	1.38
Running Annual Average (RAA):			1.27
Meets standard? (i.e. RAA ≤ MRDL of 4.0 mg/L as Cl_2)			☑ Yes ☐ No

Comments: The Elk Grove Water District is split into two different water systems. Area 2 is whole sale water from Sacramento County Water Agency.

Signature: Date: July 3, 2018

Elk Grove Water District
A DEPARTMENT OF THE
Florin Resource Conservation District

July 10, 2018

State Water Resources Control Board
Division of Drinking Water
1001 I Street
13th Floor
Sacramento, Ca. 95814

QUARTERLY SUMMARY OF RAW GROUNDWATER COLIFORM MONITORING

Enclosed is the revised Quarterly Summary of Raw Groundwater Coliform Monitoring report from Elk Grove Water District for 2nd Quarter 2018.

If you have any further questions, you may contact me at 916-585-9386.

STEVE SHAW
WATER TREATMENT SUPERVISOR

9257 Elk Grove Blvd. Elk Grove, CA 95624 (916) 685-3556 Fax (916) 685-5376

QUARTERLY SUMMARY OF RAW GROUNDWATER COLIFORM MONITORING

Samples must be taken prior to chlorination

Water System Name

Elk Grove Water District

Water System Number

3410008

Sampling Period:

Month: April - June 2018 / 2nd Quarter

Year: 2018

Well Name	Status (On/Off)	Sample Time & Date	Total Coliforms (P/A, CFU or MPN)	*E. coli (P/A, CFU or MPN)*
Well # 1D School St.	ON	4/3/2018 9:26	A	A
Well # 4D Webb St.	ON	4/10/2018 8:45	A	A
Well # 11D Dino Dr.	ON	4/3/2018 9:10	A	A
Well 14D Railroad St.	ON	4/17/2018 8:00	A	A
Well # 3 Mar-Val	ON	4/17/2018 8:25	A	A
Well # 8 Williamson	ON	5/10/2018	< 1	< 1
Well # 8 Williamson	ON	5/15/2018	< 1	< 1
Well # 9 Polhemus	ON	4/10/2018 9:00	A	A
Well # 13 Hampton	ON	4/3/2018 11:04	A	A
Well # 13 Hampton	ON	4/10/2018 13:00	A	A
Well # 13 Hampton	ON	4/17/2018 10:45	P	A
Well # 13 Hampton	ON	4/18/2018 13:26	< 1	< 1
Well # 13 Hampton	ON	4/24/2018 11:45	A	A
Well # 13 Hampton	ON	5/1/2018 10:06	A	A
Well # 13 Hampton	ON	5/8/2018 9:40	A	A
Well # 13 Hampton	ON	5/15/2018 13:32	A	A
Well # 13 Hampton	ON	5/17/2018 12:53	A	A
Well # 13 Hampton	ON	5/22/2018 8:52	A	A
Well # 13 Hampton	ON	5/29/2018 12:30	A	A

Elk Grove Water District
A DEPARTMENT OF THE
Florin Resource Conservation District

July 5, 2018

State Water Resources Control Board
Division of Drinking Water
1001 I Street
13th Floor
Sacramento CA. 95814

QUARTERLY TTHM AND HAA5 REPORT FOR DISINFECTION BYPRODUCTS COMPLIANCE

Enclosed is the Quarterly TTHM and HAA5 Report from Elk Grove Water District for the 2nd quarter 2018.

If you have any further questions, you may contact me at 916-585-9386.

STEVE SHAW
WATER TREATMENT SUPERVISOR

9257 Elk Grove Blvd. Elk Grove, CA 95624 (916) 685-3556 Fax (916) 685-5376

State of California
Drinking Water Program

State Water Resources Control Board

Quarterly TTHM Report for Disinfection Byproducts Compliance (in µg/L or ppb)

System Name: **Elk Grove Water District** System No.: **3410008** Year: **2018** Quarter: **1**

Year:	2014				2015				2016				2017				2018			
Quarter:	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.
Sample Date (month/date):	1/14	4/2	7/1	10/21	1/6	4/8	7/14	10/13	1/12	4/5	7/5	10/4	1/17	4/18	7/3	10/3	1/10	4/10		
Site Q1 TTHM Results	1	1	0	23	23	0	0	1	1	5	0	0	1	37	0	0	1	3		
Lcn. Running Annual Average				6.2	11.7	11.5	11.5	6.0	0.5	1.8	1.8	1.5	1.4	9.4	9.4	9.4	9.5	1.1	1.4	2.1
Meets Standard?[1]	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☐	Yes ☐
(check box) ☑	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐
Projected LRAA Next Quarter			0	12	17	12	6	1	1	3	2	1	0	19	9	9	0	2	1	1
Op Evaluation Req'd?[2]	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☑	Yes ☐	Yes ☐
(check box) ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☐	No ☐	No ☐
Site Q2 TTHM Results	1	1	0	1	0	0	0	0	1	1	0	0	0	1	0					
Lcn. Running Annual Average				1.0	0.5	0.3	0.3	0.0	0.3	0.5	0.5	0.5	0.3	0.3	0.3	0.3	0.5	0.0	#DIV/0!	#DIV/0!
Meets Standard?[1]	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☐	Yes ☐	Yes ☐
(check box) ☑	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐
Projected LRAA Next Quarter			1	1	0	0	0	0	1	1	1	0	0	1	0	0	0	0	0	0
Op Evaluation Req'd?[2]	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐
(check box) ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☐	No ☐	No ☐
Site Q3 TTHM Results	1	2	0	0	0	1	0	0	1	0	2	1	1	1	1	1	2	0		
Lcn. Running Annual Average				0.8	0.5	0.3	0.3	0.3	0.5	0.3	0.8	1.0	1.0	1.3	1.0	0.9	1.0	0.8	0.7	0.8
Meets Standard?[1]	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☐	Yes ☐
(check box) ☑	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐
Projected LRAA Next Quarter			1	1	0	1	0	0	1	0	1	1	1	1	1	1	1	1	0	0
Op Evaluation Req'd?[2]	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐
(check box) ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☐	No ☐
Site Q4 TTHM Results																1	1	1		
Lcn. Running Annual Average				#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	1.0	1.1	1.1	1.1	1.2
Meets Standard?[1]	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☑	Yes ☑	Yes ☑	Yes ☐	Yes ☐
(check box) ☑	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐
Projected LRAA Next Quarter			0	0	0	0	0	0	0	0	0	0	0	0	0	1	1	1	1	0
Op Evaluation Req'd?[2]	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐
(check box) ☑	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☑	No ☑	No ☑	No ☐	No ☐
Quarterly Average	1	1	0	8	8	0	0	0	1	2	1	0	1	13	0	1	1	2	#DIV/0!	#DIV/0!
No. Samples This Quarter	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	0	0

Identify the sample locations in the table below.

Site	Sample Location
Q1	9436 Hollow Springs
Q2	9425 Emerald Vista (Discontinued 4th qtr per revised SAP)
Q3	8693 W. Camden
Q4	9230 Amsden Ct (Beginning 4th qtr 2017 per revised SAP)

Comments:

[1] Meets Standard - LRAA, calculated quarterly, is less than 80 ug/L

[2] Operation Evaluation Req'd - Projected LRAA, calculated quarterly, is greater than 80 ug/L

Signature

July 5, 2018
Date

*If, during the first year of monitoring, any individual quarter's average will cause the running annual average of that system to exceed the standard, then the system is out of compliance at the end of that quarter.

State of California
Drinking Water Program

State Water Resources Control Board

Quarterly HAA5 Report for Disinfection Byproducts Compliance (in µg/L or ppb)

System Name: **Elk Grove Water District** System No.: **3410008** Year: **2018** Quarter: **2**

Year:	2014				2015				2016				2017				2018			
Quarter:	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.
Sample Date (month/date):	1/14	4/2	7/1	10/21	1/6	4/8	7/14	10/13	1/12	4/5	7/5	10/4	1/17	4/18	7/5	10/3	1/17	4/10		
Site Q1 HAA5 Results	2	0	2	0	1	0	0	0	0	0	0	0	0	26	0	0	0	0		
Lcn. Running Annual Average				1.0	0.8	0.8	0.3	0.3	0.0	0.0	0.0	0.0	0.0	6.5	6.5	6.5	6.5	0.0	0.0	0.0
Meets Standard?[1]	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☐	Yes ☐
(check box) ☑	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐
Projected LRAA Next Quarter			2	1	1	0	0	0	0	0	0	0	0	13	7	7	0	0	0	0
Op Evaluation Req'd?[2]	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐
(check box) ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☐	No ☐
Site Q2 HAA5 Results	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0					
Lcn. Running Annual Average				0.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	#DIV/0!	#DIV/0!
Meets Standard?[1]	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐
(check box) ☑	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐
Projected LRAA Next Quarter			1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Op Evaluation Req'd?[2]	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐
(check box) ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☐	No ☐
Site Q3 HAA5 Results	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Lcn. Running Annual Average				0.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Meets Standard?[1]	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☑	Yes ☐	Yes ☐
(check box) ☑	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐
Projected LRAA Next Quarter			1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Op Evaluation Req'd?[2]	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐
(check box) ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☑	No ☐	No ☐
Site Q4 HAA5 Results																0	0	0		
Lcn. Running Annual Average				#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	0.0	0.0	0.0	0.0	0.0
Meets Standard?[1]	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☑	Yes ☑	Yes ☑	Yes ☐	Yes ☐
(check box) ☑	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐
Projected LRAA Next Quarter			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Op Evaluation Req'd?[2]	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐	Yes ☐
(check box) ☑	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☐	No ☑	No ☑	No ☑	No ☐	No ☐
Quarterly Average	2	0	1	0	0	0	0	0	0	0	0	0	0	9	0	0	0	0	#DIV/0!	#DIV/0!
No. Samples This Quarter	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	0	0

Identify the sample locations in the table below.

Site	Sample Location
Q1	9436 Hollow Springs Wy.
Q2	9425 Emerald Vista (Discontinued 4th qtr 2017 per revised SAP)
Q3	8693 W. Camden
Q4	9230 Amsden Ct. (Beginning 4th qtr 2017 per revised SAP)

Comments:

[1] Meets Standard - LRAA, calculated quarterly, is less than 60 ug/L

[2] Operation Evaluation Req'd - Projected LRAA, calculated quarterly, is greater than 60 ug/L

Signature

July 5, 2018
Date

*If, during the first year of monitoring, any individual quarter's average will cause the running annual average of that system to exceed the standard, then the system is out of compliance at the end of that quarter.

Year: 2018

Elk Grove Water District

Preventative Maintenance Program

Groundwater Wells

		Monthly												Semi-annual			Annual	
		Refer.	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Refer.	1ST 6-MO.	2ND 6-MO.	Refer.	2018
Well 14D Railroad	Initials	Sect: 7.1	WQ	WQ	WQ	WQ	WQ	WQ							Sect: 7.2	AH/WQ		Sect: 7.3	
	Date		1/9/18	2/6/18		4/9/18	5/11/18	6/14/18								6/20/18			
	W.O. #		15483	15581	15673	15779	15900	16020								16033			
Well 4D Webb	Initials	Sect: 8.1	WQ	WQ	AH	WQ	WQ	WQ							Sect: 8.2	AH/WQ		Sect: 8.3	
	Date		1/4/18	2/27/18	3/9/18	4/9/18	5/23/18	6/13/18								6/20/18			
	W.O. #		15484	15582	15674	15780	15901	16021								16034			
Well 11D Dino	Initials	Sect: 9.1	WQ	WQ	WQ	WQ	WQ	WQ							Sect: 9.2	AH/WQ		Sect: 9.3	
	Date		1/2/18	2/13/18	3/7/18	4/3/18	5/16/18	6/13/18								6/20/18			
	W.O. #		15485	15583	15675	15781	15902	16022								16035			
Well 1D School	Initials	Sect: 13.1	WQ	WQ	WQ	WQ	WQ	WQ							Sect: 13.2	AH/WQ		Sect: 13.3	
	Date		1/9/18	2/22/18	3/6/18	4/3/18	5/22/18	6/21/18								6/20/18			
	W.O. #		15486	15584	15676	15782	15903	16023								16036			
Well 3 Mar-Val	Initials	Sect: 12.1	WQ	WQ	AH	WQ	WQ	WQ							Sect: 12.2	AH/WQ		Sect: 12.4	
	Date		1/11/18	2/16/18	3/9/18	4/10/18	5/11/18	6/7/18								6/20/18			
	W.O. #		15487	15585	15677	15783	15904	16024								16037			
Well 8 Williamson	Initials	Sect: 11.1	AH	AH	AH	AH	AH	WQ										Sect: 11.4	
	Date							6/25/18											
	W.O. #		15488	15586	15678	15784	15905	16025											
Well 9 Polhemus	Initials	Sect: TBD	WQ	WQ	AH	WQ	WQ	WQ										Sect: TBD	
	Date		1/10/18	2/16/18	3/9/18	4/19/18	5/21/18	6/8/18											
	W.O. #		15489	15587	15679	15785	15906	16026											
Well 13 Hampton	Initials	Sect: TBD	WQ	WQ	AH	AH	AH	WQ							Sect: TBD	WQ		Sect: TBD	
	Date		1/11/18	2/6/18	3/5/18	4/9/18	5/21/18	6/5/18								6/22/18			
	W.O. #		15490	15588	15680	15786	15907	16027								16038			

Year: 2018

Elk Grove Water District

Preventative Maintenance Program

Rairoad Water Treatment and Storage Facility

Item		Monthly													Quarterly					Semi-annual			Annual	
		Refer.	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Refer.	1st	2nd	3rd	4th	Refer.	1ST 6-MO.	2ND 6-MO.	Refer.	2018
Clor-Tec System	Initials	Section: 4.2	WQ	WQ	WQ	WQ	WQ	AH							Section: 4.3	WQ	AH/WQ						Section: 4.4	
	Date		1/25/18	2/6/18	3/5/18	4/11/18	5/8/18	6/28/18								3/13/18	6/28/18							
	W.O. #		15472	15593	15685	15768	15892	16011								15689	15923							
Filter System	Initials	Section: 5.1	WQ	AH	WQ	WQ	WQ	AH												Section: 5.2	WQ		Section: 5.3	
	Date		1/25/18	2/27/18	3/6/18	4/4/18	5/7/18	6/11/18													3/14/18			
	W.O. #		15473	15594	15686	15769	15893	16012													15708			
Backwash Ssytem	Initials	Section: 2.1	WQ	WQ	WQ	WQ	WQ	WQ												Section: 2.2	WQ		Section: 2.3	
	Date		1/18/18	2/21/18	3/5/18	4/12/18	5/16/18	6/12/18													3/14/18			
	W.O. #		15474	15595	15687	15770	15894	16013													15709			
Booster Pumps	Initials	Section: 3.1	WQ	WQ	WQ	WQ	WQ	AH												Section: TBD	WQ		Section: 3.2	
	Date		1/18/18	2/21/18	3/8/18	4/11/18	5/14/18	6/14/18													6/20/18			
	W.O. #		15475	15596	15688	15771	15895	16014													16039			
LAB	Initials														Section: 1.1	WQ/AH	WQ						Section: 1.2	
	Date															3/15/18	6/28/18							
	W.O. #															15690	16040							
Clear Wells	Initials																						Section: 2.4	
	Date																							
	W.O. #																							
MCC	Initials																						Section: 1.2	
	Date																							
	W.O. #																							

Year: 2018

Elk Grove Water District

Preventative Maintenance Program

Hampton Village Water Treatment Plant

Item		Monthly													Quarterly					Semi-annual			Annual	
		Refer.	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Refer.	1st	2nd	3rd	4th	Refer.	1ST 6-MO.	2ND 6-MO.	Refer.	2018
Chemical Systems	Initials	Section: TBD	AH	WQ	AH	AH	AH	WQ							Section: TBD	AH	AH						Section: TBD	
	Date		1/11/18	2/6/18	3/5/18	4/9/18	5/21/18	6/14/18								3/5/18	6/7/18							
	W.O. #		15476	15597	15670	15772	15908	16028								15691	16031							
Filter System	Initials	Section: TBD	AH	WQ	AH	AH	AH	WQ												Section: TBD	AH		Section: TBD	
	Date		1/11/18	2/6/18	3/5/18	4/9/18	5/21/18	6/14/18													3/14/18			
	W.O. #		15477	15598	15671	15773	15909	16029													15715			
Backwash Ssytem	Initials	Section: TBD	AH	WQ	AH	AH	AH	WQ												Section: TBD	AH/WQ		Section: TBD	
	Date		1/11/18	2/6/18	3/5/18	4/9/18	5/21/18	6/14/18													3/29/18			
	W.O. #		15478	15599	15672	15774	15910	16030													15716			
LAB	Initials														Section: TBD	AH	AH						Section: TBD	
	Date															1/11/18	6/7/18							
	W.O. #															15495	16032							
MCC	Initials																						Section: TBD	
	Date																							
	W.O. #																							

Year: 2018

Elk Grove Water District

Preventative Maintenance Program

Standby Generators

Item		Monthly													Annual	
		Refer.	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Refer.	2018
Rairoad	Initials	Section: TBD	WQ	WQ	WQ	WQ	WQ	WQ							Section: TBD	
	Date		1/19/19	2/14/18	3/9/18	4/9/18	5/14/18	6/12/18								
	W.O. #		15479	15589	15681	15775	15896	16016								
Webb	Initials	Section: TBD	WQ	WQ	AH	WQ	WQ	WQ							Section: TBD	
	Date		1/4/18	2/27/18	3/9/18	4/9/18	5/23/18	6/13/18								
	W.O. #		15480	15590	15682	15776	15897	16017								
Dino	Initials	Section: TBD	WQ	WQ	WQ	WQ	WQ	WQ							Section: TBD	
	Date		1/2/18	2/13/18	3/7/18	4/3/18	5/16/18	6/13/18								
	W.O. #		15481	15591	15683	15777	15898	16018								
Hampton	Initials	Section: TBD													Section: TBD	
	Date															
	W.O. #															
Admin.	Initials	Section: TBD	WQ	WQ	WQ	AH	AH	AH							Section: TBD	
	Date		1/31/18	2/27/18	3/9/18	4/5/18	5/18/18	6/14/18								
	W.O. #		15482	15592	15684	15778	15899	15019								

= Load Test

Elk Grove Water District
Backflow Prevention Program 2018

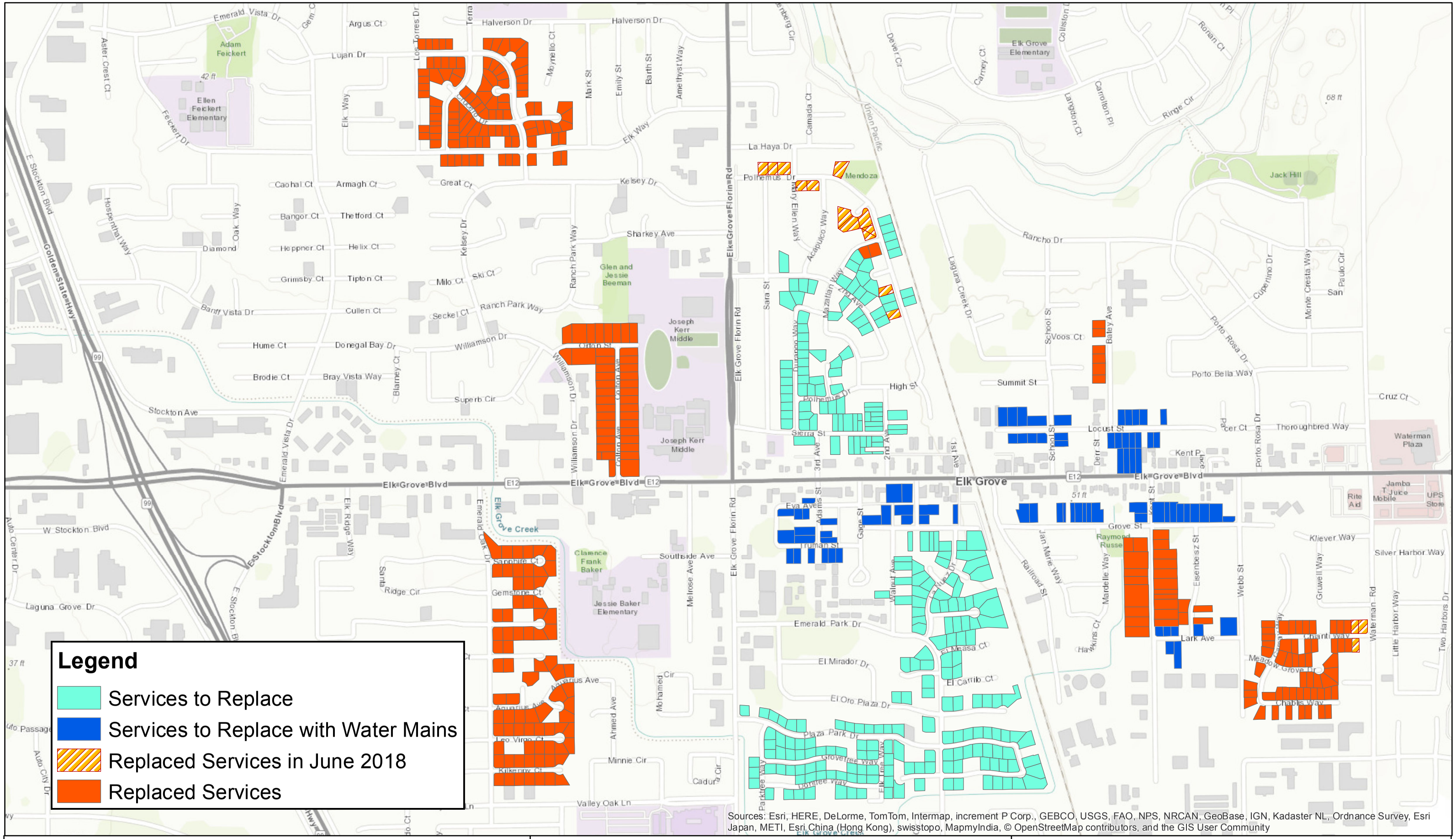
Backflow Device Reports												
CURRENT	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Notices Issued	42	40	80	15	60	66						
Assemblies Tested	35	37	49	1	31	24						
Passed Initial Test	31	30	46	1	31	24						
Failed Initial Test	4	7	3									
Failed Devices Retested----Passed	3	7	2									
Investigations or Address Change					2							
Inactivated Devices												
Schedule Code Changed												
Devices Turned Off												
2nd Notices Issued	5	3	32	14	27	42	0	0	0	0	0	0

Monthly Outstanding Delinquents	0	0	0	0	1	12	0	0	0	0	0	0

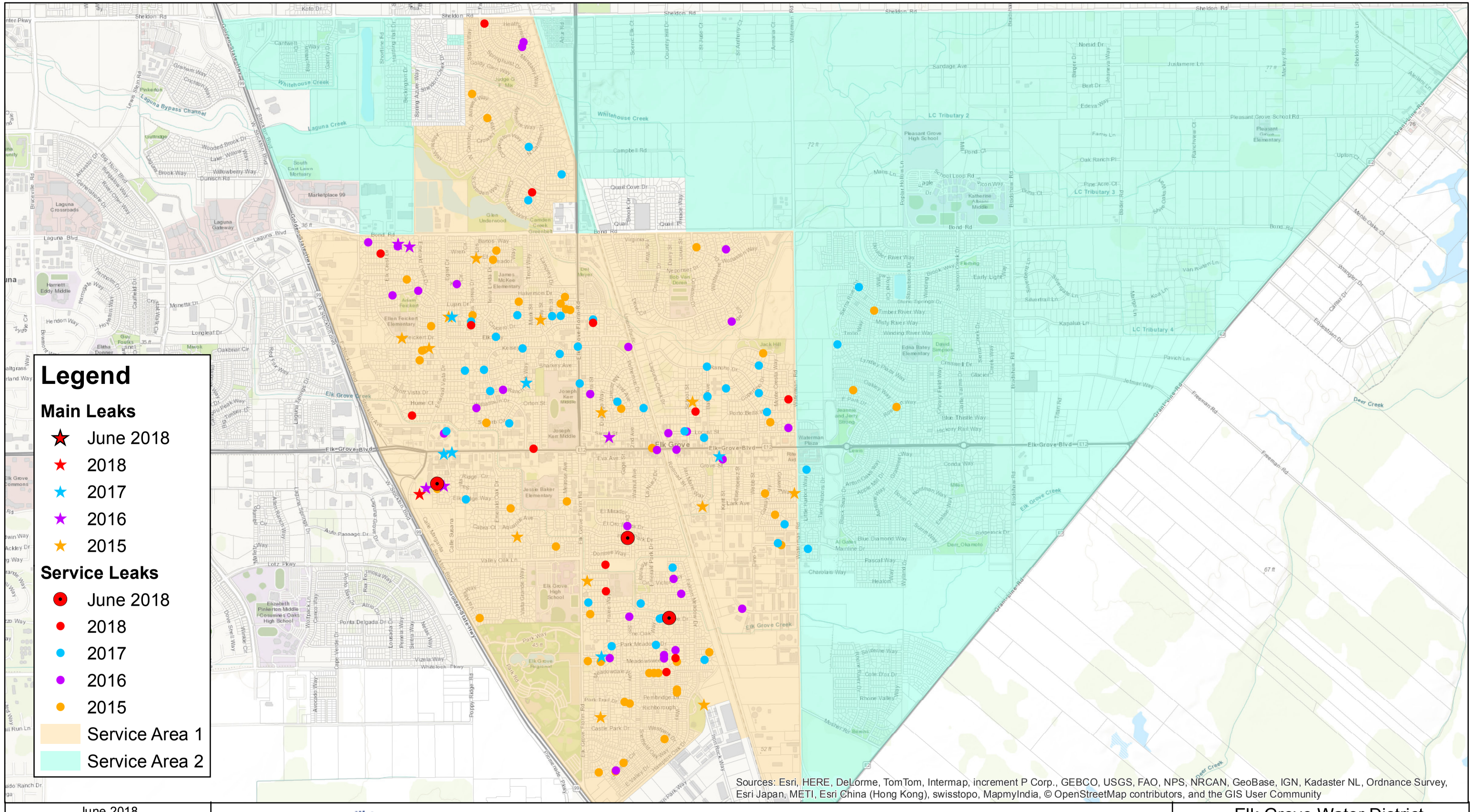
Total Outstanding Delinquents	**13**

Elk Grove Water District
Safety Meetings/Training
June 2018

Date	Topic	Attendees	Hosted By
6/25/2018	Bloodborne Pathogens	David Frederick, Aaron Hewitt, Sean Hinton, Justin Mello, Jose Mendoza, Salvador Mendoza, Michael Montiel, Wilfredo Quintero, Richard Salas, Steve Shaw, John Vance, Brandon Wagner, Marcell Wilson	Sarah Jones
6/27/2018	Rattlesnake Safety	Alan Aragon, Aurelia Camilo, Jose Carrillo, Travis Franklin, David Frederick, Aaron Hewitt, Sean Hinton, Bruce Kamilos, Amber Kavert, Patrick Lee, Mark Madison, Denise Maxwell, Justin Mello, Jose Mendoza, Sal Mendoza, Mike Montiel, Donella Murillo, Stefani Phillips, Wilfredo Quintero, Cindy Robertson, William Sadler, Richard Salas, Steve Shaw, John Vance, Brandon Wagner, Tonia Williams, Marcell Wilson	Mark Madison



Services to Replace: 253	Projected Coordinate System: NAD 83 State Plane, Californa II, FIPS 0420
Services Replaced in June 2018: 16	Source: City of Elk Grove, EGWD and Sacramento County GIS databases
Total Service Replaced: 319	Created by: Travis Franklin
	Date: July 11, 2018



June 2018	
Main Line Leaks: 0	YTD: 1
Service Line Leaks: 3	YTD: 16
Total Leaks: 3	YTD: 17

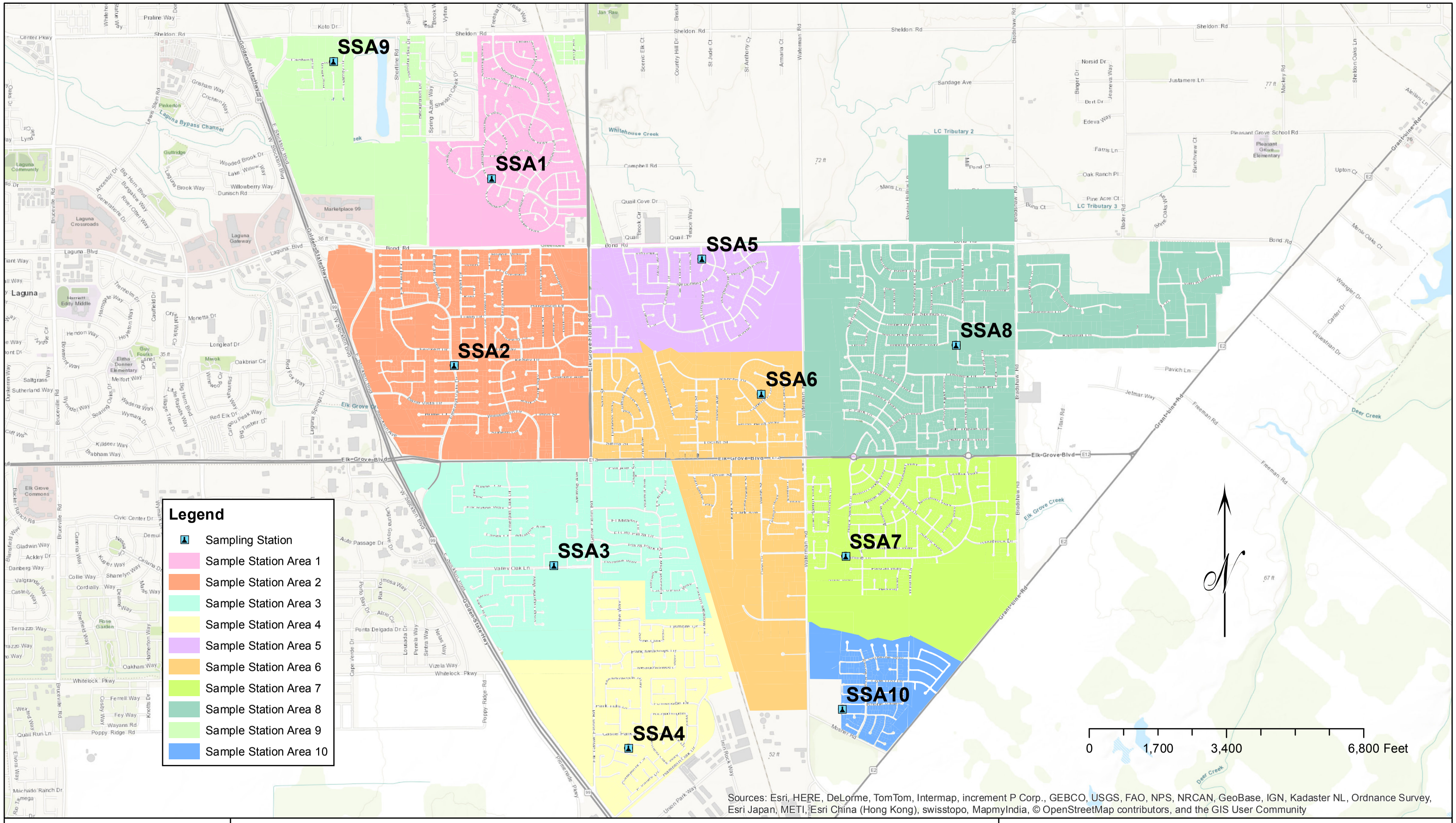
Elk Grove Water District

Main and Service Line Leaks Map

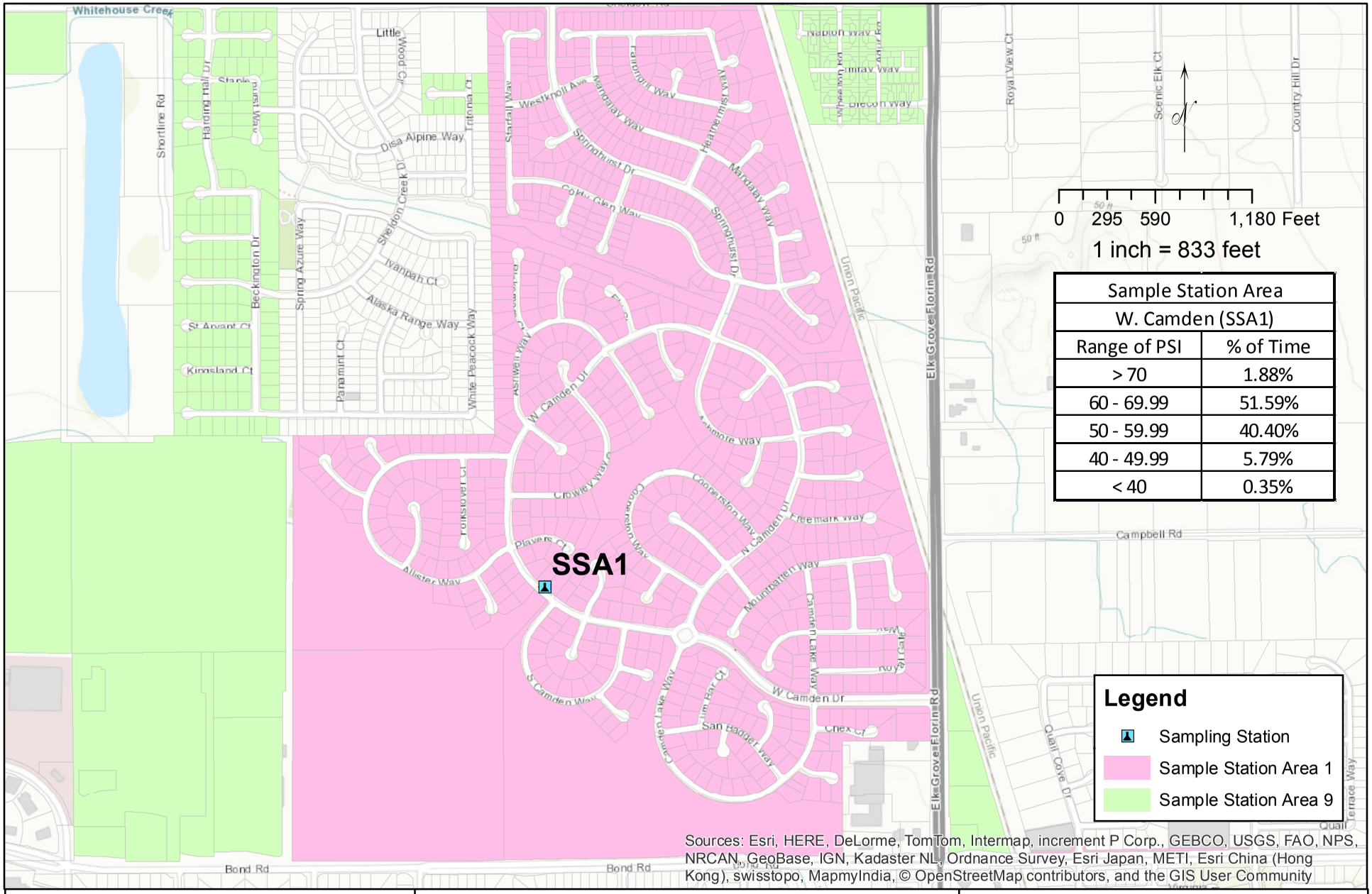
0 3,000 6,000 Feet

N W E S

Elk Grove Water District
Service / Main Leaks
Created by: Travis Franklin
Date: July 5, 2018



Sample Stations: 10	Elk Grove Water District Sample Station Areas	Projected Coordinate System: NAD 83 State Plane CA II FIPS 0402 Source: EGWD GIS database Modified by: Travis Franklin July 9, 2018



Sample Station #1

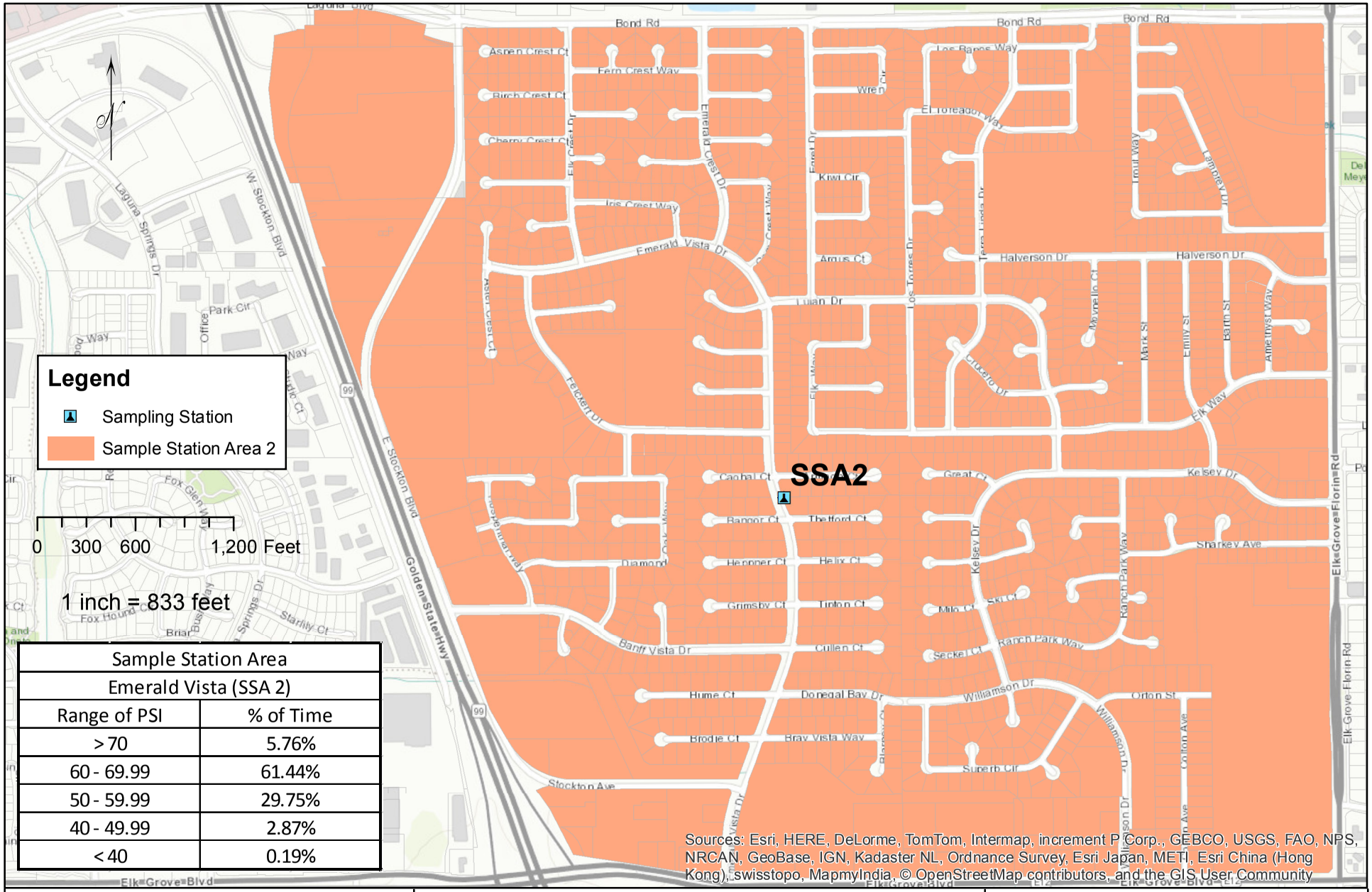
Note: Sample Station takes a reading every 5 minutes.

June 2018

Elk Grove Water District

System Pressure Monitoring

Projected Coordinate System:
NAD 83 State Plane CA II FIPS 0402
Source:EGWD GIS database
Created by: Travis Franklin
July 9, 2018



Sample Station Area	
Emerald Vista (SSA 2)	
Range of PSI	% of Time
> 70	5.76%
60 - 69.99	61.44%
50 - 59.99	29.75%
40 - 49.99	2.87%
< 40	0.19%

Sample Station #2

Note: Sample Station takes a reading every 5 minutes.

June 2018

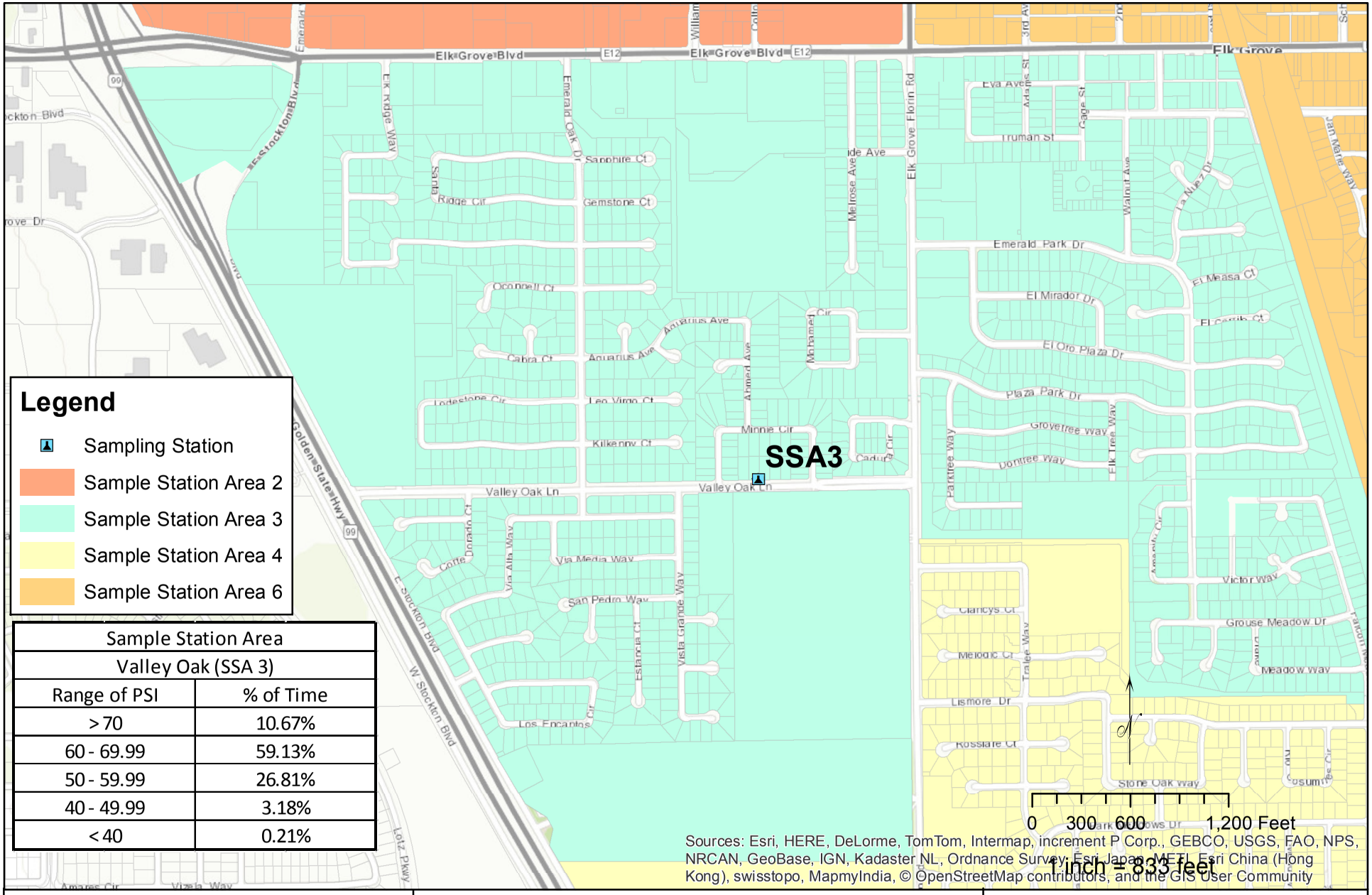
Elk Grove Water District

System Pressure Monitoring

Projected Coordinate System:
NAD 83 State Plane CA II FIPS 0402

Source: EGWD GIS database

Created by: Travis Franklin
July 9, 2018



Sample Station Area	
Valley Oak (SSA 3)	
Range of PSI	% of Time
> 70	10.67%
60 - 69.99	59.13%
50 - 59.99	26.81%
40 - 49.99	3.18%
< 40	0.21%

Sample Station #3

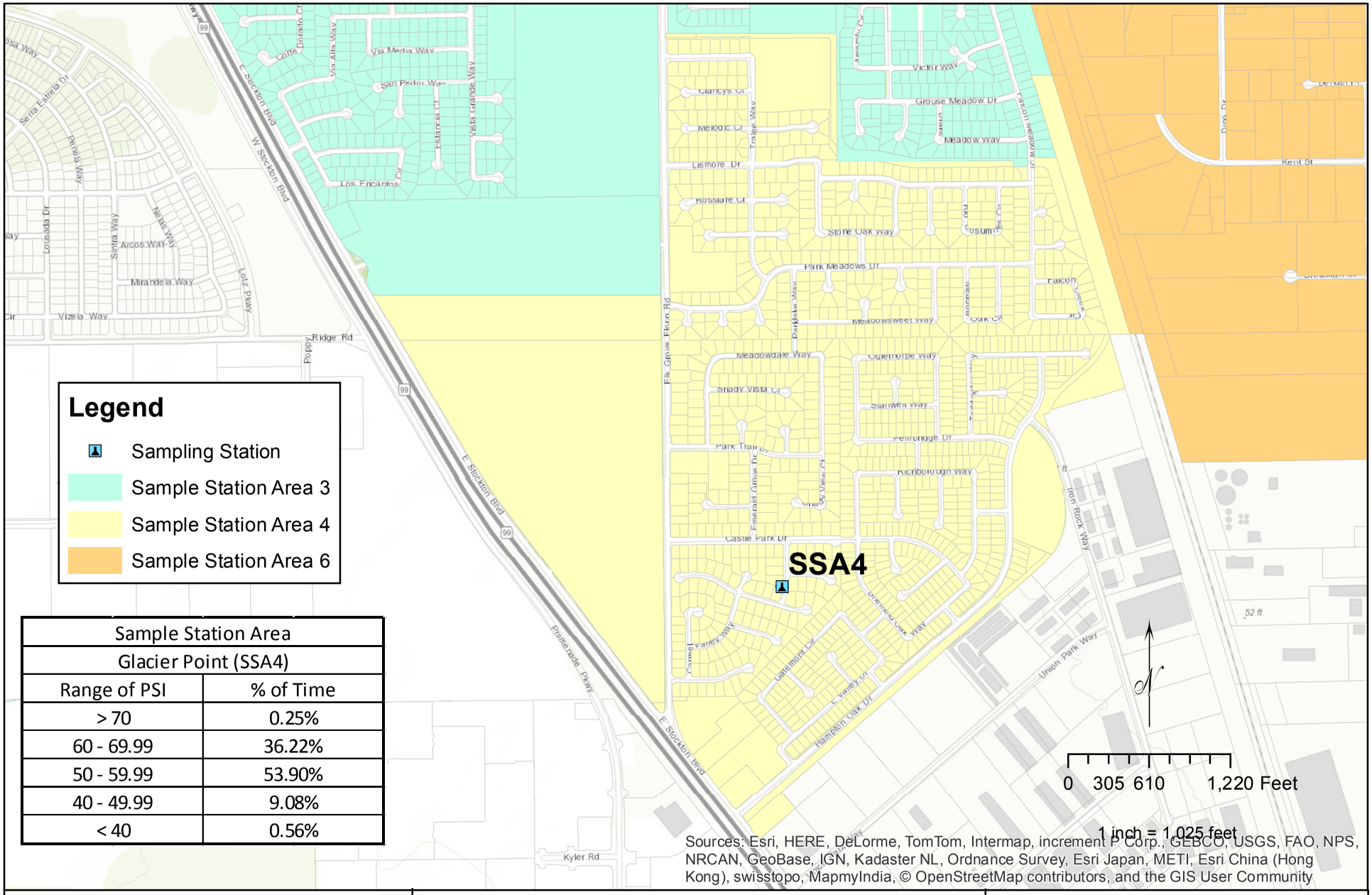
Note: Sample Station takes a reading every 5 minutes.

June 2018

Elk Grove Water District

System Pressure Monitoring

Projected Coordinate System:
NAD 83 State Plane CA II FIPS 0402
Source: EGWD GIS database
Created by: Travis Franklin
July 9, 2018



Sample Station Area	
Glacier Point (SSA4)	
Range of PSI	% of Time
> 70	0.25%
60 - 69.99	36.22%
50 - 59.99	53.90%
40 - 49.99	9.08%
< 40	0.56%

Sample Station #4

Note: Sample Station takes a reading every 5 minutes.

June 2018

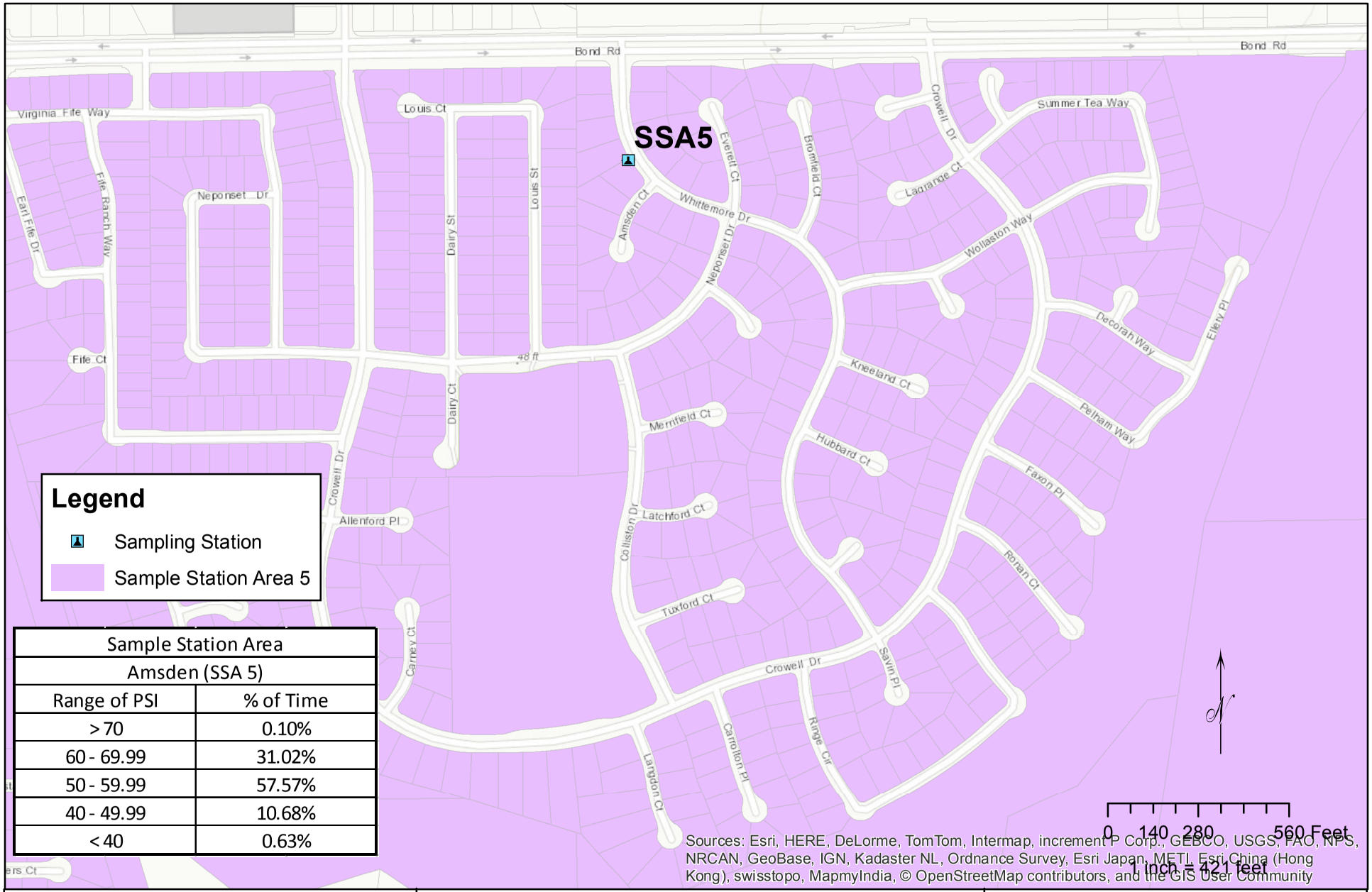
Elk Grove Water District

System Pressure Monitoring

Projected Coordinate System:
NAD 83 State Plane CA II FIPS 0402

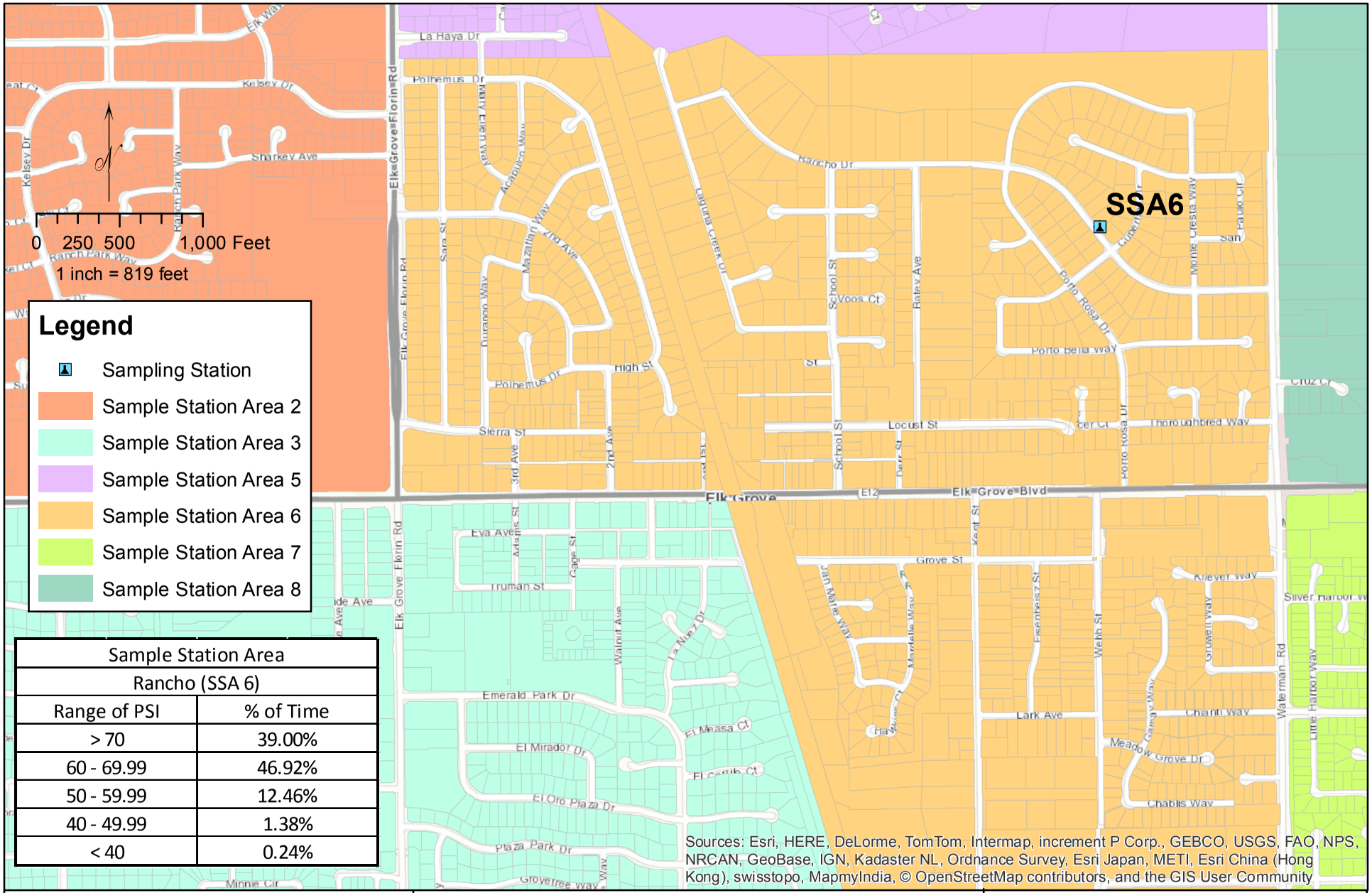
Source: EGWD GIS database

Created by: Travis Franklin
July 9, 2018



Sample Station Area	
Amsden (SSA 5)	
Range of PSI	% of Time
> 70	0.10%
60 - 69.99	31.02%
50 - 59.99	57.57%
40 - 49.99	10.68%
< 40	0.63%

Sample Station #5	Elk Grove Water District	Projected Coordinate System: NAD 83 State Plane CA II FIPS 0402
Notes: Sample Station takes a reading every 5 minutes.	System Pressure Monitoring	Source: EGWD GIS database
June 2018		Created by: Travis Franklin July 9, 2018



Sample Station Area	
Rancho (SSA 6)	
Range of PSI	% of Time
> 70	39.00%
60 - 69.99	46.92%
50 - 59.99	12.46%
40 - 49.99	1.38%
< 40	0.24%

Sample Station #6

Note: Sample Station takes a reading every 5 minutes.

June 2018

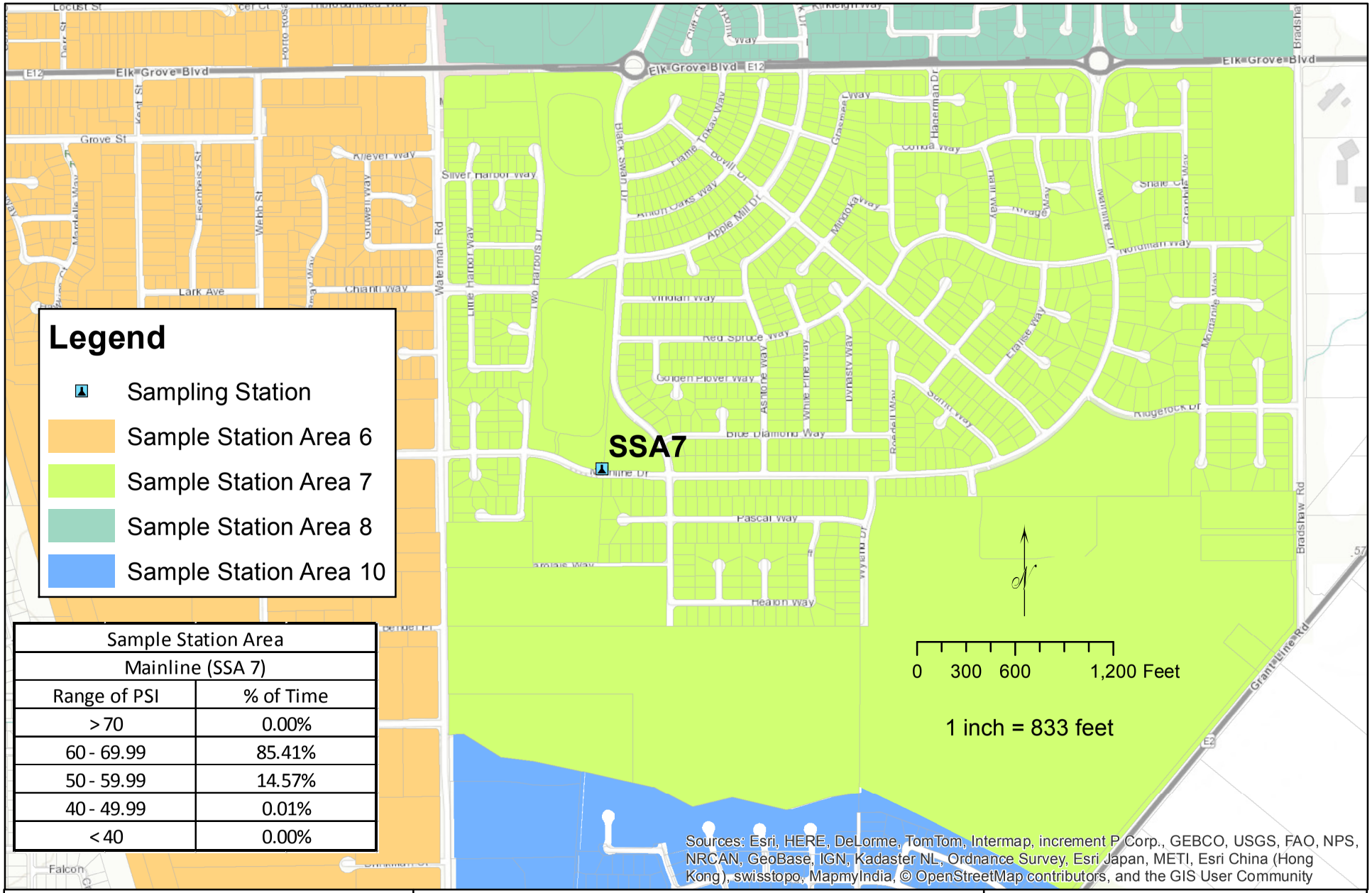
Elk Grove Water District

System Pressure Monitoring

Projected Coordinate System:
NAD 83 State Plane CA II FIPS 0402

Source: EGWD GIS database

Created by: Travis Franklin
July 9, 2018



Sample Station Area	
Mainline (SSA 7)	
Range of PSI	% of Time
> 70	0.00%
60 - 69.99	85.41%
50 - 59.99	14.57%
40 - 49.99	0.01%
< 40	0.00%

Sample Station #7

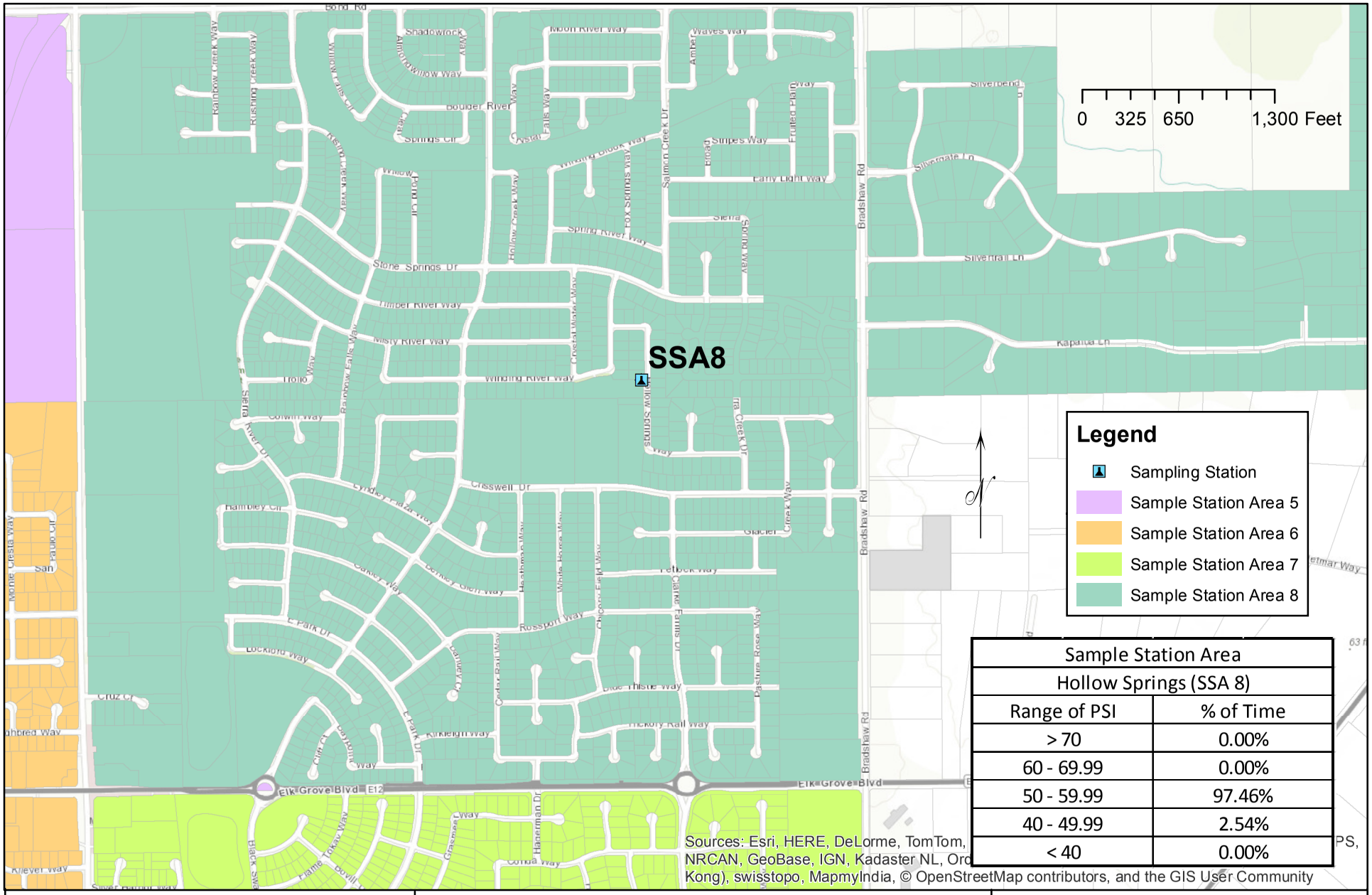
Note: Sample Station takes a reading every 5 minutes.

June 2018

Elk Grove Water District

System Pressure Monitoring

Projected Coordinate System:
NAD 83 State Plane CA II FIPS 0402
Source: EGWD GIS database
Created by: Travis Franklin
July 9, 2018



Sample Station Area	
Hollow Springs (SSA 8)	
Range of PSI	% of Time
> 70	0.00%
60 - 69.99	0.00%
50 - 59.99	97.46%
40 - 49.99	2.54%
< 40	0.00%

Sample Station #8

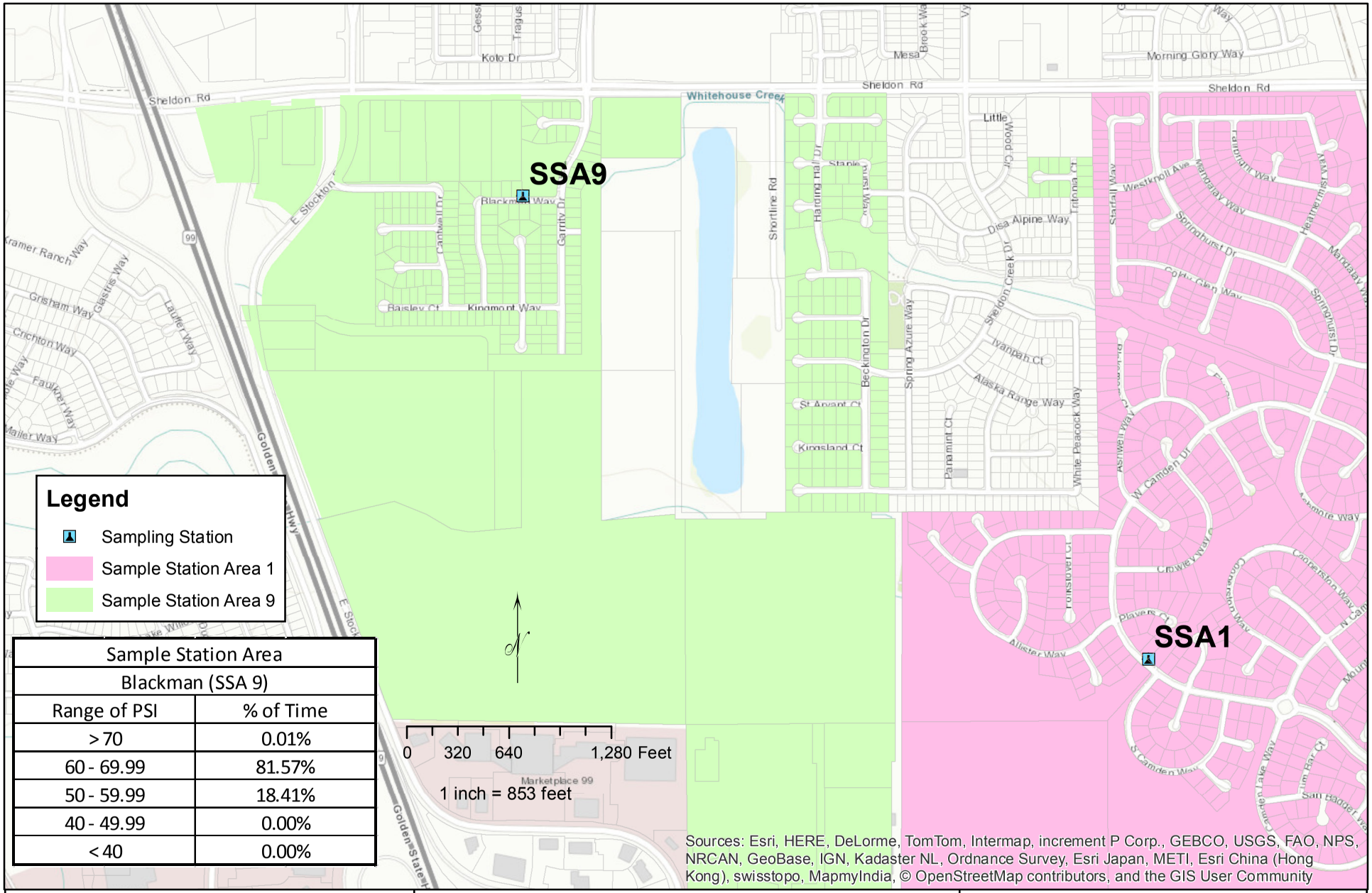
Note: Sample Station takes a reading every 5 minutes.

June 2018

Elk Grove Water District

System Pressure Monitoring

Projected Coordinate System:
NAD 83 State Plane CA II FIPS 0402
Source: EGWD GIS database
Created by: Travis Franklin
July 9, 2018



Sample Station Area	
Blackman (SSA 9)	
Range of PSI	% of Time
> 70	0.01%
60 - 69.99	81.57%
50 - 59.99	18.41%
40 - 49.99	0.00%
< 40	0.00%

Sample Station #9

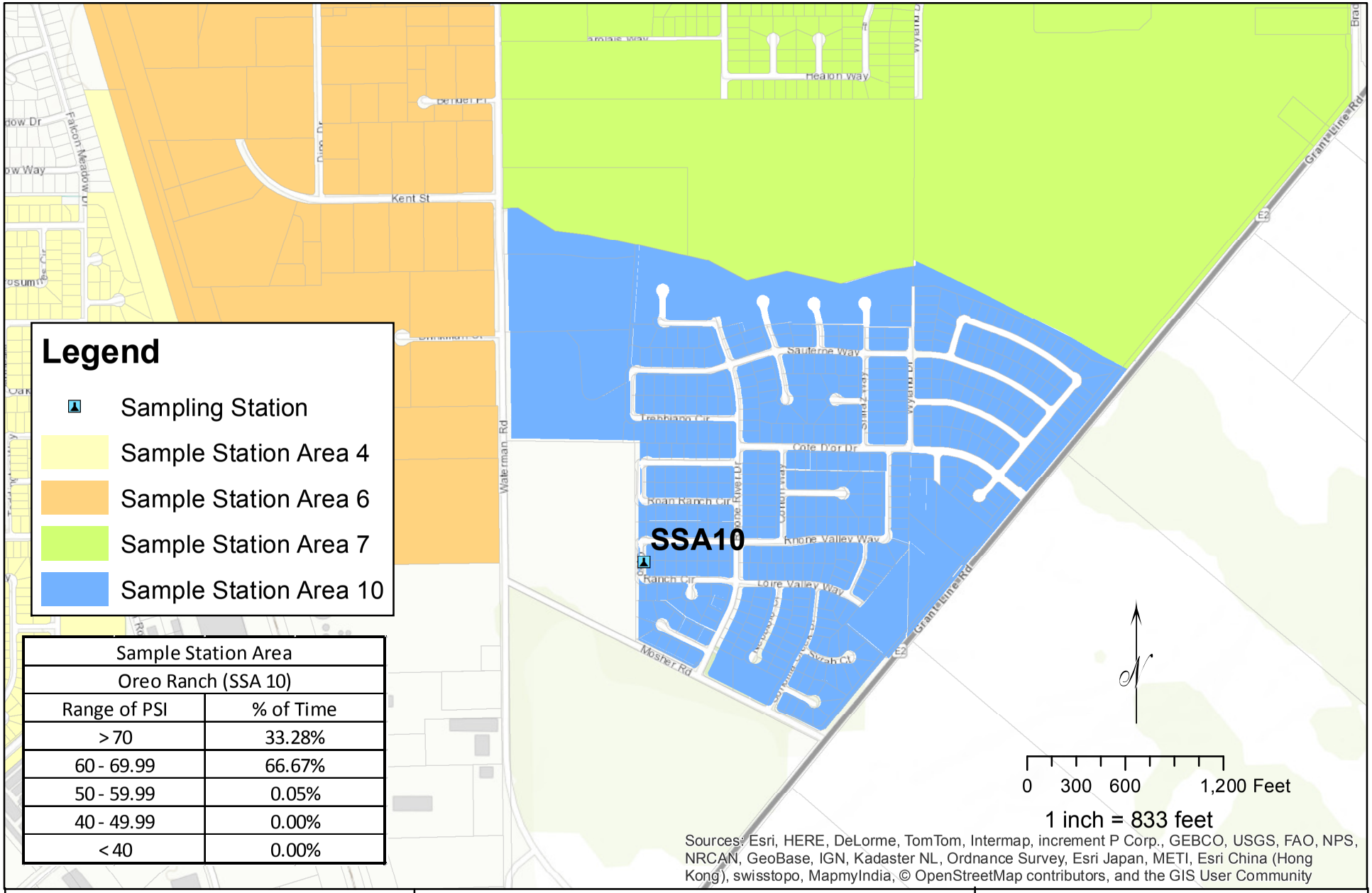
Note: Sample Station takes a reading every 5 minutes.

June 2018

Elk Grove Water District

System Pressure Monitoring

Projected coordinate system:
NAD 83 State Plane CA II FIPS 0402
Source: EGWD GIS database
Created by: Travis Franklin
July 9, 2018



Sample Station Area	
Oreo Ranch (SSA 10)	
Range of PSI	% of Time
> 70	33.28%
60 - 69.99	66.67%
50 - 59.99	0.05%
40 - 49.99	0.00%
< 40	0.00%

Sample Station #10

Note: Sample Station takes a reading every 5 minutes.

June 2018

Elk Grove Water District

System Pressure Monitoring

Projected Coordinate System:
NAD 83 State Plane CA II FIPS 0402

Source: EGWD GIS database

Created by: Travis Franklin

July 9, 2018

July 18, 2018

TO: Chairperson and Directors of the Florin Resource Conservation District

FROM: Patrick Lee, Finance Manager/Treasurer

SUBJECT: **ELK GROVE WATER DISTRICT FISCAL YEAR 2017-18 QUARTERLY OPERATING BUDGET STATUS REPORT**

RECOMMENDATION

This item is presented for discussion purposes only. No action is requested of the Florin Resource Conservation District Board of Directors at this time.

SUMMARY

Staff is presenting the quarterly budget status report through the fourth quarter of Fiscal Year (FY) 2017-18. This report is to keep the Board and the public informed on the financial status of the Elk Grove Water District.

DISCUSSION

Background

On June 21, 2017, the Board approved the FY 2017-18 Elk Grove Water District (EGWD) Budget. The adopted FY 2017-18 EGWD Budget has total revenues of approximately $14.294 million and total expenditures of approximately $14.298 million, including deposits into the Repair and Replacement and Long-Term Capital Improvement Reserves of approximately $1.70 million. On January 17, 2018, the Board approved the appropriation of $45,000 from Operating Reserves for unbudgeted IT support services to be incurred during the remainder of FY 2017-18, bringing total budgeted expenditures for FY 2017-18 to approximately $14.343 million. In addition, the projected expenditures in excess of revenues of approximately $48,955 will be contributed by operating reserves.

Present Situation

The following is a summary of the EGWD's financial status as of June 30, 2018:

ELK GROVE WATER DISTRICT FISCAL YEAR 2017-18 QUARTERLY OPERATING BUDGET STATUS REPORT

Elk Grove Water District Year to Date Revenues and Expenses Compared to Budget As of June 30, 2018					
				12/12=100.00%	
	General Ledger Reference	YTD Activity	Annual Budget	Variance	% Realized
Revenues	4100 - 4900	$ 14,734,710	$ 14,294,096	$ 440,613	103.08%
Salaries & Benefits (4)	5100 - 5280	4,165,172	4,109,177	55,995	101.36%
less Capitalized Labor		(192,211)	(560,829)	368,618	34.27%
Adjusted Salaries and Benefits:		$ 3,972,961	$ 3,548,348	$ 424,613	111.97%
Seminars, Conventions and Travel	5300 - 5350	28,503	50,500	(21,997)	56.44%
Office & Operational	5410 - 5494	931,703	984,881	(53,177)	94.60%
Purchased Water est. (3)	5495 - 5495	2,918,805	3,010,765	(91,961)	96.95%
Outside Services	5505 - 5580	915,995	941,110	(25,115)	97.33%
Equipment Rent, Taxes, Utilities	5620 - 5760	373,319	409,000	(35,681)	91.28%
Total Operational Expenses		$ 9,141,286	$ 8,944,604	$ 196,682	102.20%
Net Operating Inome		$ 5,593,424	$ 5,349,492	$ 243,931	104.56%
Non-Operating Revenues					
Interest Received	9910 - 9910	102,474	110,000	(7,526)	93.16%
Unrealized Gains/Losses	9911 - 9911	(81,648)	-	(81,648)	-
Other Income/Expense	9920 - 9973	(87,189)	14,900	(102,089)	-585.16%
Total Non-Operating Revenues		$ (66,363)	$ 124,900	$ (191,263)	-53.13%
Capital Expenses (2):					
Capital Improvements		805,562	980,000	(174,438)	82.20%
Capital Replacements		463,368	630,185	(166,817)	73.53%
Equipment	1705 - 1760	83,969	100,000	(16,031)	83.97%
Unforeseen Capital Projects		-	45,815	(45,815)	0.00%
Capital Expenses:		$ 1,352,900	$ 1,756,000	$ (403,100)	77.04%
Bond Interest Accrued	7300 - 7300	1,833,349	1,833,349	-	100.00%
Total Non Operating Expenses		$ 3,186,249	$ 3,589,349	$ (403,100)	88.77%
Revenues in Excess of All Expenditures, including Capital		$ 2,340,812	$ 1,885,043	$ 455,769	124.18%
Bond Retirement (1):		$ 1,990,000	$ 1,990,000	$ -	100.00%
Net Position after Capital and Debt Retirement Expenditures		$ 350,812	$ (104,957)	$ 455,769	

Notes:

1. Bond retirement payments are made two times a year in September and March
2. YTD Activity includes $192,211 in capitalized labor charged to capital projects.
3. There is a lag in water billings from the Sacramento Water District. Included above is an estimate of costs to date based on water used.
4. Total salaries expense includes $537,500 in pension expense related to GASB 68. Actual contributions of $317,812 was deferred and will offset net pension liability in subsequent years.

The revenues collected through the fourth quarter of the fiscal year total $14,734,710 which is 103.08% of the $14,294,096 annual budget. The revenues are $523,739 or 3.69% above the same quarter of the prior year.

Total Operational Expenses were $9,141,286 through the fourth quarter and 102.20% of the annual budget. The actual expenses were $1,395,387 or 18.01% above the same quarter of the prior fiscal year as follows:

Personnel expenditures through the fourth quarter total $3,972,961 which is 111.97% of the $3,548,348 annual budget. The actual expenses were $925,711 or 30.38% above the same period of the prior fiscal year. The increase is due mainly to an increase of $283,815 in non-exempt salaries related to COLA and step increases for staff as well as the recognition of $537,500 in pension expense related to GASB 68 and net pension liability.

Seminars, Conventions and Travel expenditures total $28,504, which is 56.44% of the annual budget of $50,500. The actual expenses were $633 or 2.17% below the same period of the prior fiscal year.

Office and Operational expenditures total $931,703, which is at 94.60% of the annual budget of $984,881. Some of the major costs include a $34,500 payment to SCWRB, $34,000 payment to SCGA and $55,000 in repairs and maintenance expense related to treatment facilities. The actual expenses were $37,514 or 3.87% below the same period of the prior fiscal year.

Estimated Purchased Water costs total $2,918,805, which is at 96.95% of the annual budget of $3,010,765. The actual expenses were $186,788 or 6.84% above the same period of the prior fiscal year. The increase is due to increased consumption of water purchased from Sacramento County Water Agency (SCWA) as water restriction requirements have been reduced.

Outside Services expenditures total $915,995 through the fourth quarter of the fiscal year. This represents 97.33% of the annual budget of $941,110. The actual expenses were $305,775 or 50.11% above the same period of the prior fiscal year. The increase is due to: an increase in Legal Services in the current year; an increase in Security relating to the contract with Infinite IT Solutions for additional IT security support; and a $48,000 payment to SeNet for IT consulting services that was budgeted for in the prior year but paid out in the current year.

Equipment Rent, Taxes and Utilities expenditures total $373,319 through the fourth quarter and is at 91.28% of the annual budget of $409,000. The actual expenses were $15,260 or 4.26% above the same period of the prior fiscal year. The major expenditures in this category are Electricity costs of $320,004, which is $5,843 above the same period of the prior fiscal year and Sewer and Garbage of $29,052, which is $7,826 above the same period of the prior fiscal year.

ENVIRONMENTAL CONSIDERATIONS

There are no direct environmental considerations associated with this report.

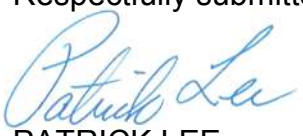
STRATEGIC PLAN CONFORMITY

This item conforms to the FRCD/EGWD's 2012-2017 Strategic Plan. Adoption and management of the annual EGWD budget is specifically identified as a goal in the financial stability challenge section of the Strategic Plan.

FINANCIAL SUMMARY

This report is provided to the Board for information only. There is no financial impact associated with this item at this time. Staff has attached a copy of the June 30, 2018 Quarterly Budget Review for the fourth quarter. The Quarterly Budget Review includes the line item detail for the expenditure categories for the quarter-to-date for FY 2017-18, as well as the detail for last year's quarter-to-date.

Respectfully submitted,



PATRICK LEE
FINANCE MANAGER/TREASURER

Attachment

ELK GROVE WATER DISTRICT
QUARTERLY BUDGET REVIEW
THROUGH June 30, 2018
FISCAL YEAR 2017-18

Account	Description	FY 2017-18 Budget	Y-T-D 6/30/2018	100.00% Percentage	Y-T-D 6/30/2017	Change from prior year
4100	Water Payment Revenues - Residential	$ 12,259,300	12,402,068	101.16%	$ 12,220,127	$ 181,941
4110	Water Payment Revenues - Commercial	1,595,246	1,665,802	104.42%	1,525,449	140,353
4120	Water Payment Revenues - Fire Service	198,550	188,957	95.17%	188,543	414
4200	Meter Fees/Plan Check/Water Capacity	30,000	243,532	811.77%	72,188	171,343
4201	Backflow Installation	25,000	14,804	59.21%	22,856	(8,052)
4300	Fire Protection	-	312	-	1,092	(780)
4520	Door Hanger Fees	120,000	149,725	124.77%	121,850	27,875
4540	New account Fees	25,000	22,791	91.16%	26,640	(3,849)
4550	NSF Fees	3,000	3,640	121.33%	3,430	210
4570	Shut-off Fees	50,000	62,900	125.80%	51,100	11,800
4575	24 Hour Turn On	-	200	-	100	100
4580	Restoration Fees	-	25	-	25	-
4585	Administration Citations	-	-	-	200	(200)
4590	Credit Card Fees	8,000	10,000	125.00%	8,480	1,520
4591	Sac County Release of Lien Fee	-	41	-	(331)	372
4900	Customer Refunds	(20,000)	(30,086)	150.43%	(30,778)	692
	TOTAL GROSS REVENUES	**$ 14,294,096**	**$ 14,734,710**	**103.08%**	**$ 14,210,971**	**$ 523,739**

ELK GROVE WATER DISTRICT
QUARTERLY BUDGET REVIEW
THROUGH June 30, 2018
FISCAL YEAR 2017-18

Account	Description	FY 2017-18 Budget	Y-T-D 6/30/2018	100.00% Percentage	Y-T-D 6/30/2017	Change from prior year
	Salaries & Benefits					
5100	Executive Salary	195,227	151,934	77.82%	163,831	(11,897)
5110	Exempt Salaries	524,199	525,448	100.24%	511,040	14,408
5120	Non-Exempt Salaries	1,469,064	1,484,076	101.02%	1,200,261	283,815
5130	Overtime Compensation	56,300	60,799	107.99%	39,278	21,522
5140	On Call Pay	18,250	18,200	99.73%	18,199	1
5150	Holiday Pay	118,483	109,632	92.53%	104,736	4,895
5160	Vacation Pay	121,459	159,232	131.10%	129,244	29,988
5170	Personal Time Pay	94,787	105,387	111.18%	110,052	(4,665)
5180	Internship Program	15,000	-	0.00%	-	-
5200	Medical Benefits	720,244	647,241	89.86%	568,711	78,530
5195	EAP	960	825	85.93%	825	0
5201	EGWD Contribution H.S.A	15,000	13,352	89.02%	13,149	203
5210	Dental/Vision/Life Insurance	64,665	58,270	90.11%	50,227	8,043
5220	Retirement Benefits	371,962	537,500	144.50%	(64,140)	601,640
5225	Retirement Benefits - Post Employment	92,760	151,681	163.52%	243,577	(91,896)
5230	Medical Tax, Social Security and SUI	62,353	50,867	81.58%	45,154	5,713
5240	Worker's Compensation Insurance	123,873	72,358	58.41%	94,085	(21,727)
5250	Education Assistance	11,300	2,566	22.71%	17,062	(14,496)
5260	Employee Training	29,640	12,152	41.00%	7,286	4,866
5270	Employee Recognition	2,520	3,463	137.41%	1,577	1,886
5280	Meetings	1,131	189	16.67%	167	21
	Less Capitalized Expenditures	(560,829)	(192,211)	34.27%	(207,072)	14,861
	Category Subtotal	**3,548,348**	**3,972,961**	**111.97%**	**3,047,250**	**925,711**

Account	Description					
	Seminars, Conventions and Travel					
5300	Airfare	4,100	1,685	41.09%	2,100	(415)
5310	Hotels	11,800	4,628	39.22%	7,431	(2,803)
5320	Meals	5,730	3,112	54.31%	3,315	(203)
5330	Auto Rental	1,900	-	0.00%	10	(10)
5340	Seminars & Conferences	11,400	9,109	79.91%	7,184	1,925
5345	Seminars & Conferences - Board	7,820	2,197	28.09%	1,807	390
5350	Mileage Reimbursement, Parking, Tolls	1,750	1,773	101.31%	1,290	483
5375	Auto Allowance	6,000	6,000	100.00%	6,000	-
	Category Subtotal	**50,500**	**28,504**	56.44%	**29,136**	**(633)**

ELK GROVE WATER DISTRICT
QUARTERLY BUDGET REVIEW
THROUGH June 30, 2018
FISCAL YEAR 2017-18

Account	Description	FY 2017-18 Budget	Y-T-D 6/30/2018	100.00% Percentage	Y-T-D 6/30/2017	Change from prior year
	Office & Operational					
5410	Advertising	5,000	10,310	206.20%	6,420	3,890
5415	Association Dues	99,112	79,874	80.59%	77,585	2,289
5420	Insurance	87,890	86,006	97.86%	125,199	(39,193)
5425	Licenses, Certifications, Fees	3,600	2,154	59.83%	3,147	(993)
5430	Repairs & Maintenance - Automotive	46,300	38,136	82.37%	48,093	(9,956)
5432	Repairs & Maintenance - Building	18,000	28,402	157.79%	25,902	2,500
5434	Repairs & Maintenance - Computers	24,759	21,196	85.61%	33,518	(12,322)
5435	Repairs & Maintenance - Equipment	65,000	96,248	148.07%	51,231	45,017
5438	Fuel	51,600	38,356	74.33%	34,033	4,323
5440	Materials	150,000	100,732	67.15%	157,244	(56,512)
5445	Chemicals	50,000	42,494	84.99%	19,507	22,987
5450	Meter Repairs	12,000	27,055	225.46%	6,563	20,492
5453	Permits	82,200	83,498	101.58%	93,895	(10,397)
5455	Postage	85,300	67,737	79.41%	65,102	2,634
5460	Printing	4,500	10,514	233.65%	6,686	3,828
5465	Safety Equipment	7,100	4,633	65.25%	13,164	(8,531)
5470	Software Programs & Updates	92,868	94,105	101.33%	103,776	(9,671)
5475	Supplies	20,800	31,877	153.25%	22,191	9,686
5480	Telephone	39,652	36,689	92.53%	36,395	294
5485	Tools	10,000	4,967	49.67%	22,877	(17,909)
5490	Clothing Allowance	10,200	8,206	80.45%	9,691	(1,485)
5491	EGWD-Other Clothing	9,000	6,223	69.15%	6,998	(775)
5493	Water Conservation Materials	10,000	12,289	122.89%	-	12,289
	Category Subtotal	**984,881**	**931,703**	**94.60%**	**969,217**	**(37,514)**

Account	Description					
5495	Purchased Water	**3,010,765**	**2,918,805**	**96.95%**	**2,732,016**	**186,788**

ELK GROVE WATER DISTRICT
QUARTERLY BUDGET REVIEW
THROUGH June 30, 2018
FISCAL YEAR 2017-18

Account	Description	FY 2017-18 Budget	Y-T-D 6/30/2018	100.00% Percentage	Y-T-D 6/30/2017	Change from prior year
	Outside Services					
5505	Administration Services	3,590	3,100	86.34%	1,480	1,620
5510	Bank Charges	134,000	132,426	98.83%	106,873	25,553
5515	Billing Services	28,800	20,463	71.05%	24,694	(4,232)
5520	Contracted Services	232,520	286,949	123.41%	266,148	20,801
5523	Water Conservation Services	-	-	-	-	-
5525	Accounting Services	35,000	26,760	76.46%	24,553	2,207
5530	Engineering	75,000	31,585	42.11%	10,188	21,398
5535	Legal Services	205,000	191,694	93.51%	76,958	114,736
5540	Financial Consultants	85,000	110,842	130.40%	13,427	97,414
5545	Community Relations	16,200	8,679	53.57%	15,895	(7,216)
5550	Pre-employment	3,000	425	14.17%	343	82
5552	Misc. Medical	2,500	2,548	101.92%	475	2,073
5555	Janitorial	8,300	6,890	83.01%	6,685	205
5560	Bond Administration	8,500	4,220	49.65%	6,782	(2,562)
5570	Security	68,700	50,706	73.81%	12,444	38,263
5575	Sampling	35,000	38,710	110.60%	43,275	(4,565)
	Category Subtotal	**941,110**	**915,995**	**97.33%**	**610,220**	**305,775**

Account	Description	FY 2017-18 Budget	Y-T-D 6/30/2018	100.00% Percentage	Y-T-D 6/30/2017	Change from prior year
	Equipment Rent, Taxes and Utilities					
5610	Occupancy	-	-	-	-	-
5620	Equipment Rental	22,000	22,796	103.62%	20,771	2,025
5710	Property Taxes	1,500	959	63.94%	1,299	(340)
5720	Water	-	-	0.00%	-	-
5740	Electricity	359,000	320,004	89.14%	314,161	5,843
5750	Natural Gas	600	507	84.54%	601	(94)
5760	Sewer and Garbage	25,900	29,052	112.17%	21,226	7,826
	Category Subtotal	**409,000**	**373,319**	**91.28%**	**358,059**	**15,260**
	Total Operational Expenses	**8,944,604**	**9,141,286**	**102.20%**	**7,745,899**	**1,395,387**

July 18, 2018

TO: Chairperson and Directors of the Florin Resource Conservation District

FROM: Patrick Lee, Finance Manager/Treasurer

SUBJECT: **ELK GROVE WATER DISTRICT FISCAL YEAR 2017-18 QUARTERLY CAPITAL RESERVE STATUS REPORT**

RECOMMENDATION

This item is presented for information only. No action by the Florin Resource Conservation District Board of Directors is proposed at this time.

SUMMARY

The total amount available for reserves at July 1, 2017 was $12,871,285. Based on Board policy adopted August 22, 2012, the reserves are allocated first to the Operating Reserve (120 days of budgeted operating and maintenance expenses), then to the Fiscal Year (FY) 2017-18 capital budget, followed by elections/special studies, with the balance allocated to future capital improvements and capital replacements in the ratio of 75:25, respectively.

Through the fourth quarter of FY 2017-18, the District expended $1,352,900 for capital projects leaving a remaining total reserve balance at June 30, 2018 of $11,518,385.

DISCUSSION

Background

On June 21, 2017, the Board approved the FY 2017-18 Elk Grove Water District (EGWD) Capital Improvement Program (CIP) that included an appropriation of $1,506,000 in unrestricted funds to the FY 2017-18 CIP reserve fund. On August 14th, 2017 a budget amendment was passed to appropriate an additional $250,000 to the FY2017-18 Capital Improvement Fund.

Present Situation

EGWD has appropriated Reserve Funds for FY 2017-18 as follows:

- Operations Reserves (120 days) $ 4,700,729
- FY 2017-18 Capital Improvement Fund $ 1,130,000

• FY 2017-18 Capital Replacement Fund	$ 626,000
• Elections and Special Studies	$ 120,000
• Future Capital Improvements	$ 4,720,917
• Future Capital Replacements	$ 1,573,639
	$ 12,871,285

EGWD has expended $1,352,900 for capital expenditures through June 30, 2018 as follows:

• Capital Improvement Fund	
o Service Line Replacements	$ 76,601
o Radio Antenna	$ 9,529
o Well 1D Pump Replacement	$ 3,248
o Well 8 Pump Replacement	$ 94,838
o Trucks	$ 83,969
o Fiber Optic Cable	$ 17,521
o RRWTF Modular IT Center	$ 603,827
TOTAL	$ 889,533
• Capital Replacement Fund	
o Well 9 Fence Replacement	$ 4,814
o Kent Street Water Main	$ 239,568
o Emerald Vista Water Main Relocation	$ 28,270
o Camden Water Main Relocation	$ 25,914
o RRWTF Tanks & Vessels	$ 66,887
o Well Rehabilitation (one Year)	$ 97,914
TOTAL	$ 463,367

The EGWD remaining reserve fund balances as of June 30, 2018 are as follows:

• Operations Reserves (120 days)	$ 4,700,729
• FY 2017-18 Capital Improvement Fund	$ 240,467
• FY 2017-18 Capital Replacement Fund	$ 162,633
• Elections and Special Studies	$ 120,000
• Future Capital Improvements	$ 4,720,917
• Future Capital Replacements	$ 1,573,639
	$ 11,518,385

ENVIRONMENTAL CONSIDERATIONS

There are no environmental considerations associated with this report.

STRATEGIC PLAN CONFORMITY

This item conforms to the FRCD/EGWD's 2012-2017 Strategic Plan. Adoption and management of the annual EGWD budget is specifically identified as a goal in the financial stability challenge section of the Strategic Plan.

FINANCIAL SUMMARY

There is no financial impact with this report.

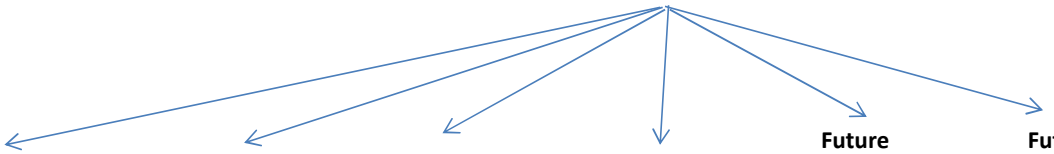
Respectfully submitted,

PATRICK LEE
FINANCE MANAGER/TREASURER

Attachment

ELK GROVE WATER RESERVES
Fiscal Year 2017-18
As of June 30, 2018

Total Available $ 12,871,285 at 7/1/2017



Operating Reserves	Capital Improvements	Capital Replacements	Elections/ Special Studies	Future Capital Improvements	Future Capital Replacements
Needed	Funded	Funded	Funded	Funded	Funded
$ 4,700,729	$ 1,130,000	$ 626,000	$ 120,000	$ 4,720,917	$ 1,573,639
Available	Expended	Expended	Expended	Expended	Expended
-	$ 889,533	$ 463,367	$ -	$ -	$ -
Remaining	Remaining	Remaining	Remaining	Remaining	Remaining
$ 4,700,729	$ 240,467	$ 162,633	$ 120,000	$ 4,720,917	$ 1,573,639

Capital Improvement Funds

Supply/Dist. Improvements	Treatment Plant Improvements	Building & Site Improvements	Unforeseen Capital Projects
Funded	Funded	Funded	Funded
$ 250,000	$ 180,000	$ 650,000	$ 50,000
Expended	Expended	Expended	Expended
$ 79,849	$ 104,367	$ 705,317	$ -
Remaining	Remaining	Remaining	Remaining
$ 170,151	$ 75,633	$ (55,317)	$ 50,000

Capital Replacement Funds

Supply/Dist. Improvements	Treatment Plant Improvements	Building & Site Improvements	Unforeseen Capital Projects
Funded	Funded	Funded	Funded
$ 511,000	$ 50,000	$ 15,000	$ 50,000
Expended	Expended	Expended	Expended
$ 337,482	$ 66,887	$ 4,814	$ 54,184
Remaining	Remaining	Remaining	Remaining
$ 173,518	$ (16,887)	$ 10,186	$ (4,184)

July 18, 2018

TO: Chairperson and Directors of the Florin Resource Conservation District

FROM: Patrick Lee, Finance Manager/Treasurer

SUBJECT: **ELK GROVE WATER DISTRICT SCHEDULE OF CHARGES, RATES, FEES AND DEPOSITS**

RECOMMENDATION

It is recommended that the Florin Resource Conservation District Board of Directors adopt Ordinance 07.18.18.01, amending Ordinance No. 12.14.16.01, Exhibit A, in its entirety and revising the Elk Grove Water District's Schedule of Charges, Rates, Fees and Deposits.

SUMMARY

In January 2018, the Florin Resource Conservation District (District) initiated a review of the Elk Grove Water District's (EGWD) financial requirements and the preparation of a new five-year water rate study and a water connection fee study. Staff took this opportunity to also conduct a review of the cost recovery fees necessary for customer specific tasks, which were not factored into the revenue requirement analysis of the five-year water rate study. The exclusion of the costs related to customer specific task ensures that these costs are not absorbed by the entire customer base, but rather the customer requesting the specific task. This review process resulted in certain changes to the Schedule of Charges, Rate, Fees and Deposits, which is attached as Exhibit A.

DISCUSSION

Background

In December 2016, the District conducted a review of the District's Schedule of Charges, Rates, Fees and Deposits in an effort to capture the actual costs of providing the services for which the charges, rates, fees and deposits are assessed. Staff conducted a thorough review including analysis of labor and administrative costs to provide the services. The District adopted Ordinance 12.14.16.01 setting forth the Schedule of Charges, Rates, Fees and Deposits.

Present Situation

As part of a complete and comprehensive review, and in concurrence with the District's 2018 Water Rate Study and 2018 Water Connection Fee Study, EGWD staff has reviewed cost recovery fees necessary for customer specific tasks. Activities such as account set-ups or returned check charges are covered by fees paid by the customer requesting those activities, rather than absorbing those costs into the entire customer base. Those fees are detailed in Exhibit A and cover only the cost of each item and do not contribute to the general District revenue.

ENVIRONMENTAL CONSIDERATIONS

California Environmental Quality Act (CEQA) does not apply to the District's adoption of these rates since the Board specifically finds the rates are for the purpose of one or more of the following:

(1) Meeting operating expenses, including employee wage rates and fringe benefits,

(2) Purchasing or leasing supplies, equipment, or materials,

(3) Meeting financial reserve needs and requirements, and/or

(4) Obtaining funds for capital projects, necessary to maintain service within existing service areas.

STRATEGIC PLAN CONFORMITY

Review and update of the Schedule of Charges, Rates, Fees and Deposits will ensure sufficient cost recovery, which complies with the Financial Stability goals of the 2012-2017 Strategic Plan.

FINANCIAL SUMMARY

There are no direct financial impacts associated with this report, however, this report does recommend the adoption of Ordinance 07.18.18.01 which sets forth the Schedule of

Charges, Rates, Fees and Deposits to recapture the costs of providing customer specific tasks.

Respectfully Submitted,

PATRICK LEE
FINANCE MANAGER/TREASURER

Attachment

ORDINANCE NO. 07.18.18.01

AN ORDINANCE OF THE FLORIN RESOURCE CONSERVATION DISTRICT BOARD OF DIRECTORS AMENDING ORDINANCE NO. 12.14.16.01, EXHIBIT A, IN ITS ENTIERTY AND REVISING THE ELK GROVE WATER DISTRICT'S SCHEDULE OF CHARGES, RATES, FEES AND DEPOSITS

WHEREAS, Government Code sections 66013 and 66016 authorize the Florin Resource Conservation District (the "District") to adopt a resolution or ordinance to establish and impose water service fees and charges; and

WHEREAS, the District Board of Directors ("Board of Directors") adopted Ordinance 12.14.16.01 on December 14, 2016, establishing the Schedule of Charges, Rates, Fees and Deposits; and

WHEREAS, the Board of Directors wishes to adjust several other miscellaneous water service fees and charges to reflect the actual cost of providing the service for which they are charged; and

WHEREAS, the above-described data sets forth reasonable cost estimates for the District's provision of the miscellaneous water service fees and charges and establishes that the proceeds generated by the fees and charges do not exceed the total of the estimated costs.

NOW, THEREFORE, THE FLORIN RESOURCE CONSERVATION DISTRICT BOARD OF DIRECTORS HEREBY DETERMINES AND ORDAINS AS FOLLOWS:

Section 1. Recitals. The above recitals are true and correct and incorporated herein.

Section 2. Final Approval of the Schedule of Charges, Rates, Fees and Deposits. The Florin Resource Conservation District/Elk Grove Water District Schedule of Charges, Rates, Fees and Deposits is hereby approved.

Section 3. Amendment. Exhibit A of Ordinance 12.14.16.01 is hereby replaced in its entirety with the attached Exhibit A.

Section 4. California Environmental Quality Act Compliance.

(a) Pursuant to California Public Resources Code section 21080(b)(8), the District's adjustments to the water capacity charges and meter installation charges are not subject to the requirements of the California Environmental Quality Act. In accordance with Section 21080(b)(8), the District finds and determines that these adjustments constitute the modification of charges to meet operating expenses and for obtaining funds for capital projects necessary to provide and maintain water services within the District's service area.

(b) District staff is hereby directed to file a Notice of Exemption with the Sacramento County Clerk with three (3) business days after adoption of this Ordinance.

Section 5. Ordinance Effective Date. This ordinance shall take effect upon its adoption.

PASSED AND ADOPTED by the Florin Resource Conservation District Board of Directors on this 18th day of July 2018 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

_____
Tom Nelson
Chairperson of the Board of Directors

ATTEST:

_____
Stefani Phillips
Board Secretary

EXHIBIT A

Florin Resource Conservation District / Elk Grove Water District
Water Ordinance
Schedule of Charges, Rates, Fees, and Deposits

1. Account Set-Up Fee. A new occupant of a residence will be considered a new account and will be charged an account set-up fee of $30.00
2. Returned Check Service Charge. Any person who submits to the District a check for which there are insufficient funds shall be subject to a charge of $35.00, in addition to the amount of the check.
3. 24-Hour Turn-On Fee. $100.00 shall be charged to a realtor or other responsible party for the temporary turn-on of water service at a vacant property for the purposes of inspection.
4. Over the Phone Payments. A $5.00 credit card processing fee shall be charged for payments made by telephone.
5. Photocopies. A per-page fee of ten cents for black and white copies and fifteen cents for color copies shall be charged for copies provided in response to a Public Records Act request or other requests for substantial photocopy services.
6. Delinquency Shut-Off. When water service is discontinued because of delinquency in payment of a bill, the service shall not be restored until the Customer has paid:
    a. The amount of the unpaid bill,
    b. $25.00 door tag fee, and
    c. A shut-off/field service fee of $100.00.

    During the door-hanger period, termination of service may be avoided by payment of the unpaid bill and the $25.00 door hanger fee. All of the forgoing fees must be paid in cash, cashier's check or money order only.
7. Change of Meter Size or Location. When a Customer requests a change of meter size or relocation of an existing meter or service connection for the Customer's convenience, the change will be made by the District and billed to the Customer at a time and materials costs.
8. Testing of Meters and Fire Flow. Meters will be tested upon request of the Customer and payment of the cost of the test and District staff's time at the hourly rate of $47.00. If the meter is faulty, fees will be waived. Fire flows shall be tested upon request of the Customer and payment of a fee of $156.00.
9. Backflow Tag Fee. All Customer backflow devices installed and tested, whether by the District or by a contractor, are assessed a $25 tag fee.
10. Meter Re-read. A meter may be re-read upon request of the Customer. The first re-read will be performed at no charge. Each subsequent re-read will be subject to a charge of $25.00.
11. Plan Check Fees for Water Systems Extensions. Any person required by this Ordinance to have plans checked shall deposit with the Elk Grove Water District the following fee or fees for the service:

    a. Irrigation only: $500.00
    b. One lot, building unit, or EDU: $500.00
    c. Two to Nine lots, building units, or EDUs: $2,000.00

d. Ten or more lots, building units, or EDUs: $5,000.00

This deposit will serve as credit towards fees for plan check, inspection, engineering and administrative costs of the project and actual fees will be calculated on a time and material basis. Expenses incurred beyond the deposit will be billed monthly and the project will not be accepted by Elk Grove Water District until all outstanding balances have been paid. Credits not used after acceptance of a project shall be refunded to the project.

11. Construction and other temporary services. Rates for construction and other temporary water service rendered for street paving, grading and trench flooding, and water delivered to tank trucks from fire hydrants or other outlets for such purposes, are as follows:

    Permits will be charged an installation and removal charge of $194.00 and a weekly rental fee of $50.00 for use of the District's equipment (e.g., meter; reduced pressure backflow device). Charges for water actually used will be billed at the non-residential rate.

    The applicant for temporary service shall be required to deposit with the District the amount of $2,000.00. Upon permit expiration, the Contractor should bring the water meter used for the permit into the District where a final meter reading will be collected. The District will determine if additional monies or a refund is due, and collect the amount or process a refund. If a refund is owed, a check will be prepared and mailed to the Contractor.

12. Fines for Violation. Any violation of this Ordinance shall be subject to a fine in the amount of $100.00 for the first occurrence, $200.00 for the second occurrence within one year and $500.00 for each additional occurrence within one year.

July 18, 2018

TO: Chairperson and Directors of the Florin Resource Conservation District

FROM: Patrick Lee, Finance Manager/Treasurer

SUBJECT: **PUBLIC HEARING AND CONSIDERATION OF THE 2018 WATER RATE STUDY AND ADOPTION OF NEW WATER SERVICE RATES AND PRIVATE FIRE PROTECTION SERVICE RATES**

RECOMMENDATION

It is recommended that the Florin Resource Conservation District Board of Directors adopt Ordinance 07.18.18.02 approving the 2018 Water Rate Study Report and adopt new water service rates and private fire protection service rates.

SUMMARY

In January 2018, the Florin Resource Conservation District (District) initiated a review of the District's water enterprise, the Elk Grove Water District's (EGWD), financial requirements and the preparation of a new five-year water rate study. This study, referred to as the 2018 Water Rate Study, was tentatively approved by the Board on May 16, 2018, subject to compliance with rate setting process governed under Proposition 218 and a public hearing to consider comments and protests.

The 2018 Water Rate Study recommends rate adjustments over the next 5 years with the first adjustment commencing on January 1, 2019 and subsequent adjustments commencing each January 1 thereafter, through and including January 1, 2023. The study recommends no revenue adjustments during calendar year 2019.

The Board will hold a public hearing to receive comments and consider protests received in compliance with Proposition 218. Following the public hearing, the Board will consider adoption of an ordinance which will include final approval of the 2018 Water Rate Study and adoption of new water service rates and private fire protection service rates prescribed by the study.

DISCUSSION

Background

In 2013, the EGWD completed a five-year financing plan and rate study, which resulted in a series of rate adjustments that first went into effect January 1, 2014. These adjustments were primarily intended to: 1) Ensure that the EGWD complied with major

bond covenants; 2) Fund the cost of major capital projects; and 3) continue to adhere to the EGWD reserve policy.

The EGWD implemented rate adjustments of 3% in each calendar year 2014, 2015, 2016, 2017 and 2018. Although the 2013 Water Rate Study recommended rate adjustments of 3.5% for calendar year 2017 and 4.5% for calendar year 2018, the Board approved deferring one-half percent of the rate adjustment scheduled for January 1, 2017 and one and one-half percent of the rate adjustment scheduled for January 1, 2018, as the EGWD was able to avoid these increases by implementing a series of cost control measures, including significant employee concessions and water purchase cost savings.

Water utilities such as the EGWD typically conduct financial plans and rate studies about every five years to ensure that water rates are adequate and proportionate to the costs of providing water services. Consistent with this practice, the Board of Directors directed staff to initiate a new review of its revenue requirements and to seek proposals from consultants to perform a new water rate study.

In October 2017, the Board of Directors retained HDR Engineering, Inc. to conduct an extensive review of the EGWD's revenue requirements and prepare a new water rate study which would include a financial plan, a cost of service analysis, and a rate design plan. A separate study was also conducted to review the EGWD's connection fees (i.e., capacity charges); however, that study is not addressed in this report.

A Community Advisory Committee (CAC), comprising of EGWD rate payers, was formed to provide the EGWD with input regarding the 2018 Water Rate Study. There have been six meetings where the CAC and public has had an opportunity to provide comments and input to the EGWD. The CAC and public have contributed valuable assistance and input to ensure that the information and work products are accurate and equitable.

On May 16, 2018, the 2018 Water Rate Study was tentatively approved by the Board, subject to compliance with several procedural requirements, including those established by Proposition 218. Proposition 218 was passed by voters in 1996 and, for water rate increases, established a specific process for giving notice and receiving protests.

Proposition 218 requires that the public agency proposing to impose a new or increase to an existing property-related fee or charge, such as water service fees, hold a public hearing and provide written notice by mail of the public hearing to the record owner of each parcel upon which the fee or charge will be imposed and any tenant who is directly

liable for the payment of the fee or charge (i.e., a customer of record). The notice must contain the following information:

- The amount of the fees proposed to be imposed;
- The basis upon which the fees were calculated;
- A statement regarding the reason for the imposition of the new, or increase to the existing fees; and
- The date, time and location of the public hearing at which the legislative body will consider the new fees or proposed increases to the existing fees.

On May 21, 2018, approximately 16,500 notices were mailed to EGWD customers, including both the tenants and owners of record for all properties served by the District. Proposition 218 requires that these tenants and owners be afforded 45 days to submit written protests before any rate increase can be considered by the Board.

It is important to note that the effect of the rate adjustments may differ from customer to customer, depending on water usages. Page 51 of the 2018 Water Rate Study provides a graphical bill impact comparison for residential, non-residential and irrigation customers. The EGWD will also assembled a bill calculator to be located on the EGWD website, which will allow customers to determine their current and future water rates depending on their respective water consumption.

Present Situation

This Board item is the next step in the process and includes a public hearing to consider the adoption of the proposed rate increases to the water service rates and private fire protection service rates. At the public hearing, the District must hear and consider all public comments regarding the fees, but only written protests submitted prior to the close of the 45-day written protest period may be considered when determining whether a majority protest against the imposition of the fees exist. Upon the conclusion of the public hearing, if written protests against proposed increases to the existing water service fees are not presented by a majority of property owners of the identified parcels upon which the fees are proposed to be imposed and any customer of record, the Board may proceed with imposing the proposed rate increases to the water service rates. A final count of the written protests received will be provided by Staff to the Board at the conclusion of the public hearing.

If the number of written protests received for the properties served does not constitute a majority protest, Staff recommends that the Board approve the 2018 Water Rate Study

and adopt the new water service rates and private fire protection service rates as recommended in that study.

The recommendations made in this report are supported by the members of the Community Advisory Committee.

ENVIRONMENTAL CONSIDERATIONS

CEQA does not apply to the District's adoption of these rates since the Board specifically finds the rates are for the purpose of one or more of the following:

(1) Meeting operating expenses, including employee wage rates and fringe benefits,

(2) Purchasing or leasing supplies, equipment, or materials,

(3) Meeting financial reserve needs and requirements, and/or

(4) Obtaining funds for capital projects, necessary to maintain service within existing service areas.

STRATEGIC PLAN CONFORMITY

Completion of the 2018 Water Rate Study complies with the Financial Stability goals of the 2012-2017 Strategic Plan.

FINANCIAL SUMMARY

The recommended rate structure will generate a total of $2,083,000 in additional revenue over the five years. The first rate adjustment will occur in January 2019 and have further adjustments each January.

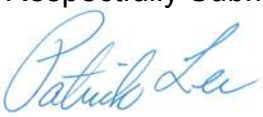
The proposed rate adjustments, and the additional revenue generated per year, are as follows:

- January 2019 – 0% $0

- January 2020 – 0% $0
- January 2021 – 3% $228,000
- January 2022 – 3% $688,000
- January 2023 – 3% $1,167,000

The additional revenue generated will augment the existing reserves of approximately $12 million to fund the District's operations, debt service and capital improvements.

Respectfully Submitted,



PATRICK LEE
FINANCE MANAGER/TREASURER

Attachment

ORDINANCE NO. 07.18.18.02

AN ORDINANCE OF THE FLORIN RESOURCE CONSERVATION DISTRICT BOARD OF DIRECTORS APPROVING THE 2018 WATER RATE STUDY REPORT AND ADOPTING NEW WATER SERVICE RATES AND PRIVATE FIRE PROTECTION SERVICE RATES

WHEREAS, Government Code sections 66016 and 66018 authorize the Florin Resource Conservation District (the "District") to adopt a resolution or ordinance to establish and impose water service rates and private fire protection service rates; and

WHEREAS, Article XIII D Section 6 of the California Constitution authorizes the District to establish and impose property-related fees and charges including water rates; and

WHEREAS, the District Board of Directors ("Board of Directors") caused to have prepared the Elk Grove Water District 2018 Water Rate Study Report, dated May 9, 2018, which recommends changes to the existing water service rates and private fire protection service rates; and

WHEREAS, pursuant to Article XIII D Section 6 of the California Constitution and Government Code section 66018, the District held a public hearing on July 18, 2018, as part of a regularly scheduled meeting of its Board of Directors, during which the District gave members of the public the opportunity to make oral or written presentations to the Board of Directors on the proposed changes to the water service rates and private fire protection service rates; and

WHEREAS, the District published notice of the time and place of the July 18, 2018 public hearing, including a general explanation of the matter to be considered, at least ten days before the hearing as required by Government Code section 6062a and 66018; and

WHEREAS, at least ten days before the public hearing, the District made data publicly available that indicates (1) the estimated cost required to provide the services for which the District proposes to levy the water service rates and private fire protection service rates and (2) the revenue sources anticipated to provide such services, all according to Government Code section 66016; and

WHEREAS, the above-described data sets forth reasonable cost estimates for the District's provision of the water service rates and private fire protection service rates and establishes that the proceeds generated by the rates do not exceed the total of the estimated costs.

NOW, THEREFORE, THE FLORIN RESOURCE CONSERVATION DISTRICT BOARD OF DIRECTORS HEREBY DETERMINES AND ORDAINS AS FOLLOWS:

Section 1. Recitals. The above recitals are true and correct and incorporated herein.

Section 2. Final Approval of Water Rate Study. The Elk Grove Water

District 2018 Water Rate Study Report dated May 9, 2018 is hereby approved.

Section 3. Water Service Rates. Beginning on January 1, 2019 and continuing annually thereafter on that same month and day through and including January 1, 2023, water service rates will be automatically increased according to the water service rates recommended in the "Elk Grove Water District 2018 Water Rate Study Report" dated May 9, 2018 and attached as Exhibit A. The Board of Directors has the discretion to defer all or partial annual rate increases to future years when it is determined that none or not all of the recommended rate increase is required to balance the annual operating budget.

Section 4. Private Fire Protection Service Rates. Beginning on January 1, 2019 and continuing annually thereafter on that same month and day through and including January 1, 2023, private fire protection service rates will be automatically increased according to the private fire protection service rates recommended in the "Elk Grove Water District 2018 Water Rate Study Report" dated May 9, 2018 and attached as Exhibit A. The Board of Directors has the discretion to defer all or partial annual rate increases to future years when it is determined that none or not all of the recommended rate increase is required to balance the annual operating budget.

Section 5. California Environmental Quality Act Compliance.

(a) Pursuant to California Public Resources Code section 21080(b)(8), the District's adjustments to the water rates and miscellaneous water service fees and charges are not subject to the requirements of the California Environmental Quality Act. In accordance with Section 21080(b)(8), the District finds and determines that these adjustments constitute the modification of charges to meet operating expenses and for obtaining funds for capital projects necessary to provide and maintain water services within the District's service area.

(b) District staff is hereby directed to file a Notice of Exemption with the Sacramento County Clerk with three (3) business days after adoption of this Ordinance.

Section 6. Ordinance Effective Date. This ordinance shall take effect upon its adoption.

PASSED AND ADOPTED by the Florin Resource Conservation District Board of Directors on this 18th day of July 2018 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

_____
Tom Nelson
Chairperson of the Board of Directors

ATTEST:

_____
Stefani Phillips
Board Secretary

Florin Resource Conservation District

Elk Grove Water District

FINAL REPORT

Florin Resource Conservation District/Elk Grove Water District

Water Rate Study

May 2018

May 9, 2018

Mr. Mark Madison, P.E.
General Manager
Florin Resource Conservation District/ Elk Grove Water District
9257 Elk Grove Blvd.
Elk Grove, CA 95624

Subject: Comprehensive Water Rate Study Final Report

Dear Mr. Madison:

HDR Engineering, Inc. (HDR) is pleased to present to the Elk Grove Water District (District) the final report for the comprehensive water rate study. The District's comprehensive water rate study was developed to provide cost-based and equitable rates to adequately fund the operating and capital needs of the water utility. This report outlines the overall approach used to achieve these objectives, along with our findings, conclusions and recommendations.

The Elk Grove Water District operates a water supply, transmission, and distribution system. The costs associated with developing the water supply, treat the water, purchase the water, and the costs of distributing water to customers has been developed based on District adopted budgets and included within the development of the proposed water rates.

This study was developed utilizing generally accepted water rate setting principles and methodologies as outlined in the American Water Works Association M1 Manual "Principals of Water Rates, Fees, and Charges". This report provides the basis for developing and implementing water rates which are cost-based, equitable, and defensible to the District's customers.

We appreciate the assistance provided by the District's management team in the development of this study. More importantly, HDR appreciates the opportunity to provide these technical and professional services to the District.

Sincerely yours,
HDR Engineering, Inc.

Shawn Koorn
Associate Vice President

hdrinc.com 929 108th Ave NE, Suite 1300, Bellevue, WA 98004
T 425-450-6200

Table of Contents

Executive Summary

Introduction

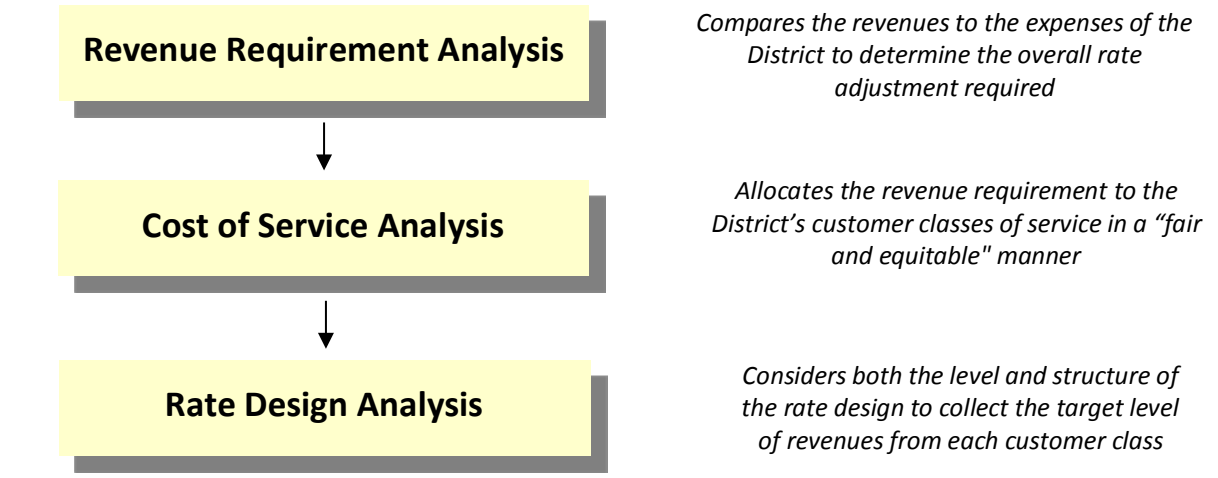
HDR was retained by the Florin Resource Conservation District to conduct a comprehensive water rate study for its water enterprise the Elk Grove Water District (District). The objective of the rate study was to review the District's operating and capital costs in order to develop a financial plan and develop cost-based and equitable rates for the District's water system customers. This study determined the adequacy of the existing water rates and provides the framework and cost basis for the proposed level of revenues and recommended water rates.

The District consists of two service areas, service area one (1) where the District owns and operates the distribution, transmission and service area two (2) where the District only owns and maintains the distribution system while the Sacramento County Water Agency owns and maintains the Transmission facilities which transports purchased water to the District. The District has two sources of supply, District owned treatment facilities, and water purchased from the Sacramento County Water Agency.

Overview of the Rate Study Process

A comprehensive water rate study uses three interrelated analyses to address the adequacy and equity of a utility's rates. This approach and methodology is outlined in the American Water Works Association (AWWA) M1 Manual, Principles of water rates, fees and charges. These three analyses are a revenue requirement analysis, a cost of service analysis, and a rate design analysis. These three analyses are illustrated below in Figure ES - 1.

Figure ES – 1
Overview of the Comprehensive Water Rate Analyses



The above framework was utilized to review and evaluate the District's water rates for this study.

Key Water Rate Study Results

The water rate study technical analysis was developed based on the District's operating and capital costs necessary to provide water service to the District's customers. The water rate analysis resulted in the following findings, conclusions, and recommendations.

- A revenue requirement analysis was developed for the review period of FY 2018/19 through FY 2027/28.
- The District's FY 2017/18 adopted operating and maintenance (O&M) budget was used as the starting point of the analysis.
- O&M expenses are projected to increase at various inflationary levels with no assumed changes to levels of service or anticipated extraordinary expenses.
- A cost of service analysis was developed to review the equity of the existing rates and proportionally allocate the revenue requirement to the various customer classes and residential tiers.
- The results of the cost of service analysis provided the unit costs (i.e., cost-based rates) which were used to establish the proposed rates.
- The study has developed proposed rates for the FY 2018/19 through FY 2022/23 time period, by class of service.
- The study was prepared based on a generally accepted rate setting methodology (AWWA M1 Manual) to meet the intent of Proposition 218.

Summary of the Water Revenue Requirement Analysis

A revenue requirement analysis is the first analytical step in the development of the water rate study. This analysis determines the adequacy of the level of current water rates. From this analysis, a determination can be made as to the overall level of water revenue adjustments needed to provide adequate and prudent funding for both operating and capital needs.

For this study, the revenue requirement was developed for the projected time period of FY 2017/18 – FY 2027/28. A ten-year time frame is recommended to better anticipate future financial requirements and allow the District, if necessary, to begin planning for these changes sooner, thereby minimizing short-term rate impacts and overall long-term rate levels. For the revenue requirement analysis, a "cash basis" approach was utilized. The "cash basis" approach is the most commonly used methodology by municipal utilities to set their revenue requirement and it includes an analysis of O&M expenses, transfer payments, debt service, and capital projects funded from rates. This is also the method used historically by the District in past rate studies. The primary financial inputs in the development of the revenue requirement analysis were the District's adopted FY 2017/18 budget, historical billed customer and consumption data, and the District's most current capital improvement plan.

Once the operating and maintenance expenses have been projected over the time period, based on budgeted expenses and historical inflationary factors, the next step is to develop the capital

improvement funding plan. The proper and adequate funding of capital projects is an important step to help minimize rates over time. A general financial guideline states that, at a minimum, a utility should fund an amount equal to or greater than annual depreciation expense through rates. Given the District's historical pay as you go approach, the District has annually funded an amount greater than annual depreciation expense. Provided below in Table ES - 1 is a summary of the capital funding plan over the ten-year period.

Table ES-1
Overview of the Water Capital Improvement Plan (000's)

					Projected					
	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28
Capital Plan										
Supply/Distribution	$980	$1,072	$995	$1,188	$0	$0	$0	$0	$0	$0
Treatment	80	0	180	0	0	0	0	0	0	0
Building & Site Improvements/Vehicles	185	160	160	120	124	127	131	135	139	143
Future Unidentified Projects	100	100	100	100	1,676	1,723	1,769	1,815	1,861	1,907
Total Revenue Requirement	**$1,345**	**$1,332**	**$1,435**	**$1,408**	**$1,800**	**$1,850**	**$1,900**	**$1,950**	**$2,000**	**$2,050**
Capital Reserve Funding	$355	$368	$365	$492	$200	$250	$300	$350	$400	$450
Total Capital Investment	$1,700	$1,700	$1,800	$1,900	$2,000	$2,100	$2,200	$2,300	$2,400	$2,500
Capital Plan Funding										
Capital Improvement Reserve	$195	$280	$390	$745	$962	$989	$1,016	$1,043	$1,070	$1,097
Capital Replacement Reserve	1,150	1,052	1,045	663	838	861	884	907	930	953
Future Capital Improvement Reserve	0	0	0	0	0	0	0	0	0	0
Future Capital Replacement Reserve	0	0	0	0	0	0	0	0	0	0
Low Interest Loans	0	0	0	0	0	0	0	0	0	0
Revenue Bonds	0	0	0	0	0	0	0	0	0	0
Rate Funding	355	368	365	492	200	250	300	350	400	450
Total Capital Funding	**$1,700**	**$1,700**	**$1,800**	**$1,900**	**$2,000**	**$2,100**	**$2,200**	**$2,300**	**$2,400**	**$2,500**

As noted, the District's current approach to capital funding is a pay as you go approach. Capital projects often vary substantially from year to year which the District budgets, but for rate setting purposes the study assumes a level amount of funds for capital projects through rates. Any project funding needs greater than rate funding levels are funded through reserves.

The revenue requirement analysis for District was developed to determine the necessary revenues to meet the costs of providing water service to the customers based on the specific costs of the water utility. Provided below, in Table ES – 2, is a summary of the revenue requirement analysis (financial plan) developed for the water utility. A more detailed analysis of the revenue requirements can be found in Section 3 of this report.

Table ES-2
Summary of the Revenue Requirement Analysis (000's)

	Budget		Projected							
	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28
Sources of Funds										
Rates	$15,076	$15,150	$15,223	$15,298	$15,372	$15,447	$15,523	$15,598	$15,674	$15,750
Other Revenues	292	300	304	306	308	309	311	313	314	315
Total Sources of Funds	$15,369	$15,449	$15,527	$15,604	$15,680	$15,756	$15,834	$15,911	$15,988	$16,065
Applications of Funds										
Operations & Maintenance Expense:										
Salaries & Benefits	$3,587	$3,747	$3,914	$4,090	$4,273	$4,465	$4,667	$4,877	$5,098	$5,330
Seminars, Conventions, & Travel	52	53	54	56	57	59	60	62	63	65
Office & Operational	4,176	4,364	4,562	4,768	4,985	5,211	5,448	5,697	5,957	6,229
Outside Service	927	960	994	1,028	1,064	1,102	1,140	1,180	1,221	1,264
Rents, Taxes, and Utilities	418	426	435	444	454	463	473	483	493	504
Election Costs	65	66	68	70	72	73	75	77	79	81
Rate Funded Capital	1,700	1,700	1,800	1,900	2,000	2,100	2,200	2,300	2,400	2,500
Debt Service:										
Current	3,824	3,827	3,855	3,882	3,883	3,887	3,888	3,942	3,981	3,977
New	0	0	0	0	0	0	0	0	0	0
Change Working Capital	620	306	73	53	59	60	64	13	(27)	(27)
Total Applications of Funds	$15,369	$15,449	$15,756	$16,292	$16,847	$17,420	$18,015	$18,630	$19,265	$19,922
Balance/(Deficit) Funds	$0	$0	($228)	($688)	($1,167)	($1,664)	($2,181)	($2,718)	($3,277)	($3,857)
Balance/(Deficit) of Funds as % of Rate Revenues	0%	0%	2%	5%	8%	11%	14%	17%	21%	24%
Proposed Adjustment	**0.0%**	**0.0%**	**3.0%**	**3.0%**	**3.0%**	**3.0%**	**3.0%**	**3.0%**	**3.0%**	**3.0%**
Rev from Adjustments	$0	$0	$228	$688	$1,167	$1,664	$2,181	$2,718	$3,277	$3,857

As can be seen, the revenue requirement has summed O&M, transfers, annual debt service, rate funded capital, and reserve funding. The total revenue requirement is then compared to the total sources of funds which are annual rate revenues, at present rate and consumption levels, and other miscellaneous revenues. From this comparison a balance or deficiency of funds in each year can be determined. This deficiency of funds is then compared to the projection of rate revenues to determine the overall revenue adjustment needed to meet the costs of providing water service. It is important to note the "Balance/(Deficit) Funds" row is cumulative. That is, any adjustments in the initial years will reduce the deficiency in the later years.

In FY 2018/19 the overall levels of water rate revenues are sufficient to fund the revenue requirement but over time the District's revenue becomes insufficient and rate adjustments are needed to fully fund operations and capital needs. With this in mind, it is proposed that the District raise rates annually in FY 2020/21 through FY 2022/23 by 3%.

Based on the revenue requirement analysis developed, HDR has concluded that the District will need to adjust the level of water rate revenues as noted above to meet annual O&M and capital expenses over the next five years. HDR has developed the following recommendations:

- Revenue adjustments are necessary to meet the operating and capital costs of providing water service to the District's customers.
- The proposed revenue adjustments enhance the District's financial health and provide long-term sustainable funding levels.
- Prior to the end of the financial planning projected period, the District should complete a review of the water revenue levels and costs at that time.

HDR would recommend that the District adopt the proposed revenue adjustments to provide sufficient funding for the projected operating and capital needs of the water utility. Detailed technical exhibits of the revenue requirement analysis have been included within the Technical Appendix.

Summary of the Water Cost of Service Analysis

A cost of service analysis determines the equitable allocation of the revenue requirement to the various customer classes of service (e.g., Residential, Non-Residential, Irrigation). The objective of the cost of service analysis is different from determining the revenue requirement analysis. Whereas a revenue requirement analysis determines the utility's overall financial needs, the cost of service analysis determines the proportional and equitable manner to collect that revenue requirement from each customer class of service based on how each customer class utilizes (benefits) from the system.

After analyzing the customer classes and usage data, it is recommended that the current customer classes of service be maintained for the cost of service allocation and distribution and rate setting purposes. The District currently has three rate classes, residential, non-residential,

and irrigation. The residential rate structure currently has a two tiered rate structure plus a variable meter charge, while non-residential and irrigation have a uniform rate, with different consumption charges, and a variable meter charge. In addition to these three customer classes of service, the District also has a private fire protection rate which was also analyzed as part of this study.

In summary form, the cost of service analysis began by functionalizing the revenue requirement for the District's water utility. The functionalized revenue requirement was then allocated into the various cost components (e.g., average day, peak day, customer related). The individual allocation totals were then proportionally distributed to the various customer classes of service based on the appropriate distribution factor. The distributed expenses for each customer class were then aggregated to determine each customer class's overall revenue responsibility. Given this, proposed water rates can be developed that reflect the costs incurred to provide service to these customers. As a result, the cost of service proportionally allocated costs to residential, non-residential, and irrigation/other customer classes. Table ES - 3 provides the summary of the cost of service analysis for the FY 2018/19 test year.

Table ES - 3

Summary of the Cost of Service Analysis ($000)

Class of Service	Present Revenues (FY 2018/19)	Allocated Costs	$ Difference	$ Difference
Residential	$13,043	$13,036	$8	-0.1%
Non-Residential	1,262	1,224	38	-3.0%
Irrigation	581	629	(48)	8.2%
Private Fire Protection	189	187	2	-0.9%
Total	$15,076	$15,076	$0	0.0%

The cost of service study proportionally distributes the revenue requirement to each customer class based on their use of the system and facilities. The results of the analysis indicate that minor cost of services differences exist between the various customer classes of service. The results show that, for example, the residential, non-residential, and private fire protection customers' proportional share of costs is approximately equal to the respective current revenues. However, the cost of service shows the need to adjust the irrigation customers revenues (i.e., rate levels) based on the customer class' customer characteristics and infrastructure needs. This is the result of the allocation of costs and residential customer's proportional share of costs based on average day, peak day, and customer related costs. This means that the rates for residential, non-residential, and private fire can be slightly decreased to reflect the cost of service while irrigation should be increased to reflect their cost of service. It is important to understand that a cost of service analysis is based on a projection of customer consumption data based on recent year's consumption history. The key outcome of the cost of service analysis is the unit costs stated on

a billing unit basis, which for the District is on a dollar per hundred cubic foot basis ($/CCF). The unit costs provide the cost basis for the development of the proposed water rates.

The cost of service goes a step further than just allocating costs to customer classes. The analysis allocates costs to the tiers of residential which is done in order to satisfy the administrative record requirements of Proposition 218, especially in light of the San Juan Capistrano Decision.

Provided in Table ES - 4 is a summary of the consumption related unit costs derived in the cost of service analysis that will be used to develop the proposed rate designs.

Table ES – 4
Summary of the Consumption Related Unit Costs ($ / CCF)

	Residential	Non-Residential	Irrigation
Tier 1	$1.92	N/A	N/A
Tier 2	$4.04	N/A	N/A
All Consumption	N/A	$1.81	$2.42

As can be seen in Table ES - 4, for residential customers, the tiered rate structures have been maintained for residential customers and the costs of providing service at each tier have been developed based on the peaking factors and system requirements to provide water service at higher levels.

Section 4 of this report provides a detailed discussion of the cost of service analysis conducted for the District and the development of the unit costs provided in Table ES - 4. Given the results of the cost of service analysis, HDR would recommend that the unit costs, as developed, are the basis for the rate designs. The Technical Appendix contains the various exhibits and additional details associated with the cost of service analysis.

Summary of the Present and Proposed Water Rate Designs

The final step of the comprehensive rate study process is the design of water rates to collect the desired levels of revenue, based on the results of the revenue requirement and cost of service analysis. To review, the revenue requirement analysis provides a set of recommendations in the form of annual revenue adjustments - that is, the level of total revenues necessary to provide sufficient funding - while the cost of service analysis results provide recommendations as to how the revenue is collected proportionally from each customer classes of service. The rate design, therefore, incorporates both of the prior analyses to design the proposed rates for the District.

Developing cost-based and equitable rates is of paramount importance in developing proposed water rates. Given this, the District's proposed water rates have been developed with the intent of meeting the legal requirements of California constitution article XIII D, section 6 (Article XIII D). A key component of Article XIII D is the development of rates which reflect the cost of providing service and are proportionally allocated among the various customer classes of service.

HDR would point out that there is no single methodology for equitably assigning costs to the various customer groups. The American Water Works Association (AWWA) M1 Manual clearly delineates various methodologies which may be used to establish cost-based rates. Article XIII D does not prescribe a particular methodology for establishing rates; consequently, HDR developed the District's proposed water rates based on the AWWA M1 manual methodology to meet the requirements of Article XIII D and recent legal decisions to provide an administrative record of the steps taken to establish the District's water rates.

HDR is of the opinion that the proposed rates comply with legal requirements of Article XIII D. HDR reaches this conclusion based upon the following:

- The revenue derived from water rates does not exceed the funds required to provide the property related service (i.e., water service). The proposed rates are designed to collect the overall revenue requirement of the District's water utility.
- The revenues derived from water rates shall not be used for any purpose other than that for which the fee or charge is imposed. The revenues derived from the District's water rates are used exclusively to operate and maintain the District's water system.
- The amount of a fee or charge imposed upon a parcel or person as an incident of property ownership shall not exceed the proportional costs of the service attributable to the parcel. This study has focused on the issue of proportional assignment of costs to customer classes of service. The proposed rates have appropriately grouped customers into customer classes of service (Residential, Non-residential, Irrigation, and Private Fire Service) that reflect the varying consumption patterns and system requirements of each customer class of service. The grouping of customers and rates into these classes of service creates the equity and fairness expected under Article XIII D by having differing rates reflecting both the *level* of revenue to be collected by the District for sufficient funding and the *manner* in which these costs are incurred and equitably assigned based on each classes' proportional impact and burden on the water system and water resources.

Given the prior discussion of the difference in the consumption patterns of the various customer classes and the need to develop rates based on cost of service principles, the proposed water rates were developed for the District's customers based on the cost of service unit costs as shown in Table ES - 4. However, the proposed monthly service charge for residential and non-residential customers is moved to the same rates based on meter size which varies by size based on the current meter equivalency factors based on a 1" meter.

As noted, the consumption characteristics for each customer class were reviewed. Based on the review of the residential and non-residential customer characteristics, the sizing of the consumption tiers is maintained based on the current consumption patterns. The pricing of the tiers is revised, however, to reflect the cost of service analysis unit costs which specifically reflect the cost of providing service at higher consumption levels.

Provided in Table ES - 5 is a summary of the present and proposed water rates over the five-year review period.

Table ES-5
Current and Proposed Rates

	Current	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23
Monthly Charge by Meter Size						
1"	$66.67	$61.15	$61.15	$62.99	$64.88	$66.82
1 1/2"	93.84	86.07	86.07	88.65	91.31	94.05
2"	126.44	115.97	115.97	119.45	123.04	126.73
3"	202.52	185.76	185.76	191.33	197.07	202.98
4"	311.19	285.43	285.43	293.99	302.81	311.90
6"	582.89	534.64	534.64	550.68	567.20	584.21
8"	908.93	833.69	833.69	858.70	884.46	910.99
10"	1,289.30	1,182.57	1,182.57	1,218.05	1,254.59	1,292.23
Residential						
Consumption less than 30 CCF	$1.57	$1.92	$1.92	$1.98	$2.04	$2.10
Consumption Greater than 30 CCF	$3.11	$4.04	$4.04	$4.17	$4.29	$4.42
Non-Residential						
All Consumption	$1.77	$1.79	$1.79	$1.84	$1.90	$1.95
Irrigation						
All Consumption	$1.91	$2.27	$2.27	$2.34	$2.41	$2.48
Private Fire Protection						
Monthly Charge by Line Size						
2"	$3.04	$3.02	$3.02	$3.11	$3.21	$3.30
3"	8.86	8.78	8.78	9.04	9.31	9.59
4"	18.88	18.71	18.71	19.27	19.85	20.44
6"	54.85	54.34	54.34	55.97	57.65	59.38
8"	116.88	115.80	115.80	119.27	122.85	126.54
10"	210.19	208.25	208.25	214.49	220.93	227.56
12"	339.51	336.37	336.37	346.47	356.86	367.57

As can be seen in Table ES - 5, the service charge rate structure has been maintained and the proposed rates have been adjusted to reflect the overall revenue needs of the water utility based on the revenue requirement and cost of service analysis unit costs for FY 2018/19. The proposed consumption charges are based on each customer class's contribution to the costs of the system and are based on the unit costs calculated and shown in Table ES - 4. It is recommended that the proposed rates be effective January 1, 2019. After the initial rate cost of service adjustments, and

the movement to the cost-based rates, the future adjustments will be "across the board" meaning all components will be adjusted proportionally based on the overall rate revenue adjustment.

Section 5 of this report provides a detailed discussion of the present and proposed water rates.

Water Rate Study Recommendations

Based on the results of the water rate study, HDR finds and recommends the following:

- Rate adjustments are necessary to prudently fund operating and capital renewal and replacement expenses.
- Water revenues are sufficient to meet the utilities needs for the FY 2018-19 to FY 2019-20 period but should be adjusted annually there after by 3.0% through FY 2022/23.
- The proposed rates reflect the results of the cost of service analysis and the proportional allocation of costs to each customer class of service.
- HDR would recommend the adoption of a multi-year rate plan to implement the proposed rates through FY 2022/23.
- The District should maintain the current minimum target reserve policy of 120 days of O&M expenses.
- Prior to the implementation of the FY 2022/23 rates the District should complete a review of the water rates to confirm the basis for future proposed rates.

Summary of the Water Rate Study

This completes the summary of the development of the comprehensive water rate study for the Elk Grove Water District. The focus of this study has been the prudent and adequate funding of the utility, and developing the cost-basis for the proposed rates. A full and complete discussion of the development of the comprehensive water rate study can be found in following sections of this report.

1. Introduction and Overview

1.1 Introduction

The Elk Grove Water District (EGWD) is a Department of the Florin Resource Conservation District (FRCD). The FRCD acquired the Elk Grove Water Works in 1999 from a local family who had owned and operated the water utility as a private water company for 103 years. This acquisition changed the governance of the water utility from private ownership to a publicly owned and operated agency. The FRCD also structured this agency as an enterprise-funded department of the FRCD thereby keeping all financial activities of the water utility separate from other activities of the FRCD. In the early 2000's the Elk Grove Water Works was renamed as the Elk Grove Water District and is classified as a medium sized water purveyor serving approximately 45,000 people.

HDR was retained by the Florin Resource Conservation District to conduct a comprehensive water rate study for its water enterprise, the Elk Grove Water District (District). The objective of the rate study was to review the District's operating and capital costs in order to develop a financial plan and develop proposed cost-based and proportional rates for the District's water customers. This study determined the adequacy of the existing water rates and provides the framework and cost basis for any needed future adjustments.

The District consists of two service areas, service area one (1) where the District owns and operates the distribution, transmission and service area two (2) where the District only owns and maintains the distribution system while the Sacramento County Water Agency owns and maintains the Transmission facilities which transports purchased water to the District. The District has two sources of supply, District owned treatment facilities, and water purchased from the Sacramento County Water Agency.

1.2 Goals and Objectives

The District had a number of key objectives in developing the water rate study. These key objectives provided a framework for policy decisions in the analysis that follows. These key objectives were as follows:

- Develop the study in a manner that is consistent with the principles and methodologies established by the American Water Works Association (AWWA), M1 Manual, Principles of Water Rates, Fees, and Charges.
- When establishing the District's rates, review and utilize best industry practices, while recognizing and acknowledging the specific and unique characteristics of the District's system and customers.
- Review the District's rates utilizing "generally accepted" rate making methodologies to determine adequacy and equity (proportionality) of the water rates.
- Develop a final proposed financial plan which adequately supports the utility's funding

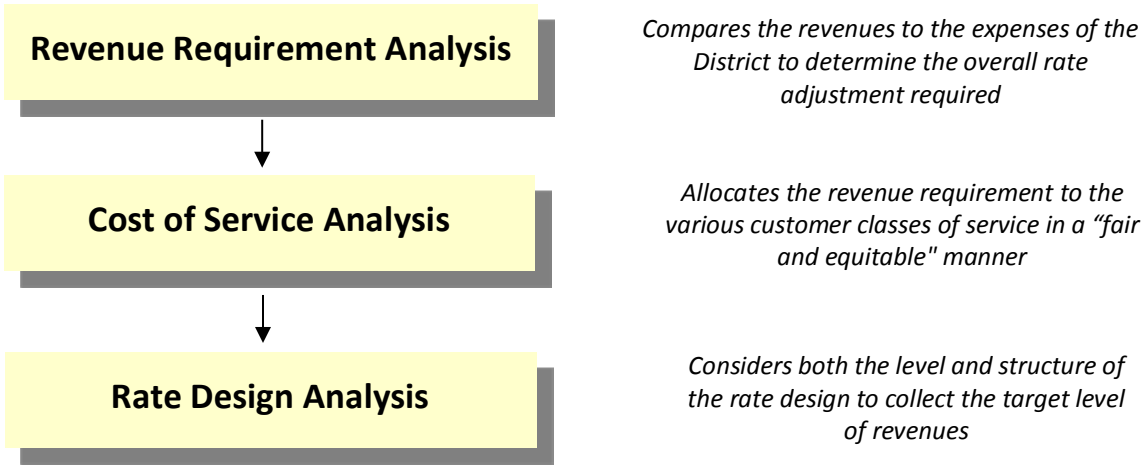
requirements, while attempting to minimize overall impacts to rates.

- Propose rates designed to meet the intent of Article XIII D (Proposition 218).

1.3 Overview of the Rate Study Process

User rates must be set at a level where a utility's operating and capital expenses are met with the revenues received from customers. This is an important point, as failure to achieve this objective may lead to insufficient funds to maintain system integrity. To evaluate the adequacy of the existing rates, a comprehensive rate study is often performed. A comprehensive water rate study consists of three interrelated analyses. Figure 1 - 1 provides an overview of these analyses.

Figure 1 – 1
Overview of the Comprehensive Water Rate Analyses



The above framework for reviewing and evaluating rates was utilized for the District's water system.

1.4 Organization of the Study

This report is organized in a sequential manner that first provides an overview of utility rate setting principles, followed by sections that detail the specific steps used to review the District's water rates. The following sections comprise the District's water rate study report:

- **Section 2** – Overview of Water Rate Setting Principles
- **Section 3** – Development of the Revenue Requirement Analysis
- **Section 4** – Development of Cost of Service Analysis
- **Section 5** – Development of the Proposed Rate Designs

A Technical Appendix is attached at the end of this report, which details the various technical analyses that were undertaken in the preparation of this study.

1.5 Summary

This report will review the comprehensive water rate analyses prepared for the District. This report has been prepared utilizing generally accepted water rate setting techniques as outlined in the AWWA M1 Manual.

2. Overview of Water Rate Setting Principles

2.1 Introduction

This section of the report provides background information about the water rate setting process, including descriptions of generally accepted principles, types of utilities, methods of determining a revenue requirement, the cost of service analysis, and rate design. This information is useful for gaining a better understanding of the details presented in Sections 3 through 5 of this report.

2.2 Generally Accepted Rate Setting Principles

As a practical matter, all utilities should consider setting their rates around some generally accepted or global principles and guidelines. Utility rates should be:

- Cost-based, equitable, and set at a level that meets the utility's full revenue requirement.
- Easy to understand and administer.
- Designed to conform to "generally accepted" rate setting techniques.
- Stable in their ability to provide adequate revenues for meeting the utility's financial, operating, and regulatory requirements.
- Established at a level that is stable from year-to-year from a customer's perspective.
- Meet legal and regulatory requirements.

2.3 Determining the Revenue Requirement

Most public utilities utilize the "cash basis" [1] approach for establishing the revenue requirement for rate setting purposes. This approach conforms to most public utility budgetary requirements. A public utility totals its cash expenditures for a period of time to determine required revenues. The revenue requirement for a public utility is usually comprised of the following costs or expenses:

- **Total Operating Expenses:** This includes a utility's operation and maintenance (O&M) expenses, plus any applicable taxes or transfer payments (e.g., reserve transfers). Operation and maintenance expenses include the materials, electricity, labor, supplies, etc., necessary to provide service.
- **Total Capital Expenses:** Capital expenses are calculated by adding debt service payments (principal and interest) to capital improvements financed with rate revenues. In lieu of including capital improvements financed with rate revenues, a utility sometimes includes

[1] "Cash basis" as used in the context of rate setting is not the same as the terminology used for accounting purposes and recognition of revenues and expenses. As used for rate setting, "cash basis" simply refers to the specific cost components to be included within the revenue requirement analysis.

depreciation expense to stabilize the annual revenue requirement.

Under the "cash basis" approach, the sum of the total O&M expenses plus the total capital expenses equals the utility's revenue requirement during any selected period of time (historical or projected).

Table 2 – 1
Cash versus Utility Basis Comparison

	Cash Basis		Utility Basis (Accrual)
+	O&M Expenses	+	O&M Expenses
+	Taxes/Transfer Payments	+	Taxes/Transfer Payments
+	Rate Funded Capital (≥ Depreciation Expense)	+	Depreciation Expense
+	Debt Service (Principal + Interest)	+	Return on Investment
=	**Total Revenue Requirement**	=	**Total Revenue Requirement**

Note that the two portions of the capital expense component (debt service and capital improvements financed from rates) are necessary under the cash basis approach because utilities generally cannot finance all their capital facilities with long-term debt. At the same time, it is often difficult to pay for capital expenditures on a "pay-as-you-go" basis given that some major capital projects may have significant rate impacts upon a utility, even when financed with long-term debt. Many utilities have found that some combination of pay-as-you-go funding and long-term financing will often lead to minimization of rate increases over time.

2.4 Analyzing Cost of Service

After the total revenue requirement is determined, it is equitably distributed to the users of the service. The distribution, analyzed through a cost of service analysis, reflects the cost relationships for producing and delivering water services. A cost of service analysis requires three analytical steps:

1. Costs are ***functionalized*** or grouped into the various cost categories related to providing service (supply, distribution, pumping, etc.). This step is largely accomplished by the utility's accounting system.
2. The functionalized costs are then ***allocated*** to specific cost components. Allocation refers to the arrangement of the functionalized data into cost components. For example, a water utility's costs are typically allocated as average day, peak day, or customer-related.
3. Once the costs are allocated into components, they are proportionally ***distributed*** to the customer classes of service (e.g., residential, non-residential, irrigation). The distribution is based on each customer class' relative contribution (proportional share) of each cost component (i.e., benefits received from and burdens placed on the system and its resources). For example, customer-related costs are distributed to each class of service

based on the total number of customers in that class of service. Once costs are distributed, the unit costs from each customer class of service required to achieve cost-based rates can be determined.

2.5 Designing Water Rates

Rates that meet the utility's objectives are designed based on both the revenue requirement and the cost of service analysis. This approach results in rates that are strictly cost-based and does not consider other non-cost based goals and objectives (conservation, economic development, ability to pay, revenue stability, etc.). In designing the final proposed rates, factors such as ability to pay, continuity of past rate philosophy, economic development, ease of administration, and customer understanding may be taken into consideration. However, the proposed rates must take into consideration each customer class's proportional share of costs allocated through the cost of service analysis to meet the intent of Proposition 218.

2.6 Economic Theory and Rate Setting

One of the major justifications for a comprehensive rate study is founded in economic theory. Economic theory suggests that the price of a commodity must roughly equal its cost if equity among customers is to be maintained. This statement's implications on utility rate designs are significant. For example, a water utility usually incurs capacity-related costs to meet summer outdoor watering needs. It follows that the customers who create excessive peak demands on the system and create the need for upsizing of the distribution system should pay for those over-sized facilities in proportion to their contribution to total peaking requirements. When costing and pricing techniques are refined, consumers have a more accurate understanding of what the commodity costs to produce and deliver.

"Economic theory suggests that the price of a commodity must roughly equal its cost if equity among customers is to be maintained."

2.7 Summary

This section of the report has provided a brief introduction to the general principles, techniques, and economic theory used to set water rates. These principles and techniques will become the basis for the District's water rate study.

3. Development of the Revenue Requirement

3.1 Introduction

This section describes the development of the revenue requirement for the District. The District provided detailed revenue and expenses data (e.g., adopted budgets, audited financial statements) for the water system that allowed for the development of the revenue requirement. The revenue requirement analysis is the first analytical step in the comprehensive rate study process. This analysis determines the adequacy of the District's overall water rates at current rate levels. From this analysis, a determination can be made as to the overall level of revenue adjustment needed to provide adequate and prudent funding for both operating and capital needs. HDR developed an independent analysis based on information provided by the District as part of the development of the proposed cost-based rates.

3.2 Determining the Revenue Requirement

In developing the District's revenue requirement, the water utility must be properly funded and financially "stand on its own" given that water rates are the primary funding source for the District. As a result, the revenue requirement analysis, as developed herein, assumes the full and proper funding needed to operate and maintain the District's water system on a financially sound and prudent basis.

3.3 Establishing a Time Frame and Approach

The first step in calculating the revenue requirement for the District was to establish a time frame for the revenue requirement analysis. For this study, the revenue requirement was developed for the projected time period of FY 2017/18 – FY 2027/28. This included the budget year (FY 2017/18) followed by a projected ten-year rate setting period (FY 2018/19 – FY 2027/28). Reviewing a multi-year time period is recommended in order to identify any major expenses that may be on the horizon. By anticipating future financial requirements, the District can begin planning for these changes sooner, thereby minimizing short-term revenue needs and overall long-term revenue levels. For rate setting purposes the study focused on the five-year period of FY 2018/19 – FY 2022/23.

The second step in determining the revenue requirement for the District was to decide on the basis of accumulating costs. In this particular case, for the revenue requirement analysis a "cash basis" approach was used. The "cash basis" approach is the most common methodology used by municipal utilities to set their revenue requirement. This is also the methodology that the District has historically used to establish its water revenue requirement. Table 3 - 1 provides a summary of the "cash basis" approach and cost components used to develop the District's revenue requirement.

Table 3 – 1
Overview of the District's "Cash Basis" Revenue Requirement

+	Water Operation and Maintenance Expenses
+	Debt Service (Principal + Interest) – Existing and Future
+	Rate Funded Capital
±	Reserve Funding
=	**Total Water Revenue Requirement**
−	Miscellaneous Revenues
=	**Net Revenue Requirement (Balance Required from Water Rates)**

Given a time period around which to develop the revenue requirement, and a method to accumulate the costs, the focus shifts to the projection of the District's revenues and expenses over the test period.

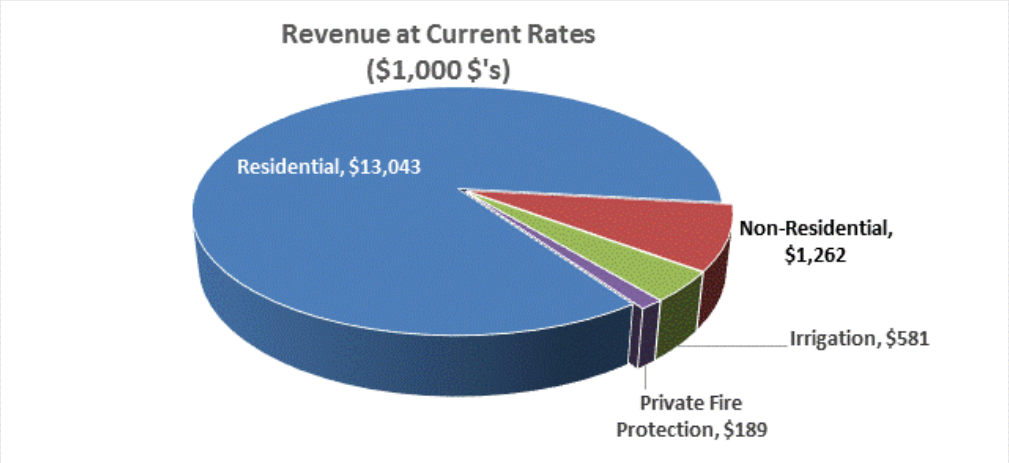
The primary financial inputs in the development of the revenue requirement were the District's FY 2018/19 adopted budget, 2016/17 billed customer and consumption data, and the current capital improvement plan. Provided in the following sections of this report is a detailed discussion of the steps and key assumptions contained in the development of the projections of the District's water revenue requirement analysis.

3.4 Projecting Rate and Other Miscellaneous Revenues

The starting point of the revenue requirement is to develop a projection of the water rate revenues, at present rate levels. In general, this process involved developing projected billing units for each customer group (e.g., residential, non-residential, Irrigation). The billing units for each customer group were then multiplied by the applicable current water rates. This method of independently calculating revenues links the projected revenues used within the analysis to the projected billing units. It also helps to confirm that the billing units used within the study are reasonable for purposes of projecting future revenues, allocating costs, and ultimately, establishing proposed rates.

". . . the State of California implemented additional required conservation savings in 2016 which impacted the level of consumption and resulting consumption based revenues."

A key aspect of the projection of water rate revenues was to develop a projection of consumption levels considering the recent drought. In addition, the State of California implemented additional required conservation savings through 2016 which impacted the level of consumption and resulting consumption-based revenues. In an effort to reflect anticipated future consumption levels, and in discussion with District staff, it was determined that the consumption levels of calendar year 2016/17 would be used as a base level of consumption as they appear to reflect "normal" consumption for the next several years given customers response to the drought and changes in behavior as a result of conservation practices. Overall future consumption levels will also be impacted by the State's conservation plan which, when adopted, will outline the conservation practices the District will need to implement.



The District currently has a rate structure for each of their four customer class. As noted above, the projection of revenues, and subsequent cost allocation, is based on specific customer classes of service. Given this, a revenue projection was developed for each of the customer classes of service. The majority of the District's rate revenues are derived from the residential customer class. The District also has customer classes of non-residential, irrigation and private fire protection. In total, and at current rate levels, the District is projected to receive approximately $15.1 million in rate revenue in FY 2018/19, based on the projection of metered consumption levels. Over time, the study has assumed a conservative level of customer growth, based on historical growth levels of 0.5% per year. This results in rate revenues increasing to approximately $15.4 million, at present rate levels, in FY 2022/23 and $15.8 million in 2027/28 as a result of the estimated growth on the system.

In addition to rate revenues, the District receives miscellaneous revenues from operations. These are revenues related to interest earnings, fees, and other miscellaneous revenues. In total, the District is projected to receive approximately $292,000 in miscellaneous revenues in FY 2018/19. This amount is anticipated to grow over the projected five-year rate setting period and be approximately $308,000 in FY 2022/23 and ultimately $315,000 in 2027/28.

On a combined basis, taking into account the rate revenues and the miscellaneous revenues, the District's water utility has total projected revenues of approximately $15.4 million in FY 2018/19, increasing to approximately $15.7 million by FY 2022/23 and $16.1 million in 2027/28.

3.5 Projecting Operation and Maintenance Expenses

Operation and maintenance (O&M) expenses are incurred by the District to provide water service (supply, treatment, and distribution) as well as to operate and maintain the existing infrastructure. As mentioned, the District provided detailed O&M expenses based on the FY 2018/19 adopted budget. The budgeted O&M expenses were projected over the time period based on historical inflationary factors experienced by the District and the general economy.

Based on the FY 2017/18 budget, the total O&M expenses for the District are $9.2 million. Over the planning horizon, total O&M expenses for the District are projected to increase to approximately $10.9 million by FY 2022/23, then to $13.5 million in 2027/28. This reflects an

average increase of 4.2% per year and is based on historical inflationary factors experienced by the District.

3.6 Projecting Capital Funding Needs

A key component in the development of the water revenue requirement was properly and adequately funding capital improvement needs. One of the major issues facing utilities across the U.S. is the amount of deferred capital projects and the funding pressure from growth/expansion-related improvements. The proper and adequate funding of capital projects is an important issue for all water utilities and is not just a local issue or concern of the District.

In general, there are three types of capital projects that a utility may need to fund. These include the following types:

- Renewal & replacement projects
- Growth / capacity expansion projects
- Regulatory-related projects

A renewal and replacement project is essentially a project required for maintaining the existing system that is in place today. As the existing plant or pipelines become worn out, obsolete, etc., the utility should be making continuous investments to maintain the integrity of the facilities. In contrast to this, a utility may make capital investments to expand the capacity of facilities to accommodate future capacity needs (customers). Finally, certain projects may be a function of a regulatory requirement in which the Federal or State government mandates the need for an improvement to the system to meet a regulatory standard. Understanding these different types of capital projects is important because it may help to explain why costs are increasing and the cost drivers for any needed rate adjustment. In addition, and more importantly, the way in which projects are funded may vary by the type of capital project. For example, renewal and replacement projects may be paid for via rates and funded on a "pay-as-you-go basis." In contrast to this, growth or capacity expansion projects may be funded via the collection of development or connection fees (i.e., growth-related charges) in which new development pays an equitable share of the cost of facilities necessary to serve their development (impact). Finally, regulatory projects may be funded by a variety of different means, which may include rates, long-term debt, grants, etc.

While the above discussion appears to neatly divide capital projects into three clearly defined categories, the reality of working with specific capital projects may be more complex. For example, a pump may be replaced, but while being replaced, it is up-sized to accommodate greater capacity to serve increasing demands or new development. There are many projects that share these "joint" characteristics. At the same time, projects may not be "replacement" related, but rather "improvement" related. For purposes of developing the capital funding plan the District provided its capital improvement plan (CIP) which has been summarized in Table 3 - 2 along with the expected funding sources developed as part of the rate study.

Table 3-2
Overview of the Water Capital Improvement Plan

					Projected					
	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28
Capital Plan										
Supply/Distribution	$980	$1,072	$995	$1,188	$0	$0	$0	$0	$0	$0
Treatment	80	0	180	0	0	0	0	0	0	0
Building & Site Improvements/Vehicles	185	160	160	120	124	127	131	135	139	143
Future Unidentified Projects	100	100	100	100	1,676	1,723	1,769	1,815	1,861	1,907
Total Revenue Requirement	**$1,345**	**$1,332**	**$1,435**	**$1,408**	**$1,800**	**$1,850**	**$1,900**	**$1,950**	**$2,000**	**$2,050**
Capital Reserve Funding	$355	$368	$365	$492	$200	$250	$300	$350	$400	$450
Total Capital Investment	$1,700	$1,700	$1,800	$1,900	$2,000	$2,100	$2,200	$2,300	$2,400	$2,500
Capital Plan Funding										
Capital Improvement Reserve	$195	$280	$390	$745	$962	$989	$1,016	$1,043	$1,070	$1,097
Capital Replacement Reserve	1,150	1,052	1,045	663	838	861	884	907	930	953
Future Capital Improvement Reserve	0	0	0	0	0	0	0	0	0	0
Future Capital Replacement Reserve	0	0	0	0	0	0	0	0	0	0
Low Interest Loans	0	0	0	0	0	0	0	0	0	0
Revenue Bonds	0	0	0	0	0	0	0	0	0	0
Rate Funding	355	368	365	492	200	250	300	350	400	450
Total Capital Funding	**$1,700**	**$1,700**	**$1,800**	**$1,900**	**$2,000**	**$2,100**	**$2,200**	**$2,300**	**$2,400**	**$2,500**

The capital improvements are primarily related to renewal and replacement of aging water system as well as annual equipment purchases. While the total amount required to fund projects may vary from year-to-year, the rate study capital funding plan has developed a plan to provide a consistent funding source for capital improvements. In this case, rates will annually fund an amount ranging from approximately$1.7 million to $2.5 million (as highlighted in Table 3 - 2). As a point of reference, the District's annual depreciation expense was approximately $1.7 million for FY 2016/17.

A desirable and recommended minimum funding target for rate funded capital is an amount equal to or greater than annual depreciation expense. As can be seen, this financial plan provides the District with funding in equal to or in excess of annual depreciation expense over the analysis period. This is critical as the replacement cost of an asset may be between 1.5 – 2.0 times the original costs. This funding level will remain important to fund as the District's water system continues to age and the demand for funding renewal and replacement projects increases. In developing this financial plan, HDR and the District have attempted to minimize rate impacts while funding the necessary capital improvement projects.

3.7 Projection of Debt Service

The District currently has two (2) outstanding debt issues for the water utility: the 2014 and 2016 Revenue Bonds. The total annual debt service payment is approximately $3.8 million in FY 2018/19. The analysis shows that there is no need for additional borrowing during the analysis period.

As part of this study, HDR is not providing municipal advice as it relates to bonds, terms, or structures of debt issuance. Rather, this study is simply identifying the existing annual debt service payments for rate setting purposes.

3.8 Reserve Funding

The final component of the revenue requirement analysis is the transfer to, or from, reserves to either maintain prudent ending fund balances or for future funding of specific projects. In future years as rates are adjusted and reach sufficient levels, funds are being transferred to the operating reserves to meet minimum target levels. A more detailed discussion of the District's water reserve funds in provided in Section 3.10.

3.9 Summary of the Revenue Requirement

Given the above projections of revenues and expenses, a summary of the District's revenue requirement analysis can be developed. In developing the revenue requirement analysis, consideration was given to the financial planning considerations of the District. In particular, emphasis was placed on minimizing rates, while providing adequate funds to support the operational activities and capital improvement needs throughout the test period. Presented below in Table 3 - 3 is a summary of the District's revenue requirement based on projected expenses and current rates. Detailed exhibits of this analysis can be found in the Technical Appendices.

Table 3-3
Summary of the Revenue Requirement Analysis (000's)

	Budget		Projected							
	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28
Sources of Funds										
Rates	$15,076	$15,150	$15,223	$15,298	$15,372	$15,447	$15,523	$15,598	$15,674	$15,750
Other Revenues	292	300	304	306	308	309	311	313	314	315
Total Sources of Funds	$15,369	$15,449	$15,527	$15,604	$15,680	$15,756	$15,834	$15,911	$15,988	$16,065
Applications of Funds										
Operations & Maintenance Expense:										
Salaries & Benefits	$3,587	$3,747	$3,914	$4,090	$4,273	$4,465	$4,667	$4,877	$5,098	$5,330
Seminars, Conventions, & Travel	52	53	54	56	57	59	60	62	63	65
Office & Operational	4,176	4,364	4,562	4,768	4,985	5,211	5,448	5,697	5,957	6,229
Outside Service	927	960	994	1,028	1,064	1,102	1,140	1,180	1,221	1,264
Rents, Taxes, and Utilities	418	426	435	444	454	463	473	483	493	504
Election Costs	65	66	68	70	72	73	75	77	79	81
Rate Funded Capital	1,700	1,700	1,800	1,900	2,000	2,100	2,200	2,300	2,400	2,500
Debt Service:										
Current	3,824	3,827	3,855	3,882	3,883	3,887	3,888	3,942	3,981	3,977
New	0	0	0	0	0	0	0	0	0	0
Change Working Capital	620	306	73	53	59	60	64	13	(27)	(27)
Total Applications of Funds	$15,369	$15,449	$15,756	$16,292	$16,847	$17,420	$18,015	$18,630	$19,265	$19,922
Balance/(Deficit) Funds	$0	$0	($228)	($688)	($1,167)	($1,664)	($2,181)	($2,718)	($3,277)	($3,857)
Balance/(Deficit) of Funds as % of Rate Revenues	0%	0%	2%	5%	8%	11%	14%	17%	21%	24%
Proposed Adjustment	**0.0%**	**0.0%**	**3.0%**	**3.0%**	**3.0%**	**3.0%**	**3.0%**	**3.0%**	**3.0%**	**3.0%**
Revenue from Adjustments	$0	$0	$228	$688	$1,167	$1,664	$2,181	$2,718	$3,277	$3,857

As can be seen, the revenue requirement has summed the O&M, annual debt service, rate funded capital, and reserve funding. The total revenue requirement is then compared to the total sources of funds which are the rate revenues, at present rate and consumption levels, and other miscellaneous revenues. From this comparison a balance or deficiency of funds in each year can be determined. This balance or deficiency of funds is then compared to the rate revenues to determine the level of revenue adjustment needed to meet the revenue requirement. It is important to note the "Bal. / (Def.) of Funds" row is cumulative. That is, any adjustments in the initial years will reduce the deficiency in the later years.

In FY 2018/19 and 2019/20 revenue is projected to be sufficient to meet the District's capital and operational needs. However, the overall level of revenues need to be increased over the remaining test period to meet the operating and capital needs of the water utility. Based on the analysis, the District will need to adjust revenue levels starting in FY 2020/21 with a 3.0% adjustment per year through out the remaining analysis period. It is proposed that the revenue adjustments will be effective January 1, of each year.

The deficiency in future years is primarily driven by inflationary increases in O&M costs, and the need to fund renewal and replacement projects to maintain the system. Based on the rate transition plan, as can be seen above in Table 3 – 3, the proposed annual rate adjustments (light blue shaded line) have been developed to meet the operating and capital needs of the District.

3.10 Reserve Levels

In addition to the revenue requirement analysis, a key element of determining the financial health and sustainability of the District is to review the level of available reserve levels. Utilities can have several different reserves each with a different purpose. The typical types of reserves utilities maintain are generally referenced as an operating reserve, a capital reserve, a connection (growth) fee, and in some cases an emergency and/or rate stabilization reserve. Each of these funds should have a target minimum ending balance that for example, if reached or falls below is a signal that the District should review the revenue sources associated with each fund. The minimum ending balances will vary depending on the purpose of the fund and the expected revenue sources.

For the District, there are three primary reserves. These are the operating, capital replacement, and capital improvement reserves. Each of these is discussed further below.

- **Operating Reserve**
  The operating reserve is in place to meet the District's annual cash flow needs. The target minimum ending balance for an operating reserve is 120 days of annual O&M expenses. This is a prudent target minimum and reflects industry standard approaches and is a target level recommended by HDR. This target results in a minimum ending balance of approximately $3.7 million on average over the ten-year rate setting period. This target minimum is in place to help the utility target an amount that will be able to fund operations of the water utility should any issues adversely affect the District's revenue sources. Over the ten-year rate

setting period the operating reserve meets the minimum target after the final rate adjustment.

- **Capital Improvement Reserve Fund**
  The capital improvement reserve is used as the primary funding source for expansion related capital improvement projects. The target for this fund is annual capital improvement projects. Over the 10-year period, the District is projected to have capital reserve remain above the minimum target.
- **Capital Replacement Reserve Fund**
  The capital replacement reserve is used as the primary funding source for renewal and replacement capital improvement projects. The target for this fund is annual capital replacement projects. Over the 10-year period, the District is projected to have capital reserve remain above the minimum target.

Each of the previously mention reserves were reviewed during the development of the rate study process with the focus being on meeting the target ending fund balances. The restricted reserve is not shown as only unrestricted cash balances are relevant to the target ending balance.

In addition to the reserve fund mentioned above the District also has three additional funds that are effectively overflow funds where additional funds are held when the reserve targets of the above funds are met. These fund are the Election reserve, Future Capital Improvement Reserve and Future Capital Replacement Reserve.

3.11 Debt Service Coverage Ratios

When long-term debt is issued, and specifically for municipal revenue bonds, the District enters into an agreement that requires a specific level of revenue be generated each year in excess of O&M expenses and annual debt service payments. This is known as a debt service coverage ratio. As noted previously, the District has two (2) outstanding debt issuances. Based on the proposed revenue adjustments, and subsequent increase in revenues, the District will be exceeding the minimum debt service coverage ratio of 1.15 which is a typical industry standard. As noted, HDR is not providing municipal advice as it relates to the District meeting debt service coverage ratios. The District will need to work with its financial advisor or legal counsel to determine the appropriate debt service coverage ratio calculation to meet any applicable legal bond covenants.

3.12 Consultant's Conclusions

The revenue requirement developed above has indicated the need for annual revenue increases to adequately fund the District's operating and capital needs for the water utility. The proposed annual rate revenue adjustments are 3.0% from FY 2020/21 through FY 2022/23. All revenue adjustments are assumed to be effective on January 1 of each calendar year. HDR has reached this conclusion for the following reasons:

- Revenue adjustments are necessary to meet the operating and capital costs of providing water service to the District's customers.
- Revenue adjustments are necessary to reflect the reduction in annual water consumption due to the recent drought and State mandated conservation targets.

- This new level of consumption is reflective of the new level of water consumption for the foreseeable future.

- The proposed revenue adjustments enhance the District's financial health and provide long-term sustainable funding levels.
- Prior to the end of the financial planning projected period, the District should complete a review of the water revenue levels and costs at that time.

In reaching this conclusion, HDR would recommend that the District adopt the proposed rate revenue adjustments for FY 2018/19 through FY 2022/23 in order to provide the funding for the operating expenses, capital improvement program, and maintain sufficient reserve levels.

4. Development of the Cost of Service Analysis

4.1 Introduction

In the previous section, the revenue requirement analysis focused on the total sources and application of funds required to adequately fund the District's water utility. This section will provide an overview of the cost of service analysis developed for the District.

A cost of service analysis determines the equitable allocation of the total revenue requirement proportionally between the various customer classes of service (e.g., residential, non-residential). The previously developed revenue requirement was utilized in the development of the cost of service analysis.

4.2 Objectives of a Cost of Service Study

There are two primary objectives in conducting a cost of service analysis:

- Equitably (proportionally) allocate the District's revenue requirement among the customer classes of service; and
- Derive average unit costs (i.e., cost-based rates) for subsequent rate designs.

The objectives of the cost of service analysis are different from determining a revenue requirement. As noted in the previous section, a revenue requirement analysis determines the District's overall financial needs, while the cost of service analysis determines the equitable and proportional manner to collect the revenue requirement from each customer class of service.

The results of the cost of service analysis determine the unit costs, for each customer class, which are used in the development of the final proposed rate designs. The cost of service analysis provides per unit cost of water consumption based on each customer class's equitable (proportional) share of costs. For example, a water utility incurs costs primarily related to average day, peak day, and customer-related cost components. A water utility must build sufficient capacity[2] to meet peak capacity events. Therefore, those customers contributing to those peak demands on the system should pay their proportional share of the costs to provide the capacity in the system. The unit costs provide the relationship between these components which are then used to set cost-based rates.

[2] System capacity is the system's ability to supply water to all delivery points at the time when demanded. Coincident peaking factors are calculated for each customer class at the time of greatest system demand. The time of greatest demand is known as peak demand. Both the operating costs and capital assets related costs incurred to accommodate the peak demands are generally allocated to each customer class based upon the class's contribution to the peak month, day or hour event.

4.3 Determining the Customer Classes of Service

The first step in a cost of service analysis is to determine the customer classes of service. As part of the cost of service analysis, the customer characteristics (monthly consumption patterns) were reviewed. Based on the review, customer classes of service were established that reflect like customers, in both a customer type and customer use characteristics (e.g., peaking factors). Based on this review, the following customer classes of service were used to develop the cost of service analysis:

- Residential
- Non-Residential
- Irrigation
- Private Fire Protection

In determining classes of service for cost of service purposes, the objective is to group customers together into similar or homogeneous groups based upon similar facility requirements and/or demand characteristics. Currently, the District has a rate structure for each customer class (i.e., residential, non-residential, irrigation, Private fire service). The proposed customer classes of service reflect the consumption patterns of each customer type. For example, residential customers have a different peaking factor and consumption use characteristics than the non-residential customers. This is a key aspect of the cost of service analysis that allows for the appropriate and equitable (proportional) allocation of costs to establish the proposed rates for each customer class of service.

For example, a residential customer class and rate schedule was developed based on the consumption patterns of residential customers who typically peak in the summer based on outdoor watering needs. It should also be noted that the consumption patterns of residential customers is similar from customer to customer. The non-residential customer class is for those customers that are not residential, irrigation or private fire service. These are primarily businesses (restaurants, offices, grocery stores, etc.) and consumption levels can also vary greatly depending on the end

Terminology of a Water Cost of Service Analysis

Functionalization – The arrangement of the cost data by functional category (e.g. Distribution, pumping, treatment).

Classification – The assignment of functionalized costs to cost components (e.g. Consumption, Peak demand, and customer related).

Allocation – Allocating the classified costs to each class of service based upon each class's proportional contribution to that specific cost component.

Consumption Costs – Costs that are classified as volume related vary with the total consumption of water (e.g., power for pumping).

Capacity Related Costs – Costs classified Capacity related refer to the peak demand on the system. Different types of customers may have high water peak demand characteristics and high demand system components are a significant cost to the water system. Treatment facilities are often designed and sized around meeting these costs.

Customer-Related Costs – Costs classified as customer related vary with the number of customers on the system, e.g., billing costs.

Fire Protection-Related Costs – Costs classified as fire protection related vary with different fire protection requirements of the different customer classes.

Direct Assignment – Costs that can be clearly identified as belonging to a specific customer group or group of customers.

use of water. However, the non-residential customers do not peak at the same level as residential customers. Irrigation customers are those customers that have a separate meter for outdoor landscape watering. Consumption patterns also vary significantly from residential or non-residential customers and a separate customer class is appropriate given the different consumption patterns. Finally, private fire service customers are those customers that have service specifically for private fire protection in the form of a private hydrant or fire line serving a sprinkler system. These customers were separated and a specific rate structure developed based on the costs related to provide service. Based on these customer classes of service, each with their own unique customer consumption patterns and characteristics, the cost of service can be developed.

4.4 General Cost of Service Procedures

In order to determine the cost to serve each customer class of service on the District's system, a cost of service analysis is conducted. A cost of service analysis utilizes a three-step approach to review costs. These steps take the form of functionalization, allocation, and distribution. Provided below is a detailed discussion of the water cost of service study conducted for the District, and the specific steps taken within the analysis. The approach used for this study conforms to generally accepted cost of service methodologies as outlined in the AWWA M1 manual.

4.4.1 Functionalization of Costs

The first analytical step in the cost of service process is called functionalization. Functionalization is the arrangement of expenses and asset (e.g., wells, distribution system) data by major operating functions (e.g., supply, transmission, storage, distribution, etc.). Within this study, there was a limited amount of functionalization of the cost data since it was largely accomplished within the District's system of accounts.

4.4.2 Allocation of Costs

The second analytical task performed in a water cost of service study is the allocation of the costs. The allocation of costs examines why the expenses were incurred or what type of need is being met. The allocation of costs is a critical step in developing cost-based and proportional rates for each customer class of service as utilities do not track costs by customer type. Given this, the development of a cost allocation approach, as outlined in the AWWA M1 Manual, provides the methodology to equitably allocate costs to the various cost components to develop unit costs which are the proposed rates by customer class of service. Absent this analysis, there is no basis for establishing rates that reflects each customer class' proportional share of system costs based on how they utilize the system and infrastructure. The following cost allocators were used to develop the cost of service analysis:

- **Commodity Related Costs:** Commodity costs are those costs which tend to vary with the total quantity of water consumed by a customer class. Commodity costs are those incurred under average load (demand) conditions and are generally specified for a period of time such

as a month or year. Chemicals or utilities (electricity) are examples of commodity-related cost as these costs tend to vary based upon the total demand of water. For the proposed tiered rate structure for residential, the commodity costs are allocated for each tier based on the total consumption billed in each tier based on the proposed tier sizes.

- **Capacity Related Costs:** Capacity costs are those which vary with peak demand, or the maximum rates of flow to customers. System capacity is required when there are large demands for water placed upon the system (e.g., summer lawn watering). For water utilities, capacity related costs are generally related to the sizing of facilities needed to meet a customer's maximum water demand at any point in time. For example, portions of distribution storage reservoirs, pumps, and mains (pipes) must be adequately sized to meet for this particular type of requirement. Similar to the commodity related costs, capacity related costs are allocated for each tier based on the peaking factor for those customers in each tier to reflect the costs associated with higher consumption in each tier. Capacity costs were split between supply capacity, related to providing peak event consumption, and distribution capacity, related to individual peak demands.

- **Customer Related Costs:** Customer costs are those costs which vary with the number of customers on the water system. They do not vary with system output or consumption levels. These costs are also sometimes referred to as readiness to serve or availability costs. Customer costs may also sometimes be further classified as either actual or weighted. Actual customer costs vary proportionally, from customer to customer, with the addition or deletion of a customer regardless of the size of the customer. An example of an actual customer cost is postage for mailing bills. This cost does not vary from customer to customer, regardless of the size or consumption characteristics of the customer. In contrast, a weighted customer cost reflects a disproportionate cost, from customer to customer, with the addition or deletion of a customer. Examples of weighted customer costs are items such as meter maintenance expenses, where a large non-residential customer requires a significantly more expensive meter than a typical residential customer.

- **Fire Protection Related Costs:** Fire protection costs are those costs related to the public fire protection functions. Usually, such costs are those related to public fire hydrants and the over-sizing of mains and distribution storage reservoirs for fire protection purposes.

- **Revenue Related Costs:** Some costs associated with the utility may vary with the amount of revenue received by the utility. An example of a revenue related cost would be a utility tax which is based on the gross utility revenue.

4.5 Development of the Distribution Factors

Once the allocation process is complete, and the customer groups have been defined, the various allocated costs were distributed to each customer group. The District's allocated costs were allocated to the previously identified customer groups using the following distribution factors; see Exhibits 6 – 10 in the Technical Appendix.

- **Commodity Distribution Factor:** As noted earlier, commodity-related costs vary with the total water consumption. Therefore, the commodity distribution factor was based on the projected total metered consumption plus losses for each class of service and tier for the projected test period. As noted, the consumption reflects the projected new baseline consumption levels. These projected levels are based on estimates of customer behavior changing due to customers' response to the recent drought (circa 2012 - 2016). A distribution factor was developed for each tier for the proposed residential rates to reflect the consumption in each tier.

- **Capacity Distribution Factor:** The capacity distribution factor was developed based on the assumed contribution to peak day use of each class. Peak day use by customer class of service and tier was developed using peaking factors for each customer group and tier. In this particular case, the peaking factor was defined as the relationship between peak day contribution and average day use and determined for each customer group based on a review of the average month to peak month usage. Given an estimated peaking factor, the peak day contribution for each class of service was developed. The peak factors were developed for each tier of the proposed residential rate structures based on the consumption in each tier which reflects the increased peaking factor for those customers using higher levels of consumption.

  Capacity costs were split into two categories: supply capacity and distribution capacity. Supply capacity is related to the customer class's peak use. Therefore, coincident peak day demand is used to allocate water supply related costs. Distribution capacity costs were allocated based on the capacity requirements of each customer class. The overall system capacity is designed based on the sum total of demands placed on it by each individual customer meter. Therefore non-coincident peak day demand was used to allocate costs incurred as a result of the capacity requirements of the water mains and storage tanks.

- **Customer Distribution Factor:** Customer costs vary with the number of customers on the system. Two basic types of customer distribution factors were identified – actual and weighted. The distribution factor for actual customers was based on the projection of the number of customers developed within the revenue requirement. The weighted customer distribution factors is also broken down further into two factors which attempt to reflect the disproportionate costs associated with serving different types of customers. The first weighted customer factor is for customer service and accounting. This weighted customer allocation factor takes into account the fact that it may take more time to read a meter and process a bill for various customers. The second weighted customer distribution factor is for meters and services. This factor attempts to reflect the different costs and capacity demands associated with providing larger sized meters. For example, there is a significant difference in the demands a 5/8" meter places on the system when compared to the demands a 6" meter can place on the system. This difference is reflected within the allocation factor.

- **Fire Protection Distribution Factor:** The development of the distribution factor for public fire protection expenses involved an analysis of each class of service and their fire flow requirements. The analysis took into account the gallon per minute fire flow requirements in the event of a fire, along with the duration of the required flow. The fire flow rates used within the distribution factor were based on industry standards and similar experiences with other water cost of service studies. The minimum fire flow requirements are then multiplied by the number of customers in each class of service, and the assumed duration of the fire, to determine the class' prorated fire flow requirements.

- **Revenue Related Distribution Factor:** The revenue related distribution factor was developed from the projected rate revenues for FY 2018/19 for each customer class of service. These same revenues were used within the revenue requirement analysis discussed previously.

As mentioned before, in a typical cost of service study, the distribution factors represent a group of similar customers such as residential and non-residential customers. However, to meet the intent of Proposition 218, additional cost detail was needed when allocating costs. To reflect this, and as noted above, the commodity and capacity distribution factors were developed by customer class and by tier to develop the cost basis for the proposed rates (i.e., unit costs).

4.6 Functionalization and Allocation of Plant in Service

As noted, one of the first steps of the cost of service is the functionalization and allocation of plant in service. In performing the functionalization of plant in service, HDR used the District's historical plant (asset) records. Once the plant assets were functionalized, the analysis shifted to the allocation of the asset. The allocation process included reviewing each group of assets and determining which cost allocator the assets were related to. For example, the District assets were allocated as: commodity-related, capacity-related, customer-related, revenue-related, fire protection-related, or a direct assignment.

Table 4 - 1 provides a summary of the basic functionalization and allocation of the major water plant items. A more detailed exhibit of the functionalization and allocation of Districts water plant (assets) can be found in the Technical Appendix in Exhibit 13.

Table 4-1 Summary of the Classification of Water Utility Plant in Service									
		Capacity		Customer					
Plant Component	Commodity	CAP Supply	CAP Dist.	Actual Customer	Weighted Customer	Weighted Meters & Svc	Revenue Related	Fire Protection	Direct Assignment
Controls	54%	46%	0%	0%	0%	0%	0%	0%	0%
Transmission/ Distribution	0%	43%	24%	23%	0%	0%	0%	11%	0%
Water Production	54%	46%	0%	0%	0%	0%	0%	0%	0%
General Plant	7%	43%	21%	20%	0%	0%	0%	9%	0%

4.7 Functionalization and Allocation of Operating Expenses

As noted in the AWWA M1 Manual, operating expenses are generally functionalized and allocated in a manner similar to the corresponding plant account. For example, maintenance of distribution mains is typically allocated in the same manner (allocation percentages) as the plant account for distribution mains. This approach to allocating the District's operating expenses was used for this analysis. Although in general, the District does separate O&M expenses by function (e.g., supply, distribution), however, not all of the O&M is functionalized which is not uncommon for utilities. As a result, the approach to allocate the operating expenses was based on the classification of the plant, or asset data, which reflects the investment made by the District to provide service.

For the study, the revenue requirement for FY 2018/19 was functionalized and allocated based on the approach noted above. As noted earlier, the District utilized a cash basis revenue requirement, which was comprised of operation and maintenance expenses, rate funded capital, debt service, and reserve funding. Provided in Table 4 - 2 is a summary of the allocation of the water revenue requirement to the cost classifiers.

Table 4 – 2 Summary of the Classification of the Water Revenue Requirement ($000)								
	Total	Commodity	Capacity	Customer	Equivalent Meters	Revenue Related	Fire Protection	Direct Assignment
Net Revenue Requirement	$15,076	$1,759	$3,925	$7,395	$1,390	$0	$608	$0

4.8 Major Assumptions of the Cost of Service Study

A number of key assumptions were used within the District's cost of service study. Below is a brief discussion of the major assumptions used.

- A test period is used for the cost of service analysis in order to select the expenses which should be allocated. The revenue and expense data was previously developed within the revenue requirement study for FY 2018/19.
- A cash basis approach was utilized which conforms to generally accepted water cost of service approaches and methodologies.
- The allocation of plant in service was developed based upon generally accepted cost allocation techniques (i.e., AWWA M1 Manual). Furthermore, they were developed using the District's specific system data and customer information.
- Consumption by tier and class of service used within this study was developed for each class of service from historical usage information provided by the District.
- Peak day capacity allocation factors were developed based upon each customer group's, and tier where applicable, average to peak month relationship.

4.9 Summary Results of the Cost of Service Analysis

In summary form, the cost of service analysis began by functionalizing the District's revenue requirement. The functionalized revenue requirement was then allocated into the various cost components. The individual allocation totals were then distributed to the various customer classes of service and tiers based on the appropriate distribution factor. For example, commodity related costs were allocated based on the commodity allocation factor which was based on annual water consumption. Each customer class is allocated their proportional share of commodity costs based on total annual water consumption by tier. Similarly, capacity costs were allocated proportionally based on the capacity allocation factor. This factor reflects the peaking characteristics of each class, and tier. In this way, each class, and tier, is allocated the proportional share of costs allocated to the capacity component.

The distributed expenses for each customer class were then aggregated to determine each customer class's overall revenue responsibility. Shown below in Table 4 – 3 is a summary of the distributed costs to each customer class of service.

Table 4 – 3

Summary of the Allocation of the Water Revenue Requirement ($000)

Cost Classifier	Total Costs	Residential	Non-Residential	Irrigation	Private Fire Protection
Commodity	$1,759	$1,366	$270	$123	$0
Capacity	3,925	3,074	463	322	66
Actual Customer	7,395	6,848	364	153	30
Equivalent Meters	1,390	1,284	74	31	0
Public Fire Protection	608	463	53	0	91
Revenue Related	0	0	0	0	0
Direct Assignment	0	0	0	0	0
Total	$15,076	$13,036	$1,224	$629	$187

The cost of service study equitably allocates the operating and capital costs to each customer class with their respective benefit received from and burdens placed on the water system (proportional allocation).

It is important to understand that a cost of service analysis is based on one year's O&M expense data and projected customer usage information. Given this, the results of the cost of service analysis may change from year to year. As the District continues to monitor rates and cost of service results through future studies, future cost of service adjustments may be necessary to reflect costs and customer consumption patterns at that time. While the cost allocation is important to the overall rate setting process, the basis for the proposed rates is the unit costs. The unit costs are the allocated costs, by cost component, divided by the appropriate consumption unit. For example, commodity related costs are divided by the total consumption by customer and tier. Provided in Table 4-4 is a summary of the cost of service unit costs.

Table 4 - 4
Summary of the Unit Costs

	Commodity Costs ($/CCF)	Capacity Costs ($/CCF)	Direct Assignment Costs ($/CCF)	Total Unit Costs ($/CCF)	Differential Costs ($/CCF)
Residential					
Tier 1, Less than 30 CCF	$0.67	$1.26	$0.00	$1.92	N/A
Tier 2, Greater than 30 CCF	$0.67	$3.38	$0.00	$4.04	$2.12
Non-Residential	$0.67	$1.15	$0.00	$1.81	N/A
Irrigation	$0.67	$1.75	$0.00	$2.42	N/A
Private Fire Protection	$0.00	$0.00	$0.00	$0.00	N/A

A more detailed analysis of the development of the above unit costs is provided in Section 5 of this report.

4.10 Consultant's Conclusions and Recommendations

Given the requirements of Article XIII D, section 6 the results of the cost of service will be used to establish the proposed rate designs for each of the District's customer classes of service. A more detailed discussion of the use of the cost of service results, and unit costs, is provided in the rate design section (Section 5) of this report.

4.11 Summary of the Cost of Service Analysis

This section of the report has provided the recommendations resulting from the cost of service analysis developed for the District's water utility. This analysis was prepared using generally accepted cost of service techniques as provided in the AWWA M1 Manual. The following section of the report will provide a summary of the present and proposed rates for the District's water utility.

5. Development of the Rate Designs

5.1 Introduction

The final step of the District's water rate study is the design of rates to collect the necessary levels of revenues, based on the results of the revenue requirement and cost of service analyses. In reviewing current rates, consideration is given to the level of the rates as well as the structure of the rates. The level of rates reflects the amount of revenues that should be collected while the structure of the rates is how it is collected (charged) from the customers.

The overall revenue level for the District has been established in the revenue requirement analysis (Section 3) while the equitable allocation of costs and subsequent unit costs for the various customer classes has been developed in the cost of service analysis (Section 4) which provides the revenue levels to be collected from each class of service.

5.2 Rate Design Criteria and Considerations

Prudent rate administration dictates that several criteria should be considered when setting utility rates. Some of these rate design criteria are listed below:

- Rates which are easy to understand from the customer's perspective
- Rates which are easy for the District to administer
- Affordability
- Continuity, over time, of the rate making philosophy
- Policy considerations (encourage efficient use, economic development, etc.)
- Provide revenue stability from month to month and year to year
- Promote efficient allocation of the resource
- Equitable and non-discriminatory (cost-based)
- Legally Defensible

It is important that the District provide its customers with a proper price signal as to what their consumption and peaking (demand) requirements are costing. This goal may be approached through rate level and structure. When developing the proposed rate designs, all the above listed criteria were taken into consideration. However, it should be noted that it is difficult, if not impossible, to design a rate that meets all the goals and objectives listed above. For example, it may be difficult to design a rate that takes into consideration the customer's ability to pay, and one which is cost-based. In designing rates, there are always trade-offs between these various goals and objectives.

5.3 Development of Cost-Based Water Rates

Developing cost-based and equitable rates is of paramount importance in developing proposed water rates. While always a key consideration in developing rates, meeting the legal

requirements, and documenting the steps taken to meet the requirements, has been in the forefront with the recent legal challenges in the State of California on water rates. Given this, the District's proposed water rates have been developed to meet the legal requirements of California constitution article XIII D, section 6 (Article XIII D). A key component of Article XIII D is the development of rates which reflect the cost of providing service and are proportionally allocated among the various customer classes of service. HDR would point out that there is no single prescribed methodology for equitably assigning costs to the various customer groups. The American Water Works Association (AWWA) M1 Manual clearly delineates various methodologies which may be used to establish cost-based rates. Article XIII D does not prescribe a particular methodology for establishing cost-based rates; consequently, HDR developed the District's proposed water rates based on the methodologies provided in the AWWA M1 Manual to meet the requirements of Article XIII D and recent legal decisions to provide an administrative record of the steps taken to establish the District's water rates.

HDR is of the opinion that the proposed rates comply with legal requirements of Article XIII D. HDR reaches this conclusion based upon the following:

- The revenue derived from water rates does not exceed the funds required to provide the property related service (i.e., water service). The proposed rates are designed to collect the overall revenue requirements of the District's water utility.
- The revenues derived from water rates shall not be used for any purpose other than that for which the fee or charge is imposed. The revenues derived from the District's water rates are used exclusively to operate and maintain the District's water system.
- The amount of a fee or charge imposed upon a parcel or person as an incident of property ownership shall not exceed the proportional costs of the service attributable to the parcel. This study has focused almost exclusively on the issue of proportional assignment of costs to customer classes of service. The proposed rates have appropriately grouped customers into customer classes of service, residential, and non-residential, that reflect the varying consumption patterns and system requirements of each customer class of service. The grouping of customers and rates into these classes of service creates the equity and fairness expected under Article XIII D by having differing rates by customer classes of service which reflect both the level of revenue to be collected by the utility, but also the manner in which these costs are incurred and equitably assigned to customer classes of service based upon their proportional impacts and burdens on District's the water system.

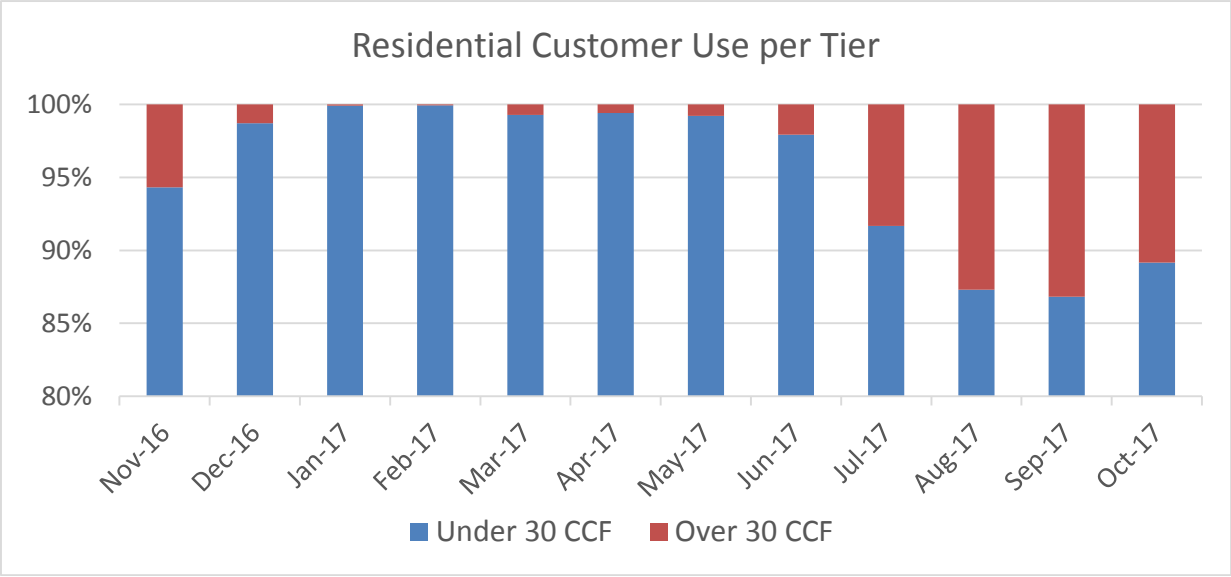
The District currently has a separate rate structure for each customer classes of service. For residential, that includes a monthly service charge - which varies by meter size - and a 2-tiered usage charge on a dollar per CCF basis. Like residential, non-residential and irrigation customers are charged a monthly service charge based on the meter size but the usage charge is the same for all consumption. Finally, the private fire service rate structure consists only of a monthly fixed service charge based on service line size.

In discussion with the District, it was determined that the current rate structure was appropriate and adequately addressed achieving the District's rate design goals and objectives. The current rate structure, which differentiates between residential, non-residential, irrigation, and Private fire protection has been used when establishing the cost of service analysis and proposed rates. Developing a separate rate for each customer class that reflects the consumption patterns and impacts placed on the system provides the cost-basis and meets the intent of Proposition 218.

As a part of this study, HDR developed a water rate design discussion to clearly demonstrate and support the proposed water rates and tiered pricing. The following discussion provides a more detailed analysis of the costing techniques and methodologies used to support the District's proposed rate design.

5.3.1 Determination of Sizing and Number of Tiers

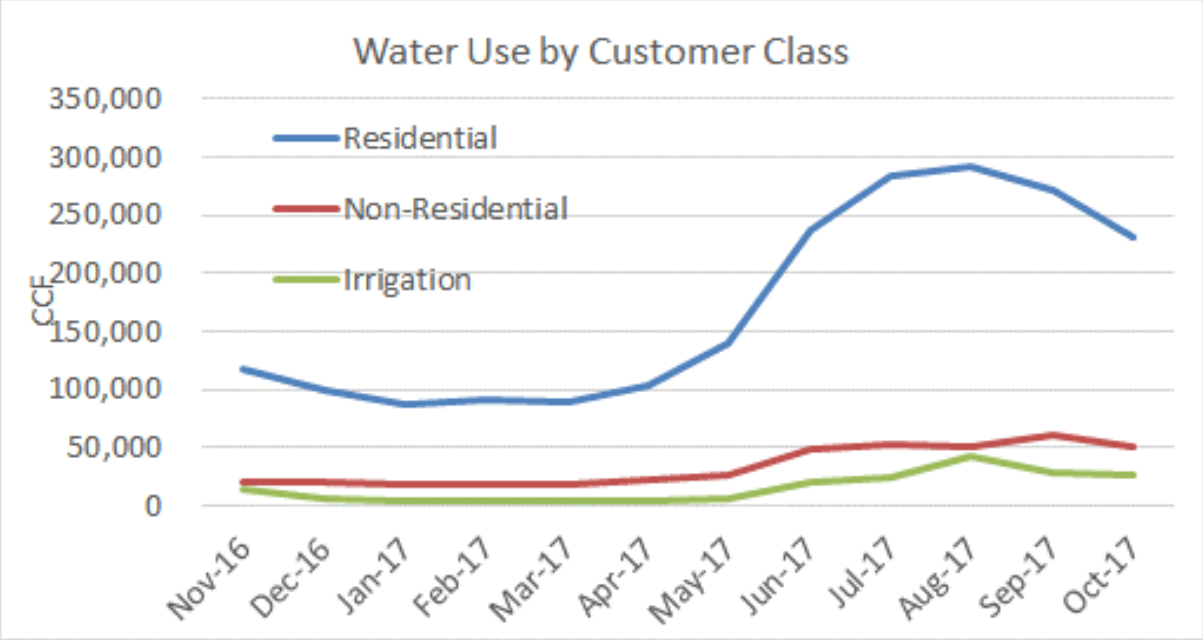
The first step in reviewing the District's current, and proposed, tiered rate structure is to identify the number of tiers and determine the size of the tiers. The original tier sizing was established in the 2013 rate study and was designed to capture the majority of the residential customer consumption in the first tier. After reviewing the customer consumption patterns, it was determined that the current tier sizes still captures the majority of winter water consumption as intended when the tiers were originally set and reflect the consumption patterns of the residential customers. A summary of the number of customers by block is shown in the graphic below. As can be seen, the rate structure appears to be working effectively by having the majority of customer in the first tier. Then, as the time period shifts into summer, more customers are in the second tier which are designed around the peak summer customer needs. Given this, the District's tiers have been developed to reflect the consumption patterns of the District's customers to capture the majority of consumption within the first tier and all additional use in tier 2.



Given the variability of non-residential customer overall use, or the total amount of consumption by customer type, it is difficult to develop tiers which reflect the typical customer consumption habits like is done in residential. As an example, residential customers behave in a much more like manner, while non-residential customers have similar peaking requirements, the total consumption can vary (e.g., restaurant vs. grocery store). Given this, it is difficult, if not impossible, to develop equitable tiered structures for the non-residential customer class.

As can be seen from the chart below, the residential customers have a much more significant peak on the system than non-residential customers. A more detailed discussion of the peaking factors by customer class is provided 5.4.2.

After the number and size of tiers and the seasonal periods have been identified, the pricing of the tiers is the next analytical step.



5.3.2 Establishing the Cost-Basis for Pricing Tiers

Given past legal decisions regarding water rates, HDR has concluded that utilities have available to them at least three technical approaches to be able to demonstrate (i.e., cost justify) the individual pricing of the tiers. These technical approaches encompass the following areas:

1. Cost differences in water supply (i.e., stacking of water supply resources to tiers).
2. Cost differences from high peak use consumers (relationship of average use to peak use).
3. Direct assignment of costs to specific tiers (conservation program costs, etc.).

In certain cases, the cost differences may be related to the cost of water supply when a utility has more than one source of water supply. Additionally, this water supply approach may also include the cost of alternative water supplies (e.g., recycled or reuse water). For example, reuse

water may be assigned to higher tiers to reflect outdoor use or the need for additional/alternative water supply to meet the demands of the high use customers.

The second possible source of cost differences for the pricing of tiers is related to high-peak use (peak demand) customers. Customers that use more water create greater demands and costs on the system. A water supply and distribution system must be sized to meet these peak use requirements. In other words, on the hottest day of the year when everyone is watering their lawn, the supply and distribution system must be sized to meet those peak use demands. Economic theory clearly states that equity is achieved when those that create the demand event, pay for the demand event. In this particular case, this has implications upon the equitable allocation of capacity-related costs to the different usage tiers (low use vs. high peak use).

Finally, certain costs may be directly assigned to specific tiers. For example, a conservation program which focuses on outdoor water use may be directly assigned to the water tiers, or seasons, which are most directly related to outdoor use. The direct assignment to a specific price tier will create a price differential for that tier.

For the District's study, the focus of the analysis was on the second method of determining the cost impacts and cost differences associated with peak use. The pricing of the tiers, or uniform rate, was developed to provide the cost-basis and meet the intent of Proposition 218.

5.4 Development of the Unit Costs for Rate Designs

To begin the assignment of costs related to specific tiers, the results of the cost of service analysis is utilized. As noted in Section 4, the cost of service analysis allocates the revenue requirement between the various cost components of average use (commodity), peak use (capacity), and customer (actual and weighted). However, the results provided in Table 4 - 2 which allocated the totals to the various customer classes of service are further allocated between the rate structure components (e.g., service charge, usage charge, tiers). Provided in Table 5 – 2 is a summary of the classification of the FY 2018/19 revenue requirement from the cost of service analysis (same as Table 4 - 2).

Table 5 – 2
Summary of the Classification of the Water Revenue Requirement ($000)

	Total	Commodity	Capacity	Customer	Equivalent Meters	Revenue Related	Public Fire Protection	Direct Assignment
Net Revenue Requirement	$15,076	$1,759	$3,925	$7,395	$1,390	$0	$608	$0

The total of the above allocated costs, of approximately $15.1 million, is the same as the total costs allocated in Table 4 - 2 of the cost of service analysis. This allocation of the total revenue

requirement for FY 2018/19 is then distributed to the various customer classes of service. Prior to the recent legal decisions, the analyses would have been complete. However, given the legal requirement to provide the cost-basis for each rate, both fixed and variable pricing, the allocated costs are further distributed between the various rate structure components based on the corresponding distribution factors. The distribution factors were discussed for the costs of service in Section 4 of this report. For example, the commodity costs are divided through by each customer class's consumption from a given tier. Provided below is a discussion of the approach used to allocate the revenue requirement between the various customer classes of service as established in Sections 3 and 4 to the various rate components for each customer class of service.

5.4.1 Commodity Allocation Factor

The commodity allocation factor is based on the average annual use for each of the customer classes of service, and more importantly by tier. For the development of the pricing of the proposed rates the following customer class components were used:

- Residential
  - Tier 1
  - Tier 2
- Non-residential
- Irrigation
- Private Fire Protection

To develop the commodity allocation factor for each customer class, the usage for each class, and tier plus a proportional share of system losses, was divided by the total usage of the system. System losses are included in the calculation as this is either water produced by the District, or purchased by the District, for customer consumption. However, given that there is not a water system that does not have losses, this is added to the calculation to reflect the cost associated with water loss. This produces the percent of the system that each class is responsible for and, therefore, their contribution to commodity related costs. Provided below in Table 5 – 3 is a summary of the commodity allocation factor.

Table 5 - 3

Summary of the Commodity Allocation Factor

Reference Calculation	*A*	*B*	*C* C = A + B	*D*
	FY 18-19 Consumption CCF	**Est. System Losses CCF**	**Total Annual Use (CCF)**	**% of Total**
Residential				
Tier 1	1,812,220	119,607	1,931,827	68.7%
Tier 2	236,494	15,609	252,103	9.0%
Residential Total	2,048,714	135,215	2,183,929	77.7%
Non-residential	404,260	26,681	430,941	15.3%
Irrigation	183,809	12,131	195,940	7.0%
Private Fire Protection	0	0	0	0.0%
Total	2,636,783	174,028	2,810,811	100.0%

As can be seen, the development of the commodity distribution factor is fairly straightforward. It is important to note that the distribution factor is based on the actual metered consumption each class and tier, plus assumed losses on the system. In this way, those costs allocated to the commodity component can be proportionally allocated to the appropriate customer class and customer class tier. As an example, Tier 1 consumption of the residential class of service represents 69.5% of the total consumption on the system. As a result, 69.5% of the commodity related costs are then allocated to Tier 1 of the residential customers.

This approach is used for each of the customer classes of service for each rate component and tier. Using the costs allocated to the commodity component in the cost of service analysis from Table 5 - 2, and the commodity distribution factor in Table 5 - 3, the distribution of costs to each tier or customer class can be developed. The summary of the distributed commodity costs are shown below in Table 5 – 4.

Table 5 - 4 Allocated Commodity Costs ($000s)				
Reference Calculation	*A*	*B*	*C*	*D* D = B / C
	% of Total	Commodity Costs	Water Sales (CCF)	Unit Cost ($/CCF)
Residential				
Tier 1	68.73%	$1,209	1,812,220	$0.67
Tier 2	8.97%	158	236,494	$0.67
Residential Total	77.70%	1,366	2,048,714	$0.67
Non-residential	15.33%	$270	404,260	$0.67
Irrigation	6.97%	123	183,809	$0.67
Private Fire Protection	0.00%	0	0	$0.00
Total	100.00%	$1,759	2,636,783	$0.67

The figures in column A are from column D in Table 5 – 3. The costs shown in column B are based on the total commodity related costs from column A of Table 5 – 2. Column C is from column A in Table 5 – 3, or the actual consumption that is billed to the customers.

From the unit costs developed in Table 5 – 4 above, the per unit cost basis of the tiered and uniform rates can be determined for the commodity related costs identified in the cost of service analysis (Column D). For example, for the proposed residential tier 1 rate, the commodity component is $0.67 per CCF. This applies to each tier and customer class (e.g., residential and non-residential).

5.4.2 Capacity-Supply Allocation Factor

As was mentioned in the development of the allocation and distribution for the cost of service analysis, the capacity costs were split between capacity-supply and capacity-distribution. The capacity-distribution costs we added to the fixed service charge whereas the capacity-supply costs are included in the costs developed for the usage charge calculation and are developed herein. The capacity-supply allocation factor utilizes the same customer classes, and tiers, as has been established for the cost of service study. Whereas commodity costs are related to the volume of water used by each class of service by tier, the capacity supply costs are related to how the class uses that water in each tier or annually. Customers use water in different ways and at different times, thus creating different usage patterns and resulting in different peaking factors. These usage patterns drive how the District must size the system to meet the peak demands of customers. To determine the allocation by tier or annually, peaking factors need to be developed for each customer class of service tier or season. The peaking factors for each class of service must be estimated due to a lack of specific metered data related to peak day usage by each class of service. One method discussed in the AWWA M1 Manual used to estimate a class's peaking factor is to review the average monthly volume of water consumed and compare it to the maximum monthly usage of water. By dividing the maximum month by the average month, a

peak-day factor is calculated. Essentially, this factor provides a seasonal surrogate for the difference between the average use and peak day use in each tier or season. For example, if a customer used 10 CCF per month on average and in the peak month 15 CCF was used, the peaking factor would be 1.50 (15 / 10 = 1.50). In this example, the peaking factor is stating that the maximum usage in a month is 1.50 time higher than the average usage per month.

For the District's study the consumption patterns of each customer class and tier were reviewed and peaking factors were developed for each tier. In other words, a peak factor for each customer, by tier was developed to depending on the amount of water used and the peak demands of those customers within that tier compared to the average customer consumption peak. Shown below in Table 5 – 5 is a summary of the capacity-supply allocation factor for each customer class.

Table 5 - 5
Summary of the Capacity-Supply Allocation Factor

Reference Calculation	*A*	*B*	*C* C = A * B	*D*
	Average Consumption (MGD)	**Peaking Factors**	**Peak Day Use (MGD)**	**% of Total**
Residential				
Tier 1	3.96	1.56	6.19	58.0%
Tier 2	0.52	4.21	2.17	20.3%
Residential Total	4.48	1.87	8.36	78.3%
Non-residential	0.88	1.43	1.26	11.8%
Irrigation	0.40	2.18	0.88	8.2%
Private Fire Protection	0.00	0.00	0.18	1.7%
Total	5.76	1.85	10.68	100.0%

Table 5 – 5 above shows the development of the capacity-supply distribution factor. For example, based on the District's residential customer consumption data, those customers that stayed within tier 1 have a peak factor of 1.56. In other words, those customers that stay within tier 1 use 1.56 times more water in the peak period than on average. This is compared to customers in the remaining tiers which show a higher peaking factor based on how the customers in these tiers consume water. These peaking factors were developed around the District's specific customers consumption patterns. Similar to the distribution of commodity costs to the tiers or customer classes, the capacity-supply related costs are distributed in the same manner. For example, 58.0% of the capacity-supply costs are allocated to Tier 1 of the residential customers based on column D in Table 5 - 5. To determine this, the average day use (column A) of each tier or class is multiplied by the peaking factor (column B). The total peak use by tier or class is divided by the system total peak use to develop the proportional distribution.

Table 5 – 6 provides a summary of the distributed capacity-supply costs to each tier and season.

Table 5 - 6 Allocated Capacity-Supply Costs ($000s)				
Reference Calculation	*A*	*B*	*C*	*D* D = B / C
	% of Total	Capacity Costs	Water Sales (CCF)	Unit Cost ($/CCF)
Residential				
Tier 1	58.0%	$2,275	1,812,220	1.26
Tier 2	20.3%	799	236,494	3.38
Residential Total	78.3%	$3,074	2,048,714	1.50
Non-Residential	11.8%	$463	404,260	1.15
Irrigation/Other	8.2%	322	183,809	1.75
Private Fire Protection	1.7%	66	0	0.00
Total	100.0%	$3,925	2,636,783	1.49

The figures in column A are from column D in Table 5 – 5. The costs shown in column B are based on the total capacity related costs from column B of Table 5 – 2. Column C is from column A in Table 5 – 3. For example, the proposed rate for Tier 2 includes a capacity component cost of $1.26 per CCF while the Tier 2 capacity cost is $3.38 per CCF. This difference reflects the costs associated with providing consumption at higher tiers and the costs of providing that capacity.

5.4.3 Summary of the Consumption Based Unit Costs

Combining the unit costs from the commodity and capacity-supply unit costs result in the basis of the tiered rate pricing. The summary Table 5 – 7 below shows the summation of the costs for each tier / rate. This table sums the costs from Table 5 – 4 column D and Table 5 – 6 column D.

Table 5 - 7

Summary of the Unit Costs for Rate Design

Reference	*A*	*B*	*C*	*D*	*E*
	Commodity Costs ($/CCF)	**Capacity Costs ($/CCF)**	**Direct Assignment Costs ($/CCF)**	**Total Unit ($/CCF)**	**Differential ($/CCF)**
Residential					
Tier 1	$0.67	$1.26	$0.00	$1.92	
Tier 2	0.67	3.38	0.00	4.04	$2.12
Residential Total	$0.67	$1.50	$0.00	$2.17	
Non-Residential	$0.67	$1.15	$0.00	$1.81	NA
Irrigation	$0.67	$1.75	$0.00	$2.42	NA

The results shown in Table 5 – 7 above are the basis for the District's consumption pricing for the proposed rates. The analysis and costs shown above have been developed to meet the intent of Proposition 218 and recent legal decisions related to developing cost-based water rates.

5.4.4 Summary of the Customer (Fixed) Costs

It is also important to note that the customer related costs as well as the Tier 1 consumption costs and the capacity-distribution costs are used to establish the monthly service charge which varies by meter size. As a result, the total customer costs were divided by the number of equivalent meters on the system. An equivalent meter uses the capacity ratio of a 1-inch meter to the larger meter sizes to determine the pricing for each meter size. In this way the meter charge reflects the equitable proportion of fixed costs on the system based on the capacity demands the customer can place on the system based on the size of the meter. The analysis maintained the current meter ratios utilized by the District. Shown below in Table 5 – 8 is a summary of the customer related costs and customer charge development.

Table 5 - 8

Summary of the Customer Charge for Rate Design

	Current District Ratios	**Cost** *($ / Acct. / Mo)*
Total Customer Costs		
Total 1" Meter Equiv.		12,799
Cost per Equiv. Meter		**$61.15**
Proposed Rates		
1"	1.00	$61.15
1 1/2"	1.41	86.07
2"	1.90	115.97
3"	3.04	185.76
4"	4.67	285.43
6"	8.74	534.64
8"	13.63	833.69
10"	19.34	1,182.57

Given the District's current capacity ratios, and the cost per equivalent meter from the unit costs, the proposed fixed charge schedule can be developed. The cost per equivalent meter is based on the costs allocated to the customer component divided by the total number of equivalent meters. To calculate the rate, the cost per equivalent meter ($61.15) is multiplied by the capacity ratio for each meter size. In this way, the fixed charge collects the costs allocated to the customer component on a variable meter size basis. This approach is the most common approach used by water utilities to establish the fixed charges for a water utility.

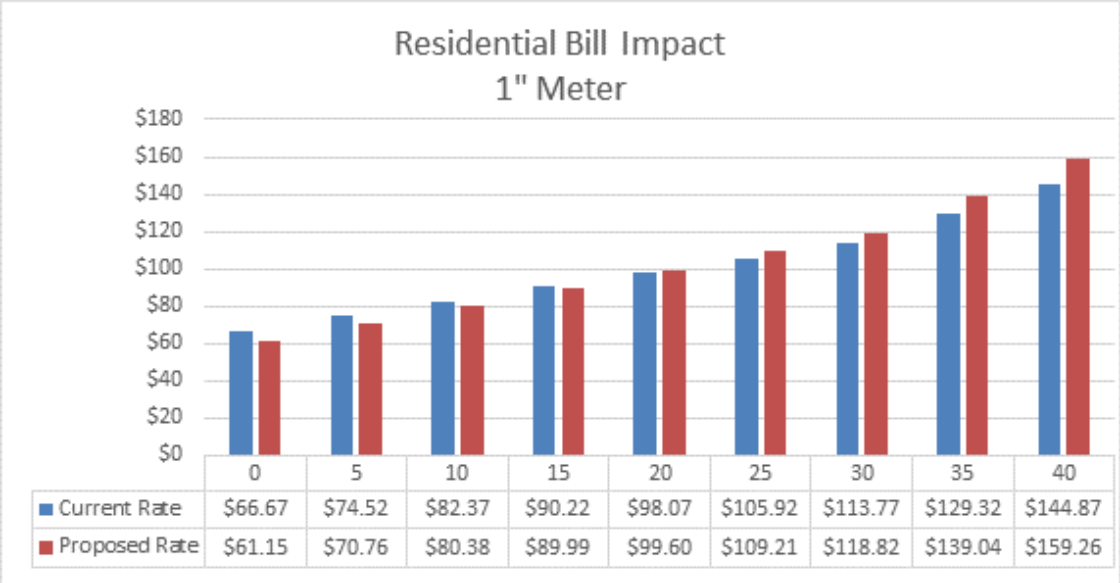
5.5 Summary of the Present and Proposed Water Rates

Given the development of the unit costs for rate design purposes, the next step is to develop the proposed rates for the next five year period. As a note, the proposed rates are being developed for the test year FY 2018/19 based on the unit costs as discussed in the previous section of this report based on generally accepted cost of service principles. Provided in the following is a summary of the present and proposed rates for each customer class of service for each year of the review period.

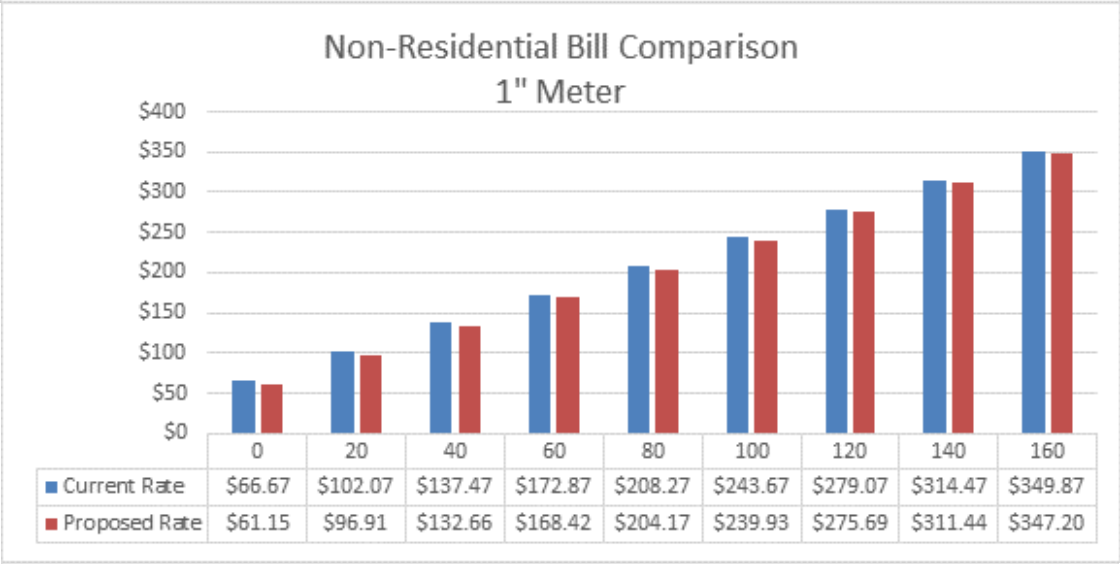
As noted, the rate structure for all customer classes has been maintained and only the pricing of the components have been adjusted. The proposed rates reflect the results of the revenue requirement and cost of service analysis. Provided below in Table 5 - 9 is a summary of the current and proposed rates for the District's customers. As noted, the proposed rates in are based on the previously discussed unit costs.

Table 5-9 Current and Proposed Rates						
	Current	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23
Monthly Charge by Meter Size						
1"	$66.67	$61.15	$61.15	$62.99	$64.88	$66.82
1 1/2"	93.84	86.07	86.07	88.65	91.31	94.05
2"	126.44	115.97	115.97	119.45	123.04	126.73
3"	202.52	185.76	185.76	191.33	197.07	202.98
4"	311.19	285.43	285.43	293.99	302.81	311.90
6"	582.89	534.64	534.64	550.68	567.20	584.21
8"	908.93	833.69	833.69	858.70	884.46	910.99
10"	1,289.30	1,182.57	1,182.57	1,218.05	1,254.59	1,292.23
Residential						
Consumption less than 30 CCF	$1.57	$1.92	$1.92	$1.98	$2.04	$2.10
Consumption Greater than 30 CCF	3.11	4.04	4.04	4.17	4.29	4.42
Non-residential						
All Consumption	$1.77	$1.79	$1.79	$1.84	$1.90	$1.95
Irrigation						
All Consumption	$1.91	$2.27	$2.27	$2.34	$2.41	$2.48
Private Fire Protection						
Monthly Charge by Line Size						
2"	$3.04	$3.02	$3.02	$3.11	$3.21	$3.30
3"	8.86	8.78	8.78	9.04	9.31	9.59
4"	18.88	18.71	18.71	19.27	19.85	20.44
6"	54.85	54.34	54.34	55.97	57.65	59.38
8"	116.88	115.80	115.80	119.27	122.85	126.54
10"	210.19	208.25	208.25	214.49	220.93	227.56
12"	339.51	336.37	336.37	346.47	356.86	367.57

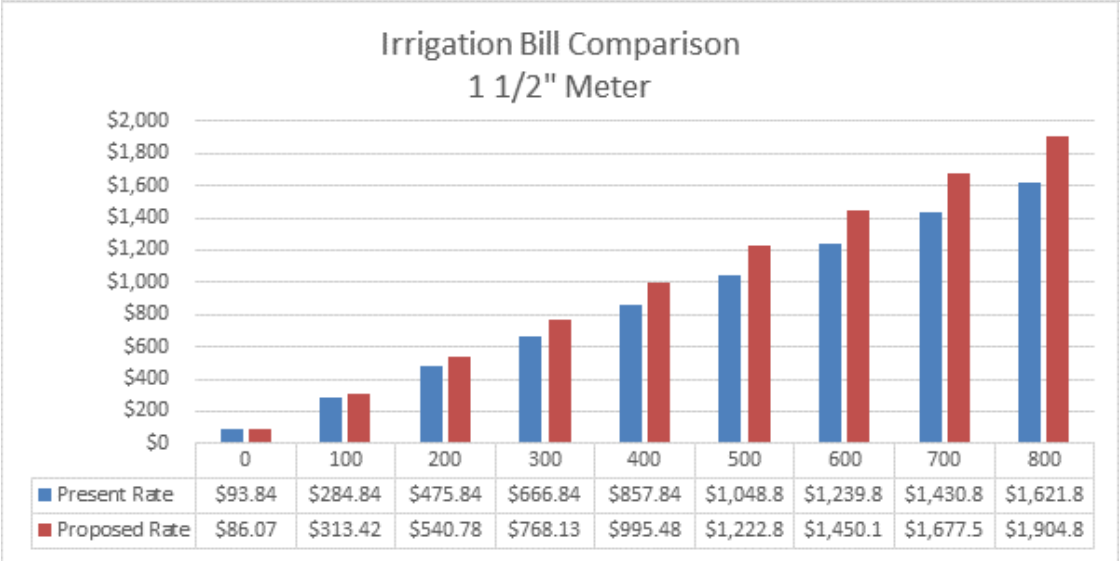
It is important to note that the bill impacts will not only vary between customer classes, as the cost of service results show cost differences, but also customers in the same class. This is due to the tier pricing being based on the costs associate with the District's costs and allocated based on a snapshot of consumption characteristics. Shown below are typical customer bill impacts; these are not meant to be prescriptive for projecting a customers' bill impact but rather representative.



	0	5	10	15	20	25	30	35	40
Current Rate	$66.67	$74.52	$82.37	$90.22	$98.07	$105.92	$113.77	$129.32	$144.87
Proposed Rate	$61.15	$70.76	$80.38	$89.99	$99.60	$109.21	$118.82	$139.04	$159.26



	0	20	40	60	80	100	120	140	160
Current Rate	$66.67	$102.07	$137.47	$172.87	$208.27	$243.67	$279.07	$314.47	$349.87
Proposed Rate	$61.15	$96.91	$132.66	$168.42	$204.17	$239.93	$275.69	$311.44	$347.20



	0	100	200	300	400	500	600	700	800
Present Rate	$93.84	$284.84	$475.84	$666.84	$857.84	$1,048.8	$1,239.8	$1,430.8	$1,621.8
Proposed Rate	$86.07	$313.42	$540.78	$768.13	$995.48	$1,222.8	$1,450.1	$1,677.5	$1,904.8

As part of the study, the District also reviewed the application of a private fire protection charge. This rate is for those customers who typically have a separate service line to provide fire protection services. HDR researched the application of private fire protection charges and based on the discussion in the AWWA M1 Manual, and other utilities, and determined that the District's private fire protection charge is cost-based and equitable.

5.6 Summary of the Proposed Rate Revenues

The rates for each customer class of service meet the results of the revenue requirement and cost of service results. Provided in Table 5 - 10 is a summary of the revenue targets based on the revenue requirement and cost of service analyses for the FY 2018/19 proposed rate adjustment.

Table 5 - 10
Comparison of the FY 2018/19 Proposed Revenues and Allocated Costs ($000's)

	Present Revenue	Allocated Revenue	Proposed Revenue
Residential	$13,043	$13,036	$13,114
Non-Residential	1,262	1,224	1,224
Irrigation	581	629	629
Private Fire Protection	189	187	187
Total	$15,076	$15,076	$15,155

The proportional allocation of costs to the various customer classes of service is based on District budgeted O&M expenses as well as capital projects as identified in the revenue requirement analysis. Additionally, actual consumption data was based on 2017 to allocate costs to specific customer classes and tiers, where applicable. For the table above, the difference between allocated and proposed revenue is due the use of the system average customer unit costs. The resulting disparity is within the expected margin of error based the projected range of customer growth and is not materially significant. A more detailed analysis of the projection of the proposed revenues is included within the Technical Appendix of this report in Exhibit 7.

This concludes the discussion of the proposed water rates. Detailed exhibits for the various rate designs are included within the water technical appendices.

5.7 Water Rate Study Recommendations

Based on the results of the water rate study, HDR finds and recommends the following:

- Revenue adjustments are necessary to prudently fund operating and capital renewal and replacement expenses.
- Water revenues should be adjusted 3.0% in FY 2020/21 through FY 2027/28.
  - The proposed rates would be effective January 1 of each calendar year.

- The proposed rates reflect the results of the cost of service analysis and the proportional allocation of costs to the various customer classes of service.
- The District should maintain the current minimum target reserve policy of 120 days of O&M expenses.
- Prior to the end of the financial planning projected period, the District should complete a review of the water revenue levels and costs at that time.

5.8 Summary of the Water Rate Study

This completes the analysis for the Elk Grove Water District. This study has provided a comprehensive review and development of proposed water rates for the District. Adoption of the proposed water rates will allow the District to meet its current and projected water system financial obligations for the time period reviewed based on the assumed customer growth, capital plan and deferred capital, and inflationary increases in operating costs. Should these assumptions change, the proposed rate adjustments may also need to be revised to reflect the current conditions.

Technical Appendix – Water Technical Analysis

Elk Grove Water District
Water Utility
Revenue Requirment Summary

	Projected									
	FY 18-19	**FY 19-20**	**FY 20-21**	**FY 21-22**	**FY 22-23**	**FY 23-24**	**FY 24-25**	**FY 25-26**	**FY 26-27**	**FY 27-28**
Revenue										
Rate Revenue at Current Rates	$15,076	$15,150	$15,223	$15,298	$15,372	$15,447	$15,523	$15,598	$15,674	$15,750
Miscellaneous Revenue	292	300	304	306	308	309	311	313	314	315
Total Revenue	$15,369	$15,449	$15,527	$15,604	$15,680	$15,756	$15,834	$15,911	$15,988	$16,065
Expenditures										
Salaries & Benefits	$3,587	$3,747	$3,914	$4,090	$4,273	$4,465	$4,667	$4,877	$5,098	$5,330
Seminars, Conventions, & Travel	52	53	54	56	57	59	60	62	63	65
Office & Operational	4,176	4,364	4,562	4,768	4,985	5,211	5,448	5,697	5,957	6,229
Outside Services	927	960	994	1,028	1,064	1,102	1,140	1,180	1,221	1,264
Rents, Taxes, and Utilities	418	426	435	444	454	463	473	483	493	504
Election Costs	65	66	68	70	72	73	75	77	79	81
Total Expenditures	$9,224	$9,617	$10,027	$10,456	$10,904	$11,373	$11,863	$12,376	$12,911	$13,472
Rate Funded Capital	$1,700	$1,700	$1,800	$1,900	$2,000	$2,100	$2,200	$2,300	$2,400	$2,500
Debt Service	$3,824	$3,827	$3,855	$3,882	$3,883	$3,887	$3,888	$3,942	$3,981	$3,977
Transfers	$620	$306	$73	$53	$59	$60	$64	$13	($27)	($27)
Total Revenue Requirement	**$15,369**	**$15,449**	**$15,756**	**$16,292**	**$16,847**	**$17,420**	**$18,015**	**$18,630**	**$19,265**	**$19,922**
Balance/Deficiency of Funds	$0	$0	($228)	($688)	($1,167)	($1,664)	($2,181)	($2,718)	($3,277)	($3,857)
Rate Adj. as a % of Rate Rev	0.0%	0.0%	1.5%	4.5%	7.6%	10.8%	14.1%	17.4%	20.9%	24.5%
Proposed Rate Adjustment	**0.0%**	**0.0%**	**3.0%**	**3.0%**	**3.0%**	**3.0%**	**3.0%**	**3.0%**	**3.0%**	**3.0%**
Rate Revenue After Adjustment	$15,076	$15,150	$15,452	$15,986	$16,539	$17,111	$17,704	$18,317	$18,951	$19,607
Debt Service Coverage Ratio										
Before Rate Asjustment	1.61	1.52	1.43	1.33	1.23	1.13	1.02	0.90	0.77	0.65
After Rate Adjustment	1.61	1.52	1.49	1.50	1.53	1.56	1.58	1.59	1.60	1.62
Average Residential Bill (1" meter + 10 CCF)	$79.93	$79.93	$82.33	$84.80	$87.34	$89.96	$92.66	$95.44	$98.30	$101.25
$ Change Per Month	0.00	0.00	2.40	2.47	2.54	2.62	2.70	2.78	2.86	2.95
Cumulative $ Change per Month	0.00	0.00	2.40	4.87	7.41	10.03	12.73	15.51	18.37	21.32
Days of O&M	223	226	219	212	205	199	193	185	176	168
Days of Reserves	581	583	575	570	549	528	508	488	467	447

Elk Grove Water District
Water Utility
Revenue Requirement
Exhibit 1 - Escalation Factors
Medium Inflation/Medium Customer Growth

	Actual		*Budget*	*Projected*									
	FY 15-16	**FY 16-17**	**FY 17-18**	**FY 18-19**	**FY 19-20**	**FY 20-21**	**FY 21-22**	**FY 22-23**	**FY 23-24**	**FY 24-25**	**FY 25-26**	**FY 26-27**	**FY 27-28**	***Notes***
Revenues														
Residential	Actual	Actual	0.0%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	
Non-Residential	Actual	Actual	0.0%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	
Irrigation	Actual	Actual	0.0%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	
Consumption	Actual	Actual	0.0%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	
Misc. Revenue	Actual	Actual	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	
Flat	Actual	Actual	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Expenses														
Labor	Actual	Actual	Budget	3.8%	3.8%	3.8%	3.8%	3.8%	3.8%	3.8%	3.8%	3.8%	3.8%	
Retirement	Actual	Actual	Budget	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	
Medical Benefits	Actual	Actual	Budget	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	
Dental & Vision Benefits	Actual	Actual	Budget	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	
Repairs & Maintenance	Actual	Actual	Budget	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	
Worker's Compensation	Actual	Actual	Budget	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	
OPEB	Actual	Actual	Budget	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	
Materials & Supplies	Actual	Actual	Budget	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	
Equipment	Actual	Actual	Budget	3.8%	3.8%	3.8%	3.8%	3.8%	3.8%	3.8%	3.8%	3.8%	3.8%	
Miscellaneous	Actual	Actual	Budget	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	
Utilities	Actual	Actual	Budget	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	
Professional Services	Actual	Actual	Budget	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	
Insurance	Actual	Actual	Budget	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	
Purchased Water	Actual	Actual	Budget	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	
Flat	Actual	Actual	Budget	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Investment Interest			0.5%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	
New Long-Term Debt Assumptions														
Revenue Bond														
Rate			4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	
Term			20	20	20	20	20	20	20	20	20	20	20	
Low Interest Loan														
Rate			3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	
Term			10	10	10	10	10	10	10	10	10	10	10	

Elk Grove Water District
Water Utility
Revenue Requirement
Exhibit 2 - Sources & Application of Funds

	Actual		Budget	Projected										
	FY 15-16	**FY 16-17**	**FY 17-18**	**FY 18-19**	**FY 19-20**	**FY 20-21**	**FY 21-22**	**FY 22-23**	**FY 23-24**	**FY 24-25**	**FY 25-26**	**FY 26-27**	**FY 27-28**	***Notes***
Revenues														
Rate Revenues														
Residential	$11,235,110	$12,220,127	$12,785,610	$13,043,485	$13,108,589	$13,173,782	$13,239,867	$13,306,042	$13,372,308	$13,439,465	$13,506,713	$13,574,053	$13,641,489	*Calc'd in Cust Data Tab*
Non-Residential	1,700,718	1,525,448	1,238,442	1,262,301	1,268,196	1,274,108	1,280,040	1,285,989	1,291,956	1,297,941	1,303,945	1,309,967	1,316,008	*Calc'd in Cust Data Tab*
Irrigation	0	0	757,305	581,482	583,237	585,002	586,775	588,557	590,348	592,147	593,956	595,774	597,600	*Calc'd in Cust Data Tab*
Fire Service	134,672	188,543	185,673	189,078	189,736	190,394	191,052	191,710	192,369	193,027	193,685	194,343	195,001	As Misc. Revenue
Total Rate Revenues	**$13,070,500**	**$13,934,118**	**$14,967,030**	**$15,076,345**	**$15,149,757**	**$15,223,286**	**$15,297,733**	**$15,372,298**	**$15,446,981**	**$15,522,580**	**$15,598,299**	**$15,674,138**	**$15,750,099**	
Other Revenues														
Meter Fees / Plan Check / Water Capacity	$197,091	$72,188	$30,000	$30,000	$30,000	$30,000	$30,000	$30,000	$30,000	$30,000	$30,000	$30,000	$30,000	As Flat
Backflow Install EGWD	47,107	22,855	25,000	25,125	25,251	25,377	25,504	25,631	25,759	25,888	26,018	26,148	26,279	As Misc. Revenue
Door Hanger Fees	109,275	121,850	120,000	120,600	121,203	121,809	122,418	123,030	123,645	124,264	124,885	125,509	126,137	As Misc. Revenue
New Account Fees	23,700	26,640	25,000	25,125	25,251	25,377	25,504	25,631	25,759	25,888	26,018	26,148	26,279	As Misc. Revenue
Investment Interest (prjctd only inclds Ops Fd)	20,000	(42,789)	110,000	50,220	56,424	59,482	60,210	60,744	61,333	61,936	62,571	62,696	62,423	As Misc. Revenue
NSF Fees	2,520	3,430	3,000	3,015	3,030	3,045	3,060	3,076	3,091	3,107	3,122	3,138	3,153	As Misc. Revenue
Shut-Off Fees	43,050	51,100	50,000	50,250	50,501	50,754	51,008	51,263	51,519	51,776	52,035	52,296	52,557	As Misc. Revenue
Credit Card Fees	8,009	8,480	8,000	8,040	8,080	8,121	8,161	8,202	8,243	8,284	8,326	8,367	8,409	As Misc. Revenue
Customer Refunds	(26,083)	(31,108)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	As Flat
Fire Protection	0	1,092	0	0	0	0	0	0	0	0	0	0	0	As Flat
24 hour Turn on Fee	0	100	0	0	0	0	0	0	0	0	0	0	0	As Flat
Field Service Charges	0	25	0	0	0	0	0	0	0	0	0	0	0	As Flat
Citations	0	200	0	0	0	0	0	0	0	0	0	0	0	As Flat
Total Other Revenues	**$424,669**	**$234,063**	**$351,000**	**$292,375**	**$299,739**	**$303,964**	**$305,865**	**$307,577**	**$309,351**	**$311,143**	**$312,974**	**$314,302**	**$315,236**	
Total Revenues	**$13,495,169**	**$14,168,181**	**$15,318,030**	**$15,368,720**	**$15,449,497**	**$15,527,250**	**$15,603,598**	**$15,679,874**	**$15,756,331**	**$15,833,723**	**$15,911,273**	**$15,988,440**	**$16,065,336**	

	Actual		Budget	Projected										
	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28	*Notes*
Expenses														
Salaries & Benefits														
Executive Salary	$162,686	$163,831	$195,226	$202,547	$210,142	$218,023	$226,199	$234,681	$243,482	$252,612	$262,085	$271,913	$282,110	As Labor
Exempt Salaries	486,577	511,040	524,199	506,438	525,429	545,133	565,575	586,784	608,788	631,618	655,304	679,878	705,373	As Labor
Non-Exempt Salaries	1,093,622	1,200,261	1,469,064	1,524,154	1,581,310	1,640,609	1,702,132	1,765,962	1,832,185	1,900,892	1,972,176	2,046,132	2,122,862	As Labor
Overtime Compensation	44,308	39,277	56,300	58,411	60,602	62,874	65,232	67,678	70,216	72,849	75,581	78,415	81,356	As Labor
On Call Pay	18,326	18,199	18,250	18,934	19,644	20,381	21,145	21,938	22,761	23,615	24,500	25,419	26,372	As Labor
Holiday Pay	84,992	104,736	118,483	122,926	127,536	132,318	137,280	142,428	147,769	153,311	159,060	165,025	171,213	As Labor
Vacation Pay	127,130	129,244	121,459	126,014	130,739	135,642	140,729	146,006	151,481	157,162	163,055	169,170	175,514	As Labor
Personal Time Pay	77,581	110,052	94,787	98,342	102,029	105,855	109,825	113,943	118,216	122,649	127,249	132,021	136,971	As Labor
Internship Program	0	0	15,000	15,563	16,146	16,752	17,380	18,031	18,708	19,409	20,137	20,892	21,676	As Labor
Medical Benefits	527,568	568,711	720,244	712,045	754,768	800,054	848,057	898,941	952,877	1,010,050	1,070,653	1,134,892	1,202,986	As Medical Benefits
EAP	842	0	960	996	1,033	1,072	1,112	1,154	1,197	1,242	1,289	1,337	1,387	As Labor
EGWD Contribution H.S.A	10,400	0	15,000	15,375	15,759	16,153	16,557	16,971	17,395	17,830	18,276	18,733	19,201	As Miscellaneous
Dental/Vision/Life Insurance	48,672	50,226	64,665	63,929	67,765	71,831	76,140	80,709	85,551	90,684	96,125	101,893	108,007	As Dental & Vision Benefits
Retirement Benefits	261,030	(64,140)	371,962	365,868	385,991	407,220	429,617	453,246	478,175	504,475	532,221	561,493	592,375	As Retirement
Retirement Benefits - Post Employment	93,767	243,577	92,760	97,398	102,268	107,381	112,750	118,388	124,307	130,523	137,049	143,901	151,096	As OPEB
Medical Tax, Social Security and SUI	44,123	45,154	62,353	65,782	69,400	73,217	77,244	81,493	85,975	90,704	95,692	100,955	106,508	As Retirement
Worker's Compensation Insurance	86,261	94,085	123,873	127,899	132,056	136,347	140,779	145,354	150,078	154,956	159,992	165,191	170,560	As Worker's Compensation
Education Assistance	9,069	17,062	11,300	11,724	12,163	12,620	13,093	13,584	14,093	14,622	15,170	15,739	16,329	As Labor
Employee Training	9,760	7,286	29,640	30,752	31,905	33,101	34,342	35,630	36,966	38,353	39,791	41,283	42,831	As Labor
Employee Recognition	1,886	1,577	2,520	2,615	2,713	2,814	2,920	3,029	3,143	3,261	3,383	3,510	3,642	As Labor
Meetings	415	167	1,130	1,172	1,216	1,262	1,309	1,358	1,409	1,462	1,517	1,574	1,633	As Labor
Less Capitalized Expenses	(509,238)	(528,352)	(560,829)	(581,860)	(603,680)	(626,318)	(649,805)	(674,172)	(699,454)	(725,683)	(752,897)	(781,130)	(810,423)	As Labor
Total Salaries & Benefits	**$2,679,777**	**$2,711,994**	**$3,548,346**	**$3,587,023**	**$3,746,935**	**$3,914,342**	**$4,089,614**	**$4,273,138**	**$4,465,321**	**$4,666,594**	**$4,877,407**	**$5,098,236**	**$5,329,579**	
		1.2%	*30.8%*	*1.1%*	*4.5%*	*4.5%*	*4.5%*	*4.5%*	*4.5%*	*4.5%*	*4.5%*	*4.5%*	*4.5%*	
Seminars, Conventions, & Travel														
Airfare	$2,273	$2,100	$4,100	$4,203	$4,308	$4,415	$4,526	$4,639	$4,755	$4,874	$4,995	$5,120	$5,248	As Miscellaneous
Hotels	11,836	7,431	11,800	12,095	12,397	12,707	13,025	13,351	13,684	14,026	14,377	14,737	15,105	As Miscellaneous
Meals	6,477	3,315	5,730	5,873	6,020	6,171	6,325	6,483	6,645	6,811	6,981	7,156	7,335	As Miscellaneous
Auto Rental	1,488	10	1,900	1,948	1,996	2,046	2,097	2,150	2,203	2,259	2,315	2,373	2,432	As Miscellaneous
Seminars & Conferences	8,540	7,184	11,400	11,685	11,977	12,277	12,583	12,898	13,221	13,551	13,890	14,237	14,593	As Miscellaneous
Seminars & Conferences - Board	0	1,807	7,820	8,016	8,216	8,421	8,632	8,848	9,069	9,296	9,528	9,766	10,010	As Miscellaneous
Mileage Reimbursement, Parking, Tolls	1,680	1,290	1,750	1,794	1,839	1,885	1,932	1,980	2,029	2,080	2,132	2,186	2,240	As Miscellaneous
Auto Allowance	4,880	6,000	6,000	6,150	6,304	6,461	6,623	6,788	6,958	7,132	7,310	7,493	7,681	As Miscellaneous
Total Seminars, Conventions, & Travel	**$37,174**	**$29,136**	**$50,500**	**$51,763**	**$53,057**	**$54,383**	**$55,743**	**$57,136**	**$58,565**	**$60,029**	**$61,529**	**$63,068**	**$64,644**	

	Actual		Budget	Projected										
	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28	*Notes*
Office & Operational														
Advertising	$8,129	$6,420	$5,000	$5,150	$5,305	$5,464	$5,628	$5,796	$5,970	$6,149	$6,334	$6,524	$6,720	As Materials & Supplies
Association Dues	66,881	77,585	99,112	101,590	104,130	106,733	109,401	112,136	114,940	117,813	120,758	123,777	126,872	As Miscellaneous
Insurance	74,280	125,199	87,890	90,527	93,243	96,040	98,921	101,889	104,945	108,094	111,336	114,677	118,117	As Insurance
Licenses, Certifications, Fees	3,305	3,147	3,600	3,690	3,782	3,877	3,974	4,073	4,175	4,279	4,386	4,496	4,608	As Miscellaneous
Repairs & Maintenance - Automotive	32,122	48,093	46,300	47,805	49,358	50,963	52,619	54,329	56,095	57,918	59,800	61,744	63,750	As Repairs & Maintenance
Repairs & Maintenance - Building	10,963	25,902	18,000	18,585	19,189	19,813	20,457	21,121	21,808	22,517	23,248	24,004	24,784	As Repairs & Maintenance
Repairs & Maintenance - Computers	25,235	33,518	24,759	25,564	26,394	27,252	28,138	29,052	29,997	30,972	31,978	33,017	34,091	As Repairs & Maintenance
Repairs & Maintenance - Equipment	58,482	51,231	65,000	67,113	69,294	71,546	73,871	76,272	78,751	81,310	83,953	86,681	89,498	As Repairs & Maintenance
Fuel	33,684	34,033	51,600	52,632	53,685	54,758	55,853	56,971	58,110	59,272	60,458	61,667	62,900	As Utilities
Materials	63,612	157,244	150,000	154,500	159,135	163,909	168,826	173,891	179,108	184,481	190,016	195,716	201,587	As Materials & Supplies
Chemicals	13,886	19,507	50,000	51,500	53,045	54,636	56,275	57,964	59,703	61,494	63,339	65,239	67,196	As Materials & Supplies
Meter Repairs	7,870	6,563	12,000	12,390	12,793	13,208	13,638	14,081	14,539	15,011	15,499	16,003	16,523	As Repairs & Maintenance
Permits	35,250	93,895	82,200	84,255	86,361	88,520	90,733	93,002	95,327	97,710	100,153	102,657	105,223	As Miscellaneous
Postage	64,104	65,102	85,300	87,859	90,495	93,210	96,006	98,886	101,853	104,908	108,055	111,297	114,636	As Materials & Supplies
Printing	7,909	6,686	4,500	4,635	4,774	4,917	5,065	5,217	5,373	5,534	5,700	5,871	6,048	As Materials & Supplies
Safety Equipment	4,149	13,164	7,100	7,366	7,642	7,929	8,226	8,535	8,855	9,187	9,532	9,889	10,260	As Equipment
Software Programs & Updates	99,326	103,776	92,868	96,351	99,964	103,712	107,602	111,637	115,823	120,166	124,673	129,348	134,198	As Equipment
Supplies	28,580	22,191	20,800	21,424	22,067	22,729	23,411	24,113	24,836	25,581	26,349	27,139	27,953	As Materials & Supplies
Telephone	39,976	36,395	39,652	41,139	42,682	44,282	45,943	47,666	49,453	51,308	53,232	55,228	57,299	As Equipment
Tools	6,802	22,877	10,000	10,375	10,764	11,168	11,587	12,021	12,472	12,939	13,425	13,928	14,450	As Equipment
Clothing Allowance	9,440	9,691	10,200	10,455	10,716	10,984	11,259	11,540	11,829	12,125	12,428	12,738	13,057	As Miscellaneous
EGWD - Other Clothing	9,188	6,998	9,000	9,225	9,456	9,692	9,934	10,183	10,437	10,698	10,966	11,240	11,521	As Miscellaneous
Water Conservation Materials	3,869	0	10,000	10,300	10,609	10,927	11,255	11,593	11,941	12,299	12,668	13,048	13,439	As Materials & Supplies
Purchased Water	2,417,349	2,732,016	3,010,765	3,161,303	3,319,368	3,485,337	3,659,604	3,842,584	4,034,713	4,236,449	4,448,271	4,670,685	4,904,219	As Purchased Water
Total Office & Operational	**$3,124,391**	**$3,701,234**	**$3,995,646**	**$4,175,731**	**$4,364,250**	**$4,561,606**	**$4,768,225**	**$4,984,550**	**$5,211,050**	**$5,448,214**	**$5,696,555**	**$5,956,611**	**$6,228,949**	
		18.5%	*8.0%*	*4.5%*	*4.5%*	*4.5%*	*4.5%*	*4.5%*	*4.5%*	*4.6%*	*4.6%*	*4.6%*	*4.6%*	
Outside Service														
Administration Services	$5,357	$1,480	$3,590	$3,716	$3,846	$3,980	$4,120	$4,264	$4,413	$4,567	$4,727	$4,893	$5,064	As Professional Services
Bank Charges	82,979	106,873	134,000	138,690	143,544	148,568	153,768	159,150	164,720	170,485	176,452	182,628	189,020	As Professional Services
Billing Services	26,329	24,694	28,800	29,808	30,851	31,931	33,049	34,205	35,403	36,642	37,924	39,251	40,625	As Professional Services
Contracted Services	271,147	266,148	232,520	240,658	249,081	257,799	266,822	276,161	285,826	295,830	306,184	316,901	327,992	As Professional Services
Water Conservation Services	38,921	0	0	0	0	0	0	0	0	0	0	0	0	As Professional Services
Accounting Services	34,428	24,553	35,000	36,225	37,493	38,805	40,163	41,569	43,024	44,530	46,088	47,701	49,371	As Professional Services
Engineering	53,266	10,188	75,000	77,625	80,342	83,154	86,064	89,076	92,194	95,421	98,761	102,217	105,795	As Professional Services
Legal Services	113,798	76,958	205,000	212,175	219,601	227,287	235,242	243,476	251,997	260,817	269,946	279,394	289,173	As Professional Services
Financial Consultants	0	13,427	85,000	87,975	91,054	94,241	97,539	100,953	104,487	108,144	111,929	115,846	119,901	As Professional Services
Community Relations	15,410	15,895	16,200	16,767	17,354	17,961	18,590	19,241	19,914	20,611	21,332	22,079	22,852	As Professional Services
Misc. Medical	1,516	475	2,500	2,588	2,678	2,772	2,869	2,969	3,073	3,181	3,292	3,407	3,526	As Professional Services
Pre-employment	493	343	3,000	3,105	3,214	3,326	3,443	3,563	3,688	3,817	3,950	4,089	4,232	As Professional Services
Janitorial	6,180	6,685	8,300	8,591	8,891	9,202	9,524	9,858	10,203	10,560	10,930	11,312	11,708	As Professional Services
Bond Administration	12,042	6,782	8,500	8,798	9,105	9,424	9,754	10,095	10,449	10,814	11,193	11,585	11,990	As Professional Services
Security	7,857	12,444	23,700	24,530	25,388	26,277	27,196	28,148	29,133	30,153	31,208	32,301	33,431	As Professional Services
Sampling	18,549	43,275	35,000	36,225	37,493	38,805	40,163	41,569	43,024	44,530	46,088	47,701	49,371	As Professional Services
Board Secretary/Treasurer	1,800	0	0	0	0	0	0	0	0	0	0	0	0	As Professional Services
Total Outside Service	**$690,072**	**$610,220**	**$896,110**	**$927,474**	**$959,935**	**$993,533**	**$1,028,307**	**$1,064,298**	**$1,101,548**	**$1,140,102**	**$1,180,006**	**$1,221,306**	**$1,264,052**	

Elk Grove Water District
Water Utility
Revenue Requirement
Exhibit 2 - Sources & Application of Funds

	Actual		Budget	Projected										
	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28	*Notes*
Rents, Taxes, and Utilities														
Occupancy	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	As Miscellaneous
Equipment Rental	13,493	20,771	22,000	22,825	23,681	24,569	25,490	26,446	27,438	28,467	29,534	30,642	31,791	As Equipment
Property Taxes	1,328	1,299	1,500	1,538	1,576	1,615	1,656	1,697	1,740	1,783	1,828	1,873	1,920	As Miscellaneous
Water	0	0	0	0	0	0	0	0	0	0	0	0	0	As Utilities
Electricity	284,865	314,161	359,000	366,180	373,504	380,974	388,593	396,365	404,292	412,378	420,626	429,038	437,619	As Utilities
Natural Gas	425	601	600	612	624	637	649	662	676	689	703	717	731	As Utilities
Sewer & Garbage	17,368	21,226	25,900	26,418	26,946	27,485	28,035	28,596	29,168	29,751	30,346	30,953	31,572	As Utilities
Other Expenses	0	12,036	0	0	0	0	0	0	0	0	0	0	0	As Miscellaneous
Additional O&M Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total Rents, Taxes, and Utilities	**$317,479**	**$370,094**	**$409,000**	**$417,573**	**$426,331**	**$435,280**	**$444,424**	**$453,766**	**$463,313**	**$473,068**	**$483,037**	**$493,223**	**$503,633**	
		16.6%	*10.5%*	*2.1%*	*2.1%*	*2.1%*	*2.1%*	*2.1%*	*2.1%*	*2.1%*	*2.1%*	*2.1%*	*2.1%*	
Election Costs	**$0**	**$126,527**	**$0**	**$64,845**	**$66,466**	**$68,128**	**$69,831**	**$71,577**	**$73,366**	**$75,201**	**$77,081**	**$79,008**	**$80,983**	As Miscellaneous
Total Operations & Maintenance Expense	**$6,848,893**	**$7,549,205**	**$8,899,602**	**$9,224,408**	**$9,616,974**	**$10,027,273**	**$10,456,143**	**$10,904,465**	**$11,373,163**	**$11,863,208**	**$12,375,614**	**$12,911,452**	**$13,471,840**	
		10.2%	*17.9%*	*3.6%*	*4.3%*	*4.3%*	*4.3%*	*4.3%*	*4.3%*	*4.3%*	*4.3%*	*4.3%*	*4.3%*	
Total Rate Funded Capital														
Capital Improvement Reserve	$0	$0	$1,130,000	$195,000	$280,000	$390,000	$745,000	$1,061,800	$1,113,654	$1,165,564	$1,217,531	$1,269,556	$1,321,643	Equal to Cap Impvmnt Pjcts
Capital Replacement Reserve	0	0	626,000	1,150,000	1,052,000	1,045,000	663,000	938,200	986,346	1,034,436	1,082,469	1,130,444	1,178,357	Equal to Cap Rplcmnt Pjcts
Rate Funded Capital	0	0	0	355,000	368,000	365,000	492,000	0	0	0	0	0	0	
Total Total Rate Funded Capital	**$1,700,000**	**$1,700,000**	**$1,756,000**	**$1,700,000**	**$1,700,000**	**$1,800,000**	**$1,900,000**	**$2,000,000**	**$2,100,000**	**$2,200,000**	**$2,300,000**	**$2,400,000**	**$2,500,000**	FY 14-15 Dep. Exp. $1,696,678
		0.0%	*3.3%*	*-3.2%*	*0.0%*	*5.9%*	*5.6%*	*5.3%*	*5.0%*	*4.8%*	*4.5%*	*4.3%*	*4.2%*	
Debt Service														
2002 Refunding Bond	$3,655,240	$375,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	CAFR
2014 Series A Bonds	0	2,078,519	2,794,719	2,961,119	2,967,269	2,994,769	3,026,019	3,026,394	3,030,394	3,027,269	2,787,613	2,830,147	2,830,200	Debt Schedule
2016 Series A Bonds	0	736,400	1,028,630	862,790	859,470	860,700	856,480	856,810	856,600	860,760	1,153,890	1,150,900	1,147,010	Debt Schedule
New Low Interest Loan	0	0	0	0	0	0	0	0	0	0	0	0	0	Calculated @ 4.5% for 20 yrs
New Revenue Bond	0	0	0	0	0	0	0	0	0	0	0	0	0	Calculated @ 3% for 10 yrs
Total Debt Service	**$3,655,240**	**$3,189,919**	**$3,823,349**	**$3,823,909**	**$3,826,739**	**$3,855,469**	**$3,882,499**	**$3,883,204**	**$3,886,994**	**$3,888,029**	**$3,941,503**	**$3,981,047**	**$3,977,210**	
		-12.7%	*19.9%*	*0.0%*	*0.1%*	*0.8%*	*0.7%*	*0.0%*	*0.1%*	*0.0%*	*1.4%*	*1.0%*	*-0.1%*	
To / (From) Reserves														
To / (From) Operating Reserve	$0	$1,729,057	$839,080	$620,403	$305,784	$72,858	$53,354	$58,963	$60,231	$63,546	$12,536	($27,345)	($26,926)	
Total To / (From) Reserves	**$0**	**$1,729,057**	**$839,080**	**$620,403**	**$305,784**	**$72,858**	**$53,354**	**$58,963**	**$60,231**	**$63,546**	**$12,536**	**($27,345)**	**($26,926)**	
Total Revenue Requirements	**$12,204,133**	**$14,168,181**	**$15,318,030**	**$15,368,720**	**$15,449,497**	**$15,755,599**	**$16,291,996**	**$16,846,632**	**$17,420,388**	**$18,014,782**	**$18,629,652**	**$19,265,154**	**$19,922,123**	

Elk Grove Water District
Water Utility
Revenue Requirement
Exhibit 2 - Sources & Application of Funds

	Actual		Budget	Projected										
	FY 15-16	**FY 16-17**	**FY 17-18**	**FY 18-19**	**FY 19-20**	**FY 20-21**	**FY 21-22**	**FY 22-23**	**FY 23-24**	**FY 24-25**	**FY 25-26**	**FY 26-27**	**FY 27-28**	***Notes***
Balance / (Deficiency) of Funds	$1,291,036	$0	$0	$0	$0	($228,349)	($688,398)	($1,166,757)	($1,664,057)	($2,181,059)	($2,718,379)	($3,276,715)	($3,856,788)	
Rate Adjust. as a % of Rate Rev	-9.9%	0.0%	0.0%	0.0%	0.0%	1.5%	4.5%	7.6%	10.8%	14.1%	17.4%	20.9%	24.5%	
Proposed Rate Adjustment *[January]*	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**3.0%**	**3.0%**	**3.0%**	**3.0%**	**3.0%**	**3.0%**	**3.0%**	**3.0%**	
Months of Adjustment	*6*	*6*	*6*	*6*	*6*	*6*	*6*	*6*	*6*	*6*	*6*	*6*	*6*	
Addt'l Rev from Proposed Adj.	$0	$0	$0	$0	$0	$228,349	$688,398	$1,166,757	$1,664,057	$2,181,059	$2,718,379	$3,276,715	$3,856,788	
Net Bal/(Def) of Funds After Rate Adj.	$1,291,036	$0	$0	$0	$0	($0)	$0	$0	($0)	$0	$0	$0	$0	
Additional Rate Increase Needed	-9.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Debt Service Coverage Ratio														
Before Rate Adjustment	1.82	2.07	1.68	1.61	1.52	1.43	1.33	1.23	1.13	1.02	0.90	0.77	0.65	
After Rate Adjustment	1.82	2.07	1.68	1.61	1.52	1.49	1.50	1.53	1.56	1.58	1.59	1.60	1.62	
Average Residential Bill (1" meter + 10 CCF)	**$79.93**	$79.93	$79.93	$79.93	$79.93	$82.33	$84.80	$87.34	$89.96	$92.66	$95.44	$98.30	$101.25	
$ Change Per Month		0.00	0.00	0.00	0.00	2.40	2.47	2.54	2.62	2.70	2.78	2.86	2.95	
Cumulative $ Change per Month		0.00	0.00	0.00	0.00	2.40	4.87	7.41	10.03	12.73	15.51	18.37	21.32	
Cash Reserves														
Operating Reserve														
Beginning Balance	**$0**	**$0**	**$4,182,889**	**$5,021,969**	**$5,642,372**	**$5,948,155**	**$6,021,013**	**$6,074,367**	**$6,133,330**	**$6,193,561**	**$6,257,106**	**$6,269,642**	**$6,242,297**	
Plus: Additions	0	1,729,057	839,080	620,403	305,784	72,858	53,354	58,963	60,231	63,546	12,536	0	0	
Less: Uses of Funds	0	0	0	0	0	0	0	0	0	0	0	(27,345)	(26,926)	
Ending Balance	**$0**	**$1,729,057**	**$5,021,969**	**$5,642,372**	**$5,948,155**	**$6,021,013**	**$6,074,367**	**$6,133,330**	**$6,193,561**	**$6,257,106**	**$6,269,642**	**$6,242,297**	**$6,215,371**	
Target Balance (120 Days O&M)			*$2,925,897*	*$3,032,682*	*$3,161,745*	*$3,296,638*	*$3,437,636*	*$3,585,030*	*$3,739,122*	*$3,900,233*	*$4,068,695*	*$4,244,861*	*$4,429,098*	
Capital Improvement Reserve														
Beginning Balance	**$0**	**$0**	**$1,130,000**	**$1,130,000**	**$1,307,500**	**$1,491,500**	**$1,674,000**	**$1,920,000**	**$1,920,000**	**$1,920,000**	**$1,920,000**	**$1,920,000**	**$1,920,000**	
Plus: Additions	0	0	1,130,000	372,500	464,000	572,500	991,000	1,061,800	1,113,654	1,165,564	1,217,531	1,269,556	1,321,643	
Uses: Supply / Distribution	0	0	(250,000)	(30,000)	(70,000)	0	(575,000)	0	0	0	0	0	0	
Uses: Treatment	0	0	(180,000)	0	0	(180,000)	0	0	0	0	0	0	0	
Uses: Building & Site / Vehicles	0	0	(650,000)	(115,000)	(160,000)	(160,000)	(120,000)	(123,600)	(127,308)	(131,127)	(135,061)	(139,113)	(143,286)	
Uses: Unforseen Projects	0	0	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(938,200)	(986,346)	(1,034,436)	(1,082,469)	(1,130,444)	(1,178,357)	
Less: Uses of Funds	0	0	0	0	0	0	0	0	0	0	0	0	0	
Ending Balance	**$0**	**$0**	**$1,130,000**	**$1,307,500**	**$1,491,500**	**$1,674,000**	**$1,920,000**	**$1,920,000**	**$1,920,000**	**$1,920,000**	**$1,920,000**	**$1,920,000**	**$1,920,000**	
Target Balance: Average Annual Capital Improv.			*$548,000*	*$563,000*	*$578,000*	*$594,000*	*$610,000*	*$626,000*	*$643,000*	*$660,000*	*$678,000*	*$696,000*	*$715,000*	*2.7% / Yr. Growth*

	Actual		Budget	Projected										
	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28	*Notes*
Capital Replacement Reserve														
Beginning Balance	$0	$0	$626,000	$626,000	$803,500	$987,500	$1,170,000	$1,416,000	$1,416,000	$1,416,000	$1,416,000	$1,416,000	$1,416,000	
Plus: Additions	0	0	626,000	1,327,500	1,236,000	1,227,500	909,000	938,200	986,346	1,034,436	1,082,469	1,130,444	1,178,357	
Uses: Supply / Distribution	0	0	(511,000)	(950,000)	(1,002,000)	(995,000)	(613,000)	0	0	0	0	0	0	
Uses: Treatment	0	0	(50,000)	(80,000)	0	0	0	0	0	0	0	0	0	
Uses: Building & Site / Vehicles	0	0	(15,000)	(70,000)	0	0	0	0	0	0	0	0	0	
Uses: Unforseen Projects	0	0	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(938,200)	(986,346)	(1,034,436)	(1,082,469)	(1,130,444)	(1,178,357)	
Less: Uses of Funds	0	0	0	0	0	0	0	0	0	0	0	0	0	
Ending Balance	$0	$0	$626,000	$803,500	$987,500	$1,170,000	$1,416,000	$1,416,000	$1,416,000	$1,416,000	$1,416,000	$1,416,000	$1,416,000	
Target Balance: Annual Capital Replacement			*$907,200*	*$932,000*	*$957,000*	*$983,000*	*$1,010,000*	*$1,037,000*	*$1,065,000*	*$1,094,000*	*$1,124,000*	*$1,154,000*	*$1,185,000*	*2.7% / Yr. Growth*
Elections / Special Studies Reserve														
Beginning Balance	$0	$0	$120,000	$120,000	$120,000	$120,000	$120,000	$120,000	$120,000	$120,000	$120,000	$120,000	$120,000	
Plus: Additions	0	0	0	0	0	0	0	0	0	0	0	0	0	
Less: Uses of Funds	0	0	0	0	0	0	0	0	0	0	0	0	0	
Ending Balance	$0	$0	$120,000	$120,000	$120,000	$120,000	$120,000	$120,000	$120,000	$120,000	$120,000	$120,000	$120,000	
Target Balance: $120,000			*$120,000*	*$120,000*	*$120,000*	*$120,000*	*$120,000*	*$120,000*	*$120,000*	*$120,000*	*$120,000*	*$120,000*	*$120,000*	
Future Capital Improvement Reserve														
Beginning Balance	$0	$0	$5,109,297	$5,109,297	$5,109,297	$5,109,297	$5,109,297	$5,109,297	$5,109,297	$5,109,297	$5,109,297	$5,109,297	$5,109,297	
Plus: Additions	0	0	0	0	0	0	0	0	0	0	0	0	0	
Less: Uses of Funds	0	0	0	0	0	0	0	0	0	0	0	0	0	
Ending Balance	$0	$0	$5,109,297	$5,109,297	$5,109,297	$5,109,297	$5,109,297	$5,109,297	$5,109,297	$5,109,297	$5,109,297	$5,109,297	$5,109,297	
Future Capital Replacement Reserve														
Beginning Balance	$0	$0	$1,703,099	$1,703,099	$1,703,099	$1,703,099	$1,703,099	$1,703,099	$1,703,099	$1,703,099	$1,703,099	$1,703,099	$1,703,099	
Plus: Additions	0	0	0	0	0	0	0	0	0	0	0	0	0	
Less: Uses of Funds	0	0	0	0	0	0	0	0	0	0	0	0	0	
Ending Balance	$0	$0	$1,703,099	$1,703,099	$1,703,099	$1,703,099	$1,703,099	$1,703,099	$1,703,099	$1,703,099	$1,703,099	$1,703,099	$1,703,099	
Total Reserve Funds														
Beginning	*$0*	*$0*	*$12,871,285*	*$13,710,365*	*$14,685,768*	*$15,359,551*	*$15,797,409*	*$16,342,763*	*$16,401,726*	*$16,461,957*	*$16,525,502*	*$16,538,038*	*$16,510,693*	
Ending	*$0*	*$1,729,057*	*$13,710,365*	*$14,685,768*	*$15,359,551*	*$15,797,409*	*$16,342,763*	*$16,401,726*	*$16,461,957*	*$16,525,502*	*$16,538,038*	*$16,510,693*	*$16,483,767*	

Elk Grove Water District
Water Utility
Revenue Requirement
Exhibit 3 - Capital Improvement Plan

	Actual	*Budget*		*Projected*										
	FY 15-16	**FY 16-17**	**FY 17-18**	**FY 18-19**	**FY 19-20**	**FY 20-21**	**FY 21-22**	**FY 22-23**	**FY 23-24**	**FY 24-25**	**FY 25-26**	**FY 26-27**	**FY 27-28**	***Notes***
Supply / Distribution														
Service Line Replacements	$0	$0	$250,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
Kent St. Waer Main	0	0	280,000	0	0	0	0	0	0	0	0	0	0	
Truman St. / Adams St. Water Main	0	0	0	0	0	0	240,000	0	0	0	0	0	0	
School / Locust / Summit Alley Wtr Main	0	0	0	0	0	495,000	0	0	0	0	0	0	0	
Elk Grove Blvd Grove St Alley Water Main	0	0	0	0	0	290,000	0	0	0	0	0	0	0	
Locust St. - Elk Grove Blvd Alley / Derr St. Wtr Main	0	0	0	0	0	210,000	0	0	0	0	0	0	0	
Elk Grove Blvd Wate Main	0	0	0	0	0	0	500,000	0	0	0	0	0	0	
Lark St.Water Main	0	0	0	0	170,000	0	0	0	0	0	0	0	0	
Well Rehabilitation Program	0	0	93,000	0	98,000	0	103,000	0	0	0	0	0	0	
Railroad Corridor Water Line	0	0	0	0	0	0	75,000	0	0	0	0	0	0	
Backyard Water Mains / Service Replacement	0	0	138,000	950,000	734,000	0	0	0	0	0	0	0	0	
Cadura Circle Water Main Looping	0	0	0	30,000	0	0	0	0	0	0	0	0	0	
Mormon Church Water Main Looping	0	0	0	0	70,000	0	0	0	0	0	0	0	0	
Kilkenny Ct Water Main	0	0	0	0	0	0	135,000	0	0	0	0	0	0	
Leo Virgo Ct. Water Main	0	0	0	0	0	0	135,000	0	0	0	0	0	0	
Total Supply / Distribution	**$0**	**$0**	**$761,000**	**$980,000**	**$1,072,000**	**$995,000**	**$1,188,000**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	
Treatment														
Media Replacement Filter Vessels	$0	$0	$50,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
Chlorine Tank Replacement - ClorTec Room	0	0	0	80,000	0	0	0	0	0	0	0	0	0	
Well 3 Pump Replacement / VFD	0	0	0	0	0	180,000	0	0	0	0	0	0	0	
Well 8 Pump Replacement	0	0	100,000	0	0	0	0	0	0	0	0	0	0	
Radio Antennas	0	0	80,000	0	0	0	0	0	0	0	0	0	0	
Total Treatment	**$0**	**$0**	**$230,000**	**$80,000**	**$0**	**$180,000**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	
Building & Site Imprvmnts / Vehicles														
Truck Replacements	$0	$0	$100,000	$115,000	$160,000	$160,000	$120,000	$123,600	$127,308	$131,127	$135,061	$139,113	$143,286	
RRWTF Modular Meeting Room IT Center	0	0	550,000	0	0	0	0	0	0	0	0	0	0	
HVWTP Roof Replacement	0	0	0	20,000	0	0	0	0	0	0	0	0	0	
RRWTF Parking Lot Repaving	0	0	0	50,000	0	0	0	0	0	0	0	0	0	
Well 9 Fence Replacement	0	0	15,000	0	0	0	0	0	0	0	0	0	0	
Total Building & Site Imprvmnts / Vehicles	**$0**	**$0**	**$665,000**	**$185,000**	**$160,000**	**$160,000**	**$120,000**	**$123,600**	**$127,308**	**$131,127**	**$135,061**	**$139,113**	**$143,286**	

Elk Grove Water District
Water Utility
Revenue Requirement
Exhibit 3 - Capital Improvement Plan

	Actual	*Budget*		*Projected*										
	FY 15-16	**FY 16-17**	**FY 17-18**	**FY 18-19**	**FY 19-20**	**FY 20-21**	**FY 21-22**	**FY 22-23**	**FY 23-24**	**FY 24-25**	**FY 25-26**	**FY 26-27**	**FY 27-28**	***Notes***
Future Unidentified Capital Projects														
Budgeted	$1,700,000	$1,700,000	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000	
Unbudgeted	0	0	0	0	0	0	0	1,776,400	1,872,692	1,968,873	2,064,939	2,160,887	2,256,714	
Future Capital Funded Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	
	$1,700,000	**$1,700,000**	**$100,000**	**$100,000**	**$100,000**	**$100,000**	**$100,000**	**$1,876,400**	**$1,972,692**	**$2,068,873**	**$2,164,939**	**$2,260,887**	**$2,356,714**	
Total Capital Improvement Projects	**$1,700,000**	**$1,700,000**	**$1,756,000**	**$1,345,000**	**$1,332,000**	**$1,435,000**	**$1,408,000**	**$2,000,000**	**$2,100,000**	**$2,200,000**	**$2,300,000**	**$2,400,000**	**$2,500,000**	
Plus: Additions to Capital Reserve Funds														
Capital Improvement Reserve	$0	$0	$0	$177,500	$184,000	$182,500	$246,000	$0	$0	$0	($0)	$0	$0	
Capital Replacement Reserve	0	0	0	177,500	184,000	182,500	246,000	0	0	0	(0)	0	0	
	$0	$0	$0	$355,000	$368,000	$365,000	$492,000	$0	$0	$0	($0)	$0	$0	
Capital and And Reserve Funding	**$1,700,000**	**$1,700,000**	**$1,756,000**	**$1,700,000**	**$1,700,000**	**$1,800,000**	**$1,900,000**	**$2,000,000**	**$2,100,000**	**$2,200,000**	**$2,300,000**	**$2,400,000**	**$2,500,000**	
Less: Outside Funding Sources														
Operating Reserve	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
Capital Improvement Reserve														
Supply / Distribution Improvement	$969,000	$1,000,000	$250,000	$30,000	$70,000	$0	$575,000	$0	$0	$0	$0	$0	$0	
Treatment Improvement	0	0	180,000	0	0	180,000	0	0	0	0	0	0	0	
Building & Site / Building Improvement	0	0	650,000	115,000	160,000	160,000	120,000	123,600	127,308	131,127	135,061	139,113	143,286	
Unforseen Improvements	0	0	50,000	50,000	50,000	50,000	50,000	938,200	986,346	1,034,436	1,082,469	1,130,444	1,178,357	
Capital Replacement Reserve														
Supply / Distribution Replacement	$731,000	$700,000	$511,000	$950,000	$1,002,000	$995,000	$613,000	$0	$0	$0	$0	$0	$0	
Treatment Replacement	0	0	50,000	80,000	0	0	0	0	0	0	0	0	0	
Building & Site / Building Replacement	0	0	15,000	70,000	0	0	0	0	0	0	0	0	0	
Unforseen Replacement	0	0	50,000	50,000	50,000	50,000	50,000	938,200	986,346	1,034,436	1,082,469	1,130,444	1,178,357	
Future Capital Improvement Reserve	0	0	0	0	0	0	0	0	0	0	0	0	0	
Future Capital Replacement Reserve	0	0	0	0	0	0	0	0	0	0	0	0	0	
Low Interest Loans	0	0	0	0	0	0	0	0	0	0	0	0	0	
Revenue Bonds	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total Funding Sources	**$1,700,000**	**$1,700,000**	**$1,756,000**	**$1,345,000**	**$1,332,000**	**$1,435,000**	**$1,408,000**	**$2,000,000**	**$2,100,000**	**$2,200,000**	**$2,300,000**	**$2,400,000**	**$2,500,000**	
Rate Funded Capital	**$0**	**$0**	**$0**	**$355,000**	**$368,000**	**$365,000**	**$492,000**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	

Elk Grove Water District
Water Utility
Revenue Requirement
Exhibit 4 - Debt Service

		2014 Series A Bonds			*2016 Series A Bonds*			**Total**		
Payment Date	**Fiscal Year**	**Principal**	**Interest**	**Total**	**Principal**	**Interest**	**Total**	**Total Principal**	**Total Interest**	**Fiscal Year Total**
9/1/2016	FY 16-17	$715,000	$688,909	$1,403,909	$350,000	$124,950	$474,950	$1,065,000	$813,859	
3/1/2017	FY 16-17	0	674,609	674,609	0	261,450	261,450	0	936,059	$2,814,919
9/1/2017	FY 17-18	1,475,000	674,609	2,149,609	515,000	261,450	776,450	1,990,000	936,059	
3/1/2018	FY 17-18	0	645,109	645,109	0	252,180	252,180	0	897,289	$3,823,349
9/1/2018	FY 18-19	1,705,000	645,109	2,350,109	365,000	252,180	617,180	2,070,000	897,289	
3/1/2019	FY 18-19	0	611,009	611,009		245,610	245,610	0	856,619	$3,823,909
9/1/2019	FY 19-20	1,790,000	611,009	2,401,009	375,000	245,610	620,610	2,165,000	856,619	
3/1/2020	FY 19-20	0	566,259	566,259	0	238,860	238,860	0	805,119	$3,826,739
9/1/2020	FY 20-21	1,910,000	566,259	2,476,259	390,000	238,860	628,860	2,300,000	805,119	
3/1/2021	FY 20-21	0	518,509	518,509	0	231,840	231,840	0	750,349	$3,855,469
9/1/2021	FY 21-22	2,040,000	518,509	2,558,509	400,000	231,840	631,840	2,440,000	750,349	
3/1/2022	FY 21-22	0	467,509	467,509	0	224,640	224,640	0	692,149	$3,882,499
9/1/2022	FY 22-23	2,145,000	467,509	2,612,509	415,000	224,640	639,640	2,560,000	692,149	
3/1/2023	FY 22-23	0	413,884	413,884	0	217,170	217,170	0	631,054	$3,883,204
9/1/2023	FY 23-24	2,245,000	413,884	2,658,884	430,000	217,170	647,170	2,675,000	631,054	
3/1/2024	FY 23-24	0	371,509	371,509	0	209,430	209,430	0	580,939	$3,886,994
9/1/2024	FY 24-25	2,330,000	371,509	2,701,509	450,000	209,430	659,430	2,780,000	580,939	
3/1/2025	FY 24-25	0	325,759	325,759	0	201,330	201,330	0	527,089	$3,888,029
9/1/2025	FY 25-26	2,170,000	325,759	2,495,759	765,000	201,330	966,330	2,935,000	527,089	
3/1/2026	FY 25-26	0	291,853	291,853	0	187,560	187,560	0	479,413	$3,941,503
9/1/2026	FY 26-27	2,285,000	291,853	2,576,853	790,000	187,560	977,560	3,075,000	479,413	
3/1/2027	FY 26-27	0	253,294	253,294		173,340	173,340	0	426,634	$3,981,047
9/1/2027	FY 27-28	2,365,000	253,294	2,618,294	815,000	173,340	988,340	3,180,000	426,634	
3/1/2028	FY 27-28	0	211,906	211,906	0	158,670	158,670	0	370,576	$3,977,210
9/1/2028	FY 28-29	2,450,000	211,906	2,661,906	845,000	158,670	1,003,670	3,295,000	370,576	
3/1/2029	FY 28-29	0	167,500	167,500	0	143,460	143,460	0	310,960	$3,976,536
9/1/2029	FY 29-30	2,150,000	167,500	2,317,500	1,280,000	143,460	1,423,460	3,430,000	310,960	
3/1/2030	FY 29-30	0	113,750	113,750	0	120,420	120,420	0	234,170	$3,975,130
9/1/2030	FY 30-31	1,610,000	113,750	1,723,750	1,985,000	120,420	2,105,420	3,595,000	234,170	
3/1/2031	FY 30-31	0	73,500	73,500	0	84,690	84,690	0	158,190	$3,987,360
9/1/2031	FY 31-32	1,435,000	73,500	1,508,500	2,310,000	84,690	2,394,690	3,745,000	158,190	
3/1/2032	FY 31-32	0	37,625	37,625	0	43,110	43,110	0	80,735	$3,983,925
9/1/2032	FY 32-33	1,505,000	37,625	1,542,625	2,395,000	43,110	2,438,110	3,900,000	80,735	
3/1/2033	FY 32-33	0	0	0	0	0	0	0	0	$3,980,735
Total		**$32,325,000**	**$12,176,084**	**$44,501,084**	**$14,875,000**	**$6,112,470**	**$20,987,470**	**$47,200,000**	**$18,288,554**	**$65,488,554**

Notes

Elk Grove Water District
Water Utility
Revenue Requirement
Exhibit 5 - Revenue at Present Rates

		Effective Jan. 1 2017	Effective Jan. 1 2018	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Total
Residential																
Fixed Charge	$/ Mo.	$64.73	$66.67													
1"		$64.73	$66.67	11,759	11,759	11,759	11,759	11,759	11,759	11,759	11,759	11,759	11,759	11,759	11,759	11,759
1 1/2"		$91.10	93.84	3	3	3	3	3	3	3	3	3	3	3	3	3
2"		$122.76	126.44	3	3	3	3	3	3	3	3	3	3	3	3	3
3"		$196.62	202.52	0	0	0	0	0	0	0	0	0	0	0	0	0
4"		$302.13	311.19	0	0	0	0	0	0	0	0	0	0	0	0	0
6"		$565.91	582.89	0	0	0	0	0	0	0	0	0	0	0	0	0
8"		$882.45	908.93	0	0	0	0	0	0	0	0	0	0	0	0	0
10"		$1,251.75	1,289.30	0	0	0	0	0	0	0	0	0	0	0	0	0
			Total	**11,765**	**11,765**	**11,765**	**11,765**	**11,765**	**11,765**	**11,765**	**11,765**	**11,765**	**11,765**	**11,765**	**11,765**	**11,765**
Commodity Charge	$/ CCF	$1.52	$1.57													
0 - 30 CCF		$1.52	$1.57	205,570	231,502	234,982	226,903	203,187	113,118	96,105	85,088	86,596	86,508	100,742	132,903	1,803,204
30 + CCF		$3.02	3.11	30,707	52,257	55,909	45,373	28,364	4,090	2,382	2,307	3,570	2,131	2,277	5,951	235,317
			Total	**236,278**	**283,758**	**290,891**	**272,276**	**231,551**	**117,208**	**98,486**	**87,395**	**90,166**	**88,640**	**103,019**	**138,854**	**2,038,521**
				20	24	25	23	20	10	8	7	8	8	9	12	
Revenues																
Fixed Charge				$761,785	$761,785	$761,785	$761,785	$761,785	$761,785	$784,617	$784,617	$784,617	$784,617	$784,617	$784,617	$9,278,413
Commodity Charge				405,203	509,698	542,799	497,347	407,216	190,315	158,291	140,763	147,058	142,447	165,247	227,165	3,533,546
			Total Revenues	**$1,166,988**	**$1,271,483**	**$1,304,584**	**$1,259,132**	**$1,169,001**	**$952,100**	**$942,908**	**$925,379**	**$931,674**	**$927,063**	**$949,863**	**$1,011,782**	**$12,811,959**
				-8%												
Non-Residential																
Fixed Charge	$/ Mo.	$64.73	$66.67													
1"		$64.73	$66.67	159	159	159	159	159	159	159	159	159	159	159	159	159
1 1/2"		$91.10	93.84	39	39	39	39	39	39	39	39	39	39	39	39	39
2"		$122.76	126.44	186	186	186	186	186	186	186	186	186	186	186	186	186
3"		$196.62	202.52	9	9	9	9	9	9	9	9	9	9	9	9	9
4"		$302.13	311.19	10	10	10	10	10	10	10	10	10	10	10	10	10
6"		$565.91	582.89	3	3	3	3	3	3	3	3	3	3	3	3	3
8"		$882.45	908.93	1	1	1	1	1	1	1	1	1	1	1	1	1
10"		$1,251.75	1,289.30	0	0	0	0	0	0	0	0	0	0	0	0	0
			Total	**407**	**407**	**407**	**407**	**407**	**407**	**407**	**407**	**407**	**407**	**407**	**407**	**407**
Commodity Charge	$/ CCF	$1.72	$1.77													
All Use		$1.72	$1.77	19,872	19,414	18,094	17,741	17,161	21,951	26,603	48,576	52,723	50,353	59,781	49,981	402,249
			Total	**19,872**	**19,414**	**18,094**	**17,741**	**17,161**	**21,951**	**26,603**	**48,576**	**52,723**	**50,353**	**59,781**	**49,981**	**402,249**
Revenues																
Fixed Charge				$44,049	$44,049	$45,370	$45,370	$45,370	$45,370	$45,370	$45,370	$45,370	$45,370	$45,370	$45,370	$541,802
Commodity Charge				34,180	33,392	32,027	31,401	30,375	38,853	47,087	85,980	93,319	89,124	105,812	88,466	710,016
			Total Revenues	**$78,229**	**$77,441**	**$77,397**	**$76,772**	**$75,745**	**$84,223**	**$92,457**	**$131,350**	**$138,689**	**$134,495**	**$151,183**	**$133,836**	**$1,251,818**

Elk Grove Water District
Water Utility
Revenue Requirement
Exhibit 5 - Revenue at Present Rates

	Effective Jan. 1 2017	Effective Jan. 1 2018	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Total
Irrigation															
Fixed Charge	$ / Mo.	$ / Mo.													
1"	$64.73	$66.67	45	45	45	45	45	45	45	45	45	45	45	45	45
1 1/2"	91.10	93.84	44	44	44	44	44	44	44	44	44	44	44	44	44
2"	122.76	126.44	65	65	65	65	65	65	65	65	65	65	65	65	65
3"	196.62	202.52	10	10	10	10	10	10	10	10	10	10	10	10	10
4"	302.13	311.19	4	4	4	4	4	4	4	4	4	4	4	4	4
6"	565.91	582.89	1	1	1	1	1	1	1	1	1	1	1	1	1
8"	882.45	908.93	0	0	0	0	0	0	0	0	0	0	0	0	0
10"	1,251.75	1,289.30	0	0	0	0	0	0	0	0	0	0	0	0	0
		Total	**169**	**169**	**169**	**169**	**169**	**169**	**169**	**169**	**169**	**169**	**169**	**169**	**169**
Commodity Charge	$ / CCF	$ / CCF													
All Use	$1.85	$1.91	13,786	6,131	3,859	3,705	3,795	4,898	5,770	20,255	23,390	41,622	28,797	26,885	182,894
		Total	**13,786**	**6,131**	**3,859**	**3,705**	**3,795**	**4,898**	**5,770**	**20,255**	**23,390**	**41,622**	**28,797**	**26,885**	**182,894**
Revenues															
Fixed Charge			$18,641	$18,641	$19,201	$19,201	$19,201	$19,201	$19,201	$19,201	$19,201	$19,201	$19,201	$19,201	$229,288
Commodity Charge			25,504	11,343	7,371	7,077	7,248	9,355	11,021	38,687	44,676	79,498	55,002	51,351	348,133
		Total Revenues	**$44,146**	**$29,984**	**$26,571**	**$26,278**	**$26,449**	**$28,556**	**$30,222**	**$57,887**	**$63,876**	**$98,698**	**$74,203**	**$70,552**	**$577,422**
Fire Protection															
Effective	Jan. 1 2017	Jan. 1 2018													
Fixed Charge	$ / Mo.	$ / Mo.													
2"	$2.96	$3.04	2	2	2	2	2	2	2	$2	2	2	2	2	2
3"	8.60	8.86	0	0	0	0	0	0	0	0	0	0	0	0	0
4"	18.33	18.88	37	37	37	37	37	37	37	37	37	37	37	37	37
6"	53.25	54.85	185	185	185	185	185	185	185	185	185	185	185	185	185
8"	113.48	116.88	26	26	26	26	26	26	26	26	26	26	26	26	26
10"	204.06	210.19	7	7	7	7	7	7	7	7	7	7	7	7	7
12"	329.62	339.51	1	1	1	1	1	1	1	1	1	1	1	1	1
			258	258	258	258	258	258	258	258	258	258	258	258	258
Private Fire Charges Revenue			$15,244	$15,244	$15,702	$15,702	$15,702	$15,702	$15,702	$15,702	$15,702	$15,702	$15,702	$15,702	$187,504

Elk Grove Water District
Customer Data Projection
Revenue Requirement
Exhibit 6 - Customer Data

	Input	Projected										
	FY 17-18	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28	Notes
Residential												
Fixed Charge												
1"	11,759	11,818	11,877	11,936	11,996	12,056	12,116	12,177	12,238	12,299	12,360	As Residential
1 1/2"	3	3	3	3	3	3	3	3	3	3	3	As Residential
2"	3	3	3	3	3	3	3	3	3	3	3	As Residential
3"	0	0	0	0	0	0	0	0	0	0	0	As Residential
4"	0	0	0	0	0	0	0	0	0	0	0	As Residential
6"	0	0	0	0	0	0	0	0	0	0	0	As Residential
8"	0	0	0	0	0	0	0	0	0	0	0	As Residential
10"	0	0	0	0	0	0	0	0	0	0	0	As Residential
Total Residential Cust.	**11,765**	**11,824**	**11,883**	**11,942**	**12,002**	**12,062**	**12,122**	**12,183**	**12,244**	**12,305**	**12,366**	
Commodity Charge												
0 - 30 CCF	1,803,204	1,812,220	1,821,281	1,830,387	1,839,539	1,848,737	1,857,981	1,867,271	1,876,607	1,885,990	1,895,420	As Consumption
30 + CCF	235,317	236,494	237,676	238,864	240,058	241,258	242,464	243,676	244,894	246,118	247,349	As Consumption
	2,038,521	**2,048,714**	**2,058,957**	**2,069,251**	**2,079,597**	**2,089,995**	**2,100,445**	**2,110,947**	**2,121,501**	**2,132,108**	**2,142,769**	
Non-Residential												
Fixed Charge												
1"	159	160	161	162	163	164	165	166	167	168	169	As Non-Residential
1 1/2"	39	39	39	39	39	39	39	39	39	39	39	As Non-Residential
2"	186	187	188	189	190	191	192	193	194	195	196	As Non-Residential
3"	9	9	9	9	9	9	9	9	9	9	9	As Non-Residential
4"	10	10	10	10	10	10	10	10	10	10	10	As Non-Residential
6"	3	3	3	3	3	3	3	3	3	3	3	As Non-Residential
8"	1	1	1	1	1	1	1	1	1	1	1	As Non-Residential
10"	0	0	0	0	0	0	0	0	0	0	0	As Non-Residential
Total Non-Residential Cust.	**407**	**409**	**411**	**413**	**415**	**417**	**419**	**421**	**423**	**425**	**427**	
Commodity Charge												
All Use	402,249	404,260	406,281	408,312	410,354	412,406	414,468	416,540	418,623	420,716	422,820	As Consumption
	402,249	**404,260**	**406,281**	**408,312**	**410,354**	**412,406**	**414,468**	**416,540**	**418,623**	**420,716**	**422,820**	

Elk Grove Water District
Customer Data Projection
Revenue Requirement
Exhibit 6 - Customer Data

	Input	Projected										
	FY 17-18	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28	Notes
Irrigation												
Fixed Charge												
1"	45	45	45	45	45	45	45	45	45	45	45	As Irrigation
1 1/2"	44	44	44	44	44	44	44	44	44	44	44	As Irrigation
2"	65	65	65	65	65	65	65	65	65	65	65	As Irrigation
3"	10	10	10	10	10	10	10	10	10	10	10	As Irrigation
4"	4	4	4	4	4	4	4	4	4	4	4	As Irrigation
6"	1	1	1	1	1	1	1	1	1	1	1	As Irrigation
8"	0	0	0	0	0	0	0	0	0	0	0	As Irrigation
10"	0	0	0	0	0	0	0	0	0	0	0	As Irrigation
Total Irrigation Cust.	**169**	**169**	**169**	**169**	**169**	**169**	**169**	**169**	**169**	**169**	**169**	
Commodity Charge												
All Usage	182,894	183,809	184,728	185,652	186,580	187,513	188,451	189,393	190,340	191,292	192,248	As Consumption
	182,894	**183,809**	**184,728**	**185,652**	**186,580**	**187,513**	**188,451**	**189,393**	**190,340**	**191,292**	**192,248**	
Fire Protection												
Fixed Charge												
2"	**2**	2	2	2	2	2	2	2	2	2	2	As Non-Residential
3"	**0**	0	0	0	0	0	0	0	0	0	0	As Non-Residential
4"	**37**	37	37	37	37	37	37	37	37	37	37	As Non-Residential
6"	**185**	186	187	188	189	190	191	192	193	194	195	As Non-Residential
8"	**26**	26	26	26	26	26	26	26	26	26	26	As Non-Residential
10"	**7**	7	7	7	7	7	7	7	7	7	7	As Non-Residential
12"	**1**	1	1	1	1	1	1	1	1	1	1	As Non-Residential
Total Cust.	**258**	**259**	**260**	**261**	**262**	**263**	**264**	**265**	**266**	**267**	**268**	
Calculated Water Rate Revenue												
Fixed												
Residential	$9,278,413	$9,462,803	$9,510,005	$9,557,208	$9,605,210	$9,653,212	$9,701,215	$9,750,017	$9,798,820	$9,847,622	$9,896,424	
Non-Residential	536,518	546,761	549,078	551,396	553,713	556,030	558,348	560,665	562,982	565,300	567,617	
Irrigation	413,464	230,407	230,407	230,407	230,407	230,407	230,407	230,407	230,407	230,407	230,407	
Fire Protection	185,673	189,078	189,736	190,394	191,052	191,710	192,369	193,027	193,685	194,343	195,001	
	$10,414,068	**$10,429,048**	**$10,479,226**	**$10,529,404**	**$10,580,382**	**$10,631,360**	**$10,682,338**	**$10,734,116**	**$10,785,894**	**$10,837,671**	**$10,889,449**	
Consumption Charge												
Residential	$3,507,197	$3,580,682	$3,598,584	$3,616,575	$3,634,657	$3,652,829	$3,671,093	$3,689,448	$3,707,893	$3,726,431	$3,745,065	
Non-Residential	701,924	715,540	719,117	722,712	726,327	729,959	733,608	737,276	740,963	744,667	748,391	
Irrigation	343,842	351,075	352,830	354,595	356,368	358,150	359,941	361,741	363,549	365,368	367,194	
	$4,552,962	**$4,647,297**	**$4,670,531**	**$4,693,882**	**$4,717,351**	**$4,740,938**	**$4,764,643**	**$4,788,464**	**$4,812,405**	**$4,836,466**	**$4,860,650**	
		2.1%	**0.5%**	**0.5%**	**0.5%**	**0.5%**	**0.5%**	**0.5%**	**0.5%**	**0.5%**	**0.5%**	
Total Revenue												
Residential	$12,785,610	$13,043,485	$13,108,589	$13,173,782	$13,239,867	$13,306,042	$13,372,308	$13,439,465	$13,506,713	$13,574,053	$13,641,489	
Non-Residential	1,238,442	1,262,301	1,268,196	1,274,108	1,280,040	1,285,989	1,291,956	1,297,941	1,303,945	1,309,967	1,316,008	
Irrigation	757,305	581,482	583,237	585,002	586,775	588,557	590,348	592,147	593,956	595,774	597,600	
Fire Protection	185,673	189,078	189,736	190,394	191,052	191,710	192,369	193,027	193,685	194,343	195,001	
	$14,967,030	**$15,076,345**	**$15,149,757**	**$15,223,286**	**$15,297,733**	**$15,372,298**	**$15,446,981**	**$15,522,580**	**$15,598,299**	**$15,674,138**	**$15,750,099**	

Elk Grove Water District
Water Utility
Development of Allocation Factors
Exhibit 7 - Commodity & Capacity

	Commodity				*Capacity*			
	Water (CCF)	**6.6% Losses [1]**	**Water Flow (MGD)**	**% of Total**	**Peaking Factor**	**Peak Day [2] Use (MGD)**	**Average Daily Use (MGD)**	**% of Total**
Residential								
Tier 1	1,812,220	119,607	3.96	68.7%	1.56	6.19	3.96	58.0%
Tier 2	236,494	15,609	0.52	9.0%	4.21	2.17	0.52	20.3%
Non-Residential	404,260	26,681	0.88	15.3%	1.43	1.26	0.88	11.8%
Irrigation	183,809	12,131	0.40	7.0%	2.18	0.88	0.40	8.2%
Private Fire Protection	0	0	0.00	0.0%	0.00	0.18	0.00	1.7%
Total	**2,636,783**	**174,028**	**5.76**	**100.0%**	**1.85**	**10.68**	**5.76**	**100.0%**
		Actual Production [3]	**5.18**		**Actual Peak [4]**	**10.62**		
Allocation Factor			***(COM)***					***(CAP-1)***

Notes

[1] - 2015 Urban Water Management Plan Adopted June 22, 2016 (pg. 4-11)

[2] - Calculated based on data from November 2016 - October 2017

[3] - Based on District Data for production and purchased water (FY 16-17) File Name W-20. 2016-2017 Fiscal Water Supply

Well Production	3.34 mgd
Purchased Water	1.84 mgd
Total	5.18 mgd

[4] - Peak daily demand was 6.87 mgd based on well production. Peak factor using well production is 2.05 times average production.

[*] - Prior Rate Study in 2012 had average day at 6.49 mgd and 11.65 mgd for Peak demand

Elk Grove Water District
Water Utility
Development of Allocation Factors
Exhibit 8 - Customer

	Actual Customer		*Customer Service & Accounting*			*Meters & Services*	
	Number of Billing Units	**% of Total**	**Weighting Factor**	**Weighted Customer**	**% of Total**	**Equiv. Meters**	**% of Total**
Residential	11,824	93.4%	1.00	11,824	93.4%	11,828	92.4%
Non-Residential	409	3.2%	1.00	409	3.2%	683	5.3%
Irrigation	169	1.3%	1.00	169	1.3%	288	2.3%
Private Fire Protection	259	2.0%	1.00	259	2.0%	0	0%
Total	**12,661**	**100.0%**		**12,661**	**100.0%**	**12,799**	**100.0%**
Allocation Factor		***(AC)***			***(WCA)***		***(WCMS)***

Elk Grove Water District
Water Utility
Development of Allocation Factors
Exhibit 9 - Fire Protection and Revenue Alloc

	Fire Protection					*Revenue Related*	
	Number of Accounts	**Fire Prot. Requirmt's (gals/min) [1]**	**Duration (minutes) [1]**	**Total PFP Requirements (1,000 g/min)**	**% of Total**	**FY 18-19 Revenue at Present Rates**	**% of Total**
Residential	11,824	1,500	60	1,064,160	89.7%	$13,043,485	87.6%
Non-Residential	409	2,500	120	122,700	10.3%	1,262,301	8.5%
Irrigation	169	0	0	0	0.0%	581,482	3.9%
	12,402			**1,186,860**	**100.0%**	**$14,887,268**	**100.0%**
Private Fire Protection						189,078	
Allocation Factor					***(FP)***		***(RR)***

Elk Grove Water District
Water Utility
Development of Allocation Factors
Exhibit 10 - Distribution Main Analysis

Distribution Storage	hrs	gpm	Total	
Fire Flow Requirements	3	3,500	630,000	(a)
Storage Capacity [1]			4,000,000	(b)
Public Fire Protection			15.8%	***(FP)***
(a) / (b) = FP%				
Capacity			84.3%	***(CAP)***
1 - FP% = CAP				

Source of Supply			
Capacity / Commodity			
Average Day	5.76 (c)	54.0%	***(COM)***
(c) / (d) = COM%			
Peak Day	10.68 (d)	46.0%	***(CAP)***
1-((c) / (d)) = CAP%			

Distribution Main Analysis				
Main Size	**Length (ft)**	**Replcmt $ [2]**	**Total**	
1.5"	310	$30.00	$9,300	
2"	881	39.00	34,359	
3"	261	61.00	15,921	
4"	17,924	80.00	1,433,920	
6"	92,028	121.00	11,135,388	
8"	414,094	161.00	66,669,134	
10"	156,276	201.00	31,411,476	
12"	69,300	238.00	16,493,400	
14"	254	281.00	71,374	
	751,328		**$127,274,272**	(e)
Remaining				
16" - 36"	24,228	$414.00	$10,030,392	

Customer%		
(f) Total @ 4" Equivalent Cost	$60,106,240	
(f) / (e) = Cust.%	**47.0%**	***(AC)***
Capacity		
(g) Cost for 6" - 8"	$77,804,522	
(h) 10" - 14" @ Equivalent 8" Cost	36,358,630	
(g + h - f) / (e) = CAP%	**42.5%**	***(CAP)***

Elk Grove Water District
Water Utility
Functionalization and Classification
Exhibit 11 - Plant In Service

	Total Plant 2017 Rplmt	Commodity (COM)	Capacity (CAP-1)	Capacity - Equiv. Meters (CAP-2)	Customer Related: Actual Customer (AC)	Customer Related: Weighted for: Customer Acct/Svcs (WCA)	Customer Related: Weighted for: Meters & Svcs (WCMS)	Revenue Related (RR)	Fire Protection (FP)	Direct Assign. (DA)	Basis of Classification
SCADA	$460,000	$248,400	$211,600	$0	$0	$0	$0	$0	$0	$0	54% (COM)/ 46% (CAP-1)
Transmission/Distribution											
Distribution	$125,170,749	$0	$53,197,568	$30,040,980	$28,789,272	$0	$0	$0	$13,142,929	$0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11
Transmission	9,063,127	0	3,851,829	2,175,150	2,084,519	0	0	0	951,628	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11
Total Trans/Dist.	134,233,876	0	57,049,397	32,216,130	30,873,791	0	0	0	14,094,557	0	
Water Production											
Well Casing	$9,600,000	$5,184,000	$4,416,000	$0	$0	$0	$0	$0	$0	$0	54% (COM)/ 46% (CAP-1)
Flow Meter	80,000	43,200	36,800	0	0	0	0	0	0	0	54% (COM)/ 46% (CAP-1)
Pump Motor	325,000	175,500	149,500	0	0	0	0	0	0	0	54% (COM)/ 46% (CAP-1)
Piping	555,000	299,700	255,300	0	0	0	0	0	0	0	54% (COM)/ 46% (CAP-1)
Well Pump	210,000	113,400	96,600	0	0	0	0	0	0	0	54% (COM)/ 46% (CAP-1)
surge Tank	300,000	162,000	138,000	0	0	0	0	0	0	0	54% (COM)/ 46% (CAP-1)
Pressure Transducer	10,000	5,400	4,600	0	0	0	0	0	0	0	54% (COM)/ 46% (CAP-1)
VFD	$125,000	67,500	57,500	0	0	0	0	0	0	0	54% (COM)/ 46% (CAP-1)
Total Water Production	$11,205,000	$6,050,700	$5,154,300	$0	$0	$0	$0	$0	$0	$0	
Water Treatment											
Coagulant Dosing	$20,000	$10,800	$9,200	$0	$0	$0	$0	$0	$0	$0	54% (COM)/ 46% (CAP-1)
Polymer Dosing	20,000	10,800	9,200	0	0	0	0	0	0	0	54% (COM)/ 46% (CAP-1)
ChlorTec	105,000	56,700	48,300	0	0	0	0	0	0	0	54% (COM)/ 46% (CAP-1)
Flow	160,000	86,400	73,600	0	0	0	0	0	0	0	54% (COM)/ 46% (CAP-1)
Pump	170,000	91,800	78,200	0	0	0	0	0	0	0	54% (COM)/ 46% (CAP-1)
Piping	4,110,000	2,219,400	1,890,600	0	0	0	0	0	0	0	54% (COM)/ 46% (CAP-1)
Backwash	385,000	207,900	177,100	0	0	0	0	0	0	0	54% (COM)/ 46% (CAP-1)
Sodium Hypochlorite	155,000	83,700	71,300	0	0	0	0	0	0	0	54% (COM)/ 46% (CAP-1)
Booster	150,000	81,000	69,000	0	0	0	0	0	0	0	54% (COM)/ 46% (CAP-1)
Salt Brine	25,000	13,500	11,500	0	0	0	0	0	0	0	54% (COM)/ 46% (CAP-1)
Clear Well	2,000,000	1,080,000	920,000	0	0	0	0	0	0	0	54% (COM)/ 46% (CAP-1)
Reaction	100,000	54,000	46,000	0	0	0	0	0	0	0	54% (COM)/ 46% (CAP-1)
Filter	1,705,000	920,700	784,300	0	0	0	0	0	0	0	54% (COM)/ 46% (CAP-1)
Total Water Treatment	$9,105,000	$4,916,700	$4,188,300	$0	$0	$0	$0	$0	$0	$0	
Plant Before General Plant	**$155,003,876**	**$11,215,800**	**$66,603,597**	**$32,216,130**	**$30,873,791**	**$0**	**$0**	**$0**	**$14,094,557**	**$0**	
Plant Before General Plant		*7.2%*	*43.0%*	*20.8%*	*19.9%*	*0.0%*	*0.0%*	*0.0%*	*9.1%*	*0.0%*	
General Plant											
Vehicles & Mobile Equipment	$2,273,750	$164,524	$977,007	$472,578	$452,887	$0	$0	$0	$206,753	$0	as Plant Before General Plant
Buildings	4,650,000	336,466	1,998,058	966,460	926,191	0	0	0	422,826	0	as Plant Before General Plant
HVAC	160,000	11,577	68,750	33,255	31,869	0	0	0	14,549	0	as Plant Before General Plant
Security	750,000	54,269	322,267	155,881	149,386	0	0	0	68,198	0	as Plant Before General Plant
Grounds	310,000	22,431	133,204	64,431	61,746	0	0	0	28,188	0	as Plant Before General Plant
Electrical	3,035,000	219,607	1,304,109	630,797	604,514	0	0	0	275,974	0	as Plant Before General Plant
Total General Plant	**$11,178,750**	$808,874	$4,803,396	$2,323,400	$2,226,592	$0	$0	$0	$1,016,488	$0	
Total Net Plant In Service	**$166,182,626**	**$12,024,674**	**$71,406,993**	**$34,539,531**	**$33,100,384**	**$0**	**$0**	**$0**	**$15,111,045**	**$0**	
% Of Net Water Plant	*100.0%*	*7.2%*	*43.0%*	*20.8%*	*19.9%*	*0.0%*	*0.0%*	*0.0%*	*9.1%*	*0.0%*	

Elk Grove Water District
Water Utility
Functionalization and Classification
Exhibit 12 - Revenue Requirement

	Total Expenses FY 18-19	Commodity (COM)	Capacity (CAP-1)	Capacity - Equiv. Meters (CAP-2)	Customer Related: Actual Customer (AC)	Customer Related: Weighted for: Customer Acct/Svcs (WCA)	Customer Related: Weighted for: Meters & Svcs (WCMS)	Revenue Related (RR)	Fire Protection (FP)	Direct Assign. (DA)	Basis of Classification
Expenses											
Salaries & Benefits											
Executive Salary	$202,547	$0	$86,082	$48,611	$46,586	$0	$0	$0	$21,267	$0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Exempt Salaries	506,438	0	215,236	121,545	116,481	0	0	0	53,176	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Non-Exempt Salaries	1,524,154	0	647,765	365,797	350,555	0	0	0	160,036	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Overtime Compensation	58,411	0	24,825	14,019	13,435	0	0	0	6,133	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
On Call Pay	18,934	0	8,047	4,544	4,355	0	0	0	1,988	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Holiday Pay	122,926	0	52,244	29,502	28,273	0	0	0	12,907	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Vacation Pay	126,014	0	53,556	30,243	28,983	0	0	0	13,231	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Personal Time Pay	98,342	0	41,795	23,602	22,619	0	0	0	10,326	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Internship Program	15,563	0	6,614	3,735	3,579	0	0	0	1,634	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Medical Benefits	712,045	0	302,619	170,891	163,770	0	0	0	74,765	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
EAP	996	0	423	239	229	0	0	0	105	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
EGWD Contribution H.S.A	15,375	0	6,534	3,690	3,536	0	0	0	1,614	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Dental/Vision/Life Insurance	63,929	0	27,170	15,343	14,704	0	0	0	6,713	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Retirement Benefits	365,868	0	155,494	87,808	84,150	0	0	0	38,416	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Retirement Benefits - Post Employment	97,398	0	41,394	23,376	22,402	0	0	0	10,227	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Medical Tax, Social Security and SUI	65,782	0	27,958	15,788	15,130	0	0	0	6,907	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Worker's Compensation Insurance	127,899	0	54,357	30,696	29,417	0	0	0	13,429	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Education Assistance	11,724	0	4,983	2,814	2,696	0	0	0	1,231	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Employee Training	30,752	0	13,069	7,380	7,073	0	0	0	3,229	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Employee Recognition	2,615	0	1,111	627	601	0	0	0	275	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Meetings	1,172	0	498	281	270	0	0	0	123	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Less Capitalized Expenses	(581,860)	0	(247,291)	(139,646)	(133,828)	0	0	0	(61,095)	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Total Salaries & Benefits	$3,587,023	$0	$1,524,485	$860,885	$825,015	$0	$0	$0	$376,637	$0	

Elk Grove Water District
Water Utility
Functionalization and Classification
Exhibit 12 - Revenue Requirement

	Total Expenses FY 18-19	Commodity (COM)	Capacity (CAP-1)	Capacity - Equiv. Meters (CAP-2)	Customer Related: Actual Customer (AC)	Customer Related: Weighted for: Customer Acct/Svcs (WCA)	Customer Related: Weighted for: Meters & Svcs (WCMS)	Revenue Related (RR)	Fire Protection (FP)	Direct Assign. (DA)	Basis of Classification
Seminars, Conventions, & Travel											
Airfare	$4,203	$0	$1,786	$1,009	$967	$0	$0	$0	$441	$0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Hotels	12,095	0	5,140	2,903	2,782	0	0	0	1,270	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Meals	5,873	0	2,496	1,410	1,351	0	0	0	617	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Auto Rental	1,948	0	828	467	448	0	0	0	204	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Seminars & Conferences	11,685	0	4,966	2,804	2,688	0	0	0	1,227	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Seminars & Conferences - Board	8,016	0	3,407	1,924	1,844	0	0	0	842	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Mileage Reimbursement, Parking, Tolls	1,794	0	762	431	413	0	0	0	188	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Auto Allowance	6,150	0	2,614	1,476	1,415	0	0	0	646	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Total Seminars, Conventions, & Travel	$51,763	$0	$21,999	$12,423	$11,905	$0	$0	$0	$5,435	$0	
Office & Operational											
Advertising	$5,150	$0	$2,189	$1,236	$1,185	$0	$0	$0	$541	$0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Association Dues	101,590	0	43,176	24,382	23,366	0	0	0	10,667	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Insurance	90,527	0	38,474	21,726	20,821	0	0	0	9,505	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Licenses, Certifications, Fees	3,690	0	1,568	886	849	0	0	0	387	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Repairs & Maintenance - Automotive	47,805	0	20,317	11,473	10,995	0	0	0	5,019	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Repairs & Maintenance - Building	18,585	0	7,899	4,460	4,275	0	0	0	1,951	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Repairs & Maintenance - Computers	25,564	0	10,865	6,135	5,880	0	0	0	2,684	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Repairs & Maintenance - Equipment	67,113	0	28,523	16,107	15,436	0	0	0	7,047	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Fuel	52,632	0	22,369	12,632	12,105	0	0	0	5,526	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Materials	154,500	0	65,663	37,080	35,535	0	0	0	16,223	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Chemicals	51,500	51,500	0	0	0	0	0	0	0	0	100% (COM)
Meter Repairs	12,390	0	0	0	0	0	12,390	0	0	0	100% (WCMS)
Permits	84,255	0	35,808	20,221	19,379	0	0	0	8,847	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Postage	87,859	0	0	0	87,859	0	0	0	0	0	100% (AC)
Printing	4,635	0	0	0	4,635	0	0	0	0	0	100% (AC)
Safety Equipment	7,366	0	3,131	1,768	1,694	0	0	0	773	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Software Programs & Updates	96,351	0	40,949	23,124	22,161	0	0	0	10,117	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Supplies	21,424	0	9,105	5,142	4,928	0	0	0	2,250	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Telephone	41,139	0	0	0	41,139	0	0	0	0	0	100% (AC)
Tools	10,375	0	4,409	2,490	2,386	0	0	0	1,089	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Clothing Allowance	10,455	0	4,443	2,509	2,405	0	0	0	1,098	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
EGWD - Other Clothing	9,225	0	3,921	2,214	2,122	0	0	0	969	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Water Conservation Materials	10,300	0	10,300	0	0	0	0	0	0	0	100% (CAP-1)
Purchased Water	3,161,303	1,707,104	1,454,199	0	0	0	0	0	0	0	54% (COM)/ 46% (CAP-1)
Total Office & Operational	$4,175,731	$1,758,604	$1,807,307	$193,585	$319,152	$0	$12,390	$0	$84,694	$0	

Elk Grove Water District
Water Utility
Functionalization and Classification
Exhibit 12 - Revenue Requirement

	Total Expenses FY 18-19	Commodity (COM)	Capacity (CAP-1)	Capacity - Equiv. Meters (CAP-2)	Customer Related: Actual Customer (AC)	Customer Related: Weighted for: Customer Acct/Svcs (WCA)	Customer Related: Weighted for: Meters & Svcs (WCMS)	Revenue Related (RR)	Fire Protection (FP)	Direct Assign. (DA)	Basis of Classification
Outside Service											
Administration Services	$3,716	$0	$1,579	$892	$855	$0	$0	$0	$390	$0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Bank Charges	138,690	0	58,943	33,286	31,899	0	0	0	14,562	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Billing Services	29,808	0	12,668	7,154	6,856	0	0	0	3,130	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Contracted Services	240,658	0	102,280	57,758	55,351	0	0	0	25,269	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Water Conservation Services	0	0	0	0	0	0	0	0	0	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Accounting Services	36,225	0	15,396	8,694	8,332	0	0	0	3,804	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Engineering	77,625	0	32,991	18,630	17,854	0	0	0	8,151	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Legal Services	212,175	0	90,174	50,922	48,800	0	0	0	22,278	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Financial Consultants	87,975	0	37,389	21,114	20,234	0	0	0	9,237	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Community Relations	16,767	0	7,126	4,024	3,856	0	0	0	1,761	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Misc. Medical	2,588	0	1,100	621	595	0	0	0	272	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Pre-employment	3,105	0	1,320	745	714	0	0	0	326	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Janitorial	8,591	0	3,651	2,062	1,976	0	0	0	902	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Bond Administration	8,798	0	3,739	2,111	2,023	0	0	0	924	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Security	24,530	0	10,425	5,887	5,642	0	0	0	2,576	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Sampling	36,225	0	15,396	8,694	8,332	0	0	0	3,804	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Board Secretary/Treasurer	0	0	0	0	0	0	0	0	0	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Total Outside Service	$927,474	$0	$394,176	$222,594	$213,319	$0	$0	$0	$97,385	$0	
Rents, Taxes, and Utilities											
Occupancy	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Equipment Rental	22,825	0	9,701	5,478	5,250	0	0	0	2,397	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Property Taxes	1,538	0	653	369	354	0	0	0	161	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Water	0	0	0	0	0	0	0	0	0	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Electricity	366,180	0	155,627	87,883	84,221	0	0	0	38,449	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Natural Gas	612	0	260	147	141	0	0	0	64	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Sewer & Garbage	26,418	0	11,228	6,340	6,076	0	0	0	2,774	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Other Expenses	0	0	0	0	0	0	0	0	0	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Additional O&M Expenses	0	0	0	0	0	0	0	0	0	0	43% (CAP-1)/ 24% (CAP-2)/ 23% (AC)/ 11% (FP)
Total Rents, Taxes, and Utilities	$417,573	$0	$177,468	$100,217	$96,042	$0	$0	$0	$43,845	$0	

Elk Grove Water District
Water Utility
Functionalization and Classification
Exhibit 12 - Revenue Requirement

	Total Expenses FY 18-19	Commodity (COM)	Capacity (CAP-1)	Capacity - Equiv. Meters (CAP-2)	Customer Related: Actual Customer (AC)	Customer Related: Weighted for: Customer Acct/Svcs (WCA)	Customer Related: Weighted for: Meters & Svcs (WCMS)	Revenue Related (RR)	Fire Protection (FP)	Direct Assign. (DA)	Basis of Classification
Election Costs	$64,845	$0	$0	$0	$0	$0	$64,845	$0	$0	$0	100% (WCMS)
Total Operations & Maintenance Expense	**$9,224,408**	**$1,758,604**	**$3,925,435**	**$1,389,705**	**$1,465,433**	**$0**	**$77,235**	**$0**	**$607,996**	**$0**	
Total Rate Funded Capital											
Capital Improvement Reserve	$195,000	$0	$0	$0	$0	$0	$195,000	$0	$0	$0	100% (WCMS)
Capital Replacement Reserve	1,150,000	0	0	0	0	0	1,150,000	0	0	0	100% (WCMS)
Rate Funded Capital	355,000	0	0	0	0	0	355,000	0	0	0	100% (WCMS)
Total Rate Funded Capital	**$1,700,000**	**$0**	**$0**	**$0**	**$0**	**$0**	**$1,700,000**	**$0**	**$0**	**$0**	
Debt Service											
2002 Refunding Bond	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	100% (WCMS)
2014 Series A Bonds	2,961,119	0	0	0	0	0	2,961,119	0	0	0	100% (WCMS)
2016 Series A Bonds	862,790	0	0	0	0	0	862,790	0	0	0	100% (WCMS)
New Low Interest Loan	0	0	0	0	0	0	0	0	0	0	100% (WCMS)
New Revenue Bond	0	0	0	0	0	0	0	0	0	0	100% (WCMS)
Total Debt Service	$3,823,909	$0	$0	$0	$0	$0	$3,823,909	$0	$0	$0	
To / (From) Reserves											
To / (From) Operating Reserve	$620,403	$0	$0	$0	$0	$0	$620,403	$0	$0	$0	100% (WCMS)
To / (From) Capital Improvement Reserve	0	0	0	0	0	0	0	0	0	0	100% (WCMS)
To / (From) Capital Replacement Reserve	0	0	0	0	0	0	0	0	0	0	100% (WCMS)
To / (From) Elections / Special Studies Reserve	0	0	0	0	0	0	0	0	0	0	100% (WCMS)
To / (From) Future Capital Improvement Reserve	0	0	0	0	0	0	0	0	0	0	100% (WCMS)
To / (From) Future Capital Replacement Reserve	0	0	0	0	0	0	0	0	0	0	100% (WCMS)
Total To / (From) Reserves	**$620,403**	**$0**	**$0**	**$0**	**$0**	**$0**	**$620,403**	**$0**	**$0**	**$0**	
Total Revenue Requirements	**$15,368,720**	**$1,758,604**	**$3,925,435**	**$1,389,705**	**$1,465,433**	**$0**	**$6,221,547**	**$0**	**$607,996**	**$0**	
Less: Other Income											
Meter Fees / Plan Check / Water Capacity	$30,000	$0	$0	$0	$0	$0	$30,000	$0	$0	$0	100% (WCMS)
Backflow Install EGWD	25,125	0	0	0	0	0	25,125	0	0	0	100% (WCMS)
Door Hanger Fees	120,600	0	0	0	0	0	120,600	0	0	0	100% (WCMS)
New Account Fees	25,125	0	0	0	0	0	25,125	0	0	0	100% (WCMS)
Investment Interest (prjctd only inclds Ops Fd)	50,220	0	0	0	0	0	50,220	0	0	0	100% (WCMS)
NSF Fees	3,015	0	0	0	0	0	3,015	0	0	0	100% (WCMS)
Shut-Off Fees	50,250	0	0	0	0	0	50,250	0	0	0	100% (WCMS)
Credit Card Fees	8,040	0	0	0	0	0	8,040	0	0	0	100% (WCMS)
Customer Refunds	(20,000)	0	0	0	0	0	(20,000)	0	0	0	100% (WCMS)
Fire Protection	0	0	0	0	0	0	0	0	0	0	100% (WCMS)
24 hour Turn on Fee	0	0	0	0	0	0	0	0	0	0	100% (WCMS)
Field Service Charges	0	0	0	0	0	0	0	0	0	0	100% (WCMS)
Citations	0	0	0	0	0	0	0	0	0	0	100% (WCMS)
Total Other Income	**$292,375**	**$0**	**$0**	**$0**	**$0**	**$0**	**$292,375**	**$0**	**$0**	**$0**	
Net Revenue Requirements	**$15,076,345**	**$1,758,604**	**$3,925,435**	**$1,389,705**	**$1,465,433**	**$0**	**$5,929,172**	**$0**	**$607,996**	**$0**	

Elk Grove Water District
Water Utility
Cost of Service Summary
Exhibit 13 - Allocation by Component - COM, CAP & DA

Classification Components	FY 18-19	Residential		Non-Residential	Irrigation	Private Fire Protection
		Tier 1	Tier 2			
Commodity	$1,758,604	$1,208,661	$157,730	$269,621	$122,592	$0
Capacity	$3,925,435	$2,275,157	$798,680	$463,053	$322,395	$66,151
Direct Assignment	$0	$0	$0	$0	$0	$0
Total	$5,684,039	$3,483,818	$956,410	$732,674	$444,986	$66,151

Elk Grove Water District
Water Utility
Cost of Service Summary
Exhibit 14 - Allocation by Component - Cust. Fire, Rev.

Classification Components	FY 18-19	Residential	Non-Residential	Irrigation	Private Fire Protection	*Allocation Factor*
Customer Related						
Actual Customer	$1,465,433	$1,368,556	$47,339	$19,561	$29,978	(AC)
Customer Acct/Svcs	0	0	0	0	0	(WCA)
Meters & Svcs	5,929,172	5,479,175	316,587	133,411	0	(WCMS)
Total Customer Related	$7,394,606	$6,847,731	$363,926	$152,971	$29,978	
Equiv. Meters	$1,389,705	$1,284,232	$74,203	$31,269	$0	(CAP-2)
Revenue Related	$0	$0	$0	$0	$0	(RR)
Fire Protection	$607,996	$463,374	$53,428	$0	$91,193	(FP)
Net Revenue Requirment	**$9,392,306**	**$8,595,337**	**$491,557**	**$184,241**	**$121,171**	

Elk Grove Water District
Water Utility
Cost of Service Summary
Exhibit 15 - Summary of Cost Allocation

	FY 18-19 Total	Residential	Non-Residential	Irrigation	Private Fire Protection	*Source*
Revenues at Present Rates	$15,076,345	$13,043,485	$1,262,301	$581,482	$189,078	
Allocated Revenue Requirement	$15,076,345	$13,035,565	$1,224,231	$629,227	$187,322	
Subtotal Balance/(Deficiency) of Funds	$0	$7,920	$38,070	($47,745)	$1,756	
% Change Over Present Rates	**0.0%**	**-0.1%**	**-3.0%**	**8.2%**	**-0.9%**	

Elk Grove Water District
Water Utility
Cost of Service Summary
Exhibit 15 - Average Unit Cost

	FY 18-19 Total	Residential Tier 1	Residential Tier 2	Non-Residential	Irrigation	Private Fire Protection
Commodity Costs - $/CCF	$0.67	$0.67	$0.67	$0.67	$0.67	$0.00
Capacity Costs - $/CCF	$1.49	$1.26	$3.38	$1.15	$1.75	$0.00
Direct Assign. Costs - $/CCF	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Total Allocated Costs - $/CCF	$2.16	$1.92	$4.04	$1.81	$2.42	$0.00
			210%			
Current Consumption Rates		$1.57	$3.11	$1.77	$1.91	$0.00
			198%			
Customer - $ / Equiv. Mtrs / month	$57.19	$57.29		$53.42	$53.31	$0.25
Fire Protection - $ / Equiv. Mtrs / month	3.96	3.26		6.51	0.00	0.24
Total - $ / Month	$61.15	$60.56		$59.94	$53.31	$0.49
Current Fixed Charge (1")	$66.67	$66.67		$66.67	$66.67	
Rate Rev $/CCF	$5.72	$7.20		$3.12	$3.16	
Allocated Rev Req $/CCF	$5.72	$7.19		$3.03	$3.42	
Basic Data						
Annualized Water Flows - CCF	2,636,783	1,812,220	236,494	404,260	183,809	0
No. of Customers	12,661	11,824		409	169	259
No. of Units	NA	NA	NA	NA	NA	NA
Equivalent Meters	12,799	11,828		683	288	31,976

Elk Grove Water District
Customer Data Projection
Rate Design
Exhibit 16 - Summary of Rate Design

	Current	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23
Residential						
1"	$66.67	$61.15	$61.15	$62.99	$64.88	$66.82
1 1/2"	93.84	86.07	86.07	88.65	91.31	94.05
2"	126.44	115.97	115.97	119.45	123.04	126.73
3"	202.52	185.76	185.76	191.33	197.07	202.98
4"	311.19	285.43	285.43	293.99	302.81	311.90
6"	582.89	534.64	534.64	550.68	567.20	584.21
8"	908.93	833.69	833.69	858.70	884.46	910.99
10"	1,289.30	1,182.57	1,182.57	1,218.05	1,254.59	1,292.23
Commodity Charge						
0 - 30 CCF	1.57	1.92	1.92	1.98	2.04	2.10
30 + CCF	3.11	4.04	4.04	4.17	4.29	4.42
Non-Residential						
1"	$66.67	$61.15	$61.15	$62.99	$64.88	$66.82
1 1/2"	93.84	86.07	86.07	88.65	91.31	94.05
2"	126.44	115.97	115.97	119.45	123.04	126.73
3"	202.52	185.76	185.76	191.33	197.07	202.98
4"	311.19	285.43	285.43	293.99	302.81	311.90
6"	582.89	534.64	534.64	550.68	567.20	584.21
8"	908.93	833.69	833.69	858.70	884.46	910.99
10"	1,289.30	1,182.57	1,182.57	1,218.05	1,254.59	1,292.23
Commodity Charge	$1.77	$1.79	$1.79	$1.84	$1.90	$1.95

Elk Grove Water District
Customer Data Projection
Rate Design
Exhibit 16 - Summary of Rate Design

	Current	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23
Irrigation						
1"	$66.67	$61.15	$61.15	$62.99	$64.88	$66.82
1 1/2"	93.84	86.07	86.07	88.65	91.31	94.05
2"	126.44	115.97	115.97	119.45	123.04	126.73
3"	202.52	185.76	185.76	191.33	197.07	202.98
4"	311.19	285.43	285.43	293.99	302.81	311.90
6"	582.89	534.64	534.64	550.68	567.20	584.21
8"	908.93	833.69	833.69	858.70	884.46	910.99
10"	1,289.30	1,182.57	1,182.57	1,218.05	1,254.59	1,292.23
Commodity Charge	$1.91	$2.27	$2.27	$2.34	$2.41	$2.48
Private Fire						
2"	$3.04	$3.02	$3.02	$3.11	$3.21	$3.30
3"	8.86	8.78	8.78	9.04	9.31	9.59
4"	18.88	18.71	18.71	19.27	19.85	20.44
6"	54.85	54.34	54.34	55.97	57.65	59.38
8"	116.88	115.80	115.80	119.27	122.85	126.54
10"	210.19	208.25	208.25	214.49	220.93	227.56
12"	339.51	336.37	336.37	346.47	356.86	367.57

Elk Grove Water District
Water Utility
Rate Design
Exhibit 17 - Residential Bill Comparison

Consumption	Current Rate	Proposed Rate	$ Change	% Change
0	$66.67	$61.15	($5.52)	-8%
4	72.95	68.84	(4.11)	-6%
6	76.09	72.69	(3.40)	-4%
10	82.37	80.38	(1.99)	-2%
14	88.65	88.06	(0.59)	-1%
18	94.93	95.75	0.82	1%
22	101.21	103.44	2.23	2%
26	107.49	111.13	3.64	3%
30	113.77	118.82	5.05	4%
34	126.21	135.00	8.79	7%
38	138.65	151.18	12.53	9%

Meter Size	Current	Proposed
1"	$66.67	$61.15
1 1/2"	93.84	86.07
2"	126.44	115.97
3"	202.52	185.76
4"	311.19	285.43
6"	582.89	534.64
8"	908.93	833.69
10"	1,289.30	1,182.57

Commodity Charge		
0 - 30 CCF	$1.57	$1.92
30 + CCF	$3.11	$4.04

Elk Grove Water District
Water Utility
Rate Design
Exhibit 18 - Non-residential Bill Comparison

Consumption	Current Rate	Proposed Rate	$ Change	% Change
1" Meter				
0	$66.67	$61.15	(5.52)	-8%
20	102.07	96.91	(5.16)	-5%
40	137.47	132.66	(4.81)	-3%
60	172.87	168.42	(4.45)	-3%
80	208.27	204.17	(4.10)	-2%
100	243.67	239.93	(3.74)	-2%
120	279.07	275.69	(3.38)	-1%
2" Meter				
40	$197.24	$187.48	(9.76)	-5%
60	232.64	223.24	(9.40)	-4%
80	268.04	259.00	(9.04)	-3%
120	338.84	330.51	(8.33)	-2%
140	374.24	366.26	(7.98)	-2%
160	409.64	402.02	(7.62)	-2%
180	445.04	437.78	(7.26)	-2%

Meter Size	Current	Proposed
1"	$66.67	$61.15
1 1/2"	93.84	86.07
2"	126.44	115.97
3"	202.52	185.76
4"	311.19	285.43
6"	582.89	534.64
8"	908.93	833.69
10"	1,289.30	1,182.57

Commodity Charge		
All Consumption /CCF	$1.77	$1.79

Elk Grove Water District
Water Utility
Rate Design
Exhibit 19 - Irrigation Bill Comparison

Consumption	Current Rate	Proposed Rate	$ Change	% Change
1 1/2" Meter				
0	$93.84	$86.07	(7.77)	-8%
100	284.84	313.42	28.58	10%
200	475.84	540.78	64.94	14%
300	666.84	768.13	101.29	15%
400	857.84	995.48	137.64	16%
500	1,048.84	1,222.83	173.99	17%
600	1,239.84	1,450.18	210.34	17%
2" Meter				
0	$126.44	$115.97	(10.47)	-8%
100	317.44	343.33	25.89	8%
200	508.44	570.68	62.24	12%
300	699.44	798.03	98.59	14%
400	890.44	1,025.38	134.94	15%
500	1,081.44	1,252.73	171.29	16%
600	1,272.44	1,480.09	207.65	16%

Meter Size	Current	Proposed
1"	$66.67	$61.15
1 1/2"	93.84	86.07
2"	126.44	115.97
3"	202.52	185.76
4"	311.19	285.43
6"	582.89	534.64
8"	908.93	833.69
10"	1,289.30	1,182.57

Commodity Charge		
All Consumption /CCF	$1.91	$2.27

July 18, 2018

TO: Chairperson and Directors of the Florin Resource Conservation District

FROM: Mark J. Madison, General Manager

SUBJECT: **OUTSIDE AGENCY MEETINGS REPORT**

RECOMMENDATION

This item is presented for information only. No action by the Florin Resource Conservation District Board of Directors is proposed at this time.

SUMMARY

The Outside Agency Meetings Report has been recently requested by the Board and will be included as a standing item on the regular board meeting agenda.

Staff and Board Members attended numerous outside agency meetings since the last regular Board meeting. This report is intended to inform the Board of any content included in those meetings that potentially affects the Elk Grove Water District.

DISCUSSION

Background

Per the Board's direction during the February 21, 2018 Board meeting, staff will report on the outside agency meetings that occurred since the previous Board meeting. This report has been designed to list the notable meetings attended, by either staff or Board Members, and the report will be given orally by the staff or Board Members in attendance.

Present Situation

The outside agency meetings attended since June 20, 2018 were as follows:

6/22	AWWA Government Affairs Committee	(Jones)
6/26	RWA Public Outreach Committee Meeting	(Jones)
6/27	SCGA Special Board Meeting	(Madison)
6/28	RWA Legislative Committee Meeting	(Jones)
7/11	Elk Grove City Council Meeting	(Madison)
7/12	Regional Water Authority Meeting	(Madison)

Staff will orally present the major content items addressed in these meetings during the regular Board meeting.

ENVIRONMENTAL CONSIDERATIONS

There are no direct environmental considerations associated with this report.

STRATEGIC PLAN CONFORMITY

The District's Strategic Plan addresses responsible business practices and the importance of providing the community with safe drinking water. Specifically, the Plan recommends an ongoing goal of partnering with RWA and other regional organizations. Attendance at these meetings, and this monthly report, assists the District in maintaining sound business practices, delivering safe drinking water, and meeting all regulatory and legal requirements.

FINANCIAL SUMMARY

There is no financial impact associated with this report.

Respectfully Submitted,

MARK J. MADISON
GENERAL MANAGER

MJM/mm

July 18, 2018

TO: Chairman and Directors of the Florin Resource Conservation District

FROM: Sarah Jones, Program Manager

SUBJECT: **LEGISLATIVE UPDATE**

RECOMMENDATION

This item is presented for information only. No action by the Florin Resource Conservation District Board of Directors is proposed at this time.

SUMMARY

The California Legislature is currently in summer recess until August 6, there are no updates at this time. Proposition 68, The California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Act was approved by voters in June which authorized $4.1 billion in general obligation bonds. Proposition 3, the Water Supply and Water Quality Act of 2018 will be on the November ballot. If approved by voters this water bond would allocate 8.9 billion dollars for water related projects. Grant funding through Proposition 68 and Proposition 3 (if passed) may be available for various projects throughout the state.

DISCUSSION

Background

The Board is periodically updated on legislative and statewide water issues.

Present Situation

The California Legislature is currently in summer recess until August 6, there are no updates at this time.

Proposition 68, The California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Act was approved by voters. Proposition 68 authorized $4 billion in general obligation bonds for state and local parks, environmental protection and restoration projects, water infrastructure projects, and flood protection projects. This includes an allocation of 1.6 billion for water-related projects including funding to provide safe drinking water to disadvantaged communities, improve water supply reliability, help

implement the Sustainable Groundwater Management Act and restore critical watersheds.

Proposition 3, the Water Supply and Water Quality Act of 2018 will be on the November ballot. If approved by voters this water bond would allocate 8.9 billion dollars to fund projects for water supply and quality, watershed restoration, fish and wildlife protection, sustainable groundwater management and repair of existing dams and canals. Grant funding through Proposition 68 and Proposition 3 (if passed) may be available for various projects and infrastructure improvements throughout the state (attachment).

ENVIRONMENTAL CONSIDERATIONS

There are no direct environmental considerations associated with this report.

STRATEGIC PLAN CONFORMITY

Tracking active legislation complies with the District's Regulatory Compliance goals of the 2012-2017 Strategic Plan.

FINANCIAL SUMMARY

There is no direct financial impact associated with this report.

Respectfully submitted,

Sarah Jones

SARAH JONES
PROGRAM MANAGER

Attachment

WATER BONDS FUNDING
COMPARISON

Funding Category	Proposistion 68 $4.1 B (June Ballot)	November Bond $8.9 B
	Funding in Millions	Funding in Millions
Forest Protection	$110	$120
Recycled Water and Desalination	$80	$800
Safe Drinking Water (and Wastewater)	$330	$750
SGMA Implementation	$50	$640
Conservation	$20	$365
Flood Management	$550	$500
Stormwater	$100	$400
Oroville Dam Safety	$0	$222
Madera & Friant-Kern Canals Improvements	$0	$750

This is a highlight comparison of the funding categories in the two water bonds. This is not a complete list of the funding categories.

This publication is intended to provide general information about how Proposition 68 and the proposed November water bond would affect ACWA member agencies. Readers are encouraged to research the opponents' and proponents' views on both bonds.

FOR MORE INFORMATION

Questions about the two water bonds may be directed to ACWA Deputy Executive Director for Government Relations **Cindy Tuck** at **cindyt@acwa.com**.