

Central Services
Joan Araujo, Director

Engineering Services
Christopher Cooper, Director

Transportation
David Fleisch, Director

Water & Sanitation
Joseph Pope, Director

Watershed Protection
Glenn Shephard, Director

Representing: Ventura County Waterworks District Nos. 1, 16, 17, 19, and 38
County Service Area Nos. 29, 30, and 34

April 23, 2020

**NOTICE OF A MEETING OF THE
VENTURA COUNTY WATERWORKS DISTRICT NO. 19
CITIZENS' ADVISORY COMMITTEE**

NOTICE IS HEREBY GIVEN that a meeting of the Ventura County Waterworks District No. 19 Citizens' Advisory Committee will be held **Friday, May 1, 2020 from 3:30 p.m. to adjournment** via Zoom. To electronically join the meeting please follow the provided steps – At the specific time (3:30 p.m.) dial the number (669) 900-6833, when prompted enter the meeting ID 470 052 7072. You can also join the meeting by visiting this link - **Join Zoom Meeting** <https://us02web.zoom.us/j/4700527072>

Advisory Committee Members: Please contact the District Office by telephone at (805-378-3005), or by email at wspc@ventura.org, no later than April 29, if you are unable to participate on the call.

Sincerely,



Joseph C. Pope, Director
Water and Sanitation Department

AGENDA OF MEETING

IN ACCORDANCE WITH THE CALIFORNIA GOVERNOR'S EXECUTIVE STAY AT HOME ORDER AND THE COUNTY OF VENTURA HEALTH OFFICER DECLARED LOCAL HEALTH EMERGENCY AND BE WELL AT HOME ORDER RESULTING FROM THE NOVEL CORONA VIRUS, THE MOORPARK WATER AND SANITATION BUILDING IS CLOSED TO THE PUBLIC. TO FIND OUT HOW YOU MAY ELECTRONICALLY ATTEND THE CAC MEETING AND PROVIDE PUBLIC COMMENT PLEASE REFER TO "NOTICES" LOCATED ON PAGE 3 AND 4 OF THIS AGENDA.



1. CALL TO ORDER
2. APPROVAL OF THE MINUTES OF THE DECEMBER 19, 2019 MEETING MINUTES AND FEBRUARY 28, 2020 SPECIAL MEETING MINUTES
3. PUBLIC COMMENTS - Members of the public may address the Citizens' Advisory Committee on items of interest to the public that are within the subject matter jurisdiction of the Committee but do not appear on the agenda. With respect to agenda items, the public will be given an opportunity to address the Committee when the item is reached in the meeting.
4. COMMITTEE MEMBER'S COMMENTS - Members of the Citizens' Advisory Committee may address the meeting with information or observations relevant to the operation of District 19 but do not appear on the Agenda.
5. DISTRICT STAFF REPORT
 - A. FINANCIAL REVIEW
 1. Update on the current financial status of District 19 including:
 - a. Cash Flow Analysis sheet showing revenue and expense items
 - b. Acquisition & Replacement Fund sheet showing sources and uses of funds
 - c. Financial Status Report for Operations and Maintenance
 2. Report from the CAC Financial Subcommittee
 3. Financial projections and budget review
 - B. CAPITAL PROJECTS REVIEW
 1. Progress Report for Active Capital Projects with updated timelines
 2. Financial Status Report for Capital Projects
 - C. STATE OF WATER DISTRICT 19 INFRASTRUCTURE
 1. Recent or in progress repairs
 2. Upgrades or improvements planned
 - D. WATER FACTS
 1. Water Supply
 - a. Updated District 19 Water Production and Sales Reports
 - b. Status of water supply available through State projects
 2. Water Quality
 - a. Resolution of water quality complaints from District customers
 - b. Update on pumped groundwater and delivered potable water quality



3. Water Costs

- a. Cost of water purchased from Calleguas Municipal Water District
- b. Groundwater allocation from Fox Canyon GMA
- c. Litigation status to secure pumping allocation (*FCGMA V. LPVWRC*)

E. ADMINISTRATIVE UPDATE – An update on issues related to administration of the District including billing, charges, fees, programs, etc.

- 1. Miscellaneous Fees Board Letter 5/5/2020
- 2. Well 2 Financial Planning Committee Report to Board 5/19/2020

F. DIRECTOR'S INFORMATIONAL ITEMS – Provides the opportunity for the Director to present items that are not within the subject matter of the District's Staff Report

1. Somis 360-unit Farmworker Housing

a. Requires: CEQA EIR; Conditional Use Permit: Planned Development Permit: and Tentative Parcel Map

b. Water availability subject to all of above items, plus construction of water system improvements funded by the developer

6. AVENUES OF PUBLIC OUTREACH – An update on how the District is reaching out to its customers concerning water conservation.

7. FUTURE AGENDA ITEMS

8. ADJOURNMENT

****NOTICES:** The following information is provided to help you understand, follow, and participate in the Board meeting: Public Comments – Public comment is the opportunity for members of the public to participate in meetings by addressing the Citizens Advisory Committee in connection with one or more agenda or non-agenda items.

- Observe the Citizens Advisory Committee meeting live at:
<https://us02web.zoom.us/j/4700527072>
- If you wish to make a comment on a specific agenda item, please submit your comment via email by 5:00 p.m. on the Thursday prior to the Committee meeting. Please submit your comment to WSPC@ventura.org. Please indicate in the Subject Line, the Agenda item number (e.g., Item No.



3A). Your email will be read by the Water and Sanitation Director and placed into the record.

- **If you are watching the live stream of the Committee meeting and would like to make a general public comment for items not on the day's agenda or to comment on a specific agenda item as it is being heard, please submit your comment to WSPC@ventura.org. Please indicate in the Subject Line, the Agenda item number (e.g., Item No. 3A). Every effort will be made to read your comment into the record, but some comments may not be read due to time limitations. Comments received after an agenda item will be made part of the record if received prior to the end of the meeting.**

IN COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT, IF YOU NEED SPECIAL ASSISTANCE TO PARTICIPATE IN THIS MEETING, PLEASE CONTACT CAYTLYN CAYLOR AT (805) 378-3005.



REVISED Draft

**CITIZENS' ADVISORY COMMITTEE
VENTURA COUNTY WATERWORKS DISTRICT NO. 19
MINUTES OF THE DECEMBER 19, 2019 MEETING**

COMMITTEE MEMBERS IN ATTENDANCE: Diana Enos, David Hutter, Lynette Buchanan-Roth, Kirby Thomas, and Kathy Janowski

COMMITTEE MEMBERS ABSENT: None

COMMITTEE MEMBER VACANCY: None

STAFF: Joseph Pope, Director
Eric Keller, Operations and Maintenance Deputy Director
Kamran Iradjpanah, Engineering Manager
Caytlyn Caylor, Management Assistant III
Dave Hazen, Water Superintendent
Sean Hanley, Water Supervisor

GUESTS: Walt Brand, Brett Tibbitts, and Jerry Wall

* * *

1. CALL TO ORDER

The meeting was called to order at 3:34 p.m.

2. APPROVAL OF THE MINUTES OF THE SEPTEMBER 20th SPECIAL MEETING AND OCTOBER 17th, 2019 REGULAR MEETING

- Both meeting minutes were approved as provided by Staff

3. PUBLIC COMMENTS

Question on Capital Project Well No.2: please explain how the Water and Sanitation staff charges are allocated. It was believed that staff charges are split evenly between all the Water Districts.~~No Public comments addressed~~

Answer: Mr. Pope informed the public/committee that the budget allocation is divided between Capital Projects and Operations/Maintenance.

4. ACTION ITEM – Nominate and Elect Chair and Vice Chair of the Citizen Advisory Committee for the Waterworks District 19

- I. Lynette Buchanan-Roth nominated as Chair
- II. David Hutter nominated as Vice Chair

5.

A. CAPITAL PROJECTS REPORT

Well No. 2 Iron and Manganese Treatment Facility

- Well # 2 received Government funding for \$2.65 million that doesn't expire
- The bidding for the construction contract has been closed, the lowest bid is valid through February of 2020 to either accept or turn down the bids~~Estimated time for finalization 210 days (2 fiscal years)~~
- Contract award will be made before the February expiration date~~Finalizing project plans and specs to move forward~~
- Mr. Pope mentioned that the project might be able to be funded without getting a loan, however it might deplete the Districts Capital Reserves and would require other projects to be shifted based on priority
- The contingency for this project should be nominal but will still need to be included in the District 19 budget
- It's estimated that this project will be extended over two fiscal years but 210 days

Reservoir #538 Tank Replacement

- Mr. Keller informed the Committee that this tank will need to be torn down/replaced as it is in extremely bad condition and had to be taken off line for an emergency recoating. The tank will be torn down and replaced, this project is #2 priority on the Districts Capital Projects list

LA Avenue Pipe Replacement

- This project is anticipated to cost around 3 million dollars and falls as priority #3 on the Capital Projects

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B. WATER QUALITY REPORT

- (1) Pressure Complaint
 - Low pressure caused by sheered hydrant. It was shut down and the pressure returned to normal after the hydrant was shut down
- (1) Discoloration Complaint
 - Water Discoloration-Hydrant North of Donlon Road property had high color. Line has been flushed customer will be notified so that they may flush out their water heater

C. WATER SUPPLY CONDITIONS

Conditions remain healthy

D. FOX CANYON GROUNDWATER MANAGEMENT AGENCY (GMA) / LAS POSAS USERS GROUP (LPUG) UPDATE

- Allocation for District 19 is 1,844 acres/year we can pump without penalty.

Mr. Pope informed the committee that he has not attended a LPUG meeting. Instead took this time to speak on settlement agreement.

- The settlement agreement sets our pumping allocation to 12.3% of the "safe yield" of groundwater basin. Court date set for April 17th.

E. CALLEGUAS MUNICIPAL WATER DISTRICT (CALLEGUAS)/ METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA (METROPOLITAN) UPDATE

No updates given at the time of meeting

F. AVENUES OF PUBLIC OUTREACH

Mr. Pope proposed to hold an open house/ public meeting to educate and discuss questions amongst the rest of the community such as: "What are the challenges?", "What are we doing to meet challenges?", and "Here's what we can do."

G. ADMINISTRATIVE UPDATE

No updates at time of CAC meeting

H. BOARD LETTER TRACKER: AN UPDATE ON VENTURA COUNTY BOARD OF SUPERVISORS AGENDA ITEMS RELATED TO THE DISTRICT

Mr. Pope stated no new updates that directly affect this district

I. BUDGET AND FINANCIAL REVIEW

- 1.3 million estimates on our O and M labor-seemed too high. A budgeted amount from prior numbers seemed more accurate.
- Water purchases from Calleguas estimated projection was 1.265 million by the end of year-we have only spent \$208,000 so far.
- The Committee asked what the repercussions would be if the Greentree Reservoir tank project be postponed to the next fiscal year where Mr. Keller informed them that the tank is not in any danger of blowouts at this time, but this project has been postponed already

and bids have been placed for this contract. It would be ideal to take the tank out of service in winter months when water demand is low. Mr. Pope stated the cost for this project would deplete the financial reserves and would need to be approved by the County Financial Committee to see if the remaining funds can be used for the Well #2 project.

- Ms. Janowski commented that the water sales revenue is aggressive and will be unachievable for the District

J. DIRECTOR'S INFORMATIONAL ITEMS

Mr. Pope presented Somis District water pipe maps with items colored based on age of the pipe line. In 2017 when the Water and Sanitation Department received the USDA Loan did expire before the Capital Project Priority item #1 (Well No.2 Treatment Facility) was able to be constructed. However, with the new grant of 2.65million issued to us we will now not be having to pay interest on the project cost. None

6. COMMITTEE MEMBERS' COMMENTS/FUTURE AGENDA ITEMS

Committee Members Comments –

Ms. Kathy Janowski asked: Should a study be made on the pipe conditions and what needs to be done to suit the needs of Somis? Should a dual pipe system be placed, one for potable water and one for ag. Water?

Answer: Mr. Pope informed the Committee that a study for a separate water system has been made and would be a higher cost to the District. Running two parallel water systems would not be saving the customers of Somis more money. Mr. Pope asked the Committee that if they would like to have an Engineering firm study this option further, then a cost of anywhere between (\$150,000-\$200,000) to commission this study.

Future Agenda Items–

- Meter replacements
- USDA Pipe replacement
- Zone 538

7. ADJOURNMENT - The meeting adjourned at 5:28 p.m.

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**CITIZENS' ADVISORY COMMITTEE
VENTURA COUNTY WATERWORKS DISTRICT NO. 19
MINUTES OF THE FEBRUARY 28, 2020 SPECIAL MEETING**

COMMITTEE MEMBERS IN ATTENDANCE: David Hutter, Lynette Buchanan-Roth, Kirby Thomas, and Kathy Janowski

COMMITTEE MEMBERS ABSENT: Diana Enos

COMMITTEE MEMBER VACANCY: None

STAFF: Jeff Pratt, Agency Director
Joseph Pope, Director
Eric Keller, Operations and Maintenance Deputy Director
Dave Hazen, Water Superintendent
Sandy Harrison, Staff Services Specialist II
Caytlyn Caylor, Management Assistant III

GUESTS: Brenny Coates, Dana & Brett Tibbitts, Walt Janowski, Terry Wall, John Nisbet, Jorge Reyes

* * *

1. CALL TO ORDER

The meeting was called to order at 3:32 p.m.

2. APPROVAL OF THE MINUTES OF THE DECEMBER 19, 2019 MEETING

- The CAC members requested additional details to be added to the December meeting minutes and did not approve the minutes as presented
- Approval of the minutes from December 19, 2019 – postponed until next WWD19 CAC meeting

3. PUBLIC COMMENTS

Brett Tibbitts – questioned Mr. Pope on what the Financial Planning Committee is, as he was unable to find information on who/what the Planning Committee entailed. Mr. Pope answered that he will discuss the Financial Planning Committee under Capital Projects.

5.

A. CAPITAL PROJECTS REPORT

Well No. 2 Iron and Manganese Treatment Facility

- Mr. Pope commented that he was requested to present the Well No. 2 financial information to the Financial Planning Committee (FPC) at the County and was informed from the FPC that the

District 19 could not move forward with the Well No.2 project due to insufficient revenue. The FPC is responsible for giving the Board of Supervisors their recommendation on approval of loans.

B. WATER QUALITY REPORT

- (2) Pressure Complaints and (1) Odor
 - (1) Odor Complaint – Water Staff pulled sample from the hydrant nearest to the house, sample had slight color which is typical of water in the area but no odor. The staff member informed the customer the smell is likely coming from the drain/septic system
- (2) Pressure Complaints
 - 1 – Customers pressure regulator is malfunctioning. Staff informed the customer and provided him with a customer hand valve
 - 2 – Customer noticed that the pressure would randomly fluctuate. Informed the customer that the fluctuation could be from the demand on the system and the department would double check to ensure the pressure reducing stations are operating properly

C. WATER SUPPLY CONDITIONS

Conditions remain healthy with the North Sierra snow pack at 47% that is normal for the time of year

D. FOX CANYON GROUNDWATER MANAGEMENT AGENCY (GMA) / LAS POSAS USERS GROUP (LPUG) UPDATE

- Mr. Pope did not attend the latest LPUG Meeting due to schedule meeting conflict

E. CALLEGUAS MUNICIPAL WATER DISTRICT (CALLEGUAS)/ METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA (METROPOLITAN) UPDATE

- No updates given at the time of meeting

F. AVENUES OF PUBLIC OUTREACH

- Mr. Pope is proposing to hold an “open house/ meet your Water staff” type meeting. This will be an open type format with staff from all the water departments available to answer any questions or concerns.

G. ADMINISTRATIVE UPDATE

The Committee had questions regarding the new Lien process that was passed by the Board of Supervisors. Mr. Pope informed the Committee/public of the FAQs that were posted on the website.

H. BOARD LETTER TRACKER: AN UPDATE ON VENTURA COUNTY BOARD OF SUPERVISORS AGENDA ITEMS RELATED TO THE DISTRICT

Mr. Pope stated no new updates that directly affect this district

I. BUDGET AND FINANCIAL REVIEW

- 1.3 million estimates on our O and M labor-seemed too high. A budgeted amount from prior numbers seemed more accurate.
- Water purchases from Calleguas estimated projection was 1.265 million by the end of year-we have only spent 208,000 so far.

J. DIRECTOR'S INFORMATIONAL ITEMS

- Mr. Pope discussed the
 - sanitary survey
 - Water efficiency legislation
 - And the Districts pipe age, that the department has installed 25% new pipes since 1980

6. COMMITTEE MEMBERS' COMMENTS/FUTURE AGENDA ITEMS

Committee Member Comments –

Ms. Lynette Buchan-Roth spoke at the beginning of the meeting to brief the public on what the Citizens Advisory Committee (CAC) roles are, that the Committee is there to help bridge the gap between the County and residents of Somis. She expressed frustrations on the continued lack of effort received since the County took control of Waterworks District 19 Somis. Her main concern was for the Districts Capital Projects and lack of seeing progress or projects completed. Ms. Buchan-Roth reiterated that the CAC Members request financial reports based off actuals and not projections. She would like to see reports on funding options to fund Capital Projects for the District.

Mr. Dave Hutter would like to see a new report (graph) on water rates based on smaller increments (3%-9%) scale

Ms. Kathy Janowski mentioned that she would like to be provided additional financial reports that aren't being covered/discussed at the meetings.

Committee Member Lynette proposed to create a "Financial Subcommittee" to discuss and breakdown the Districts Financial reports to give the Committee better input from a Committee Members perspective.

- Motion proposed by Lynette
- Seconded by Dave Hutter
- Financial Subcommittee Members are Kathy Janowski and Dave Hutter

Ms. Kathy Janowski proposed to hold a Special CAC meeting in the month of March to better discuss Financial reports and grant/loan opportunities. The regular scheduled WWD19 CAC is scheduled in April.

Future Agenda Items–

- Ms. Buchan-Roth would like the agenda format revised and proposed to provide which items should be discussed before the agenda be posted. The requested format/ items would need to be reviewed and approved by Mr. Pope.
- A report on allocation of cost

7. ADJOURNMENT - The meeting adjourned at 5:24 p.m.

WW#19 Somis Detailed ADHOC Analysis											
1	Total Beginning Balances			\$841,196	\$716,306	\$612,560	\$912,905	\$1,121,247	\$997,745	\$997,745	\$997,745
2	Total Ending Balances			\$716,306	\$612,560	\$912,905	\$1,121,247	\$997,745	\$211,090	\$576,805	\$512,669
3											
4	Total Required Fund Balance			\$814,753	\$858,149	\$676,487	\$930,921	\$935,572	\$1,090,613	\$662,225	\$902,576
5	Alert			Alert	Alert	ok	ok	ok	\$211,090	\$576,805	\$512,669
6											
7	O&M/ Rate Stab Fund	FMS ACT#		FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL	FY19 ACTUAL	ADJUSTED BUDGET	FY20 ACTUAL	FY20 YR-END PROJECTION
8	Beginning Balances			\$841,196	\$716,306	\$225,774	\$270,267	\$295,259	\$0	\$0	\$0
9											
10	Operating Revenue										
11	Interest Earnings	8911			\$0	\$0	\$0	\$0	\$0	\$0	\$0
12	Federal & State Disaster				\$0	\$0		\$0	\$0	\$0	\$0
13	State Aid - SB90			\$1,400	\$0	\$0		\$0	\$0	\$0	\$0
14	Meter Sales & Install/Line Ext. Fee	9613		\$1,300	\$225	\$3,700	\$1,035	\$2,740	\$800	\$530	\$800
15	Planning/Engr Svc Fee	9481			\$0	\$0	\$0	\$0	\$200	(\$125)	\$200
16	Permit Fees	9708		\$800	\$0	\$0	\$0	\$590	\$0	\$0	\$600
17	Water Sales	9614		\$2,866,700	\$2,655,209	\$2,682,883	\$3,653,453	\$3,343,157	\$3,895,887	\$2,067,951	\$3,331,900
18	Other revenue - misc.	9708/9751/9790		\$140,400	\$204,737	\$45,612	\$67,277	\$68,338	\$70,700	\$43,579	\$55,200
19	Total - Operating Revenue			\$3,010,600	\$2,860,171	\$2,732,195	\$3,721,765	\$3,414,824	\$3,967,587	\$2,111,935	\$3,388,700
20											
21	Operating Expenditure										
22	Phone/Supplies/Bad Deb/Misc	See Sch		\$125,350	\$119,896	\$52,785	\$122,452	\$48,130	\$52,675	\$60,736	\$73,895
23	System Maint. Repairs & Replac.	See Sch		\$308,900	\$290,384	\$220,914	\$353,960	\$528,832	\$326,148	\$171,060	\$225,500
24	Indirect Cost Recovery	2158		\$8,900	\$16,144	\$21,978	\$24,000	\$14,577	\$18,600	\$9,299	\$18,600
25	O&M Labor Charges	2205		\$819,900	\$836,714	\$836,934	\$776,700	\$922,425	\$1,066,200	\$991,603	\$1,169,800
26	State Permit/Fees	2159-F01		\$11,900	\$13,710	\$11,200	\$12,400	\$17,800	\$12,000	\$14,626	\$14,626
27	Legal Cost	2185		\$0	\$5,542	\$13,467	\$9,666	\$94,216	\$66,000	\$86,111	\$116,000
27	Mgmt /Admin./ Eng. Svcs	2204		\$121,500	\$127,100	\$120,700	\$135,600	\$128,000	\$116,600	\$91,575	\$116,600
28	Special Technical Services	See Sch		\$8,400	\$15,566	\$32,582	\$8,972	\$2,778	\$83,049	\$2,610	\$16,600
29	Water Analysis	2188		\$11,000	\$7,331	\$8,448	\$7,400	\$7,778	\$14,000	\$3,916	\$10,500
30	Cross Connection Fees	2159-XC59		\$5,100	\$3,870	\$5,200	\$3,900	\$5,300	\$5,200	\$4,140	\$5,340
31	Groundwater Extraction	2312-FX12		\$9,200	\$15,700	\$20,200	\$23,200	\$19,700	\$18,400	\$0	\$18,400
32	Water Purchase	2312		\$915,800	\$1,027,660	\$367,742	\$1,298,800	\$916,935	\$1,326,700	\$313,265	\$622,544
33	Water System Power	2313		\$454,500	\$429,263	\$425,961	\$383,100	\$434,887	\$550,500	\$355,630	\$502,100
34	Water Maintenance Supply				\$0	\$0	\$0	\$0	\$0	\$0	\$0
35	Conservation Program	2159-CS59		\$0	\$0	\$0	\$0	\$0	\$5,000	\$0	\$5,000
36	Meter Replacement & Change Out	2264		\$71,900	\$9,400	\$33,200	\$0	\$54,820	\$109,000	\$108,320	\$108,320
37	Other Loan Pymts-Principal	3212		\$75,500	\$63,000	\$65,000	\$67,000	\$70,000	\$72,000	\$72,000	\$72,000
38	Other Loan Pymts-Interest	3452		\$116,900	\$92,901	\$95,852	\$101,348	\$91,130	\$88,900	\$37,561	\$88,900
39	Depreciation Expense	3361		\$127,300	\$271,622	\$340,961	\$341,451	\$341,451	\$341,400	\$257,025	\$341,400
40	Right of Way Easements Purchase	3552			\$4,900	\$0	\$0	\$0	\$0	\$0	\$0
	Right of Way Easements Tempora	3553							\$0	\$300	\$300
41	Debt Contra	3992				\$0	\$0	\$0	\$0	\$0	\$0
42	Debt & Capital Reserve Contributi	5111			\$0	\$14,578	\$0	\$1	\$51,700	\$51,692	\$51,700
43	Contribution - ISF	5111		\$10,800	\$0	\$0	\$26,825	\$16,190	\$10,100	\$0	\$10,100
44	Total - Operating Expenditure			\$3,202,850	\$3,350,702	\$2,687,702	\$3,696,774	\$3,714,951	\$4,334,172	\$2,631,467	\$3,588,225
45	Result of Operation			(\$192,250)	(\$490,532)	\$44,493	\$24,991	(\$300,127)	(\$366,585)	(\$519,533)	(\$199,525)
46	Transfer to/fr Capital Reserve			\$67,360				\$4,869	\$366,585	\$519,533	\$199,525
47	O&M Fund Balance Reserve:			\$716,306	\$225,774	\$270,267	\$295,259	\$0	\$0	\$0	\$0
48					\$0						
49	Minimum Balance										
50	25%	of O&M expenses		\$800,713	\$837,676	\$671,926	\$924,193	\$928,738	\$1,083,543	\$657,867	\$897,056
51	10%	of rate revenue		\$14,040	\$20,474	\$4,561	\$6,728	\$6,834	\$7,070	\$4,358	\$5,520
52											

			FY15	FY16	FY17	FY18	FY19	FY20			
			ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ADJUSTED		FY20 YR-END	
53	Acquisition&Replacement Fund							BUDGET	FY20 ACTUAL	PROJECTION	
54	Beginning Balances		\$0	\$0	\$386,785	\$642,638	\$825,989	\$997,745	\$997,745	\$997,745	
55											
56	Capital Sources of Funds										
57	Interest Earnings	8911	\$2,000	\$4,713	\$6,809	\$15,000	\$25,012	\$26,800	\$7,368	\$26,800	
58	Capital Impr Charges	9615	\$6,000	\$2,395	\$44,000	\$6,000	\$22,762	\$8,000	\$6,000	\$8,000	
59	Loan Proceed	9841 (USDA Loan)	\$1,018,160	\$300,430	\$0	\$0	\$0	\$4,925,000	\$0	\$0	
60	Other Revenue-Misc	9790	\$527,400	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
61	Gain/Loss Revenue Capital Asset	9822		(\$5,340)	\$0	\$0					
62	Depreciation Expense	3611 CY Funded	\$127,300	\$271,622	\$340,961	\$341,451	\$341,451	\$341,400	\$257,025	\$341,400	
63	Total - Capital Sources of Funds		\$1,680,860	\$573,820	\$391,770	\$362,451	\$389,226	\$5,301,200	\$270,393	\$376,200	
64											
65	Capital Uses of Funds										
66	Water System Replacement & Construction Projects:										
67	Misc Water System Improvement	2112	\$156,700	\$84,052	\$104,018	\$8,500	\$26,076	\$388,694	\$31,017	\$357,800	
68	General System Improvement	4112	\$6,700	\$3	\$0	\$0	(\$0)	\$70,000	\$88,451	\$0	
69	Well#4 Treatment Fac Repl	4112	\$30,300	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
70	Well 2 Treatment Facility	4112		\$1,510	\$0	\$128,500	\$119,930	\$0	\$39,260	\$143,895	
71	Well#2 Treatment Facility	4114			\$0	\$0	\$0	\$0	\$0	\$0	
72	Pipe Replacement at Caltrans	4112			\$0	\$0	\$0	\$0	\$0	\$0	
73	NewCalleguasWtrTrnout	4112	\$1,300	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
74	Sand Canyon Waterline & BPS	4112	\$504,200	\$6,480	\$0	\$0	\$0	\$71,946	\$0	\$0	
75	Pipe Replacement Caltrans ROW	4114	\$914,200	\$0	\$0	\$0	\$0	\$1,300,000	\$3,216	\$3,216	
76	Pipe Replacement Caltrans	4114	\$100	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
77	Well 3 Replacement	4114		\$0	\$0	\$0	\$0	\$0	\$0	\$0	
	Bradley Rd Turnout	4114		\$0	\$0	\$0	\$0	\$115,000	\$0	\$50,000	
78	538 Reservoir Replacement	4112		\$0	\$0	\$22,500	\$44,909	\$3,766,230	\$7,927	\$93,883	
79	538 Transmission Replacement	4112		\$0	\$0	\$9,300	\$11,786	\$0	\$1,929	\$3,557	
80	Water Construction Project	4114		\$2,490	\$0	\$0	\$0	\$0	\$0	\$0	
81	Total Syst. Replc & Construc Proj.		\$1,613,500	\$94,535	\$104,018	\$168,800	\$202,701	\$5,711,870	\$171,800	\$652,350	
82	Misc Expense			\$0	\$0	\$0	\$0	\$0	\$0	\$0	
83	System Maint, Repairs & Replc.			\$0	\$0	\$0	\$0	\$0	\$0	\$0	
84	Engineering Services	2204		\$31,800	\$31,900	\$10,300	\$9,900	\$6,400	\$0	\$6,400	
85	Other Equipment	4601		\$0	\$0	\$0	\$0	\$3,000	\$0	\$3,000	
86	Contributions-ISF & Other Funds	5111		\$0	\$0	\$0	\$0	\$0	\$0	\$0	
87	Prior Year CAFR Adjustments	ACO									
88	Total - Capital Uses of Funds		\$1,613,500	\$126,335	\$135,918	\$179,100	\$212,601	\$5,721,270	\$171,800	\$661,750	
89	Net Cash Balance		\$67,360	\$447,485	\$255,852	\$183,351	\$176,625	(\$420,070)	\$98,593	(\$285,550)	
90	Transfer to/fr O&M / Rate Stabilization Fund		(\$67,360)	\$0	\$0	\$0	(\$4,869)	(\$366,585)	(\$519,533)	(\$199,525)	
91	CAFR Adjustments	ACO		(\$60,700)							
92	Ending Capital Fund Balance Reserve		\$0	\$386,785	\$642,638	\$825,989	\$997,745	\$211,090	\$576,805	\$512,669	

WATERWORKS DISTRICT NO. 19 - WATER
OPERATIONS AND MAINTENANCE
FINANCIAL STATUS REPORT

	Current Period Activities to AP09 Ended 03/31/20						
		A	B	B	C	D	E
		ACTUAL	ADOPTED BUDGET	ADJUSTED BUDGET	CURRENT	% of	Yr-End
	DESCRIPTION	FY 19	FY 20	FY 20	ACTUAL	Act vs Bud	Projection
1	EXPENDITURES					c/b	
2	System Maint. Repairs & Replac.	528.8	309.1	326.1	171.1	0.5	225.5
3	Pipes, Fitting, Valves & Other Maint. Supp	177.1	136.0	136.0	96.0	70.6%	104.4
4	Maintenance Contract	349.7	173.1	190.1	75.1	39.5%	121.1
5	Other Maintenance	2.0	-	0.0	0.0		0.0
6	Special Technical Services	2.8	79.0	83.0	2.6	0.0	16.6
7	Reservoir & Well Insp	-	-	0.0	0.0		0.0
8	Design & Print CCR Rpt and Others	-	34.0	34.0	0.0	0.0%	5.0
9	Urban Water MGMT Plan & Master Plan Updates	-	25.0	25.0	0.0	0.0%	0.0
10	SCADA Reporting	-	20.0	20.0	0.0	0.0%	5.0
11	Software Maintenance	2.8	-	0.0	2.6		2.6
12	Consultant - Rate Study	-	-	4.0	0.0	0.0%	4.0
13	O&M Labor Charges	922.4	1,066.2	1,066.2	991.6	93.0%	1169.8
14	State Permit/Fees	17.8	12.0	12.0	14.6	121.9%	14.6
15	Mgmt /Admin./ Eng. Svcs	128.0	116.6	116.6	91.6	78.5%	116.6
16	Legal Cost	94.2	66.0	66.0	86.1	130.5%	116.0
17	Water Analysis	7.8	14.0	14.0	3.9	28.0%	10.5
18	Cross Connection Fees	5.3	5.2	5.2	4.1	79.6%	5.3
19	Groundwater Extraction	19.7	18.4	18.4	0.0	0.0%	18.4
20	Water Purchase	916.9	1,326.7	1,326.7	313.3	23.6%	622.5
21	Water System Power	434.9	550.5	550.5	355.6	64.6%	502.1
22	Water Maintenance Supply	-	-	0.0	0.0		0.0
23	Conservation Program	-	5.0	5.0	0.0	0.0%	5.0
24	Meter Replacement & Change Outs	54.8	109.0	109.0	108.3	99.4%	108.3
25	Phone/Supplies/Bad Deb/Misc	48.1	52.3	52.7	60.7	115.3%	73.9
26	Indirect Cost Recovery	14.6	18.6	18.6	9.3	50.0%	18.6
27	Other Loan Pymts-Principal	70.0	72.0	72.0	72.0	100.0%	72.0
28	Other Loan Pymts-Interest	91.1	88.9	88.9	37.6	42.3%	88.9
29	Depreciation Expense	341.5	341.4	341.4	257.0	75.3%	341.4
30	Right of Way Easements Purchase	-	-	0.0	0.0		0.0
31	Right of Way Easements Temporary	-	-	0.0	0.3		0.3
32	Contribution - ISF	16.2	10.1	10.1	0.0	0.0%	10.1
33	Debt & Capital Reserve Contributions	0.0	51.7	51.7	51.7	100.0%	51.7
34	TOTAL EXPENDITURES	3,714.9514	4,312.7	4,334.2	2,631.5	60.7%	3,588.2
35	REVENUES						
36							
37	Interest Earnings	-	-	0.0	0.0		0.0
38	Federal & State Disaster	-	-	0.0	0.0		0.0
39	State Aid - SB90	0.0	0.0	0.0	0.0		0.0
40	Meter Sales & Install/Line Ext. Fee	2.7	0.8	0.8	0.5	66.3%	0.8
41	Planning/Engr Svc Fee	-	0.2	0.2	-0.1	-62.5%	0.2
42	Permit Fees	0.6	-	0.0	0.0		0.6
43	Water Sales	3,343.2	3,895.9	3,895.9	2,068.0	53.1%	3,331.9
44	Other revenue - misc.	68.3	70.7	70.7	43.6	61.6%	55.2
45	Gain/Loss Revenue Capital Asset	-	-	0.0	0.0		0.0
46	TOTAL REVENUES	3,414.8241	3,967.6	3,967.6	2,111.9	53.2%	3,388.7
47	NET OF OPERATION	(300.13)	(345.1)	(366.6)	(519.5)		(199.53)
48	O&M Fund Balance Reserve:						
49	Beginning Fund Balance	295.26		0.00	\$0.00		\$0.00
50	Net of Operation	(300.13)		(366.59)	(519.53)		(199.53)
51	Transfer To/Fr Capital Fund	4.87		365.58	345.68		199.53
52	O&M Fund Balance Reserve:	\$0.00	\$0.00	(\$1.00)	(\$173.85)	\$0.00	\$0.00
53	Required O&M Fund Reserve: 25% of Exp.	\$928.74	\$1,078.18	\$1,083.54	\$657.87		\$897.06
54	O&M FBR vs Targeted Reserve	alert	alert	alert	alert	ok	alert

WATERWORKS DISTRICT NO. 19 - WATER
CAPITAL PROJECTS
FINANCIAL STATUS REPORT

Current Period Activities to AP09 Ended 03/31/20								
	A	B	C	D	E	F	G	H
	ACTUAL	ADOPTED BUDGET	ADJUSTED BUDGET	CURRENT PERIOD FY 20			% of	Yr-End
DESCRIPTION	FY 19	FY 20	FY 20	EXP/REV	ENC	TOTAL	Act/Bud	Projection
1 <u>NON CAPITALIZED EXPENDITURES:</u>							d/c	
2 <i>General System Improvement</i>	0.0	133.0	133.0	29.4	334.4	363.8	22.1%	0.0
3 <i>SCADA Improvements</i>	3.5	15.0	15.6	0.6	0.0	0.6	3.6%	2.6
4 <i>Well Repairs/Replacement</i>	22.6	35.0	45.1	1.1	0.0	1.1	2.3%	1.1
5 <i>Greentree Res #2 Re-coat & Repair</i>	0.0	90.0	90.0	0.0	0.0	0.0	0.0%	354.2
6 <i>Other Reservoir Repairs</i>	0.0	105.0	105.0	0.0	0.0	0.0	0.0%	0.0
7 <i>Engineering Services</i>	9.9	6.4	6.4	0.0	0.0	0.0	0.0%	6.4
8 Sub-Total Non Capitalized Expenditures	36.0	384.4	395.1	31.0	334.4	365.4	8.1%	364.2
9 <u>WATER SYSTEM IMPROVEMENT:</u>								
10 General System Improvement	0.0	70.0	70.0	88.5	0.0	88.5	126.4%	0.0
11 Well 2 Treatment Facility	119.9	0.0	0.0	39.3	0.0	39.3	0.0%	143.9
12 Sand Canyon Waterline & BPS	0.0	0.0	71.9	0.0	0.0	0.0	0.0%	0.0
13 Pipe Replacement Caltrans ROW	0.0	1,300.0	1,300.0	3.2	0.0	3.2	0.2%	3.2
14 538 Reservoir Replacement	44.9	3,625.0	3,766.2	7.9	0.0	7.9	0.2%	93.9
15 538 Transmission Replacement	11.8	0.0	0.0	1.9	0.0	1.9		3.6
16 Sub-Total Water System Improvement	176.6	4,995.0	5,208.2	140.8	0.0	140.8	2.8%	244.6
17 <u>WATER CONSTRUCTION PROJECT</u>								
18 Well#2 Treatment Facility	0.0	0.0	0.0	0.0	0.0	0.0	0.0%	0.0
19 <i>Bradley Rd Turnout</i>	0.0	115.0	115.0	0.0	0.0	0.0	0.0%	50.0
20 Pipe Replacement at Caltrans	0.0	0.0	0.0	0.0	0.0	0.0	0.0%	0.0
21 Sub-Total Water Water Construction Project	0.0	115.0	115.0	0.0	0.0	0.0	0.0%	50.0
22 Other Equipment	0.0	3.0	3.0	0.0	0.0	0.0	0.0%	3.0
23 Total Expenditures	212.6	5,497.4	5,721.3	171.8	334.4	506.2	3.1%	661.8
24 REVENUES								
25 Interest Earnings	25.0	26.8	26.8	7.4	0.0	7.4	27.5%	26.8
26 Capital Impr Charges	22.8	8.0	8.0	6.0	0.0	6.0	75.0%	8.0
27 Loan Proceed	0.0	4,925.0	4,925.0	0.0	0.0	0.0	0.0%	0.0
28 Other Revenue-Misc	0.0	0.0	0.0	0.0	0.0	0.0	0.0%	0.0
29 Total Revenues	47.8	4,959.8	4,959.8	13.4	0.0	13.4	0.3%	34.8
30 Net of Operation	(164.8)	(537.6)	(761.5)	(158.4)	(334.4)	(492.8)		(627.0)
31 Beginning Capital Fund Balance	826.0	997.8	997.8	997.8		997.8		997.8
32 Prior Year CAFR Adjustments								0.0
33 Transfer To/Fr Capital Fund	(4.9)							(199.5)
34 Depreciation Expense	341.5	341.4	341.4	257.0		257.0		341.4
35 Ending Capital Fund Balance Reserve	997.8	801.6	577.7	1,096.3		761.9		512.7
36								
37								
38	SUMMARY OF CAPITAL FUND BALANCE				Capital	Funded	Total	
39					Acq Fund	Depr Fund	Cap Fund	
40			Beginning Fund Balance		325.1	672.7	997.8	
41			Revenue & Depreciation		34.8	341.4	376.2	
43			Expenditure & Encumbrances		(297.6)	(364.2)	(661.8)	
44			Ending Fund Balance		62.3	450.4	512.7	

March 2020

ACTIVE CAPITAL PROJECTS REPORT – WATER AND SANITATION DEPARTMENT

2		District No. 19 Well No. 2 Iron and Manganese facility WS239898	<u>John Jacobson</u> K. Panah/ M. Segui MBI; Padre & Assoc.; Oakridge	06/19	05/20	9/20	8/21	99/0	<ul style="list-style-type: none"> • Project Award pending funding approval • 7/2019- Advertising project. • 6/2019- Obtained State budget appropriation to fund project. Finalizing project plans and specs. package for approval. Obtaining temporary construction easement from adjacent property owners. • 3/2019- Prepared and submitted memo and supporting documents to the Financial Planning Committee, scheduled FPC meeting for borrowing from COV Revolving Credit Agreement fund. • 1/2019- Met with CEO Analyst for borrowing from COV General Fund Loan, preparing the supporting documents for the Finance Committee and BOS meetings • 11/2018- Completed 100% plans and specs and
2		District No. 19 538 Pressure Zone 1.0 MG Reservoir & 1,100 LF 12-inch Transmission Line Replacement WS239906 & WS239907	<u>Brian D'Anna/</u> K. Panah/ M. Segui <u>KJ Consultant,</u> <u>Inc.</u>	03/21	6/21	7/21	6/22	0/0	<ul style="list-style-type: none"> • ESD is working on the right of way and permitting requirements. • 6/2019- Surveyed existing ROW and staked existing pipeline across Arroyo Las Posas; KJ consultant performing preliminary engineering design. • 3/2019- KJ Consultant contract for CEQA and 30% design services approved by PWA Director, issued Notice to Proceed to KJ. • 1/2019- KJ Consultant contract for CEQA and 30%
2		District No. 19 Pipe Replacement @ CalTrans R/W WS239904	<u>K. Panah/</u> <u>M. Segui</u> Padre & Assoc.; AECOM	05/22	8/23	11/23	10/24	90/0	<ul style="list-style-type: none"> • 6/2019 – Investigating County financing options: revolving Credit Agreement. • 1/2015 – Project is on hold pending District 19 financial planning. • 3/2014 - AECOM submitted 95% plans to all review Agencies including Cal Trans, Calleguas MWD, VCWPD, and WWD#19.

C. STATE OF WATER DISTRICT 19 INFRASTRUCTURE

Greentree Reservoirs – Coating & Repair Project

Project Description:

- Interior re-lining of both reservoirs, welding repair, and exterior paint spot repair and re-coating of both the 1.0 and 0.6 million gallon welded steel potable water tanks (Greentree Reservoirs No. 1 & 2).

Contract Value: \$311,638

Contractor: Simpson Sandblasting & Special Coatings, Inc.

Contract Start Date: Feb 18th, 2020

Scheduled End of Contract: May 1st, 2020

Completion Status: Approximately 30% - Interior coatings work completed in Reservoir No.2
Tank 1 Placed back into service, and Tank 2 taken out of service April 3rd.

District 19 Mainline breaks & repairs:

D19 has had three (3) mainline leaks this calendar year 2020.

Most recent break on March 12, 2020 was located on a bridge, and permanent repair not fully completed.

Highway 118/ North Street

(2/19/20)

Labor Cost \$13,674.50

Materials \$2,415

Traffic Control \$1,499

Total Cost: \$17,588.50

North Greentree

(2/24/20)

Labor Cost \$11,344.74

Materials \$1,975

Total Cost: \$13,319.74

Bradley to Kingsgrove Crossing (Bridge main line / Greentree vicinity)

(3/12/20)

Labor Cost \$ final TBD

Materials \$ final TBD

Total Cost: \$15,000 *estimate*

The labor costs are the full service rate taken from CAB, estimated equipment cost from GSA Fleet pro-rated, not included.

Planned Improvements (remainder FY20):

Complete Greentree Reservoirs - Coating & Repair project
Bradley Road Turnout (CMWD) – Connection & Activation
AMI Base Station installation

Water Supply

(as of 4/10/20 Weekly Report)

Pumped: 272 AF

FCGMA 2020 Allocation Remaining: 1572 AF

Purchased (CMWD): 39 AF

WATER PRODUCTION REPORT (AF)

VCWWD #19

Mar-20

Allocations (AF)		USED	Available	
GMA	1,844.149	254.7	86.2%	2020
TEA (1/1-6/30/19)	922.075	254.7	72.4%	667.405
TEA (7/1-12/31/19)	922.075	0.0	100.0%	922.075
TIER I	957.2	34.4	922.8	922.8
TIER II		0.0		

LOCAL

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	LOCAL		
JAN	113.0	86.4	102.4	172.7	139.7	162.8	130.0	29.6	37.7	104.9	55.5	69.5	JAN	FY09-10	1,879.8
FEB	78.0	57.8	89.2	192.7	145.6	145.4	143.8	108.4	40.2	59.9	41.9	114.7	FEB	FY10-11	2,286.3
MAR	169.1	104.7	87.1	153.6	198.9	125.1	201.3	75.1	98.2	27.7	74.1	70.5	MAR	FY11-12	2,698.1
APR	259.1	102.0	174.7	96.8	202.1	169.3	238.9	137.6	181.9	100.0	149.8		APR	FY12-13	2,623.5
MAY	260.3	129.7	265.4	248.1	205.5	175.6	206.8	174.1	203.5	100.6	135.8		MAY	FY13-14	2,062.4
JUN	245.5	241.2	293.1	310.9	195.4	181.3	208.3	203.7	195.8	113.1	170.5		JUN	FY14-15	2,014.7
JUL	263.2	306.9	391.7	331.9	189.1	164.7	178.5	226.1	195.4	183.8	238.4		JUL	FY15-16	1,518.8
AUG	265.0	340.7	335.5	364.3	195.8	105.1	222.1	190.4	216.7	213.8	232.5		AUG	FY16-17	1,791.3
SEPT	251.8	228.6	284.3	317.9	179.2	165.3	187.7	203.4	209.9	195.4	234.8		SEPT	FY17-18	1,591.5
OCT	171.5	159.7	209.2	283.8	193.5	199.7	158.9	177.6	208.4	209.4	237.9		OCT	FY18-19	1,695.7
NOV	121.5	146.9	113.9	182.8	167.2	199.6	13.6	142.0	170.5	175.6	154.8		NOV	FY19-20	1,411.0
DEC	85.0	91.6	188.7	55.6	178.1	51.2	29.5	94.5	84.4	90.1	57.96		DEC	FY20-21	
	2283.0	1996.2	2535.2	2711.1	2190.1	1845.1	1919.4	1762.5	1842.6	1574.3	1784.0	254.7			
	0.6933	0.7648	0.9299	0.9654	0.7264	0.6493	0.7151	0.8749	0.8149	0.6348				0.7927	

IMPORTED

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	IMPORTED		
JAN	74.6	32.4	31.7	0.8	0.0	70.8	1.1	28.5	0.0	37.8	21.2	0.0	JAN	FY09-10	1,063.7
FEB	12.6	0.4	43.8	0.9	4.1	26.9	1.6	8.0	0.0	116.7	13.6	21.7	FEB	FY10-11	287.5
MAR	6.2	53.5	0.0	1.7	15.2	31.7	22.5	22.1	0.0	45.6	18.4	12.7	MAR	FY11-12	174.7
APR	72.3	34.2	7.0	1.0	46.9	70.6	21.9	10.2	0.0	83.9	54.4		APR	FY12-13	310.0
MAY	106.1	204.9	-0.1	45.1	98.4	130.5	12.8	2.1	0.0	113.9	35.4		MAY	FY13-14	981.5
JUN	83.4	83.3	0.0	16.5	114.2	104.8	18.5	8.9	51.1	134.1	45.0		JUN	FY14-15	639.7
JUL	171.8	60.2	0.0	13.9	116.4	151.6	88.9	26.3	58.9	133.1	53.1		JUL	FY15-16	765.9
AUG	135.6	36.5	57.1	14.0	127.6	193.9	94.9	65.6	51.8	107.5	34.9		AUG	FY16-17	223.3
SEPT	128.3	118.1	19.9	3.1	132.4	122.1	79.9	44.8	38.1	64.3	5.6		SEPT	FY17-18	899.4
OCT	53.9	-23.9	5.3	0.2	92.3	84.4	116.0	34.9	45.8	39.2	4.3		OCT	FY18-19	561.5
NOV	136.7	14.3	26.4	0.0	39.7	9.3	170.8	0.6	25.6	19.2	6.1		NOV	FY19-20	139.0
DEC	28.6	-0.1	0.0	0.0	37.8	0.0	135.6	0.0	147.2	10.2	0.6		DEC	FY20-21	
	1010.1	613.8	191.1	97.2	825.0	996.6	764.5	252.0	418.5	905.5	292.6	34.4			
	0.306724	0.235172	0.070095	0.034612	0.273621	0.350706	0.28485	0.125093	0.185087	0.365153				0.2231113	

TOTAL

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	TOTAL		
JAN	187.6	118.8	134.1	173.5	139.7	233.6	131.1	58.1	37.7	142.7	76.7	69.5	JAN	FY09-10	2,943.5
FEB	90.6	58.2	133.0	193.6	149.7	172.3	145.4	116.4	40.2	176.6	55.5	136.4	FEB	FY10-11	2,573.8
MAR	175.3	158.2	87.1	155.3	214.1	156.8	223.8	97.2	98.2	73.3	92.5	83.2	MAR	FY11-12	2,872.8
APR	331.4	136.2	181.7	97.8	249.0	239.9	260.8	147.8	181.9	183.9	204.2		APR	FY12-13	2,933.5
MAY	366.4	334.6	265.3	293.2	303.9	306.1	219.6	176.2	203.5	214.5	171.2		MAY	FY13-14	3,043.9
JUN	328.9	324.5	293.1	327.4	309.6	286.1	226.8	212.6	246.9	247.2	215.5		JUN	FY14-15	2,654.4
JUL	435.0	367.1	391.7	345.8	305.5	316.3	267.4	252.4	254.3	316.9	291.5		JUL	FY15-16	2,284.7
AUG	400.6	377.2	392.6	378.3	323.4	299.0	317.0	256.0	268.5	321.3	267.4		AUG	FY16-17	2,014.6
SEPT	380.1	346.7	304.2	321.0	311.6	287.4	267.6	248.2	248.0	259.7	240.4		SEPT	FY17-18	2,490.9
OCT	225.4	135.8	214.5	284.0	285.8	284.1	274.9	212.5	254.2	248.6	242.2		OCT	FY18-19	2,257.2
NOV	258.2	161.2	140.3	182.8	206.9	208.9	184.4	142.6	196.1	194.8	160.9		NOV	FY19-20	1,550.0
DEC	113.6	91.5	188.7	55.6	215.9	51.2	165.1	94.5	231.6	100.3	58.56		DEC	FY20-21	
	3293.1	2610.0	2726.3	2808.3	3015.1	2841.7	2683.9	2014.5	2261.1	2479.8	2076.6	289.1			

2,303.2

2,340.3

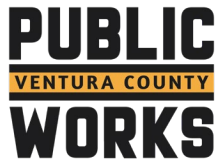
2,321.8

Ventura County Waterworks - District No.19

Production Summary Report for

Mar-20

DISTRICT 19	Local	Purchases	Total Prod.
	Pumped In Lieu (GCC)		
Well 2	65.9		
Well 3	4.3		
Well 4	0.3		
TOTAL DIST. 19 (AF)	70.5	0.0	12.7
	Page 22		83.2



county of ventura

Jeff Pratt
Agency Director

Central Services
Joan Araujo, Director

Engineering Services
Christopher Cooper, Director

Transportation
David Fleisch, Director

Water & Sanitation
Joseph Pope, Director

Watershed Protection
Glenn Shephard, Director

May 5, 2020

Boards of Ventura County Waterworks District Nos. 1, 16, 17, 19, and 38
800 South Victoria Avenue
Ventura, CA 93009

Subject: Public Hearings Regarding Proposed Changes to Miscellaneous Fees of Ventura County Waterworks District Nos. 1, 16, 17, 19 and 38, Commencing July 2020 and Adjusted Annually Each July through 2024; and Adopt the Proposed Changes to the Fees; Waterworks District No. 1 (Moorpark), Supervisorial District No. 4; Waterworks District No. 16 (Piru), Supervisorial District No. 3; Waterworks District No. 17 (Bell Canyon), Supervisorial District Nos. 2 and 4; Waterworks District No. 19 (Somis), Supervisorial District No. 2; Waterworks District No. 38 (Lake Sherwood), Supervisorial District No. 2.

Recommendations:

It is recommended that the Boards of Ventura County Waterworks District Nos. 1, 16, 17, 19, and 38 (collectively, “the Districts”):

1. Conduct a public hearing to hear and consider all objections or protests, if any, to the proposed changes to the Districts’ miscellaneous fees, commencing July 1, 2020, and adjusted annually each July through 2024, as shown in the miscellaneous fee schedules attached hereto as Exhibits 1 and 2; and
2. Adopt the attached proposed resolution adopting the changes to the District’s miscellaneous fees shown in Exhibits 1 and 2.

Fiscal/Mandates Impact:

Mandatory:	No
Source of Funding:	Districts’ Water and/or Sewer Customers
Funding Match Required:	None
Impact on Other Department(s):	None

Revenue recognition will occur when customer actions require the fee imposition. Due to the variable frequency of these fees, anticipated revenue cannot be reasonably estimated.



Current Fiscal Year Budget Projections:

FY 2019-20 Budget Projection for Ventura County Waterworks District No. 1 – Units 4300/4305				
	Adopted Budget	Adjusted Budget	Projected Budget	Estimated Savings/(Deficit)
Appropriations	\$42,300,500	\$42,662,511	\$31,722,200	\$10,940,311
Revenue	\$28,996,900	\$28,996,900	\$25,149,800	(\$3,847,100)
Net Cost	\$13,303,600	\$13,665,611	\$6,572,400	\$7,093,211

Net Cost totals include capital outlay, principal loan payments and transfer-ins and transfer-out.

FY 2019-20 Budget Projection for Ventura County Waterworks District No. 16 – Unit 4320				
	Adopted Budget	Adjusted Budget	Projected Budget	Estimated Savings/(Deficit)
Appropriations	\$ 4,459,100	\$ 4,769,967	\$ 2,380,800	\$ 2,389,167
Revenue	\$ 4,196,400	\$ 4,196,400	\$ 2,094,900	(\$2,101,500)
Net Costs	\$ 262,700	\$ 573,567	\$ 285,900	\$ 287,667

Net Cost totals include capital outlay, principal loan payments and transfer-ins and transfer-out.

FY 2019-20 Budget Projection for Ventura County Waterworks District No. 17 – Unit 4330				
	Adopted Budget	Adjusted Budget	Projected Budget	Estimated Savings/(Deficit)
Appropriations	\$ 8,135,600	\$ 8,146,209	\$ 3,971,600	\$ 4,174,609
Revenue	\$ 7,176,600	\$ 7,176,600	\$ 3,304,400	(\$ 3,872,200)
Net Costs	\$ 959,000	\$ 969,609	\$ 667,200	\$ 302,409

Net Cost totals include capital outlay, principal loan payments and transfer-ins and transfer-out.

FY 2019-20 Budget Projection for Ventura County Waterworks District No. 19 – Unit 4340				
	Adopted Budget	Adjusted Budget	Projected Budget	Estimated Savings/(Deficit)
Appropriations	\$9,809,115	\$10,054,458	\$ \$4,652,900	\$ 5,401,558



Revenue	\$8,927,400	\$ 8,972,400	\$3,813,000	\$(5,159,400)
Net Cost	\$ 881,715	\$ 1,082,058	\$839,900	\$242,158

Net Cost totals include capital outlay, principal loan payments and transfer-ins and transfer-out.

FY 2019-20 Budget Projection for Ventura County Waterworks District No. 38 – Unit 4360				
	Adopted Budget	Adjusted Budget	Projected Budget	Estimated Savings/(Deficit)
Appropriations	\$4,238,900	\$4,248,227	\$ 3,921,300	\$ 326,927
Revenue	\$3,972,700	\$3,972,700	\$ 4,082,600	\$ 109,900
Net Cost	\$266,200	\$275,527	\$ (161,300)	\$ 436,827

Net Cost totals include capital outlay, principal loan payments and transfer-ins and transfer-out.

Discussion:

Miscellaneous fees that comprise non-rate revenues for the Districts were revised and approved by your Board on February 27, 2018.

Upon review of the fee structure, and considering current labor rates, materials costs, and the time required to complete various tasks, staff determined that the current fees do not accurately reflect the actual costs incurred by the Water and Sanitation Department. Based on this analysis, and in order to recover or recoup the Districts' actual costs associated with the events, staff recommends adjusting the miscellaneous fees annually, commencing on July 1, 2020, as shown in Exhibits 1 and 2. Due to the differences in travel time to each District, staff recommends breaking out fees by District. Due to changes in business operations including the implementation of the Policy Governing Discontinuation of Residential Water Service for Nonpayment approved by your Board on January 21, 2020, and the Districts' Resolution 19-114 pertaining to liens on property for non-payment of utility bills, staff added three new miscellaneous fees: a reconnect water service fee, a lien release fee, and an accuracy testing fee.

Staff is proposing annual fee increases that average between 3% and 7% per year for each of the next five budget years commencing July 1, 2020 through July 1, 2024, as shown in Exhibits 1 and 2. A 3% annual increase is enough to recover the costs associated with increases in labor and represents our average annual labor rate increase. Fee increases greater than 3% reflect additional costs associated with the service such as: travel to outlying areas; overhead at time and a half; and material such



as paper, printing, postage, and notary or other added services. Setting the miscellaneous fees on a 5-year Board approval cycle results in approximately \$6,000 per year in soft savings.

Annually beginning in fiscal year 2025 staff will review fee adjustments for the subsequent 5-year period, and if necessary, staff will return to your Boards with proposed adjustments.

Public Participation:

The Districts have presented these proposed fees, including descriptions of the fees and the reasons for the changes, to the Citizens' Advisory Committees for Districts Nos. 1, 17, 19 and 38. Miscellaneous fees will continue to be posted publicly at a minimum on our website.

Conclusion:

District staff believes that the recommended adjustments are necessary to establish fair and equitable fees and charges.

The Districts have published timely notice of these proposed fee adjustments and this public hearing in accordance with law (Government Code sections 6062a and 66018).

This item has been reviewed by the County Executive Office, the Auditor-Controller's Office and County Counsel. If you have any questions regarding this item, please call me at (805) 654-2075.

Joseph C. Pope
Director, Water and Sanitation Department

Resolution [Proposed]

Exhibit 1 - proposed Miscellaneous Fees schedule effective July 1, 2020

Exhibit 2 - proposed Miscellaneous Fees schedule effective July 1, 2021 through July 1, 2024

Exhibit 3 - Presentation



RESOLUTION NO. _____

**RESOLUTION OF THE BOARDS OF VENTURA COUNTY WATERWORKS
DISTRICT NOS. 1, 16, 17, 19, AND 38 MAKING CHANGES TO THE
MISCELLANEOUS FEE SCHEDULE**

WHEREAS, staff for Ventura County Waterworks District Nos. 1, 16, 17, 19, and 38 (the Districts) have reviewed and analyzed the Districts' miscellaneous fees for administrative items comprising non-rate revenue, including late fees and shut-off fees, among others;

WHEREAS, considering current fiscal year 2020 labor rates, materials costs, and the time required to complete the tasks associated with the miscellaneous fees, the revenue presently collected from several of these fees does not recoup the actual costs to the Districts for such services or items;

WHEREAS, in order to recover, or recoup, the Districts' actual costs, staff for the Districts recommend changes to the miscellaneous fees as shown in Exhibits 1 and 2, attached hereto;

WHEREAS, in order to account for differences in travel time to each District, staff recommends breaking out fees by District;

WHEREAS, in order to reduce the administrative costs of updating these only occasionally imposed miscellaneous fees, staff has proposed annual increases in the fees of 3% to 7% in each of the four subsequent budget years commencing July 1, 2021 through July 1, 2024, as shown in Exhibit 2, which is enough to recover the costs of service in line with the Districts' average annual labor rate increase;

WHEREAS, the amounts of the fees do not exceed the estimated reasonable cost of providing the services for which they are imposed, and these costs are allocated to payers in a manner that is proportional and bears a fair and reasonable relationship to the payers' burdens, or benefits received, from such services;

WHEREAS, annually, beginning in fiscal year 2025, staff will review fee adjustments for the subsequent 5-year period and, if necessary, staff will return to the Boards of the Districts with proposed adjustments;

WHEREAS, the Districts' Citizens' Advisory Committees have reviewed the proposed fee schedule; and

WHEREAS, the Districts published timely notice of a public hearing at this date, time, and location concerning these proposed increases to their miscellaneous fees in accordance with Government Code sections 6062a and 66018, and the Districts have now conducted a public hearing, allowing for oral or written presentations to be made;

NOW, THEREFORE, BE IT RESOLVED, that the Boards of the Districts hereby adopt the proposed miscellaneous fees schedules as shown in Exhibits 1 and 2 and direct that these fees be published on the Districts' website.

Upon motion of Board Member _____, seconded by Board Member _____, and duly carried, the Boards of Waterworks District Nos. 1, 16, 17, 19 and 38 hereby adopt the foregoing Resolution on this 5th day of May 2020.

Chair, Board of Ventura County
Waterworks District Nos. 1, 16, 17, 19, and 38

ATTEST:
Michael Powers,
Clerk of County of Ventura Board of Supervisors,
Acting ex officio as Clerk of the District Boards

By: _____
Deputy Clerk of the Boards

EXHIBIT 1

VENTURA COUNTY WATERWORKS DISTRICT NOS. 1, 16, 17, 19 AND 38 MISCELLANEOUS FEES EFFECTIVE JULY 1, 2020

MISCELLANEOUS FEE SCHEDULE	MISCELLANEOUS FEE DESCRIPTION	CURRENT FEE	Waterworks District 1 Effective 7/1/2020	Waterworks District 19 Effective 7/1/2020	Waterworks District 17 & 38 Effective 7/1/2020
Late Payment Fee	Fee assessed for non-payment by due date	\$10.00 minimum or 10% of delinquent balance	\$10.00 minimum or 10% of delinquent balance	\$10.00 minimum or 10% of delinquent balance	\$10.00 minimum or 10% of delinquent balance
After Hours Fee	Fee charged for requested after-hours service (turn on or off water service)	\$130.00	\$124.00	\$133.00	\$144.00
Disconnection or Reconnection Water Service Fee*	Fee charged for disconnection or reconnection of service. *The reconnection fee is new.	\$0.00	\$24.00	\$32.00	\$44.00
Lien Release Fee*	Fee charged for request demand and release of liens. *This fee is new.	\$0.00	\$35.00	\$35.00	\$35.00
Meter Inaccessible Fee / Re-read Fee / Accuracy Testing Fee*	Fee charged when the meter is inaccessible, re-read, or an accuracy test is requested. * The accuracy testing request fee is new.	\$20.00	\$15.00	\$24.00	\$35.00
Meter Removal Fee / Tampering Fee / Cut Lock Fee	Fee charged for removal of meter, cutting of lock, or tampering with property	\$50.00	\$38.00	\$47.00	\$59.00
Non-Compliance / Failure to Respond / Backflow / Notice Fee	Fee charged upon third notification of non-compliance	\$90.00	\$81.00	\$89.00	\$101.00
Non-Compliance / Further Failure to Respond / Backflow / Shut-Off Fee	Fee charged upon final notice and shut-off of water service	\$160.00	\$154.00	\$163.00	\$174.00
Pending Shut-Off Notice Fee	Fee charged for non-payment, and processing of a first door hanger notification	\$20.00	\$20.00	\$28.00	\$40.00
Shut-Off Notice Fee	Fee charged for non-payment, processing of a second door hanger notification, and termination of service	\$35.00	\$30.00	\$38.00	\$50.00

EXHIBIT 2

VENTURA COUNTY WATERWORKS DISTRICT NOS. 1, 16, 17, 19 AND 38 MISCELLANEOUS FEES EFFECTIVE JULY 1, 2021, 2022, 2023, and 2024

MISCELLANEOUS FEE SCHEDULE	MISCELLANEOUS FEE DESCRIPTION	Waterworks District 1 Effective 7/1/2021	Waterworks District 19 Effective 7/1/2021	Waterworks District 17 & 38 Effective 7/1/2021
Late Payment Fee	Fee assessed for non-payment by due date	\$10.00 minimum or 10% of delinquent balance	\$10.00 minimum or 10% of delinquent balance	\$10.00 minimum or 10% of delinquent balance
After Hours Fee	Fee charged for requested after-hours service (turn on or off water service)	\$128.00	\$137.00	\$149.00
Disconnection or Reconnection Water Service Fee*	Fee charged for disconnection or reconnection of service	\$25.00	\$33.00	\$46.00
Lien Release Fee*	Fee charged for request demand and release of liens	\$37.00	\$37.00	\$37.00
Meter Inaccessible Fee / Re-read Fee / Accuracy Testing Fee*	Fee charged when the meter is inaccessible, re-read, or an accuracy test is requested	\$16.00	\$25.00	\$37.00
Meter Removal Fee / Tampering Fee / Cut Lock Fee	Fee charged for removal of meter, cutting of lock, or tampering with property	\$40.00	\$49.00	\$61.00
Non-Compliance / Failure to Respond / Backflow / Notice Fee	Fee charged upon third notification of non-compliance	\$84.00	\$92.00	\$105.00
Non-Compliance / Further Failure to Respond / Backflow / Shut-Off Fee	Fee charged upon final notice and shut-off of water service	\$159.00	\$168.00	\$180.00
Pending Shut-Off Notice Fee	Fee charged for non-payment, and processing of a first door hanger notification	\$21.00	\$29.00	\$42.00
Shut-Off Notice Fee	Fee charged for non-payment, processing of a second door hanger notification, and termination of service	\$31.00	\$40.00	\$52.00

MISCELLANEOUS FEE SCHEDULE	MISCELLANEOUS FEE DESCRIPTION	Waterworks District 1 Effective 7/1/2022	Waterworks District 19 Effective 7/1/2022	Waterworks District 17 & 38 Effective 7/1/2022
Late Payment Fee	Fee assessed for non-payment by due date	\$10.00 minimum or 10% of delinquent balance	\$10.00 minimum or 10% of delinquent balance	\$10.00 minimum or 10% of delinquent balance
After Hours Fee	Fee charged for requested after-hours service (turn on or off water service)	\$132.00	\$142.00	\$154.00
Disconnection or Reconnection Water Service Fee*	Fee charged for disconnection or reconnection of service	\$26.00	\$34.00	\$48.00
Lien Release Fee*	Fee charged for request demand and release of liens	\$39.00	\$39.00	\$39.00
Meter Inaccessible Fee / Re-read Fee / Accuracy Testing Fee*	Fee charged when the meter is inaccessible, re-read, or an accuracy test is requested	\$17.00	\$26.00	\$39.00
Meter Removal Fee / Tampering Fee / Cut Lock Fee	Fee charged for removal of meter, cutting of lock, or tampering with property	\$42.00	\$51.00	\$63.00
Non-Compliance / Failure to Respond / Backflow / Notice Fee	Fee charged upon third notification of non-compliance	\$87.00	\$95.00	\$109.00
Non-Compliance / Further Failure to Respond / Backflow / Shut-Off Fee	Fee charged upon final notice and shut-off of water service	\$164.00	\$174.00	\$186.00
Pending Shut-Off Notice Fee	Fee charged for non-payment, and processing of a first door hanger notification	\$22.00	\$30.00	\$44.00
Shut-Off Notice Fee	Fee charged for non-payment, processing of a second door hanger notification, and termination of service	\$32.00	\$42.00	\$54.00

MISCELLANEOUS FEE SCHEDULE	MISCELLANEOUS FEE DESCRIPTION	Waterworks District 1 Effective 7/1/2023	Waterworks District 19 Effective 7/1/2023	Waterworks District 17 & 38 Effective 7/1/2023
Late Payment Fee	Fee assessed for non-payment by due date	\$10.00 minimum or 10% of delinquent balance	\$10.00 minimum or 10% of delinquent balance	\$10.00 minimum or 10% of delinquent balance
After Hours Fee	Fee charged for requested after-hours service (turn on or off water service)	\$136.00	\$147.00	\$159.00
Disconnection or Reconnection Water Service Fee*	Fee charged for disconnection or reconnection of service	\$27.00	\$36.00	\$50.00
Lien Release Fee*	Fee charged for request demand and release of liens	\$41.00	\$41.00	\$41.00
Meter Inaccessible Fee / Re-read Fee / Accuracy Testing Fee*	Fee charged when the meter is inaccessible, re-read, or an accuracy test is requested	\$18.00	\$27.00	\$41.00
Meter Removal Fee / Tampering Fee / Cut Lock Fee	Fee charged for removal of meter, cutting of lock, or tampering with property	\$44.00	\$53.00	\$65.00
Non-Compliance / Failure to Respond / Backflow / Notice Fee	Fee charged upon third notification of non-compliance	\$90.00	\$98.00	\$113.00
Non-Compliance / Further Failure to Respond / Backflow / Shut-Off Fee	Fee charged upon final notice and shut-off of water service	\$169.00	\$180.00	\$192.00
Pending Shut-Off Notice Fee	Fee charged for non-payment, and processing of a first door hanger notification	\$23.00	\$31.00	\$46.00
Shut-Off Notice Fee	Fee charged for non-payment, processing of a second door hanger notification, and termination of service	\$33.00	\$44.00	\$56.00

MISCELLANEOUS FEE SCHEDULE	MISCELLANEOUS FEE DESCRIPTION	Waterworks District 1 Effective 7/1/2024	Waterworks District 19 Effective 7/1/2024	Waterworks District 17 & 38 Effective 7/1/2024
Late Payment Fee	Fee assessed for non-payment by due date	\$10.00 minimum or 10% of delinquent balance	\$10.00 minimum or 10% of delinquent balance	\$10.00 minimum or 10% of delinquent balance
After Hours Fee	Fee charged for requested after-hours service (turn on or off water service)	\$141.00	\$152.00	\$164.00
Disconnection or Reconnection Water Service Fee*	Fee charged for disconnection or reconnection of service	\$28.00	\$38.00	\$52.00
Lien Release Fee*	Fee charged for request demand and release of liens	\$43.00	\$43.00	\$43.00
Meter Inaccessible Fee / Re-read Fee / Accuracy Testing Fee*	Fee charged when the meter is inaccessible, re-read, or an accuracy test is requested	\$19.00	\$28.00	\$43.00
Meter Removal Fee / Tampering Fee / Cut Lock Fee	Fee charged for removal of meter, cutting of lock, or tampering with property	\$46.00	\$55.00	\$67.00
Non-Compliance / Failure to Respond / Backflow / Notice Fee	Fee charged upon third notification of non-compliance	\$93.00	\$101.00	\$117.00
Non-Compliance / Further Failure to Respond / Backflow / Shut-Off Fee	Fee charged upon final notice and shut-off of water service	\$175.00	\$186.00	\$198.00
Pending Shut-Off Notice Fee	Fee charged for non-payment, and processing of a first door hanger notification	\$24.00	\$32.00	\$48.00
Shut-Off Notice Fee	Fee charged for non-payment, processing of a second door hanger notification, and termination of service	\$34.00	\$46.00	\$58.00

Central Services
Joan Araujo, Director

 Engineering Services
Christopher Cooper, Director

 Transportation
David Fleisch, Director

 Water & Sanitation
Joseph Pope, Director

 Watershed Protection
Glenn Shephard, Director

May 19, 2020

 Ventura County Board of Supervisors
 800 South Victoria Avenue
 Ventura, CA 93009

Subject: **Ratification of Ventura County Financial Planning Committee Recommendation of February 11, 2020 to Deny the Issuance of Loan to Ventura County Waterworks District No. 19 for the Well No. 2 – Iron and Manganese Removal Facilities Project from the County Revolving Credit Agreement In an Amount Totaling \$1.215 Million with Loan Term of 30 Years; Ratification of Financial Planning Committee Recommendation to Deny the Issuance of Loan to Ventura County Waterworks District No. 19 from the County Revolving Credit Agreement In an Amount Totaling \$2.6 Million with Loan Term of 24 Years; and Ratification of Financial Committee Recommendation to Deny Issuance of a Short-Term General Fund Loan from the County Treasury Pool In an Amount Up To \$600,000; Supervisorial District No. 2.**

Recommendation to Ventura County Board of Supervisors:

1. Ratification of Ventura County Financial Planning Committee (FPC) recommendation of February 11, 2020 to deny issuance of Loan to Ventura County Waterworks District No. 19 for the Well No. 2 – Iron and Manganese Removal Facilities Project from the County Revolving (RCA) with a loan term of 30 years.
2. Ratification of Ventura County FPC recommendation of February 11, 2020 to deny the issuance of Loan to Ventura County Waterworks District No. 19 the from the County RCA in an amount not to exceed \$2.6 million to refund a United States Department of Agriculture loan (USDA Loan) with a loan term of 24 years.
3. Ratification of Ventura County FPC Decision of February 11, 2020 denying the issuance of a short-term loan to Ventura County Waterworks District No.19 from the General Fund not to exceed \$600,000 at the County's treasury pool rate to provide interim working capital for the Well No. 2 – Iron and Manganese Removal Facilities Project with repayment from the State Grant proceeds.

Fiscal/Mandates Impact:



Mandatory: No
Source of Funding: County of Ventura Revolving Credit Agreement
and State Water Resources Control Board
Funding Match Required: No
Impact on Other Departments: None

Summary of Revenue and Total Costs:

		<u>FY 2019-20</u>		<u>FY 2020-21</u>
Revenue:	\$	1,000,000	\$	2,864,400
Costs:				
Direct	\$	964,239	\$	2,864,400
Indirect – Agency/Dept.	\$	33,827	\$	-
Indirect – County CAP	\$	1,951	\$	-
Total Costs	\$	1,000,017	\$	2,864,400
Net Costs	\$	17	\$	-
Recovered Indirect Costs	\$	35,778	\$	-

Current Fiscal Year Budget Projections:

Current FY 2019-20 Budget Projections for Waterworks District No. 19 – Unit 4340				
	Adopted Budget	Adjusted Budget	Projected Budget	Estimated Savings/(Deficit)
Appropriations	\$ 9,809,115	\$ 10,054,458	\$ 4,254,600	\$ 5,799,858
Revenue	\$ 8,927,400	\$ 8,972,400	\$ 3,468,900	\$ (5,503,500)
Net Cost	\$ (881,715)	\$ (1,082,058)	\$ (785,700)	\$ 296,358

Appropriations are available in FY 2019-20 Projected Budget. Net Cost totals include capital outlay, principal loan payments and transfers-out.

Discussion:

Ventura County Waterworks District No. 19 (District) provides water supply and distribution services to District customers in the community of Somis. The District currently has 1,051 monthly service accounts, comprised of 781 residential accounts, 235 agricultural accounts, and 35 commercial and industrial accounts. The District collects its water service revenue through monthly billing to its customers.



The water pumped from Well No. 2 located within the District's boundaries contains high concentrations of iron and manganese and displays milky, brownish, and sometimes even reddish colors. Although safe to drink, it stains fixtures and clothes during washing, and customers have concerns about drinking and cooking with water that has colors and suspended particles. It is expensive to install individual home treatment units to remove the iron and manganese. In addition, the high concentrations of iron and manganese exceed the secondary Drinking Water Standards regulated by the Los Angeles Regional Water Quality Control Board (LARWQCB). The LARWQCB Division of Drinking Water (DDW) has required the District to treat and remove iron and manganese from the well water to meet the secondary Drinking Water Standards. Currently the District is operating under a waiver for secondary standards for iron and manganese that expires at the end of 2020.

The proposed Well No. 2 – Iron and Manganese Removal Facilities Project and its attendant plans and specifications call for the construction of facilities to remove the high levels of iron and manganese from this well water. The State has appropriated non-expiring funds in the amount of \$2.65 million for the District's use to help fund this project.

Bids for the project were opened on September 25, 2019. A total of three bids were received. The bids have been checked and are considered to be in satisfactory form. The lowest responsible bid in the amount of \$3,042,401 was submitted by Pacific Hydrotech Corporation. (GSE Construction Company, Inc. submitted the second-lowest bid.)

The low bid is 32% above the engineer's estimate of \$2,300,001. Due to the strong economy at the time of bidding, construction cost estimates prepared by the consulting engineers have gone from \$2.08 million in 2017 to \$2.3 million in 2018, and the final project low bid was \$3.04 million in September 2019. This reflects the prevailing phenomena of public works bids coming in 15% to 30% higher than the engineering estimate in an upward-trend economy. This increase is also attributed to tariffs imposed on many imported parts and materials in the past year, which have caused material costs to go up by 15% to 30%.

The estimated total project costs are as follows:

Design (includes preliminary engineering, permitting, design):	\$	418,080*
Construction Engineering (includes construction survey, construction inspection, administration, materials testing, project engineering):	\$	525,643*
Construction Contract:	\$	3,042,401
Contingencies:	\$	300,000
TOTAL	\$	4,286,124



* \$168,064 in Design, Inspection, and Testing; and \$253,643 in Project Management expended in previous fiscal years.

Since the Well 2 project budget exceeds the available State appropriation, the District requires an additional \$1.214M in funding to complete the project. Staff determined that a low-interest loan from the County's Revolving Credit Agreement (RCA) would be the least costly and most expedient way to supplement the appropriated State budget monies (\$2.65 million). To further reduce annual District costs, staff also recommended refinancing of the existing \$2.6M USDA loan at a lower interest rate.

At the District Citizens' Advisory Committee (CAC) public meeting on October 17, 2019 staff informed the CAC members that the Well 2 bid was over budget. Staff notified the CAC of the plan to request \$1.214M loan from the County's RCA and to refinance the \$2.6M USDA loan. Staff also informed the CAC of the County's requirement and process for requesting loans from the FPC, including the requirement to prove the District can afford to pay back the loans. Members of the CAC did not express any objection to the proposed financing plan at the October public meeting.

In order to fund the District's operations and required debt service for the Well 2 Project, a 9% water rate adjustment and a 12% meter charge adjustment were proposed to the Waterworks Board on December 17, 2019. Over 51% of the District rate payers protested the proposed water rate adjustments under the majority protest provisions of Proposition 218 and the rates were not increased.

Staff informed the District's Citizens' Advisory Committee (CAC) on December 19, 2019 that based on a revised revenue analysis, that it might be feasible to award the Well 2 Project without a rate increase or a loan. Staff noted that funding the loan from the District's cash reserve would negatively affect the District's ability to respond to emergency repairs due to a reduction of the cash reserve fund. At the January 2020 mid-year review of the District's budget, staff determined that there would be insufficient cash flow for the remainder of Fiscal Year 2020 to fully fund the Well 2 project and sustain safe operations and maintenance of the District.

Based on the revised mid-year budget review, staff continued to pursue its previous strategy to seek loans from the County RCA to fund Well 2 and refinance the existing USDA loan.

Staff submitted a request to the County FPC on February 11, 2020 seeking approval of two loans from the County's Revolving Credit Agreement (RCA). The first was a \$1.214M loan with a term of 30 years for a portion of the Well No. 2 Project costs. The second was a \$2.6M loan with a term of 24 years to refinance the existing USDA Small Rural



Community Loan. Both loans were to be at the variable RCA annual interest rate. The existing \$2.6M loan for the retirement of the USDA loan has a 3.375% interest rate, which is higher than the current variable RCA interest rate of 2%. The combination of refinancing the USDA loan and issuance of the Well 2 loan would have resulted in a modest \$15,000 per year increase to the District's debt service expenses. Staff also proposed to take out a short-term cash flow loan of \$600,000 from the General Fund to provide interim working capital for the project with repayment from the State Grant proceeds expected to be received by August 1, 2020.

The financial analysis presented to the CAC at the October 17, 2019 public meeting, to the Board at the December 17, 2019 Rate Hearing, and to the FPC on February 11, 2020, showed that the District's cash reserve would become negative by Fiscal Year 2022 without at a water rate increase. The request for the loans was approved by the FPC, but was contingent upon the passing of a rate increase as approved by the District constituents sufficient in nature to fund the long-term requirements of the District (Exhibit 2). During deliberations of the FPC, there was agreement among the members that the debt issuance was not in the best interest of the County due to the District's financial instability as a result of insufficient rate revenue. The County FPC effectively denied the proposed financing unless staff could show that future revenue would be enough to repay the loan.

Staff notified the CAC of the FPC's recommendation to deny the loans via email on February 11, 2020. During a February 28, 2020 Special CAC meeting CAC members and members of the Public stated they disagreed with staff's action and did not want a loan from the County.

This letter has been reviewed by the County Executive Office, the Auditor-Controller's Office, and County Counsel.

Joseph C. Pope
Director, Water and Sanitation Department

Exhibit 1 – Financial Planning Committee Agenda Packet
Exhibit 2 – Draft Financial Planning Committee Meeting Minutes (February 11, 2020)
Exhibit 3 - Presentation





**County of Ventura
Financial Planning Committee
February 11, 2020**

**County Executive Office
Point Mugu Conference Room – 4th Floor Hall of Administration
11:30 a.m. or After the end of the Board of Supervisors meeting**

AGENDA

1. Public Comment.
2. Minutes of the April 23, 2019 Financial Planning Committee Meeting.
3. Use of Revolving Credit Agreement and Cash Flow Loan for Waterworks District 19 Well No. 2 Iron and Manganese Treatment Facility Project
4. Committee Member Comments on Any Other Items.



ITEM 2

**County of Ventura
County Executive Office
MEMORANDUM**

DATE: February 11, 2020
TO: Financial Planning Committee
FROM: Bryan Friedman, County Executive Office

SUBJECT: April 23, 2019 FINANCIAL PLANNING COMMITTEE MEETING MINUTES

Attendance:

Committee Members Present:

Steve Bennett, Board of Supervisors
Kelly Long, Board of Supervisors
Mike Powers, Chair, County Executive Office
Jeff Burgh, Auditor-Controller
Steven Hintz, Treasurer Tax Collector
Leroy Smith, County Counsel

County Staff

Kaye Mand, County Executive Office
Scott Powers, County Executive Office
Bryan Friedman, County Executive Office
Kathleen O'Keefe, Auditor-Controller's Office
Roy Allan, Auditor-Controller's Office

Chair Mike Powers called the meeting to order at 12:44 p.m. on April 23, 2019.

1. Public Comment

None

2. Approval of Minutes of the September 11, 2018 Financial Planning Committee Meeting

Supervisor Bennett made a motion to approve the minutes and Chair Mike Powers seconded the motion. There was no opposition and the motion passed.

3. FY 2019-20 TRANS Issuance Recommendation and Timeline

Ms. Kaye Mand, County Chief Financial Officer stated that as in past years, the County intends to issue TRANS notes in an amount not to exceed \$200M. This amount is up from the \$190M in the prior year primarily because of the increase in retirement contributions. While \$190M was authorized in prior year, the County only needed to finance \$145M. The borrowing serves to bridge a cash shortfall until property taxes are collected in December.

As has been the case in prior years, the County has opted for a competitive bid process for transparency purposes. Last year, seven bids were offered and netted Ventura the lowest yield compared to other Counties. Ventura County's TRANS sold at an interest rate of 1.44% compared to Riverside County's 1.6%, Los Angeles' 1.6% and Santa Cruz's 1.5%.

Mr. Powers commented that the timing of issuance is important so that the market isn't already saturated with large debt offers, like from the County of Los Angeles.

Ms. Mand mentioned that our Financial Advisor has indicated interest costs for the FY19-20 issuance may be around 1.6-1.7%, up slightly from the prior year. Overall costs of issuance include \$55,000 for Bond Counsel, \$40,000 for a Financial Advisor and \$70,000 in other expenditures including Rating Agency fees totaling approximately \$165,000 in costs.

Judge Hintz inquired if this debt will be issued at a premium. Kaye Mand responded that yes it will be issued at a not to exceed coupon rate of 5%, but the effective yield will be closer to 1.6-1.7%. This is similar to last year's not to exceed coupon of 2.5% when the effective yield was 1.44%.

Supervisor Long made a motion to approve the minutes and Supervisor Bennett seconded the motion. There was no opposition and the motion passed.

4. Committee Member Comments on Any Other Items

None

The meeting was adjourned at 12:52 p.m.



County of Ventura County Executive Office MEMORANDUM

DATE: February 11, 2020

TO: Financial Planning Committee

FROM: Kaye Mand, County Chief Financial Officer

SUBJECT: Ventura County Public Works Agency – Waterworks District 19:
Financing of Well No. 2 Iron and Manganese Treatment Facility Project
through the County's Revolving Credit Agreement and General Fund
Loan

Recommendation:

Approval of funding to the Public Works Agency – Waterworks District 19 for Well No. 2 Iron and Manganese Treatment Facility Project as presented below:

1. Use of Revolving Credit Agreement Not to Exceed \$1.214 million repaid over 30 years (Additional Cost in excess of Original Project Estimate)
2. Use of Revolving Credit Agreement Not to Exceed \$2.599 million repaid over 24 years (USDA Loan Refunding)
3. Short Term General Fund Loan Not to Exceed \$600,000 repaid upon receipt of State Grant proceeds (Cash Flow Funding related to State Reimbursement timing)

Background:

Please see attached background memo for this request provided by the Public Works Agency (PWA).

Discussion:

Ventura County Waterworks District No. 19 provides water supply and distribution services to customers in the Somis area. Currently the water pumped from Well No.2 produces water that is high in iron and manganese content.

This water has been deemed safe to consume, but it is not within compliance ranges of the Drinking Water Standards as regulated by the Los Angeles Regional Water Quality Control Board. As it stands, Waterworks District 19 is currently operating under a waiver of this standard set to expire at the end of 2020.

Current reserves within the District are not sufficient to finance the \$3.8M project cost. Utilization of the Revolving Credit Agreement and General Fund Short Term financing

ITEM 3

would provide the necessary funds to complete the project and comply with Drinking Water Standards.

Currently PWA is in the process of being awarded \$2.65M in State Grant Funds for the Well No. 2 treatment facility project. The \$600,000 short-term General Fund loan allows for necessary cash flow due to reimbursement timing.

The estimated debt service of financing an extra \$1.214M over 30 years at 3.5% is \$66,000 per year. This is substantially less than the estimated cost of purchasing additional imported water at \$2M a year.

When reviewing the outstanding debt of District 19, it was determined that the Revolving Credit Agreement offered a competitive advantage over the current USDA loan.

Confirmation was made with bond counsel that refunding the USDA loan through the Revolving Credit Agreement will not jeopardize the tax-exempt status.



County of Ventura County Executive Office MEMORANDUM

DATE: Next FPC Meeting

TO: Financial Planning Committee

FROM: Bryan Friedman, County Executive Office

SUBJECT: February 11, 2020 FINANCIAL PLANNING COMMITTEE MEETING MINUTES

Attendance:

Committee Members Present:

Kelly Long, Board of Supervisors
Michael Powers, Chair, County Executive Office
Jeff Burgh, Auditor-Controller
Leroy Smith, County Counsel

County Staff

Jeff Pratt, Public Works Agency
Joe Pope, Public Works Agency
Kaye Mand, County Executive Office
Mike Kumazawa, County Executive Office
Bryan Friedman, County Executive Office
Joanne McDonald, Auditor-Controller's Office
Kathleen O'Keefe, Auditor-Controller's Office
Roy Allan, Auditor-Controller's Office

Michael Powers called the meeting to order at 2:18 p.m. on February 11, 2020

1. Public Comment

None

2. Approval of Minutes of the April 23, 2019 Financial Planning Committee Meeting

Leroy Smith made a motion to approve the minutes and Jeff Burgh seconded the motion. There was no opposition and the motion passed.

3. Use of Revolving Credit Agreement and Cash Flow Loan for Waterworks District 19 Well No. 2 Iron and Manganese Treatment Facility Project

Mr. Joe Pope provided an overview of the Waterworks District 19 Well 2 project. He detailed how the Iron and Manganese levels were safe to drink but didn't meet secondary water standards. As such, the Water Control Board has only authorized pumping on a waiver that is set to expire at the end of 2020. Mr. Pope spoke to how this project was necessary to preserve the District's ability to pump water. If the Water Control Board does not extend the waiver, additional costs of approximately \$2 million annually will be incurred to purchase imported water.

The total project cost is \$3.8 million. The State provided \$2.65M in grant funding so the request is to borrow \$1.2M from the Revolving Credit Agreement (RCA). Due to grant funds being available on a reimbursement basis, The District is also requesting a General Fund loan in an amount not to exceed \$600,000 for cash flow purposes. Mr. Pope explained the grant funds will be available whenever the project moves forward, meaning the funds do not expire.

Mr. Pope explained that construction bids had been reviewed. It was this process that yielded the higher project cost estimate of \$3.8M but also set a need for timeliness. If the loans were not awarded it would be necessary to go out and rebid this project, leading to additional risk and ambiguity of cost. The District recently attempted to pass a rate increase but was ultimately blocked by District members. Due to this lack of increase, the revenues of the district are insufficient in nature to meet the continuing financial needs of the District.

Since the Committee expressed concerns regarding the financial stability of the District, Mr. Jeff Pratt noted there was the option to recommend approval of the new debt but establish a requirement that the District was successful in passing a rate increase. Mr. Jeff Burgh commented that blocking the rate increase may inherently damage the financial stability of the District and inquired if operation of the District could be passed to another entity. It was mentioned that ownership could be transferred, although prior management issues were the exact reason the District is now under the purview of the Public Works Agency. Mr. Jeff Burgh raised the point that even if a single rate increase was passed, the overall long-term stability would not be established for the district, especially due to aging infrastructure.

Mr. Leroy Smith posited that there are two steps to this process. First being the recommendation of this Committee, but that the actual decision would be in step two when the item is presented to the Board of Supervisors for approval.

Mr. Leroy Smith motioned to approve the Waterworks District 19 Revolving Credit Agreement borrowing and the General Fund Cash Flow Loan, contingent on the passing of a rate increase being approved by the district constituents sufficient in nature to fund long term District needs. Jeff Burgh seconded the motion. There was no opposition and the motion passed.

4. Committee Member Comments on Any Other Items

Mr. Michael Powers presented information regarding the outcome of the County's recent Municipal Financial Advisor Request for Proposal. KNN Public Finance was selected as the Financial Advisor replacing our previous advisor Fieldman Rolapp. Most immediately, KNN will assist the County in reviewing the potential refinancing of the County's 2013A Lease Revenue Bonds as well as coordinating our Fiscal Year 2020-21 Tax Revenue Anticipate Notes (TRANS).

The meeting was adjourned at 2:45 p.m.

DRAFT

Central Services
Joan Araujo, DirectorEngineering Services
Christopher Cooper, DirectorTransportation
David Fleisch, DirectorWater & Sanitation
Joseph Pope, DirectorWatershed Protection
Glenn Shephard, Director**Date:** February 11, 2020**To:** Financial Planning Committee**From:** Joseph Pope, Water and Sanitation Department Director**Via:** Jeff Pratt, Agency Director**Subject:** VCWWD No. 19 Well No. 2 Iron and Manganese Treatment Facility Project to be Funded by County Revolving Credit Agreement and a Short-term General Fund Cash Flow Loan**Project Background**

Ventura County Waterworks District No. 19 (District) provides water supply and distribution services to District customers in the community of Somis. The District currently has 1,051 monthly service accounts including 781 residential accounts, 235 agricultural accounts, and 35 commercial and industrial accounts. The District collects its water service revenue through monthly billing to its customers. Increases to the water service rates are subject to the Proposition 218 protest process.

The raw water pumped from Well No. 2 located in the District contains high concentrations of iron and manganese and displays milky, brownish, and sometimes even reddish colors. Although safe to drink, it stains fixtures and clothes during washing, and customers have concerns about drinking and cooking with water that has colors and suspended particles.

In addition, the water exceeds the secondary Drinking Water Standards regulated by the Los Angeles Regional Water Quality Control Board (LARWQCB). The LARWQCB Division of Drinking Water (DDW) has required District 19 to treat and remove iron and manganese from the well water to meet the secondary Drinking Water Standards. Currently the District is operating under a waiver for secondary standards for iron and manganese that expires at the end of 2020. Should the District fail to make positive progress towards construction of the Well No. 2 Treatment Facility, the LARWQCB DDW could shut down Well No. 2 and Well No. 3. This would result in the District having to replace approximately two-thirds of its groundwater supply with more expensive imported water at a cost of approximately \$2M per year, an increase of approximately 50% of the current operating budget.

The best technology available to remove iron and manganese from the groundwater is to pump the groundwater through a filtration treatment process. This filtration treatment system can be constructed at the well site. Raw water pumped from the ground will flow through the filtration system at the Well and Treatment Facility to remove the iron and



manganese. This treated water will then be pumped into the District's potable water distribution system. The estimated project budget is listed in the table below:

Project Task	Original Project Budget	Revised Project Budget
Design, Inspection, and Testing ¹	\$202,750	\$418,080
Construction Contract ²	\$2,300,000	\$3,042,401
Project/Construction Management ³	\$120,750	\$525,643
Contingency	\$115,000	\$300,000
Total⁴	\$2,738,500	\$4,286,124

¹Revised Project Budget totals includes \$168,064 in Design, Inspection, and Testing already expended in prior fiscal years

²Revised Project Budget totals reflects actual lowest bid for construction contract received September 25, 2019

³Revised Project Budget totals includes \$253,643 in Project Management already expended in prior fiscal years

⁴Total Remaining Project Costs \$3,864,417

Financial Summary

Total District operating expenditures for FY 2018-19 were \$3.71M and total operating revenues for FY 2018-19 were \$3.41M, with an operating loss of \$300k. Cash reserves at the end of FY 2018-19 were \$997k. The FY 2018-19 operating loss is primarily due to lower customer demand for water as a result of an unusually wet year. The adopted FY 2019-20 budget operating expenditures were estimated at \$4.33M and operating revenues are projected to be \$3.97M, with an operating loss of \$366k. The annual rate analysis for the District was performed in August 2019 and projected that without a rate increase in calendar year 2020, the cash reserves would drop to approximately \$475k, which is 11% of the District's operating budget for FY 2019-20 and 72% below the recommended American Water Works Association (AWWA) standard for cash reserves.¹ Under the AWWA guidelines, the District cash reserve target for FY 2019-20 is \$1.7M. The project's Engineering Planning and Design and Right-of-Way costs of \$351,402 were paid previously from the District's cash reserve. The original project budget including estimates for the construction portion of the project, contingency funding, design services, and PWA staff project management, was \$2,738,500 (Exhibit 1). The State of California appropriated \$2.65M in their FY 2019-20 budget for the Well No. 2 project. Competitive bids from three contractors for the construction portion were received on September 25, 2019, with the lowest responsive bid coming in at \$3,042,401. This revised the project budget to \$4,286,124 with the remaining project costs estimated as \$3,864,417 based on the lowest bid. Therefore, the District is seeking financing alternatives to fund the additional \$1,214,417 required to complete construction of the Well No. 2 Treatment Facility.

¹ The American Water Works Association (AWWA) recommends cash reserve targets be set at 25% of the operating budget, 10% of operating revenue, and 2% of net assets.



The Water & Sanitation Department had previously obtained a \$5.0M loan for small rural communities from the United State Department of Agriculture (USDA) for District 19. The District used \$3.0M of this loan for pipe and booster pump replacement projects. However, in April 2019, USDA cancelled the remaining \$2.0M balance of the loan. USDA loans are designed for very small water agencies with no in-house engineering capabilities. The administrative requirements are onerous and often incompatible with the County's engineering procedures and regulations. In addition, USDA has required the use of their front-end contract documents, which are very different from the Ventura County Standard Specifications, and after County Counsel review, the USDA documents were determined to be incompatible with County procurement and regulations. USDA also wants to dictate sole sourcing of treatment equipment for the Well No. 2 Project, which is not agreeable with the County Public Works Agency. Therefore, the Department is looking for other financing sources that will better suit the District and Agency needs.

The following table summarizes the District's total current debt obligations as of December 31, 2019. This table includes principal and future interest due under the USDA debt agreement and assumes no additional loan draws will be initiated; and that the debt obligation will be paid in full at its current projected date in Fiscal Year 2044.

Loan	Outstanding Balance	Annual Payment
USDA Small Rural Community Loan	\$2,598,986	\$160,931
Total	\$2,598,986	\$160,931

District Request

The District is seeking to borrow from the County's Revolving Credit Agreement (RCA) for two purposes, a \$1.214M loan with a term of 30 years for a portion of the Well No. 2 Project remaining costs and a \$2.599M loan with a term of 24 years to refinance the existing USDA Small Rural Community Loan, both at the variable RCA annual interest rate. Although, the current variable RCA annual interest rate is 2.0%, the fiscal analysis assumed a conservative 3.5% interest rate across the two amortization periods (Exhibit 2). The \$2.599M loan for the retirement of the USDA loan has a 3.375% interest rate, which is higher than the current variable RCA interest rate of 2.0%.

The terms of the USDA loan also required \$51,700 per year be deposited into the District's debt and capital reserve funds. With the re-financing of the USDA loan, this \$51,700 reserve deposit is no longer required. With the offset of the \$51,700, the new potential debt service cost for the USDA Loan balance alone for fiscal year 2021 reflects approximately a 22.4% decrease in the District's debt service. Taking into account the additional debt service for the Well No. 2 Project, overall debt service costs for the District as compared to the current fiscal year debt service would increase by 7% or only \$15k annually.



This increase in total debt service reflects a 0.3% increase in the estimated operating budget for the District for FY 2021. These costs which are reflected in the District's proposed future water rates structure, subject to the Waterworks District No. 19 Board approval, would provide adequate water service rate revenue to pay back the loans (Exhibit 2). Based on recent historical increases in operational costs, including the cost of imported water, it is anticipated that local groundwater production costs and general O&M costs will increase by around 3% per year and imported water costs will increase by 3.5% per year for the foreseeable future. In order to address these future increases, and the debt service incurred for funding the Well No.2 Treatment Facility and future capital replacement projects, the District anticipates recommended rates increases of 7% each year between FY 2021 and FY 2024, 6% in FY 2025, 5% in FY 2026-27, and 3% each year thereafter to maintain a net positive cash flow. The average recommended future rate increases over the 14-year planning period would be 5% annually. Water service rates have increased 33% (compounded) since 2013 with a 7% increase in 2018 and no rate increase in 2019 or 2020.

Additionally, the District has not finalized the Agreement with State Water Resources Control Board (SWRCB) for the \$2.65M State budget appropriation. Therefore, the District is also seeking a short-term loan from the General Fund not to exceed \$600,000 at the County's Treasury Pool rate to provide interim working capital for the Well No. 2 Project with repayment from the State Grant proceeds.

In summary, it is requested that the Financial Planning Committee approve the District's request to seek Board of Supervisors' approval of a 30-year loan for \$1.214M at the variable RCA interest rate from the County's RCA Fund, for purposes of construction of the Well No.2 Treatment Facility. The District is also requesting approval for a 24-year loan for \$2.599M at the variable RCA interest rate from the County's RCA Fund, for the purposes of retirement of the District's existing USDA Rural Loan. Lastly, the District is also seeking a short-term loan from the General Fund not to exceed \$600,000 at the County's Treasury Pool rate to provide interim working capital for the Well No. 2 Project with repayment from the State Grant proceeds.



Joseph Pope
Water and Sanitation Department Director

Exhibit 1 Project Budget
Exhibit 2 VCWWD No. 19 Financial Analysis Spreadsheet



PROJECT BUDGET

WW13-02: WELL NO. 2 - IRON AND MANGANESE REMOVAL FACILITIES



	W&S Estimate 10/3/18	Remaining Project Budget	Expended
CONSTRUCTION	\$ 2,300,000	\$ 3,042,401	\$ -
10.01 Demolition	\$ -	\$ -	\$ -
10.02 Utilities	\$ -	\$ -	\$ -
10.03 Site Development	\$ -	\$ -	\$ -
10.04 Construction	\$ 2,300,000	\$ 3,042,401	\$ -
10.04 Change Orders	\$ -	\$ -	\$ -
OWNER REQUIREMENTS	\$ -	\$ -	\$ -
20.01 Furniture, Fixtures, & Equipment	\$ -	\$ -	\$ -
20.02 Signage	\$ -	\$ -	\$ -
20.03 IT & Telecom	\$ -	\$ -	\$ -
20.04 Alarms and Security	\$ -	\$ -	\$ -
20.05 Move In/Relocation	\$ -	\$ -	\$ -
PRELIMINARY STUDIES	\$ -	\$ 10,000	\$ 47,520
30.01 Surveying	\$ -	\$ 10,000	\$23,268
30.02 Geotechnical-Oakridge	\$ -	\$ -	\$10,760
30.03 Environmental-Padre	\$ -	\$ -	-
30.03 Clerk/Recorder-CEQA	\$ -	\$ -	-
30.04 Land Acquisition	\$ -	\$ -	-
30.05 Utility Search/Real Estate Svcs	\$ -	\$ -	\$13,491
30.06 Hazmat Study	\$ -	\$ -	-
DESIGN SERVICES	\$ 65,000	\$ 68,016	\$ 114,816
40.01 A/E Design-MSO	\$ -	\$ -	\$2,100
40.01 A/E Design-RBF	\$ -	\$ -	\$15,959
40.01 A/E Design-Michael Baker	\$ -	\$ -	\$96,757
40.01 A/E Design-Mitri Muna	\$ -	\$ -	-
40.01 A/E Design-MBI	\$ -	\$ -	-
40.02 A/E Construction-MBI	\$ 50,000	\$ 52,000	-
40.03 A/E Construction-MSO	\$ 15,000	\$ 16,016	\$ -
PERMITTING FEES	\$ -	\$ -	\$ 5,729
50.01 Grading Permit & Inspection	\$ -	\$ -	\$ -
50.02 Utilities	\$ -	\$ -	\$ -
50.03 Building & Safety Permits	\$ -	\$ -	\$ -
50.04 Building & Safety Inspection	\$ -	\$ -	\$ -
50.05 Miscellaneous	\$ -	\$ -	\$5,729
INSPECTION & TESTING	\$ 137,750	\$ 172,000	
60.01 W&S Project Inspection	\$ 117,750	\$ 137,000	\$ -
60.02 Specialty Inspection & Testing	\$ 10,000	\$ 25,000	\$ -
60.03 SWPPP Monitoring	\$ -	\$ -	\$ -
60.04 Hazmat Abatement	\$ -	\$ -	\$ -
60.05 Geotechnical Inspection	\$ 10,000	\$ 10,000	\$ -
SPECIALTY ITEMS	\$ -	\$ -	
70.01 Misc-JVs	\$ -	\$ -	\$ -
70.02 Cost Reviews	\$ -	\$ -	\$ -
PROJECT MANAGEMENT	\$ 120,750	\$ 272,000	\$ 253,643
80.01 W&S PM/Staff	\$ 115,000	\$ 92,000	\$192,999
80.02 ESD PM/Staff	\$ -	\$ 180,000	\$60,644
80.03 ESD Labor Compliance	\$ 5,750	\$ -	\$ -
CONTINGENCY	\$ 115,000	\$ 300,000	\$ -
90.01 Design Contingency	\$ -	\$ -	\$ -
90.02 Construction Contingency	\$ 115,000	\$ 300,000	\$ -
TOTALS	\$ 2,738,500	\$ 3,864,417	\$ 421,707
HARD	88%	86%	0%
SOFT	12%	14%	100%
A/E	2.4%	1.8%	27.2%
W&S/PWA PM	4.4%	7.0%	60.1%
W&S Inspection	4.3%	3.5%	0.0%
Available State Funding		\$ 2,650,000	
Additional Funds Needed		\$ 1,214,417	

WW#19 Proposed RCA Loan Proceeds and Repayment Analysis				FISCAL YEAR 2019-20																					
	FY16 Actual	FY17 Actual	FY18 Actual	FY19 Actual	FY20 Adopted Budget	FY20 Adjusted Budget	FY20 Actual (AP05)	FY20 Yr-End Projection (AP5)	FY20 Yr-End (Modified)	FY21 Estimate	FY22 Estimate	FY23 Estimate	FY24 Estimate	FY25 Estimate	FY26 Estimate	FY27 Estimate	FY28 Estimate	FY29 Estimate	FY30 Estimate	FY31 Estimate	FY32 Estimate	FY33 Estimate	FY34 Estimate	% INC	
1	OPERATING INCOME:																								
2	Water Sales	2,655.2	2,682.9	3,653.5	3,343.1	3,895.9	3,895.9	1,238.6	3,963.6	3,963.6	4,033.3	4,315.7	4,612.4	4,929.8	5,249.4	5,537.3	5,814.2	6,075.1	6,318.2	6,538.7	6,734.8	6,936.9	7,145.0	7,399.9	
3	Other Revenue- Late Charges & Customer Fees	2.7	5.1	9.6	48.6	10.1	10.1	2.9	10.1	10.1	10.1	10.1	10.1	10.1	10.1	10.1	10.1	10.1	10.1	10.1	10.1	10.1	10.1	10.1	
4	Misc Revenue- Permit,Planning, Eng., Interest etc.	202.2	44.2	58.8	23.0	61.6	61.6	14.4	54.1	54.1	54.1	73.1	60.9	74.6	75.4	76.1	76.9	77.6	78.4	79.2	80.0	80.8	81.6	82.4	
5	Total Operating Income	2,860.2	2,732.2	3,721.8	3,414.7	3,967.6	3,967.6	1,256.0	4,027.8	4,027.8	4,097.5	4,398.9	4,683.3	5,014.5	5,334.9	5,623.6	5,901.2	6,162.9	6,406.7	6,628.0	6,824.9	7,027.8	7,236.7	7,492.4	
6																									
7	OPERATING EXPENSES:																								
8	County & Agency Svcs	153.1	159.1	174.3	239.9	203.8	203.8	74.8	358.8	358.8	209.9	216.2	222.7	229.4	236.3	243.3	250.6	258.2	265.9	273.9	282.1	290.6	299.3	308.3	3%
9	Imported Water Cost	1,027.7	367.7	1,298.8	916.9	1,380.7	1,380.7	208.5	855.9	855.9	1,426.7	1,483.7	1,543.1	1,604.8	1,669.0	1,735.8	1,805.2	1,877.4	1,952.5	2,030.6	2,111.8	2,196.3	2,284.1	2,375.5	4%
10	Local Water Cost - Power& Ground Water Extract.	445.0	446.2	406.3	454.5	568.9	568.9	256.8	543.0	543.0	589.8	607.7	626.1	645.2	664.8	685.0	705.8	727.2	749.3	772.1	795.6	819.8	844.7	870.4	3%
11	Operation & Maintenance	980.5	922.7	872.9	985.5	1,201.3	1,205.3	604.3	1,153.7	1,153.7	1,188.3	1,224.0	1,260.7	1,298.5	1,337.5	1,377.6	1,418.9	1,461.5	1,505.3	1,550.5	1,597.0	1,644.9	1,694.3	1,745.1	3%
12	Regulatory Permit Costs	17.6	16.4	16.3	23.1	22.2	22.2	5.3	27.2	27.2	22.9	23.6	24.3	25.0	25.7	26.5	27.3	28.1	29.0	29.8	30.7	31.7	32.6	33.6	3%
13	System Maint, Repairs & Replc.	299.4	259.2	418.3	592.1	380.8	398.2	112.6	360.8	360.8	450.0	463.5	477.4	491.7	506.5	521.7	537.3	553.4	570.0	587.1	604.8	622.9	641.6	660.8	3%
14	Depreciation Expense	271.5	341.0	341.5	341.5	341.4	341.4	143.1	341.4	354.7	392.9	392.9	392.9	392.9	392.9	392.9	392.9	392.9	392.9	392.9	392.9	392.9	392.9	392.9	
15	Total Operating Expenses	3,194.8	2,512.3	3,528.4	3,553.5	4,099.1	4,120.6	1,405.4	3,640.9	3,654.2	4,280.5	4,411.6	4,547.2	4,687.5	4,832.6	4,982.8	5,138.1	5,298.8	5,465.0	5,637.0	5,814.9	5,999.1	6,189.5	6,386.6	
16	NET OPERATING GAIN (LOSS)	(334.6)	219.9	193.3	(138.8)	(131.5)	(153.0)	(149.4)	386.9	373.6	(182.9)	(12.7)	136.1	327.0	502.2	640.8	763.1	864.1	941.6	991.0	1,010.0	1,028.7	1,047.1	1,105.8	
17																									
18	NON-OPERATING (EXPENSES)INCOME																								
19	Interest Earnings	4.7	6.8	15.0	25.0	26.8	26.8	0.0	26.8	9.4	12.1	11.1	12.8	12.3	17.0	10.0	13.2	14.6	17.2	17.3	17.5	14.7	12.1	7.1	
20	Capital Improvement Charges	2.4	44.0	6.0	22.8	8.0	8.0	2.0	8.0	8.0	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	
21	Debt & Capital Reserve Contributions	0.0	(14.6)	0.0	0.0	(51.7)	(51.7)	(51.7)	(51.7)	(51.7)	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	
22	General Fund Loan Interest									(3.0)	(3.0)														
23	Debt service- USDA Loan	(155.9)	(160.9)	(168.3)	(161.2)	(160.9)	(160.9)	(109.6)	(160.9)	(131.7)	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	Note1
24	Debt service- RCA - USDA Loan Payoff (\$2.6M/24yrs/3.5%)									(21.7)	(161.8)	(161.8)	(161.8)	(161.8)	(161.8)	(161.8)	(161.8)	(161.8)	(161.8)	(161.8)	(161.8)	(161.8)	(161.8)	(161.8)	
25	Debt Service - RCA - All Capital Projects									(31.9)	(212.8)	(212.8)	(212.8)	(403.1)	(403.1)	(598.8)	(598.8)	(816.3)	(816.3)	(1,033.8)	(1,033.8)	(1,251.3)	(1,251.3)	(1,468.8)	
26	Total Non Operating (Expenses)Income	(148.8)	(124.6)	(147.3)	(113.4)	(177.8)	(177.8)	(159.3)	(177.8)	(190.7)	(182.2)	(361.2)	(359.5)	(550.3)	(545.6)	(748.3)	(745.1)	(961.1)	(958.6)	(1,176.0)	(1,175.8)	(1,396.0)	(1,398.6)	(1,621.2)	
27	NET INCOME GAIN (LOSS)	(483.4)	95.3	46.0	(252.2)	(309.3)	(330.8)	(308.6)	209.1	182.8	(365.1)	(373.8)	(223.4)	(223.3)	(43.4)	(107.5)	18.0	(97.0)	(16.9)	(185.1)	(165.8)	(367.3)	(351.5)	(515.4)	
28																									
29		FY16 Actual	FY17 Actual	FY18 Actual	FY19 Actual	FY20 Adopted Budget	FY20 Adjusted Budget	FY20 Actual (AP05)	FY20 Yr-End Projection (AP5)	FY20 Yr-End (Modified)	FY21 Estimate	FY22 Estimate	FY23 Estimate	FY24 Estimate	FY25 Estimate	FY26 Estimate	FY27 Estimate	FY28 Estimate	FY29 Estimate	FY30 Estimate	FY31 Estimate	FY32 Estimate	FY33 Estimate	FY34 Estimate	% INC
30	PROJECTED CASH FLOW:																								
31	A Line 22 from Schedule 1 Net Income (Loss)	(483.4)	95.3	46.0	(252.2)	(309.3)	(330.8)	(308.6)	209.1	182.8	(365.1)	(373.8)	(223.4)	(223.3)	(43.4)	(107.5)	18.0	(97.0)	(16.9)	(185.1)	(165.8)	(367.3)	(351.5)	(515.4)	
32	Add																								
33	B Items in Operations not Requiring Cash:																								
34	1 Depreciation (Line 17, Section 1))	271.5	341.0	341.5	341.5	341.4	341.4	143.1	341.4	354.7	392.9	392.9	392.9	392.9	392.9	392.9	392.9	392.9	392.9	392.9	392.9	392.9	392.9	392.9	Note8
35	C Cash Provided from:																								
36	1 Proceeds from USDA Loan	300.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0														
37	2 Proceeds from State Grant																								