

Accepted

**SOMIS CITIZENS' ADVISORY COMMITTEE
VENTURA COUNTY WATERWORKS DISTRICT NO. 19
MINUTES OF THE SEPTEMBER 13, 2023, SPECIAL MEETING**

COMMITTEE MEMBERS IN ATTENDANCE: Michael Mishler-Chair
David Hutter-Vice Chair, ,
Michael Morgan, Keith Huss

COMMITTEE MEMBERS ABSENT: Tyler Cobb

STAFF: Joseph Pope, Director
Scott Meckstroth, Deputy Director
June Kim, Engineering Mgmt.
Jean Fontayne, Staff Services
Mgr.
Sean Hanley, Water Superintend.
Gilberto Minero, Staff Services
Vimie Alvarez, Principal Acct
Pam Cook, Senior Accountant

GUESTS: Marcy Nunn, Lynette Buchanan-Roth, Kathy Janowski

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1. **CALL TO ORDER:** The meeting was called to order at 3:30PM
2. **PUBLIC COMMENT:**
Michael Mishler let everyone know that they can hold their comments after the staff gives the presentation. Comments do not need to be given now. Raise hands if you need to ask a question.
3. **FISCAL YEAR 2023 FINANCIAL REVIEW:**
At the last meeting we had questions on several Budget/Fiscal Matters. Break outs and explanation of amounts that are highlighted.
REVENUE 15. On the Revenue side, we had fees that we received-Farm Worker Housing 19. Other misc. revenue-Edison rebates (demand response program).
OPERATING EXPENDITURE 24. Balcom Canyon, Somis Nighttime work, Contract work and chemicals. 28. Legal Cost due to the Adjudication, phase III Trial. 31. Water Analysis, 100% vacancy in lab, so we had to contract out the work. 33. Groundwater Extraction Fox Canyon increased their fees, cannot predict. 34. Water Purchase 2 issues with wells, had to purchase more water from Calleguas. 38. Meter replacements for Farm Worker Housing and will be reimbursed on the Revenue side. 41. Other Loan Payments, USDA refinanced in 2022 and interest rates went up significantly.
CAPITAL SOURCES OF FUNDS 63. Interest Earnings, cash we have received from the Bank. 64. Well 2 State Grant money.

TOTAL SYST. REPLC & CONST PROJ. 92. Engineering Services Reimbursed for Somis Farm Worker.

4. **ACTION ITEM - SETTING WATER RATES FOR 2024**

Analysis for the water rates. Mr. Pope got the rates from FY 2023 O&M Expenditures divided by total 2023 acre feet (1765) which equals 5.15/HCF or \$2,245/AF. \$17.30/AF is Calleguas current cost. From a budget perspective we are assuming an average increase Labor 3.5%, Electricity 4%, Materials 3%, and new capital loans 30-year 3.5% fixed.

Looking at our water use trends; our water demand assumes 1,997 AF in 2024. Energy Consumption Analysis was factored in, as year after year there is an increase. Fixed Costs and Percentage of Total Costs has been going up over the last decade. Known risks, infrastructure issues, reduction in revenues. Options in Project Financing, Rate/Cash Reserve, Grants, Loans all require pre-approval by County Financial Planning, and each are options, but a surcharge needs to fund all these. Rate Analysis Objectives, Fund critical projects. Maintain Cash reserves and Maintain reserves. Rate Increase History, 1990-2022. No Rate Increases will result in losing over 1M. 2 1/2 % increase a year would stabilize in the long run. Calendar year a fixed charge and commodity increase helps the proportion year by year. Commodity and Fixed Meter Increase Proposal vs Fixed Meter and Surcharge Increase Proposal. Next meeting in October, Mr. Pope can come back and present a Commodity and Meter Rates. Mr. Pope will bring a spread sheet and the committee will play around with the numbers to find the best rates going forward.

5. **COMMITTEE MEMBERS COMMENTS**

6. **ADJOURNMENT** Meeting was adjourned at 5:00PM

*The next District 19 regularly scheduled Citizen's Advisory Committee meeting will be held on October 19, 2023.