WEST VALLEY WATER DISTRICT
855 W. BASE LINE ROAD, RIALTO, CA 92376
PH: (909) 875-1804
WWW.WVWD.ORG

REGULAR BOARD MEETING
AGENDA

Thursday, October 2, 2025, 6:00 PM

BOARD OF DIRECTORS

Gregory Young, President
Daniel Jenkins, Vice President
Estevan Bennett, Director
Angela Garcia, Director
Kelvin Moore, Director

"In order to comply with legal requirements for posting of agendas, only those items filed with the Board Secretary's office by noon, on Wednesday a week prior to the following Thursday meeting, not requiring departmental investigation, will be considered by the Board of Directors."

Members of the public may attend the meeting in person at 855 W. Base Line Road, Rialto, CA 92376, or you may join the meeting using Zoom by clicking this link: https://us02web.zoom.us/j/8402937790. Public comment may be submitted via Zoom, by telephone by calling the following number and access code: Dial: (888) 475-4499, Access Code: 840-293-7790, or via email to administration@wvwd.org.

If you require additional assistance, please contact administration@wvwd.org.

CALL TO ORDER

ROLL CALL OF BOARD MEMBERS

APPROVAL OF ANY BOARD MEMBERS REQUESTS FOR REMOTE PARTICIPATION

PLEDGE OF ALLEGIANCE

OPENING PRAYER

CLOSED SESSION

1. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION
Paragraph (1) of subdivision (d) of Government Code Section 54956.9
Name of case: Naseem Farooqi v. West Valley Water District et al.

2. PUBLIC EMPLOYEE PERFORMANCE EVALUATION
Government Code Section 54957
Title: General Manager

ADOPT AGENDA

PUBLIC PARTICIPATION

Any person wishing to speak to the Board of Directors on matters listed or not listed on the agenda, within its jurisdiction, is asked to complete a Speaker Card and submit it to the Board Secretary, if you are attending in person. For anyone joining on Zoom, please wait for the Board President's instruction to indicate that you would like to speak. Each speaker is limited to three (3) minutes. Under the State of California Brown Act, the Board of Directors is prohibited from discussing or taking action on any item not listed on the posted agenda. Comments related to noticed Public Hearing(s) and Business Matters will be heard during the occurrence of the item.

Public communication is the time for anyone to address the Board on any agenda item or anything under the jurisdiction of the District. Also, please remember that no disruptions from the crowd will be tolerated. If someone disrupts the meeting, they will be removed.

PRESENTATIONS

None.

CONSENT CALENDAR

1. Inclusion of "On-Call" Duties in Meter Services Operator I & II and Water Distribution Operator I & II Job Descriptions PG. 5

2. New Caterpillar Backhoe Loader PG. 39

3. Amendment to the License Agreement with the San Bernardino County Flood Control District to Support Fluidized Bed Reactor Groundwater Treatment Plant PG. 51

4. Amendment to the Reimbursement Agreement with the San Bernardino Valley Municipal Water District PG. 57

BUSINESS MATTERS

Consideration Of:

1. Authorize Staff to Call a Public Hearing in Compliance with Proposition 218 and Take All Necessary Actions Relating Thereto PG. 65

2. IE Works Annual Membership Fee Renewal for 2025/26 PG. 127

3. Holiday Closure PG. 129

REPORTS

1. Board Committee Reports

2. Board Members

3. General Manager

4. Legal Counsel

5. Public Outreach Government Affairs

6. Board Secretary

UPCOMING MEETINGS

- October 6, 2025 – Safety and Technology Committee Meeting at 5:00 p.m.
- October 8, 2025 – Human Resources Committee Meeting at 6:00 p.m.
- October 9, 2025 – Policy Review and Oversight Committee Meeting at 5:00 p.m.
- October 13, 2025 – Finance Committee meeting at 5:00 p.m.
- October 16, 2025 – Regular Board Meeting at 5:00 p.m.
- October 23, 2025 – Engineering, Operations and Planning Committee at 6:00 p.m.
- October 27, 2025 – External Affairs Committee Meeting at 12:00 p.m.

UPCOMING COMMUNITY EVENTS

- October 4th – PAWS in the Park
- October 25th – Bloomington Trunk or Treat
- October 25th - Kessler Park Trunk or Treat
- October 31st - City of Rialto Halloween Hi-Jinks

UPCOMING EDUCATIONAL & TRAINING OPPORTUNITIES

- October 23 – IEUA Quarterly Policy Meeting – “The Water Table”
- October 23 – Southern California Water Coalition Annual Dinner
- November 13-14 – ACWA Region 8,9, 10 - Southern California Water Forum: Shared Challenges, Strategic Action
- November 17-18 CSDA Leadership Academy
- December 2 - 4 - ACWA Fall Conference and Expo

ADJOURN

Please Note:

Material related to an item on this Agenda submitted to the Board after distribution of the agenda packet are available for public inspection in the District's office located at 855 W. Baseline, Rialto, during normal business hours. Also, such documents are available on the District's website at www.wvwd.org subject to staff's ability to post the documents before the meeting.

Pursuant to Government Code Section 54954.2(a), any request for a disability-related modification or accommodation, including auxiliary aids or services, in order to attend or participate in the above-agendized public meeting should be directed to the Acting Board Secretary, Paola Lara, at least 72 hours in advance of the meeting to ensure availability of the requested service or accommodation. Ms. Lara may be contacted by telephone at (909) 875-1804 ext. 702, or in writing at the West Valley Water District, P.O. Box 920, Rialto, CA 92377-0920.

DECLARATION OF POSTING:

I declare under penalty of perjury, that I am employed by the West Valley Water District and posted the foregoing Agenda at the District Offices on September 25, 2025.

Paola Lara

Paola Lara, Acting Board Secretary

Date Posted: September 25, 2025

STAFF REPORT

DATE: October 2, 2025

TO: Board of Directors

FROM: Haydee Sainz, Human Resources & Risk Manager

SUBJECT: Inclusion of “On-Call” Duties in Meter Services Operator I & II and Water Distribution Operator I & II Job Descriptions

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MEETING HISTORY:

8/13/2025 Human Resources Committee

BACKGROUND:

Currently, “On-Call” responsibilities are assigned only to Water Distribution Operator III and Lead positions. This limited pool of eligible staff has resulted in a condensed rotation schedule, which has raised concerns about potential overwork and burnout.

Staff has communicated the proposed expansion of “On-Call” duties to include Water Distribution Operator I and II positions. The union has also brought forth feedback from its members, noting that the current rotation among a smaller group has created a safety concern due to fatigue and burnout.

DISCUSSION:

In response to these concerns, staff recommends updating the job descriptions for Water Distribution Operator I and II, as well as Meter Services Operator I and II, to include “On-Call” duties. This change will:

- Broaden the rotation pool, reducing the frequency of on-call assignments for individual employees
- Promote a more equitable distribution of responsibilities
- Support employee well-being and reduce the risk of fatigue-related safety issues
- Provide professional development opportunities for staff interested in expanding their operational knowledge

The inclusion of these duties has been discussed with affected staff and the union, and is viewed as a proactive step toward improving operational efficiency and employee support.

FISCAL IMPACT:

No fiscal impact.

REQUESTED ACTION:

Staff recommends that the Board of Directors receive and file the report.

Attachments

Water Distribution Operator I red lined 10.2025.pdf
Water Distribution Operator I Final 10.25.pdf
Water Distribution Operator II red lined 10.2025.pdf
Water Distribution Operator II Final 10.25.pdf
Meter Services Operator I red lined 10.2025.pdf
Meter Services Operator I final 10.25.pdf
Meter Services Operator II red lined 10.2025.pdf
Water Distribution Operator II Final 10.25.pdf

Water Distribution Operator I

Department/Division:	Operations/Distribution
Reports To:	Chief Water Systems Operator – Distribution & Meter Services
Provides Direction To:	None
FLSA Exemption Status:	Non-Exempt
Effective Date:	12/19/2025; 10/02/2025

GENERAL PURPOSE

Under close supervision, to install, maintain, and repair water services, valves, mains, meters, and hydrants; to operate and maintain heavy equipment used in water services work; and to perform a variety of skilled maintenance trades work. Every operator is required to serve on a rotating shift and serve "on call" with a District cell phone after hours, weekends and holidays.

DISTINGUISHING CHARACTERISTICS

This is the first working level in the Water Distribution Operator classification series with incumbents performing water maintenance and distribution work of average complexity. Incumbents perform a variety of duties such as installing, operating and maintaining water mains, valves, hydrants, service lines, meters, and all other facilities of the District; painting of District structures; marking mains and services for Underground Service Alerts; flushing the distribution system: exercising fire hydrants and valves; raising valve boxes; and, performing related duties and responsibilities as assigned. The Water Distribution Operator I is distinguished from the Water Distribution Operator II in that the Water Distribution Operator I requires a lower level of certification and performs a narrower scope of work under closer supervision.

ESSENTIAL FUNCTIONS

The duties listed below are intended only as illustrations of the various types of work that may be performed. The omission of specific statements of duties does not exclude them from the position if the work is similar, related or a logical assignment to the class.

- Participates in the performance of a variety of water utility duties in the maintenance and repair of water plants and facilities;
- Participates as a crew member in the installation, maintenance, modification, and repair of water mains, blowers, valves, hydrants, services, meters, and related infrastructure.
- Operates a forklift, roller cement mixer, compressor, jackhammer, concrete saws, drills and similar equipment and tools depending on status of training;
- Assists in performing basic records maintenance of work performed.
- Performs proper shoring of trenches and safety practices.
- Digs and backfills trenches; lays pipe and drills and taps water mains; locates, taps, and installs new customer services; learns to make skilled fittings and connections.

- Participates in turning on and off water services; cleans mains and flushes the water system.
- Assists in locating and marking water lines for contractors and District crews; responds to Underground Service Alert (USA) requests.
- Investigates leaks and reports service interruptions; repairs valves and insures that they are working properly.
- Repairs and/or replaces meter boxes.
- Provide courteous and expeditious customer service to the general public and District staff;
- Participates in advising customers of leaks and suggests how to resolve the problems; informs customers of water shut offs for repairs.
- Performs a variety of related welding, carpentry, fencing, painting, plumbing, masonry, graffiti removal.
- Cuts and places concrete and asphalt.
- Sets up traffic control in accordance with safety standards; flags and directs traffic.
- Raises valve can boxes that have been paved over.
- Assists in making necessary repairs to special recording registers in the field or shop;
- Assists in assembling drive trains;
- Cross-trains in other department job duties.
- Maintains assigned District vehicle including servicing and periodic safety checks.
- Participates in District safety meetings
- Serves on a rotating shift and serves "on call" with a District cell phone after hours, weekends and holidays which fall within the assigned shift.
- District employees are expected to work overtime, weekends, evenings, and holidays as required to accommodate the District's needs and respond as a Disaster Emergency Service Worker.
- Performs other related duties, as assigned.

QUALIFICATIONS GUIDELINES

Knowledge of:

- Water distribution procedures, equipment, materials, and hand tools. Uses common construction and maintenance tools and equipment.
- Basic equipment operation, maintenance, and repair principles and practices.
- Water distribution facilities, including mains, meters, hydrants and valves.
- Principles and methods of pipe laying, fitting, welding and concrete work.
- Safe work practices.

Ability to:

- Perform responsible water system maintenance duties.
- Repair, install, and maintain water mains, services, hydrants, meters and valves.
- Operate and maintain a variety of hand and power tools and related equipment.
- Learn to lay and fit pipe; mix, pour and finish cement; install valves and meters.
- Perform heavy physical labor.
- Assess system demand, flow rates and velocity, head loss, cavitation, water hammer, water pressure and volume, static and dynamic pressure.
- Use modern office equipment, including computers and software used in water

distribution.
- Read, interpret and apply pertinent laws, rules, and regulations related to the work.
- Learn to read and interpret plans, maps, blueprints, specifications, construction designs and drawings.
- Maintain accurate and complete records.
- Understand and carry out oral and written instructions.
- Communicate effectively verbally and in writing.

Minimum Qualifications

Any combination of education, training, and experience that would likely provide the knowledge, skills, and abilities to successfully perform in the position is qualifying. A typical combination includes:

Education: High School diploma or equivalent.

And

Experience: One (1) year of experience in either meter services or distribution system operations with a public agency water system, equivalent to a Water Distribution Operator Assistant.

Licenses, Certificates; Special Requirements:

Must possess an appropriate valid Class "C" Driver's License issued by the California State Department of Motor Vehicles, and a good driving record.

Possession of SWRCB Certification as a Grade II Water Distribution Operator.

PHYSICAL AND MENTAL DEMANDS

The physical and mental demands described here are representative of those that must be met by employees to successfully perform the essential functions of this class. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

While performing the duties of this classification, an incumbent is regularly required to stand; use hands and fingers to handle, or feel; talk and hear. The incumbent is frequently required to walk and to reach with hands and arms. The employee is frequently required to sit, climb or balance and stoop, kneel, crouch or crawl. The incumbent must regularly lift and/or move up to ten (10) pounds, frequently lift and/or move up to fifty (50) pounds, and occasionally lift and/or move up to one-hundred (100) pounds. Specific vision abilities required by this job include close vision, distance vision, color vision, peripheral vision, depth perception and ability to adjust focus. Work involves exposure to potential harm, infectious disease and hazardous chemicals including smoke, fumes, gas, treated water, high frequency noise, dirt, dust, grease, oil, chemicals, solvents and toxic agents.

Incumbents need to be able to tolerate unpleasant odors, wet conditions and uncomfortable climate conditions.

THIS POSITION MAY BE ELIMINATED, OR THE DUTIES, QUALIFICATIONS AND TRAINING REQUIRED CHANGED BY THE BOARD OF DIRECTORS AND/OR THE GENERAL MANAGER, WHEN IN THEIR JUDGEMENT, IT IS CONSIDERED NECESSARY AND PROPER FOR THE EFFICIENT OPERATION OF THE DISTRICT.

Water Distribution Operator I

Department/Division:	Operations/Distribution
Reports To:	Chief Water Systems Operator – Distribution & Meter Services
Provides Direction To:	None
FLSA Exemption Status:	Non-Exempt
Effective Date:	12/19/2025; 10/02/2025

GENERAL PURPOSE
Under close supervision, to install, maintain, and repair water services, valves, mains, meters, and hydrants; to operate and maintain heavy equipment used in water services work; and to perform a variety of skilled maintenance trades work. Every operator is required to serve on a rotating shift and serve "on call" with a District cell phone after hours, weekends and holidays.

DISTINGUISHING CHARACTERISTICS
This is the first working level in the Water Distribution Operator classification series with incumbents performing water maintenance and distribution work of average complexity. Incumbents perform a variety of duties such as installing, operating and maintaining water mains, valves, hydrants, service lines, meters, and all other facilities of the District; painting of District structures; marking mains and services for Underground Service Alerts; flushing the distribution system: exercising fire hydrants and valves; raising valve boxes; and, performing related duties and responsibilities as assigned. The Water Distribution Operator I is distinguished from the Water Distribution Operator II in that the Water Distribution Operator I requires a lower level of certification and performs a narrower scope of work under closer supervision.

ESSENTIAL FUNCTIONS
The duties listed below are intended only as illustrations of the various types of work that may be performed. The omission of specific statements of duties does not exclude them from the position if the work is similar, related or a logical assignment to the class.

- Participates in the performance of a variety of water utility duties in the maintenance and repair of water plants and facilities;
- Participates as a crew member in the installation, maintenance, modification, and repair of water mains, blowers, valves, hydrants, services, meters, and related infrastructure.
- Operates a forklift, roller cement mixer, compressor, jackhammer, concrete saws, drills and similar equipment and tools depending on status of training;
- Assists in performing basic records maintenance of work performed.
- Performs proper shoring of trenches and safety practices.
- Digs and backfills trenches; lays pipe and drills and taps water mains; locates, taps, and installs new customer services; learns to make skilled fittings and connections.

- Participates in turning on and off water services; cleans mains and flushes the water system.
- Assists in locating and marking water lines for contractors and District crews; responds to Underground Service Alert (USA) requests.
- Investigates leaks and reports service interruptions; repairs valves and insures that they are working properly.
- Repairs and/or replaces meter boxes.
- Provide courteous and expeditious customer service to the general public and District staff;
- Participates in advising customers of leaks and suggests how to resolve the problems; informs customers of water shut offs for repairs.
- Performs a variety of related welding, carpentry, fencing, painting, plumbing, masonry, graffiti removal.
- Cuts and places concrete and asphalt.
- Sets up traffic control in accordance with safety standards; flags and directs traffic.
- Raises valve can boxes that have been paved over.
- Assists in making necessary repairs to special recording registers in the field or shop;
- Assists in assembling drive trains;
- Cross-trains in other department job duties.
- Maintains assigned District vehicle including servicing and periodic safety checks.
- Participates in District safety meetings
- Serves on a rotating shift and serves “on call” with a District cell phone after hours, weekends and holidays which fall within the assigned shift.
- District employees are expected to work overtime, weekends, evenings, and holidays as required to accommodate the District’s needs and respond as a Disaster Emergency Service Worker.
- Performs other related duties, as assigned.

QUALIFICATIONS GUIDELINES

Knowledge of:

- Water distribution procedures, equipment, materials, and hand tools. Uses common construction and maintenance tools and equipment.
- Basic equipment operation, maintenance, and repair principles and practices.
- Water distribution facilities, including mains, meters, hydrants and valves.
- Principles and methods of pipe laying, fitting, welding and concrete work.
- Safe work practices.

Ability to:

- Perform responsible water system maintenance duties.
- Repair, install, and maintain water mains, services, hydrants, meters and valves.
- Operate and maintain a variety of hand and power tools and related equipment.
- Learn to lay and fit pipe; mix, pour and finish cement; install valves and meters.
- Perform heavy physical labor.
- Assess system demand, flow rates and velocity, head loss, cavitation, water hammer, water pressure and volume, static and dynamic pressure.
- Use modern office equipment, including computers and software used in water distribution.

- Read, interpret and apply pertinent laws, rules, and regulations related to the work.
- Learn to read and interpret plans, maps, blueprints, specifications, construction designs and drawings.
- Maintain accurate and complete records.
- Understand and carry out oral and written instructions.
- Communicate effectively verbally and in writing.

Minimum Qualifications
Any combination of education, training, and experience that would likely provide the knowledge, skills, and abilities to successfully perform in the position is qualifying. A typical combination includes:

Education: High School diploma or equivalent.

And

Experience: One (1) year of experience in either meter services or distribution system operations with a public agency water system, equivalent to a Water Distribution Operator Assistant.

Licenses, Certificates; Special Requirements:

Must possess an appropriate valid Class "C" Driver's License issued by the California State Department of Motor Vehicles, and a good driving record.

Possession of SWRCB Certification as a Grade II Water Distribution Operator.

PHYSICAL AND MENTAL DEMANDS
The physical and mental demands described here are representative of those that must be met by employees to successfully perform the essential functions of this class. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

While performing the duties of this classification, an incumbent is regularly required to stand; use hands and fingers to handle, or feel; talk and hear. The incumbent is frequently required to walk and to reach with hands and arms. The employee is frequently required to sit, climb or balance and stoop, kneel, crouch or crawl. The incumbent must regularly lift and/or move up to ten (10) pounds, frequently lift and/or move up to fifty (50) pounds, and occasionally lift and/or move up to one-hundred (100) pounds. Specific vision abilities required by this job include close vision, distance vision, color vision, peripheral vision, depth perception and ability to adjust focus. Work involves exposure to potential harm, infectious disease and hazardous chemicals including smoke, fumes, gas, treated water, high frequency noise, dirt, dust, grease, oil, chemicals, solvents and toxic agents. Incumbents need to be able to tolerate unpleasant odors, wet conditions and uncomfortable climate conditions.

THIS POSITION MAY BE ELIMINATED, OR THE DUTIES, QUALIFICATIONS AND TRAINING REQUIRED CHANGED BY THE BOARD OF DIRECTORS AND/OR THE GENERAL MANAGER, WHEN IN THEIR JUDGEMENT, IT IS CONSIDERED NECESSARY AND PROPER FOR THE EFFICIENT OPERATION OF THE DISTRICT.

Water Distribution Operator II

Department/Division:	Operations/Distribution
Reports To:	Chief Water Systems Operator – Distribution & Meter Services
Provides Direction To:	None
FLSA Exemption Status:	Non-Exempt
Effective Date:	12/19/2024; 10/02/2025

GENERAL PURPOSE

Under general supervision, to install, maintain, and repair water services, valves, mains, meters, and hydrants; to operate heavy equipment used in water service work; and to perform a variety of skilled maintenance trades work. Every operator is required to serve on a rotating shift and serve "on call" with a District cell phone after hours, weekends and holidays.

DISTINGUISHING CHARACTERISTICS

This is the second working level in the Water Distribution Operator classification series with incumbents performing water distribution work of average complexity. Incumbents perform a variety of duties related to installing, operating and maintaining water mains, valves, hydrants, service lines, meters, booster pumps, and all other facilities of the District; weed abatement; painting of District structures; marking mains and services for Underground Service Alerts; flushing the distribution system: exercising fire hydrants and valves; raising valve boxes; monitoring and controlling flows and pressures in the distribution system; and, performing related duties and responsibilities as assigned. The Water Distribution Operator II is distinguished from the Water Distribution Operator I in that the Water Distribution Operator II requires a higher level of certification and performs a broader range of distribution and maintenance work with less supervision. The Water Distribution Operator II is distinguished from the Water Distribution Operator III in that the Water Distribution Operator III is the full performance level in the series.

ESSENTIAL FUNCTIONS

The duties listed below are intended only as illustrations of the various types of work that may be performed. The omission of specific statements of duties does not exclude them from the position if the work is similar, related or a logical assignment to the class.

- Participates in the performance of a variety of water utility duties in the maintenance and repair of water plants and facilities.
- Participates in the work of crews engaged in the installation, maintenance, modification, and repair of water mains, blowers, valves, hydrants, services, meters,

booster pumps and related infrastructure.
- May participate in training and guiding lesser skilled workers in the proper performance of duties.
- Operates a forklift, roller cement mixer, compressor, jackhammer, concrete saws, sandblaster, drills, welding equipment, and/or similar equipment and tools.
- Maintains records of work performed.
- Performs proper shoring of trenches and safety practices.
- Digs and backfills trenches; lays pipe and drills and taps water mains; locates, taps, and installs new customer services; learns to make skilled fittings and connections.
- Turns on and off water services; cleans mains and flushes the water system.
- Locates and marks water lines for contractors and District crews, responding to Underground Service Alert (USA) requests.
- Investigates leaks and reports service interruptions; repairs valves and insures that they are working properly.
- Provides courteous and expeditious customer service to the general public and District staff.
- Advises customers of leaks and suggests how to resolve the problems; informs customers of water shut offs for repairs.
- Performs a variety of related welding, carpentry, fencing, painting, plumbing, masonry, grounds maintenance, tree trimming and graffiti removal.
- Cuts and place concrete and asphalt.
- Sets up traffic control in accordance with safety standards; flags and directs traffic.
- Locates and installs irrigation sprinkler systems; performs ground maintenance, tree trimming and weed abatement.
- Raises valve boxes that have been paved over.
- Assists in making necessary repairs to special recording registers in the field or shop;
- Assists and learns to check discs, diaphragms and bushings; learns to assemble drive trains;
- Clean and maintain reservoirs, buildings, sludge beds, and blending ponds.
- Cross-trains in other department job duties.
- Maintains assigned District vehicle including servicing and periodic safety checks.
- Participates in District safety meetings
- Serves on a rotating shift and serves “on call” with a District cell phone after hours, weekends and holidays which fall within the assigned shift.
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- District employees are expected to work overtime, weekends, evenings, and holidays as required to accommodate the District’s needs and responds as a Disaster Emergency Service Worker.
- Performs other related duties, as assigned.

QUALIFICATIONS GUIDELINES

Knowledge of:
- Water distribution facilities including mains, meters, hydrants and valves.
- The District’s distribution system.
- Geography and street locations of the District.
- District policies, procedures and specifications.
- Advanced principles and methods of pipe laying, fitting, welding and concrete work.

- Tools and equipment used in the installation, maintenance, and repair of water mains, services, meters, hydrants and valves.
- Equipment operation, maintenance, and repair methods and practices at an advanced journey level.
- Safe work practices.

Ability to:

- Independently perform skilled and responsible water system maintenance duties.
- Train lesser-skilled staff in water services and repair work.
- Determine work methods and materials for assigned job.
- Repair, install, and maintain water mains, services, hydrants, meters and valves at an advanced level.
- Maintain accurate records of work performed.
- Lay and fit pipe; mix, pour and finish cement; install valves and meters.
- Perform heavy physical labor.
- Operate power-driven equipment, and welder used in water service work.
- Read and interpret plans, drawings, maps, and specifications.
- Communicate clearly and concisely.
- Understand and carry out oral and written instructions.
- Observe proper safety precautions.
- Work overtime as required.
- Operate a vehicle, observing laws and defensive driving practices.

Minimum Qualifications

Any combination of education, training, and experience that would likely provide the knowledge, skills, and abilities to successfully perform in the position is qualifying. A typical combination includes:

Education: High School diploma or equivalent.

And

Experience: Two (2) of responsible experience in water distribution system operations, maintenance, and repair with a public agency water system, equivalent to a Water Distribution Operator I.

Licenses, Certificates; Special Requirements:

Must possess an appropriate valid Class “C” Driver’s License issued by the California State Department of Motor Vehicles, and a good driving record.

Possession of SWRCB Certification as a Grade 2 Water Distribution Operator.

Possession of SWRCB Certification as a Grade 1 Water Treatment Operator.

PHYSICAL AND MENTAL DEMANDS

The physical and mental demands described here are representative of those that must be met by employees to successfully perform the essential functions of this class. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

While performing the duties of this classification, an incumbent is regularly required to stand; use hands and fingers to handle, or feel; talk and hear. The incumbent is frequently required to walk and to reach with hands and arms. The employee is frequently required to sit, climb or balance and stoop, kneel, crouch or crawl. The incumbent must regularly lift and/or move up to ten (10) pounds, frequently lift and/or move up to fifty (50) pounds, and occasionally lift and/or move up to one-hundred (100) pounds. Specific vision abilities required by this job include close vision, distance vision, color vision, peripheral vision, depth perception and ability to adjust focus. Work involves exposure to potential harm, infectious disease and hazardous chemicals including smoke, fumes, gas, treated water, high frequency noise, dirt, dust, grease, oil, chemicals, solvents and toxic agents. Incumbents need to be able to tolerate unpleasant odors, wet conditions and uncomfortable climate conditions.

THIS POSITION MAY BE ELIMINATED, OR THE DUTIES, QUALIFICATIONS AND TRAINING REQUIRED CHANGED BY THE BOARD OF DIRECTORS AND/OR THE GENERAL MANAGER, WHEN IN THEIR JUDGEMENT, IT IS CONSIDERED NECESSARY AND PROPER FOR THE EFFICIENT OPERATION OF THE DISTRICT.

Water Distribution Operator II

Department/Division:	Operations/Distribution
Reports To:	Chief Water Systems Operator – Distribution & Meter Services
Provides Direction To:	None
FLSA Exemption Status:	Non-Exempt
Effective Date:	12/19/2024; 10/02/2025

GENERAL PURPOSE

Under general supervision, to install, maintain, and repair water services, valves, mains, meters, and hydrants; to operate heavy equipment used in water service work; and to perform a variety of skilled maintenance trades work. Every operator is required to serve on a rotating shift and serve "on call" with a District cell phone after hours, weekends and holidays.

DISTINGUISHING CHARACTERISTICS

This is the second working level in the Water Distribution Operator classification series with incumbents performing water distribution work of average complexity. Incumbents perform a variety of duties related to installing, operating and maintaining water mains, valves, hydrants, service lines, meters, booster pumps, and all other facilities of the District; weed abatement; painting of District structures; marking mains and services for Underground Service Alerts; flushing the distribution system: exercising fire hydrants and valves; raising valve boxes; monitoring and controlling flows and pressures in the distribution system; and, performing related duties and responsibilities as assigned. The Water Distribution Operator II is distinguished from the Water Distribution Operator I in that the Water Distribution Operator II requires a higher level of certification and performs a broader range of distribution and maintenance work with less supervision. The Water Distribution Operator II is distinguished from the Water Distribution Operator III in that the Water Distribution Operator III is the full performance level in the series.

ESSENTIAL FUNCTIONS

The duties listed below are intended only as illustrations of the various types of work that may be performed. The omission of specific statements of duties does not exclude them from the position if the work is similar, related or a logical assignment to the class.

- Participates in the performance of a variety of water utility duties in the maintenance and repair of water plants and facilities.
- Participates in the work of crews engaged in the installation, maintenance, modification, and repair of water mains, blowers, valves, hydrants, services, meters,

booster pumps and related infrastructure.
- May participate in training and guiding lesser skilled workers in the proper performance of duties.
- Operates a forklift, roller cement mixer, compressor, jackhammer, concrete saws, sandblaster, drills, welding equipment, and/or similar equipment and tools.
- Maintains records of work performed.
- Performs proper shoring of trenches and safety practices.
- Digs and backfills trenches; lays pipe and drills and taps water mains; locates, taps, and installs new customer services; learns to make skilled fittings and connections.
- Turns on and off water services; cleans mains and flushes the water system.
- Locates and marks water lines for contractors and District crews, responding to Underground Service Alert (USA) requests.
- Investigates leaks and reports service interruptions; repairs valves and insures that they are working properly.
- Provides courteous and expeditious customer service to the general public and District staff.
- Advises customers of leaks and suggests how to resolve the problems; informs customers of water shut offs for repairs.
- Performs a variety of related welding, carpentry, fencing, painting, plumbing, masonry, grounds maintenance, tree trimming and graffiti removal.
- Cuts and place concrete and asphalt.
- Sets up traffic control in accordance with safety standards; flags and directs traffic.
- Locates and installs irrigation sprinkler systems; performs ground maintenance, tree trimming and weed abatement.
- Raises valve boxes that have been paved over.
- Assists in making necessary repairs to special recording registers in the field or shop;
- Assists and learns to check discs, diaphragms and bushings; learns to assemble drive trains;
- Clean and maintain reservoirs, buildings, sludge beds, and blending ponds.
- Cross-trains in other department job duties.
- Maintains assigned District vehicle including servicing and periodic safety checks.
- Participates in District safety meetings
- Serves on a rotating shift and serves “on call” with a District cell phone after hours, weekends and holidays which fall within the assigned shift.
- District employees are expected to work overtime, weekends, evenings, and holidays as required to accommodate the District’s needs and responds as a Disaster Emergency Service Worker.
- Performs other related duties, as assigned.

QUALIFICATIONS GUIDELINES

Knowledge of:
- Water distribution facilities including mains, meters, hydrants and valves.
- The District’s distribution system.
- Geography and street locations of the District.
- District policies, procedures and specifications.
- Advanced principles and methods of pipe laying, fitting, welding and concrete work.
- Tools and equipment used in the installation, maintenance, and repair of water mains, services, meters, hydrants and valves.

- Equipment operation, maintenance, and repair methods and practices at an advanced journey level.
- Safe work practices.

Ability to:
- Independently perform skilled and responsible water system maintenance duties.
- Train lesser-skilled staff in water services and repair work.
- Determine work methods and materials for assigned job.
- Repair, install, and maintain water mains, services, hydrants, meters and valves at an advanced level.
- Maintain accurate records of work performed.
- Lay and fit pipe; mix, pour and finish cement; install valves and meters.
- Perform heavy physical labor.
- Operate power-driven equipment, and welder used in water service work.
- Read and interpret plans, drawings, maps, and specifications.
- Communicate clearly and concisely.
- Understand and carry out oral and written instructions.
- Observe proper safety precautions.
- Work overtime as required.
- Operate a vehicle, observing laws and defensive driving practices.

Minimum Qualifications
Any combination of education, training, and experience that would likely provide the knowledge, skills, and abilities to successfully perform in the position is qualifying. A typical combination includes:

Education: High School diploma or equivalent.

And

Experience: Two (2) of responsible experience in water distribution system operations, maintenance, and repair with a public agency water system, equivalent to a Water Distribution Operator I.

Licenses, Certificates; Special Requirements:

Must possess an appropriate valid Class "C" Driver's License issued by the California State Department of Motor Vehicles, and a good driving record.

Possession of SWRCB Certification as a Grade 2 Water Distribution Operator.

Possession of SWRCB Certification as a Grade 1 Water Treatment Operator.

PHYSICAL AND MENTAL DEMANDS
The physical and mental demands described here are representative of those that must be met by employees to successfully perform the essential functions of this class. Reasonable

accommodations may be made to enable individuals with disabilities to perform the essential functions.

While performing the duties of this classification, an incumbent is regularly required to stand; use hands and fingers to handle, or feel; talk and hear. The incumbent is frequently required to walk and to reach with hands and arms. The employee is frequently required to sit, climb or balance and stoop, kneel, crouch or crawl. The incumbent must regularly lift and/or move up to ten (10) pounds, frequently lift and/or move up to fifty (50) pounds, and occasionally lift and/or move up to one-hundred (100) pounds. Specific vision abilities required by this job include close vision, distance vision, color vision, peripheral vision, depth perception and ability to adjust focus. Work involves exposure to potential harm, infectious disease and hazardous chemicals including smoke, fumes, gas, treated water, high frequency noise, dirt, dust, grease, oil, chemicals, solvents and toxic agents. Incumbents need to be able to tolerate unpleasant odors, wet conditions and uncomfortable climate conditions.

THIS POSITION MAY BE ELIMINATED, OR THE DUTIES, QUALIFICATIONS AND TRAINING REQUIRED CHANGED BY THE BOARD OF DIRECTORS AND/OR THE GENERAL MANAGER, WHEN IN THEIR JUDGEMENT, IT IS CONSIDERED NECESSARY AND PROPER FOR THE EFFICIENT OPERATION OF THE DISTRICT.

Meter Services Operator I

Department/Division:	Operations/Distribution
Reports to:	Chief Water Systems Operator -Distribution & Meter Services
Provides Direction to:	N/A
FLSA Exempt Status	Non-Exempt
Effective Date:	12/19/2024; 10/02/2025

GENERAL PURPOSE
Under general supervision, installs, tests, maintains, repairs, replaces and reads District meters and related equipment; provides customer service and responds to service-related calls, such as reported leaks, low water pressure, and turning services on and off. Every operator is required to serve on a rotating shift and serve "on call" with a District cell phone after hours, weekends and holidays.

DISTINGUISHING CHARACTERISTICS
This is the first working level in the Meter Services Operator classification series with incumbents performing work of average complexity related to meter services. Incumbents perform a variety of duties related to the installation, testing, diagnosis, repair, replacement and reading of District meters and related equipment. Incumbents are required to demonstrate constant progress in learning and performing the work and must meet the educational and certification requirements to promote to Meter Services Operator II. The Meter Services Operator I is distinguished from the Meter Services Operator Assistant in that the Meter Services Operator Assistant is the training level, while the Meter Services Operator I is the first working level. The Meter Services Operator I is distinguished from the Meter Services Operator II in that the Meter Services Operator II is the second working-level classification performing a wider-range of meter services functions which require a greater level of certification.

ESSENTIAL FUNCTIONS
The duties listed below are intended only as illustrations of the various types of work that may be performed. The omission of specific statements of duties does not exclude them from the position if the work is similar, related or a logical assignment to the class.

- Performs a variety of field customer service functions related to assisting customers with service inquiries and requests dealing with the inspection, diagnoses, maintenance, repair, servicing, and installation of water meters. Performs meter repairs and reports illegal water usage.
- Reads water meters in an assigned area using handheld reading devices and/or an Automated Meter Reader (AMR); reads AMR and/or Automated Meter Infrastructure (AMI)

meters manually when required; provides the collected information to the Billing Department for processing.
- Installs, inspects, tests and calibrates new or replacement water meters and ensures they are registering properly; assigns sequencing number for new installations to place in the correct order on meter reading route.
- Repairs and replaces meter boxes.
- Retrofits and replaces meters as part of meter replacement program; cleans in and around meter boxes; performs re-builds and routine maintenance on meters; repairs service line leaks, repairs meter leaks and replaces meter box lids.
- Repairs and replaces shut-off valves and angle valves; performs main line shutdowns with supervisor approval.
- Turns water service on and off for customers and hangs tags, both during normal working hours and after hours; explains District policy on late or non-payment of water bills.
- Responds to customer inquiries at their home or business, including answering questions regarding meter leaks, water pressure, water quality, or high consumption readings; performs water audits to assess water utilization patterns of customers.
- Performs initial on-site inspection of suspected tampering or unauthorized use of water meter and reports such activity.
- Repairs and replaces shut-off valves.
- Performs a variety of semi-skilled water system repairs and maintenance, as needed or assigned.
- Serves on a rotating shift and serves "on call" with a District cell phone after hours, weekends and holidays which fall within the assigned shift.
- District employees are expected to work overtime, weekends, evenings, and holidays as required to accommodate the District's needs and respond as a Disaster Emergency Service Worker.
- Cross-trains in other department job duties.
- Maintains assigned District vehicle including servicing and periodic safety checks.
- Participates in District safety meetings.
- Performs other related duties, as assigned.

QUALIFICATIONS GUIDELINES:

Knowledge of:
- Methods and techniques of meter service operations, installation, repair and maintenance, including the use of automated systems.
- Distribution facilities, including mains, meters, hydrants and valves.
- Methods and techniques of investigating field service-related issues, such as high consumption rates.
- Basic traffic control procedures and traffic sign regulations.
- Codes, specifications, ordinances, and regulations pertaining to meter service repair.
- Operational characteristics of water meters and meter reading equipment.
- Basic mathematics.
- Safe work practices.
- Geography and street locations of the District.
- Routine record-keeping.

Ability to:
- Apply laws, regulations and district policies impacting the meter services functions.
- Provide effective customer service.

- Communicate effectively verbally and in writing.
- Operate basic hand and power tools.
- Read water meters quickly and accurately and turn on and off service.
- Perform routine maintenance, diagnostics, repair, and calibration of water meters.
- Explain District policies to customers in a tactful and courteous manner.

Minimum Qualifications
Any combination of education, training, and experience that would likely provide the knowledge, skills, and abilities to successfully perform in the position is qualifying. A typical combination includes:

Education: High School diploma or equivalent.

And

Experience: One (1) year of experience performing meter service/repair equivalent to a Meter Services Operator Assistant.

Licenses, Certificates, Special Requirements

Must possess an appropriate valid Class "C" Driver's License issued by the California State Department of Motor Vehicles, and a good driving record.

Possession of SWRCB Certification as a Grade 2 Water Distribution Systems Operator.

PHYSICAL AND MENTAL DEMANDS

The physical and mental demands described here are representative of those that must be met by employees to successfully perform the essential functions of this class. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

While performing the duties of this classification, an incumbent is regularly required to stand; use hands and fingers to handle or feel; talk and hear. The incumbent is frequently required to walk and to reach with hands and arms. The employee is frequently required to sit, climb or balance and stoop, kneel, crouch or crawl. The incumbent must regularly lift and/or move up to ten (10) pounds, frequently lift and/or move up to fifty (50) pounds, and occasionally lift and/or move up to one hundred (100) pounds. Specific vision abilities required by this job include close vision, distance vision, color vision, peripheral vision, depth perception and ability to adjust focus. Work involves exposure to potential harm, infectious disease and hazardous chemicals including smoke, fumes, gas, treated water, high frequency noise, dirt, dust, grease, oil, chemicals, solvents and toxic agents. Incumbents need to be able to tolerate unpleasant odors, wet conditions and uncomfortable climate conditions.

THIS POSITION MAY BE ELIMINATED, OR THE DUTIES, QUALIFICATIONS AND TRAINING REQUIRED CHANGED BY THE BOARD OF DIRECTORS AND/OR THE GENERAL MANAGER, WHEN IN THEIR JUDGEMENT, IT IS CONSIDERED NECESSARY AND PROPER FOR THE EFFICIENT OPERATION OF THE DISTRICT.

Meter Services Operator I

Department/Division:	Operations/Distribution
Reports to:	Chief Water Systems Operator -Distribution & Meter Services
Provides Direction to:	N/A
FLSA Exempt Status	Non-Exempt
Effective Date:	12/19/2024; 10/02/2025

GENERAL PURPOSE
Under general supervision, installs, tests, maintains, repairs, replaces and reads District meters and related equipment; provides customer service and responds to service-related calls, such as reported leaks, low water pressure, and turning services on and off. Every operator is required to serve on a rotating shift and serve “on call” with a District cell phone after hours, weekends and holidays.

DISTINGUISHING CHARACTERISTICS
This is the first working level in the Meter Services Operator classification series with incumbents performing work of average complexity related to meter services. Incumbents perform a variety of duties related to the installation, testing, diagnosis, repair, replacement and reading of District meters and related equipment. Incumbents are required to demonstrate constant progress in learning and performing the work and must meet the educational and certification requirements to promote to Meter Services Operator II. The Meter Services Operator I is distinguished from the Meter Services Operator Assistant in that the Meter Services Operator Assistant is the training level, while the Meter Services Operator I is the first working level. The Meter Services Operator I is distinguished from the Meter Services Operator II in that the Meter Services Operator II is the second working-level classification performing a wider-range of meter services functions which require a greater level of certification.

ESSENTIAL FUNCTIONS
The duties listed below are intended only as illustrations of the various types of work that may be performed. The omission of specific statements of duties does not exclude them from the position if the work is similar, related or a logical assignment to the class.

- Performs a variety of field customer service functions related to assisting customers with service inquiries and requests dealing with the inspection, diagnoses, maintenance, repair, servicing, and installation of water meters. Performs meter repairs and reports illegal water usage.
- Reads water meters in an assigned area using handheld reading devices and/or an Automated Meter Reader (AMR); reads AMR and/or Automated Meter Infrastructure (AMI)

meters manually when required; provides the collected information to the Billing Department for processing.
- Installs, inspects, tests and calibrates new or replacement water meters and ensures they are registering properly; assigns sequencing number for new installations to place in the correct order on meter reading route.
- Repairs and replaces meter boxes.
- Retrofits and replaces meters as part of meter replacement program; cleans in and around meter boxes; performs re-builds and routine maintenance on meters; repairs service line leaks, repairs meter leaks and replaces meter box lids.
- Repairs and replaces shut-off valves and angle valves; performs main line shutdowns with supervisor approval.
- Turns water service on and off for customers and hangs tags, both during normal working hours and after hours; explains District policy on late or non-payment of water bills.
- Responds to customer inquiries at their home or business, including answering questions regarding meter leaks, water pressure, water quality, or high consumption readings; performs water audits to assess water utilization patterns of customers.
- Performs initial on-site inspection of suspected tampering or unauthorized use of water meter and reports such activity.
- Repairs and replaces shut-off valves.
- Performs a variety of semi-skilled water system repairs and maintenance, as needed or assigned.
- Serves on a rotating shift and serves “on call” with a District cell phone after hours, weekends and holidays which fall within the assigned shift.
- District employees are expected to work overtime, weekends, evenings, and holidays as required to accommodate the District’s needs and respond as a Disaster Emergency Service Worker.
- Cross-trains in other department job duties.
- Maintains assigned District vehicle including servicing and periodic safety checks.
- Participates in District safety meetings.
- Performs other related duties, as assigned.

QUALIFICATIONS GUIDELINES:

Knowledge of:
- Methods and techniques of meter service operations, installation, repair and maintenance, including the use of automated systems.
- Distribution facilities, including mains, meters, hydrants and valves.
- Methods and techniques of investigating field service-related issues, such as high consumption rates.
- Basic traffic control procedures and traffic sign regulations.
- Codes, specifications, ordinances, and regulations pertaining to meter service repair.
- Operational characteristics of water meters and meter reading equipment.
- Basic mathematics.
- Safe work practices.
- Geography and street locations of the District.
- Routine record-keeping.

Ability to:
- Apply laws, regulations and district policies impacting the meter services functions.
- Provide effective customer service.

- Communicate effectively verbally and in writing.
- Operate basic hand and power tools.
- Read water meters quickly and accurately and turn on and off service.
- Perform routine maintenance, diagnostics, repair, and calibration of water meters.
- Explain District policies to customers in a tactful and courteous manner.

Minimum Qualifications
Any combination of education, training, and experience that would likely provide the knowledge, skills, and abilities to successfully perform in the position is qualifying. A typical combination includes:

Education: High School diploma or equivalent.

And

Experience: One (1) year of experience performing meter service/repair equivalent to a Meter Services Operator Assistant.

Licenses, Certificates, Special Requirements

Must possess an appropriate valid Class "C" Driver's License issued by the California State Department of Motor Vehicles, and a good driving record.

Possession of SWRCB Certification as a Grade 2 Water Distribution Systems Operator.

PHYSICAL AND MENTAL DEMANDS

The physical and mental demands described here are representative of those that must be met by employees to successfully perform the essential functions of this class. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

While performing the duties of this classification, an incumbent is regularly required to stand; use hands and fingers to handle or feel; talk and hear. The incumbent is frequently required to walk and to reach with hands and arms. The employee is frequently required to sit, climb or balance and stoop, kneel, crouch or crawl. The incumbent must regularly lift and/or move up to ten (10) pounds, frequently lift and/or move up to fifty (50) pounds, and occasionally lift and/or move up to one hundred (100) pounds. Specific vision abilities required by this job include close vision, distance vision, color vision, peripheral vision, depth perception and ability to adjust focus. Work involves exposure to potential harm, infectious disease and hazardous chemicals including smoke, fumes, gas, treated water, high frequency noise, dirt, dust, grease, oil, chemicals, solvents and toxic agents. Incumbents need to be able to tolerate unpleasant odors, wet conditions and uncomfortable climate conditions.

THIS POSITION MAY BE ELIMINATED, OR THE DUTIES, QUALIFICATIONS AND TRAINING REQUIRED CHANGED BY THE BOARD OF DIRECTORS AND/OR THE GENERAL MANAGER, WHEN IN THEIR JUDGEMENT, IT IS CONSIDERED NECESSARY AND PROPER FOR THE EFFICIENT OPERATION OF THE DISTRICT.

Meter Services Operator II

Department/Division:	Operations/Distribution
Reports to:	Chief Water Systems Operator - Distribution & Meter Services
Provides Direction to:	N/A
FLSA Exempt Status	Non-Exempt
Effective Date:	12/19/2024; 10/02/2025

GENERAL PURPOSE

Under general supervision, installs, tests, maintains, repairs, replaces and reads District meters and related equipment; provides customer service and responds to service-related calls, such as reported leaks, low water pressure, and turning services on and off. Every operator is required to serve on a rotating shift and serve "on call" with a District cell phone after hours, weekends and holidays.

DISTINGUISHING CHARACTERISTICS

This is the journey level in the Meter Services Operator classification series with incumbents performing the full range of work related to meter services. Incumbents perform a variety of duties related to the installation, testing, diagnosis, repair, replacement and reading of District meters and related equipment. This classification is distinguished from the Meter Services Operator I in that the Meter Services Operator II classification is the journey level performing the full range of meter services activities. The Meter Services Operator II is distinguished from the Lead Meter Services Operator in that the Lead Meter Services Operator is the advanced journey-level, lead classification leading and performing the full-range of meter services functions which require a greater level of certification.

ESSENTIAL FUNCTIONS

The duties listed below are intended only as illustrations of the various types of work that may be performed. The omission of specific statements of duties does not exclude them from the position if the work is similar, related or a logical assignment to the class.

- Performs a variety of field customer service functions related to assisting customers with service inquiries and requests dealing with the inspection, diagnoses, maintenance, repair, servicing, and installation of water meters. Performs meter repairs and reports illegal water usage.
- Reads water meters in an assigned area using handheld reading devices and/or an Automated Meter Reader (AMR); provides the collected information to the Billing Department for processing.

- Installs, tests and calibrates new or replacement water meters and ensures they are registering properly; assigns sequencing number for new installations to place in the correct order on meter reading route.
- Repairs and replaces meter boxes.
- Retrofits and replaces meters as part of meter replacement program; cleans in and around meter boxes; performs re-builds and routine maintenance on meters; repairs service line leaks, repairs meter leaks and replaces meter box lids.
- Repairs and replaces shut-off valves and angle valves; performs main line shutdowns with supervisor approval.
- Turns water service on and off for customers and hangs tags, both during normal working hours and after hours; explains District policy on late or non-payment of water bills.
- Responds to customer inquiries at their home or business, including answering questions regarding meter leaks, water pressure, water quality, or high consumption readings; performs water audits to assess water utilization patterns of customers.
- Inspects installation and operation of water meters at construction sites.
- Exercises safety precautions in the course of obtaining meter readings.
- Performs initial on-site inspection of suspected tampering or unauthorized use of water meter and reports such activity.
- Repairs and replaces shut-off valves.
- Maintains records of work performed.
- May participate in training and guiding lesser skilled workers in the proper performance of duties.
- Performs a variety of semi-skilled water system repairs and maintenance, as needed or assigned.
- Serves on a rotating shift and serves "on call" with a District cell phone after hours, weekends and holidays which fall within the assigned shift.
-
- District employees are expected to work overtime, weekends, evenings, and holidays as required to accommodate the District's needs and respond as a Disaster Emergency Service Worker.
- Cross-trains in other department job duties.
- Performs a variety of journey level skilled water systems repairs and maintenance as assigned.
- Maintains assigned District vehicle including servicing and periodic safety checks.
- Participates in District safety meetings.
- Performs other related duties, as assigned.

QUALIFICATIONS GUIDELINES:

Knowledge of:

- Methods and techniques of meter service operations, installation, repair and maintenance, including the use of automated systems.
- Distribution facilities, including mains, meters, hydrants and valves.
- Methods and techniques of investigating field service-related issues, such as high consumption rates.
- Basic traffic control procedures and traffic sign regulations.
- Operational characteristics of water meters and meter reading equipment.
- Automatic Meter Reading (AMR) equipment, software, and infrastructure.
- Basic mathematics.
- Safe work practices.

- Geography and street locations of the District.
- Routine record-keeping.

Ability to:

- Apply laws, regulations and district policies impacting the meter services functions.
- Provide effective customer service.
- Determine appropriate work methods and materials for assigned jobs.
- Communicate effectively verbally and in writing.
- Operate basic hand and power tools.
- Read water meters quickly and accurately and turn on and off service.
- Perform routine to complex maintenance, diagnostics, repair, and calibration of water meters.
- Operate Automatic Meter Reading (AMR) equipment and software.
- Explain District policies to customers in a tactful and courteous manner.
- Effectively work both independently and as part of a team.

Minimum Qualifications

Any combination of education, training, and experience that would likely provide the knowledge, skills, and abilities to successfully perform in the position is qualifying. A typical combination includes:

Education: High School diploma or equivalent.

And

Experience: At least two (2) year of experience in the installation, testing, maintenance, repair, replacement and reading of water meters equivalent to a Meter Services Operator I.

Licenses, Certificates, Special Requirements

Must possess an appropriate valid, Class "C" Driver's License issued by the California State Department of Motor Vehicles, and a good driving record.

Possession of SWRCB Certification as a Grade 2 Water Distribution Systems Operator.

Possession of SWRCB Certification as a Grade 1 Water Treatment Operator.

PHYSICAL AND MENTAL DEMANDS

The physical and mental demands described here are representative of those that must be met by employees to successfully perform the essential functions of this class. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

While performing the duties of this classification, an incumbent is regularly required to stand; use hands and fingers to handle, or feel; talk and hear. The incumbent is frequently required to walk and to reach with hands and arms. The employee is frequently required

to sit, climb or balance and stoop, kneel, crouch or crawl. The incumbent must regularly lift and/or move up to ten (10) pounds, frequently lift and/or move up to fifty (50) pounds, and occasionally lift and/or move up to one-hundred (100) pounds. Specific vision abilities required by this job include close vision, distance vision, color vision, peripheral vision, depth perception and ability to adjust focus. Work involves exposure to potential harm, infectious disease and hazardous chemicals including smoke, fumes, gas, treated water, high frequency noise, dirt, dust, grease, oil, chemicals, solvents and toxic agents. Incumbents need to be able to tolerate unpleasant odors, wet conditions and uncomfortable climate conditions.

THIS POSITION MAY BE ELIMINATED, OR THE DUTIES, QUALIFICATIONS AND TRAINING REQUIRED CHANGED BY THE BOARD OF DIRECTORS AND/OR THE GENERAL MANAGER, WHEN IN THEIR JUDGEMENT, IT IS CONSIDERED NECESSARY AND PROPER FOR THE EFFICIENT OPERATION OF THE DISTRICT.

Water Distribution Operator II

Department/Division:	Operations/Distribution
Reports To:	Chief Water Systems Operator – Distribution & Meter Services
Provides Direction To:	None
FLSA Exemption Status:	Non-Exempt
Effective Date:	12/19/2024; 10/02/2025

GENERAL PURPOSE

Under general supervision, to install, maintain, and repair water services, valves, mains, meters, and hydrants; to operate heavy equipment used in water service work; and to perform a variety of skilled maintenance trades work. Every operator is required to serve on a rotating shift and serve "on call" with a District cell phone after hours, weekends and holidays.

DISTINGUISHING CHARACTERISTICS

This is the second working level in the Water Distribution Operator classification series with incumbents performing water distribution work of average complexity. Incumbents perform a variety of duties related to installing, operating and maintaining water mains, valves, hydrants, service lines, meters, booster pumps, and all other facilities of the District; weed abatement; painting of District structures; marking mains and services for Underground Service Alerts; flushing the distribution system: exercising fire hydrants and valves; raising valve boxes; monitoring and controlling flows and pressures in the distribution system; and, performing related duties and responsibilities as assigned. The Water Distribution Operator II is distinguished from the Water Distribution Operator I in that the Water Distribution Operator II requires a higher level of certification and performs a broader range of distribution and maintenance work with less supervision. The Water Distribution Operator II is distinguished from the Water Distribution Operator III in that the Water Distribution Operator III is the full performance level in the series.

ESSENTIAL FUNCTIONS

The duties listed below are intended only as illustrations of the various types of work that may be performed. The omission of specific statements of duties does not exclude them from the position if the work is similar, related or a logical assignment to the class.

- Participates in the performance of a variety of water utility duties in the maintenance and repair of water plants and facilities.
- Participates in the work of crews engaged in the installation, maintenance, modification, and repair of water mains, blowers, valves, hydrants, services, meters,

booster pumps and related infrastructure.
- May participate in training and guiding lesser skilled workers in the proper performance of duties.
- Operates a forklift, roller cement mixer, compressor, jackhammer, concrete saws, sandblaster, drills, welding equipment, and/or similar equipment and tools.
- Maintains records of work performed.
- Performs proper shoring of trenches and safety practices.
- Digs and backfills trenches; lays pipe and drills and taps water mains; locates, taps, and installs new customer services; learns to make skilled fittings and connections.
- Turns on and off water services; cleans mains and flushes the water system.
- Locates and marks water lines for contractors and District crews, responding to Underground Service Alert (USA) requests.
- Investigates leaks and reports service interruptions; repairs valves and insures that they are working properly.
- Provides courteous and expeditious customer service to the general public and District staff.
- Advises customers of leaks and suggests how to resolve the problems; informs customers of water shut offs for repairs.
- Performs a variety of related welding, carpentry, fencing, painting, plumbing, masonry, grounds maintenance, tree trimming and graffiti removal.
- Cuts and place concrete and asphalt.
- Sets up traffic control in accordance with safety standards; flags and directs traffic.
- Locates and installs irrigation sprinkler systems; performs ground maintenance, tree trimming and weed abatement.
- Raises valve boxes that have been paved over.
- Assists in making necessary repairs to special recording registers in the field or shop;
- Assists and learns to check discs, diaphragms and bushings; learns to assemble drive trains;
- Clean and maintain reservoirs, buildings, sludge beds, and blending ponds.
- Cross-trains in other department job duties.
- Maintains assigned District vehicle including servicing and periodic safety checks.
- Participates in District safety meetings
- Serves on a rotating shift and serves “on call” with a District cell phone after hours, weekends and holidays which fall within the assigned shift.
- District employees are expected to work overtime, weekends, evenings, and holidays as required to accommodate the District’s needs and responds as a Disaster Emergency Service Worker.
- Performs other related duties, as assigned.

QUALIFICATIONS GUIDELINES

Knowledge of:
- Water distribution facilities including mains, meters, hydrants and valves.
- The District’s distribution system.
- Geography and street locations of the District.
- District policies, procedures and specifications.
- Advanced principles and methods of pipe laying, fitting, welding and concrete work.
- Tools and equipment used in the installation, maintenance, and repair of water mains, services, meters, hydrants and valves.

- Equipment operation, maintenance, and repair methods and practices at an advanced journey level.
- Safe work practices.

Ability to:
- Independently perform skilled and responsible water system maintenance duties.
- Train lesser-skilled staff in water services and repair work.
- Determine work methods and materials for assigned job.
- Repair, install, and maintain water mains, services, hydrants, meters and valves at an advanced level.
- Maintain accurate records of work performed.
- Lay and fit pipe; mix, pour and finish cement; install valves and meters.
- Perform heavy physical labor.
- Operate power-driven equipment, and welder used in water service work.
- Read and interpret plans, drawings, maps, and specifications.
- Communicate clearly and concisely.
- Understand and carry out oral and written instructions.
- Observe proper safety precautions.
- Work overtime as required.
- Operate a vehicle, observing laws and defensive driving practices.

Minimum Qualifications
Any combination of education, training, and experience that would likely provide the knowledge, skills, and abilities to successfully perform in the position is qualifying. A typical combination includes:

Education: High School diploma or equivalent.

And

Experience: Two (2) of responsible experience in water distribution system operations, maintenance, and repair with a public agency water system, equivalent to a Water Distribution Operator I.

Licenses, Certificates; Special Requirements:

Must possess an appropriate valid Class "C" Driver's License issued by the California State Department of Motor Vehicles, and a good driving record.

Possession of SWRCB Certification as a Grade 2 Water Distribution Operator.

Possession of SWRCB Certification as a Grade 1 Water Treatment Operator.

PHYSICAL AND MENTAL DEMANDS
The physical and mental demands described here are representative of those that must be met by employees to successfully perform the essential functions of this class. Reasonable

accommodations may be made to enable individuals with disabilities to perform the essential functions.

While performing the duties of this classification, an incumbent is regularly required to stand; use hands and fingers to handle, or feel; talk and hear. The incumbent is frequently required to walk and to reach with hands and arms. The employee is frequently required to sit, climb or balance and stoop, kneel, crouch or crawl. The incumbent must regularly lift and/or move up to ten (10) pounds, frequently lift and/or move up to fifty (50) pounds, and occasionally lift and/or move up to one-hundred (100) pounds. Specific vision abilities required by this job include close vision, distance vision, color vision, peripheral vision, depth perception and ability to adjust focus. Work involves exposure to potential harm, infectious disease and hazardous chemicals including smoke, fumes, gas, treated water, high frequency noise, dirt, dust, grease, oil, chemicals, solvents and toxic agents. Incumbents need to be able to tolerate unpleasant odors, wet conditions and uncomfortable climate conditions.

THIS POSITION MAY BE ELIMINATED, OR THE DUTIES, QUALIFICATIONS AND TRAINING REQUIRED CHANGED BY THE BOARD OF DIRECTORS AND/OR THE GENERAL MANAGER, WHEN IN THEIR JUDGEMENT, IT IS CONSIDERED NECESSARY AND PROPER FOR THE EFFICIENT OPERATION OF THE DISTRICT.

STAFF REPORT

DATE: October 2, 2025

TO: Board of Directors

FROM: Joanne Chan, Director of Operations

SUBJECT: New Caterpillar Backhoe Loader

STRATEGIC GOAL:

Strategic Goal 5 – Apply Sound Planning, Innovation, and Best Practices. Objective 5A - Increase Operational Efficiency, Resiliency, and Reliability

MEETING HISTORY:

9/25/25 - Engineering, Operations and Planning Committee

BACKGROUND:

The West Valley Water District (District) has five (5) backhoe loaders ranging from 9 to 29 years old. The backhoe loader is one of the most utilized pieces of equipment for field staff and is essential to the Operations Department year-round. Additionally, it is used by multiple departments for various tasks such as excavation, asphalt and road repairs, sinkhole restorations, pulling services, loading road raw materials onto the dump truck and sludge handling at the Oliver P. Roemer Water Filtration (Roemer) Plant. District staff has identified the need to purchase a new backhoe loader for the Roemer Plant.

DISCUSSION:

District staff researched and found a contract awarded by the Sourcewell that would be in the best interest of the District to "piggyback" from. Sourcewell is a State local government unit and service cooperative created under the laws of the State of Minnesota that facilitates a competitive public solicitation and contract award process for the benefit of its 50,000+ participating entities across the United States and Canada.

Piggybacking is a term used when an agency uses an existing procurement contract from another agency as justification and documentation to form their own contract directly with the vendor to purchase the same or similar items or services. Under section 10: Exceptions to Competitive Sourcing of the District's Purchasing/Procurement Policy, piggybacking is permitted as an exception to competitive sourcing thus not requiring the District to conduct formal solicitation. Sourcewell's formal solicitation process is substantially similar to that of the District's process and participation by the District is also permitted.

Sourcewell issued a Request for Proposals (RFP) for heavy construction equipment with related attachments and technology, including backhoe loaders on November 15, 2022 and final proposals were due on January 17, 2023. Eighteen firms submitted proposals for various heavy construction equipment. In evaluating the proposals, Sourcewell scored for categories including conformance to RFP Requirements, Pricing, Financial Viability and Marketplace Success, Ability to Sell and Deliver Service, Marketing Plan, Value added Attributes, Warranty, and Depth and Breadth of Offered Equipment, Products, or Services. Caterpillar, Inc. scored the highest overall. Sourcewell awarded a contract expires on April 14, 2027 for heavy construction equipment with related attachments and technology to Caterpillar, Inc. By piggybacking with Sourcewell's agreement, the District has realized savings of 24% ($63,252.00) for a total of $220,293.59 for a new 2025 Caterpillar Backhoe Loader or a total of $214,526.48 for a new 2024 Caterpillar Backhoe Loader. There is only one 2024 model in stock and the offer is valid until sold. The quotes are attached as **Exhibit A**.

FISCAL IMPACT:

This item is included in the Fiscal Year 2025/26 Capital Budget and will be funded from project number W26022 title "Backhoe Loader for Roemer" with a budget of $250,000.00.

REQUESTED ACTION:

Authorize participating in Sourcewell contract pricing with QUINN CAT in Riverside to purchase a new 2024 or 2025 Caterpillar Backhoe Loader in the amount not to exceed $220,293.59.

Attachments

Exhibit A - Quotes.pdf

EXHIBIT A

176000-02

September 3, 2025

WEST VALLEY WATER DISTRICT
ATTENTION PURCHASING
PO BOX 920
RIALTO, California 92376-0920

Sourcewell member #144741

Attention: Bryan Grubert

Dear Sir,

We would like to thank you for your interest in our company and our products, and are pleased to quote the following for your consideration.

One (1) New Caterpillar Inc. Model: 920 Wheel Loader including standard and optional equipment as listed below.

STOCK NUMBER: **SERIAL NUMBER:** **YEAR:** 2024 **SMU:**

We wish to thank you for the opportunity of quoting on your equipment needs. This quotation is valid for 60 days, after which time we reserve the right to re-quote. If there are any questions, please do not hesitate to contact me.

Sincerely,

Jose Farias

Jose Farias
Machine Sales Representative
Phone 760.399.6404
Email jose.farias@quinncompany.com

One (1) New Caterpillar Inc. Model: 920 Wheel Loader including standard and optional equipment as listed below.

Standard Equipment

POWERTRAIN

Cat C3.6 Engine
-Common rail fuel injection
-U.S. EPA Tier 4 Final/ EU Stage V
Caterpillar NOx Reduction System
Fuel: Ultra Low Sulphur Diesel @ <15ppm
Engine Oil: Cj-4
Electric fuel pump with 4 micron filtration
S.O.S port, transmission oil

Hydrostatic transmission
Lube for life universal joints
Forward - Neutral - Reverse on joystick
100% locking differentials, on the fly activation
Air cleaner, radial seal, dual filters
Cooling fan, hydraulic
Intergrated Cyclone pre-cleaner

HYDRAULICS

Two valve, single lever joystick
Diagnostic pressure taps
SOS port, hydraulic oil

Hydraulically demand driven cooling fan
Hystat and variable displacement pump

ELECTRICAL

150 Amp alternator
Roading lights

12 volt direct electric starting
Battery disconnect switch

OPERATOR ENVIRONMENT

Hydraulic control lever lockout
Electrohydraulic implement controls
Gauges
- Engine coolant temperature
- Hydraulic oil temperature
- Fuel level
- Speedometer
- Digital Hour meter
- DEF

Operator warning system indicators:
- Brake charge pressure low
- Engine malfunction
- Park brake applied
- Electrical system voltage flow

- Hydraulic oil filter bypass
- Action indicator

Seat
- adjustable height, backrest, armrest
- Seat belt, retractable

Heater/defroster
Wiper/washer (front & rear)
Tinted front glass,laminated
Adjustable steering column
Rear window defrost
Lockable Storage box with cup holder
Internal 12V power source
External 12V power source

FLUIDS

Extended life coolant antifreeze
Protected to -36C (-33F) hydraulic oil

Cat Advanced Hydo 10

OTHER STANDARD EQUIPMENT

Parallel lift, Optimised Z-Bar loader
Fenders, front and rear
Engine enclosure - lockable
Recovery hitch
Vandalism protection - locked service points
REGIONAL STANDARDS(as required)

Chocks
bucket tooth or edge guard
Decals, roading speed
Reflectors, roading
Camara, rear view
Beacon

MACHINE SPECIFICATIONS

920 14A WHEEL LOADER	538-6990
LANE 3 ORDER	0P-9003
ENGINE	541-0761
FAN, DEMAND	540-3811
POWERTRAIN, HI RIMPULL, 24MPH	538-7161
COUPLER, FUSION, STD LIFT	541-6332
HYDRAULICS, 2V, STD LIFT	538-7190
LIGHTS,ROADING,RH DIP,HAL-LED	571-2780
STEERING, STANDARD	538-7124
CAB, DELUXE, SINGLE BRAKE	542-9197
SEAT, DELUXE PLUS	552-3734
CAMERA, REAR VIEW	504-4835
SEAT BELT, RETRACTABLE 3"	236-8015
HEATER AND AIR CONDITIONER	538-7130
SECURITY SYSTEM, NONE	433-3258
TIRES, 17.5 R25, MX, L2 XTLA	385-5822
CTWT STANDARD, 2612 LBS	538-7162
FENDERS, STANDARD	469-5852
HYDRAULIC OIL, STANDARD	450-5405
RIDE CONTROL	541-2852
INSTRUCTIONS, ANSI	560-3441
SERIALIZED TECHNICAL MEDIA KIT	421-8926
STANDARD WEATHER PACKAGE	559-9898
ALARM, BACK-UP	543-4225
BEACON, MAGNET, LED, AMBER	561-0644
LIGHTS, STD, LED	561-3288
PRODUCT LINK, CELLULAR PL243	636-3590
STANDARD RADIO (12V)	541-4413
BLIND, REAR,PERFORATED	279-0643
TOOL BOX	471-6921
GUARD, CRANKCASE	548-7634
GUARD, POWERTRAIN	539-1318
BUCKET-GP, 2.4 YD3, FUS, BOCE	546-4014
PACK, ROLL ON/ROLL OFF BY SEA	0G-3117
RUST PREVENTATIVE APPLICATOR	0G-3273
CARRIAGE, PAL C3/4, 62", FUS WITH FORK TINES 53” LONG	532-8222

WARRANTY & COVERAGE

Standard Warranty:	12 MONTHS FULL MACHINE
Extended Coverage:	920-48 MO/2000 HR PREMIER, 920-12 MO/8760 HR PREMIER
CSA	12 MO / 500 HR PARTS, FLUID & LABOR QUINN CVA

SELL PRICE	$257,750.00
SOURCEWELL DISCOUNT (24%)	($61,860.00)
Freight, Prep Machine	**$3,200.00**
NET BALANCE DUE	**$199,090.00**
TIRE FEE	$7.00
SALES TAX (7.75%)	$15,429.48
AFTER TAX BALANCE	**$214,526.48**

2025 Sourcewell Heavy Equipment Contract#011723

Special pricing includes forks as an incentive for purchasing a 2024 model. Offer valid for 30 days or until the 2024 machine is sold, whichever occurs first.

PAYMENT TERMS

Cash Invoice Terms

CASH WITH ORDER
$214,526.48

F.O.B/TERMS:

Accepted by_____ on _____

_____
Signature

176000-01

September 3, 2025

WEST VALLEY WATER DISTRICT
ATTENTION PURCHASING
PO BOX 920
RIALTO, California 92376-0920

Sourcewell member #144741

Attention: Bryan Grubert

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One (1) New Caterpillar Inc. Model: 920 Wheel Loader including standard and optional equipment as listed below.

STOCK NUMBER: **SERIAL NUMBER:** **YEAR: 2025** **SMU:**

We wish to thank you for the opportunity of quoting on your equipment needs. This quotation is valid for 60 days, after which time we reserve the right to re-quote. If there are any questions, please do not hesitate to contact me.

Sincerely,

Jose Farias

Jose Farias
Machine Sales Representative
Phone 760.399.6404
Email jose.farias@quinncompany.com

One (1) New Caterpillar Inc. Model: 920 Wheel Loader including standard and optional equipment as listed below.

Standard Equipment

POWERTRAIN

Cat C3.6 Engine
-Common rail fuel injection
-U.S. EPA Tier 4 Final/ EU Stage V
Caterpillar NOx Reduction System
Fuel: Ultra Low Sulphur Diesel @ <15ppm
Engine Oil: Cj-4
Electric fuel pump with 4 micron filtration
S.O.S port, transmission oil
Hydrostatic transmission
Lube for life universal joints
Forward - Neutral - Reverse on joystick
100% locking differentials, on the fly activation
Air cleaner, radial seal, dual filters
Cooling fan, hydraulic
Intergrated Cyclone pre-cleaner

HYDRAULICS

Two valve, single lever joystick
Diagnostic pressure taps
SOS port, hydraulic oil
Hydraulically demand driven cooling fan
Hystat and variable displacement pump

ELECTRICAL

150 Amp alternator
Roading lights
12 volt direct electric starting
Battery disconnect switch

OPERATOR ENVIRONMENT

Hydraulic control lever lockout
Electrohydraulic implement controls
Gauges
- Engine coolant temperature
- Hydraulic oil temperature
- Fuel level
- Speedometer
- Digital Hour meter
- DEF

Operator warning system indicators:
- Brake charge pressure low
- Engine malfunction
- Park brake applied
- Electrical system voltage flow
- Hydraulic oil filter bypass
- Action indicator

Seat
- adjustable height, backrest, armrest
- Seat belt, retractable

Heater/defroster
Wiper/washer (front & rear)
Tinted front glass,laminated
Adjustable steering column
Rear window defrost
Lockable Storage box with cup holder
Internal 12V power source
External 12V power source

FLUIDS

Extended life coolant antifreeze
Protected to -36C (-33F) hydraulic oil
Cat Advanced Hydo 10

OTHER STANDARD EQUIPMENT

Parallel lift, Optimised Z-Bar loader
Fenders, front and rear
Engine enclosure - lockable
Recovery hitch
Vandalism protection - locked service points
REGIONAL STANDARDS(as required)
Chocks
bucket tooth or edge guard
Decals, roading speed
Reflectors, roading
Camara, rear view
Beacon

MACHINE SPECIFICATIONS

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LANE 3 ORDER	0P-9003
ENGINE	541-0761
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STEERING, STANDARD	538-7124
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TOOL BOX	471-6921
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GUARD, POWERTRAIN	539-1318
BUCKET-GP, 2.4 YD3, FUS, BOCE	546-4014
PACK, ROLL ON/ROLL OFF BY SEA	0G-3117
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CARRIAGE, PAL C3/4, 62", FUS WITH FORK TINES 53” LONG	532-8222

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CSA	12 MO / 500 HR PARTS, FLUID & LABOR QUINN CVA

SELL PRICE	$263,550.00
SOURCEWELL DISCOUNT (24%)	($63,252.00)
Freight, Prep Machine	**$3,200.00**
NET BALANCE DUE	**$203,498.00**
TIRE FEE	$7.00
SALES TAX (7.75%)	$16,788.59
AFTER TAX BALANCE	**$220,293.59**

2025 Sourcewell Heavy Equipment Contract#011723

PAYMENT TERMS

Cash Invoice Terms

CASH WITH ORDER
$220,293.59

F.O.B/TERMS:

Accepted by_____ **on** _____

_____
Signature

STAFF REPORT

DATE: October 2, 2025

TO: Board of Directors

FROM: Joanne Chan, Director of Operations

SUBJECT: Amendment to the License Agreement with the San Bernardino County Flood Control District to Support Fluidized Bed Reactor Groundwater Treatment Plant

---

STRATEGIC GOAL:

Strategic Goal 4 - Strengthen Partnerships with Outside Agencies. Objective 4A - Engage in Regional Projects, Advocacy, and Grant Pursuits

MEETING HISTORY:

9/25/25 - Engineering, Operations and Planning Committee

BACKGROUND:

In May 2013, the West Valley Water District (District) and the San Bernardino County Flood Control District (SBCFCD) executed an agreement permitting the temporary use of SBCFCD right-of-way for Cactus Basin No. 2 located south of Baseline Road and west of Cactus Avenue in Rialto to install, operate and maintain three separate 16-inch waterlines and one 8-inch sewer line to support the demonstration phase of the Fluidized Bed Reactor Groundwater Treatment Plant. License Agreement, Contract No. 13-229, has since been amended, renewed two times.

Staff has worked diligently with SBCFCD staff to develop an amendment to renew the agreement attached as **Exhibit A**. The next renewal agreement will be required in December 2030.

FISCAL IMPACT:

This is a reimbursable cost. Raytheon Technologies will reimburse the District the full cost.

REQUESTED ACTION:

Adopt an amendment to the License Agreement issued by the San Bernardino County Flood Control District to support the Fluidized Bed Reactor Groundwater Treatment Plant.

Attachments

Exhibit A - Amendment to the License Agreement.pdf

EXHIBIT A

THE INFORMATION IN THIS BOX IS NOT A PART OF THE CONTRACT AND IS FOR COUNTY USE ONLY

Contract Number
13-229 A3

SAP Number

San Bernardino County
Flood Control District

Department Contract Representative	Terry W. Thompson, Director
Telephone Number	(909) 387-5000
Contractor	
Contractor Representative	John Thiel
Telephone Number	
Contract Term	1/1/2026 – 12/31/30
Original Contract Amount	$98,860.00
Amendment Amount	$76,767.00
Total Contract Amount	$175,627.00
Cost Center	1920002522
GRC/PROJ/JOB No.	38002741
Internal Order No.	
Grant Number (if applicable)	

IT IS HEREBY AGREED AS FOLLOWS*:*

WHEREAS, the County of San Bernardino Flood Control District ("DISTRICT"), and West Valley Water District. ("LICENSEE") have previously entered into a License Agreement, Contract No. 13-229 dated May 7, 2013, and amended by the First Amendment dated March 7, 2017, and amended by the Second Amendment dated October 16, 2018 (collectively "the License") wherein the LICENSEE agreed to license certain real property from the DISTRICT; and,

WHEREAS, the DISTRICT and LICENSEE now desire to amend the License Agreement to reflect a permitted month-to-month holdover of a total of twenty-eight (28) months from September 1, 2023 through December 31, 2025, with DISTRICT's express consent, and following said holdover, to reflect LICENSEE's exercise of the first of two five-year options to extend the lease term until December 31, 2030 (the "Third Amendment");

NOW, THEREFORE, in consideration of mutual covenant and conditions, the parties hereto agree that License Agreement, Contract No. 13-229 is amended as follows:

1. Pursuant to **Paragraph 15, HOLDING OVER**, LICENSEE shall, with DISTRICT's express consent granted herein, use the Premises on a month-to-month holdover term for a total of twenty-eight (28) months from September 1, 2023 through December 31, 2025, at a monthly rental amount of $1,049.98 per month.

2. Effective January 1, 2026, pursuant to LICENSEE's exercise of its option to extend in **Paragraph**

3, OPTION TO EXTEND TERM, DELETE in its entirety the existing **Paragraph 2, TERM**, and SUBSTITUTE therefore the following as a new **Paragraph 2, TERM**:

2. **TERM**: This License shall be extended for an additional period of five (5) years, from January 1, 2026 through December 31, 2030 unless earlier terminated in accordance with the terms of this Lease (the "Second Extended Term").

3. Effective January 1, 2026, DELETE in its entirety the existing **Paragraph 4, FEES**, and SUBSTITUTE therefore the following as a new **Paragraph 4, FEES**:

4. **FEES**:

A. LICENSEE shall pay to DISTRICT the following annual fees in advance on the first day of each year, beginning when the Second Extended Term commences and continuing through the Second Extended Term. The annual fee amount shall be subject to an annual adjustment on the anniversary of the Commencement Date and each year thereafter, based upon a four percent (4%) increase as reflected and provided below:

January 1, 2026 thru December 31, 2026- annual payment of $14,173
January 1, 2027 thru December 31, 2027- annual payment of $14,740
January 1, 2028 thru December 31, 2028- annual payment of $15,330
January 1, 2029 thru December 31, 2029- annual payment of $15,943
January 1, 2030 thru December 31, 2030- annual payment of $16,581

B. If any fee is not paid when due and payable, LICENSEE shall pay to DISTRICT an additional Twenty-five and 00/100 Dollars ($25.00) for each fee due as an administrative processing charge. The parties agree that this late charge represents a fair and reasonable estimate of the costs that DISTRICT will incur by reason of late payment by LICENSEE. Acceptance of any late charge shall not constitute a waiver of LICENSEE's default with respect to the overdue amount of prevent DISTRICT from exercising any of the other rights and remedies available to DISTRICT. Fees not paid when due shall bear simple interest from date due at the rate of one and one-half percent (1½%) per month.

4. This Third Amendment may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts shall together constitute one and the same Third Amendment. The parties shall be entitled to sign and transmit an electronic signature of this Third Amendment (whether by facsimile, PDF, or other email transmission), which signature shall be binding on the party whose name is contained therein. Each party providing an electronic signature agrees to promptly execute and deliver to the other party an original signed Third Amendment upon request.

5. All other provisions and terms of the License shall remain the same and are hereby incorporated by reference. In the event of conflict between the License and this Third Amendment, the provisions and terms of this Third Amendment shall control.

[REMAINDER OF THIS PAGE LEFT BLANK INTETIONALLY]

END OF THIRD AMENDMENT.

SAN BERNARDINO COUNTY FLOOD CONTROL DISTRICT

►

Dawn Rowe, Chair, Board of Supervisors

Dated: _____

SIGNED AND CERTIFIED THAT A COPY OF THIS DOCUMENT HAS BEEN DELIVERED TO THE CHAIRMAN OF THE BOARD

Lynna Monell
Clerk of the Board of Supervisors
of the County of San Bernardino

By _____
Deputy

WEST VALLEY WATER DISTRICT

(Print or type name of corporation, company, contractor, etc.)

By ►

(Authorized signature - sign in blue ink)

Name John Thiel

(*Print or type name of person signing contract)*

Title General Manager

(Print or Type)

Dated: _____

Address _____

FOR COUNTY USE ONLY

Approved as to Legal Form	Reviewed for Contract Compliance	Reviewed/Approved by Department
►	►	►
John Tubbs II, Deputy County Counsel		John Gomez, Real Property Manager, RESD
Date _____	Date _____	Date _____

STAFF REPORT

DATE: October 2, 2025

TO: Board of Directors

FROM: Joanne Chan, Director of Operations

SUBJECT: Amendment to the Reimbursement Agreement with the San Bernardino Valley Municipal Water District

---

STRATEGIC GOAL:

Strategic Goal 4 - Strengthen Partnerships with Outside Agencies. Objective 4A - Engage in Regional Projects, Advocacy, and Grant Pursuits.

MEETING HISTORY:

9/25/25 - Engineering, Operations and Planning Committee

BACKGROUND:

In May 2016, the West Valley Water District (District) and the San Bernardino County Flood Control District (SBCFCD) executed an agreement permitting the spreading of water in Cactus Basin 2 to support the District's Fluidized Bed Reactor (FBR) Groundwater Treatment project. The District is responsible for obtaining regulatory permits and performing all maintenance activities related to District's water spreading activities, including, but not limited to, controlling all vectors and vegetation that may occur either directly or indirectly due to the District's water spreading operation in Cactus Basin 2.

The executed Streambed Alteration Agreement between the California Department of Fish and Wildlife and the District requires compensatory mitigation to offset the loss of 12 acres of wetland and riparian habitat that has developed within Cactus Basin 2.

DISCUSSION:

The District and the San Bernardino Valley Municipal Water District (SBVMWD) partnered in October 2020 to coordinate the development and implementation of the mitigation project at Hidden Valley Wetlands in Riverside County. The SBVMWD serves as the lead agency for planning, CEQA, permitting, implementation and compliance reporting. The project consists of 85 acres. The District's mitigation requirements for the Cactus Basin 2 are 12 acres. The District's proportionate share of all mitigation costs at Hidden Valley shall be equal to the ratio that mitigation acreage requirements for the Cactus Basin 2 project bear to the total mitigation project acreage.

The District has no land acquisition costs associated with the mitigation and the cost of habitat management actions for the District's 12-acre site over the next 12 months is $48,314.08 with a 10% contingency. SBVMWD staff will reassess towards the end of spring 2026 to see the level of effort needed for the following 12 months. District staff has worked diligently with SBVMWD staff to develop the Reimbursement Agreement between the parties attached as **Exhibit A**.

FISCAL IMPACT:

This is a reimbursable cost. Raytheon Technologies will reimburse the District the full cost. The mitigation project cost is currently estimated to be approximately $48,314.00 with the addition of a 10% contingency to the reimbursement agreement for this fiscal year.

REQUESTED ACTION:

Adopt an amendment to the Reimbursement Agreement with the San Bernardino Valley Municipal Water District.

Attachments

Exhibit A - Amendment to the Reimbursement Agreement.pdf

EXHIBIT A

FIRST AMENDMENT TO REIMBURSEMENT AGREEMENT

THIS FIRST AMENDMENT TO REIMBURSEMENT AGREEMENT ("***First Amendment***") is entered into and effective as of April 1, 2025 ("***First Amendment Effective Date***"), by and between WEST VALLEY WATER DISTRICT, a county water district organized and operating pursuant to California Water Code section 30000 *et seq*. ("***WVWD***"), and SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT, a municipal water district organized and operating pursuant to California Water Code section 71000 *et seq*. ("***SAN BERNARDINO VALLEY***"). WVWD and SAN BERNARDINO VALLEY are sometimes referred to herein individually as "***Party***" and collectively as "***Parties***".

RECITALS

A. SAN BERNARDINO VALLEY and WVWD are parties to that certain Reimbursement Agreement, dated October 3, 2024 ("***Reimbursement Agreement***"), with respect to a framework to reimburse SAN BERNARDINO VALLEY for expenses incurred in implementing habitat management actions associated with the HMMP for the SAA at HVWA, as defined in the Reimbursement Agreement.

B. The term of the Reimbursement Agreement expired on March 31, 2025.

C. On September 3, 2025, SAN BERNARDINO VALLEY received a cost estimate from the Santa Ana Watershed Association ("***SAWA***") for additional habitat management actions within WVWD's 12-acre habitat management area at HVWA. The estimated cost of habitat management actions for WVWD's 12-acre site through June 30, 2026, is Forty-Eight Thousand Three Hundred Fourteen Dollars and Eight Cents ($48,314.08), as identified in the Cost Estimate for Lower Cactus Basin #2 Mitigation Area attached as ***Exhibit 2*** hereto and incorporated herein by reference.

D. SAN BERNARDINO VALLEY estimates heavy equipment rental and/or other costs, associated with the additional habitat management actions will be approximately Five Thousand Dollars ($5,000.00).

E. WVWD wishes to establish and agree to a framework to reimburse SAN BERNARDINO VALLEY for expenses incurred in implementing the additional habitat management actions associated with the HMMP for the SAA at WVWD's 12-acre mitigation area at HVWA through June 30, 2026, as identified in ***Exhibit 3*** attached hereto and incorporated herein by reference.

NOW THEREFORE, in consideration of the matters recited and the mutual promises, covenants, and conditions set forth in this First Amendment, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

OPERATIVE PROVISIONS

1. Incorporation of Recitals. Each and every one of the Recitals set forth above is a material part of this First Amendment and is hereby incorporated by reference into and made part of this First Amendment by this reference.

2. Definitions. Defined terms not otherwise defined in this First Amendment shall have the meanings ascribed thereto in the Reimbursement Agreement.

3. Reinstatement; Extension of Term. Notwithstanding the actual date of execution of this First Amendment, the Parties desire and intend to reinstate the Reimbursement Agreement in its entirety as of the First Amendment Effective Date as if it had never expired, subject to the terms, conditions, and modifications set forth in this First Amendment. The term of the Agreement is hereby extended through the earlier of: (a) June 30, 2026; or (b) SAN BERNARDINO VALLEY incurs total approved costs equaling the Maximum Reimbursement, as amended in this First Amendment.

4. Maximum Reimbursement Increase. The Parties hereby increase the Maximum Reimbursement for implementation of WVWD's habitat management actions through June 30, 2026, by Fifty-Three Thousand Three Hundred Fourteen Dollars and Eight Cents ($53,314.08), for a total Maximum Reimbursement of Ninety-Five Thousand Eight Hundred Sixty-Two Dollars and Eighteen Cents ($95,862.18).

5. HMMP Management and Implementation. The habitat management actions at WVWD's 12-acre mitigation area at HVWA to be managed and implemented by SAN BERNARDINO VALLEY pursuant to Section 2 of the Reimbursement Agreement are hereby deemed to include the additional habitat management actions identified in ***Exhibit 2*** and ***Exhibit 3*** attached to this First Amendment.

6. Miscellaneous.

a. *Ratification*. Except as expressly modified by this First Amendment, Parties acknowledge that the Reimbursement Agreement remains in full force and effect, enforceable in accordance with its terms.

b. *Conflicts*. To the extent that the Reimbursement Agreement conflicts with this First Amendment, this First Amendment shall prevail.

c. *Counterparts*. This First Amendment may be executed in any number of counterparts, each of which shall be deemed an original and all of which when taken together shall constitute one and the same instrument. Signatures may be delivered electronically and shall be binding upon the Parties as if they were originals.

[*Signature Page Follows*]

IN WITNESS WHEREOF, the Parties have executed this First Amendment as of the First Amendment Effective Date.

SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT

By: _____
Heather P. Dyer
CEO/General Manager

WEST VALLEY WATER DISTRICT

By: _____
John Thiel
General Manager

EXHIBIT 2

SAWA COST ESTIMATE FOR LOWER CACTUS BASIN #2 MITIGATION AREA

EXHIBIT 3

WVWD'S PROJECTED COSTS FOR IMPLEMENTATION OF HABITAT MANAGEMENT ACTIONS IN THE HMMP THROUGH JUNE 30, 2026

STAFF REPORT

DATE: October 2, 2025

TO: Board of Directors

FROM: Jose Velasquez, Chief Financial Officer

SUBJECT: Authorize Staff to Call a Public Hearing in Compliance with Proposition 218 and Take All Necessary Actions Relating Thereto

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STRATEGIC GOAL:

Strategic Goal 6 – Demonstrate Effective Financial Stewardship

C. Prioritize Long-Term Financial Stability

D. Maintain a Data Driven Approach and Financial-Based Decision-Making.

MEETING HISTORY:

7/31/25 - Special Meeting Rate Study Workshop

BACKGROUND:

The District's current water rates have not been reviewed since 2012, with the last adjustment occurring in 2014. Increases are necessary to address rising operations and maintenance costs, escalating material and labor expenses, and to provide funding to the Capital Improvement Program (CIP) for essential infrastructure investments.

In accordance with Proposition 218, prior to adopting any new or increased fees or charges, including water rates, the District must provide written notice of the proposed adjustments to all affected property owners and customers. In addition, pursuant to AB 2257, the District has adopted the administrative remedies procedure outlined in Government Code Section 53759.1, which allows ratepayers to submit written objections regarding the proposed rates prior to the deadline established by the Board as part of the rate making process.

The draft Rate Study and Prop 218 Notice provide details including District costs, proposed rate calculations, and the Prop 218 process.

DISCUSSION:

On July 31, 2025, at a publicly noticed workshop, Raftelis Financial Consultants presented preliminary results of the District's Comprehensive Cost of Service and Rate Structure Study. At said meeting, the Board provided direction to Staff and Raftelis to prepare the Study so that it addresses the estimated costs of pursuing the CIP alternative referred to as "Scenario 3," which would include construction of a new administration and operations facility.

With that direction, the rate study has been completed. Based on the financial projections, Raftelis recommends certain rate adjustments across a five-year period, effective January 1, 2026, to ensure the District generates sufficient revenues to fund operating and maintenance expenses, meet debt service obligations, support CIP projects, and maintain long-term financial stability.

The recommended rate action is designed to ensure compliance with Proposition 218 by aligning water rates with the cost of providing service, while also preserving the District's ability to continue delivering high-quality and reliable water to its customers in a cost-effective and sustainable manner.

FISCAL IMPACT:

If approved by the Board of Directors, the proposed rate adjustment will generate sufficient revenue to cover the District's cost of providing water service in compliance with Proposition 218, while supporting the District's long-term financial stability.

REQUESTED ACTION:

Authorize staff to notice a public hearing in compliance with Proposition 218 and take any actions necessary relating thereto.

Attachments

Comprehensive Cost of Service Rate Structure Study
Public Hearing Notice.pdf

WEST VALLEY WATER DISTRICT

Comprehensive Cost of Service Rate Structure Study

REPORT / SEPTEMBER 23, 2025

RAFTELIS

RAFTELIS

September 23, 2025

Jose Velasquez
Chief Financial Officer
West Valley Water District
855 W. Base Line Road
Rialto, CA, 92377

Subject: Comprehensive Cost of Service Rate Structure Study

Dear Mr. Velasquez:

Raftelis is pleased to submit this report for the Comprehensive Cost of Service Rate Structure Study for West Valley Water District (District). The report presents the analyses and methodologies used to calculate a proposed schedule of water rate increases for the period FY 2026 – FY 2030. The objectives of the study included:

- **Financial Planning**: Development of a 10-year financial plan and associated revenue requirement forecast that is sufficient to successfully fund the District's operational needs, capital improvement expenditures, target cash reserves, and target debt service coverage requirements.

- **Cost of Service**: The completion of an agency-specific cost of service analysis, using industry-standard methodologies applied to District-specific data and circumstances, that identifies the variable and fixed costs incurred to serve the District's customers based on the proportional demands they impose on the water system.

- **Rate Structure:** A comprehensive assessment of the effectiveness of the District's current water rate structure in light of current costs of service and the consideration of alternative rate structures.

- **5-Year Projection of Rate Increases**: A projection of proposed annual water rate increases for the period FY 2026 – FY 2030 developed in compliance with Proposition 218.

It was a pleasure working with you and your team, and we wish to express our gratitude for the support you and other District staff provided during the study.

Sincerely,

John Wright
Senior Manager

Ellyse Ritchie
Senior Consultant

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Appendices

Appendix A: 10-Year Financial Plan for the Period FY 2026 – FY 2035

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1. Executive Summary

1.1. Study Background

In January 2023, the West Valley Water District (District) retained the services of Raftelis to complete a Comprehensive Cost of Service and Rate Structure Study. The objectives of the study included:

- **Financial Planning**: Development of a 10-year financial plan and associated revenue requirement forecast that is sufficient to successfully fund the District's operational needs, capital improvement expenditures, target cash reserves, and target debt service coverage requirements.

- **Cost of Service**: The completion of an agency-specific cost of service analysis, using industry-standard methodologies applied to District-specific data and circumstances, that identifies the variable and fixed costs incurred to serve the District's customers based on the proportional demands they impose on the water system.

- **Rate Structure:** A comprehensive assessment of the effectiveness of the District's current water rate structure in light of current costs of service and the consideration of alternative rate structures.

- **5-Year Projection of Rate Increases**: A projection of proposed annual water rate increases for the period FY 2026 – FY 2030 developed in compliance with Proposition 218.

This Executive Summary outlines the proposed financial plans and resulting rates and contains a description of the rate study process, methodology, and recommendations for the District's rates.

1.2. Current Rates

The District's current rates include a monthly service charge based on meter size and tiered usage rates billed on a per hundred cubic feet (HCF) basis for all customers. Table 1-1 shows current monthly service charges, and Table 1-2 shows the tiered usage rates.

Table 1-1: Current Monthly Service Charges ($/meter size)

	A	B
Line	Meter Size	Fixed Monthly Charge
1	5/8"	$22.21
2	3/4"	$22.21
3	1"	$33.07
4	1 1/2"	$48.77
5	2"	$67.18
6	3"	$97.52
7	4"	$128.56
8	6"	$195.02
9	8"	$261.48

Table 1-2: Current Usage Rates ($/HCF)

	A	B	C
Line	Customer Class	Tier Thresholds (HCF)	Flow Charges per HCF
1	All Customers		
2	Tier 1	0 - 10	$2.13
3	Tier 2	11 - 50	$2.30
4	Tier 3	> 50	$2.53

The District also delivers water to building sprinkler systems and other private fire suppression infrastructure through private fire lines. Rates for private fire lines are charged based on the size of the private fire line connection as shown in Table 1-3.

Table 1-3: Current Private Fire Line Charges

	A	B
Line	Private Fire Line Size	Fixed Monthly Charge
1	5/8" and 3/4"	$10.54
2	1"	$10.54
3	1 1/2"	$15.81
4	2"	$21.08
5	3"	$31.62
6	4"	$42.16
7	6"	$63.24
8	8"	$84.32
9	10"	$105.40
10	12"	$126.48

1.3. Process and Approach

During the study, Raftelis met with District staff to discuss various assumptions, inputs, and scenario analyses that were utilized to determine the financial plans presented to the District's Board of Directors. The financial plan was based on the 10-year period from fiscal year (FY) 2026[1] to FY 2035. The tables in the body of this report focus on the 5-year period FY 2026 - FY 2030. Appendix A shows the projected financial plan for the full 10-year period FY 2026 - FY 2035. The proposed rates were developed for implementation on January 1, 2026, with increases scheduled for each January 1st thereafter through and including January 1, 2030.

The cost of service analysis followed the guidelines for allocating costs as outlined in the American Water Works Association (AWWA) publication, *Manual of Water Supply Practices M1, Principles of Water Rates, Fees, and Charges*, 6th edition (AWWA M1 Manual), as adjusted to meet the particular circumstances of the District's water system and customer base. Key steps in the cost of service analysis included:

1. Determination of the revenue requirement, which equals the amount of revenue necessary to cover the costs of the water system.
2. Assignment of operating expenses and capital costs into functional categories such as supply, distribution, treatment, storage, pumping, transmission, etc.
3. Allocation of the functionalized costs into the appropriate cost causation components such as supply, base demand, peak demands, meters, and customer service.
4. Development of customer units of service for each cost causation component.
5. Calculation of the unit cost of service for each cost causation component.
6. Calculation of the cost of service for monthly fixed charges and usage rates.
7. Development of proposed rates to recover the cost of service and meet the District's objectives.

[1] FY 2025 is the period from July 1, 2025, to June 30, 2026.

1.4. Results and Recommendations

Raftelis worked closely with District staff to define the results and recommendations of the Comprehensive Cost of Service and Rate Structure Study. The recommendations presented in this report include:

1. Raftelis recommends that total system rate revenues be increased by 7.5% each year during the period FY 2026 through FY 2030. Projected rate revenue increases from FY 2031 - FY 2035 are 4.5% annually. Actual customer bills may be higher or lower than 7.5% depending on each customer's unique demand characteristics.
2. The District plans to spend approximately $168.9 million (inflation adjusted) on capital projects during the period of FY 2025 - FY 2030. This includes a planned expenditure of $70 million for a new headquarters building. The new headquarters building will be partially funded using $50.8 million in external debt financing which will provide $50 million in net debt proceeds. Projected inflation adjusted capital project expenditures for the period FY 2031 - FY 2035 are $73.5 million.
3. Raftelis recommends the District continue to use a 3-tier volumetric rate structure that applies to all customer types. However, for reasons discussed later in this report, we recommend that the Tier 2 consumption threshold be modified from 11 – 50 HCF to 11 – 30 HCF. This modification will change the Tier 3 consumption threshold from greater than 50 HCF to greater than 30 HCF.

1.5. Proposed Total System Rate Revenue Increases

Table 1-4 shows the annual increase percentage increase in rate revenues for the period FY 2026 – FY 2030. recommended as an outcome of the financial planning process. The actual increase in the water bills of individual customers will not necessarily match the percentages shown in Table 1-4. Actual water bill increases will depend on the unique water consumption characteristics and the meter size of each customer. Appendix A shows the full 10-year financial plan for the period FY 2026 – FY 2035.

Table 1-4: Proposed Total System Rate Revenue Increases

	A	B	C	D	E	F
Line	Description	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
1	Effective Date	January 1	January 1	January 1	January 1	January 1
2	Percentage Increase	7.5%	7.5%	7.5%	7.5%	7.5%

1.6. Proposed Rates and Charges

Table 1-5 shows the proposed monthly service charges and the proposed monthly private fire line charges for the period FY 2026 – FY 2030. The proposed FY 2026 charges (Column C) were determined as part of the cost of service analysis. The proposed charges for FY 2027 - FY 2030 (Columns D - G) reflect the annual total system revenue increases projected as part of the financial planning process (7.5% each year).

Table 1-5: Proposed Monthly Fixed Charges ($/meter size)

	A	B	C	D	E	F	G
Line	Monthly Service Charge ($/Meter Size)	Existing	January FY 2026	January FY 2027	January FY 2028	January FY 2029	January FY 2030
1	5/8"	$22.21	$23.82	$25.60	$27.52	$29.59	$31.80
2	3/4"	$22.21	$23.82	$25.60	$27.52	$29.59	$31.80
3	1"	$33.07	$33.07	$35.55	$38.22	$41.08	$44.16
4	1 1/2"	$48.77	$56.21	$60.42	$64.95	$69.83	$75.06
5	2"	$67.18	$83.97	$90.27	$97.04	$104.32	$112.14
6	3"	$97.52	$171.89	$184.78	$198.64	$213.54	$229.55
7	4"	$128.56	$287.57	$309.14	$332.33	$357.25	$384.05
8	6"	$195.02	$588.35	$632.48	$679.91	$730.91	$785.72
9	8"	$261.48	$842.85	$906.07	$974.02	$1,047.07	$1,125.61
10	Monthly Private Fire Line ($/Line Size)	Existing	January FY 2026	January FY 2027	January FY 2028	January FY 2029	January FY 2030
11	5/8"	$10.54	$10.09	$10.85	$11.66	$12.53	$13.47
12	3/4"	$10.54	$10.18	$10.95	$11.77	$12.65	$13.60
13	1"	$10.54	$10.47	$11.25	$12.10	$13.00	$13.98
14	1 1/2"	$15.81	$11.49	$12.35	$13.28	$14.27	$15.34
15	2"	$21.08	$13.25	$14.24	$15.31	$16.46	$17.69
16	3"	$31.62	$19.56	$21.02	$22.60	$24.30	$26.12
17	4"	$42.16	$30.44	$32.73	$35.18	$37.82	$40.66
18	6"	$63.24	$69.51	$74.73	$80.33	$86.36	$92.83
19	8"	$84.32	$136.90	$147.17	$158.21	$170.07	$182.83
20	10"	$105.40	$238.27	$256.14	$275.35	$296.00	$318.20

Table 1-6 shows proposed $/HCF usage rates for the period FY 2026 – FY 2030. These usage rates are applicable to all customers, regardless of their specific land use type. The proposed FY 2026 usage rates (Column D) were determined as part of the cost of service analysis. The proposed rates for FY 2027 - FY 2030 (Columns E - H) reflect the annual total system revenue increases projected as part of the financial planning process (7.5% each year).

Table 1-6: Proposed Usage Rates ($/HCF)

	A	B	C	D	E	F	G	H
Line	Usage Rates ($/HCF)	Existing Consumption Tiers (HCF)	Existing	January FY 2026	January FY 2027	January FY 2028	January FY 2029	January FY 2030
1	Tier 1	0 – 10	$2.13	----	----	----	----	----
2	Tier 2	11 – 50	$2.30	----	----	----	----	----
3	Tier 3	> 50	$2.53	----	----	----	----	----
4	Usage Rates ($/HCF)	Proposed Consumption Tiers (HCF)	Existing	January FY 2026	January FY 2027	January FY 2028	January FY 2029	January FY 2030
5	Tier 1	0 – 10	----	$2.33	$2.50	$2.69	$2.89	$3.11
6	Tier 2	11 – 30	----	$2.54	$2.73	$2.93	$3.15	$3.39
7	Tier 3	> 30	----	$2.73	$2.93	$3.15	$3.39	$3.65

1.7. Single Family Residential Customer Bill Impacts

Table 1-7 shows the estimated FY 2026 bill impacts for Single Family Residential customer from the proposed FY 2026 monthly fixed charges and $/HCF usage rates. The average monthly consumption for Single Family Residential customers is 17 HCF. The average summer consumption for Single Family Residential customers is 21 HCF.

Table 1-7: Estimated Bill Impacts Under Proposed FY 2026 Rates

	A	B	D	E	F
Line	Customer Description	Existing Bill	FY 2026 Bill	$ Difference	% Difference
1	Single Family Residential, 5/8" or 3/4" Meter Average Monthly Consumption – 17 HCF	$59.61	$64.90	$5.29	8.9%
2	Single Family Residential, 5/8" or 3/4" Meter Average Summer Consumption – 21 HCF	$68.81	$75.06	$6.25	9.1%
5	Single Family Residential, 1" Meter Average Monthly Consumption – 17 HCF	$70.47	$74.15	$3.68	5.2%
6	Single Family Residential, 1" Meter Average Summer Consumption – 21 HCF	$79.67	$84.31	$4.64	5.8%

2. Financial Planning

This section of the report discusses the results of the two primary financial planning scenarios developed as part of the Comprehensive Cost of Service and Rate Structure Study.

- **Status Quo Financial Planning Scenario**: The status quo scenario begins with a projection of future inflation adjusted operating expenses and capital improvement costs but assumes there are no future rate revenue increases and no external debt financing. The status quo scenario quantifies the "funding gap" which is the difference between projected rate revenue and projected costs.

- **Recommended Financial Planning Scenario**: The recommended scenario also develops a projection of future inflation adjusted operating expenses and capital improvement costs. However, it then determines the optimal combination of increased rate revenues and external debt financing to pay for these costs in a manner that maintains District revenue adequacy and financial sufficiency. In effect, the recommended financial scenario determines the optimal funding strategy to bridge the funding gap.

2.1. Projected Customer Accounts and Meters

Table 2-1 shows the projected number of customer accounts by class and meter size. Actual customer account and meter data for FY 2024 and FY 2025 were provided by the District. The projections shown for FY 2026 – FY 2030 were developed in consultation with District staff based on an analysis of projected growth by customer type and meter size during each year of the FY 2026 – FY 2030 planning horizon. The District does not charge customer class specific rates. The information on projected account growth by customer types shown in Lines 1-10 in Table 2-1 was provided solely for informational purposes.

2.2. Projected Billed Water Consumption

Table 2-2 shows the projected billed water consumption by customer type. The District does not charge customer class specific rates. The information on projected billed consumption by customer type shown in Table 2-2 was provided solely for informational purposes. Water demand, expressed on a per capita or average consumption per account basis, is expected to decrease at an annual rate of 0.5% (one half of one percent) during the period FY 2026 – FY 2035.

Actual billed consumption data for FY 2024 and FY 2025 was provided by the District. The projections for FY 2026 – FY 2030 were developed in consultation with District staff based on the projected customer account ad usage growth. Note that the projections shown in Table 2-2 reflect the District's existing Tier 2 consumption threshold (11 – 50 HCF) and the existing Tier 3 consumption threshold of greater than 50 HCF. These consumption thresholds were used to calculate usage rate revenues at existing rates (Table 2-3).

Table 2-1: Projected FY 2026 – FY 2030 Customer Accounts and Meters

Line	A Customer Class	B Estimated FY 2025	C Projected FY 2026	D Projected FY 2027	E Projected FY 2028	F Projected FY 2029	G Projected FY 2030
1	Accounts						
2	Single Family Residential	22,873	23,821	24,172	24,388	24,723	25,067
3	Multi-Family Residential	187	186	186	186	195	200
4	Commercial	581	604	623	642	658	674
5	Industrial	73	198	198	198	203	209
6	Institutional	99	5	5	5	5	6
7	Landscape Irrigation	544	520	556	591	607	624
8	Private Fire Line Service	419	420	420	420	433	446
9	Hydrant Service	121	121	121	121	125	128
10	Total Accounts	24,897	25,875	26,281	26,551	26,949	27,354
11							
12	Total Connections by Meter Size *(Excluding Private Fire Lines)*						
13	5/8"	3,005	2,985	2,985	2,985	2,985	2,985
14	3/4"	10,417	10,452	10,454	10,456	10,456	10,456
15	1"	9,859	10,981	11,349	11,582	11,929	12,287
16	1 1/2"	190	325	336	346	356	367
17	2"	401	506	529	552	569	586
18	3"	293	137	139	141	145	150
19	4"	280	56	56	56	57	59
20	6"	19	9	9	9	12	12
21	8"	14	4	4	4	6	6
22	10"	0	0	0	0	0	0
23	12"	0	0	0	0	0	0
24	Total	24,478	25,455	25,861	26,131	26,516	26,908
25							
26	Private Fire Line Service						
27	5/8"	5	8	8	8	8	8
28	3/4"	0	0	0	0	0	0
29	1"	0	0	0	0	0	0
30	1 1/2"	1	1	1	1	1	1
31	2"	1	1	1	1	1	1
32	3"	0	0	0	0	0	0
33	4"	32	31	31	31	32	33
34	6"	94	93	93	93	96	99
35	8"	133	132	132	132	136	140
36	10"	143	144	144	144	148	153
37	12"	11	10	10	10	10	11
38	Total	419	420	420	420	433	446
39							
40	Total	24,897	25,875	26,281	26,551	26,949	27,354
41	Annual Percentage Change	----	3.9%	1.6%	1.0%	1.5%	1.5%

Table 2-2: Projected FY 2026 – FY 2030 Billed Water Consumption (HCF)

Line	A Customer Class	B Estimated FY 2025	C Projected FY 2026	D Projected FY 2027	E Projected FY 2028	F Projected FY 2029	G Projected FY 2030
1	Single Family						
2	Tier 1 (0 – 10 HCF)	2,235,391	2,235,391	2,290,941	2,347,871	2,406,215	2,466,010
3	Tier 2 (11 – 50 HCF)	2,661,545	2,661,545	2,727,684	2,795,467	2,864,935	2,936,128
4	Tier 3 (> 50HCF)	255,792	255,792	262,148	268,662	275,339	282,181
5	Total	5,152,728	5,152,728	5,280,773	5,412,001	5,546,489	5,684,319
6							
7	Multi-Family						
8	Tier 1 (0 – 10 HCF)	21,943	21,943	22,489	23,047	23,620	24,207
9	Tier 2 (11 – 50 HCF)	52,591	52,591	53,898	55,237	56,610	58,017
10	Tier 3 (> 50 HCF)	156,805	156,805	160,702	164,696	168,788	172,983
11	Total	231,340	231,340	237,089	242,980	249,019	255,207
12							
13	Commercial						
14	Tier 1 (0 – 10 HCF)	47,830	47,830	49,018	50,236	51,485	52,764
15	Tier 2 (11 – 50 HCF)	116,803	116,803	119,706	122,680	125,729	128,853
16	Tier 3 (> 50 HCF)	648,737	648,737	664,858	681,380	698,312	715,665
17	Total	813,370	813,370	833,582	854,297	875,526	897,283
18							
19	Industrial						
20	Tier 1 (0 – 10 HCF)	5,251	5,251	5,382	5,516	5,653	5,793
21	Tier 2 (11 – 50 HCF)	15,053	15,053	15,427	15,811	16,204	16,606
22	Tier 3 (> 50 HCF)	194,051	194,051	198,873	203,815	208,880	214,070
23	Total	214,355	214,355	219,682	225,141	230,736	236,470
24							
25	Institutional						
26	Tier 1 (0 – 10 HCF)	9,074	9,074	9,300	9,531	9,768	10,010
27	Tier 2 (11 – 50 HCF)	30,268	30,268	31,020	31,791	32,581	33,390
28	Tier 3 (> 50 HCF)	336,303	336,303	344,660	353,225	362,003	370,999
29	Total	375,645	375,645	384,980	394,547	404,351	414,399
30							
31	Landscape Irrigation						
32	Tier 1 (0 – 10 HCF)	49,507	49,507	50,737	51,998	53,290	54,614
33	Tier 2 (11 – 50 HCF)	158,634	158,634	162,576	166,616	170,757	175,000
34	Tier 3 (> 50 HCF)	946,104	946,104	969,615	993,710	1,018,403	1,043,711
35	Total	1,154,245	1,154,245	1,182,928	1,212,324	1,242,450	1,273,325
36							
37	Private Fire Line Service						
38	Tier 1 (0 – 10 HCF)	2,933	2,933	3,006	3,081	3,157	3,236
39	Tier 2 (11 – 50 HCF)	0	0	0	0	0	0
40	Tier 3 (> 50 HCF)	0	0	0	0	0	0
41	Total	2,933	2,933	3,006	3,081	3,157	3,236
42							
43	Hydrant Service						
44	Tier 1 (0 – 10 HCF)	153,900	153,900	157,724	161,644	165,661	169,777
45	Tier 2 (11 – 50 HCF)	0	0	0	0	0	0
46	Tier 3 (> 50 HCF)	0	0	0	0	0	0
47	Total	153,900	153,900	157,724	161,644	165,661	169,777
48							
49	Total	8,098,516	8,098,516	8,299,764	8,506,014	8,717,388	8,934,015
50	Annual Percentage Change	----	2.5%	2.5%	2.5%	2.5%	0.0%

2.3. Projected Revenues at Existing Rates

Table 2-3 shows projected revenues at existing rates during the period FY 2026 – FY 2030. The District does not charge customer class specific rates. The projection of revenues at existing rates shown in Table 2-3 is presented by customer types solely for informational purposes. The monthly fixed charges shown in Lines 1-10 are based on the projection of customer accounts presented in Table 2-1. The projected revenue from usage rates shown in Lines 12-21 are based on the projection of billed consumption presented in Table 2-2. The projection of revenues at existing rates is compared to projected inflation adjusted expenditures as part of the financial planning process to determine the projected funding gap (i.e., the difference between revenues at existing rates and projected inflation adjusted expenditures).

Table 2-3: Projected FY 2026 – FY 2030 Revenues at Existing Rates

	A	B	C	D	E	F	G
		Estimated	Projected				
Line	Revenue Source	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
1	Monthly Fixed Charges						
2	Single-Family	$7,569,591	$7,737,100	$7,877,164	$7,963,655	$8,096,719	$8,233,774
3	Multi-Family	$115,834	$118,398	$118,398	$118,398	$132,433	$135,605
4	Commercial	$367,342	$375,471	$389,168	$402,864	$414,054	$425,580
5	Industrial	$125,809	$128,593	$128,593	$128,593	$132,259	$136,035
6	Institutional	$2,167	$2,215	$2,240	$2,265	$2,315	$2,367
7	Landscape Irrigation	$299,159	$305,779	$325,616	$345,453	$355,400	$365,647
8	Private Fire Line Service	$207,227	$211,813	$211,813	$211,813	$218,167	$224,712
9	Hydrant Service	$146,696	$149,942	$149,942	$149,942	$154,440	$159,074
10	Total	$8,833,825	$9,029,310	$9,202,932	$9,322,982	$9,505,788	$9,682,794
11							
12	Revenue from Usage Rates						
13	Single-Family	$11,181,894	$11,530,090	$11,816,613	$12,110,256	$12,411,195	$12,719,614
14	Multi-Family	$547,372	$564,417	$578,443	$592,817	$607,548	$622,646
15	Commercial	$1,951,075	$2,011,829	$2,061,823	$2,113,060	$2,165,569	$2,219,384
16	Industrial	$520,547	$536,756	$550,094	$563,764	$577,774	$592,131
17	Institutional	$1,367,115	$1,409,686	$1,444,717	$1,480,618	$1,517,411	$1,555,119
18	Landscape Irrigation	$2,777,463	$2,863,951	$2,935,120	$3,008,058	$3,082,808	$3,159,416
19	Private Fire Line Service	$302,931	$312,365	$320,127	$328,082	$336,235	$344,590
20	Hydrant Service	$411,937	$424,764	$435,319	$446,137	$457,224	$468,586
21	Total	$19,060,334	$19,653,858	$20,142,257	$20,642,792	$21,155,765	$21,681,486
22							
23	Total	$27,894,159	$28,683,169	$29,345,189	$29,965,773	$30,661,553	$31,364,280

2.4. Projected Non-Rate Revenues

Table 2-4 shows projected non-rate revenues during the period FY 2026 – 2030 which was developed in consultation with District staff. Revenues from non-rate sources reduce the amount of rate revenue that must be collected from customers. Other operating revenues in Lines 1 -29 were projected under the assumption of no annual increase. Non-operating revenues in Lines 31-37 were projected based on specific growth assumptions. For example, property taxes receipts shown in Line 32 assume a 2.0% annual growth rate. Receipts from grants and reimbursements shown in Line 34 are based on District staff's estimate of the grants that have a high probability of being received during each year of the FY 2026 – FY 2030 planning horizon. The interest and investment earnings shown on Line 34 are based on projected cash reserve balances during each year of the planning horizon and assume 4.0% interest earnings. The amount of $2.1 million shown in Line 36, Column C, reflects the favorable outcome of environmental litigation with the 3M Corporation related to per- and polyfluoroalkyl substances – known as PFAS. The amounts received from this settlement

were not used to offset a specific cost. Instead, they were used to reduce the overall revenue requirement from rates.

Table 2-4: Projected FY 2026 – FY 2030 Non-Rate Revenues

	A	B	C	D	E	F	G
		Estimated	Projected				
Line	Non-Rate Revenue Source	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
1	Other Operating Revenues						
2	Delinquent Charges	$639,930	$645,000	$645,000	$645,000	$645,000	$645,000
3	Backflow Install Charges	$60	$60	$60	$60	$60	$60
4	After Hours/Same Day Turn On Charges	$6,100	$6,000	$6,000	$6,000	$6,000	$6,000
5	Turn On/Turn Offs For Non-Payment	$13,050	$13,000	$13,000	$13,000	$13,000	$13,000
6	Lien Fee	$120	$60	$60	$60	$60	$60
7	Water Service Application Fee	$43,400	$42,000	$42,000	$42,000	$42,000	$42,000
8	Fire Flow Testing	$9,600	$10,000	$10,000	$10,000	$10,000	$10,000
9	Copies	$15	$40	$40	$40	$40	$40
10	Revenue / Cash Variance	$98	$0	$0	$0	$0	$0
11	Plan Check Fees	$21,372	$30,000	$30,000	$30,000	$30,000	$30,000
12	Returned Payment Charges	$10,850	$10,000	$10,000	$10,000	$10,000	$10,000
13	Inspection Fees	$349	$115,000	$115,000	$115,000	$115,000	$115,000
14	Revenue / Meter Installation Charge	$252,726	$240,000	$240,000	$240,000	$240,000	$240,000
15	Fines For Unauthorized Water Use	$6,475	$6,000	$6,000	$6,000	$6,000	$6,000
16	Revenue / Miscellaneous	$4,177	$5,000	$5,000	$5,000	$5,000	$5,000
17	Revenue / Unclaimed Customer Refund	$6,982	$9,000	$9,000	$9,000	$9,000	$9,000
18	3A1 Pump from City of Rialto	$117,629	$120,000	$120,000	$120,000	$120,000	$120,000
19	Reimbursement From City Of Rialto - Opr Plant	$532,881	$550,000	$550,000	$550,000	$550,000	$550,000
20	Reimbursement From UTC - Routine Costs FBR	$1,007,988	$1,600,000	$1,600,000	$1,600,000	$1,600,000	$1,600,000
21	Reimbursement From UTC - Non-Routine Costs	$0	$0	$0	$0	$0	$0
22	Baseline Feeder Operations	$1,220,512	$1,250,000	$1,250,000	$1,250,000	$1,250,000	$1,250,000
23	Document Prep Fees	$10	$20	$20	$20	$20	$20
24	Administration Fees (Section 2017)	$232,173	$300,000	$300,000	$300,000	$300,000	$300,000
25	Utility Users Tax Administration	$45,813	$5,000	$5,000	$5,000	$5,000	$5,000
26	Reimbursement From Residents For Damages Done	$142,947	$150,000	$150,000	$150,000	$150,000	$150,000
27	Energy Demand Response Programs	$9,559	$0	$0	$0	$0	$0
28	Conservation Rebate Reimb	$96,229	$0	$0	$0	$0	$0
29	Total Miscellaneous Operating Revenues	$4,421,044	$5,106,180	$5,106,180	$5,106,180	$5,106,180	$5,106,180
30							
31	Non-Operating Revenues						
32	Property Taxes	$3,069,567	$4,229,527	$4,314,117	$4,400,400	$4,488,408	$4,578,176
33	Grants and Reimbursements	$127,892	$2,095,000	$2,159,757	$1,000,000	$50,000	$50,000
34	Interest and Investment Earnings	$2,523,572	$1,373,878	$1,444,845	$1,188,676	$834,316	$620,334
35	Rental Income - Cellular Antennas	$36,303	$39,828	$39,828	$39,828	$39,828	$39,828
36	Other Non-Operating (Includes 3M Settlement)	$15,783	$2,144,322	$194,514	$226,933	$202,619	$137,781
37	Total Non-Operating Revenues	$5,773,116	$9,882,555	$8,153,061	$6,855,836	$5,615,171	$5,426,119
38							
39	Total	$10,194,160	$14,988,735	$13,259,241	$11,962,016	$10,721,351	$10,532,299

2.5. Expense Inflation Factors

Table 2-5 shows the expense inflation factors, which are used to project future operating and capital project expenses during the period FY 2026 – FY 2030. These factors were determined with input from District staff based on information such as existing contracts, existing memoranda of understanding, and historical analysis.

Table 2-5: Projected FY 2026 – FY 2030 Expense Inflation Factors

Line	A Expense Inflation Factors	B FY 2026	C FY 2027	D FY 2028	E FY 2029	F FY 2030
1	General Inflation	3.0%	3.0%	3.0%	3.0%	3.0%
2	Salary	4.0%	4.0%	4.0%	4.0%	4.0%
3	Benefits	5.0%	5.0%	5.0%	5.0%	5.0%
4	Water Supply	5.0%	5.0%	5.0%	5.0%	5.0%
5	Energy	5.0%	5.0%	5.0%	5.0%	5.0%
6	Non-inflated	0.0%	0.0%	0.0%	0.0%	0.0%
7	Construction Cost Inflation	4.0%	4.0%	4.0%	4.0%	4.0%

2.6. Projected Operating Expenses

Table 2-6 shows projected operating expenses for the period FY 2026 – FY 2030. The estimated expenses show for FY 2025 (Column B) were provided by District staff. Projected expenses for FY 2026 (Column C) are based on the District's adopted FY 2026 budget. The projections for FY 2027 – FY 2030 (Columns D – G) were projected for using the inflation factors shown in Table 2-5. The adopted FY 2026 budget for operating expenses is $36,105,730 (Line 23, Column C). In contrast, the FY 2025 estimated actual operating expenses are $30,380,311 (Line 23, Column B). The FY 2026 increase was due to projected inflation and a memorandum of understanding between the District and its employees that increased projected labor costs by 7.0%.

Table 2-6: Projected FY 2026 – FY 2030 Operating Expenses

	A	B	C	D	E	F	G
		Estimated	Adopted	Projected			
Line	Type of Expense	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
1	Source of Supply - 5110	$1,913,572	$2,360,380	$2,478,399	$2,602,319	$2,732,435	$2,869,057
2	Production Pumping - 5210	$4,911,536	$5,585,050	$5,843,300	$6,113,706	$6,396,850	$6,693,340
3	Water Quality Department - 5310	$704,075	$835,900	$870,043	$905,619	$942,690	$981,320
4	Water Treatment - Perchlorate - 5320	$270,558	$605,000	$628,150	$652,245	$677,324	$703,432
5	Water Treatment - FBR - 5350	$2,038,860	$2,077,721	$2,160,974	$2,247,720	$2,338,112	$2,432,311
6	Water Treatment - Roemer/Arsenic - 5390	$2,399,995	$2,736,685	$2,849,240	$2,966,632	$3,089,078	$3,216,804
7	Maintenance – Trans. and Distribution - 5410	$2,639,621	$3,043,000	$3,158,161	$3,277,841	$3,402,224	$3,531,501
8	Customer Service - 5510	$1,608,163	$1,218,300	$1,270,140	$1,324,230	$1,380,670	$1,439,563
9	Meter Reading – 5520	$910,189	$1,026,200	$1,066,881	$1,109,228	$1,153,311	$1,199,203
10	Billing – 5530	$550,738	$677,100	$703,475	$730,914	$759,461	$789,162
11	Administration – 5610	$2,036,731	$2,664,425	$2,767,526	$2,874,752	$2,986,275	$3,102,271
12	General Operations	$2,956,236	$3,295,919	$3,412,090	$3,532,611	$3,657,655	$3,787,404
13	Accounting – 5620	$1,027,531	$1,174,150	$1,221,135	$1,270,054	$1,320,990	$1,374,028
14	Engineering – 5630	$1,767,634	$2,786,875	$2,899,601	$3,017,007	$3,139,293	$3,266,667
15	Information Technology - 5640	$1,418,823	$1,890,830	$1,961,483	$2,034,878	$2,111,126	$2,190,342
16	GIS – 5645	$205,375	$291,200	$303,445	$316,213	$329,527	$343,411
17	Board of Directors - 5650	$295,313	$347,000	$362,661	$379,041	$396,173	$414,093
18	Human Resources/Risk Management - 5660	$870,455	$940,300	$978,429	$1,018,149	$1,059,529	$1,102,640
19	Purchasing	$569,235	$792,900	$826,881	$862,336	$899,329	$937,928
20	Government / Public Affairs - 5710	$1,208,653	$1,616,795	$1,674,511	$1,734,365	$1,796,439	$1,860,819
21	Grants & Rebates - 5720	$77,037	$140,000	$144,200	$148,526	$152,982	$157,571
22	Future Full-Time Equivalents	$0	$0	$0	$108,160	$224,973	$233,972
23	Total Operating Expenses	$30,380,331	$36,105,730	$37,580,722	$39,226,546	$40,946,447	$42,626,838
24	Annual % Change		18.8%	4.1%	4.4%	4.4%	4.1%

2.7. Projected Capital Improvement Expenditures

Table 2-7 shows projected inflation-adjusted capital expenditures for the period FY 2026 – FY 2030 segregated by major function. The projected capital expenditures shown in Table 2-7 were developed by District staff based on their analysis of long-term infrastructure needs.

Table 2-7: Projected FY 2026 – FY 2030 Capital Improvement Expenditures

	A	C	D	E	F	G	H
		Projected					Total
Line	Function	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2026 – 2030
1	Source of Supply	$6,250,000	$5,251,747	$4,715,776	$584,929	$409,450	$17,211,903
2	Storage	$9,502,905	$7,696,000	$2,996,032	$9,536,426	$3,520,434	$33,251,797
3	Pump Station	$350,000	$442,000	$43,264	$3,700,803	$3,890,983	$8,427,050
4	Treatment	$2,136,000	$1,485,120	$1,620,237	$1,674,922	$1,799,242	$8,715,522
5	Pipeline	$7,169,238	$4,844,615	$2,875,200	$224,973	$1,591,008	$16,705,034
6	Miscellaneous	$5,188,211	$2,329,600	$2,225,933	$2,362,214	$2,515,196	$14,621,154
7	Headquarters Building	$0	$1,000,000	$1,000,000	$21,000,000	$47,000,000	$70,000,000
8	Total	$30,596,354	$23,049,083	$15,476,442	$39,084,268	$60,726,314	$168,932,460

2.8. Projected Debt Service

Table 2-8 shows projected debt service expenditures for the period FY 2026 – FY 2030. Line 8 reflects the debt service associated with the $50.8 million in external debt financing ($50 million net proceeds) used to partially fund the projected capital expenditure of $70 million for a new headquarters building. The debt terms associated with this proposed external debt financing assume a 4.0% interest rate, a 30-year repayment term, and issuance costs of 1.5%.

Table 2-8: Projected FY 2026 – FY 2030 Debt Service Expenditures

	A	B	C	D	E	F	G
		Actual	Projected				
Line	Debt Issue	2025	2026	2027	2028	2029	2030
1	Existing Debt						
2	Bond Series 2016A	$1,303,300	$1,302,600	$1,304,000	$1,297,250	$1,297,125	$1,296,490
3	Hydroelectric Plant	$331,100	$331,100	$331,100	$331,100	$331,100	$330,251
4	Water Rights	$321,529	$321,529	$321,529	$321,529	$321,529	$321,529
5	Drinking Water State Revolving Fund	$147,934	$499,091	$1,834,711	$1,834,711	$1,834,711	$1,834,711
6	Total	$2,103,863	$2,454,320	$3,791,340	$3,784,590	$3,784,465	$3,782,981
7							
8	Proposed Debt Issue						
9	New Headquarters Building	$0	$0	$0	$0	$2,935,538	$2,935,538
10	Total	$0	$0	$0	$0	$2,935,538	$2,935,538
11							
12	Total	$2,103,863	$2,454,320	$3,791,340	$3,784,590	$6,720,003	$6,718,519

2.9. Financial Policies

In addition to projected operating, capital improvement, and debt service coverage expenditures, the financial planning process requires the consideration of cash reserve and debt service coverage targets to ensure utility revenue adequacy and financial sufficiency. The District's financial policies establish target cash reserves equal to 50% of annual operating expenses and 25% of the subsequent year's cash and grant funded capital improvement program expenditures. The District also seeks to achieve a projected target debt service coverage ratio of 1.75x. Debt service coverage is calculated pursuant to the following formula:

Revenue less Connection Fees – Operating Expenses / Debt Service = Debt Service Coverage

2.10. Status Quo Financial Plan

The status quo financial planning scenario compares future inflation adjusted operating expenses and capital improvement costs but assumes there are no future rate revenue increases or external debt financing. The status quo scenario quantifies the "funding gap" which is the difference between projected revenue and projected costs. Table 2-9 shows the outcome of the status quo financial plan during the period FY 2026 – FY 2030. It assumes District incurs capital improvement expenditures of $70 million for a new headquarters building but no rate revenue increases or external debt financing. Key outcomes that demonstrate concerns with the status quo financial plan include:

1. The net operating cash flow shown on Line 16 is significantly negative during each year of the period FY 2026 – FY 2030
2. Debt service coverage falls below 0.0x beginning in FY 2029 (Line 18). Debt service coverage in FY 2027 – FY 2030 falls below the target of 1.75x (Line 20). It is also important to note that the District's 2016 water revenue bonds require the maintenance of a 1.2x minimum coverage ratio after obtaining additional external debt financing. Under the status quo financial plan, the District would not be allowed to fund the new headquarters because it would be unable to meet the additional debt test under the 2016 bonds.
3. The Operating Fund ending balance falls to ($61.9) million in FY 2030 (Line 26, Column G).
4. Projected combined operating and capital cash reserves at the end of FY 2030 are ($60.5) million (Line 42, Column G)

2.11. Recommended Financial Plan

Table 2-10 shows the recommended financial plan for the period FY 2026 – FY 2030. It assumes annual 7.5% rate revenue increases during each year of the planning horizon. The recommended financial plan also includes $50.8 million in external debt financing ($50 million net proceeds) in FY 2029 used to partially fund the projected capital expenditure of $70 million for a new headquarters building. Key outcomes that demonstrate the feasibility of moving forward with the recommended financial plan include:

1. There is a significant improvement in net operating cash flow as shown in Line 16. Although net operating cash flow is negative in FY 2026 – FY 2030, the projected Operating Fund ending cash balance always remains above $0 (Line 26). Further, the Operating Fund ending cash balance is projected to remain above the 180-day target in all years except FY 2029 and FY 2030.
2. Debt service coverage remains above 0.0x in all years (Line 18). Debt service coverage also remains above the 1.75 target in all years except in FY 2029 and FY 2030 (Line 29).
3. Projected combined operating and capital cash reserves at the end of FY 2030 are $18.7 million (Line 42, Column G)

Appendix A shows the full 10-year recommended financial plan for the period FY 2026 – FY 2035.

Table 2-9: FY 2026 – FY 2030 Status Quo Financial Plan (Not Recommended)

	A	B	C	D	E	F	G
		Estimated			Projected		
Line	Description	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
1	Rate Revenue Percentage Increases	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2							
3	Revenue at Existing Rates	$27,894,159	$28,683,169	$29,345,189	$29,965,773	$30,661,553	$31,364,280
4	Revenues from Rate Increases	$0	$0	$0	$0	$0	$0
5	Total Rate Revenues	$27,894,159	$28,683,169	$29,345,189	$29,965,773	$30,661,553	$31,364,280
6							
7	Other Operating Revenue	$4,421,044	$5,106,180	$5,106,180	$5,106,180	$5,106,180	$5,106,180
8	Non-Operating Revenue	$5,773,116	$9,860,603	$8,010,010	$6,505,711	$5,047,919	$4,805,784
9	Total Revenues	$38,088,319	$43,649,952	$42,461,378	$41,577,664	$40,815,652	$41,276,244
10							
11	Operating Expenses	$30,380,331	$36,105,730	$37,580,722	$39,226,546	$40,946,447	$42,626,838
12	Debt Service	$2,103,863	$2,454,320	$3,791,340	$3,784,590	$3,784,465	$3,782,981
13	Rate Funded Capital	$4,815,592	$14,277,116	$7,426,710	$7,031,962	$11,534,974	$6,381,882
14	Total Expenditures	$37,299,785	$52,837,166	$48,798,773	$50,043,097	$56,265,886	$52,791,702
15							
16	Net Operating Cash Flow	$788,534	($9,187,214)	($6,337,394)	($8,465,433)	($15,450,234)	($11,515,457)
17							
18	Debt Service Coverage	3.66	3.07	1.29	0.62	(0.03)	(0.36)
19	Target Debt Service Coverage	1.75	1.75	1.75	1.75	1.75	1.75
20	Variance from Target	1.91	1.32	(0.46)	(1.13)	(1.78)	(2.11)
21							
22	Water Operating Fund						
23	Beginning Balance	$64,905,549	$40,944,867	$31,757,653	$25,420,259	$16,954,826	($3,559,419)
24	Sources of Funds	$37,448,389	$43,649,952	$42,461,378	$41,577,664	$40,815,652	$41,276,244
25	Uses of Funds	$37,299,785	$52,837,166	$48,798,773	$50,043,097	$61,329,897	$99,659,040
26	Ending Balance	$40,944,867	$31,757,653	$25,420,259	$16,954,826	($3,559,419)	($61,942,214)
27							
28	Target	$15,190,165	$18,052,865	$18,790,361	$19,613,273	$20,473,223	$21,313,419
29	Variance from Target	$25,754,702	$13,704,788	$6,629,898	($2,658,447)	($24,032,642)	($83,255,633)
30							
31	Water Capital Fund						
32	Beginning Balance	$8,706,655	$21,932,897	$20,690,362	$18,510,630	$17,316,746	$1,607,971
33	Sources of Funds	$26,018	$852,465	$980,025	$806,116	$5,341,225	$46,867,338
34	Uses of Funds	$16,138,408	$2,095,000	$3,159,757	$2,000,000	$21,050,000	$47,050,000
35	Ending Balance	$21,932,897	$20,690,362	$18,510,630	$17,316,746	$1,607,971	$1,425,309
36							
37	Target	$4,093,029	$2,396,617	$2,007,990	$2,896,244	$1,607,971	$1,425,309
38	Variance from Target	$17,839,868	$18,293,745	$16,502,640	$14,420,502	$0	$0
39							
40	Total Operating and Capital Reserves						
41	Beginning	$73,612,204	$62,877,764	$52,448,015	$43,930,889	$34,271,572	($1,951,448)
42	Ending	$62,877,764	$52,448,015	$43,930,889	$34,271,572	($1,951,448)	($60,516,905)

Table 2-10: FY 2026 – FY 2030 Recommended Financial Plan (Note 1)

	A	B	C	D	E	F	G
		Estimated	Projected				
Line	Description	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
1	Rate Revenue Percentage Increases	0.0%	7.5%	7.5%	7.5%	7.5%	7.5%
2							
3	Revenue at Existing Rates	$27,894,159	$28,683,169	$29,345,189	$29,965,773	$30,661,553	$31,364,280
4	Revenues from Rate Increases	$0	$1,075,619	$3,383,867	$5,962,018	$8,857,602	$12,092,474
5	Total Rate Revenues	$27,894,159	$29,758,787	$32,729,056	$35,927,792	$39,519,155	$43,456,754
6							
7	Other Operating Revenue	$4,421,044	$5,106,180	$5,106,180	$5,106,180	$5,106,180	$5,106,180
8	Non-Operating Revenue	$5,773,116	$9,882,555	$8,153,061	$6,855,836	$5,615,171	$5,426,119
9	Total Revenues	$38,088,319	$44,747,522	$45,988,297	$47,889,808	$50,240,506	$53,989,053
10							
11	Operating Expenses	$30,380,331	$36,105,730	$37,580,722	$39,226,546	$40,946,447	$42,626,838
12	Debt Service	$2,103,863	$2,454,320	$3,791,340	$3,784,590	$6,720,003	$6,718,519
13	Rate Funded Capital	$4,815,592	$14,277,116	$7,426,710	$7,031,962	$11,534,974	$6,381,882
14	Total Expenditures	$37,299,785	$52,837,166	$48,798,773	$50,043,097	$59,201,424	$55,727,240
15							
16	Net Operating Cash Flow	$788,534	($8,089,644)	($2,810,476)	($2,153,289)	($8,960,919)	($1,738,187)
17							
18	Debt Service Coverage	3.66	3.52	2.22	2.29	1.38	1.69
19	Target Debt Service Coverage	1.75	1.75	1.75	1.75	1.75	1.75
20	Variance from Target	1.91	1.77	0.47	0.54	(0.37)	(0.06)
21							
22	Water Operating Fund						
23	Beginning Balance	$64,905,549	$40,944,867	$32,855,223	$30,044,748	$27,891,458	$18,930,540
24	Sources of Funds	$37,448,389	$44,747,522	$45,988,297	$47,889,808	$50,240,506	$53,989,053
25	Uses of Funds	$37,299,785	$52,837,166	$48,798,773	$50,043,097	$59,201,424	$55,727,240
26	Ending Balance	$40,944,867	$32,855,223	$30,044,748	$27,891,458	$18,930,540	$17,192,353
27							
28	Target	$15,190,165	$18,052,865	$18,790,361	$19,613,273	$20,473,223	$21,313,419
29	Variance from Target	$25,754,702	$14,802,358	$11,254,386	$8,278,185	($1,542,684)	($4,121,066)
30							
31	Water Capital Fund						
32	Beginning Balance	$8,706,655	$21,932,897	$20,690,362	$18,510,630	$17,316,746	$47,564,368
33	Sources of Funds	$26,018	$852,465	$980,025	$806,116	$51,297,622	$981,199
34	Uses of Funds	$16,138,408	$2,095,000	$3,159,757	$2,000,000	$21,050,000	$47,050,000
35	Ending Balance	$21,932,897	$20,690,362	$18,510,630	$17,316,746	$47,564,368	$1,495,567
36							
37	Target	$4,093,029	$2,396,617	$2,007,990	$2,896,244	$1,607,971	$1,425,309
38	Variance from Target	$17,839,868	$18,293,745	$16,502,640	$14,420,502	$45,956,398	$70,258
39							
40	Total Operating and Capital Reserves						
41	Beginning	$73,612,204	$62,877,764	$53,545,585	$48,555,378	$45,208,204	$66,494,908
42	Ending	$62,877,764	$53,545,585	$48,555,378	$45,208,204	$66,494,908	$18,687,920

Note 1: Appendix A shows the full 10-year recommended financial plan for the period FY 2026 – FY 2035.

Figures 2-1, 2-2, 2-3 and 2-4 provide a visual representation of the recommended financial plan discussed above.

Figure 2-1: FY 2026 – FY 2030 Projected Financial Plan

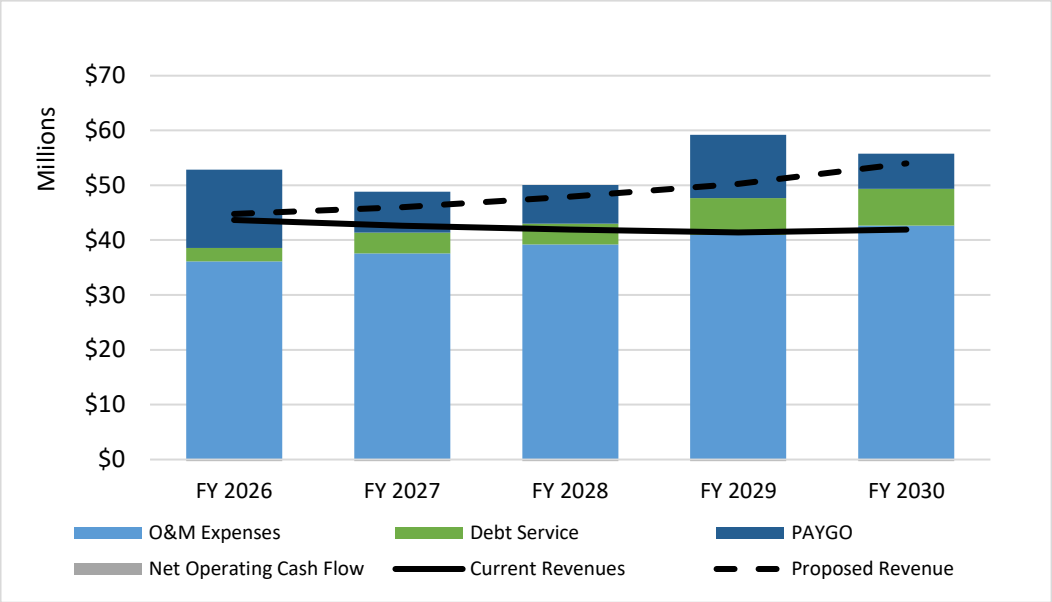


Figure 2-2: FY 2026 – FY 2030 Projected Ending Operating and Capital Cash Reserves

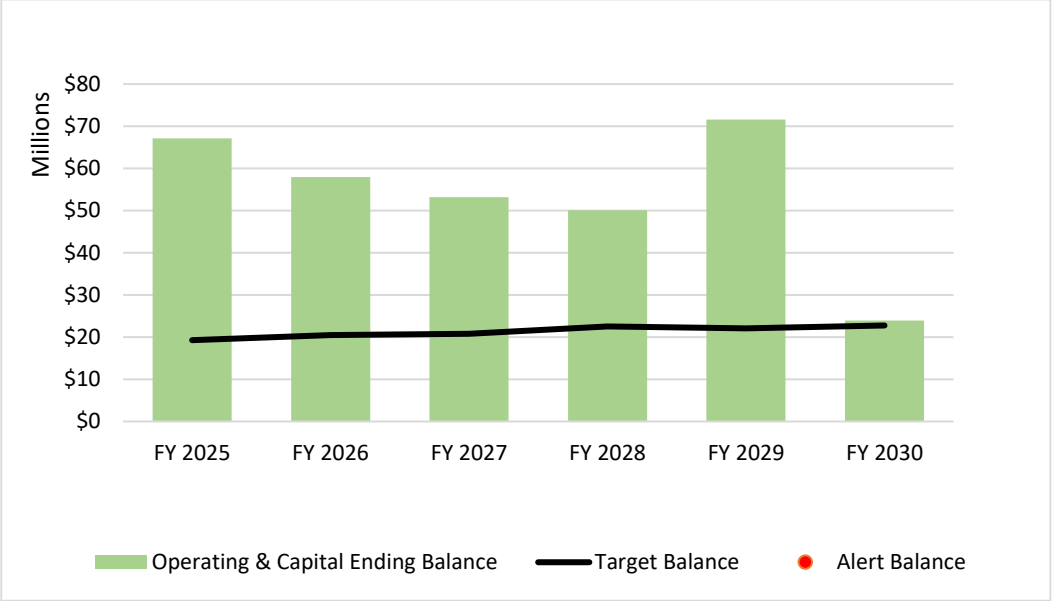


Figure 2-3: FY 2026 – FY 2030 Projected Debt Service Coverage

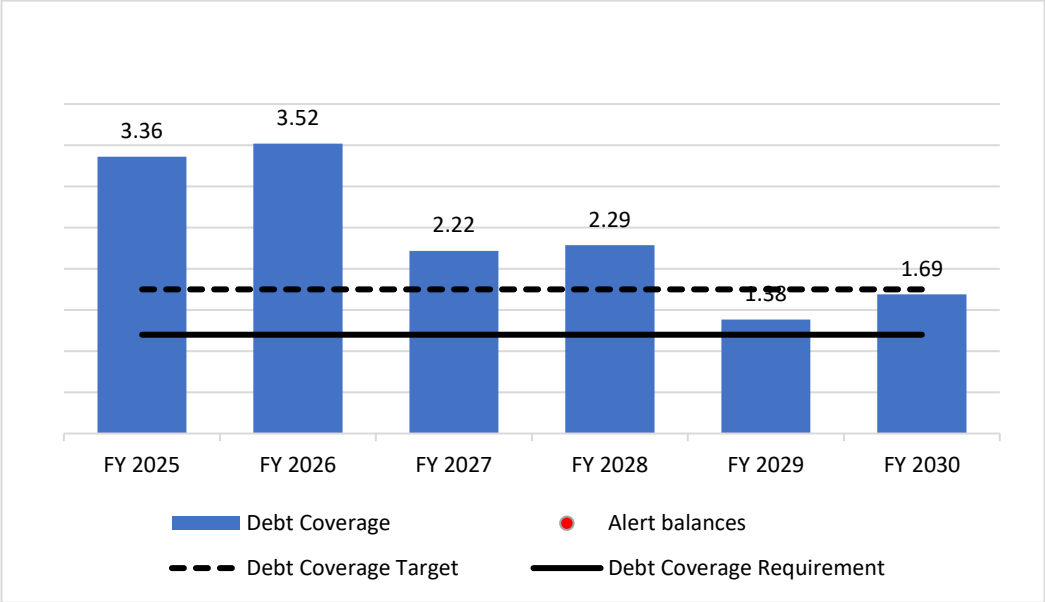
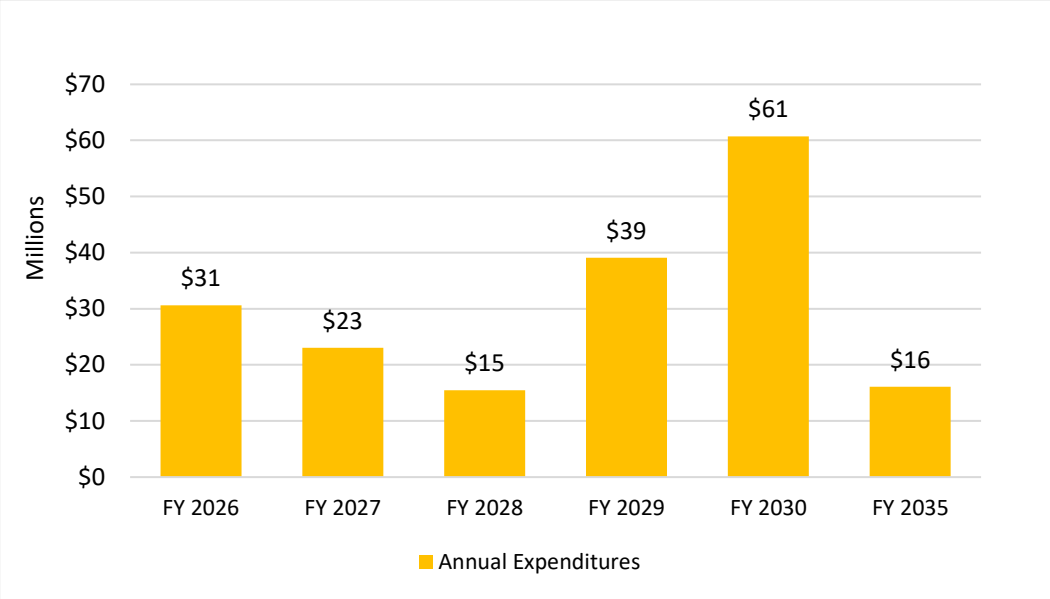


Figure 2-4: FY 2026 – FY 2030 Projected Capital Improvement Expenditures



2.12. Projected Revenue Requirement from Rates

The primary outcome of the financial planning process is a determination of the projected annual revenue requirement from rates (i.e., the amount of rate revenue that must be earned from customers). Line 5 of Table 2-10 labeled "Total Rate Revenues" reflects the projected amount that must be collected from customers for the period FY 2026 – FY 2030. Line 5, Column C, of Table 2-10 shows that in FY 2026, total projected rate revenues are $29,758,787. This amount is the FY 2026 revenue requirement from rates.

Table 2-11 shows the derivation of the annual revenue requirement in an alternative format. The amounts shown for FY 2026 (Column B) will be used in the cost allocation process discussed in Section 3 of this report. The "Net Revenue Requirement from Rates" shown on Line 14, Column B, of Table 2-11 matches the

FY 2026 value for Total Rate Revenues shown on Line 5, Column B of Table 2-10. Note that the FY 2026 revenue requirement does not reflect a mid-year adjustment as shown in Table 3-1.

Table 2-11: Projected FY 2026 – FY 2030 Annual Revenue Requirement from Rates

	A	B	C	D	E	F
		Projected				
Line	Description	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
1	O&M Expenses	$36,105,730	$37,580,722	$39,226,546	$40,946,447	$42,626,838
2	Debt Service	$2,454,320	$3,791,340	$3,784,590	$6,720,003	$6,718,519
3	Cash Funded CIP	$14,277,116	$7,426,710	$7,031,962	$11,534,974	$6,381,882
4	Total Expenditures	$52,837,166	$48,798,773	$50,043,097	$59,201,424	$55,727,240
5						
6	Net Operating Cash Flow (Change in Cash)	($8,089,644)	($2,810,476)	($2,153,289)	($8,960,919)	($1,738,187)
7	Gross Revenue Requirement	$44,747,522	$45,988,297	$47,889,808	$50,240,506	$53,989,053
8						
9	Less:					
10	Other Operating Revenue	$5,106,180	$5,106,180	$5,106,180	$5,106,180	$5,106,180
11	Non-Operating Revenue	$9,882,555	$8,153,061	$6,855,836	$5,615,171	$5,426,119
12	Total Rate Revenue Offsets	$14,988,735	$13,259,241	$11,962,016	$10,721,351	$10,532,299
13						
14	Net Revenue Requirement from Rates	$29,758,787	$32,729,056	$35,927,792	$39,519,155	$43,456,754

3. Cost of Service Analysis

This section of the report details the cost of service analysis used to determine the revenue requirement from monthly fixed charges and usage-based rates billed on a $/HCF basis. This section of the report discusses the process used in the cost of service analysis on a step-by-step basis.

3.1. Process and Approach

The cost of service analysis completed by Raftelis followed industry standard guidelines outlined in the AWWA M1 Manual, adjusted where appropriate to meet the District's circumstances and to ensure compliance with Proposition 218. The cost-of-service and rate design principles discussed in the M1 Manual require proposed rates to reflect the proportionate cost that customers place on the water utility system given their unique demand characteristics. The cost of service analysis process includes the following steps:

1. **Revenue Requirement Functionalization**: Revenue requirement components (e.g., operating costs, cash-financed capital costs, and non-rate revenue offsets) are assigned to functional categories such as supply, treatment, storage, pumping, transmission, distribution, customer service, and billing, etc. This answers the question, what water system functions are being paid for via the annual revenue requirement?

2. **Allocation of Revenue Requirement to Cost Causation Components**: Functionalized costs are then allocated to specific cost causation components such as water supply, electric power, base demand, peak demand, customer service, and billing. This answers the question, what types of demand are being met by specific water system functions?

3. **Determine Units of Service**: Total system units of service are estimated for each cost causation component (e.g., the billed consumption in each tier or the number of equivalent meters).

4. **Calculate the Unit Cost of Service**: The unit cost of service is calculated for each cost causation component by dividing the total revenue requirement for each cost component (Step 2) by the total units of service for that component (Step 3). For example, base demand costs are divided by the annual water demand and customer billing costs are divided by the annual number of bills.

5. **Allocate Costs to Rate Components**: The total system unit cost of service for each cost causation component (Step 4) is multiplied by units of service for each rate component to determine the annual cost of service for monthly fixed charges and usage rates.

3.2. FY 2026 Revenue Requirement

Table 3-1 shows the allocation of the FY 2026 revenue requirement to operating and capital components. The revenue to be recovered from rates (Line 24) is divided between operating (Column B) and capital (Column C) based on the function of each line item. For example, debt service (Line 3) is allocated to capital, while O&M expenses (Line 2) are allocated to operating.

Line 18 reflects the revenue requirement of $29,758,787 determined as part of the financial planning process (See Table 2-10, Line 5, Column C and Table 2-11, Line 14, Column B). A key item to note is the negative net operating cash flow of ($8,089,644) shown on Line 5, Column C of Table 3-1. This negative amount is

because projected FY 2026 revenues are less than projected FY 2026 expenses. Table 2-10 shows this outcome. The negative operating cash flow of ($8,089,644) is shown in Table 2-10, Line 16, Column C. It is the result of projected FY 2026 total revenues of $44,747,522 (Table 2-10, Line 9, Column C) being ($8,089,644) less than projected total FY 2026 expenditures of $52,837,166 (Table 2-10, Line 14, Column C). The negative net operating cash flow results in a reduction in the District's projected FY 2026 ending cash reserves.

The revenue requirement of $29,758,787 shown in Tables 2-10 (Line 5) and 2-11 (Line 14) represent the partial year impact of a 7.5% revenue adjustment taking effect halfway through FY 2026. Specifically, the rate adjustment will be implemented on January 1, 2026, halfway through FY 2026 which runs from July 1, 2025, and June 30, 2026. The total amount of rate revenue generated from this partial year adjustment is $29,758,787 as shown Table 2-10 (Line 5) and Table 2-11 (Line 14). Line 21 of Table 3-1 introduces a mid-year adjustment to normalize the revenue requirement for a full year, ensuring it reflects the total amount of rate revenue that would have been collected if the 7.5% financial planning increase had been in effect for all 12 months of FY 2026. The FY 2026 financial planning increase of 7.5% will become effective on January 1, 2026, halfway through the fiscal year. Thus, a mid-year adjustment is required. The mid-year adjustment allows for an accurate comparison of annualized rate revenue needs and aligns the FY 2026 revenue requirement with a full-year rate implementation.

Table 3-1: FY 2026 Revenue Requirement by Operating and Capital Component

	A	B	C	D
Line	Revenue Requirement	Operating	Capital	Total
1	Revenue Requirement			
2	Operating Costs	$36,105,730		$36,105,730
3	Debt Service		$2,454,320	$2,454,320
4	Cash Funded CIP		$14,277,116	$14,277,116
5	Net Operating Cash Flow (Change in Cash)		($8,089,644)	($8,089,644)
6	Gross Revenue Requirement	$36,105,730	$8,641,792	$44,747,522
7				
8	Revenue Offsets			
9	Other Operating Revenue	$5,106,180		$5,106,180
10	Property Taxes	$4,229,527		$4,229,527
11	Grants and Reimbursements	$2,095,000		$2,095,000
12	Interest and Investment Earnings	$1,373,878		$1,373,878
13	Rental Income - Cellular Antennas	$39,828		$39,828
14	Other Non-Operating Revenues	$2,144,322		$2,144,322
16	Total Revenue Offsets	$14,988,735	$0	$14,988,735
17				
18	Net Revenue Requirement Before Adjustments	$21,116,995	$8,641,792	$29,758,787
19				
20	Adjustments			
21	Adjustment for Mid-Year Increase		$1,075,619	$1,075,619
22	Total Adjustments	$0	$1,075,619	$1,075,619
23				
24	Net Revenue Requirement	$21,116,995	$9,717,411	$30,834,406

3.3. System Demand Ratios

A key factor in the allocation of the revenue requirement to cost causation components is the determination of system demand ratios. Maximum day demand is the maximum amount of water used in a single day in a year. Maximum hour demand is the maximum usage in one hour on the maximum day. The system demand ratios are used to allocate functionalized costs to specific cost causation components. The system demand

ratios shown in Table 3-2 are based on an analysis of the District's FY 2022 billed water consumption in each of the recommended FY 2026 consumption tiers.

Table 3-2: System Demand Factors

	A	B
Line	Allocation Factor	System Peaking Factor
1	Base	1.06
2	Maximum Day	1.52
3	Maximum Hour	2.29

The system-wide demand ratios shown Table 3-2 are used to derive the cost causation component allocation factors shown in Table 3-3. The derivation of the allocation factors shown in Table 3-3 are as follows:

Line 1: "Base" represents the average day demand throughout the year and is assigned a factor of 100%
» Base = 1.06 / 1.06 = 100%

Line 2: "Max Day" is the ratio of maximum day demand relative to base demand. The percentage allocated to maximum day is the incremental usage above base demand.
» Base = 1.06 / 1.52 = 70%
» Max Day = (1.52 – 1.06) / 1.52 = 30%

Line 3: "Max Hour" is the ratio of maximum hour demand, on the maximum day, relative to base demand.
» Base = 1.06 / 2.29 = 46%
» Max Day = (1.52 – 1.06) / 2.29 = 20%
» Max Hour = (2.29 – 1.52) / 2.29 = 34%

The factors shown in Table 3-3 indicate how much additional capacity is required to meet demand above average daily use. As demand increases the size of the water system infrastructure must also increase. This causes utilities to incur greater costs to design, construct, maintain, and replace system facilities. For example, water treatment facilities are often used to provide water to meet both base and maximum day demand. Thus, the operating and capital costs associated with the water treatment function are allocated between base and maximum day demand using the percentages shown in Line 2, Columns C and D (70% and 30%). Similarly, pumping, transmission, and distribution facilities are often used to meet base, maximum day, and maximum hour demands. Thus, the operating and capital costs for these functions would be allocated as shown Line 3, Columns C, D, and F (46%, 20%, and 34%).

Table 3-3: System Demand Ratios Used in Cost Allocations

	A	B	C	D	E	F
Line	Allocation Factor	System Demand Factor	Base	Max Day	Max Hour	Total
1	Base	1.06	100%	0%	0%	100%
2	Max Day	1.52	70%	30%	0%	100%
3	Max Hour	2.29	46%	20%	34%	100%

3.4. Revenue Requirement Functionalization

The District's financial accounting and budgeting systems make a detailed assignment of operating costs to functional categories. This is shown in the projection of FY 2026 operating expenses shown in Tables 2-6 and 3-5. The allocation of the FY 2026 capital costs is based on the estimated net book value of the District's assets as of June 30, 2022. Table 3-4 shows this allocation.

Table 3-4: Capital Cost Functionalization Allocation

Line	Function	% of Assets	FY 2026 Capital Cost Revenue Requirement
1	Buildings & Improvements	5%	$454,442
2	Distribution	26%	$2,516,955
3	Equipment & Vehicles	1%	$113,846
4	Fire	3%	$302,851
5	General & Admin	0%	$6,992
6	Land & Easement	1%	$91,403
7	Meters	1%	$140,300
8	Pumping	4%	$436,610
9	Source Of Supply	7%	$663,985
10	Storage	11%	$1,042,113
11	Transmission	16%	$1,514,063
12	Treatment	25%	$2,433,850
13	Total	100%	$9,717,411

3.5. Allocation to Cost Causation Components

The next step in the cost of service analysis is to allocate the functionalized FY 2026 revenue determine to cost causation components. The cost causation components used in the study included:

- Water Supply
- Base Demand
- Maximum Day Demand
- Maximum Hour Demand
- Meters
- Customer and Billing
- Direct Fire
- Private Fire
- General and Administrative

Table 3-5 shows the final allocation of the FY 2026 operating expense revenue requirement to cost causation components. Most allocations are based on the system demand ratios shown in Table 3-3.

Table 3-6 shows the final allocation of the FY 2026 capital cost revenue requirement to cost causation components. Most allocations are based on the system demand ratios shown in Table 3-3.

Table 3-7 shows the final allocation of FY 2026 non-rate offsets to cost causation components. The allocations are based on the outcome of the operating expense allocations in Table 3-5 and the capital cost allocations shown in Table 3-6.

Table 3-5: Allocation of FY 2026 Operating Expenses to Cost Causation Components

	A	B	C	D	E	F	G	H	I	J
Line	Operating Expense	Supply	Base Delivery (Note 1)	Max Day	Max Hour	Meters	Customer	General	Direct Fire	Total
1	Source of Supply – 5110	$2,360,380	$0	$0	$0	$0	$0	$0	$0	$2,360,380
2	Production Pumping – 5210	$0	$4,362,421	$457,130	$765,499	$0	$0	$0	$0	$5,585,050
3	Water Quality Department – 5310	$0	$584,434	$251,466	$0	$0	$0	$0	$0	$835,900
4	Water Treatment - Perchlorate – 5320	$0	$422,997	$182,003	$0	$0	$0	$0	$0	$605,000
5	Water Treatment - FBR – 5350	$0	$1,618,133	$459,588	$0	$0	$0	$0	$0	$2,077,721
6	Water Treatment - Roemer/Arsenic – 5390	$0	$2,184,151	$552,534	$0	$0	$0	$0	$0	$2,736,685
7	Maintenance - Transmission and Distribution – 5410	$0	$2,127,568	$915,432	$0	$0	$0	$0	$0	$3,043,000
8	Customer Service – 5510	$0	$0	$0	$0	$0	$1,218,300	$0	$0	$1,218,300
9	Meter Reading – 5520	$0	$0	$0	$0	$1,026,200	$0	$0	$0	$1,026,200
10	Billing – 5530	$0	$0	$0	$0	$0	$677,100	$0	$0	$677,100
11	Administration – 5610	$0	$0	$0	$0	$985,837	$399,664	$1,278,924	$0	$2,664,425
12	General Operations	$0	$64,000	$0	$0	$1,195,810	$484,788	$1,551,321	$0	$3,295,919
13	Accounting – 5620	$0	$0	$0	$0	$434,436	$176,123	$563,592	$0	$1,174,150
14	Engineering – 5630	$0	$0	$0	$0	$1,031,144	$418,031	$1,337,700	$0	$2,786,875
15	Information Technology – 5640	$0	$0	$0	$0	$699,607	$283,625	$907,598	$0	$1,890,830
16	GIS – 5645	$0	$0	$0	$0	$107,744	$43,680	$139,776	$0	$291,200
17	Board of Directors – 5650	$0	$0	$0	$0	$128,390	$52,050	$166,560	$0	$347,000
18	Human Resources/Risk Management – 5660	$0	$0	$0	$0	$347,911	$141,045	$451,344	$0	$940,300
19	Purchasing	$0	$0	$0	$0	$293,373	$118,935	$380,592	$0	$792,900
20	Government / Public Affairs – 5710	$0	$0	$0	$0	$598,214	$242,519	$776,062	$0	$1,616,795
21	Grants & Rebates – 5720	$0	$0	$0	$0	$51,800	$21,000	$67,200	$0	$140,000
22	Future Full-Time Equivalents	$0	$0	$0	$0	$0	$0	$0	$0	$0
23	Total Operating Expenses	$2,360,380	$11,363,704	$2,818,153	$765,499	$6,900,466	$4,276,859	$7,620,669	$0	$36,105,730
24	Percentage Allocation	6.5%	31.5%	7.8%	2.1%	19.1%	11.8%	21.1%	0.0%	100.0%

Note 1: Base Delivery Costs Include $4,814,000 of electric power costs

Table 3-6: Allocation of FY 2026 Capital Costs to Cost Causation Components

	A	B	C	D	E	F	G	H	I	J
Line	Capital Cost	Supply	Base Delivery (Note 1)	Max Day	Max Hour	Meters	Customer	General	Direct Fire	Total
1	Total Capital Costs	$663,985	$4,618,022	$1,987,004	$1,338,565	$386,973	$100,002	$320,008	$302,851	$9,717,411
2	Percentage Allocation	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Note 1: Base Delivery Costs Include $4,814,000 of electric power costs

Table 3-7: Allocation of FY 2026 Non-Rate Revenue Offsets to Cost Causation Components

	A	B	C	D	E	F	G	H	I	J
Line	Capital Cost	Supply	Base Delivery (Note 1)	Max Day	Max Hour	Meters	Customer	General	Direct Fire	Total
1	Other Operating Revenue	$333,812	$1,607,089	$398,552	$108,259	$975,884	$604,846	$1,077,738	$0	$5,106,180
2	Non-Operating Revenue	$979,993	$4,723,858	$1,174,948	$322,427	$2,858,596	$1,771,164	$3,156,508	$1,241	$14,988,735
3	Total Non-Rate Revenue Offsets	$1,313,805	$6,330,947	$1,573,499	$430,686	$3,834,480	$2,376,010	$4,234,246	$1,241	$20,094,915
4	Percentage Allocation	6.5%	31.5%	7.8%	2.1%	19.1%	11.8%	21.1%	0.006%	100.0%

Note 1: Base Delivery Costs Include $4,814,000 of electric power costs

3.6. Meter Equivalencies

To calculate the revenue requirement for monthly service charges, the number of 3/4" meter equivalent connections must be determined. This is done by using meter flow rate equivalencies based on meter size. Table 3-8 shows the water meter flow equivalencies used in the cost allocation and rate design process based on the District's actual inventory of meters. The flow assumptions and resulting flow equivalencies are based on information from the American Water Works Association. The meter flow equivalencies show in Table 3-8 were reviewed and approved by District staff.

Table 3-8: Meter Flow Equivalencies

	A	B	C	D	E	F
Line	Meter Size	Flow Capacity (gpm)	Flow Equivalency Ratio	Number of Meters	Number of Equivalent Meters	Annual Bills
1	5/8"	30	1.00	2,985	2,985	35,820
2	3/4"	30	1.00	10,452	10,452	125,425
3	1"	50	1.67	10,981	18,302	131,772
4	1 1/2"	100	3.33	325	1,083	3,900
5	2"	160	5.33	506	2,699	6,072
6	3"	350	11.67	137	1,601	1,647
7	4"	600	20.00	56	1,110	666
8	6"	1,250	41.67	9	385	111
9	8"	1,800	60.00	4	240	48
	Total			25,455	38,857	305,461

3.7. Private Fire Line and Public Hydrant Equivalencies

Water systems provide water supplies for two types of fires. Fires that are fought using public fire hydrants and fires that are fought using private fire lines, which provide fire flows to sprinkler systems in buildings and other structures. To determine the share of total fire-related costs attributable to public versus private, Raftelis performed an analysis of the system capacity demanded by public hydrants and private fire lines.

The standard connection for a public hydrant is 6". Therefore, private fire connections are expressed on an equivalent 6" basis. Table 3-9 shows the steps required to calculate 6" equivalents. Each fire connection size has a fire flow demand ratio, similar to a hydraulic capacity factor of a water meter. The diameter of the connection is raised by exponent 2.63 to determine the fire flow demand factor for each connection size. This value comes from the Hazen-Williams equation, an empirical formula used to calculate friction head loss and flow velocity in water distribution systems. The number of connections of a specific size is then multiplied by the fire flow demand factor to derive total equivalent 6" fire connections.

The analysis shown in Table 3-9 indicates that approximately 55% of 6" equivalent connections are for public hydrants (Line 19) and 45.0% of 6" equivalent connections are for private fire lines (Line 20). This information is used in the cost allocation process to determine the proportion of maximum day and maximum hour costs that should be allocated to public hydrants and private fire lines.

Table 3-9: Private Fire Line and Public Hydrant Equivalent 6" Connections

	A	B	C	D	E
Line	Fire Connection	Fire Demand Ratio	Number of Connections	Equivalent Connections	Annual Bills
1	Private Fire Connection Size				
2	5/8"	0.29	8	2.32	96
3	3/4"	0.47	0	0.00	0
4	1"	1.00	0	0.00	0
5	1 1/2"	2.90	1	2.90	12
6	2"	6.19	1	6.19	12
7	3"	17.98	0	0.00	0
8	4"	38.32	31	1,187.90	372
9	6"	111.31	93	10,351.92	1116
10	8"	237.21	132	31,311.26	1584
11	10"	426.58	144	61,427.45	1728
12	12"	689.04	10	6,890.44	120
13	Total			111,180.38	
14					
15	Public Hydrant Size	Fire Demand Ratio	Number of Connections	Equivalent Connections	
16	6"	38.32	3,550	136,034	
17					
18	Total Equivalent Fire Connections			247,214	
19	Percentage Public Hydrants			55.0%	
20	Percentage Private Fire Lines			45.0%	

Having established the number of 6" equivalent public and private fire connections, the next step in the process of allocating fire-related costs is to assume the maximum day and maximum hour units of service for a hypothetical fire event. The District's 2020 Water Facilities Engineering Master Plan provided fire flow estimates ranging from 1,500 gallons per minute (gpm) over a 2-hour duration for a low density single family residential fire to 4,000 gpm over a 4-hour duration for a heavy industry fire. Table 3-10 shows the allocation of maximum hour and maximum day fire flows for a 5,000-gpm fire with a 4-hour duration which reflects the hypothetical fire flows for two simultaneous fire events.

Table 3-10: Allocation of Fire Flows

	A	B	C
Line	Fire Estimate	Max Day	Max Hour
1	Hours for Fire	4.0	4.0
2	Gallons per Minute (Thousands)	5.0	5.0
3			
4	Cost to Public Fire	55%	55%
5	Capacity Demanded for Fire (hcf)	1,604	9,625
6	Public Fire (55% from Table 3-10)	883	5,296
7	Private Fire (45% from Table 3-10)	721	4,329

3.8. Summary Units of Service

Table 3-11 provides a summary of the units of service used in the cost of service analysis.

3.9. Unit Cost of Service

Having established the total system units of service as shown in Table 3-11, the next step in the cost of service analysis is to calculate the unit cost of service for each cost causation component. This is accomplished by diving the revenue requirement for each cost causation component by the total system units of service

associated with that component. Table 3-12 shows the calculation of the unit cost of service. Key things to note include:

1. Electric power costs (Line 2, Column C) have been stated separately from other operating expenses. This allows the District to implement a pass-through adjustment to usage rates each year if desired.
2. General and administrative costs are allocated to other cost causation components (Line 8).
3. Maximum day and maximum hour public fire hydrant costs (Line 12, Columns D and E) are allocated to the meter cost causation component (Line 12, Column F).
4. Maximum day and maximum hour private fire line costs (Line 13, Columns D and E) are allocated to the private fire cost causation component (Line 13, Column I).
5. The final FY 2026 revenue requirement of $30,834,406 (Line 14, Column K) matches the revenue requirement previously shown in Table 3-1, Line 24, Column D.

3.10. Summary Cost of Service for Rate Components

As noted previously, the District has no specific customer classes. Instead, customers pay $/HCF usage rates using a 3-tier rate structure that applies to all customer types. Table 3-13 provides a summary of the FY 2026 cost of service for each rate component. This information is used in the development of proposed rates as discussed in Section 4 of this report.

1. Columns B - G show the components of the usage cost of service which total $20,563,047 (Line 5, Column G). This is 66.7% of the total revenue requirement of $30,834,406.
2. Columns H - J show the components of the monthly service charge cost of service which total $9,557,222 (Line 5, Column J). This is 31% of the total revenue requirement of $30,834,406.
3. Column K shows the private fire line revenue requirement of $714,137 (Line 5, Column K). This is 2.3% of the total revenue requirement of $30,834,406.

Table 3-11: Summary of FY 2026 Total System Units of Service

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
Line	Customer Class	Percent in Tier	Annual Use (hcf)	Average Daily Use (hcf/day)	Max Day Peaking	Total Capacity (hcf/day)	Max Day Extra Capacity (hcf/day)	Max Hour Peaking	Total Capacity (hcf/day)	Extra Capacity (hcf/day)	Equivalent Meters	Public Hydrants	Private Fire Equivalent Connections	Number of Customers	Annual Bills
1	All Customers														
2	Tier 1 (0 - 10 HCF)	30.4%	2,461,151	6,743	1.52	10,268	3,525	2.29	15,441	5,173	38,857	0	111,180	25,455	305,461
3	Tier 2 (11 - 30 HCF)	35.4%	2,866,392	7,853	1.52	11,959	4,106	2.29	17,984	6,025	0	0	0	0	0
4	Tier 3 (>30 HCF)	34.2%	2,770,974	7,592	1.52	11,561	3,969	2.29	17,385	5,824	0	0	0	0	0
5	Total All Customers	100.0%	8,098,516	22,188		33,788	11,601		50,810	17,021	38,857	0	0	25,455	305,461
6															
7	Public Fire Hydrants						883		5,296	4,414	0	136,034	0	0	0
8	Private Fire Lines						721		4,329	3,607	0	0	111,180	420	5,040
9	Total System		8,098,516	22,188		33,788	13,205		60,435	25,042	38,857	136,034	111,180	25,875	310,501

Table 3-12: Calculated FY 2026 Unit Cost of Service

	A	B	C	D	E	F	G	H	I	J	K
Line	Revenue Requirement Component	Supply	Base Delivery	Max Day	Max Hour	Meters	Customer	Direct Fire	Private Fire	General	Total
1	Operating Expenses	$2,360,380	$6,549,704	$2,818,153	$765,499	$6,900,466	$4,276,859	$0	$0	$7,620,669	$31,291,730
2	Electric Power	$0	$4,814,000	$0	$0	$0	$0	$0	$0	$0	$4,814,000
3	Capital Costs	$663,985	$4,618,022	$1,987,004	$1,338,565	$386,973	$100,002	$302,851	$0	$320,008	$9,717,411
4	Non-Rate Revenue Offsets	($979,993)	($4,723,858)	($1,174,948)	($322,427)	($2,858,596)	($1,771,164)	($1,241)	$0	($3,156,508)	($14,988,735)
5	Revenue Requirement Before Adjustment	$2,044,372	$11,257,868	$3,630,209	$1,781,637	$4,428,843	$2,605,698	$301,610	$0	$4,784,169	$30,834,406
7											
8	Allocation of General Cost	$375,452	$2,067,526	$666,694	$327,201	$813,364	$478,541	$55,391	$0	($4,784,169)	$0
9	Adjusted Revenue Requirement	$2,419,825	$13,325,393	$4,296,903	$2,108,838	$5,242,207	$3,084,238	$357,001	$0	$0	$30,834,406
10											
11	Allocation of Fire Costs										
12	Public Fire Hydrants			($326,961)	($546,814)	$1,230,777		($357,001)			
13	Private Fire Lines	-	-	($267,225)	($446,912)	-	-	-	$714,137	-	-
14	Final Revenue Requirement	$2,419,825	$13,325,393	$3,702,717	$1,115,112	$6,472,984	$3,084,238	$0	$714,137	$0	$30,834,406
15	Units of Service	8,098,516	8,098,516	9,997	9,001	38,857	310,501		111,180		
16											
17	Final Unit Cost of Service	$0.30	$1.65	$370.40	$123.89	$13.88	$9.93		$0.54		
18	Unit of Measure	hcf	hcf	hcf/day	hcf/day	equiv. meter/yr	bills/yr		Equivalent Connections/ Bills		

Table 3-13: Summary of FY 2026 Cost of Service for Rate Components

	A	B	C	D	E	F	G	H	I	J	K	L
		Usage Cost of Service						Monthly Service Charge Cos of Service			Private Fire	Total
Line	Revenue Requirement Component	TIER	Supply	Base Delivery	Max Day	Max Hour	Total	Meters	Customer	Total	Cost of Svc.	Cost of Svc.
1	All Users											
2	Tier 1 (10 hcf)	0 - 10 HCF	$735,388	$4,049,606	$1,125,261	$338,884	$6,249,140	$6,472,984	$3,084,238	$9,557,222	$714,137	$16,520,499
3	Tier 2 (11-30 hcf)	11 - 30 HCF	$856,474	$4,716,394	$1,310,541	$394,683	$7,278,092	$0		$0		$7,278,092
4	Tier 3	> 30 HCF	$827,963	$4,559,393	$1,266,915	$381,545	$7,035,815	$0	$0	$0		$7,035,815
5	Total		$2,419,825	$13,325,393	$3,702,717	$1,115,112	$20,563,047	$6,472,984	$3,084,238	$9,557,222	$714,137	$30,834,406

4. Proposed Rates and Charges

4.1. Monthly Service Charges

Table 4-1 shows the calculation of proposed FY 2026 monthly service charges. Column F shows the final proposed FY 2026 monthly service charges by meter size. The increase in the monthly service charges for larger meter sizes (Lines 6 - 9) is caused by the use of meter flow rate information that reflects the capacity demand that the District's current actual large meters can place on the District's water system (Column D).

Table 4-1: Proposed FY 2026 Monthly Service Charge

	A	B	C	D	E	F = D+E	G	H	I
Line	Meter Size	Flow Capacity (gpm)	Meter Flow Equivalency	Monthly Capacity Component	Monthly Billing Component	Proposed FY 2026 Monthly Service Charge	Existing Monthly Service Charge	$ Difference	% Difference
1	5/8"	30	1.00	$13.88	$9.93	$23.82	$22.21	$1.61	7.2%
2	3/4"	30	1.00	$13.88	$9.93	$23.82	$22.21	$1.61	7.2%
3	1"	50	1.67	$23.14	$9.93	$33.07	$33.07	($0.00)	0.0%
4	1 1/2"	100	3.33	$46.27	$9.93	$56.21	$48.77	$7.44	15.2%
5	2"	160	5.33	$74.04	$9.93	$83.97	$67.18	$16.79	25.0%
6	3"	350	11.67	$161.96	$9.93	$171.89	$97.52	$74.37	76.3%
7	4"	600	20.00	$277.64	$9.93	$287.57	$128.56	$159.01	123.7%
8	6"	1,250	41.67	$578.42	$9.93	$588.35	$195.02	$393.33	201.7%
9	8"	1,800	60.00	$832.92	$9.93	$842.85	$261.48	$581.37	222.3%

4.2. Monthly Private Fire Line Charges

Table 4-2 shows the calculation of proposed FY 2026 monthly private fire line charges. Column E shows the final proposed FY 2026 monthly private fire line charges by connection size. The increase in the monthly private fire line charge for larger connections (Lines 10 – 11) is caused by the use of fire flow demand ratios that reflect the capacity demand that large connections can place on the District's water system (Column C).

Table 4-2: Proposed FY 2026 Monthly Private Fire Line Charge

	A	B	C	D	E = C + D	F	G	H
Line	Private Fire Line Size	Fire Demand Ratio	Monthly Capacity Component	Monthly Billing Component	Proposed Monthly Service Charge	Existing	$ Difference	% Difference
1	5/8"	0.29	$0.16	$9.93	$10.09	$10.54	($0.45)	(4.3%)
2	3/4"	0.47	$0.25	$9.93	$10.18	$10.54	($0.36)	(3.4%)
3	1"	1.00	$0.54	$9.93	$10.47	$10.54	($0.07)	(0.7%)
4	1 1/2"	2.90	$1.55	$9.93	$11.49	$15.81	($4.32)	(27.3%)
5	2"	6.19	$3.31	$9.93	$13.25	$21.08	($7.83)	(37.2%)
6	3"	17.98	$9.63	$9.93	$19.56	$31.62	($12.06)	(38.1%)
7	4"	38.32	$20.51	$9.93	$30.44	$42.16	($11.72)	(27.8%)
8	6"	111.31	$59.58	$9.93	$69.51	$63.24	$6.27	9.9%
9	8"	237.21	$126.97	$9.93	$136.90	$84.32	$52.58	62.4%
10	10"	426.58	$228.33	$9.93	$238.27	$105.40	$132.87	126.1%
11	12"	689.04	$368.82	$9.93	$378.76	$126.48	$252.28	199.5%

4.3. Usage Rates – Recommended Change in Consumption Thresholds

As part of the rate design process, Raftelis analyzed customer usage patterns in each of the District's current consumption tiers (Column B of Table 4-3). Based on this analysis, we recommend modifying the District's existing consumption thresholds to those shown in Column C of Table 4-3. Specifically, we recommend that the Tier 2 consumption threshold be lowered from 50 HCF to 30 HCF and the Tier 3 consumption threshold be lowered from greater than 50 HCF to greater than 30 HCF.

This recommendation was made to better align the District's consumption thresholds with the water supply costs projected to be incurred in FY 2026. Table 4-4 shows the projected FY 2026 water supply unit cost of service under the proposed modified consumption thresholds. As shown in Line 17, Columns F - H, under the recommended modified consumption thresholds, there is a distinct cost to service each consumption tier (Tier 1 = $0.09/HCF, Tier 2 = $0.30/HCF, and Tier 3 = $0.49/HCF). These outcomes provide cost-based support for the recommended change in the District's current consumption tiers

Table 4-3: Recommended Usage Rate Consumption Thresholds

	A	B	C
Line	Consumption Tier	Existing Threshold	Recommended Threshold
1	Tier 1	0-10 HCF	0-10 HCF
2	Tier 2	11-50 HCF	11-30 HCF
3	Tier 3	> 50 HCF	>30 HCF

4.4. Usage Rates – $/HCF Source of Supply Costs

Source of supply costs are a component of the District's operating expense revenue requirement. The District has a diverse water supply portfolio. District staff projects that eight separate sources of water will be used to meet demand FY 2026. The total estimated cost of these supplies is projected to be $2,019,466 in FY 2026. In addition to this volume-related cost, a total of $400,358 in non-volume-related costs are also associated with the source of supply function. Thus, the total FY 2026 source of supply revenue requirement is $2,419,825

Table 4-4 shows the allocation of water supply costs to each of the District's three recommended consumption tiers. Demand-related costs are allocated to each tier based on the adequacy, reliability, and cost of each specific supply source. Specifically, the District has an adequate amount of the lowest cost water supply to serve all the projected FY 2026 Tier 1 demand and this low cost supply is fully allocated to Tier 1. Only a partial amount of the lowest cost supply is available to meet projected FY 2026 Tier 2 demand. As a result, higher cost supplies must also be allocated to Tier 2. Finally, Tier 3 demand is projected to be served by a combination of the remaining water supply sources with the highest average cost. Source of supply costs not related to volume are allocated to each tier based on the projected FY 2026 billed consumption in each tier.

Line 17 of Table 4-4 shows the $/HCF source of supply unit cost for each consumption tier.

Table 4-4: FY 2026 Source of Supply Unit Cost of Service ($/HCF)

	A	B	C	D	F	G	H	I
Line	Supply Source	Acre Feet (AF)	$/AF	Total Cost	Tier 1 Cost (0 – 10 HCF)	Tier 2 Cost (11 – 30 HCF)	Tier 3 Cost (> 30 HCF)	Total Cost
1	Water Supply Costs (Supply Volumes)							
2	GW-Lytle Creek (all other wells)	3,214	$46	$148,651	$96,870	$51,782		$148,651
3	GW-BH	1,704	$46	$78,794		$78,794		$78,794
4	GW-Lytle Creek (Well 2)	100	$46	$4,608		$4,608		$4,608
5	Roemer (Lytle Creek)	6,302	$126	$792,792		$569,213	$223,578	$792,792
6	Roemer (San Bernardino's Lytle Creek)	2,245	$126	$282,421			$282,421	$282,421
7	Roemer (SWP-Valley District)	2,520	$126	$317,016			$317,016	$317,016
8	GW-BH / BLF	337	$306	$103,345			$103,345	$103,345
9	Roemer (SWP-IEUA)	320	$912	$291,840			$291,840	$291,840
10	Total Water Supply Costs			$2,019,466	$96,870	$704,396	$1,218,200	$2,019,466
11								
12	FY 2026 Non-Volume Source of Supply Costs Allocated Based on Recommended FY 2026 Consumption Tiers			$400,358	$121,670	$141,703	$136,986	$400,358
13	Percentage Usage by Tier				30.4%	35.4%	34.2%	
14								
15	Total Water Supply Costs			$2,419,825	$218,539	$846,099	$1,355,186	$2,419,825
16	Projected FY 2026 Billed Consumption by TIER				2,461,151	2,866,392	2,770,974	
17	Calculated FY 2026 Unit Cost per HCF by Consumption Tier				$0.09	$0.30	$0.49	

4.5. Usage Rates – $/HCF Electric Power Costs

Electric power costs are a component of the District's operating expense revenue requirement. The estimated FY 2026 revenue requirement for electric power costs is $4,814,000. Table 4-5 shows the allocation of electric power costs to each of the recommended consumption tiers. The unit cost of service for electric power does not vary by consumption tier. As shown in Column E, the unit cost of service for electric power is $0.59/HCF in each of the recommended consumption tiers.

Table 4-5: FY 2026 $/HCF Electric Powe Cost Unit Cost of Service

	A	B	C	D	E
Line	Consumption Tier	FY 2026 Billed Consumption (HCF)	% of Total	FY 2026 Electric Power Costs	FY 2026 $/HCF Unit Cost of Service
1	Tier 1 (0 - 10 HCF)	2,461,151	30.4%	$1,462,982	$0.59
2	Tier 2 (11 - 30 HCF)	2,866,392	35.4%	$1,703,869	$0.59
3	Tier 3 (> 30 HCF)	2,770,974	34.2%	$1,647,150	$0.59
4	Total	8,098,516	100.0%	$4,814,000	

4.6. Usage Rates – $/HCF Base Demand Costs

The FY 2026 operating expense revenue requirement for base demand, net of electric power costs, is $8,511,393. Table 4-6 shows the allocation of base demand costs to each of the recommended consumption tiers. There is no difference in the cost of system capacity to serve base demand in each consumption tier. As shown in Column E, the unit cost of service for base demand is $1.05/HCF in each of the recommended consumption tiers.

Table 4-6: FY 2026 $/HCF Base Demand Costs

	A	B	C	D	E
Line	Consumption Tier	FY 2026 Billed Consumption (HCF)	% of Total	FY 2026 Base Demand Costs	FY 2026 $/HCF Unit Cost of Service
1	Tier 1 (0 - 10 HCF)	2,461,151	30.4%	$2,586,625	$1.05
2	Tier 2 (11 - 30 HCF)	2,866,392	35.4%	$3,012,525	$1.05
3	Tier 3 (> 30 HCF)	2,770,974	34.2%	$2,912,243	$1.05
4	Total	8,098,516	100.0%	$8,511,393	

4.7. Usage Rates – $/HCF Maximum Day Demand Costs

Maximum day demand costs are a component of the District's projected FY 2026 revenue requirement. As noted in Section 3.3 in this report, a key factor in the allocation of the revenue requirement to cost causation components is the relationship between base, maximum day, and maximum hour demand. Maximum day demand is the maximum amount of water used in a single day in a year. Maximum hour demand is the maximum usage in one hour on the maximum day. To meet maximum day and maximum hour demands, utilities must incur greater system capacity costs to design, construct, maintain, and replace system facilities. For example, water treatment facilities are often used to provide water to meet both base and maximum day demand. Similarly, pumping, transmission, and distribution facilities are often used to meet base, maximum day, and maximum hour demands.

The estimated FY 2026 revenue requirement for maximum day demand is $3,702,717. Table 4-7 shows the allocation of maximum day demand costs to each of the District's three recommended consumption tiers. There is no difference in the cost of system capacity to serve maximum day demand in each consumption tier. As shown in Column E, the unit cost of service for maximum day demand is $0.46/HCF in each of the recommended consumption tiers.

Table 4-7: FY 2026 $/HCF Maximum Day Demand Costs

	A	B	C	D	E
Line	Consumption Tier	FY 2026 Billed Consumption (HCF)	% of Total	FY 2026 Maximum Day Demand Costs	FY 2026 $/HCF Unit Cost of Service
1	Tier 1 (0 - 10 HCF)	2,461,151	30.4%	$1,125,261	$0.46
2	Tier 2 (11-- 30 HCF)	2,866,392	35.4%	$1,310,541	$0.46
3	Tier 3 (> 30 HCF)	2,770,974	34.2%	$1,266,915	$0.46
4	Total	8,098,516	100.0%	$3,702,717	

4.8. Usage Rates – $/HCF Maximum Hour Demand Costs

Maximum hour demand costs are a component of the District's projected FY 2026 revenue requirement. The estimated FY 2026 revenue requirement for maximum hour demand is $1,115,112. Table 4-8 shows the allocation of maximum hour demand costs to each of the recommended consumption tiers. There is no difference in the cost of system capacity to serve maximum hour demand in each consumption tier. As shown in Column E, the unit cost of service for maximum hour demand is $0.14/HCF in each of the recommended consumption tiers.

Table 4-8: FY 2026 $/HCF Maximum Day Demand Costs

	A	B	C	D	E
Line	Consumption Tier	FY 2026 Billed Consumption (HCF)	% of Total	FY 2026 Maximum Day Demand Costs	FY 2026 $/HCF Unit Cost of Service
1	Tier 1 (0 - 10 HCF)	2,461,151	30.4%	$338,884	$0.14
2	Tier 2 (11 0- 30 HCF)	2,866,392	35.4%	$394,683	$0.14
3	Tier 3 (> 30 HCF)	2,770,974	34.2%	$381,545	$0.14
4	Total	8,098,516	100.0%	$1,115,112	

4.9. Usage Rates – $/HCF Summary Calculation

Table 4-9 shows the summary calculation of proposed FY 2026 usage rates. Proposed FY 2026 usage rates are shown in Column G. Note that the only differentiator in the final calculated $/HCF usage rates (Column G) is associated with the water supply costs (Column B). The $/HCF unit cost of service for electric power does not vary by tier (Column C). Further, the $/HCF unit cost of service for the capacity costs to meet base demand (Column D), maximum day demand (Column E), and maximum hour demand (Column F) also do not vary by tier.

Table 4-9: Summary Calculation of Proposed FY 2026 Usage Rates ($/HCF)

	A	B	C	D	E	F	G = (Sum of B through F)	H	I	J
Line	Tier	Supply	Power	Base	Max Day	Max Hour	Proposed FY 2026	Existing	$ Difference	% Difference
1	Tier 1 (10 hcf)	$0.09	$0.59	$1.05	$0.46	$0.14	$2.33	$2.13	$0.20	9.3%
2	Tier 2 (11-30 hcf)	$0.30	$0.59	$1.05	$0.46	$0.14	$2.54	$2.30	$0.24	10.2%
3	Tier 3 (>30hcf)	$0.49	$0.59	$1.05	$0.46	$0.14	$2.73	$2.53	$0.20	7.9%

4.10. Proposed FY 2026 – FY 2030 Rates

Tables 4-10, 4-11, and 4-12 show a projection of proposed rates for the period FY 2026 – FY 2030. The FY 2026 rates shown in these tables are based on the FY 2026 cost of service analysis described in this report. The proposed rates for FY 2027 – FY 2030 are based on the financial planning rate revenue increases shown in Table 1-4 (Line 2) and Table 2-10 (Line 1).

Table 4-10: Proposed FY 2026 – FY 2030 Usage Rates ($/HCF)

	A	B	C	D	E	FY 2029	G
Line	Consumption Tier	Current	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
1	Existing Tiers						
2	Tier 1 (0 - 10 HCF)	$2.13					
3	Tier 2 (11 - 50 HCF)	$2.30					
4	Tier 3 (> 50 HCF)	$2.53					
5							
6	Recommended Tiers						
7	Tier 1 (0 - 10 HCF)		$2.33	$2.50	$2.69	$2.89	$3.11
8	Tier 2 (11 - 30 HCF)		$2.54	$2.73	$2.93	$3.15	$3.39
9	Tier 3 (> 30 HCF)		$2.73	$2.93	$3.15	$3.39	$3.65

Table 4-11: Proposed FY 2026 – FY 2030 Monthly Service Charges

	A	B	C	D	E	F	G
Line	Meter Size	Current	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
1	5/8"	$22.21	$23.82	$25.60	$27.52	$29.59	$31.80
2	3/4"	$22.21	$23.82	$25.60	$27.52	$29.59	$31.80
3	1"	$33.07	$33.07	$35.55	$38.22	$41.08	$44.16
4	1 1/2"	$48.77	$56.21	$60.42	$64.95	$69.83	$75.06
5	2"	$67.18	$83.97	$90.27	$97.04	$104.32	$112.14
6	3"	$97.52	$171.89	$184.78	$198.64	$213.54	$229.55
7	4"	$128.56	$287.57	$309.14	$332.33	$357.25	$384.05
8	6"	$195.02	$588.35	$632.48	$679.91	$730.91	$785.72
9	8"	$261.48	$842.85	$906.07	$974.02	$1,047.07	$1,125.61

Table 4-12: Proposed FY 2026 – FY 2030 Monthly Private Fire Line Charges

	A	B	C	D	E	F	G
Line	Connection Size	Current	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
1	5/8"	$10.54	$10.09	$10.85	$11.66	$12.53	$13.47
2	3/4"	$10.54	$10.18	$10.95	$11.77	$12.65	$13.60
3	1"	$10.54	$10.47	$11.25	$12.10	$13.00	$13.98
4	1 1/2"	$15.81	$11.49	$12.35	$13.28	$14.27	$15.34
5	2"	$21.08	$13.25	$14.24	$15.31	$16.46	$17.69
6	3"	$31.62	$19.56	$21.02	$22.60	$24.30	$26.12
7	4"	$42.16	$30.44	$32.73	$35.18	$37.82	$40.66
8	6"	$63.24	$69.51	$74.73	$80.33	$86.36	$92.83
9	8"	$84.32	$136.90	$147.17	$158.21	$170.07	$182.83

4.11. FY 2026 Single Family Residential Bill Impacts

Table 4-13 shows the estimated FY 2026 bill impacts for Single Family Residential customer from the proposed FY 2026 monthly fixed charges and $/HCF usage rates. Note that the average monthly consumption for Single Family Residential customers is 17 HCF. The average summer consumption for Single Family Residential customers is 21 HCF.

Table 4-13: Estimated Bill Impacts Under Proposed FY 2026 Rates

	A	B	D	E	F
Line	Customer Description	Existing Bill	FY 2026 Bill	$ Difference	% Difference
1	Single Family Residential, 5/8" or 3/4" Meter Average Monthly Consumption – 17 HCF	$59.61	$64.90	$5.29	8.9%
2	Single Family Residential, 5/8" or 3/4" Meter Average Summer Consumption – 21 HCF	$68.81	$75.06	$6.25	9.1%
5	Single Family Residential, 1" Meter Average Monthly Consumption – 17 HCF	$70.47	$74.15	$3.68	5.2%
6	Single Family Residential, 1" Meter Average Summer Consumption – 21 HCF	$79.67	$84.31	$4.64	5.8%

Appendix A

10-Year Financial Plan for the Period FY 2026 – FY 2035

10-Year Financial Plan for the Period FY 2026 – FY 2035

	A	B	C	D	E	F	G	H	I	J	K	L
Line	Description	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2025
		Estimated	Projected									
1	Rate Revenue % Increases	0.0%	7.5%	7.5%	7.5%	7.5%	7.5%	4.5%	4.5%	4.5%	4.5%	4.5%
2												
3	Revenue at Existing Rates	$27,894,159	$28,683,169	$29,345,189	$29,965,773	$30,661,553	$31,364,280	$32,096,337	$32,837,330	$33,597,710	$34,377,986	$35,178,684
4	Revenues from Rate Increases	$0	$1,075,619	$3,383,867	$5,962,018	$8,857,602	$12,092,474	$15,018,871	$17,534,736	$20,260,001	$23,210,404	$26,402,834
5	Total Rate Revenues	$27,894,159	$29,758,787	$32,729,056	$35,927,792	$39,519,155	$43,456,754	$47,115,208	$50,372,067	$53,857,711	$57,588,391	$61,581,518
6												
7	Other Operating Revenue	$4,421,044	$5,106,180	$5,106,180	$5,106,180	$5,106,180	$5,106,180	$5,106,180	$5,106,180	$5,106,180	$5,106,180	$5,106,180
8	Non-Operating Revenue	$5,773,116	$9,882,555	$8,153,061	$6,855,836	$5,615,171	$5,426,119	$5,509,161	$5,579,934	$5,743,801	$5,925,502	$6,160,356
9	Total Revenues	$38,088,319	$44,747,522	$45,988,297	$47,889,808	$50,240,506	$53,989,053	$57,730,549	$61,058,181	$64,707,693	$68,620,073	$72,848,054
10												
11	Operating Expenses	$30,380,331	$36,105,730	$37,580,722	$39,226,546	$40,946,447	$42,626,838	$44,378,903	$46,332,332	$48,242,426	$50,234,311	$52,311,604
12	Debt Service	$2,103,863	$2,454,320	$3,791,340	$3,784,590	$6,720,003	$6,718,519	$6,388,268	$6,388,268	$6,388,268	$6,388,268	$6,383,978
13	Rate Funded Capital	$4,815,592	$14,277,116	$7,426,710	$7,031,962	$11,534,974	$6,381,882	$5,651,236	$8,637,680	$5,941,437	$6,233,101	$11,789,108
14	Total Expenditures	$37,299,785	$52,837,166	$48,798,773	$50,043,097	$59,201,424	$55,727,240	$56,418,406	$61,358,280	$60,572,132	$62,855,680	$70,484,690
15												
16	Net Operating Cash Flow	$788,534	($8,089,644)	($2,810,476)	($2,153,289)	($8,960,919)	($1,738,187)	$1,312,143	($300,099)	$4,135,561	$5,764,393	$2,363,364
17												
18	Debt Service Coverage	3.66	3.52	2.22	2.29	1.38	1.69	2.09	2.31	2.58	2.88	3.22
19	Target Debt Service Coverage	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75
20	Variance from Target	1.91	1.77	0.47	0.54	(0.37)	(0.06)	0.34	0.56	0.83	1.13	1.47
21												
22	Water Operating Fund											
23	Beginning Balance	$64,905,549	$40,944,867	$32,855,223	$30,044,748	$27,891,458	$18,930,540	$17,192,353	$17,838,166	$17,538,066	$21,673,627	$26,767,722
24	Sources of Funds	$37,448,389	$44,747,522	$45,988,297	$47,889,808	$50,240,506	$53,989,053	$57,730,549	$61,058,181	$64,707,693	$68,620,073	$72,848,054
25	Uses of Funds	$37,299,785	$52,837,166	$48,798,773	$50,043,097	$59,201,424	$55,727,240	$57,084,736	$61,358,280	$60,572,132	$63,525,978	$71,548,155
26	Ending Balance	$40,944,867	$32,855,223	$30,044,748	$27,891,458	$18,930,540	$17,192,353	$17,838,166	$17,538,066	$21,673,627	$26,767,722	$28,067,621
27												
28	Target	$15,190,165	$18,052,865	$18,790,361	$19,613,273	$20,473,223	$21,313,419	$22,189,451	$23,166,166	$24,121,213	$25,117,156	$26,155,802
29	Variance from Target	$25,754,702	$14,802,358	$11,254,386	$8,278,185	($1,542,684)	($4,121,066)	($4,351,286)	($5,628,100)	($2,447,586)	$1,650,566	$1,911,819
30												
31	Water Capital Fund											
32	Beginning Balance	$8,706,655	$21,932,897	$20,690,362	$18,510,630	$17,316,746	$47,564,368	$1,495,567	$2,171,920	$2,209,549	$2,248,715	$2,959,777
33	Sources of Funds	$26,018	$852,465	$980,025	$806,116	$51,297,622	$981,199	$726,353	$87,629	$89,165	$761,062	$1,183,252
34	Uses of Funds	$16,138,408	$2,095,000	$3,159,757	$2,000,000	$21,050,000	$47,050,000	$50,000	$50,000	$50,000	$50,000	$50,000
35	Ending Balance	$21,932,897	$20,690,362	$18,510,630	$17,316,746	$47,564,368	$1,495,567	$2,171,920	$2,209,549	$2,248,715	$2,959,777	$4,093,029
36												
37	Target	$4,093,029	$2,396,617	$2,007,990	$2,896,244	$1,607,971	$1,425,309	$2,171,920	$1,497,859	$1,570,775	$2,959,777	$4,093,029
38	Variance from Target	$17,839,868	$18,293,745	$16,502,640	$14,420,502	$45,956,398	$70,258	$0	$711,690	$677,940	$0	$0
39												
40	Total Operating and Capital Reserves											
41	Beginning	$73,612,204	$62,877,764	$53,545,585	$48,555,378	$45,208,204	$66,494,908	$18,687,920	$20,010,086	$19,747,616	$23,922,342	$29,727,499
42	Ending	$62,877,764	$53,545,585	$48,555,378	$45,208,204	$66,494,908	$18,687,920	$20,010,086	$19,747,616	$23,922,342	$29,727,499	$32,160,650

West Valley Water District

Important Information About Your Water Rates
Información importante sobre sus tarifas de agua

NOTICE OF PUBLIC HEARING

Proposed Adjustments to Water Rates

This serves as notice that West Valley Water District's (WVWD) Board of Directors will conduct public workshops and a public hearing to consider annual adjustments to the district's water service rates over the next five years. All members of the public are invited to attend the workshops or the public hearing to review and comment on the proposed rates.

AVISO DE AUDIENCIA PÚBLICA

Ajustes propuestos a las tarifas del agua

Esto sirve como aviso de que la Junta Directiva de West Valley Water District (WVWD) llevará a cabo talleres públicos y una audiencia pública para considerar ajustes anuales a las tarifas de servicio de agua del distrito durante los próximos cinco años. Todos los miembros del público están invitados a asistir a los talleres o a la audiencia pública para revisar y comentar sobre las tarifas propuestas.

Water Rate Adoption Public Hearing
Thursday, Dec. 4, 2025 at 6 p.m.
West Valley Water District Headquarters
855 W. Base Line Road, Rialto, CA 92376

Audiencia pública de adopción de tarifas de agua
Jueves, 4 de diciembre de 2025, 6 p.m.
Sede de West Valley Water District
855 W. Base Line Road, Rialto, CA 92376

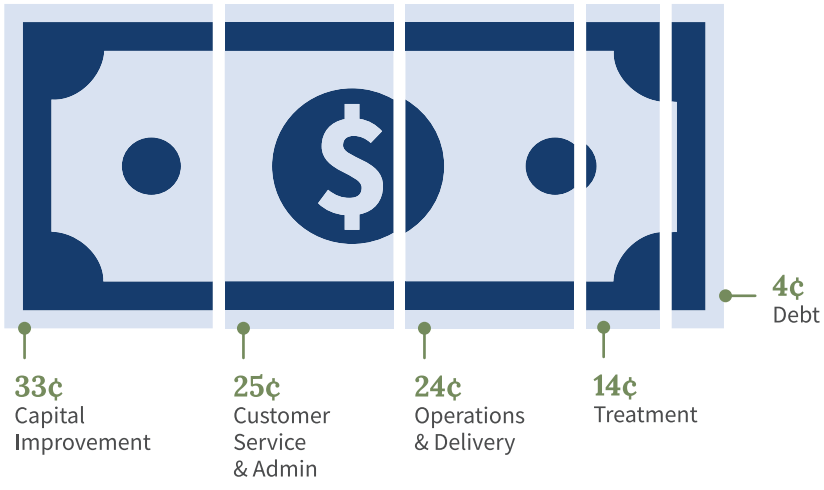
Since 1952, West Valley Water District (WVWD) has been dedicated to serving the Southern California communities of Bloomington, Colton, Fontana, Rialto, Jurupa Valley and Unincorporated San Bernardino County. Providing water to over 100,000 customers, WVWD is committed to delivering a cost-effective, high-quality water supply.

WHY IS A RATE ADJUSTMENT NEEDED?

Rate adjustments are needed to keep pace with rising costs, maintain reliable water service, prevent major system failures and prepare for future needs. **The district is considering annual water rate increases commencing Jan. 1, 2026, and each January thereafter through and including Jan. 1, 2030.**

THE TRUE COST OF WATER

As a public utility, WVWD cannot charge customers more than it actually costs to deliver services. Every dollar you pay is carefully invested into the people, infrastructure and resources needed to keep your water service reliable.



RISING COSTS OF WATER DELIVERY

Aging Infrastructure

Pipes, pumps and treatment systems need repairs and upgrades to prevent breakdowns and service disruptions.

Increase in Materials and Maintenance Costs

The cost of labor, materials and operations has gone up, increasing delivery service costs.

Rising Electricity Costs

Power costs continue to increase beyond our control and now consume more than 11% of our total operational cost.

Emergency Preparedness

We prioritize a robust water supply and proactive protocols for maintenance and emergency delivery.

INVESTING IN OUR SERVICE AREA, KEEPING RATES AFFORDABLE

West Valley Water District is committed to delivering reliable water service while keeping rates as affordable as possible. Even though costs to maintain and upgrade water systems continue to rise, WVWD has not raised water rates in more than 10 years.

Your water bill helps fund essential projects that keep our system strong — like new pipelines, pump stations, fire hydrants, reservoirs and backup generators that ensure reliable water service during emergencies.

RESILIENT, RELIABLE AND AFFORDABLE WATER

Your Water Bill at Work

The district plans ahead for a resilient water system through expert planning, investment and teamwork.

Lord Ranch Facilities Projects: Reservoir, Pump Station and Site Improvements

Oliver P. Roemer Water Filtration Facility Expansion

Grants & Outside Funding

The district proactively pursues grants and low-interest loans, securing over $5 million in funding over the past two years , which has helped make projects possible without putting the full burden on ratepayers.

Safeguarding Communities Through Fire Resiliency

Backup Generators

These efforts show WVWD's balanced approach: investing in critical projects, leveraging outside funding, and keeping rates stable for our community.

YOUR WATER BILL

Understanding Charges

Your monthly water bill contains at least two types of charges: a fixed monthly Service Charge and a variable charge for the amount of water you use (called consumption).

Service Charge (Monthly)

A ready-to-serve charge applicable to all metered services. The charge is based on the size of the water meter installed at the location to account for the increased capacity demands placed on the system.

Water Consumption Charge

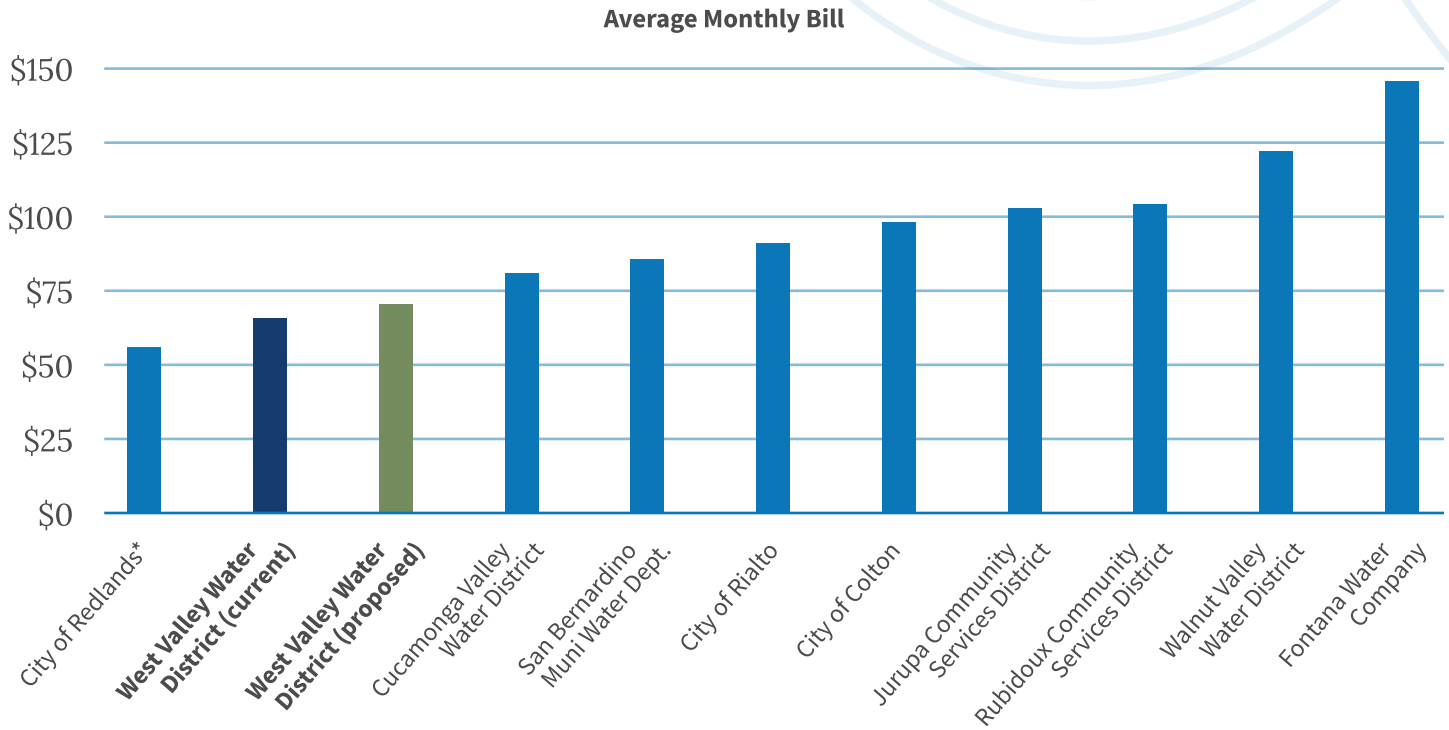
You are charged according to the amount of water you use. The district implements tiered rates which charge customers based on the marginal costs for their water use.

Hundred Cubic Feet (HCF)

A standard unit of measurement for water usage. One HCF is equivalent to 748 gallons of water.

HOW YOUR RATES COMPARE

Average monthly single family residential customer with a 1" meter that uses approximately 424 gallons a day or about 17 HCF per month.



*Water fixed charge was converted to monthly rate.

The proposed water rates are set forth below. If approved, the rates will take effect January 1, 2026, and increase each January thereafter through and including January 1, 2030.

Proposed Monthly Fixed Charges ($/meter size)

MONTHLY SERVICE CHARGE ($/METER SIZE)	EXISTING	JANUARY 1, 2026	JANUARY 1, 2027	JANUARY 1, 2028	JANUARY 1, 2029	JANUARY 1, 2030
5/8"	$22.21	$23.82	$25.60	$27.52	$29.59	$31.80
3/4"	$22.21	$23.82	$25.60	$27.52	$29.59	$31.80
1"	$33.07	$33.07	$35.55	$38.22	$41.08	$44.16
1 1/2"	$48.77	$56.21	$60.42	$64.95	$69.83	$75.06
2"	$67.18	$83.97	$90.27	$97.04	$104.32	$112.14
3"	$97.52	$171.89	$184.78	$198.64	$213.54	$229.55
4"	$128.56	$287.57	$309.14	$332.33	$357.25	$384.05
6"	$195.02	$588.35	$632.48	$679.91	$730.91	$785.72
8"	$261.48	$842.85	$906.07	$974.02	$1,047.07	$1,125.61
MONTHLY PRIVATE FIRE LINE ($/LINE SIZE)	**EXISTING**	**JANUARY 1, 2026**	**JANUARY 1, 2027**	**JANUARY 1, 2028**	**JANUARY 1, 2029**	**JANUARY 1, 2030**
5/8"	$10.54	$10.09	$10.85	$11.66	$12.53	$13.47
3/4"	$10.54	$10.18	$10.95	$11.77	$12.65	$13.60
1"	$10.54	$10.47	$11.25	$12.10	$13.00	$13.98
1 1/2"	$15.81	$11.49	$12.35	$13.28	$14.27	$15.34
2"	$21.08	$13.25	$14.24	$15.31	$16.46	$17.69
3"	$31.62	$19.56	$21.02	$22.60	$24.30	$26.12
4"	$42.16	$30.44	$32.73	$35.18	$37.82	$40.66
6"	$63.24	$69.51	$74.73	$80.33	$86.36	$92.83
8"	$84.32	$136.90	$147.17	$158.21	$170.07	$182.83
10"	$105.40	$238.27	$256.14	$275.35	$296.00	$318.20

The charges are based on a rate study report conducted by third-party consultant Raftelis in 2025.

Proposed Monthly Usage Rates ($/Hundred Cubic Feet)

USAGE RATES ($/HCF)	EXISTING CONSUMPTION TIERS (HCF)	EXISTING	JANUARY 1, 2026	JANUARY 1, 2027	JANUARY 1, 2028	JANUARY 1, 2029	JANUARY 1, 2030
Tier 1	0 – 10	$2.13	-	-	-	-	-
Tier 2	11 – 50	$2.30	-	-	-	-	-
Tier 3	< 50	$2.53	-	-	-	-	-
USAGE RATES ($/HCF)	**PROPOSED CONSUMPTION TIERS (HCF)**	**EXISTING**	**JANUARY 1, 2026**	**JANUARY 1, 2027**	**JANUARY 1, 2028**	**JANUARY 1, 2029**	**JANUARY 1, 2030**
Tier 1	0 – 10	-	$2.33	$2.50	$2.69	$2.89	$3.11
Tier 2	11 – 30	-	$2.54	$2.73	$2.93	$3.15	$3.39
Tier 3	< 30	-	$2.73	$2.93	$3.15	$3.39	$3.65

The charges are based on a rate study report conducted by third-party consultant Raftelis in 2025.

HOW CAN YOU PARTICIPATE?

The cost-of-service study, which provides the written basis and calculations for how the proposed rates were determined, is available at wvwd.org/prop218 or WVWD's main office. Printed copies are mailed upon request.

Members of the public may comment at the public hearing on the proposed changes. Public comments are recorded in the public record. Oral comments made during the public hearing will not constitute valid written protests for purposes of determining whether a majority protest exists, unless accompanied by a written protest. If you own the property or are a tenant who pays rates directly to WVWD, you may submit one written protest and/or one written legal objection. For general questions, call (909) 875-1804 or email outreach@wvwd.org.

Please note that there is a 120 day statute of limitations to challenge the proposed rate adjustments. The statute of limitations begins on the day the resolution enacting the proposed rate adjustments is adopted.

WHAT IS A WRITTEN PROTEST?

Under Proposition 218, property owners and customers of record may submit a written protest to the proposed rate adjustments. A written protest is a general statement opposing the proposed rates and will be used to determine if a majority protest exists. Only one written protest will be counted per parcel. A majority protest exists if protests are submitted on behalf of a majority of separate parcels subject to the rates. If a majority protest exists, the rates cannot be adopted.

To be valid, a written protest must:

- Include the property owner/customer name, parcel number, and/or service address.
- State that the letter responds to the proposed water rates.
- Be hand-signed (if mailed or dropped off) or include an image of the property owner's/ customer's signature (if submitted electronically) at the locations described on this page, provided they are received by 2 p.m. on Dec. 4, 2025.
- Written protests may also be hand-delivered during the public hearing, provided they are received by the Secretary of the Board prior to the close of the public comment portion of the public hearing on Dec. 4, 2025.

WHAT IS A WRITTEN LEGAL OBJECTION?

Under Assembly Bill 2257, property owners and customers of record may also submit a written legal objection. For properties with multiple accounts, each account holder may submit one written legal objection. A written legal objection identifies substantive legal issues with the proposed rates.

To be valid, a written legal objection must:

- Include the property owner/customer name, parcel number, and/or service address.
- State that the communication is a legal objection.
- Specify the grounds for alleging WVWD's noncompliance with Proposition 218 in sufficient detail to allow WVWD to determine whether any adjustments to the proposed rates are necessary. Stating that the rates are too high, or illegal, is insufficient to constitute a valid written legal objection.
- Be hand-signed (if mailed or dropped off) or include an image of the property owner's/ customer's signature (if submitted electronically) at the locations set forth below.

In order to be valid, written legal objections must be received by 5 p.m. on Nov. 26, 2025 at one of the locations set forth below. Failure to submit a valid written legal objection by Nov. 26, 2025 at 5:00 p.m., will bar any right to challenge the rates through a future legal proceeding. You may be limited to the legal issues raised in your valid written legal objection.

WHERE CAN I SUBMIT A WRITTEN PROTEST OR WRITTEN LEGAL OBJECTION?

Written legal objections and written protests may be submitted by mail or in person at the following locations:

By Mail

West Valley Water District
Attention: Secretary of the Board
855 W. Base Line Road, Rialto, CA 92376

In Person

Outdoor dropbox:
West Valley Water District Headquarters
855 W. Base Line Road, Rialto, CA 92376

By Email

outreach@wvwd.org

For more information, visit www.wvwd.org/prop218

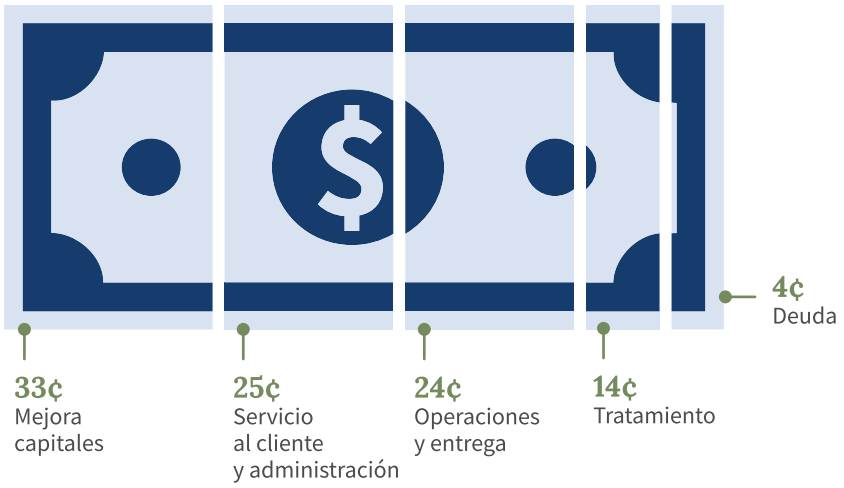
Desde 1952, West Valley Water District (WVWD) se ha dedicado a servir a las comunidades del sur de California de Bloomington, Colton, Fontana, Rialto, Jurupa Valley y el condado no incorporado de San Bernardino. Proporcionando agua potable a más de 100,000 clientes, WVWD se compromete a brindar un suministro de agua rentable y de alta calidad.

¿POR QUÉ ES NECESARIO UN AJUSTE DE TARIFAS?

Se necesitan ajustes de tarifas para mantenerse al día con el aumento de los costos, mantener un servicio de agua confiable, prevenir fallas importantes en el sistema y prepararse para necesidades futuras. **El distrito está considerando aumentos anuales en las tarifas del agua a partir del 1 de enero de 2026 y cada enero a partir de entonces hasta el 1 de enero de 2030 inclusive.**

EL VERDADERO COSTO DEL AGUA

Como agencia de servicios públicos, WVWD no puede cobrar a los clientes más de lo que realmente cuesta brindar servicios. Cada dólar que paga se invierte cuidadosamente en el personal, la infraestructura y los recursos necesarios para mantener su servicio de agua confiable.



AUMENTO DE LOS COSTOS DEL SUMINISTRO DE AGUA

Infraestructura obsoleta

Las tuberías, las bombas y los sistemas de tratamiento necesitan reparaciones y actualizaciones para evitar averías e interrupciones del servicio.

Aumento del costo de la electricidad

Los costos de energía continúan aumentando más allá de nuestro control y ahora consumen más del 11% de nuestro costo operativo total.

Aumento de materiales

El costo de la mano de obra, los materiales y las operaciones ha aumentado, lo que aumenta los costos del servicio de entrega.

Preparación para emergencias

Priorizamos un suministro de agua sólido y protocolos proactivos para el mantenimiento y la entrega de emergencias.

INVERTIR EN NUESTRA ÁREA DE SERVICIO, MANTENIENDO TARIFAS RAZONABLES

West Valley Water District se compromete a brindar un servicio de agua confiable mientras mantiene las tarifas lo más posible. A pesar de que los costos de mantenimiento y actualización de los sistemas de agua continúan aumentando, WVWD no ha aumentado las tarifas del agua en más de 10 años.

Su factura de agua ayuda a financiar proyectos esenciales que mantienen nuestro sistema fuerte, como nuevas tuberías, estaciones de bombeo, bocas de incendio, depósitos y generadores de respaldo que garantizan un servicio de agua confiable durante emergencias.

AGUA RESISTENTE, CONFIABLE Y RAZONABLE

Tu factura de agua trabajando

El distrito planifica con anticipación un sistema de agua resistente a través de la planificación experta, la inversión y el trabajo en equipo.

Proyectos de instalaciones de Lord Ranch: embalse, estación de bombeo y mejoras en el sitio

Expansión de la instalación de filtración de agua Oliver P. Roemer

Subvenciones y financiamiento externo

El distrito busca de manera proactiva subvenciones y préstamos a bajo interés, asegurando más de $5 millones en fondos en los últimos dos años, lo que ha ayudado a hacer posibles los proyectos sin poner toda la carga sobre los contribuyentes.

Protegiendo a las comunidades a través de la resistencia al fuego

Generadores de respaldo

Estos esfuerzos muestran el enfoque equilibrado de WVWD: invertir en proyectos críticos, aprovechar fondos externos y mantener las tasas estables para nuestra comunidad.

TU FACTURA DE AGUA

Comprendiendo los cargos

Tu factura mensual de agua contiene al menos dos tipos de cargos: un cargo por servicio mensual fijo y un cargo variable por la cantidad de agua que usas (llamado consumo).

Cargo por servicio (mensual)

Un cargo aplicable a todos los servicios medidos. El cargo se basa en el tamaño del medidor de agua instalado en el lugar para tener en cuenta las mayores demandas de capacidad impuestas al sistema.

Cargo por consumo de agua

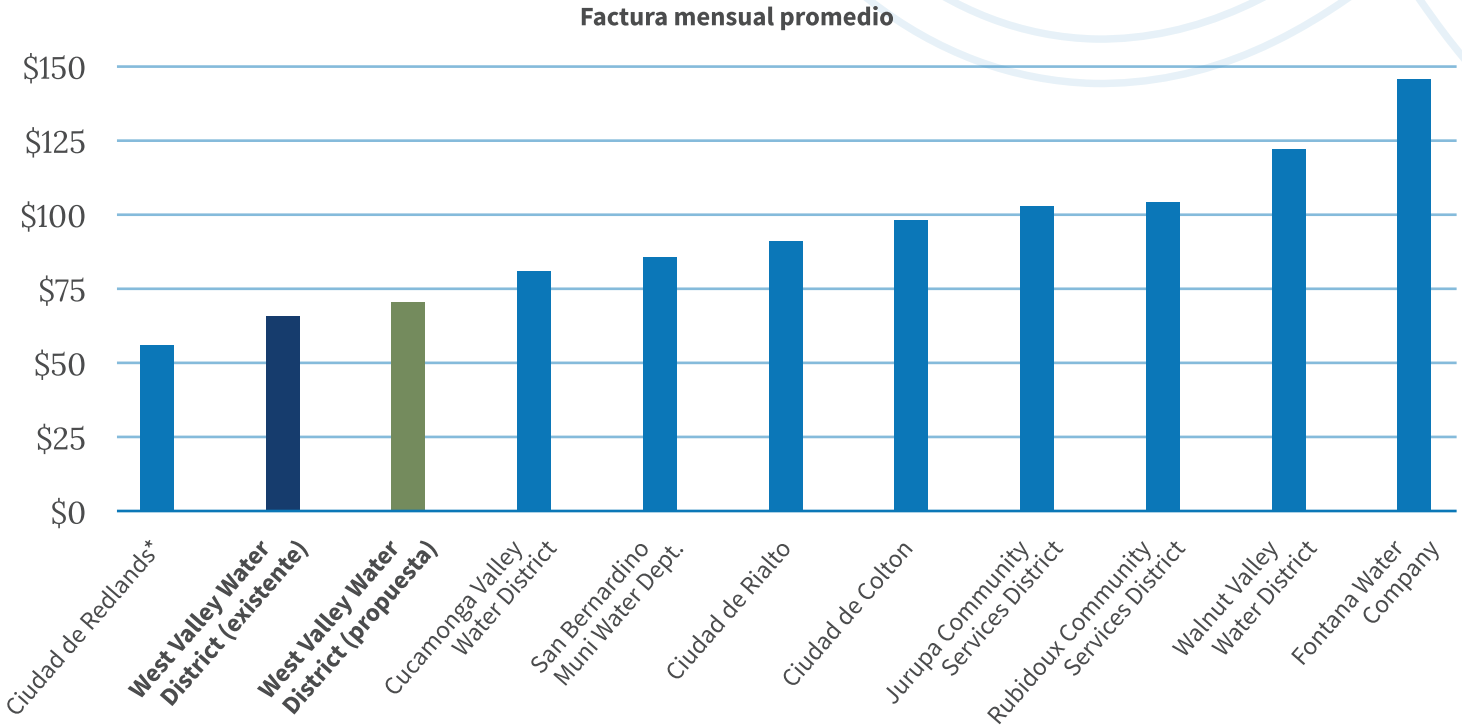
Se le cobra de acuerdo con la cantidad de agua que usa. El distrito implementa tarifas escalonadas que cobran a los clientes en función de los costos marginales por su uso del agua.

Cien pies cúbicos (HCF)

Una unidad de medida estándar para el uso de agua. Un HCF equivale a 748 galones de agua.

CÓMO SE COMPARAN SUS TARIFAS

Cliente residencial unifamiliar mensual promedio con un medidor de 1" que usa aproximadamente 424 galones por día o alrededor de 17 HCF por mes.



**El cargo fijo del agua se convirtió en tarifa mensual.*

Las tarifas de agua propuestas se establecen a continuación. Si se aprueban, las tarifas entrarán en vigencia el 1 de enero de 2026 y aumentarán cada enero a partir de entonces hasta el 1 de enero de 2030 inclusive.

Cargos fijos mensuales propuestos ($/tamaño del medidor)

CARGO MENSUAL POR SERVICIO ($/TAMAÑO DEL MEDIDOR)	EXISTENTE	ENERO 1, 2026	ENERO 1, 2027	ENERO 1, 2028	ENERO 1, 2029	ENERO 1, 2030
5/8"	$22.21	$23.82	$25.60	$27.52	$29.59	$31.80
3/4"	$22.21	$23.82	$25.60	$27.52	$29.59	$31.80
1"	$33.07	$33.07	$35.55	$38.22	$41.08	$44.16
1 1/2"	$48.77	$56.21	$60.42	$64.95	$69.83	$75.06
2"	$67.18	$83.97	$90.27	$97.04	$104.32	$112.14
3"	$97.52	$171.89	$184.78	$198.64	$213.54	$229.55
4"	$128.56	$287.57	$309.14	$332.33	$357.25	$384.05
6"	$195.02	$588.35	$632.48	$679.91	$730.91	$785.72
8"	$261.48	$842.85	$906.07	$974.02	$1,047.07	$1,125.61
LÍNEA DE FUEGO PRIVADA MENSUAL ($ / TAMAÑO DE LÍNEA)	**EXISTENTE**	**ENERO 1, 2026**	**ENERO 1, 2027**	**ENERO 1, 2028**	**ENERO 1, 2029**	**ENERO 1, 2030**
5/8"	$10.54	$10.09	$10.85	$11.66	$12.53	$13.47
3/4"	$10.54	$10.18	$10.95	$11.77	$12.65	$13.60
1"	$10.54	$10.47	$11.25	$12.10	$13.00	$13.98
1 1/2"	$15.81	$11.49	$12.35	$13.28	$14.27	$15.34
2"	$21.08	$13.25	$14.24	$15.31	$16.46	$17.69
3"	$31.62	$19.56	$21.02	$22.60	$24.30	$26.12
4"	$42.16	$30.44	$32.73	$35.18	$37.82	$40.66
6"	$63.24	$69.51	$74.73	$80.33	$86.36	$92.83
8"	$84.32	$136.90	$147.17	$158.21	$170.07	$182.83
10"	$105.40	$238.27	$256.14	$275.35	$296.00	$318.20

Los cargos se basan en un informe de estudio de tarifas realizado por el consultor externo Raftelis en 2025

Tarifas de uso mensual propuestas ($/cien pies cúbicos)

UTARIFAS DE USO ($/HCF)	NIVELES DE CONSUMO EXISTENTES (HCF)	EXISTENTE	ENERO 1, 2026	ENERO 1, 2027	ENERO 1, 2028	ENERO 1, 2029	ENERO 1, 2030
Nivel 1	0 – 10	$2.13	-	-	-	-	-
Nivel 2	11 – 50	$2.30	-	-	-	-	-
Nivel 3	< 50	$2.53	-	-	-	-	-
UTARIFAS DE USO ($/HCF)	**NIVELES DE CONSUMO PROPUESTOS (HCF)**	**EXISTENTE**	**ENERO 1, 2026**	**ENERO 1, 2027**	**ENERO 1, 2028**	**ENERO 1, 2029**	**ENERO 1, 2030**
Nivel 1	0 – 10	-	$2.33	$2.50	$2.69	$2.89	$3.11
Nivel 2	11 – 30	-	$2.54	$2.73	$2.93	$3.15	$3.39
Nivel 3	< 30	-	$2.73	$2.93	$3.15	$3.39	$3.65

Los cargos se basan en un informe de estudio de tarifas realizado por el consultor externo Raftelis en 2025

¿CÓMO PUEDE PARTICIPAR?

El estudio de costo de servicio, que proporciona la base escrita y los cálculos de cómo se determinaron las tarifas propuestas, está disponible en wvwd.org/prop218 o en la oficina principal de WVWD. Las copias impresas se envían por correo a pedido.

Los miembros del público pueden comentar en la audiencia pública sobre los cambios propuestos. Los comentarios públicos se incluyen en el registro público. Los comentarios orales realizados durante la audiencia pública no constituirán protestas escritas válidas a los efectos de determinar si existe una protesta mayoritaria, a menos que vayan acompañadas de una protesta escrita. Si usted es dueño de la propiedad o es un inquilino que paga las tarifas directamente a WVWD, puede presentar una protesta por escrito y / o una objeción legal por escrito. Para preguntas generales, llame al (909) 875-1804 o envíe un correo electrónico a outreach@wvwd.org.

Tenga en cuenta que existe un plazo de prescripción de 120 días para impugnar los ajustes de tarifas propuestos. El plazo de prescripción comienza el día en que se adopta la resolución que promulga los ajustes de tarifas propuestos.

¿QUÉ ES UNA PROTESTA ESCRITA?

Según la Proposición 218, los propietarios y clientes registrados pueden presentar una protesta por escrito a los ajustes de tarifas propuestos. Una protesta escrita es una declaración general que se opone a las tarifas propuestas y se utilizará para determinar si existe una protesta mayoritaria. Solo se contará una protesta por escrito por paquete. Existe una protesta mayoritaria si las protestas se presentan en nombre de la mayoría de las parcelas separadas sujetas a las tarifas. Si existe una protesta mayoritaria, las tarifas no se pueden adoptar.

Para ser válida, una protesta escrita debe:

- Incluir el nombre del propietario/cliente, el número de parcela y/o la dirección de servicio.
- Indicar que la carta responde a las tarifas de agua propuestas.
- Estar firmado a mano (si se envía por correo o se entrega) o incluir una imagen de la firma del propietario/cliente (si se envía electrónicamente) en los lugares que se describen a continuación, siempre que se reciban antes de las 2 p.m. del 4 de diciembre de 2025.
- Las protestas por escrito también pueden entregarse personalmente durante la audiencia pública, siempre que sean recibidas por el Secretario de la Junta antes del cierre de la parte de comentarios públicos de la audiencia pública el 4 de diciembre de 2025.

¿QUÉ ES UNA OBJECIÓN LEGAL POR ESCRITO?

Según el Proyecto de Ley 2257 de la Asamblea, los propietarios y clientes registrados también pueden presentar una objeción legal por escrito. Para propiedades con varias cuentas, cada titular de la cuenta puede presentar una objeción legal por escrito. Una objeción legal por escrito identifica problemas legales sustantivos con las tarifas propuestas.

Para ser válida, una objeción legal por escrito debe:

- Incluir el nombre del propietario/cliente, el número de parcela y/o la dirección de servicio.
- Indique que la comunicación es una objeción legal.
- Especificar los motivos para alegar el incumplimiento de WVWD con la Proposición 218 con suficiente detalle para permitir que WVWD determine si es necesario algún ajuste a las tarifas propuestas. Afirmar que las tarifas son demasiado altas o ilegales es insuficiente para constituir una objeción legal válida por escrito.
- Estar firmado a mano (si se envía por correo o se entrega) o incluir una imagen de la firma del dueño de la propiedad / cliente (si se envía electrónicamente) en las ubicaciones que se establecen a continuación.

Para que sean válidas, las objeciones legales por escrito deben recibirse antes de las 5 p.m. del 26 de noviembre de 2025 en uno de los lugares que se indican a continuación. Si no presenta una objeción legal válida por escrito antes del 26 de noviembre de 2025 a las 5:00 p.m., se impedirá cualquier derecho a impugnar las tarifas a través de un procedimiento legal futuro. Es posible que esté limitado a las cuestiones legales planteadas en su objeción legal válida por escrito.

¿DÓNDE PUEDO PRESENTAR UNA PROTESTA POR ESCRITO O UNA OBJECIÓN LEGAL POR ESCRITO?

Las objeciones legales por escrito y las protestas por escrito se pueden enviar por correo o en persona en los siguientes lugares:

Por correo

West Valley Water District
Atención: Secretario de la Junta
855 W. Base Line Road, Rialto, CA 92376

En persona

Buzón al aire libre en:
Sede del West Valley Water District
855 W. Base Line Road, Rialto, CA 92376

Por correo electrónico

outreach@wvwd.org

Para obtener más información, visite www.wvwd.org/prop218

West Valley Water District

WHERE TO LEARN MORE

West Valley Water District is committed to proactive, two-way communication throughout the rate adjustment process to maximize awareness and minimize public uncertainty.

Hours of Operation and Contact

8:00 a.m. – 5:30 p.m. Monday, Wednesday,Thursday & Friday
9:00 a.m. – 5:30 p.m. Tuesday
Closed Saturday & Sunday

Phone: (909) 875-1804

Email: outreach@wvwd.org

Online: wvwd.org/Prop218

DÓNDE OBTENER MÁS INFORMACIÓN

West Valley Water District está comprometido con la comunicación proactiva y bidireccional durante todo el proceso de ajuste de tarifas para maximizar la conciencia y minimizar la incertidumbre pública.

Horario de atención y contacto

8:00 a.m. – 5:30 p.m. Lunes, miércoles, jueves y viernes
9:00 a.m. – 5:30 p.m. Martes
Cerrado sábados y domingos

Teléfono: (909) 875-1804

Correo electrónico: outreach@wvwd.org

En línea: wvwd.org/Prop218

STAFF REPORT

DATE: September 18, 2025

TO: Board of Directors

FROM: Haydee Sainz, Human Resources & Risk Manager

SUBJECT: IE Works Annual Membership Fee Renewal for 2025/26

STRATEGIC GOAL:

Strategic Goal 2 - Be an Exemplary Employer. Objective

C. Advance Community Workforce Development

MEETING HISTORY:

09/10/2025 Human Resources Committee

BACKGROUND:

Since 2021, the District has participated in the IE Works Skilled Trades Internship Program in collaboration with Jewish Vocational and Career Counseling Service (JVS), a non-sectarian 501(c)(3) nonprofit organization. The program was designed to provide students with hands-on field instruction, allowing them to apply classroom theory in a professional setting while receiving mentorship from experienced staff. Over the course of the program, District personnel successfully trained twelve interns, three of whom have since been hired as Assistant Water System Operators and are now gainfully employed. This initiative has served as a model for workforce development, connecting skilled professionals with local communities to help prepare the next generation of water industry workers. Separate from the IE Works activities, the District is continuing to develop and advance community education and workforce development alternatives which would more directly serve our customer base.

DISCUSSION:

IE Works has submitted a new grant proposal aimed at evolving the current internship model. If selected, the grant will support the launch of a redesigned program scheduled to begin in April 2026. The proposed changes are intended to expand the scope of training, enhance career pathways, and better align with emerging industry needs. The District remains committed to supporting this transition and continuing its role in cultivating a skilled and diverse water workforce. While this is in progress, the District has been asked to contribute an annual membership fee of $6,000 to remain an active partner.

While the District has previously participated in the internship program and successfully trained twelve interns—three of whom are now employed as Assistant Water System Operators—there is currently no formal program in place that allows for continued intern training. In light of this, we are seeking direction from the Board regarding how the District should proceed with its membership in IE Works and whether to authorize the requested fee in anticipation of future program developments. Payment of the fee will provide continuing support for IE Works and preserve our seat on the Board.

FISCAL IMPACT:

Funds for the program are budgeted for FY 2025/26 in the amount not to exceed $50,000 to cover the cost of the program including membership fees and potential internship labor costs.

REQUESTED ACTION:

Discuss and provide direction on the IE Works 2024/25 Skilled Trades Internship annual membership fee renewal.

STAFF REPORT

DATE: October 2, 2025

TO: Board of Directors

FROM: Haydee Sainz, Human Resources & Risk Manager

SUBJECT: Holiday Closure

MEETING HISTORY:

9/10/25 Human Resources Committee

BACKGROUND:

In recent years, the Board of Directors has approved a holiday closure of the District's normal business operations during the period between Christmas Eve and New Year's Day. This gesture was initially implemented prior to the completion and implementation of the Class and Comp study to recognize the dedicated service provided by District employees.

The District-wide office closure also allows more employees to take time off during the holidays because there is no longer the need to provide base staffing levels of supervisors and support staff in the field and office during this period. Regardless, customer and system needs will be met during any closure period by existing on-call processes already in place for nights, weekends, and holidays.

DISCUSSION:

Looking at the holiday calendar and existing holidays, a potential holiday closure would begin on December 24th and end on January 1st resulting in the closure of three additional business days - December 26, 29, and 30 and exactly two additional paid days off for all employees. Normal work schedules would resume on January 2nd and employees wanting that day off would need to use their own time. Customer Service has requested that the front door be closed to walk-in customers on January 2nd, the Friday after the potential closure, to facilitate the desire for more staff to take that day off.

The intent of this closure is to provide all staff with the opportunity to spend time with their families during the holiday period while providing business continuity with existing on-call processes. Without the closure, base levels of supervisory and support staff will need to be maintained and approval of employee time off requests will be limited.

On September 10, 2025, the Human Resources Committee reviewed and recommended this item be presented to the Board for consideration. The Union has agreed to the proposed closure dates, provided that all terms outlined in the Memorandum of Understanding (MOU) regarding holiday and overtime pay are followed.

FISCAL IMPACT:

The FY 2025–26 Budget includes salary and benefits for all staff for the full fiscal year. As such, the District will not incur any additional costs as a result of the proposed winter closure.

REQUESTED ACTION:

Provide direction on the implementation of the holiday closure.