

# WALNUT VALLEY WATER DISTRICT

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## AGENDA

### SPECIAL BOARD MEETING THURSDAY, OCTOBER 19, 2023 4:00 P.M.

**Agenda materials are available for public review at <https://walnutvalleywater.gov/about-us/meetings-minutes-and-agendas/>.**

**Materials related to an item on this agenda submitted after distribution of the agenda packet are available for public review during regular business hours at the District office, located at: 271 S. Brea Canyon Road, Walnut, CA.**

1. Flag Salute
2. Roll Call: Mr. Hilden\_\_\_\_ Ms. Kwong\_\_\_\_ Ms. Lee\_\_\_\_ Mr. Tang\_\_\_\_ Mr. Woo\_\_\_\_
3. Public Comment President Hilden

The Presiding Officer of the Board of Directors may impose reasonable limitations on public comments to assure an orderly and timely meeting.

- A. **Agenda Items** - Any person desiring to address the Board of Directors on any Agenda item may do so at the time the item is considered on the Agenda by requesting the privilege of doing so at this time and stating the Agenda item to be addressed. At the time the item is discussed, those requesting to speak will be called to do so.
  - B. **Non-Agenda Items** - At this time, the public shall have an opportunity to comment on any non-agenda item relevant to the jurisdiction of the District. Reasonable time limits on each topic and on each speaker are imposed in accordance with Board policy.
4. [Discussion, Consideration, and Action on Water Rate Adjustment to be Effective January 1, 2024, with all Proposed Adjustment within the Parameters of the Previously Approved Rate Structure](#)  
(1) Discussion (2) Action Taken
  5. [Building Update \(Information Only\)](#)
  6. Other

Adjournment

Pursuant to the Americans with Disabilities Act, persons with a disability who require a disability-related modification or accommodation to participate in a meeting may request such modification or accommodation from the District's General Manager's Office at (909) 595-1268 Ext. 201. Notification forty-eight (48) hours prior to the meeting will enable District staff to make reasonable arrangements to assure accessibility to the meeting.

I, Lucie Cazares, CMC, Walnut Valley Water District, do hereby certify, under penalty of perjury under the laws of the State of California that a full and correct copy of this agenda was posted pursuant to Government Code Section 54950 et. seq., at 271 S. Brea Canyon Road, Walnut, CA., and uploaded to the Walnut Valley Water District website <https://walnutvalleywater.gov/about-us/meetings-minutes-and-agendas/>

Date Posted: October 18, 2023

Lucie Cazares, CMC, Executive Secretary

# WVWD – Staff Report



**TO:** Board of Directors  
**FROM:** General Manager  
**SUBMITTED BY:** Director of Finance  
**DATE:** October 19, 2023  
**SUBJECT:** Discussion, Consideration and Action on Possible Water Rate Adjustment, Effective January 1, 2024, with all Proposed Adjustments within the Parameters of the Previously Approved Rate Structure

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Action/Discussion     Fiscal Impact     Resolution     Information Only

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## Recommendation

That the Board of Directors approve an increase in the water rates, of approximately 5%, as shown in the attached Water Rate Sheet, to be effective January 1, 2024.

## Background Information

The underlying methodology for the District’s rate structure is based on the cost-to-serve each of the District’s user classes. This approach recognizes that the cost-to-serve each user class not only depends on the amount of water demanded but also the manner in which it is demanded, also known as ‘peaking’ or ‘capacity’ needs. In January 2020, the Board approved the Comprehensive Rate Study, and the schedule of projected rates for a 5-year period, commencing with fiscal year 19-20.

The Board and staff are conscious of the impact increasing water rates has on our customers, and the District remains committed to minimizing these impacts while still ensuring that appropriate funding is available to operate, maintain, and refurbish the water system. Staff evaluated other alternatives in an effort to minimize the financial impact, while still funding reserves for future capital projects.

District staff is aware of external forces that could cause adjustments in revenue. One external force being placed on the District is compliance with AB 1668 and SB 606. By 2025, the District will be required to have customers reduce their indoor consumption from 55 gallons per person per day (gpd) to 47 gpd and a further reduction to 42 gpd by 2030. Based on the external forces, staff has evaluated the current and future rates and potential rate increases.

After reviewing the analysis of the rate increase alternatives, staff believes that a rate increase of 5% provides stability in future rate increases to our customers and allows the District to continue to plan for and fund future system rehabilitation programs.

Staff recommends that the Board of Directors approve an increase in the water rates, of approximately 5% as shown in the attached Water Rate Sheet, to be effective January 1, 2024.

Monthly Meter Charge		
Meter Size	Current	5%
5/8" or 3/4"	23.94	25.14
1"	37.75	39.64
1 1/2"	72.28	75.90
2"	113.69	119.38
3"	224.18	235.39
4"	348.46	365.89
6"	693.69	728.38
8"	1,107.96	1,163.36

Commodity Rates		
	Current	5%
Residential		
Tier I (0-9 units)	3.42	3.60
Tier II (10-40 units)	4.56	4.79
Tier III (41+ units)	5.24	5.51
Multi-Family	3.90	4.10
Non-Residential	4.13	4.34
Industrial	4.13	4.34

Recycled Commodity Rates		
	Current	5%
Recycled	2.18	2.29

Pump Zone Charges		
	Current	5%
Zone 1	-	-
Zone 2	0.30	0.32
Zone 3	0.53	0.56

Fire Protection Rates		
	Current	5%
1"	10.54	11.07
1 1/2"	11.31	11.88
2"	12.66	13.30
4"	25.80	27.09
6"	55.67	58.46
8"	107.17	112.53
10"	184.66	193.90
Private Hydrant Rate	52.50	58.46