
RINCON DEL DIABLO MUNICIPAL WATER DISTRICT

March 22, 2022

SECTION 4: FINANCE, INSURANCE & PERSONNEL

4-A: Introduction of Cost of Service and Water Rate Study.

PURPOSE:

Introduce the results of the Cost of Service and Water Rate Study (Study) for consideration by the Board of Directors (Board). Pending Board acceptance, staff will schedule a Public Hearing on June 14, 2022 in compliance with Proposition 218 requirements to consider adoption of new water rates and charges.

PREVIOUS BOARD ACTION(S):

- June 9, 2015: The Board adopted Resolution No. 15-829.35, "Modifying Water Rates" to adjust water rates and charges between FY 2015-16 and FY 2019-20.
- October 27, 2020: The Board authorized the award of a professional services agreement with Raftelis Financial Consultants, Inc. (Raftelis) to perform a Study.
- December 8, 2021: The FIP Committee reviewed, provided feedback, and recommended the draft results of the Study be presented to the Board for consideration.
- January 11, 2022: Staff introduced the draft results of the Study to the Board. After discussion, the Board directed staff to evaluate additional options for Board consideration.
- March 8, 2022: A Board Workshop was held to evaluate additional financial and rate plan options for consideration with the intention of bringing updated results to the Board at the March 22, 2022 meeting.

FISCAL IMPACT:

Based upon Board feedback, staff is proposing annual 4.0% potable water fund revenue adjustments from FY 2022-23 through FY 2026-27. Annual 4.0% revenue adjustments will occur on July 1 of each year and provide the District's potable fund with approximately an additional \$730,000 each full year (or approximately \$11.0 Million over the 5-year duration of the rate plan due to compounding) and will allow the District to meet its on-going O&M and CIP needs, meet continuing debt service requirements, continue to fund reserves at maximum target levels, and address other strategic needs.

The Study proposes a -10.0% recycled water fund revenue adjustment in FY 2022-23 with no revenue adjustments from FY 2023-24 through FY 2026-27 (0.0% annually). The 10% reduction in FY 2022-23 will decrease annual recycled water fund revenue by approximately -\$78k annually (or approximately -\$393k over the 5-year duration of the rate plan) while still maintaining revenues at a level to required maintain the health of the fund.

BACKGROUND:

The District last performed a Cost of Service and Water Rate Study in Fiscal Year (FY) 2014-15, with the Board approving the results of the study on June 9, 2015. The adopted resolution enacted a 5-year plan of rate and charge adjustments, beginning on September 1, 2015.

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That 5-year plan ended with the last rate adjustment on September 1, 2019. The District has not adjusted water rates and charges since September 1, 2019 and has no further rate adjustments scheduled at this time. The District's solid financial situation has made it possible to delay developing a new rate plan until this time.

In 2020, the District solicited proposals from interested consultants to perform an update to the District's Study. At the October 27, 2020 meeting, the Board approved staff's recommendation to select Raftelis to perform the District's upcoming Study.

Over the past year, staff and Raftelis have been working together to update the District's long-term financial plan, review reserve methodologies and targets, and develop a new water rate and charge plan. Staff believes the presented plan will meet the District's long-term financial goals, address specific strategic needs, and result in the minimum required rate adjustments over the duration of the plan.

A draft plan was brought to the FIP Committee for consideration on December 8, 2021. After discussion and feedback, the FIP Committee recommended the plan be brought to the Board for consideration. At the Board Introduction on January 11, 2022, the Board instructed staff to evaluate additional options for Board consideration. Additional financial and rate plan options were presented during a Board Workshop at the March 8, 2022 meeting. With additional feedback and direction from the Board Workshop, staff is introducing an updated plan to the Board for consideration.

DISCUSSION:

Financial Plan Goals and Drivers:

The proposed long-term financial plan reflects several main drivers, and aims to address several factors, goals and strategic needs over the duration of the plan, including but not limited to:

Current Level of Available Cash: In addition to fully funding all reserves at their maximum target levels, the District's June 30, 2020 audited financial statements reflect available unrestricted cash of approximately \$10.8 Million. This available cash reflects the current strength of the District's financial position due to prudent planning and effective management of resources. The financial plan proposes to strategically draw down this available cash over the duration of the rate plan to help lower the required annual revenue adjustment and mitigate customer rate impacts.

Wholesale Water Rate and Charge Increases: The District utilizes imported treated water for 100% of its potable water supply. Imported treated water is generally the most expensive water source available but is a necessity since the District does not have access to a local water source and does not operate a water treatment plant. Wholesale water purchase costs comprise approximately 48% of the District's total potable budget at approximately \$10 million annually. As such, the District's budget and financial plan is highly affected by changes and increases in wholesale water rates and charges. Over the last 9 years, the District has seen wholesale commodity rates increase at an average of 3.9% annually, while wholesale fixed charges have

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increased 3.2% annually over that same period. The financial plan is projecting 5% annual increases in wholesale rates and charges over the duration of the plan.

Revised Water Purchase Volume Projections: The FY 2014-15 water rate study projected annual potable water purchase volumes of 7,000 AF annually, based upon information available at the time. Since that time, the District's potable water purchase volumes have seen a sizeable decline due to a variety of factors including; State drought mandates, weather patterns, and customer conservation efforts. Over the last 7 years, the District has averaged 5,116 AF in annual potable water purchase volume, with that volume expected to be the new normal moving forward. The financial plan projects approximately 5,200 AF of annual potable water purchases over the duration of the plan.

Capital Improvement Program (CIP) Funding: Capital appropriations are the 2nd largest expense category in the District's budget, comprising roughly 18% of the total budget. The District's CIP is guided by various planning documents, including the Water Master Plan. Investing in the District's infrastructure and funding a properly maintained CIP is an important part of ensuring the District delivers safe and reliable water to its customers. The District's 7-year long-term CIP plan includes an average of approximately \$3.6 Million annually in capital appropriations for various infrastructure and technology projects, large equipment, and various studies and plans.

CalPERS Unfunded Accrued Liability (UAL) Payments: The District's most recent CalPERS pension UAL valuation was calculated at \$4,815,723. This amount is burdened with an additional \$3,951,019 in interest over the current standard 30-year ramp-up / ramp-down payment amortization. Therefore, the total liability amounts to \$8,845,539 through 2045. CalPERS offers alternate amortization schedules for agencies that wish to accelerate the funding of their pension liability and reduce the amount of interest paid. The two CalPERS recommended alternate amortizations are a 15-year and 10-year level payment options.

Staff is recommending the 10-year flat amortization with increased annual payments as part of the financial plan. The 10-year flat amortization adjusts the total liability to \$6,695,292 through 2031. This cuts 14 years off the standard amortization and saves the District \$2,150,257 in interest overall, with annual installments of approximately \$670,000. Although the 10-year amortization has the highest annual payments of the CalPERS alternate amortizations, it results in the greatest overall savings and significantly accelerates the funding of the District's liability, which is in the best long-term interest of the District and its ratepayers.

Staffing Requests: As part of the financial plan, staff is recommending the addition of 2.0 FTE's to the District's overall staffing, increasing staff from 22.0 FTE's to 24.0 FTE's. Overall District staffing has remained mostly flat in recent years, from 20.25 FTE's in FY 2015-16 to 22.0 FTE's in FY 2021-22. During that time, the District has seen a significant increase in scope of responsibility, with the addition of a sewer enterprise, the addition of over 1,000 customers/meters (over 13% growth since 2015), implementation of several new technologies and systems, an increased focus on cyber-security and liability, and a sizeable increase in legislative and regulatory requirements.

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Staff is proposing to add two new positions to address strategic deficiencies within the District, an Information Technology Analyst and an Accounting Technician. The addition of these positions will increase proactiveness and efficiency, improve ownership and independence of key systems, increase cross-training and succession planning, and allow management staff to offload certain duties to these new positions, freeing up more time for higher level work.

Staff is not asking the Board to approve the two positions at this time. However, the financial plan includes funding for the 2.0 FTE's. \$170,000 for salary and \$80,000 for benefits is included in the financial plan annually for these two positions, for a total of \$250,000 annually. Approving the financial plan would approve the funding for these two positions and staff would come back to the Board at a later time to formally add the positions to the budget, approve the classifications, and approve the salary ranges for the positions.

Refine District Reserve Methodologies and Targets: As part of the Study, staff and Raftelis reviewed the District's various reserve methodologies and targets for appropriateness and consistency with industry standards. Several modifications to the District's reserves are being proposed as part of the financial plan with the goal of simplifying reserve calculations and improving fund accounting.

The District's Operating Reserve (General Working Capital) is proposed to change from 90 to 180 days budgeted operating expenses minus water purchase costs to 90 to 120 days budgeted operating expenses (including water purchase costs), while also being split by potable and recycled funds. The change in methodology increases the maximum target of the Operating Reserve by approximately 65% to 70%.

The District's Rate Stabilization Reserve is proposed to change from 10% to 25% of budgeted water purchase costs to 10% to 25% of projected water sales revenue, while also being split by potable and recycled funds. The change in methodology increases the maximum target of the Rate Stabilization Reserve by approximately 35% to 40%.

The Capital Improvement Program Reserve (Infrastructure Planning Fund) is proposed to change from 35% to 20% of the District's future 5-year total CIP appropriation, and will be split by potable and recycled funds. The change in methodology decreases the target by approximately -40% to -45%.

The financial plan also proposes changing the classification of its Appropriated Expense Fund from a "reserve" to "restricted funds." These funds are previously appropriated but unspent capital project funds and are not typically considered reserves due to their use and annual fluctuation in amount.

Overall, the proposed changes to the District's reserves increase the maximum reserve targets by approximately 4%, based upon estimated FY 2021-22 information. Given the District's solid financial situation, staff desires to formally update and solidify the District's reserves, while adjusting reserve funds to where they are felt to be most needed.

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SDCWA Litigation Refunds: Within the past year, the District has received two refund checks from SDCWA, totaling \$1,098,846. These refund checks were related to settlement of on-going litigation between SDCWA and MWD and represent amounts overpaid to SDCWA (and MWD) for purchased potable water. The District set aside these refunds as cash to have their best use be considered as part of the Study.

Several options regarding the use of the SDCWA litigation refund money were considered as part of the Study, including potentially using they money as part of the 5-year financial plan to reduce the overall required revenue adjustment and potentially utilizing the money to provide a direct refund to customers on a one-time basis. After evaluation of the pros and cons of each potential use of the money, the Board directed staff to exclude the SDCWA litigation refund money from the Study, and instead evaluate options to use the money for a direct refund to customers.

Revenue Adjustment Recommendations:

Potable Water Fund: After evaluating all of the inputs and goals from the financial plan, the rate model calculates the required annual revenue adjustment to meet the needs of the District over the duration of the rate plan. Generally, consistent and smooth revenue adjustments are desired on an annual basis for predictability and to minimize the impact on customers. Based upon the prior discussed inputs and goals, potable fund revenue adjustments of 4.0% annually are recommended.

This 4.0% annual potable revenue adjustment will continue to fund the District's O&M and CIP needs, meet debt service requirements, and also accommodate the proposed staffing additions and increased annual contributions towards the CalPERS pension liability. The District's current strong financial position, bolstered by its current level of available cash (which will be strategically utilized over the duration of the rate plan), is helping to keep the proposed annual revenue adjustment at a comparatively low level. A five-year rate plan is proposed and it is expected that the District will utilize (draw-down) between approximately \$1,000,000 and \$1,420,000 annually of available cash, such that by the fifth year of the plan, the District's cash will be roughly set at its maximum target reserve level.

For reference, the District's prior study called for 5% annual revenue adjustment (not including the additional the SDCWA pass-through), and several neighboring agencies are implementing revenue adjustments between 5% and 10% in recent studies.

Recycled Water Fund: While much of this report has focused on the potable water fund, the Study also incorporates an independent financial plan for the recycled water fund to set recycled water rates and charges. As the recycled water fund matures, staff is continually making efforts to improve fund accounting, as evidenced by recent efforts to directly budget appropriate salary and benefit costs in the recycled fund and in separating out reserves between the potable fund and the recycled fund.

Based upon the inputs and goals for the recycled water fund, the Study has found that the recycled water fund is currently fully self-supporting and has transitioned to positive annual

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cashflow due to account growth and the current level of recycled water sales. Therefore, a recycled fund revenue adjustment of -10.0% is recommended in FY 2022-23 with no revenue adjustments from FY 2023-24 through FY 2026-27 (0.0% annually).

Even with the 10% revenue reduction in FY 2022-23, the recycled fund will continue to fund its O&M needs, meet its target reserve levels, and will strategically set aside cash for potential future CIP projects and modified fund allocations.

Refer to Attachment A for additional information on the proposed potable financial plan and revenue adjustments.

Rate Plan Goals and Results:

The proposed rate and charge plan aims to achieve several outcomes:

Continue to meet all legal, cost of service, and Proposition 218 requirements: The Study has evaluated and modeled all of the District's rates and charges to ensure that they continue meet currently accepted cost of service principles and are in compliance with legal and regulatory guidelines. The rate model develops a nexus between the calculated rates and charges and the costs to serve the specific classes, tiers, and charges. As the District's last rate study was conducted over six years ago, new and current data has been incorporated into the rate model, resulting in some shifts in pricing amongst fixed charges, rate classes and tiers, due to changes in allocations to the various cost components.

Simplify the water rate and charge structure: One of the main goals of the Study was to simplify the District's rate and charge structure for easier staff administration and easier understanding by District customers. As such, several changes to the structure are being proposed:

- Eliminate separate SDCWA Pass-Through usage rate component: The previous study developed separate "District" and "SDCWA Pass-Through" components within the potable water usage rate, with the District's component being updated on September 1 of each year and the SDCWA component being updated on January 1 of each year. Having separate components created several challenges, including customers seeing two separate rate adjustments each year, and less predictability of the final rate due to the variable nature of the SDCWA component. Staff is recommending to incorporate projected SDCWA costs into a single potable water usage rate for all classes. This allows the District to schedule only one rate adjustment per year and also offers a greater level of predictability and ease of administration over future year rates.
- Reduce the number of usage tiers where possible: Staff is recommending a move from three tiers to two tiers for its residential customer classes and from two tiers to a uniform (flat) rate for its irrigation customer class. Fewer tiers solidifies the District's nexus between supply/delivery costs and the rate charged to customers, increases ease of administration, and presents a more straightforward structure to customers.
- Increase the number of residential Tier I units: With the reduction in residential class tiers from three tiers to two tiers, staff is recommending the monthly Tier 1 breakpoint increase from 5 units to 7 units for single-family residential customers and from 2 units to 7 units

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(per dwelling) for multi-family residential customers. This represents a 40% increase in Tier 1 allowance for single-family residential customers and a 250% increase in Tier 1 allowance for multi-family residential customers. This change allows a greater volume of water at the lowest Tier 1 rate for basic needs, will allow both single-family residential and multi-family residential customers the same amount of usage in Tier 1, and contributes to further simplifying the rate structure.

- Eliminate separate Pumping Charge: As discussed later in this report, staff is recommending to eliminate the District's distinct pumping charge. An updated analysis of pumping costs and revenue revealed an overall minor impact of pumping related expenses and revenues. As such it is desired to eliminate the separate charge and roll those costs into the overall usage rates.

Proposed Rates and Charges:

Potable Meter Service Charges (System Operations Charge): Potable Meter Service Charges are monthly fixed charges based upon the size of the water meter serving the property. Under COS principles, the meter service charge is comprised to two components, including a meter service component and a customer billing and collection component.

Compared to the calculations from the prior study, a decrease to the 5/8" potable meter service charge is proposed, while the potable meter service charges for 3/4" and larger meters are seeing increases. The decrease in the 5/8" potable meter service charge is primarily the result of an increase in the number of 5/8" meters as well as a decrease in costs allocated to the Customer Billing & Collection cost component. The increase in the 3/4" and larger meter service charges is primarily the result of changes in the meter service component compared to the prior study. It should be noted that 76% of the District's potable water meters are 5/8" in size and as such a majority of customers will see a decrease in their monthly fixed charge.

Refer to Attachment B for the proposed potable meter service charges.

Potable Fire Meter/Line Service Charges: Potable Fire Meter/Line Service Charges are monthly fixed charges for customers who require a dedicated fire line to serve their property. They are also based upon the size of the fire meter/line serving the property. Under COS principles, the fire meter/line service charge is comprised of two components, including a private fire capacity cost component and a fire backflow and meter maintenance component.

Compared to the calculations from the prior study, decreases to the 1" through 4" potable fire meter/line service charges are proposed, while the potable fire meter/line service charges for 6" and larger are seeing increases. The shift in charge between different sizes of fire meters/lines is the result of updates to flow calculations and cost components compared to the prior study. It should be noted that 79% of fire meter/lines are 4" or smaller and will be seeing a decrease in monthly charge.

Refer to Attachment B for the proposed potable fire meter/line service charges.

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SDCWA Infrastructure Access Charge: The Infrastructure Access Charge (IAC) is a monthly pass-through fixed charge from the San Diego County Water Authority based upon the size (hydraulic capacity) of the water meter serving the property. As a pass-through charge, the IAC is not directly calculated as part of the Study, however it is included as part of the Study as the charge is adjusted every January 1 and is included in total bill comparisons. The Study allows the District to pass-through and adjust the IAC as it is updated by SDCWA and has refined the IAC calculation to ensure it is fully cost recoverable.

Refer to Attachment B for currently known SDCWA Infrastructure Access Charges.

Potable Water Usage Rates: Water rates are per unit costs to customers for water consumed in a billing period, billed in units of Thousand Gallons (TGAL). Residential water rates follow a tiered structure, wherein after a specific number of units, the more expensive the water becomes per unit. Non-residential water rates follow a uniform (flat) rate structure, where the water is charged at the same rate per unit, regardless of how much water is consumed in a billing period. Under COS principles, water usage rates are comprised of three components, including a base supply and delivery component, a peaking component, and a revenue offset component (where applicable).

For all potable water usage rates, it should be noted that the District is currently in Level 1 drought rates, and this is the rate that customers are currently paying per unit of water. Staff is proposing that the District revert to “base” (normal) rates, as the new Study is refining water sales volume and revenue projections based upon our new normal. With this, rate comparisons are being made between current Level 1 drought rates and proposed base rates, to reflect the change in what customers are proposed to directly see on their bills.

For the District’s single-family residential rate class, a change from a three-tier structure to a two-tier structure is recommended. This change simplifies the structure and best aligns with current supply and delivery conditions. With the reduction in tiers, it is also recommended that the monthly Tier 1 breakpoint increase from 5 units to 7 units, with consumption above that level being charged at the Tier 2 rate. A revenue offset from property tax revenue is being applied to the Tier 1 rate, which benefits all single-family residential customers. With these changes, the Tier 1 and Tier 2 rates are seeing increases (with more water being allowed in Tier 1), however the current Tier 3 is being eliminated.

For the District’s multi-family residential rate class, a change from a three-tier structure to a two-tier structure is also recommended. Additionally, the monthly Tier 1 breakpoint is proposed to increase from 2 units of water per dwelling to 7 units of water per dwelling, to match the tier breakpoint of the single-family residential rate class. A revenue offset from property tax revenue is also being applied to the Tier 1 rate, which benefits all multi-family residential customers. With these changes the Tier 1 and Tier 2 rates are seeing increases (with more water now allowed in Tier 1), however the current Tier 3 is being eliminated.

The continuance of a uniform (flat) rate is recommended for the District’s non-residential rate class. While no major changes are being made to this rate class, an increase is proposed based upon revised base delivery and peaking calculations.

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For the District's irrigation rate class, a change from a two-tier structure to a uniform (flat) rate is recommended. Current irrigation rates are based upon established landscape budgets for these customers. However, the data in the Study has indicated that no irrigation customers reach the Tier 2 threshold and therefore a Tier 2 rate cannot be calculated. With this change, an increase is proposed to the irrigation rate (compared to the current Tier I rate), however the current Tier 2 is being eliminated.

The continuance of a uniform (flat) rate is recommended for the District's construction rate class. While no major changes are being made to this rate class, a small increase is proposed based upon revised base delivery and peaking calculations.

Refer to Attachment C for the proposed potable water usage rates.

Potable Drought Rates: Drought rates are established in the Study as a means to ensure that the District can remain revenue-neutral, or recover sufficient revenue, during times of significant water sales reductions due to drought or other factors. During drought conditions, the District typically sells less potable water to its customers and in turn purchases less imported water from its wholesaler. The net loss between those two factors impacts the financial stability of the District. Meanwhile, fixed expenditures remain constant, even with the reduced revenue. Thus, in order to remain revenue-neutral during periods of reduced water sales, the commodity rate must increase to maintain financial stability.

Drought rates are developed in the Study with 4 levels at increments of 10% sales reductions, up to greater than 30% (10%, 20%, 30% and greater than 30%). In the event of a requested reduction that falls between those defined increments, drought rates can be pro-rated and tailored to whatever specific rate is required.

Currently the District is under a Level 1 drought rate (10% reduction) per previous Board action. The action was taken due to drought mandates and due to the fact that water sales volumes had fallen significantly below the water sales projections in the prior study. As discussed earlier in this report, the District's water sales volume projections have been revised in the Study to reflect the current new normal of demand levels. As such, the proposed base rates factor in an overall lower level of sales. Therefore, it is being recommended that the District go out of Level 1 rates and revert to base rates when the new rates are implemented.

Refer to Attachment D for the proposed potable drought rates.

Recycled Meter Service Charges (System Operations Charge): Recycled meter service charges are monthly fixed charges based upon the size of the water meter serving the property. Under COS principles, recycled meter service charges are calculated independently from their potable counterparts but use the same basic methodology.

Compared to the calculations from the prior study, all sizes of recycled meter service charges are seeing an increase in fixed charge. This across-the-board increase is primarily the result of the growth of the overall recycled water enterprise, including the number of meters, as well as increased meter maintenance, billing, and customer service costs for the program.

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Refer to Attachment E for proposed recycled meter service charges.

Recycled Fire Meter/Line Service Charges: Recycled Fire Meter/Line Service Charges are monthly fixed charges for customers who require a dedicated recycled fire line to serve their property. They are also based upon the size of the fire meter/line serving the property. Under COS principles, recycled fire meter/line service charges are calculated independently from their potable counterparts but use the same basic methodology.

Compared to the calculations from the prior study, decreases to the 4" and smaller recycled fire meter/line service charges are proposed, while the recycled fire meter/line service charges for 6" and larger are seeing increases. As with potable fire meters/line, the shift in charge between different sizes of recycled fire meters/lines is the result of updates to flow calculations and cost components compared to the prior study. At current, the District only has 7 recycled fire meter/lines in service.

Refer to Attachment E for the proposed recycled fire meter/line service charges.

Recycled Water Usage Rate: Water rates are per unit costs to customers for water consumed in a billing period, billed in units of Thousand Gallons (TGAL). The recycled water rates follow a uniform (flat) rate structure, where the water is charged at the same rate per unit, regardless of how much water is consumed in a billing period. Under COS principles, the recycled water usage rate is calculated independently from its potable counterparts but uses the same basic methodology.

The continuance of a uniform (flat) rate is recommended for the District's recycled water rate. Given there is only a single recycled water rate class, that rate class is responsible for collecting all remaining revenue that is not otherwise collected by the recycled meter service charge and recycled fire meter/line service charge. The entirety of the FY 2022-23 revenue reduction is proposed to be applied to the recycled water usage rate and as such the usage rate will see a reduction in FY 2022-23 and then remain flat through the remainder of the rate plan.

Refer to Attachment C for proposed recycled water usage rates

Pumping Charges: The District maintains four potable pump zones and two recycled pump zones for areas which require pumping to serve water at adequate pressure due to elevation differences. The prior study included pumping charges of \$0.29 per unit for those customers whose properties reside in the pump zones. Pumping charges collect approximately \$33,000 annually in potable revenue and \$5,000 annually in recycled revenue, which is less than 0.2% of total annual District revenue. Given the small amount of revenue provided by the current pumping charges, the relative lack of elevation differences in the pumping zones, and to further the intention of simplifying the rate structure, the Study recommends the elimination of pumping charges within the District.

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Customer Bill Impact Comparisons:

While the changes to each rate and charge component in the previous section is important to understand, it is crucial to not solely view those in isolation. While some rates and charges are increasing, others are decreasing, and it is best to understand how the changes in both fixed and variable charges affect various customers overall water bills. Total bills include the meter service charge, SDCWA infrastructure access charge, and usage charges from water rates.

One of the most common ways agencies evaluate the overall impact of their water rate and charge adjustments is to take an “average” customer bill from various rate classes and then look at the dollar and percentage change from the current rates and charges to the proposed rates and charges. When determining the average bill in each rate class, the most common meter size is determined along with the average consumption level. High and low consumption bills can also be evaluated as well, and total bill impacts can generally be viewed as a sliding scale depending on the size of water meter and the volume of monthly consumption. As such, each customers experience and impact from the new rate structure may be different, depending on their individual situation.

Single-Family Residential: The average bill for the single-family residential rate class is a customer with a 5/8” water meter and 10 units of monthly consumption. Under the proposed rate plan, the average single-family residential customer would see a total monthly bill decrease of (\$0.93) or -0.8%.

A low-water user with 4 units of monthly consumption and a 5/8” water meter would see a total monthly bill decrease of (\$1.52) or -2.2%, while a high-water user with 30 units of monthly consumption and a 5/8” water meter would see a total bill increase of \$5.55 or 1.8%.

81% of single-family residential customers have a 5/8” water meter. The second most common single single-family residential water meter size is a 1” meter, with 16% of single-family residential customers having a 1” meter. These customers with larger meters typically have larger properties and higher consumption. Due to the fact that service charges for larger water meters are increasing, customers with larger meters will see their total monthly bill increase more than those with a 5/8” water meter. A single-family residential customer with a 1” water meter and the average 10 units of monthly consumption would see a total monthly bill increase of \$10.57 or 7.6%.

Multi-Family Residential: The average bill for the multi-family residential rate class is a customer with a 1 1/2” water meter, serving 16 dwelling units, and 57 units of monthly consumption. Most multi-family residential customers are apartment complexes or mobile home parks, with larger meters that may serve multiple dwellings. Under the proposed rate plan, the average multi-family residential customer would see a total monthly bill increase of \$28.12 or 5.1%.

A low water user with 20 units of monthly consumption and the same 1 1/2” water meter and 16 dwelling units, would see a total monthly bill increase of \$39.00 or 16.2%, while a high-water user with 100 units of monthly consumption would see a total bill decrease of (\$11.52) or -1.2%. 72% of multi-family residential customers have a 1 1/2” water meter.

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Non-Residential: The average bill for the non-residential rate class is a customer with a 5/8" water meter and 33 units of monthly consumption. Under the proposed rate plan, the average non-residential customer would see a total monthly bill increase of \$17.89 or 5.7%

A low water user with 10 units of monthly consumption would see a total monthly bill increase of \$2.94 or 2.4%, while a high-water user with 75 units of consumption would see a total monthly bill increase of \$45.19 or 6.9%.

42% of non-residential customers have a 5/8" water meter. The second most common size is a 1" meter with 17% of non-residential customers having a 1" meter. A non-residential customer with a 1" water meter and the average 33 units of monthly consumption would see a total monthly bill increase of \$29.39 or 8.9%.

Irrigation: The average bill for the irrigation rate class is a customer with a 1" water meter and 65 units of monthly consumption. Under the proposed rate plan, the average irrigation customer would see a total monthly bill increase of \$35.24 or 5.6%.

A low water user with 20 units of monthly consumption would see a total monthly bill increase of \$16.34 or 7.0%, while a high-water user with 100 units of consumption would see a total monthly bill increase of \$49.94 or 5.3%.

36% of irrigation customers have a 1" water meter. The second most common size is a 2" meter with 35% of irrigation customers having a 2" meter. An irrigation customer with a 2" water meter and the average 65 units of monthly consumption would see a total monthly bill increase of \$84.33 or 12.1%

Construction: Construction meters are provided to customers who require a temporary water connection on a short-term basis from a fire hydrant for construction and development work. Due to the high variability use of construction meters it is not possible to calculate an average customer similar to the other classes. However, most construction meters are 3" meters and will pay the corresponding construction water rate for usage.

Recycled: The average bill for recycled water is a customer with a 2" recycled water meter and 87 units of monthly consumption. Under the proposed rate plan, the average recycled water customer would see a total monthly bill decrease of (\$49.00) or -8.7%. 42% of recycled water customers have a 2" recycled water meter.

Please see Attachment F for more information on customer bill impacts.

Agency Comparison: The District's average customer bills can also be compared to like bills from neighboring agencies, to see how the District's rates and charges compare. While rates and charges are based upon cost of service and tend to differ greatly between agencies due to a number of variables and distinguishing factors, it is a good exercise to see how the District's rates compare to neighboring agencies. While the District does its best to control costs and maintain affordability, historically the District does fall towards the higher end of the spectrum when performing agency comparisons. This is primarily due to the fact that the District

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purchases 100% imported treated water as its water supply since the District does not have the advantage of having a local water source and does not operate a water treatment plant.

An average single-family residential potable customer is used for the agency comparison. This is a residential customer with a 5/8" water meter and 10 units of monthly consumption. 81% of single-family residential customers have a 5/8" water meter and 71% of all potable water customers are in the single-family residential class with a 5/8" water meter. Therefore, while comparisons may differ based on different customer classes or varying consumption, this is the best comparison between agencies as a majority of District customers meet this criteria.

In surveying 22 local agencies, the total bill for the above noted customer averages \$105.21 per month (with a median bill of \$102.37) across all agencies. The above noted average customer currently sees a monthly bill of \$120.55 under the District's enacted Level 1 drought rates. This places the District's monthly bill at 17 out of 22 local agencies in terms of total cost, and is 14.6% above the local agency average.

With the proposed adjustments to the District's rates and charges, and with the proposal to revert to base water rates, this average customer would see proposed monthly bill of \$119.62, a reduction of (\$0.93) or -0.8%. This would place the District's monthly bill at 16 out of 22 local agencies in terms of total cost, and would be 13.7% above the local agency average.

It should be noted that in the same agency comparison done in 2017, the District's monthly bill placed at 20 out of 22 local agencies in terms of total cost, and was 29.0% above the local agency average. This reflects that when compared to other local agencies, the District's relative affordability for an average residential customer is improving over time, and will continue to improve with the proposed rates and charges.

Refer to Attachment G for more information on agency comparisons.

Future Actions:

Staff proposes the following future actions:

- Staff shall initiate the Proposition 218 process and schedule a Public Hearing to take public input and consider adoption of a resolution to approve the new rate and charge plan at the June 14, 2022 Board Meeting
- Per the rate and charge plan, the Board shall adopt a resolution to rescind Level 1 Drought Rates and revert to Base Rates at the June 14, 2022 Board Meeting
- The approved rates and charges would go into effect with all bills mailed after July 1, 2022
- Per the financial plan, staff shall bring a future item to the Board to formally approve the addition of two additional positions and associated funding to the FY 2022-23 budget, and approve the salary ranges for those positions
- Per the financial plan, staff shall bring a future item to the Board to increase the FY 2022-23 budget to accommodate increased annual CalPERS Unfunded Accrued Liability payments

RINCON DEL DIABLO MUNICIPAL WATER DISTRICT

- Per the financial plan, staff shall bring a future item to the Board to update Section 3150 (Restricted and Appropriated Funds) to reflect changes in the Districts Reserve Policy
- Per a prior Board recommendation, staff will bring a future item to the Board regarding options for utilizing the SDCWA litigation refund money as a direct refund to customers

RECOMMENDATION:

Board of Directors take the following actions:

- 1) Review, discuss, and accept the results of the District's Cost of Service and Water Rate Study
- 2) Direct staff to schedule a Public Hearing on June 14, 2022 in compliance with Proposition 218 requirements for the Board to consider adoption of the new water rates and charges

ATTACHMENT(S):

Attachment A: Proposed Potable Financial Plan and Revenue Adjustment Summary

Attachment B: Proposed Potable Water Fixed Charges

Attachment C: Proposed Potable Water and Recycled Water Usage Rates

Attachment D: Proposed Potable Drought Rates

Attachment E: Proposed Recycled Water Fixed Charges

Attachment F: Proposed Customer Bill Impacts

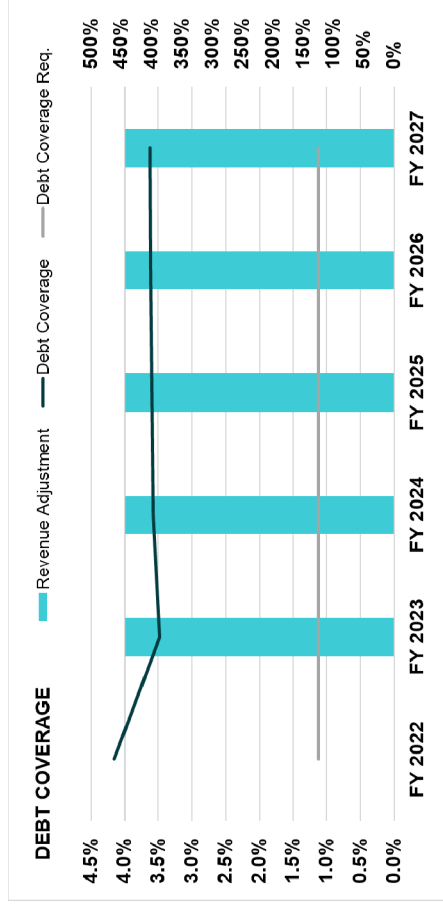
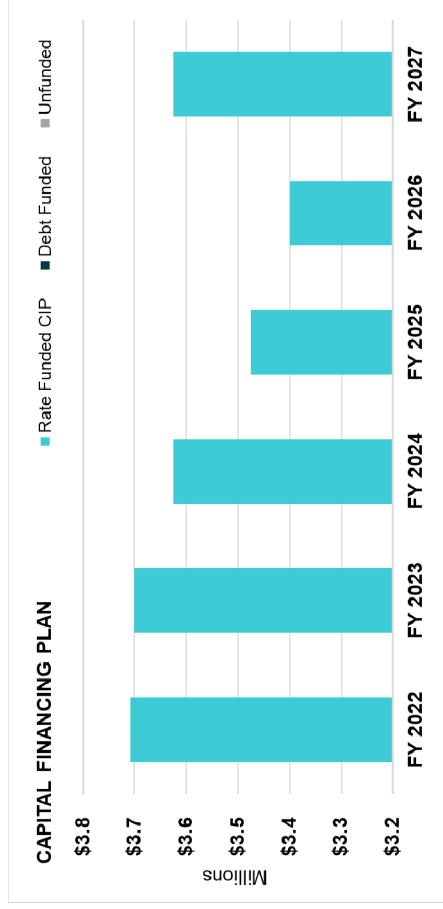
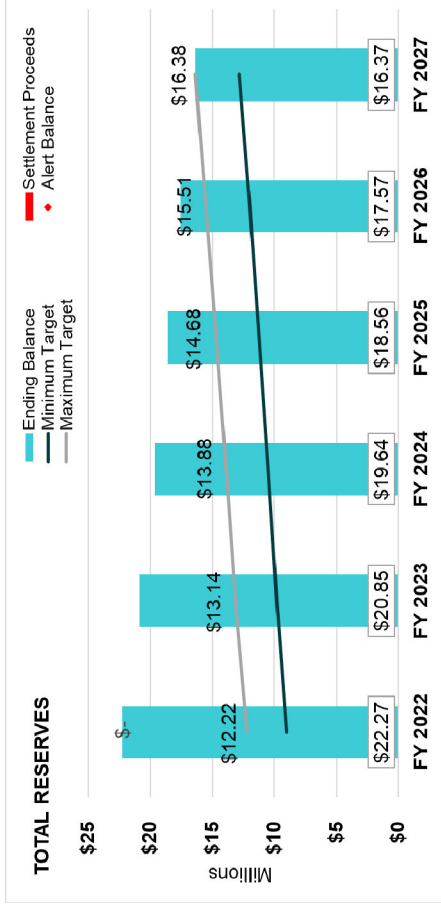
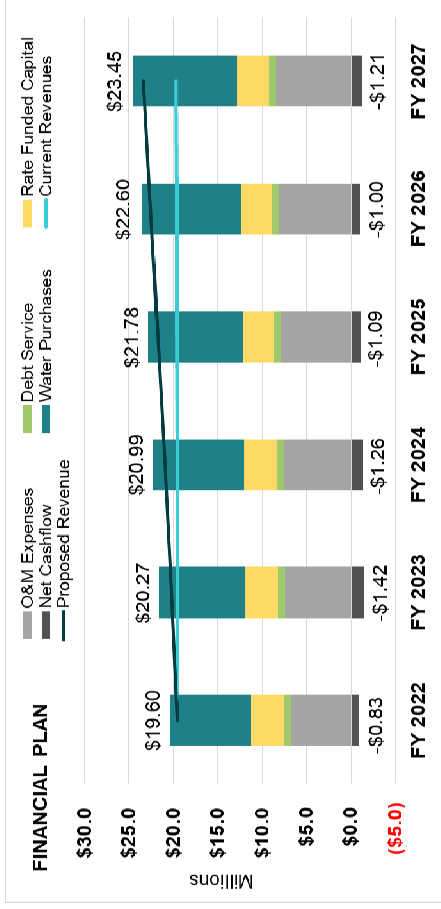
Attachment G: Proposed Agency Comparisons

Rincon del Diablo Municipal Water District

Cost of Service and Water Rate Study

Attachment A

Proposed Potable Financial Plan and Revenue Adjustment Summary



Fiscal Year	Revenue Adjustment	Effective	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	Total
FY 2022-23	4.0%	12 months (July 1)	\$695,140	\$695,140	\$695,140	\$695,140	\$695,140	\$3,475,701
FY 2023-24	4.0%	12 months (July 1)	\$722,946	\$722,946	\$722,946	\$722,946	\$722,946	\$2,891,783
FY 2024-25	4.0%	12 months (July 1)	\$751,864	\$751,864	\$751,864	\$751,864	\$751,864	\$2,255,591
FY 2025-26	4.0%	12 months (July 1)	\$781,938	\$781,938	\$781,938	\$781,938	\$781,938	\$1,563,876
FY 2026-27	4.0%	12 months (July 1)	\$813,216	\$813,216	\$813,216	\$813,216	\$813,216	\$813,216
Total			\$1,418,086	\$2,169,949	\$2,951,888	\$3,765,103	\$11,000,166	

Rincon del Diablo Municipal Water District
Cost of Service and Water Rate Study

Attachment C
Proposed Potable and Recycled Water Usage Rates

Potable Water Usage Rates

Customer Class	Tier	Current Block	Current Base Rate	Current Drought Rate	Proposed Block	Proposed Rate (July 1, 2022) (Cost of Service)	Difference (\$) Current Drought to Proposed	Difference (%) Current Drought to Proposed	Proposed Rate (July 1, 2023) 4.0% Adjustment	Proposed Rate (July 1, 2024) 4.0% Adjustment	Proposed Rate (July 1, 2025) 4.0% Adjustment	Proposed Rate (July 1, 2026) 4.0% Adjustment
Single-Family Residential	Tier 1	0 - 5 Units	\$7.29	\$7.63	0 - 7 Units	\$8.14	\$0.51	6.7%	\$8.47	\$8.81	\$9.17	\$9.54
	Tier 2	6 - 24 Units	\$8.47	\$8.82	8 + Units	\$9.30	\$0.48	5.4%	\$9.68	\$10.07	\$10.48	\$10.90
	Tier 3	25 + Units	\$8.93	\$9.34	Eliminated	Eliminated	N/A	N/A	Eliminated	Eliminated	Eliminated	Eliminated
Multi-Family Residential	Tier 1	0 - 2 Units / Dwelling	\$7.29	\$7.63	0 - 7 Units / Dwelling	\$8.14	\$0.51	6.7%	\$8.47	\$8.81	\$9.17	\$9.54
	Tier 2	3 - 5 Units / Dwelling	\$8.47	\$8.82	8 + Units / Dwelling	\$9.30	\$0.48	5.4%	\$9.68	\$10.07	\$10.48	\$10.90
	Tier 3	6 + Units / Dwelling	\$8.93	\$9.34	Eliminated	Eliminated	N/A	N/A	Eliminated	Eliminated	Eliminated	Eliminated
Non-Residential	Uniform	N/A	\$7.92	\$8.28	Uniform	\$8.93	\$0.65	7.9%	\$9.29	\$9.67	\$10.06	\$10.47
Irrigation	Tier 1	< 100% Budget	\$8.47	\$8.82	Uniform	\$9.24	\$0.42	4.8%	\$9.61	\$10.00	\$10.40	\$10.82
	Tier 2	> 100% Budget	\$8.93	\$9.34	Eliminated	Eliminated	N/A	N/A	Eliminated	Eliminated	Eliminated	Eliminated
Construction	Uniform	N/A	\$8.84	\$9.23	Uniform	\$9.24	\$0.01	0.1%	\$9.61	\$10.00	\$10.40	\$10.82
Pumping Charge	Uniform	N/A	\$0.29	\$0.29	Eliminated	Eliminated	N/A	N/A	Eliminated	Eliminated	Eliminated	Eliminated

Recycled Water Usage Rates

Customer Class	Tier	Current Block	Current Base Rate	Current Drought Rate	Proposed Block	Proposed Rate (July 1, 2022) (Cost of Service)	Difference (\$) Current Drought to Proposed Base	Difference (%) Current Drought to Proposed Base	Proposed Rate (July 1, 2023) 0.0% Adjustment	Proposed Rate (July 1, 2024) 0.0% Adjustment	Proposed Rate (July 1, 2025) 0.0% Adjustment	Proposed Rate (July 1, 2026) 0.0% Adjustment
Recycled Water	Uniform	N/A	\$5.86	N/A	Uniform	\$5.14	-\$0.72	-12.3%	\$5.14	\$5.14	\$5.14	\$5.14
Pumping Charge	Uniform	N/A	\$0.29	\$0.29	Eliminated	Eliminated	N/A	N/A	Eliminated	Eliminated	Eliminated	Eliminated

Rincon del Diablo Municipal Water District
Cost of Service and Water Rate Study

Attachment D
Proposed Potable Drought Rates

Drought Rates

Customer Class	Tier	Proposed Block	Proposed Drought Rate (July 1, 2022)	Proposed Drought Rate (July 1, 2023)	Proposed Drought Rate (July 1, 2024)	Proposed Drought Rate (July 1, 2025)	Proposed Drought Rate (July 1, 2026)
Level 1							
Single-Family Residential	Tier 1	0 - 7 Units	\$8.46	\$8.80	\$9.15	\$9.53	\$9.91
	Tier 2	8 + Units	\$9.66	\$10.06	\$10.46	\$10.89	\$11.32
Multi-Family Residential	Tier 1	0 - 7 Units / Dwelling	\$8.46	\$8.80	\$9.15	\$9.53	\$9.91
	Tier 2	8 + Units / Dwelling	\$9.66	\$10.06	\$10.46	\$10.89	\$11.32
Non-Residential	Uniform	Uniform	\$9.28	\$9.65	\$10.05	\$10.45	\$10.88
Irrigation	Tier 1	Uniform	\$9.60	\$9.98	\$10.39	\$10.80	\$11.24
Construction	Uniform	Uniform	\$9.60	\$9.98	\$10.39	\$10.80	\$11.24
Level 2							
Single-Family Residential	Tier 1	0 - 7 Units	\$8.81	\$9.16	\$9.53	\$9.92	\$10.32
	Tier 2	8 + Units	\$10.06	\$10.47	\$10.89	\$11.34	\$11.79
Multi-Family Residential	Tier 1	0 - 7 Units / Dwelling	\$8.81	\$9.16	\$9.53	\$9.92	\$10.32
	Tier 2	8 + Units / Dwelling	\$10.06	\$10.47	\$10.89	\$11.34	\$11.79
Non-Residential	Uniform	Uniform	\$9.66	\$10.05	\$10.46	\$10.88	\$11.33
Irrigation	Tier 1	Uniform	\$10.00	\$10.40	\$10.82	\$11.25	\$11.70
Construction	Uniform	Uniform	\$10.00	\$10.40	\$10.82	\$11.25	\$11.70
Level 3							
Single-Family Residential	Tier 1	0 - 7 Units	\$9.26	\$9.63	\$10.02	\$10.43	\$10.85
	Tier 2	8 + Units	\$10.58	\$11.01	\$11.45	\$11.92	\$12.40
Multi-Family Residential	Tier 1	0 - 7 Units / Dwelling	\$9.26	\$9.63	\$10.02	\$10.43	\$10.85
	Tier 2	8 + Units / Dwelling	\$10.58	\$11.01	\$11.45	\$11.92	\$12.40
Non-Residential	Uniform	Uniform	\$10.16	\$10.57	\$11.00	\$11.44	\$11.91
Irrigation	Tier 1	Uniform	\$10.51	\$10.93	\$11.37	\$11.83	\$12.31
Construction	Uniform	Uniform	\$10.51	\$10.93	\$11.37	\$11.83	\$12.31
Level 4							
Single-Family Residential	Tier 1	0 - 7 Units	\$9.79	\$10.19	\$10.59	\$11.03	\$11.47
	Tier 2	8 + Units	\$11.18	\$11.64	\$12.11	\$12.60	\$13.11
Multi-Family Residential	Tier 1	0 - 7 Units / Dwelling	\$9.79	\$10.19	\$10.59	\$11.03	\$11.47
	Tier 2	8 + Units / Dwelling	\$11.18	\$11.64	\$12.11	\$12.60	\$13.11
Non-Residential	Uniform	Uniform	\$10.74	\$11.17	\$11.63	\$12.10	\$12.59
Irrigation	Tier 1	Uniform	\$11.11	\$11.56	\$12.03	\$12.51	\$13.01
Construction	Uniform	Uniform	\$11.11	\$11.56	\$12.03	\$12.51	\$13.01

Rincon del Diablo Municipal Water District
Cost of Service and Water Rate Study

Attachment E
Proposed Recycled Water Fixed Charges

Recycled Meter Service Charge (formerly System Operations Charge)
Monthly

Meter Size	Current Charge	Proposed Charge (July 1, 2022) (Cost of Service)	Difference (\$)	Difference (%)
5/8"	\$17.94	\$18.87	\$0.93	5.2%
3/4"	Not Calculated	\$22.28	N/A	N/A
1"	\$25.47	\$29.08	\$3.61	14.2%
1 1/2"	\$38.01	\$46.09	\$8.08	21.3%
2"	\$53.07	\$66.50	\$13.43	25.3%
3"	\$100.74	\$131.14	\$30.40	30.2%
4"	\$138.38	\$182.17	\$43.79	31.6%
6"	\$263.84	\$352.27	\$88.43	33.5%
8"	\$414.39	\$556.39	\$142.00	34.3%
10"	Not Calculated	\$1,304.83	N/A	N/A
16"	\$1,317.71	\$3,414.07	\$2,096.36	159.1%

Proposed Charge (July 1, 2023) 0.0% Adjustment	Proposed Charge (July 1, 2024) 0.0% Adjustment	Proposed Charge (July 1, 2025) 0.0% Adjustment	Proposed Charge (July 1, 2026) 0.0% Adjustment
\$18.87	\$18.87	\$18.87	\$18.87
\$22.28	\$22.28	\$22.28	\$22.28
\$29.08	\$29.08	\$29.08	\$29.08
\$46.09	\$46.09	\$46.09	\$46.09
\$66.50	\$66.50	\$66.50	\$66.50
\$131.14	\$131.14	\$131.14	\$131.14
\$182.17	\$182.17	\$182.17	\$182.17
\$352.27	\$352.27	\$352.27	\$352.27
\$556.39	\$556.39	\$556.39	\$556.39
\$1,304.83	\$1,304.83	\$1,304.83	\$1,304.83
\$3,414.07	\$3,414.07	\$3,414.07	\$3,414.07

Recycled Fire Meter/Line Service Charge
Monthly

Meter Size	Current Charge	Proposed Charge (July 1, 2022) (Cost of Service)	Difference (\$)	Difference (%)
5/8"	Not Calculated	\$0.45	N/A	N/A
3/4"	Not Calculated	\$0.72	N/A	N/A
1"	\$16.33	\$1.54	-\$14.79	-90.6%
1 1/2"	Not Calculated	\$4.46	N/A	N/A
2"	\$32.66	\$9.50	-\$23.16	-70.9%
3"	Not Calculated	\$27.60	N/A	N/A
4"	\$65.33	\$58.82	-\$6.51	-10.0%
6"	\$97.99	\$170.87	\$72.88	74.4%
8"	\$130.66	\$364.12	\$233.46	178.7%
10"	\$163.32	\$654.82	\$491.50	300.9%
16"	Not Calculated	\$2,254.01	N/A	N/A

Proposed Charge (July 1, 2023) 0.0% Adjustment	Proposed Charge (July 1, 2024) 0.0% Adjustment	Proposed Charge (July 1, 2025) 0.0% Adjustment	Proposed Charge (July 1, 2026) 0.0% Adjustment
\$0.45	\$0.45	\$0.45	\$0.45
\$0.72	\$0.72	\$0.72	\$0.72
\$1.54	\$1.54	\$1.54	\$1.54
\$4.46	\$4.46	\$4.46	\$4.46
\$9.50	\$9.50	\$9.50	\$9.50
\$27.60	\$27.60	\$27.60	\$27.60
\$58.82	\$58.82	\$58.82	\$58.82
\$170.87	\$170.87	\$170.87	\$170.87
\$364.12	\$364.12	\$364.12	\$364.12
\$654.82	\$654.82	\$654.82	\$654.82
\$2,254.01	\$2,254.01	\$2,254.01	\$2,254.01

Single-Family Residential with 5/8" Water Meter (most common size = 81% of single-family customers)

Monthly Use	4 Units	7 Units	10 Units (Average)	20 Units	30 Units
Current Monthly Bill	\$68.82	\$94.09	\$120.55	\$208.75	\$300.07
Proposed Monthly Bill	\$67.30	\$91.72	\$119.62	\$212.62	\$305.62
Difference (\$)	-\$1.52	-\$2.37	-\$0.93	\$3.87	\$5.55
Difference (%)	-2.2%	-2.5%	-0.8%	1.9%	1.8%

Single-Family Residential with 1" Water Meter (2nd most common size = 16% of single-family customers)

Monthly Use	4 Units	7 Units	10 Units (Average)	20 Units	30 Units
Current Monthly Bill	\$87.51	\$112.78	\$139.24	\$227.44	\$318.76
Proposed Monthly Bill	\$97.49	\$121.91	\$149.81	\$242.81	\$335.81
Difference (\$)	\$9.98	\$9.13	\$10.57	\$15.37	\$17.05
Difference (%)	11.4%	8.1%	7.6%	6.8%	5.4%

Multi-Family Residential with 1 1/2" Water Meter and 16 dwelling units (most common size = 72% of multi-family customers)

Monthly Use	20 Units	40 Units	57 Units (Average)	80 Units	100 Units
Current Monthly Bill	\$240.75	\$402.87	\$552.81	\$755.67	\$942.47
Proposed Monthly Bill	\$279.75	\$442.55	\$580.93	\$768.15	\$930.95
Difference (\$)	\$39.00	\$39.68	\$28.12	\$12.48	-\$11.52
Difference (%)	16.2%	9.8%	5.1%	1.7%	-1.2%

Non-Residential with a 5/8" Water Meter (most common size = 42% of non-residential customers)

Monthly Use	10 Units	20 Units	33 Units (Average)	45 Units	75 Units
Current Monthly Bill	\$121.10	\$203.90	\$311.54	\$410.90	\$659.30
Proposed Monthly Bill	\$124.04	\$213.34	\$329.43	\$436.59	\$704.49
Difference (\$)	\$2.94	\$9.44	\$17.89	\$25.69	\$45.19
Difference (%)	2.4%	4.6%	5.7%	6.3%	6.9%

Non-Residential with a 1" Water Meter (2nd most common size = 17% of non-residential customers)

Monthly Use	10 Units	20 Units	33 Units (Average)	45 Units	75 Units
Current Monthly Bill	\$139.79	\$222.59	\$330.23	\$429.59	\$677.99
Proposed Monthly Bill	\$154.23	\$243.53	\$359.62	\$466.78	\$734.68
Difference (\$)	\$14.44	\$20.94	\$29.39	\$37.19	\$56.69
Difference (%)	10.3%	9.4%	8.9%	8.7%	8.4%

Irrigation with a 1" Water Meter (most common size = 36% of irrigation customers)

Monthly Use	20 Units	30 Units	65 Units (Average)	85 Units	100 Units
Current Monthly Bill	\$233.39	\$321.59	\$630.29	\$806.69	\$938.99
Proposed Monthly Bill	\$249.73	\$342.13	\$665.53	\$850.33	\$988.93
Difference (\$)	\$16.34	\$20.54	\$35.24	\$43.64	\$49.94
Difference (%)	7.0%	6.4%	5.6%	5.4%	5.3%

Irrigation with a 2" Water Meter (2nd most common size = 35% of irrigation customers)

Monthly Use	20 Units	30 Units	65 Units (Average)	85 Units	100 Units
Current Monthly Bill	\$300.94	\$389.14	\$697.84	\$874.24	\$1,006.54
Proposed Monthly Bill	\$366.37	\$458.77	\$782.17	\$966.97	\$1,105.57
Difference (\$)	\$65.43	\$69.63	\$84.33	\$92.73	\$99.03
Difference (%)	21.7%	17.9%	12.1%	10.6%	9.8%

Recycled Water with a 2" Water Meter (most common size = 42% of recycled water customers)

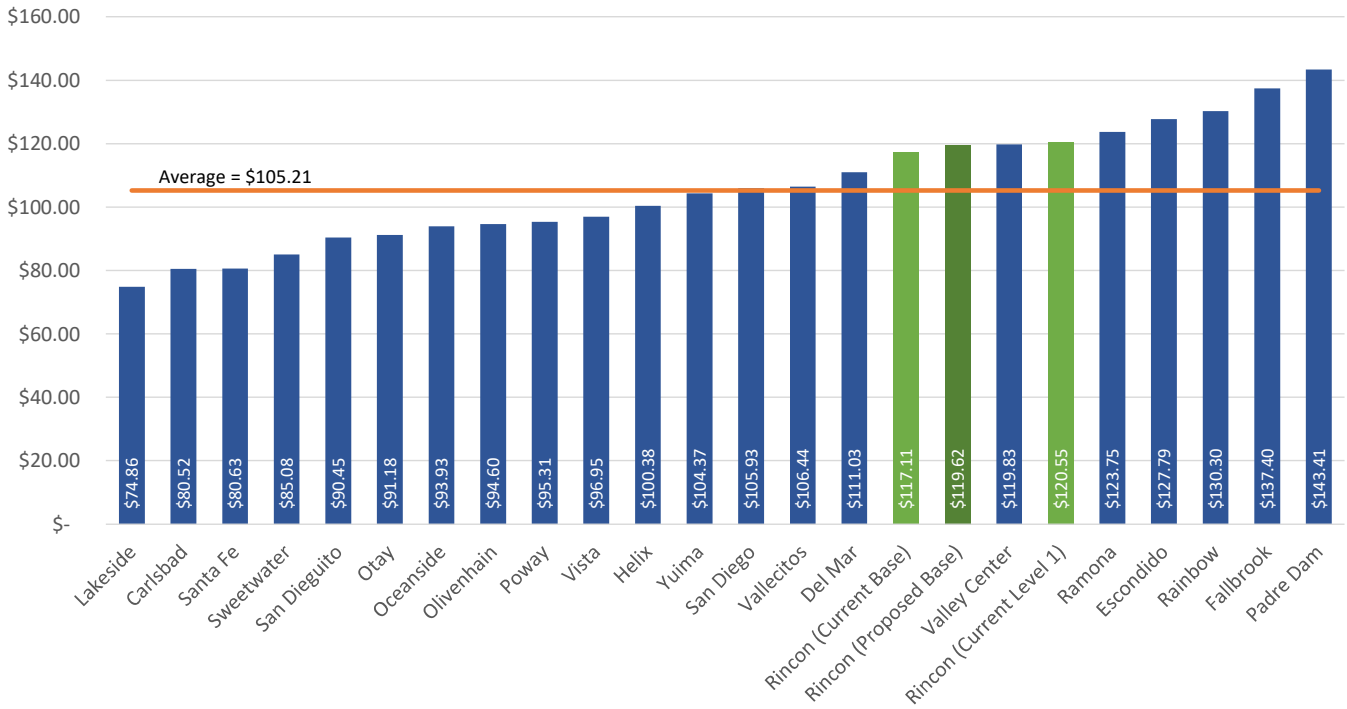
Monthly Use	20 Units	60 Units	87 Units (Average)	100 Units	150 Units
Current Monthly Bill	\$170.27	\$404.67	\$562.89	\$639.07	\$932.07
Proposed Monthly Bill	\$169.35	\$375.05	\$513.89	\$580.74	\$837.87
Difference (\$)	-\$0.92	-\$29.62	-\$49.00	-\$58.33	-\$94.20
Difference (%)	-0.5%	-7.3%	-8.7%	-9.1%	-10.1%

Note: 1 unit of water equals 1,000 gallons

Single-Family Residential Customer with a 5/8" Potable Water Meter and 10 Units of Monthly Consumption
 Total Monthly Bill (Table)

Current Rank	Proposed Rank	Agency Name	Last Adjustment	Monthly Fixed Charges	Monthly Commodity Costs	Total Monthly Bill
1	1	Lakeside	January 1, 2022	\$ 12.09	\$ 62.77	\$ 74.86
2	2	Carlsbad	March 1, 2022	\$ 27.81	\$ 52.71	\$ 80.52
3	3	Santa Fe	July 1, 2021	\$ 41.43	\$ 39.20	\$ 80.63
4	4	Sweetwater	January 1, 2022	\$ 13.98	\$ 71.10	\$ 85.08
5	5	San Dieguito	January 1, 2022	\$ 27.62	\$ 62.83	\$ 90.45
6	6	Otay	January 1, 2022	\$ 37.08	\$ 54.10	\$ 91.18
7	7	Oceanside	January 1, 2022	\$ 22.43	\$ 71.50	\$ 93.93
8	8	Olivenhain	March 1, 2022	\$ 35.14	\$ 59.46	\$ 94.60
9	9	Poway	January 1, 2022	\$ 24.84	\$ 70.47	\$ 95.31
10	10	Vista	July 1, 2021	\$ 35.99	\$ 60.96	\$ 96.95
11	11	Helix	January 1, 2022	\$ 26.70	\$ 73.68	\$ 100.38
12	12	Yuima	July 1, 2019	\$ 49.13	\$ 55.24	\$ 104.37
13	13	San Diego	January 1, 2022	\$ 27.09	\$ 78.84	\$ 105.93
14	14	Vallecitos	August 24, 2020	\$ 36.55	\$ 69.89	\$ 106.44
15	15	Del Mar	July 1, 2021	\$ 37.59	\$ 73.44	\$ 111.03
N/A	N/A	Rincon (Current Base)	TBD	\$ 38.31	\$ 78.80	\$ 117.11
N/A	16	Rincon (Proposed Base)	July 1, 2022 (Proposed)	\$ 34.74	\$ 84.88	\$ 119.62
16	17	Valley Center	February 1, 2022	\$ 49.36	\$ 70.47	\$ 119.83
17	N/A	Rincon (Current Level 1)	September 1, 2019	\$ 38.30	\$ 82.25	\$ 120.55
18	18	Ramona	February 15, 2021	\$ 38.47	\$ 85.28	\$ 123.75
19	19	Escondido	January 1, 2022	\$ 47.21	\$ 80.58	\$ 127.79
20	20	Rainbow	September 1, 2021	\$ 68.29	\$ 62.01	\$ 130.30
21	21	Fallbrook	July 1, 2021	\$ 68.65	\$ 68.75	\$ 137.40
22	22	Padre Dam	November 1, 2021	\$ 45.21	\$ 98.20	\$ 143.41

Single-Family Residential Customer with a 5/8" Potable Water Meter and 10 Units of Monthly Consumption
 Total Monthly Bill (Graph)



Note: Total Monthly Bill includes fixed charges, usage charges, and pass-throughs (as applicable)
 Note: For agencies that bill in HCF (748 gallons) units have been converted and rounded down to TGAL (1,000 gallons) to match the District's billing unit.
 10 TGAL = 13 HCF