

Agenda
Rio Linda / Elverta Community Water District
Finance / Administrative Committee

Visitors/Depot Center
6730 Front Street
Rio Linda, CA 95673

June 11, 2018
6:30 p.m.

Public documents relating to any open session items listed on this agenda that are distributed to the Committee members less than 72 hours before the meeting are available for public inspection on the counter of the District Office at the address listed above.

The public may address the Committee concerning any item of interest. Persons who wish to comment on either agenda or non-agenda items should fill out the Comment Card and give it to the General Manager. The Committee Chair will call for comments at the appropriate time. Comments will be subject to reasonable time limits (3 minutes).

In compliance with the Americans with Disabilities Act, if you have a disability, and you need a disability related modification or accommodation to participate in this meeting, then please contact the District office at (916) 991-1000. Requests must be made as early as possible and at least one full business day before the start of the meeting.

Call to Order

Public Comment

This is an opportunity for the public to comment on non-agenda items with the subject matter jurisdiction of the Committee. Comments are limited to 3 minutes.

Items for Discussion:

1. Review and discuss the expenditures of the District for the month of May 2018
2. Review and discuss the Financial Reports of the District as of May 31, 2018
3. District Policy 2.01.065, Committees and Other Assignments
4. Notice from Fathom Regarding Discontinuance of Customer Consumption Software Software Unallocated Loan Proceeds from AMI Loan
5. Bartle Wells Associates Rates Addendum Options

Directors' and General Manager Comments

Items Requested for Next Month's Committee Agenda

Adjournment

Next Finance / Administrative Committee meeting: Monday, July 16, 2018 at 6:30 p.m.

ADA COMPLIANCE STATEMENT

In compliance with the Americans with Disabilities Act, if you need special assistance or materials to participate in this meeting, please contact the District Office at 916-991-1000. Notification 48 hours prior to the meeting will enable the District to make reasonable arrangements to ensure accessibility to this meeting and agenda materials.



Finance / Administrative Committee Agenda Item: 1

Date: June 11, 2018

Subject: Expenditure Summary

Staff Contact: Timothy R. Shaw, General Manager

Recommended Committee Action:

It is recommended that the Finance / Administrative Committee approve the Expenditure Summary for the month of May 2018 and forward to the June 18, 2018 meeting of the Board.

Current Background and Justification:

These expenditures were necessary and prudent for operation of the District and consistent with the policies and budget adopted by the Board of Directors. The Expenditure Summary provides the listing of expenditures which have occurred since the last regular meeting of the Board.

Conclusion:

Consistent with the District policies, the Expenditure Summary is to be reviewed by the Finance/Administrative Committee and approved by the Board of Directors.

Rio Linda Elverta Community Water District
Operating Account GL 10000 Expenditure Report
May 2018

Type	Date	Num	Name	Memo	Amount
Liability Check	05/03/2018	EFT	QuickBooks Payroll Service	For PP Ending 04/30/2018 Paydate 05/04/2018	17,170.72
Liability Check	05/04/2018	EFT	CalPERS	For PP Ending 04/30/2018 Paydate 05/04/2018	1,662.71
Liability Check	05/04/2018	EFT	CalPERS	For PP Ending 04/30/2018 Paydate 05/04/2018	1,760.92
Liability Check	05/04/2018	EFT	California State Disbursement Unit	Employee Garnishment	397.50
Liability Check	05/04/2018	EFT	Nationwide	Employee Benefits	1,276.19
Liability Check	05/04/2018	EFT	Internal Revenue Service	Employment Taxes	5,937.04
Liability Check	05/04/2018	EFT	Employment Development	Employment Taxes	1,225.24
Bill Pmt -Check	05/04/2018	EFT	Comcast	Phone/Internet	413.59
Bill Pmt -Check	05/04/2018	EFT	Republic Services	Utilities	86.16
Bill Pmt -Check	05/04/2018	EFT	Sprint	Field Communication	346.26
Check	05/04/2018	5382	Employee	For PP Ending 04/30/2018 Paydate 05/04/2018	92.35
Check	05/04/2018	5383	State Water Resource Control Board	License Fees	120.00
Check	05/04/2018	5384	State Water Resource Control Board	License Fees	105.00
Check	05/04/2018	5385	Sacramento County Clerk	Lien Fees	32.00
Check	05/04/2018	5386	Customer	Final Bill Refund	197.47
Liability Check	05/04/2018	5387	Franchise Tax Board	Employee Garnishment	255.46
Bill Pmt -Check	05/04/2018	5388	ACWA/JPIA	Employee Benefits	21.15
Bill Pmt -Check	05/04/2018	5389	American Water Works Association	Membership Dues	420.00
Bill Pmt -Check	05/04/2018	5390	BSK	Lab Fees	3,080.00
Bill Pmt -Check	05/04/2018	5391	Cintas Corporation	Safety	104.01
Bill Pmt -Check	05/04/2018	5392	Corix Water Products	Distribution Supplies	5,753.87
Bill Pmt -Check	05/04/2018	5393	GM Construction & Developers	Contract Services	1,200.00
Bill Pmt -Check	05/04/2018	5394	Rio Linda Hardware and Building Supply	Shop Supplies	254.89
Bill Pmt -Check	05/04/2018	5395	Sacramento County Utilities	Utilities	111.70
Bill Pmt -Check	05/04/2018	5396	SMUD	Utilities	10,984.02
Bill Pmt -Check	05/04/2018	5397	Thrasher Bros Automotive	Transportation Maintenance	1,320.10
Bill Pmt -Check	05/04/2018	5398	UniFirst Corp	Uniforms	163.59
Bill Pmt -Check	05/04/2018	5399	Vanguard Cleaning Systems	Janitorial	195.00
Bill Pmt -Check	05/04/2018	5400	Void	Void	0.00
Bill Pmt -Check	05/04/2018	5401	WellTec Inc.	Pumping Maintenance	403.55
Bill Pmt -Check	05/04/2018	5402	Wickham, Gerald	Retiree Insurance: Lifetime Benefit	1,008.80
Bill Pmt -Check	05/04/2018	5403	Wood Rogers	Capital Improvement - Well 16	9,140.82
Check	05/04/2018	5404	RLECWD	Umpqua Bank Monthly Debt Service Transfer	16,500.00
Liability Check	05/15/2018	EFT	AFLAC	Employee Benefits	584.98
Liability Check	05/17/2018	EFT	QuickBooks Payroll Service	For PP Ending 05/15/18 Pay date 05/18/18	17,094.28
Liability Check	05/18/2018	EFT	CalPERS	For PP Ending 05/15/18 Pay date 05/18/18	1,662.71
Liability Check	05/18/2018	EFT	CalPERS	For PP Ending 05/15/18 Pay date 05/18/18	1,760.92
Liability Check	05/18/2018	EFT	Internal Revenue Service	Employment Taxes	5,886.56
Liability Check	05/18/2018	EFT	Employment Development	Employment Taxes	1,245.98
Liability Check	05/18/2018	EFT	Nationwide	Employee Benefits	1,231.58
Liability Check	05/18/2018	EFT	California State Disbursement Unit	Employee Garnishment	397.50
Liability Check	05/18/2018	EFT	Western Health Advantage	Employee Benefits	11,406.71
Check	05/18/2018	EFT	RLECWD - Capital Improvement	Current Monthly Transfer	50,000.00
Check	05/18/2018	EFT	RLECWD - SURCHARGE ACCOUNT 1	Current Monthly Transfer	42,500.00
Check	05/18/2018	EFT	RLECWD - Operating	Transfer funds for Security Deposits paid with Credit Card	500.00
Bill Pmt -Check	05/18/2018	EFT	Bankcard Center 2911	Computer, Fuel, Meetings, Office, Postage	878.19

**Rio Linda Elverta Community Water District
Operating Account GL 10000 Expenditure Report
May 2018**

Type	Date	Num	Name	Memo	Amount
Bill Pmt -Check	05/18/2018	EFT	Bankcard Center 4506	Fuel	266.23
Bill Pmt -Check	05/18/2018	EFT	Bankcard Center 6669	Fuel	95.94
Bill Pmt -Check	05/18/2018	EFT	Bankcard Center 7806	Fuel	75.16
Bill Pmt -Check	05/18/2018	EFT	Bankcard Center 8200	Fuel	239.14
Bill Pmt -Check	05/18/2018	EFT	Bankcard Center 8900	Fuel	171.27
Bill Pmt -Check	05/18/2018	EFT	Verizon	Field IT	260.89
Check	05/18/2018	5405	Employee	For PP Ending 05/15/18 Pay date 05/18/18	92.35
Liability Check	05/18/2018	5406	Teamsters Local #150	Union Dues	560.00
Check	05/18/2018	5407	Postmaster	Bulk Mail Postage Refill	2,181.45
Check	05/18/2018	5408	Customer	Customer Final Bill Refund	45.57
Check	05/18/2018	5409	Customer	Customer Final Bill Refund	47.87
Check	05/18/2018	5410	Employee	Parking Reimbursement	111.00
Check	05/18/2018	5411	Customer	Customer Final Bill Refund	23.13
Bill Pmt -Check	05/18/2018	5412	Affinity Engineering	Engineering	5,000.00
Bill Pmt -Check	05/18/2018	5413	American Mobile Shredding	Office Expense	25.00
Bill Pmt -Check	05/18/2018	5414	Anthem Blue Cross	Retiree Health Insurance: Wickham Lifetime Benefit	976.50
Bill Pmt -Check	05/18/2018	5415	BSK Associates	Lab Fees	375.00
Bill Pmt -Check	05/18/2018	5416	Bullet Information Technology Solutions	Computer Maintenance	700.00
Bill Pmt -Check	05/18/2018	5417	Churchwell White	Legal Services	6,554.07
Bill Pmt -Check	05/18/2018	5418	CoreLogic Solutions	Metro Scan	134.75
Bill Pmt -Check	05/18/2018	5419	Ferguson Enterprises	Meter Maintenance	41,780.06
Bill Pmt -Check	05/18/2018	5420	PG&E	Utilities	84.41
Bill Pmt -Check	05/18/2018	5421	Rio Linda Elverta Recreation & Park	Meeting Fees	50.00
Bill Pmt -Check	05/18/2018	5422	Special District Risk Management Auth.	Workers Compensation 2018-19	14,937.26
Bill Pmt -Check	05/18/2018	5423	Spok, Inc.	Field Communication	15.17
Bill Pmt -Check	05/18/2018	5424	State Water Resources Control Board	Licensing	100.00
Bill Pmt -Check	05/18/2018	5425	Tesco Controls	Field IT - 2018-19 Annual Maintenance	6,100.00
Bill Pmt -Check	05/18/2018	5426	USA BlueBook	Chemicals & Supplies	419.42
Liability Check	05/25/2018	EFT	Dental and Vision Ins.com	Employee Benefits	1,961.10
Total 10000 - Bank - Operating Account					300,272.26

Accrual Basis

**Rio Linda Elverta Community Water District
Other Accounts Expenditure Report
May 2018**

Type	Date	Num	Payee	Memo	Amount
Transfer	05/18/2018	EFT	RLECWD - Operating Account	April 2018 Security Deposits Applied	100.00
10100 - Security Deposits					<u>100.00</u>

Type	Date	Num	Payee	Memo	Amount
Check	05/01/2018	EFT	Revenue Refunding Bond Trustee	Loan Payment	112,426.40
10350 - Umqua Bank					<u>112,426.40</u>

Type	Date	Num	Payee	Memo	Amount
Transfer	05/04/2018	EFT	RLECWD - Operating	CIP Expense Transfer: Refer to operating check numbers: 5403	9,140.82
Transfer	05/18/2018	EFT	RLECWD - Operating	CIP Expense Transfer: Refer to operating check numbers: 5259 & 5341 Prior Periods	16,679.68
10455 - Capital Improvement Reserve					<u>25,820.50</u>



Finance /Administrative Committee Agenda Item: 2

Date: June 11, 2018

Subject: Financial Report

Staff Contact: Timothy R. Shaw, General Manager

Recommended Committee Action:

It is recommended that the Finance / Administrative Committee review the Finance Reports of the District for the month of May 2018.

Current Background and Justification:

The financial reports are the District's balance sheet, profit and loss, and capital improvements year to date. This report provides the snapshot of the District's fiscal health for the period covered.

Conclusion:

Consistent with District policies, these financials are to be reviewed by this committee and presented to the Board of Directors to inform them of the District's current financial situation.

Rio Linda Elverta Community Water District

Balance Sheet
As of May 31, 2018

ASSETS

Current Assets

Checking/Savings

100 · Cash & Cash Equivalents

10000 · Operating Account

10005 · Operating Fund 258,241.17

10010 · Operating Reserve Fund 250,000.00

Total 10000 · Operating Account 508,241.17

10100 · Trust/Security Deposit Account 43,652.00

10450 · Capital Improvement

10455 · Capital Improvement Fee Reserve 573,983.34

10460 · Vehicle Replacement Reserve 0.00

10465 · Cr6 Project 11,994.40

Total 10450 · Capital Improvement 585,977.74

10600 · LAIF GASB 45 15,992.96

Total 100 · Cash & Cash Equivalents 1,153,863.87

102 · Restricted Assets

102.1 · Restricted Capital Improvements

10700 · ZIONS Inv/Surcharge Reserve 490,045.48

Total 102.1 · Restricted Capital Improvements 490,045.48

102.2 · Restricted for Debt Service

10300 · Surcharge 1 Account 678,672.43

10325 · Community Business Bank 92,985.66

10350 · Umpqua Bank 24,241.61

10350 · Surcharge 2 Account 363,378.43

Total 102.2 · Restricted for Debt Service 1,159,278.13

Total 102 · Restricted Assets 1,649,323.61

Total Checking/Savings 2,803,187.48

Accounts Receivable 4,751.47

Other Current Assets

12000 · Water Utility Receivable 502,125.02

12200 · Accrued Revenue 0.00

12250 · Accrued Interest Receivable 2,462.50

15000 · Inventory Asset 132,606.59

16000 · Prepaid Expense 48,984.73

Total Other Current Assets 686,178.84

Total Current Assets 3,494,117.79

Fixed Assets

17000 · General Plant Assets 606,506.95

17100 · Water System Facilities 20,577,899.79

17300 · Intangible Assets 373,043.42

17500 · Accum Depreciation & Amort -8,241,347.85

18000 · Construction in Progress 595,995.98

18100 · Land 496,673.45

Total Fixed Assets 14,408,771.74

Other Assets

19000 · Deferred Outflows 297,772.00

19900 · Suspense Account 0.00

Total Other Assets 297,772.00

TOTAL ASSETS 18,200,661.53

Rio Linda Elverta Community Water District

Balance Sheet

As of May 31, 2018

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Accounts Payable	46,964.43
Credit Cards	3,979.55
Other Current Liabilities	688,605.99

Total Current Liabilities	<u>739,549.97</u>
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Long Term Liabilities

23000 · OPEB Liability	22,453.00
23500 · Lease Buy-Back	804,307.27
25000 · Surcharge 1 Loan	4,706,951.66
25050 · Surcharge 2 Loan	99,140.82
26000 · Water Rev Refunding	2,224,769.00
27000 · Community Business Bank	389,303.55
29000 · Net Pension Liability	902,961.00
29500 · Deferred Inflows-Pension	40,436.00

Total Long Term Liabilities	<u>9,190,322.30</u>
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Total Liabilities	<u>9,929,872.27</u>
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Equity

31500 · Invested in Capital Assets, Net	6,698,923.46
32000 · Restricted for Debt Service	699,786.24
38000 · Unrestricted Equity	819,658.26
Net Income	52,421.30

Total Equity	<u>8,270,789.26</u>
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TOTAL LIABILITIES & EQUITY	<u><u>18,200,661.53</u></u>
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Rio Linda Elverta Community Water District
Profit & Loss Budget Performance
May 2018

	Annual Budget	May 18	Jul 17- May 18	% of Annual Budget	YTD Annual Budget Balance
Ordinary Income/Expense					
Income					
40000 · Operating Revenue	2,615,811.00	248,887.54	2,282,730.50	87.27%	333,080.50
41000 · Non-Operating Revenue					
41110 · Investment Revenue					
41112 · Interest Revenue	400.00	6.10	415.90	103.98%	-15.90
Total 41110 · Investment Revenue	400.00	6.10	415.90	103.98%	-15.90
41120 · Taxes and Assessments	70,000.00	31,699.43	81,652.88	116.65%	-11,652.88
41140 · Other Non-Operating Revenue	2,000.00	0.00	0.00	0.00%	2,000.00
Total 41000 · Non-Operating Revenue	72,400.00	31,705.53	82,068.78	113.36%	-9,668.78
Total Income	2,688,211.00	280,593.07	2,364,799.28	87.97%	323,411.72
Gross Income	2,688,211.00	280,593.07	2,364,799.28	87.97%	323,411.72
Expense					
60000 · Operating Expenses					
60010 · Officers, Auditor & Legal Fees	112,383.00	6,091.90	77,227.78	68.72%	35,155.22
60110 · Salaries & Wages	643,156.00	50,551.58	552,617.81	85.92%	90,538.19
60150 · Employee Benefits & Expense	372,167.00	32,804.91	337,215.34	90.61%	34,951.66
60200 · Office Operations	343,576.00	25,418.65	285,476.43	83.09%	58,099.57
65000 · Field Operations	408,753.00	70,825.06	314,774.48	77.01%	93,978.52
Total 60000 · Operating Expenses	1,880,035.00	185,692.10	1,567,311.84	83.37%	312,723.16
69000 · Non-Operating Expenses					
69110 · Revenue Bond					
69105 · Principle	129,077.00	78,000.00	129,077.00	100.00%	0.00
69110 · Interest	69,617.00	34,426.40	69,616.40	100.00%	0.60
69120 · Admin Fees	0.00	0.00	0.00	0.00%	0.00
Total 69110 · Revenue Bond	198,694.00	112,426.40	198,693.40	100.00%	0.60
69125 · AMI Meter Loan					
69130 · Principle	45,400.00	0.00	45,399.73	100.00%	0.27
69135 · Interest	13,114.00	0.00	13,114.19	100.00%	-0.19
Total 69150 · Revenue Bond	58,514.00	0.00	58,513.92	100.00%	0.08
69400 · Other Non-Operating Expense	2,000.00	0.00	0.00	0.00%	2,000.00
Total 69000 · Non-Operating Expenses	259,208.00	112,426.40	257,207.32	99.23%	2,000.68
Total Expense	2,139,243.00	298,118.50	1,824,519.16	85.29%	314,723.84
Net Ordinary Income	548,968.00	-17,525.43	540,280.12		
Net Income	548,968.00	-17,525.43	540,280.12		



Finance /Administrative Committee

Agenda Item: 3

Date: June 11, 2018

Subject: District Policy 2.01.065, Committees and Other Assignments

Staff Contact: Timothy R. Shaw, General Manager

Recommended Committee Action:

I recommend the Finance Committee review the existing subject policy in the context of the need for more clarification on dissolution of ad hoc committees and/or the need for the full Board to ratify ad hoc committee assignments.

Current Background and Justification:

There was considerable discussion on the status of the Facilities/Office Ad Hoc committee at the May 21st RLECWD Board meeting. Some of the discussion revealed the absence of clarity on how an ad hoc committee is established, for how long, and how is it dissolved. Possible improvements to a policy revision could include, but are not limited to:

- Ad hoc committee appointments (creation of the limited scope, limited duration committee) are to be initiated by the Chair and ratified by the full Board.
- Ad hoc committees assignments (which directors serve on a given Committee are directed by the Chair with cooperation from the assigned Board Members, i.e. the Chair cannot assign an unwilling participant.
- Ad hoc committees are dissolved on the sixth month following the Board ratification of the appointment of the ad hoc, e.g. if the Board ratifies XXX Ad Hoc Committee at the June 2018 Board meeting, the XXX Ad Hoc Committee is deemed by default to be dissolved at the December 2018 Board Meeting. Ad hoc committees are also deemed to be dissolved upon the submittal of a final report.

- Ad hoc committees which do not meet or do not report to the full Board for three consecutive regular Board meetings are deemed dissolved.

Some of the above clarification could be crafted to apply to standing committees as well, e.g. standing committee assignments must be ratified by the full board.

Conclusion:

The minimum action needed is to preclude the perception that RLECWD is creating perpetual ad hoc committees. To satisfy the exceptions to the Brown Act, ad hoc committee cannot simply be called ad hoc and function as a standing committee not open to the public. Additionally, the Board should be mindful that no single Board Member should have disproportionate authority. We must guard against manipulations and interpretations that tilt the balance of authority.

Relevant Excerpts from Existing RLECWD Policy Manual

2.01.060 Duties of President and Vice President. (See Ca Water Code §30578) The President shall preside at all meetings of the Board and act as Chairperson of the Board, shall appoint all committee members as specified in section 2.01.080, shall sign all contracts on behalf of the District, and shall perform all other duties necessary or incidental to his/her office as authorized or imposed by the Board. In the absence of the President or because of the President's inability to act, the Vice President shall take his/her place and perform the duties of the President.

2.01.065 Committees and Other Assignments. The Board President shall appoint such standing and/or ad hoc committees as may be deemed necessary or advisable by himself/herself and/or the Board. The President of the Board shall make all appointments of Directors to ad hoc and standing Committees. In addition, the President of the Board may designate Board members to represent the Board as needed.

- (a) The duties of a standing committee shall be determined at the time of appointment. Standing committees shall only be dissolved by majority vote of the Board.
- (b) The duties of an ad hoc committee shall be determined at the time of appointment and the committee shall be considered dissolved when its final report has been made.
- (c) If the Board President or the Board has created a standing committee, then the members of such committee shall be appointed for the year no later than the Boards regular meeting in January.
- (d) All meetings of standing committees shall conform to all open meeting laws (e.g., Ralph M. Brown Act) that pertain to regular meetings of the Board.



Finance /Administrative Committee

Agenda Item: 4

Date: June 11, 2018

Subject: Notice from Fathom Regarding Discontinuance of Customer Consumption Software Unallocated Loan Proceeds from AMI Loan

Staff Contact: Timothy R. Shaw, General Manager

Recommended Committee Action:

I recommend the Finance Committee direct staff on allocation of Advanced Metering Infrastructure (AMI) loan proceeds which were previously allocated for the customer consumption data program, through Fathom. There are also additional allocations of loan proceeds in the AMI meter loan which should be confirmed, recommended by Committee and authorized by the Board.

Current Background and Justification:

For some time, the District has been working with its AMI metering contractor, Ferguson to complete the contract for AMI metering. A sub-component of the contract calls for software and programming to allow customers to interface with their consumption data. Fathom was the subcontractor selected for such service. The Fathom product has never been fully functional and there are only 14 customers (including staff and Directors) enrolled in the program. The allocation for this contract component is approximately \$41,000. With the discontinuance notice from Fathom, the District has unallocated loan proceeds, i.e. money the District borrowed and is paying 3.1% interest for 10-years. If the District continues to value a customer consumption interface, we would need to initiate a new RFP process to procure the product/services from a provider other than Fathom.

If the district is no longer interested in a customer consumption portal, there are a few options to consider:

- Apply the proceeds to the loan principal (early re-payment). This will not eliminate interest charges. The AMI loan is structured differently to the Cr+6 loan. Prepayment does not prevent interest charges with the AMI loan.
- Identify other capital improvements/purchases which could be effectively funded via these relatively favorable terms (3.1% interest). One such capital improvement would be a multi-function printer (MFP). The District currently owns two refurbished Multi-Function printers, which require \$2,200 per year maintenance contracts. I've received a quote for a new MFP via a government agency joint purchasing contract for approximately \$9,000. The new MFP has maintenance included for 5-years and the price per click (toner charges) are less with the new MFP. The District would balance out the purchase price at the 4-year mark. The savings with the new MFP (compared to the maintenance cost for the old two MFPs) would pay for the purchase price after 4-years. Remaining unallocated loan proceeds can be used to reduce interest charges for the remainder of the loan.
- The recently adopted Proposed Budget for FY 18/19 includes funding for upgrading billing software (CUSI). Some of the unallocated AMI loan proceeds could be allocated for a share of the billing software purchase price. This action would mitigate the trend Director Ridilla expressed concern over where the Districts spending is trending toward deficit spending.

Conclusion:

Review and discuss the options described above. With this direction, staff can focus on the preferences provided by the committee to establish actionable documents with greater detail. For example, if the Committee directs capital purchase item(s), staff will prepare the documents requisite for Board action to authorize the purchase and execute the early loan repayment using the unspent balance of AMI loan proceeds.

Beyond the Fathom component of the loan, there appears to be funding for facilities which the District may no longer need. The total remaining unspent balance is approximately \$92,000.

Currently Unallocated AMI Loan proceeds

\$ 92,000	Reallocaton of AMI loan proceeds option	Approx Amount	Notes	Reduces FY 18/19 Budget Spending
	FY 18/19 Capitoal Budget share of Billing Software Upgrade	\$ 25,000	The new software enables, among other important elements, the transition to customer paid convenience fees. This eliminate \$20,000 per year of District paid credit card convenience fees. Puchase pays for itself in 15-months	X
	New Multi Function Printer	\$ 9,000	This purchase eliminates \$2200/yr in old printer annual maintenance service. This purchase pays for itself in 4-years	X
	Currently unfunded portion to replace 2005 Ford Ranger	\$ 15,000	This funding would add to existing budgeted funding for vehicle replacement and allow replacement of 2005 Ranger in FY 18/19	
	Ice Machine - Currently Funded via Oper	\$ 3,500		X
	Total for All Reallocation Options	\$ 52,500		
	Remainder of Unallocated AMI loan proceeds if all spending options are approved	\$ 39,500	Sum of FY 18/19 Operating Budget Spending Reduction	\$ 49,000





Finance /Administrative Committee Agenda Item: 5

Date: June 11, 2018

Subject: Bartle Wells Associates Rates Addendum Options

Staff Contact: Timothy R. Shaw, General Manager

Recommended Committee Action:

I recommend the Finance Committee review and discuss the options provided by Bartle Wells Associates regarding the rates addendum study in process for fire protection services. Then, direct staff on feedback to be provided to Bartle Wells.

Current Background and Justification:

Bartle Wells has completed the data analysis and allocation of Operating and Maintenance costs by customer class phases of the study. Bartle Wells has further produced three options for finalizing the study. Bartle Wells has requested feedback from the District on which of the three options the District prefers for presentation in the final study for Board consideration.

Conclusion:

The three options provided by Bartle Wells are included with the documents package for this committee meeting. The Finance Committee should review and discuss these options with staff to allow staff to provide the feedback requested by Bartle Wells. Bartle Wells can then finalize the study and staff can place agenda items and documents on an upcoming Board agenda.

Table 1

Rio Linda Elverta Community Water District
Fire Service Rate Calculation

RLECWD Customer Accounts	4,400	
Figure 30-1 in Manual M1 (5th ed.)	19% = Total revenues accolable to fire protection	
Projected 2018/19 revenues	3,072,263	
Share for fire protection	583,730	

Table 30-5 in Manual M1 (5th ed.)

Fire Service	# in Service	Demand Factor	Equivalent Connections	%	Share of FP Cost	Bi-Monthly Rate	Current Rate
Hydrants	560	111.31	62,333.60	93.71%	547,027.40	162.81	
1.5"	1	2.90	2.90	0.00%	25.45	4.24	15.00
2.0"		6.19	0.00	0.00%	0.00		
3.0"		17.98	0.00	0.00%	0.00		
4.0"	13	38.32	498.16	0.75%	4,371.75	56.05	40.00
6.0"	11	111.31	1,224.41	1.84%	10,745.18	162.81	60.00
8.0"	6	237.21	1,423.26	2.14%	12,490.25	346.95	80.00
10.0"		426.58	0.00	0.00%	0.00		
12.0"		689.04	0.00	0.00%	0.00		
14.0"	1	1033.52	1,033.52	1.55%	9,069.97	1,511.66	140.00
			<u>66,515.85</u>	<u>100.00%</u>	<u>583,730.00</u>		

Table 2

Rio Linda Elverta Community Water District
Fire Service Rate Calculation

RLECWD Customer Accounts	4,400	
Figure 30-1 in Manual M1 (5th ed.)	19% = Total revenues accolable to fire protection	
Projected 2018/19 revenues	3,072,263	
Share for fire protection	583,730	

Table 30-5 in Manual M1 (5th ed.)

Fire Service	# in Service	Demand Factor	Equivalent Connections	%	Share of FP Cost	Bi-Monthly Rate	Current Rate
Hydrants	560	111.31	62,333.60	94.85%	553,655.61	164.78	
1.5"	1	2.90	2.90	0.00%	25.76	4.29	15.00
2.0"		6.19	0.00	0.00%	0.00		
3.0"		17.98	0.00	0.00%	0.00		
4.0"	13	38.32	498.16	0.76%	4,424.73	56.73	40.00
6.0"	11	111.31	1,224.41	1.86%	10,875.38	164.78	60.00
8.0"+	6	237.21	1,423.26	2.17%	12,641.59	351.16	80.00
10.0"		237.21	0.00	0.00%	0.00		
12.0"		237.21	0.00	0.00%	0.00		
14.0"	1	237.21	237.21	0.36%	2,106.93	351.16	140.00
			65,719.54	100.00%	583,730.00		

Table 3

Rio Linda Elverta Community Water District
Fire Service Rate Calculation

RLECWD Customer Accounts	4,400	
Figure 30-1 in Manual M1 (5th ed.)		19% = Total revenues accorable to fire protection
Projected 2018/19 revenues	3,072,263	
Share for fire protection	583,730	

Table 30-5 in Manual M1 (5th ed.)

Fire Service	# in Service	Demand Factor	Equivalent Connections	%	Share of FP Cost	Bi-Monthly Rate	Current Rate
Hydrants	560	111.31	62,333.60	96.14%	561,181.06	167.02	
1.5"	1	2.90	2.90	0.00%	26.11	4.35	15.00
2.0"		6.19	0.00	0.00%	0.00		
3.0"		17.98	0.00	0.00%	0.00		
4.0"	13	38.32	498.16	0.77%	4,484.87	57.50	40.00
6.0"+	11	111.31	1,224.41	1.89%	11,023.20	167.02	60.00
8.0"	6	111.31	667.86	1.03%	6,012.65	167.02	80.00
10.0"		111.31	0.00	0.00%	0.00		
12.0"		111.31	0.00	0.00%	0.00		
14.0"	1	111.31	111.31	0.17%	1,002.11	167.02	140.00
			<u>64,838.24</u>	<u>100.00%</u>	<u>583,730.00</u>		