



*Dedicated to
Satisfying our Community's
Water Needs*

**AGENDA
MESA WATER DISTRICT
BOARD OF DIRECTORS
Tuesday, November 16, 2021
1965 Placentia Avenue, Costa Mesa, CA 92627
3:30 p.m. Adjourned Regular Board Meeting**

BOARD OF DIRECTORS COMMITTEE MEETING

**Teleconference Site:
2871 Alanzo Lane
Costa Mesa, CA 92626**

**Members of the public may attend and participate in the meeting at both locations.
Notice will be posted on the door at the teleconference site.**

CALL TO ORDER

PLEDGE OF ALLEGIANCE

PUBLIC COMMENTS

Items Not on the Agenda: Members of the public are invited to address the Board regarding items which are not appearing on the posted agenda. Each speaker shall be limited to three minutes. The Board will set aside 30 minutes for public comments for items not appearing on the posted agenda.

Items on the Agenda: Members of the public shall be permitted to comment on agenda items before action is taken, or after the Board has discussed the item. Each speaker shall be limited to three minutes. The Board will set aside 60 minutes for public comments for items appearing on the posted agenda.

ITEMS TO BE ADDED, REMOVED, OR REORDERED ON THE AGENDA

At the discretion of the Board, all items appearing on this agenda, whether or not expressly listed as an Action Item, may be deliberated and may be subject to action by the Board.

CONSENT CALENDAR ITEMS:

Approve all matters under the Consent Calendar by one motion unless a Board member, staff, or a member of the public requests a separate action.

1. Receive and file the Developer Project Status Report.
2. Receive and file the Mesa Water and Other Agency Projects Status Report.
3. Receive and file the Water Quality Call Report.
4. Receive and file the Water Operations Status Report.
5. Receive and file the Accounts Paid Listing.
6. Receive and file the Monthly Financial Reports.
7. Receive and file the Major Staff Projects.
8. Receive and file the State Advocacy Update.
9. Receive and file the Orange County Update.
10. Receive and file the Outreach Update.



11. Receive and file the Fiscal Year 2022 First Quarter Financial Update.

PRESENTATION AND DISCUSSION ITEMS:

12. FISCAL YEAR 2021 ENVIRONMENTAL, HEALTH AND SAFETY PROGRAM AUDIT:

Recommendation: Receive the presentation.

13. WATER RATE STUDY:

Recommendation:

- a. **Receive the draft report of the Water Rate Study;**
- b. **Direct staff to finalize the proposed rate schedule for Calendar Years 2023 through 2027;**
- c. **Direct staff to proceed with Proposition 218 notice preparation and mailing; and,**
- d. **Direct staff to schedule two public hearings for January 12, 2022.**

ACTION ITEMS:

14. TRAVEL AND BUSINESS EXPENSE REIMBURSEMENT POLICY:

Recommendation: Adopt Resolution No. 1552 Revising the Travel and Business Expense Reimbursement Policy Superseding Resolution No. 1467.

15. COMMUNICATIONS EQUIPMENT AND SERVICE POLICY:

Recommendation: Adopt Resolution No. 1553 Revising the Communications Equipment and Service Policy Superseding Resolution No. 1474.

16. DEPARTMENT OF WATER RESOURCES 2021 URBAN AND MULTIBENEFIT DROUGHT RELIEF GRANT PROGRAM:

Recommendation:

- a. **Adopt Resolution No. 1554 Authorizing the Grant Application, Acceptance, and Execution for the Mesa Water Drought-Resilient Water Supply Project; and,**
- b. **Adopt Resolution No.1555 Authorizing the Grant Application, Acceptance, and Execution for the Mesa Water Drought-Resilient Water Storage Project.**

REPORTS:

17. REPORT OF THE GENERAL MANAGER

18. DIRECTORS' REPORTS AND COMMENTS

INFORMATION ITEMS:

19. FISCAL YEAR 2021 ANNUAL REIMBURSEMENT REPORT



20. OTHER (NO ENCLOSURE)

CLOSED SESSION:

21. PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 54957.6:
PUBLIC EMPLOYEE PERFORMANCE EVALUATION
TITLE: GENERAL MANAGER

RETURN TO OPEN SESSION.

ACTION ITEMS (CONT.):

22. ANNUAL PERFORMANCE EVALUATION FOR THE GENERAL MANAGER:

Recommendation: Take action as the Board desires.

In compliance with California law and the Americans with Disabilities Act, if you need disability-related modifications or accommodations, including auxiliary aids or services in order to participate in the meeting, or if you need the agenda provided in an alternative format, please call the District Secretary at (949) 631-1205. Notification 48 hours prior to the meeting will enable Mesa Water District (Mesa Water®) to make reasonable arrangements to accommodate your requests.

Members of the public desiring to make verbal comments using a translator to present their comments into English shall be provided reasonable time accommodations that are consistent with California law.

Agenda materials that are public records, which have been distributed to a majority of the Mesa Water Board of Directors (Board), will be available for public inspection at the District Boardroom, 1965 Placentia Avenue, Costa Mesa, CA and on Mesa Water's website at www.MesaWater.org. If materials are distributed to the Board less than 72 hours prior or during the meeting, the materials will be available at the time of the meeting.

ADJOURN TO A REGULAR BOARD MEETING SCHEDULED FOR THURSDAY, DECEMBER 8, 2021 AT 4:30 P.M.

DEVELOPER PROJECT STATUS REPORT

PROJECT STATUS - DEVELOPER PROJECTS			
FILE NO.	PROJECT ADDRESS	PROJECT DESCRIPTION	PROJECT NOTES/STATUS
C0013-22-01	Randolph Avenue and Saint Clair Street	Irrigation Improvements	Application for New Services received on 10/27/2020 and plan check fees are waived. 1st Plan check submitted on 8/25/21 and returned on 8/30/21. 2nd Plan check submitted on 9/14/21 and returned on 9/18/21.
C0014-21-01	1170 Baker Street, Units C and D	Commercial Building	Plans received on 7/15/20 and plan check fees paid on 7/20/20. Redlines returned on 7/23/20. 2nd Plan check submitted 8/13/20 and redlines returned on 8/14/20. 3rd Plan check submitted 8/31/20 and returned on 9/6/20. Permit issued on 10/23/20. Waiting for Contractor to call for Inspection. (11/5/21)
C0070-21-01	2950 Harbor Blvd. (Fast5Xpress Car Wash)	Commercial Building	Plans received and plan check fees paid on 6/2/21. 1st Plan Check submitted on 6/2/21 and returned on 6/4/21. 2nd Plan check submitted on 6/24/21 and returned on 6/25/21. Permit issued on 8/3/21. Waiting for Contractor to call for Inspection. (11/5/21)
C0071-20-01	2277 Harbor Boulevard	Apartment Complex	Plans received and plan check fees paid on 3/17/20 and redlines returned on 3/26/20. 2nd Plan check received on 3/31/20. 2nd plan check submitted on 4/5/20 and redlines returned on 4/8/20. Received quitclaim exemption on 10/9/20. Permit issued on 12/22/20. Precon held on 4/22/21. Future hydrant placement inspected on 5/13/21. Hot Tapping inspected on 6/23/21. Second Precon with new Contractor held on 7/14/21. Shutdown for Abandonment completed on 8/10/21. Pressure test and thrust block placement on 10/11/21. Chlorination swab and a number of Flow Thru tests performed on 10/13/21.
C0092-19-01	2089 Harbor Blvd. (Harbor and Hamilton)	28 New Townhomes	Plans received and plan check fees paid on 4/23/19. 1st plan check submitted 4/23/19 and redlines to be picked up on 5/6/19. 2nd plan check submitted on 6/11/19 and redlines picked up on 6/18/19. 3rd Plan Check submitted on 11/25/19 and redlines returned to customer on 11/27/19. 4th Plan Check submitted on 2/4/20 and redlines emailed to customer on 2/12/20. Permit issued 6/6/20. Precon meeting held on 6/25/20. Hot taps done on 10/9/20, 10/12/20, 10/13/20. 29 Meters installed on 10/15/20. Shutdown to tie in the fireline on 10/15/20. Two Backflows tested on 10/23/20. Abandonment completed on 10/28/20. Meter install on 11/2/20. Service abandonments performed on 1/7/21. Flow tests performed on two buildings on 3/18/21. Flow thru test for seven homes completed on 8/18/21, and another 10 homes on 10/11/21, and the remainder tested on 10/13/21.

DEVELOPER PROJECT STATUS REPORT

PROJECT STATUS - DEVELOPER PROJECTS			
FILE NO.	PROJECT ADDRESS	PROJECT DESCRIPTION	PROJECT NOTES/STATUS
C0102-20-02	3550 Cadillac Avenue	Commercial	Plans received and plan check fees paid on 11/25/19. 1st Plan check submitted 11/25/19 and redlines emailed on 12/4/19. Issued plan check application termination to Owner due to non-responsiveness to complete plan check process. 2nd Plan check submitted on 7/2/20 and returned on 7/5/20. 3rd Plan check submitted on 7/25/21 and returned on 7/31/21. 4th Plan check submitted on 8/24/21 and returned on 8/29/21. 5th Plan check submitted on 10/11/21 and returned on 10/12/21. 6th Plan check submitted on 10/22/21 and returned on 10/23/21.
C0105-20-01	3333 Avenue of the Arts	Commercial	Plans received and plan check fees paid on 7/24/19. 1st Plan check submitted 7/26/19 and redlines to be picked up on 7/26/19. 2nd Plan check submitted on 8/30/19 and resubmitted on 9/11/19. 3rd plan check resubmitted on 10/8/19. Permit approved and final fees paid on 10/24/19. Precon held on 11/24/19. Temporary RW pipeline inspected and approved on 11/27/19 and report sent to DDW on 12/4/19. Precon meeting conducted on 3/5/21. Mainline and Fireline excavations inspected on 3/12/21. Services installed on 4/1/21. Meters installed on 4/6/21. Backflow tests performed on 4/7/21. Backfill and compaction completed on 4/8/21. Meter installed and locked off on 5/17/21. Waiting for Contractor to call for Inspection. (11/5/21)
C0120-20-01	934 Congress Street	Single Family Home	Plans received and plan check fees paid on 10/28/19. 1st Plan check submitted 10/28/19 and redlines picked up on 11/5/19. 2nd Plan check submitted on 3/11/20, and redlines emailed to customer on 3/18/20. 3rd Plan check submitted on 3/24/20 and redlines re-emailed to customer on 3/26/20. Customer put project on hold on 3/27/20. Verified construction has started on 5/7/20. Issued water termination letter to Owner on 5/29/20 due to non-responsiveness to complete plan check process. Sent a letter to resume Plan Check as Fire Marshall informed Mesa Water District the residence construction continued without a permit on 5/2/21. (11/5/21)
C0137-20-01	3001 Murray Lane	Single Family Home	Plans received and plan check fees paid on 2/28/20. 1st Plan check submitted on 2/28/20 and redlines returned on 3/9/20. 2nd submittal submitted on 9/30/20 and returned on 10/11/20. 3rd Plan check submitted on 4/30/21 and returned on 5/2/21. 3rd Plan check submitted on 5/2/21 and returned on 5/2/21. Permit issued on 10/5/21.

DEVELOPER PROJECT STATUS REPORT

PROJECT STATUS - DEVELOPER PROJECTS			
FILE NO.	PROJECT ADDRESS	PROJECT DESCRIPTION	PROJECT NOTES/STATUS
C0140-20-01	2163 National Avenue	Single Family Home	Plans received and plan check fees paid on 3/4/20. 1st Plan check submitted on 3/4/20 and redlines returned on 3/13/20. 2nd Plan check submitted on 3/18/21 and redlines returned on 3/19/21. 2nd Plan check submitted on 6/25/21 and returned on 6/25/21. 3rd Plan check submitted on 7/28/21 and returned on 7/30/21. Permit issued on 8/16/21. Precon held on 9/22/21. Services installed on 9/29/21. Shutdown for Abandonment completed and meter upgraded and locked off on 9/30/21.
C0142-20-01	2309 Santiago Drive	Single Family Home	Plans received on 4/23/20 and plan check fees paid on 4/29/20. 1st Plan check submitted on 4/23/20 and redlines returned on 5/9/20. 2nd Plan check submitted on 5/15/20 and redlines returned on 5/28/20. Issued Permit on 6/10/20. Precon held on 3/16/21. Raised service on 3/23/21. Waiting for Contractor to call for next Inspection. (11/5/21)
C0148-20-01	2094 Balmoral Place	Single Family Home	Application for New Service received on 5/15/20. 1st Plan check submitted on 6/15/20 and redlines returned on 6/21/20. Plan check fees paid on 7/3/20. Awaiting response from customer on status. Site visit to check construction progress on 3/16/21 and home is still being built. (11/5/21)
C0150-20-02	165 Merrill Place	Single Family Home	Plans received on 7/3/20 and plan check fees paid on 6/25/20. 1st Plan check submitted on 6/25/20 and redlines returned on 7/5/20. Rescinded permit on 9/16/20. 2nd Plan check submitted 9/28/20 and returned on 9/29/20. Issued permit on 10/27/20. Precon held on 3/17/21. Waiting for Contractor to call for next inspection. (11/5/21)
C0152-21-01	369 Costa Mesa Street	Single Family Home	Plans received on 7/21/20 and plan check fees paid on 7/15/20. 1st Plan check submitted on 7/22/20 and redlines returned on 7/22/20. 2nd Plan check submitted on 8/6/21 and returned on 8/13/21. (11/5/21)
C0158-21-01	396 E. 21st Street	Mobile Home Park	Plan check fees paid on 8/13/20 and Application for New Service submitted on 8/7/20. 1st Plan check submitted on 7/30/20 and returned on 8/15/20. 2nd Plan check submitted on 9/2/20 was rejected. Revised 2nd Plan check submitted on 9/10/20 and returned on 9/12/20. Issued permit on 10/27/20. Waiting for Precon inspection request anticipated in May 2021. Precon held on 5/27/21. Waiting for Contractor to call for next inspection. (11/5/21)

DEVELOPER PROJECT STATUS REPORT

PROJECT STATUS - DEVELOPER PROJECTS			
FILE NO.	PROJECT ADDRESS	PROJECT DESCRIPTION	PROJECT NOTES/STATUS
C0160-21-01	272 Rose Lane	Single Family Home	Plan check fees paid and Application for New Service submitted on 8/24/20. 1st Plan check submitted on 8/24/20 and returned on 8/30/20. 2nd Plan check submitted on 8/31/20 and returned on 9/6/20. Issued permit on 9/30/20. Precon held on 4/20/21. Waiting for Contractor to call for inspection. (11/5/21)
C0164-21-01	282 E. 18th Street	Single Family Home	Plan check fees paid and Application for New Service submitted on 9/3/20. 1st Plan check submitted on 8/31/20 and returned on 9/6/20. Issued permit on 9/30/20. Waiting for Contractor to call for inspection. (11/5/21)
C0165-21-01	2110 Monrovia Avenue	Single Family Home	Plan check fees paid and Application for New Service submitted on 9/3/20. 1st Plan check submitted on 9/2/20 and returned on 9/6/20. Issued permit on 9/17/20. Waiting for Contractor to call for inspection. (11/5/21)
C0169-21-01	785 Center Street	Single Family Home	Plan check fees paid and Application for New Service submitted on 9/14/20. 1st Plan check submitted on 9/14/20 and returned on 9/18/20. 2nd Plan check submitted on 9/24/20 and returned on 9/25/20. Issued permit on 10/5/20. Site presurvey completed on 12/28/20. Waiting for Contractor to call for inspection. (11/5/21)
C0176-21-01	752-756 W. 19th Street	Mix Use	Application for New Service and plan Check Fees submitted on 12/21/20. 1st Plan check submitted on 12/21/20 and returned on 12/23/20. 2nd Plan check submitted 1/25/21 and returned on 2/2/21. 3rd Plan check submitted on 2/15 and returned on 2/15/21. (11/5/21)
C0177-21-01	2141 Orange Avenue	Single Family Home	Application for New Service and Plan Check Fee submitted on 12/21/20 and returned on 12/23/20. 2nd Plan check submitted on 12/24/20 and returned on 12/24/20. Issued permit on 1/5/21. Waiting for Contractor to call for inspection. (11/5/21)
C0179-21-01	2183 and 2185 Tustin Avenue	Two Single Family Home	Application for New Service and Plan Check Fee submitted on 12/21/20. 1st Plan check submitted on 12/21/20 and returned on 12/23/20. 2nd Plan check submitted on 1/26/21 and returned on 2/2/21. Permit issued on 5/4/21. Precon held on 5/12/21. Building services, hot-tapping, and backfill completed on 6/14/21. Meter installed on 6/17/21. Waiting for Contractor to call for next inspection. (11/5/21)

DEVELOPER PROJECT STATUS REPORT

PROJECT STATUS - DEVELOPER PROJECTS			
FILE NO.	PROJECT ADDRESS	PROJECT DESCRIPTION	PROJECT NOTES/STATUS
C0180-21-01	3197 Airport Loop, Building F	Commercial	Application for New Service and Plan Check Fee submitted on 12/23/20. 1st Plan check submitted on 12/23/20 and returned on 12/24/20. 2nd Plan check submitted on 1/11/21 and returned on 1/12/21. 3rd Plan check submitted on 2/4/21 and returned on 2/7/21. (11/5/21)
C0182-21-01	1850 Paros Circle	Single Family Home	Application for New Service submitted on 01/28/21 and Plan Check Fee received on 01/26/21. 1st Plan check submitted on 01/28/21 and redlines returned on 2/2/21. 2nd Plan check submitted on 2/4/21 and returned on 2/7/21. Permit issued 3/5/2021. Precon meeting held on 9/14/21.
C0183-21-01	148 E. 22nd Street	St. Mary Armenian Church	Plan Check Fee received on 2/4/21 and Application for New Service received on 6/22/21. 1st Plan check submitted on 6/22/21 and returned on 7/3/21. 2nd Plan check submitted on 9/15/21 and returned on 9/18/21. (11/5/21)
C0184-21-01	238 Flower Street	Single Family Home	Application for New Service submitted on 02/2/21 and Plan Check Fee received on 02/01/21. 1st Plan check submitted on 02/16/21 and redlines returned on 2/20/21. 2nd Plan Check submitted on 2/25/21 and returned on 2/28/21. Issued permit on 3/5/21. Waiting for Contractor to call for inspection. (11/5/21)
C0185-21-01	125 and 127 Cabrillo Street	Commercial Property	Application for New Service submitted on 02/16/21 and Plan Check Fee received on 02/20/21. 1st Plan check submitted on 2/25/21 and returned on 2/28/21. 2nd Plan check submitted on 3/12/21 and returned on 3/14/21. Permit issued on 7/12/21. Waiting for Contractor to call for inspection. (11/5/21)
C0186-21-01	2033 Lemnos Drive	Single Family Home	Application for New Service submitted on 02/27/21 and Plan Check Fee received on 02/26/21. 1st Plan check submitted on 2/26/21 and returned on 2/28/21. Issued permit on 3/17/21. Precon meeting held on 5/25/21. Trench excavations inspected on 5/26/21. Waiting for Contractor to call for next inspection. (11/5/21)
C0187-21-01	237 E. 20th Street	Single Family Home	Application for New Service submitted on 2/23/21 and Plan Check Fee received on 2/25/21. 1st Plan check submitted on 3/1/21 and returned on 3/5/21. 2nd Plan check submitted on 3/13/21 and returned on 3/14/21. Issued permit on 3/19/21. Precon held on 3/26/21. Meter upgraded on 4/1/21. Waiting for Contractor to call for inspection. (11/5/21)

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FILE NO.	PROJECT ADDRESS	PROJECT DESCRIPTION	PROJECT NOTES/STATUS
C0188-21-01	3190 Pullman Street	Commercial Property	Application for New Service submitted on 3/1/21 and Plan Check Fee received on 3/4/21. 1st Plan check submitted on 3/2/21 and returned on 3/5/21. 2nd Plan check submitted on 3/12/21 and returned on 3/14/21. (11/5/21)
C0189-21-01	975 West 18th Street	Commercial Property	Application for New Service submitted on 03/04/21 and Plan Check Fee received on 03/04/21. 1st Plan check submitted on 3/4/21 and returned on 3/5/21. Inspector visited jobsite to check status with nothing new to report on 3/9/21. 2nd Plan check submitted on 3/18/21 and returned on 3/19/21. 3rd Plan check submitted on 6/13/21 and returned on 6/13/21. 4th Plan Check submitted on 7/29/21 and returned on 7/30/21. Permit issued on 9/1/21. Precon meeting held on 9/9/21. Meter installed and locked off on 9/16/21. Chlorination flush completed on 9/22/21.
C0191-21-01	1939 Continental Place	Single Family Home	Application for New Service submitted and Plan Check Fee received on 4/8/21. 1st Plan check submitted on 4/8/21 and returned on 4/9/21. 2nd Plan check submitted on 4/16/21 and returned on 4/17/21. Issued permit on 6/11/21. Waiting for Contractor to call for inspection. (11/5/21)
C0192-21-01	1750 Santa Ana Avenue	Single Family Home	Application for New Service submitted on 4/16/21 and Plan Check Fee received on 4/17/21. 1st Plan check submitted on 5/3/21 and returned on 5/3/21. 2nd Plan check submitted on 6/2/21 and returned on 6/4/21. A 6-month delay will occur due to a SCE permit issue. (11/5/21)
C0193-21-01	908 Magellan Street	Single Family Home	Application for New Service submitted on 4/19/21 and Plan Check Fee received on 4/19/21. 1st Plan check submitted on 4/19/21 and returned on 5/3/21. 2nd Plan check submitted on 10/5/21 and returned on 10/5/21.
C0194-21-01	981 Presidio Drive	Single Family Home	Application for New Service submitted on 4/20/21 and Plan Check Fee received on 4/20/21. 1st Plan check submitted on 9/7/21 and returned on 9/8/21. 2nd Plan check submitted on 10/8/21 and returned on 10/10/21.
C0195-21-01	2247 Donnie Road	Single Family Home	Application for New Service submitted on 4/22/21 and Plan Check Fee received on 6/27/21. 1st Plan check submitted on 6/24/21 and returned on 6/25/21. 2nd Plan check submitted on 6/24/21 and returned on 6/25/21. Permit issued 7/9/21. Precon held on 7/14/21. (11/5/21)

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FILE NO.	PROJECT ADDRESS	PROJECT DESCRIPTION	PROJECT NOTES/STATUS
C0198-21-01	257 Knox Place	Single Family Home	Application for New Service submitted on 5/7/21 and Plan Check Fee received on 5/7/21. 1st Plan check submitted on 5/8/21 and returned on 5/9/21. 2nd Plan check submitted on 5/16/21 and returned on 5/17/21. Issued Permit on 6/4/21. Waiting for Contractor to call for inspection. (11/5/21)
C0200-21-01	289 E. 17th Street (Target)	Commercial Property	Application for New Service submitted on 5/12/21 and Plan Check Fee submitted on 5/26/21. 1st Plan check submitted on 5/12/21. 2nd Plan check submitted on 5/28/21 and returned on 6/3/21. Issued permit on 6/14/21. Waiting for Contractor to call for inspection. (11/5/21)
C0201-21-01	3370 Harbor Blvd. (The Press)	Commercial Property	Application for New Service submitted on 5/12/21 and Plan Check Fee submitted on 5/26/21. 1st Plan check submitted on 5/12/21 and returned on 6/6/21. 2nd Plan check submitted on 6/22/21 and returned on 6/25/21. 3rd Plan Check submitted on 8/10/21 and returned on 8/13/21. (11/5/21)
C0202-21-01	1910 Federal Ave	Single Family Home	Application for New Service submitted on 5/18/21 and Plan Check Fee submitted on 5/18/21. 1st Plan check submitted on 5/25/21 and returned on 6/3/21. 2nd Plan check submitted on 8/30/21 and returned on 8/30/21. 3rd Plan check submitted on 8/31/21 and returned on 9/1/21. (11/5/21)
C0203-21-01	762 Center Street	Single Family Home	Application for New Service submitted on 4/14/21 and Plan Check Fee submitted on 5/26/21. 1st Plan check submitted on 5/26/21 and returned on 6/4/21. (11/5/21)
C0204-21-01	3106 Fernheath Lane	Single Family Home	Application for New Service submitted on 6/2/21 and Plan Check Fee submitted on 6/2/21. 1st Plan check submitted on 6/2/21 and returned on 6/4/21. 2nd Plan check submitted on 6/22/21 and returned on 6/25/21. 3rd Plan check submitted on 6/30/21 and returned on 7/1/21. Permit issued on 9/1/21. Waiting for Contractor to call for Inspection. (11/5/21)
C0205-21-01	200 E. 20th Street	Single Family Home	Application for New Service submitted on 5/26/21 and Plan Check Fee submitted on 6/2/21. 1st Plan check submitted on 5/26/21 and returned on 6/4/21. 2nd Plan check submitted on 7/12/21 and returned on 7/12/21. 3rd Plan check submitted on 9/24/21 and returned on 9/25/21.

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FILE NO.	PROJECT ADDRESS	PROJECT DESCRIPTION	PROJECT NOTES/STATUS
C0206-21-01	2168 Placentia Avenue	Single Family Home	Application for New Service and Plan Check Fee submitted on 6/11/21. 1st Plan check submitted on 6/11/21 and returned on 6/13/21. 2nd Plan check submitted on 6/23/21 and returned on 6/25/21. 3rd Plan Check submitted on 6/28/21 and returned on 6/28/21. Permit issued on 8/13/21. Precon held on 8/17/21. Waiting for Contractor to call for next Inspection. (11/5/21)
C0207-22-01	3078 Roanoke Lane	Single Family Home	Application for New Service and Plan Check Fee submitted on 7/6/21. 1st Plan check submitted on 7/6/21 and returned on 7/9/21. (11/5/21)
C0208-22-01	1951 Rosemary Place	Single Family Home	Application for New Service and Plan Check Fee submitted on 7/7/21. 1st Plan check submitted on 7/7/21 and returned on 7/9/21. 2nd Plan check submitted on 7/15/21 and returned on 7/15/21. Permit issued on 8/13/21. Waiting for Contractor to call for Inspection. (11/5/21)
C0209-22-01	379 E. 19th Street	Single Family Home	Application for New Service submitted on 7/13/21. 1st Plan check submitted on 7/13/21 and returned on 7/16/21. 2nd Plan check submitted 7/21/21 and returned on 7/21/21. Permit issued on 8/13/21. Precon meeting held on 10/26/21. Meter upgraded on 11/4/21.
C0210-22-01	1730 Bonaire Way	Single Family Home	Application for New Service and Plan Check Fee submitted on 7/21/21. 1st Plan check submitted on 8/3/21 and returned on 8/13/21. 2nd Plan Check submitted on 8/27/21 and returned on 8/27/21. (11/5/21)
C0211-22-01	274 Cecil Pl.	Single Family Home	Waiting for Application for New Service. Plan Check Fee submitted on 7/21/21. 1st Plan check submitted on 7/22/21 and returned on 7/30/21. 2nd Plan check submitted on 10/14/21 and returned on 10/15/21.
C0212-22-01	900 W. 20th Street	Mainline Valve Replacement	Plan Check Fee submitted on 7/25/21. Mesa Water District crews installing new valve week of 8/16/21. (11/5/21)
C0213-22-01	366 Esther Avenue	Single Family Home	Application for New Service and Plan Check Fee submitted on 7/6/21. 1st Plan check submitted on 7/6/21 and returned on 7/9/21. 2nd Plan check submitted on 8/19/21 and returned on 8/20/21. (11/5/21)
C0214-22-01	366 Ralcam Place	Single Family Home	Application for New Service submitted on 7/22/21 and Plan Check Fee submitted on 7/29/21. 1st Plan check submitted on 8/2/21 and returned on 8/2/21. 2nd Plan check submitted on 9/7/21 and returned on 9/8/21.

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FILE NO.	PROJECT ADDRESS	PROJECT DESCRIPTION	PROJECT NOTES/STATUS
C0215-22-01	320 Colleen Place	Single Family Home	Application for New Service submitted on 8/2/21 and Plan Check Fee submitted on 8/20/21. 1st Plan check submitted on 8/2/21 and returned on 8/20/21. 2nd Plan check submitted 9/3/21 and returned on 9/5/21.
C0216-22-01	2750 Harbor Blvd	Commercial Property	Application for New Service submitted on 8/17/21 and waiting for Plan Check Fee. 1st Plan check submitted on 8/17/21 and returned on 8/20/21. 2nd Plan check submitted on 8/20/21 and returned on 9/7/21.
C0217-22-01	1921 & 1923 Church Street	Two (2) Single Family Homes	Application for New Service submitted on 8/22/21 and waiting for Plan Check Fee. 1st Plan check submitted on 8/21/21. (11/5/21)
C0218-22-01	402 E. 19th Street	Single Family Home	Application for New Service and Plan Check Fee submitted on 8/25/21. 1st Plan check submitted on 9/26/21 and returned on 9/27/21. 2nd Plan check submitted on 9/30/21 and returned on 9/30/21. Permit issued on 10/5/21. Precon held on 10/6/21. Meter upgrade and final Flowthru test being rescheduled by Contractor. (11/5/21)
C0220-22-01	3109 Lincoln Way	Single Family Home	Application for New Service and Plan Check Fee submitted on 9/8/21. 1st Plan check submitted on 9/8/21 and returned on 9/8/21. 2nd Plan check submitted on 9/8/21 and returned on 9/14/21.
C0221-22-01	1370 Adams Avenue	Coast Community College District	Application for New Service submitted on 9/9/21. No Plan Check Fee will be submitted. 1st Plan check submitted on 9/9/21 and returned on 9/10/21.
C0222-22-01	257 Flower Street	Single Family Home	Application for New Service submitted on 9/9/21. and Plan Check Fee submitted on 9/14/21. 1st Plan check submitted on 10/11/21 and returned on 10/11/21. 2nd Plan check submitted on 10/20 and returned on 10/20/21.
C0223-22-01	2425 Windward Lane	Single Family Home	Application for New Service submitted on 9/9/21. and Plan Check Fee submitted on 9/14/21. 1st Plan check submitted on 10/20/21 and returned on 10/20/21.
C0224-22-01	1976 Fullerton Avenue	Single Family Home	Waiting for Application for New Service. Plan Check Fee submitted on 9/21/21. 1st Plan check submitted on 9/29/21 and returned on 10/9/21.
C0225-22-01	3103 Samoa Place	Single Family Home	Application for New Service submitted on 9/22/21 and Plan Check Fee submitted on 9/28/21. 1st Plan check submittal on 10/4/21 and returned on 10/9/21. 2nd Plan check submitted on 10/11/21 and returned on 10/11/21.

DEVELOPER PROJECT STATUS REPORT

PROJECT STATUS - DEVELOPER PROJECTS			
FILE NO.	PROJECT ADDRESS	PROJECT DESCRIPTION	PROJECT NOTES/STATUS
C0226-22-01	120 Albert Place	Residential - Multi-Family (9-30 units)	Application for New Service submitted on 9/21/21. Waiting for the Plan Check Fee to be submitted. 1st Plan check submittal on 9/21/21. (11/5/21)
C0227-22-01	246 Cecil Place	Single Family Home	Application for New Service submitted on 9/27/21 and Plan Check Fee submitted on 9/28/21. 1st Plan Check submitted on 9/27/21 and returned on 10/9/21.
C0228-22-01	319 E. 16th Place	Single Family Home	Application for New Service submitted on 9/29/21 and waiting on the Plan Check Fee submittal. 1st Plan Check submitted on 9/30/21 and returned on 10/9/21. Revised 1st submittal and resubmitted on 10/15/21. 2nd Plan Check submitted on 10/26/21 and returned on 10/29/21.
C0229-22-01	401 E. 17th Place	Commercial	Application for New Service submitted on 10/06/21 and the Plan Check Fee submitted on 10/05/21. 1st Plan Check submitted on 10/05/21 and returned 10/9/21.
C0230-22-01	1945 Placentia Avenue (Units B, F & G)	Commercial	Application for New Service submitted on 10/06/21 and the waiting for Plan Check Fee. 1st Plan Check submitted on 10/05/21 and returned 10/9/21.
C0231-22-01	456 Esther Street	Single Family Home	Application for New Service and Plan Check Fee submitted on 10/06/21. 1st Plan Check submitted on 10/06/21 and returned on 10/10/21. 2nd Plan check submitted on 10/14/21 and returned on 10/15/21.
C0232-22-01	462 Costa Mesa Street	Single Family Home	Application for New Service and Plan Check Fee submitted on 10/22/21. 1st Plan Check submitted on 10/22/21 and returned on 10/29/21. 2nd Plan check submitted on 10/29/21 and returned on 10/29/21.
C0233-22-01	473 Ogle Street	Single Family Home	Application for New Service submitted on 10/25/21. Plan Check Fee submitted on 11/1/21. 1st Plan Check submitted on 10/25/21 and returned on 10/29/21. 2nd Plan check submitted on 11/3/21 and returned on 11/5/21.
C0234-22-01	1750 Newport Beach	Commercial	Application for New Service submitted on 10/22/21. Waiting for Plan Check Fee. 1st Plan Check submitted on 10/25/21.
C0235-22-01	2000 Kornat Drive	Single Family Home	Application for New Service submitted on 10/29/21. Plan Check Fee submitted on 10/22/21. 1st Plan Check submitted on 10/29/21 and returned on 10/29/21.
C0236-22-01	1833 Pomona Ave	Single Family Home	Application for New Service submitted on 10/29/21. Plan Check Fee submitted on 11/1/21. 1st Plan Check submitted on 10/28/21 and returned on 11/5/21.

DEVELOPER PROJECT STATUS REPORT

PROJECT STATUS - DEVELOPER PROJECTS			
FILE NO.	PROJECT ADDRESS	PROJECT DESCRIPTION	PROJECT NOTES/STATUS
C0237-22-01	862 18th Street	Commercial	Application for New Service submitted on 10/12/21. Plan Check Fee submitted on 11/2/21. 1st Plan Check submitted on 11/5/21 and returned on 11/5/21.
C0238-22-01	236 Loyola Road	Single Family Home	Application for New Service submitted on 11/1/21. Plan Check Fee submitted on 11/2/21. 1st Plan Check submitted on 11/1/21 and returned on 11/5/21.
C0239-22-01	2263 Rutgers Drive	Single Family Home	Application for New Service and Plan Check Fee submitted on 11/4/21. 1st Plan Check submitted on 11/4/21 and returned on 11/5/21.

MESA WATER AND OTHER AGENCY PROJECTS STATUS REPORT

November 2021

Project Title: OC-44 Replacement and Rehabilitation Evaluation and Cathodic Protection Study

File No.: M 2034

Description: Evaluate potential repair and replacement options.

Status: Request for Bids sent out to contractors on February 6, 2019. Six bids received on 3/6/19. E&O Committee recommended award of the contract to lowest bidder (E.J. Meyer Company) on 3/19/19. Kick-off meeting held on 4/25/2019. Reviewed submittals. Met with SARWQB on 5/24/19 and discussed permit requirements w/ Susan Beeson. On 5/30/19 met with OCSD and went over requirements for the Special Purpose Discharge Permit (SPDP). Project Progress meeting on 6/6/19 and coordination meeting with MWD on 6/20/19. Held Permit Status Meeting on 7/11/2019, Traffic Coordination Meeting with Fletcher Jones on 7/23/2019 and Project Progress Meeting on 7/23/2019. Submitted Application Package to OCSD for SPDP on 7/31/2019. Received Special Purpose Discharge Permit from OCSD on 9/1/2019. Coordination meeting with Fletcher Jones and Project Progress Meeting held on 9/11/19. Contractor mobilized on 9/15/19 and started dewatering efforts. Project is substantially complete and line is ready for use. Native planting is complete and the contractor is providing maintenance of planted vegetation. The post-construction walk-through meeting held on 4/30/20. Planting Establishment and 120-day Maintenance Period completed on 7/2/20. The final inspection and walk-through meeting held on 7/23/20. Planting Establishment and Maintenance Report submitted to the regulatory agencies on September 29, 2020. Non-native plant herbiciding performed on 11/14/20, 5/4/21, and 9/11/21. (11/5/21)

Project Title: Pipeline Testing Program

File No.: MC 2141

Description: Implement Resolution No. 1442 Replacement of Assets to annually perform non-destructive testing of 1% of the distribution system, and destructive testing of segments that are shown to have less than 70% of original wall thickness by non-destructive testing.

Status: Three miles of AC pipe constructed in 1956 were selected for non-destructive wall thickness measurement, which occurred during the week of January 14, 2019. The report was received on February 8, 2019. Five AC pipe samples were sent to the testing lab in May 2019, and the wall thickness measurement report was received on June 24, 2019. With more data collected from AC pipe samples, a proposed update of the Res. 1442 Replacement of Assets was approved by the E&O Committee in September 2019. Staff developed a process for classifying pipeline breaks, and provided a class to the Distribution crews on November 21, 2019. Four AC pipe samples collected during valve replacements were sent for EDS testing on January 28, 2020. Lab reports were received on March 19, 2020 and evaluation of the lab results was received on June 12, 2020. MWDOC performed approximately 40 miles of leak detection and found one suspected pipeline leak. Staff performed a follow up leak

MESA WATER AND OTHER AGENCY PROJECTS STATUS REPORT

November 2021

detection and could not replicate the suspected leak. Thirteen (13) AC pipe samples collected by staff during valve replacements and break responses we sent for wall thickness measurement, EDS testing, and remaining useful life estimates. Wall thickness lab reports were received and useful life estimate report is expected on February 24, 2021. MWDOC staff performed 30 miles of leak detection for main lines and service laterals in January 2021. A report of their findings found no mainline leaks. 30 additional miles of leak detection was received on March 22, 2021. No mainline leaks were reported. A status report of the Pipeline Integrity Program was presented at the September 28, 2021 Committee meeting. (11/9/21)

Project Title: Chandler & Croddy Wells and Pipeline Project

File No.: M18-113

Description: Design, documentation, permitting, and construction of two new wells located on Chandler Avenue and Croddy Way in the City of Santa Ana and the distribution pipeline connecting the wells to Mesa Water's supply system.

Status: The Chandler Well 12 and Croddy Well 14 and Pipeline Project Team includes Design Engineer TetraTech, Construction Manager Butier Engineering, and Community Outreach Consultant Murakawa & Associates. The project has four phases, with a construction bid package for each phase. The status of each phase is below.

Phase 1: Demolition. Demolition of the existing office buildings at the well site properties was awarded to Standard Demolition on July 9, 2020 and was completed on October 14, 2020.

Phase 2: Well Drilling. Well Drilling was awarded to Zim Industries dba Bakersfield Well & Pump on August 13, 2020. Permits for well drilling were received from Orange County Health Care Agency (OCHCA) on October 7, 2020. Mobilization for drilling at the Croddy Well 14 site started on October 12, 2020. Sound walls were constructed at both sites. Croddy Well 14 drilling is complete. Test pumping produced 4,000 gallons per minute. Water quality depth and well blend sample results indicate good water quality. Chandler Well 12 pilot hole was drilled and samples for the aquifer and the groundwater indicate good water quality to 970 feet. The pilot hole reaming and casing installing was completed during the week of May 3, 2021. Test pumping of Chandler Well 12 produced 4,320 gallons per minute. Water quality depth samples and well blend samples indicate good water quality.

Phase 3: Well Equipping. A contract award to Gateway Pacific was approved at the February 11, 2021 Board of Directors meeting. A project team kickoff meeting was held on March 10, 2021. The team has identified the long lead time items, and is in the submittal process for these items. Mobilization occurred on May 28, 2021. Underground work and concrete forming is in progress at both sites. Well pedestals have been completed.

Phase 4: Pipeline. The Board authorized execution of a construction contract with Ferreira Construction at the April 27, 2021 Board Committee meeting. Notice to Proceed with the potable water transmission pipeline construction was issued on June 1, 2021. A preconstruction meeting was held on June 15, 2021. The team identified the long lead time items and is in the submittal process. Encroachment permits were

MESA WATER AND OTHER AGENCY PROJECTS STATUS REPORT

November 2021

obtained by the contractor from the City of Santa Ana on August 12, 2021. The contractor potholed the pipeline alignment to confirm the location and depths to buried utilities in the area. A minor realignment of the Chandler pipeline was designed to avoid unexpected natural gas pipeline and services. (11/9/21)

Project Title: Meter Technology Evaluation

File No.: MC 2248

Description: The lifespan of a water meter is approximately 15 years. As a meter ages, the accuracy drops off due to wear. In preparation for its annual water meter replacement, staff has been reviewing water meter technology determining what water meter and reading solutions would be the best fit for Mesa Water's aging register technology. With today's technology, there are several types of meters and meter reading solutions available. The most common are as follows: Fixed Network, Automatic Meter Reading (AMR) System, Handheld or Touch Technology, and Advanced Metering Analytics - Cellular Endpoint.

Status: A request for bids was sent out to on-call contractors for the installation of the Route 600 Meter Technology Pilot Project Meters. Bids from the on-call contractors were received on October 15, 2020 and reviewed by staff. W.A. Rasic was selected from the bids received. The preconstruction meeting was held on 11/12/2020. Kickoff meeting with Contractor was held on November 12, 2020. The official notice to proceed was issued on 11/30/20. The contractor began their field investigation of the Route 600 meters the week of 11/30/20. The contractor has substantially completed replacing meters and installing the cellular endpoints. To date, approximately 230 endpoints have been installed and 100 meters replaced. In July 2021, the contractor received materials to replace nine vault lids. The nine vault lids were replaced in August 2021. The contractor substantially completed the project in August 2021. Minor punchlist items are being completed in November 2021. (11/4/21)

Project Title: District Wide Security System

File No.: M20-600

Description: Planning and Design Services for a District-Wide Security System

Status: The District-Wide security system is among the first new projects to be awarded as part of the Capital Improvement Program Renewal (CIPR). The draft scope of work was developed and sent for consultant review on June 16, 2020. Consultant comments were received on June 23, 2020. The final Request for Task Order proposal was issued on July 21, 2020. Three proposals were received on August 3, 2020 and evaluated. A Task Order authorization was issued to HDR. Kickoff and site visits were conducted on August 25-27, 2020. The consultant is conducting the evaluation. The draft white paper was received on October 12, 2020, and was reviewed by staff. The revised white paper was received on November 9, 2020, and was being reviewed by staff. A meeting was held on November 18, 2020, to discuss the options. A revised white paper was received on December 4, 2020, and was reviewed by staff. Security protocols standards will be finalized during project design efforts. (11/09/21)

MESA WATER AND OTHER AGENCY PROJECTS STATUS REPORT

November 2021

Project Title: SACDA Control Room and Wet Labs Upgrade Project

File No: M20-105

Description: Relocation of the SCADA Control Room and laboratory, including the addition of an education center.

Status: In November 2019, the Board directed staff to proceed with Design Concept 2 of the Mesa Water Reliability Facility Outreach Center. Mesa Water obtained a cost proposal from IBI Group. The scope of work also incorporates the design of a MWRF spare parts storage building (located at the MWRF) and wells spare parts storage building (located at Well 9 or other well site) as part of the design services. Board approved this item at its 4/9/2020 Board Meeting. The pre-design kick-off meeting was held on 4/27/20. Conceptual design reviewed on 6/10/20 and preliminary cost estimate discussed on 7/9/2020. At the August 25, 2020 Committee Meeting the Mesa Water® Education Center building concept was approved by the Board. Additionally, contract awarded to Mad Systems for the exhibit design. On September 17, 2020 a final design kick-off meeting was held with the architect and exhibit design teams. On October 6, 2020, the Mesa Water team toured the Albert Robles Center for Water Recycling and Environmental Learning with Mad Systems. On October 15, 2020 the design team held a site visit at the MWRF to discuss landscaping and courtyard concepts. The design team held progress meetings on 10/29/20, 11/12/20, and 11/25/20 to discuss project alternatives and progress. A preliminary landscaping concept was received on 11/25/20. The 50% design submittal was received on 12/15/2020. The comments to the submittal were discussed during progress meetings on 1/21/21 and 2/4/21. 50% Construction Documents were submitted 3/12/21. The architectural team developed finish alternatives which were reviewed and selected by the Mesa Water team. The consultant is working toward 100% Construction Documents. The project team has held detailed design meetings regarding storage buildings, IT Server Room, and transitional plans to keep the MWRF in service during construction. 6/2/21 the Mesa Water team reviewed and selected finishes for the Education Center and Administration Building. Transitional plans to keep the MWRF in service are being finalized. The delivery and setup of the temporary facilities are anticipated to begin in July 2021. Mesa Water received proposals for construction management services for the project in early June 2021. A construction manager was selected in June 2021 and they have begun reviewing construction documents. The Draft 100% Construction Documents were submitted on July 29, 2021. Staff reviewed the submittal and provided comments. The revised Construction Documents were submitted on Sep 10, 2021. The Request for Proposals for construction was sent out on Sep 13, 2021. The bid opening date is on October 15, 2021. Two pre-bid meetings were held on 9/23/21 and 10/5/21 and three Addendums were issued to the bidders. Three bids were received from qualified contractors. The project was awarded to the recommended contractor on 10/26/21. Staff is currently working with the contractor to execute a contract for the project. Construction is scheduled to start in December 2021. (11/4/21)

MESA WATER AND OTHER AGENCY PROJECTS STATUS REPORT

November 2021

Project Title: Wilson Street Pipeline Replacement Project

File No.: M21-220A

Description: Design, documentation, and permitting for replacement of pipeline in Wilson Avenue between Newport Blvd and Harbor Blvd.

Status: Scope of Work and Request for Quotes for the design, documentation, and permitting for the Wilson Avenue Pipeline Replacement Project was prepared and sent to the design consultants on 7/13/2020. Received five proposals on 8/27/20. Water Systems Consultants, Inc (WSC) selected to prepare the design. Kick-off meeting held on 8/13/2020. Technical Memorandum No. 1 providing alternative pipeline layout submitted for review on 10/12/20. 50% Design package submitted for review on 12/23/20. The comments to the submittal were analyzed and discussed on 2/8/21. The consultant completed the 90% Design Submittal on 3/9/21. Request for Bids sent out to contractors on 3/30/21. Eight bids received on 4/28/21. JA Salazar submitted the lowest bid. The Board authorized execution of a construction contract with JA Salazar at the May 13, 2021 Board meeting. The Contract with JA Salazar was executed on 6/10/21. The pre-construction meeting for the project was held on 6/24/21. The contractor has begun the submittal and procurement process and construction is scheduled to begin in early August 2021 with potholing and field investigation. The pre-construction meeting with City of Costa Mesa held on 8/12/21. The contractor started potholing on 8/16/21. The contractor submitted the results of the potholing to the engineering team. The potholing data is currently under review and minor adjustments to the pipeline alignment are being design and coordinated with the construction team. The installation of the mainline started on October 19, 2021. To date, approximately 1,500 linear feet of pipe has been installed. (11/4/21)

Project Title: 1951 Cohort Pipeline Replacement Project

File No.: M21-220A

Description: Design, documentation, and permitting for replacement of 3.5 miles of pipeline in Hamilton St., Pomona Ave., Wallace Ave., Anaheim Ave., and Maple Ave.

Status: Scope of Work and Request for Proposals for providing CM services for the Wilson Avenue and 1951 Cohort Pipeline Replacement Projects sent out to As-Needed Consultants on 11/30/20. Five proposals received on 12/14/20. CDM Smith was selected to provide the CM Services. (2/12/21).

Scope of Work and Request for Proposals for providing design services for the 1951 Cohort Pipeline Replacement sent out to As-Needed Consultants on 12/1/20. Two proposals received on 12/15/20. Tetra Tech was selected to prepare the design. The project kick-off meeting was held on 2/2/21. The Consultant delivered Technical Memorandum No. 1 – Alignment Options and Recommendations on 7/9/21 and the Preliminary Design Report 7/21/21. Mesa Water Staff has reviewed Technical Memorandum No. 1 and the Preliminary Design Report. The project's 50% Design Submittal was submitted on 10/29/21 and is currently being reviewed by staff. (11/4/21)

MESA WATER AND OTHER AGENCY PROJECTS STATUS REPORT

November 2021

Project Title: Mainline Valve Replacement Project Phases I through IV

File No.: M21-220C

Description: Design, documentation, and permitting for replacement of mainline valves within the distribution system per the Mainline Valve Spacing Policy.

Status: At the October 8, 2020 Board Meeting the Mainline Valve Spacing Policy was approved by the Board. A Scope of Work and Request for Quote for the design, documentation, and permitting for the Mainline Valve Replacement Project was prepared and was sent to on-call design consultants the week of October 19, 2020. Received four proposals on 11/3/20. Tetra Tech was selected to prepare the final design. The project Kick-off meeting was held on 1/12/21. The Consultant developed the project's permit plan. The 50% Design Submittal was delivered for review on 5/10/21. Mesa Water Staff has completed testing shutdowns required for the Phase 1 and 2 valve replacement. The Consultant submitted the 90% Design Submittal for Phase 1 on 10/8/21. Staff is currently reviewing the Phase 1 90% Design Submittal. (11/4/21)

Project Title: Reservoirs 1 and 2 Pump Station Upgrades Project

File No.: M21-210B2

Description: The Reservoir Upgrades Project has several components to increase the efficiency and reliability of Reservoirs 1 and 2: Chemical storage and feed systems (sodium hypochlorite and aqueous ammonia) to help reduce nitrification issues in the distribution system; Pump replacement and conversion of drivers from gas engines to electrical motors; Upgrades to reservoir electrical service through SCE; Installation of diesel generator systems to power the reservoirs in the event of an emergency; Miscellaneous system rehabilitation and upgrades including electrical gear replacement, pipeline rehabilitation, pipeline modifications, and instrument replacement based on the results of site visits and related analyses; and Slurry Dewatering Pit upgrades located at the Reservoir 1 site.

Status: Following the approval of the recommendations of the Water, Power, and Supply Chain Reliability Assessment, Mesa Water developed a design scope of work for the Reservoirs 1 and 2 Upgrades Project. A proposal was solicited from a CIPR on-call design consultant and the project's Preliminary and Final Design kicked off in May 2021. A site visit for the project was held with the consultant on 5/17/21. The project team performed a 3-D scan of Reservoir 1 the week of June 7th and Reservoir 2 the week of June 14th. The consultant delivered a draft version of Technical Memorandum No.1 – Reservoir 1 Site Master Plan and the draft Permit Plan on 7/16/21. Following Mesa Water's review of TM1 and the Permit Plan, the consultant began work on the Preliminary Design Report. The Preliminary Design Report was delivered on 9/7/21 and the Preliminary Design Report Workshop was held on 9/15/21. The design team is currently working toward the 60% Design Submittal. (11/4/21)

MESA WATER AND OTHER AGENCY PROJECTS STATUS REPORT

November 2021

Project Title: Excavation Slurry Dewatering Pit Project

File No.: M21-250D

Description: Design, documentation, and permitting for a dewatering process that will be constructed in Mesa Water's Operations Yard to provide dewatering for the hydrovac excavation slurry.

Status: A Scope of Work and Request for Quote for the design, documentation, and permitting for the Excavation Slurry Dewatering Pit Project was prepared and sent to on-call design consultants the week of October 19, 2020. The task order and notice to proceed are being developed by the Mesa Water team for the selected consultant. The kick-off meeting and site visit were held on 11/30/20. The project team held a progress meeting on 12/23/2020 and the draft report is currently in progress. The Draft memo was submitted for review on 2/3/21 and is currently being reviewed by Mesa Water Staff. Mesa Water Staff has provided direction and the design of the Dewatering Pit is included in the scope of work for the Reservoirs 1 and 2 Pump Station Upgrades Project. The Final Technical Memorandum was submitted for review on 6/10/2021. The Dewatering Pit will be designed and constructed as part of the Reservoirs 1 and 2 Pump Station Upgrades Project. (11/5/21)

Project Title: Vault Rehabilitation and Abandonment

File No.: M21-220B

Description: Design and construction of abandonment of obsolete facilities and rehabilitation of one arterial valve on OC-44.

Status: NV-5 was selected as the design consultant. Project kickoff was held on September 30, 2020. Site visits for all of the vaults were conducted in October 2020. A preliminary design report was received in November 2020 and review by staff. The current project includes abandoning three vaults on OC-44 and three unused pressure relief stations, and replacing the Bonita Creek Park Arterial Valve on OC-44. Rehabilitation of the interties is on hold pending decisions on the need for the three interties, and will be completed in a future capital program. A CEQA evaluation of the project recommended filing a Categorical Exemption from CEQA. The Categorical Exemption was received on July 2, 2021, and filed with the County of Orange on September 3, 2021. 90% Plans and Specifications were received on July 7, 2021, and were reviewed by staff. The City of Huntington Beach asked that all work requiring an OC-44 shutdown be complete prior to December 2021 due to a planned outage of another import source. The project was put out to bid on August 27, 2021. Four bids were received on September 15, 2021. The construction contract award was awarded at the September 28, 2021 Committee meeting. Notice to Proceed to the selected contractor was provided on October 14, 2021. Contractor mobilized on November 8, 2021 and started construction at the first site. (11/9/21)

MESA WATER AND OTHER AGENCY PROJECTS STATUS REPORT
November 2021

Project Title: Operational IT Infrastructure Security Project

File No.: M21-250F

Description: The Project will align the Operational IT infrastructure and management model with Mesa Water enterprise IT system standards and CISA recommendations.

Status: The project kick-off meeting was held on 5/17/2021. The new servers, UPS, and isolated network has been installed and configured. The project team is currently procuring the required switches and obtaining licenses for required software. (11/4/21)

Water Quality Call Report

October 2021

Date: 10/6/2021
Source: Phone
Address: Not Provided
Description: Customer inquired about the 2021 Mesa Water District (Mesa Water®) Annual Water Quality Report Consumer Confidence Report (CCR) and was concerned about the copper levels in her house after using a home test kit.

Outcome: The customer was comparing a copper reading in micrograms per liter ($\mu\text{g/L}$) to the CCR copper standard measured in milligrams per liter (mg/L). Explained to the customer about the different units and his copper reading is well below the Public Health Goal and the Action Level. Customer was pleased with the information.

Date: 10/6/2021
Source: Phone
Address: 1963 Rosemary Place
Description: Customer concerned about the water foaming as she filled a bucket for the kid pool in the backyard using a garden hose. She asked if we had made any changes to the water.

Outcome: Explained to the customer that Mesa Water has not made any changes to its operation. The water may appear cloudy due to entrained air but should dissipate soon after. Advised her to check the water from the front hose bib, without it going through a hose, and compare it to the water from the backyard in terms of foaming. She will try it and call back if she has further questions. Tried to follow up with customer but she did not return the call.

Date: 10/6/2021
Source: E-mail/Visit
Address: Wimbledon Glen Apartments
Description: Customer e-mailed with concerns regarding sewage odor from the pipes and “water bugs” crawling out of the plumbing.

Outcome: Customer wishes to remain anonymous and declined a site visit to his apartment, but wants Mesa Water to look into his concerns. With the limited information, staff checked the water at several Wimbledon Glen Apartments exterior hose bibs. No sewage odor or “bugs” were observed

from any of the samples. The property manager has not received any complaints from his tenants regarding the water. The water samples had normal chlorine residuals and the information was relayed to the customer via e-mail. Also explained to the customer that the water pipes are closed and under pressure so no insects can enter. However, insects are drawn to residual water and moisture at faucets and can sometimes be found gathered there. Customer was advised to contact the property manager if he continues to have sewage odor.

Date: 10/14/2021

Source: Phone/Visit

Address: 1118 Charleston

Description: Customer reported that Mesa Water had done some construction in the area recently. Soon after she noticed the water pressure being lower and observed black sediment in the water.

Outcome: Mesa Water had recently replaced a hydrant valve nearby. The water was clear during the site visit. She then mentioned it was only at the kitchen sink. Explained to customer that the sediment she experienced may not be from construction work as she would likely have the sediment at more than one faucet. It's possible old plumbing or gaskets have degraded, possibly causing the black sediment. Customer was advised to call if sediment returns.

Date: 10/14/2021

Source: Phone

Address: 1062 Vallejo

Description: Customer reported having discolored water from his faucets and toilet bowl. He flushed the water and it is now clear. He wanted to call and report, but declined to have a site visit.

Outcome: Checked with Distribution and there was no Mesa Water construction in the area. There were no other calls regarding discolored water. Staff checked the water nearby and it was clear with normal chlorine residual.

Date: 10/25/2021

Source: Phone/Visit

Address: 1985 Pomona, #G

Description: Customer reported the water having sediments/salt that is causing her harm.

Outcome: On-site visit showed water samples from customer's taps, as well as the apartment building, were clear of sediment. The conductivity was tested and found to be within range but lower than average groundwater so salt

content was not high. The customer was adamant that the management and neighbors were possibly poisoning her. Voice messages were left with the property manager for call back but no one returned the calls. Customer also called back to say that there is sediments/salts in the water and it's causing her to have lice and that her doctor gave her a cream. Staff asked customer to have the doctor contact Mesa Water immediately if the doctor thinks the water caused her illness. No such contact has been made.

Date: 10/25/2021

Source: Social Media

Address: 840 Baker Street, A104

Description: Customer commented on social media that he has sediment in the water.

Outcome: Public Affairs was able to get customer's e-mail and it took several attempts before the customer could be reached. He mentioned that management has replaced his faucets but the screens would soon clog up with green scale. He agreed to a site visit the following week but staff have not been able to get a hold of the customer. Staff was sent to the apartment complex to check the water at an exterior hose bib, which was clear and without visible sediment.

Water Operations Status Report
July 1, 2021 - October 31, 2021

Operations Department Status Report	Wk Unit	Plan Days	Act Days	Plan Qty	Act Qty	Plan Cost	Actual Cost
01 - HYDRANTS							
WD-0101 - HYDRANT MAINTENANCE	HYDRANTS	62	56	1184	1123	\$25,069	\$24,415
WD-0102 - HYDRANT PAINTING	HYDRANTS	5	11	148	128	\$2,080	\$4,404
WD-0103 - HYDRANT REPAIR	HYDRANTS	14	9	21	25	\$5,120	\$4,012
Program 01 TOTAL		81	76			\$32,269	\$32,831
02 - VALVES							
WD-0201 - DISTRIBUTION VALVE MAINTENANCE	VALVES	42	54	842	1171	\$18,760	\$23,986
WD-0202 - NIGHT VALVE MAINTENANCE	VALVES	6	0	82	0	\$3,004	\$0
Program 02 TOTAL		48	54			\$21,764	\$23,986
03 - METERS							
CS-0301 - NEW METER INSTALLATION	METERS	6	2	34	18	\$27,009	\$6,757
CS-0302 - RAISE REPLACE METER BOX	BOXES	3	2	26	9	\$1,155	\$809
CS-0303 - METER LEAK INVESTIGATION/REPAIR	INV/REP	5	4	68	41	\$1,832	\$1,545
CS-0305 - ANGLE STOP/BALL VALVE REPLACE	REPLACE	14	23	34	66	\$8,345	\$8,804
CS-0306 - LARGE METER TEST/REPAIR - C	TESTS	8	4	40	31	\$3,215	\$1,381
WD-0305 - ANGLE STOP/BALL VALVE REPLACE	REPLACE	9	0	18	0	\$5,815	\$0
Program 03 TOTAL		44	34			\$47,371	\$19,296
04 - MAIN LINES							
WD-0401 - MAIN LINE REPAIR	REPAIRS	35	21	7	3	\$21,351	\$11,712
WD-0402 - AIR VAC MAINTENANCE/REPAIR	REPAIRS	9	14	56	190	\$3,674	\$5,541
Program 04 TOTAL		45	35			\$25,025	\$17,253
05 - SERVICE LINES							
WD-0501 - SERVICE LINE REPAIR	REPAIRS	20	33	7	8	\$10,287	\$16,174
Program 05 TOTAL		20	33			\$10,287	\$16,174
06 - CAPITAL							
CAP FH - CAPITAL HYDRANT UPGRADE	HYDRANTS	58	161	9	23	\$56,975	\$124,529
CAP MV - CAPITAL MAINLINE VALVE REPLACE	VALVES	50	22	9	3	\$39,794	\$14,263
CAP SL - CAPITAL SERVICE LINE REPLACE	SERVICES	13	9	4	1	\$8,547	\$4,143
CAP SS - CAPITAL SAMPLE STATION REPLACE	STATIONS	0	2	0	4	\$0	\$741
CAP LM - CAPITAL LARGE METERS	METERS	3	0	18	0	\$6,937	\$21
CAP SM - CAPITAL SMALL METERS	METERS	6	4	88	33	\$8,482	\$4,875
CIPR- ENGINEERING WORK	HOURS	191	95	1615	858	\$79,086	\$40,298
Program 06 TOTAL		320	293			\$199,821	\$188,870
TOTAL						\$336,537	\$298,410

Payment Listing by Class

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Vendor Name	Check #/Count	Payment Date	Invoice Number	Invoice Description	Payment Amount
KENT MADDY	000004784	10/07/21	10/6/21	POOL COVER REBATE	\$50.00
	1				\$50.00
Total	1				\$50.00
CAPITAL					
BUTIER CONSULTING ENGINEERS	000004787	10/14/21	B013MWD	M18-100 CHANDLER & CRODDY	\$31,262.59
		10/14/21	B015MWD	M18-100 CHANDLER & CRODDY	\$69,951.84
	1				\$101,214.43
CDM SMITH, INC	000004843	10/14/21	90134634	M22-250A4 SCADA CONTRL ROOM	\$4,825.00
	000004907	10/21/21	90134633	M21-270 STAFF AUGMENTATION	\$21,715.00
	2				\$26,540.00
MICHAEL BAKER INTERNATIONAL	000004895	10/21/21	1126996	M20-004A OC44 APPUR RELOCATION	\$28,602.28
	1				\$28,602.28
MURAKAWA COMMUNICATIONS, INC.	000004877	10/21/21	MESA WATER-16	M20-109 PUBLIC OUTREACH	\$12,900.00
	1				\$12,900.00
NV5, INC.	000004777	10/07/21	228177	M21-220B VAULT REHAB ABANDMNT	\$5,835.00
	000004810	10/14/21	233255	M21-220B VAULT REHAB ABANDMNT	\$19,980.00
	2				\$25,815.00
PAULUS ENGINEERING INC	000004958	10/28/21	20512	M22-003 ON CALL REPAIRS	\$10,872.42
	1				\$10,872.42
TETRA TECH, INC	000004789	10/14/21	51777190	M21-220A COHORT PIPELINE	\$40,911.89
	000004910	10/21/21	51777618	M21-220C MAINLINE VALVE REPLC	\$16,572.50
	2				\$57,484.39
Total CAPITAL	10				\$263,428.52
CHECK SIGNATURE EXEMPT					
SOUTHERN CALIFORNIA EDISON CO	000004731	10/07/21	2236281499AUG21-1	ELECTRICITY - AUGUST 2021	\$209,645.68
	000004788	10/14/21	2236281499APR21	ELECTRICITY - APRIL 2021	\$32,946.45

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Vendor Name	Check #/Count	Payment Date	Invoice Number	Invoice Description	Payment Amount
SOUTHERN CALIFORNIA EDISON CO	000004788	10/14/21	2236281499JUN21	ELECTRICITY - JUNE 2021	\$26,908.41
		10/14/21	2236281499JUL21	ELECTRICITY - JULY 2021	\$184,550.32
		10/14/21	2236281499AUG21	ELECTRICITY - AUGUST 2021	\$76,754.48
	2				\$530,805.34
Total CHECK SIGNATURE EXEMPT	2				\$530,805.34
DEPARTMENT EXPENSE					
4 IMPRINT	000004925	10/28/21	9327834	MWD PROMO ITEMS	\$407.97
	1				\$407.97
ACWA JOINT POWERS INSURANCE AUTHORITY	000004786	10/14/21	100121	AUTO & GENERAL THRU 10/2022	\$126,884.00
	000004946	10/28/21	093021	WORKERCOMP JUL-SEP 2021	\$28,028.98
	000004947	10/28/21	NOV21EAP	NOVEMBER 2021 EAP	\$147.56
	3				\$155,060.54
AMERICAN SOCIETY OF CIVIL ENGINEERS	000004737	10/07/21	09072021	2021 MEMBERSHIP RENEW MARK P.	\$300.00
					\$300.00
AMERICAN WATER WORKS ASSOCIATION	000004950	10/28/21	7001959821	FY22: PS, TM, MP, KI, PL, AW	\$4,523.00
		10/28/21	7001965781	FY22 MEM. RENEW - STACY T.	\$302.00
	1				\$4,825.00
ARMA INTERNATIONAL	000004785	10/07/21	PRO2150502015	FY21 MEMBERSHIP RENEW - WD	\$215.00
					\$215.00
CA DEPT OF JUSTICE	000004866	10/21/21	537766	PRE-EMPLOYMENT FINGERPRINTS	\$32.00
					\$32.00
CALIFORNIA SPECIAL DISTRICTS ASSN	000004917	10/28/21	102121	FY22 MEMBERSHIP RENEW	\$8,195.00
					\$8,195.00
CALPERS BENEFIT PAYMENTS	0170158	10/06/21	16558644	OCTOBER PA HEALTH	\$6,947.83
	0170159	10/06/21	16558631	OCTOBER HEALTH	\$55,685.27
	0170160	10/15/21	929211	PPE 9/29/21	\$38,100.38
	3				\$100,733.48
COLONIAL LIFE & ACCIDENT INS	000004868	10/21/21	8892333-1019637	INSURANCE - PPE 10/10/21	\$201.68

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Vendor Name	Check #/Count	Payment Date	Invoice Number	Invoice Description	Payment Amount
	1				\$201.68
DATCO	000004870	10/21/21	164888	DOT PROGRAM - CLASS A DRIVERS	\$459.00
	1				\$459.00
GUARDIAN	000004923	10/28/21	00430941NOV21	NOV 21 DENTAL INSURANCE	\$5,622.53
	1				\$5,622.53
NATIONAL INST OF GVMT PURCHAS	000004931	10/28/21	10/26/21	FY22 MEMBERSHIP - MARY C	\$190.00
	1				\$190.00
NEOGOV, INC	000004848	10/14/21	INV-22701	ANNUAL JOB POSTING SUBSCRIPTON	\$1,092.04
		10/14/21	INV-22704	ANNUAL SUB - INSIGHT SOFTWARE	\$3,344.37
	1				\$4,436.41
ORANGE COUNTY EMPLOYEES ASSN	000004811	10/14/21	OCEA PPE 10/13/21	MEMBERSHIP DUES PPE 10/13/21	\$295.20
	1				\$295.20
RED WING BUSINESS ADVANTAGE ACCT	000004814	10/14/21	20210916009986	SAFETY SHOES	\$200.00
	1				\$200.00
SHARON D BRIMER	000004817	10/14/21	SEP2021	BOARD MINUTES - SEP 2021	\$550.00
	1				\$550.00
TASC	000004934	10/28/21	IN2157822	FSA ADMIN FEES-SEPTEMBER 2021	\$143.28
	1				\$143.28
TK BURGERS	000004935	10/28/21	211115	11/15/21 Safety Luncheon	\$1,281.42
	1				\$1,281.42
VISTA DEL VERDE LANDSCAPE	000004760	10/07/21	35720	LANDSCAPE MAINT FEES - OCTOBER	\$2,608.79
	000004961	10/28/21	35775	M21-220B VAULT REHABILITATION	\$1,684.35
	2				\$4,293.14
Total DEPARTMENT EXPENSE	24				\$287,441.65
GENERAL AND ADMINISTRATIVE					
24 CARROTS CATERING	000004863	10/21/21	97082	MESA WATER BREAKFAST	\$615.17
	1				\$615.17

Payment Listing by Class

10/1/2021 - 10/31/2021

Vendor Name	Check #/Count	Payment Date	Invoice Number	Invoice Description	Payment Amount
360 BC GROUP INC.	000004770	10/07/21	30043	WEBSITE MAINTENANCE - JUNE	\$2,000.00
		10/07/21	30063	WEBSITE MAINTENANCE JULY	\$2,000.00
		10/07/21	30049	PDF & VIDEO ADA COMPLIANCE	\$8,000.00
		10/07/21	30087	WEBSITE MAINTENANCE - AUGUST	\$2,000.00
		10/07/21	30091	WEBSITE MIGRATION	\$5,080.00
1					\$19,080.00
ACCO ENGINEERED SYSTEMS, INC.	000004766	10/07/21	20167207	REFRIGERANT SERVICE	\$2,624.00
		10/07/21	20164558	OPERATIONS BLDG REPAIRS	\$1,249.00
		10/07/21	20164557	OPERATION BLDG REPAIRS	\$1,366.00
	000004905	10/21/21	20157823	ANNUAL MAINTENANCE	\$18,015.00
2					\$23,254.00
ADVANCED CHEMICAL TRANSPORT, INC.	000004767	10/07/21	358998	HAZARDOUS WASTE DISPOSAL	\$240.00
		10/07/21	358997	HAZARDOUS WASTE DISPOSAL	\$240.00
		10/07/21	358999	HAZARDOUS WASTE DISPOSAL	\$240.00
		10/07/21	358223	HAZARDOUS WASTE DISPOSAL	\$407.00
		10/07/21	358220	HAZARDOUS WASTE DISPOSAL	\$2,300.64
		10/07/21	358225	HAZARDOUS WASTE DISPOSAL	\$660.00
	000004948	10/28/21	358222	HAZARDOUS WASTE DISPOSAL	\$291.50
2					\$4,379.14
ALL AMERICAN ASPHALT	000004944	10/28/21	CHEQ00099007894	20076100 Cheque Deposits 20076	\$1,093.92
1					\$1,093.92
AMERICAN RED CROSS	000004769	10/07/21	22368646	FIRST AID TRAINING	\$640.00
1					\$640.00
AT&T MOBILITY	000004949	10/28/21	87295684390X10162021	WIRELESS COMM 10/09-11/08	\$592.75

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Vendor Name	Check #/Count	Payment Date	Invoice Number	Invoice Description	Payment Amount
AT&T MOBILITY	000004949	10/28/21	87306005081X1 0152021	WIRELESS COMM 10/08-11/07	\$338.64
	1				\$931.39
BEN'S ASPHALT	000004738	10/07/21	19267	M22-003 ON CALL PAVING	\$17,200.00
	1				\$17,200.00
BEST BEST & KRIEGER	000004915	10/28/21	917489	PROFESSIONAL SERVICES	\$133.00
	1				\$133.00
BOLLAND AND ASSOCIATES	000004792	10/14/21	210307	REGULATORY CONSULTING FEE	\$400.00
	1				\$400.00
BRENDA DEELEY PR LLC	000004739	10/07/21	1287	CONSULTING FEE SEPTEMBER 2021	\$10,700.00
	1				\$10,700.00
BSI EHS SERVICES AND SOLUTIONS	000004916	10/28/21	68441	EHS SUPPORT SERVICES	\$13,700.00
	1				\$13,700.00
CALIFORNIA ADVOCATES INC.	000004793	10/14/21	102187	PROFESSIONAL SERVICES	\$7,700.00
	1				\$7,700.00
CANON FINANCIAL SERVICES, INC.	000004794	10/14/21	27367056	PRINTER EQUIPMENT LEASE	\$2,000.93
	1				\$2,000.93
CANON SOLUTIONS AMERICA, INC	000004867	10/21/21	570810	COPIER USAGE 06/29 -09/28	\$2,821.04
	1				\$2,821.04
CCS ORANGE COUNTY JANITORIAL INC.	000004741	10/07/21	526730	JANITORIAL SERVICES	\$3,933.67
	1				\$3,933.67
CERTIF-A-GIFT	000004771	10/07/21	1852453	SERVICE GIFTS	\$38.23
	000004951	10/28/21	1854126	SERVICE GIFTS	\$377.13
	2				\$415.36
CHARLES LUCAS	000004903	10/21/21	CHEQ00099007 887	05121300 Overpayment	\$104.23
	1				\$104.23
CHRIS HICKOK	000004830	10/14/21	CHEQ00099007 885	08502600 Cheque Deposits 08502	\$30.89
	1				\$30.89
CHRISTINA BRAUN	000004832	10/14/21	CHEQ00099007 881	07203800 Cheque Deposits 07203	\$91.06

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Vendor Name	Check #/Count	Payment Date	Invoice Number	Invoice Description	Payment Amount
	1				\$91.06
CLIFTONLARSONALLEN LLP	000004740	10/07/21	3025021	CONSULTING - FY21	\$5,300.00
	1				\$5,300.00
COASTAL OCCUPATIONAL MEDICAL GROUP DBA AKESO OCCUPATIONAL HEALTH	000004914	10/28/21	316674	MEDICAL SERVICES	\$281.82
	1				\$281.82
CONSTANT AND ASSOCIATES, INC.	000004869	10/21/21	CA2021_742	COMMUNICATIONS PLAN & TRAINING	\$11,559.61
	1				\$11,559.61
DEL AMO CONSTRUCTION	000004908	10/21/21	CHEQ00099007882	30000125 Overpayment	\$23.29
	000004918	10/28/21	CHEQ00099007888	30000125 Hydrant meter deposit	\$1,295.00
	2				\$1,318.29
DENNIS D ROCK CONSTRUCTION (1ST ALERT)	000004742	10/07/21	21157	MONTHLY INSPECTIONS	\$450.00
	1				\$450.00
EAN SERVICES LLC	000004798	10/14/21	28013552	TRUCK RENTAL	\$5,908.50
	1				\$5,908.50
ELAN ONE	0170157	10/01/21	100121	SEPT CHGS OCT PAY	\$22,899.34
	1				\$22,899.34
EMPLOYEE RELATIONS INC	000004871	10/21/21	91157	PRE-EMPLOYMENT VEHICLE REPORT	\$10.97
	1				\$10.97
EMPOWER	000004844	10/14/21	328216	457 PLAN EXPENSE 6/21-9/21	\$6,215.42
		10/14/21	328277	401 PLAN EXPENSE 6/21-9/21	\$369.62
	0170154	10/01/21	0929212	PPE 9/29/21	\$1,028.96
	0170155	10/01/21	92921	PPE 9/29/21 MATCH	\$7,744.08
	0170156	10/01/21	929211	PPE 9/29/21	\$19,992.59
	0170161	10/19/21	1007212	PPE 10/7/21	\$1,028.96
	0170162	10/19/21	101321	PPE 10/7/21	\$9,704.44
	0170163	10/19/21	1007211	PPE 10/7/21	\$22,780.39
	7				\$68,864.46
ENTERPRISE FM TRUST	000004919	10/28/21	FBN4317276	AUTO LEASES - OCTOBER 2021	\$1,025.68
	1				\$1,025.68

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Vendor Name	Check #/Count	Payment Date	Invoice Number	Invoice Description	Payment Amount
EPIC BUSINESS ESSENTIALS, LLC	000004745	10/07/21	SI00436857	OFFICE SUPPLIES	\$164.04
	1				\$164.04
EUGENE CUNEO	000004943	10/28/21	CHEQ00099007 893	03021800 Cheque Deposits 03021	\$32.80
	1				\$32.80
FM THOMAS AIR CONDITIONING INC	000004846	10/14/21	43056	REPLACE WELL 1 FAN UNIT	\$3,918.00
	000004953	10/28/21	43004	WELL 1 REPAIRS	\$358.48
		10/28/21	43003	WELL 3 REPAIRS	\$358.48
	2				\$4,634.96
FULL CIRCLE RECYCLING	000004747	10/07/21	26965	RECYCLING SERVICES	\$133.50
	1				\$133.50
GATEWAY PACIFIC CONTRACTORS, INC.	000004862	10/21/21	04	M18-100 CHANDLER & CRODDY	\$150,966.88
	1				\$150,966.88
GOTHIC LANDSCAPING	000004902	10/21/21	CHEQ00099007 889	20077900 Cheque Deposits 20077	\$993.92
	1				\$993.92
HENNESY EQUIPMENT SALES CO	000004801	10/14/21	32434	M21-220B PLUG VALVE	\$38,168.56
	1				\$38,168.56
HYDROPOINT DATA SYSTEMS	000004748	10/07/21	123134	WEATHERTRAK RENEWAL	\$470.00
	1				\$470.00
INDUSTRIAL DOOR GROUP, INC.	000004805	10/14/21	10-5-622229	GATE REPAIR	\$350.00
	1				\$350.00
INFOSEND INC	000004894	10/21/21	196795	CUSTOMER BILLING SERVICE	\$1,456.43
		10/21/21	197016	CUSTOMER BILLING SERVICE	\$2,122.44
		10/21/21	198409	CUSTOMER BILLING SERVICE	\$2,187.33
		10/21/21	198588	CUSTOMER BILLING SERVICE	\$1,701.80
		10/21/21	198861	CUSTOMER BILLING SERVICE	\$1,919.05
		10/21/21	199033	CUSTOMER BILLING SERVICE	\$942.77
		10/21/21	200007	CUSTOMER BILLING SERVICE	\$1,364.82

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Vendor Name	Check #/Count	Payment Date	Invoice Number	Invoice Description	Payment Amount
INFOSEND INC	000004926	10/28/21	200187	CUSTOMER BILLING SERVICE	\$1,470.44
	2				\$13,165.08
INSIGHT PUBLIC SECTOR	000004927	10/28/21	1100880655	M18-120K VMWARE SUB LICENSE	\$8,734.00
	1				\$8,734.00
IXOM WATERCARE INC.	000004750	10/07/21	83665	ANNUAL BEEKEEPER SERVICE	\$13,154.00
	1				\$13,154.00
JOHN ROBINSON CONSULTING, INC.	000004847	10/14/21	MW201902-08	CONSULTING SERVICES	\$1,800.00
		10/14/21	MW201901-30	CONSULTING SERVICES	\$10,800.00
	1				\$12,600.00
KIRTON McCONKIE	000004873	10/21/21	1782418	PROFESSIONAL SERVICES	\$3,958.00
	1				\$3,958.00
KLEEN KRAFT SERVICES	000004751	10/07/21	1083396	UNIFORMS, MATS, TOWELS	\$242.84
	000004807	10/14/21	1084058	UNIFORMS, MATS, TOWELS	\$244.91
	000004874	10/21/21	1084728	UNIFORMS, MATS, TOWELS	\$296.11
	000004928	10/28/21	1085386	UNIFORMS, MATS, TOWELS	\$249.36
	4				\$1,033.22
LA CONSULTING INC	000004773	10/07/21	0015246	M21-104 WATER SYS ENHANCMENT	\$2,807.60
	1				\$2,807.60
LANDS' END BUSINESS OUTFITTERS	000004774	10/07/21	SIN9470467	MWD EMBROIDERED WEAR	\$1,218.43
	1				\$1,218.43
LEICA GEOSYSTEMS SOLUTION CENTER	000004929	10/28/21	US-902628052	PAINT SUPPLIES	\$168.09
	1				\$168.09
LIFECOM, INC.	000004754	10/07/21	2094100-IN	SERVICE/CALIBRATE RKI EAGLE	\$65.00
		10/07/21	2094101-IN	SERVICE/CALIBRATE RKI EAGLE	\$65.00
		10/07/21	2094102-IN	SERVICE/CALIBRATE RKI EAGLE	\$65.00

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Vendor Name	Check #/Count	Payment Date	Invoice Number	Invoice Description	Payment Amount
LIFECOM, INC.	000004754	10/07/21	2094062-IN	SERVICE/CALIBRATE RKI EAGLE	\$65.00
		10/07/21	2094063-IN	SERVICE/CALIBRATE RKI EAGLE	\$65.00
		10/07/21	2094077-IN	SERVICE/CALIBRATE RKI GX 2003	\$348.57
	1				\$673.57
MARIBEL LARIOS DBA FIDUCIARY EXPERTS LLC	000004746	10/07/21	000113-R-0001	QUARTERLY FEE - 3RD QTR	\$2,000.00
	1				\$2,000.00
MATTHEW QUINLAN	000004945	10/28/21	CHEQ00099007890	03914200 Cheque Deposits 03914	\$27.83
	1				\$27.83
MOUSE GRAPHICS	000004876	10/21/21	443504	DESIGN 24x32 & PRINT	\$201.49
	1				\$201.49
NIKKI YOCHAM	000004828	10/14/21	CHEQ00099007884	08506200 Cheque Deposits 08506	\$43.80
	1				\$43.80
NOACK AWARDS & ENGRAVING INC	000004756	10/07/21	27101	LASER ENGRAVING	\$431.00
	1				\$431.00
O'NEIL STORAGE #0481	000004813	10/14/21	2109051	FILE STORAGE - SEPTEMBER 2021	\$149.16
	1				\$149.16
ORANGE COUNTY TREASURER - TAX COLLECTOR	000004932	10/28/21	SC13115	QUARTERLY 10/1-12/31 OCSD COMM	\$312.00
	1				\$312.00
PACIFIC RIM INVESTMENT CORP	000004904	10/21/21	CHEQ00099007886	30000502 Overpayment	\$49.31
	1				\$49.31
PETE'S ROAD SERVICE	000004779	10/07/21	531877-00	TIRE REPAIR - UNIT 35	\$136.65
	1				\$136.65
PORTABLE TANK GROUP, INC. DBA ONE CLARION	000004778	10/07/21	4876	FILTRATION ACCESSORIES	\$224.34
	1				\$224.34
PROFESSIONAL ART SERVICES, INC.	000004757	10/07/21	271	WALL ART	\$3,092.38
	1				\$3,092.38
QUADIENT LEASING USA, INC	000004809	10/14/21	P9054722	MAIL EQUIPMENT-PROPERTY TAX	\$120.01
	1				\$120.01

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Vendor Name	Check #/Count	Payment Date	Invoice Number	Invoice Description	Payment Amount
RAFTELIS FINANCIAL CONSULTANTS	000004879	10/21/21	20887	POTABLE&RECYCLED WATER COS	\$7,765.00
	1				\$7,765.00
RAYNE WATER SYSTEMS	000004758	10/07/21	30486OCT21	SOFT WATER SERVICE - OCT 2021	\$43.50
	1				\$43.50
RENATO ROSATO	000004733	10/07/21	CHEQ00099007878	02701000 Cheque Deposits 02701	\$39.91
	1				\$39.91
SARAH SITAR	000004831	10/14/21	CHEQ00099007883	03917500 Overpayment	\$354.39
	1				\$354.39
SCOTT LYON	000004833	10/14/21	CHEQ00099007879	00922400 Cheque Deposits 00922	\$274.24
	1				\$274.24
SEAN KOPERWEIS	000004942	10/28/21	CHEQ00099007891	06514300 Cheque Deposits 06514	\$8.01
	1				\$8.01
SIMA FARD	000004829	10/14/21	CHEQ00099007880	03513100 Cheque Deposits 03513	\$78.30
	1				\$78.30
SWRCB	000004881	10/21/21	EW-1031633	FY21 WATER SYSTEM ENFORC FEE	\$647.50
	1				\$647.50
T2 TECHNOLOGY GROUP, LLC	000004732	10/07/21	00307469	M21-250F INFRASTRUCTURE SEC	\$16,595.00
		10/07/21	00307465	IT SUPPORT - AUGUST 2021	\$38,020.00
		10/07/21	00307464	IT SUPPORT - AUGUST 2021	\$47,812.50
		10/07/21	00307468	M21-120B SOLAR WINDS	\$5,705.00
		10/07/21	00307467	M18-120F EOC INTERNET	\$4,010.00
		10/07/21	00307466	M21-120A AWS	\$4,737.50
	000004855	10/14/21	00307471	M22-250A4 MWRP CONST MIGRATION	\$875.00
		10/14/21	5040	M21-120A AWS	\$8,051.68
	000004909	10/21/21	5041	M21-250F INFRASTRUCTURE SEC	\$29,710.50

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Vendor Name	Check #/Count	Payment Date	Invoice Number	Invoice Description	Payment Amount
T2 TECHNOLOGY GROUP, LLC	000004913	10/28/21	00307486	M22-250A4 MWRF CONST MIGRATION	\$1,237.50
		10/28/21	00307484	IT SUPPORT - SEPTEMBER 2021	\$29,515.00
		10/28/21	00307485	M21-250F INFRASTRUCTURE SEC	\$24,600.00
		10/28/21	00307483	IT SUPPORT - SEPTEMBER 2021	\$41,382.50
4					\$252,252.18
THE PAPE GROUP INC. DBA PAPE MATERIAL HANDLING, INC.	000004957	10/28/21	7019572	FUEL POLISHING SERVICE	\$1,421.16
		10/28/21	7019578	FUEL POLISHING SERVICE	\$1,587.83
		10/28/21	7019584	Receivings Transaction Entry	\$1,587.83
		10/28/21	7019594	FUEL POLISHING SERVICE	\$1,781.83
1					\$6,378.65
THEODORE ROBINS FORD	000004780	10/07/21	C58078	AUTO REPAIRS & MAINTENANCE	\$827.38
		10/07/21	C56888	AUTO REPAIRS & MAINTENANCE	\$1,871.20
		10/07/21	C57726	AUTO REPAIRS & MAINTENANCE	\$882.00
		10/07/21	C58599	AUTO REPAIRS & MAINTENANCE	\$704.94
	000004856	10/14/21	C58634	AUTO REPAIRS & MAINTENANCE	\$906.77
		10/14/21	C58413	AUTO REPAIRS & MAINTENANCE	\$382.77
	000004883	10/21/21	C55529	AUTO REPAIRS & MAINTENANCE	\$125.00
	000004959	10/28/21	C59163	AUTO REPAIRS & MAINTENANCE	\$82.86
		10/28/21	C58754	AUTO REPAIRS & MAINTENANCE	\$2,032.40
		10/28/21	C58862	AUTO REPAIRS & MAINTENANCE	\$1,632.85
		10/28/21	C59395	AUTO REPAIRS & MAINTENANCE	\$82.86
		10/28/21	C59076	AUTO REPAIRS & MAINTENANCE	\$2,538.70
	10/28/21	C58619	AUTO REPAIRS & MAINTENANCE	\$1,823.15	

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Vendor Name	Check #/Count	Payment Date	Invoice Number	Invoice Description	Payment Amount
	4				\$13,892.88
TIME WARNER CABLE	000004781	10/07/21	0679649091821	INTERNET - MWRF	\$324.98
		10/07/21	1524356091521	INTERNET - MWRF	\$204.98
	000004820	10/14/21	1048224091921	INTERNET - DISTRICT	\$2,248.00
	000004884	10/21/21	0012934100321	INTERNET - DISTRICT	\$362.91
	000004964	10/28/21	1774795100621	INTERNET - DISTRICT	\$97.98
	4				\$3,238.85
ULINE	000004960	10/28/21	140081011	GENERAL SUPPLIES	\$554.73
	1				\$554.73
UNIVERSAL WASTE SYSTEMS, INC	000004759	10/07/21	0001208388	WASTE REMOVAL - OCTOBER	\$104.00
	1				\$104.00
UNUM	000004936	10/28/21	04205600016NOV21	LIFE INSURANCE-NOVEMBER 2021	\$4,352.46
	1				\$4,352.46
US POSTAL SERVICE	000004911	10/21/21	n/a	Req: 3555	\$265.00
	000004912	10/21/21	no invoice	Req: 3556	\$2,000.00
	2				\$2,265.00
VERIZON WIRELESS	000004825	10/14/21	9888607376	MOBILE INTERNET 08/17-09/16	\$1,983.63
	1				\$1,983.63
WASTE MANAGEMENT OF OC	000004861	10/14/21	0395159-2515-2	TR CONTAINER RENTAL OCT21	\$1,263.99
		10/14/21	7954857-0149-9	TR CONTAINER RENTAL SEP21	\$525.00
	1				\$1,788.99
WATER SYSTEMS CONSULTING, INC.	000004762	10/07/21	5942	M21-220A WILSON PIPELINE REPLC	\$29,945.75
	000004826	10/14/21	6023	M21-220A WILSON PIPELINE REPLC	\$7,140.00
	000004938	10/28/21	5870	M21-220A WILSON PIPELINE REPLC	\$19,090.75
	3				\$56,176.50
WATEREUSE ASSOCIATION	000004889	10/21/21	D44144	Req: 3527	\$4,042.50
	1				\$4,042.50
WE SAVE BEES	000004890	10/21/21	9511	BEE REMOVAL SERVICES	\$195.00
	000004939	10/28/21	9549	BEE REMOVAL SERVICES	\$195.00

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Vendor Name	Check #/Count	Payment Date	Invoice Number	Invoice Description	Payment Amount
	2				\$390.00
WESTERN EXTERMINATOR COMPANY	000004763	10/07/21	8992539	PEST CONTROL - DISTRICT	\$92.50
	1				\$92.50
WILLIAMS SCOTSMAN INC.	000004941	10/28/21	9011682409	M21-250A1 SCADA & LAB UPDATES	\$3,923.63
	1				\$3,923.63
YORKE ENGINEERING, LLC	000004765	10/07/21	26903	AQ & ES ENVIRONMENTAL SERVICES	\$2,071.25
	1				\$2,071.25
ZONES INC	000004891	10/21/21	K18071180101	ACROBAT PRO	\$315.55
	1				\$315.55
Total GENERAL AND ADMINISTRATIVE	114				\$850,091.24
RETIREE CHECKS					
ALAN COOK	000004791	10/14/21	100121	OCT 2021 INSURANCE SUBSIDY	\$94.83
	1				\$94.83
ART HERNANDEZ	000004835	10/14/21	100121	OCT 2021 INSURANCE SUBSIDY	\$179.08
	1				\$179.08
COLEEN L MONTELEONE	000004795	10/14/21	100121	OCT 2021 INSURANCE SUBSIDY	\$241.00
	1				\$241.00
DIANA LEACH	000004797	10/14/21	100121	OCT 2021 INSURANCE SUBSIDY	\$271.06
	1				\$271.06
JOHN CERNEK	000004806	10/14/21	100121	OCT 2021 INSURANCE SUBSIDY	\$62.28
	1				\$62.28
LORI MULLER	000004808	10/14/21	100121	OCT 2021 INSURANCE SUBSIDY	\$94.83
	1				\$94.83
Total RETIREE CHECKS	6				\$943.08
VARIOUS					
AC POZOS ELECTRIC CORPORATION	000004790	10/14/21	ACP2021-1177	ELECTRICAL REPAIRS	\$250.00
	1				\$250.00
ACADEMY ELECTRIC INC.	000004734	10/07/21	1302-15	ELECTRICAL REPAIRS	\$385.65

Payment Listing by Class

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Vendor Name	Check #/Count	Payment Date	Invoice Number	Invoice Description	Payment Amount
	1				\$385.65
AMAZON BUSINESS	000004768	10/07/21	1CJM-G9HW-KTYT	OFFICE SUPPLIES	\$22.21
		10/07/21	1GCX-3NXG-HT3L	OFFICE SUPPLIES	\$36.20
		10/07/21	1GJ7-71KT-YG3Y	OFFICE SUPPLIES	\$87.08
		10/07/21	1R36-N3WR-G7VL	OFFICE SUPPLIES	\$16.15
		10/07/21	1GRF-3L6J-QPFN	OFFICE SUPPLIES	\$64.04
		10/07/21	1Y1N-Y1XX-QVYH	OFFICE SUPPLIES	\$105.90
	000004834	10/14/21	1LPK-D19V-7GCL	OFFICE SUPPLIES	\$228.77
		10/14/21	1DQ3-F7V9-1RJT	OFFICE SUPPLIES	\$42.30
		10/14/21	1W67-JQVK-Q1GP	OFFICE SUPPLIES	\$8.61
		10/14/21	1LT7-4RK9-JRNL	OFFICE SUPPLIES	\$7.52
	000004906	10/21/21	19X7-TVGG-1FV6	OFFICE SUPPLIES	\$19.59
		10/21/21	1RG1-6Y1N-WQ9R	OFFICE SUPPLIES	\$27.76
		10/21/21	1NT3-T6FH-PGWF	OFFICE SUPPLIES	\$109.13
		10/21/21	1GHJ-D9H3-NYXL	OFFICE SUPPLIES	\$38.78
		10/21/21	16GM-JJNH-YVNG	OFFICE SUPPLIES	\$51.68
		10/21/21	1HKV-4MQF-PLGK	OFFICE SUPPLIES	\$260.21
		10/21/21	1L91-MFWL-D767	OFFICE SUPPLIES	\$38.78
		10/21/21	1RDM-KJ1R-DDTF	OFFICE SUPPLIES	\$9.69
		10/21/21	14ML-6NLH-F67N	OFFICE SUPPLIES	\$73.58
	000004962	10/28/21	1VXD-XKW3-MGFL	Receivings Transaction Entry	\$29.76
		10/28/21	1JJ4-WRTC-XMD4	OFFICE SUPPLIES	\$12.50
		10/28/21	1M6R-9691-XMDH	OFFICE SUPPLIES	\$55.86
		10/28/21	19X7-TVGG-NLGM	OFFICE SUPPLIES	\$57.42

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Vendor Name	Check #/Count	Payment Date	Invoice Number	Invoice Description	Payment Amount
AMAZON BUSINESS	000004962	10/28/21	1GGP-TFYX-GFJG	OFFICE SUPPLIES	\$249.69
		10/28/21	1KLD-X7T7-N3X3	OFFICE SUPPLIES	\$26.79
		10/28/21	1LW4-GYMP-6R4V	OFFICE SUPPLIES	\$96.96
		10/28/21	16K9-RWLK-6Q3L	OFFICE SUPPLIES	\$23.97
		10/28/21	1TNX-FJTC-DN4N	OFFICE SUPPLIES	\$20.15
		10/28/21	1R3X-RC4N-WKGN	OFFICE SUPPLIES	\$12.92
		4			
AT&T	000004836	10/14/21	8274SEP2021	949-722-8274 SEPTEMBER 2021	\$200.18
	000004837	10/14/21	9337OCT21	714-435-9337 OCTOBER 2021	\$5,505.32
	000004838	10/14/21	8315OCT21	714-241-8315 OCTOBER 2021	\$2,065.67
	000004839	10/14/21	0779OCT21	339-263-0779 OCTOBER 2021	\$1,609.31
	000004840	10/14/21	0926OCT21	949-650-0926 OCTOBER 2021	\$2,106.37
	000004841	10/14/21	8883OCT21	949-631-8883 OCTOBER 2021	\$397.83
	000004842	10/14/21	3066OCT21	960-350-3066 OCTOBER 2021	\$5,824.71
	000004864	10/21/21	000017123468	ACCT# 9391061444 SEPTEMBER	\$55.88
	000004865	10/21/21	4054001OCT21	030 203 4054 001 OCTOBER 2021	\$88.83
	9				\$17,854.10
CITADEL ENVIRONMENTAL SERVICES INC	000004892	10/21/21	0028767	EHS AUDIT	\$7,470.43
		1			\$7,470.43
ELITE EQUIPMENT	000004963	10/28/21	44143	REPAIRS	\$331.07
		10/28/21	44142	REPAIRS	\$245.59
		10/28/21	44144	REPAIRS	\$257.05
		10/28/21	43951	REPAIRS	\$235.56
		10/28/21	43950	REPAIRS	\$244.25
		10/28/21	43949	REPAIRS	\$268.23
	1				\$1,581.75

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Vendor Name	Check #/Count	Payment Date	Invoice Number	Invoice Description	Payment Amount
FEDERAL EXPRESS CORPORATION	000004952	10/28/21	7-531-87917	SHIPPING SERVICES	\$67.36
		10/28/21	7-524-58240	SHIPPING SERVICES	\$51.31
	1				\$118.67
FOUR WIND INTERACTIVE	000004920	10/28/21	INV0577128	IT EQUIPMENT	\$134.99
	1				\$134.99
GENERAL PUMP COMPANY	000004921	10/28/21	28854	WELL 5 REPAIRS	\$8,072.24
	1				\$8,072.24
GRAINGER	000004922	10/28/21	9087362589	SAFETY TOOLS & EQUIPMENT	\$473.99
	1				\$473.99
HACH COMPANY	000004772	10/07/21	12649820	SAFETY TOOLS & EQUIPMENT	\$84.95
		10/07/21	12649807	SAFETY TOOLS & EQUIPMENT	\$1,184.46
	000004800	10/14/21	12663382	SAFETY TOOLS & EQUIPMENT	\$1,777.23
	000004954	10/28/21	12682182	SAFETY TOOLS & EQUIPMENT	\$134.47
		10/28/21	12678871	SAFETY TOOLS & EQUIPMENT	\$83.51
	3				\$3,264.62
HRCHITECT	000004803	10/14/21	2021-0726	M18-110 HRIS CONSULTANT	\$1,356.25
	1				\$1,356.25
HUB AUTO SUPPLY	000004804	10/14/21	272861	AUTO SUPPLIES	\$17.08
		10/28/21	276183	AUTO SUPPLIES	\$41.59
		10/28/21	276182	AUTO SUPPLIES	\$8.32
	2				\$66.99
KOFF AND ASSOCIATES	000004752	10/07/21	013653	PROFESSIONAL SERVICES	\$26,388.75
	1				\$26,388.75
LEWIS CONSULTING GROUP	000004753	10/07/21	2021-126	GOV'T RELATIONS SERVICES	\$5,000.00
	1				\$5,000.00
MURCAL, INC	000004775	10/07/21	83764	ROTARY SWITCH	\$196.24
	1				\$196.24
PRIME SYSTEMS INDUSTRIAL AUTOMATION	000004899	10/21/21	0825-26	SCADA SYSTEM SUPPORT	\$11,357.05
		10/21/21	0992-02	MWRF MIGRATION PROJECT	\$2,300.00

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Vendor Name	Check #/Count	Payment Date	Invoice Number	Invoice Description	Payment Amount
	1				\$13,657.05
SHERWIN WILLIAMS COMPANY	000004818	10/14/21	2830-3	PAINTING SUPPLIES	\$10.66
	1				\$10.66
SOUTHERN CALIFORNIA GAS CO	000004815	10/14/21	05060829008SE P21	NATURAL GAS, WELL 5, SEP 2021	\$15,542.63
	1				\$15,542.63
SPRYPOINT SERVICES INC	000004880	10/21/21	INV-0908	SPRYENGAGE ANNUAL SUBSCRIPTION	\$15,015.00
	1				\$15,015.00
TANGERINE PROMOTIONS, A DIVISION OF BAMKO LLC	000004819	10/14/21	95040	PA PROMO ITEMS	\$1,365.15
	000004882	10/21/21	95863	PA PROMO ITEMS	\$775.21
	2				\$2,140.36
THE HOME DEPOT COMMERCIAL ACCT	000004802	10/14/21	1915SEP21	TOOLS & EQUIPMENT	\$2,529.12
	1				\$2,529.12
TJC & ASSOCIATES INCORPORATED	000004821	10/14/21	34686	M21-250E SCADA COMM ALTER	\$2,870.45
	000004885	10/21/21	34739	M21-250E SCADA COMM ALTER	\$3,578.41
	2				\$6,448.86
TYCO/ JOHNSON CONTROLS	000004823	10/14/21	36402211	SERVICE CALL	\$849.47
	000004886	10/21/21	10471227	QUARTERLY SECURITY SERVICE	\$8,955.37
	2				\$9,804.84
VALLEY POWER	000004887	10/21/21	B43783	RES 1 ENGINE REPAIR	\$2,345.00
	000004937	10/28/21	B43874	WELL 5 ENGINE REPAIRS	\$3,868.71
	2				\$6,213.71
VONAGE HOLDINGS CORPORATION	000004761	10/07/21	2117843	TELEPHONE SERVICES	\$10,477.04
	1				\$10,477.04
WESTBOUND COMMUNICATIONS	000004940	10/28/21	4670	DIGITAL & SOCIAL MEDIA SERVICE	\$11,630.00
	1				\$11,630.00
WHITTINGHAM PUBLIC AFFAIRS ADVISORS	000004764	10/07/21	001270	SCAQMD CONSULTING	\$2,131.25
	1				\$2,131.25
Total VARIOUS	46				\$170,049.19

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Vendor Name	Check #/Count	Payment Date	Invoice Number	Invoice Description	Payment Amount
WATER SUPPLY					
AIRGAS USA LLC	000004735	10/07/21	9983271423	CYLINDER RENTAL	\$112.20
	1				\$112.20
AMERICAN WATER CHEMICALS	000004736	10/07/21	05-210867/1	WATER TREATMENT CHEMICAL	\$5,172.00
	1				\$5,172.00
D&H WATER SYSTEMS	000004893	10/21/21	I2021-1121	MWRF PUMP SUPPLIES	\$395.08
		10/21/21	I2021-1112	MWRF PUMP SUPPLIES	\$1,473.61
	1				\$1,868.69
EMERSON INSTRUMENT & VALVE SERVICES	000004744	10/07/21	71840700	MONTHLY INSPECTIONS	\$2,420.40
	1				\$2,420.40
LINDE INC.	000004783	10/07/21	65962385	CARBON DIOXIDE	\$3,403.79
		10/07/21	65455979	Receivings Transaction Entry	\$3,592.24
		10/07/21	66393814	CARBON DIOXIDE TANK RENTAL	\$2,489.03
		10/07/21	65869246	CARBON DIOXIDE	\$3,583.57
	000004851	10/14/21	66014373	CARBON DIOXIDE	\$3,412.79
		10/14/21	66274100	CARBON DIOXIDE	\$3,543.20
	000004898	10/21/21	66425663	CARBON DIOXIDE	\$3,542.39
	3				\$23,567.01
NALCO WATER PRETREATMENT SOLUTIONS	000004755	10/07/21	2573803	MWRF GARDEN SUPPLIES	\$577.78
	000004930	10/28/21	2578840	MWRF GARDEN SUPPLIES	\$627.76
	2				\$1,205.54
OCWD	000005026	10/19/21	23499	GAP WTR SEPTEMBER	\$98,527.35
	0170153	10/01/21	23428	GAP WTR AUGUST	\$119,939.65
	2				\$218,467.00
PACIFIC STAR CHEMICAL DBA NORTHSTAR CHEMICAL	000004776	10/07/21	205817	SOD HYPO	\$2,318.77
		10/07/21	205818	SOD HYPO	\$3,877.54
		10/07/21	206426	SOD HYPO	\$3,657.81
		10/07/21	206425	SOD HYPO	\$969.39
		10/07/21	206424	SOD HYPO	\$652.72
		10/07/21	206427	SOD HYPO	\$2,266.00

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Vendor Name	Check #/Count	Payment Date	Invoice Number	Invoice Description	Payment Amount
PACIFIC STAR CHEMICAL DBA NORTHSTAR CHEMICAL	000004849	10/14/21	207065	SOD HYPO	\$3,370.88
		10/14/21	207062	SOD HYPO	\$1,112.86
		10/14/21	207064	SOD HYPO	\$911.23
		10/14/21	207063	SOD HYPO	\$884.08
	000004956	10/28/21	207730	SOD HYPO	\$142.18
		10/28/21	207731	SOD HYPO	\$3,748.29
		10/28/21	208309	SOD HYPO	\$253.33
		10/28/21	208308	SOD HYPO	\$2,326.52
		10/28/21	208306	SOD HYPO	\$1,333.87
		10/28/21	207729	SOD HYPO	\$2,397.62
		10/28/21	207732	SODIUM BISULFITE	\$2,176.10
		10/28/21	207736	SOD HYPO	\$2,575.00
	3				\$34,974.19
SEPARATION PROCESSES, INC	000004816	10/14/21	10259	SUPPORT SERVICES	\$10,638.70
1				\$10,638.70	
UNITED WATERWORKS INC.	000004857	10/14/21	S100101257.001	WATER OPS SUPPLIES	\$657.56
		10/14/21	S100101449.001	WATER OPS SUPPLIES	\$238.70
1				\$896.26	
Total WATER SUPPLY	16				\$299,321.99
WATER SYSTEM					
ALS TRUESDAIL LABORATORIES INC	000004782	10/07/21	522103972	WATER QUALITY TESTING	\$33.00
		10/07/21	522103844	WATER QUALITY TESTING	\$22.00
	000004822	10/14/21	522104201	WATER QUALITY TESTING	\$33.00
2				\$88.00	
C. WELLS PIPELINE MATERIALS	000004796	10/14/21	SINV21-2764	PIPE SUPPLIES	\$7,111.50
1				\$7,111.50	
DIG SAFE BOARD	000004743	10/07/21	DSB20204927	DIG SAFE BOARD FEES	\$317.32
1				\$317.32	
EWLES MATERIALS INC	000004845	10/14/21	425308	BOBTAIL DUMP FEES	\$440.00
		10/14/21	425410	BOBTAIL DUMP FEES	\$440.00
1				\$880.00	

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Vendor Name	Check #/Count	Payment Date	Invoice Number	Invoice Description	Payment Amount
GOLDEN BELL PRODUCTS	000004872	10/21/21	17654	4,5 GALLON PAILS OF RELEASE	\$301.70
	1				\$301.70
GOLDEN METERS SERVICE	000004799	10/14/21	1602	METER TESTS & REPAIR	\$5,117.99
	1				\$5,117.99
HOPKINS TECHNICAL PRODUCTS	000004924	10/28/21	3621301100	WATER OPS SUPPLIES	\$2,089.06
	1				\$2,089.06
IRVINE PIPE & SUPPLY	000004749	10/07/21	1028180	PIPE FITTINGS & SUPPLIES	\$883.84
	1				\$883.84
LARRY'S BUILDING MATERIALS	000004875	10/21/21	CM-133489	PAVING MATERIALS	\$56.41
		10/21/21	CM-133498	PAVING MATERIALS	\$64.54
	1				\$120.95
OMAR & SON'S TRUCKING	000004812	10/14/21	6298	DIRT HAULING	\$808.00
	000004878	10/21/21	6349	DIRT HAULING	\$696.90
	2				\$1,504.90
ORANGE COUNTY PUMP	000004897	10/21/21	154002	PLUMBING REPAIRS	\$3,340.24
		10/21/21	154003	RES 1 PUMP REPLACEMENT	\$6,116.03
	1				\$9,456.27
ORANGE COUNTY SANITATION DISTRICT	000004896	10/21/21	912280	FY21 ANNUAL USE RECONCILIATION	\$1,163.06
		10/21/21	540990	FY22 Q1 ESTIMATED USE CHARGE	\$21,972.95
	1				\$23,136.01
POLLARD WATER	000004850	10/14/21	0199870	WATER OPS TOOLS/SUPPLIES	\$460.31
		10/14/21	0199869	WATER OPS TOOLS/SUPPLIES	\$1,342.04
	1				\$1,802.35
RIPARIAN REPAIRS	000004933	10/28/21	091221	PLANT CONTROL	\$402.30
	1				\$402.30
S & J SUPPLY CO.	000004852	10/14/21	S100181445.001	PIPELINE MATERIALS	\$2,076.35
		10/14/21	S100180923.001	PIPELINE MATERIALS	\$1,073.19
		10/14/21	S100179613.001	PIPELINE MATERIALS	\$1,124.64
	1				\$4,274.18
SOUTH COAST A.Q.M.D.	000004853	10/14/21	11063_2	Req: 3534	\$4,045.88

Payment Listing by Class

10/1/2021 - 10/31/2021

Vendor Name	Check #/Count	Payment Date	Invoice Number	Invoice Description	Payment Amount
SOUTH COAST A.Q.M.D.	000004854	10/14/21	11063_1	Req: 3533	\$4,045.88
	000004900	10/21/21	3884085	RENEWAL FEE:ICE EM ELEC GEN D	\$880.30
		10/21/21	3888303	FY21/22 FLAT FEE - EMISSIONS	\$142.59
	3				\$9,114.65
TAMORI DESIGNS	000004901	10/21/21	1519	PRINTING - WORK ORDER FORMS	\$779.03
	1				\$779.03
UNDERGROUND SERVICE ALERT/SC	000004824	10/14/21	920210438	UNDERGROUND DIG ALERT	\$815.20
	1				\$815.20
VULCAN MATERIALS	000004860	10/14/21	73080826	PAVING MATERIALS	\$87.66
		10/14/21	73076651	PAVING MATERIALS	\$89.32
	000004888	10/21/21	73092739	PAVING MATERIALS	\$252.06
		10/21/21	73070024	PAVING MATERIALS	\$91.81
	2				\$520.85
WEST COAST SAND & GRAVEL	000004827	10/14/21	415479	FILL SAND	\$470.88
	1				\$470.88
Total WATER SYSTEM	25				\$69,186.98
Total Payments (All)	244				\$2,471,317.99



*Dedicated to
Satisfying our Community's
Water Needs*

MEMORANDUM

TO: Board of Directors
FROM: Marwan Khalifa, CPA, MBA, Chief Financial Officer
DATE: November 16, 2021
SUBJECT: Monthly Financial Reports

RECOMMENDATION

Receive and file the Monthly Financial Reports.

STRATEGIC PLAN

Goal #3: Be financially responsible and transparent.

PRIOR BOARD ACTION/DISCUSSION

None.

DISCUSSION

The attached Treasurer's status reports reflect the performance of Mesa Water's cash and investment accounts.

FINANCIAL IMPACT

None.

ATTACHMENTS

Attachment A: Monthly Treasurer's Status Report on Investments as of 10/31/21
Attachment B: Monthly Treasurer's Status Report on Investments as of 9/30/21

Mesa Water District
Monthly Treasurer's Status Report on Investments
10/31/2021



Investments are in compliance with the Investment Policy adopted as Resolution 1506 of the Mesa Water District Board of Directors.
The liquidity of investments will meet cash flow needs for the next six months except under unforeseen catastrophic circumstances.

Investments	Maturity Date	Days to Maturity	YTM@Cost	Cost Value	% of Portfolio	Policy % Limit	Market Value
Local Agency Investment Fund (LAIF)	Liquid	1	0.20%	1,084.09	0.00%	No Limit	1,084.09
Orange County Investment Pool (OCIP) *	Liquid	1	*	826,623.74	2.00%	No Limit	826,623.74
Miscellaneous Cash (Petty, Emergency, etc.)	Liquid	1	0.00%	14,000.00	0.03%	N/A	14,000.00
US Bank Custody Account							
Negotiable Certificate of Deposit	Various	958	1.34%	10,378,000.00	25.41%	30.00%	10,497,847.61
US Agency Bonds	Various	1,030	0.88%	15,636,055.29	37.56%	No Limit	15,515,236.65
US Treasury Bonds	Various	1,228	4.72%	1,988,227.68	4.75%	No Limit	1,962,510.00
Sub Total / Average		1,017	14.02%	28,002,282.97			27,975,594.26
US Bank Custody Account							
Pacific Premier Bank	Liquid	1	0.01%	421,950.83	1.02%	No Limit	421,950.83
	Liquid	1	1.25%	12,076,588.73	29.23%	No Limit	12,076,588.73
Total / Average		689	1.07%	\$ 41,342,530.36	100.00%		\$ 41,315,841.65

PARS OPEB & Pension Trust	Monthly Rate of Return *	Cost Value	Market Value
Public Agency Retirement Services (PARS)			
Capital Appreciation HighMark PLUS Fund			
OPEB	*	\$ 1,693,748.05	\$ 2,208,669.63
Pension Trust	*	\$ 12,712,337.71	\$ 16,670,413.20
		\$ 14,406,085.76	\$ 18,879,082.83

Local Agency Investment Fund (LAIF)

LAIF includes funds designated for allocation of working capital cash to reserves, working capital cash and advances for construction. LAIF market value on Monthly Treasurer's Status Report on Investments for months between quarters is the dollar amount invested times the fair market value Fair Value factor of prior quarter end. The general ledger LAIF carrying value reflects market value (unrealized gains and losses) only at fiscal year end. LAIF provides the Fair Value factor as of March 31, June 30, September 30 and December 31 each year. LAIF market value on this report is based on the September 2021 Fair Value Factor of 0.999873661.

Orange County Treasurer's Investment Pool (OCIP)

The MY 2021 net asset value factor is estimated at 1.00, and the interest rate is the Monthly Net Yield.

Weighted Average Return

Mesa Water® Funds | 1.07%
Benchmark: 3 Month Treasury Bill - October 2021 | 0.05 %

Weighted Average Maturity

Years | 1.90
Days to Maturity | 689

PARS OPEB & Pension Trust Benchmark - S & P 500 Index

1 Month | 6.91 %

* Data not available at reporting deadline.

Mesa Water District
 Transactions Summary
 Monthly Treasurer's Status Report - Investment Activity
 Group By: Action
 Portfolio / Report Group: US Bank | Custodian - Fixed
 Begin Date: 09/30/2021, End Date: 10/31/2021

Description	CUSIP/Ticker	YTM @ Cost	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/Dividends	Total
Matured								
Countryside Federal CU NY 1.65 10/28/2021	22239MAL2	0.000	10/28/2021	10/28/2021	247,000.00	247,000.00	0.00	247,000.00
Sub Total / Average Matured					247,000.00	247,000.00	0.00	247,000.00

Mesa Water District
Date To Date
Monthly Interest | Received
Report Format: By Transaction
Group By: Asset Category
Portfolio / Report Group: Report Group | Treasurer's Report
Begin Date: 9/30/2021, End Date: 10/31/2021

Description	CUSIP/Ticker	Settlement Date	Maturity Date	Coupon Rate	Ending Face Amount/Shares	Interest/Dividends	Sell Accrued Interest
LAIF Policy - No Limit							
LAIF LGIP	LGIP0012	6/30/2010	N/A	N/A	1,084.09	0.66	0.00
Sub Total/Average					1,084.09	0.66	0.00
Orange County LGIP							
Orange County Investment Pool LGIP	LGIP9LC	9/30/2011	N/A	N/A	826,623.74	0.00	0.00
Sub Total/Average					826,623.74	0.00	0.00
Miscellaneous Cash (Petty Emergency)							
Miscellaneous Cash	CASH	6/30/2015	N/A	N/A	14,000.00	0.00	0.00
Sub Total/Average					14,000.00	0.00	0.00
Negotiable CD 30%							
Countryside Federal CU NY 1.65 10/28/2021	22239MAL2	10/28/2016	10/28/2021	1.650	0.00	334.97	0.00
Bank of Baroda 1.85 11/23/2021	06062QXG4	11/23/2016	11/23/2021	1.850	247,000.00	0.00	0.00
First National Bank MI 2 1/20/2022	32110YJT3	1/20/2017	1/20/2022	2.000	201,000.00	330.41	0.00
State Bank India NY 2.35 3/14/2022	8562846V1	3/14/2017	3/14/2022	2.350	247,000.00	0.00	0.00
American Express 2.45 4/5/2022	02587DN38	4/5/2017	4/5/2022	2.450	247,000.00	3,034.04	0.00
Goldman Sachs NY 3.3 1/16/2024	38148P4E4	1/16/2019	1/16/2024	3.300	245,000.00	0.00	0.00
Merrick Bank UT 3 7/31/2023	59013J6G9	1/30/2019	7/31/2023	3.000	249,000.00	613.97	0.00
Morgan Stanley UT 3.05 1/31/2024	61690UDV9	1/31/2019	1/31/2024	3.050	246,000.00	0.00	0.00
Morgan Stanley NY 3.05 1/31/2024	61760AVF3	1/31/2019	1/31/2024	3.050	246,000.00	0.00	0.00
Capital One VA 2.65 5/22/2024	14042RLP4	5/22/2019	5/22/2024	2.650	246,000.00	0.00	0.00
Eaglebank MD 2.5 5/24/2024	27002YEN2	5/24/2019	5/24/2024	2.500	249,000.00	511.64	0.00
Sallie Mae Bank UT 1.9 10/16/2024	7954504P7	10/17/2019	10/16/2024	1.900	247,000.00	2,352.93	0.00
Celtic Bank UT 1.65 10/23/2024	15118RSV0	10/23/2019	10/23/2024	1.650	249,000.00	337.68	0.00
Ally Bank UT 1.85 10/24/2022	02007GML4	10/24/2019	10/24/2022	1.850	247,000.00	2,291.01	0.00
Enterprise Bank & Trust 1.75 11/8/2023	29367SJR6	11/8/2019	11/8/2023	1.750	249,000.00	358.15	0.00
Raymond James Bank 1.75 11/8/2023	75472RAH4	11/8/2019	11/8/2023	1.750	247,000.00	0.00	0.00
Third Federal Savings 1.75 11/13/2023	88413QCJ5	11/12/2019	11/13/2023	1.750	247,000.00	0.00	0.00
Garnett State Bank 1.7 11/19/2024	366526AW1	11/19/2019	11/19/2024	1.700	249,000.00	347.92	0.00

Description	CUSIP/Ticker	Settlement Date	Maturity Date	Coupon Rate	Ending Face Amount/Shares	Interest/Dividends	Sell Accrued Interest
Citizens State Bank 1.7 11/22/2024	176688CR8	11/22/2019	11/22/2024	1.700	249,000.00	347.92	0.00
Marlin Business Bank UT 1.7 12/4/2023	57116ATG3	12/2/2019	12/4/2023	1.700	249,000.00	347.92	0.00
Baycoast Bank MA 0.9 3/31/2025	072727BG4	3/31/2020	3/31/2025	0.900	248,000.00	0.00	0.00
Enerbank UT 1.15 4/29/2024	29278TNY2	4/29/2020	4/29/2024	1.150	249,000.00	235.36	0.00
First Freedom Bank 1.1 4/30/2024	32027BAM9	4/30/2020	4/30/2024	1.100	249,000.00	225.12	0.00
Flagstar Bank MI 1.25 4/30/2025	33847E3A3	4/30/2020	4/30/2025	1.250	248,000.00	1,554.25	0.00
Apex Bank TN 0.95 5/8/2025	03753XBK5	5/8/2020	5/8/2025	0.950	249,000.00	194.42	0.00
Seattle Bank WA 0.75 6/2/2025-20	81258PKJ1	6/2/2020	6/2/2025	0.750	249,000.00	153.49	0.00
Medallion Bank UT 0.6 7/15/2025	58404DHM6	7/15/2020	7/15/2025	0.600	249,000.00	122.79	0.00
Preferred Bank CA 0.25 7/17/2023	740367LV7	7/17/2020	7/17/2023	0.250	249,000.00	51.16	0.00
Bankwell Bank CT 0.35 1/30/2024	06654BCM1	7/30/2020	1/30/2024	0.350	249,000.00	0.00	0.00
BMW Bank UT 0.5 9/25/2025	05580AXF6	9/25/2020	9/25/2025	0.500	249,000.00	0.00	0.00
BMO Harris Bank IL 0.5 3/28/2025-20	05600XAY6	9/28/2020	3/28/2025	0.500	249,000.00	0.00	0.00
First Commercial Bank MS 0.3 3/31/2025	31984GFK0	9/30/2020	3/31/2025	0.300	249,000.00	61.40	0.00
Farm Bureau Bank NV 0.25 7/9/2024	307660LK4	10/9/2020	7/9/2024	0.250	249,000.00	51.16	0.00
Texas Exchange Bank TX 0.6 12/18/2025	88241TJR2	12/18/2020	12/18/2025	0.600	249,000.00	122.79	0.00
JPMorgan Chase OH 0.5 12/29/2025-21	48128UUZ0	12/29/2020	12/29/2025	0.500	249,000.00	0.00	0.00
John Marshall Bancorp VA 0.2 12/29/2023	47804GGC1	12/30/2020	12/29/2023	0.200	249,000.00	40.93	0.00
Live Oak Banking NC 0.5 2/10/2026	538036NE0	2/10/2021	2/10/2026	0.500	249,000.00	102.33	0.00
Luana Savings Bank IA 0.2 8/19/2024	549104WN3	2/19/2021	8/19/2024	0.200	249,000.00	0.00	0.00
Homestreet Bank WA 0.1 8/22/2022	43785QPQ0	2/22/2021	8/22/2022	0.100	249,000.00	20.47	0.00
Toyota Financial Savings NV 0.95 7/29/2026	89235MLE9	7/29/2021	7/29/2026	0.950	248,000.00	0.00	0.00
Transportation Alliance Bank 0.4 1/30/2025	89388CFD5	8/3/2021	1/30/2025	0.400	247,000.00	81.21	0.00
UBS Bank UT 0.95 8/25/2026	90348JS50	8/25/2021	8/25/2026	0.950	249,000.00	194.42	0.00
Synchrony Bank UT 0.55 9/3/2024	87164WA73	9/3/2021	9/3/2024	0.550	249,000.00	0.00	0.00
Sub Total/Average					10,378,000.00	14,419.86	0.00

US Agency - No Limit

FHLB 2 11/10/2021-18	3130A9S44	11/10/2016	11/10/2021	2.000	750,000.00	0.00	0.00
FHLB 3 12/9/2022	3130AFE78	1/9/2019	12/9/2022	3.000	1,000,000.00	0.00	0.00
FAMC 3.05 9/19/2023	3132X06C0	1/9/2019	9/19/2023	3.050	500,000.00	0.00	0.00
FFCB 2.125 6/5/2023	3133EKPT7	11/8/2019	6/5/2023	2.125	500,000.00	0.00	0.00
FNMA 1.375 9/6/2022	3135G0W33	11/8/2019	9/6/2022	1.375	500,000.00	0.00	0.00
FAMC 2.15 6/5/2024	31422BGA2	11/8/2019	6/5/2024	2.150	500,000.00	0.00	0.00
FNMA 1.875 4/5/2022	3135G0T45	3/23/2020	4/5/2022	1.875	500,000.00	4,687.50	0.00
FHLMC 0.7 5/13/2025-21	3134GVSYS5	5/13/2020	5/13/2025	0.700	500,000.00	0.00	0.00
FHLMC 0.5 5/20/2024-22	3134GVXR4	5/21/2020	5/20/2024	0.500	500,000.00	0.00	0.00
FHLMC 0.45 7/8/2024-22	3134GV4S4	7/13/2020	7/8/2024	0.450	750,000.00	0.00	0.00
FHLMC 0.375 7/14/2023-22	3134GV5F1	7/14/2020	7/14/2023	0.375	250,000.00	0.00	0.00

Description	CUSIP/Ticker	Settlement Date	Maturity Date	Coupon Rate	Ending Face Amount/Shares	Interest/Dividends	Sell Accrued Interest
FFCB 0.25 9/21/2023-22	3133EMAM4	9/24/2020	9/21/2023	0.250	500,000.00	0.00	0.00
FHLMC 0.35 9/30/2024-22	3134GWVM5	9/30/2020	9/30/2024	0.350	250,000.00	0.00	0.00
FHLMC 0.4 9/30/2025-21	3134GWVP8	9/30/2020	9/30/2025	0.400	250,000.00	0.00	0.00
FNMA 0.54 11/3/2025-22	3135GA2G5	10/30/2020	11/3/2025	0.540	500,000.00	0.00	0.00
FFCB 0.27 11/3/2023-22	3133EMFN7	11/3/2020	11/3/2023	0.270	250,000.00	0.00	0.00
FNMA 0.375 8/25/2025	3135G05X7	11/12/2020	8/25/2025	0.375	250,000.00	0.00	0.00
FHLMC 0.3 11/13/2023-22	3134GXAY0	11/13/2020	11/13/2023	0.300	250,000.00	0.00	0.00
FNMA 0.56 11/17/2025-22	3135GA2Z3	11/17/2020	11/17/2025	0.560	325,000.00	0.00	0.00
FNMA 0.58 11/25/2025-22	3135GA5E7	11/30/2020	11/25/2025	0.580	250,000.00	0.00	0.00
FNMA 0.6 7/29/2025-22	3136G4D75	12/18/2020	7/29/2025	0.600	250,000.00	0.00	0.00
FFCB 0.47 12/22/2025-22	3133EMLC4	12/22/2020	12/22/2025	0.470	250,000.00	0.00	0.00
FFCB 0.125 5/3/2023-21	3133EMPA4	2/5/2021	5/3/2023	0.125	250,000.00	0.00	0.00
FFCB 0.32 2/3/2025-21	3133EMPV8	2/5/2021	2/3/2025	0.320	250,000.00	0.00	0.00
FHLB 0.625 2/24/2026-21	3130AL7M0	3/2/2021	2/24/2026	0.625	250,000.00	0.00	0.00
FFCB 0.45 2/2/2026-23	3133EMPD8	3/2/2021	2/2/2026	0.450	300,000.00	0.00	0.00
FFCB 0.3 11/12/2024-21	3133EMQQ8	3/2/2021	11/12/2024	0.300	250,000.00	0.00	0.00
FFCB 0.43 3/3/2025	3133EMSJ2	3/3/2021	3/3/2025	0.430	250,000.00	0.00	0.00
FHLB 0.6 3/10/2026-21	3130ALFX7	3/10/2021	3/10/2026	0.600	250,000.00	0.00	0.00
FHLB 0.5 3/10/2025-21	3130ALDZ4	3/24/2021	3/10/2025	0.500	250,000.00	0.00	0.00
FHLB 0.75 3/16/2026-21	3130ALF33	3/24/2021	3/16/2026	0.750	250,000.00	0.00	0.00
FFCB 0.25 3/1/2024-21	3133EMSD5	3/24/2021	3/1/2024	0.250	250,000.00	0.00	0.00
FHLMC 0.45 10/29/2025-21	3134GW3J3	4/22/2021	10/29/2025	0.450	250,000.00	562.50	0.00
FHLMC 1.03 4/29/2026-22	3130ALZM9	4/29/2021	4/29/2026	1.030	250,000.00	1,287.50	0.00
FNMA 0.5 8/14/2025-23	3135G05S8	4/29/2021	8/14/2025	0.500	250,000.00	0.00	0.00
FHLMC 0.65 10/27/2025-21	3134GW5R3	5/25/2021	10/27/2025	0.650	375,000.00	1,218.75	0.00
FHLB 0.875 5/26/2026-21	3130AMHB1	5/28/2021	5/26/2026	0.875	250,000.00	0.00	0.00
FFCB 0.53 9/29/2025-21	3133EMBH4	6/17/2021	9/29/2025	0.530	500,000.00	0.00	0.00
FFCB 0.9 6/15/2026-22	3133EMH21	6/17/2021	6/15/2026	0.900	250,000.00	0.00	0.00
FFCB 0.6 6/16/2025-22	3133EMH47	6/17/2021	6/16/2025	0.600	250,000.00	0.00	0.00
FHLB 0.53 2/10/2026	3130AKVW2	8/19/2021	2/10/2026	0.530	310,000.00	0.00	0.00
FHLB 0.625 2/24/2025-22	3130ANQ86	8/24/2021	2/24/2025	0.625	250,000.00	0.00	0.00
FFCB 0.8 3/9/2026-23	3133EMSU7	9/24/2021	3/9/2026	0.800	250,000.00	0.00	0.00
FFCB 0.94 9/28/2026-22	3133EM6E7	9/28/2021	9/28/2026	0.940	250,000.00	0.00	0.00
Sub Total/Average					15,560,000.00	7,756.25	0.00

US Treasury - No Limit

T-Note 0.25 6/30/2025	912828ZW3	4/22/2021	6/30/2025	0.250	250,000.00	0.00	0.00
T-Note 0.375 1/31/2026	91282CBH3	4/29/2021	1/31/2026	0.375	250,000.00	0.00	0.00
T-Note 0.375 4/30/2025	912828ZL7	7/1/2021	4/30/2025	0.375	250,000.00	468.75	0.00

Description	CUSIP/Ticker	Settlement Date	Maturity Date	Coupon Rate	Ending Face Amount/Shares	Interest/Dividends	Sell Accrued Interest
T-Note 0.375 4/30/2025	912828ZL7	8/19/2021	4/30/2025	0.375	250,000.00	468.75	0.00
T-Note 0.125 2/15/2024	91282CBM2	8/19/2021	2/15/2024	0.125	250,000.00	0.00	0.00
T-Note 0.25 3/15/2024	91282CBR1	9/24/2021	3/15/2024	0.250	250,000.00	0.00	0.00
T-Note 0.25 6/15/2024	91282CCG4	9/24/2021	6/15/2024	0.250	250,000.00	0.00	0.00
T-Note 0.625 7/31/2026	91282CCP4	9/24/2021	7/31/2026	0.625	250,000.00	0.00	0.00
Sub Total/Average					2,000,000.00	937.50	0.00
US Bank MM Custody							
Custodian MM	MM65000	7/31/2020	N/A	N/A	421,950.83	4.55	0.00
Sub Total/Average					421,950.83	4.55	0.00
Pacific Premier Bank							
Pacific Premier Bank Checking Cash	MM0831	5/28/2020	N/A	N/A	12,076,588.73	0.00	0.00
Sub Total/Average					12,076,588.73	0.00	0.00
Total / Average					41,278,247.39	23,118.82	0.00

Mesa Water District
Portfolio Holdings
Investment Report | PARS Trust
Report Format: By CUSIP / Ticker
Group By: Portfolio Name
Average By: Market Value
Portfolio / Report Group: PARS OPEB Trust
As of 10/31/2021

Description	CUSIP/Ticker	Security Type	Face Amount/Shares	Cost Value	Market Value
PARS OPEB Trust					
Columbia Contrarian Fund	19766M709	Mutual Fund	4,670.94	114,767.04	176,000.36
DFA Large Cap	233203868	Mutual Fund	4,451.84	101,019.67	123,003.94
Dodge & Cox International	256206103	Mutual Fund	1,288.00	49,474.40	63,574.44
Dodge & Cox Stock Fund	256219106	Mutual Fund	619.28	112,183.30	152,696.36
Doubeline Core Fix Income	258620301	Mutual Fund	10,834.19	119,637.25	119,609.30
Harbor Capital Appreciation	411512528	Mutual Fund	791.80	62,711.14	98,879.72
Hartford Schroders	41665X859	Mutual Fund	5,397.77	94,225.63	108,819.18
iShares Russell Mid Cap	464287499	Mutual Fund	1,753.00	58,444.67	145,411.35
iShares SP500	464287408	Mutual Fund	468.00	60,987.17	71,150.04
MFS International	552746356	Mutual Fund	1,346.85	41,748.32	62,507.46
PGIM Total Return Bond	74440B884	Mutual Fund	8,226.26	120,929.60	119,773.30
PIMCO	693390841	Mutual Fund	3,085.84	27,874.01	27,803.38
Pimco Total Return Fund	693390700	Mutual Fund	11,631.81	122,423.30	119,923.95
Price T Rowe Growth	741479406	Mutual Fund	816.32	55,432.72	96,057.92
Undiscovered	904504479	Mutual Fund	1,582.91	100,621.84	132,774.48
US Bank PARS - OPEB Trust MM	MM4900	Money Market	22,368.46	22,368.46	22,368.46
Vanguard Growth & Income	921913208	Mutual Fund	2,996.70	224,112.62	346,150.53
Vanguard Real Estate	922908553	Mutual Fund	410.00	33,816.90	44,706.40
Vanguard Short Term	922031836	Mutual Fund	4,661.23	50,586.09	50,620.78
Victory RS	92647Q363	Mutual Fund	1,304.64	120,383.92	126,838.28
Sub Total / Average PARS OPEB Trust			88,705.84	1,693,748.05	2,208,669.63
Total / Average			88,705.84	1,693,748.05	2,208,669.63

Mesa Water District
Portfolio Holdings
Investment Report | PARS Trust
Report Format: By CUSIP / Ticker
Group By: Portfolio Name
Average By: Market Value
Portfolio / Report Group: PARS Pension Trust
As of 10/31/2021

Description	CUSIP/Ticker	Security Type	Face Amount/Shares	Cost Value	Market Value
PARS Pension Trust					
Columbia Contrarian Fund	19766M709	Mutual Fund	35,593.32	923,749.71	1,341,155.90
DFA Large Cap	233203868	Mutual Fund	33,921.02	763,053.21	937,237.74
Dodge & Cox International	256206103	Mutual Fund	9,813.94	404,242.25	484,415.63
Dodge & Cox Stock Fund	256219106	Mutual Fund	4,709.97	883,212.79	1,161,335.33
Doubeline Core Fix Income	258620301	Mutual Fund	82,552.80	906,886.64	911,382.64
Harbor Capital Appreciation	411512528	Mutual Fund	6,033.07	483,289.65	753,411.78
Hartford Schroders	41665X859	Mutual Fund	41,128.99	698,569.25	829,160.61
iShares Russell Mid Cap	464287499	Mutual Fund	13,348.00	297,802.75	1,107,216.60
iShares SP500	464287408	Mutual Fund	3,566.00	465,402.02	542,138.98
MFS International	552746356	Mutual Fund	10,262.53	344,461.21	476,284.39
PGIM Total Return Bond	74440B884	Mutual Fund	62,402.43	911,497.92	908,579.72
PIMCO	693390841	Mutual Fund	23,513.06	212,261.71	211,852.68
Pimco Total Return Fund	693390700	Mutual Fund	88,319.76	920,943.91	910,576.71
Price T Rowe Growth	741479406	Mutual Fund	6,220.00	437,076.12	731,908.82
Undiscovered	904504479	Mutual Fund	12,060.82	757,441.71	1,011,661.26
US Bank PARS - Pension Trust MM	MM4901	Money Market	22,528.51	22,528.51	22,528.51
Vanguard Growth & Income	921913208	Mutual Fund	22,833.84	1,741,485.28	2,637,536.72
Vanguard Real Estate	922908553	Mutual Fund	3,127.00	248,476.40	340,968.08
Vanguard Short Term	922031836	Mutual Fund	35,416.97	383,236.80	384,628.10
Victory RS	92647Q363	Mutual Fund	9,940.66	906,719.87	966,433.00
Sub Total / Average PARS Pension Trust			527,292.69	12,712,337.71	16,670,413.20
Total / Average			527,292.69	12,712,337.71	16,670,413.20

Mesa Water District
 Transactions Summary
 Monthly Treasurer's Status Report - Investment Activity
 Group By: Action
 Portfolio / Report Group: PARS OPEB Trust
 Begin Date: 09/30/2021, End Date: 10/31/2021

Description	CUSIP/Ticker	YTM @ Cost	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/Dividends	Total
Buy								
Pimco Total Return Fund	693390700	0.000	10/31/2021	N/A	21.569	222.38	0.00	222.38
PGIM Total Return Bond	74440B884	0.000	10/31/2021	N/A	18.416	268.14	0.00	268.14
Vanguard Short Term	922031836	0.000	10/31/2021	N/A	6.516	70.76	0.00	70.76
Sub Total / Average Buy					46.501	561.28	0.00	561.28
Dividend								
PIMCO	693390841	0.000	10/31/2021	N/A	0.00	0.00	105.77	105.77
DFA Large Cap	233203868	0.000	10/31/2021	N/A	0.00	0.00	795.32	795.32
Pimco Total Return Fund	693390700	0.000	10/31/2021	N/A	0.00	0.00	222.38	222.38
PGIM Total Return Bond	74440B884	0.000	10/31/2021	N/A	0.00	0.00	268.14	268.14
Vanguard Short Term	922031836	0.000	10/31/2021	N/A	0.00	0.00	70.76	70.76
Doubeline Core Fix Income	258620301	0.000	10/31/2021	N/A	0.00	0.00	267.05	267.05
Sub Total / Average Dividend					0.00	0.00	1,729.42	1,729.42

Mesa Water District
 Transactions Summary
 Monthly Treasurer's Status Report - Investment Activity
 Group By: Action
 Portfolio / Report Group: PARS Pension Trust
 Begin Date: 09/30/2021, End Date: 10/31/2021

Description	CUSIP/Ticker	YTM @ Cost	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/Dividends	Total
Dividend								
PIMCO	693390841	0.000	10/31/2021	N/A	0.00	0.00	805.95	805.95
DFA Large Cap	233203868	0.000	10/31/2021	N/A	0.00	0.00	6,059.99	6,059.99
Pimco Total Return Fund	693390700	0.000	10/31/2021	N/A	0.00	0.00	1,691.69	1,691.69
PGIM Total Return Bond	74440B884	0.000	10/31/2021	N/A	0.00	0.00	2,039.08	2,039.08
Vanguard Short Term	922031836	0.000	10/31/2021	N/A	0.00	0.00	538.17	538.17
Doubeline Core Fix Income	258620301	0.000	10/31/2021	N/A	0.00	0.00	2,034.87	2,034.87
Sub Total / Average Dividend					0.00	0.00	13,169.75	13,169.75

Mesa Water District
Quarterly Treasurer's Report on Investments
As of 09/30/2021



Investments are in compliance with the Investment Policy adopted as Resolution 1506 of the Mesa Water District Board of Directors. The liquidity of investments will meet cash flow needs for the next six months except under unforeseen catastrophic circumstances.

Investments	Maturity Date	Days to Maturity	Yield to Maturity @ Cost	Cost Value	% of Portfolio	Policy % Limit	Market Value	Interest Year to Date	Notes
Local Agency Investment Fund (LAIF)	Liquid	1	0.21%	1,083.43	0.00%	No Limit	1,083.43	0.88	1,4
Orange County Investment Pool (OCIP)	Liquid	1	0.50%	826,623.74	2.01%	No Limit	826,623.74	1,078.60	1,6
Miscellaneous (Petty Cash, Emergency Cash, etc.)	Liquid	1	0.00%	14,000.00	0.03%	N/A	14,000.00	0.00	
US Bank Custody Account									2,5
Negotiable CD	Various	967	1.35%	10,625,000.00	26.25%	30.00%	10,770,728.26	37,121.18	
US Agency	Various	1,062	0.88%	15,636,055.29	38.03%	No Limit	15,602,507.25	23,468.75	
US Treasury	Various	1,259	0.47%	1,988,227.68	4.82%	No Limit	1,976,935.00	468.75	
Sub Total / Average		1,040	1.03%	28,249,282.97			28,350,170.51	61,058.68	
US Bank Custody Account	Liquid	1	0.01%	155,358.08	0.38%	No Limit	155,358.08	16.44	
Pacific Premier Bank	Liquid	1	1.25%	11,687,300.02	28.48%	No Limit	11,687,300.02	0.00	1,3
Total Average		719	1.08%	\$40,933,648.24	100.00%		\$41,034,535.78	\$62,154.60	

PARS OPEB & Pension Trust	1 Month Rate of Return	3 Month Rate of Return	Cost Value	Market Value
Public Agency Retirement Services (PARS)				
Capital Appreciation HighMark PLUS Fund				
OPEB	-3.71%	-1.60%	1,692,836.88	2,122,916.58
Pension Trust	-3.72%	-1.59%	12,784,213.04	16,095,924.84
			14,477,049.92	18,218,841.42

Sources of Market Value Valuation - Account Statements

LAIF, OCIP & US Bank

Local Agency Investment Fund (LAIF)

District LAIF includes the funds designated for advances; construction, customer deposits, working capital cash and monies to pay COP principal/interest payments.

Weighted Average Return | 1.08 %

Benchmark: 3 Month Treasury Bill - September | .04 %

Weighted Average Maturity | 2.00 Years

Days to Maturity | 719

PARS OPEB & Pension Trust - Benchmark - S & P 500 Index

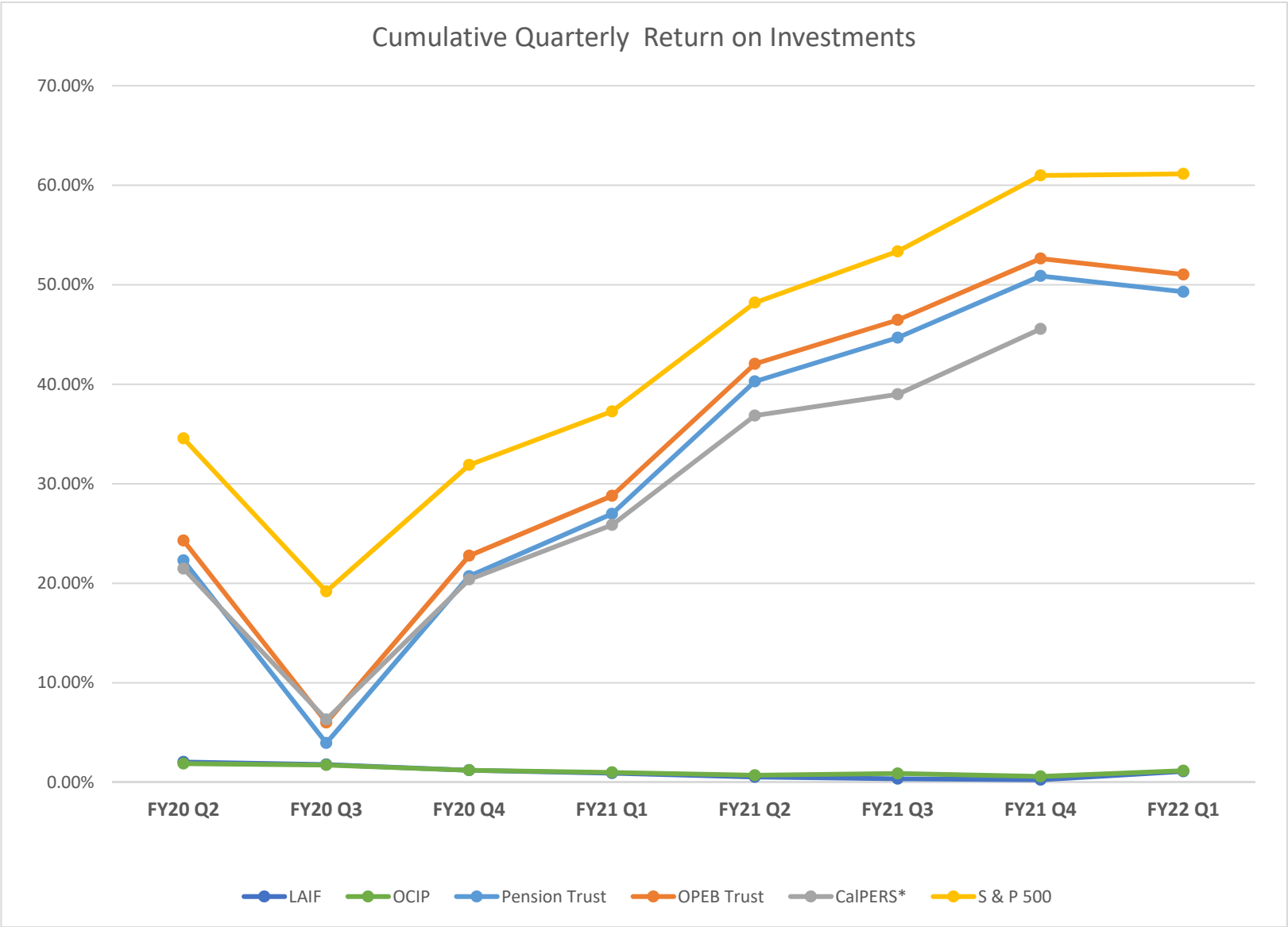
1 Month | -4.89 % 3 Month | 0.16 % 1 YEAR | 27.22 %

Notes

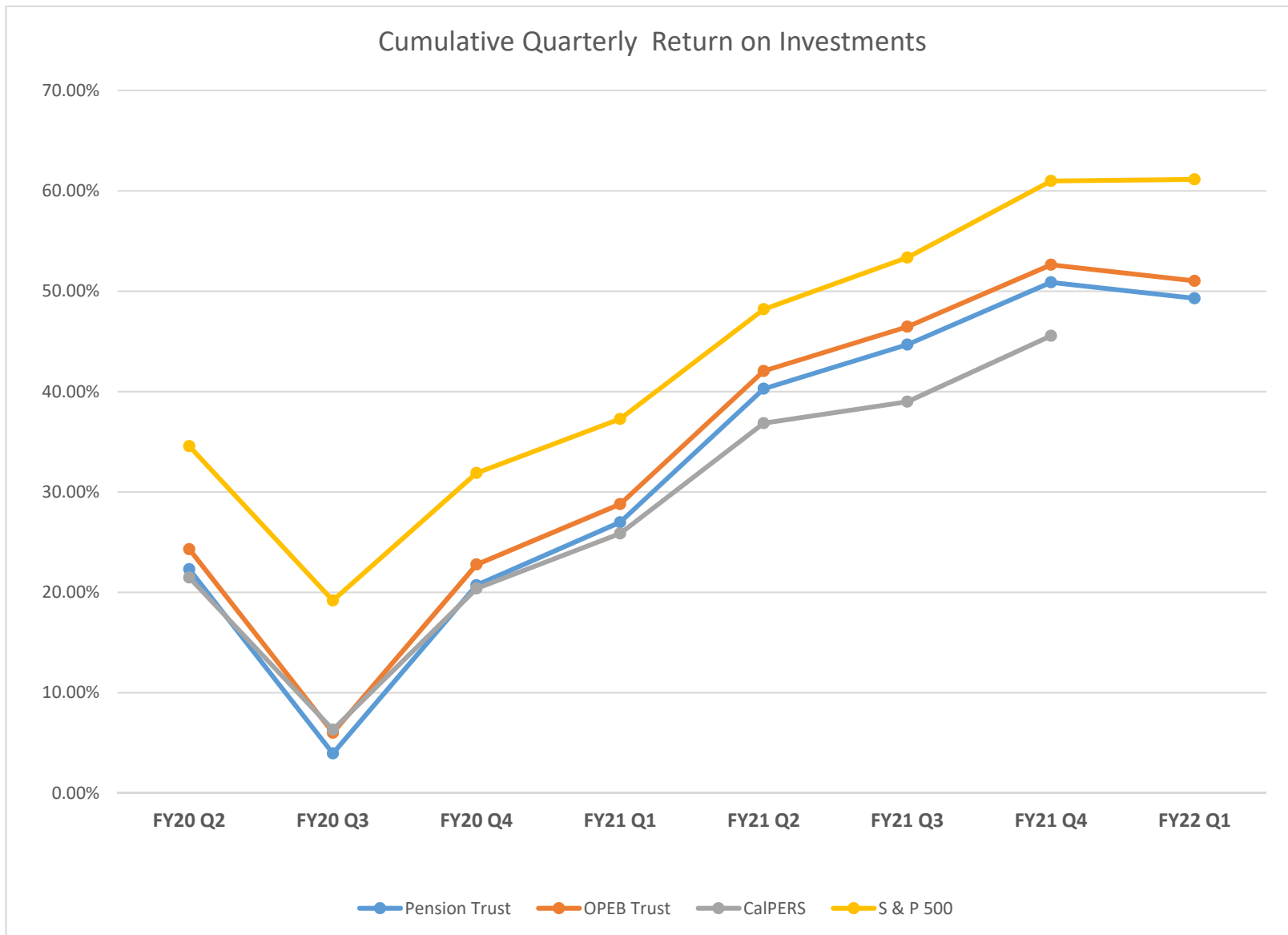
- The interest or yield shown is for the current month net of fees.
- The interest rate (Yield to Maturity @Cost) shown is the guaranteed annual interest rate for the term of the investment.
- The rate shown is the Earnings Credit Rate. These earnings are applied against bank service charges; no actual monies are received.
- LAIF general ledger carrying value reflects market value (unrealized gains/losses) only at fiscal year end. LAIF only provides the market value participation factor quarterly. The September Fair Value Factor is 0.999873661. The yield earned on the Treasurer's Reports does not reflect change in fair market value.
- US Bank Custody Account general ledger carrying value reflects market value (unrealized gains/losses). The Yield earned does not reflect change in fair market value.
- Orange County Investment Pool - September 2021 | Net Asset Value is 1.00.

I certify that this report reflects the cash and investments of Mesa Water District and is in conformity with the Government Code requirements and the District Investment Policy/Guidelines in effect at the time of the investment.

Marwan Khalifa
 Marwan Khalifa, CPA, MBA, District Treasurer



* CalPERS FY21 Q4 data was unavailable at time of publishing.



*** CalPERS FY21 Q4 data was unavailable at time of publishing.**

Mesa Water District
Transactions Summary
Quarterly Treasurer's Status Report - Investment Activity
Group By: Action
Portfolio / Report Group: Report Group | Treasurer's Report
Begin Date: 06/30/2021, End Date: 09/30/2021

Description	CUSIP/Ticker	YTM @ Cost	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/Dividends	Total
Buy								
T-Note 0.375 4/30/2025	912828ZL7	0.555	7/1/2021	4/30/2025	250,000.00	248,296.00	157.95	248,453.95
Toyota Financial Savings NV 0.95 7/29/2026	89235MLE9	0.950	7/29/2021	7/29/2026	248,000.00	248,000.00	0.00	248,000.00
Transportation Alliance Bank 0.4 1/30/2025	89388CFD5	0.400	8/3/2021	1/30/2025	247,000.00	247,000.00	10.83	247,010.83
FHLB 0.53 2/10/2026	3130AKWW2	0.667	8/19/2021	2/10/2026	310,000.00	308,124.50	41.08	308,165.58
T-Note 0.375 4/30/2025	912828ZL7	0.450	8/19/2021	4/30/2025	250,000.00	249,312.75	282.78	249,595.53
T-Note 0.125 2/15/2024	91282CBM2	0.205	8/19/2021	2/15/2024	250,000.00	249,503.50	3.40	249,506.90
FHLB 0.625 2/24/2025-22	3130ANQ86	0.510	8/24/2021	2/24/2025	250,000.00	250,996.00	0.00	250,996.00
UBS Bank UT 0.95 8/25/2026	90348JS50	0.950	8/25/2021	8/25/2026	249,000.00	249,000.00	0.00	249,000.00
Synchrony Bank UT 0.55 9/3/2024	87164WA73	0.550	9/3/2021	9/3/2024	249,000.00	249,000.00	0.00	249,000.00
T-Note 0.25 6/15/2024	91282CCG4	0.329	9/24/2021	6/15/2024	250,000.00	249,464.78	172.47	249,637.25
T-Note 0.25 3/15/2024	91282CBR1	0.265	9/24/2021	3/15/2024	250,000.00	249,907.54	15.54	249,923.08
T-Note 0.625 7/31/2026	91282CCP4	0.750	9/24/2021	7/31/2026	250,000.00	248,512.75	233.53	248,746.28
FFCB 0.8 3/9/2026-23	3133EMSU7	0.736	9/24/2021	3/9/2026	250,000.00	250,702.50	83.33	250,785.83
FFCB 0.94 9/28/2026-22	3133EM6E7	0.869	9/28/2021	9/28/2026	250,000.00	250,862.50	0.00	250,862.50
Sub Total / Average Buy					3,553,000.00	3,548,682.82	1,000.91	3,549,683.73
Called								
FHLMC 0.4 10/23/2023-21	3134GV6D5	0.000	7/23/2021	10/23/2023	250,000.00	250,000.00	0.00	250,000.00
Sub Total / Average Called					250,000.00	250,000.00	0.00	250,000.00
Matured								
Wells Fargo SD 1.6 8/3/2021	9497486Z5	0.000	8/3/2021	8/3/2021	247,000.00	247,000.00	0.00	247,000.00
Privatebank and Trust IL 1.5 8/30/2021	74267GVM6	0.000	8/30/2021	8/30/2021	247,000.00	247,000.00	0.00	247,000.00
Mercantil Commerce Bank FL 1.65 9/28/2021	58733ADJ5	0.000	9/28/2021	9/28/2021	247,000.00	247,000.00	0.00	247,000.00
Sub Total / Average Matured					741,000.00	741,000.00	0.00	741,000.00

Mesa Water District
Date To Date
Quarterly Report - Interest | Received
Report Format: By Transaction
Group By: Asset Category
Portfolio / Report Group: Report Group | Treasurer's Report
Begin Date: 6/30/2021, End Date: 9/30/2021

Description	CUSIP/Ticker	Settlement Date	Maturity Date	Coupon Rate	Ending Face Amount/Shares	Interest/Dividends	Sell Accrued Interest
LAIF Policy - No Limit							
	LGIP0012	6/30/2010	N/A	N/A	1,083.43	0.88	0.00
Sub Total/Average					1,083.43	0.88	0.00
Orange County LGIP - OCIP Policy - No Limit							
Orange County Investment Pool LGIP	LGIP9LC	9/30/2011	N/A	N/A	826,623.74	1,078.60	0.00
Sub Total/Average					826,623.74	1,078.60	0.00
Miscellaneous Cash (Petty Emergency)							
Miscellaneous Cash	CASH	6/30/2015	N/A	N/A	14,000.00	0.00	0.00
Sub Total/Average					14,000.00	0.00	0.00
Negotiable CD 30%							
Wells Fargo SD 1.6 8/3/2021	9497486Z5	8/3/2016	8/3/2021	1.600	0.00	660.47	0.00
Privatebank and Trust IL 1.5 8/30/2021	74267GVM6	8/29/2016	8/30/2021	1.500	0.00	1,857.58	0.00
Mercantil Commerce Bank FL 1.65 9/28/2021	58733ADJ5	9/28/2016	9/28/2021	1.650	0.00	2,054.50	0.00
Countryside Federal CU NY 1.65 10/28/2021	22239MAL2	10/28/2016	10/28/2021	1.650	247,000.00	1,027.25	0.00
Bank of Baroda 1.85 11/23/2021	06062QXG4	11/23/2016	11/23/2021	1.850	247,000.00	0.00	0.00
First National Bank MI 2 1/20/2022	32110YJT3	1/20/2017	1/20/2022	2.000	201,000.00	1,013.25	0.00
State Bank India NY 2.35 3/14/2022	8562846V1	3/14/2017	3/14/2022	2.350	247,000.00	2,926.10	0.00
American Express 2.45 4/5/2022	02587DN38	4/5/2017	4/5/2022	2.450	247,000.00	0.00	0.00
Goldman Sachs NY 3.3 1/16/2024	38148P4E4	1/16/2019	1/16/2024	3.300	245,000.00	4,009.27	0.00
Merrick Bank UT 3 7/31/2023	59013J6G9	1/30/2019	7/31/2023	3.000	249,000.00	1,882.85	0.00
Morgan Stanley UT 3.05 1/31/2024	61690UDV9	1/31/2019	1/31/2024	3.050	246,000.00	3,720.67	0.00
Morgan Stanley NY 3.05 1/31/2024	61760AVF3	1/31/2019	1/31/2024	3.050	246,000.00	3,720.67	0.00
Capital One VA 2.65 5/22/2024	14042RLP4	5/22/2019	5/22/2024	2.650	246,000.00	0.00	0.00
Eaglebank MD 2.5 5/24/2024	27002YEN2	5/24/2019	5/24/2024	2.500	249,000.00	1,569.04	0.00
Sallie Mae Bank UT 1.9 10/16/2024	7954504P7	10/17/2019	10/16/2024	1.900	247,000.00	0.00	0.00
Celtic Bank UT 1.65 10/23/2024	15118RSV0	10/23/2019	10/23/2024	1.650	249,000.00	1,035.56	0.00
Ally Bank UT 1.85 10/24/2022	02007GML4	10/24/2019	10/24/2022	1.850	247,000.00	0.00	0.00
Enterprise Bank & Trust 1.75 11/8/2023	29367SJR6	11/8/2019	11/8/2023	1.750	249,000.00	1,098.33	0.00

Description	CUSIP/Ticker	Settlement Date	Maturity Date	Coupon Rate	Ending Face Amount/Shares	Interest/Dividends	Sell Accrued Interest
Raymond James Bank 1.75 11/8/2023	75472RAH4	11/8/2019	11/8/2023	1.750	247,000.00	0.00	0.00
Third Federal Savings 1.75 11/13/2023	88413QCJ5	11/12/2019	11/13/2023	1.750	247,000.00	0.00	0.00
Garnett State Bank 1.7 11/19/2024	366526AW1	11/19/2019	11/19/2024	1.700	249,000.00	1,066.96	0.00
Citizens State Bank 1.7 11/22/2024	176688CR8	11/22/2019	11/22/2024	1.700	249,000.00	1,066.96	0.00
Marlin Business Bank UT 1.7 12/4/2023	57116ATG3	12/2/2019	12/4/2023	1.700	249,000.00	1,066.96	0.00
Baycoast Bank MA 0.9 3/31/2025	072727BG4	3/31/2020	3/31/2025	0.900	248,000.00	1,119.06	0.00
Enerbank UT 1.15 4/29/2024	29278TNY2	4/29/2020	4/29/2024	1.150	249,000.00	721.76	0.00
First Freedom Bank 1.1 4/30/2024	32027BAM9	4/30/2020	4/30/2024	1.100	249,000.00	690.38	0.00
Flagstar Bank MI 1.25 4/30/2025	33847E3A3	4/30/2020	4/30/2025	1.250	248,000.00	0.00	0.00
Apex Bank TN 0.95 5/8/2025	03753XBK5	5/8/2020	5/8/2025	0.950	249,000.00	596.24	0.00
Seattle Bank WA 0.75 6/2/2025-20	81258PKJ1	6/2/2020	6/2/2025	0.750	249,000.00	470.71	0.00
Medallion Bank UT 0.6 7/15/2025	58404DHM6	7/15/2020	7/15/2025	0.600	249,000.00	376.57	0.00
Preferred Bank CA 0.25 7/17/2023	740367LV7	7/17/2020	7/17/2023	0.250	249,000.00	156.90	0.00
Bankwell Bank CT 0.35 1/30/2024	06654BCM1	7/30/2020	1/30/2024	0.350	249,000.00	432.17	0.00
BMW Bank UT 0.5 9/25/2025	05580AXF6	9/25/2020	9/25/2025	0.500	249,000.00	627.62	0.00
BMO Harris Bank IL 0.5 3/28/2025-20	05600XAY6	9/28/2020	3/28/2025	0.500	249,000.00	313.81	0.00
First Commercial Bank MS 0.3 3/31/2025	31984GFK0	9/30/2020	3/31/2025	0.300	249,000.00	188.28	0.00
Farm Bureau Bank NV 0.25 7/9/2024	307660LK4	10/9/2020	7/9/2024	0.250	249,000.00	156.90	0.00
Texas Exchange Bank TX 0.6 12/18/2025	88241TJR2	12/18/2020	12/18/2025	0.600	249,000.00	376.57	0.00
JPMorgan Chase OH 0.5 12/29/2025-21	48128UUZ0	12/29/2020	12/29/2025	0.500	249,000.00	0.00	0.00
John Marshall Bancorp VA 0.2 12/29/2023	47804GGC1	12/30/2020	12/29/2023	0.200	249,000.00	125.53	0.00
Live Oak Banking NC 0.5 2/10/2026	538036NE0	2/10/2021	2/10/2026	0.500	249,000.00	313.81	0.00
Luana Savings Bank IA 0.2 8/19/2024	549104WN3	2/19/2021	8/19/2024	0.200	249,000.00	246.95	0.00
Homestreet Bank WA 0.1 8/22/2022	43785QPQ0	2/22/2021	8/22/2022	0.100	249,000.00	62.77	0.00
Toyota Financial Savings NV 0.95 7/29/2026	89235MLE9	7/29/2021	7/29/2026	0.950	248,000.00	0.00	0.00
Transportation Alliance Bank 0.4 1/30/2025	89388CFD5	8/3/2021	1/30/2025	0.400	247,000.00	167.82	0.00
UBS Bank UT 0.95 8/25/2026	90348JS50	8/25/2021	8/25/2026	0.950	249,000.00	200.91	0.00
Synchrony Bank UT 0.55 9/3/2024	87164WA73	9/3/2021	9/3/2024	0.550	249,000.00	0.00	0.00
Sub Total/Average					10,625,000.00	37,121.18	0.00
US Agency - No Limit							
FHLB 2 11/10/2021-18	3130A9S44	11/10/2016	11/10/2021	2.000	750,000.00	0.00	0.00
FHLB 3 12/9/2022	3130AFE78	1/9/2019	12/9/2022	3.000	1,000,000.00	0.00	0.00
FAMC 3.05 9/19/2023	3132X06C0	1/9/2019	9/19/2023	3.050	500,000.00	7,625.00	0.00
FFCB 2.125 6/5/2023	3133EKPT7	11/8/2019	6/5/2023	2.125	500,000.00	0.00	0.00
FNMA 1.375 9/6/2022	3135G0W33	11/8/2019	9/6/2022	1.375	500,000.00	3,437.50	0.00
FAMC 2.15 6/5/2024	31422BGA2	11/8/2019	6/5/2024	2.150	500,000.00	0.00	0.00
FNMA 1.875 4/5/2022	3135G0T45	3/23/2020	4/5/2022	1.875	500,000.00	0.00	0.00
FHLMC 0.7 5/13/2025-21	3134GVSY5	5/13/2020	5/13/2025	0.700	500,000.00	0.00	0.00

Description	CUSIP/Ticker	Settlement Date	Maturity Date	Coupon Rate	Ending Face Amount/Shares	Interest/Dividends	Sell Accrued Interest
FHLMC 0.5 5/20/2024-22	3134GVXR4	5/21/2020	5/20/2024	0.500	500,000.00	0.00	0.00
FHLMC 0.45 7/8/2024-22	3134GV4S4	7/13/2020	7/8/2024	0.450	750,000.00	1,687.50	0.00
FHLMC 0.375 7/14/2023-22	3134GV5F1	7/14/2020	7/14/2023	0.375	250,000.00	468.75	0.00
FHLMC 0.4 10/23/2023-21	3134GV6D5	7/23/2020	10/23/2023	0.400	0.00	500.00	0.00
FFCB 0.25 9/21/2023-22	3133EMAM4	9/24/2020	9/21/2023	0.250	500,000.00	625.00	0.00
FHLMC 0.35 9/30/2024-22	3134GWVM5	9/30/2020	9/30/2024	0.350	250,000.00	437.50	0.00
FHLMC 0.4 9/30/2025-21	3134GWVP8	9/30/2020	9/30/2025	0.400	250,000.00	500.00	0.00
FNMA 0.54 11/3/2025-22	3135GA2G5	10/30/2020	11/3/2025	0.540	500,000.00	0.00	0.00
FFCB 0.27 11/3/2023-22	3133EMFN7	11/3/2020	11/3/2023	0.270	250,000.00	0.00	0.00
FNMA 0.375 8/25/2025	3135G05X7	11/12/2020	8/25/2025	0.375	250,000.00	468.75	0.00
FHLMC 0.3 11/13/2023-22	3134GXAY0	11/13/2020	11/13/2023	0.300	250,000.00	0.00	0.00
FNMA 0.56 11/17/2025-22	3135GA2Z3	11/17/2020	11/17/2025	0.560	325,000.00	0.00	0.00
FNMA 0.58 11/25/2025-22	3135GA5E7	11/30/2020	11/25/2025	0.580	250,000.00	0.00	0.00
FNMA 0.6 7/29/2025-22	3136G4D75	12/18/2020	7/29/2025	0.600	250,000.00	750.00	0.00
FFCB 0.47 12/22/2025-22	3133EMLC4	12/22/2020	12/22/2025	0.470	250,000.00	0.00	0.00
FFCB 0.125 5/3/2023-21	3133EMPA4	2/5/2021	5/3/2023	0.125	250,000.00	0.00	0.00
FFCB 0.32 2/3/2025-21	3133EMPV8	2/5/2021	2/3/2025	0.320	250,000.00	400.00	0.00
FHLB 0.625 2/24/2026-21	3130AL7M0	3/2/2021	2/24/2026	0.625	250,000.00	781.25	0.00
FFCB 0.45 2/2/2026-23	3133EMPD8	3/2/2021	2/2/2026	0.450	300,000.00	675.00	0.00
FFCB 0.3 11/12/2024-21	3133EMQQ8	3/2/2021	11/12/2024	0.300	250,000.00	0.00	0.00
FFCB 0.43 3/3/2025	3133EMSJ2	3/3/2021	3/3/2025	0.430	250,000.00	537.50	0.00
FHLB 0.6 3/10/2026-21	3130ALFX7	3/10/2021	3/10/2026	0.600	250,000.00	750.00	0.00
FHLB 0.5 3/10/2025-21	3130ALDZ4	3/24/2021	3/10/2025	0.500	250,000.00	625.00	0.00
FHLB 0.75 3/16/2026-21	3130ALF33	3/24/2021	3/16/2026	0.750	250,000.00	937.50	0.00
FFCB 0.25 3/1/2024-21	3133EMSD5	3/24/2021	3/1/2024	0.250	250,000.00	312.50	0.00
FHLMC 0.45 10/29/2025-21	3134GW3J3	4/22/2021	10/29/2025	0.450	250,000.00	0.00	0.00
FHLMC 1.03 4/29/2026-22	3130ALZM9	4/29/2021	4/29/2026	1.030	250,000.00	0.00	0.00
FNMA 0.5 8/14/2025-23	3135G05S8	4/29/2021	8/14/2025	0.500	250,000.00	625.00	0.00
FHLMC 0.65 10/27/2025-21	3134GW5R3	5/25/2021	10/27/2025	0.650	375,000.00	0.00	0.00
FHLB 0.875 5/26/2026-21	3130AMHB1	5/28/2021	5/26/2026	0.875	250,000.00	0.00	0.00
FFCB 0.53 9/29/2025-21	3133EMBH4	6/17/2021	9/29/2025	0.530	500,000.00	1,325.00	0.00
FFCB 0.9 6/15/2026-22	3133EMH21	6/17/2021	6/15/2026	0.900	250,000.00	0.00	0.00
FFCB 0.6 6/16/2025-22	3133EMH47	6/17/2021	6/16/2025	0.600	250,000.00	0.00	0.00
FHLB 0.53 2/10/2026	3130AKWW2	8/19/2021	2/10/2026	0.530	310,000.00	0.00	0.00
FHLB 0.625 2/24/2025-22	3130ANQ86	8/24/2021	2/24/2025	0.625	250,000.00	0.00	0.00
FFCB 0.8 3/9/2026-23	3133EMSU7	9/24/2021	3/9/2026	0.800	250,000.00	0.00	0.00
FFCB 0.94 9/28/2026-22	3133EM6E7	9/28/2021	9/28/2026	0.940	250,000.00	0.00	0.00
Sub Total/Average					15,560,000.00	23,468.75	0.00

Description	CUSIP/Ticker	Settlement Date	Maturity Date	Coupon Rate	Ending Face Amount/Shares	Interest/Dividends	Sell Accrued Interest
US Treasury - No Limit							
T-Note 0.25 6/30/2025	912828ZW3	4/22/2021	6/30/2025	0.250	250,000.00	0.00	0.00
T-Note 0.375 1/31/2026	91282CBH3	4/29/2021	1/31/2026	0.375	250,000.00	468.75	0.00
T-Note 0.375 4/30/2025	912828ZL7	7/1/2021	4/30/2025	0.375	250,000.00	0.00	0.00
T-Note 0.375 4/30/2025	912828ZL7	8/19/2021	4/30/2025	0.375	250,000.00	0.00	0.00
T-Note 0.125 2/15/2024	91282CBM2	8/19/2021	2/15/2024	0.125	250,000.00	0.00	0.00
T-Note 0.25 3/15/2024	91282CBR1	9/24/2021	3/15/2024	0.250	250,000.00	0.00	0.00
T-Note 0.25 6/15/2024	91282CCG4	9/24/2021	6/15/2024	0.250	250,000.00	0.00	0.00
T-Note 0.625 7/31/2026	91282CCP4	9/24/2021	7/31/2026	0.625	250,000.00	0.00	0.00
Sub Total/Average					2,000,000.00	468.75	0.00
US Bank MM Custody							
US Bank Custodian MM	MM65000	7/31/2020	N/A	N/A	155,358.08	16.44	0.00
Sub Total/Average					155,358.08	16.44	0.00
Pacific Premier Bank Policy - n/a							
Pacific Premier Bank Checking Cash	MM0831	5/28/2020	N/A	N/A	11,687,300.02	0.00	0.00
Sub Total/Average					11,687,300.02	0.00	0.00
Total / Average					40,869,365.27	62,154.60	0.00

Mesa Water District
Portfolio Holdings
Investment Report | PARS Trust
Report Format: By CUSIP / Ticker
Group By: Portfolio Name
Average By: Market Value
Portfolio / Report Group: PARS OPEB Trust
As of 9/30/2021

Description	CUSIP/Ticker	Security Type	Face Amount/Shares	Cost Value	Market Value
PARS OPEB Trust					
Columbia Contrarian Fund	19766M709	Mutual Fund	4,670.94	114,767.04	167,078.27
DFA Large Cap	233203868	Mutual Fund	4,451.84	101,019.67	119,219.07
Dodge & Cox International	256206103	Mutual Fund	1,288.00	49,474.40	61,023.43
Dodge & Cox Stock Fund	256219106	Mutual Fund	619.28	112,183.30	146,151.28
Doubeline Core Fix Income	258620301	Mutual Fund	10,834.19	119,637.25	119,934.34
Harbor Capital Appreciation	411512528	Mutual Fund	791.80	62,711.14	90,953.84
Hartford Schroders	41665X859	Mutual Fund	5,397.77	94,225.63	107,469.73
iShares Russell Mid Cap	464287499	Mutual Fund	1,753.00	58,444.67	137,119.66
iShares SP500	464287408	Mutual Fund	468.00	60,987.17	68,056.56
MFS International	552746356	Mutual Fund	1,346.85	41,748.32	59,975.34
PGIM Total Return Bond	74440B884	Mutual Fund	8,207.84	120,661.46	119,751.40
PIMCO	693390841	Mutual Fund	3,085.84	27,874.01	28,019.39
Pimco Total Return Fund	693390700	Mutual Fund	11,610.24	122,200.92	120,282.02
Price T Rowe Growth	741479406	Mutual Fund	816.32	55,432.72	90,808.88
Undiscovered	904504479	Mutual Fund	1,582.91	100,621.84	127,677.52
US Bank PARS - OPEB Trust MM	MM4900	Money Market	22,018.57	22,018.57	22,018.57
Vanguard Growth & Income	921913208	Mutual Fund	2,996.70	224,112.62	323,675.16
Vanguard Real Estate	922908553	Mutual Fund	410.00	33,816.90	41,728.45
Vanguard Short Term	922031836	Mutual Fund	4,654.71	50,515.33	50,875.85
Victory RS	92647Q363	Mutual Fund	1,304.64	120,383.92	121,097.82
Sub Total / Average PARS OPEB Trust			88,309.44	1,692,836.88	2,122,916.58
Total / Average			88,309.44	1,692,836.88	2,122,916.58

Mesa Water District
Portfolio Holdings
Investment Report | PARS Trust
Report Format: By CUSIP / Ticker
Group By: Portfolio Name
Average By: Market Value
Portfolio / Report Group: PARS Pension Trust
As of 9/30/2021

Description	CUSIP/Ticker	Security Type	Face Amount/Shares	Cost Value	Market Value
PARS Pension Trust					
Columbia Contrarian Fund	19766M709	Mutual Fund	35,593.32	923,749.71	1,273,168.08
DFA Large Cap	233203868	Mutual Fund	33,921.02	763,053.21	908,398.59
Dodge & Cox International	256206103	Mutual Fund	9,813.94	404,242.25	464,977.89
Dodge & Cox Stock Fund	256219106	Mutual Fund	4,709.97	883,212.79	1,111,556.45
Doubeline Core Fix Income	258620301	Mutual Fund	82,552.80	906,886.64	913,859.19
Harbor Capital Appreciation	411512528	Mutual Fund	6,033.07	483,289.65	693,020.59
Hartford Schroders	41665X859	Mutual Fund	41,128.99	698,569.25	818,878.36
iShares Russell Mid Cap	464287499	Mutual Fund	13,348.00	297,802.75	1,044,080.56
iShares SP500	464287408	Mutual Fund	3,566.00	465,402.02	518,567.72
MFS International	552746356	Mutual Fund	10,262.53	344,461.21	456,990.82
PGIM Total Return Bond	74440B884	Mutual Fund	62,402.43	911,497.92	910,451.82
PIMCO	693390841	Mutual Fund	23,513.06	212,261.71	213,498.61
Pimco Total Return Fund	693390700	Mutual Fund	88,319.76	920,943.91	914,992.72
Price T Rowe Growth	741479406	Mutual Fund	6,220.00	437,076.12	691,914.12
Undiscovered	904504479	Mutual Fund	12,060.82	757,441.71	972,825.42
US Bank PARS - Pension Trust MM	MM4901	Money Market	94,403.84	94,403.84	94,403.84
Vanguard Growth & Income	921913208	Mutual Fund	22,833.84	1,741,485.28	2,466,282.94
Vanguard Real Estate	922908553	Mutual Fund	3,127.00	248,476.40	318,255.82
Vanguard Short Term	922031836	Mutual Fund	35,416.97	383,236.80	387,107.29
Victory RS	92647Q363	Mutual Fund	9,940.66	906,719.87	922,694.01
Sub Total / Average PARS Pension Trust			599,168.02	12,784,213.04	16,095,924.84
Total / Average			599,168.02	12,784,213.04	16,095,924.84

Mesa Water District
Transactions Summary
Quarterly Treasurer's Status Report - Investment Activity
Group By: Action
Portfolio / Report Group: PARS OPEB Trust
Begin Date: 06/30/2021, End Date: 09/30/2021

Description	CUSIP/Ticker	YTM @ Cost	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/Dividends	Total
Buy								
PIMCO	693390841	0.000	7/26/2021	N/A	216.834	1,975.36	0.00	1,975.36
Hartford Schroders	41665X859	0.000	7/26/2021	N/A	580.319	11,844.32	0.00	11,844.32
iShares SP500	464287408	0.000	7/26/2021	N/A	40.00	5,910.20	0.00	5,910.20
Vanguard Real Estate	922908553	0.000	7/26/2021	N/A	2.00	211.57	0.00	211.57
DFA Large Cap	233203868	0.000	7/26/2021	N/A	1,283.251	35,186.74	0.00	35,186.74
Undiscovered	904504479	0.000	7/26/2021	N/A	202.518	16,073.85	0.00	16,073.85
Dodge & Cox Stock Fund	256219106	0.000	7/26/2021	N/A	48.861	11,618.15	0.00	11,618.15
Pimco Total Return Fund	693390700	0.000	7/26/2021	N/A	19.289	201.96	0.00	201.96
Pimco Total Return Fund	693390700	0.000	7/26/2021	N/A	700.347	7,311.62	0.00	7,311.62
Dodge & Cox International	256206103	0.000	7/26/2021	N/A	127.569	6,120.74	0.00	6,120.74
PGIM Total Return Bond	74440B884	0.000	7/26/2021	N/A	17.073	253.53	0.00	253.53
PGIM Total Return Bond	74440B884	0.000	7/26/2021	N/A	401.006	5,942.91	0.00	5,942.91
MFS International	552746356	0.000	7/26/2021	N/A	72.685	3,329.70	0.00	3,329.70
Vanguard Short Term	922031836	0.000	7/26/2021	N/A	5.731	62.98	0.00	62.98
Vanguard Short Term	922031836	0.000	7/26/2021	N/A	361.52	3,969.49	0.00	3,969.49
Victory RS	92647Q363	0.000	7/26/2021	N/A	56.502	5,585.76	0.00	5,585.76
Doubeline Core Fix Income	258620301	0.000	7/26/2021	N/A	761.937	8,533.69	0.00	8,533.69
iShares Russell Mid Cap	464287499	0.000	7/26/2021	N/A	77.00	6,121.12	0.00	6,121.12
Pimco Total Return Fund	693390700	0.000	8/31/2021	N/A	17.299	180.60	0.00	180.60
PGIM Total Return Bond	74440B884	0.000	8/31/2021	N/A	18.477	273.27	0.00	273.27
Vanguard Short Term	922031836	0.000	8/31/2021	N/A	6.54	71.74	0.00	71.74
Vanguard Real Estate	922908553	0.000	9/14/2021	N/A	2.00	213.69	0.00	213.69
iShares Russell Mid Cap	464287499	0.000	9/14/2021	N/A	203.00	16,293.98	0.00	16,293.98
PIMCO	693390841	0.000	9/15/2021	N/A	22.836	208.95	0.00	208.95
iShares SP500	464287408	0.000	9/15/2021	N/A	5.00	740.18	0.00	740.18
Undiscovered	904504479	0.000	9/15/2021	N/A	129.936	10,506.59	0.00	10,506.59
PGIM Total Return Bond	74440B884	0.000	9/15/2021	N/A	91.776	1,360.12	0.00	1,360.12
Victory RS	92647Q363	0.000	9/15/2021	N/A	161.488	15,856.47	0.00	15,856.47
Doubeline Core Fix Income	258620301	0.000	9/15/2021	N/A	154.331	1,726.96	0.00	1,726.96
Dodge & Cox Stock Fund	256219106	0.000	9/27/2021	N/A	1.147	278.16	0.00	278.16
Pimco Total Return Fund	693390700	0.000	9/30/2021	N/A	19.159	198.49	0.00	198.49
Pimco Total Return Fund	693390700	0.000	9/30/2021	N/A	108.251	1,132.31	0.00	1,132.31

Description	CUSIP/Ticker	YTM @ Cost	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/Dividends	Total
PGIM Total Return Bond	74440B884	0.000	9/30/2021	N/A	18.123	264.41	0.00	264.41
Vanguard Short Term	922031836	0.000	9/30/2021	N/A	6.552	71.61	0.00	71.61
Vanguard Short Term	922031836	0.000	9/30/2021	N/A	50.365	552.00	0.00	552.00
Sub Total / Average Buy					5,990.722	180,183.22	0.00	180,183.22

Dividend								
DFA Large Cap	233203868	0.000	7/1/2021	N/A	0.00	0.00	885.96	885.96
PIMCO	693390841	0.000	7/31/2021	N/A	0.00	0.00	101.06	101.06
Pimco Total Return Fund	693390700	0.000	7/31/2021	N/A	0.00	0.00	201.96	201.96
PGIM Total Return Bond	74440B884	0.000	7/31/2021	N/A	0.00	0.00	253.53	253.53
Vanguard Short Term	922031836	0.000	7/31/2021	N/A	0.00	0.00	62.98	62.98
Doubeline Core Fix Income	258620301	0.000	7/31/2021	N/A	0.00	0.00	262.59	262.59
PIMCO	693390841	0.000	8/31/2021	N/A	0.00	0.00	100.50	100.50
Pimco Total Return Fund	693390700	0.000	8/31/2021	N/A	0.00	0.00	180.60	180.60
PGIM Total Return Bond	74440B884	0.000	8/31/2021	N/A	0.00	0.00	273.27	273.27
Vanguard Short Term	922031836	0.000	8/31/2021	N/A	0.00	0.00	71.74	71.74
Doubeline Core Fix Income	258620301	0.000	8/31/2021	N/A	0.00	0.00	287.97	287.97
Doubeline Core Fix Income	258620301	0.000	9/1/2021	N/A	0.00	0.00	263.82	263.82
Dodge & Cox Stock Fund	256219106	0.000	9/27/2021	N/A	0.00	0.00	278.16	278.16
Vanguard Real Estate	922908553	0.000	9/29/2021	N/A	0.00	0.00	269.37	269.37
PIMCO	693390841	0.000	9/30/2021	N/A	0.00	0.00	102.86	102.86
iShares SP500	464287408	0.000	9/30/2021	N/A	0.00	0.00	398.91	398.91
Pimco Total Return Fund	693390700	0.000	9/30/2021	N/A	0.00	0.00	198.49	198.49
PGIM Total Return Bond	74440B884	0.000	9/30/2021	N/A	0.00	0.00	264.41	264.41
Vanguard Short Term	922031836	0.000	9/30/2021	N/A	0.00	0.00	71.61	71.61
iShares Russell Mid Cap	464287499	0.000	9/30/2021	N/A	0.00	0.00	462.55	462.55
Sub Total / Average Dividend					0.00	0.00	4,992.34	4,992.34

Sell								
Vanguard Growth & Income	921913208	0.000	7/26/2021	N/A	57.77	6,406.23	0.00	6,406.23
Columbia Contrarian Fund	19766M709	0.000	7/26/2021	N/A	110.72	4,113.25	0.00	4,113.25
Price T Rowe Growth	741479406	0.000	7/26/2021	N/A	29.63	3,452.13	0.00	3,452.13
Harbor Capital Appreciation	411512528	0.000	7/26/2021	N/A	57.47	6,866.97	0.00	6,866.97
Hartford Schroders	41665X859	0.000	9/15/2021	N/A	1,930.82	39,852.04	0.00	39,852.04
Vanguard Growth & Income	921913208	0.000	9/15/2021	N/A	37.53	4,221.15	0.00	4,221.15
DFA Large Cap	233203868	0.000	9/15/2021	N/A	108.28	3,053.58	0.00	3,053.58
Dodge & Cox Stock Fund	256219106	0.000	9/15/2021	N/A	1.56	375.68	0.00	375.68
Dodge & Cox International	256206103	0.000	9/15/2021	N/A	5.68	275.52	0.00	275.52
MFS International	552746356	0.000	9/15/2021	N/A	0.54	24.99	0.00	24.99
Price T Rowe Growth	741479406	0.000	9/15/2021	N/A	3.49	407.80	0.00	407.80

Description	CUSIP/Ticker	YTM @ Cost	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/Dividends	Total
Harbor Capital Appreciation	411512528	0.000	9/15/2021	N/A	0.87	105.51	0.00	105.51
Harbor Capital Appreciation	411512528	0.000	9/15/2021	N/A	6.04	729.03	0.00	729.03
Sub Total / Average Sell					2,350.40	69,883.88	0.00	69,883.88

Mesa Water District
Transactions Summary
Quarterly Treasurer's Status Report - Investment Activity
Group By: Action
Portfolio / Report Group: PARS Pension Trust
Begin Date: 06/30/2021, End Date: 09/30/2021

Description	CUSIP/Ticker	YTM @ Cost	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/Dividends	Total
Buy								
PIMCO	693390841	0.000	7/26/2021	N/A	310.942	2,832.68	0.00	2,832.68
Hartford Schroders	41665X859	0.000	7/26/2021	N/A	1,147.63	23,423.12	0.00	23,423.12
iShares SP500	464287408	0.000	7/26/2021	N/A	106.00	15,662.03	0.00	15,662.03
DFA Large Cap	233203868	0.000	7/26/2021	N/A	8,318.19	228,084.69	0.00	228,084.69
Undiscovered	904504479	0.000	7/26/2021	N/A	972.038	77,150.64	0.00	77,150.64
Dodge & Cox Stock Fund	256219106	0.000	7/26/2021	N/A	118.162	28,096.52	0.00	28,096.52
Pimco Total Return Fund	693390700	0.000	7/26/2021	N/A	538.304	5,619.89	0.00	5,619.89
Dodge & Cox International	256206103	0.000	7/26/2021	N/A	427.326	20,503.09	0.00	20,503.09
Vanguard Short Term	922031836	0.000	7/26/2021	N/A	854.996	9,387.86	0.00	9,387.86
Doubeline Core Fix Income	258620301	0.000	7/26/2021	N/A	1,123.59	12,584.26	0.00	12,584.26
iShares SP500	464287408	0.000	9/14/2021	N/A	5.00	740.16	0.00	740.16
iShares Russell Mid Cap	464287499	0.000	9/14/2021	N/A	1,423.00	114,218.38	0.00	114,218.38
Undiscovered	904504479	0.000	9/15/2021	N/A	876.78	70,896.40	0.00	70,896.40
Pimco Total Return Fund	693390700	0.000	9/15/2021	N/A	312.409	3,267.80	0.00	3,267.80
PGIM Total Return Bond	74440B884	0.000	9/15/2021	N/A	412.812	6,117.87	0.00	6,117.87
Vanguard Short Term	922031836	0.000	9/15/2021	N/A	156.384	1,713.97	0.00	1,713.97
Victory RS	92647Q363	0.000	9/15/2021	N/A	1,152.06	113,120.94	0.00	113,120.94
Doubeline Core Fix Income	258620301	0.000	9/15/2021	N/A	433.499	4,850.85	0.00	4,850.85
Sub Total / Average Buy					18,689.122	738,271.15	0.00	738,271.15

Dividend								
DFA Large Cap	233203868	0.000	7/1/2021	N/A	0.00	0.00	7,235.29	7,235.29
PIMCO	693390841	0.000	7/31/2021	N/A	0.00	0.00	815.80	815.80
Pimco Total Return Fund	693390700	0.000	7/31/2021	N/A	0.00	0.00	1,625.93	1,625.93
PGIM Total Return Bond	74440B884	0.000	7/31/2021	N/A	0.00	0.00	2,045.55	2,045.55
Vanguard Short Term	922031836	0.000	7/31/2021	N/A	0.00	0.00	507.42	507.42
Doubeline Core Fix Income	258620301	0.000	7/31/2021	N/A	0.00	0.00	2,144.51	2,144.51
Doubeline Core Fix Income	258620301	0.000	8/2/2021	N/A	0.00	0.00	2,214.25	2,214.25
PIMCO	693390841	0.000	8/31/2021	N/A	0.00	0.00	772.68	772.68
Pimco Total Return Fund	693390700	0.000	8/31/2021	N/A	0.00	0.00	1,386.38	1,386.38
PGIM Total Return Bond	74440B884	0.000	8/31/2021	N/A	0.00	0.00	2,096.85	2,096.85
Vanguard Short Term	922031836	0.000	8/31/2021	N/A	0.00	0.00	550.87	550.87

Description	CUSIP/Ticker	YTM @ Cost	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Interest/Dividends	Total
Doueline Core Fix Income	258620301	0.000	9/1/2021	N/A	0.00	0.00	2,028.53	2,028.53
Dodge & Cox Stock Fund	256219106	0.000	9/28/2021	N/A	0.00	0.00	2,119.48	2,119.48
Vanguard Real Estate	922908553	0.000	9/29/2021	N/A	0.00	0.00	2,054.44	2,054.44
PIMCO	693390841	0.000	9/30/2021	N/A	0.00	0.00	787.20	787.20
iShares SP500	464287408	0.000	9/30/2021	N/A	0.00	0.00	3,039.58	3,039.58
Pimco Total Return Fund	693390700	0.000	9/30/2021	N/A	0.00	0.00	1,516.85	1,516.85
PGIM Total Return Bond	74440B884	0.000	9/30/2021	N/A	0.00	0.00	2,019.82	2,019.82
Vanguard Short Term	922031836	0.000	9/30/2021	N/A	0.00	0.00	547.22	547.22
iShares Russell Mid Cap	464287499	0.000	9/30/2021	N/A	0.00	0.00	3,522.00	3,522.00
Sub Total / Average Dividend					0.00	0.00	39,030.65	39,030.65

Sell

Vanguard Growth & Income	921913208	0.000	7/26/2021	N/A	1,784.15	197,844.39	0.00	197,844.39
Vanguard Real Estate	922908553	0.000	7/26/2021	N/A	42.00	4,440.00	0.00	4,440.00
Vanguard Real Estate	922908553	0.000	7/26/2021	N/A	59.00	6,237.15	0.00	6,237.15
Vanguard Real Estate	922908553	0.000	7/26/2021	N/A	72.00	7,611.44	0.00	7,611.44
Columbia Contrarian Fund	19766M709	0.000	7/26/2021	N/A	3,132.38	116,367.95	0.00	116,367.95
PGIM Total Return Bond	74440B884	0.000	7/26/2021	N/A	288.81	4,280.13	0.00	4,280.13
MFS International	552746356	0.000	7/26/2021	N/A	51.95	2,379.92	0.00	2,379.92
Price T Rowe Growth	741479406	0.000	7/26/2021	N/A	633.07	73,752.31	0.00	73,752.31
Victory RS	92647Q363	0.000	7/26/2021	N/A	86.87	8,587.57	0.00	8,587.57
Harbor Capital Appreciation	411512528	0.000	7/26/2021	N/A	850.43	101,618.00	0.00	101,618.00
iShares Russell Mid Cap	464287499	0.000	7/26/2021	N/A	104.00	8,260.15	0.00	8,260.15
PIMCO	693390841	0.000	9/15/2021	N/A	41.64	381.01	0.00	381.01
Hartford Schroders	41665X859	0.000	9/15/2021	N/A	15,134.83	312,382.85	0.00	312,382.85
Vanguard Growth & Income	921913208	0.000	9/15/2021	N/A	498.27	56,045.19	0.00	56,045.19
Vanguard Real Estate	922908553	0.000	9/15/2021	N/A	13.00	1,386.43	0.00	1,386.43
DFA Large Cap	233203868	0.000	9/15/2021	N/A	1,157.86	32,651.51	0.00	32,651.51
Dodge & Cox Stock Fund	256219106	0.000	9/15/2021	N/A	56.48	13,558.50	0.00	13,558.50
Columbia Contrarian Fund	19766M709	0.000	9/15/2021	N/A	324.13	12,031.82	0.00	12,031.82
Dodge & Cox International	256206103	0.000	9/15/2021	N/A	136.43	6,623.82	0.00	6,623.82
MFS International	552746356	0.000	9/15/2021	N/A	95.61	4,424.83	0.00	4,424.83
Price T Rowe Growth	741479406	0.000	9/15/2021	N/A	83.93	9,815.85	0.00	9,815.85
Harbor Capital Appreciation	411512528	0.000	9/15/2021	N/A	13.02	1,572.08	0.00	1,572.08
Harbor Capital Appreciation	411512528	0.000	9/15/2021	N/A	95.55	11,534.01	0.00	11,534.01
Sub Total / Average Sell					24,755.41	993,786.91	0.00	993,786.91



MONTHLY COMMITTEE

Major Staff Projects

Title	Comments	Status
Human Resource Information System/Payroll System	Human Resource Information System/Payroll System	In Process
Audit	Fiscal Year End 2021	In Process
Water Rate Study	Water Rate Study	In Process



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MEMORANDUM

TO: Board of Directors
FROM: Stacy Taylor, Water Policy Manager
DATE: November 16, 2021
SUBJECT: State Advocacy Update

RECOMMENDATION

Receive and file the State Advocacy Update.

STRATEGIC PLAN

Goal #7: Actively participate in regional and statewide water issues.

PRIOR BOARD ACTION/DISCUSSION

This item is provided at the monthly Board of Directors Committee meeting.

DISCUSSION

An updated State Advocacy report will be provided at the November 16, 2021 meeting.

FINANCIAL IMPACT

In Fiscal Year 2022, \$235,000 is budgeted for Support Services; \$60,530 has been spent to date.

ATTACHMENTS

None.



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MEMORANDUM

TO: Board of Directors
FROM: Stacy Taylor, Water Policy Manager
DATE: November 16, 2021
SUBJECT: Orange County Update

RECOMMENDATION

Receive and file the Orange County Update.

STRATEGIC PLAN

Goal #7: Actively participate in regional and statewide water issues.

PRIOR BOARD ACTION/DISCUSSION

This item is provided at the monthly Board of Directors Committee meeting.

DISCUSSION

Mesa Water District's (Mesa Water®) governmental relations program includes monitoring local and regional political issues and policy-setting authorities (i.e., County of Orange, Orange County Local Agency Formation Commission, etc.). An updated Orange County report will be provided at the November 16, 2021 meeting.

FINANCIAL IMPACT

In Fiscal Year 2022, \$235,000 is budgeted for Support Services; \$60,530 has been spent to date.

ATTACHMENTS

None.



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MEMORANDUM

TO: Board of Directors
FROM: Celeste Carrillo, Public Affairs Coordinator
DATE: November 16, 2021
SUBJECT: Outreach Update

RECOMMENDATION

Receive and file the Outreach Update.

STRATEGIC PLAN

Goal #4: Increase public awareness about Mesa Water and about water.
Goal #6: Provide outstanding customer service.
Goal #7: Actively participate in regional and statewide water issues.

PRIOR BOARD ACTION/DISCUSSION

This item is provided at the monthly Board of Directors Committee meeting.

DISCUSSION

Mesa Water District's (Mesa Water®) outreach program aims to connect Mesa Water with its constituents in order to achieve Goal #4 of the Board of Directors' (Board) Strategic Plan. Outreach activities are also designed to achieve the Strategic Plan goals related to customer service and/or regional water issues involvement by educating and informing the District's constituents about Mesa Water, water issues, and water in general. Mesa Water's constituents include external audiences, such as customers, community members, elected officials, industry colleagues, media, water districts and special districts – as well as internal audiences, such as staff, retirees and Board members.

Upcoming Fiscal Year 2022 Events

No Upcoming Events

The benefits of Mesa Water's outreach program include:

- Informing constituents about Southern California's perpetual drought, the historical drought facing California, and the importance of developing local and cost-effective sources of safe, reliable water for Mesa Water's service area and the region at large;
- Educating constituents about the importance of water and water stewardship, in order to sustain Southern California's population, quality of life, business, and economy;
- Educating constituents about Mesa Water's stewardship of ratepayer funds and financial responsibility to fund, invest in, and save for the current and future provision of safe and reliable water for the District's service area;
- Informing constituents of the District's infrastructure improvements to ensure water quality and water reliability for its service area;



- Learning from constituents and evolving as a well-informed Board of Directors;
- Promoting water use efficiency to Mesa Water's customers and community members to help them save water, money, and the environment;
- Ensuring, for public health and safety reasons, that Mesa Water customers and community members identify the District as their water provider and as the source of information about water in emergency situations;
- Supporting Mesa Water's service area as an actively involved participant in programs that provide added value and benefits to the community;
- Informing the media of Mesa Water's activities that benefit the District's customers and community;
- Empowering Mesa Water's Board and staff with information that will help them provide the best possible service to the District's customers and community members; and,
- Strengthening Mesa Water's industry relations to provide opportunities for improving the District's business and operations -- including the areas of financial and human resources strength, infrastructure and technological innovation, and setting/supporting policies that have a positive impact on Mesa Water's service area -- so that the District can continue to provide safe, high-quality, reliable, and affordable water to its customers.

FINANCIAL IMPACT

In Fiscal Year 2022, \$590,920 is budgeted for Public Affairs Support Services; \$189,040 has been spent to date.

ATTACHMENTS

None.



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MEMORANDUM

TO: Board of Directors
 FROM: Marwan Khalifa, CPA, MBA, Chief Financial Officer
 DATE: November 16, 2021
 SUBJECT: Fiscal Year 2022 First Quarter Financial Update

RECOMMENDATION

Receive and file the Fiscal Year 2022 First Quarter Financial Update.

STRATEGIC PLAN

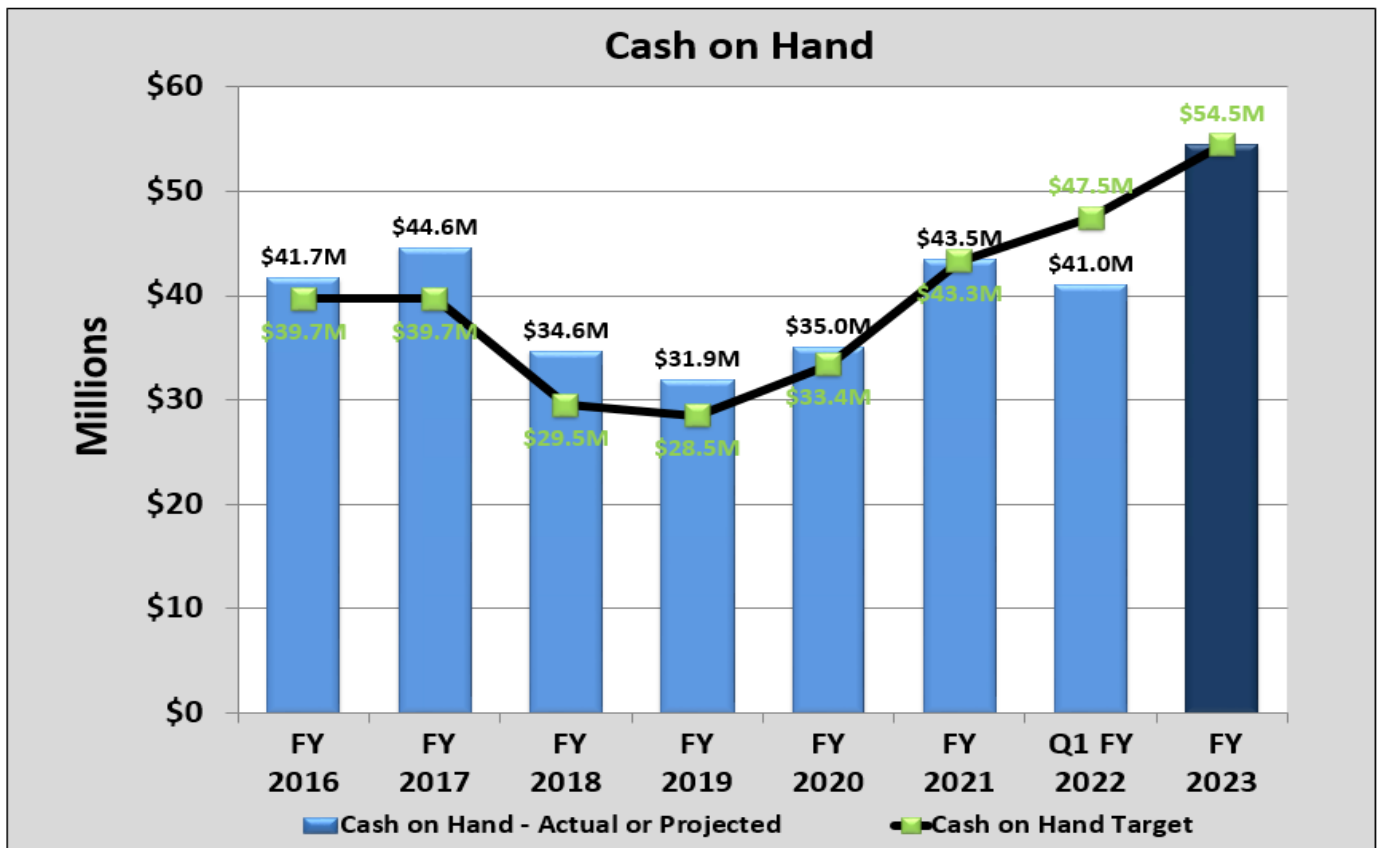
- Goal #1: Provide a safe, abundant, and reliable water supply.
- Goal #2: Practice perpetual infrastructure renewal and improvement.
- Goal #3: Be financially responsible and transparent.

PRIOR BOARD ACTION/DISCUSSION

At its May 13, 2021 meeting, the Board of Directors (Board) approved the Fiscal Year (FY) 2022 Budget.

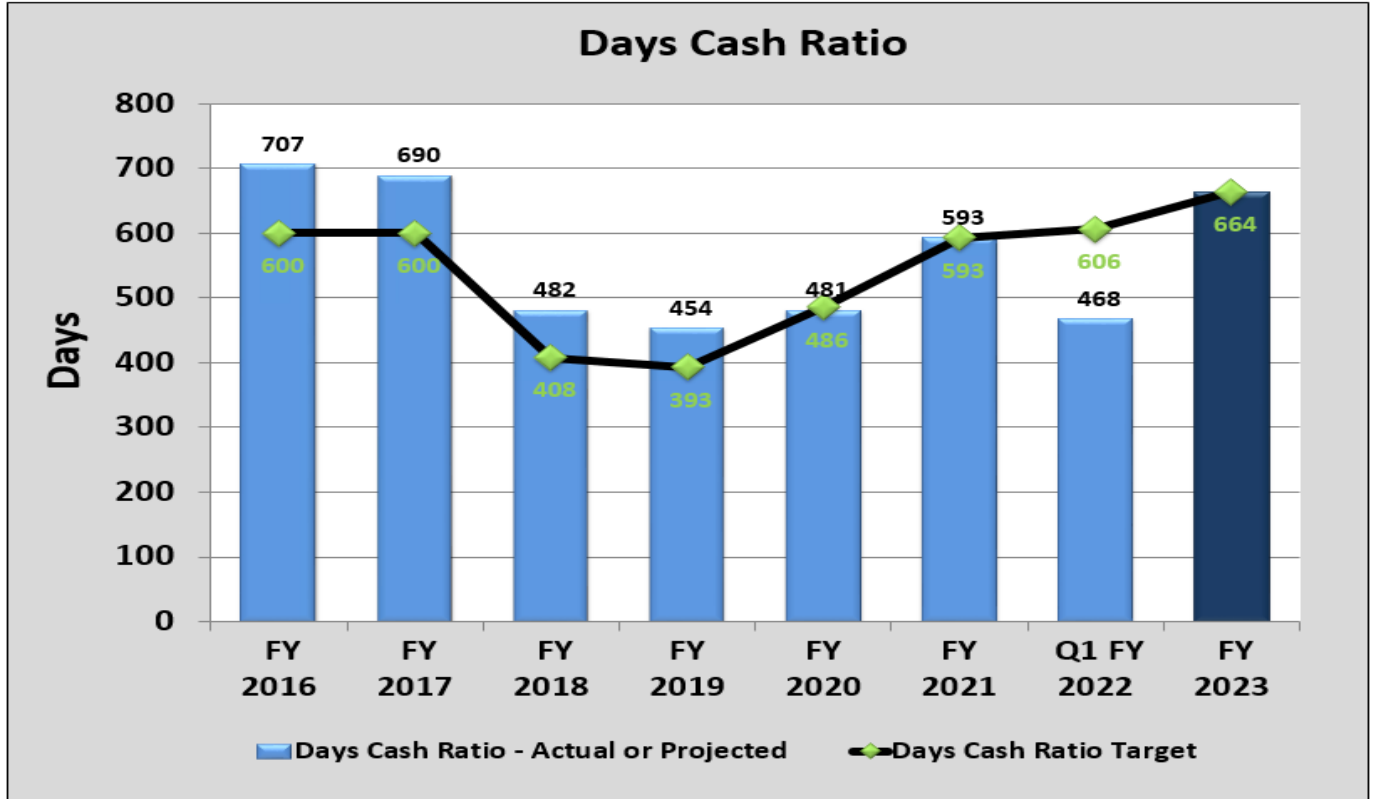
DISCUSSION

Through the first quarter of FY 2022, Cash on Hand totaled \$41,034,535. As a result, Cash on Hand of \$41,034,535 is below the forecasted year-end cash balance of \$47,458,438.





Additionally, 468 Days Cash is below the forecasted Days Cash estimate of 606 days at year end by 138 days.



Water production is about even with the budget through the first quarter and corresponds with a similar increase in water revenue through the first quarter of FY 2022.

The mix of water production between clear and amber water has varied which is depicted in the table below:

	Acre Feet		Variance
	Budgeted	Actual	
Clear Water	3,670	3,234	436
Amber Water	1,097	1,518	(421)
Basin Managed (CPTP) Water	-	-	-
Import Water	-	-	-
In-Lieu Water	-	-	-
Total	4,767	4,752	15



Clear and amber water costs have a combined favorable variance of \$12,456 due to production pumping being slightly above budgeted. There was no CPTP budgeted for FY 2022.

Total operating revenues year-to-date have an unfavorable balance of \$367,278 or approximately -3.2%. This is a result of recycled water being billed bi-monthly. Additionally, operating expenses through the first quarter have an unfavorable balance of \$48,876 or approximately -0.6%. This is predominately a result of slightly higher than budgeted General and Administrative expenses. As a result, operating income through September 30, 2021 has an unfavorable balance of \$459,297 or approximately -20.43%.

In addition, non-operating revenue, net of expenses, through the first quarter of FY 2022 has an unfavorable balance of \$242,004 or approximately -43.7%. This is mostly due to investment earnings significantly under-performing.

Overall, the Change in Net Position has an unfavorable balance of \$639,717 or approximately -34.2% through September 30, 2021.

ATTACHMENTS

Attachment A: Statement of Revenues, Expenses, and Changes in Net Position for the Three Months Ended 9/30/2021



Statement of Revenues, Expenses, and Changes in Net Position For the Three Months Ended 9/30/2021

	FY2022 YTD BUDGET	FY2022 YTD ACTUAL	Variance
OPERATING REVENUES:			
Water consumption sales	\$ 8,764,097	\$ 8,720,607	\$ (43,490)
Monthly meter service charge	2,227,536	2,142,751	(84,785)
Recycled water sales	553,776	366,305	(187,471)
Concession from governmental agencies (CPTP)	-	-	-
Other charges and services	111,250	59,718	(51,532)
TOTAL OPERATING REVENUES	11,656,659	11,289,381	(367,278)
OPERATING EXPENSES:			
Imported sources of supply	115,925	97,134	18,791
Basin managed water	-	-	-
Clear water cost	2,328,153	1,948,494	379,659
Amber water cost	999,050	1,366,254	(367,204)
Recycled water	392,770	339,665	53,105
Transmission and distribution	1,743,856	1,830,482	(86,626)
General and administrative	2,366,025	2,412,626	(46,601)
TOTAL OPERATING EXPENSES	7,945,779	7,994,655	(48,876)
OPERATING INCOME BEFORE DEPRECIATION AND AMORTIZATION:	3,710,880	3,294,727	(416,154)
Depreciation and amortization	(1,462,500)	(1,505,643)	(43,143)
OPERATING INCOME (LOSS)	2,248,380	1,789,083	(459,297)
NONOPERATING REVENUES / (EXPENSES):			
Bond issuance costs	-	-	-
Investment earnings	112,500 *	(282,001) *	(394,501)
Interest expense - long term debt	(662,300)	(513,659)	148,641
Impairment of capital assets & termination of lease	(3,750)	-	3,750
Other non-operating, net	-	106	106
NONOPERATING REVENUES / (EXPENSES)	(553,550)	(795,554)	(242,004)
INCOME BEFORE CAPITAL CONTRIBUTIONS	1,694,830	993,529	(701,301)
CAPITAL CONTRIBUTIONS:			
Capacity and installation charges	-	-	-
Capital Grant (includes LRP)	175,520	237,104	61,584
Developers and others	-	-	-
TOTAL CAPITAL CONTRIBUTIONS	175,520	237,104	61,584
CHANGE IN NET POSITION	\$ 1,870,350	\$ 1,230,633	\$ (639,717)

* Includes Pension Trust Earnings.



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MEMORANDUM

TO: Board of Directors
FROM: Kurt Lind, Business Administrator
DATE: November 16, 2021
SUBJECT: Fiscal Year 2021 Environmental, Health and Safety Program Audit

RECOMMENDATION

Receive the presentation.

STRATEGIC PLAN

Goal #1: Provide a safe, abundant, and reliable water supply.
Goal #3: Be financially responsible and transparent.

PRIOR BOARD ACTION/DISCUSSION

None.

BACKGROUND

In 2012, Mesa Water District (Mesa Water®) contracted with Environmental & Occupational Risk Management, Inc. (EORM), now BSI Group (BSI), to review Mesa Water's existing Environmental, Health and Safety Program (EHS Program) and to provide a gap analysis report. Based on that report, a scope of work was developed to enhance Mesa Water's EHS policies and programs. BSI then provided EHS services to ensure the implementation of program improvements, assist in establishing an annual audit process, and provide EHS program support.

In March 2018, Mesa Water - through a competitive selection process - contracted with Citadel Environmental as a third party auditor to conduct the Annual EHS Program Audit. This service ensures Mesa Water's EHS Program remains strong through an independent performance review.

EHS Program Audits have been completed annually over the past nine years to measure the strength and progress of Mesa Water's EHS Program. The intent is to establish a continuous improvement process and to perform an annual review to allow for long-term monitoring of success and identification of challenges related to Mesa Water's EHS Program.

DISCUSSION

Mesa Water's EHS Program was audited in September of 2021 and consisted of documentation review, interviews with employees, and field observations. Mesa Water's overall EHS Program score for Fiscal Year 2021 is 93%. This marks the fifth year in a row where Mesa Water has achieved gold status. Mesa Water is up fifty-four percentage points from the 2012 baseline and continues to deliver strong results.

This high-level consistency is the key result that Mesa Water desired when creating, implementing, supporting, and auditing the EHS Program. Mesa Water is establishing a true "safety culture" that ensures that safety is on the mind of every employee every time they do work. Safety awareness is Goal #1 since awareness is the number one factor that significantly



reduces safety-related risk.

Staff will provide the Board of Directors the Fiscal Year 2021 EHS Program Scorecard and Progress Chart at the November 16, 2021 meeting.

FINANCIAL IMPACT

In Fiscal Year 2022, \$15,920 is budgeted for the EHS Program Audit; \$12,235 has been spent to date.

ATTACHMENTS

None.



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MEMORANDUM

TO: Board of Directors
FROM: Marwan Khalifa, CPA, MBA, Chief Financial Officer
DATE: November 16, 2021
SUBJECT: Water Rate Study

RECOMMENDATION

- a. Receive the draft report of the Water Rate Study;
- b. Direct staff to finalize the proposed rate schedule for Calendar Years 2023 through 2027;
- c. Direct staff to proceed with Proposition 218 notice preparation and mailing; and,
- d. Direct staff to schedule two public hearings for January 12, 2022.

STRATEGIC PLAN

- Goal #1: Provide a safe, abundant, and reliable water supply.
- Goal #2: Practice perpetual infrastructure renewal and improvement.
- Goal #3: Be financially responsible and transparent.

PRIOR BOARD ACTION/DISCUSSION

At its June 10, 2021 meeting, the Board of Directors (Board) approved a professional services contract with Raftelis Financial Consultants, Inc. for a potable and recycled water rate study for the purpose of establishing water rate schedules for five years.

At its October 5, 2021 meeting, the Board approved Scenario 4 and directed staff to schedule two Public Hearings – one for a five-year Water Rate Adjustment Schedule and one for Capital Charge Transfer – on January 12, 2022.

At its October 26, 2021 meeting, the Board received a presentation and discussion item regarding the water rate study. The Board reviewed several options for different rates and approved a rate structure that would increase the average customer bill by two percent annually, while adjusting the capital charge accordingly. Additionally, the Board directed staff to proceed with the timeline below:

Date	Action
Tuesday, October 5, 2021	Review of Rate Options
Tuesday, October 5, 2021	Schedule Public Hearing
Tuesday, October 26, 2021	Review of Rate Options
Tuesday, November 16, 2021	Draft of Rate Study
Monday, November 22, 2021	Proposition 218 Notice
Wednesday, January 12, 2022	Public Hearing

DISCUSSION

Mesa Water District (Mesa Water®) has a perpetual agency philosophy requiring a scheduled, systematic review of its long-range financial plan and goals. This review includes the evaluation and updating of the District's rate schedules to ensure sufficient funds are available to meet the Board's Strategic Plan goals. To ensure the provision of local, safe, and reliable water for the community, it



is important to conduct regular water rate studies, in relation to costs, and make any needed adjustments.

Over the past several years, Mesa Water's responsible rates and cost controls have continued to result in the District accomplishing a number of key achievements, among them:

- Efficient Operations – Since Fiscal Year 2011, Mesa Water has consistently remained Orange County's most efficient water agency based on expenditures per capita.
- Financial Strength and Stability – Both Fitch and Standard & Poor's has reaffirmed Mesa Water's AAA rating due to its adherence to the District's rigorous financial policies. Additionally, in Fiscal Year 2021, Mesa Water approved a \$70MM Capital Improvement Program Renewal.

The proposed water rates are based upon a multi-year financial study, which projects the future costs of providing high quality and reliable water service, servicing long-term debt, financing current and planned infrastructure projects, and funding Mesa Water cash reserves. A rate adjustment may be necessary to fully fund infrastructure requirements, cover rising water costs, and offset reduced sales from continued water use efficiencies.

Water Rate Recommendation

Staff recommends that the Board direct staff to finalize the proposed rate schedule for Calendar Years 2023 through 2027, Attachment A. Under the proposal, in 2023 and 2024, the overall rates will increase eight percent and the average residential customer's bill will increase approximately two percent. The remaining three years' increase is approximately five percent per year, while the average residential customer's bill will increase two percent per year.

FINANCIAL IMPACT

Based upon current projections, proceeding with the timetable and implementing the rate adjustment as outlined above will result in continuing to meet the Board's financial goals for a strong AAA rating, days cash, cash on hand, and debt coverage, while achieving the Board's capital plan.

ATTACHMENTS

Attachment A: Proposed Rate Schedule for Calendar Years 2023 through 2027

Attachment B: Potable and Recycled Water Cost-of-Service and Rate Study Draft Report

Proposed Rates 2023 through 2027

	2022	2023	2024	2025	2026	2027
	Adopted	Proposed	Proposed	Proposed	Proposed	Proposed
Effective Date	1/1/2022	1/1/2023	1/1/2024	1/1/2025	1/1/2026	1/1/2027
Usage Charges						
Potable Water	\$ 4.72	\$ 4.87	\$ 4.93	\$ 5.02	\$ 5.11	\$ 5.21
Construction	\$ 5.21	\$ 4.87	\$ 4.93	\$ 5.02	\$ 5.11	\$ 5.21
Fireline Water	\$ 5.21	\$ 4.87	\$ 4.93	\$ 5.02	\$ 5.11	\$ 5.21
Recycled Water	\$ 3.08	\$ 3.40	\$ 3.56	\$ 3.72	\$ 3.89	\$ 4.07
Bi-Monthly Potable Water & RW Basic Charge						
Meter Size						
5/8-inch	\$ 30.03	\$ 29.55	\$ 30.99	\$ 31.54	\$ 32.16	\$ 32.83
3/4-inch	\$ 45.36	\$ 36.30	\$ 37.77	\$ 38.57	\$ 39.50	\$ 40.42
1-inch	\$ 75.37	\$ 49.79	\$ 51.33	\$ 52.62	\$ 54.16	\$ 55.61
1 1/2-inch	\$ 151.36	\$ 83.52	\$ 85.23	\$ 87.76	\$ 90.83	\$ 93.57
2-inch	\$ 242.04	\$ 124.00	\$ 125.91	\$ 129.92	\$ 134.83	\$ 139.13
3-inch	\$ 529.38	\$ 252.17	\$ 254.72	\$ 263.42	\$ 274.15	\$ 283.40
4-inch	\$ 953.36	\$ 441.06	\$ 444.55	\$ 460.16	\$ 479.48	\$ 496.00
6-inch	\$ 2,119.97	\$ 960.50	\$ 966.58	\$ 1,001.20	\$ 1,044.12	\$ 1,080.67
8-inch	\$ 3,626.88	\$ 1,635.11	\$ 1,644.55	\$ 1,703.85	\$ 1,777.42	\$ 1,839.97
10-inch	\$ 5,746.80	\$ 2,579.55	\$ 2,593.70	\$ 2,687.56	\$ 2,804.04	\$ 2,902.99
Monthly Potable Water & RW Basic Charge						
Meter Size						
5/8-inch	\$ 15.02	\$ 22.81	\$ 24.21	\$ 24.52	\$ 24.83	\$ 25.24
3/4-inch	\$ 22.68	\$ 26.18	\$ 27.60	\$ 28.03	\$ 28.50	\$ 29.03
1-inch	\$ 37.69	\$ 32.92	\$ 34.38	\$ 35.06	\$ 35.83	\$ 36.63
1 1/2-inch	\$ 75.68	\$ 49.79	\$ 51.33	\$ 52.62	\$ 54.16	\$ 55.61
2-inch	\$ 121.02	\$ 70.03	\$ 71.67	\$ 73.70	\$ 76.16	\$ 78.39
3-inch	\$ 264.69	\$ 134.11	\$ 136.08	\$ 140.46	\$ 145.82	\$ 150.52
4-inch	\$ 476.68	\$ 228.56	\$ 230.99	\$ 238.83	\$ 248.49	\$ 256.82
6-inch	\$ 1,059.99	\$ 488.28	\$ 492.01	\$ 509.35	\$ 530.81	\$ 549.15
8-inch	\$ 1,813.44	\$ 825.58	\$ 830.99	\$ 860.67	\$ 897.46	\$ 928.81
10-inch	\$ 2,873.40	\$ 1,297.81	\$ 1,305.57	\$ 1,352.53	\$ 1,410.77	\$ 1,460.32
Capital Charge						
Potable Water Meter Size						
5/8-inch	\$ -	\$ 99.92	\$ 163.45	\$ 198.13	\$ 235.17	\$ 274.93
3/4-inch	\$ -	\$ 149.88	\$ 245.17	\$ 297.20	\$ 352.76	\$ 412.39
1-inch	\$ -	\$ 249.79	\$ 408.61	\$ 495.33	\$ 587.92	\$ 687.31
1 1/2-inch	\$ -	\$ 499.57	\$ 817.21	\$ 990.65	\$ 1,175.84	\$ 1,374.61
2-inch	\$ -	\$ 799.31	\$ 1,307.54	\$ 1,585.04	\$ 1,881.35	\$ 2,199.37
3-inch	\$ -	\$ 1,748.49	\$ 2,860.23	\$ 3,467.27	\$ 4,115.44	\$ 4,811.11
4-inch	\$ -	\$ 3,147.29	\$ 5,148.40	\$ 6,241.08	\$ 7,407.79	\$ 8,659.99
6-inch	\$ -	\$ 6,993.96	\$ 11,440.89	\$ 13,869.06	\$ 16,461.75	\$ 19,244.41
8-inch	\$ -	\$ 11,989.65	\$ 19,612.96	\$ 23,775.53	\$ 28,220.13	\$ 32,990.42
10-inch	\$ -	\$ 18,983.61	\$ 31,053.84	\$ 37,644.58	\$ 44,681.87	\$ 52,234.83

Bi-Monthly Fireline Class I and II							
Fireline Service Size							
5/8-inch		\$ 8.30	\$ 17.38	\$ 2.91	\$ 2.92	\$ 2.92	\$ 2.94
3/4-inch		\$ 8.30	\$ 17.38	\$ 2.91	\$ 2.92	\$ 2.92	\$ 2.94
1-inch		\$ 8.30	\$ 17.38	\$ 18.81	\$ 18.94	\$ 19.02	\$ 19.24
1 1/2-inch		\$ 8.30	\$ 19.90	\$ 21.44	\$ 21.69	\$ 21.93	\$ 22.28
2-inch		\$ 8.30	\$ 24.24	\$ 25.96	\$ 26.43	\$ 26.95	\$ 27.51
3-inch		\$ 24.08	\$ 39.81	\$ 42.21	\$ 43.47	\$ 44.94	\$ 46.32
4-inch		\$ 51.29	\$ 66.67	\$ 70.23	\$ 72.85	\$ 75.98	\$ 78.75
6-inch		\$ 148.96	\$ 163.09	\$ 170.79	\$ 178.29	\$ 187.39	\$ 195.15
8-inch		\$ 317.40	\$ 329.38	\$ 344.25	\$ 360.16	\$ 379.55	\$ 395.92
10-inch		\$ 570.77	\$ 579.52	\$ 605.16	\$ 633.73	\$ 668.59	\$ 697.92
Monthly Fireline Class I and II							
Fireline Service Size							
5/8-inch		\$ 3.95	\$ 16.72	\$ 1.46	\$ 1.46	\$ 1.46	\$ 1.47
3/4-inch		\$ 3.95	\$ 16.72	\$ 1.46	\$ 1.46	\$ 1.46	\$ 1.47
1-inch		\$ 3.95	\$ 16.72	\$ 18.12	\$ 18.21	\$ 18.26	\$ 18.44
1 1/2-inch		\$ 3.95	\$ 17.98	\$ 19.44	\$ 19.59	\$ 19.71	\$ 19.96
2-inch		\$ 3.95	\$ 20.15	\$ 21.70	\$ 21.96	\$ 22.22	\$ 22.58
3-inch		\$ 11.47	\$ 27.93	\$ 29.82	\$ 30.48	\$ 31.22	\$ 31.98
4-inch		\$ 24.42	\$ 41.37	\$ 43.83	\$ 45.17	\$ 46.74	\$ 48.20
6-inch		\$ 70.93	\$ 89.57	\$ 94.11	\$ 97.89	\$ 102.44	\$ 106.40
8-inch		\$ 151.14	\$ 172.72	\$ 180.84	\$ 188.83	\$ 198.52	\$ 206.78
10-inch		\$ 271.80	\$ 297.79	\$ 311.30	\$ 325.61	\$ 343.05	\$ 357.78

Mesa Water District

Potable and Recycled Water Cost-of- Service and Rate Study

Draft Report / November 12, 2021



November 12, 2021

Mr. Paul E. Shoenberger
General Manager
Mesa Water District
1965 Placentia Ave
Costa Mesa, CA 92627

Subject: Potable and Recycled Water Cost-of-Service and Rate Study Report

Dear Mr. Shoenberger,

Raftelis is pleased to provide this Water Cost-of-Service and Rate Study Report (Report) for the Mesa Water District (Mesa Water). This Report includes an updated financial plan for fiscal year (FY) 2022 to FY 2032 (study period). Mesa Water is setting water rates for FY 2023 through FY 2027.

The Report objectives include the following:

1. Update Mesa Water's ten-year financial plan to ensure financial sufficiency, meet operation and maintenance (O&M) costs, and ensure funding to meet debt obligations and fund necessary capital expenditures;
2. Conduct a water cost-of-service study that is based on the Mesa Water's costs to meet Proposition 218;
3. Calculate updated water rates for FY 2023 through FY 2027 including a portion of net revenue requirements that will be collected by the Orange County tax collector;
4. Conduct a customer impact analysis for the proposed rates; and
5. Develop a report that demonstrates the nexus between Mesa Water's costs and rates, to meet the requirements of Proposition 218.

This Report summarizes the key findings and recommendations related to the development of the financial plan and the development of the associated water rates.

It has been a pleasure working with you, Marwan Khalifa, and other Mesa Water staff.

Sincerely,

A handwritten signature in blue ink that reads 'Steve Gagnon'.

Steve Gagnon, PE (AZ)
Senior Manager

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Glossary

Terms	Descriptions
AF	Acre foot / Acre feet, 1 AF = 435.6 hcf
AWWA	American Water Works Association
ccf	Hundred cubic feet, 1 ccf = 748 gallons
CIP	Capital Improvement Projects
COS	Cost-of-Service
CPI	Consumer Price Index/Indices
CY	Calendar Year
EMU	Equivalent Meter Unit
ENR CCI	Engineering News-Record Construction Cost Indices
FY	Fiscal Year ending June 30 (July 1 – June 30)
GPCD	Gallons per capita per day
gpm	Gallons per minute
LAFCO	Local Agency Formation Commission
M1 Manual	“Principles of Water Rates, Fees, and Charges: Manual of Water Supply Practices M1”, 6 th edition published by AWWA
MD	Max Day Peaking Factor
Mesa Water	Mesa Water District
MFR	Multi-Family Residential
MWD	Metropolitan Water District of Southern California
MWDOC	Municipal Water District of Orange County
MWRF	Mesa Water Reliability Facility
OCWD	Orange County Water District
O&M	Operations and Maintenance
PAYGO	Pay-As-You-Go
PH	Peak Hour peaking factor
Prop 218	Proposition 218
R&R	Repair and Replacement
Raftelis	Raftelis Financial Consultants, Inc.

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1. Executive Summary

Since 1960, Mesa Water District (Mesa Water) has been providing clean, safe, reliable drinking water at a reasonable cost to approximately 110,000 residents in an 18-square-mile area in Costa Mesa, parts of Newport Beach and certain unincorporated areas of Orange County, including John Wayne Airport.

Mesa Water's primary source of water is groundwater, pumped from Orange County's natural groundwater basin via seven wells. More than two decades ago, Mesa Water's Board of Directors set a goal to reduce reliance on imported water from Northern California and the Colorado River by increasing Mesa Water's production capacity of groundwater and recycled water. The completion of the Mesa Water Reliability Facility (MWRF) in January 2013 has achieved Mesa Water's goal to provide 100% local and reliable water to its customers.

Mesa Water's five clear-water wells pump water from 200-600 feet below the surface and provide up to 75 percent of the water needs for Mesa Water's service area. The two deep-water wells pump water from 1,200 feet below the surface and provide the remaining water needed for Mesa Water customers. The aquifer extends down to 2,000 feet below the surface. The MWRF treats amber groundwater from a previously unusable aquifer, providing Mesa Water with an additional potable water source.

Mesa Water also sells recycled water for irrigation purposes. The recycled water is purchased from Orange County Water District (OCWD) and replaces potable water that would otherwise have been used for irrigation. OCWD owns the recycled water distribution system and is responsible for the maintenance and replacement of the recycled water system. Mesa Water bills customers for recycled water.

In 2009, to improve Mesa Water's credit rating to a strong AAA in seven years, the Board adopted additional financial goals to further measure its credit-worthiness at the end of each fiscal year by using the Days Cash Ratio and Cash on Hand metrics. The Days Cash Ratio is defined as total cash available divided by Operating Expenses per day and is a measurement of an agency's ability to meet known and unanticipated expenses. In 2017, the Board established a Days Cash Ratio goal of 600 days.

In November 2017, the Board updated the long-term financial plan and adopted multi-year rate increases from FY 2019 to FY 2022. The current water rates were developed as part of the five-year rate adoption in the 2017 Rate Study, with the first rates adopted on January 1, 2019 and the last on January 1, 2022. In June 2021, Mesa Water engaged Raftelis Financial Consultants (Raftelis) to conduct a comprehensive Water Rate Study for its water services.

The major objectives of the study include the following:

1. Develop a 10-year financial plan to ensure financial sufficiency and funding for operation and maintenance, capital improvement, and capital replacement expenses.
2. Conduct a cost-of-service analysis for water services, and proportionately allocate the costs of providing service.
3. Develop fair and equitable water rates that collect a portion of the revenue requirement via charges levied by the Orange County tax collector and perform a customer impact analysis.
4. Develop a report that demonstrates the nexus between Mesa Water's costs and rates, to meet the requirements of Proposition 218.

This Report summarizes the study's financial plan and rate development key findings and recommendations.

1.1. Methodology

Raftelis and Mesa Water developed rates using cost-of-service principles set forth by the American Water Works Association M1 Manual titled *Principles of Water Rates, Fees and Charges* (AWWA M1 Manual) and any modifications, as applicable, required to meet California’s Proposition 218. Cost-of-service principles endeavor to distribute costs to customer classes in proportion to the way each class uses the water system. This study used the Base-Extra Capacity Method, described in the AWWA M1 Manual, to distribute water system costs.

1.2. Proposed Financial Plan and Revenue Adjustments

The financial planning model enables Mesa Water to set rates and charges to generate enough revenue to meet its short-term and long-term obligations and avoid significant rate fluctuations. Table 1-1 shows the proposed revenue adjustments and 12-year self-insurance funding selected by the Board of Directors at the October 5, 2021 Board Meeting. The proposed financial plan implements an initial higher level of revenue adjustments to make initial contributions to the self-insurance fund, then levels off at 5 percent per year. Revenue adjustments occur on January 1 for each year. This proposed scenario allows Mesa Water to build a self-insurance fund over 12 years, maintain reserves, and mitigate rate payer bill impacts.

Table 1-1: Proposed Revenue Adjustments and Self-Insurance Funding

Fiscal Year	Proposed Revenue Adjustment	Self-Insurance Funding
2023	8%	\$12,000,000
2024	8%	\$11,987,500
2025	5%	\$12,220,000
2026	5%	\$12,831,000
2027	5%	\$13,472,550

Table 1-2 shows the proposed financial plan incorporating the proposed revenue adjustments and self-insurance funding (Line 31).

Table 1-2: Proposed Financial Plan Cashflow

Line No.	Line Item	Fiscal Year										
		2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
1	Revenue Under Existing Rates	\$40,405,141	\$41,423,152	\$41,562,597	\$41,702,642	\$41,843,289	\$41,984,540	\$42,126,399	\$42,268,868	\$42,411,950	\$42,555,647	\$42,699,961
	Revenue Adjustments											
	Mo. Effctv.											
	FY											
	First Year											
	Adjustment											
2	2022	6	0.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	2023	6	8.0%	\$1,656,926	\$3,325,008	\$3,336,211	\$3,347,463	\$3,358,763	\$3,370,112	\$3,381,509	\$3,392,956	\$3,404,452
4	2024	6	8.0%		\$1,795,504	\$3,603,108	\$3,615,260	\$3,627,464	\$3,639,721	\$3,652,030	\$3,664,392	\$3,676,808
5	2025	6	5.0%			\$1,216,049	\$2,440,301	\$2,448,538	\$2,456,812	\$2,465,120	\$2,473,465	\$2,481,845
6	2026	6	5.0%				\$1,281,158	\$2,570,965	\$2,579,652	\$2,588,376	\$2,597,138	\$2,605,938
7	2027	6	5.0%					\$1,349,757	\$2,708,635	\$2,717,795	\$2,726,995	\$2,736,234
8	2028	6	5.0%						\$1,422,033	\$2,853,685	\$2,863,345	\$2,873,046
9	2029	6	5.0%							\$1,498,185	\$3,006,512	\$3,016,698
10	2030	6	5.0%								\$1,578,419	\$3,167,533
11	2031	6	5.0%									\$1,662,955
12	Total Adjusted Revenue	\$0	\$1,656,926	\$5,120,512	\$8,155,369	\$10,684,182	\$13,355,488	\$16,176,965	\$19,156,701	\$22,303,222	\$25,625,510	\$25,712,411
13	LAFCO Surcharge (1)	\$24,874	\$24,874	\$24,874	\$24,874	\$24,874	\$24,874	\$24,874	\$24,874	\$24,874	\$24,874	\$24,874
14	Total Rate-Based Revenue	\$40,430,015	\$43,104,952	\$46,707,983	\$49,882,884	\$52,552,344	\$55,364,902	\$58,328,238	\$61,450,443	\$64,740,046	\$68,206,030	\$68,437,246
	Other Revenue											
15	Misc Net Revenues	\$340,000	\$358,550	\$362,136	\$365,757	\$369,414	\$373,109	\$376,840	\$380,608	\$384,414	\$388,258	\$392,141
16	Interest Income	\$458,063	\$406,369	\$365,382	\$362,391	\$316,018	\$286,392	\$282,561	\$289,075	\$302,788	\$324,299	\$337,030
17	Total Revenue	\$41,228,077	\$43,869,871	\$47,435,501	\$50,611,032	\$53,237,777	\$56,024,402	\$58,987,639	\$62,120,127	\$65,427,248	\$68,918,588	\$69,166,418
	O&M Expenses											
18	Imported/Basin Managed Water Costs	\$498,700	\$500,389	\$517,619	\$535,444	\$553,887	\$572,967	\$592,708	\$613,132	\$634,262	\$656,124	\$678,742
19	Clear Water Costs	\$7,960,022	\$8,563,982	\$9,311,433	\$9,927,925	\$10,618,497	\$11,222,162	\$11,889,098	\$12,597,140	\$13,348,873	\$14,147,046	\$14,994,584
20	Amber Water Costs	\$3,479,832	\$3,343,282	\$3,045,919	\$3,214,100	\$3,399,662	\$3,567,305	\$3,750,036	\$3,943,032	\$4,146,903	\$4,362,299	\$4,589,908
21	Transmission & Distribution	\$6,975,463	\$7,198,678	\$7,429,182	\$7,667,218	\$7,913,035	\$8,166,892	\$8,429,058	\$8,699,806	\$8,979,425	\$9,268,208	\$9,566,461
22	General & Administrative	\$9,464,124	\$9,748,045	\$10,040,720	\$10,342,426	\$10,653,449	\$10,974,083	\$11,304,634	\$11,645,415	\$11,996,752	\$12,358,980	\$12,732,443
23	Recycled Water Costs	\$1,000,025	\$1,050,026	\$1,107,268	\$1,167,631	\$1,231,285	\$1,298,408	\$1,369,191	\$1,443,832	\$1,522,543	\$1,605,544	\$1,693,070
24	Total O&M Expenses	\$29,378,166	\$30,404,402	\$31,452,140	\$32,854,744	\$34,369,815	\$35,801,818	\$37,334,724	\$38,942,357	\$40,628,758	\$42,398,200	\$44,255,209
25	Net Revenues	\$11,849,911	\$13,465,469	\$15,983,360	\$17,756,288	\$18,867,962	\$20,222,585	\$21,652,915	\$23,177,769	\$24,798,490	\$26,520,387	\$24,911,208
	Debt Service											
26	Existing	\$6,746,450	\$6,797,700	\$6,848,450	\$6,898,200	\$6,921,450	\$4,723,950	\$3,976,200	\$3,980,700	\$3,976,450	\$3,978,700	\$3,976,950
27	Proposed	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
28	Total Debt Service	\$6,746,450	\$6,797,700	\$6,848,450	\$6,898,200	\$6,921,450	\$4,723,950	\$3,976,200	\$3,980,700	\$3,976,450	\$3,978,700	\$3,976,950
29	Capital-Related (Paygo)	\$0	\$0	\$0	\$0	\$2,307,233	\$3,428,596	\$3,567,709	\$3,710,995	\$3,858,580	\$4,010,593	\$4,167,166
30	Pension Liability Prepayment	\$110,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
31	Self Insurance Funding	\$11,000,000	\$12,000,000	\$11,987,500	\$12,220,000	\$12,831,000	\$13,472,550	\$14,146,178	\$14,853,486	\$15,596,161	\$16,375,969	\$17,194,767
32	Annual Surplus/(Deficit)	-\$6,006,539	-\$5,332,231	-\$2,852,590	-\$1,361,912	-\$3,191,720	-\$1,402,512	-\$37,172	\$632,587	\$1,367,299	\$2,155,126	-\$427,674
33	Beginning Balance	\$31,349,150	\$25,342,611	\$20,010,380	\$17,157,790	\$15,795,878	\$12,604,158	\$11,201,646	\$11,164,474	\$11,797,061	\$13,164,360	\$15,319,486
34	Ending Operating* Balance	\$25,342,611	\$20,010,380	\$17,157,790	\$15,795,878	\$12,604,158	\$11,201,646	\$11,164,474	\$11,797,061	\$13,164,360	\$15,319,486	\$14,891,812
35	Ending Balance Operating* and Capital Funds**	\$37,302,985	\$31,970,754	\$30,810,060	\$26,782,181	\$22,604,158	\$21,201,646	\$21,164,474	\$21,797,061	\$23,164,360	\$25,319,486	\$24,891,812
36	Captive Funds Ending Balance	\$11,340,206	\$24,412,796	\$38,281,114	\$53,246,956	\$69,768,417	\$87,973,216	\$107,998,546	\$129,991,741	\$154,110,984	\$180,526,064	\$209,419,188

* Customer & Development Deposits + Other Funds + Liquidity Funds

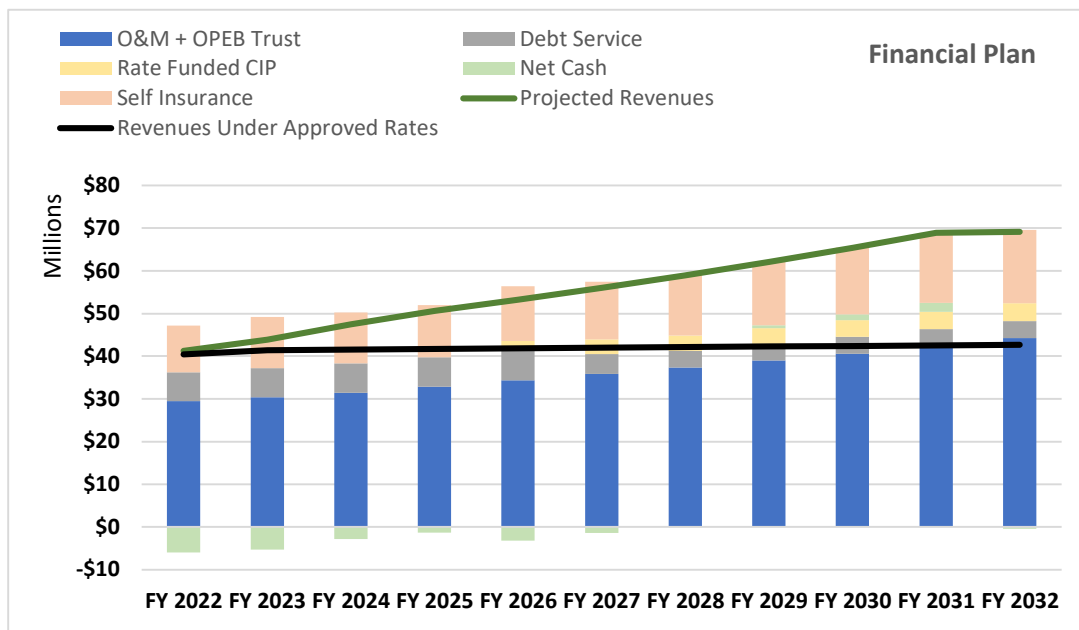
** Capital Replacement Fund

(1) Per account surcharge, not subject to revenue adjustments.

Line 1 shows revenue from current rates, assuming no increase in rates. Rate revenue from current rates includes water, recycled water, and private fire customers and consumption, where applicable. Line 12 shows the additional revenue received from the revenue adjustments proposed in Table 1-1. Line 13 shows the LAFCO surcharge and Line 14 shows the total rate-based revenues. Lines 15 and 16 show non-rate revenues. Interest revenues (Line 16) decreases in FY 2023 through FY 2028 due to declining reserve balances caused by the deficit (Line 32) to fund the self-insurance over 12-years. Line 17 shows projected revenues. Lines 18 – 23 summarize the O&M expense projections. Line 25 shows net revenues, which are revenues less O&M expenses. Lines 26 and 27 show the existing and proposed debt service, respectively. Line 29 shows the cash funding of capital improvement projects, also called “Paygo”. Line 30 shows a final payment into the pension liability prepayment in FY 2022. Line 31 shows the projected self-insurance funding. Line 32 shows the annual surplus/deficit. Due to initial self-insurance funding levels, the operating cash balance is initially drawn down. Lines 33 and 34 show the beginning and ending operating fund balance, respectively. Line 35 shows the ending balance including the capital replacement fund, which maintains a minimum target balance of \$10 million. Line 36 shows the projected captive (self-insurance) funds balance, which includes projected interest earnings for the fund. The proposed financial plan ensures financial sufficiency and solvency for Mesa Water to meet projected expenditures and financial obligations, including debt service, debt coverage, and most reserve targets while funding self-insurance.

Figure 1-1 graphically illustrates the operating Financial Plan – it compares existing (current) and proposed revenues with projected expenses. The stacked bars show expenses, including O&M expenses, debt service, and rate-funded CIP. Total revenues at existing and proposed rates are shown by horizontal black and green lines, respectively. Current revenue from existing rates, in black, does not meet future total expenses and shows the need for revenue adjustments.

Figure 1-1: Proposed Financial Plan



1.3. Proposed Five-Year Rates

1.3.1. FIXED BI-MONTHLY AND MONTHLY BASIC AND FIRE SERVICE CHARGES

To develop the bi-monthly and monthly basic charge, Raftelis used AWWA meter capacity ratios. Raftelis also helped Mesa Water evaluate different fixed revenue levels and means of collecting fixed revenue to enhance revenue stability. Mesa Water currently collects about 22 percent of its rate revenue from fixed meter basic charges, including Fireline Standby Charges. Due to introducing and phasing-in a charge on the property-tax bill, cost-of-service rates were developed for each year FY 2023 – FY 2027. The cost-of-service analysis is detailed in Section 6. Rates have been rounded up to the nearest cent. The proposed fireline charges have been prepared in accordance with the AWWA M1 manual with modifications, as applicable, to meet Proposition 218, using the projected fire demands from the November 2014 Water Master Plan, and are in proportion to the potential flow through each connection size. In discussions with Mesa Water staff, a 1-inch service line was deemed the smallest service line; and thus, the rates for meters of 1-inch or smaller are billed at the 1-inch rate.

Table 1-3 shows the adopted January 2022 and proposed bi-monthly and monthly basic charges. Table 1-4 shows the adopted January 2022 and the proposed bi-monthly and monthly fireline service charges. The proposed fire service charges apply to all customers with private fire service connections. The rates for the current and proposed bi-monthly and monthly basic charges and fire service charges are calculated based on the meter size and diameter of the fire line serving a property, respectively. The proposed rates are rounded up to the nearest cent.

Table 1-3: Adopted Jan. 2022 and Proposed Bi-Monthly and Monthly Basic Charge

Proposed Rates	Fiscal Year					
	2022	2023	2024	2025	2026	2027
Effective Date	Jan 2022	Jan 2023	Jan 2024	Jan 2025	Jan 2026	Jan 2027
Bi-Monthly Potable Water & Recycled Water Basic Charge						
Meter Size						
5/8-inch	\$30.03	\$29.55	\$30.99	\$31.54	\$32.16	\$32.83
3/4-inch	\$45.36	\$36.30	\$37.77	\$38.57	\$39.50	\$40.42
1-inch	\$75.37	\$49.79	\$51.33	\$52.62	\$54.16	\$55.61
1 1/2-inch	\$151.36	\$83.52	\$85.23	\$87.76	\$90.83	\$93.57
2-inch	\$242.04	\$124.00	\$125.91	\$129.92	\$134.83	\$139.13
3-inch	\$529.38	\$252.17	\$254.72	\$263.42	\$274.15	\$283.40
4-inch	\$953.36	\$441.06	\$444.55	\$460.16	\$479.48	\$496.00
6-inch	\$2,119.97	\$960.50	\$966.58	\$1,001.20	\$1,044.12	\$1,080.67
8-inch	\$3,626.88	\$1,635.11	\$1,644.55	\$1,703.85	\$1,777.42	\$1,839.97
10-inch	\$5,746.80	\$2,579.55	\$2,593.70	\$2,687.56	\$2,804.04	\$2,902.99
Monthly Potable Water & Recycled Water Basic Charge						
Meter Size						
5/8-inch	\$15.02	\$22.81	\$24.21	\$24.52	\$24.83	\$25.24
3/4-inch	\$22.68	\$26.18	\$27.60	\$28.03	\$28.50	\$29.03
1-inch	\$37.69	\$32.92	\$34.38	\$35.06	\$35.83	\$36.63
1 1/2-inch	\$75.68	\$49.79	\$51.33	\$52.62	\$54.16	\$55.61
2-inch	\$121.02	\$70.03	\$71.67	\$73.70	\$76.16	\$78.39
3-inch	\$264.69	\$134.11	\$136.08	\$140.46	\$145.82	\$150.52
4-inch	\$476.68	\$228.56	\$230.99	\$238.83	\$248.49	\$256.82
6-inch	\$1,059.99	\$488.28	\$492.01	\$509.35	\$530.81	\$549.15
8-inch	\$1,813.44	\$825.58	\$830.99	\$860.67	\$897.46	\$928.81
10-inch	\$2,873.40	\$1,297.81	\$1,305.57	\$1,352.53	\$1,410.77	\$1,460.32

Table 1-4: Adopted Jan. 2022 and Proposed Bi-monthly and Monthly Fireline Charges

Proposed Rates	2022	2023	2024	2025	2026	2027
Effective Date	Jan 2022	Jan 2023	Jan 2024	Jan 2025	Jan 2026	Jan 2027
Bi-Monthly Fireline Class I and II						
Fireline Service Size						
1-inch	\$8.30	\$17.38	\$18.81	\$18.94	\$19.02	\$19.24
1 1/2-inch	\$8.30	\$19.90	\$21.44	\$21.69	\$21.93	\$22.28
2-inch	\$8.30	\$24.24	\$25.96	\$26.43	\$26.95	\$27.51
3-inch	\$24.08	\$39.81	\$42.21	\$43.47	\$44.94	\$46.32
4-inch	\$51.29	\$66.67	\$70.23	\$72.85	\$75.98	\$78.75
6-inch	\$148.96	\$163.09	\$170.79	\$178.29	\$187.39	\$195.15
8-inch	\$317.40	\$329.38	\$344.25	\$360.16	\$379.55	\$395.92
10-inch	\$570.77	\$579.52	\$605.16	\$633.73	\$668.59	\$697.92
Monthly Fireline Class I and II						
Fireline Service Size						
1-inch	\$3.95	\$16.72	\$18.12	\$18.21	\$18.26	\$18.44
1 1/2-inch	\$3.95	\$17.98	\$19.44	\$19.59	\$19.71	\$19.96
2-inch	\$3.95	\$20.15	\$21.70	\$21.96	\$22.22	\$22.58
3-inch	\$11.47	\$27.93	\$29.82	\$30.48	\$31.22	\$31.98
4-inch	\$24.42	\$41.37	\$43.83	\$45.17	\$46.74	\$48.20
6-inch	\$70.93	\$89.57	\$94.11	\$97.89	\$102.44	\$106.40
8-inch	\$151.14	\$172.72	\$180.84	\$188.83	\$198.52	\$206.78
10-inch	\$271.80	\$297.79	\$311.30	\$325.61	\$343.05	\$357.78

1.3.2. PROJECTED CAPITAL CHARGE

Mesa Water is planning to recover a portion of the revenue requirement associated with providing water through a capital charge that will be collected by the Orange County tax collector. Table 1-5 shows the proposed, annual Capital charge based on meter size. This fee schedule presumes a nexus between parcels and potable water meters. Certain properties may have more than one meter and would be charged accordingly. Raftelis did not evaluate parcel data.

Table 1-5: Proposed Capital Charge, \$/yr

Proposed Rates	2022	2023	2024	2025	2026	2027
Effective Date	Jan 2022	Jan 2023	Jan 2024	Jan 2025	Jan 2026	Jan 2027
Potable Water Meter Size						
5/8-inch	\$0.00	\$99.92	\$163.45	\$198.13	\$235.17	\$274.93
3/4-inch	\$0.00	\$149.88	\$245.17	\$297.20	\$352.76	\$412.39
1-inch	\$0.00	\$249.79	\$408.61	\$495.33	\$587.92	\$687.31
1 1/2-inch	\$0.00	\$499.57	\$817.21	\$990.65	\$1,175.84	\$1,374.61
2-inch	\$0.00	\$799.31	\$1,307.54	\$1,585.04	\$1,881.35	\$2,199.37
3-inch	\$0.00	\$1,748.49	\$2,860.23	\$3,467.27	\$4,115.44	\$4,811.11
4-inch	\$0.00	\$3,147.29	\$5,148.40	\$6,241.08	\$7,407.79	\$8,659.99
6-inch	\$0.00	\$6,993.96	\$11,440.89	\$13,869.06	\$16,461.75	\$19,244.41
8-inch	\$0.00	\$11,989.65	\$19,612.96	\$23,775.53	\$28,220.13	\$32,990.42
10-inch	\$0.00	\$18,983.61	\$31,053.84	\$37,644.58	\$44,681.87	\$52,234.83

1.3.3. PROPOSED USAGE RATES

The remaining revenue (i.e., the revenue that is not collected through the fixed meter basic charge, the fireline charges, and through the capital charge) for potable, construction¹, fireline, and recycled water usage is recovered by usage rates. As with the fixed charges, the FY 2023 – FY 2027 rates are based on cost-of-service. The rates are rounded up to the nearest cent. Table 1-6 shows usage rates for the adopted January 2022 rates and the following five years.

Table 1-6: Proposed Usage Rates by Class, \$/ccf

Proposed Rates	Fiscal Year					
	2022	2023	2024	2025	2026	2027
Effective Date	Jan 2022	Jan 2023	Jan 2024	Jan 2025	Jan 2026	Jan 2027
Potable Water	\$4.72	\$4.85	\$4.91	\$5.01	\$5.10	\$5.19
Construction	\$5.21	\$4.85	\$4.91	\$5.01	\$5.10	\$5.19
Fireline Water	\$5.21	\$4.85	\$4.91	\$5.01	\$5.10	\$5.19
Recycled Water	\$3.08	\$3.40	\$3.56	\$3.72	\$3.89	\$4.07

1.3.4. AVERAGE CUSTOMER BILL IMPACT

Table 1-7 illustrates the customer bill impact for an average single-family residential water customer with a 5/8” meter using an average of 24 hcf in a bi-monthly billing period (60 days). Bills are shown with and without the estimated capital charge on a bi-monthly basis. The Total Water Bill represents an annual average increase of 1.9 percent per year, though year-to-year increases may vary slightly from that annual average.

Table 1-7: Proposed Bi-Monthly Bill for an Average 5/8” Single Family Customer

	Jan. 1, 2022	Jan. 1, 2023	Jan. 1, 2024	Jan. 1, 2025	Jan. 1, 2026	Jan. 1, 2027
Bi-monthly Basic Charge: 5/8"	\$30.03	\$29.55	\$30.99	\$31.54	\$32.16	\$32.83
Capital Charge, 5/8" (\$/bi-mo)	\$0.00	\$16.65	\$27.24	\$33.02	\$39.20	\$45.82
Usage Charge (ccf): 24	\$113.28	\$116.40	\$117.84	\$120.00	\$122.40	\$124.56
Total Water Bill + Capital Charge	\$143.31	\$162.60	\$176.07	\$184.56	\$193.76	\$203.21
Total Water Bill	\$143.31	\$145.95	\$148.83	\$151.54	\$154.56	\$157.39

¹ Construction use = the temporary use of water for construction from a meter installed on a fire hydrant

2. Introduction

2.1. Overview of Mesa Water District

Since 1960, Mesa Water District (Mesa Water) has been providing clean, safe, reliable drinking water at a reasonable cost to approximately 110,000 residents in 18-square-mile area in Costa Mesa, parts of Newport Beach and some unincorporated areas of Orange County, including John Wayne Airport.

Mesa Water owns and maintains 317 miles of mainlines, 3,438 fire hydrants, 2 booster pump stations, 2 storage reservoirs, and 7 groundwater wells. Mesa Water's five clear-water wells pump water from 200-600 feet below the surface and provide up to 75 percent of the water needs for Mesa Water's service area. The two deep-water wells pump water from 1,200 feet below the surface and provide the remaining water needed for Mesa Water customers. The aquifer extends down to 2,000 feet below the surface. The MWRf treats amber groundwater from a previously unusable aquifer, providing Mesa Water with an additional potable water source. Amber groundwater from this lower aquifer is more expensive to produce than clear groundwater produced from the upper aquifer. However, the treatment cost of amber groundwater is substantially less expensive than purchasing imported water.

Mesa Water also sells recycled water for irrigation purposes. The recycled water is purchased from Orange County Water District (OCWD) and replaces potable water that would otherwise have been used for irrigation. OCWD owns the recycled water distribution system and is responsible for the maintenance and replacement of the recycled water system.

In 2017, the Board established a Days Cash goal of 600 days. The Days Cash Ratio is defined as total cash available divided by the Operating Expenses per day and is a measurement of an agency's ability to meet known and unanticipated expenses. Due to creating a self-insurance fund, which can be included in the calculation of Days Cash, Mesa Water is also watching a new, unofficial, operating minimum target of 125 days that excludes money in the self-insurance fund.

Mesa Water's revenues result solely from its activities as a water utility. It receives no tax revenue of any kind. However, as mentioned in this Report, Mesa Water plans to have some water-related costs collected by the Orange County tax collector. The majority of Mesa Water's revenue comes from meter basic charges and usage charges. Other revenues include non-operating revenue such as delinquent fees, new service establishment fees, interest income, development-related revenue, etc. In addition, Mesa Water receives reimbursement from MWD's Local Resource Program (LRP) for a portion of its water production costs from its MWRf.

2.2. Methodology

Raftelis and Mesa Water developed rates using cost-of-service principles set forth by the American Water Works Association M1 Manual titled *Principles of Water Rates, Fees and Charges* (AWWA M1 Manual) with modifications, as applicable, to meet Proposition 218. Cost-of-service principles endeavor to distribute costs to customer classes in proportion to the way each class uses the water system. This study used the Base-Extra Capacity Method, described in the AWWA M1 Manual, to distribute water system costs.

3. Legal Framework and Rate Setting Methodology

3.1. California Constitution – Article XIII D, Section 6 (Prop 218)

Proposition 218, reflected in the California Constitution as Article XIII D, was enacted in 1996 to ensure that rates and fees are proportional to the cost of providing service. The principal requirements for fairness of the fees, as they relate to public water service, are as follows:

1. A property-related charge (such as water and recycled water rates) imposed by a public agency on a parcel shall not exceed the costs required to provide the property-related service.
2. Revenues derived by the charge shall not be used for any purpose other than that for which the charge was imposed.
3. The amount of the charge imposed upon any parcel shall not exceed the proportional cost-of-service attributable to the parcel.
4. No charge may be imposed for a service unless that service is actually used or immediately available to the owner of the property.
5. A written notice of the proposed charge shall be mailed to the record owner of each parcel at least 45 days prior to the public hearing when the agency considers all written protests against the charge.

As stated in AWWA’s *Principles of Water Rates, Fees, and Charges: Manual of Water Supply Practices M1*, 7th Edition (M1 Manual), “water rates and charges should be recovered from classes of customers in proportion to the cost of serving those customers.” Proposition 218 requires that water rates cannot be “arbitrary and capricious,” meaning that the rate-setting methodology must be sound and that there must be a nexus between the costs and the rates charged. This study follows industry-standard rate-setting methodologies set forth by the M1 Manual, adhering to Proposition 218 requirements by developing rates that do not exceed the proportionate cost of providing water services.

3.2. California Constitution – Article X, Section 2

Article X, Section 2 of the California Constitution (established in 1976) states the following:

“It is hereby declared that because of the conditions prevailing in this State the general welfare requires that the water resources of the State be put to beneficial use to the fullest extent of which they are capable, and that the waste or unreasonable use or unreasonable method of use of water be prevented, and that the conservation of such waters is to be exercised with a view to the reasonable and beneficial use thereof in the interest of the people and for the public welfare.”

Article X, Section 2 of the State Constitution institutes the need to preserve the State’s water supplies and to discourage the wasteful or unreasonable use of water by encouraging conservation. As such, public agencies are constitutionally mandated to maximize the beneficial use of water, prevent waste, and encourage conservation.

Cost-Based Rate-Setting Methodology

As stated in the M1 Manual, “the costs of water rates and charges should be recovered from classes of customers in proportion to the cost of serving those customers.” The four major steps to develop utility rates that comply with

Proposition 218 and industry standards while meeting other emerging goals and objectives of the utility are discussed below.

Calculate Revenue Requirement

The rate-making process starts by determining the test year (rate-setting year) revenue requirement. The revenue requirement should sufficiently fund the utility's O&M, debt service, capital expenses, and other identified costs with funding to reserves (positive cash) or using reserves (negative cash), all based on a long-term financial plan.

Cost-of-Service Analysis

The annual cost of providing water service is distributed among customer classes commensurate with their service requirements. A cost-of-service analysis involves the following:

- Functionalize costs. Examples of functions include storage, treatment, and distribution.
- Allocate functionalized costs to cost components. Examples of cost components include supply, base delivery, peaking, and meter servicing.
- Distribute the cost components. Distribute cost components, using unit costs, to customer classes in proportion to their burden on the water system.

Rate Design and Calculations

Once the cost to serve each class is known, rates are designed to collect the cost to serve each class. The total cost for all classes equals the revenue requirement from rates.

Rate Adoption

Rate adoption is the last step of the rate-making process and is part of the procedural requirements of Proposition 218. Raftelis documents the rate study results in this Report to serve as the utility's administrative record and a public education tool about the proposed changes, the rationale and justifications behind the changes, and their anticipated financial impacts.

Raftelis conducted a comprehensive cost-of-service rate study for Mesa Water in Section 6 and documented the results and findings in this Report. This study focuses on financial plan updates and incorporates the latest financial information and cost projections for the next five years.

4. General Assumptions

This section describes the assumptions used to project annual revenues and expenses including reserve targets and required debt coverage ratios to determine the revenue adjustments required to ensure Mesa Water’s financial stability.

4.1. Key Information Used in this Report

The Report utilized the following key information provided by Mesa Water

- FY 2020 and FY 2021 operating budget
- Debt service schedule for all outstanding debt
- Historical and forecast number of services and consumption sales for water services
- Actual and budgeted CIP expenditures for FY 2021 – FY 2032
- Water asset list
- Historical water rates and approved water rates for January 1, 2022.
- System-wide max day and max hour peaking factors
- Water Master Plan, November 2014
- Beginning reserve balances as of FY 2022

4.2. Reserve Funds and Targets

Mesa Water has five reserve funds, with targets as shown in Table 4-1. The minimum operating-related reserve funds total 350 days of O&M and the maximum totals 430 days of O&M.

Table 4-1: Current Reserve Policy

Reserve Fund	Minimum Target	Maximum Target
Admin & General	20 days O&M	25 days O&M
Catastrophe	150 days O&M	180 days O&M
Operating	120 days O&M	150 days O&M
Rate Stabilization	60 days O&M	75 days O&M
Capital Replacement	\$10,000,000	--

Mesa Water also has an overall desired target of 600 days of O&M. Additionally, the minimum debt coverage ratio required by the 2020 Revenues Certificate of Participate (2020 COP) is 1.25.

4.3. Cost Escalation Factors

The study period comprises FY 2022 through FY 2032. Various assumptions and inputs were incorporated into the study based on direction from Mesa Water staff and Raftelis recommendations. Table 4-2 shows the cost escalation factors assumed in the study.

Table 4-2: Cost Escalation Factors

Cost Type	Escalation
General	2.5% per year
Payroll	3.5% per year
Utilities	3.5% per year
Basin RA	Actual forecasted costs FY 2023 – FY 2027, then 6% per year
Imported Variable Costs	5.0% per year
Fixed Purchase Water Supply Costs	3.5% per year
Capital Cost	3.0% per year

5. 10-Year Financial Plan

Reviewing a utility’s revenue requirement is a key first step in the rate study process. Raffelis analyzed annual operating revenue under the status quo, operation and maintenance (O&M) expenses, transfers between funds, and reserve requirements. This section of the report provides a discussion of the projected revenues, O&M expenses, reserve funding requirements and the revenue adjustments needed to ensure fiscal sustainability and solvency.

5.1. Revenue from Current Water Rates

5.1.1. CURRENT WATER RATES

The current water rates, adopted by Resolution No. 1505², include the following components: bi-monthly and monthly meter basic charge by meter size and uniform volumetric water rates. Table 5-1 shows the current and adopted bi-monthly and monthly basic charges applied to both water and recycled water meters.

Table 5-1: Current and Adopted Basic Charge

Existing Rates	FY 2021	FY 2022
Bi-Monthly Potable & Recycled Water		
5/8-inch	\$28.60	\$30.03
3/4-inch	\$43.20	\$45.36
1-inch	\$71.78	\$75.37
1 1/2-inch	\$144.15	\$151.36
2-inch	\$230.51	\$242.04
3-inch	\$504.17	\$529.38
4-inch	\$907.96	\$953.36
6-inch	\$2,019.01	\$2,119.97
8-inch	\$3,454.17	\$3,626.88
10-inch	\$5,473.14	\$5,746.80
Monthly Potable & Recycled Water		
5/8-inch	\$14.30	\$15.02
3/4-inch	\$21.60	\$22.68
1-inch	\$35.89	\$37.69
1 1/2-inch	\$72.08	\$75.68
2-inch	\$115.25	\$121.02
3-inch	\$252.08	\$264.69
4-inch	\$453.98	\$476.68
6-inch	\$1,009.50	\$1,059.99
8-inch	\$1,727.09	\$1,813.44
10-inch	\$2,736.57	\$2,873.40

Table 5-2 shows the current and adopted fireline charges for bi-monthly and monthly customers.

² Resolution No. 1505 Adopted November 9, 2017

Table 5-2: Current and Adopted Fireline Charge

Existing Rates	FY 2021	FY 2022
Bi-Monthly Fireline Class I and II		
2-inch	\$7.90	\$8.30
3-inch	\$22.93	\$24.08
4-inch	\$48.84	\$51.29
6-inch	\$141.86	\$148.96
8-inch	\$302.28	\$317.40
10-inch	\$543.59	\$570.77
Monthly Fireline Class I and II		
2-inch	\$3.95	\$3.95
3-inch	\$11.47	\$11.47
4-inch	\$24.42	\$24.42
6-inch	\$70.93	\$70.93
8-inch	\$151.14	\$151.14
10-inch	\$271.80	\$271.80

Table 5-3 summarizes the current adopted usage charges per ccf³ for potable, construction, fire and recycled water. Construction use is the temporary use of water for construction from a meter installed on a fire hydrant.

Table 5-3: Current and Adopted Usage Rates, (\$/ccf)

Existing Rates	FY 2021	FY 2022
Potable Water	\$4.49	\$4.72
Recycled Water	\$2.93	\$3.08
Construction Water	\$4.96	\$5.21
Fireline Water	\$4.96	\$5.21

In addition to these charges, Mesa Water also collects a LAFCO charge of \$1/account/year, which is based on the Orange County LAFCO adopted budget.

5.1.2.ACCOUNT AND WATER USE GROWTH ASSUMPTIONS

The two factors used to estimate future water rate revenue are new account growth and annual water demand changes. Table 5-4 shows the financial plan assumptions in new water service connections and water use growth for the study period. Mesa Water staff anticipate little-to-no account growth. Mesa Water is also anticipating a slight increase in demand. Mesa Water estimates a 7 percent water loss assumption for the study period. The additional water purchases above customer demand account for water losses in the system, such as water lost during treatment, leaks in pipes, etc.

Table 5-4: Account Growth, Water Use, and Water Loss Assumptions

Line Item	Assumption
Account Growth	none
Water Use Growth	None in FY 2022 and FY 2023, then 0.43% per year
Water Loss	7.0% per year

³ 1 ccf = 100 cubic feet = 748 gallons of water

Table 5-5 shows the estimated number of water accounts, not including Fire Service, by meter size for the study period. The number of accounts is used to forecast the amount of fixed revenue Mesa Water will receive from the Basic Charge.

Table 5-5: Projected Potable and Recycled Water Accounts by Meter Size and Billing Period

Meter Size	Fiscal Year											
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	
Bi-Monthly												
5/8-inch	16,847	16,847	16,847	16,847	16,847	16,847	16,847	16,847	16,847	16,847	16,847	16,847
3/4-inch	2,178	2,178	2,178	2,178	2,178	2,178	2,178	2,178	2,178	2,178	2,178	2,178
1-inch	3,053	3,053	3,053	3,053	3,053	3,053	3,053	3,053	3,053	3,053	3,053	3,053
1 1/2-inch	903	903	903	903	903	903	903	903	903	903	903	903
2-inch	1,069	1,069	1,069	1,069	1,069	1,069	1,069	1,069	1,069	1,069	1,069	1,069
3-inch	6	6	6	6	6	6	6	6	6	6	6	6
4-inch	5	5	5	5	5	5	5	5	5	5	5	5
6-inch	3	3	3	3	3	3	3	3	3	3	3	3
8-inch	1	1	1	1	1	1	1	1	1	1	1	1
10-inch	0	0	0	0	0	0	0	0	0	0	0	0
Total	24,065	24,065	24,065	24,065	24,065	24,065	24,065	24,065	24,065	24,065	24,065	24,065
Monthly												
5/8-inch	0	0	0	0	0	0	0	0	0	0	0	0
3/4-inch	0	0	0	0	0	0	0	0	0	0	0	0
1-inch	5	5	5	5	5	5	5	5	5	5	5	5
1 1/2-inch	11	11	11	11	11	11	11	11	11	11	11	11
2-inch	24	24	24	24	24	24	24	24	24	24	24	24
3-inch	54	54	54	54	54	54	54	54	54	54	54	54
4-inch	34	34	34	34	34	34	34	34	34	34	34	34
6-inch	17	17	17	17	17	17	17	17	17	17	17	17
8-inch	10	10	10	10	10	10	10	10	10	10	10	10
10-inch	0	0	0	0	0	0	0	0	0	0	0	0
Total	155	155	155	155	155	155	155	155	155	155	155	155

Table 5-6 shows the projected water use totals by class. Water use by class is escalated by the water use growth assumption shown in Table 5-4.

5.1.3. REVENUE PROJECTIONS

Table 5-7 shows the projected water revenue based on the January 1, 2022 rates and the account and usage projections presented above.

Table 5-8 presents the projection of other revenues, which includes other charges and services, the LAFCO surcharge, interest income, and non-operating revenues.

Table 5-6: Projected Water Use by Customer Class (ccf)

Usage, ccf	Fiscal Year											
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	
% Growth	0.00%	0.00%	0.43%	0.43%	0.43%	0.43%	0.43%	0.43%	0.43%	0.43%	0.43%	0.43%
Potable Water Customer Classes												
Bi-Monthly												
Single Family	2,011,800	2,011,800	2,020,451	2,029,139	2,037,864	2,046,627	2,055,427	2,064,266	2,073,142	2,082,056	2,091,009	
Multi-family, single unit	207,459	207,459	208,351	209,247	210,147	211,050	211,958	212,869	213,785	214,704	215,627	
Multi-family, multiunit	1,742,400	1,742,400	1,749,892	1,757,417	1,764,974	1,772,563	1,780,185	1,787,840	1,795,528	1,803,248	1,811,002	
Commercial	1,002,036	1,002,036	1,006,345	1,010,672	1,015,018	1,019,383	1,023,766	1,028,168	1,032,589	1,037,029	1,041,489	
Industrial	93,200	93,200	93,601	94,003	94,407	94,813	95,221	95,631	96,042	96,455	96,870	
Government	111,600	111,600	112,080	112,562	113,046	113,532	114,020	114,510	115,003	115,497	115,994	
Irrigation	529,000	529,000	531,275	533,559	535,853	538,158	540,472	542,796	545,130	547,474	549,828	
Subtotal bi-monthly	5,697,495	5,697,495	5,721,994	5,746,599	5,771,309	5,796,126	5,821,049	5,846,080	5,871,218	5,896,464	5,921,819	
Monthly												
Multi-family, multiunit	140,220	140,220	140,823	141,428	142,037	142,647	143,261	143,877	144,495	145,117	145,741	
Commercial	248,000	248,000	249,066	250,137	251,213	252,293	253,378	254,468	255,562	256,661	257,764	
Industrial	13,600	13,600	13,658	13,717	13,776	13,835	13,895	13,955	14,015	14,075	14,135	
Government	307,710	307,710	309,033	310,362	311,697	313,037	314,383	315,735	317,092	318,456	319,825	
Irrigation	139,680	139,680	140,281	140,884	141,490	142,098	142,709	143,323	143,939	144,558	145,180	
Subtotal monthly	849,210	849,210	852,862	856,529	860,212	863,911	867,626	871,357	875,103	878,866	882,645	
Total Potable Use (ccf)	6,546,705	6,546,705	6,574,856	6,603,128	6,631,521	6,660,037	6,688,675	6,717,436	6,746,321	6,775,330	6,804,464	
Construction BiMo (ccf)	6,785	6,785	6,814	6,843	6,873	6,902	6,932	6,962	6,992	7,022	7,052	
Fireline BiMo (ccf)	1,200	1,200	1,205	1,210	1,216	1,221	1,226	1,231	1,237	1,242	1,247	
Fireline Mo (ccf)	864	864	868	871	875	879	883	887	890	894	898	
RW BiMo Usage (ccf)	481,338	481,338	483,408	485,486	487,574	489,671	491,776	493,891	496,015	498,147	500,289	
Total (ccf)	7,036,892	7,036,892	7,067,151	7,097,539	7,128,059	7,158,709	7,189,492	7,220,407	7,251,454	7,282,636	7,313,951	

Table 5-7: Projected Water Revenue

Line Item	Fiscal Year											
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	
Basic & Fireline												
Bi-monthly	\$7,868,797	\$8,060,760	\$8,060,760	\$8,060,760	\$8,060,760	\$8,060,760	\$8,060,760	\$8,060,760	\$8,060,760	\$8,060,760	\$8,060,760	\$8,060,760
Monthly	\$913,151	\$933,320	\$933,320	\$933,320	\$933,320	\$933,320	\$933,320	\$933,320	\$933,320	\$933,320	\$933,320	\$933,320
Subtotal	\$8,781,948	\$8,994,080	\$8,994,080	\$8,994,080	\$8,994,080	\$8,994,080	\$8,994,080	\$8,994,080	\$8,994,080	\$8,994,080	\$8,994,080	\$8,994,080
Use	\$31,623,193	\$32,429,072	\$32,568,517	\$32,708,562	\$32,849,208	\$32,990,460	\$33,132,319	\$33,274,788	\$33,417,870	\$33,561,566	\$33,705,881	
Total	\$40,405,141	\$41,423,152	\$41,562,597	\$41,702,642	\$41,843,289	\$41,984,540	\$42,126,399	\$42,268,868	\$42,411,950	\$42,555,647	\$42,699,961	

Table 5-8: Projected Other Revenue

Misc. Revenues	Fiscal Year										
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Other Charges & Services											
New Service Establishment Fee	\$50,000	\$50,500	\$51,005	\$51,515	\$52,030	\$52,551	\$53,076	\$53,607	\$54,143	\$54,684	\$55,231
Delinquent Fees	\$185,000	\$186,850	\$188,719	\$190,606	\$192,512	\$194,437	\$196,381	\$198,345	\$200,328	\$202,332	\$204,355
Loss Recovery	\$14,000	\$14,140	\$14,281	\$14,424	\$14,568	\$14,714	\$14,861	\$15,010	\$15,160	\$15,312	\$15,465
Cross Connection Testing Fee	\$8,000	\$8,080	\$8,161	\$8,242	\$8,325	\$8,408	\$8,492	\$8,577	\$8,663	\$8,749	\$8,837
Plan Check Fees	\$55,000	\$55,550	\$56,106	\$56,667	\$57,233	\$57,806	\$58,384	\$58,967	\$59,557	\$60,153	\$60,754
OC-44 HB contract revenue	\$30,000	\$30,300	\$30,603	\$30,909	\$31,218	\$31,530	\$31,846	\$32,164	\$32,486	\$32,811	\$33,139
Sale of brass & scrap	\$3,000	\$3,030	\$3,060	\$3,091	\$3,122	\$3,153	\$3,185	\$3,216	\$3,249	\$3,281	\$3,314
Other operating revenue	\$30,000	\$30,300	\$30,603	\$30,909	\$31,218	\$31,530	\$31,846	\$32,164	\$32,486	\$32,811	\$33,139
LAFCO	\$24,874	\$24,874	\$24,874	\$24,874	\$24,874	\$24,874	\$24,874	\$24,874	\$24,874	\$24,874	\$24,874
Interest Income	\$458,063	\$406,369	\$365,382	\$362,391	\$316,018	\$286,392	\$282,561	\$289,075	\$302,788	\$324,299	\$406,369
Other Non-Operating											
Loss on Disposal of Equipment	-\$15,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Operating Revenue	\$100,000	\$101,000	\$102,010	\$103,030	\$104,060	\$105,101	\$106,152	\$107,214	\$108,286	\$109,369	\$110,462
Non-Operating Expense	-\$100,000	-\$101,000	-\$102,010	-\$103,030	-\$104,060	-\$105,101	-\$106,152	-\$107,214	-\$108,286	-\$109,369	-\$110,462
COPS Trustee Expense	-\$20,000	-\$20,200	-\$20,402	-\$20,606	-\$20,812	-\$21,020	-\$21,230	-\$21,443	-\$21,657	-\$21,874	-\$22,092
Total	\$822,937	\$789,793	\$752,392	\$753,022	\$710,307	\$684,374	\$684,275	\$694,557	\$712,076	\$737,431	\$823,384

5.2. Operating and Maintenance Expenses

5.2.1. WATER SUPPLY COSTS

Mesa Water’s primary water source is groundwater, pumped from Orange County’s natural groundwater basin via seven wells. The groundwater basin stretches 350-square miles from the Orange County line at Seal Beach and Long Beach, along the coast, down to the 55 freeway and east to Yorba Linda. Backup for Mesa Water’s well water is imported water purchased from Metropolitan Water District of Southern California (MWD) via the Municipal Water District of Orange County (MWDOC). The completion of the Mesa Water Reliability Facility (MWRF) in January 2013 allows Mesa Water’s to provide nearly all or all of its water needs locally.

Mesa Water’s five clear-water wells pump water from 200-600 feet below the surface and provide up to 82 percent of the water needs for Mesa Water’s service area. The two deep-water wells pump water from 1,200 feet below the surface and provide the remaining water needed for Mesa Water customers. The aquifer extends down to 2,000 feet below the surface. The MWRF treats amber groundwater from a previously unusable aquifer, providing Mesa Water with an additional potable water source. Amber groundwater from this lower aquifer is more expensive to produce than clear groundwater produced from the upper aquifer. However, the treatment cost of amber groundwater is substantially less expensive than purchasing imported water.

From time-to-time various programs are implemented by OCWD or MWDOC to manage water on a county-wide basis. The “Basin Managed Water” program, aka in-lieu program, is setup to manage the basin and to replenish the basin in an efficient way to keep the basin level as high as reasonably possible. At times, it may be better to take surface water to put as much, and to leave as much, water in the ground.

Table 5-9 summarizes the projected potable water production by water supply sources. Mesa Water’s clear water basin pumping percentage (BPP)⁴ is expected to grow from 77 percent in FY 2022 to 82 percent by FY 2024. The remaining demand will be met by amber water. FY 2022 shows a slight difference in modeled demand and budgeted sources of supply; however, this year is not used to set rates.

Table 5-9: Projected Potable Water Production

Water Supply Sources	Fiscal Year										
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Total Potable Water Sales, AF	15,047	15,047	15,112	15,177	15,242	15,308	15,374	15,440	15,506	15,573	15,640
Potable Water Loss	7%	7%	7%	7%	7%	7%	7%	7%	7%	7%	7%
Total Water Demand, AF	16,180	16,180	16,250	16,320	16,390	16,460	16,531	16,602	16,673	16,745	16,817
Water Sources											
Clear Water	12,523	12,782	13,325	13,382	13,440	13,497	13,555	13,614	13,672	13,731	13,790
Amber Water	3,741	3,398	2,925	2,938	2,950	2,963	2,976	2,988	3,001	3,014	3,027
Basin Managed Water	31	0	0	0	0	0	0	0	0	0	0
Imported Water (MWD, MWDOC)	0	0	0	0	0	0	0	0	0	0	0
Total Water Sources, AF	16,295	16,180	16,250	16,320	16,390	16,460	16,531	16,602	16,673	16,745	16,817

Table 5-10 shows the projected purchased water variable unit rate for the supply sources based on Mesa Water’s projections. Mesa Water pays OCWD the Basin Replenishment Assessment for clear water and amber water pumped from the basin. Mesa Water does not plan to buy imported water from MWD/MWDOC during the study period. However, Mesa Water will continue to pay MWDOC the retail meter charge and share of pipeline replacement costs. In addition, to the Basin Replenishment Assessment, Mesa Water also incurs the variable costs for pumping and treatment of the pumped groundwater. The chemical and utility unit costs for FY 2023 and

⁴ BPP = percentage of water demand (aka production) that can be pumped from the clear water basin to meet the Mesa Water’s water demand

beyond are escalated from budgeted FY 2022 numbers by the general and utilities escalation factors from Table 4-2, respectively.

Table 5-10: Projected Water Supply Unit Costs

Water Supply Costs	Fiscal Year											
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	
Variable Costs, \$/AF												
Basin Replenishment Assessment	\$507	\$540	\$566	\$605	\$649	\$686	\$727	\$771	\$817	\$866	\$918	
Basin Managed Water Variable Costs	\$1,124	\$1,172	\$1,231	\$1,292	\$1,357	\$1,425	\$1,496	\$1,571	\$1,649	\$1,732	\$1,818	
Fixed Water Supply Costs (1)	\$455,035	\$470,961	\$487,445	\$504,505	\$522,163	\$540,439	\$559,354	\$578,932	\$599,194	\$620,166	\$641,872	
Other Water Supply Costs												
Clear Water Unit Cost, \$/AF												
Chemical	\$13.79	\$14.14	\$14.49	\$14.85	\$15.23	\$15.61	\$16.00	\$16.40	\$16.81	\$17.23	\$17.66	
Utility	\$82.06	\$84.94	\$87.92	\$91.01	\$94.21	\$97.52	\$100.94	\$104.49	\$108.15	\$111.95	\$115.89	
Amber Water Unit Cost, \$/AF												
Chemical	\$97.08	\$99.50	\$101.99	\$104.54	\$107.15	\$109.83	\$112.58	\$115.39	\$118.28	\$121.23	\$124.26	
Utility	\$228.28	\$236.30	\$244.60	\$253.19	\$262.08	\$271.28	\$280.81	\$290.67	\$300.88	\$311.45	\$322.39	

(1) Includes Readiness-to-serve, retail meter charge, and shared pipeline maintenance costs.

Using the water production quantity from Table 5-9 and unit water costs from Table 5-10, Table 5-11 summarizes the calculated water supply costs and projected water supply-related costs such as labor, parts, and materials for each supply source.

Table 5-11: Projected Potable Water Supply Costs

Line Item	Fiscal Year										
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Imported/Basin Managed Water Expenses											
Imported Water Fixed Costs	\$435,000	\$470,961	\$487,445	\$504,505	\$522,163	\$540,439	\$559,354	\$578,932	\$599,194	\$620,166	\$641,872
Imported Water Variable Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Basin Managed Water	\$35,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Chemicals and Treatment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Utilities - Imported	\$1,000	\$1,035	\$1,071	\$1,109	\$1,148	\$1,188	\$1,230	\$1,273	\$1,318	\$1,364	\$1,412
Labor Import	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Parts and Materials - Import	\$10,000	\$10,250	\$10,506	\$10,769	\$11,038	\$11,314	\$11,597	\$11,887	\$12,184	\$12,489	\$12,801
Support Services - Import	\$17,700	\$18,143	\$18,596	\$19,061	\$19,537	\$20,026	\$20,527	\$21,040	\$21,566	\$22,105	\$22,657
In-Lieu Water	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Clear Water Expenses											
Chemicals - Clear	\$172,737	\$180,721	\$193,100	\$198,779	\$204,625	\$210,642	\$216,837	\$223,213	\$229,777	\$236,535	\$243,490
Basin Replenishment Assessment - Clear	\$6,374,207	\$6,902,433	\$7,541,801	\$8,096,130	\$8,722,285	\$9,259,193	\$9,856,948	\$10,493,293	\$11,170,719	\$11,891,879	\$12,659,595
Well Land Leases - Clear	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
BEA (Rebilled to Segerstrom)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Utilities - Clear	\$1,027,607	\$1,085,720	\$1,171,545	\$1,217,905	\$1,266,099	\$1,316,201	\$1,368,285	\$1,422,430	\$1,478,718	\$1,537,233	\$1,598,063
Labor Clear	\$90,000	\$92,250	\$94,556	\$96,920	\$99,343	\$101,827	\$104,372	\$106,982	\$109,656	\$112,398	\$115,208
Parts and Materials - Clear	\$80,000	\$82,000	\$84,050	\$86,151	\$88,305	\$90,513	\$92,775	\$95,095	\$97,472	\$99,909	\$102,407
Support Services - Clear	\$215,471	\$220,858	\$226,379	\$232,039	\$237,840	\$243,786	\$249,880	\$256,127	\$262,530	\$269,094	\$275,821
Amber Water Expenses											
Chemicals - Amber	\$363,158	\$338,090	\$298,314	\$307,086	\$316,117	\$325,413	\$334,983	\$344,834	\$354,974	\$365,413	\$376,159
Basin Replenishment Assessment - Amber	\$1,904,169	\$1,834,824	\$1,655,517	\$1,777,199	\$1,914,648	\$2,032,506	\$2,163,720	\$2,303,406	\$2,452,109	\$2,610,412	\$2,778,935
Utilities - Amber	\$854,000	\$802,900	\$715,433	\$743,744	\$773,175	\$803,771	\$835,577	\$868,642	\$903,016	\$938,750	\$975,897
Labor Amber	\$30,000	\$30,750	\$31,519	\$32,307	\$33,114	\$33,942	\$34,791	\$35,661	\$36,552	\$37,466	\$38,403
Parts and Materials - Amber	\$100,000	\$102,500	\$105,063	\$107,689	\$110,381	\$113,141	\$115,969	\$118,869	\$121,840	\$124,886	\$128,008
Support Services - Amber	\$228,505	\$234,218	\$240,073	\$246,075	\$252,227	\$258,532	\$264,996	\$271,621	\$278,411	\$285,371	\$292,506
Total Potable Water Supply Costs	\$11,938,554	\$12,407,653	\$12,874,970	\$13,677,469	\$14,572,046	\$15,362,434	\$16,231,842	\$17,153,304	\$18,130,038	\$19,165,469	\$20,263,234

Mesa Water also sells recycled water for irrigation purposes. The recycled water is purchased from OCWD and replaces potable water that would otherwise have been used for irrigation. Table 5-12 displays the FY 2022 budgeted 1,105 AF of recycled water demand and FY 2022 unit rate. The unit rate is escalated per the imported variable costs factor in Table 4-2.

Table 5-12: Projected Recycled Water Purchase Costs

Line Item	Fiscal Year										
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Unit Rate, \$/AF	\$905	\$950	\$998	\$1,048	\$1,100	\$1,155	\$1,213	\$1,273	\$1,337	\$1,404	\$1,474
Demand, AF	1,105	1,105	1,110	1,115	1,119	1,124	1,129	1,134	1,139	1,144	1,149
Total	\$1,000,025	\$1,050,026	\$1,107,268	\$1,167,631	\$1,231,285	\$1,298,408	\$1,369,191	\$1,443,832	\$1,522,543	\$1,605,544	\$1,693,070

5.2.2. WATER OPERATING EXPENSE

Table 5-13 projects the annual water operating and maintenance expenses, which includes the potable water supply costs, recycled water costs, and Mesa Water’s budgeted and projected O&M expenses.

5.3. Debt Service

Mesa Water is currently obligated to make annual debt service payments for two revenue certificates of participation:

- 2017 Revenue Certificates of Participation (COP)
- 2020 Revenue COP

Table 5-14 shows the annual debt service associated with the two existing revenue certificates of participation. This study assumes no additional debt for the study period.

Table 5-13: Projected Water O&M Expenses

Line Item	Fiscal Year										
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Board of Directors	\$426,397	\$440,821	\$455,737	\$471,163	\$487,115	\$503,612	\$520,673	\$538,316	\$556,563	\$575,434	\$594,949
Office of General Manager	\$1,577,051	\$1,623,498	\$1,671,351	\$1,720,656	\$1,771,456	\$1,823,799	\$1,877,732	\$1,933,305	\$1,990,570	\$2,049,579	\$2,110,386
Water Operations											
Water Costs											
Total Imported Water Costs	\$498,700	\$500,389	\$517,619	\$535,444	\$553,887	\$572,967	\$592,708	\$613,132	\$634,262	\$656,124	\$678,742
Total Clear Water Costs	\$7,960,022	\$8,563,982	\$9,311,433	\$9,927,925	\$10,618,497	\$11,222,162	\$11,889,098	\$12,597,140	\$13,348,873	\$14,147,046	\$14,994,584
Total Amber Water Costs	\$3,479,832	\$3,343,282	\$3,045,919	\$3,214,100	\$3,399,662	\$3,567,305	\$3,750,036	\$3,943,032	\$4,146,903	\$4,362,299	\$4,589,908
Recycled Water Costs	\$1,000,025	\$1,050,026	\$1,107,268	\$1,167,631	\$1,231,285	\$1,298,408	\$1,369,191	\$1,443,832	\$1,522,543	\$1,605,544	\$1,693,070
Other Water Operations	\$6,326,178	\$6,527,898	\$6,736,186	\$6,951,259	\$7,173,342	\$7,402,668	\$7,639,477	\$7,884,017	\$8,136,544	\$8,397,325	\$8,666,634
Subtotal Water Operations	\$19,264,757	\$19,985,577	\$20,718,424	\$21,796,359	\$22,976,673	\$24,063,510	\$25,240,510	\$26,481,152	\$27,789,125	\$29,168,338	\$30,622,939
Engineering	\$649,285	\$670,780	\$692,997	\$715,959	\$739,693	\$764,225	\$789,581	\$815,790	\$842,880	\$870,883	\$899,827
Customer Service	\$1,090,587	\$1,126,111	\$1,162,813	\$1,200,731	\$1,239,907	\$1,280,383	\$1,322,202	\$1,365,410	\$1,410,054	\$1,456,182	\$1,503,843
Financial Services	\$1,398,124	\$1,441,856	\$1,486,989	\$1,533,569	\$1,581,641	\$1,631,257	\$1,682,465	\$1,735,319	\$1,789,871	\$1,846,179	\$1,904,298
Public Affairs	\$910,678	\$936,527	\$963,129	\$990,508	\$1,018,688	\$1,047,691	\$1,077,543	\$1,108,270	\$1,139,897	\$1,172,453	\$1,205,964
Admin Services	\$2,405,172	\$2,473,703	\$2,544,241	\$2,616,848	\$2,691,584	\$2,768,515	\$2,847,706	\$2,929,227	\$3,013,147	\$3,099,539	\$3,188,478
Human Resources	\$1,125,453	\$1,158,814	\$1,193,192	\$1,228,618	\$1,265,126	\$1,302,749	\$1,341,523	\$1,381,484	\$1,422,668	\$1,465,114	\$1,508,863
Water Policy	\$530,662	\$546,715	\$563,267	\$580,334	\$597,932	\$616,078	\$634,789	\$654,085	\$673,982	\$694,501	\$715,662
Total	\$29,378,166	\$30,404,402	\$31,452,140	\$32,854,744	\$34,369,815	\$35,801,818	\$37,334,724	\$38,942,357	\$40,628,758	\$42,398,200	\$44,255,209

Table 5-14: Annual Debt Service

Bond Issue	Fiscal Year										
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
2017 Revenue COP (senior)	\$4,180,250	\$4,231,500	\$4,282,250	\$4,332,000	\$4,355,250	\$2,157,750					
2020 COPS (subordinate)	\$2,566,200	\$2,566,200	\$2,566,200	\$2,566,200	\$2,566,200	\$2,566,200	\$3,976,200	\$3,980,700	\$3,976,450	\$3,978,700	\$3,976,950
Total Existing Debt Service	\$6,746,450	\$6,797,700	\$6,848,450	\$6,898,200	\$6,921,450	\$4,723,950	\$3,976,200	\$3,980,700	\$3,976,450	\$3,978,700	\$3,976,950

5.4. Capital Improvement Program

Table 5-15 summarizes Mesa Water’s Capital Improvement Plan. Mesa Water has approximately \$60 million in capital expenditures through FY 2024, most of which are covered by the remaining 2020 Revenue COP funds. Thereafter, Mesa Water plans to spend about \$4 million per year, uninflated on capital. Mesa Water plans to finance its capital projects over the study period through System Development Charges (Capacity Fees) and rate revenue (also known as Paygo funding). The Capital Improvement Plan below shows line items in uninflated dollars and the total in both uninflated and inflated dollars⁵.

Table 5-15: Proposed Capital Improvement Plan

Categories	Fiscal Year											
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	
Wells	\$12,845,409	\$198,550	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reservoirs	\$800,400	\$7,264,977	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Distribution	\$8,471,541	\$7,197,394	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Routine Operations	\$1,950,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
District Facilities	\$5,749,930	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Information Technology	\$2,367,300	\$1,123,720	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Staff Resources	\$1,120,201	\$820,642	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Contingency	\$0	\$1,885,525	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Undesignated	\$0	\$0	\$7,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000
Total Uninflated	\$33,304,781	\$19,490,808	\$8,000,000	\$4,000,000	\$4,000,000	\$4,000,000	\$4,000,000	\$4,000,000	\$4,000,000	\$4,000,000	\$4,000,000	\$4,000,000
Total Inflated	\$33,304,781	\$20,075,532	\$8,487,200	\$4,370,908	\$4,502,035	\$4,637,096	\$4,776,209	\$4,919,495	\$5,067,080	\$5,219,093	\$5,375,666	\$5,375,666

5.5. Proposed Financial Plan and Revenue Adjustments

The proposed financial plan enables Mesa Water to set rates and charges to generate enough water revenue to meet its short-term and long-term obligations and avoid significant rate fluctuations. It shows the revenues that will maintain appropriate reserves and provide adequate debt service coverage while maintaining a sensitivity to ratepayers’ rate increases.

Several financial plans were shown to the Board. Table 5-16 shows the proposed revenue adjustments selected by the Board of Directors at the October 5, 2021 Board Meeting. The proposed financial plan implements an initial higher level of revenue adjustments to make initial contributions to the self-insurance fund, then levels off at 5 percent per year of revenue adjustments on January 1 each year. This proposed scenario allows Mesa Water to build a self-insurance fund over 12 years, maintain reserves, and mitigate impacts that ratepayers see to their water bill. Revenue adjustments are shown outside the rate-setting period (FY 2023 – FY 2027) *for planning purposes only* and are subject to the Board’s approval in future years. The blue box shows the revenue adjustments that Mesa Water will implement for FY 2023-FY 2027.

⁵ Capital inflation percentages are shown in Table 4-2.

Table 5-16: Proposed Revenue Adjustments

Fiscal Year	Proposed Revenue Adjustment
2023	8%
2024	8%
2025	5%
2026	5%
2027	5%
2028	5%
2029	5%
2030	5%
2031	5%
2032	5%

Table 5-17 shows the proposed financial plan incorporating the proposed revenue adjustments and self-insurance funding (also referred to as captive funds). Line 1 shows revenue from the current rates, assuming no increase in rates. Rate revenue from current rates includes water, recycled water, private fire customers, and consumption. Rate revenues were calculated using the water use and customer account assumptions shown in Section 5.1. Lines 2 through 11 show the additional revenue received from the revenue adjustments proposed in Table 5-16. Line 13 shows the LAFCO surcharge and Line 14 shows the total rate-based revenues. Lines 15 and 16 show non-rate revenues. Interest revenues (Line 16) decreases in FY 2023 through FY 2028 due to declining reserve balances caused by the negative net cash flow (Line 32) to fund the self-insurance over 12-years. Line 17 shows projected revenues. Lines 18 – 23 summarize the O&M expense projections. Line 25 shows net revenues, which are revenues less O&M expenses. Lines 26 and 27 show the existing and proposed debt service, respectively. Line 29 shows the cash funding of capital improvement projects, also called “Paygo”. Line 30 shows a final payment into the pension liability prepayment in FY 2022. Line 31 shows the projected self-insurance funding. Line 32 shows the annual surplus/deficit. Due to initial self-insurance funding levels, the operating cash balance is initially drawn down. Lines 33 and 34 show the beginning and ending operating fund balance, respectively. Line 35 shows the ending balance including the capital replacement fund, which maintains a minimum target balance of \$10 million. Line 36 shows the projected captive (self-insurance) funds balance, which includes projected interest earnings for the fund. The proposed financial plan ensures financial sufficiency and solvency for Mesa Water to meet projected expenditures and financial obligations, including debt service, debt coverage, and most reserve targets while funding self-insurance.

Table 5-17: Proposed Financial Plan Cashflow

Line No.	Line Item	Fiscal Year										
		2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
1	Revenue Under Existing Rates	\$40,405,141	\$41,423,152	\$41,562,597	\$41,702,642	\$41,843,289	\$41,984,540	\$42,126,399	\$42,268,868	\$42,411,950	\$42,555,647	\$42,699,961
	Revenue Adjustments											
	Mo. Effctv.											
	FY											
	First Year											
	Adjustment											
2	2022	6	0.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	2023	6	8.0%	\$1,656,926	\$3,325,008	\$3,336,211	\$3,347,463	\$3,358,763	\$3,370,112	\$3,381,509	\$3,392,956	\$3,404,452
4	2024	6	8.0%		\$1,795,504	\$3,603,108	\$3,615,260	\$3,627,464	\$3,639,721	\$3,652,030	\$3,664,392	\$3,676,808
5	2025	6	5.0%			\$1,216,049	\$2,440,301	\$2,448,538	\$2,456,812	\$2,465,120	\$2,473,465	\$2,481,845
6	2026	6	5.0%				\$1,281,158	\$2,570,965	\$2,579,652	\$2,588,376	\$2,597,138	\$2,605,938
7	2027	6	5.0%					\$1,349,757	\$2,708,635	\$2,717,795	\$2,726,995	\$2,736,234
8	2028	6	5.0%						\$1,422,033	\$2,853,685	\$2,863,345	\$2,873,046
9	2029	6	5.0%							\$1,498,185	\$3,006,512	\$3,016,698
10	2030	6	5.0%								\$1,578,419	\$3,167,533
11	2031	6	5.0%									\$1,662,955
12	Total Adjusted Revenue	\$0	\$1,656,926	\$5,120,512	\$8,155,369	\$10,684,182	\$13,355,488	\$16,176,965	\$19,156,701	\$22,303,222	\$25,625,510	\$25,712,411
13	LAFCO Surcharge (1)	\$24,874	\$24,874	\$24,874	\$24,874	\$24,874	\$24,874	\$24,874	\$24,874	\$24,874	\$24,874	\$24,874
14	Total Rate-Based Revenue	\$40,430,015	\$43,104,952	\$46,707,983	\$49,882,884	\$52,552,344	\$55,364,902	\$58,328,238	\$61,450,443	\$64,740,046	\$68,206,030	\$68,437,246
	Other Revenue											
15	Misc Net Revenues	\$340,000	\$358,550	\$362,136	\$365,757	\$369,414	\$373,109	\$376,840	\$380,608	\$384,414	\$388,258	\$392,141
16	Interest Income	\$458,063	\$406,369	\$365,382	\$362,391	\$316,018	\$286,392	\$282,561	\$289,075	\$302,788	\$324,299	\$337,030
17	Total Revenue	\$41,228,077	\$43,869,871	\$47,435,501	\$50,611,032	\$53,237,777	\$56,024,402	\$58,987,639	\$62,120,127	\$65,427,248	\$68,918,588	\$69,166,418
	O&M Expenses											
18	Imported/Basin Managed Water Costs	\$498,700	\$500,389	\$517,619	\$535,444	\$553,887	\$572,967	\$592,708	\$613,132	\$634,262	\$656,124	\$678,742
19	Clear Water Costs	\$7,960,022	\$8,563,982	\$9,311,433	\$9,927,925	\$10,618,497	\$11,222,162	\$11,889,098	\$12,597,140	\$13,348,873	\$14,147,046	\$14,994,584
20	Amber Water Costs	\$3,479,832	\$3,343,282	\$3,045,919	\$3,214,100	\$3,399,662	\$3,567,305	\$3,750,036	\$3,943,032	\$4,146,903	\$4,362,299	\$4,589,908
21	Transmission & Distribution	\$6,975,463	\$7,198,678	\$7,429,182	\$7,667,218	\$7,913,035	\$8,166,892	\$8,429,058	\$8,699,806	\$8,979,425	\$9,268,208	\$9,566,461
22	General & Administrative	\$9,464,124	\$9,748,045	\$10,040,720	\$10,342,426	\$10,653,449	\$10,974,083	\$11,304,634	\$11,645,415	\$11,996,752	\$12,358,980	\$12,732,443
23	Recycled Water Costs	\$1,000,025	\$1,050,026	\$1,107,268	\$1,167,631	\$1,231,285	\$1,298,408	\$1,369,191	\$1,443,832	\$1,522,543	\$1,605,544	\$1,693,070
24	Total O&M Expenses	\$29,378,166	\$30,404,402	\$31,452,140	\$32,854,744	\$34,369,815	\$35,801,818	\$37,334,724	\$38,942,357	\$40,628,758	\$42,398,200	\$44,255,209
25	Net Revenues	\$11,849,911	\$13,465,469	\$15,983,360	\$17,756,288	\$18,867,962	\$20,222,585	\$21,652,915	\$23,177,769	\$24,798,490	\$26,520,387	\$24,911,208
	Debt Service											
26	Existing	\$6,746,450	\$6,797,700	\$6,848,450	\$6,898,200	\$6,921,450	\$4,723,950	\$3,976,200	\$3,980,700	\$3,976,450	\$3,978,700	\$3,976,950
27	Proposed	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
28	Total Debt Service	\$6,746,450	\$6,797,700	\$6,848,450	\$6,898,200	\$6,921,450	\$4,723,950	\$3,976,200	\$3,980,700	\$3,976,450	\$3,978,700	\$3,976,950
29	Capital-Related (Paygo)	\$0	\$0	\$0	\$0	\$2,307,233	\$3,428,596	\$3,567,709	\$3,710,995	\$3,858,580	\$4,010,593	\$4,167,166
30	Pension Liability Prepayment	\$110,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
31	Self Insurance Funding	\$11,000,000	\$12,000,000	\$11,987,500	\$12,220,000	\$12,831,000	\$13,472,550	\$14,146,178	\$14,853,486	\$15,596,161	\$16,375,969	\$17,194,767
32	Annual Surplus/(Deficit)	-\$6,006,539	-\$5,332,231	-\$2,852,590	-\$1,361,912	-\$3,191,720	-\$1,402,512	-\$37,172	\$632,587	\$1,367,299	\$2,155,126	-\$427,674
33	Beginning Balance	\$31,349,150	\$25,342,611	\$20,010,380	\$17,157,790	\$15,795,878	\$12,604,158	\$11,201,646	\$11,164,474	\$11,797,061	\$13,164,360	\$15,319,486
34	Ending Operating* Balance	\$25,342,611	\$20,010,380	\$17,157,790	\$15,795,878	\$12,604,158	\$11,201,646	\$11,164,474	\$11,797,061	\$13,164,360	\$15,319,486	\$14,891,812
35	Ending Balance Operating* and Capital Funds**	\$37,302,985	\$31,970,754	\$30,810,060	\$26,782,181	\$22,604,158	\$21,201,646	\$21,164,474	\$21,797,061	\$23,164,360	\$25,319,486	\$24,891,812
36	Captive Funds Ending Balance	\$11,340,206	\$24,412,796	\$38,281,114	\$53,246,956	\$69,768,417	\$87,973,216	\$107,998,546	\$129,991,741	\$154,110,984	\$180,526,064	\$209,419,188

* Customer & Development Deposits + Other Funds + Liquidity Funds

** Capital Replacement Fund

(1) Per account surcharge, not subject to revenue adjustments.

Figure 5-1 graphically illustrates the operating Financial Plan – it compares existing (current) and proposed revenues with projected expenses. The stacked bars show expenses, including O&M expenses, debt service, and rate-funded CIP. The light green bars show the net cash. Net cash below the line indicates a drawdown of reserves. Total revenues at existing and proposed rates are shown by horizontal black and green lines, respectively. Current revenue from existing rates does not meet future total expenses and shows the need for revenue adjustments.

Figure 5-1: Proposed Financial Plan

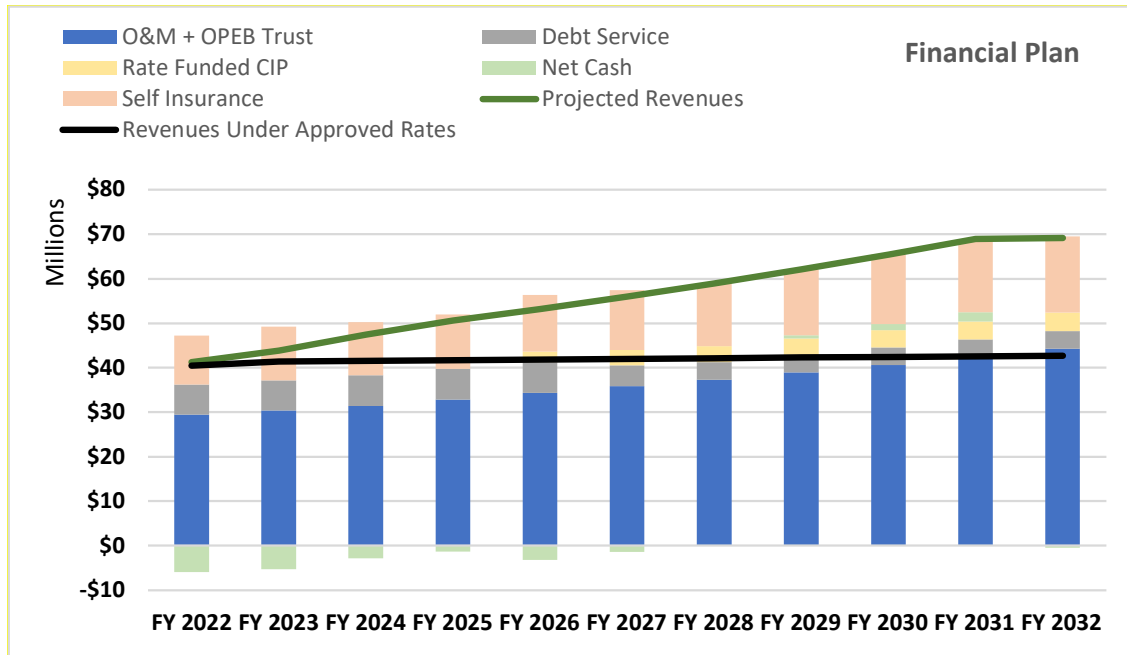


Figure 5-2 graphs the calculated and minimum debt coverage requirements as shown by the blue and peach lines, respectively. The debt coverage ratios increase due to Mesa Water’s 2017 COP maturing in FY 2027 (Table 5-14).

Figure 5-2: Projected Debt Coverage Ratios

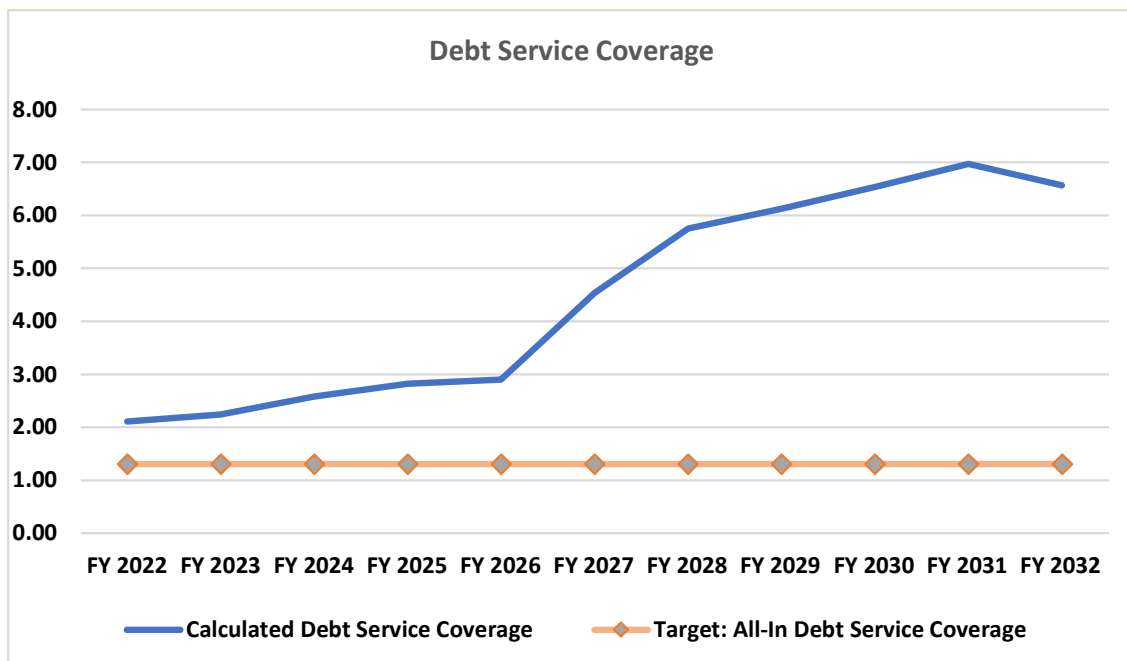


Figure 5-3 summarizes the projected (bond-funded and rate-funded) inflated CIP.

Figure 5-3: Proposed Capital Financing Plan

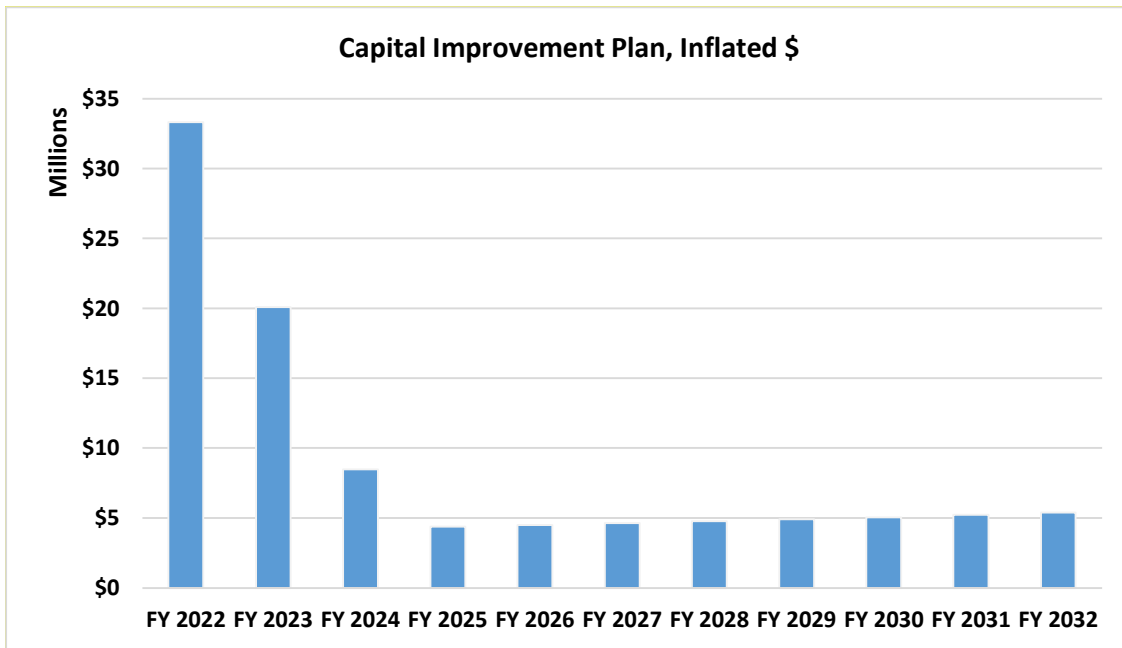
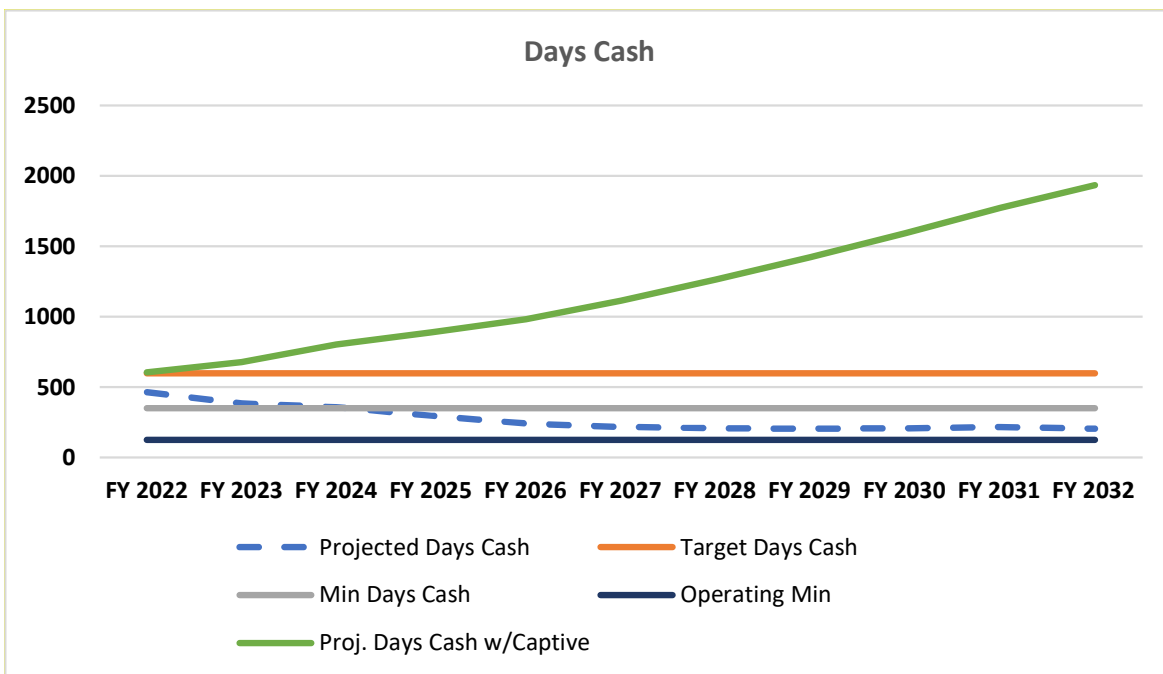


Figure 5-4 shows the projected Water Utility Fund projected days cash without the captive fund (blue dashed line) and with the captive fund (solid green line). The projected days cash without the captive fund is able to stay above the operating minimum of 125 days with the proposed revenue adjustments. This demonstrates the necessity for the proposed revenue adjustments in the proposed financial plan.

Figure 5-4: Projected Days Cash vs Targets



6. Cost-of-Service Analysis

Once the revenue requirements are known, the costs to provide service to customer classes, also known as the cost-of-service, can be allocated to customer classes. These net revenue requirements must be recovered through rates. The cost-of-service analysis is the process of determining the cost of providing water service to each of the defined customer classifications. This analysis includes the functionalization and allocation of water system revenue requirements (the costs-of-service) followed by the distribution of costs to customer classifications based on the annual usage, peak demands, and customer-related costs for which each class of service is responsible. The allocations of these costs to functional costs, cost centers and ultimately to the customer classes take into account the quantity of water used, relative peak demand requirements placed on the system, the number and size of services to customers, and other relevant factors. The allocation process ultimately determines the costs on a unit basis (e.g., number of customers, usage). The unit rates then help guide the process for setting rates. This process follows the guidelines set out in AWWA M1: *Principles of Water Rates, Fees, and Charges*, 7th edition, modified, as applicable, to meet Proposition 218 requirements.

A cost-of-service analysis distributes a utility's revenue requirement, i.e., the yearly revenue needed, to each customer class by allocating the utility's revenue requirement to the cost-causation components. The cost-causation components include:

1. Base (average) costs
2. Peaking costs
3. Meter service
4. Billing and customer service
5. Fire protection
6. Recycled Water
7. General and administrative costs

Peaking costs can be further divided into maximum day and maximum hour demand. The maximum day demand is the maximum amount of water used in a single day in a year. The maximum hour demand is the maximum hour usage on the maximum usage day. Both maximum day and maximum hour peaking demand are used to calculate peaking unit rates to distribute costs to customer classes. Peaking costs are allocated in proportion to how the different customer classes use water during peak day and hour demands. Different facilities, such as distribution and storage facilities, are designed to meet the peaking demands of customers. Extra capacity costs include the O&M and capital costs associated with meeting peak customer demand. This method is consistent with the AWWA M1 Manual and is widely used in the water industry to perform the cost-of-service analyses.

Given that Mesa Water proposes to phase-in collection of some water utility costs by the Orange County tax collector, the cost-of-service analysis was done for each year of the rate setting period (FY 2023 – FY 2027). The body of this Report shows the rate derivation process for FY 2023. Detailed tables and derivation of the rates for FY 2024 – FY 2027 are included in Appendix A.

6.1. Functionalizing Net O&M and Capital Expenses

Utilizing a public agency's approved budget, financial reports, operating data, and capital improvement plans, a rate study first categorizes ("functionalizes") the agency's costs among major operating functions. The water utility costs are categorized into the following functions:

- Water Supply – direct water supply costs to purchase and produce potable water
- Treatment – costs associated with treating water to potable water standards
- Transmission & Distribution (T&D) – weighted average costs of transmission and distribution systems
- Storage – costs associated with water storage within the distribution or transmission systems
- Public Fire protection – costs associated with installing and maintaining fire hydrants. Facilities of the water system are used for providing water service, including public fire hydrants, which are used for supplying construction water through hydrant meters, flushing mains, and connecting fire trucks to the system in order to pump water at the higher pressures needed to fight fires. State law also mandates that domestic water systems provide pressures sufficient to fight fires. Meeting that state mandate is a cost of domestic water service.
- Customer Service – billing costs including meter reading, billing and collection costs associated with preparing a water customer bill and processing funds received from water users. Customer service costs include costs associated with administering customer accounts such as processing complaints, responding to customer inquiries, performing rereads, etc.
- Meter services – costs associated with providing customer water meters and associated with testing and replacements
- General & Administrative (Admin) – represents all other costs that do not serve a specific function

Table 6-1 shows the functionalization of annual O&M costs based on input from Mesa Water staff. Chemicals are 100 percent functionalized as treatment. The utilities costs for Clear Water are to pump water from the groundwater basin; thus, 100 percent is functionalized as supply. Half of the utilities costs for Amber Water are related to pumping from the groundwater basin and the other 50 percent is for treatment. Detailed O&M allocation tables for FY 2024 – FY 2027 are shown in Appendix A.

Table 6-1: Functionalization of O&M Expenses, FY 2023

Line Item	FY 2023	Supply	Treatment	T&D	Storage	Meter	Customer	G&A	Public Fire	Recycled Water	Total
Other General & Admin	\$8,621,934							97.0%		3.0%	100.0%
Engineering	\$670,780	1.0%		90.5%	5.0%	0.5%				3.0%	100.0%
Customer Service	\$1,126,111						80.0%	20.0%			100.0%
Water Operations											
Payroll	\$4,509,024	15.4%	10.2%	31.9%	5.0%	0.5%	9.2%	18.8%	4.1%	5.0%	100.0%
Non-payroll	\$2,018,874			91.2%	3.0%	0.5%			4.1%	1.2%	100.0%
Imported/Basin Managed Water Expenses	\$0										
Imported Water Fixed Costs	\$470,961	100.0%									100.0%
Imported Water Variable Costs	\$0	100.0%									100.0%
Basin Managed Water	\$0	100.0%									100.0%
Chemicals and Treatment	\$0		100.0%								100.0%
Utilities - Imported	\$1,035	100.0%									100.0%
Labor Import	\$0	100.0%									100.0%
Parts and Materials - Import	\$10,250	100.0%									100.0%
Support Services - Import	\$18,143	100.0%									100.0%
In-Lieu Water	\$0	100.0%	0.0%								100.0%
Clear Water Expenses	\$0										
Chemicals - Clear	\$180,721		100.0%								100.0%
Basin Replenishment Assessment - Clear	\$6,902,433	100.0%									100.0%
Well Land Leases - Clear	\$0	100.0%									100.0%
BEA (Rebilled to Segerstrom)	\$0	100.0%									100.0%
Utilities - Clear	\$1,085,720	100.0%									100.0%
Labor Clear	\$92,250	100.0%									100.0%
Parts and Materials - Clear	\$82,000	100.0%									100.0%
Support Services - Clear	\$220,858	75.0%	25.0%								100.0%
Amber Water Expenses	\$0										
Chemicals - Amber	\$338,090		100.0%								100.0%
Basin Replenishment Assessment - Amber	\$1,834,824	100.0%									100.0%
Utilities - Amber	\$802,900	50.0%	50.0%								100.0%
Labor Amber	\$30,750	25.0%	75.0%								100.0%
Parts and Materials - Amber	\$102,500	20.0%	80.0%								100.0%
Support Services - Amber	\$234,218	10.0%	90.0%								100.0%
Recycled Water Costs	\$1,050,026									100.0%	100.0%
Total	\$30,404,402	\$11,815,613	\$1,749,902	\$3,884,988	\$319,556	\$32,492	\$1,315,719	\$9,437,096	\$270,551	\$1,578,485	
Allocation	100%	38.9%	5.8%	12.8%	1.1%	0.1%	4.3%	31.0%	0.9%	5.2%	

Table 6-2 summarizes the functionalization of O&M expenses for each year of the rate-setting period.

Table 6-2: Summary of Functionalized O&M Expenses, FY 2023 – FY 2027

Fiscal Year	Total	Supply	Treatment	T&D	Storage	Meter	Customer	G&A	Public Fire	Recycled Water
2023	\$30,404,402	\$11,815,613	\$1,749,902	\$3,884,988	\$319,556	\$32,492	\$1,315,719	\$9,437,096	\$270,551	\$1,578,485
2024	\$31,452,140	\$12,369,246	\$1,704,098	\$4,011,077	\$330,072	\$32,495	\$1,359,599	\$9,722,432	\$270,551	\$1,652,570
2025	\$32,854,744	\$13,158,949	\$1,758,825	\$4,141,067	\$340,939	\$32,499	\$1,404,961	\$10,016,630	\$270,551	\$1,730,323
2026	\$34,369,815	\$14,040,392	\$1,815,356	\$4,275,083	\$352,170	\$32,502	\$1,451,855	\$10,319,973	\$270,551	\$1,811,933
2027	\$35,801,818	\$14,817,299	\$1,873,753	\$4,413,251	\$363,775	\$32,506	\$1,500,333	\$10,632,752	\$270,551	\$1,897,598

Miscellaneous revenues, used to offset O&M are also allocated to the functions. The miscellaneous revenues have been allocated to the functional categories based on the allocation of total O&M in each year. These percentages and total miscellaneous revenue allocations are shown in Table 6-3. As O&M line-item expenses change from year-to-year, the percent allocations can change slightly.

Table 6-3: Functionalization of Miscellaneous Revenue, FY 2023 – FY 2027

Fiscal Year	Total	Supply	Treatment	T&D	Storage	Meter	Customer	G&A	Public Fire	Recycled Water
Allocations										
2023	100.0%	38.9%	5.8%	12.8%	1.1%	0.1%	4.3%	31.0%	0.9%	5.2%
2024	100.0%	39.3%	5.4%	12.8%	1.0%	0.1%	4.3%	30.9%	0.9%	5.3%
2025	100.0%	40.1%	5.4%	12.6%	1.0%	0.1%	4.3%	30.5%	0.8%	5.3%
2026	100.0%	40.9%	5.3%	12.4%	1.0%	0.1%	4.2%	30.0%	0.8%	5.3%
2027	100.0%	41.4%	5.2%	12.3%	1.0%	0.1%	4.2%	29.7%	0.8%	5.3%
Amount										
2023	\$789,793	\$306,925	\$45,456	\$100,917	\$8,301	\$844	\$34,177	\$245,140	\$7,028	\$41,003
2024	\$752,392	\$295,895	\$40,765	\$95,952	\$7,896	\$777	\$32,524	\$232,578	\$6,472	\$39,532
2025	\$753,022	\$301,600	\$40,312	\$94,912	\$7,814	\$745	\$32,201	\$229,578	\$6,201	\$39,659
2026	\$710,307	\$290,167	\$37,517	\$88,351	\$7,278	\$672	\$30,005	\$213,279	\$5,591	\$37,446
2027	\$684,374	\$283,242	\$35,818	\$84,362	\$6,954	\$621	\$28,680	\$203,252	\$5,172	\$36,274

Table 6-4 summarizes the net O&M expense, which is the fiscal year totals from Table 6-2 less the fiscal year totals from Table 6-3. This table also shows the percent allocation of the costs to each category excluding recycled water because recycled water is its own function.

Table 6-4: Net O&M Expense Allocation to Functional Categories, FY 2023 – FY 2027

Fiscal Year	Total	Supply	Treatment	T&D	Storage	Meter	Customer	G&A	Public Fire	Recycled Water
Amount										
2023	\$29,614,609	\$11,508,687	\$1,704,446	\$3,784,070	\$311,256	\$31,648	\$1,281,542	\$9,191,956	\$263,523	\$1,537,482
2024	\$30,699,749	\$12,073,352	\$1,663,333	\$3,915,125	\$322,176	\$31,718	\$1,327,075	\$9,489,854	\$264,079	\$1,613,037
2025	\$32,101,722	\$12,857,349	\$1,718,513	\$4,046,155	\$333,125	\$31,754	\$1,372,760	\$9,787,052	\$264,350	\$1,690,664
2026	\$33,659,508	\$13,750,225	\$1,777,839	\$4,186,731	\$344,891	\$31,831	\$1,421,850	\$10,106,694	\$264,960	\$1,774,486
2027	\$35,117,443	\$14,534,057	\$1,837,935	\$4,328,888	\$356,822	\$31,884	\$1,471,654	\$10,429,500	\$265,379	\$1,861,324
Allocations to Functional Categories Excluding Recycled Water										
2023	100.0%	41.0%	6.1%	13.5%	1.1%	0.1%	4.6%	32.7%	0.9%	0.0%
2024	100.0%	41.5%	5.7%	13.5%	1.1%	0.1%	4.6%	32.6%	0.9%	0.0%
2025	100.0%	42.3%	5.7%	13.3%	1.1%	0.1%	4.5%	32.2%	0.9%	0.0%
2026	100.0%	43.1%	5.6%	13.1%	1.1%	0.1%	4.5%	31.7%	0.8%	0.0%
2027	100.0%	43.7%	5.5%	13.0%	1.1%	0.1%	4.4%	31.4%	0.8%	0.0%

The annual capital-related costs are also allocated to functional components. However, capital costs are allocated in proportion to water asset investment (the existing plant's functionalization) recognizing that the functional make-up of the system is stable over time. Table 6-5 shows the functionalization of the water system assets.

Table 6-5: Functionalized Water Asset Investment, Replacement Costs Less Depreciation

Functional Category	Replacement Cost Less Depreciation, 2021\$	Allocation
Supply	\$21,131,770	10.1%
Treatment	\$17,117,319	8.2%
Trans. & Distr.	\$145,889,316	69.6%
Storage	\$11,892,738	5.7%
Meter	\$2,986,694	1.4%
Customer	\$0	0.0%
General & Admin	\$2,368,439	1.1%
Public Fire	\$8,100,309	3.9%
Recycled Water	\$21,825	0.0%
Total	\$209,508,410	100.0%

6.2. Net Revenue Requirements

The costs to be allocated to the various customer classes consist of the total revenue requirement less income received from other sources (net revenue requirements). Table 6-6 shows the development of the costs that must be recovered through rates for FY 2023. Raftelis calculated the revenue requirement using the FY 2023 projections of O&M expenses, net capital expenses, existing debt service, and self-insurance funding as shown in Lines 1 – 4. Lines 6 – 8 show the other operating revenues. The adjustments in Lines 10 and 11 ensure the cost-of-service accounts for the annual cash balances and that the impending rate adjustment will take place six months into FY 2023. Line 13 shows the total revenue required from rates, calculated by subtracting other operating revenue (Line 9) and adjustments (Line 12) from the Total Revenue Requirements subtotal (Line 5). The net revenue requirements tables for FY 2024 – FY 2027 are in Appendix A.

Table 6-6: Net Revenue Requirements, FY 2023

No. Line Item	Operating	Capital-Related	Total
Total Revenue Requirements			
1 O&M	\$30,404,402		\$30,404,402
2 Total Debt Service		\$6,797,700	\$6,797,700
3 Cash Funded Capital		\$0	\$0
4 Self-insurance Funding	\$12,000,000		\$12,000,000
5 Subtotal	\$42,404,402	\$6,797,700	\$49,202,102
Less Other Operating Revenue			
6 Misc. Revenues	\$383,424		\$383,424
7 Pension/OPEB	\$0		\$0
8 Interest Income	\$406,369		\$406,369
9 Subtotal	\$789,793	\$0	\$789,793
Less Adjustments			
10 Change in Funds Available (1)	\$5,332,231		\$5,332,231
11 Annualized Rate Adjustment	-\$1,656,926		-\$1,656,926
12 Subtotal	\$3,675,305	\$0	\$3,675,305
13 Costs to be Recovered from Rates	\$37,939,304	\$6,797,700	\$44,737,004

(1) A positive amount indicates a drawdown of the available operating fund balance to cover expenses. A negative amount indicates an addition to the balance, which is an increase to the costs to be recovered from rate-based revenue.

The net revenue requirements are then allocated to the functional categories accounting for an additional adjustment to collect a portion of net revenue requirements via a capital charge collected by the Orange County tax collector. Table 6-7 shows the net revenue requirements in FY 2023 allocated to the functional buckets shown above as well as to the capital charge. The costs to be recovered through the capital charge is first assigned to capital-related costs. Any remaining amount of the charge is then taken from net O&M costs excluding recycled water. The resulting amount (total less recovered through the capital charge) is allocated to the remaining functional categories based on the percent allocations shown in Table 6-4 for net O&M costs and Table 6-5 for net capital-related costs. The net revenue requirements allocation for FY 2024 – FY 2027 are in Appendix A.

Table 6-7: Net Revenue Requirements Allocation to Functional Categories, FY 2023

Functional Category	Net O&M less Recycled Water	Recycled Water	Capital-Related	Net Revenue Requirements
Supply	\$14,920,942		\$183,758	\$15,104,700
Treatment	\$2,209,804		\$148,849	\$2,358,653
T&D	\$4,906,024		\$1,268,628	\$6,174,652
Storage	\$403,541		\$103,417	\$506,958
Meter	\$41,031		\$25,972	\$67,003
Customer	\$1,661,511		\$0	\$1,661,511
G&A	\$11,917,314		\$20,596	\$11,937,909
Public Fire	\$341,656		\$70,439	\$412,095
Recycled Water	\$0	\$1,537,482	\$190	\$1,537,672
Capital Charge	\$0		\$4,975,851	\$4,975,851
Total	\$36,401,822	\$1,537,482	\$6,797,700	\$44,737,004

6.3. Allocation to Cost Components

The next step is to allocate the net revenue requirement in the functional categories to cost-causation components. Table 6-8 shows the system-wide peaking factors, which are used to derive the cost component allocation basis. The demand factors come from the Mesa Water District Water Master Plan, November 2014 by Carollo.

Table 6-8: System-Wide Peaking Factors

Cost Component	Demand Factor (1)	Base	Maximum Day	Peak Hour
Base	1.00	100.0%		
Maximum Day	1.50	66.7%	33.3%	
Peak Hour	2.50	40.0%	20.0%	40.0%

(1) From November 2014 Water Master Plan

To understand the interpretation of the percentage, we must first establish the base as the average daily demand during the year, which is assigned an allocation basis of 1. If the base allocation basis is used to allocate an expense, the costs associated with that expense are to meet average daily demand (base) related costs. Expenses that are allocated to the cost-causation components using the Maximum Day basis attribute 67 percent (1.00/1.50) of the demand (and therefore costs) to base (average daily demand) use and the remaining 33 percent to maximum day (peaking) use. Expenses allocated using the peak hour basis assume 40 percent (1.00/2.50) of costs are due to base demands, 20 percent due to max day ((1.50-1.00)/2.50) and the remaining 40 percent are due to peak hour costs. Collectively the maximum day and peak hour cost components are known as peaking costs. These allocation bases are used to assign functional costs to cost-causation components.

Table 6-9 shows the allocation of functions to cost-causation components. The percentages shown are used to allocate the functionalized costs to each cost-causation component. The allocation basis is selected based on the type of cost for each line item and the proportion of those costs associated with each cost-causation component (max day, max hour, general, customer, etc.). For example, Transmission & Distribution is allocated using the max hour basis; in proportion to max hour allocations identified in Table 6-8. This is because the distribution and storage system must be sized and operated to meet max hour demands. Certain cost bases are identical to the cost-causation components, such as Meter, and are easily allocated to the cost component with the same name. The corresponding tables for FY 2024 – FY 2027 are shown in Appendix A.

Table 6-10 shows the distribution of Mesa Water’s FY 2023 net O&M expenses to the cost-causation components based on the allocations shown in Table 6-9. The Total line shows the result of the allocation of all O&M expenses to the cost-causation components and the total matches the sum of O&M excluding Recycled Water plus Recycled Water from Table 6-7. The corresponding tables for FY 2024 – FY 2027 are shown in Appendix A.

Net capital-related functional costs are allocated to the same cost components as the O&M expenses. Table 6-11 summarizes the allocation of Mesa Water’s capital-related net revenue requirements to the cost-causation components for FY 2023. The corresponding tables for FY 2024 – FY 2027 are shown in Appendix A.

Table 6-12 summarizes the total allocations for net O&M and net Capital-related costs for each fiscal year.

Table 6-9: Allocation of Functions to Cost Components, FY 2023

Functions	Allocation Basis	Total	Base	Max Day	Peak Hour	Bills	Meter	Public Fire	Recycled Water	Capital Charge
Supply	Max Day	100%	66.7%	33.3%						
Treatment	Max Day	100%	66.7%	33.3%						
T&D	Peak Hour	100%	40.0%	20.0%	40.0%					
Storage	Peak Hour	100%	40.0%	20.0%	40.0%					
Meter	Meter	100%					100.0%	0.0%		
Customer	Customer	100%				100.0%	0.0%			
G&A	Note 1	100%	54.5%	27.2%	10.2%	6.3%	0.3%	1.6%		
Direct Fire	Public Fire	100%						100.0%		
Recycled Water	Recycled Water	100%							100.0%	
Capital Charge	Capital Charge	100%								100.0%

(1) As all other costs except recycled water and capital charge

Table 6-10: Allocation of Net O&M Expenses to Cost-Causation Components, FY 2023

Functions	Allocation Basis	Net Rev. Req.	Base	Max Day	Peak Hour	Bills	Equivalent Meters	Public Fire	Recycled Water	Capital Charge
Supply	Max Day	\$14,920,942	\$9,947,295	\$4,973,647	\$0	\$0	\$0	\$0	\$0	\$0
Treatment	Max Day	\$2,209,804	\$1,473,203	\$736,601	\$0	\$0	\$0	\$0	\$0	\$0
T&D	Peak Hour	\$4,906,024	\$1,962,409	\$981,205	\$1,962,409	\$0	\$0	\$0	\$0	\$0
Storage	Peak Hour	\$403,541	\$161,416	\$80,708	\$161,416	\$0	\$0	\$0	\$0	\$0
Meter	Meter	\$41,031	\$0	\$0	\$0	\$0	\$41,031	\$0	\$0	\$0
Customer	Customer	\$1,661,511	\$0	\$0	\$0	\$1,661,511	\$0	\$0	\$0	\$0
G&A	Note 1	\$11,917,314	\$6,490,059	\$3,245,029	\$1,211,719	\$753,293	\$30,378	\$186,835	\$0	\$0
Direct Fire	Public Fire	\$341,656	\$0	\$0	\$0	\$0	\$0	\$341,656	\$0	\$0
Recycled Water	Recycled Water	\$1,537,482	\$0	\$0	\$0	\$0	\$0	\$0	\$1,537,482	\$0
Capital Charge	Capital Charge	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total		\$37,939,304	\$20,034,382	\$10,017,191	\$3,335,545	\$2,414,804	\$71,408	\$528,491	\$1,537,482	\$0

(1) As all other costs except recycled water and capital charge.

Table 6-11: Allocation of Net Capital to Cost-Causations Components, FY 2023

Functions	Allocation Basis	Net Rev. Req.	Base	Max Day	Peak Hour	Bills	Equivalent Meters	Public Fire	Recycled Water	Capital Charge
Supply	Max Day	\$183,758	\$122,506	\$61,253	\$0	\$0	\$0	\$0	\$0	\$0
Treatment	Max Day	\$148,849	\$99,233	\$49,616	\$0	\$0	\$0	\$0	\$0	\$0
T&D	Peak Hour	\$1,268,628	\$507,451	\$253,726	\$507,451	\$0	\$0	\$0	\$0	\$0
Storage	Peak Hour	\$103,417	\$41,367	\$20,683	\$41,367	\$0	\$0	\$0	\$0	\$0
Meter	Meter	\$25,972	\$0	\$0	\$0	\$0	\$25,972	\$0	\$0	\$0
Customer	Customer	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
G&A	Note 1	\$20,596	\$11,216	\$5,608	\$2,094	\$1,302	\$52	\$323	\$0	\$0
Direct Fire	Public Fire	\$70,439	\$0	\$0	\$0	\$0	\$0	\$70,439	\$0	\$0
Recycled Water	Recycled Water	\$190	\$0	\$0	\$0	\$0	\$0	\$0	\$190	\$0
Capital Charge	Capital Charge	\$4,975,851	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,975,851
Total		\$6,797,700	\$781,773	\$390,886	\$550,912	\$1,302	\$26,024	\$70,762	\$190	\$4,975,851

(1) As all other costs except recycled water and capital charge.

Table 6-12: Summary of Allocations to Cost-Causation Components by Fiscal Year

Fiscal Year	Net Rev. Req.	Base	Max Day	Peak Hour	Bills	Equivalent Meters	Public Fire	Recycled Water	Capital Charge
Net O&M									
FY 2023	\$37,939,304	\$20,034,382	\$10,017,191	\$3,335,545	\$2,414,804	\$71,408	\$528,491	\$1,537,482	\$0
FY 2024	\$41,630,163	\$21,451,293	\$10,725,647	\$3,350,153	\$2,623,076	\$62,693	\$521,974	\$1,613,037	\$1,282,290
FY 2025	\$44,175,859	\$21,986,747	\$10,993,374	\$3,358,149	\$2,631,672	\$60,874	\$506,777	\$1,690,664	\$2,947,602
FY 2026	\$44,579,945	\$22,522,504	\$11,261,252	\$3,356,057	\$2,632,506	\$58,933	\$490,564	\$1,774,486	\$2,483,644
FY 2027	\$48,537,239	\$23,067,503	\$11,533,751	\$3,380,658	\$2,654,431	\$57,510	\$478,666	\$1,861,324	\$5,503,395
Net Capital-Related									
FY 2023	\$6,797,700	\$781,773	\$390,886	\$550,912	\$1,302	\$26,024	\$70,762	\$190	\$4,975,851
FY 2024	\$6,848,450	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,848,450
FY 2025	\$6,898,200	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,898,200
FY 2026	\$9,228,683	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$9,228,683
FY 2027	\$8,152,546	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,152,546

6.4. Units-of-Service

Since the responsibility for recovering the cost-of-service depends on the total units served by each cost center, the units-of-service are developed for each customer class. The following units are used for the cost-causative components.

- Base (annual ccf)
- Max Day (ccf/day)
- Peak Hour (ccf/day)
- Bills (annual number of bills)
- Equivalent Meters (number of equivalent meters)
- Hydrants and Equivalent fire connections (number of hydrants or connections)

For example, base costs vary with the volume of water. Therefore, the unit cost for the base cost-center is the total base cost divided by the total volume served. Similar determinations of the units associated for extra capacity (maximum day and peak hour) and equivalent meters are made for each of the customer classes.

The number of potable and recycled meters as well as average day usage were discussed in Section 5. But we also need to know the number of equivalent meters and equivalent fire connections.

6.4.1. EQUIVALENT METERS

The concept of equivalent meters needs to be understood to allocate meter-related costs appropriately. By using equivalent meters instead of a total meter count, the analysis accounts for the fact that larger meters impose greater demands on the system and are more expensive to install, maintain, and replace than smaller meters. Equivalent meters are used in calculating meter service costs.

Equivalent meters are based on meter hydraulic capacity. Equivalent meters represent the potential demand on the water system in terms of the base meter size. A ratio of hydraulic capacity is calculated by dividing large meter capacities by the base meter capacity. The capacity ratio is calculated using the meter capacity in gallons per minute (gpm) provided in the AWWA M1 Manual *Principles of Water Rates, Fees, and Charges* (7th Edition), as shown in Table 6-13.

Table 6-13: AWWA Capacity Ratio

Meter Size	Capacity (gpm)	AWWA Ratio
5/8"	20	1.00
3/4"	30	1.50
1"	50	2.50
1.5"	100	5.00
2"	160	8.00
3"	350	17.50
4"	630	31.50
6"	1,400	70.00
8"	2,400	120.00
10"	3,800	190.00

The base meter is the most common, smallest meter, in this case, a 5/8-inch meter. The capacity ratio is proportional to the potential flow through each meter size. For example, the flow through a 4-inch meter is 31.50 times that of a 5/8-inch meter, and therefore, the *meter capacity* component of the basic meter charge should be 31.50 times that of the 5/8-inch meter. Table 6-14 shows the total equivalent potable water meters (Column D) and

equivalent recycled water meters (Column F), calculated by taking the number of meters by size (Column C or Column E) and multiplying by the corresponding capacity ratio (Column B). These equivalent meter totals (Column D and Column F) are used as the denominator in developing unit costs for the rate components of the Basic charge.

Table 6-14: Water Equivalent Meters

Meter Size	Capacity Ratio	Total Potable Meters	Equivalent Potable Meters	Total Recycle Meters	Equivalent Recycle Meters
(A)	(B)	(C)	(D)	(E)	(F)
5/8"	1.00	16,847	16,847	0	0
3/4"	1.50	2,178	3,267	0	0
1"	2.50	3,051	7,628	7	18
1.5"	5.00	913	4,565	1	5
2"	8.00	1,075	8,600	18	144
3"	17.50	55	963	5	88
4"	31.50	34	1,071	5	158
6"	70.00	17	1,190	3	210
8"	120.00	10	1,200	1	120
10"	190.00	0	0	0	0
Total		24,180	45,330	40	742

6.4.2. ALLOCATION OF PRIVATE FIRE COSTS

Water systems provide two types of fire protection: 1) private fire protection that provide fire flow to buildings and other structure-type sprinkler systems for fire suppression within private improvements, and 2) public fire protection for firefighting, generally visible as hydrants on the street. Raftelis uses, as recommended in the AWWA M1 Manual, the potential flow of private fire lines and public hydrants to determine the share of total fire costs responsible for each.

Table 6-15 shows the equivalent potential demand from public fire hydrants and private fire lines. The Hazen-Williams equation is used to calculate the relative flow capacity by raising the pipeline's diameter to the power of 2.63⁶. Different fire connection sizes have a different fire flow demand factor like the hydraulic capacity factor of a water meter⁷. Since hydrants are typically on a 6-inch line, the equivalent hydrant ratio is determined based on the 6-inch line. The public fire hydrants and private fire connections by size are each multiplied by the equivalent hydrant ratio to derive total equivalent connections.

⁶ Hazen-Williams equation via AWWA M1 Manual

⁷ Total demand for fire connections is based on line diameter and will vary from potable demand, based on meter size.

Table 6-15: Equivalent Hydrants and Private Fire Connections

Fire Line Size	Relative Flow		Public Fire Hydrants	Private Fire Connections
	Capacity Factor (1)	Equivalent Hydrant Ratio		
1"	1.0	0.01		13
1.5"	2.9	0.03		0
2"	6.2	0.06		62
3"	18.0	0.16		13
4"	38.3	0.34		109
6"	111.3	1.00	3,438	279
8"	237.2	2.13		155
10"	426.6	3.83		23
Total			3,438	654
Equivalent Hydrant Ratio x No. of Hydrants or Connections			3,438	741

(1) Equivalent flow basis per the Continuity Equation where flow equals pipe area times velocity ($Q = A \times V$). Velocity is set based on the Hazen-Williams Equation ($V = 1.318 \times C \times R^{0.63} \times S^{0.54}$) where the hydraulic radius (R) is equal to the pipe area divided by its wetted perimeter, which reduces to the pipe diameter divided by 4. Since the coefficient (C), head loss (S), and all coefficients cancel out in the equation when used in a ratio with another pipe, the Continuity Equation results in the ratio of different pipe diameters to the 2.63 power.

The potential max day and peak hour fire demands on the system are estimated using fire flow information from Mesa Water District’s November 2014 Water Master Plan. The estimated fire flows are shown in Table 6-16.

Table 6-16: Estimated Maximum Fire Flow and Duration

Simultaneous Fires	Max. Fire		Max Day Fire	Peak Hour Fire
	Flow (gpm)	Duration (hours)	Flow (ccf)	Flow (ccf)
Minimum Flow Req.	1,500	2	241	2,888
Airport & South Coast Plaza	6,000	4	1,925	11,551
Total			2,166	14,439

Source: Table 12, Water Master Plan, November 2014

The max day and peak hour fire flows are allocated between public and private using the equivalent connections developed in Table 6-15, which are repeated in Column B of Table 6-17.

Table 6-17: Allocation of Private Fire Costs

Fire Service	Equivalent Connections	Distribution	Max Day Fire Flow	Peak Hour Fire Flow
(A)	(B)	(C)	(C)	(D)
Private	741	18%	384	2,559
Public	3,438	82%	1,782	11,879
Total	4,179	100%	2,166	14,439

This approach to allocating costs related to public fire service has been confirmed by SB 1386, which added Section 53750.5 to the Government Code effective January 1, 2021.

6.5. Unit Cost-of-Service Derivation

The end goal of a cost-of-service analysis is to distribute the revenue requirement to each customer class. Raftelis calculated unit costs for every cost component by assessing the total water demand (base, max day and peak hour), meter count (number of accounts/bills), or equivalent service units. Table 6-18 shows the derivation of the unit cost for FY 2023. The max day and max hour capacities are calculated by dividing the annual use by 365 days and multiplying by the max day or max hour capacity factor. This results in the total capacity, with extra capacity calculated by subtracting the average daily use from the total capacity for the max day and by subtracting the total capacity for the max day from the total capacity for a max hour, respectively. The flow unit of hundred cubic feet per day (ccf/day) is used for both max day and max hour calculations. The equivalent meters from Table 6-14 are summarized, as are the max day and peak hour private and public fire capacities from Table 6-17. Extra capacity for fire flow is calculated the same as described for potable water. The FY 2024 – FY 2027 units--of-service are shown in Appendix A.

Table 6-18: Derivation of Cost-Causation Components Units-of-Service, FY 2023

Customer Class	Acts No.	Bills No.	Equivalent Meters No.	Annual Use ccf	Max Day Requirements			Peak Hour Requirements			Public Fire Protection Hydrants
					Capacity Factor	Total Capacity	Extra Capacity	Capacity Factor	Total Capacity	Extra Capacity	
					%	ccf/day	ccf/day	%	ccf/day	ccf/day	
Potable Water/ Construction	24,180	146,010	45,330	6,553,490	1.50	26,932	8,977	2.50	44,887	26,932	
Private Fire Protection	654	4,248				384	384		2,559	2,175	
Public Fire Protection						1,782	1,782		11,879	10,097	3,438
Total Potable Water	24,834	150,258	45,330	6,553,490			11,143			39,205	3,438
Recycled Water	40	240	742	481,338							
Total Water	24,874	150,498	46,072	7,034,828			11,143			39,205	

These units of service are divided into the net revenue requirements to determine the unit costs-of-service, which is shown at the bottom of Table 6-19 for FY 2023. The Net Operating line matches the total from Table 6-10 and the Capital & Other line matches the total from Table 6-11. The FY 2024 – FY 2027 unit costs-of-service are shown in Appendix A.

Table 6-19: Unit Costs-of-Service, FY 2023

Line Item	Total	Base	Max Day	Peak Hour	Bills	Equivalent Meters	Public Fire	Recycled Water	Capital Charge Potable
		ccf	ccf/day	ccf/day	No.	Equiv. Mtrs	Hydrants	ccf	Eq. Mtr.
Units of Service		6,553,490	11,143	39,205	150,498	46,072	3,438	481,338	45,330
Net Operating, \$	\$37,939,304	\$20,034,382	\$10,017,191	\$3,335,545	\$2,414,804	\$71,408	\$528,491	\$1,537,482	\$0
Capital-Related, \$	\$6,797,700	\$781,773	\$390,886	\$550,912	\$1,302	\$26,024	\$70,762	\$190	\$4,975,851
Total	\$44,737,004	\$20,816,155	\$10,408,077	\$3,886,458	\$2,416,106	\$97,433	\$599,253	\$1,537,672	\$4,975,851
Unit Cost, \$/unit		\$3.18	\$934.03	\$99.13	\$16.05	\$2.11	\$174.30	\$3.19	\$109.77

These resulting unit costs-of-service can be applied to each customer class' demand on the system to determine each class' share of the cost-of-service, which is shown on Table 6-20. The units of service from the last row of Table 6-19 are repeated in the top row of Table 6-20. These unit costs are applied to the units of service associated with each customer class (Table 6-18) to derive the total costs associated with serving each class. The FY 2024 – FY 2027 allocation of unit costs-of-service are shown in Appendix A.

Table 6-20: Allocation of Unit Costs-of-Service to Customer Classes

Line Item	Total	Base	Max Day	Peak Hour	Bills	Equivalent Meters	Public Fire	Recycled Water	Capital Charge
		ccf	ccf/day	ccf/day	No.	Equiv. Mtrs	Hydrants	ccf	Potable Eq. Mtr.
Unit Cost of Service		\$3.18	\$934.03	\$99.13	\$16.05	\$2.11	174.30	\$3.19	109.77
Potable Water/Construction									
Units		6,553,490	8,977	26,932	146,010	45,330	0		
Costs	\$34,311,084	\$20,816,155	\$8,385,172	\$2,669,838	\$2,344,056	\$95,865	\$0		
Recycled Water									
Units			0	0	240	742	0	481,338	
Costs	\$1,543,093	\$0	\$0	\$0	\$3,853	\$1,568	\$0	\$1,537,672	
Private Fire									
Units		0	384	2,175	4,248	0	0		
Costs	\$642,386	\$0	\$358,549	\$215,639	\$68,198	\$0	\$0		
Public Fire									
Units			1,782	10,097	0	0	3,438		
Costs	\$3,264,590	\$0	\$1,664,357	\$1,000,981	\$0	\$0	\$599,253		
Capital Charge									
Units									45,330
Costs	\$4,975,851								\$4,975,851
Total	\$44,737,004	\$20,816,155	\$10,408,077	\$3,886,458	\$2,416,106	\$97,433	\$599,253	\$1,537,672	\$4,975,851

6.6. Final Allocation of Revenue Requirement to Cost Components

The cost-of-service can now be completed by making the final adjustments shown in Table 6-21. A reallocation is made to account for the (public and private) fire protection portion of max day and peak hour that would be collected from potable water customers by the Orange County tax collector if this adjustment were not made. This adjustment is determined by evaluating fire protection’s portion of max day and peak hour if a portion of costs were not collected by the Orange County tax collector. This is discussed in Appendix B. Additionally, public fire costs are redistributed proportionally to potable and recycled water customers for collection in the Basic charge. Table 6-21 also shows that the projected FY 2023 cost-of-service is 8 percent higher than revenue under existing rates, consistent with the financial plan revenue adjustment for FY 2023. The final cost-of-service allocation and comparison to revenue under existing rates for FY 2024 – FY 2027 is shown in Appendix A.

Table 6-21: Final Cost-of-Service Allocation to Customer Classes and Comparison to Revenue Under Existing Rates, FY 2023

Customer Class	Proposed COS	Reallocation of Capacity		Reallocation of Public Fire Protection	Adjusted COS	Revenue Under Existing Rates	Rev. Inc. (Decr.) from COS
		Charge MD	PH to Fire				
Potable Water/Construction	\$34,311,084		\$0	\$3,475,845	\$37,786,930	\$39,137,116	-3.4%
Recycled Water	\$1,543,093		\$0	\$156,321	\$1,699,414	\$1,617,138	5.1%
Private Fire Protection	\$642,386		\$79,186	\$0	\$721,572	\$668,898	7.9%
Public Fire Protection	\$3,264,590		\$367,576	-\$3,632,167	\$0	\$0	--
Capital Charge	\$4,975,851		-\$446,763	\$0	\$4,529,088	--	--
Total	\$44,737,004		\$0	\$0	\$44,737,004	\$41,423,152	8.0%

7. Proposed Water Rates

This section calculates water rates based on the cost-of-service (Section 6). The rates developed in this section will be referred to as the cost-of-service rates.

7.1. Basic Service Charge

Raftelis proposes that Mesa Water retain its bi-monthly and monthly water meter fixed charge by meter size for potable and recycle water. Three cost components comprise the total proposed fixed charge:

1. Customer Billing
2. Meter Service
3. Public Fire

The Customer Billing component recovers costs associated with meter reading, customer billing, as well as customer service costs. These costs are the same for all meter sizes as it costs Mesa Water the same to provide billing and customer services to any account, regardless of meter size. The Meter Service cost component recognizes the fact that Mesa Water incurs fixed costs related to maintaining/ replacing meters. These costs generally increase with meter size increases, as it takes less time and resources to repair and maintain smaller meters compared to a larger meter. Public Fire costs that were reallocated to potable and recycled water customers are recovered through the Basic charge and also recognize that properties with larger meters generally have larger fire-fighting requirements.

Table 7-1 shows the derivation of the monthly and bi-monthly Basic charge for FY 2023. As discussed in Section 6, the 5/8-inch meter is the base meter size. Therefore, the unit rates shown for the 5/8-inch meter match the unit rates shown for billing and equivalent meter from Table 6-19. The 5/8-inch public fire charge equals the total public fire costs from Table 6-20 divided by the total number of equivalent meters shown in Table 6-19. The meter and public fire components of the Basic charge for the other meter sizes are calculated by multiplying the 5/8-inch unit rate by the capacity ratios shown in Table 6-14, Column B. The total Basic Charge is the sum of the billing component plus the quotient resulting from the sum of the annual meter and public fire components divided by the number of billing periods (6 for bi-monthly and 12 for monthly) per year. The derivation of the Basic Charges for FY 2024 – FY 2027 are shown in Appendix A.

Table 7-1: Derivation of Monthly and Bi-Monthly Basic Charge, FY 2023

Meter Size	Billing \$/bill	Meter \$/mtr/yr	Public Fire \$/mtr/yr	Total \$/bi-mo	Total \$/mo
5/8-inch	\$16.05	\$2.11	\$78.84	\$29.55	\$22.81
3/4-inch	\$16.05	\$3.17	\$118.26	\$36.30	\$26.18
1-inch	\$16.05	\$5.29	\$197.09	\$49.79	\$32.92
1 1/2-inch	\$16.05	\$10.57	\$394.19	\$83.52	\$49.79
2-inch	\$16.05	\$16.92	\$630.70	\$124.00	\$70.03
3-inch	\$16.05	\$37.01	\$1,379.66	\$252.17	\$134.11
4-inch	\$16.05	\$66.62	\$2,483.38	\$441.06	\$228.56
6-inch	\$16.05	\$148.04	\$5,518.63	\$960.50	\$488.28
8-inch	\$16.05	\$253.78	\$9,460.51	\$1,635.11	\$825.58
10-inch	\$16.05	\$401.82	\$14,979.14	\$2,579.55	\$1,297.81

Table 7-2 presents the January 1, 2022 approved Basic charges and the proposed Basic charges for potable and recycled water customers for FY 2023 – FY 2027. The proposed rates are rounded up to the nearest cent.

Table 7-2: Existing and Proposed Basic Charges, FY 2022 – FY 2027

Proposed Rates	Fiscal Year					
	2022	2023	2024	2025	2026	2027
Effective Date	Jan 2022	Jan 2023	Jan 2024	Jan 2025	Jan 2026	Jan 2027
Bi-Monthly Potable Water & Recycled Water Basic Charge						
Meter Size						
5/8-inch	\$30.03	\$29.55	\$30.99	\$31.54	\$32.16	\$32.83
3/4-inch	\$45.36	\$36.30	\$37.77	\$38.57	\$39.50	\$40.42
1-inch	\$75.37	\$49.79	\$51.33	\$52.62	\$54.16	\$55.61
1 1/2-inch	\$151.36	\$83.52	\$85.23	\$87.76	\$90.83	\$93.57
2-inch	\$242.04	\$124.00	\$125.91	\$129.92	\$134.83	\$139.13
3-inch	\$529.38	\$252.17	\$254.72	\$263.42	\$274.15	\$283.40
4-inch	\$953.36	\$441.06	\$444.55	\$460.16	\$479.48	\$496.00
6-inch	\$2,119.97	\$960.50	\$966.58	\$1,001.20	\$1,044.12	\$1,080.67
8-inch	\$3,626.88	\$1,635.11	\$1,644.55	\$1,703.85	\$1,777.42	\$1,839.97
10-inch	\$5,746.80	\$2,579.55	\$2,593.70	\$2,687.56	\$2,804.04	\$2,902.99
Monthly Potable Water & Recycled Water Basic Charge						
Meter Size						
5/8-inch	\$15.02	\$22.81	\$24.21	\$24.52	\$24.83	\$25.24
3/4-inch	\$22.68	\$26.18	\$27.60	\$28.03	\$28.50	\$29.03
1-inch	\$37.69	\$32.92	\$34.38	\$35.06	\$35.83	\$36.63
1 1/2-inch	\$75.68	\$49.79	\$51.33	\$52.62	\$54.16	\$55.61
2-inch	\$121.02	\$70.03	\$71.67	\$73.70	\$76.16	\$78.39
3-inch	\$264.69	\$134.11	\$136.08	\$140.46	\$145.82	\$150.52
4-inch	\$476.68	\$228.56	\$230.99	\$238.83	\$248.49	\$256.82
6-inch	\$1,059.99	\$488.28	\$492.01	\$509.35	\$530.81	\$549.15
8-inch	\$1,813.44	\$825.58	\$830.99	\$860.67	\$897.46	\$928.81
10-inch	\$2,873.40	\$1,297.81	\$1,305.57	\$1,352.53	\$1,410.77	\$1,460.32

7.2. Private Fire

Private fireline service charges are composed of two cost components: Billing & Customer Service and the Fire Capacity Costs components. The Customer Billing component recovers costs associated with meter reading and customer billing. These costs are the same for all meter sizes as it costs Mesa Water the same to provide billing and customer services to Private Fire accounts, regardless of fire line service size. The fire capacity cost component recovers fixed costs related to reading, maintaining, and replacing fire meters. Meter maintenance costs generally increase with meter size, as it takes less time and resources to repair and maintain smaller meters compared to a larger meter.

Table 7-3 shows the calculation of the total bi-monthly and monthly private fireline service charge for each private fire connection size. The total proposed private fireline service charge is calculated by combining the Billing/Customer Service and firefighting capacity costs. The Customer Billing component (Table 6-19, Bills) applies uniformly to all private fire customers. Firefighting capacity costs are proportional to the potential flow through each private fireline service, (Table 6-15), with a 6-inch base service line size. The firefighting capacity unit

cost at the 6-inch service line equals the adjusted private fire service cost from Table 6-21 less the billing-related costs from Table 6-20. The unit cost for the other fire service line sizes are determined by multiplying the 6-inch unit rate by the fire service capacity ratios shown in Table 6-15. The bi-monthly and monthly charges are the capacity unit rate divided by the number of billing periods plus the billing cost (per bill). The derivation of the Fireline Service Charges for FY 2024 – FY 2027 are shown in Appendix A.

Table 7-3: Derivation of Private Fire Charges

Fire Service Line	Billing	Capacity	Fireline Services, Bi-monthly	Fireline Services, Monthly
Size	\$/bill	\$/F.S. line	\$/bi-mo	\$/mo
1-inch	16.05	\$7.93	\$17.38	\$16.72
1 1/2-inch	16.05	\$23.02	\$19.90	\$17.98
2-inch	16.05	\$49.06	\$24.24	\$20.15
3-inch	16.05	\$142.51	\$39.81	\$27.93
4-inch	16.05	\$303.69	\$66.67	\$41.37
6-inch	16.05	\$882.17	\$163.09	\$89.57
8-inch	16.05	\$1,879.94	\$329.38	\$172.72
10-inch	16.05	\$3,380.78	\$579.52	\$297.79

Table 7-4 presents the adopted January 1, 2022 fireline service charges and the proposed charges for FY 2023 – FY 2027.

Table 7-4: Existing and Proposed Fireline Service Charges

Proposed Rates	2022	2023	2024	2025	2026	2027
Effective Date	Jan 2022	Jan 2023	Jan 2024	Jan 2025	Jan 2026	Jan 2027
Bi-Monthly Fireline Class I and II						
Fireline Service Size						
1-inch	\$8.30	\$17.38	\$18.81	\$18.94	\$19.02	\$19.24
1 1/2-inch	\$8.30	\$19.90	\$21.44	\$21.69	\$21.93	\$22.28
2-inch	\$8.30	\$24.24	\$25.96	\$26.43	\$26.95	\$27.51
3-inch	\$24.08	\$39.81	\$42.21	\$43.47	\$44.94	\$46.32
4-inch	\$51.29	\$66.67	\$70.23	\$72.85	\$75.98	\$78.75
6-inch	\$148.96	\$163.09	\$170.79	\$178.29	\$187.39	\$195.15
8-inch	\$317.40	\$329.38	\$344.25	\$360.16	\$379.55	\$395.92
10-inch	\$570.77	\$579.52	\$605.16	\$633.73	\$668.59	\$697.92
Monthly Fireline Class I and II						
Fireline Service Size						
1-inch	\$3.95	\$16.72	\$18.12	\$18.21	\$18.26	\$18.44
1 1/2-inch	\$3.95	\$17.98	\$19.44	\$19.59	\$19.71	\$19.96
2-inch	\$3.95	\$20.15	\$21.70	\$21.96	\$22.22	\$22.58
3-inch	\$11.47	\$27.93	\$29.82	\$30.48	\$31.22	\$31.98
4-inch	\$24.42	\$41.37	\$43.83	\$45.17	\$46.74	\$48.20
6-inch	\$70.93	\$89.57	\$94.11	\$97.89	\$102.44	\$106.40
8-inch	\$151.14	\$172.72	\$180.84	\$188.83	\$198.52	\$206.78
10-inch	\$271.80	\$297.79	\$311.30	\$325.61	\$343.05	\$357.78

Table 7-5 presents the projected revenues from Basic and Fireline charges using the rates shown above and in Appendix A and projections of meters and usage discussed earlier in this Report.

Table 7-5: Projected Revenues from Basic and Fireline Charges, FY 2023 – FY 2027

Estimated Basic & Fireline Rev.	Fiscal Year				
	2023	2024	2025	2026	2027
Potable Water/ Fireline	\$6,735,914	\$6,988,552	\$7,164,452	\$7,372,666	\$7,570,198
Recycled Water	\$63,881	\$64,509	\$66,720	\$69,449	\$71,797
Total	\$6,799,795	\$7,053,062	\$7,231,172	\$7,442,115	\$7,641,995

7.3. Proposed Usage Rates (\$/ccf)

Mesa Water has a uniform usage rate for its potable water, construction/fireline, and recycled water customers. The usage rate has two cost components: base and peaking.

Base costs are costs associated with obtaining and treating water to make it ready for transmission and distribution. Base costs also include the operating and capital costs associated with delivering water to all customers at a constant average rate of use – also known as serving customers under average daily demand conditions. Therefore, delivery costs are spread over all units of water, which results in equal delivery unit costs for all classes.

Peaking costs, or extra-capacity costs, represent costs incurred to meet customer peak demands in excess of a base use (or in excess of average daily demand). Total extra-capacity costs are comprised of maximum day and peak hour demands, as discussed in Section 6. Peaking costs are distributed to each class using peaking factors derived from customer use data. For the portion of extra-capacity costs collected through the fixed charge, AWWA hydraulic capacity factors are used to distribute extra-capacity costs to customer classes – this is shown in Column B of Table 6-14.

Table 7-6 shows the calculation of the Usage rate for potable water, construction & fireline, and recycled water customers. To ensure full cost recovery, the total Usage Cost Recovery amount is first determined by subtracting the class-specific Basic/Fireline Services Cost Recovery from the cost-of-service for each customer class⁸. The peaking component is the sum of the max day and peak hour components shown in Table 6-20 for the respective customer classes. The base component is the difference between the Usage Cost Recovery and the peaking-related costs. The base and peaking unit costs are the quotient of the respective base and peaking components divided by the annual usage. Summing the base and peaking components together and rounding up to the nearest cent results in the total Usage rate for each customer class. The calculation of Usage rates for FY 2024 – FY 2027 is shown in Appendix A.

⁸ The Potable Water COS matches the Adjusted COS shown in Table 6-21. The Construction (& Fireline) COS matches the sum of the construction and fireline Adjusted COS shown in Table 6-21. The Recycled Water COS value matches the Adjusted COS in Table 6-21.

Table 7-6: Calculation of Usage Rate, FY 2023

	Basic/ Fireline		Usage Cost	Annual Usage ccf	Total \$/ccf
	COS	Cost Recovery	Recovery		
	\$	\$	\$		
Potable Water/ Construction/ Fireline	\$38,508,358	\$6,735,914	\$31,772,444	6,553,490	\$4.85
Recycled Water	\$1,699,558	\$63,881	\$1,635,678	481,338	\$3.40

Table 7-7 presents the January 1, 2022 approved Usage rates and the proposed Usage rates for potable, construction, fireline, and recycled water customers for FY 2023 – FY 2027. The proposed rates are rounded up to the nearest cent.

Table 7-7: Existing and Proposed Usage Rates, \$/ccf, FY 2022 – FY 2027

Proposed Rates	Fiscal Year					
	2022	2023	2024	2025	2026	2027
Effective Date	Jan 2022	Jan 2023	Jan 2024	Jan 2025	Jan 2026	Jan 2027
Potable Water	\$4.72	\$4.85	\$4.91	\$5.01	\$5.10	\$5.19
Construction	\$5.21	\$4.85	\$4.91	\$5.01	\$5.10	\$5.19
Fireline Water	\$5.21	\$4.85	\$4.91	\$5.01	\$5.10	\$5.19
Recycled Water	\$3.08	\$3.40	\$3.56	\$3.72	\$3.89	\$4.07

7.4. Capital Charge

Raftelis estimated the annual Capital charge for each of the study period years, as shown in Table 7-8. The unit rate for the 5/8-inch meter in FY 2023 is the unit cost-of-service developed in Table 6-19, rounded up to the nearest cent. This Capital charge is for each meter and presumes a direct correlation between parcels on the tax record and metered potable water accounts. Certain parcels may have several meters and would be billed accordingly. The charges for other meter sizes are determined using the capacity ratio from Table 6-14, Column B.

Table 7-8: Estimated Annual Capital Charge, FY 2023 – FY 2027

Proposed Rates	2022	2023	2024	2025	2026	2027
Effective Date	Jan 2022	Jan 2023	Jan 2024	Jan 2025	Jan 2026	Jan 2027
Potable Water Meter Size						
5/8-inch	\$0.00	\$99.92	\$163.45	\$198.13	\$235.17	\$274.93
3/4-inch	\$0.00	\$149.88	\$245.17	\$297.20	\$352.76	\$412.39
1-inch	\$0.00	\$249.79	\$408.61	\$495.33	\$587.92	\$687.31
1 1/2-inch	\$0.00	\$499.57	\$817.21	\$990.65	\$1,175.84	\$1,374.61
2-inch	\$0.00	\$799.31	\$1,307.54	\$1,585.04	\$1,881.35	\$2,199.37
3-inch	\$0.00	\$1,748.49	\$2,860.23	\$3,467.27	\$4,115.44	\$4,811.11
4-inch	\$0.00	\$3,147.29	\$5,148.40	\$6,241.08	\$7,407.79	\$8,659.99
6-inch	\$0.00	\$6,993.96	\$11,440.89	\$13,869.06	\$16,461.75	\$19,244.41
8-inch	\$0.00	\$11,989.65	\$19,612.96	\$23,775.53	\$28,220.13	\$32,990.42
10-inch	\$0.00	\$18,983.61	\$31,053.84	\$37,644.58	\$44,681.87	\$52,234.83

7.5. Projected Revenues Under Cost-of-Service Rates

Table 7-9 shows the projected revenues based on the projected number of bills, water usage, and rates. This is compared against the projected cost-of-service. The summary and comparison tables for FY 2024 – FY 2027 are shown in Appendix A.

Table 7-9: Projected Revenues Under Cost-of-Service Rates, FY 2023

	Basic/ Standby Charges	Usage Revenue	Total Revenue	Cost-of-Service	Rev. as Percent of Cost-of-Service
Potable Water/ Construction/ Fireline	\$6,735,914	\$31,794,437	\$38,530,351	\$38,508,502	100.1%
Recycled Water	\$63,881	\$1,636,549	\$1,700,430	\$1,699,414	100.1%
Capital Charge			\$4,529,374	\$4,529,088	100.0%
Total	\$6,799,795	\$33,430,986	\$44,760,154	\$44,737,004	100.1%

7.6. Customer Impact Analysis

Table 7-10 illustrates the customer bill impact for an average residential water customer with a 5/8” meter using an average of 16 hcf in a bi-monthly billing period (60 days). The table shows the bill both with and without the capital charge. Current customer bills are shown for the approved rates for January 1, 2022 and for the proposed rates for FY 2023 – FY 2027, each with effective dates of January 1. The Total Water Bill represents an annual average increase of 1.9 percent per year, though year-to-year increases may vary slightly from that annual average.

Table 7-10: Average Single-Family Customer, Bi-Monthly Bill Impact

	Jan. 1, 2022	Jan. 1, 2023	Jan. 1, 2024	Jan. 1, 2025	Jan. 1, 2026	Jan. 1, 2027
Bi-monthly Basic Charge: 5/8"	\$30.03	\$29.55	\$30.99	\$31.54	\$32.16	\$32.83
Capital Charge, 5/8" (\$/bi-mo)	\$0.00	\$16.65	\$27.24	\$33.02	\$39.20	\$45.82
Usage Charge (ccf): 24	\$113.28	\$116.40	\$117.84	\$120.00	\$122.40	\$124.56
Total Water Bill + Capital Charge	\$143.31	\$162.60	\$176.07	\$184.56	\$193.76	\$203.21
Total Water Bill	\$143.31	\$145.95	\$148.83	\$151.54	\$154.56	\$157.39

APPENDIX A:
**Detailed Tables for
FY 2024 – FY 2027**

Functionalization of O&M Expenses, Tables for FY 2024 – FY 2027

Functionalization of O&M Expenses, FY 2024											
Line Item	FY 2023	Supply	Treatment	T&D	Storage	Meter	Customer	G&A	Public Fire	Recycled Water	Total
Other General & Admin	\$8,877,907							97.0%		3.0%	100.0%
Engineering	\$692,997	1.0%		90.6%	5.0%	0.4%				3.0%	100.0%
Customer Service	\$1,162,813						80.0%	20.0%			100.0%
Water Operations											
Payroll	\$4,666,840	15.4%	10.2%	32.0%	5.0%	0.4%	9.2%	18.8%	4.0%	5.0%	100.0%
Non-payroll	\$2,069,346			91.3%	3.0%	0.4%			4.0%	1.2%	100.0%
Imported/Basin Managed Water Expenses	\$0										
Imported Water Fixed Costs	\$487,445	100.0%									100.0%
Imported Water Variable Costs	\$0	100.0%									100.0%
Basin Managed Water	\$0	100.0%									100.0%
Chemicals and Treatment	\$0		100.0%								100.0%
Utilities - Imported	\$1,071	100.0%									100.0%
Labor Import	\$0	100.0%									100.0%
Parts and Materials - Import	\$10,506	100.0%									100.0%
Support Services - Import	\$18,596	100.0%									100.0%
In-Lieu Water	\$0	100.0%	0.0%								100.0%
Clear Water Expenses	\$0										
Chemicals - Clear	\$193,100		100.0%								100.0%
Basin Replenishment Assessment - Clear	\$7,541,801	100.0%									100.0%
Well Land Leases - Clear	\$0	100.0%									100.0%
BEA (Rebilled to Segerstrom)	\$0	100.0%									100.0%
Utilities - Clear	\$1,171,545	100.0%									100.0%
Labor Clear	\$94,556	100.0%									100.0%
Parts and Materials - Clear	\$84,050	100.0%									100.0%
Support Services - Clear	\$226,379	75.0%	25.0%								100.0%
Amber Water Expenses	\$0										
Chemicals - Amber	\$298,314		100.0%								100.0%
Basin Replenishment Assessment - Amber	\$1,655,517	100.0%									100.0%
Utilities - Amber	\$715,433	50.0%	50.0%								100.0%
Labor Amber	\$31,519	25.0%	75.0%								100.0%
Parts and Materials - Amber	\$105,063	20.0%	80.0%								100.0%
Support Services - Amber	\$240,073	10.0%	90.0%								100.0%
Recycled Water Costs	\$1,107,268									100.0%	100.0%
Total	\$31,452,140	\$12,369,246	\$1,704,098	\$4,011,077	\$330,072	\$32,495	\$1,359,599	\$9,722,432	\$270,551	\$1,652,570	
Allocation	100%	39.3%	5.4%	12.8%	1.0%	0.1%	4.3%	30.9%	0.9%	5.3%	

Functionalization of O&M Expenses, FY 2025

Line Item	FY 2023	Supply	Treatment	T&D	Storage	Meter	Customer	G&A	Public Fire	Recycled Water	Total
Other General & Admin	\$9,141,695							97.0%		3.0%	100.0%
Engineering	\$715,959	1.0%		90.6%	5.0%	0.4%				3.0%	100.0%
Customer Service	\$1,200,731						80.0%	20.0%			100.0%
Water Operations											
Payroll	\$4,830,179	15.4%	10.2%	32.1%	5.0%	0.4%	9.2%	18.8%	3.9%	5.0%	100.0%
Non-payroll	\$2,121,079			91.5%	3.0%	0.4%			3.9%	1.2%	100.0%
Imported/Basin Managed Water Expenses	\$0										
Imported Water Fixed Costs	\$504,505	100.0%									100.0%
Imported Water Variable Costs	\$0	100.0%									100.0%
Basin Managed Water	\$0	100.0%									100.0%
Chemicals and Treatment	\$0		100.0%								100.0%
Utilities - Imported	\$1,109	100.0%									100.0%
Labor Import	\$0	100.0%									100.0%
Parts and Materials - Import	\$10,769	100.0%									100.0%
Support Services - Import	\$19,061	100.0%									100.0%
In-Lieu Water	\$0	100.0%	0.0%								100.0%
Clear Water Expenses	\$0										
Chemicals - Clear	\$198,779		100.0%								100.0%
Basin Replenishment Assessment - Clear	\$8,096,130	100.0%									100.0%
Well Land Leases - Clear	\$0	100.0%									100.0%
BEA (Rebilled to Segerstrom)	\$0	100.0%									100.0%
Utilities - Clear	\$1,217,905	100.0%									100.0%
Labor Clear	\$96,920	100.0%									100.0%
Parts and Materials - Clear	\$86,151	100.0%									100.0%
Support Services - Clear	\$232,039	75.0%	25.0%								100.0%
Amber Water Expenses	\$0										
Chemicals - Amber	\$307,086		100.0%								100.0%
Basin Replenishment Assessment - Amber	\$1,777,199	100.0%									100.0%
Utilities - Amber	\$743,744	50.0%	50.0%								100.0%
Labor Amber	\$32,307	25.0%	75.0%								100.0%
Parts and Materials - Amber	\$107,689	20.0%	80.0%								100.0%
Support Services - Amber	\$246,075	10.0%	90.0%								100.0%
Recycled Water Costs	\$1,167,631									100.0%	100.0%
Total	\$32,854,744	\$13,158,949	\$1,758,825	\$4,141,067	\$340,939	\$32,499	\$1,404,961	\$10,016,630	\$270,551	\$1,730,323	
Allocation	100%	40.1%	5.4%	12.6%	1.0%	0.1%	4.3%	30.5%	0.8%	5.3%	

Functionalization of O&M Expenses, FY 2026

Line Item	FY 2023	Supply	Treatment	T&D	Storage	Meter	Customer	G&A	Public Fire	Recycled Water	Total
Other General & Admin	\$9,413,542							97.0%		3.0%	100.0%
Engineering	\$739,693	1.0%		90.6%	5.0%	0.4%				3.0%	100.0%
Customer Service	\$1,239,907						80.0%	20.0%			100.0%
Water Operations											
Payroll	\$4,999,236	15.4%	10.2%	32.3%	5.0%	0.4%	9.2%	18.8%	3.8%	5.0%	100.0%
Non-payroll	\$2,174,106			91.6%	3.0%	0.4%			3.8%	1.2%	100.0%
Imported/Basin Managed Water Expenses	\$0										
Imported Water Fixed Costs	\$522,163	100.0%									100.0%
Imported Water Variable Costs	\$0	100.0%									100.0%
Basin Managed Water	\$0	100.0%									100.0%
Chemicals and Treatment	\$0		100.0%								100.0%
Utilities - Imported	\$1,148	100.0%									100.0%
Labor Import	\$0	100.0%									100.0%
Parts and Materials - Import	\$11,038	100.0%									100.0%
Support Services - Import	\$19,537	100.0%									100.0%
In-Lieu Water	\$0	100.0%	0.0%								100.0%
Clear Water Expenses	\$0										
Chemicals - Clear	\$204,625		100.0%								100.0%
Basin Replenishment Assessment - Clear	\$8,722,285	100.0%									100.0%
Well Land Leases - Clear	\$0	100.0%									100.0%
BEA (Rebilled to Segerstrom)	\$0	100.0%									100.0%
Utilities - Clear	\$1,266,099	100.0%									100.0%
Labor Clear	\$99,343	100.0%									100.0%
Parts and Materials - Clear	\$88,305	100.0%									100.0%
Support Services - Clear	\$237,840	75.0%	25.0%								100.0%
Amber Water Expenses	\$0										
Chemicals - Amber	\$316,117		100.0%								100.0%
Basin Replenishment Assessment - Amber	\$1,914,648	100.0%									100.0%
Utilities - Amber	\$773,175	50.0%	50.0%								100.0%
Labor Amber	\$33,114	25.0%	75.0%								100.0%
Parts and Materials - Amber	\$110,381	20.0%	80.0%								100.0%
Support Services - Amber	\$252,227	10.0%	90.0%								100.0%
Recycled Water Costs	\$1,231,285									100.0%	100.0%
Total	\$34,369,815	\$14,040,392	\$1,815,356	\$4,275,083	\$352,170	\$32,502	\$1,451,855	\$10,319,973	\$270,551	\$1,811,933	
Allocation	100%	40.9%	5.3%	12.4%	1.0%	0.1%	4.2%	30.0%	0.8%	5.3%	

Functionalization of O&M Expenses, FY 2027

Line Item	FY 2023	Supply	Treatment	T&D	Storage	Meter	Customer	G&A	Public Fire	Recycled Water	Total
Other General & Admin	\$9,693,700							97.0%		3.0%	100.0%
Engineering	\$764,225	1.0%		90.6%	5.0%	0.4%				3.0%	100.0%
Customer Service	\$1,280,383						80.0%	20.0%			100.0%
Water Operations											
Payroll	\$5,174,209	15.4%	10.2%	32.4%	5.0%	0.4%	9.2%	18.8%	3.7%	5.0%	100.0%
Non-payroll	\$2,228,459			91.7%	3.0%	0.4%			3.7%	1.2%	100.0%
Imported/Basin Managed Water Expenses	\$0										
Imported Water Fixed Costs	\$540,439	100.0%									100.0%
Imported Water Variable Costs	\$0	100.0%									100.0%
Basin Managed Water	\$0	100.0%									100.0%
Chemicals and Treatment	\$0		100.0%								100.0%
Utilities - Imported	\$1,188	100.0%									100.0%
Labor Import	\$0	100.0%									100.0%
Parts and Materials - Import	\$11,314	100.0%									100.0%
Support Services - Import	\$20,026	100.0%									100.0%
In-Lieu Water	\$0	100.0%	0.0%								100.0%
Clear Water Expenses	\$0										
Chemicals - Clear	\$210,642		100.0%								100.0%
Basin Replenishment Assessment - Clear	\$9,259,193	100.0%									100.0%
Well Land Leases - Clear	\$0	100.0%									100.0%
BEA (Rebilled to Segerstrom)	\$0	100.0%									100.0%
Utilities - Clear	\$1,316,201	100.0%									100.0%
Labor Clear	\$101,827	100.0%									100.0%
Parts and Materials - Clear	\$90,513	100.0%									100.0%
Support Services - Clear	\$243,786	75.0%	25.0%								100.0%
Amber Water Expenses	\$0										
Chemicals - Amber	\$325,413		100.0%								100.0%
Basin Replenishment Assessment - Amber	\$2,032,506	100.0%									100.0%
Utilities - Amber	\$803,771	50.0%	50.0%								100.0%
Labor Amber	\$33,942	25.0%	75.0%								100.0%
Parts and Materials - Amber	\$113,141	20.0%	80.0%								100.0%
Support Services - Amber	\$258,532	10.0%	90.0%								100.0%
Recycled Water Costs	\$1,298,408									100.0%	100.0%
Total	\$35,801,818	\$14,817,299	\$1,873,753	\$4,413,251	\$363,775	\$32,506	\$1,500,333	\$10,632,752	\$270,551	\$1,897,598	
Allocation	100%	41.4%	5.2%	12.3%	1.0%	0.1%	4.2%	29.7%	0.8%	5.3%	

Net Revenue Requirements, Tables for FY 2024 – FY 2027

Projected Net Revenue Requirement, FY 2024			
Line Item	Operating	Capital-Related	Total
Total Revenue Requirements			
O&M	\$31,452,140		\$31,452,140
Total Debt Service		\$6,848,450	\$6,848,450
Cash Funded Capital		\$0	\$0
Self-insurance Funding	\$11,987,500		\$11,987,500
Subtotal	\$43,439,640	\$6,848,450	\$50,288,090
Less Other Operating Revenue			
Misc. Revenues	\$387,010		\$387,010
Pension/OPEB	\$0		\$0
Interest Income	\$365,382		\$365,382
Subtotal	\$752,392	\$0	\$752,392
Less Adjustments			
Change in Funds Available (1)	\$2,852,590		\$2,852,590
Annualized Rate Adjustment	-\$1,795,504		-\$1,795,504
Subtotal	\$1,057,086	\$0	\$1,057,086
Costs to be Recovered from Rates	\$41,630,163	\$6,848,450	\$48,478,613

(1) A positive amount indicates a drawdown of the available operating fund balance to cover expenses. A negative amount indicates an addition to the balance, which is an increase to the costs to be recovered from rate-based revenue.

Projected Net Revenue Requirement, FY 2025

Line Item	Operating	Capital-Related	Total
Total Revenue Requirements			
O&M	\$32,854,744		\$32,854,744
Total Debt Service		\$6,898,200	\$6,898,200
Cash Funded Capital		\$0	\$0
Self-insurance Funding	\$12,220,000		\$12,220,000
Subtotal	\$45,074,744	\$6,898,200	\$51,972,944
Less Other Operating Revenue			
Misc. Revenues	\$390,631		\$390,631
Pension/OPEB	\$0		\$0
Interest Income	\$362,391		\$362,391
Subtotal	\$753,022	\$0	\$753,022
Less Adjustments			
Change in Funds Available (1)	\$1,361,912		\$1,361,912
Annualized Rate Adjustment	-\$1,216,049		-\$1,216,049
Subtotal	\$145,863	\$0	\$145,863
Costs to be Recovered from Rates	\$44,175,859	\$6,898,200	\$51,074,059

(1) A positive amount indicates a drawdown of the available operating fund balance to cover expenses. A negative amount indicates an addition to the balance, which is an increase to the costs to be recovered from rate-based revenue.

Projected Net Revenue Requirement, FY 2026

Line Item	Operating	Capital-Related	Total
Total Revenue Requirements			
O&M	\$34,369,815		\$34,369,815
Total Debt Service		\$6,921,450	\$6,921,450
Cash Funded Capital		\$2,307,233	\$2,307,233
Self-insurance Funding	\$12,831,000		\$12,831,000
Subtotal	\$47,200,815	\$9,228,683	\$56,429,497
Less Other Operating Revenue			
Misc. Revenues	\$394,288		\$394,288
Pension/OPEB	\$0		\$0
Interest Income	\$316,018		\$316,018
Subtotal	\$710,307	\$0	\$710,307
Less Adjustments			
Change in Funds Available (1)	\$3,191,720		\$3,191,720
Annualized Rate Adjustment	-\$1,281,158		-\$1,281,158
Subtotal	\$1,910,563	\$0	\$1,910,563
Costs to be Recovered from Rates	\$44,579,945	\$9,228,683	\$53,808,628

(1) A positive amount indicates a drawdown of the available operating fund balance to cover expenses. A negative amount indicates an addition to the balance, which is an increase to the costs to be recovered from rate-based revenue.

Projected Net Revenue Requirement, FY 2027

Line Item	Operating	Capital-Related	Total
Total Revenue Requirements			
O&M	\$35,801,818		\$35,801,818
Total Debt Service		\$4,723,950	\$4,723,950
Cash Funded Capital		\$3,428,596	\$3,428,596
Self-insurance Funding	\$13,472,550		\$13,472,550
Subtotal	\$49,274,368	\$8,152,546	\$57,426,914
Less Other Operating Revenue			
Misc. Revenues	\$397,983		\$397,983
Pension/OPEB	\$0		\$0
Interest Income	\$286,392		\$286,392
Subtotal	\$684,374	\$0	\$684,374
Less Adjustments			
Change in Funds Available (1)	\$1,402,512		\$1,402,512
Annualized Rate Adjustment	-\$1,349,757		-\$1,349,757
Subtotal	\$52,755	\$0	\$52,755
Costs to be Recovered from Rates	\$48,537,239	\$8,152,546	\$56,689,785

(1) A positive amount indicates a drawdown of the available operating fund balance to cover expenses. A negative amount indicates an addition to the balance, which is an increase to the costs to be recovered from rate-based revenue.

Net Revenue Requirements Allocation to Functional Categories, Tables for FY 2024 – FY 2027

Net Revenue Requirements Allocation to Functional Categories, FY2024				
Functional Category	Net O&M less Recycled Water	Recycled Water	Capital- Related	Net Revenue Requirements
Supply	\$16,078,108		\$0	\$16,078,108
Treatment	\$2,215,064		\$0	\$2,215,064
T&D	\$5,213,780		\$0	\$5,213,780
Storage	\$429,043		\$0	\$429,043
Meter	\$42,239		\$0	\$42,239
Customer	\$1,767,269		\$0	\$1,767,269
G&A	\$12,637,659		\$0	\$12,637,659
Public Fire	\$351,674		\$0	\$351,674
Recycled Water	\$0	\$1,613,037	\$0	\$1,613,037
Capital Charge	\$1,282,290		\$6,848,450	\$8,130,740
Total	\$40,017,126	\$1,613,037	\$6,848,450	\$48,478,613

Net Revenue Requirements Allocation to Functional Categories, FY2025				
Functional Category	Net O&M less Recycled Water	Recycled Water	Capital- Related	Net Revenue Requirements
Supply	\$16,715,914		\$0	\$16,715,914
Treatment	\$2,234,249		\$0	\$2,234,249
T&D	\$5,260,430		\$0	\$5,260,430
Storage	\$433,098		\$0	\$433,098
Meter	\$41,283		\$0	\$41,283
Customer	\$1,784,733		\$0	\$1,784,733
G&A	\$12,724,202		\$0	\$12,724,202
Public Fire	\$343,683		\$0	\$343,683
Recycled Water	\$0	\$1,690,664	\$0	\$1,690,664
Capital Charge	\$2,947,602		\$6,898,200	\$9,845,802
Total	\$42,485,195	\$1,690,664	\$6,898,200	\$51,074,059

Net Revenue Requirements Allocation to Functional Categories, FY2026				
Functional Category	Net O&M less Recycled Water	Recycled Water	Capital- Related	Net Revenue Requirements
Supply	\$17,388,542		\$0	\$17,388,542
Treatment	\$2,248,256		\$0	\$2,248,256
T&D	\$5,294,543		\$0	\$5,294,543
Storage	\$436,150		\$0	\$436,150
Meter	\$40,253		\$0	\$40,253
Customer	\$1,798,073		\$0	\$1,798,073
G&A	\$12,780,931		\$0	\$12,780,931
Public Fire	\$335,068		\$0	\$335,068
Recycled Water	\$0	\$1,774,486	\$0	\$1,774,486
Capital Charge	\$2,483,644		\$9,228,683	\$11,712,326
Total	\$42,805,459	\$1,774,486	\$9,228,683	\$53,808,628

Net Revenue Requirements Allocation to Functional Categories, FY2027

Functional Category	Net O&M less Recycled Water	Recycled Water	Capital- Related	Net Revenue Requirements
Supply	\$17,993,794		\$0	\$17,993,794
Treatment	\$2,275,443		\$0	\$2,275,443
T&D	\$5,359,352		\$0	\$5,359,352
Storage	\$441,761		\$0	\$441,761
Meter	\$39,474		\$0	\$39,474
Customer	\$1,821,971		\$0	\$1,821,971
G&A	\$12,912,174		\$0	\$12,912,174
Public Fire	\$328,551		\$0	\$328,551
Recycled Water	\$0	\$1,861,324	\$0	\$1,861,324
Capital Charge	\$5,503,395		\$8,152,546	\$13,655,942
Total	\$46,675,915	\$1,861,324	\$8,152,546	\$56,689,785

Allocation of Functions to Cost Components, Tables for FY 2024 – FY 2027

Allocation of Functions to Cost Components, FY2024										
Functions	Allocation Basis	Total	Base	Max Day	Peak Hour	Bills	Meter	Public Fire	Recycled Water	Capital Charge
Supply	Max Day	100%	66.7%	33.3%						
Treatment	Max Day	100%	66.7%	33.3%						
T&D	Peak Hour	100%	40.0%	20.0%	40.0%					
Storage	Peak Hour	100%	40.0%	20.0%	40.0%					
Meter	Meter	100%					100.0%	0.0%		
Customer	Customer	100%				100.0%	0.0%			
G&A	Note 1	100%	55.4%	27.7%	8.6%	6.8%	0.2%	1.3%		
Direct Fire	Public Fire	100%						100.0%		
Recycled Water	Recycled Water	100%							100.0%	
Capital Charge	Capital Charge	100%								100.0%

(1) As all other costs except recycled water and capital charge.

Allocation of Functions to Cost Components, FY2025										
Functions	Allocation Basis	Total	Base	Max Day	Peak Hour	Bills	Meter	Public Fire	Recycled Water	Capital Charge
Supply	Max Day	100%	66.7%	33.3%						
Treatment	Max Day	100%	66.7%	33.3%						
T&D	Peak Hour	100%	40.0%	20.0%	40.0%					
Storage	Peak Hour	100%	40.0%	20.0%	40.0%					
Meter	Meter	100%					100.0%	0.0%		
Customer	Customer	100%				100.0%	0.0%			
G&A	Note 1	100%	55.6%	27.8%	8.5%	6.7%	0.2%	1.3%		
Direct Fire	Public Fire	100%						100.0%		
Recycled Water	Recycled Water	100%							100.0%	
Capital Charge	Capital Charge	100%								100.0%

(1) As all other costs except recycled water and capital charge.

Allocation of Functions to Cost Components, FY2026

Functions	Allocation Basis	Total	Base	Max Day	Peak Hour	Bills	Meter	Public Fire	Recycled Water	Capital Charge
Supply	Max Day	100%	66.7%	33.3%						
Treatment	Max Day	100%	66.7%	33.3%						
T&D	Peak Hour	100%	40.0%	20.0%	40.0%					
Storage	Peak Hour	100%	40.0%	20.0%	40.0%					
Meter	Meter	100%					100.0%	0.0%		
Customer	Customer	100%				100.0%	0.0%			
G&A	Note 1	100%	55.9%	27.9%	8.3%	6.5%	0.1%	1.2%		
Direct Fire	Public Fire	100%						100.0%		
Recycled Water	Recycled Water	100%							100.0%	
Capital Charge	Capital Charge	100%								100.0%

(1) As all other costs except recycled water and capital charge.

Allocation of Functions to Cost Components, FY2027

Functions	Allocation Basis	Total	Base	Max Day	Peak Hour	Bills	Meter	Public Fire	Recycled Water	Capital Charge
Supply	Max Day	100%	66.7%	33.3%						
Treatment	Max Day	100%	66.7%	33.3%						
T&D	Peak Hour	100%	40.0%	20.0%	40.0%					
Storage	Peak Hour	100%	40.0%	20.0%	40.0%					
Meter	Meter	100%					100.0%	0.0%		
Customer	Customer	100%				100.0%	0.0%			
G&A	Note 1	100%	56.0%	28.0%	8.2%	6.4%	0.1%	1.2%		
Direct Fire	Public Fire	100%						100.0%		
Recycled Water	Recycled Water	100%							100.0%	
Capital Charge	Capital Charge	100%								100.0%

(1) As all other costs except recycled water and capital charge.

Allocation of Net O&M Including Recycled Water to Cost Components, Tables for FY 2024 – FY 2027

Allocation of Net O&M Including Recycled Water to Cost Components, FY 2024

Functions	Allocation Basis	Net Rev. Req.	Base	Max Day	Peak Hour	Bills	Equivalent Meters	Public Fire	Recycled Water	Capital Charge
Supply	Max Day	\$16,078,108	\$10,718,739	\$5,359,369	\$0	\$0	\$0	\$0	\$0	\$0
Treatment	Max Day	\$2,215,064	\$1,476,709	\$738,355	\$0	\$0	\$0	\$0	\$0	\$0
T&D	Peak Hour	\$5,213,780	\$2,085,512	\$1,042,756	\$2,085,512	\$0	\$0	\$0	\$0	\$0
Storage	Peak Hour	\$429,043	\$171,617	\$85,809	\$171,617	\$0	\$0	\$0	\$0	\$0
Meter	Meter	\$42,239	\$0	\$0	\$0	\$0	\$42,239	\$0	\$0	\$0
Customer	Customer	\$1,767,269	\$0	\$0	\$0	\$1,767,269	\$0	\$0	\$0	\$0
G&A	Note 1	\$12,637,659	\$6,998,716	\$3,499,358	\$1,093,023	\$855,807	\$20,454	\$170,300	\$0	\$0
Direct Fire	Public Fire	\$351,674	\$0	\$0	\$0	\$0	\$0	\$351,674	\$0	\$0
Recycled Water	Recycled Water	\$1,613,037	\$0	\$0	\$0	\$0	\$0	\$0	\$1,613,037	\$0
Capital Charge	Capital Charge	\$1,282,290	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,282,290
Total		\$41,630,163	\$21,451,293	\$10,725,647	\$3,350,153	\$2,623,076	\$62,693	\$521,974	\$1,613,037	\$1,282,290

(1) As all other costs except recycled water and capital charge.

Allocation of Net O&M Including Recycled Water to Cost Components, FY 2025

Functions	Allocation Basis	Net Rev. Req.	Base	Max Day	Peak Hour	Bills	Equivalent Meters	Public Fire	Recycled Water	Capital Charge
Supply	Max Day	\$16,715,914	\$11,143,943	\$5,571,971	\$0	\$0	\$0	\$0	\$0	\$0
Treatment	Max Day	\$2,234,249	\$1,489,499	\$744,750	\$0	\$0	\$0	\$0	\$0	\$0
T&D	Peak Hour	\$5,260,430	\$2,104,172	\$1,052,086	\$2,104,172	\$0	\$0	\$0	\$0	\$0
Storage	Peak Hour	\$433,098	\$173,239	\$86,620	\$173,239	\$0	\$0	\$0	\$0	\$0
Meter	Meter	\$41,283	\$0	\$0	\$0	\$0	\$41,283	\$0	\$0	\$0
Customer	Customer	\$1,784,733	\$0	\$0	\$0	\$1,784,733	\$0	\$0	\$0	\$0
G&A	Note 1	\$12,724,202	\$7,075,894	\$3,537,947	\$1,080,738	\$846,939	\$19,591	\$163,094	\$0	\$0
Direct Fire	Public Fire	\$343,683	\$0	\$0	\$0	\$0	\$0	\$343,683	\$0	\$0
Recycled Water	Recycled Water	\$1,690,664	\$0	\$0	\$0	\$0	\$0	\$0	\$1,690,664	\$0
Capital Charge	Capital Charge	\$2,947,602	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,947,602
Total		\$44,175,859	\$21,986,747	\$10,993,374	\$3,358,149	\$2,631,672	\$60,874	\$506,777	\$1,690,664	\$2,947,602

(1) As all other costs except recycled water and capital charge.

Allocation of Net O&M Including Recycled Water to Cost Components, FY 2026

Functions	Allocation Basis	Net Rev. Req.	Base	Max Day	Peak Hour	Bills	Equivalent Meters	Public Fire	Recycled Water	Capital Charge
Supply	Max Day	\$17,388,542	\$11,592,361	\$5,796,181	\$0	\$0	\$0	\$0	\$0	\$0
Treatment	Max Day	\$2,248,256	\$1,498,837	\$749,419	\$0	\$0	\$0	\$0	\$0	\$0
T&D	Peak Hour	\$5,294,543	\$2,117,817	\$1,058,909	\$2,117,817	\$0	\$0	\$0	\$0	\$0
Storage	Peak Hour	\$436,150	\$174,460	\$87,230	\$174,460	\$0	\$0	\$0	\$0	\$0
Meter	Meter	\$40,253	\$0	\$0	\$0	\$0	\$40,253	\$0	\$0	\$0
Customer	Customer	\$1,798,073	\$0	\$0	\$0	\$1,798,073	\$0	\$0	\$0	\$0
G&A	Note 1	\$12,780,931	\$7,139,028	\$3,569,514	\$1,063,780	\$834,434	\$18,680	\$155,495	\$0	\$0
Direct Fire	Public Fire	\$335,068	\$0	\$0	\$0	\$0	\$0	\$335,068	\$0	\$0
Recycled Water	Recycled Water	\$1,774,486	\$0	\$0	\$0	\$0	\$0	\$0	\$1,774,486	\$0
Capital Charge	Capital Charge	\$2,483,644	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,483,644
Total		\$44,579,945	\$22,522,504	\$11,261,252	\$3,356,057	\$2,632,506	\$58,933	\$490,564	\$1,774,486	\$2,483,644

(1) As all other costs except recycled water and capital charge.

Allocation of Net O&M Including Recycled Water to Cost Components, FY 2027

Functions	Allocation Basis	Net Rev. Req.	Base	Max Day	Peak Hour	Bills	Equivalent Meters	Public Fire	Recycled Water	Capital Charge
Supply	Max Day	\$17,993,794	\$11,995,862	\$5,997,931	\$0	\$0	\$0	\$0	\$0	\$0
Treatment	Max Day	\$2,275,443	\$1,516,962	\$758,481	\$0	\$0	\$0	\$0	\$0	\$0
T&D	Peak Hour	\$5,359,352	\$2,143,741	\$1,071,870	\$2,143,741	\$0	\$0	\$0	\$0	\$0
Storage	Peak Hour	\$441,761	\$176,704	\$88,352	\$176,704	\$0	\$0	\$0	\$0	\$0
Meter	Meter	\$39,474	\$0	\$0	\$0	\$0	\$39,474	\$0	\$0	\$0
Customer	Customer	\$1,821,971	\$0	\$0	\$0	\$1,821,971	\$0	\$0	\$0	\$0
G&A	Note 1	\$12,912,174	\$7,234,233	\$3,617,117	\$1,060,213	\$832,460	\$18,036	\$150,115	\$0	\$0
Direct Fire	Public Fire	\$328,551	\$0	\$0	\$0	\$0	\$0	\$328,551	\$0	\$0
Recycled Water	Recycled Water	\$1,861,324	\$0	\$0	\$0	\$0	\$0	\$0	\$1,861,324	\$0
Capital Charge	Capital Charge	\$5,503,395	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,503,395
Total		\$48,537,239	\$23,067,503	\$11,533,751	\$3,380,658	\$2,654,431	\$57,510	\$478,666	\$1,861,324	\$5,503,395

(1) As all other costs except recycled water and capital charge.

Allocation of Capital-Related to Cost Components, Tables for FY 2024 – FY 2027

Allocation of Capital-Related to Cost Centers, FY 2024

Functions	Allocation Basis	Net Rev. Req.	Base	Max Day	Peak Hour	Bills	Equivalent Meters	Public Fire	Recycled Water	Capital Charge
Supply	Max Day	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Treatment	Max Day	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
T&D	Peak Hour	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Storage	Peak Hour	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Meter	Meter	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Customer	Customer	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
G&A	Note 1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Direct Fire	Public Fire	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Recycled Water	Recycled Water	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Charge	Capital Charge	\$6,848,450	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,848,450
Total		\$6,848,450	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,848,450

(1) As all other costs except recycled water and capital charge.

Allocation of Capital-Related to Cost Centers, FY 2025

Functions	Allocation Basis	Net Rev. Req.	Base	Max Day	Peak Hour	Bills	Equivalent Meters	Public Fire	Recycled Water	Capital Charge
Supply	Max Day	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Treatment	Max Day	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
T&D	Peak Hour	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Storage	Peak Hour	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Meter	Meter	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Customer	Customer	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
G&A	Note 1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Direct Fire	Public Fire	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Recycled Water	Recycled Water	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Charge	Capital Charge	\$6,898,200	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,898,200
Total		\$6,898,200	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,898,200

(1) As all other costs except recycled water and capital charge.

Allocation of Capital-Related to Cost Centers, FY 2026

Functions	Allocation Basis	Net Rev. Req.	Base	Max Day	Peak Hour	Bills	Equivalent Meters	Public Fire	Recycled Water	Capital Charge
Supply	Max Day	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Treatment	Max Day	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
T&D	Peak Hour	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Storage	Peak Hour	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Meter	Meter	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Customer	Customer	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
G&A	Note 1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Direct Fire	Public Fire	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Recycled Water	Recycled Water	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Charge	Capital Charge	\$9,228,683	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$9,228,683
Total		\$9,228,683	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$9,228,683

(1) As all other costs except recycled water and capital charge.

Allocation of Capital-Related to Cost Centers, FY 2027

Functions	Allocation Basis	Net Rev. Req.	Base	Max Day	Peak Hour	Bills	Equivalent Meters	Public Fire	Recycled Water	Capital Charge
Supply	Max Day	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Treatment	Max Day	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
T&D	Peak Hour	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Storage	Peak Hour	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Meter	Meter	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Customer	Customer	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
G&A	Note 1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Direct Fire	Public Fire	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Recycled Water	Recycled Water	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Charge	Capital Charge	\$8,152,546	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,152,546
Total		\$8,152,546	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,152,546

(1) As all other costs except recycled water and capital charge.

Estimated Units-of-Service, Tables for FY 2024 – FY 2027

Estimated Units-of-Service, FY 2024

Customer Class	Acts No.	Bills No.	Equivalent Meters No.	Annual Use ccf	Max Day Requirements			Peak Hour Requirements			Public Fire Protection Hydrants
					Capacity	Total	Extra	Capacity	Total	Extra	
					Factor %	Capacity ccf/day	Capacity ccf/day	Factor %	Capacity ccf/day	Capacity ccf/day	
Potable Water/ Construction	24,834	146,010	45,330	6,581,670	1.50	27,048	9,016	2.50	45,080	27,048	
Private Fire Protection	654	4,248				384	384		2,559	2,175	
Public Fire Protection						1,782	1,782		11,879	10,097	3,438
Total Potable Water	25,488	150,258	45,330	6,581,670			11,182				3,438
Recycled Water	40	240	742	483,408							
Total Water	25,528	150,498	46,072	7,065,078			11,182			39,321	

Estimated Units-of-Service, FY 2025

Customer Class	Acts No.	Bills No.	Equivalent Meters No.	Annual Use ccf	Max Day Requirements			Peak Hour Requirements			Public Fire Protection Hydrants
					Capacity	Total	Extra	Capacity	Total	Extra	
					Factor %	Capacity ccf/day	Capacity ccf/day	Factor %	Capacity ccf/day	Capacity ccf/day	
Potable Water/ Construction	24,180	146,010	45,330	6,609,971	1.50	27,164	9,055	2.50	45,274	27,164	
Private Fire Protection	654	4,248				384	384		2,559	2,175	
Public Fire Protection						1,782	1,782		11,879	10,097	3,438
Total Potable Water	24,834	150,258	45,330	6,609,971			11,221				3,438
Recycled Water	40	240	742	485,486							
Total Water	24,874	150,498	46,072	7,095,458			11,221			39,437	

Estimated Units-of-Service, FY 2026

Customer Class	Acts No.	Bills No.	Equivalent Meters No.	Annual Use ccf	Max Day Requirements			Peak Hour Requirements			Public Fire Protection Hydrants
					Capacity	Total	Extra	Capacity	Total	Extra	
					Factor %	Capacity ccf/day	Capacity ccf/day	Factor %	Capacity ccf/day	Capacity ccf/day	
Potable Water/ Construction	24,180	146,010	45,330	6,638,394	1.50	27,281	9,094	2.50	45,468	27,281	
Private Fire Protection	654	4,248				384	384		2,559	2,175	
Public Fire Protection						1,782	1,782		11,879	10,097	3,438
Total Potable Water	24,834	150,258	45,330	6,638,394			11,259				3,438
Recycled Water	40	240	742	487,574							
Total Water	24,874	150,498	46,072	7,125,968			11,259			39,554	

Estimated Units-of-Service, FY 2027

Customer Class	Acts No.	Bills No.	Equivalent Meters No.	Annual Use ccf	Max Day Requirements			Peak Hour Requirements			Public Fire Protection Hydrants
					Capacity Factor	Total Capacity	Extra Capacity	Capacity Factor	Total Capacity	Extra Capacity	
					%	ccf/day	ccf/day	%	ccf/day	ccf/day	
Potable Water/ Construction	24,180	146,010	45,330	6,666,939	1.50	27,398	9,133	2.50	45,664	27,398	
Private Fire Protection	654	4,248				384	384		2,559	2,175	
Public Fire Protection						1,782	1,782		11,879	10,097	3,438
Total Potable Water	24,834	150,258	45,330	6,666,939			11,299			39,671	3,438
Recycled Water	40	240	742	489,671							
Total Water	24,874	150,498	46,072	7,156,610			11,299			39,671	

Unit Costs-of-Service, Tables for FY 2024 – FY 2027

Unit Costs-of-Service, FY2024

Line Item	Total	Base	Max Day	Peak Hour	Bills	Equivalent Meters	Public Fire	Recycled Water	Capital Charge
		ccf	ccf/day	ccf/day	No.	Equiv. Mtrs	Hydrants	ccf	Potable Eq. Mtr.
Units of Service		6,581,670	11,182	39,321	150,498	46,072	3,438	483,408	45,330
Net Operating, \$	\$41,630,163	\$21,451,293	\$10,725,647	\$3,350,153	\$2,623,076	\$62,693	\$521,974	\$1,613,037	\$1,282,290
Capital-Related, \$	\$6,848,450	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,848,450
Total	\$48,478,613	\$21,451,293	\$10,725,647	\$3,350,153	\$2,623,076	\$62,693	\$521,974	\$1,613,037	\$8,130,740
Unit Cost, \$/unit		\$3.26	\$959.21	\$85.20	\$17.43	\$1.36	\$151.82	\$3.34	\$179.37

Unit Costs-of-Service, FY2025

Line Item	Total	Base	Max Day	Peak Hour	Bills	Equivalent Meters	Public Fire	Recycled Water	Capital Charge
		ccf	ccf/day	ccf/day	No.	Equiv. Mtrs	Hydrants	ccf	Potable Eq. Mtr.
Units of Service		6,609,971	11,221	39,437	150,498	46,072	3,438	485,486	45,330
Net Operating, \$	\$44,175,859	\$21,986,747	\$10,993,374	\$3,358,149	\$2,631,672	\$60,874	\$506,777	\$1,690,664	\$2,947,602
Capital-Related, \$	\$6,898,200	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,898,200
Total	\$51,074,059	\$21,986,747	\$10,993,374	\$3,358,149	\$2,631,672	\$60,874	\$506,777	\$1,690,664	\$9,845,802
Unit Cost, \$/unit		\$3.33	\$979.76	\$85.15	\$17.49	\$1.32	\$147.40	\$3.48	\$217.20

Unit Costs-of-Service, FY2026

Line Item	Total	Base	Max Day	Peak Hour	Bills	Equivalent Meters	Public Fire	Recycled Water	Capital Charge
		ccf	ccf/day	ccf/day	No.	Equiv. Mtrs	Hydrants	ccf	Potable Eq. Mtr.
Units of Service		6,638,394	11,259	39,554	150,498	46,072	3,438	487,574	45,330
Net Operating, \$	\$44,579,945	\$22,522,504	\$11,261,252	\$3,356,057	\$2,632,506	\$58,933	\$490,564	\$1,774,486	\$2,483,644
Capital-Related, \$	\$9,228,683	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$9,228,683
Total	\$53,808,628	\$22,522,504	\$11,261,252	\$3,356,057	\$2,632,506	\$58,933	\$490,564	\$1,774,486	\$11,712,326
Unit Cost, \$/unit		\$3.39	\$1,000.16	\$84.85	\$17.49	\$1.28	\$142.69	\$3.64	\$258.38

Unit Costs-of-Service, FY2027

Line Item	Total	Base	Max Day	Peak Hour	Bills	Equivalent Meters	Public Fire	Recycled Water	Capital Charge
		ccf	ccf/day	ccf/day	No.	Equiv. Mtrs	Hydrants	ccf	Potable Eq. Mtr.
Units of Service		6,666,939	11,299	39,671	150,498	46,072	3,438	489,671	45,330
Net Operating, \$	\$48,537,239	\$23,067,503	\$11,533,751	\$3,380,658	\$2,654,431	\$57,510	\$478,666	\$1,861,324	\$5,503,395
Capital-Related, \$	\$8,152,546	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,152,546
Total	\$56,689,785	\$23,067,503	\$11,533,751	\$3,380,658	\$2,654,431	\$57,510	\$478,666	\$1,861,324	\$13,655,942
Unit Cost, \$/unit		\$3.46	\$1,020.82	\$85.22	\$17.64	\$1.25	\$139.23	\$3.80	\$301.26

Allocation of Unit Costs-of-Service to Customer Classes, Tables for FY 2024 – FY 2027

Allocation of Unit Costs-of-Service to Customer Classes, FY 2024									
Line Item	Total	Base	Max Day	Peak Hour	Bills	Equivalent Meters	Public Fire	Recycled Water	Capital Charge
		ccf	ccf/day	ccf/day	No.	Equiv. Mtrs	Hydrants	ccf	Potable Eq. Mtr.
Unit Cost of Service		\$3.26	\$959.21	\$85.20	\$17.43	\$1.36	151.82	\$3.34	179.37
Potable Water/Construction									
Units		6,581,670	9,016	27,048	146,010	45,330	0		
Costs	\$35,010,553	\$21,451,293	\$8,648,215	\$2,304,507	\$2,544,853	\$61,684	\$0		
Recycled Water									
Units			0	0	240	742	0	483,408	
Costs	\$1,618,229	\$0	\$0	\$0	\$4,183	\$1,009	\$0	\$1,613,037	
Private Fire									
Units		0	384	2,175	4,248	0	0		
Costs	\$627,588	\$0	\$368,213	\$185,335	\$74,040	\$0	\$0		
Public Fire									
Units			1,782	10,097	0	0	3,438		
Costs	\$3,091,503	\$0	\$1,709,218	\$860,311	\$0	\$0	\$521,974		
Capital Charge									
Units									45,330
Costs	\$8,130,740								\$8,130,740
Total	\$48,478,613	\$21,451,293	\$10,725,647	\$3,350,153	\$2,623,076	\$62,693	\$521,974	\$1,613,037	\$8,130,740

Allocation of Unit Costs-of-Service to Customer Classes, FY 2025

Line Item	Total	Base	Max Day	Peak Hour	Bills	Equivalent Meters	Public Fire	Recycled Water	Capital Charge
		ccf	ccf/day	ccf/day	No.	Equip. Mtrs	Hydrants	ccf	Potable Eq. Mtr.
Unit Cost of Service		\$3.33	\$979.76	\$85.15	\$17.49	\$1.32	147.40	\$3.48	217.20
Potable Water/Construction									
Units		6,609,971	9,055	27,164	146,010	45,330	0		
Costs	\$35,784,377	\$21,986,747	\$8,871,444	\$2,313,098	\$2,553,193	\$59,894	\$0		
Recycled Water									
Units			0	0	240	742	0	485,486	
Costs	\$1,695,841	\$0	\$0	\$0	\$4,197	\$980	\$0	\$1,690,664	
Private Fire									
Units		0	384	2,175	4,248	0	0		
Costs	\$635,612	\$0	\$376,100	\$185,229	\$74,282	\$0	\$0		
Public Fire									
Units			1,782	10,097	0	0	3,438		
Costs	\$3,112,427	\$0	\$1,745,829	\$859,821	\$0	\$0	\$506,777		
Capital Charge									
Units									45,330
Costs	\$9,845,802								\$9,845,802
Total	\$51,074,059	\$21,986,747	\$10,993,374	\$3,358,149	\$2,631,672	\$60,874	\$506,777	\$1,690,664	\$9,845,802

Allocation of Unit Costs-of-Service to Customer Classes, FY 2026

Line Item	Total	Base	Max Day	Peak Hour	Bills	Equivalent Meters	Public Fire	Recycled Water	Capital Charge
		ccf	ccf/day	ccf/day	No.	Equiv. Mtrs	Hydrants	ccf	Potable Eq. Mtr.
Unit Cost of Service		\$3.39	\$1,000.16	\$84.85	\$17.49	\$1.28	142.69	\$3.64	258.38
Potable Water/Construction									
Units		6,638,394	9,094	27,281	146,010	45,330	0		
Costs	\$36,544,365	\$22,522,504	\$9,095,133	\$2,314,742	\$2,554,002	\$57,985	\$0		
Recycled Water									
Units			0	0	240	742	0	487,574	
Costs	\$1,779,633	\$0	\$0	\$0	\$4,198	\$949	\$0	\$1,774,486	
Private Fire									
Units		0	384	2,175	4,248	0	0		
Costs	\$642,806	\$0	\$383,933	\$184,567	\$74,306	\$0	\$0		
Public Fire									
Units			1,782	10,097	0	0	3,438		
Costs	\$3,129,498	\$0	\$1,782,186	\$856,748	\$0	\$0	\$490,564		
Capital Charge									
Units									45,330
Costs	\$11,712,326								\$11,712,326
Total	\$53,808,628	\$22,522,504	\$11,261,252	\$3,356,057	\$2,632,506	\$58,933	\$490,564	\$1,774,486	\$11,712,326

Allocation of Unit Costs-of-Service to Customer Classes, FY 2027

Line Item	Total	Base	Max Day	Peak Hour	Bills	Equivalent Meters	Public Fire	Recycled Water	Capital Charge
		ccf	ccf/day	ccf/day	No.	Equiv. Mtrs	Hydrants	ccf	Potable Eq. Mtr.
Unit Cost of Service		\$3.46	\$1,020.82	\$85.22	\$17.64	\$1.25	139.23	\$3.80	301.26
Potable Water/Construction									
Units		6,666,939	9,133	27,398	146,010	45,330	0		
Costs	\$37,357,066	\$23,067,503	\$9,322,895	\$2,334,811	\$2,575,273	\$56,584	\$0		
Recycled Water									
Units			0	0	240	742	0	489,671	
Costs	\$1,866,483	\$0	\$0	\$0	\$4,233	\$926	\$0	\$1,861,324	
Private Fire									
Units		0	384	2,175	4,248	0	0		
Costs	\$652,157	\$0	\$391,862	\$185,371	\$74,925	\$0	\$0		
Public Fire									
Units			1,782	10,097	0	0	3,438		
Costs	\$3,158,137	\$0	\$1,818,994	\$860,476	\$0	\$0	\$478,666		
Capital Charge									
Units									45,330
Costs	\$13,655,942								\$13,655,942
Total	\$56,689,785	\$23,067,503	\$11,533,751	\$3,380,658	\$2,654,431	\$57,510	\$478,666	\$1,861,324	\$13,655,942

Comparison of Cost-of-Service with Revenue Under Existing Rates, Tables for FY 2024 – FY 2027

Comparison of Cost-of-Service with Revenue Under Existing Rates, FY2024

Customer Class	Proposed COS	Reallocation		Adjusted COS	Revenue Under Existing Rates	Rev. Inc. (Decr.) from COS
		Charge MD PH to Fire	Reallocation of Public Fire Protection			
Potable Water/Construction	\$35,010,553	\$0	\$3,522,668	\$38,533,220	\$39,183,763	-1.7%
Recycled Water	\$1,618,229	\$0	\$162,822	\$1,781,051	\$1,623,513	9.7%
Private Fire Protection	\$627,588	\$127,961	\$0	\$755,549	\$668,944	12.9%
Public Fire Protection	\$3,091,503	\$593,986	-\$3,685,489	\$0	\$0	--
Capital Charge	\$8,130,740	-\$721,948	\$0	\$7,408,792	--	--
Total	\$48,478,613	\$0	\$0	\$48,478,613	\$41,476,220	16.9%

The cumulative revenue adjustment through FY 2024 is about 17 percent.

Comparison of Cost-of-Service with Revenue Under Existing Rates, FY2025

Customer Class	Proposed COS	Reallocation		Adjusted COS	Revenue Under Existing Rates	Rev. Inc. (Decr.) from COS
		Charge MD PH to Fire	Reallocation of Public Fire Protection			
Potable Water/ Construction	\$35,784,377	\$0	\$3,650,768	\$39,435,145	\$39,317,273	0.3%
Recycled Water	\$1,695,841	\$0	\$173,012	\$1,868,853	\$1,629,915	14.7%
Private Fire Protection	\$635,612	\$153,245	\$0	\$788,857	\$668,990	17.9%
Public Fire Protection	\$3,112,427	\$711,353	-\$3,823,780	\$0	\$0	--
Capital Charge	\$9,845,802	-\$864,598	\$0	\$8,981,204	--	--
Total	\$51,074,059	\$0	\$0	\$51,074,059	\$41,616,178	22.7%

The cumulative revenue adjustment through FY 2025 is about 23 percent.

Comparison of Cost-of-Service with Revenue Under Existing Rates, FY2026

Customer Class	Proposed COS	Reallocation		Adjusted COS	Revenue Under Existing Rates	Rev. Inc. (Decr.) from COS
		Charge MD PH to Fire	Reallocation of Public Fire Protection			
Potable Water/ Construction	\$36,544,365	\$0	\$3,809,657	\$40,354,022	\$39,451,443	2.3%
Recycled Water	\$1,779,633	\$0	\$185,522	\$1,965,155	\$1,636,345	20.1%
Private Fire Protection	\$642,806	\$186,492	\$0	\$829,298	\$669,037	24.0%
Public Fire Protection	\$3,129,498	\$865,681	-\$3,995,179	\$0	\$0	--
Capital Charge	\$11,712,326	-\$1,052,173	\$0	\$10,660,153	--	--
Total	\$53,808,628	\$0	\$0	\$53,808,628	\$41,756,825	28.9%

The cumulative revenue adjustment through FY 2026 is about 29 percent.

Comparison of Cost-of-Service with Revenue Under Existing Rates, FY2027

Customer Class	Proposed COS	Reallocation		Adjusted COS	Revenue Under Existing Rates	Rev. Inc. (Decr.) from COS
		of Capacity Charge MD PH to Fire	Reallocation of Public Fire Protection			
Potable Water/ Construction	\$37,357,066	\$0	\$3,943,331	\$41,300,397	\$39,586,191	4.3%
Recycled Water	\$1,866,483	\$0	\$197,022	\$2,063,504	\$1,642,802	25.6%
Private Fire Protection	\$652,157	\$211,597	\$0	\$863,754	\$669,084	29.1%
Public Fire Protection	\$3,158,137	\$982,216	-\$4,140,353	\$0	\$0	--
Capital Charge	\$13,655,942	-\$1,193,813	\$0	\$12,462,129	--	--
Total	\$56,689,785	\$0	\$0	\$56,689,785	\$41,898,077	35.3%

The cumulative revenue adjustment through FY 2027 is about 35 percent.

Derivation of Basic Charge, Tables for FY 2024 – FY 2027

Basic Charge, Potable & Recycled Water, Test Year 2024					
Meter	Billing	Meter	Public Fire	Total	Total
Size	\$/bill	\$/mtr/yr	\$/mtr/yr	\$/bi-mo	\$/mo
5/8-inch	\$17.43	\$1.36	\$79.99	\$30.99	\$24.21
3/4-inch	\$17.43	\$2.04	\$119.99	\$37.77	\$27.60
1-inch	\$17.43	\$3.40	\$199.99	\$51.33	\$34.38
1 1/2-inch	\$17.43	\$6.80	\$399.97	\$85.23	\$51.33
2-inch	\$17.43	\$10.89	\$639.96	\$125.91	\$71.67
3-inch	\$17.43	\$23.81	\$1,399.91	\$254.72	\$136.08
4-inch	\$17.43	\$42.86	\$2,519.84	\$444.55	\$230.99
6-inch	\$17.43	\$95.25	\$5,599.65	\$966.58	\$492.01
8-inch	\$17.43	\$163.29	\$9,599.40	\$1,644.55	\$830.99
10-inch	\$17.43	\$258.55	\$15,199.05	\$2,593.70	\$1,305.57

Basic Charge, Potable & Recycled Water, Test Year 2025					
Meter	Billing	Meter	Public Fire	Total	Total
Size	\$/bill	\$/mtr/yr	\$/mtr/yr	\$/bi-mo	\$/mo
5/8-inch	\$17.49	\$1.32	\$83.00	\$31.54	\$24.52
3/4-inch	\$17.49	\$1.98	\$124.49	\$38.57	\$28.03
1-inch	\$17.49	\$3.30	\$207.49	\$52.62	\$35.06
1 1/2-inch	\$17.49	\$6.61	\$414.98	\$87.76	\$52.62
2-inch	\$17.49	\$10.57	\$663.97	\$129.92	\$73.70
3-inch	\$17.49	\$23.12	\$1,452.44	\$263.42	\$140.46
4-inch	\$17.49	\$41.62	\$2,614.39	\$460.16	\$238.83
6-inch	\$17.49	\$92.49	\$5,809.77	\$1,001.20	\$509.35
8-inch	\$17.49	\$158.56	\$9,959.60	\$1,703.85	\$860.67
10-inch	\$17.49	\$251.05	\$15,769.36	\$2,687.56	\$1,352.53

Basic Charge, Potable & Recycled Water, Test Year 2026

Meter	Billing	Meter	Public Fire	Total	Total
Size	\$/bill	\$/mtr/yr	\$/mtr/yr	\$/bi-mo	\$/mo
5/8-inch	\$17.49	\$1.28	\$86.72	\$32.16	\$24.83
3/4-inch	\$17.49	\$1.92	\$130.08	\$39.50	\$28.50
1-inch	\$17.49	\$3.20	\$216.79	\$54.16	\$35.83
1 1/2-inch	\$17.49	\$6.40	\$433.58	\$90.83	\$54.16
2-inch	\$17.49	\$10.23	\$693.74	\$134.83	\$76.16
3-inch	\$17.49	\$22.39	\$1,517.55	\$274.15	\$145.82
4-inch	\$17.49	\$40.29	\$2,731.58	\$479.48	\$248.49
6-inch	\$17.49	\$89.54	\$6,070.19	\$1,044.12	\$530.81
8-inch	\$17.49	\$153.50	\$10,406.03	\$1,777.42	\$897.46
10-inch	\$17.49	\$243.04	\$16,476.22	\$2,804.04	\$1,410.77

Basic Charge, Potable & Recycled Water, Test Year 2027

Meter	Billing	Meter	Public Fire	Total	Total
Size	\$/bill	\$/mtr/yr	\$/mtr/yr	\$/bi-mo	\$/mo
5/8-inch	\$17.64	\$1.25	\$89.87	\$32.83	\$25.24
3/4-inch	\$17.64	\$1.87	\$134.80	\$40.42	\$29.03
1-inch	\$17.64	\$3.12	\$224.67	\$55.61	\$36.63
1 1/2-inch	\$17.64	\$6.24	\$449.34	\$93.57	\$55.61
2-inch	\$17.64	\$9.99	\$718.94	\$139.13	\$78.39
3-inch	\$17.64	\$21.84	\$1,572.69	\$283.40	\$150.52
4-inch	\$17.64	\$39.32	\$2,830.84	\$496.00	\$256.82
6-inch	\$17.64	\$87.38	\$6,290.76	\$1,080.67	\$549.15
8-inch	\$17.64	\$149.79	\$10,784.16	\$1,839.97	\$928.81
10-inch	\$17.64	\$237.17	\$17,074.92	\$2,902.99	\$1,460.32

Derivation of Fireline Service Charge, Tables for FY 2024 – FY 2027

Private Fireline Services Charge, Class I and II, Test Year 2024				
Fire Service Line	Billing	Capacity	Fireline Services, Bi-monthly	Fireline Services, Monthly
Size	\$/bill	\$/F.S. line	\$/bi-mo	\$/mo
1-inch	\$17.43	\$8.27	\$18.81	\$18.12
1 1/2-inch	\$17.43	\$24.01	\$21.44	\$19.44
2-inch	\$17.43	\$51.17	\$25.96	\$21.70
3-inch	\$17.43	\$148.65	\$42.21	\$29.82
4-inch	\$17.43	\$316.77	\$70.23	\$43.83
6-inch	\$17.43	\$920.16	\$170.79	\$94.11
8-inch	\$17.43	\$1,960.89	\$344.25	\$180.84
10-inch	\$17.43	\$3,526.36	\$605.16	\$311.30

Private Fireline Services Charge, Class I and II, Test Year 2025				
Fire Service Line	Billing	Capacity	Fireline Services, Bi-monthly	Fireline Services, Monthly
Size	\$/bill	\$/F.S. line	\$/bi-mo	\$/mo
1-inch	\$17.49	\$8.67	\$18.94	\$18.21
1 1/2-inch	\$17.49	\$25.18	\$21.69	\$19.59
2-inch	\$17.49	\$53.66	\$26.43	\$21.96
3-inch	\$17.49	\$155.86	\$43.47	\$30.48
4-inch	\$17.49	\$332.14	\$72.85	\$45.17
6-inch	\$17.49	\$964.81	\$178.29	\$97.89
8-inch	\$17.49	\$2,056.03	\$360.16	\$188.83
10-inch	\$17.49	\$3,697.45	\$633.73	\$325.61

Private Fireline Services Charge, Class I and II, Test Year 2026				
Fire Service Line	Billing	Capacity	Fireline Services, Bi-monthly	Fireline Services, Monthly
Size	\$/bill	\$/F.S. line	\$/bi-mo	\$/mo
1-inch	\$17.49	\$9.16	\$19.02	\$18.26
1 1/2-inch	\$17.49	\$26.60	\$21.93	\$19.71
2-inch	\$17.49	\$56.69	\$26.95	\$22.22
3-inch	\$17.49	\$164.67	\$44.94	\$31.22
4-inch	\$17.49	\$350.93	\$75.98	\$46.74
6-inch	\$17.49	\$1,019.38	\$187.39	\$102.44
8-inch	\$17.49	\$2,172.32	\$379.55	\$198.52
10-inch	\$17.49	\$3,906.58	\$668.59	\$343.05

Private Fireline Services Charge, Class I and II, Test Year 2027				
Fire Service Line	Billing	Capacity	Fireline Services, Bi-monthly	Fireline Services, Monthly
Size	\$/bill	\$/F.S. line	\$/bi-mo	\$/mo
1-inch	\$17.64	\$9.57	\$19.24	\$18.44
1 1/2-inch	\$17.64	\$27.79	\$22.28	\$19.96
2-inch	\$17.64	\$59.23	\$27.51	\$22.58
3-inch	\$17.64	\$172.05	\$46.32	\$31.98
4-inch	\$17.64	\$366.65	\$78.75	\$48.20
6-inch	\$17.64	\$1,065.06	\$195.15	\$106.40
8-inch	\$17.64	\$2,269.68	\$395.92	\$206.78
10-inch	\$17.64	\$4,081.67	\$697.92	\$357.78

Derivation of Usage Rates, Tables for FY 2024 – FY 2027

Usage Charge, Test Year 2024					
	COS	Basic/ Fireline Cost Recovery	Usage Cost Recovery	Annual Usage	Total
	\$	\$	\$	ccf	\$/ccf
Potable Water/ Construction/ Fireline	\$39,288,770	\$6,988,552	\$32,300,217	6,581,670	\$4.91
Recycled Water	\$1,781,051	\$64,509	\$1,716,542	483,408	\$3.56

Usage Rate, Test Year 2025					
	COS	Basic/ Fireline Cost Recovery	Usage Cost Recovery	Annual Usage	Total
	\$	\$	\$	ccf	\$/ccf
Potable Water/ Construction/ Fireline	\$40,224,003	\$7,164,452	\$33,059,551	6,609,971	\$5.01
Recycled Water	\$1,868,853	\$66,720	\$1,802,132	485,486	\$3.72

Usage Rate, Test Year 2026					
	COS	Basic/ Fireline Cost Recovery	Usage Cost Recovery	Annual Usage	Total
	\$	\$	\$	ccf	\$/ccf
Potable Water/ Construction/ Fireline	\$41,183,320	\$7,372,666	\$33,810,654	6,638,394	\$5.10
Recycled Water	\$1,965,155	\$69,449	\$1,895,706	487,574	\$3.89

Usage Rate, Test Year 2027					
	COS	Basic/ Fireline Cost Recovery	Usage Cost Recovery	Annual Usage	Total
	\$	\$	\$	ccf	\$/ccf
Potable Water/ Construction/ Fireline	\$42,164,152	\$7,570,198	\$34,593,953	6,666,939	\$5.19
Recycled Water	\$2,063,504	\$71,797	\$1,991,708	489,671	\$4.07

Projected Revenues Under Cost-of-Service Rates, Tables for FY 2024 – FY 2027

Revenues Under Cost-of-Service Rates, Test Year 2024					
	Basic/ Standby Charges	Usage Revenue	Total Revenue	Cost-of-Service	Rev. as Percent of Cost-of- Service
Potable Water	\$6,232,990	\$32,282,542	\$38,515,532	\$38,499,522	100.0%
Construction & Fireline	\$755,562	\$43,635	\$799,198	\$789,098	101.3%
Recycled Water	\$64,509	\$1,720,932	\$1,785,441	\$1,781,200	100.2%
Capital Charge			\$7,409,189	\$7,408,792	100.0%
Total	\$7,053,062	\$34,047,109	\$48,509,359	\$48,478,613	100.1%

Revenues Under Cost-of-Service Rates, Test Year 2025					
	Basic/ Standby Charges	Usage Revenue	Total Revenue	Cost-of- Service	Rev. as Percent of Cost-of- Service
Potable Water	\$6,375,579	\$33,015,639	\$39,391,217	\$39,400,644	100.0%
Construction & Fireline	\$788,873	\$44,626	\$833,499	\$823,201	101.3%
Recycled Water	\$66,720	\$1,806,009	\$1,872,729	\$1,869,011	100.2%
Capital Charge			\$8,981,233	\$8,981,204	100.0%
Total	\$7,231,172	\$34,866,274	\$51,078,679	\$51,074,059	100.0%

Revenues Under Cost-of-Service Rates, Test Year 2026					
	Basic/ Standby Charges	Usage Revenue	Total Revenue	Cost-of-Service	Rev. as Percent of Cost-of- Service
Potable Water	\$6,543,355	\$33,820,758	\$40,364,113	\$40,318,721	100.1%
Construction & Fireline	\$829,311	\$45,715	\$875,026	\$864,429	101.2%
Recycled Water	\$69,449	\$1,896,663	\$1,966,112	\$1,965,325	100.0%
Capital Charge			\$10,660,256	\$10,660,153	100.0%
Total	\$7,442,115	\$35,763,135	\$53,865,506	\$53,808,628	100.1%

Revenues Under Cost-of-Service Rates, Test Year 2027					
	Basic/ Standby Charges	Usage Revenue	Total Revenue	Cost-of-Service	Rev. as Percent of Cost-of- Service
Potable Water	\$6,706,432	\$34,565,590	\$41,272,022	\$41,264,265	100.0%
Construction & Fireline	\$863,766	\$46,721	\$910,488	\$899,706	101.2%
Recycled Water	\$71,797	\$1,992,959	\$2,064,756	\$2,063,685	100.1%
Capital Charge			\$12,462,577	\$12,462,129	100.0%
Total	\$7,641,995	\$36,605,271	\$56,709,843	\$56,689,785	100.0%

APPENDIX B:

**Determining Fire Protection's
Proportionate Share of Extra
Capacity**

Since the capital charge is to be recovered by the potable water customers, Raftelis estimated fire protection’s share of extra-capacity costs. This estimation allows private fire protection extra capacity costs to be re-allocated from the capital charge to the private fire protection components so that private fire protection customers are paying for their related costs. The public fire’s portion of extra-capacity costs is also reallocated because public fire is recovered in the Basic charge, which is applied to both potable and recycled water customers. Again, this makes sure costs are being recovered by the appropriate customers.

The redistribution was calculated by first determining extra-capacity costs’ portion of the net revenue requirements without using a capital charge. Table B-1 shows the max day and peak hour costs for FY 2023 if no costs are allocated to the capital charge.

Table B-1: FY 2023 Extra-Capacity Portion of Revenue Requirement Without Use of Capital Charge

Line Item	Total	Base	Max Day	Peak Hour	Bills	Equivalent	Public Fire	Recycled	Capital
		ccf	ccf/day	ccf/day		Meters		Water	Charge
					No.	Equiv. Mtrs	Hydrants	ccf	Equiv. Mtrs
Units of Service		6,553,490	11,143	39,205	150,498	46,072	3,438	481,338	45,330
Net Operating, \$	\$37,939,304	\$19,815,039	\$9,907,519	\$3,716,987	\$2,296,056	\$93,710	\$572,511	\$1,537,482	\$0
Capital & Other, \$	\$6,797,700	\$2,915,543	\$1,457,772	\$2,058,029	\$4,092	\$97,246	\$264,311	\$708	\$0
Total	\$44,737,004	\$22,730,582	\$11,365,291	\$5,775,016	\$2,300,147	\$190,956	\$836,822	\$1,538,190	\$0
Percent of Total			25.4%	12.9%					

Next, the private and public fire portion contribution to these costs is determined based on the units-of-service (Table 6-18). An abbreviated version of that table is shown in Table B-2 along with fire’s proportional share.

Table B-2: FY 2023 Units-of-Service, Extra-Capacity

Line Item	Max Day Extra Capacity, ccf/day	Max Day Extra Capacity, %	Peak Hour Extra Capacity, ccf/day	Peak Hour Extra Capacity, %
Private Fire	384	3.4%	2,175	5.5%
Public Fire	1,782	16.0%	10,097	25.8%
Total	11,143	--	39,205	--

Table B-3: FY 2023 Units-of-Service, Extra-Capacity

Fire Category	Capital Charge Proposed COS	Max Day Percentage	Max Day Fire %	Peak Hour Percentage	Peak Hour Fire %	Reallocation
(A)	(B)	(C)	(D)	(E)	(F)	(G)
Private Fire	\$4,975,851	25.4%	3.4%	12.9%	5.5%	\$79,186
Public Fire	\$4,975,851	25.4%	16.0%	12.9%	25.8%	\$367,576
					Total =	\$446,763

Table B-3 shows the calculation of the reallocated amounts of the Proposed COS for the Capital Charge (from Table 6-21). Multiplying Column B by the sum of Column C times Column D and Column E times Column F results in the value in Column G. The values in Column G correspond to the values in Table 6-21 Reallocation of Capital Charge MD PH to Fire.

The same methodology was followed for FY 2024 – FY 2027 and the corresponding tables, B-4 through B-15 are shown below.

Table B-4: FY 2024 Extra-Capacity Portion of Revenue Requirement Without Use of Capital Charge

Line Item	Total	Base	Max Day	Peak Hour	Bills	Equivalent	Public Fire	Recycled	Capital
		ccf	ccf/day	ccf/day		No.	Meters	Hydrants	Water
Units of Service		6,581,670	11,182	39,321	150,498	46,072	3,438	483,408	45,330
Net Operating, \$	\$41,630,163	\$21,831,333	\$10,915,667	\$4,032,929	\$2,532,454	\$98,315	\$606,428	\$1,613,037	\$0
Capital & Other, \$	\$6,848,450	\$2,937,490	\$1,468,745	\$2,073,131	\$4,190	\$97,954	\$266,226	\$713	\$0
Total	\$48,478,613	\$24,768,824	\$12,384,412	\$6,106,060	\$2,536,644	\$196,269	\$872,654	\$1,613,751	\$0
Percent of Total			25.5%	12.6%					

Table B-5: FY 2024 Units-of-Service, Extra-Capacity

Line Item	Max Day Extra Capacity, ccf/day	Max Day Extra Capacity, %	Peak Hour Extra Capacity, ccf/day	Peak Hour Extra Capacity, %
Private Fire	384	3.4%	2,175	5.5%
Public Fire	1,782	15.9%	10,097	25.7%
Total	11,182	--	39,321	--

Table B-6: FY 2024 Units-of-Service, Extra-Capacity

Fire Category	Capital Charge Proposed COS	Max Day Percentage	Max Day Fire %	Peak Hour Percentage	Peak Hour Fire %	Reallocation
(A)	(B)	(C)	(D)	(E)	(F)	(G)
Private Fire	\$8,130,740	25.5%	3.4%	12.6%	5.5%	\$127,961
Public Fire	\$8,130,740	25.5%	15.9%	12.6%	25.7%	\$593,986
					Total =	\$721,948

Table B-7: FY 2025 Extra-Capacity Portion of Revenue Requirement Without Use of Capital Charge

Line Item	Total	Base	Max Day	Peak Hour	Bills	Equivalent	Public Fire	Recycled	Capital
		ccf	ccf/day	ccf/day		No.	Meters	Hydrants	Water
Units of Service		6,609,971	11,221	39,437	150,498	46,072	3,438	485,486	45,330
Net Operating, \$	\$44,175,859	\$23,290,261	\$11,645,131	\$4,183,636	\$2,653,690	\$99,119	\$613,359	\$1,690,664	\$0
Capital & Other, \$	\$6,898,200	\$2,959,066	\$1,479,533	\$2,087,934	\$4,197	\$98,651	\$268,100	\$719	\$0
Total	\$51,074,059	\$26,249,327	\$13,124,664	\$6,271,570	\$2,657,888	\$197,770	\$881,459	\$1,691,383	\$0
Percent of Total			25.7%	12.3%					

Table B-8: FY 2025 Units-of-Service, Extra-Capacity

Line Item	Max Day Extra Capacity, ccf/day	Max Day Extra Capacity, %	Peak Hour Extra Capacity, ccf/day	Peak Hour Extra Capacity, %
Private Fire	384	3.4%	2,175	5.5%
Public Fire	1,782	15.9%	10,097	25.6%

Total	11,221	--	39,437	--
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Table B-9: FY 2025 Units-of-Service, Extra-Capacity

Fire Category	Capital Charge Proposed COS	Max Day Percentage	Max Day Fire %	Peak Hour Percentage	Peak Hour Fire %	Reallocation
(A)	(B)	(C)	(D)	(E)	(F)	(G)
Private Fire	\$9,845,802	25.7%	3.4%	12.3%	5.5%	\$153,245
Public Fire	\$9,845,802	25.7%	15.9%	12.3%	25.6%	\$711,353
					Total =	\$864,598

Table B-10: FY 2026 Extra-Capacity Portion of Revenue Requirement Without Use of Capital Charge

Line Item	Total	Base	Max Day	Peak Hour	Bills	Equivalent Meters	Public Fire	Recycled Water	Capital Charge
		ccf	ccf/day	ccf/day	No.	Equiv. Mtrs	Hydrants	ccf	PW Eq. Mtr.
Units of Service		6,638,394	11,259	39,554	150,498	46,072	3,438	487,574	45,330
Net Operating, \$	\$44,579,945	\$23,487,916	\$11,743,958	\$4,277,502	\$2,583,978	\$104,380	\$607,725	\$1,774,486	\$0
Capital & Other, \$	\$9,228,683	\$3,958,330	\$1,979,165	\$2,794,250	\$5,191	\$132,036	\$358,750	\$961	\$0
Total	\$53,808,628	\$27,446,245	\$13,723,123	\$7,071,752	\$2,589,169	\$236,416	\$966,475	\$1,775,448	\$0
Percent of Total			25.5%	13.1%					

Table B-11: FY 2026 Units-of-Service, Extra-Capacity

Line Item	Max Day Extra Capacity, ccf/day	Max Day Extra Capacity, %	Peak Hour Extra Capacity, ccf/day	Peak Hour Extra Capacity, %
Private Fire	384	3.4%	2,175	5.5%
Public Fire	1,782	15.8%	10,097	25.5%
Total	11,259	--	39,554	--

Table B-12: FY 2026 Units-of-Service, Extra-Capacity

Fire Category	Capital Charge Proposed COS	Max Day Percentage	Max Day Fire %	Peak Hour Percentage	Peak Hour Fire %	Reallocation
(A)	(B)	(C)	(D)	(E)	(F)	(G)
Private Fire	\$11,712,326	25.5%	3.4%	13.1%	5.5%	\$186,492
Public Fire	\$11,712,326	25.5%	15.8%	13.1%	25.5%	\$865,681
					Total =	\$1,052,173

Table B-13: FY 2027 Extra-Capacity Portion of Revenue Requirement Without Use of Capital Charge

Line Item	Total	Base	Max Day	Peak Hour	Bills	Equivalent Meters	Public Fire	Recycled Water	Capital Charge
		ccf	ccf/day	ccf/day	No.	Equiv. Mtrs	Hydrants	ccf	Equiv. Mtrs
Units of Service		6,666,939	11,299	39,671	150,498	46,072	3,438	489,671	45,330
Net Operating, \$	\$48,537,239	\$25,761,217	\$12,880,608	\$4,487,511	\$2,819,551	\$103,515	\$623,512	\$1,861,324	\$0
Capital & Other, \$	\$8,152,546	\$3,497,326	\$1,748,663	\$2,467,584	\$4,748	\$116,590	\$316,786	\$849	\$0
Total	\$56,689,785	\$29,258,543	\$14,629,272	\$6,955,095	\$2,824,298	\$220,106	\$940,298	\$1,862,173	\$0
Percent of Total			25.8%	12.3%					

Table B-14: FY 2027 Units-of-Service, Extra-Capacity

Line Item	Max Day Extra Capacity, ccf/day	Max Day Extra Capacity, %	Peak Hour Extra Capacity, ccf/day	Peak Hour Extra Capacity, %
Private Fire	384	3.4%	2,175	5.5%
Public Fire	1,782	15.8%	10,097	25.5%
Total	11,299	--	39,671	--

Table B-15: FY 2027 Units-of-Service, Extra-Capacity

Fire Category	Capital Charge Proposed COS	Max Day Percentage	Max Day Fire %	Peak Hour Percentage	Peak Hour Fire %	Reallocation
(A)	(B)	(C)	(D)	(E)	(F)	(G)
Private Fire	\$13,655,942	25.8%	3.4%	12.3%	5.5%	\$211,597
Public Fire	\$13,655,942	25.8%	15.8%	12.3%	25.5%	\$982,216
					Total =	\$1,193,813



*Dedicated to
Satisfying our Community's
Water Needs*

MEMORANDUM

TO: Board of Directors
FROM: Marwan Khalifa CPA, MBA, Chief Financial Officer
DATE: November 16, 2021
SUBJECT: Travel and Business Expense Reimbursement Policy

RECOMMENDATION

Adopt Resolution No. 1552 Revising the Travel and Business Expense Reimbursement Policy Superseding Resolution No. 1467.

STRATEGIC PLAN

Goal #3: Be financially responsible and transparent.

PRIOR BOARD ACTION/DISCUSSION

At its December 9, 2013 meeting, the Board of Directors (Board) of Mesa Water District (Mesa Water®) adopted Resolution No. 1438 Travel and Business Expense Reimbursement Policy Superseding Resolution No. 1432. Key updates included revisions related to modified provisions of state law and further refining definitions related to travel areas, meal rates, authorized conference expenses, mileage, etc.

At its November 16, 2015 Finance meeting, the Board adopted Resolution No. 1467 Revising the Travel and Business Expense Reimbursement Policy Superseding Resolution No. 1438.

At its October 26, 2021 Committee meeting, the Board received an information item regarding the travel and business expense reimbursement policy.

DISCUSSION

The Travel and Business Expense Reimbursement Policy was last updated in November of 2015. Travel expenses such as lodging, meals, and incidental costs have seen a continual increase over the last six years due to inflation. There is concern whether the current reimbursement policy is sufficient to cover travel expenses.

Comparative agencies were looked at to determine the best way of calculating and reimbursing Directors and employees for travel and conference expenses. The comparative agencies use several different methods; two that were considered are as follows:

- Continue with cost category specific reimbursement, for example a dollar amount for meals per day. This would result in increasing each specific cost category separately, for example, full day meal expense would potentially increase from \$80/day to \$100/day. This would be done for each Travel and Business Expense Reimbursement Policy category.
- Another method would be to establish a flat dollar amount per day for reimbursements. An example would be \$650/day to cover lodging, meals, tips, and incidental expenses. The cost of registration and transportation would be separate from this total per day dollar amount.



Staff is recommending the following changes:

- This resolution will be reviewed by the Board at least once a year.
- **Maximum Per Diem Allowance** - all eligible expenses incurred while on District business will be reimbursed for an amount not to exceed \$650 per day. Registration and transportation is not counted as part of the per diem allowance.
- **Receipts** – are required for lodging and expenses of \$75 or more. For substantive expenses under \$75, the Director or employee is required to maintain an account book diary.
- **Eligible Expenses** – actual, necessary and reasonable expenses, including but not limited to meals, transportation, lodging, and other incidental expenses, incurred while on District business are reimbursable.
 - a. **Meals** – shall be for a reasonable amount, plus tip not to exceed 20%.
 - b. **Transportation** - actual cost incurred for mileage driven by personal vehicle, fully refundable round-trip airfare, other ground transportation or rental car is reimburseable.
 - c. **Lodging** – total cost including the room rate and taxes not to exceed the maximum per diem allowance per day.
 - d. **Incidental Expenses** – baggage handling, parking and cash tip are reimbursable.
- **Registration** – actual cost is paid by the District upon registration.
- Formatting and grammatical errors.

LEGAL REVIEW

Mesa Water’s Legal Counsel – Atkinson, Andelson, Loya, Ruud, and Romo – has reviewed the draft resolution and made minor grammatical and proper term changes. Legal Counsel had no substantive suggestions to the resolution.

FINANCIAL IMPACT

The cost for travel and business expense is budgeted each fiscal year, per department or in the staff development and conference expense of the Human Resources department.

ATTACHMENTS

- Attachment A: Draft Resolution No. 1552
- Attachment B: Resolution No. 1467, Redline

RESOLUTION NO. 1552

RESOLUTION OF THE MESA WATER DISTRICT BOARD OF DIRECTORS REVISING THE TRAVEL AND BUSINESS EXPENSE REIMBURSEMENT POLICY SUPERSEDING RESOLUTION NO. 1467

WHEREAS, Mesa Water District (Mesa Water® or District) is a county water district organized and operating pursuant to the laws of the State of California ((State or California); and

WHEREAS, the Board of Directors (Board or Directors) of Mesa Water desires to revise it's policy for the reimbursement of travel and business expense reimbursement for Directors and Mesa Water employees; and

WHEREAS, effective January 1, 2006, Government Code Section 53232.1(b) requires that local public agencies adopt a written policy specifying reimbursement amounts for expenses such as meals, transportation and lodging; and

WHEREAS, the Board desires to adopt an updated written policy to satisfy State requirements and to provide guidance to Directors and Mesa Water employees with respect to such requirements and procedures.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE MESA WATER DISTRICT DOES HEREBY RESOLVE, DETERMINE, AND ORDER AS FOLLOWS:

Section 1. This Resolution establishes a policy for the reimbursement of travel and business expenses to Directors and Mesa Water employees as set forth in Attachment A, which is attached hereto and made a part hereof by this reference (Policy).

Section 2. This Resolution is intended to (i) comply with the requirements of California Government Code Sections 53232.2 and 53232.3, (ii) supplement the definition of actual and necessary expenses for purposes of State law relating to permissible uses of public resources, and (iii) supplement the definition of necessary and reasonable expenses for purposes of federal and State income tax laws.

Section 3. Members of the Finance Committee will review and approve all expense reimbursements submitted by Directors and the General Manager. The Financial Services Department has final approval of expense reimbursements for Mesa Water employees.

Section 4. This Resolution supersedes Resolution No. 1467 and supersedes all prior Board actions and management policies and procedures regarding

reimbursement of travel and business expenses for Directors and Mesa Water employees.

Section 5. This Resolution shall be reviewed by the Board at least once a year.

Section 6. This Resolution shall take effect upon adoption by the Board.

ADOPTED, SIGNED, and APPROVED this 16th day of November 2021 by a roll call vote.

AYES: DIRECTORS:
NOES: DIRECTORS:
ABSTAIN: DIRECTORS:
ABSENT: DIRECTORS:

Marice H. DePasquale
President, Board of Directors

Denise Garcia
District Secretary

RESOLUTION NO. 1552

ATTACHMENT A

**RESOLUTION OF THE
MESA WATER DISTRICT BOARD OF DIRECTORS
REVISING THE TRAVEL AND
BUSINESS EXPENSE REIMBURSEMENT POLICY
SUPERSEDING RESOLUTION NO. 1467**

Travel and Business
Expense Reimbursement Policy

DRAFT

Mesa Water District Travel and Business Expense Reimbursement Policy

1. **Maximum Per Diem Allowance** – Mesa Water District (Mesa Water®) shall reimburse for all eligible expenses incurred while on District business, in accordance with this Policy, in an amount not to exceed \$650 per day, unless a greater amount is approved by the Finance Committee or General Manager due to special circumstances. Registration and transportation reimbursement shall not be counted as part of the per diem allowance.
2. **Receipts** – Consistent with Internal Revenue Service Regulations §1.274-5, *Substantiation Requirements*, receipts for expenditures are required for lodging and expenses of \$75 or more, and the Director or Mesa Water employee (employee) is required to maintain an account book diary, statement of expense or similar record to substantiate expenses under \$75. In order to obtain reimbursement for eligible expenses, an Expense Reimbursement Form, Attachment B, must be completed and submitted to the Finance Department.
3. **Eligible Expenses** – Directors and employees shall receive reimbursement for actual, necessary and reasonable expenses, including but not limited to meals, transportation, lodging, and other incidental expenses, incurred while on District business, as follows:

- Meals: Reimbursement for meals (Director/Director, Director/employee or employee/employee) is authorized when pertinent District business requires timely resolution and mealtime affords the most convenient manner to address agency business away from the normal work place. Reimbursement for meals shall be for a reasonable amount, plus tip not to exceed 20%.

In the event that a Director or employee is also paying the cost of meals for others in connection with the conduct of District business, in accordance with this policy, a maximum amount of \$100 per guest per day shall be authorized in addition to the maximum daily per diem of \$650.

- Transportation (personal vehicle): Reimbursement for travel by a personal vehicle for a total distance of 2,000 miles or less shall be for actual mileage driven, at then-current Internal Revenue Service standard mileage reimbursement rate, from point of departure to destination and return. Reimbursement for travel by personal vehicle for a total distance of 2,001 miles or more shall be, the lesser amount of:
 - 1) mileage reimbursement for actual mileage driven to point of destination and return, or
 - 2) the normal cost of fully refundable round-trip airfare to the airport nearest the destination, plus reasonable ground transportation that would otherwise have been required.

Mileage: Reimbursement rate per mile for use of personal vehicle (excluding employees who receive a monthly vehicle allowance) while on

official District business, will be automatically adjusted to the then-current Internal Revenue Service standard mileage rate.

- Transportation (by air): Reimbursement for travel by air shall be for the normal cost of fully refundable round-trip airfare to the nearest airport, plus reasonable ground transportation. Air transportation should be arranged as early as possible to take advantage of reduced fares for early reservations. The General Manager may approve certain travel enhancements such as upgraded programs on a case-by-case basis. Directors and employees shall use government and group rates offered by a provider of transportation services, when available.
- Transportation (other ground): Reimbursement for taxi, rideshare, rail, bus, or other reasonable ground transportation shall be for the actual cost plus tip not to exceed 20% and applicable taxes.
- Transportation (rental car): Reimbursement shall be for actual cost of the rental car, plus gasoline costs and necessary insurance. If a rental car is used in lieu of personal automobile, the amount shall be equal or less than the normal cost of a fully reimbursable round-trip airfare to the airport nearest the destination, plus reasonable ground transportation that would otherwise have been required. Directors and employees shall use government and group rates offered by a provider of transportation services, when available.
- Parking: Reimbursement authorized for actual cost.
- Toll Charges: Reimbursement authorized for actual cost.
- Hotel Lodging: Lodging costs for conferences and similar activities shall not exceed the maximum group rate published by the conference or activity sponsor, provided that lodging at the group rate is available to the Director or employee at the time of booking. If the group rate is not available, the Director/employee shall use comparable lodging that is consistent with this Policy. Directors and employees shall use government and group rates offered by a provider of lodging services, when available. Reimbursement not to exceed single room rate plus tax.

For out-of-county or out-of-State business travel that is conducted on more than one day, the Director/employee will have the option of securing one night's lodging at both the front-end and back-end of the trip.

For out-of-county business travel that requires multiple nonconsecutive days, if Director/employee are eligible to claim lodging for the first and last evenings of an out-of-county trip, they are also eligible to claim lodging for any evenings that fall in between the first and last evenings of the trip.

- Telephone/Internet Expenses: Reimbursement (authorized at actual cost) of all reasonable and necessary telephone expenses to conduct District business, including Internet services, while traveling on District business.
 - Baggage Handling: Reimbursement authorized for actual cost.
 - Registration Fees: Reimbursement authorized for actual cost.
4. **Ineligible Expenses** – Personal items, laundry, entertainment, alcoholic beverages, and spouse/companion expenses are not eligible for reimbursement.
5. **Reimbursement from Outside Source** – Directors/employees receiving reimbursement from an outside source for travel on Mesa Water time shall forward such reimbursement to the Financial Services Department for handling and deposit, if they intend on submitting a claim to Mesa Water or use its resources to travel. Directors/employees shall then be entitled to submit a claim for actual, ordinary and necessary expenses for meals, transportation, lodging, and incidental expenses, subject to the conditions set forth in this Policy.
6. **Authorization** –
- All travel outside of Orange County by employees, but within the State of California, requires advance authorization by the General Manager, department manager or his/her designee.
 - All out-of-State travel by employees requires advance written authorization by the General Manager.
 - All out-of-State travel by the General Manager requires authorization by the Board.
 - Authorization for travel by current members of the Board is subject to the guidelines established by the Board.
7. **Cancellations** – Arrangements for transportation, lodging or registration fees that have cancellation or change penalties shall be carefully monitored by the requesting department. If the cancellation/change occurs due to a personal request or obligations of the Director/employee, they will be required to pay the corresponding penalty, except when the Board of Directors, General Manager, or department manager determines that the reason for the absence was legitimate and authorized.

RESOLUTION NO. 1552

ATTACHMENT B

**RESOLUTION OF THE
MESA WATER DISTRICT BOARD OF DIRECTORS
REVISING THE TRAVEL AND
BUSINESS EXPENSE REIMBURSEMENT POLICY
SUPERSEDING RESOLUTION NO. 1467**

Expense Reimbursement Form



**YEAR | MESA WATER DISTRICT
EXPENSE REIMBURSEMENT FORM**

Name _____ Date(s) _____ GL Acct# _____

Event _____ City _____ State _____

Item	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Total Expenses
Meals								
Transportation								
Mileage: 0 ___ ¢ X Actual Miles								
Taxi/Rideshare								
Parking/Toll Charges								
Hotel Lodging								
Telephone/Internet								
Miscellaneous								
Other								
Registration Fees								
TOTALS								

SAMPLE

(DISTRICT USE ONLY)

Total Expenses _____ Total Expenses (attach receipts) _____

Expenses Prepaid: _____ Subtract Expenses Paid (e.g., by District credit card, Petty Cash, etc.) _____

Transportation: _____ **Amount Due** _____

Lodging: _____

Other: _____

Registration: _____

Total Cost: _____

Signature

Date

I attest that this expense claim is an accurate account of funds spent which were incurred by me for Mesa Water® business purposes.

RESOLUTION NO. 14671552

**RESOLUTION OF THE
MESA WATER DISTRICT BOARD OF DIRECTORS
~~ESTABLISHING A~~ **REVISING THE TRAVEL AND
BUSINESS EXPENSE REIMBURSEMENT POLICY
SUPERSEDING RESOLUTION NO. 14671438****

WHEREAS, ~~the~~ Mesa Water District (Mesa Water® or District) is a county water district organized and operating ~~according pursuant to the laws of the State of California~~ (~~Law~~(State or California)); and

WHEREAS, the Board of Directors (~~Board or~~ Directors) of ~~the~~ Mesa Water ~~District~~ desires to ~~revise it's adopt a~~ policy ~~relative to~~for the reimbursement of travel and business expense reimbursement for Directors and ~~Mesa Water~~ employees; and

WHEREAS, effective January 1, 2006, Government Code Section 53232.1(b) requires that local public agencies adopt a written policy specifying reimbursement amounts for expenses such as meals, transportation and lodging; and

WHEREAS, the Board desires to adopt an updated written policy to satisfy State requirements and to provide guidance to Directors and Mesa Water employees with respect to such requirements and procedures.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE MESA WATER DISTRICT DOES HEREBY RESOLVE, DETERMINE, AND ORDER AS FOLLOWS:

Section 1. This Resolution establishes a policy for the reimbursement of travel and business expenses to Directors and ~~Mesa Water~~ employees as set forth in Attachment A, ~~which is attached hereto and made a part hereof by this reference~~ (Policy).

Section 2. This Resolution is intended to (i) comply with the requirements of ~~California~~ Government Code Sections 53232.2 and 53232.3, (ii) ~~supplements~~~~supplements~~ the definition of actual and necessary expenses for purposes of ~~State~~~~state~~ law relating to permissible uses of public resources, and (iii) ~~supplements~~~~supplements~~ the definition of necessary and reasonable expenses for purposes of federal and ~~State~~~~state~~ income tax laws.

Section 3. ~~The Financial Services Department has final approval of expense reimbursements for employees and m~~Members of the Finance Committee will review and approve all expense reimbursements ~~submitted by~~~~from~~ Directors and the General Manager. The Financial Services Department has final approval of expense reimbursements for Mesa Water employees.

Section 4. This Resolution supersedes Resolution No. ~~1438~~—1467 and ~~supersedes~~~~rescinds~~ all prior Board actions and ~~Mesa Water~~ management policies and procedures regarding reimbursement of travel and business expenses for ~~Directors and Mesa Water~~ employees.

Section 5. This Resolution shall be reviewed by the Board at least once a year.

Section 6. This Resolution shall take effect upon adoption by the Board.

ADOPTED, SIGNED, and APPROVED this 16th day of November ~~2015~~ 2021 by a roll call vote.

AYES: _____ DIRECTORS: _____ ~~Atkinson, Temianka, Bockmiller, Dewane~~
NOES: _____ DIRECTORS: _____ ~~Fisler~~
ABSENT: _____ DIRECTORS: _____
ABSTAIN: _____ DIRECTORS: _____

==

Shawn Dewane
President, Board of Directors

Coleen L. Monteleone
District Secretary

AYES: DIRECTORS:
NOES: DIRECTORS:
ABSTAIN: DIRECTORS:
ABSENT: DIRECTORS:

Marice H. DePasquale
President, Board of Directors

Denise Garcia
District Secretary

RESOLUTION NO. **14671552**

ATTACHMENT A

RESOLUTION OF THE
MESA WATER DISTRICT BOARD OF DIRECTORS
ESTABLISHING AREVISING THE TRAVEL AND
BUSINESS EXPENSE REIMBURSEMENT POLICY
SUPERSEDING RESOLUTION NO. **14671438**

Travel and Business
Expense Reimbursement Policy

DRAFT

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2. **Receipts** – Consistent with Internal Revenue Service Regulations §1.274-5, *Substantiation Requirements*, receipts for expenditures are required for lodging and expenses of \$75 or more, and the Director or Mesa Water employee (employee) is required to maintain an account book diary, statement of expense or similar record to substantiate expenses under \$75. In order to obtain reimbursement for eligible expenses, an Expense Reimbursement Form, Attachment B, must be completed and submitted to the Finance Department.
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- Meals: Reimbursement for meals (Director/Director, Director/employee or employee/employee) is authorized when pertinent District business requires timely resolution and mealtime affords the most convenient manner to address agency business away from the normal work place. Reimbursement for meals shall be for a reasonable amount, plus tip not to exceed 20%.

In the event that a Director or employee is also paying the cost of meals for others in connection with the conduct of District business, in accordance with this policy, a maximum amount of \$100 per guest per day shall be authorized in addition to the maximum daily per diem of \$650.

- Transportation (personal vehicle): Reimbursement for travel by a personal vehicle for a total distance of 2,000 miles or less shall be for actual mileage driven, at then-current Internal Revenue Service standard mileage reimbursement rate, from point of departure to destination and return. Reimbursement for travel by personal vehicle for a total distance of 2,001 miles or more shall be, the lesser amount of:
 - 1) mileage reimbursement for actual mileage driven to point of destination and return, or
 - 2) the normal cost of fully refundable round-trip airfare to the airport nearest the destination, plus reasonable ground transportation that would otherwise have been required.

Mileage: Reimbursement rate per mile for use of personal vehicle (excluding employees who receive a monthly vehicle allowance) while on

official District business, will be automatically adjusted to the then-current Internal Revenue Service standard mileage rate.

- Transportation (by air): Reimbursement for travel by air shall be for the normal cost of fully refundable round-trip airfare to the nearest airport, plus reasonable ground transportation. Air transportation should be arranged as early as possible to take advantage of reduced fares for early reservations. The General Manager may approve certain travel enhancements such as upgraded programs on a case-by-case basis. Directors and employees shall use government and group rates offered by a provider of transportation services, when available.
- Transportation (other ground): Reimbursement for taxi, rideshare, rail, bus, or other reasonable ground transportation shall be for the actual cost plus tip not to exceed 20% and applicable taxes.
- Transportation (rental car): Reimbursement shall be for actual cost of the rental car, plus gasoline costs and necessary insurance. If a rental car is used in lieu of personal automobile, the amount shall be equal or less than the normal cost of a fully reimbursable round-trip airfare to the airport nearest the destination, plus reasonable ground transportation that would otherwise have been required. Directors and employees shall use government and group rates offered by a provider of transportation services, when available.
- Parking: Reimbursement authorized for actual cost.
- Toll Charges: Reimbursement authorized for actual cost.
- Hotel Lodging: Lodging costs for conferences and similar activities shall not exceed the maximum group rate published by the conference or activity sponsor, provided that lodging at the group rate is available to the Director or employee at the time of booking. If the group rate is not available, the Director/employee shall use comparable lodging that is consistent with this Policy. Directors and employees shall use government and group rates offered by a provider of lodging services, when available. Reimbursement not to exceed single room rate plus tax.

For out-of-county or out-of-State business travel that is conducted on more than one day, the Director/employee will have the option of securing one night's lodging at both the front-end and back-end of the trip.

For out-of-county business travel that requires multiple nonconsecutive days, if Director/employee are eligible to claim lodging for the first and last evenings of an out-of-county trip, they are also eligible to claim lodging for any evenings that fall in between the first and last evenings of the trip.

- Telephone/Internet Expenses: Reimbursement (authorized at actual cost) of all reasonable and necessary telephone expenses to conduct District business, including Internet services, while traveling on District business.
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 - Registration Fees: Reimbursement authorized for actual cost.
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5. **Reimbursement from Outside Source** – Directors/employees receiving reimbursement from an outside source for travel on Mesa Water time shall forward such reimbursement to the Financial Services Department for handling and deposit, if they intend on submitting a claim to Mesa Water or use its resources to travel. Directors/employees shall then be entitled to submit a claim for actual, ordinary and necessary expenses for meals, transportation, lodging, and incidental expenses, subject to the conditions set forth in this Policy.
6. **Authorization** –
- All travel outside of Orange County by employees, but within the State of California, requires advance authorization by the General Manager, department manager or his/her designee.
 - All out-of-State travel by employees requires advance written authorization by the General Manager.
 - All out-of-State travel by the General Manager requires authorization by the Board.
 - Authorization for travel by current members of the Board is subject to the guidelines established by the Board.
7. **Cancellations** – Arrangements for transportation, lodging or registration fees that have cancellation or change penalties shall be carefully monitored by the requesting department. If the cancellation/change occurs due to a personal request or obligations of the Director/employee, they will be required to pay the corresponding penalty, except when the Board of Directors, General Manager, or department manager determines that the reason for the absence was legitimate and authorized.

RESOLUTION NO. 1552

ATTACHMENT B

**RESOLUTION OF THE
MESA WATER DISTRICT BOARD OF DIRECTORS
REVISING THE TRAVEL AND
BUSINESS EXPENSE REIMBURSEMENT POLICY
SUPERSEDING RESOLUTION NO. 1467**

Expense Reimbursement Form

DRAFT



**YEAR | MESA WATER DISTRICT
EXPENSE REIMBURSEMENT FORM**

Name _____ Date(s) _____ GL Acct# _____
 Event _____ City _____ State _____

Item	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Total Expenses
Meals								
Transportation								
Mileage: 0 ___ ¢ X Actual Miles								
Taxi/Rideshare								
Parking/Toll Charges								
Hotel Lodging								
Telephone/Internet								
Miscellaneous								
Other								
Registration Fees								
TOTALS								

(DISTRICT USE ONLY)

Total Expenses _____
 Expenses Prepaid: _____
 Transportation: _____
 Lodging: _____
 Other: _____
 Registration: _____
 Total Cost: _____

Total Expenses (attach receipts) _____
 Subtract Expenses Paid (e.g., by District credit card, Petty Cash, etc.) _____
Amount Due _____

I attest that this expense claim is an accurate account of funds spent which were incurred by me for Mesa Water® business purposes.

 Signature Date



*Dedicated to
Satisfying our Community's
Water Needs*

MEMORANDUM

TO: Board of Directors
FROM: Denise Garcia, Administrative Services Manager
DATE: November 16, 2021
SUBJECT: Communications Equipment and Service Policy

RECOMMENDATION

Adopt Resolution No. 1553 Revising the Communications Equipment and Service Policy Superseding Resolution No. 1474.

STRATEGIC PLAN

Goal #3: Be financially responsible and transparent.

PRIOR BOARD ACTION/DISCUSSION

At its April 13, 2010 meeting, the Board of Directors (Board) adopted Resolution No. 1392 Communications Equipment and Service Policy.

At Its January 8, 2013 meeting, the Board approved the purchase or reimbursement of up to \$2000 for the purchase of an electronic device for each of the Directors.

At its March 14, 2013 meeting, the Board adopted Resolution No. 1430 Communications Equipment and Service Policy Superseding Resolution No. 1392.

At its June 9, 2016 meeting, the Board adopted Resolution No. 1474 Communications Equipment and Service Policy Superseding Resolution No. 1430.

DISCUSSION

Electronic communication is an essential component for the Board when conducting District business. The Board relies upon electronic communication with staff and other individuals and organizations to carry out their official duties. Content often ranges from a quick message to a lengthy document such as a contract for review. The most efficient means of delivering messages and documents is typically by e-mail or phone. In order for the Board to communicate by such means, it is beneficial for them to have electronic devices; printer/fax; and Internet, phone and/or fax line services.

Once elected or re-elected, Directors will have the opportunity to purchase their own communications equipment or have the District acquire a device(s) for their use. With either option, the Directors may request reimbursement for the service necessary for the business use of that equipment, including Internet, phone and/or fax line services, and supplies.

Staff is recommending the following changes:

- An increase in reimbursement from \$6,000 to \$10,000 over a 48-month (4-year) election term for Director-Owned Equipment/Service.
- An increase in reimbursement from \$4,800 to \$7,800 over a 48-month (4-year) election term for District-Owned Equipment/Service.
- Formatting and grammatical updates



FINANCIAL IMPACT

In Fiscal Year 2022, funds are budgeted for Directors' communications equipment and services in the Administrative Services Department budget.

Should the Board adopt Resolution No. 1553, the increase in Directors' communications equipment and services will be accounted for in future budgets.

ATTACHMENTS

Attachment A: Draft Resolution No. 1553

Attachment B: Resolution No. 1474, Redline

RESOLUTION NO. 1553

**RESOLUTION OF THE
MESA WATER DISTRICT BOARD OF DIRECTORS
REVISING THE COMMUNICATIONS
EQUIPMENT AND SERVICE POLICY
SUPERSEDING RESOLUTION NO. 1474**

WHEREAS, Mesa Water District (Mesa Water®) is a county water district organized and operating pursuant to the provisions of the laws of the State of California (State or California); and

WHEREAS, as a county water district, Mesa Water has the ability and authority to provide necessary administrative, technical and communications support for the Board of Directors (Board or Director).

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE MESA WATER DISTRICT DOES HEREBY RESOLVE, DETERMINE, AND ORDER AS FOLLOWS:

- Section 1.** Payments for electronic devices, Internet, phone and/or fax line services and supplies represent a reimbursement to Directors for expenditures made.
- Section 2.** Each individual charge of \$100 or above must be published with Mesa Water’s annual reimbursement statement policy per California Government Code 53065.5.
- Section 3.** Reporting provisions under Mesa Water’s existing Board policies for reimbursement declaration/publication requirements are applicable.
- Section 4.** Requests for reimbursement for such expenditures must be approved by the Finance Committee.

ADOPTED, SIGNED, and APPROVED this 16th day of November 2021 by a roll call vote.

AYES: DIRECTORS:
NOES: DIRECTORS:
ABSENT: DIRECTORS:
ABSTAIN: DIRECTORS:

Marice H. DePasquale
President, Board of Directors

Denise Garcia
District Secretary

APPENDIX A

RESOLUTION NO. 1553

RESOLUTION OF THE MESA WATER DISTRICT BOARD OF DIRECTORS REVISING THE COMMUNICATIONS EQUIPMENT AND SERVICE POLICY SUPERSEDING RESOLUTION NO. 1474

The Board of Directors relies upon electronic communication with Mesa Water District (District) employees and other individuals and organizations in conducting District business. The content often ranges from a quick message to a lengthy document such as a contract for review. The most efficient means of delivering messages and documents is typically by e-mail or phone. In order for the Directors to communicate by e-mail or phone, it is beneficial for them to have electronic devices, printer, phone, fax, and Internet, phone and/or fax line services.

Policy

1. As part of their official duties, Directors are encouraged to maintain a computer, phone, e-mail capability and a printer/fax machine.
2. Once elected or re-elected, Directors will have the opportunity to select either Option 1 or Option 2 as it relates to the Communications Equipment and Service Reimbursement Guideline (Attachment A).
 - Option 1: Director-Owned Equipment/Service, computes to a not-to-exceed total reimbursement of \$10,000 over a 48-month (4-year) election term. With this option, technical support will not be provided by the District.
 - Option 2: District-Owned Equipment/Service, computes to a not-to-exceed total reimbursement of \$7,800 over a 48-month (4-year) election term. With this option, technical support may be provided by the District.
3. This policy will be reviewed every three years for potential adjustment.

Procedure

1. Upon election, a Director may submit a "Communications Equipment and Service Request Form" (Request Form), Attachment A. A separate Request Form will be required for each term of office.
2. Once the Request Form has been processed, the Director may submit reimbursement claims on a monthly basis.

ATTACHMENT A

RESOLUTION NO. 1553

**RESOLUTION OF THE
MESA WATER DISTRICT BOARD OF DIRECTORS
REVISING THE COMMUNICATIONS
EQUIPMENT AND SERVICE POLICY
SUPERSEDING RESOLUTION NO. 1474**

Communications Equipment and Service Request Form
and Reimbursement Guideline

DRAFT

Communications Equipment and Service Request Form

Option 1: Director-Owned Equipment/Service

The Director will acquire the communications equipment. This arrangement allows for both business and personal use of the equipment; equipment remains the property of the Director. Technical support will not be provided by the District.

With Director-owned equipment, the District will provide reimbursement that will cover the purchase and/or business use of the individually purchased communications equipment and service. Reimbursements may total up to \$10,000 (see attached Reimbursement Guideline) over the 48-month (4-year) election term. It is understood that the reimbursement total is sufficient to cover the purchase and/or business use of the equipment/service, including Internet, phone and/or fax line service, and supplies.

Option 2: District-Owned Equipment/Service

The District will acquire the communications equipment and assign it to a specific Director. Personal business is allowable and shall comply with Internal Revenue Code regulations pertaining to "de minimis personal use." The equipment remains the property of the District. At the request of the District or at time of separation, the Director will return the equipment. Technical support may be provided by the District.

With District-owned equipment, the District will also provide reimbursement that will cover the service necessary for the business use of that equipment. Reimbursements may total up to \$7,800 (see attached Reimbursement Guideline) over the 48-month (4-year) election term. It is understood that the reimbursement total is sufficient to cover the business use of the service, including Internet, phone and/or fax line service, and supplies.

Director's Signature

Date

For Office Use only
Option 2 Equipment Issued

Model No./Type _____

Serial No.: _____

Issuer's Signature: _____

Date: _____

Communications Equipment and Service Reimbursement Guideline

Costs may be reimbursed in the manner the Director sees fit in order to conduct District business most efficiently and effectively. This Reimbursement Guideline covering Options 1 and 2 was derived using the following estimated costs over a 48-month (4-year) election term:

Option 1: Director-Owned Equipment/Service

Communications Equipment	Communications Services		
Including but not limited to devices, hardware, accessories, and business related software.	Internet Service Provider	Phone/Fax Line Service Provider	Printer/Fax Supplier
	Typical monthly charge averages \$100/month	Typical monthly charge averages \$100/month	Including but not limited to devices, accessories, paper and ink
Up to \$10,000 over a 48-month (4-year) election term			

Option 2: District-Owned Equipment/Service

Communications Equipment	Communications Services		
District will provide the device(s) necessary to best meet the Directors' needs in order to conduct matters of the Board of Directors most efficiently and effectively.	Internet Service Provider	Phone/Fax Line Service Provider	Printer/Fax Supplier
	Typical monthly charge averages \$100/month	Typical monthly charge averages \$100/month	Including but not limited to devices, accessories, paper and ink
Up to \$7,800 over a 48-month (4-year) election term			

RESOLUTION NO. 14741553

**RESOLUTION OF THE
MESA WATER DISTRICT BOARD OF DIRECTORS
REVISING THE COMMUNICATIONS
EQUIPMENT AND SERVICE POLICY
SUPERSEDING RESOLUTION NO. 14301474**

WHEREAS, ~~the~~ Mesa Water District (Mesa Water®) is a county water district organized and operating pursuant to the provisions of the laws according to of the State of California ~~Law~~(State or California); and

WHEREAS, as a county water district, Mesa Water has the ability and authority to provide necessary administrative, technical and communications support for ~~members of its~~the Board of Directors (Board or Director).

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE MESA WATER DISTRICT DOES HEREBY RESOLVE, DETERMINE, AND ORDER AS FOLLOWS:

Section 1. Payments for electronic devices, Internet, phone and/or fax line services and supplies ~~and similar~~ represent a reimbursement to ~~Board members~~Directors for expenditures made.

Section 2. Each individual charge of \$100 or above must be published with Mesa Water’s annual reimbursement statement policy per California Government Code 53065.5.

Section 3. Reporting provisions under Mesa Water’s existing Board policies for reimbursement declaration/publication requirements are applicable.

Section 4. Requests for reimbursement for such expenditures must be approved by the Finance Committee.

ADOPTED, SIGNED, and APPROVED this ~~9th-16th~~ day of ~~June-2016~~November 2021 by a roll call vote.

AYES: DIRECTORS: ~~Atkinson, Bockmiller, Fidler, Temianka, Dewane~~
NOES: DIRECTORS:
ABSENT: DIRECTORS:
ABSTAIN: DIRECTORS:

~~Shawn Dewane~~Marice H. DePasquale
President, Board of Directors

~~Coleen L. Monteleone~~Denise Garcia

District Secretary

DRAFT

APPENDIX A

RESOLUTION NO. ~~14741553~~

RESOLUTION OF THE MESA WATER DISTRICT BOARD OF DIRECTORS **REVISING THE COMMUNICATIONS EQUIPMENT AND SERVICE POLICY** SUPERSEDING RESOLUTION NO. ~~14301474~~

The Board of Directors relies upon electronic communication with ~~staff~~ **Mesa Water District (District) employees** and other individuals and organizations in conducting District business. The content often ranges from a quick message to a lengthy document such as a contract for review. The most efficient means of delivering messages and documents is typically by e-mail or ~~fax~~ **phone**. In order for the Directors to communicate by e-mail or ~~fax~~ **phone**, it is beneficial for them to have electronic devices, printer, ~~phone~~ **phone**, ~~fax~~ **phone**, and Internet, ~~phone~~ **phone** and/or fax line services.

Policy

1. As part of their official duties, Directors are encouraged to maintain a computer, ~~phone~~ **phone**, e-mail capability and a printer/fax machine.
 2. Once elected or re-elected, Directors will have the opportunity to select either Option 1 or Option 2 as it relates to the Communications Equipment and Service Reimbursement Guideline (~~Exhibit Attachment A, attached~~).
 - ~~3.~~ • Option 1: Director-Owned Equipment/Service, computes to a not-to-exceed total reimbursement of ~~\$6,000~~ **10,000** over a 48-month (4-year) election term. With this option, technical support will not be provided by the District.
 - ~~4.~~ — Option 2: District-Owned Equipment/Service, computes to a not-to-exceed total reimbursement of ~~\$4,800~~ **7,800** over a 48-month (4-year) election term. With this option, technical support may be provided by the District.
- ~~53.~~ This policy will be reviewed every three years for potential adjustment.

Procedure

1. Upon election, a Director may submit ~~to staff~~ a "Communications Equipment and Service Request Form" (Request Form), ~~Exhibit Attachment A, attached~~. A separate Request Form will be required for each term of office.
2. Once the Request Form has been processed, the Director may submit reimbursement claims on a monthly basis.

~~EXHIBIT-ATTACHMENT A~~

RESOLUTION NO. 14741553

**RESOLUTION OF THE
MESA WATER DISTRICT BOARD OF DIRECTORS
REVISING THE COMMUNICATIONS
EQUIPMENT AND SERVICE POLICY
SUPERSEDING RESOLUTION NO. 14301474**

Communications Equipment and Service Request Form
and Reimbursement Guideline

DRAFT

Communications Equipment and Service Request Form

Option 1: Director-Owned Equipment/Service

The Director will acquire the communications equipment. This arrangement allows for both business and personal use of the equipment; equipment remains the property of the Director. Technical support will not be provided by the District.

With Director-owned equipment, the District will provide reimbursement that will cover the purchase and/or business use of the individually purchased communications equipment and service. Reimbursements may total up to ~~\$6,000~~10,000 (see attached Reimbursement Guideline) over the 48-month (4-year) election term. It is understood that the reimbursement total is sufficient to cover the purchase and/or business use of the equipment/service, including Internet, phone and/or fax line service, and supplies.

Option 2: District-Owned Equipment/Service

The District will acquire the communications equipment and assign it to a specific Director. Personal business is allowable and shall comply with Internal Revenue Code regulations pertaining to "de minimis personal use." ~~This option is also subject to the California Public Records Act, which requires the disclosure of specified public records. In response to a request, it may be necessary to examine communications that users may consider personal to determine whether they are public records subject to disclosure.~~ The equipment remains the property of the District. At the request of the District or at time of separation, the Director will return the equipment. Technical support may be provided by the District.

With District-owned equipment, the District will also provide reimbursement that will cover the service necessary for the business use of that equipment. Reimbursements may total up to ~~\$4,800~~7,800 (see attached Reimbursement Guideline) over the 48-month (4-year) election term. It is understood that the reimbursement total is sufficient to cover the business use of the service, including Internet, phone and/or fax line service, and supplies.

Director's Signature

Date

For Office Use only
Option 2 Equipment Issued

Model No./Type _____

Serial No.: _____

Issuer's Signature: _____

Date: _____

Communications Equipment and Service Reimbursement Guideline

Costs may be reimbursed in the manner the Director sees fit in order to conduct District business most efficiently and effectively. This Reimbursement Guideline covering Options 1 and 2 was derived using the following estimated costs over a 48-month (4-year) election term:

Option 1: Director-Owned Equipment/Service

Communications Equipment	Communications Services		
Including but not limited to devices, hardware, accessories, and business related software.	Internet Service Provider	Phone/Fax Line Service Provider	Printer/Fax Supplier
	Typical monthly charge averages \$55100/month	Typical monthly charge averages \$35100/month	Including but not limited to devices, accessories, paper and ink
Up to \$6,00010,000 over a 48-month (4-year) election term			

Option 2: District-Owned Equipment/Service

Communications Equipment	Communications Services		
District will provide the device(s) necessary to best meet the Directors' needs in order to conduct matters of the Board of Directors most efficiently and effectively.	Internet Service Provider	Phone/Fax Line Service Provider	Printer/Fax Supplier
	Typical monthly charge averages \$55100/month	Typical monthly charge averages \$35100/month	Including but not limited to devices, accessories, paper and ink
Up to \$4,8007,800 over a 48-month (4-year) election term			

DRAFT



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Water Needs*

MEMORANDUM

TO: Board of Directors
FROM: Stacy Taylor, Water Policy Manager
DATE: November 16, 2021
SUBJECT: Department of Water Resources 2021 Urban and Multibenefit Drought Relief Grant Program

RECOMMENDATION

- a. Adopt Resolution No. 1554 Authorizing the Grant Application, Acceptance, and Execution for the Mesa Water Drought-Resilient Water Supply Project; and,
- b. Adopt Resolution No. 1555 Authorizing the Grant Application, Acceptance, and Execution for the Mesa Water Drought-Resilient Water Storage Project

STRATEGIC PLAN

- Goal #1: Provide a safe, abundant, and reliable water supply.
- Goal #2: Practice perpetual infrastructure renewal and improvement.
- Goal #3: Be financially responsible and transparent.
- Goal #4: Increase public awareness about Mesa Water and about water.
- Goal #7: Actively participate in regional and statewide water issues.

PRIOR BOARD ACTION/DISCUSSION

None.

DISCUSSION

The Department of Water Resources (DWR) is accepting applications to distribute \$200MM in funding through the [Urban and Multibenefit Drought Relief Grant Program](#). Funding -- at a minimum of \$2MM per application, with no maximum -- is available for public agencies, public utilities, special districts, non-profit organizations, mutual water companies, tribes, colleges, and regional water management groups.

DWR will be evaluating applications and making awards on a phased schedule. Each phase will award a portion of the funding available. Applications submitted by November 19, 2021 will be considered for the first batch of awards. Applications that are not awarded in the first phase and new applications submitted between November 20 and December 17, 2021 will be considered for the second phase of awards. Dates for subsequent phases will be announced later.

Mesa Water District (Mesa Water®) will submit applications by the November 19 deadline for the:

1. Drought-Resilient Water Supply Project (Chandler and Croddy Wells plus infrastructure connecting the two new wells to Mesa Water's system); and,
2. Drought-Resilient Water Storage Project (improvements to both reservoirs to maximize storage capacity).

In order for the applications to be considered, a resolution must be adopted by the applicant's governing body authorizing the application for a grant under this program, designating a representative to sign the application and, in the event of an award of grant funds, authorizing a representative to execute the funding agreement and all necessary documentation. Attached are



two draft resolutions for the Board's consideration and potential adoption.

FINANCIAL IMPACT

None.

ATTACHMENTS

Attachment A: Draft Resolution No. 1554

Attachment B: Draft Resolution No. 1555

RESOLUTION NO. 1554

RESOLUTION OF THE MESA WATER DISTRICT BOARD OF DIRECTORS AUTHORIZING THE GRANT APPLICATION, ACCEPTANCE, AND EXECUTION FOR THE MESA WATER DROUGHT-RESILIENT WATER SUPPLY PROJECT

WHEREAS, Mesa Water District (Mesa Water®) is a county water district organized and operating pursuant to the provisions of the laws of the State of California (State or California); and

WHEREAS, Mesa Water proposes to implement the Mesa Water Drought- Resilient Water Supply Project; and

WHEREAS, Mesa Water has the legal authority and is authorized to enter into a funding agreement with the State of California; and

WHEREAS, Mesa Water intends to apply for grant funding from the California Department of Water Resources for the Mesa Water Drought-Resilient Water Supply Project.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE MESA WATER DISTRICT DOES HEREBY RESOLVE, DETERMINE, AND ORDER AS FOLLOWS:

Section 1. That pursuant and subject to all of the terms and provisions of Budget Act of 2021 (Stats. 2021, ch. 240, § 80), Mesa Water's General Manager (General Manager), or designee, is hereby authorized and directed to prepare and file an application for funding with the California Department of Water Resources, and take such actions necessary or appropriate to obtain grant funding.

Section 2. The General Manager, or designee, is hereby authorized and directed to execute the funding agreement with the California Department of Water Resources and any amendments thereto.

Section 3. The General Manager, or designee, is hereby authorized and directed to submit any required documents, invoices, and reports to obtain grant funding.

ADOPTED, SIGNED, and APPROVED this 16th day of November 2021 by a roll call vote.

AYES: DIRECTORS:
NOES: DIRECTORS:
ABSTAIN: DIRECTORS:
ABSENT: DIRECTORS:

Marice H. DePasquale
President, Board of Directors

Denise Garcia
District Secretary

DRAFT

State of California
County of Orange

I, Denise Garcia, District Secretary of the Board of Directors of the Mesa Water District, do hereby certify that the foregoing Resolution No. 1554 was duly passed and adopted by the Board of Directors of the Mesa Water District at its Board meeting held on November 16, 2021 by the following vote:

AYES:	DIRECTORS:
NOES:	DIRECTORS:
ABSENT:	DIRECTORS:
ABSTAIN:	DIRECTORS:

Denise Garcia
District Secretary

DRAFT

RESOLUTION NO. 1555

RESOLUTION OF THE MESA WATER DISTRICT BOARD OF DIRECTORS AUTHORIZING THE GRANT APPLICATION, ACCEPTANCE, AND EXECUTION FOR THE MESA WATER DROUGHT-RESILIENT WATER STORAGE PROJECT

WHEREAS, Mesa Water District (Mesa Water®) is a county water district organized and operating pursuant to the provisions of the laws of the State of California (State or California); and

WHEREAS, Mesa Water proposes to implement the Mesa Water Drought-Resilient Storage Project; and

WHEREAS, Mesa Water has the legal authority and is authorized to enter into a funding agreement with the State of California; and

WHEREAS, Mesa Water intends to apply for grant funding from the California Department of Water Resources for the Mesa Water Drought-Resilient Storage Project.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE MESA WATER DISTRICT DOES HEREBY RESOLVE, DETERMINE, AND ORDER AS FOLLOWS:

Section 1. That pursuant and subject to all of the terms and provisions of Budget Act of 2021 (Stats. 2021, ch. 240, § 80), Mesa Water's General Manager (General Manager), or designee, is hereby authorized and directed to prepare and file an application for funding with the California Department of Water Resources, and take such actions necessary or appropriate to obtain grant funding.

Section 2. The General Manager, or designee, is hereby authorized and directed to execute the funding agreement with the California Department of Water Resources and any amendments thereto.

Section 3. The General Manager, or designee, is hereby authorized and directed to submit any required documents, invoices, and reports to obtain grant funding.

ADOPTED, SIGNED, and APPROVED this 16th day of November 2021 by a roll call vote.

AYES: DIRECTORS:
NOES: DIRECTORS:
ABSTAIN: DIRECTORS:
ABSENT: DIRECTORS:

Marice H. DePasquale
President, Board of Directors

Denise Garcia
District Secretary

DRAFT

State of California
County of Orange

I, Denise Garcia, District Secretary of the Board of Directors of the Mesa Water District, do hereby certify that the foregoing Resolution No. 1555 was duly passed and adopted by the Board of Directors of the Mesa Water District at its Board meeting held on November 16, 2021 by the following vote:

AYES: DIRECTORS:
NOES: DIRECTORS:
ABSENT: DIRECTORS:
ABSTAIN: DIRECTORS:

Denise Garcia
District Secretary

DRAFT

REPORTS:

17. REPORT OF THE GENERAL MANAGER

REPORTS:

18. DIRECTORS' REPORTS AND COMMENTS



*Dedicated to
Satisfying our Community's
Water Needs*

MEMORANDUM

TO: Board of Directors
FROM: Marwan Khalifa, CPA, MBA, Chief Financial Officer
DATE: November 16, 2021
SUBJECT: Fiscal Year 2021 Annual Reimbursement Report

RECOMMENDATION

Receive and file the Fiscal Year 2021 Annual Reimbursement Report (California Government Code 53065.5) for the period of July 1, 2020 through June 30, 2021.

STRATEGIC PLAN

Goal #3: Be financially responsible and transparent.

PRIOR BOARD ACTION/DISCUSSION

None.

DISCUSSION

California Government Code Section 53065.5 requires all Special Districts to disclose any reimbursements of one hundred dollars (\$100) or more for each individual charge for services or products received paid to Board members and staff within the preceding fiscal year. The individual charge can include, but is not limited to: tuition, certification or license reimbursement; meals, lodging, and transportation reimbursement; or registration fees reimbursement. The disclosure requirement is fulfilled by including the reimbursement information in a document published or printed at least annually and shall be made available for public inspection.

Staff has reviewed all Director and employee reimbursements for the time period of July 1, 2020 through June 30, 2021 (Fiscal Year 2021) and has identified those reimbursements where a single item met or exceeded the \$100 threshold. The annual reimbursement report is attached.

FINANCIAL IMPACT

None.

ATTACHMENTS

Attachment A: Fiscal Year 2021 Annual Reimbursement Report

FISCAL YEAR 2021 ANNUAL REIMBURSEMENT REPORT PER CA GOVERNMENT CODE SECION 53065.5

NAME	DATE	DESCRIPTION	AMOUNT
KYLE BARKER	7/6/2020	SAFETY BOOTS REIMBURSEMENT	200.00
ALEX HRADECKY	7/14/2020	SAFETY SHOES REIMBURSEMENT	200.00
SHANE KEMP	7/14/2020	CA-NV AWWA GRADE 3	120.00
DUSTIN BURNSIDE	8/31/2020	TUITON REIMBURSEMENT	1,280.63
TYLER JERNIGAN	9/13/2020	SAFETY SHOES	200.00
JASON LANGLOIS	10/1/2020	PPE 08/28	772.05
RICHARD KOVACEVIC	10/13/2020	SAFETY SHOES	200.00
DUSTIN BURNSIDE	10/15/2020	TUITION REIMBURSEMENT	1,313.99
STEPHEN HERSHEY	10/21/2020	SAFETY GLASSES	509.00
ALONZO ALATORRE	11/1/2020	CERT REIMBURSEMENT	115.57
DUSTIN BURNSIDE	11/19/2020	TUITION REIMBURSEMENT	1,323.75
TREVOR HAGEN	12/2/2020	PAYMENT	396.47
JENNIFER REYES	12/2/2020	WATER QUALITY CERT REIMBURSMNT	280.00
ANTHONY OCAMPO	12/9/2020	CERTIFICATION	100.00
BOB MITCHELL	12/9/2020	CERTIFICATION	100.00
JAMAR OGAN	12/9/2020	CERTIFICATION	300.00
JASON LANGLOIS	12/9/2020	CERTIFICATION	200.00
JONATHAN ADAME	12/9/2020	CERTIFICATION	100.00
KARYN IGAR	12/9/2020	CERTIFICATION	100.00
TRACY MANNING	12/9/2020	CERTIFICATION	500.00
TREVOR HAGEN	12/9/2020	CERTIFICATION	100.00
ALEX HRADECKY	12/9/2020	CERTIFICATION	200.00
ALONZO ALATORRE	12/9/2020	CERTIFICATION	200.00
DUSTIN BURNSIDE	12/9/2020	CERTIFICATION	100.00
JENNIFER REYES	12/9/2020	CERTIFICATION	300.00
JUSTIN FINCH	12/9/2020	CERTIFICATION	100.00
KAYING LEE	12/9/2020	CERTIFICATION	400.00
STEPHEN HERSHEY	12/9/2020	CERTIFICATION	200.00
TYLER JERNIGAN	12/9/2020	CERTIFICATION	500.00
JAMES VALENCIA	12/9/2020	CERTIFICATION	100.00
SHANE KEMP	12/9/2020	CERTIFICATION	200.00

KEVIN HANSON	12/9/2020	CERTIFICATION	200.00
NATHAN BYLSMA	12/9/2020	CERTIFICATION	100.00
DUSTIN BURNSIDE	12/9/2020	TUITION REIMBURSEMENT	1,248.75
KYLE BARKER	12/16/2020	TUITION REIMBURSEMENT	399.56
TYLER JERNIGAN	12/17/2020	TUITION REIMBURSEMENT	169.00
JENNIFER REYES	1/7/2021	CERTIFICATE REIMBURSEMENT	237.00
JAMES VALENCIA	1/19/2021	TUITION REIMBURSEMENT	500.99
TRACY MANNING	1/20/2021	REIMBURSEMENT-SUPPLIES	232.69
DUSTIN BURNSIDE	1/26/2021	CERTIFICATE REIMBURSEMENT	160.00
DUSTIN BURNSIDE	1/29/2021	CERTIFICATE REIMBURSEMENT	404.00
KYLE BARKER	2/2/2021	TUITION REIMBURSEMENT	227.54
DUSTIN BURNSIDE	2/10/2021	TUITION REIMBURSEMENT	1,248.75
STEPHEN HERSHEY	3/3/2021	CERT REIMBRUSEMENT - D4	105.00
DUSTIN BURNSIDE	3/31/2021	TUITION REIMBURSEMENT	1,318.75
DUSTIN BURNSIDE	3/31/2021	TUITION REIMBURSEMENT	1,277.22
TODD GARD	4/14/2021	REIMBURSEMENT	250.00
DUSTIN BURNSIDE	5/5/2021	TUITION REIMBURSEMENT	1,304.17
KAYING LEE	5/14/2021	EXPENSE REIMBURSEMENT	276.97
MARWAN KHALIFA	5/26/2021	EXPENSE REIMBURSEMENT	1,309.00
TYLER JERNIGAN	6/15/2021	TUITION REIMBURSEMENT	169.00
TYLER JERNIGAN	6/15/2021	TUITION REIMBURSEMENT	169.00
KYLE BARKER	6/15/2021	TUITION REIMBURSEMENT	518.47
JAMES VALENCIA	6/15/2021	TUITION REIMBURSEMENT	352.99
MARY CHAMBERS	6/22/2021	EXPENSE REIMBURSEMENT	174.06
DUSTIN BURNSIDE	6/28/2021	TUITION REIMBURSEMENT	1,310.69
			24,375.06

There are no support materials for this item.

CLOSED SESSION:

21. PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 54957.6:
PUBLIC EMPLOYEE PERFORMANCE EVALUATION
TITLE: GENERAL MANAGER



*Dedicated to
Satisfying our Community's
Water Needs*

MEMORANDUM

TO: Board of Directors
FROM: Denise Garcia, Administrative Services Manager
DATE: November 16, 2021
SUBJECT: Annual Performance Evaluation for the General Manager

RECOMMENDATION

Take action as the Board desires.

STRATEGIC PLAN

- Goal #1: Provide a safe, abundant, and reliable water supply.
- Goal #2: Practice perpetual infrastructure renewal and improvement.
- Goal #3: Be financially responsible and transparent.
- Goal #4: Increase public awareness about Mesa Water and about water.
- Goal #5: Attract and retain skilled employees.
- Goal #6: Provide outstanding customer service.
- Goal #7: Actively participate in regional and statewide water issues.

PRIOR BOARD ACTION/DISCUSSION

None.

DISCUSSION

At its November 16, 2021 Committee meeting, the Mesa Water District (Mesa Water®) Board of Directors (Board) will review and discuss, in Closed Session, the General Manager's Employment Agreement and potential compensation changes. State law requires that subsequent Open Session announcement of such items be made at a regular or adjourned regular meeting of the Board; action may or may not take place at the adjourned regular Board meeting of November 16, 2021.

FINANCIAL IMPACT

There is no financial impact for the discussion of this item unless action is taken by the Board.

ATTACHMENTS

None.