



BELLA VISTA WATER DISTRICT

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COST BASED RATE STUDY

ANALYSIS AND RECOMMENDATIONS

February 26, 2010

TABLE OF CONTENTS

1. Purpose and Scope	1
2. Assumptions	2
3. Methodology	3
4. Expenses	4
5. Revenues	7
6. Conclusions and Recommendations	8
7. Bibliography	11

TABLES

Table 1	Active Accounts and Meter Size Equivalents
Table 2a	Extraordinary Operations, Maintenance and Replacement 20-Year Projection – Facilities
Table 2b	Extraordinary Operations, Maintenance and Replacement 20-Year Projection – Pipelines
Table 2c	Maintenance and Replacement 20-Year Projection - Vehicles and Equipment
Table 3	Distribution of Expenses
Table 4	Resulting Water Rates
Table 5	Proposed Bimonthly Rates for Private Fire Protection Services
Table 6	Proposed Water Rates

1. PURPOSE AND SCOPE

State law requires public agencies such as Bella Vista Water District to set rates and charges sufficient to fund operations and maintenance expenses, replacement of capital facilities and long-term debt obligations. In general, rates should be stable in their ability to provide adequate revenues to meet the District's financial, operating and regulatory requirements. To comply with these requirements, the District's Financial Policy and to achieve a balanced budget over the next several fiscal years, the District is proposing revisions to existing water rates that would take effect on May 1, 2010 (see tables for details). Water rate adjustments being considered will become effective May 1, 2010. The District bills water service bimonthly (every two months) for water used during the two months prior to the billing date. A water bill dated May 1 is for water used during March and April.

The American Water Works Association Subcommittee on Rates and Charges recommends that the costs of providing water should be recovered from classes of customers in proportion to the cost of serving those customers. In others words, rates should be cost based. The purpose of this rate study is to review the District's water rates to ensure that the rates are fair, equitable and, in fact cost based. If rates are fair, equitable and cost based, ensuring that each customer class pays their own way based on the cost of providing the service, they will be perceived as fair and appropriate. The basic premise in establishing adequate rate structures that are equitable to different customer classes is that rates should reflect the true cost of providing water service.

Water rates should be designed to provide adequate revenue to meet the District's financial obligations including operations and maintenance, extraordinary maintenance and capital replacement, debt-service obligations and to maintain an adequate reserve. This rate study analysis determines the appropriate water rates for the various customer classes and determines the revenue requirements to meet expenses. On February 10, 1998, the Bella Vista Water District's Board of Directors adopted a financial policy to assure the financial viability of the District and to make rates equitable. The policy states, in part:

- Rates shall be fair, equitable and cost based.
- The Board of Directors shall review and adjust rates annually.
- The District shall prepare a cost based rate study at least every five years to determine rates.

The last cost based rate study was adopted by the Board of Directors on December 27, 2004. The last five years have been marked by historically high energy and fuel prices along with substantial increases for raw materials, equipment, labor and related costs. This current study was reviewed and presented to the Board's Finance and Audit Committee and at the District's regular meeting of the Board of Directors on February 22, 2010.

The scope of this study includes an analysis of District expenses and revenues for the development of base rates, commodity and tiered commodity rates, fire protection service rates and Water Treatment Improvement Project rates within the District. The analysis does not include a review of Capital Improvement Fees used for debt service or to expand and improve the water system to accommodate new growth. Capital Improvement Fees were established, by zone, in conjunction with the District's 2005 Master Plan and are indexed annually by the Construction Cost Index from the Engineering News Record to reflect changes in construction costs. Additionally, this study does not evaluate or include fees and charges resulting from a customer's request for service or actions such as plan check fees,

reconnection fees, etc. Fee for service items are included in the District's Policy Manual as "Exhibit A", and are evaluated and revised at least annually. Rates charged by the U.S. Bureau of Reclamation (USBR) for water purchased from the Central Valley Project (CVP) are considered wholesale purchased water costs. USBR's rate setting methodology for the CVP is complex and largely beyond the scope of this study with the exception of annual and accumulating deficits. .

2. ASSUMPTIONS

The analysis of rates requires several assumptions. Those fundamental to this study are summarized as follows:

- a. Expenses - Current and projected expenses are representative of annual routine operations and maintenance expenses.
- b. Extraordinary Operations, Maintenance and Replacement - Expenses associated with facilities, pipeline replacement and vehicle and equipment replacement has been projected using a 20-year planning horizon to determine the average annualized expense. It is anticipated that some years will require borrowing of contingency reserves or financing whenever the cumulative expenses exceed the fund balance. These projections are based on present value expense projections and do not include an inflation factor, expenses for financing or forgone interest earnings (See Tables 2a, 2b and 2c).
- c. Central Valley Project Water Supply – Reduced water supply allocations and shortages from the CVP have occurred in the past and are continuing to occur due to many factors including increased statewide competition for water resources, judicial decisions and regulatory actions. CVP water supply is likely to become increasingly unreliable with greater and more frequent, perhaps chronic, shortages in the future. Therefore, it will likely remain necessary to pursue more expensive supplemental water sources in shortage years to augment supply. This analysis assumes typical, unconstrained, water deliveries. In shortage years, additional expenses are addressed pursuant the District's water shortage contingency plan and drought surcharges.
- d. Long-term Supplemental Water Purchase - The District has entered in to an agreement for the long-term purchase and transfer of USBR Project Water from the Anderson-Cottonwood Irrigation District (ACID) for 1,536 acre-feet of water annually, subject to shortage provisions. The water must be purchased annually for the term of the agreement and includes USBR charges plus administrative charges paid to ACID. It is assumed that the entire quantity of water from ACID will be purchased and delivered for municipal and industrial (M&I) purposes every year and therefore all associated expenses have been allocated to the "M&I only" category.
- e. Ability to Pay Relief - The District presently qualifies for ability to pay relief for Irrigation Water purchased from the USBR. Continued eligibility is determined by an "Ability to Pay Study," which is a detailed economic analysis of farm expenses and net income, which is supposed to be prepared every five years. The last study expired in February 2005. An updated study by the USBR is long overdue. Any conclusion other than eligibility for full repayment relief will result in increased rates for wholesale Irrigation Water including possible retroactive charges.

- f. Special Assessment Revenue - has been estimated based on a past 5-year average basis. Assessed valuations have declined significantly in Shasta County over the past two years. It is believed that the 5-year average is a reasonable estimate over the term of this study.
- g. County Tax Pool Revenue – has been estimated based on the past 5-year average, without excluding the loss of local tax revenue commonly referred to as "ERAF". The second ERAF shift was enacted in 2004 and lasted for two state budget cycles (2004-2005 and 2005-2006) and took approximately \$900,000 of revenue from the District. Voters approved Proposition 1A in 2004 to protect local property tax revenues from further shifts. Prop 1A allows the state to “borrow” local property tax revenues during a fiscal emergency but requires the funds to be repaid with interest within three years. The measure caps the amount the state may borrow at 8% of total property tax revenues. It is believed that a 5-year average is a reasonable estimate over the term of this study.
- h. Staffing - The study assumes a staff of 28 full-time equivalent employees.
- i. Charges for Special Services – Charges for items such as fire hydrants, backflow devices and their installation are directly charged to the customers requesting special services at rates to fully recover the District’s expenses. Such charges are reviewed annually by the Board of Directors and are not included in this rate study.
- j. Recycle Pump Station Funding - It is assumed that an inter-fund loan from the Contingency Fund will be utilized to finance the remaining costs of the planned recycle pump station project. The project, which will recycle filter effluent, is required to comply with the State Water Board’s recent cease and desist order and to avoid mandatory penalties in the future. Repayment of the inter-fund loan will be from the annual routine operations and maintenance budget over five years.
- k. Debt Service - It is assumed that an inter-fund loan from the Contingency Fund will be utilized to meet the District’s COP refunding debt service obligation in the event the Capital Improvement Fund is depleted as a result of declining new connections and capital improvement funds.

3. METHODOLOGY

The analysis is based on a commodity demand methodology, whereby costs of service are separated into primary cost components and expenses are allocated to various expense categories and subcategories. Similarly, revenues are evaluated by source and allocated to offset expenses for the various categories and subcategories. The resulting revenue requirement must be derived from rates. Expenses are assigned to one of three categories: volume, capacity, and number of accounts (See Figure 1). Expenses allocated to volume include most operating expenses such as the operation of the District’s water sources, water treatment facilities, pumping stations, and water distribution facilities. Capacity allocated expenses include most of the District’s maintenance expenses including the cost to maintain all of the District’s facilities, pipelines, water services, meters, vehicles, tools and equipment. Most of the District’s administrative costs including billing, customer service, regulatory compliance and safety programs are assigned on a per account, or unitary basis.

Within each of these categories expenses are further allocated to either “all” customer classifications or to Irrigation or municipal and industrial (M&I) classes only (See Figures 2, 3, 4). The majority of costs are allocated to “All”. Specific costs attributable to only one customer class are assigned accordingly. For example, costs for Irrigation water purchased from the USBR are assigned to the Irrigation customer class only. Similarly, costs for M&I water are assigned to the M&I customer class only. Water treatment costs are assigned primarily to M&I users with Irrigation customers being charged in proportion to the benefit received for the treatment of water used for domestic purposes (approximately 450 gallons per day or 1/2 an acre foot per year).

The resulting “volume” expense totals are divided by the projected amount of water delivered to determine the cost per unit of water. “Capacity” expenses are divided by the total number of meter size equivalent (MSE) units to determine the cost per MSE. The “per account” or unitary expenses are divided by the number of accounts to determine the per account cost.

Charges for fire protection services are designed to recover the District’s costs for reading the meter, billing, maintenance of the service and providing the water delivery capacity required for the fire service. Recognizing that these services are normally used infrequently the base rate for Fire Service Meters was set at 1/3 of the bimonthly base rate for a similarly sized M&I meter.

As required by the District’s Water Service Contract with the USBR and the District’s Water Conservation Plan, the District’s current water rates include a tiered rate structure. Water usage above that required for efficient municipal or irrigation use is charged at a higher rate. The current and proposed rates include three tiers. The first tier of water for residential and commercial customers is based on the irrigation of up to 1/6 acre of land while the rates for the remaining user classes is based on the actual acreage of the parcel. The water rate for the first tier is that calculated by this study as described above. The rate for the second tier is 20 percent higher than the first tier. The rate for the third tier is 40 percent higher than the first tier.

4. EXPENSES

The District obtains the vast majority of its water supply through a Water Service Contract with the USBR, Contract No. 14-06-200-85IA-LTRI from the Cow Creek Unit of the Trinity River Division of the CVP for up to 24,578 acre-fee of Irrigation and M&I Water annually, subject to shortage provisions. District groundwater wells provide a secondary source of water supply.

Annually, USBR performs an accounting to determine each contractor’s net financial position for the fiscal year just ended. This process accounts for each contractor’s recorded water revenues against costs and applicable interest allocated to the contractor based upon their respective water deliveries. The outcome of the annual accounting process is the contractor’s final Net Results of Operations for the year just ended. These annual accountings provide financial information necessary to determine the contractors’ repayment status which is then used in calculating water rates for the forthcoming water year. In the event that actual expenses exceed projections, or if actual water deliveries are less than projected, interest bearing O&M deficits may result. In general, deficits are much more likely in shortage years since less water is delivered throughout the CVP.

Presently, M&I customers are charged a rate component and maintain an M&I Rate Stabilization Fund to address any O&M deficits. Irrigation customers are not charged a rate component to address deficits and the previously established Irrigation Rate Stabilization Fund, which was utilized to offset the cost of Irrigation Water since March 1, 2005, is now depleted. The Results of Operations Analysis for fiscal year 2008 has resulted in an Irrigation deficit obligation of \$63,197 with interest accruing at 4.75%. Deficits can be expected to occur in shortage years and must be systematically paid down to avoid dramatically increased rates in the future.

The District's routine operations and maintenance expenses are based on averaged annual expenses for unconstrained or non-shortage year types. Additionally, expenses for extraordinary operations, maintenance and replacement items, projected over a 20-year planning horizon, have been added on an averaged, annualized basis. Expense categories in the general expense allocation include:

- Source of Supply – Operation and Maintenance (O & M)
- Pumping – O & M
- Transmission & Distribution – O & M
- Cross Connection
- Customer Service
- Water Conservation
- Administration
- General Plant
- Safety
- Transportation & Shop
- Transfers/Reserve Placements

Expenses excluded from the general expense allocation include pumping power costs and water treatment operations and maintenance, which were evaluated separately and discussed below. Expenses allocated based on one of the following three methods (See Figure 1)

- Volume (\$/volume unit)
- Capacity = Household Equivalents (\$/HE)
- Accounts/Unitary (\$/account)

The Volumetric allocation is based on projected unconstrained water deliveries for each customer class. For example, based on 6,600 acre-feet of Irrigation and 9,690 acre-feet of municipal and industrial water deliveries, expenses allocated on a volumetric basis would be split approximately 40.5% to Irrigation and 59.5% to M&I (See figure 2).

The Capacity allocation is based on the potential demand that a metered service can place on the District's water system and is expressed in meter size equivalent (MSE) units. The potential demand that a meter can place on the system is proportional to the square of the meter size. However, a careful review of maintenance costs associated with the repair and replacement costs of water system components such as meters, pipelines, and pumping facilities showed that the maintenance costs were not proportional to the square of the size but are directly proportional to size. Therefore, the MSE calculation is arrived at by utilizing the number of meters and sizes thereof. The MSE factors are based on the meter size, with a 1-inch meter being equal to 1.0 MSE. (See Table 1).

The Number of Accounts allocation is determined by the number of meters independent of the customer class. The total costs borne by any single customer class would be based on the percentage of the number of customers in each rate class. For example, 3,828 residential accounts out of 5,998 total accounts would equal a 63.8%.

In addition to allocations based on volume, capacity, and number of customers, the expenses are also allocated to one of the following three classes (See Figure 5):

- All Customers,
- M&I Customers only, or
- Irrigation customers only

Power pumping costs were initially allocated by pump zone on a volume basis. However, as a result of considerable discussion it was determined that some customers of the various pump zones do not necessarily benefit from the additional pressure depending on their specific elevation. It was, therefore, determined that since all District water is pumped at least once, pumping charges should be allocated on an elevation basis rather than per zone. It was further determined that since accurate elevation data is not readily available, all power costs will be offset with county tax revenues until the next rate study.

Under the District's contract with the USBR, the District is required to implement water conservation pricing for M&I users as set forth in best management practice (BMP) #11 of the California Urban Water Conservation Council. The goal of BMP#11 is to "recover the maximum amount of water sales revenues from volumetric rates as is consistent with utility costs." In order to comply with this goal volumetric rates for M&I customers were not offset by non-operating revenues (i.e., the Special Assessment and County Tax Pool revenues); instead, in the rate model non-operating revenues that would have been used to offset volumetric charges for M&I customer were reallocated to offset the bimonthly base rate on a per account basis.

District water treatment related expenses have historically been allocated exclusively to the M&I customer class since the benefits of domestic water were not considered to be directly benefiting to the Irrigation customer class. However, in recognition that most of today's Irrigation customers also receive water service for their primary residence and indeed benefit from the provision of domestic water, it was determined appropriate to allocate a portion of water treatment expenses based on the following assumptions:

- The average household (i.e., non-irrigation) treated water demand = 450 gpd per household
- Approximate number of households = 6,000
- Water sales = 5,940 AF of Irrigation and 8,910 AF of M&I
- Irrigation accounts should pay treatment costs only on the first 450 gpd of water that they use
- The approximate number of Irrigation accounts = 280

The resultant Water Treatment expense allocation follows:

- The average annual household treated water demand = $450 \times 365 = 164,250$ gallons = 0.50 acre-feet
- The total annual treated water demand for Irrigation accounts = $280 \times 0.50 = 140$ acre-feet

- The total annual treated water demand for all customers = 9,050 acre-feet
- Based on total treatment costs of approximately \$437,700 and 9,050 acre-feet of treated water, the cost per acre-foot = \$48.36 per acre-foot
- The cost per Irrigation account = $\$48.36 \times 0.50 = \24.18 per account = approximately \$4.00 bimonthly cost per Irrigation account
- The total treatment cost paid by the approximately 280 Irrigation accounts = $280 \times \$24.00 = \$6,700$
- The remaining treatment costs to be spread among the M&I users = $\$437,700 - \$6,700 = \$431,000$
- The Irrigation share of treatment \$ = $\$6,700 \div \$437,700 = 1.53\%$
- The M&I share of treatment \$ = $100.00\% - 1.53\% = 98.47\%$
- Irrigation properties that are solely dedicated to commercial agriculture or aquaculture purposes with no residence or domestic water use whatsoever will receive a “non-domestic use (NDU) credit” of \$4.00 bimonthly.

5. REVENUE

Revenue sources include non-operating revenues comprised of the District’s Special Assessment, the District’s share of the County tax pool, miscellaneous revenue and operating revenues comprised of water rates (i.e. base rates and commodity charges).

Special Assessment revenue is generated by an Ad Valorem property assessment based solely on the value of land (not on any improvements made to the property). Section 37203 of the California Water Code, upon a vote of the District's property owners, allows the District to compel Shasta County to levy and collect this assessment on all lands within the District sufficient to raise monies to provide for the following purposes:

1. Repayment of the USBR Construction Loan for the Cow Creek Unit.
2. Purchase Water.
3. Operate and maintain the District.
4. Maintain a contingency reserve.

The Special Assessment is not subject to Proposition 13 restrictions and as stated above is based solely on the value of land only. This assessment is reflected on each individual property owner’s biannual tax statement from the County of Shasta and is shown as “BVWD Land Only”. It was recognized that since it is improper for one customer class or classes to subsidize another, entities that are exempt from the District’s Special Assessment for whatever reason, must be subject to the calculated cost of service rates, which are not offset by Special Assessment revenues. The Special Assessment revenues were estimated using the Shasta County Assessor rolls and subsequently allocated to “All” users on a volumetric, capacity and per account basis for customer classes that contribute towards the Special Assessment.

County tax pool monies are based on an apportionment factor and come from the 1% county wide property tax. This apportionment factor comes from the Revenue and Taxation Code Section 95-99, which established a permanent formula for determining property tax revenue to be received by local agencies and schools. The county tax pool monies are not restricted and therefore can be utilized for

any authorized purpose. In the study, a portion of these tax pool dollars were allocated first to offset power costs, with the remainder combined with the Special Assessment revenues towards volumetric, capacity and per account charges.

District water rates are comprised of the following components:

1. Base Rates - comprised of the following expense allocations
 - Charges that are related to the Number of Accounts
 - Charges that are related to the Meter Capacity
 - Baseline domestic use charge for Irrigation Accounts (\$24.00/year)
2. Usage (Volume/Consumption) Rates
 - Charges related to the volume of water used, measured in HFC's (Hundred Cubic Feet) or Acre-Feet (AF).
3. Fire Service Rates
4. Water Treatment Improvement Project Debt Service
5. Other Charges (where applicable) include:
 - Backflow (Cross Connection) testing charge
 - Fire Protection Service
 - Water Treatment Improvement Fees
 - Drought Surcharge

Projected non-operating revenues were allocated to offset expenses using a variety of methods. As a result of considerable discussion it was determined to be preferable and equitable that non-operating revenues should be allocated toward expense categories in the following proportion: 27% Volume, 50% Capacity and 23% Number of Accounts.

6. CONCLUSIONS AND RECOMMENDATIONS

The resultant tiered commodity rates after offsetting expenses are summarized for both assessed and non-assessed customers in Table 4. In order to soften the increase in rates necessary to fund the Extraordinary Operations, Maintenance and Replacement 20-Year Projection for pipeline replacement, it is recommended that this expense be phased in over a five year period, beginning with 1/5 of the expense or 20 percent the first year. Table 5 summarizes the applicable rate components and resulting bimonthly rates proposed for private fire protection systems. Proposed rate are detailed in Table 6.

Commodity, tiered commodity and fire protection service charge rate revisions require compliance with Article XIII D of the California Constitution, which is a provision amending the State Constitution pursuant to Proposition 218 and requires specific notice and hearing procedures prior to Board consideration and action to adopt the revised rates.

Since it is inappropriate for one customer class or classes to subsidize another, customers that are not subject to the District's Special Assessment, for whatever reason, are therefore subject to cost of service

rates. Although this greatly increases the complexity of this and subsequent rate studies and the resulting rate tables, it is consistent with the District's financial policy.

It is preferable to adjust rates in small, regularly scheduled increments to reflect the cost of service rather than substantial but less frequent adjustments. However, the wholesale cost of water purchased from USBR includes the following cost components, which are revised annually based on CVP rate setting policies. (Storage, Conveyance, Direct Pumping, etc.). Additional charges include the Restoration Fund Trinity River PUD charges. The resultant rate varies annually. Therefore, it is recommended that all wholesale water rate increases or decreases will be passed through to water rates for both Irrigation and M&I customer classes on a volumetric basis. Additionally, the District must anticipate increasing expenses and therefore rates should be adjusted annually, based on the Consumer Price Index (CPI-U) plus up to 2% as a contingency for higher increases in energy, chemical, and other District expenses. This would be the maximum that the rates could increase each year. Annually, the District's Board of Directors will review the increase in operating expenses and determine whether or not to reduce the amount of the annual increase.

Presently, the USBR Restoration Fund charge is billed as a separate billing component. The charge is currently only applicable to USBR M&I Water since Irrigation Water presently qualifies for relief as a result of Ability to Pay relief. Restoration Fund charges are revised by the USBR annually to coincide with the Federal fiscal year (October through September). The charge is not applicable for pumped groundwater and other "non-project" water. Therefore, it is appropriate and recommended that this separate billing component be eliminated and that applicable Restoration Fund charges be included as a source of supply expense rather than a separate billed component due to expense uncertainty and averaged cost volatility.

The District purchases most of its water from the USBR. Each year the USBR projects the water use and determines the wholesale rates to the District. After the end of the Federal fiscal year, the accounts are reconciled and each contractor is assigned either a surplus or a deficit for both Irrigation and M&I. Deficits occur as a result of USBR overestimating revenue, underestimating expenses, or both. Deficits are due and payable in 30 days or they accrue interest. All accumulated deficit and interest must be paid by the year 2030. Separate reserves should be maintained for Irrigation and M&I to address annual deficits. The District presently anticipates deficits and therefore has included in the M&I rate a charge of \$0.03 per HCF to continue to maintain a reserve sufficient to cover M&I deficits. Previously (May 2009), the Board authorized a recommendation to broaden the authorized use of these deficit reserve funds to include dry year supply augmentation expenses in addition to the current authorization to pay any annual M & I deficits and rename the fund title to "M&I Rate Stabilization". In order to address the accumulated USBR O&M Deficit for Irrigation water, It is recommended that the 2010 usage rate for Agriculture and Aquaculture water service include \$2.00 per AF to pay towards the accumulated O&M Deficit for Irrigation water. In 2011 the rate will be \$4.00/AF, in 2012 it will be \$6.00/AF, and in 2013 and 2014 it will be \$8.00/AF.

As a result of a regulatory mandate by the California Department of Public Health and the Federal Environmental Protection Agency, the District was required to make water treatment improvements at a cost of over ten million dollars. The District obtained low interest financing will repay the borrowing plus interest over twenty years. Currently, each customer account pays a bimonthly water treatment improvement fee of fourteen dollars toward the repayment of this loan. Additionally, the financing

requires a reserve (one year's payment). It is necessary to maintain the current fourteen dollar fee for all new and existing customers that receive benefit from treated water service. Furthermore, analysis indicates it may be necessary to utilize contingency funds in the future to maintain the required reserve. An updated detailed analysis should be conducted during the next rate study.

It is recommended that this cost based study be reviewed in three years due to significant volatility in expenses and water costs in addition to considerable uncertainty related to CVP water supply as a result of recent judicial rulings and regulatory actions.

Bibliography

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Central Valley Project (CVP) Water Rate setting Overview (Rate setting 101), December 2007
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Proposition 218 Local Agency Guidelines for Compliance, 2007 Update, Association of California Water Agencies

**Table 1
BVWD Active Accounts and Meter Size Equivalents (MSEs) as of 12/31/2009**

	Active Accounts	Percentage of Total Active Accounts	Meter Capacity (gpm)	Meter Size Equivalents (MSEs)	Total Active MSEs	Percentage of Total MSEs
Residential						
5/8 inch	559	9.32%	10	0.625	349.4	5.39%
3/4 inch	2692	44.88%	15	0.75	2,019.0	31.17%
1 inch & 1 inch O.D.	434	7.24%	25	1.00	434.0	6.70%
1 1/2 inch	89	1.48%	50	1.50	133.5	2.06%
2 inch	54	0.90%	80	2.00	108.0	1.67%
Totals	3828	63.82%			3,043.9	47.00%
Rural						
1 inch	681	11.35%	25	1.00	681.0	10.52%
1 1/2 inch	397	6.62%	50	1.50	595.5	9.19%
2 inch	415	6.92%	80	2.00	830.0	12.82%
3 inch	16	0.27%	220	3.00	48.0	0.74%
4 inch	15	0.25%	420	4.00	60.0	0.93%
6 inch	8	0.13%	865	6.00	48.0	0.74%
8 inch	2		1600	8.00		
Totals	1534	25.54%			2,262.5	34.93%
Commercial						
5/8 inch	13	0.22%	10	0.63	8.1	0.13%
3/4 inch	211	3.52%	15	0.75	158.3	2.44%
1 inch	45	0.75%	25	1.00	45.0	0.69%
1 1/2 inch	12	0.20%	50	1.50	18.0	0.28%
2 inch	17	0.28%	80	2.00	34.0	0.52%
3 inch	6	0.10%	220	3.00	18.0	0.28%
4 inch	2	0.03%	420	4.00	8.0	0.12%
6 inch	1	0.02%	865	6.00	6.0	0.09%
8 inch	0	0.00%	1600	8.00	-	0.00%
Totals	307	5.12%			295.4	4.56%
Public / Institutional						
5/8 inch	1	0.02%	10	0.63	0.6	0.01%
3/4 inch	0	0.00%	15	0.75	-	0.00%
1 inch	4	0.07%	25	1.00	4.0	0.06%
1 1/2 inch	2	0.03%	50	1.50	3.0	0.05%
2 inch	11	0.18%	80	2.00	22.0	0.34%
3 inch	16	0.27%	220	3.00	48.0	0.74%
4 inch	6	0.10%	420	4.00	24.0	0.37%
6 inch	2	0.03%	865	6.00	12.0	0.19%
8 inch	9	0.15%	1600	8.00	72.0	1.11%
Shasta College - 8 inch ¹	0.47	0.01%	1600	8.00	3.8	0.06%
Total	51.47	0.86%			189.4	2.92%
M&I Totals	5,720.47	95.34%			5,791.14	89.42%
Agriculture						
1 inch	19	0.32%	25	1.00	19.0	0.29%
1 1/2 inch	54	0.90%	50	1.50	81.0	1.25%
2 inch	132	2.20%	80	2.00	264.0	4.08%
3 inch	16	0.27%	220	3.00	48.0	0.74%
4 inch	33	0.55%	420	4.00	132.0	2.04%
6 inch	17	0.28%	865	6.00	102.0	1.57%
8 inch	3	0.05%	1600	8.00	24.0	0.37%
Shasta College - 8 inch ¹	0.53	0.01%	1600	8.00	4.2	0.07%
Total	274.53	4.58%			674.2	10.41%
Aquaculture						
1 1/2 inch	0	0.00%	50	1.50	-	0.00%
2 inch	0	0.00%	80	2.00	-	0.00%
3 inch	1	0.02%	220	3.00	3.0	0.05%
4 inch	2	0.03%	420	4.00	8.0	0.12%
6 inch	0	0.00%	865	6.00	-	0.00%
8 inch	0	0.00%	1600	8.00	-	0.00%
Total	3	0.05%			11.0	0.17%
Ag Totals	277.53	4.63%			685.24	10.58%
Grand Totals	5,998	99.97%			6,476.4	100.00%

¹ Shasta College usage is split 53% Agricultural and 47% Public/Institutional

Table 2a
Bella Vista Water District
Extraordinary Operation, Maintenance & Replacement
20 Year Projection

DESCRIPTION	Projected Year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21
		FY 2009 2010	FY 2010 2011	FY 2011 2012	FY 2012 2013	FY 2013 2014	FY 2014 2015	FY 2015 2016	FY 2016 2017	FY 2017 2018	FY 2018 2019	FY 2019 2020	FY 2020 2021	FY 2021 2022	FY 2022 2023	FY 2023 2024	FY 2024 2025	FY 2025 2026	FY 2026 2027	FY 2027 2028	FY 2028 2029	FY 2029 2030
STORAGE/TANKS																						
Surge Tank - R&R exterior coating	2010	-	-	-	232,392	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Surge Tank - R&R interior coating	2010	-	-	-	23,129	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Surge Tank - R&R foundation seismic retrofit	2010	-	30,000	-	275,346	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
4 MG Tank - R&R interior & exterior coating	Annual	115,827	115,827	115,827	115,827	48,100	48,100	48,100	53,391	53,391	53,391	59,196	59,196	59,196	65,631	65,631	65,631	72,766	72,766	72,766	80,677	80,677
OOT Tank - R&R interior coating	2010	-	-	115,000	115,000	115,000	115,000	115,000	-	-	-	-	-	-	-	-	-	-	-	-	-	
OOT Tank - R&R exterior coating	?	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Cow Creek 2 interior coating	Annual	33,371	6,735	6,735	6,735	7,476	7,476	7,476	8,298	8,298	8,298	9,210	9,210	9,210	10,223	10,223	10,223	11,347	11,347	11,347	12,595	12,595
Regulating Station Tank - R&R	?	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Storage tank cleaning @ 10 year intervals	2010	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Storage tank inspections @ 5 year intervals	2013	-	-	-	-	3,537	-	-	-	-	3,537	-	-	-	-	3,537	-	-	-	-	3,537	
WINTU PUMP STATION																						
Wintu PS - Unit 1 1000 HP motor overhaul	2018	-	-	-	-	-	-	-	-	-	24,230	-	-	-	-	-	-	-	-	-	24,231	
Wintu PS - Unit 1 pump overhaul	2026	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Wintu PS - Unit 2 Motor overhaul	2020	-	-	-	-	-	-	-	-	-	-	-	24,230	-	-	-	-	-	-	-	24,231	
Wintu PS - Unit 2 pump overhaul	2028	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Wintu PS - Unit 3 Motor overhaul	2010	-	-	24,230	-	-	-	-	-	-	-	-	-	-	24,230	-	-	-	-	-	-	
Wintu PS - Unit 3 pump overhaul	2010	-	-	85,131	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Wintu PS - Unit 4 600 HP Motor recondition	2012	-	-	-	15,962	-	-	-	-	-	-	-	-	15,962	-	-	-	-	-	-	-	
Wintu PS - Unit 4 pump overhaul	2021	-	-	-	-	-	-	-	-	-	-	-	-	44,055	-	-	-	-	-	-	-	
Wintu PS - Unit 5 Motor overhaul	2013	-	-	-	-	15,962	-	-	-	-	-	-	-	15,962	-	-	-	-	-	-	-	
Wintu PS - Unit 5 pump overhaul	2022	-	-	-	-	-	-	-	-	-	-	-	-	44,055	-	-	-	-	-	-	-	
Wintu PS - Spare Unit 1000 HP motor overhaul	2016	-	-	-	-	-	-	-	24,230	-	-	-	-	-	-	-	-	-	-	-	-	
Wintu PS - Spare Unit pump overhaul	2016	-	-	-	-	-	-	-	77,097	-	-	-	-	-	-	-	-	-	-	-	-	
Wintu PS - Screen Controls	2010	-	-	15,962	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Wintu PS - Screen R&R	2010	-	-	63,848	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Wintu PS - Road Repair	2012	-	-	-	69,169	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
WATER TREATMENT PLANT																						
W.T.P. - Filter Surface wash arm repair	2007	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Add Anthracite to top of filters	2011	-	-	-	28,732	-	-	-	28,732	-	-	-	-	28,732	-	-	-	-	28,732	-	-	
Electric Valve Actuator Replacements	2009-2015	26,325	26,603	26,603	26,603	26,603	26,603	26,603	-	-	-	-	-	-	-	-	-	-	-	-	-	
Replace Backwash Valves	2010	-	12,770	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Inspect & Rehab one filter incl. replacing media	2013	-	-	-	60,635	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Rehab filters 6-10 and replace all media	2016	-	-	-	-	-	-	-	276,676	-	-	-	-	-	-	-	-	-	-	-	-	
W.T.P. - Instrumentation replacement	2016	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
W.T.P. - Turbidimeter replacements	2010	-	-	-	-	-	-	30,317	-	-	-	-	-	24,475	-	-	-	-	-	-	-	
W.T.P. - PLC replacement	2020	-	-	-	-	-	-	-	-	-	-	266,035	-	-	-	-	-	-	-	-	-	
WELLS																						
Well #1 Rehab	2016	-	-	-	-	-	-	-	55,069	-	-	-	-	-	-	-	-	-	-	-	55,069	
Well #2 Rehab	2020	-	-	-	-	-	-	-	-	-	-	55,069	-	-	-	-	-	-	-	-	-	
Well #3 Rehab	2010	-	75,000	-	-	-	-	-	-	-	-	-	-	55,069	-	-	-	-	-	-	-	
Well #4 Rehab	2014	-	-	-	-	-	55,069	-	-	-	-	-	-	-	-	-	-	-	55,069	-	-	
Well #6 Rehab	2012	-	-	-	55,069	-	-	-	-	-	-	-	-	-	-	55,069	-	-	-	-	-	
PUMP STATIONS																						
Quail Ridge Pump Station - Electrical	2026	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	22,028	-	
Quail Ridge Pump Station - Mechanical	?	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Simpson Pump Station - Electrical	2023	-	-	-	-	-	-	-	-	-	-	-	-	-	49,562	-	-	-	-	-	-	
Simpson Pump Station - Mechanical	?	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
OOT PS - Electrical	2027	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	27,535	-	
OOT PS - Mechanical	?	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
ESW PS-component parts VFD	2014	-	-	-	-	-	55,069	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
ESW PS-Mechanical	?	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Welch Pump Station Electrical	2020	-	-	-	-	-	-	-	-	-	-	77,097	-	-	-	-	-	-	-	-	-	
Welch Pump Station Mechanical	?	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Regulating Station - Electrical	2010	-	26,603	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Regulating Station - Mechanical	?	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Cow Creek PS #1 - R&R MCC	?	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Cow Creek PS #1 - Mechanical	?	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Cow Creek PS #2 - Electrical	2025	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	27,535	-	-	
Cow Creek PS #2 - Mechanical	?	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Totals		\$175,523	\$293,539	\$453,337	\$1,024,599	\$216,679	\$307,318	\$227,497	\$523,493	\$61,689	\$89,456	\$68,406	\$490,837	\$181,630	\$215,171	\$128,954	\$130,923	\$111,648	\$189,942	\$111,648	\$176,109	\$117,503
Year		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
Beginning Balance		\$ 711,169	\$ 753,967	\$ 678,749	\$ 443,732	\$ (362,546)	\$ (360,904)	\$ (449,902)	\$ (459,078)	\$ (764,250)	\$ (607,619)	\$ (478,755)	\$ (328,840)	\$ (601,356)	\$ (564,666)	\$ (561,517)	\$ (472,150)	\$ (384,753)	\$ (278,080)	\$ (249,702)	\$ (143,029)	\$ (100,818)
Annual surplus or (deficit)		\$42,798	(\$75,218)	(\$235,017)	(\$806,278)	\$1,642	(\$88,997)	(\$9,176)	(\$305,173)	\$156,632	\$128,864	\$149,915	(\$272,516)	\$36,690	\$3,149	\$89,367	\$87,397	\$106,672	\$28,378	\$106,672	\$42,212	\$100,818
Cumulative surplus or (deficit)		\$753,967	\$678,749	\$443,732	(\$362,546)	(\$360,904)	(\$449,902)	(\$459,078)	(\$764,250)	(\$607,619)	(\$478,755)	(\$328,840)	(\$601,356)	(\$564,666)	(\$561,517)	(\$472,150)	(\$384,753)	(\$278,080)	(\$249,702)	(\$143,029)	(\$100,818)	(\$0)
Average Annual Expense		\$252,186																				
Min:		\$61,689																				
Max		\$1,024,599																				
Max. deficit		(\$764,250)																				
SEOMR /Year		\$218,321																				

Notes:

1. Extraordinary Operations, Maintenance and Replacement (EOMR) items are defined as items that are non-routine and >\$15,000.
2. EOMR Facilities Costs have been increased from previous values based on the change in ENR's Construction Cost Index from May 2008 (8141) to Dec 2009 (8141) = 6.14%
3. In the EOMR for FY2008-09 the 4MG Tank Rehabilitation Project was included at a cost of \$415,195; however, with the contract with USC1 this is now being shown as \$115,827 annually for 5 years then as a reduced amount every year thereafter.

Table 2b
Bella Vista Water District
Extraordinary Operation, Maintenance & Replacement
20 Year Projection

DESCRIPTION	Projected Year	FY 2009 2010	FY 2010 2011	FY 2011 2012	FY 2012 2013	FY 2013 2014	FY 2014 2015	FY 2015 2016	FY 2016 2017	FY 2017 2018	FY 2018 2019	FY 2019 2020	FY 2020 2021	FY 2021 2022	FY 2022 2023	FY 2023 2024	FY 2024 2025	FY 2025 2026	FY 2026 2027	FY 2027 2028	FY 2028 2029	FY 2029 2030
DISTRIBUTION SYSTEM																						
Replace Portero main 1000 lf +/-	2009	75,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Replace Ridgewood Rd. main 1000 lf +/-	completed '08-09	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Replace 10" W.L. East of Dry Creek Rd. 1000lf +/-	completed '08-09	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Lateral 2.9S - Replace 18" pipe xing Stillwater Creek @ Old Alturas & Old Oregon Trail	2011	-	-	100,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Lateral 7.5S - Replace 24" pipe xing Cow Creek @ Swede Creek bridge 300 lf +/-	2009	15,000	-	100,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Replace PRV @ Boyle & April	2010	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Lateral 4.1N - Rock protection @ 18" pipe xing Stillwater Creek	2018	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Loop 8" main from Old 44 Dr. to Swede Creek Rd. 3,000 lf +/-	2013	-	-	-	-	192,510	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Main Aqueduct - 54 inch crossing @ Churn Creek	?	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Main Aqueduct - 42 inch crossing @ E. Stillwater	?	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Lateral 7.5E - 12" crossing @ Dry Creek	?	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Replace Bloomingdale Rd main 600 lf of 6-inch	2009	55,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Maintenance Shop for transportation & distribution	2007	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Pipeline Replacement Study	2009	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
12" x-ing @ Bear Mtn. & Bernard 600+/- sleeved bore	2010	-	200,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Replace Olympia main 1,500 lf of 6" multiple failure PVC	2011	-	-	75,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Replace Portero main 2,900 lf of 14" AC main	2012	-	-	-	210,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Replace Putt Putt main 700 lf of 4" PVC	2012	-	-	-	30,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Replace Hollow Lane main 1,300 lf of 8" PVC	2013	-	-	-	-	110,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Annual Pipeline Replacement	many	-	-	-	50,000	50,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	
Totals		\$145,000	\$200,000	\$275,000	\$290,000	\$352,510	\$350,000	\$350,000	\$350,000	\$350,000	\$350,000	\$350,000	\$350,000	\$350,000	\$350,000	\$350,000	\$350,000	\$350,000	\$350,000	\$350,000	\$350,000	
	Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	
Beginning Balance		\$ 270,945	\$ 439,829	\$ 553,713	\$ 592,597	\$ 616,481	\$ 577,855	\$ 541,739	\$ 505,623	\$ 469,507	\$ 433,391	\$ 397,275	\$ 361,160	\$ 325,044	\$ 288,928	\$ 252,812	\$ 216,696	\$ 180,580	\$ 144,464	\$ 108,348	\$ 72,232	
Annual surplus or (deficit)		\$168,884	\$113,884	\$38,884	\$23,884	(\$38,626)	(\$36,116)	(\$36,116)	(\$36,116)	(\$36,116)	(\$36,116)	(\$36,116)	(\$36,116)	(\$36,116)	(\$36,116)	(\$36,116)	(\$36,116)	(\$36,116)	(\$36,116)	(\$36,116)	(\$36,116)	
Cumulative surplus or (deficit)		\$439,829	\$553,713	\$592,597	\$616,481	\$577,855	\$541,739	\$505,623	\$469,507	\$433,391	\$397,275	\$361,160	\$325,044	\$288,928	\$252,812	\$216,696	\$180,580	\$144,464	\$108,348	\$72,232	\$36,116	
Average Annual Expense		\$326,786																				
Min:		\$145,000																				
Max:		\$352,510																				
Max. deficit		\$0																				
\$EOMR /Year		\$313,884																				

- Notes:
1. Extraordinary Operations, Maintenance and Replacement (EOMR) items are defined as items that are non-routine and >\$15,000.
 2. EOMR Pipelines Costs have been increased from previous values based on the change in ENR's Construction Cost Index from May 2008 (8141) to Dec 2009 (8141) = 6.14%
 3. The annual average cost for pipeline maintenance for FY2014-15 and beyond is estimated to be approximately \$350,000 per year
 4. Projects completed in FY08-09 include: Ridgewood Road/Hollow Lane Waterline Replacement, Portero Drive Waterline Replacement (1000'); and Dry Creek Road Waterline Replacement

Table 2c

**Bella Vista Water District
Extraordinary Operation, Maintenance & Replacement
Twenty-Year Projection**

VEHICLE/ EQUIPMENT		Veh. or Equip. No.	Year	Mileage or Hours	Projected Replacement Year	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Type	Description					2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	
Car	Toyota Camry	101	2000	97,953	2010			\$ 23,000											\$ 23,000							
Small PU	Chevy Pickup	309	2009	10,740	2015					\$ 23,000											\$ 23,000					
Small PU	Dodge Dakota	420	2007	29,572	2018								\$ 23,000											\$ 23,000		
Small PU	Dodge Dakota	519	2007	45,314	2017							\$ 23,000											\$ 23,000			
Small PU	Nissan Pickup	206	1997	121,018	2009									\$ 23,000											\$ 23,000	
Small PU	Nissan Pickup	202	2000	99,789	2010	\$ 23,000									\$ 23,000											
Small PU	Nissan Pickup	405	2000	100,735	2012			\$ 23,000										\$ 23,000								
Small PU	Nissan Pickup	310	2001	108,963	2011		\$ 23,000										\$ 23,000									
Small PU	Nissan Pickup	325	2001	129,282	2010	\$ 23,000										\$ 23,000										
Small PU	Nissan Pickup	513	2002	77,280	2013				\$ 23,000										\$ 23,000							
Small PU	Nissan Pickup	212	2003	74,596	2015					\$ 23,000										\$ 23,000						
Small PU	Chevy Pickup 4x4	324	2005	30,970	2016						\$ 24,000											\$ 24,000				
Small PU	Chevy Pickup 4x4	214	2005	58,428	2014					\$ 24,000										\$ 24,000						
Small PU	Chevy Pickup 4x4	218	2006	27,002	2014					\$ 24,000										\$ 24,000						
Full Size PU	1/2 Ton Utility truck (WTP)	321	2009	8,821	2019									\$ 30,000											\$ 30,000	
Minivan	Nissan Quest Van	104	2002	34,358	2011					\$ 23,000												\$ 23,000				
Service Trk	GMC 1 Ton	203	2002	94,689	2012			\$ 40,000										\$ 40,000								
Service Trk	GMC 1 Ton	216	2004	72,880	2013			\$ 40,000											\$ 40,000							
Service Trk	GMC 1 Ton	228	2009	4,898	2019								\$ 40,000													
Van	Ford Van	311	2006	35,730	2017							\$ 27,000											\$ 27,000			
Dump Trk	Chevy Dump Truck	907	1994	66,823	2014				\$ 70,000																	
Dump Trk	Sterling Dump Truck	917	2005	22,411	2025															\$ 70,000						
Trailer	Load Trailer	1030	1995	na	2023													\$ 27,000								
Trailer	Towmaster Trailer	1026	2005	na	2033																					
Backhoe	Case Backhoe 580C	1010	1978	3,297	2011		\$ 85,000																			
Backhoe	Case Backhoe 580K	1000	1990	3,281	2024														\$ 85,000							
Backhoe	Case Backhoe 580M	1002	2003	1,679	2034																					
Totals						\$ 46,000	\$108,000	\$ 86,000	\$133,000	\$ 48,000	\$ 46,000	\$ 47,000	\$ 50,000	\$ 63,000	\$ 53,000	\$ 46,000	\$ 23,000	\$ 63,000	\$113,000	\$133,000	\$ 116,000	\$ 24,000	\$ 73,000	\$ 23,000	\$ 53,000	
Year						1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	
Beginning Balance						\$214,431	\$225,059	\$173,688	\$144,316	\$67,945	\$76,573	\$87,202	\$96,830	\$103,459	\$97,087	\$100,716	\$111,344	\$144,972	\$138,601	\$82,229	\$5,858	(\$53,514)	(\$20,885)	(\$37,257)	(\$3,628)	
Annual surplus or (deficit)						\$10,628	(\$51,372)	(\$29,372)	(\$76,372)	\$8,628	\$10,628	\$9,628	\$6,628	(\$6,372)	\$3,628	\$10,628	\$33,628	(\$6,372)	(\$56,372)	(\$76,372)	(\$59,372)	\$32,628	(\$16,372)	\$33,628	\$3,628	
Cumulative surplus or (deficit)						\$225,059	\$173,688	\$144,316	\$67,945	\$76,573	\$87,202	\$96,830	\$103,459	\$97,087	\$100,716	\$111,344	\$144,972	\$138,601	\$82,229	\$5,858	(\$53,514)	(\$20,885)	(\$37,257)	(\$3,628)	\$0	
Average Annual Expense						\$ 67,350																				
Min.						\$23,000																				
Max.						\$133,000																				
Max. deficit						(\$53,514)																				
SEOMR /Year						\$56,628																				

Notes:

1. Assumes maintaining existing fleet size
2. EOMR Vehicles & Equipment costs have been reviewed and the values are the same as last year's values based on relatively flat prices in the vehicle market.
3. 2012 is the compliance deadline for Total Particulate emissions (based on fleet horsepower rating). Carl Moyer Program is a 85% retrofit program in Shasta County and does not cover replacement

Table 3

Bella Vista Water District - 2010 Rate Study - Detailed Expense Distribution Worksheet

	COA	FY 2009-2010 Budget	Description	Offsetting Revenues	Allocation			Allocation Method			Allocation to User Classes			
					All	Ag Only	M&I Only	Volume	Capacity	# of Accounts	All	Ag Only	M&I Only	
(69) Pumping - Maint.														
Supervision & Labor	1.69.00.50100	26,979												
Payroll Taxes & Benefits	1.69.00.50200	14,719												
Mat. & Supplies (Maint.)	1.69.00.53100	5,000												
Mat. & Supplies (Maint.)- Simpson	1.69.22.53100	2,000												
Mat. & Supplies (Maint.)- Welch	1.69.29.53100	7,700												
Tools & Equipment	1.69.00.54000	3,000												
Professional Services	1.69.00.57600	6,000	(1) Electrical maintenance assistance - \$3,000; (2) Motor balancing - \$3,000											
69 Pumping - Maint. Costs		65,398			X				X			65,398		
71 & 72 Treatment Costs		437,670	See Detail on Treatment Costs spreadsheet										6,672	430,998
74 Trans. and Distribution - Operations														
Supervision & Labor	1.74.00.50100	110,206												
Payroll Taxes & Benefits	1.74.00.50200	80,402												
Purchased Power	1.74.41.51300	600	Cathodic protection/lighting											
Purchased Power	1.74.53.51300	5,900												
Alarms & Other Utilities	1.74.53.51800	4,000	Alarms, cell phones, HVAC and lighting											
Fees & Licenses	1.74.53.52500	900	Certification renewals											
Tools & Equipment	1.74.53.54000	4,300	Hand and power tools - \$2,500; Sediment/erosion control - \$1,000; PD-250 dechlorinating diffuser - \$750; 2 Hach chlorine test colorimeters - \$750; Submersible pump replacement - \$2,400											
Clothing, Personal Equip.	1.74.53.54600	2,500	Gloves, boots, shirts, coats, hats, rain gear, new employee outfitting.											
Janitorial & Cleaning Supplies	1.74.53.54900	2,800	Janitorial services - \$1,200; Industrial hand towels, soap, toilet tissue, etc. - \$1,300											
Disposal (Garbage, Refuse, etc.)	1.74.53.55200	3,200	Asphalt disposal - \$2,000; garbage disposal - \$2,000											
Office Supplies	1.74.53.55500	2,500	Map copies, blue notices, paper, etc.											
Ed. & Training	1.74.53.56700	4,500	AWWA fall conference and continuing education											
Dues & Subscriptions	1.74.53.57300	250	Wireless subscription for on-call laptop computer											
Other Services & Expenses	1.74.53.58200	750	O/T meals and photo developing											
Chemicals	1.74.61.51900	300	Chlorine, de-chlor and reagent											
74 Trans. & Distrib. - Operating Costs		223,108			X			X				223,108		
75 Trans. and Distribution - Maintenance														
Supervision & Labor	1.75.00.50100	263,443	Includes 40% of 2nd meter reader's labor expense											
Payroll Taxes & Benefits	1.75.00.50200	193,904	Includes 40% of 2nd meter reader's benefits expense											
Equipment Rental	1.75.00.53700	2,500	AC roller, trencher, etc.											
Professional Services	1.75.42.57600	1,598	Warranty inspection for epoxy repairs											
Professional Services	1.75.41.57600		cathodic protection system annual inspection											
Mat. & Supplies - Maint.- CC#1 Tank	1.75.25.53100		Replace 14" tank control valve											
Mat. & Supps. (Maint.)	1.75.53.53100	209,416	Water system maintenance; poly-B replacements & meter replacements											
Lab Services & Supplies	1.75.61.52200	3,000	H2O, PB&CU samples and chlorine test kits											
Mat. & Supps. (Maint.)	1.75.61.53100	10,000	Erosion stabilization											
Fees & Licenses (Water Mains)	1.75.61.52500	500	Possible permitting costs											
75 Trans. & Distrib. - Maintenance Costs		684,361			X			X				684,361		
(77) Cross-Connection														
Supervision & Labor	1.77.00.50100	11,021												
Payroll Taxes & Benefits	1.77.00.50200	8,040												
Materials & Supplies	1.77.00.53100	600	Repair parts for backflow preventers											
Cross Connection	1.77.00.53400	2,500	New backflow preventer installations and repair items.											
Tools & Equipment	1.77.00.54000	300	Tools and calibration of test equipment											
Office Supplies	1.77.00.55500		Test forms and record keeping stationary											
Mailing Costs	1.77.00.55800	200	Certified letters and notifications mailings											
Education & Training	1.77.00.56700	1,500												
Dues & Subscriptions	1.77.00.57300	250	Training and certification											
77 Cross- Connection		24,411			19,004	X				X		24,411		
(79) Customer Service														
Supervision & Labor	1.79.00.50100	227,492	Includes 60% of 2nd meter reader's labor expense											

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					All	Ag Only	M&I Only	Volume	Capacity	# of Accounts	All	Ag Only	M&I Only	
Payroll Taxes & Benefits	1.79.00.50200	195,177	Includes 60% of 2nd meter reader's benefits expense											
Tools & Equipment	1.79.00.54000	1,000	Replacement calculators and other desk equipment (includes new fax machine)											
Office Supplies	1.79.00.55500	25,000	Based upon last year's usage											
Mailing Costs	1.79.00.55800		Reallocated from Administration to Customer Service											
Professional Services	1.79.00.57600	5,000	Miscellaneous programming and technical support with Harris, training on Crystal											
79 Customer Service		453,669			X					X		453,669		
(81) Water Conservation														
Supervision & Labor	1.81.00.50100	20,340												
Payroll Taxes & Benefits	1.81.00.50200	10,362												
Mat. & Supps. (Maint)	1.81.00.53100	6,500	Landscaping maintenance at North gate and demo garden - \$500; Water conservation materials - \$5,000; Water education materials - \$1,000											
Office Supplies	1.81.00.55500	200												
Mailing Costs	1.81.00.55800													
Education & Training	1.81.00.56700	1,500	(1) Education materials and seminar attendance - \$1,500 (includes seminar costs, lodging, meals, travel, etc.)											
Professional Services	1.81.00.57600	4,000	GIS Program Implementation support											
81 Water Conservation		42,902			X			X				42,902		
(83) Administration														
Supervision & Labor	1.83.00.50100	443,162	Includes Engineering Tech position											
Payroll Taxes & Benefits	1.83.00.50200	350,874	Includes Engineering Tech position											
Purchased Power	1.83.00.51300	18,500												
Alarms & Other Utilities	1.83.00.51800	7,200												
Fees & Licenses	1.83.00.52500	37,000	(1) LAFCO Admin. Fees - \$22,000; (2) Water rights assessment - \$10,000; (3) RWMP (RAWC) - \$5,000											
Mat. & Supps. (Maint.)	1.83.00.53100	2,000	Based upon last year's usage											
Equipment Rental	1.83.00.53700	1,400	Based upon last year's usage											
Tools & Equipment (<\$1,500)	1.83.00.54000	9,000	Based upon last year's usage											
Clothing (Admin.)	1.83.00.54600	300	Based upon last year's usage											
Janitorial & Cleaning Supplies	1.83.00.54900	3,000	Based upon last year's usage											
Disposal (Admin.)	1.83.00.55200	2,100	Based upon last year's usage											
Office Supplies	1.83.00.55500	6,500	Based upon last year's usage											
Mailing Costs	1.83.00.55800	4,000	Based upon last year's usage											
Directors Fees & Expenses	1.83.00.56100	4,500	(1) Meeting Stipend; ACWA/JPIA, Training											
Education & Training	1.83.00.56700	5,500	(1) Fees for seminars, conferences, travel, etc. (ACWA/JPIA, HR Training sessions, etc.) - \$5,500											
Dues & Subscriptions	1.83.00.57300	16,000	ACWA, AWWA, CVPWA, Water Education Foundation, etc.											
Professional Services	1.83.00.57600	90,000	(1) 96-1 Admin. Fees - \$1,400; (2) Attorney Fees - \$50,000; (3) Accountant and											
Software	1.83.00.58000	4,000	(1) Symantec Anti-virus updates for network PC's-\$900; (2) Anti Spam-\$900; (3) Websense Internet filter-\$1,300; (4) Symantec Ghost \$100; (5) Diskeeper Server											
Other Services & Expenses	1.83.00.58200	5,600	(1) Holiday lunch - \$1,200; (2) Other goodwill - \$1800.00											
Insurance	1.83.00.58500	50,000	Includes property, liability, general, indemnity premiums											
Alarms & Other Utilities (Eng.)	1.83.63.51800	1,000	Based on historical usage											
Fees & Licenses (Eng.)	1.83.63.52500	150	Engineering and F/T Certification											
Equipment Rental (Eng)	1.83.63.53700	500												
Tools & Equipment (Eng.)	1.83.63.54000	750	General tools, testing, drafting, map files, replace desk chair and misc. computer equipment											
Clothing & Personal Equip. (Eng.)	1.83.63.54600	375	3 @ \$125 per person											
Office Supplies (Eng.)	1.83.63.55500	2,500	Based on historical usage											
Ed. & Training (Eng.)	1.83.63.56700	3,300	(1) Seminars 4 x \$250 - \$1,000; (2) Seminars 2 x \$500 - \$1,000; (3) Tuition reimbursement - \$500; (4) Library materials including AWWA references - \$600; (5) Training materials - \$300; (6) Travel - \$1,500											
Professional Services (Eng.)	1.83.63.57600	104,000	(1) Easement acquisitions ; (2) Misc. projects ; (3) Document Imaging; GIS/Hydraulic Modeling ; Surge Tank analysis; Infrastructure replacement											
Software (Eng.)	1.83.63.58000	1,500	ESRI Software Maintenance - \$1,500; H2O Net Maintenance - \$500											
Other Services & Expenses (Eng.)	1.83.63.58200	500												
Professional Services (Election)	1.83.64.57600	20,000	Conduct mail ballot election \$40,000 every 2 years											
83 Administration		1,195,211			10,000	X				X		1,195,211		
(85) General Plant														
Supervision & Labor	1.85.00.50100	33,061												
Payroll Taxes & Benefits	1.85.00.50200	24,120												

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					All	Ag Only	M&I Only	Volume	Capacity	# of Accounts	All	Ag Only	M&I Only	
Mat. & Supps. (Maint.)	1.85.00.53100	5,100	Gravel, lumber, paint, pest control, etc. - \$800											
Tools & Equip. (Dist. Yard)	1.85.55.54000													
85 General Plant		62,281			X				X			62,281		
(87) Safety														
Supervision & Labor	1.87.00.50100	63,435												
Payroll Taxes & Benefits	1.87.00.50200	40,606												
Professional Services	1.87.00.57600	5,000	Regulatory/safety program consulting - \$5,000 (Includes OSHA, confined space, hearing, etc.)											
Mat. & Supps. (Dist. Office)	1.87.50.53100	1,000	Extinguisher service and first aid supplies											
Tools & Equip. (Dist. Office)	1.87.50.54600													
Ed. & Training (Dist. Office)	1.87.50.56700		Safety training materials											
Professional Services (Dist. Office)	1.87.50.57600		Extinguishers											
Fees & Licenses	1.87.53.52500	400	Rescue winch certification renewals											
Mat. & Supps. (Distribution)	1.87.53.53100	1,500	Safety supplies and safety equipment maintenance											
Tools & Equip. (Distribution)	1.87.53.54000	1,500	Signs, cones and barricades											
Clothing, Personal Equip. (Distribution)	1.87.53.54600	500	Shoe reimbursement per MOU											
Ed. & Training (Distribution)	1.87.53.56700	1,300	Competent person, traffic control certification and first aid/CPR, etc.											
Professional Services (Distribution)	1.87.53.57600	1,000	Class A, respirator physicals and extinguisher testing											
Mat. Supps. (Production)	1.87.54.53100	1,500	General safety supplies - respirators, filters, dusk masks, ear plugs, safety glasses,											
Tools & Equip. (Production)	1.87.54.54000	500	Safety tools											
Clothing, Personal Equip.-Production)	1.87.54.54600	600												
Ed. & Training (Production)	1.87.54.56700	2,000	Emergency response training											
Professional Services - (Production)	1.87.54.57600	1,700	(1) Hydrostatic/extinguisher testing - \$500; (2) Physicals - \$950; (3) SCBA Testing - \$700											
Mat. & Supps. (Eng.)	1.87.63.53100	150	General safety supplies - respirators, filters, dusk masks, ear plugs, safety glasses, gloves and hard hats											
Tools & Equip. (Eng.)	1.87.63.54000	125	Misc. confined space and electrical safety tools											
Clothing, Personal Equip.-Eng.)	1.87.63.54600	150	3 @ \$100 per person											
Ed. & Training (Eng.)	1.87.63.56700	700	(1) Train the trainer classes - \$750; (2) Confine space and respirator training @ \$100 x 3 = \$300; (3) Safety manuals and training materials - \$500 (includes lodging, meals,											
Professional Services (Eng.)	1.87.63.57600	100	2 @ \$100 - Respirator physicals											
87 Safety		123,766			X					X		123,766		
(89) Transportation & Shop														
Supervision & Labor	1.89.00.50100	27,551												
Payroll Taxes & Benefits	1.89.00.50200	20,100												
Mat. & Supps. (Maint.)	1.89.00.53100	28,000	Fleet maintenance costs @ \$28,000 and painting of GMC dump truck \$3,500											
Tools & Equipment	1.89.00.54000	5,000	misc. tools and equip. for shop and service vehicles - \$1,500											
Gasoline & Oil	1.89.00.54300	46,000	Gas, diesel, oil, hydraulic fluid, etc.											
Disposal (Garbage, Refuse, etc.)	1.89.00.55200	1,000	Waste oil and coolant disposal											
Software	1.89.00.58000													
Professional Services	1.89.00.57600		Load test on 225 KW generator											
89 Transportation & Shop		127,651			X				X			127,651		
597 - Transfers/Reserve Placement														
M & I Deficit Placement	1.00.00.59700	116,436	\$.03 per 100 CF to pay M&I deficit				X	X						116,436
Irrigation Deficit Placement								X						
EOMR Placement - Facilities	1.00.00.59700	218,321	20-year average annual EOMR expense		X				X			218,321		
EOMR Placement - Vehicles	1.00.00.59700	56,628	20-year average annual EOMR expense		X				X			56,628		
EOMR Placement - Pipelines	1.00.00.59700	62,777	20 % of 20-year average annual EOMR expense		X				X			62,777		
Capital Replacement Items														
Buildings (T&D)	1.00.00.11113	16,093	Labor and payroll taxes and benefits for capital projects -		X				X					
Capital Projects	1.00.00.11113	100,000	Projects not required to meet growth		X				X					
Equipment Purchases - Admin.	1.00.00.11118				X									
Equipment Purchases - Wintu	1.00.00.11118				X				X					
Equipment Purchases - W.T.	1.00.00.11118						X		X					
Equipment Purchases - Prod.	1.00.00.11118													
Equipment Purchases - Dist.	1.00.00.11118				X				X					
Imp. & Additions (Hydrants)	1.00.00.11115													

Table 3

Bella Vista Water District - 2010 Rate Study - Detailed Expense Distribution Worksheet

	COA	FY 2009-2010 Budget	Description	Offsetting Revenues	Allocation			Allocation Method			Allocation to User Classes			
					All	Ag Only	M&I Only	Volume	Capacity	# of Accounts	All	Ag Only	M&I Only	
Imp. & Additions (Services)	1.00.00.11115	-		-										
Imp. & Additions (Meters)	1.00.00.11115	-		-										
Imp. & Additions (Water Mains)	1.00.00.11115	-												
Imp. & Additions (Water System Constructed)	1.00.00.11115		(1) OOT P.S.2 Engineering Design - \$90,000; (2) OOT 4 MG Tank Design - \$50,000; (3) WTP Backwash/Filter-to-Waste Recycle Design - \$50,000; (4) Assistance from PACE w/Pilot Study - \$5,000 (Dichlorobromomethane - unaware of what improvements will cost will need Mid-year adjustment. Compliance by 7/09)		X					X				
T & D (Capital Projects)		116,093			X					X		116,093		
DEBT SERVICES														
USBR Construction Loan														
Principal	1.00.00.22331	85,000												
Interest	1.00.00.59420	9,000												
USBR Construction Loan		94,000			X					X		94,000		
Total Operating Expenditures														
Percentage Rededuction from Capacity	0%													
Reallocation of Capacity Costs to # of Accounts														
Add to # of Accounts														
Revised Total Operating Expenditures		\$5,222,481			\$29,504							4,199,783	155,469	1,179,940

Table 4
2010 Rate Model - Year 1

	Totals	Volume	Capacity	# of Accts	
EXPENSES	\$ 3,963,679	\$ 640,418	\$ 1,555,208	\$ 1,768,053	\$ 3,963,679
		16%	39%	45%	
OFFSETS (%)		27%	50%	23%	
OFFSETS (\$)	\$ 2,080,265	\$ 561,672	\$ 1,040,133	\$ 478,461	
REMAINING EXPENSES		\$ 78,746	\$ 515,075	\$ 1,289,592	

Green colored cells are the only ones that can be changed. Click on the cell and then click on the arrow that appears to show the choices available. Select from among the available choices

Irrigation Qualifies for Ability-to-pay Relief?
YES

1st Year EOMR Funding for Pipelines
20%
\$62,777
Net Reduction in EOMR funding for Pipelines
80%
\$251,107

State Raid of County Tax Pool Funds
0%
\$0

M&I Water Rates				
	A	B	C	D
	Rate for Customers not paying the Special Assessment	Rate Required After Offsetting 100% of the Power Costs	M&I Rates to Comply with CUWCC BMP#11	Current Rates
Volume Charge per Acre-Foot				
	\$ 189.18	\$ 137.68	\$ 189.18	\$ 210.39
Volume Charge per 100 Cubic Feet				
	\$ 0.434	\$ 0.316	\$ 0.434	\$ 0.483
Bimonthly Base Rates				
Meter Size	A	B	C	D
5/8	\$ 73.93	\$ 44.12	\$ 30.68	\$ 27.00
3/4	\$ 78.91	\$ 45.78	\$ 32.34	\$ 27.00
1	\$ 88.87	\$ 49.09	\$ 35.65	\$ 32.00
1 1/2	\$ 108.78	\$ 55.72	\$ 42.28	\$ 34.00
2	\$ 128.70	\$ 62.34	\$ 48.91	\$ 38.00
3	\$ 168.53	\$ 75.60	\$ 62.16	\$ 43.00
4	\$ 208.37	\$ 88.85	\$ 75.42	\$ 47.00
6	\$ 288.03	\$ 115.37	\$ 101.93	\$ 53.00
8	\$ 367.70	\$ 141.88	\$ 128.44	\$ 61.00

Irrigation Water Rates				
	A	B	C	D
	Rate for Customers not paying the Special Assessment	Rate Required After Offsetting 100% of the Power Costs	Rate Including Payment toward USBR O&M Deficit	Current Rates
Volume Charge per Acre-Foot				
	\$ 83.85	\$ 30.35	\$ 32.35	\$ 23.10
Bimonthly Base Rates				
Meter Size	A	B	C	D
1	\$ 92.87	\$ 53.10	\$ 53.10	\$ 56.00
1 1/2	\$ 112.79	\$ 59.72	\$ 59.72	\$ 58.00
2	\$ 132.71	\$ 66.35	\$ 66.35	\$ 60.00
3	\$ 172.54	\$ 79.61	\$ 79.61	\$ 64.00
4	\$ 212.37	\$ 92.86	\$ 92.86	\$ 67.00
6	\$ 292.04	\$ 119.37	\$ 119.37	\$ 72.00
8	\$ 371.71	\$ 145.88	\$ 145.88	\$ 77.00

Irrigation O&M Deficit Payment \$/Acre-foot
\$2.00

- Notes:
- The rates in Column A are what they would need to be without the offsetting non-operating revenues from the Special Assessment, Teeter Fund and County Tax Pool.
 - The rates in Column B reflect offsets with non-operating revenues in the ratio shown at the top of this page for "Volume," "Capacity," and "# of Accounts" expenses.
 - The rates in Column C comply with the CUWCC BMP#11 by offsetting # of Accounts instead of Volume charges for M&I customers only.
 - The rates in Column D are the District's current rates.

Table 5

Fire Service Rates

Fire Service Rates (Calculated)		
	C	D
	Bimonthly Charge	Current Rates
Fire Service Size		
.75	\$ 10.78	\$ 3.15
1	\$ 11.88	\$ 4.20
1 1/2	\$ 14.09	\$ 6.30
2	\$ 16.30	\$ 8.40
3	\$ 20.72	\$ 12.60
4	\$ 25.14	\$ 16.80
6	\$ 33.98	\$ 25.20
8	\$ 42.81	\$ 33.60

Fire Service Rates (Rounded)		
	C	D
	Bimonthly Charge	Current Rates
Fire Service Size		
.75	\$ 10.80	\$ 3.15
1	\$ 11.90	\$ 4.20
1 1/2	\$ 14.10	\$ 6.30
2	\$ 16.30	\$ 8.40
3	\$ 20.70	\$ 12.60
4	\$ 25.10	\$ 16.80
6	\$ 34.00	\$ 25.20
8	\$ 42.80	\$ 33.60

Note: Fire Service rates are 1/3 of the bimonthly Base Rate charge for a similarly sized M&I meter.

Table 6

WATER RATES

A. ASSESSED CUSTOMERS – (For water service to properties that pay the District’s Special Assessment)

1. Rates for M&I Water customers (Residential, Commercial, Rural and Public/Institutional Service)

a. Bimonthly Base Rates

<u>Meter Size</u>	<u>Current Rate</u>	<u>Proposed 2010 Rate</u>	<u>Proposed 2011 Rate</u>	<u>Proposed 2012 Rate</u>	<u>Proposed 2013 Rate</u>	<u>Proposed 2014 Rate</u>
5/8	\$27.00	\$30.70	\$31.70	\$32.70	\$33.71	\$34.71
3/4	\$27.00	\$32.30	\$33.50	\$34.76	\$35.97	\$37.18
1	\$32.00	\$35.60	\$37.30	\$38.88	\$40.49	\$42.11
1 ½	\$34.00	\$42.30	\$44.70	\$47.12	\$49.54	\$51.96
2	\$38.00	\$48.90	\$52.10	\$55.36	\$58.59	\$61.82
3	\$43.00	\$62.10	\$67.00	\$71.84	\$76.68	\$81.53
4	\$47.00	\$75.40	\$81.90	\$88.32	\$94.78	\$101.24
6	\$53.00	\$101.90	\$111.60	\$121.28	\$130.97	\$140.66
8	\$61.00	\$128.40	\$141.30	\$154.24	\$167.16	\$180.09

b. Water Usage and Charges under each Tier

<u>User Classification / Tier</u>	<u>Current</u>			<u>Proposed</u>		
	<u>Bimonthly Usage (in HCF)</u>		<u>Usage Charge per HCF</u>	<u>Bimonthly Usage (in HCF)</u>		<u>Usage Charge per HCF</u>
<u>Residential/Commercial</u>	<u>From</u>	<u>To</u>		<u>From</u>	<u>To</u>	
Tier 1	0	116	\$0.483	0	175	\$0.434
Tier 2	> 116	161	\$0.533	> 175	245	\$0.521
Tier 3	> 161		\$0.583	> 245		\$0.608
<u>Rural</u>	<u>Bimonthly Usage (in HCF)</u>		<u>Usage Charge per HCF</u>	<u>Bimonthly Usage (in HCF per acre)</u>		<u>Usage Charge per HCF</u>
Tier 1	0	314	\$0.483	0	871	\$0.434
Tier 2	> 314	435	\$0.533	> 871	1307	\$0.521
Tier 3	> 435		\$0.583	> 1307		\$0.608
<u>Public/Institutional</u>	<u>Bimonthly Usage (in HCF per acre)</u>		<u>Usage Charge per HCF</u>	<u>Bimonthly Usage (in HCF per acre)</u>		<u>Usage Charge per HCF</u>
Tier 1	0	1089	\$0.483	0	871	\$0.434
Tier 2	>1089	1546	\$0.533	> 871	1307	\$0.521
Tier 3	>1546		\$0.583	> 1307		\$0.608

2. Rates for Irrigation Water Customers (Agriculture and Aquaculture Service)

a. Bimonthly Base Rates

<u>Meter Size</u>	<u>Current Rate</u>	<u>Proposed 2010 Rate</u>	<u>Proposed 2011 Rate</u>	<u>Proposed 2012 Rate</u>	<u>Proposed 2013 Rate</u>	<u>Proposed 2014 Rate</u>
1	\$56.00	\$53.10	\$54.70	\$56.32	\$57.94	\$59.55
1 ½	\$58.00	\$59.70	\$62.10	\$64.56	\$66.99	\$69.41
2	\$60.00	\$66.30	\$69.60	\$72.80	\$76.03	\$79.26
3	\$64.00	\$79.60	\$84.40	\$89.28	\$94.13	\$98.97
4	\$67.00	\$92.80	\$99.30	\$105.77	\$112.23	\$118.69
6	\$72.00	\$119.30	\$129.00	\$138.73	\$148.42	\$158.11
8	\$77.00	\$145.80	\$158.80	\$171.69	\$184.61	\$197.53

b. Water Usage and Charges under each Tier

<u>User Classification / Tier</u>	<u>Current</u>			<u>Proposed</u>		
	<u>Bimonthly Usage</u> (in AF per acre)		<u>Usage</u> <u>Charge</u> <u>per AF</u>	<u>Bimonthly Usage</u> (in AF per acre)		<u>Usage</u> <u>Charge</u> <u>per AF</u>
	<u>From</u>	<u>To</u>		<u>From</u>	<u>To</u>	
<u>Agriculture</u>						
Tier 1	0	2.5	\$23.10	0	2.5	\$32.35
Tier 2	> 2.5	3.5	\$25.20	> 2.5	3.5	\$38.82
Tier 3	> 3.5		\$28.00	> 3.5		\$45.29
	<u>Bimonthly Usage</u> (in AF per acre)		<u>Usage</u> <u>Charge</u> <u>per AF</u>	<u>Bimonthly Usage</u> (in AF per acre)		<u>Usage</u> <u>Charge</u> <u>per AF</u>
	<u>From</u>	<u>To</u>		<u>From</u>	<u>To</u>	
<u>Aquaculture</u>						
Tier 1	0	6.25	\$23.10	0	6.25	\$32.35
Tier 2	> 6.25	8.75	\$25.20	> 6.25	8.75	\$38.82
Tier 3	> 8.75		\$28.00	> 8.75		\$45.29

B. NON-ASSESSED CUSTOMERS – (Water service to properties that do not pay the District’s Special Assessment)

1. Rates for Non-Assessed M&I Water customers (Residential, Commercial, Rural and Public/Institutional Service)

a. Bimonthly Base Rates

<u>Meter Size</u>	<u>Current Rate</u>	<u>Proposed</u> <u>2010 Rate</u>	<u>Proposed</u> <u>2011 Rate</u>	<u>Proposed</u> <u>2012 Rate</u>	<u>Proposed</u> <u>2013 Rate</u>	<u>Proposed</u> <u>2014 Rate</u>
5/8	\$27.00	\$73.90	\$74.93	\$75.94	\$76.95	\$77.96
3/4	\$27.00	\$78.90	\$80.11	\$81.32	\$82.53	\$83.75
1	\$32.00	\$88.90	\$90.47	\$92.09	\$93.70	\$95.32
1 ½	\$34.00	\$108.80	\$111.19	\$113.61	\$116.03	\$118.46
2	\$38.00	\$128.70	\$131.91	\$135.14	\$138.37	\$141.60
3	\$43.00	\$168.50	\$173.34	\$178.19	\$183.03	\$187.88
4	\$47.00	\$208.30	\$214.78	\$221.24	\$227.70	\$234.16
6	\$53.00	\$288.00	\$297.65	\$307.34	\$317.03	\$326.72
8	\$61.00	\$367.60	\$380.52	\$393.44	\$406.36	\$419.28

b. Water Usage and Charges under each Tier

<u>User Classification / Tier</u>	<u>Current</u>			<u>Proposed</u>		
	<u>Bimonthly Usage</u> (in HCF)		<u>Usage</u> <u>Charge</u> <u>per HCF</u>	<u>Bimonthly Usage</u> (in HCF)		<u>Usage</u> <u>Charge</u> <u>per HCF</u>
	<u>From</u>	<u>To</u>		<u>From</u>	<u>To</u>	
<u>Residential/Commercial</u>						
Tier 1	0	116	\$0.483	0	175	\$0.434
Tier 2	> 116	161	\$0.533	> 175	245	\$0.521
Tier 3	> 161		\$0.583	> 245		\$0.608
	<u>Bimonthly Usage</u> (in HCF)		<u>Usage</u> <u>Charge</u> <u>per HCF</u>	<u>Bimonthly Usage</u> (in HCF per acre)		<u>Usage</u> <u>Charge</u> <u>per HCF</u>
	<u>From</u>	<u>To</u>		<u>From</u>	<u>To</u>	
<u>Rural</u>						
Tier 1	0	314	\$0.483	0	871	\$0.434
Tier 2	> 314	435	\$0.533	> 871	1307	\$0.521
Tier 3	> 435		\$0.583	> 1307		\$0.608
	<u>Bimonthly Usage</u> (in HCF per acre)		<u>Usage</u> <u>Charge</u> <u>per HCF</u>	<u>Bimonthly Usage</u> (in HCF per acre)		<u>Usage</u> <u>Charge</u> <u>per HCF</u>
	<u>From</u>	<u>To</u>		<u>From</u>	<u>To</u>	
<u>Public/Institutional</u>						
Tier 1	0	1089	\$0.483	0	871	\$0.434
Tier 2	>1089	1546	\$0.533	> 871	1307	\$0.521
Tier 3	>1546		\$0.583	> 1307		\$0.608

2. Rates for Non-Assessed Irrigation Water Customers (Agriculture and Aquaculture Service)

a. Bimonthly Base Rates

<u>Meter Size</u>	<u>Current Rate</u>	<u>Proposed 2010 Rate</u>	<u>Proposed 2011 Rate</u>	<u>Proposed 2012 Rate</u>	<u>Proposed 2013 Rate</u>	<u>Proposed 2014 Rate</u>
1	\$56.00	\$92.90	\$94.48	\$96.09	\$97.71	\$99.32
1 ½	\$58.00	\$112.80	\$115.20	\$117.62	\$120.04	\$122.46
2	\$60.00	\$132.70	\$135.91	\$139.14	\$142.37	\$145.60
3	\$64.00	\$172.50	\$177.35	\$182.19	\$187.04	\$191.88
4	\$67.00	\$212.30	\$218.79	\$225.25	\$231.71	\$238.17
6	\$72.00	\$292.00	\$301.66	\$311.35	\$321.04	\$330.73
8	\$77.00	\$371.60	\$384.53	\$397.45	\$410.37	\$423.29

b. Water Usage and Charges under each Tier

<u>User Classification / Tier</u>	<u>Current</u>			<u>Proposed</u>		
	<u>Bimonthly Usage (in AF per acre)</u>		<u>Usage Charge per AF</u>	<u>Bimonthly Usage (in AF per acre)</u>		<u>Usage Charge per AF</u>
<u>Agriculture</u>	<u>From</u>	<u>To</u>		<u>From</u>	<u>To</u>	
Tier 1	0	2.5	\$23.10	0	2.5	\$85.85
Tier 2	> 2.5	3.5	\$25.20	> 2.5	3.5	\$103.03
Tier 3	> 3.5		\$28.00	> 3.5		\$120.20
<u>Aquaculture</u>	<u>From</u>	<u>To</u>	<u>Usage Charge per AF</u>	<u>From</u>	<u>To</u>	<u>Usage Charge per AF</u>
Tier 1	0	6.25	\$23.10	0	6.25	\$85.85
Tier 2	> 6.25	8.75	\$25.20	> 6.25	8.75	\$103.03
Tier 3	> 8.75		\$28.00	> 8.75		\$120.20

C. PRIVATE FIRE PROTECTION SYSTEMS - Bimonthly Charge (Usage Charged at Residential/Commercial Rate)

<u>Meter Size</u>	<u>Current Rate</u>	<u>Proposed 2010 Rate</u>	<u>Proposed 2011 Rate</u>	<u>Proposed 2012 Rate</u>	<u>Proposed 2013 Rate</u>	<u>Proposed 2014 Rate</u>
3/4	\$3.15	\$10.80	\$11.18	\$11.59	\$11.99	\$12.39
1	\$4.20	\$11.90	\$12.42	\$12.96	\$13.50	\$14.04
1 ½	\$6.30	\$14.10	\$14.90	\$15.71	\$16.51	\$17.32
2	\$8.40	\$16.30	\$17.38	\$18.45	\$19.53	\$20.61
3	\$12.60	\$20.70	\$22.33	\$23.95	\$25.56	\$27.18
4	\$16.80	\$25.10	\$27.29	\$29.44	\$31.59	\$33.75
6	\$25.20	\$34.00	\$37.20	\$40.43	\$43.66	\$46.89
8	\$33.60	\$42.80	\$47.11	\$51.41	\$55.72	\$60.03

D. WATER TREATMENT PLANT IMPROVEMENT LOAN REPAYMENT = \$14.00 bimonthly for all customers except for Agricultural and Aquacultural accounts that have no domestic use.

E. ANNUAL ADJUSTMENTS TO WATER RATES

- Annually, upon receipt of notice from the U.S. Bureau of Reclamation (USBR) regarding the rates and charges that the USBR will charge Bella Vista Water District under Water Service Contract No. 14-06-200-851A-LTR1 - Central Valley Project (CVP), California, for water deliveries starting on March 1 of each year, the Usage Charges shall be adjusted by an amount equal to the increase or decrease in charges by the USBR.
- On March 1 of each year the Base Rates, Usage Charges (excluding wholesale water costs), and Fire Service Charges shall be adjusted by the 12-month increase or decrease in the Consumer Price Index – All Urban Consumers (CPI-U) U.S. city average for the preceding December plus 2%. Over the past 20 years the 12-month increase in the CPI-U has ranged between -0.1 and 6.3 percent and has averaged 2.8 percent.
- The proposed 2010 usage rate for Agriculture and Aquaculture water service includes \$2.00 per acre-foot (AF) to pay towards the accumulated USBR O&M Deficit for Irrigation water. In 2011 the rate will be \$4.00/AF, in 2012 it will be \$6.00/AF, and in 2013 and 2014 it will be \$8.00/AF.
- These rates will be reviewed annually by the District’s Board of Directors and may be reduced but not increased from the rates shown and/or calculated using the adjustments referred to in paragraphs E.2 & E.3.