

CITRUS HEIGHTS WATER DISTRICT

DISTRICT STAFF REPORT TO BOARD OF DIRECTORS NOVEMBER 17, 2015 SPECIAL MEETING

SUBJECT : 2016 OPERATING AND CAPITAL IMPROVEMENT BUDGETS
 STATUS : Action Item
 REPORT DATE : November 12, 2015
 PREPARED BY : Susan K. Sohal, Accounting Supervisor
 Hilary Straus, Assistant General Manager

OBJECTIVE:

Conduct a Public Hearing on the proposed Operating and Capital Improvement Budgets for 2016, and consider adoption of a resolution establishing the Fiscal Year 2016 Operating and Capital Improvement Budgets.

SUMMARY:

This report presents the proposed Operating and Capital Improvement Budgets for 2016. Accompanying this report is a copy of a proposed resolution, Resolution 25-2015, establishing the Fiscal Year 2016 Operating and Capital Improvement Budgets, which includes a summary of these budgets in the following amounts:

2016 Operating Budget:	\$10,934,664
2016 Capital Improvement appropriations:	
New Capital Projects for 2016:	\$2,179,909
Previously-Approved Projects Carried Over from 2015:	<u>\$1,383,633</u>
Total 2016 Capital Improvements:	\$3,563,542

Budget information has been reviewed by the Board of Directors at three public meetings, including at an August 25, 2015 Budget Study Session, a September 8, 2015 Board meeting and this Public Hearing on November 17, 2015.

2016 Operating Budget

The 2016 Operating Budget was prepared with the goal of supporting the District's mission of providing a dependable supply of safe, quality water delivered in an efficient, responsive and affordable manner. District staff recommends the proposed 2016 Operating Budget as the proposal achieves a balance between maintaining high-quality water service and keeping costs in check.

The 2016 budget continues the practice of estimating the amount of staff time to be spent working on capital improvement projects and allocating the estimated salary and benefit costs to the Capital Improvement Budget. This allocation gives a more accurate picture of the true cost of both day-to-day operations and capital improvements.

Highlights of proposed 2016 spending for operations are summarized below.

Operating Budget: \$10.93 million, an increase \$1.18 million from the 2015 budget.

- Includes \$2.10 million in transfers to the Capital Improvement and Depreciation Reserves. This reflects a transfer of \$100,000 to replenish the Rate Stabilization Reserve, \$1 million to the Depreciation Reserve per the Board's policy of transferring one-half the amount of calculated depreciation into this Reserve, and a \$1 million transfer to the Capital Improvement Reserve.
- A 7.5% aggregate increase in per-unit cost of treated water cost from San Juan Water District. The projected quantity of water estimated to be purchased is reduced to 12,000 AF, which is lower than the projected 2015 total water purchased. This reduction is due to the forecast that drought conditions will continue into 2016.
- Salary COLA increases of 2.3% (estimated based on the July 2015 Consumer Price Index - West) and merit increases averaging 2.7% at the discretion of the General Manager. However, some salary amounts will go down due to decreased salary amounts for new employees replacing long-term employees, who were at higher points in their salary ranges.
- Employee benefit cost decrease of about \$130,000. A number of factors contribute to the overall decrease including new employees whose CalPERS contribution rates are lower, lower total Healthcare premiums as a result of new employees replacing long-term employees who were at higher premium points, an increase of 12% in Healthcare premium costs and a decrease of 15% in the District's CalPERS employer contribution rate.

About \$339,000 in salary and benefit costs are allocated to the Capital Improvement Budget to account for time spent in the planning, design and construction of capital projects by District employees.

2016 Capital Projects Budget

New Capital Projects for 2016:	\$2,179,909
Previously-Approved Projects Carried Over from 2015:	<u>\$1,383,633</u>
Total 2016 Capital Improvements:	\$3,563,542

Highlights of proposed 2016 Capital Projects are summarized below:

- Replacement of aging customer water services budgeted at \$930,590.
- Replacement, upgrades and new fire hydrants for \$150,000.
- Three water main replacement or installation projects, scheduled to start design, will be undertaken in 2016 with construction targeted for 2017 at a total cost of \$883,000.
- Operations equipment replacements and new equipment totaling \$32,200 for 2016.
- Carryover of Upgrades/Replacements to the District's billing and accounting software and purchase of a replacement color printer for the Administration department for a total of \$50,000 and \$250,000 for the Document Management Plan for 2016.

- Additional transfers to CIP Reserves for buildup of funds towards Meter Replacements at the end of their useful life projected to start in 2020.

RECOMMENDATION:

1. Conduct a Public Hearing on the proposed Operating and Capital Improvement Budgets for 2016; and
2. Adopt Resolution 25-2015 Establishing Fiscal Year 2016 Operating and Capital Improvement Budgets.

ACTION:

Moved by Director _____, Seconded by Director _____, Carried _____

CITRUS HEIGHTS WATER DISTRICT
RESOLUTION NO. 25-2015

RESOLUTION ESTABLISHING
FISCAL YEAR 2016 OPERATING AND CAPITAL IMPROVEMENT BUDGETS
FOR CITRUS HEIGHTS WATER DISTRICT

WHEREAS, CITRUS HEIGHTS WATER DISTRICT has identified the costs of operating the District and for providing capital improvements to the infrastructure of the District, for the Fiscal Year beginning January 1, 2016; and

WHEREAS, the District has prepared budgets setting forth the dollar amounts proposed for District operations and capital improvements; as follows:

Operating Budget: \$10,934,664 Capital Improvement Budget: \$3,563,542; and

WHEREAS, a noticed Public Hearing was held on November 17, 2015 for the purpose of receiving public comment on the proposed Fiscal Year 2016 Operating and Capital Improvement Budgets.

THEREFORE BE IT RESOLVED that the Fiscal Year 2016 Operating and Capital Improvement Budgets accompanying this resolution and incorporated herein as part of this Resolution, are hereby adopted.

PASSED AND ADOPTED by the Board of Directors of the CITRUS HEIGHTS WATER DISTRICT, this 17th day of November, 2015, by the following vote, to-wit:

AYES: Directors:
NOES: Directors:
ABSTAIN: Directors:
ABSENT: Directors:

S E A L

ALLEN B. DAINS, President
Board of Directors
Citrus Heights Water District

ATTEST:

ROBERT A. CHURCHILL, Secretary

CITRUS HEIGHTS WATER DISTRICT

DISTRICT STAFF REPORT TO BOARD OF DIRECTORS NOVEMBER 17, 2015 SPECIAL MEETING

SUBJECT : 2016 WATER RATES, MISCELLANEOUS CHARGES AND FEES
 STATUS : Action Item
 REPORT DATE : November 12, 2015
 PREPARED BY : Susan K. Sohal, Accounting Supervisor
 Hilary Straus, Assistant General Manager

OBJECTIVE:

Conduct a Public Hearing on the proposed Water Rates and Miscellaneous Charges and Fees for 2016, and consider adopting the accompanying resolution establishing Water Rates and Miscellaneous Charges and Fees for Citrus Heights Water District for 2016.

BACKGROUND AND ANALYSIS:

This report presents the proposed Water Rates and Miscellaneous Charges and Fees for 2016, except for Capacity Fees that will be considered in a separate Public Hearing following the Public Hearing on water rates. Accompanying this report is a draft resolution adopting water rates, charges and fees for 2016.

Notice of this Public Hearing was mailed to all District property owners on September 27, 2015 as part of the required Proposition 218 notification. Notice was posted on the District's web site, and posted on the public notice board at the entrance to the District Office.

The Board conducted a budget and rate study session on August 25, 2015. At that study session, the Board considered a number of rate options and corresponding operating and capital impacts based upon an assessment of the District's Long-term financial plan (Rate Model). The Board provided additional direction to staff on September 8, 2015 to distribute a Proposition 218 Notice which included the maximum rates that the Board would consider at a public hearing on November 17, 2015.

The maximum rate adjustment to be considered by the Board on November 17th is based on a financial assessment whereby future annual increases, including the 2016 rate increase being considered by the Board on November 17th, will enable the District to plan for operational budgetary increases and complete needed Capital Improvement projects without the need to incur additional debt in the near future.

As of the date of this report, the District has received 24 written protests from property owners. Directors have been provided with copies of the written protests along with their agenda binders for this Board meeting. Any additional written protests received before the time of Public Hearing will be presented to Directors at the Public Hearing.

2016 Schedule of Water Rates, Fees and Charges

A schedule comparing current 2015 rates with the proposed 2016 Water Rates, Fees and Charges to be considered by the Board accompanies this report. Significant elements of the 2016 water rate schedule are as follows:

- Increases to bi-monthly service charges in 2016 for a typical single-family residential customer are \$12.15 (or \$6.08 per month). Costs for other customer classifications and meter sizes will increase between \$5.16 and \$58.13 bi-monthly for meter sizes from 1½-inch to 4-inch, respectively.
- Consumption charges are proposed to increase from 76.63 cents to 87.35 cents per 100-cubic-foot-unit of water (748 gallons); a net increase of 10.72 cents per 100-cubic-foot-unit of water.
- Other charges such as Wheeling Water Charges, Construction Meters, and Fire Sprinkler Charges are proposed to increase consistent with the fourteen percent (14%) overall rate increase.
- Adjustments to other charges and fees are based on staff analysis of the staff time, equipment, materials and other costs involved in providing the specified services.

Capacity Charges are included on the schedule, but will be considered in a separate Public Hearing at this Board Meeting. The Capacity Charges for new connections to the District have been recalculated in accordance with District policy.

A 2016 Water Shortage Rate Structure will also be considered in a separate Public Hearing at this Board Meeting.

The following additional information accompanies this report:

- A copy of the District's Public Hearing Notice of projected water rate increases required by Proposition 218.

RECOMMENDATION:

1. Conduct the Public Hearing on the proposed Water Rates and Miscellaneous Charges and Fees for 2016; and
2. Adopt Resolution No. 26-2016 Establishing Water Rates and Miscellaneous Charges and Fees for Citrus Heights Water District for 2016.

ACTION:

Moved by Director _____, Seconded by Director _____, Carried _____

CITRUS HEIGHTS WATER DISTRICT
RESOLUTION NO. 26-2015

RESOLUTION ADOPTING
WATER RATES AND MISCELLANEOUS CHARGES AND FEES FOR
CITRUS HEIGHTS WATER DISTRICT FOR 2016

WHEREAS, upon motion duly moved, seconded, and carried, the following water rates and miscellaneous charges and fees were adopted for the fiscal year 2016:

Type of Charge	Applied Basis or Frequency	2015 Adopted	2016 Proposed
<u>Charges for Metered Rate Customer Accounts</u>			
<i>Service Charge, Domestic, Commercial & Irrigation Meters</i>			
¾-inch meter	bi-monthly, per meter	\$36.89	\$42.05
1-inch meter	bi-monthly, per meter	\$56.13	\$63.98
1½-inch meter	bi-monthly, per meter	\$68.95	\$78.60
2-inch meter	bi-monthly, per meter	\$133.07	\$151.69
3-inch meter	bi-monthly, per meter	\$210.02	\$239.42
4-inch meter	bi-monthly, per meter	\$415.22	\$473.35
<i>Service Charge, Combination Meters</i>			
Low flow bypass meter	bi-monthly, per meter	\$0.00	\$0.00
4-inch meter	bi-monthly, per meter	\$133.07	\$151.69
6-inch meter	bi-monthly, per meter	\$210.02	\$239.42
8-inch meter	bi-monthly, per meter	\$415.22	\$473.35
10-inch meter	bi-monthly, per meter	\$1,011.56	\$1,153.17
<u>Public Agencies with Mutual Assistance Agreements</u>			
<u>(SJUSD, SRPD, SCD) (Multiplier = 0.50)</u>			
<i>Service Charge, Domestic, Commercial & Irrigation Meters</i>			
¾-inch meter	bi-monthly, per meter	\$18.44	\$21.02
1-inch meter	bi-monthly, per meter	\$28.06	\$31.99
1½-inch meter	bi-monthly, per meter	\$34.47	\$39.30
2-inch meter	bi-monthly, per meter	\$66.53	\$75.84
3-inch meter	bi-monthly, per meter	\$105.01	\$119.71
4-inch meter	bi-monthly, per meter	\$207.61	\$236.67
<i>Service Charge, Combination Meters</i>			
Low flow bypass meter	bi-monthly, per meter	\$0.00	\$0.00
4-inch meter	bi-monthly, per meter	\$66.53	\$75.84
6-inch meter	bi-monthly, per meter	\$105.01	\$119.71
8-inch meter	bi-monthly, per meter	\$207.61	\$236.67
10-inch meter	bi-monthly, per meter	\$505.78	\$576.58
<u>Other Service Charges</u>			
<i>Service Charge, Construction Meters</i>			
2½-inch and 3-inch meters	bi-monthly, per meter	\$210.02	\$239.42
<i>Service Charge, North Ridge Country Club Meter</i>			
(multiplier = 3.00, not annexed)	bi-monthly, per meter	\$168.39	\$191.94
<i>Service Charge, Mount Vernon Memorial Park</i>			
(multiplier = 2.31, based upon property annexed)			

Low flow bypass meter	bi-monthly, per meter	\$0.00	\$0.00
8-inch Combination meter	bi-monthly, per meter	\$959.16	\$1,093.43

1 unit = 100 cubic feet = 748 gallons

Usage Charges for Water Consumed

<i>All Domestic, Commercial, Irrigation, Combination Meter, and Fire Service Accounts except as otherwise specified below:</i>	per unit	\$0.7663	\$0.8735
<i>Construction Meters</i>	per unit, for all units bi-monthly	\$2.2989	\$2.6205
<i>North Ridge Country Club Meter</i>	per unit, for all units bi-monthly	\$2.2989	\$2.6205
<i>Mount Vernon Memorial Park (2.31 multiplier)</i>	per unit, for all units bi-monthly	\$1.7702	\$2.0177
<i>Unannexed property (surplus water only)</i>	multiplier times annexed rate, applied to service charge and commodity charge	3	3

Wheeling Water Charge
(unless otherwise adopted by mutual aid agreement)

per acre-foot to Cal-American WC	\$43.25	\$49.30
per acre-foot to Carmichael WD	\$43.25	\$49.30
per acre-foot to Fair Oaks WD	\$0.00	\$49.30
per acre-foot to Orange Vale WC	\$0.00	\$3.36
per acre-foot to City of Roseville	\$43.25	\$49.30
per acre-foot to Sacramento Suburban WD	\$43.25	\$49.30
per acre-foot to San Juan WD	\$2.94	\$3.36

Fire Sprinkler Service Charges

4-inch and smaller	per service, bimonthly	\$58.63	\$66.83
6-inch	per service, bimonthly	\$76.05	\$86.69
6-inch; one-half shared	per service, bimonthly	\$38.02	\$43.34
6-inch; one-third shared	per service, bimonthly	\$25.34	\$28.88
8-inch	per service, bimonthly	\$92.62	\$105.58
8-inch; one-half shared	per service, bimonthly	\$46.31	\$52.79
10-inch	per service, bimonthly	\$124.85	\$142.32
12-inch	per service, bimonthly	\$165.41	\$188.56

Construction Water Charges	minimum charge	\$170.88	\$194.79
Schedule A - Projects	per lot	\$117.50	\$133.94

Schedule B - Trenches, Excavations & Grading	per 100 cubic yards	\$31.73	\$36.17
Schedule C - Tank Trucks	per 1,000 gallons	\$5.27	\$6.00
Schedule D - Metered Use	meter rate	-----	-----
Schedule E - Non-Profit	per day	\$35.70	\$40.69

Plan Check Charges	minimum charge + per connection	\$635.00	\$928.00
	per connection	\$16.50	\$18.80
Easement/Quitclaim	per easement/quitclaim	-----	\$626.00
Inspection Charges			
Minimum	min. + per connect. + per main tie-in	\$1,257.00	\$973.00
Plus per connection	per connection	\$144.00	\$164.00
Plus per main tie-in	per main tie-in	\$894.00	\$1,019.00
AC pipe disposal charge	per foot, 4 feet minimum (\$200 min.)	\$50.00	\$50.00
Hydrostatic pressure test	each	\$230.00	\$278.00
Backflow Prevention Assembly Testing Charge for New Development	per assembly		\$83.00
Bacteriological water test sampling	minimum	\$247.00	\$308.00
Additional Bacteriological water sample	additional samples after minimum	\$108.00	\$77.00
Chlorination & Flushing	per project	-----	\$185.00
Weekend/After Hours	per hour (4 hr. minimum)	\$125.00	\$124.00
Holiday	per hour (4 hr. minimum)	\$155.00	\$155.00

Water Service Installation Charges

¾-inch services w/meter	per service	\$3,730.00	\$4,138.00
1-inch service w/meter	per service	\$3,855.00	\$4,265.00
1¼-inch & larger service w/meter	actual cost, with minimum charge	\$3,855.00	\$4,265.00
Service abandonments/relocations	actual cost		
Meter set charge:			
⅝ inch x ¾ inch	per meter	\$335.00	\$414.00
¾ inch	per meter	\$405.00	\$469.00
1 inch	per meter	\$505.00	\$574.00
1½ inch	per meter	\$710.00	\$808.00
2 inch	per meter	\$920.00	\$956.00
>2 inch	actual cost		
Backflow prevention assembly installation charge			
¾ inch	each	\$3,065.00	\$3,088.00
1 inch	each	\$3,260.00	\$3,281.00
1½ inch	each	\$3,780.00	\$3,802.00
2 inch	each	\$4,010.00	\$4,031.00
>2 inch	actual cost		

Capacity Fees

Residential- Multi-Family:

Townhomes/Condos/Duplexes w/¾-inch max.	per service + non-residential uses	\$3,868.00	\$4,177.00
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Townhomes/Condos/Duplexes w/1-inch max.			
Fire Sprinklers w/1-inch max.	per service + non-residential uses	\$6,189.00	\$6,683.00
Residential- Single Family:			
0 - 2.499 acres with 1-inch max.	per service	\$6,189.00	\$6,683.00
2.500 - 4.999 acres with 1¼-inch max.	per service	\$6,963.00	\$7,518.00
5.00 - 7.500 acres with 1½-inch max.	per service	\$7,736.00	\$8,354.00
Over 7.500 acres with 2-inch max.	per service	\$15,473.00	\$16,708.00
Nonresidential Users:			
Based on service size, including, but not limited to, commercial, industrial, irrigation, commercial swimming pools, and clubhouse applications:			
⅝ inch	per service	\$2,321.00	\$2,506.00
¾ inch	per service	\$3,868.00	\$4,177.00
1 inch	per service	\$6,189.00	\$6,683.00
1¼ inch	per service	\$6,963.00	\$7,518.00
1½ inch	per service	\$7,736.00	\$8,354.00
2 inch	per service	\$15,473.00	\$16,708.00
3 inch	per service	\$24,756.00	\$26,732.00
4 inch	per service	\$49,512.00	\$53,464.00
6 inch	per service	\$193,406.00	\$208,844.00
8 inch	per service	\$371,340.00	\$400,980.00
10 inch	per service	\$587,955.00	\$634,885.00
12 inch	per service	\$773,625.00	\$835,375.00

Other Charges and Fees

Inclusion / Annexation Fee	per gross acre, ½ acre or greater	\$2,214.00	\$2,223.00
	minimum to ½ acre	\$1,107.00	\$1,111.50
Agenda-By-Mail Charge (e-mail delivery free)	per packet	\$0.00	\$30.00
Agenda-By-Mail Charge (e-mail delivery free)	per year	\$65.00	\$371.00
Standby Service Charge	per hour, 1 hour minimum	\$98.00	\$97.00
New Account Application Fee	per application	\$30.00	\$0.00
Returned Check Fee	per check	\$20.00	\$25.00
	5% of overdue account balance	5.00%	5.00%
Late Payment Penalty			
Turn-off Notice Service Charge	per occurrence	\$25.00	\$22.00
Disconnect / Reconnect Service Charge	per occurrence	\$58.00	\$100.00
Meter Re-Read / Maintenance Charge	per occurrence	\$39.00	\$39.00
Customer Account Deposit	per account	\$170.00	\$200.00
Construction Meter Deposit	per meter	\$1,750.00	\$1,769.00
Copy Charge	per page	\$0.10	\$0.10
Backflow Prevention Assembly Testing Charge	per assembly bimonthly	\$12.00	\$12.50
Backflow Prevention Assembly Re-testing Charge	per test	-----	\$80.00
Fire Flow Certification Letter	per letter	\$25.00	\$22.00
Fire Flow Modeling	per modeling	\$240.00	\$333.00
Fire Flow Modeling & Certification Letter	per modeling plus letter	-----	\$355.00
Tamper Charge	per occurrence minimum	\$58.00	\$100.00
Water Conservation Violation Charge	first occurrence	-----	\$50.00
Water Conservation Violation Charge	second occurrence	-----	\$75.00
Water Conservation Violation Charge	third occurrence	-----	\$100.00

PASSED AND ADOPTED by the Board of Directors of the CITRUS HEIGHTS WATER DISTRICT, this 17th day of November 2015, by the following vote, to-wit:

AYES: Directors:
NOES: Directors:
ABSTAIN: Directors:
ABSENT: Directors:

S E A L

ALLEN B. DAINS, President
Board of Directors
Citrus Heights Water District

ATTEST:

ROBERT A. CHURCHILL, Secretary

CITRUS HEIGHTS WATER DISTRICT

DISTRICT STAFF REPORT TO BOARD OF DIRECTORS NOVEMBER 17, 2018 SPECIAL MEETING

SUBJECT : 2016 CAPACITY CHARGES
 STATUS : Action Item
 REPORT DATE : November 12, 2015
 PREPARED BY : Susan K. Sohal, Accounting Supervisor
 Hilary Straus, Assistant General Manager

OBJECTIVE:

Conduct a Public Hearing on the proposed Capacity Charges for 2016, and consider adoption of a resolution establishing Capacity Charges for Citrus Heights Water District for 2016.

BACKGROUND AND ANALYSIS:

This report presents the proposed Capacity Charges for 2016. Accompanying this report is a proposed resolution, Resolution 27-2015, adopting Capacity Charges for CHWD for 2016. The resolution includes a schedule of Capacity Charges.

Capacity charges are a method for ensuring that new connections, reconnections or enlarged connections to the District’s water system are assessed for their equitable share of capacity in the existing facilities and assets of the District. The District uses a “System Buy-In Methodology” which recognizes the current value of providing the capacity needed to serve additional users, based on the replacement cost of the assets of the District less depreciation.

Proposed Capacity Charges for 2016 were calculated in accordance with District Policy No. 7500, Capacity Charges. Although these Capacity Charges will be adopted as a separate Board action, once adopted, they will be incorporated in the schedule of CHWD Water Rates and Miscellaneous Charges and Fees for 2016.

RECOMMENDATION:

1. Conduct the Public Hearing on the proposed Capacity Charges for 2016; and
2. Adopt Resolution No. 27-2015 Adopting Capacity Charges for Citrus Heights Water District for 2016.

ACTION:

Moved by Director _____, Seconded by Director _____, Carried _____

CITRUS HEIGHTS WATER DISTRICT
RESOLUTION NO. 27-2015

RESOLUTION ADOPTING CAPACITY CHARGES
FOR CITRUS HEIGHTS WATER DISTRICT FOR 2016

WHEREAS, upon motion duly moved, seconded, and carried, the following Capacity Charges were adopted for the year 2016:

<u>Type of Charge</u>	<u>Applied Basis or Frequency</u>	<u>2016 Adopted</u>
Capacity Fees		
Residential- Multi-Family:		
Townhomes/Condos/Duplexes w/3/4-inch max.	per service + non-residential uses	\$4,177.00
Townhomes/Condos/Duplexes w/1-inch max.		
Fire Sprinklers w/1-inch max.	per service + non-residential uses	\$6,683.00
Residential- Single Family:		
0 - 2.499 acres with 1-inch max.	per service	\$6,683.00
2.500 - 4.999 acres with 1 1/4-inch max.	per service	\$7,518.00
5.00 - 7.500 acres with 1 1/2-inch max.	per service	\$8,354.00
Over 7.500 acres with 2-inch max.	per service	\$16,708.00
Nonresidential Users:		
Based on service size, including, but not limited to, commercial, industrial, irrigation, commercial swimming pools, and clubhouse applications:		
3/8 inch	per service	\$2,506.00
1/4 inch	per service	\$4,177.00
1 inch	per service	\$6,683.00
1 1/4 inch	per service	\$7,518.00
1 1/2 inch	per service	\$8,354.00
2 inch	per service	\$16,708.00
3 inch	per service	\$26,732.00
4 inch	per service	\$53,464.00
6 inch	per service	\$208,844.00
8 inch	per service	\$400,980.00
10 inch	per service	\$634,885.00
12 inch	per service	\$835,375.00

PASSED AND ADOPTED by the Board of Directors of the CITRUS HEIGHTS WATER DISTRICT, this 17th day of November 2015, by the following vote, to-wit:

AYES: Directors:
NOES: Directors:
ABSTAIN: Directors:
ABSENT: Directors:

S E A L

ALLEN B. DAINS, President
Board of Directors
Citrus Heights Water District

ATTEST:

ROBERT A. CHURCHILL, Secretary

Citrus Heights Water District
Summary of Water System Capacity (Buy-In) Charge - October 2015 Revision

Original and Replacement Costs of Assets

	Original Cost	Original Cost Less Depreciation	Replacement Cost	Replacement Cost Less Depreciation
Land & Right of Way	\$ 981,763	\$ 981,763	\$ 981,763	\$ 981,763
Capacity Entitlements	\$ 5,636,711	\$ 3,952,132	\$ 5,636,711	\$ 3,952,132
Improvements	\$ 55,847	\$ 19,537	\$ 55,847	\$ 19,537
Pipelines and Infrastructure	\$ 47,896,277	\$ 32,088,524	\$ 183,233,715	\$ 133,005,573
Machinery & Equipment	\$ 2,967,081	\$ 822,057	\$ 2,967,081	\$ 822,057
Buildings	\$ 1,466,585	\$ 767,874	\$ 1,466,585	\$ 767,874
Well Construction	\$ 4,858,478	\$ 3,691,191	\$ 4,858,478	\$ 3,691,191
Donated Assets	\$ 16,064,286	\$ 7,233,764		
Water System Debt Financing				
Interest Costs	\$ 1,547,269			
Outstanding Principal	\$ 6,191,869			
Water System Totals	\$ 87,666,166	\$ 49,556,842	\$ 199,200,180	\$ 143,240,127
No. of Equivalent Meters	21,434	21,434	21,434	21,434

Water System Capacity (Buy-In) Charge per equivalent meter

	Original Cost	Original Cost Less Depreciation	Replacement Cost	Replacement Cost Less Depreciation
Land & Right of Way	\$ 45.80	\$ 45.80	\$ 45.80	\$ 45.80
Capacity Entitlements	\$ 262.98	\$ 184.39	\$ 262.98	\$ 184.39
Improvements	\$ 2.61	\$ 0.91	\$ 2.61	\$ 0.91
Pipelines and Infrastructure	\$ 2,234.59	\$ 1,497.09	\$ 8,548.74	\$ 6,205.35
Machinery & Equipment	\$ 138.43	\$ 38.35	\$ 138.43	\$ 38.35
Buildings	\$ 68.42	\$ 35.83	\$ 68.42	\$ 35.83
Well Construction	\$ 226.67	\$ 172.21	\$ 226.67	\$ 172.21
Donated Assets	\$ 749.48	\$ 337.49	\$ -	\$ -
Cooperative Transmission Pipeline	\$ -	\$ -	\$ -	\$ -
Water System Debt Financing	\$ -	\$ -	\$ -	\$ -
Interest Costs	\$ 72.19	\$ -	\$ -	\$ -
Outstanding Principal	\$ 288.88	\$ -	\$ -	\$ -
Water System Totals (\$/Eq. Mtr.)	\$ 4,090	\$ 2,312	\$ 9,294	\$ 6,683

Water System Capacity (Buy-In) Charge Per Meter Size

Meter Size	Capacity Factor	Original Cost	Original Cost Less Depreciation	Replacement Cost	Replacement Cost Less Depreciation
5/8"	0.375	\$ 1,534	\$ 867	\$ 3,485	\$ 2,506
3/4"	0.625	\$ 2,556	\$ 1,445	\$ 5,809	\$ 4,177
1"	1.000	\$ 4,090	\$ 2,312	\$ 9,294	\$ 6,683
1 1/4"	1.125	\$ 4,601	\$ 2,601	\$ 10,456	\$ 7,518
1 1/2"	1.250	\$ 5,113	\$ 2,890	\$ 11,618	\$ 8,354
2"	2.500	\$ 10,225	\$ 5,780	\$ 23,235	\$ 16,708
3"	4.000	\$ 16,360	\$ 9,248	\$ 37,176	\$ 26,732
4"	8.000	\$ 32,720	\$ 18,496	\$ 74,352	\$ 53,464
6"	31.250	\$ 127,813	\$ 72,250	\$ 290,438	\$ 208,844
8"	60.000	\$ 245,400	\$ 138,720	\$ 557,640	\$ 400,980
10"	95.000	\$ 388,550	\$ 219,640	\$ 882,930	\$ 634,885
12"	125.000	\$ 511,250	\$ 289,000	\$ 1,161,750	\$ 835,375

CITRUS HEIGHTS WATER DISTRICT

DISTRICT STAFF REPORT TO BOARD OF DIRECTORS NOVEMBER 17, 2015 SPECIAL MEETING

SUBJECT : WATER SHORTAGE RATE STRUCTURE
STATUS : Action Item
REPORT DATE : November 12, 2015
PREPARED BY : Susan K. Sohal, Accounting Supervisor
 : Hilary Straus, Assistant General Manager

OBJECTIVE:

Conduct a Public Hearing on the proposed Water Shortage Rate Structure, and consider adoption of a resolution renewing and extending a Water Shortage Rate Structure for Citrus Heights Water District.

BACKGROUND AND ANALYSIS:

Accompanying this report is the existing Water Shortage Rate Structure and a resolution to renew and extend it. As background, the Reed Group, Inc., presented the proposed Water Shortage Rate Structure on September 9, 2014, and it was adopted by the Board on November 19, 2014. The current term of the Water Shortage Rate Structure expires on December 31, 2015. The accompanying resolution renews and extends the Water Shortage Rate Structure until or unless the Board votes to remove the Water Shortage Rate Structure.

As was the case in 2015, adoption of Resolution No. 28-2015, renewing and extending the Water Shortage Rate Structure, does not approve the Water Shortage Rates for implementation. In the event the Water Shortage Rate Structure is needed to offset future revenue shortfalls, due to a drought or another water supply emergency, a separate Board action will be required.

As part of staff's budget proposal to the Board for 2016, renewing and extending the Water Shortage Rate Structure is recommended, and discontinuing the 25% Water Shortage Rate on the usage portion of customer's bills, enacted by the Board on May 12, 2015, is recommended, effective January 1, 2016.

RECOMMENDATION:

1. Conduct the Public Hearing on the proposed Water Shortage Rate Structure; and
2. Adopt Resolution No. 28-2015 Renewing and Extending the Water Shortage Rate Structure for Citrus Heights Water District, and removing the 25% Water Shortage Rate applied to the usage portion of customers' bills, effective January 1, 2016.

ACTION:

Moved by Director _____, Seconded by Director _____, Carried _____

CITRUS HEIGHTS WATER DISTRICT
RESOLUTION NO. 28-2015

RESOLUTION RENEWING AND EXTENDING THE WATER SHORTAGE RATE STRUCTURE
FOR CITRUS HEIGHTS WATER DISTRICT
AND
REMOVING THE TWENTY FIVE PERCENT (25%) WATER SHORTAGE RATE APPLIED TO THE
USAGE PORTION OF CUSTOMERS' BILLS

WHEREAS, CITRUS HEIGHTS WATER DISTRICT continues to identify the potential financial impacts of water shortage due to drought or other water supply emergency; and

WHEREAS, the District developed a Water Shortage Rate Structure, enacted in 2015, for offsetting the resulting financial deficit; and

WHEREAS, a noticed Public Hearing was held on November 17, 2015 for the purpose of receiving public comment on the proposed renewal of the Water Shortage Rate Structure; and

WHEREAS, discontinuing the twenty-five percent (25%) Water Shortage Rate on the usage portion of customers' bills, effective January 1, 2016, is recommended as part of the overall budget and rate adoption process for 2016.

NOW THEREFORE, BE IT RESOLVED AND ORDERED AS FOLLOWS:

1. The proposed extended Water Shortage Rate Structure is:

CITRUS HEIGHTS WATER DISTRICT WATER SHORTAGE RATE STRUCTURE ⁽¹⁾						
	STAGE 1 NORMAL SUPPLY	STAGE 2 WATER ALERT	STAGE 3 WATER WARNING	STAGE 4 WATER CRISIS	STAGE 5 WATER EMERGENCY	USBR HEALTH & SAFETY STD
Use Reduction Goals	None	5% to 10%	11% to 25%	26% to 50%	Over 50%	Over 75%
Bi-Monthly Service Charges ⁽²⁾						
Water Usage Charges (\$/CCF) ⁽³⁾						
Standard Water Usage Rate (a)	\$ 0.8735	\$ 0.8735	\$ 0.8735	\$ 0.8735	\$ 0.8735	\$ 0.8735
Water Shortage Charge ⁽⁴⁾			10%	25%	40%	55%
Sample Water Shortage Charges (b)			\$ 0.0874	\$ 0.2184	\$ 0.3494	\$ 0.4804
Sample Aggregated Usage Rates (a + b)			\$ 0.9609	\$ 1.0919	\$ 1.2229	\$ 1.3539
Excess Use Charge ⁽⁵⁾				50%	150%	250%
Sample Excess Use Charges (c)				\$ 0.5459	\$ 1.8344	\$ 3.3848
Sample Aggr. Excess Use Rates (a + b + c)				\$ 1.6378	\$ 3.0573	\$ 4.7387
Excess Use Charge applies to usage above amounts shown ⁽⁶⁾		¾-inch meter	26 CCF			
		1-inch meter	52 CCF			
		1½-inch meter	156 CCF			
		2-inch meter	208 CCF			
		3-inch meter	416 CCF			
		4-inch meter & larger	832 CCF			

(1) This Table shows the proposed Water Shortage Charges and Excess Use Charges applied to the Standard Water Usage Rates, using 2016 as an example. The percentages would be applied to any then-current Standard Water Usage Rates in future years.

(2) No changes to the bi-monthly service charges are proposed during water shortages.

(3) 1 CCF equals 100 cubic feet which equals 748 gallons of water.

(4) Water Shortage Charges are incremental increases in the Standard Water Usage Rate applied in

Stages 3, 4 and 5, and with the United States Bureau of Reclamation (USBR) Health and Safety limitation.

(5) Excess Use Charges effectively create a higher-priced second tier, and would apply only in Stages 4 and 5, and with the Health and Safety limitation. The percentage is applied to the combined Standard Water Usage and Water Shortage rate to create the second tier.

(6) Excess Use Charge applies to bi-monthly usage in excess of amounts shown for each meter size.

The Water Shortage Rate Structure will remain in effect until or unless the Board opts to

remove the Water Shortage Rate Structure.

2. Section 3 of Citrus Heights Water District Resolution 14-2015, enacting a 25% Water Shortage Rate applied to the usage portion of customers' bills, is repealed, effective January 1, 2016.

PASSED AND ADOPTED by the Board of Directors of the CITRUS HEIGHTS WATER DISTRICT, this 17th day of November 2015, by the following vote, to-wit:

AYES:	Directors:
NOES:	Directors:
ABSTAIN:	Directors:
ABSENT:	Directors:

S E A L

ALLEN B. DAINS, President
Board of Directors
Citrus Heights Water District

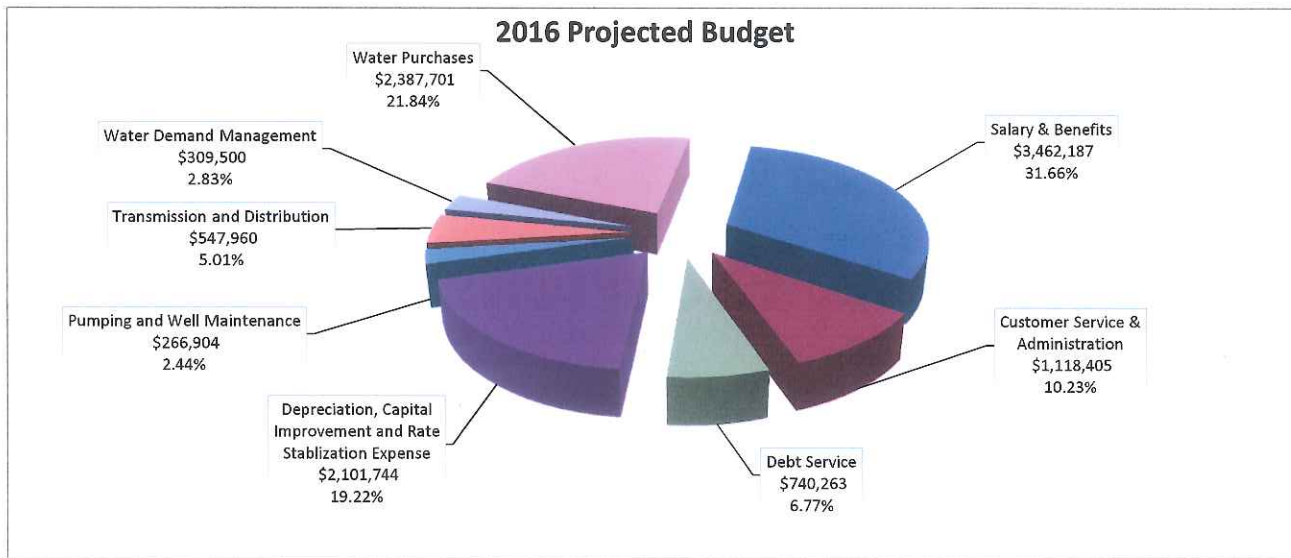
ATTEST:

ROBERT A. CHURCHILL, Secretary

**CITRUS HEIGHTS WATER DISTRICT
2016 OPERATING BUDGET SUMMARY**

Proposed: November 17, 2015

<u>Expense Category</u>	<i>2014 Budget</i>	<i>2014 Actual</i>	<i>2015 Budget</i>	<i>2015 Projected</i>	<i>2016 Projected Budget</i>	<i>% Change 2015 vs. 2016</i>
Salary & Benefits	\$ 3,051,855	\$ 2,781,872	\$ 3,005,484	\$ 2,813,240	\$ 3,462,187	15.20%
Customer Service & Administration	\$ 1,064,615	\$ 894,666	\$ 788,472	\$ 776,048	\$ 1,118,405	41.84%
Debt Service	\$ 743,475	\$ 734,660	\$ 736,488	\$ 707,015	\$ 740,263	0.51%
Depreciation, Capital Improvement and Rate Stabilization Expense	\$ 1,889,000	\$ 1,889,000	\$ 1,949,000	\$ 1,583,000	\$ 2,101,744	7.84%
Pumping and Well Maintenance	\$ 141,248	\$ 211,293	\$ 200,723	\$ 197,139	\$ 266,904	32.97%
Transmission and Distribution	\$ 494,379	\$ 540,477	\$ 496,406	\$ 426,789	\$ 547,960	10.39%
Water Demand Management	\$ 129,682	\$ 94,253	\$ 280,195	\$ 122,364	\$ 309,500	10.46%
Water Purchases	\$ 2,361,410	\$ 1,984,921	\$ 2,295,483	\$ 1,974,308	\$ 2,387,701	4.02%
	\$ 9,875,665	\$ 9,131,142	\$ 9,752,249	\$ 8,599,904	\$ 10,934,664	12.12%



CITRUS HEIGHTS WATER DISTRICT
2016 OPERATING BUDGET SUMMARY
Proposed: November 17, 2015

Account	Description	2014 Budget	2014 Actual	2015 Budget	2015 Projected	2016 Projected Budget	change	% Change
<i>Customer Service & Administration</i>								
	DIRECTORS MEETING COMPENSATION	15,950	11,455	20,300	19,575	20,300	-	0%
	RETIREE HEALTH CARE BENEFIT	37,790	123,901	41,565	25,019	43,547	1,982	5%
	CONTRACT SERVICES - OFFICE REPAIRS / MAINT	2,000	544	2,000	1,000	2,000	-	0%
	MAINTENANCE AGREEMENTS - SOFTWARE	134,977	119,527	114,037	132,141	134,332	20,295	18%
	EQUIPMENT RENTAL & MAINT - OFFICE & BUILDING EQUIPMENT	12,858	11,523	11,580	13,848	14,366	2,786	24%
	JANITORIAL	9,904	9,154	9,313	7,641	11,100	1,787	19%
	BANK FEES	64,800	66,297	71,000	69,062	71,000	-	0%
	OFFICE EXPENSE	12,500	13,981	15,000	14,618	15,000	-	0%
	SMALL OFFICE EQUIPMENT	2,000	1,695	2,000	1,000	2,000	-	0%
	DUES & SUBSCRIPTIONS	75,695	81,001	102,210	101,887	112,210	10,000	10%
	POSTAGE	98,244	101,175	98,500	98,124	103,000	4,500	5%
	PRINTING	5,875	6,782	6,000	7,690	7,700	1,700	28%
	TELEPHONE - LOCAL / LONG DISTANCE	11,720	11,704	16,220	11,146	12,500	(3,720)	-23%
	UTILITIES	21,550	19,412	18,720	16,366	19,700	980	5%
	INSURANCE - LIABILITY & COMPREHENSIVE	78,280	101,052	68,845	53,177	75,300	6,455	9%
	LEGAL & AUDIT	56,000	44,334	57,680	61,862	78,900	21,220	37%
	CONTINUED EDUCATION	31,780	18,476	31,580	21,070	45,780	14,200	45%
	PROFESSIONAL / CONTRACT SERVICES - OFFICE LABOR	-	-	-	-	130,000	130,000	0%
	PROFESSIONAL / CONTRACT SERVICES - BILL PRINT/MAIL	25,200	27,637	26,400	26,398	27,600	1,200	5%
	PROFESSIONAL / CONTRACT SERVICES - FINANCIAL	-	7,800	-	-	5,000	5,000	0%
	PROFESSIONAL / CONTRACT SERVICES - OTHER	328,512	80,454	62,169	75,668	133,460	71,291	115%
	ELECTION EXPENSE	25,550	28,021	-	-	29,000	29,000	0%
	PUBLICATION NOTICES	1,200	(538)	1,236	1,236	1,500	264	21%
	OFFICE MISC - MEETING ACCOMODATIONS	300	171	309	275	2,000	1,691	547%
	OFFICE MISC - OTHER	1,132	924	1,200	7,243	2,200	1,000	83%
	COMPUTER SOFTWARE	3,500	(3)	3,605	-	3,700	95	3%
	BAD DEBT EXPENSE	-	1,056	-	3,000	5,000	5,000	0%
	OFFICE MISC - DISTRICT EVENTS	4,760	4,407	4,903	4,903	5,110	207	4%
	OFFICE MISC - MILESTONE EVENTS	2,540	2,721	2,100	2,100	5,100	3,000	143%
<i>Debt Service</i>								
	DEBT SERVICE - COP SERIES 2010	570,438	567,250	569,200	539,727	571,200	2,000	0%
	DEBT SERVICE - COP SERIES 2012	173,038	167,410	167,288	167,287	169,063	1,776	1%
<i>Depreciation, Capital Improvement and Rate Stabilization Expense</i>								
	RATE STABILIZATION RESERVE	-	-	-	-	100,000	100,000	0%
	DEPRECIATION RESERVE	889,000	889,000	949,000	949,000	1,001,744	52,744	6%

Account	Description	2014 Budget	2014 Actual	2015 Budget	2015 Projected	2016 Projected Budget	change	% Change
	CAPITAL IMPROVEMENT RESERVE	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	-	0%
<i>Pumping and Well Maintenance</i>								
	POWER TO WELLS	128,728	179,694	177,495	186,415	244,904	67,409	38%
	WELLS - REPAIR / MAINTENANCE	12,520	31,599	23,228	10,724	22,000	(1,228)	-5%
<i>Salary & Benefits</i>								
	INSURANCE - DISABILITY & LIFE	28,188	24,998	28,300	28,063	28,300	-	0%
	INSURANCE - WORKER'S COMPENSATION	64,481	26,702	54,319	54,068	54,319	-	0%
	EMPLOYEE BENEFIT - VISION INSURANCE	5,000	4,966	5,040	5,005	5,100	60	1%
	EMPLOYEE BENEFIT - DENTAL INSURANCE	40,644	43,194	41,258	41,885	43,200	1,942	5%
	EMPLOYEE BENEFIT - HEALTH INSURANCE	395,229	315,190	351,272	308,587	375,272	24,000	7%
	EMPLOYEE BENEFIT - PERS RETIREMENT	576,976	618,441	591,083	402,968	422,554	(168,529)	-29%
	EMPLOYEE BENEFIT - SOCIAL SECURITY	144,523	151,434	144,642	155,778	153,444	8,802	6%
	EMPLOYEE BENEFIT - MEDICARE	33,800	37,729	33,827	36,432	35,886	2,059	6%
	EMPLOYEE BENEFIT - UNEMPLOYMENT INSURANCE	6,728	5,349	6,825	7,248	7,875	1,050	15%
	EMPLOYEE BENEFIT - HEALTH INSURANCE REIMBURSEMENT	26,000	23,879	26,000	24,880	26,000	-	0%
	EMPLOYEE SALARY AND BENEFITS - ALLOCATION TO CAPITAL PROJECTS	(638,299)	(679,935)	(629,907)	(733,961)	(339,867)	290,040	-46%
	SALARY - MANAGERS (4 positions)	573,056	642,719	566,130	650,877	667,937	101,807	18%
	SALARY - OFFICE (6 authorized positions)	404,059	407,033	348,136	363,835	374,100	25,964	7%
	SALARY - FIELD / O&M (15 authorized positions)	1,034,664	742,899	1,069,222	1,098,047	1,118,893	49,671	5%
	STANDBY DUTY	16,640	16,000	16,640	15,040	17,940	1,300	8%
	SALARY - WATER DEMAND MANAGEMENT (2 authorized positions)	135,114	144,222	145,936	153,566	156,088	10,153	7%
	SALARY - ENGINEERING (4 positions)	205,053	257,053	206,761	220,923	315,145	108,384	52%
<i>Transmission and Distribution</i>								
	COOPERATIVE TRANSMISSION PIPELINE MAINTENANCE	5,000	4,694	5,000	5,000	5,000	-	0%
	WATER QUALITY ANALYSIS	37,432	27,873	19,432	23,670	41,000	21,568	111%
	FIELD MISCELLANEOUS - DUMP FEES	1,000	-	-	961	1,000	1,000	100%
	FIELD MISCELLANEOUS - OTHER	500	1,098	500	439	500	500	100%
	SMALL TOOLS - FIELD	18,000	22,779	15,000	17,530	23,400	8,400	56%
	SUPPLIES - FIELD	18,000	18,755	18,000	18,350	19,000	1,000	6%
	MATERIALS	35,000	90,953	35,000	5,785	6,000	(29,000)	-83%
	ROADBASE	36,000	28,791	35,000	14,965	20,000	(15,000)	-43%
	CONTRACT SERVICES - CONCRETE	10,000	9,088	10,000	7,289	8,000	(2,000)	-20%
	CONTRACT SERVICES - MISC FIELD / O&M	32,000	26,703	30,400	26,018	30,000	(400)	-1%
	CONTRACT SERVICES - PAVING	15,000	8,476	25,000	8,839	9,000	(16,000)	-64%
	MAINTENANCE AGREEMENTS - EQUIPMENT	9,876	2,597	6,670	4,732	6,700	30	0%
	REPAIR - FLEET EQUIPMENT	32,000	39,461	32,000	31,069	40,000	8,000	25%
	REPAIR - TOOLS AND EQUIPMENT	18,500	16,415	12,000	3,912	12,000	-	0%
	GAS AND OIL	50,000	53,965	51,000	47,628	51,000	-	0%
	EQUIPMENT RENTAL - FIELD	3,000	3,229	3,000	2,873	3,000	-	0%
	PERMIT FEE - AIR QUALITY / HAZ MAT	3,800	3,343	4,800	5,000	5,700	900	19%

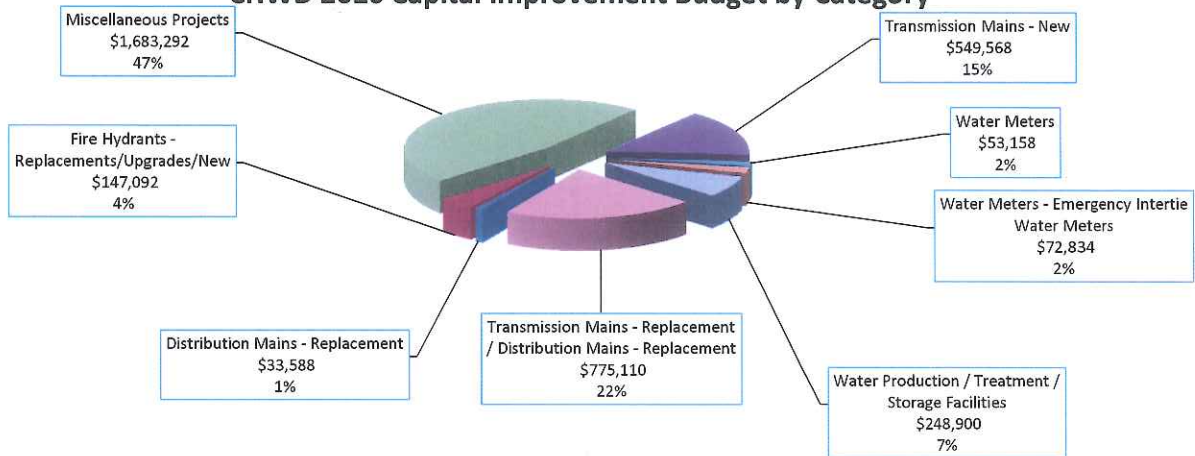
<i>Account</i>	<i>Description</i>	<i>2014 Budget</i>	<i>2014 Actual</i>	<i>2015 Budget</i>	<i>2015 Projected</i>	<i>2016 Projected Budget</i>	<i>change</i>	<i>% Change</i>
	PERMIT FEE - STATE WATER RESOURCES CONTROL BOARD (SWRCB)	14,000	11,758	14,000	13,726	14,000	-	0%
	PERMIT FEE - ENCROACHMENT PERMITS	29,625	30,020	29,000	31,969	44,000	15,000	52%
	TELEPHONE - WIRELESS	11,000	19,035	11,244	13,682	16,800	5,556	49%
	TELEPHONE - ANSWERING SERVICE	1,950	2,354	2,400	2,241	2,400	-	0%
	PROFESSIONAL / CONTRACT SERVICES - ENGINEERING	2,000	4,000	13,000	13,022	20,000	7,000	54%
	PROFESSIONAL / CONTRACT SERVICES - TEMPORARY LABOR	5,000	12,366	5,000	20,401	50,000	45,000	900%
	PROFESSIONAL / CONTRACT SERVICES - WELLS	-	-	10,000	-	10,000	-	0%
	PROFESSIONAL / CONTRACT SERVICES - METER READING	105,696	102,723	108,960	107,688	108,960	-	0%
	<i>Water Demand Management</i>							
	WATER DEMAND MANAGEMENT - POSTAGE	13,000	12,098	13,390	11,369	14,000	610	5%
	WATER DEMAND MANAGEMENT - PRINTING	6,800	4,977	7,004	8,828	25,000	17,996	257%
	WATER DEMAND MANAGEMENT - MATERIALS AND SUPPLIES	7,900	8,380	8,137	11,040	11,500	3,363	41%
	WATER DEMAND MANAGEMENT - CONTRACT SERVICES	67,532	49,192	217,032	63,502	221,000	3,968	2%
	WATER DEMAND MANAGEMENT - OTHER	6,950	4,501	7,132	4,102	8,000	869	12%
	WATER DEMAND MANAGEMENT - INCENTIVE PROGRAMS	27,500	15,105	27,500	23,525	30,000	2,500	9%
	<i>Water Purchases</i>							
	PURCHASED WATER	2,361,410	1,984,921	2,295,483	1,974,308	2,387,701	92,218	4%
	Grand Total	9,875,665	9,131,142	9,752,249	8,965,904	10,934,664	1,182,414	12%

**Citrus Heights Water District
2016 CAPITAL PROJECTS BUDGET SUMMARY**

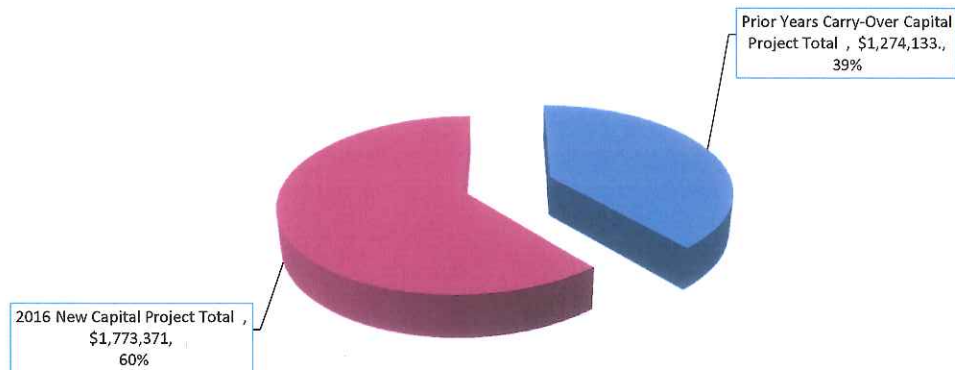
Proposed: November 17, 2015

Category	2015 Adopted Budget	2016 Projected Budget	2017 Projected Expense	Total Project Budget	Adopted vs Proposed Budget Variance (\$)
Distribution Mains - Replacement	906,927	33,588	1,321,564	1,382,654	475,727
Fire Hydrants - Replacements/Upgrades/New	173,738	147,092	-	147,092	(26,646)
Miscellaneous Projects	1,961,506	1,683,292	525,000	2,133,292	(65,263)
Transmission Mains - New	1,082,423	549,568	-	970,286	(112,136)
Water Meters	28,441	53,158	-	53,158	24,717
Water Meters - Emergency Intertie Water Meters	73,010	72,834	-	72,834	(175)
Water Production / Treatment / Storage Facilities	351,829	248,900	-	348,900	(102,929)
Transmission Mains - Replacement / Distribution Mains - Replacement	-	775,110	-	775,110	-
Grand Total	\$ 4,577,873	\$ 3,563,542	\$ 1,846,564	\$ 5,883,326	\$ 193,294

CHWD 2016 Capital Improvement Budget by Category



Total Projects Prior Years and New



CITRUS HEIGHTS WATER DISTRICT
 2016 CAPITAL PROJECTS BUDGET - SUMMARY BY PROJECT
 Proposed: November 17, 2015

Project Number	Name	2015 Adopted Budget	2015 Estimated Expense	2016 Projected Budget	2017 Projected Expense	% Complete	Total Project Budget	Adopted vs Proposed Budget Variance (\$)	Variance (%)
2011-01	Fair Way 12" x 8" Interconnection w/ RV	52,855	-	52,855	-	0%	52,855	(0)	0.00%
2012-09	Blossom Hill Way 6" x 10" Interconnection w/ RV	25,655	-	25,480	-	0%	25,480	(175)	-0.68%
2012-10	Crestmont Avenue 6" Interconnection w/ RV	20,155	-	19,980	-	0%	19,980	(175)	-0.87%
2013-30	San Juan High School 24" North Property Line Transmission Main Installation	662,979	258,080	225,591	-	53%	483,671	(179,308)	-27.05%
2014-36	San Juan Park 12" Water Main Installation - 5555 Mariposa Avenue to UC Davis Medical Center	306,814	149,958	198,842	-	49%	348,800	41,986	13.68%
2015-02	Annual Corporation Yard Improvements/Replacements	109,500	-	109,500	-	0%	109,500	-	0.00%
2015-04	Annual Technology Hardware and Software Improvements/Replacements	750,000	5,000	300,000	450,000	1%	750,000	-	0.00%
2015-30	Poplar Avenue 14" Transmission Main Installation	86,975	-	99,655	-	15%	112,335	25,360	29.16%
2015-31	Baird Way 12" Water Main Replacement Project	510,255	27,502	-	476,781	5%	504,283	(5,972)	-1.17%
2015-33	Highland Avenue 8" Main Replacement and Rosa Vista Avenue 8" Main Installation Project	396,672	-	24,619	372,053	0%	396,672	-	0.00%
2015-37	C-Bar-C Pressure Control Station	300,000	-	200,000	-	0%	300,000	(100,000)	0.00%
2015-38	Mariposa Avenue 12" Water Main Replacement Project	28,073	-	27,111	-	0%	27,111	(962)	0.00%
2015-41	Other Miscellaneous Infrastructure Projects - Admin Building Extension	100,000	-	100,000	-	0%	100,000	0	0.00%
2016-03	Annual Fleet and Field Operations Equipment Improvements/Replacements	174,000	174,000	32,200	75,000	100%	32,200	(141,800)	-81.49%
2016-04	Annual Technology Hardware and Software Improvements/Replacements	20,877	-	38,934	-	100%	38,934	-	0.00%
2016-10	Water Valve Replacements	100,976	20,877	28,465	-	100%	28,465	7,588	36.35%
2016-11	Water Meter Replacements	678,080	100,976	91,281	-	100%	91,281	(9,695)	-9.60%
2016-12	Water Service Replacements	28,441	678,080	757,685	-	100%	757,685	79,605	11.74%
2016-13	Water Meter Replacements	173,738	28,441	53,158	-	100%	53,158	24,717	86.91%
2016-14	Fire Hydrants - Replacements / Upgrades / Infill / New	51,829	173,738	147,092	-	100%	147,092	(26,646)	-15.34%
2016-20	Groundwater Well Improvements	-	51,829	48,900	-	100%	48,900	(2,929)	-5.65%
2016-30	Mariposa Avenue 12-inch Mains and Limerick Way 8-Inch Main Replacements	-	-	775,110	-	0%	775,110	-	0.00%
2016-31	Wind Way 8-Inch and Longwood Way 6-Inch Water Main Replacements	-	-	-	323,446	0%	323,446	323,446	0.00%
2016-34	Auburn Blvd - Rusch Park to Placer County Line	-	-	8,968	149,284	0%	158,252	158,252	0.00%
2016-40	Other City Partnership Opportunities	-	-	99,057	-	0%	99,057	-	0.00%
2016-41	Other Miscellaneous Infrastructure Projects	-	-	99,057	-	0%	99,057	-	0.00%
Totals		4,577,873	1,668,481	3,563,542	1,846,564	36.45%	5,883,326	193,645	4%

Prior Years Carry-Over Capital Project Total	4,577,873	1,668,481	1,383,633	38.83%	3,032,373	
Prior Years Projects Additional Cost Approval			67,346		-	
Prior Years Projects Approved Cost Savings			(286,591)			
2016 New Capital Project Total	-	-	2,179,909	61.17%	4,952,541	

2016 Capital Project Total Budget Request \$ 1,960,664

CITRUS HEIGHTS WATER DISTRICT
COMPARISON OF 2015 ADOPTED AND 2016 PROPOSED WATER RATES, FEES AND CHARGES
Proposed -- November 17, 2015

Type of Charge	Applied Basis or Frequency	2015 Adopted	2016 Proposed	\$ Change
Charges for Metered Rate Customer Accounts				
<i>Service Charge, Domestic, Commercial & Irrigation Meters</i>				
¾-inch meter	bi-monthly, per meter	\$36.89	\$42.05	\$5.16
1-inch meter	bi-monthly, per meter	\$56.13	\$63.98	\$7.85
1½-inch meter	bi-monthly, per meter	\$68.95	\$78.60	\$9.65
2-inch meter	bi-monthly, per meter	\$133.07	\$151.69	\$18.62
3-inch meter	bi-monthly, per meter	\$210.02	\$239.42	\$29.40
4-inch meter	bi-monthly, per meter	\$415.22	\$473.35	\$58.13
<i>Service Charge, Combination Meters</i>				
Low flow bypass meter	bi-monthly, per meter	\$0.00	\$0.00	\$0.00
4-inch meter	bi-monthly, per meter	\$133.07	\$151.69	\$18.62
6-inch meter	bi-monthly, per meter	\$210.02	\$239.42	\$29.40
8-inch meter	bi-monthly, per meter	\$415.22	\$473.35	\$58.13
10-inch meter	bi-monthly, per meter	\$1,011.56	\$1,153.17	\$141.61
Public Agencies with Mutual Assistance Agreements				
(SJUSD, SRPD, SCD) (Multiplier = 0.50)				
<i>Service Charge, Domestic, Commercial & Irrigation Meters</i>				
¾-inch meter	bi-monthly, per meter	\$18.44	\$21.02	\$2.58
1-inch meter	bi-monthly, per meter	\$28.06	\$31.99	\$3.93
1½-inch meter	bi-monthly, per meter	\$34.47	\$39.30	\$4.83
2-inch meter	bi-monthly, per meter	\$66.53	\$75.84	\$9.31
3-inch meter	bi-monthly, per meter	\$105.01	\$119.71	\$14.70
4-inch meter	bi-monthly, per meter	\$207.61	\$236.67	\$29.06
<i>Service Charge, Combination Meters</i>				
Low flow bypass meter	bi-monthly, per meter	\$0.00	\$0.00	\$0.00
4-inch meter	bi-monthly, per meter	\$66.53	\$75.84	\$9.31
6-inch meter	bi-monthly, per meter	\$105.01	\$119.71	\$14.70
8-inch meter	bi-monthly, per meter	\$207.61	\$236.67	\$29.06
10-inch meter	bi-monthly, per meter	\$505.78	\$576.58	\$70.80
Other Service Charges				
<i>Service Charge, Construction Meters</i>				
2½-inch and 3-inch meters	bi-monthly, per meter	\$210.02	\$239.42	\$29.40
<i>Service Charge, North Ridge Country Club Meter</i> (multiplier = 3.00, not annexed)				
	bi-monthly, per meter	\$168.39	\$191.94	\$23.55
<i>Service Charge, Mount Vernon Memorial Park</i> (multiplier = 2.31, based upon property annexed)				
Low flow bypass meter	bi-monthly, per meter	\$0.00	\$0.00	\$0.00
8-inch Combination meter	bi-monthly, per meter	\$959.16	\$1,093.43	\$134.27
Usage Charges for Water Consumed				
		<i>1 unit = 100 cubic feet = 748 gallons</i>		
<i>All Domestic, Commercial, Irrigation, Combination Meter, and Fire Service Accounts except as otherwise specified below:</i>				
	per unit	\$0.7663	\$0.8735	\$0.1072
<i>Construction Meters</i>				
	per unit, for all units bi-monthly	\$2.2989	\$2.6205	\$0.3216
<i>North Ridge Country Club Meter</i>				
	per unit, for all units bi-monthly	\$2.2989	\$2.6205	\$0.3216
<i>Mount Vernon Memorial Park (2.31 multiplier)</i>				
	per unit, for all units bi-monthly	\$1.7702	\$2.0177	\$0.2475
<i>Unannexed property (surplus water only)</i>				
	multiplier times annexed rate, applied to service charge and commodity charge	3	3	-----
Wheeling Water Charge (unless otherwise adopted by mutual aid agreement)				
	per acre-foot to Cal-American WC	\$43.25	\$49.30	\$6.05
	per acre-foot to Carmichael WD	\$43.25	\$49.30	\$6.05
	per acre-foot to Fair Oaks WD	\$0.00	\$49.30	\$49.30
	per acre-foot to Orangevale WD	\$0.00	\$3.36	\$3.36
	per acre-foot to City of Roseville	\$43.25	\$49.30	\$6.05
	per acre-foot to Sac. Suburban WD	\$43.25	\$49.30	\$6.05
	per acre-foot to San Juan WD	\$2.94	\$3.36	\$0.42

CITRUS HEIGHTS WATER DISTRICT
COMPARISON OF 2015 ADOPTED AND 2016 PROPOSED WATER RATES, FEES AND CHARGES
Proposed -- November 17, 2015

Type of Charge	Applied Basis or Frequency	2015 Adopted	2016 Proposed	\$ Change
Fire Sprinkler Service Charges				
4-inch and smaller	per service, bimonthly	\$58.63	\$66.83	\$8.20
6-inch	per service, bimonthly	\$76.05	\$86.69	\$10.64
6-inch; one-half shared	per service, bimonthly	\$38.02	\$43.34	\$5.32
6-inch; one-third shared	per service, bimonthly	\$25.34	\$28.88	\$3.54
8-inch	per service, bimonthly	\$92.62	\$105.58	\$12.96
8-inch; one-half shared	per service, bimonthly	\$46.31	\$52.79	\$6.48
10-inch	per service, bimonthly	\$124.85	\$142.32	\$17.47
12-inch	per service, bimonthly	\$165.41	\$188.56	\$23.15
Construction Water Charges				
	minimum charge	\$170.88	\$194.79	\$23.91
Schedule A - Projects	per lot	\$117.50	\$133.94	\$16.45
Schedule B - Trenches, Excavations & Grading	per 100 cubic yards	\$31.73	\$36.17	\$4.44
Schedule C - Tank Trucks	per 1,000 gallons	\$5.27	\$6.00	\$0.73
Schedule D - Metered Use	meter rate	-----	-----	-----
Schedule E - Non-Profit	per day	\$35.70	\$40.69	\$4.99
Plan Check Charges				
	minimum charge + per connection	\$635.00	\$928.00	\$293.00
	per connection	\$16.50	\$18.80	\$2.30
Easement/Quitclaim	per easement/quitclaim	-----	\$626.00	\$626.00
Inspection Charges				
Minimum	min. + per connect. + per main tie-in	\$1,257.00	\$973.00	(\$284.00)
Plus per connection	per connection	\$144.00	\$164.00	\$20.00
Plus per main tie-in	per main tie-in	\$894.00	\$1,019.00	\$125.00
AC pipe disposal charge	per foot, 4 feet minimum (\$200 min.)	\$50.00	\$50.00	\$0.00
Hydrostatic pressure test	each	\$230.00	\$278.00	\$48.00
Backflow Prevention Assembly Testing Charge for New Development				
	per assembly		\$83.00	\$83.00
Bacteriological water test sampling	minimum	\$247.00	\$308.00	\$61.00
Additional Bacteriological water sample	additional samples after minimum	\$108.00	\$77.00	(\$31.00)
Chlorination & Flushing	per project	-----	\$185.00	\$185.00
Weekend/After Hours	per hour (4 hr. minimum)	\$125.00	\$124.00	(\$1.00)
Holiday	per hour (4 hr. minimum)	\$155.00	\$155.00	\$0.00
Water Service Installation Charges				
¾-inch services w/meter	per service	\$3,730.00	\$4,138.00	\$408.00
1-inch service w/meter	per service	\$3,855.00	\$4,265.00	\$410.00
1¼-inch & larger service w/meter	actual cost, with minimum charge	\$3,855.00	\$4,265.00	\$410.00
Service abandonments/relocations	actual cost			
Meter set charge:				
¾ inch x ¾ inch	per meter	\$335.00	\$414.00	\$79.00
¾ inch	per meter	\$405.00	\$469.00	\$64.00
1 inch	per meter	\$505.00	\$574.00	\$69.00
1½ inch	per meter	\$710.00	\$808.00	\$98.00
2 inch	per meter	\$920.00	\$956.00	\$36.00
>2 inch	actual cost			
Backflow prevention assembly installation charge				
¾ inch	each	\$3,065.00	\$3,088.00	\$23.00
1 inch	each	\$3,260.00	\$3,281.00	\$21.00
1½ inch	each	\$3,780.00	\$3,802.00	\$22.00
2 inch	each	\$4,010.00	\$4,031.00	\$21.00
>2 inch	actual cost			

CITRUS HEIGHTS WATER DISTRICT
COMPARISON OF 2015 ADOPTED AND 2016 PROPOSED WATER RATES, FEES AND CHARGES
Proposed -- November 17, 2015

Type of Charge	Applied Basis or Frequency	2015 Adopted	2016 Proposed	\$ Change
Capacity Fees				
Residential- Multi-Family:				
Townhomes/Condos/Duplexes w/¾-inch max.	per service + non-residential uses	\$3,868.00	\$4,177.00	\$309.00
Townhomes/Condos/Duplexes w/1-inch max.				
Fire Sprinklers w/1-inch max.	per service + non-residential uses	\$6,189.00	\$6,683.00	\$494.00
Residential- Single Family:				
0 - 2.499 acres with 1-inch max.	per service	\$6,189.00	\$6,683.00	\$494.00
2.500 - 4.999 acres with 1¼-inch max.	per service	\$6,963.00	\$7,518.00	\$555.00
5.00 - 7.500 acres with 1½-inch max.	per service	\$7,736.00	\$8,354.00	\$618.00
Over 7.500 acres with 2-inch max.	per service	\$15,473.00	\$16,708.00	\$1,235.00
Nonresidential Users:				
Based on service size, including, but not limited to, commercial, industrial, irrigation, commercial swimming pools, and clubhouse applications:				
¾ inch	per service	\$2,321.00	\$2,506.00	\$185.00
¾ inch	per service	\$3,868.00	\$4,177.00	\$309.00
1 inch	per service	\$6,189.00	\$6,683.00	\$494.00
1¼ inch	per service	\$6,963.00	\$7,518.00	\$555.00
1½ inch	per service	\$7,736.00	\$8,354.00	\$618.00
2 inch	per service	\$15,473.00	\$16,708.00	\$1,235.00
3 inch	per service	\$24,756.00	\$26,732.00	\$1,976.00
4 inch	per service	\$49,512.00	\$53,464.00	\$3,952.00
6 inch	per service	\$193,406.00	\$208,844.00	\$15,438.00
8 inch	per service	\$371,340.00	\$400,980.00	\$29,640.00
10 inch	per service	\$587,955.00	\$634,885.00	\$46,930.00
12 inch	per service	\$773,625.00	\$835,375.00	\$61,750.00
Other Charges and Fees				
Inclusion / Annexation Fee	per gross acre, ½ acre or greater minimum to ½ acre	\$2,214.00 \$1,107.00	\$2,223.00 \$1,111.50	\$9.00 \$4.50
Agenda-By-Mail Charge (e-mail delivery free)	per packet	\$0.00	\$30.00	\$30.00
Agenda-By-Mail Charge (e-mail delivery free)	per year	\$65.00	\$371.00	\$306.00
Standby Service Charge	per hour, 1 hour minimum	\$98.00	\$97.00	(\$1.00)
New Account Application Fee	per application	\$30.00	\$0.00	(\$30.00)
Returned Check Fee	per check	\$20.00	\$25.00	\$5.00
Late Payment Penalty	5% of overdue account balance	5.00%	5.00%	0
Turn-off Notice Service Charge	per occurrence	\$25.00	\$22.00	(\$3.00)
Disconnect / Reconnect Service Charge	per occurrence	\$58.00	\$100.00	\$42.00
Meter Re-Read / Maintenance Charge	per occurrence	\$39.00	\$39.00	\$0.00
Customer Account Deposit	per account	\$170.00	\$200.00	\$30.00
Construction Meter Deposit	per meter	\$1,750.00	\$1,769.00	\$19.00
Copy Charge	per page	\$0.10	\$0.10	\$0.00
Backflow Prevention Assembly Testing Charge	per assembly bimonthly	\$12.00	\$12.50	\$0.50
Backflow Prevention Assembly Re-testing Charge	per test	-----	\$80.00	\$80.00
Fire Flow Certification Letter	per letter	\$25.00	\$22.00	(\$3.00)
Fire Flow Modeling	per modeling	\$240.00	\$333.00	\$93.00
Fire Flow Modeling & Certification Letter	per modeling plus letter	-----	\$355.00	\$355.00
Tamper Charge	per occurrence	\$58.00	\$100.00	\$42.00
Water Conservation Violation Charge	first occurrence	-----	\$50.00	\$50.00
Water Conservation Violation Charge	second occurrence	-----	\$75.00	\$75.00
Water Conservation Violation Charge	third occurrence	-----	\$100.00	\$100.00

CITRUS HEIGHTS WATER DISTRICT
2016 REVENUE ESTIMATES

<u>Revenue Source</u>	<u>2015 Estimate</u>	<u>2016 Estimate</u>
Metered Service Charges	\$ 6,674,668	\$ 7,609,121
Metered Water Deliveries	\$ 4,018,540	\$ 4,581,136
Total Metered Water Service	\$ 11,268,877	\$ 12,190,257
Collection Fees and Penalties	\$ 150,000	\$ 150,000
Application Fees	\$ 28,740	\$ -
Back Charges	\$ 500	\$ 500
Inclusions	\$ 5,000	\$ 5,000
Interest Earnings	\$ -	\$ -
Wheeling Water Charges	\$ 4,429	\$ 4,429
Fire Sprinkler Service Charges	\$ 58,595	\$ 58,595
Backflow Prevention Assy Charges	\$ 15,648	\$ 15,648
Plan Check Charges	\$ 2,409	\$ 2,409
Inspection Charges	\$ 3,914	\$ 3,914
Meter Set Charges	\$ 9,800	\$ 9,800
Water Service Installation Charges	\$ 26,626	\$ 26,626
SJWD Shortage Plan Charge	\$ 32,430	\$ -
SJWD Wholesale Meter Reimburse. (estimated)	\$ 190,908	\$ -
Miscellaneous Revenues*	\$ 120,510	\$ 120,510
TOTAL ESTIMATED REVENUES	\$ 11,996,246	\$ 12,587,688
TOTAL 2015 REVENUE DEMAND	\$ 13,009,192	\$ 11,379,796
TOTAL TO (FROM) RESERVES (INCL Grant Funds)	\$ (1,772,609)	\$ 1,207,892
Capacity Charges	\$ 400,000	\$ 10,000

* Miscellaneous Revenues include: Assessments; Redemption Interest; Back Charges; Inclusions; Construction Flat Rate Water; North Ridge Country Club; Capital Project Cost Share; and other Miscellaneous Revenues.

Funds and Reserves Summary

	2015	2016	2017	2018	2019	2020
Beginning Balance	\$ 5,032,974	\$ 1,811,000	\$ 1,989,000	\$ 2,062,000	\$ 2,154,000	\$ 2,241,000
Plus Transfers in:	367,436	1,342	2,685	4,027	5,369	6,712
Plus Income:	\$ 11,236,583	\$ 12,719,365	\$ 13,895,281	\$ 14,824,552	\$ 14,913,814	\$ 15,010,259
Total	\$ 16,636,993	\$ 14,531,707	\$ 15,886,966	\$ 16,890,579	\$ 17,073,183	\$ 17,257,971
Less: Expense	\$(13,009,192)	\$(11,379,796)	\$(12,354,399)	\$(13,517,063)	\$(13,176,192)	\$(11,313,126)
Less: Transfers Out	(1,816,801)	(1,162,911)	(1,570,567)	(1,319,517)	(1,755,991)	(3,713,845)
Ending Fund Balance	\$ 1,811,000	\$ 1,989,000	\$ 1,962,000	\$ 2,054,000	\$ 2,141,000	\$ 2,231,000
Required Fund Balance	\$ 1,811,000	\$ 1,989,000	\$ 1,962,000	\$ 2,054,000	\$ 2,141,000	\$ 2,231,000

Total Fund Balance (All Funds)

	2015	2016	2017	2018	2019	2020
Ending Fund Balance (excludes reserves)	\$ 6,217,058	\$ 6,591,270	\$ 7,185,863	\$ 7,387,697	\$ 8,064,840	\$ 10,156,941
Target Minimum Balance	\$ 5,950,603	\$ 6,274,453	\$ 6,325,890	\$ 6,503,409	\$ 6,597,759	\$ 6,740,673
Suplus/(Deficit)	\$ 266,455	\$ 316,817	\$ 859,973	\$ 884,288	\$ 1,467,082	\$ 3,416,268

**CENTRUS HEALTH WATER DISTRICT
WATER RATE STUDY
Capital Improvement Plan Expenditures**
Note: *Blue* text is inputs, *Black* text auto-calculates.

CAPITAL FUNDING SUMMARY

	Projected									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Funding Sources:										
Grants	\$ 600,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Use of Capacity Fee Reserves	-	400,000	11,000	10,055	10,075	10,101	10,126	10,152	10,178	10,204
Use of Fleet Reserves (1)	172,000	26,250	159,863	57,881	121,551	35,736	73,705	353,182	394,481	235,802
State Revolving Fund Loan	-	-	-	-	-	-	-	-	-	-
Revenue Bond	-	-	-	-	-	-	-	-	-	-
Use of Capital Improvement and Depreciation Reserve	-	739,549	77,600	16,600	96,100	321,986	71,200	34,200	90,700	-
Rate Revenue	5,017,511	3,784,859	4,428,158	5,534,780	4,657,278	5,133,848	5,053,093	5,243,131	4,378,968	12,874,963
Total Sources of Capital Funds	\$ 5,789,511	\$ 4,950,659	\$ 4,675,621	\$ 5,619,317	\$ 4,885,004	\$ 5,501,670	\$ 5,208,124	\$ 5,640,665	\$ 4,874,327	\$ 13,120,968
Uses of Capital Funds:										
Total Project Costs	\$ 5,789,511	\$ 4,950,659	\$ 4,675,621	\$ 5,619,317	\$ 4,885,004	\$ 5,501,670	\$ 5,208,124	\$ 5,640,665	\$ 4,874,327	\$ 13,120,968
Capital Funding Surplus (Deficiency)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CONNECTION FUND (CAPACITY FEES) (2)										
Beginning Reserve Balance (3)	\$ -	\$ 400,000	\$ 11,000	\$ 10,055	\$ 10,075	\$ 10,101	\$ 10,126	\$ 10,152	\$ 10,178	\$ 10,204
Plus: Interest Earnings	-	1,000	55	75	101	126	152	178	204	204
Plus: Capacity Fee Revenue (4)	400,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Less: Use of Reserves for Capital Projects	-	(400,000)	(11,000)	(10,055)	(10,075)	(10,101)	(10,126)	(10,152)	(10,178)	(10,204)
Ending Connection Fee Fund Balance	\$ 400,000	\$ 11,000	\$ 10,055	\$ 10,075	\$ 10,101	\$ 10,126	\$ 10,152	\$ 10,178	\$ 10,204	\$ 10,204

(1) NBS assumes that the Annual Fleet and Field Operations Equipment Improvements/Replacements will be funded with the Fleet Reserve, per the CHWD 2013 Capital Projects Budget and future year's amounts as listed in the 10-Year CIP List.
 (2) Per CHWD Staff Report for Fund and Reserve Transfers, dated 7/6/2012, in 1998, the District began transferring monies from the Connection Fund to the Capital Improvement Reserve (CIR) as reimbursement for monies borrowed from the CIR to pay for the "future users" portion of the Cooperative Transmission Pipeline Project (CTP). The District's May 1993 analysis of CTP benefits determined that future District water users are responsible for 76.23 percent of the CTP costs. These costs are being repaid via capacity fees collected for new services.
 (3) The beginning balance in the Connection Fund is reported in the Treasurer's Report to the Board of Directors for December 2012.
 (4) NBS assumes that capacity fee revenue in future years will be consistent with 2013 estimates, and the funds will be available to spend on future capital projects.

Citrus Heights Water District
Summary of Water System Capacity (Buy-In) Charge - October 2015 Revision

Original and Replacement Costs of Assets

	Original Cost	Original Cost Less Depreciation	Replacement Cost	Replacement Cost Less Depreciation
Land & Right of Way	\$ 981,763	\$ 981,763	\$ 981,763	\$ 981,763
Capacity Entitlements	\$ 5,636,711	\$ 3,952,132	\$ 5,636,711	\$ 3,952,132
Improvements	\$ 55,847	\$ 19,537	\$ 55,847	\$ 19,537
Pipelines and Infrastructure	\$ 47,896,277	\$ 32,088,524	\$ 183,233,715	\$ 133,005,573
Machinery & Equipment	\$ 2,967,081	\$ 822,057	\$ 2,967,081	\$ 822,057
Buildings	\$ 1,466,585	\$ 767,874	\$ 1,466,585	\$ 767,874
Well Construction	\$ 4,858,478	\$ 3,691,191	\$ 4,858,478	\$ 3,691,191
Donated Assets	\$ 16,064,286	\$ 7,233,764		
Water System Debt Financing				
Interest Costs	\$ 1,547,269			
Outstanding Principal	\$ 6,191,869			
Water System Totals	\$ 87,666,166	\$ 49,556,842	\$ 199,200,180	\$ 143,240,127
No. of Equivalent Meters	21,434	21,434	21,434	21,434

Water System Capacity (Buy-In) Charge per equivalent meter

	Original Cost	Original Cost Less Depreciation	Replacement Cost	Replacement Cost Less Depreciation
Land & Right of Way	\$ 45.80	\$ 45.80	\$ 45.80	\$ 45.80
Capacity Entitlements	\$ 262.98	\$ 184.39	\$ 262.98	\$ 184.39
Improvements	\$ 2.61	\$ 0.91	\$ 2.61	\$ 0.91
Pipelines and Infrastructure	\$ 2,234.59	\$ 1,497.09	\$ 8,548.74	\$ 6,205.35
Machinery & Equipment	\$ 138.43	\$ 38.35	\$ 138.43	\$ 38.35
Buildings	\$ 68.42	\$ 35.83	\$ 68.42	\$ 35.83
Well Construction	\$ 226.67	\$ 172.21	\$ 226.67	\$ 172.21
Donated Assets	\$ 749.48	\$ 337.49	\$ -	\$ -
Cooperative Transmission Pipeline	\$ -	\$ -	\$ -	\$ -
Water System Debt Financing	\$ -	\$ -	\$ -	\$ -
Interest Costs	\$ 72.19	\$ -	\$ -	\$ -
Outstanding Principal	\$ 288.88	\$ -	\$ -	\$ -
Water System Totals (\$/Eq. Mtr.)	\$ 4,090	\$ 2,312	\$ 9,294	\$ 6,683

Water System Capacity (Buy-In) Charge Per Meter Size

Meter Size	Capacity Factor	Original Cost	Original Cost Less Depreciation	Replacement Cost	Replacement Cost Less Depreciation
5/8"	0.375	\$ 1,534	\$ 867	\$ 3,485	\$ 2,506
3/4"	0.625	\$ 2,556	\$ 1,445	\$ 5,809	\$ 4,177
1"	1.000	\$ 4,090	\$ 2,312	\$ 9,294	\$ 6,683
1 1/4"	1.125	\$ 4,601	\$ 2,601	\$ 10,456	\$ 7,518
1 1/2"	1.250	\$ 5,113	\$ 2,890	\$ 11,618	\$ 8,354
2"	2.500	\$ 10,225	\$ 5,780	\$ 23,235	\$ 16,708
3"	4.000	\$ 16,360	\$ 9,248	\$ 37,176	\$ 26,732
4"	8.000	\$ 32,720	\$ 18,496	\$ 74,352	\$ 53,464
6"	31.250	\$ 127,813	\$ 72,250	\$ 290,438	\$ 208,844
8"	60.000	\$ 245,400	\$ 138,720	\$ 557,640	\$ 400,980
10"	95.000	\$ 388,550	\$ 219,640	\$ 882,930	\$ 634,885
12"	125.000	\$ 511,250	\$ 289,000	\$ 1,161,750	\$ 835,375