AGENDA

REGULAR BOARD MEETING
OF THE
BOARD OF DIRECTORS
OF THE
RANCHO CALIFORNIA WATER DISTRICT

Board Room
42135 Winchester Road
Temecula CA 92590

May 14, 2026
8:30 AM

CALL TO ORDER

ROLL CALL

PLEDGE OF ALLEGIANCE

ADDITIONS TO THE AGENDA

Items may be added to the Agenda in accordance with Section 54954.2(b)(2) of the Government Code (Brown Act), upon a determination by a two-thirds vote of the members of the legislative body present at the meeting, or, if less than two-thirds of the members are present, a unanimous vote of those members present, that there is a need to take immediate action and that the need for action came to the attention of the Rancho Water (District) after the Agenda was posted.

APPROVAL OF AGENDA

PUBLIC COMMENT

Any person may address the Board at this time upon any subject not identified on this Agendabut within the jurisdiction of the District. Please note that for items not listed on the agenda, the Brown Act imposes limitations on what the Board may do at this time. The Board may not take action on the item at this meeting. As to matters on the Agenda, persons will be given an opportunity to address the Board when the matter is considered. If you wish to speak during public comment, please fill out a "Speaker Request Form" and give it to the Board Secretary. When the Board President calls your name, please immediately step to the podium and begin by giving your name and address for the record. Each speaker will be given three (3) minutesto address the Board.

1. **APPROVAL OF MINUTES**

   A. Consider Approval of the Minutes of the Board of Directors Joint Regular Meeting on April 9, 2026

2. **CONSENT CALENDAR**

   Consent Calendar items are expected to be routine and non-controversial, to be acted upon by the Board at one time without discussion. If any Board member, staff member, or interested person requests that an item be removed from the Consent Calendar, it shall be removed so that it may be acted upon separately.

   A. Review and Consider Approval of Publishing the Unclaimed Funds Report

   B. Consider Resolution Adopting Revised 2026 Local Guidelines for Implementing the California Environmental Quality Act (CEQA) and Rescinding Resolution No. 2025-5-2

3. **PUBLIC HEARING**

   A. Public Hearing to Review Status of Vacant Positions, Recruitment and Retention Efforts as Required by AB2561

4. **ACTION ITEMS**

   A. Consider Adoption of Resolution Concurring in Support of Association of California Water Agencies' (ACWA) Vision for Our Water Future

   B. Consider Approval of Financial Statements - March 31, 2026

   C. Consider Approval of Treasurer's Report, Certification of Cash Sufficiency, and Related Investment Activity Data, as of March 31, 2026.

   D. Consider Ratification of the Register of Audited Demands (March 14, 2026-April 17, 2026) and Approval of the Purchasing Card Transactions Report (February 1, 2026-March 31, 2026)

   E. Presentation and Review of the Draft Operating and Non-Operating Budgets, Fiscal Year 2026/2027

5. **INFORMATION ITEMS**

   These items are intended for information only, however, at the discretion of the Board, may be discussed.

   A. Claims Activity Report for the Month of April 2026

   B. Newspaper Articles

   C. Review of Purchasing Reports

   D. Update on Rancho California Water District Employee Education and Accomplishments

6. **EXECUTIVE REPORTS**

A. General Counsel's Report

B. General Manager's Report

C. Board Members' Comments and Reports

7. **CLOSED SESSION**

At any time during the regular session, the Board may adjourn to closed session to consider litigation, personnel matters, or to discuss with legal counsel matters within the attorney-client privilege. Discussion of litigation is within the attorney-client privilege and may be held in closed session. Authority: Government Code Section 54956.9

A. CONFERENCE WITH REAL PROPERTY NEGOTIATORS (Gov't Code § 54956.8); Property: Water; Negotiator: General Manager Jason Martin; Negotiating Party: San Diego County Water Authority/Western Municipal Water District & San Diego County Water Authority/Eastern Municipal Water District; Under Negotiation: Price & Terms

8. **ADJOURNMENT**

This agenda will be made available in appropriate alternative formats to persons with disabilities upon request, as required by Section 202 of the Americans with Disabilities Act of 1990. If possible, any person with a disability who requires a modification or accommodation to participate in a meeting should direct such a request to the District Secretary at (951) 296-6900 at least 48 hours before the meeting.

Any writings or documents provided to a majority of the members of the Board of Directors regarding any item on this agenda will be made available for public inspection at the District's Administrative Headquarters Building located at 42135 Winchester Road, Temecula, California, during normal business hours.

Attest to Posting:
/s/ Jennifer A. Serna
Jennifer A. Serna, District Secretary
May 7, 2026, 12:00 PM, website and Rancho Water HQ
Date and Time of Posting

1.A

Rancho Water

BOARD ACTION

BOARD OF DIRECTORS

May 14, 2026

ITEM 1.A: **Consider Approval of the Minutes of the Board of Directors Joint Regular Meeting on April 9, 2026**

RESPONSIBLE/LEAD STAFF MEMBER(S):

Jason Martin, General Manager

RECOMMENDATIONS:

Staff requests that the Board of Directors (Board) approve the minutes of their Regular Meeting on April 9, 2026.

DISCUSSION:

The draft meeting minutes, as mentioned, are attached for the Board to review and approve.

ALTERNATIVES:

Take no action

FISCAL ANALYSIS:

Not applicable

ENVIRONMENTAL REQUIREMENTS:

None

EXHIBITS/ATTACHMENTS:

1. Minutes of April 9, 2026

MINUTES
Board of Directors
Thursday, April 9, 2026
8:00 a.m.

CALL TO ORDER

A regular meeting of the Board of Directors (Board) of the Rancho California Water District (Rancho Water/District) was held on Thursday, April 9, 2026, at the appointed meeting place of the Board, the Board Room of the District's Administrative Headquarters Building, located at 42135 Winchester Road, Temecula, California.

ROLL CALL

Director Harkey
Director Gonzales-Brady
Director Hoagland
Director Plummer
Director Rossi

Also present were members of the District staff and others, including but not limited to General Manager Jason Martin, General Counsel Jim Gilpin of Best Best & Krieger, Assistant General Manager-Engineering and Operations Dan Ruiz, Chief Financial Officer/Treasurer Kathy Naylor, Director of Human Resources Eileen Dienzo, Director of Government and Public Affairs Danielle Coats, Director of Administration Justin Haessly, Director of Engineering Nik Lyuber, Controller Karrie Swaine, Field Services Manager Justin Weeks, Water Reclamation Manager Fernando Mata, Customer and Support Services Manager Krista LaRocchia, Public Affairs Manager Kimy Wall, Water Production Manager Jordan Farrell, Safety/Risk Officer Daniel Lohre, Safety Technician Vicente De La Torre, Field Distribution Operator Austin Jackson, Field Distribution Operator-Construction Giovanni Franceschini, Field Distribution Operator Ian Humes, Field Distribution Operator Nicolas Hernandez, Senior Field Distribution Operator Robert Peterson, Senior Administrative Assistant Bettinna Prescott, and District Secretary Jennifer Serna.

OTHERS PRESENT:

Amanda Fisher - Senator Kelly Seyarto's Office

PLEDGE OF ALLEGIANCE

Senior Vice President Harkey led the Pledge of Allegiance.

ADDITIONS TO THE AGENDA

There were no additions to the agenda.

APPROVAL OF AGENDA

Senior Vice President Harkey entertained a motion to approve the Agenda of the Rancho Water regular Board meeting of April 9, 2026.

MOTION: It was moved by Director Hoagland and seconded by Director Gonzales-Brady to approve the agenda, as presented, and the motion carried by the following roll call vote:
RESULT: APPROVED [UNANIMOUS]
MOVER: Director Hoagland
SECONDER: Director Gonzales-Brady
AYES: Director Harkey, Director Gonzales-Brady, Director Hoagland, Director Plummer, Director Rossi
ABSENT: Director Brady, Director Wilson

PUBLIC COMMENT

There was no public comment.

1) EMPLOYEE RECOGNITION

1.A) Employee Recognition by Senator Kelly Seyarto's Office

Addressing the Board, Director of Government and Public Affairs Danielle Coats expressed her pleasure in recognizing and honoring the Operations Field Distribution staff for their commendable and heroic actions in extinguishing an RV fire encountered while on the job. Danielle introduced Amanda Fisher with Senator Kelly Seyarto's office who presented Austin Jackson, Giovanni Franceschini, Ian Humes, Nicolas Hernandez, and Robert Peterson Certificates of Recognition for their outstanding efforts on behalf of Senator Seyarto.

2) CLOSED SESSION

At any time during the regular session, the Board may adjourn to a closed session to consider litigation and personnel matters or to discuss matters within attorney-client privilege with legal counsel. Discussion is within the attorney-client privilege and may be held in closed session. Authority: Government Code Section 54956.9.

2.A) CONFERENCE WITH REAL PROPERTY NEGOTIATORS (Gov't Code § 54956.8); Property: Water; Negotiator: General Manager Jason Martin; Negotiating Party: San Diego County Water Authority/Western Municipal Water District

& San Diego County Water Authority/Eastern Municipal Water District Under Negotiation: Price & Terms

At 8:34 AM, the Board adjourned to closed session. Board members, legal counsel, and select staff remained.

The Board reconvened in open session at 9:51 AM, whereby legal counsel reported that there were no reportable actions.

3) CONSENT CALENDAR

Consent Calendar items are expected to be routine and non-controversial, to be acted upon by the Board at one time without discussion. If any Board member, staff member, or interested person requests that an item be removed from the Consent Calendar, it shall be removed so that it may be acted upon separately.

3.A) Consider Ratifying Appointment to Rancho California Water District External Agency Urban Water Institute Board of Directors

3.B) Consider Approval of a Mutual Aid Agreement between Rancho California Water District and Rainbow Municipal Water District

3.C) Consider Approval of Financial Statements - February 28, 2026

3.D) Consider Approval of Treasurer's Report, Certification of Cash Sufficiency, and Related Investment Activity Data, as of February 28, 2026

3.E) Consider Ratification of the Register of Audited Demands (February 14, 2026-March 13, 2026) and Approval of Purchasing Card Transactions Report (December 1, 2025-January 31, 2026)

3.F) Review and Consider Approval of 5-Year Capital Improvement Plan, Proposed Major and Minor Capital Projects, and Budget for Fiscal Year 2026/2027

3.G) Review and Recommend Key Components of the Draft Non-Operating Budget, Fiscal Year 2026/2027

3.H) Review and Consider Approval of a Task Order with Hazen and Sawyer in the Amount of $236,055, and Additional Funding in the Amount of $65,000, increasing the Project Budget of $250,000 to $315,000 for the Butterfield Stage Road Pump Station Natural Gas [Project No. D2603]

3.I) Review and Consider Approval of Additional Funding in the Amount of $800,000, increasing the Overall Project Budget of $14,875,025 to $15,675,025, for the Drilling and Equipping of Well Nos. 173, 174, and 175 [Project Nos. D2009, D2058, and D2121]

Hearing no comments or requests to remove an item for separate discussion, Senior Vice President Harkey entertained a motion to approve the Consent Calendar, as presented.

MOTION: It was moved by Director Hoagland and seconded by Director Gonzales-Brady to approve the Consent Calendar, as presented, and the motion carried by the following roll call vote:
RESULT: APPROVED [UNANIMOUS]
MOVER: Director Hoagland
SECONDER: Director Gonzales-Brady
AYES: Director Harkey, Director Gonzales-Brady, Director Hoagland, Director Plummer, Director Rossi
ABSENT: Director Brady, Director Wilson

4) APPROVAL OF MINUTES

4.A) Consider Approval of the Minutes of the Board of Directors Joint Regular Meeting on March 12, 2026

There being no additions or revision to the subject Board meeting minutes, Senior Vice President Harkey entertained a motion.

MOTION: It was moved by Director Hoagland and seconded by Director Rossi to approve the Minutes of March 12, 2026, as presented, and the motion carried by the following roll call vote:
RESULT: APPROVED [UNANIMOUS]
MOVER: Director Hoagland
SECONDER: Director Rossi
AYES: Director Harkey, Director Gonzales-Brady, Director Hoagland, Director Plummer, Director Rossi
ABSENT: Director Brady, Director Wilson

5) ACTION ITEMS

5.A) Intent to Call for a Public Hearing Relating to District Vacancies and Recruitment/Retention Efforts for Fiscal Year 2025/2026

Addressing the Board, Principal Human Resources Analyst Bryan Melton provided a brief PowerPoint presentation relating to District vacancies and recruitment/retention efforts in compliance with AB 2561.

Concluding his presentation, Bryan outlined staff's recommendation for the Board to announce its intent to hold a public hearing at the next Board meeting of May 14, 2026 to review District vacancies and recruitment/retention efforts for Fiscal Year 2025/2026.

Following review and discussion, Senior Vice President Harkey entertained a motion from the Board.

MOTION: It was moved by Director Hoagland and seconded by Director Rossi to approve staff's recommendation to announce its intent to hold a public hearing tentatively scheduled for May 14, 2026, at the office of Rancho California Water District (District) located at 42135 Winchester Road, Temecula, California, related to the District vacancies, recruitment, and retention efforts for Fiscal Year (FY) 2025/2026 in compliance with Assembly Bill 2561 and Government Code § 3502.3., and the motion carried by the following roll call vote:

RESULT: APPROVED [UNANIMOUS]
MOVER: Director Hoagland
SECONDER: Director Rossi
AYES: Director Harkey, Director Gonzales-Brady, Director Hoagland, Director Plummer, Director Rossi
ABSENT: Director Brady, Director Wilson

5.B) Review and Discussion of Rancho California Water District's Draft Fiscal Year 2026/2027 Operating Budget

Finance Manager Bill Moses presented the draft proposed Fiscal Year 2026/2027 Operating Budget, providing an overview of key components, revenue and expenditure projections, and anticipated funding sources for the upcoming fiscal year. He addressed questions from the Board and discussed key financial metrics, assumptions, and funding considerations associated with the proposed budget. This item was deemed informational for discussion and review ahead of the final proposed Fiscal Year 2026/2027 Operating Budget to be recommended at a following Board of Directors meeting date.

6) EXECUTIVE REPORTS

6.A) General Counsel's Report

General Counsel reported that AB 1572 Non-Functional Turf ordinances must be updated by January 1, 2027, and confirmed that the District is on track to meet this deadline.

6.B) General Manager's Report

General Manager Jason Martin shared that the final snowpack survey of the season recorded the second-lowest measurement on record, noting that such conditions are cyclical and that approximately 56% of the state is currently experiencing moderate drought. Additional updates will be provided as information becomes available. The General Manager also

highlighted upcoming Rancho Water events, including Innovation Day and upcoming staff availability.

6.C) Board Members' Comments and Reports

At this time, members of the Board shared a summary of the various meetings, conferences, and events they attended during the reporting period.

7) ADJOURNMENT

There being no further business to come before the Board, the meeting adjourned at 10:43 AM.

2.A

Rancho Water

BOARD ACTION

BOARD OF DIRECTORS

May 14, 2026

ITEM 2.A: Review and Consider Approval of Publishing the Unclaimed Funds Report

RESPONSIBLE/LEAD STAFF MEMBER(S):

Carli Covey, Accounting Supervisor

RECOMMENDATIONS:

The Engineering and Operations Committee reviewed this item at its regular meeting on April 30, 2026, and recommended that the Board of Directors (Board) approve publishing the report on unclaimed funds under the provisions of California Government Code Sections 50050-50053 related to unclaimed money in a local newspaper and posting the unclaimed list on Rancho California Water District's (Rancho Water/District) website.

DISCUSSION:

The majority of the unclaimed funds typically arise from customers who close their account(s) with a balance owed to them and move away, leaving no forwarding address. There are also some service request refunds and vendor-related payments that remain unclaimed.

After attempting to locate the payee, the unclaimed amount remains with Rancho Water. The District currently has 206 unclaimed checks, totaling $105,295.19, dating back 10 years from June 30, 2025. Prior to publishing the report on unclaimed funds, the District will attempt to locate the payee by taking the following actions:

- Confirm the payee address is correct and current, which includes searching for alternate address, phone number, or email;
- Search for other accounts under the same customer name (only applicable to refunds);
- Perform a Google search on the internet for the name; and
- Send a final attempt notification letter.

Government Code recommends a 3-year holding period for unclaimed funds; however, the Board has established a 10-year holding period for the unclaimed funds to provide customers with additional opportunity to claim their monies. If no claim for re-issue is received after the holding period, the unclaimed fund is removed from the list and any funds held are released back to Rancho Water.

ALTERNATIVES:

Take no action

FISCAL ANALYSIS:

After implementing the provisions of California Government Code Sections 50050-50053, the District holds a liability account for stale-dated checks totaling $105,295.19, which is relieved when items become older than three years.

ENVIRONMENTAL REQUIREMENTS:

Not applicable

EXHIBITS/ATTACHMENTS:

1. Unclaimed Funds 2026 Publication

Rancho Water

NOTICE IS HEREBY GIVEN pursuant to Government Code 50050, 50051, and 50052 that the following money has remained unclaimed in the Rancho California Water District custody of its officers for at least six months from June 30, 2025:

NAME	CHECK #	DATE	AMOUNT
79 AVOCADO RANCH	165872	01/12/2023	$ 2,714.35
ADRIENNE AND RONALD WHITE	151257	06/10/2019	$ 91.65
ALBERT CHIWANDAMIRA	170151	01/11/2024	$ 20.08
ALBERT PATTERSON	162655	03/16/2022	$ 22.04
ALEX M AND CHEREE RAY	138304	07/26/2016	$ 985.29
ANDIE MARCOL	165868	01/12/2023	$ 690.10
ANNA FLORES	133172	06/10/2015	$ 35.37
ANTHONY ARMENTROUT	167413	05/25/2023	$ 67.42
AUDREY MARA	150490	04/10/2019	$ 154.91
B & P OIL SERVICES INC	155559	05/20/2020	$ 2,367.13
BEVERLY BRESLEN	157098	10/14/2020	$ 62.36
BHUPIDER DHILLON	134892	10/22/2015	$ 51.73
BIG RED PRINTS	153226	11/07/2019	$ 228.91
BOOT BARN INC	149086	12/10/2018	$ 175.00
BOYNTON & ASSOCIATES	140431	01/25/2017	$ 89.23
BRUCE WECKESSER	157012	10/07/2020	$ 21.08
BUFFALO CONSTRUCTION INC	175838	04/24/2025	$ 636.62
CA WATER ENVIRONMENT ASSOC	156642	09/02/2020	$ 296.00
CARL ARMANDO	164768	09/28/2022	$ 89.19
CARLA HART	144404	11/21/2017	$ 133.22
CHANDRA PATEL	141567	04/25/2017	$ 159.61
CHARLES BLAKE	156622	09/02/2020	$ 41.88
CHARLES FIELD	141338	04/10/2017	$ 452.85
CHUNG HIN	167630	06/08/2023	$ 388.81
CLARK TIDWELL	159368	05/12/2021	$ 18.47
COLEMAN PIPELINE	131689	02/10/2015	$ 500.00
CREEKSIDE BUSINESS PARK	142305	06/08/2017	$ 32.62
CROWN CASTLE	164613	09/14/2022	$ 3,470.79
DALIA DAWOOD ELSAYED	134669	10/08/2015	$ 31.08
DANIEL MONTIJO	167232	05/10/2023	$ 107.76
DANIEL VALDEPENA	141751	05/10/2017	$ 25.71
DANTE MAZZI	157112	10/14/2020	$ 48.19
DAVELEEN FANENE	173127	09/12/2024	$ 46.32
DAVID ARNTSON	154349	02/11/2020	$ 198.10
DAVID BAXTER	165515	12/07/2022	$ 242.07
DAVID BAXTER	172816	08/13/2024	$ 38.44
DAVID C. AND ANNE M. ROCHMAN	132187	03/25/2015	$ 43.35
DAVID PINSON	143541	09/07/2017	$ 60.31
DEAN AND SULTANA DAYA	164791	09/28/2022	$ 19.93

Rancho Water

NAME	CHECK #	DATE	AMOUNT
DECY RUNKLE	157095	10/14/2020	$ 70.46
DEEDEE BELLS INC	169083	10/12/2023	$ 211.88
DEL QUINANOLA	149400	01/10/2019	$ 599.24
DENNIS BEDFORD	167802	06/22/2023	$ 83.74
DON JOHNSON	162662	03/16/2022	$ 60.26
DONNA KIRKMAN	164769	09/28/2022	$ 97.36
DOROTHY & FRANK MCPHILLIPS	138116	07/08/2016	$ 89.45
DR HORTON	152830	10/10/2019	$ 634.12
ELAINE LIVINGSTON	161581	12/08/2021	$ 105.83
ELIZABETH CHIPPINDALE	131486	01/22/2015	$ 100.00
EMERALD BAY CAPITAL INC AS TRUSTEE	140420	01/25/2017	$ 155.50
EPIC MANAGEMENT	150299	03/25/2019	$ 133.30
ERNEST HUERTAS	166752	03/29/2023	$ 149.92
ESCROW TRUST ACCOUNT	171196	03/28/2024	$ 1,781.14
EVANGELIO RAMIREZ	163702	06/22/2022	$ 45.31
EVELYN PADILLA / MIGUEL GONZALEZ	131470	01/22/2015	$ 567.34
EXCEL RENTAL CENTER	133169	06/10/2015	$ 76.78
FIRST AMERICAN TITLE	133924	07/30/2015	$ 395.00
GABRIEL TAUBER	150861	05/09/2019	$ 68.00
GARRETT WINBURY	138457	08/10/2016	$ 224.40
GERALD FLOM	163170	05/04/2022	$ 813.85
GERALDINE KIRK	163173	05/04/2022	$ 200.00
GERARDO MARRON	175863	04/24/2025	$ 179.76
GHAZALEH JAMES	152433	09/10/2019	$ 18.32
GILBERT ORTIZ	151259	06/10/2019	$ 150.29
GLENARCH PC	172809	08/13/2024	$ 1,863.09
GOOD FAITH PROPERTIES GROUP, L	162950	04/14/2022	$ 84.00
GREGORY D SMITH	145867	03/22/2018	$ 59.69
HALL FAMILY HOLDINGS LLC	172821	08/13/2024	$ 732.51
HONOR MOORE	143539	09/07/2017	$ 77.12
HOWARD E AND SEAN OGDEN	169081	10/12/2023	$ 905.26
JACQUELINE BROLLIAR	173613	10/31/2024	$ 588.56
JAG INVESTMENTS	153595	12/10/2019	$ 326.59
JAMES BECK	141130	03/23/2017	$ 156.02
JAMES MINSKY	150487	04/10/2019	$ 81.22
JAMES R JACKSON	165860	01/12/2023	$ 1,514.10
JAMES SCOTT	140415	01/25/2017	$ 75.00
JANICE BASHORE	150488	04/10/2019	$ 85.92
JANICE GRAY	163171	05/04/2022	$ 288.35
JASON MONTES AND HEATHER MATTH	166122	02/02/2023	$ 20.00
JEFFREY MAYS	161587	12/08/2021	$ 69.26
JIATIAN YUE	150302	03/25/2019	$ 59.53
JIMMY SNYDER	163703	06/22/2022	$ 150.70
JOAN DARRIN	165871	01/12/2023	$ 813.33

Rancho Water

NAME	CHECK #	DATE	AMOUNT
JOHANNA HERTEL	163698	06/22/2022	$ 49.28
JOHN GAMMON	165856	01/12/2023	$ 445.30
JOHN TIEDT	176198	05/22/2025	$ 15,285.22
JOHN WAITE	165859	01/12/2023	$ 691.98
JOLANTA KAMISOVIENE	139533	11/10/2016	$ 190.65
JORDAN HINZMAN	168778	09/14/2023	$ 92.20
JOSE VALENCIA	150296	03/25/2019	$ 87.40
JOSEPH DACY	164224	08/10/2022	$ 1,894.45
JSB LA CRESTA GROUP	151678	07/10/2019	$ 687.07
JUAN VALDOVINOS	147234	07/10/2018	$ 971.21
JUAN VALDOVINOS	149401	01/10/2019	$ 996.15
JULIAN MOEN	156627	09/02/2020	$ 207.13
KATHERINE HERNANDEZ	163169	05/04/2022	$ 159.59
KATHY CLOSSON	145131	01/25/2018	$ 419.36
KCS CONSTRUCTION	156830	09/23/2020	$ 845.39
KEEANI FLORES	138117	07/08/2016	$ 115.35
KENNETH DIAMOND	155823	06/17/2020	$ 139.07
KRISTI ROBINSON	151258	06/10/2019	$ 40.00
KROGER UTILITIES	176622	06/26/2025	$ 409.97
KYLE CURLEY	142973	07/25/2017	$ 34.89
LAURIE STEFFAN	148700	11/08/2018	$ 119.66
LEE & STIRES INC	149066	12/10/2018	$ 948.24
LEONIDA BUILDERS INC.	143549	09/07/2017	$ 340.76
LIBERTY YACHT MGMT LTD	169335	11/02/2023	$ 780.34
LINDA PEEK	157006	10/07/2020	$ 100.40
LISA SURITA	133558	07/09/2015	$ 24.93
LISA VANTRECE	152265	08/22/2019	$ 105.67
LOUIS RICHARDSON	147595	08/09/2018	$ 227.59
LOUIS ZHU	145153	01/25/2018	$ 29.87
LOUISE GARDNER AND MONIKA KERBER	145132	01/25/2018	$ 1,016.11
LYLE FIXSEN	141332	04/10/2017	$ 350.45
LYNN SZPYRKA	161582	12/08/2021	$ 25.00
MALIK JAMI	160067	07/14/2021	$ 234.48
MANUEL HUERTAS	167626	06/08/2023	$ 391.33
MANUEL HUERTAS	170137	01/11/2024	$ 391.33
MARCEL DUNCAN	151265	06/10/2019	$ 37.00
MARCELLA BARRIENTOS	133929	08/10/2015	$ 43.74
MARIA PRECIADO	160137	07/22/2021	$ 48.09
MARK A JONES	134662	10/08/2015	$ 58.00
MARK PETTENGILL	159534	05/26/2021	$ 33.13
MARTHA CHEWA	151271	06/10/2019	$ 21.88
MARVIN WATTS	141343	04/10/2017	$ 22.65
MARY JANE B. MALONEY	142967	07/25/2017	$ 110.52
MASCITTI TRUST	132199	03/25/2015	$ 21.50

Rancho Water

NAME	CHECK #	DATE	AMOUNT
MENDIA CONSTRUCTION	163954	07/14/2022	$ 1,427.47
MERRILL LYNCH PIERCE FENNER	142593	06/22/2017	$ 355.76
MICHAEL JOSEPH BLAKE	156635	09/02/2020	$ 104.56
MICHAEL SPYKES	133170	06/10/2015	$ 140.68
MICHAL BLEDSOE	174745	02/06/2025	$ 101.78
MICHELE REYNOLDS	165862	01/12/2023	$ 2,846.46
MICHELLE PACE	170147	01/11/2024	$ 2,251.62
MOTEL 6 0743-01-07-C	163691	06/22/2022	$ 172.84
MYRNA P AND CORNELIO D GABIOLA	131465	01/22/2015	$ 170.00
NARONG SURAKUL	151885	07/23/2019	$ 539.72
NATHAN ESTRADA	172817	08/13/2024	$ 20.12
NATHAN W HARRISON	144778	12/21/2017	$ 250.29
NATIONSTAR MORTGAGE	154716	03/10/2020	$ 131.74
NATIONSTAR MORTGAGE	154717	03/10/2020	$ 186.08
NATIONSTAR MORTGAGE	155826	06/17/2020	$ 82.93
NATIONSTAR MORTGAGE	155827	06/17/2020	$ 121.75
NATIONSTAR MORTGAGE	156625	09/02/2020	$ 17.15
NATURES WORLDS BEST	165858	01/12/2023	$ 1,025.75
NEW LIFE PROPERTY	152272	08/22/2019	$ 113.73
NICOLE DIRCKS	143336	08/24/2017	$ 36.93
NORRIS CONSULTING	147337	07/10/2018	$ 250.00
PARTNERSHIP FOR ACTIVE LEARNING SERVICES INC	176626	06/26/2025	$ 657.64
PERMITTING SPECIALIST	168508	08/24/2023	$ 3,891.64
PHILLIP COMER	146467	05/10/2018	$ 189.74
RDFN VENTURES	151671	07/10/2019	$ 55.35
RED TAIL LAND DEVELOPMENT LLC	172157	06/13/2024	$ 1,774.48
REGINA VALDEZ	142116	05/25/2017	$ 57.42
RICHARD FERRERAS	162658	03/16/2022	$ 273.71
RICHARD FERRERAS	163168	05/04/2022	$ 150.00
RICHARD FERRERAS	164221	08/10/2022	$ 600.00
RICHARD SOKOL	165864	01/12/2023	$ 678.30
RINDA HICKS	147422	07/25/2018	$ 100.00
ROBERT & TERESA BORDEN	149422	01/10/2019	$ 1,615.22
ROBERT LARSEN	162685	03/16/2022	$ 56.80
ROBERT MAUGER	165870	01/12/2023	$ 566.70
ROBERT OLSON	168211	08/03/2023	$ 39.88
ROBERT R MITCHELL	153752	12/20/2019	$ 129.34
SAADALLAH NASRI	164792	09/28/2022	$ 15.55
SAEED BASHIRTASH	171022	03/14/2024	$ 37.01
SAMONNAN PHANTH	150483	04/10/2019	$ 105.00
SANTY MARCELO	150289	03/25/2019	$ 38.77
SCOTT TALAMANTES	158134	01/20/2021	$ 56.63
SCOTT TORELLI	155933	06/24/2020	$ 30.42
SHANTAL ROBINSON	165863	01/12/2023	$ 851.79

NAME	CHECK #	DATE	AMOUNT
SHAWN & AMANDA CRAWLEY	160061	07/14/2021	$ 331.78
SHEREE GARCIA	138455	08/10/2016	$ 485.46
SHERYL JORDAN SACK	159075	04/14/2021	$ 140.39
STEPHEN AND RHONDA SANDERSON	167052	04/27/2023	$ 666.66
SUSAN L HENRY	148164	09/25/2018	$ 83.86
TELGIAN ENGINEERING & CONSULTI	172807	08/13/2024	$ 866.71
TEMECULA HOTEL PARTNERS	170620	02/15/2024	$ 2,807.26
TEMECULA PROP	170140	01/11/2024	$ 1,159.64
THARALDSON HOSPITALITY DEVELOP	172822	08/13/2024	$ 1,207.56
THE COLONY	142119	05/25/2017	$ 84.53
THEADORA FERGUSON	138462	08/10/2016	$ 505.80
THOMAS PIARINO	167800	06/22/2023	$ 57.11
THOMAS RITTER	150856	05/09/2019	$ 82.72
TODD COOK / LOANA HERNANDEZ	138464	08/10/2016	$ 444.55
TOMIS HOLDINGS INC	170146	01/11/2024	$ 1,034.78
TONY WILSON	149407	01/10/2019	$ 270.24
TOWN SQUARE MARKET PLACE	156839	09/23/2020	$ 300.00
U.S. ARMY CORPS OF ENGINEERS -	166590	03/16/2023	$ 990.28
UDI PROPERTIES	156834	09/23/2020	$ 816.84
VANESSA WESTMORELAND	138109	07/08/2016	$ 109.44
VERONICA FAULKNER	163708	06/22/2022	$ 188.27
WAYNE GARRETT	142477	06/22/2017	$ 62.84
WAYNE SAKAMOTO	168772	09/14/2023	$ 121.37
WENBIN SHI	167803	06/22/2023	$ 558.35
WENDY CHAVES	148343	10/10/2018	$ 124.18
WEST COAST RECOVERY CENTER	165867	01/12/2023	$ 2,436.42
WESTSIDE RESTORATION	151687	07/10/2019	$ 620.90
XIAOZHEN WEN	165869	01/12/2023	$ 568.24
XIN HU	166119	02/02/2023	$ 83.63
ZEVO PARK INDUSTRIAL LLC	156843	09/23/2020	$ 138.63
ZILAI ZHANG	149409	01/10/2019	$ 69.52
ZKS REAL ESTATE PARTNERS, LLC	157812	11/24/2020	$ 1,486.08
ZKS REAL ESTATE PARTNERS, LLC	156835	09/23/2020	$ 1,350.00
ZKS REAL ESTATE PARTNERS, LLC	156836	09/23/2020	$ 856.00
ZKS REAL ESTATE PARTNERS, LLC	159547	05/26/2021	$ 2,802.60

NOTICE IS FURTHER GIVEN pursuant to said Government Code Sections that it is proposed that said money will become the property of the Rancho California Water District after 10 years from the issue date, unless a claimant or claimants file a claim to request unclaimed monies with the District. The claim form can be found on the District website at www.ranchowater.com.

Date

Kathy Naylor, CFO/Treasurer

Rancho Water

BOARD ACTION

BOARD OF DIRECTORS

May 14, 2026

ITEM 2.B: **Consider Resolution Adopting Revised 2026 Local Guidelines for Implementing the California Environmental Quality Act (CEQA) and Rescinding Resolution No. 2025-5-2**

RESPONSIBLE/LEAD STAFF MEMBER(S):

Nik Lyuber, Director of Engineering

RECOMMENDATIONS:

The Engineering and Operations Committee (Committee) reviewed this item at its regular meeting on April 30, 2026, and recommended that the Board of Directors (Board) approve a resolution adopting the Local Guidelines for Implementing the California Environmental Quality Act (CEQA), 2026 Revision. The Committee also recommended the Board incorporate said document into the Administrative Code, Part III – Engineering, Operations, and Maintenance of the District, Chapter 3 - Local Guidelines for Implementing the California Environmental Quality Act.

DISCUSSION:

The California Environmental Quality Act, as contained in the Public Resources Code, Sections 21000 et seq., is California's most comprehensive environmental law requiring all public agencies within the state to evaluate the environmental effects of their actions before they are taken. CEQA also aims to prevent significant environmental effects resulting from agency actions by requiring agencies to avoid or, when feasible, reduce the significant environmental impacts of their decisions. To this end, CEQA requires all public agencies to adopt specific objectives, criteria, and procedures for evaluating public and private projects that are undertaken or approved by such agencies.

Rancho California Water District's (District) legal counsel, Best Best & Krieger, LLC (BBK), prepared a proposed updated set of Local CEQA Guidelines (Guidelines) for 2026 in compliance with CEQA's requirements. These Guidelines reflect recent changes within the Public Resources Code, the State CEQA Guidelines, and relevant court opinions and provide instructions and forms for preparing all environmental documents required under CEQA.

Attached for the Committee's information is a copy of the proposed Guidelines, along with a BBK memorandum summarizing the substantive amendments. Staff prepared and attached a draft resolution for use in adopting the proposed 2026 Guidelines.

ALTERNATIVES:

Not applicable

FISCAL ANALYSIS:

No fiscal impact is anticipated as a result of the adoption of the updated Guidelines.

ENVIRONMENTAL REQUIREMENTS:

No environmental impact is anticipated as a result of the adoption of the updated Guidelines. The District's adoption of the attached resolution is not a project under the State CEQA Guidelines, Section 15378(b)(5), as it involves an administrative activity involving process only and would not result in any environmental impacts.

EXHIBITS/ATTACHMENTS:

1. 2026 CEQA Memorandum-Summary of Changes
2. 2026 CEQA Guidelines
3. DRAFT Resolution Adopting CEQA Guidelines and Rescinding Resolution No. 2025-5-2

Memorandum

TO: Project 5 District Client

FROM: Best Best & Krieger LLP

DATE: March 31, 2026

RE: Summary of Changes to Local CEQA Guidelines

In 2025, the California Legislature revised the California Environmental Quality Act ("CEQA") through passage of certain Assembly Bills and Senate Bills. As a result, we have revised the District's Local Guidelines for Implementing CEQA ("Local Guidelines") to account for these CEQA developments. This memorandum summarizes the substantive amendments to the District's 2026 Local CEQA Guidelines ("Local Guidelines").

The Local Guidelines and this memorandum are designed to help the District comply with CEQA when considering a project subject to CEQA. We still recommend, however, that you consult with an attorney when you have specific questions on major, controversial, or unusual projects or activities.

The Local Guidelines, the related CEQA forms, and other important legal alerts may be accessed via the Best Best & Krieger LLP CEQA client portal. For technical support, please contact Tammy Ingram at tammy.ingram@bbklaw.com.

REVISIONS TO LOCAL GUIDELINES

3.12 Exemption for Agricultural Housing Development

A new subsection B(2) was added to Section 3.12 as a result of the passing of Senate Bill 131. CEQA does not apply to an agricultural housing development maintained and operated by a qualified affordable housing organization that meet the requirements set forth in Section 3.12.

3.20 Exemption for Certain Housing Development Projects That Are 20 Acres or Less in Size

Pursuant to Assembly Bill 130, a new Section 3.20 was added to the Guidelines for qualifying housing development projects that are 20 acres or less in size and meet specific criteria.

3.22 Transit Prioritization Projects

A new subsection (5) was added to Section 3.22 regarding an exemption for a transit

prioritization project for the protection, improvement, institution, or increase of microtransit, paratransit, shuttle, bus, ferry, bus rapid transit, or light trail service. Subsection (7) also extends this exemption for a public project for the institution or increase of certain passenger rail services until January 1, 2040. Lastly, this section is revised to extend this exemption for covering transportation-related projects, such as pedestrian and bicycle facilities, transit prioritization projects, public projects located in an urbanized area or urban cluster, and public projects for the construction or maintenance of infrastructure of facilities to charge, refuel or maintain zero-emission public transit until January 1, 2040.

3.23 Transportation Plans, Pedestrian Plans, and Bicycle Transportation Plans

Section 3.23 was revised to exempt from CEQA a transit comprehensive operational analysis, transit route readjustment, or other transit agency route addition, elimination, or modification. For purposes of this section, Section 3.23 was revised to exempt "Transit Comprehensive Operational Analysis", meaning a plan that redesigns or modifies a transit operator's or local agency's public transit service network, including the routing of fixed route and microtransit services.

3.24 Facilities Supporting High-Speed Rail

Section 3.24 was added to exempt from CEQA certain projects that consist of the development, construction, or operation of a heavy maintenance facility for electrically powered high-speed rail if certain conditions outlined in Section 3.24 are met. This section also exempts a project that consists of the development, construction, or modification of a proposed passenger rail station, or design changes to a passenger rail station, for the purpose of serving electrically powered high-speed rail, if certain conditions outlined in Section 3.24 are met.

3.25 Certain Public Park and Trail Projects

Pursuant to Assembly Bill 1139, Section 3.25 was added to exempt any activity or approval necessary for or incidental to planning, design, site acquisition, construction, operation, or maintenance of public park or nonmotorized recreational trail facilities funded in whole or in part by the Safe Drinking Water, Wildfire Prevent, Drought Preparedness, and Clear Air Bond Act of 2024.

3.29 State Funded Community Water Systems

Section 3.29 was added to exempt from CEQA a community water system that is funded pursuant to the Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024 or the State Water Resources Control Board's Safe and Affordable Funding for Equity and Resilience program that does not otherwise include any construction activities if the project meets certain criteria outlined in Section 3.29.

3.30 Wildfire Risk Reduction Projects

Pursuant to Senate Bill 131, Section 3.30 was added to exempt certain wildfire risk reduction projects that meet the criteria specified in Section 3.30.

3.31 Wildfire Defensible Space Requirements

Pursuant to Assembly Bill 1455, Section 3.31 was added to exempt from CEQA ordinances, designed by a local agency responsible for fire protection, designating defensible space requirements based on regulations promulgated by the State Board of Forestry and Fire Protection.

3.34 Daycare Centers, Rural Health Clinics, Food Banks, and Advances Manufacturing Facilities

Section 3.34 was added to exempt from CEQA projects that consist exclusively of daycare centers, rural health clinics, food banks, and advanced manufacturing facilities if certain criteria outlined in Section 3.34 are met.

9.03 Streamlined, Ministerial Review for Adaptive Reuse Projects

Pursuant to Assembly Bill 507, Section 9.03 was added to exempt from CEQA an adaptive reuse project that retrofits and repurposes an existing building to create new residential or mixed uses including office conversion projects.

9.04 Housing Development Project Located in Areas of Smaller Populations

Pursuant to Senate Bill 158, Section 9.04 was added to clarify that CEQA does apply to a housing development that is: (1) located in a city with a population of more than 85,000 but less than 95,000, as determined by the 2020 Census, (2) located in a county with a population of more than 440,000 but less than 455,000, as determined by the 2020 Census, (3) a portion of the parcel where the project is located is identified on a United States Fish and Wildlife Service map as freshwater forested or shrub wetland; and (4) a portion of the parcel where the project is located is within a regulatory floodway.

9.14 "Near Miss" Streamlined Housing Development Project

Pursuant to Senate Bill 131, Section 9.14 was added to establish a streamlined CEQA process for housing development projects that narrowly fail to qualify for certain CEQA exemptions due to a single disqualifying condition. In such "near miss" instances, it limits CEQA review to those environmental effects caused solely by that condition, and waives the need for analysis of project alternatives, cumulative impacts, and growth-inducing effects. However, these "near miss" provisions do not apply to projects with multiple disqualifying

conditions, or to projects involving distribution centers, oil and gas infrastructure, or on protected lands.

10.03 Administrative Record

Pursuant to Senate Bill 131, Section 10.03(A)(10) was revised to narrow the scope of the administrative record. It clarifies that, with limited exceptions, staff notes and internal agency communications (like emails) are not required to be included in the administrative record if they were not presented to the project's final decision-making body.

Other Changes

CEQA Document Filing Fees

Effective January 1, 2026, the Department of Fish and Wildlife has increased its fees. For a Negative Declaration or a Mitigated Negative Declaration, the new filing fee is $3,043.75 (see Section 6.24); for an EIR, the new filing fee is $4,227.50 (see Section 7.42); and for an environmental document prepared pursuant to a Certified Regulatory Program, the new filing fee is $1,437.25.

Conclusion

As always, CEQA remains complicated and, at times, challenging to apply. The only constant in this area of law is how quickly the rules change. Should you have questions about any of the provisions discussed above, please contact a BB&K attorney for assistance.

BEST BEST & KRIEGER LLP



CEQA Guidelines

2026

Prepared For:

Rancho California Water District

Local Guidelines for Implementing the California Environmental Quality Act

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www.BBKlaw.com

Indian Wells | Irvine | Los Angeles | Manhattan Beach |Ontario | Riverside | Sacramento | San Diego | Walnut Creek | Washington DC | Bend OR

2026

LOCAL GUIDELINES

FOR IMPLEMENTING THE

CALIFORNIA ENVIRONMENTAL QUALITY ACT

FOR

RANCHO CALIFORNIA WATER DISTRICT

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LOCAL GUIDELINES
FOR IMPLEMENTING THE
CALIFORNIA ENVIRONMENTAL QUALITY ACT

(2026)

1. GENERAL PROVISIONS, PURPOSE AND POLICY.

1.01 GENERAL PROVISIONS.

These Local Guidelines ("Local Guidelines") are to assist the Rancho California Water District ("District") in implementing the provisions of the California Environmental Quality Act ("CEQA"). These Local Guidelines are consistent with the Guidelines for the Implementation of CEQA ("State CEQA Guidelines"), which have been promulgated by the California Natural Resources Agency for the guidance of state and local agencies in California. These Local Guidelines have been adopted pursuant to California Public Resources Code section 21082.

1.02 PURPOSE.

The purpose of these Local Guidelines is to help the District accomplish the following basic objectives of CEQA:

(a) To enhance and provide long-term protection for the environment, while providing a decent home and satisfying living environment for every Californian;
(b) To provide information to governmental decision-makers and the public regarding the potential significant environmental effects of the proposed project;
(c) To provide an analysis of the environmental effects of future actions associated with the project to adequately apprise all interested parties of the true scope of the project for intelligent weighing of the environmental consequences of the project;
(d) To identify ways that environmental damage can be avoided or significantly reduced;
(e) To prevent significant avoidable environmental damage through utilization of feasible project alternatives or mitigation measures; and
(f) To disclose and demonstrate to the public the reasons why a governmental agency approved the project in the manner chosen. Public participation is an essential part of the CEQA process. Each public agency should encourage wide public involvement, formal and informal, in order to receive and evaluate public reactions to environmental issues related to a public agency's activities. Such involvement should include, whenever possible, making environmental information available in electronic format on the Internet, on a web site maintained or utilized by the public agency.

1.03 APPLICABILITY.

These Local Guidelines apply to any activity that constitutes a "project," as defined in Local Guidelines Section 11.59, for which the District is the Lead Agency or a Responsible Agency. These Local Guidelines are also intended to assist the District in determining whether a

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proposed activity constitutes a project that is subject to CEQA review, or whether the activity is exempt from CEQA.

1.04 REDUCING DELAY AND PAPERWORK.

The State CEQA Guidelines encourage local governmental agencies to reduce delay and paperwork by, among other things:

(a) Integrating the CEQA process into early planning review; to this end, the project approval process and these procedures, to the maximum extent feasible, are to run concurrently, not consecutively;
(b) Identifying projects which fit within categorical or other exemptions and are therefore exempt from CEQA processing;
(c) Using initial studies to identify significant environmental issues and to narrow the scope of Environmental Impact Reports (EIRs);
(d) Using a Negative Declaration when a project, not otherwise exempt, will not have a significant effect on the environment;
(e) Consulting with state and local responsible agencies before and during the preparation of an EIR so that the document will meet the needs of all the agencies which will use it;
(f) Allowing applicants to revise projects to eliminate possible significant effects on the environment, thereby enabling the project to qualify for a Negative Declaration rather than an EIR;
(g) Integrating CEQA requirements with other environmental review and consultation requirements;
(h) Emphasizing consultation before an EIR is prepared, rather than submitting adverse comments on a completed document;
(i) Combining environmental documents with other documents, such as general plans;
(j) Eliminating repetitive discussions of the same issues by using EIRs on programs, policies or plans and tiering from statements of broad scope to those of narrower scope;
(k) Reducing the length of EIRs by means such as setting appropriate page limits;
(l) Preparing analytic, rather than encyclopedic, EIRs;
(m) Mentioning insignificant issues only briefly;
(n) Writing EIRs in plain language;
(o) Following a clear format for EIRs;
(p) Emphasizing the portions of the EIR that are useful to decision-makers and the public and reducing emphasis on background material;
(q) Incorporating information by reference; and
(r) Making comments on EIRs as specific as possible.

1.05 COMPLIANCE WITH STATE LAW.

These Local Guidelines are intended to implement the provisions of CEQA and the State CEQA Guidelines, and the provisions of CEQA and the State CEQA Guidelines shall be fully complied with even though they may not be set forth or referred to herein.

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1.06 TERMINOLOGY.

The terms "must" or "shall" identify mandatory requirements. The terms "may" and "should" are permissive, with the particular decision being left to the discretion of the District.

1.07 PARTIAL INVALIDITY.

In the event any part or provision of these Local Guidelines shall be determined to be invalid, the remaining portions that can be separated from the invalid unenforceable provisions shall continue in full force and effect.

1.08 ELECTRONIC DELIVERY OF COMMENTS AND NOTICES.

Individuals may file a written request to receive copies of public notices provided for under these Local Guidelines or the State CEQA Guidelines. The requestor may elect to receive these notices via email rather than regular mail. Notices sent by email are deemed delivered when the staff person sending the email sends it to the last email address provided by the requestor to the District. Any request to receive public notices shall be in writing and shall be renewed annually.

Individuals may also submit comments on the CEQA documentation for a project via email. Comments submitted via email shall be treated as written comments for all purposes. Comments sent to the District via email are deemed received when they actually arrive in an email account of a staff person who has been designated or identified as the point of contact for a particular project.

The District must also post certain environmental documents (such as Draft and Final Environmental Impact Reports, Draft Negative Declarations, and Draft Mitigated Negative Declarations) and CEQA notices (such as Notices of Preparation, Notices of Availability, Notices of Intent to Adopt a Negative Declaration, Notices of Exemption, and Notices of Determination) on its website, if any.

(Reference: Pub. Resources Code, §§ 21082.1, 21091(d)(3), 21092.2.)

1.09 THE DISTRICT MAY CHARGE REASONABLE FEES FOR REPRODUCING ENVIRONMENTAL DOCUMENTS.

A public agency may charge and collect a reasonable fee from members of the public that request a copy of an environmental document, so long as the fee does not exceed the cost of reproduction. The kinds of "environmental documents" that CEQA specifically allows public agencies to seek reimbursement for include: initial studies, negative declarations, mitigated negative declarations, draft and final EIRs, and documents prepared as a substitute for an EIR, negative declaration, or mitigated negative declaration.

The District shall make CEQA-related documents (e.g., Negative Declarations, Mitigated Negative Declarations, Draft EIRs, Final EIRs, and notices relating to these documents) available to the public-at-large on its website. Requests for documents made pursuant to the California Public Records Act must comply with the Government Code. (See, for example, Government Code section 7922.570 for information regarding providing documents in electronic format.)

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1.10 TIME OF PREPARATION

Before granting any approval of a non-exempt project subject to CEQA, the Lead Agency or Responsible Agency shall consider either (1) a Final EIR, (2) a Negative Declaration, (3) a Mitigated Negative Declaration, or (4) another document authorized by the State CEQA Guidelines to be used in the place of an EIR or Negative Declaration (e.g., an Addendum, a Supplemental EIR, a Subsequent EIR, etc.).

Choosing the precise time for CEQA compliance involves a balancing of competing factors. EIRs, Negative Declarations, and Mitigated Negative Declarations should be prepared as early as feasible in the planning process to enable environmental considerations to influence project program and design and yet late enough to provide meaningful information for environmental assessment.

With public projects, at the earliest feasible time, project sponsors shall incorporate environmental considerations into project conceptualization, design, and planning. CEQA compliance should be completed prior to acquisition of a site for a public project.

To implement the above principles, the District shall not undertake actions concerning the proposed public project that would have a significant adverse effect or limit the choice of alternatives or mitigation measures, before completion of CEQA compliance. For example, the District shall not:

(A) Formally make a decision to proceed with the use of a site for facilities which would require CEQA review, regardless of whether the District has made any final purchase of the site for these facilities, except that the District may designate a preferred site for CEQA review and may enter into land acquisition agreements when the District has conditioned its future use of the site on CEQA compliance.

(B) Otherwise take any action that gives impetus to a planned or foreseeable project in a manner that forecloses alternatives or mitigation measures that would ordinarily be part of CEQA review of that public project.

With private projects, the District shall encourage the project proponent to incorporate environmental considerations into project conceptualization, design, and planning at the earliest feasible time.

While mere interest in, or inclination to support, a project does not constitute approval, a public agency entering into preliminary agreements regarding a project prior to approval shall not, as a practical matter, commit the agency to the project. For example, the District shall not grant any vested development entitlements prior to compliance with CEQA. Further, any such pre-approval agreement should, for example:

(A) Condition the agreement on compliance with CEQA;
(B) Not bind any party, or commit any party, to a definite course of action prior to CEQA compliance;

(C) Not restrict the Lead Agency from considering any feasible mitigation measures and alternatives, including the "no project" alternative; and

(D) Not restrict the Lead Agency from denying the project.

The District's environmental document preparation and review should be coordinated in a timely fashion with the District's existing planning, review, and project approval processes. These procedures, to the maximum extent feasible, are to run concurrently, not consecutively.

(See State CEQA Guidelines, § 15004; *Save Tara v. City of West Hollywood* (2008) 45 Cal.4th 116.)

1.11 STATE AGENCY FURLOUGHS.

Due to budget concerns, the State may institute mandatory furlough days for state government agencies. Local agencies may also change their operating hours.

Because state and local agencies may enact furloughs that limit their operating hours, if the District has time-sensitive materials or needs to consult with a state agency, the District should check with the applicable state agency office or with the District's attorney to ensure compliance with all applicable deadlines.

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2. LEAD AND RESPONSIBLE AGENCIES

2.01 LEAD AGENCY PRINCIPLE.

The District will be the Lead Agency if it will have principal responsibility for carrying out or approving a project. Where a project is to be carried out or approved by more than one public agency, only one agency shall be responsible for the preparation of environmental documents. This agency shall be called the Lead Agency.

(Reference: State CEQA Guidelines, §§ 15050, 15367.)

2.02 SELECTION OF LEAD AGENCY.

Where two or more public agencies will be involved with a project, the Lead Agency shall be designated according to the following criteria:

(a) If the project will be carried out by a public agency, that agency shall be the Lead Agency even if the project will be located within the jurisdiction of another public agency; or

(b) If the project will be carried out by a nongovernmental person or entity, the Lead Agency shall be the public agency with the greatest responsibility for supervising and approving the project as a whole.

The Lead Agency will normally be the agency with general governmental powers, rather than an agency with a single or limited purpose. (For example, a district that will provide a public service or utility to the project serves a limited purpose.) If two or more agencies meet this criteria equally, the agency that acts first on the project will normally be the Lead Agency.

If two or more public agencies have a substantial claim to be the Lead Agency under either (a) or (b), they may designate one agency as the Lead Agency by agreement. An agreement may also provide for cooperative efforts by contract, joint exercise of powers, or similar devices. If the agencies cannot agree which agency should be the Lead Agency for preparing the environmental document, any of the disputing public agencies or the project applicant may submit the dispute to the Office of Land Use and Climate Innovation ("LCI"), formerly Office of Planning and Research. Within 21 days of receiving the request, LCI will designate the Lead Agency. LCI shall not designate a Lead Agency in the absence of a dispute. A "dispute" means a contested, active difference of opinion between two or more public agencies as to which of those agencies shall prepare any necessary environmental document. A dispute exists when each of those agencies claims that it either has or does not have the obligation to prepare that environmental document.

(Reference: State CEQA Guidelines, § 15051.)

2.03 DUTIES OF A LEAD AGENCY.

As a Lead Agency, the District shall decide whether a Negative Declaration, Mitigated Negative Declaration or an EIR will be required for a project and shall prepare, or cause to be prepared, and consider the document before making its decision on whether and how to approve the project. The documents may be prepared by Staff or by private consultants pursuant to a

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contract with the District. However, the District shall independently review and analyze all draft and final EIRs or Negative Declarations prepared for a project and shall find that the EIR or Negative Declaration reflects the independent judgment of the District prior to approval of the document. If a Draft EIR or Final EIR is prepared under a contract with the District, the contract must be executed within forty-five (45) days from the date on which the District sends a Notice of Preparation. The District, however, may take longer to execute the contract if the project applicant and the District mutually agree to an extension of the 45-day time period. (Pub. Resources Code, § 21151.5; see also Local Guidelines Section 7.02.)

During the process of preparing an EIR, the District, as Lead Agency, shall have the following duties:

(a) If a California Native American tribe has requested consultation, within 14 days after determining that an application for a project is complete or a decision to undertake a project, the District shall begin consultation with the California Native American tribes (see Local Guidelines Section 7.07);

(b) Immediately after deciding that an EIR is required for a project, the District shall send to the Office of Land Use and Climate Innovation and each Responsible Agency a Notice of Preparation (Form "G") stating that an EIR will be prepared (see Local Guidelines Section 7.03);

(c) Prior to release of an EIR, if the California Native American tribe that is culturally affiliated with the geographic area of a project requests in writing to be informed of any proposed project, the District shall begin consultation with the tribe consistent with California law and Local Guidelines Section 7.07;

(d) The District shall prepare or cause to be prepared the Draft EIR for the project (see Local Guidelines Sections 7.06 and 7.18);

(e) Once the Draft EIR is completed, the District shall file a Notice of Completion (Form "H") with the Office of Land Use and Climate Innovation (see Local Guidelines Section 7.25);

(f) The District shall consult with state, federal and local agencies that exercise authority over resources that may be affected by the project for their comments on the completed Draft EIR (see, e.g., Local Guidelines Sections 5.02, 5.16, Section 7.26);

(g) The District shall provide public notice of the availability of a Draft EIR (Form "K") at the same time that it sends a Notice of Completion to the Office of Land Use and Climate Innovation (see Local Guidelines Section 7.25);

(h) The District shall evaluate comments on environmental issues received from persons who reviewed the Draft EIR and shall prepare or cause to be prepared a written response to all comments that raise significant environmental issues and that were timely received during the public comment period. A written response must be provided to all public agencies who commented on the project during the public review period at least ten (10) days prior to certifying an EIR (see Local Guidelines Section 7.30);

(i) The District shall prepare or cause to be prepared a Final EIR before approving the project (see Local Guidelines Section 7.31);

(j) The District shall certify that the Final EIR has been completed in compliance with CEQA and has been reviewed by the Board of Directors (see Local Guidelines Section 7.33); and

(k) The District shall include in the Final EIR any comments received from a Responsible Agency on the Notice of Preparation or the Draft EIR (see Local Guidelines Sections 2.08, 7.30 and 7.31).

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2.04 CEQA DETERMINATIONS MADE BY NON-ELECTED BODY; PROCEDURE TO APPEAL SUCH DETERMINATIONS.

As Lead Agency, the District may charge a non-elected decisionmaking body with the responsibility of making a finding of exemption or adopting, certifying or authorizing environmental documents. Any such determination, however, shall be subject to the District's procedures allowing for the appeal of the CEQA determination of any non-elected body to the District's Board of Directors. In the absence of a procedure governing such appeal, any CEQA determination made by a non-elected decisionmaker shall be appealable to the District's Board of Directors within ten (10) days of the non-elected decisionmaker's determination. If the non-elected decisionmaker's CEQA determination is not timely appealed as set forth herein, the non-elected decisionmaker's determination shall be final.

In the event the District's Board of Directors has delegated authority to a subsidiary board or official to approve a project, the Board of Directors also hereby delegates to that subsidiary board or official the authority to make all necessary CEQA determinations, including whether an EIR, Negative Declaration, Mitigated Negative Declaration or exemption shall be required for any project. A subsidiary board or official's CEQA determination shall be subject to appeal as set forth above.

(Reference: State CEQA Guidelines, §§ 15061(e), 15074(f), 15090(b).)

2.05 PROJECTS RELATING TO DEVELOPMENT OF HAZARDOUS WASTE AND OTHER SITES.

An applicant for a development project must submit a signed statement to the District, as Lead Agency, stating whether the project and any alternatives are located on a site that is included in any list compiled by the Secretary for Environmental Protection of the California Environmental Protection Agency ("California EPA") listing hazardous waste sites and other specified sites located in the District's boundaries. The applicant's statement must contain the following information:

(a) The applicant's name, address, and phone number;
(b) Address of site, and local agency (city/county);
(c) Assessor's book, page, and parcel number; and
(d) The list which includes the site, identification number, and date of list.

Before accepting as complete an application for any development project as defined in Local Guidelines Section 11.16, the District, as Lead Agency, shall consult lists compiled by the Secretary for Environmental Protection of the California EPA pursuant to Government Code section 65962.5 listing hazardous waste sites and other specified sites located in the District's boundaries. When acting as Lead Agency, the District shall notify an applicant for a development project if the project site is located on such a list and not already identified. In the Notice of Intent to Adopt a Negative Declaration or Mitigated Negative Declaration (see Local Guidelines Section 6.04) or the Notice of Preparation of Draft EIR (see Local Guidelines Section 7.03), the District shall specify the California EPA list, if any, that includes the project site, and shall provide the information contained in the applicant's statement.

(Reference: Gov. Code, § 65962.5.)

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2.06 RESPONSIBLE AGENCY PRINCIPLE.

When a project is to be carried out or approved by more than one public agency, all public agencies other than the Lead Agency that have discretionary approval power over the project shall be identified as Responsible Agencies.

(Reference: State CEQA Guidelines, § 15381.)

2.07 DUTIES OF A RESPONSIBLE AGENCY.

When it is identified as a Responsible Agency, the District shall consider the environmental documents prepared or caused to be prepared by the Lead Agency and reach its own conclusions on whether and how to approve the project involved. The District shall also both respond to consultation and attend meetings as requested by the Lead Agency to assist the Lead Agency in preparing adequate environmental documents. The District should also review and comment on Draft EIRs, Negative Declarations, and Mitigated Negative Declarations. Comments shall be limited to those project activities that are within the District's area of expertise or are required to be carried out or approved by the District or are subject to the District's powers.

As a Responsible Agency, the District may identify significant environmental effects of a project for which mitigation is necessary. As a Responsible Agency, the District may submit to the Lead Agency proposed mitigation measures that would address those significant environmental effects. If mitigation measures are required, the District should submit to the Lead Agency complete and detailed performance objectives for such mitigation measures that would address the significant environmental effects identified, or refer the Lead Agency to appropriate, readily available guidelines or reference documents. Any mitigation measures submitted to the Lead Agency by the District, when acting as a Responsible Agency, shall be limited to measures that mitigate impacts to resources that are within the District's authority. For private projects, the District, as a Responsible Agency, may require the project proponent to provide such information as may be required and to reimburse the District for all costs incurred by it in reporting to the Lead Agency.

(Reference: State CEQA Guidelines, § 15096.)

2.08 RESPONSE TO NOTICE OF PREPARATION BY RESPONSIBLE AGENCIES.

Within thirty (30) days of receipt of a Notice of Preparation of an EIR, the District, as a Responsible Agency, shall specify to the Lead Agency the scope and content of the environmental information related to the District's area of statutory responsibility in connection with the proposed project. At a minimum, the response shall identify the significant environmental issues and possible alternatives and mitigation that the District, as a Responsible Agency, will need to have explored in the Draft EIR. Such information shall be specified in writing, shall be as specific as possible, and shall be communicated to the Lead Agency, by certified mail, email, or any other method of transmittal that provides it with a record that the response was received. The Lead Agency shall incorporate this information into the EIR.

(Reference: Pub. Resources Code, § 21080.4; State CEQA Guidelines, § 15103.)

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2.09 USE OF FINAL EIR OR NEGATIVE DECLARATION BY RESPONSIBLE AGENCIES.

The District, as a Responsible Agency, shall consider the Lead Agency's Final EIR or Negative Declaration before acting upon or approving a proposed project. As a Responsible Agency, the District must independently review and consider the adequacy of the Lead Agency's environmental documents prior to approving any portion of the proposed project. In certain instances, the District, in its role as a Responsible Agency, may require that a Subsequent EIR or a Supplemental EIR be prepared to fully address those aspects of the project over which the District has approval authority. Mitigation measures and alternatives deemed feasible and relevant to the District's role in carrying out the project shall be adopted. Findings that are relevant to the District's role as a Responsible Agency shall be made. After the District decides to approve or carry out part of a project for which an EIR or negative declaration has previously been prepared by the Lead Agency, the District, as Responsible Agency, should file a Notice of Determination with the County Clerk within five (5) days of approval, but need not state that the Lead Agency's EIR or Negative Declaration complies with CEQA. The District, as Responsible Agency, should state that it considered the EIR or Negative Declaration as prepared by a Lead Agency.

(Reference: State CEQA Guidelines, § 15096.)

2.10 SHIFT IN LEAD AGENCY RESPONSIBILITIES.

The District, as a Responsible Agency, shall assume the role of the Lead Agency if any one of the following three conditions is met:

(a) The Lead Agency did not prepare any environmental documents for the project, and the statute of limitations has expired for a challenge to the action of the appropriate Lead Agency;

(b) The Lead Agency prepared environmental documents for the project, and all of the following conditions apply:

  (1) A Subsequent or Supplemental EIR is required;

  (2) The Lead Agency has granted a final approval for the project; and

  (3) The statute of limitations has expired for a challenge to the action of the appropriate Lead Agency; or

(c) The Lead Agency prepared inadequate environmental documents without providing public notice of a Negative Declaration or sending Notice of Preparation of an EIR to Responsible Agencies and the statute of limitations has expired for a challenge to the action of the appropriate Lead Agency.

(Reference: State CEQA Guidelines, § 15052.)

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3. ACTIVITIES EXEMPT FROM CEQA

3.01 ACTIONS SUBJECT TO CEQA.

CEQA applies to discretionary projects proposed to be carried out or approved by public agencies such as the District. If the proposed activity does not come within the definition of "project" contained in Local Guidelines Section 11.59, it is not subject to environmental review under CEQA.

The term "project," as defined by CEQA, does not include:

(a) Proposals for legislation to be enacted by the State Legislature;
(b) Continuing administrative or maintenance activities, such as purchases for supplies, personnel-related actions, and general policy and procedure making (except as provided in Local Guidelines Section 11.59;
(c) The submittal of proposals to a vote of the people in response to a petition drive initiated by voters, or the enactment of a qualified voter-sponsored initiative under California Constitution Art. II, Section 11(a) and Election Code section 9214;
(d) The creation of government funding mechanisms or other government fiscal activities that do not involve any commitment to any specific project that may have a potentially significant physical impact on the environment. Government funding mechanisms may include, but are not limited to, assessment districts and community facilities districts;
(e) Organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment; and
(f) Activities that do not result in a direct or reasonably foreseeable indirect physical change in the environment.

(Reference: State CEQA Guidelines, §§ 15060(c), 15378.)

3.02 MINISTERIAL ACTIONS.

Ministerial actions are not subject to CEQA review. A ministerial action is one that is approved or denied by a decision that a public official or a public agency makes that involves only the use of fixed standards or objective measurements without personal judgment or discretion.

When a project involves an approval that contains elements of both a ministerial and discretionary nature, the project will be deemed to be discretionary and subject to the requirements of CEQA. The decision whether the approval of a proposed project or activity is ministerial in nature may involve or require, to some extent, interpretation of the language of the legal mandate, and should be made on a case-by-case basis. The following is a non-exclusive list of examples of ministerial activities:

(a) Issuance of business licenses;
(b) Approval of final subdivision maps and final parcel maps;
(c) Approval of individual utility service connections and disconnections;
(d) Issuance of licenses;
(e) Issuance of a permit to do street work;

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(f) Issuance of building permits where the Lead Agency does not retain significant discretionary power to modify or shape the project; and

(g) Until January 1, 2024, approval of an application to install an emergency standby generator to serve a macro cell tower where conditions set forth in Government Code section 65850.75 are met.

(Reference: State CEQA Guidelines, § 15268.)

3.03 EXEMPTIONS IN GENERAL.

CEQA and the State CEQA Guidelines exempt certain activities and provide that local agencies should further identify and describe certain exemptions. The requirements of CEQA and the obligation to prepare an EIR, Negative Declaration, or Mitigated Negative Declaration generally do not apply to the exempt activities that are set forth in CEQA, the State CEQA Guidelines, and Chapter 3 of these Local Guidelines.

(Reference: State CEQA Guidelines, §§ 15260 – 15332.)

3.04 NOTICE OF EXEMPTION.

After approval of an exempt project, a "Notice of Exemption" (Form "A") may be filed by the District or its representatives with the County Clerk of each county in which the activity will be located. The Notice of Exemption must be filed electronically with the County Clerk if that option is offered by the County Clerk. When the Lead Agency files a Notice of Exemption with the County Clerk, it must also file the Notice of Exemption with the State Clearinghouse via the Office of Land Use and Climate Innovation's CEQASubmit portal at https://ceqasubmit.lci.ca.gov/. After filing, the District must additionally post the Notice of Exemption on the District's website, if any. The District is generally not required to file a Notice of Exemption after approving a project that it finds exempt from CEQA, though there are circumstances where a Notice of Exemption must be filed. Please see Local Guidelines Section 3.12 for certain circumstances in which the Lead Agency is required to file a Notice of Exemption.

The filing of a Notice of Exemption, when appropriate, is recommended for District actions because it shortens the statute of limitations to challenge the District's exemption determination under CEQA from 180 days to 35 days. The County Clerk must post a Notice of Exemption within twenty-four (24) hours of receipt, and the Notice must remain posted for thirty (30) days. The 30-day posting requirement excludes the first day of posting and includes the last day of posting. On the 30th day, the Notice of Exemption must be posted for the entire day. Although no California Department of Fish and Wildlife ("DFW") filing fee is applicable to exempt projects, most counties customarily charge a documentary handling fee to pay for record keeping on behalf of the DFW. Refer to the Index in the County Clerk Memo to determine if such a fee will be required for the project.

The Notice of Exemption must, among other things, identify the person undertaking the project, including any person undertaking an activity that receives financial assistance from the District as part of the project or the person receiving a lease, permit, license, certificate, or other entitlement for use from the District as part of the project. Certain counties require the name and address of an applicant to be included in the "Project Applicant" box of the Notice of Exemption,

even when the only project proponent is the District; in these counties, if the District is the only project proponent, the District's name and address should be provided in the "Project Applicant" box of the Notice of Exemption. Check the county's requirements before submitting the Notice of Exemption for filing and posting.

The Notice of Exemption may be filed by the project applicant, rather than the Lead Agency, in certain circumstances. Specifically, the Lead Agency may direct the project applicant to file the Notice of Exemption where the activity that the Lead Agency has determined is exempt from CEQA either:

(a) is undertaken by a *person* (not a public agency) and is supported, in whole or in part, through contracts, grants, subsidies, loans, or other forms of assistance from one or more public agencies; or

(b) involves the issuance to a *person* (not a public agency) of a lease, permit, license, certificate, or other entitlement for use by one or more public agencies.

(See Pub. Resources Code, §§ 21065, (b), (c), 21152). Where the Notice of Exemption is filed by a project applicant rather than the Lead Agency, the applicant must attach a Certificate of Determination to the Notice of Exemption to be filed. The Certificate of Determination may be in the form of a certified copy of an existing document or record of the Lead Agency. Alternatively, the Lead Agency may prepare a Certificate of Determination (see Form "B") stating that the activity is exempt from CEQA, and the Lead Agency may provide the Certificate of Determination to the applicant. The applicant must attach the Certificate of Determination to the Notice of Exemption to be filed.

(Reference: Pub. Resources Code, § 21152; State CEQA Guidelines, § 15062.)

3.05 DISAPPROVED PROJECTS.

CEQA does not apply to projects that the Lead Agency rejects or disapproves. Even if a project for which an EIR, Negative Declaration, or Mitigated Negative Declaration has been prepared is ultimately disapproved, the project applicant shall not be relieved of its obligation to pay the costs incurred to prepare the EIR, Negative Declaration, or Mitigated Negative Declaration for the project.

(Reference: State CEQA Guidelines, §§ 15061(b)(4), 15270.)

3.06 PROJECTS WITH NO POSSIBILITY OF SIGNIFICANT EFFECT.

Where it can be seen with absolute certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is exempt from CEQA.

(Reference: State CEQA Guidelines, § 15061(b)(3).)

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3.07 EMERGENCY PROJECTS.

The following types of emergency projects are exempt from CEQA (the term "emergency" is defined in Local Guidelines Section 11.20):

(a) Work in a disaster-stricken area in which a state of emergency has been proclaimed by the Governor pursuant to Section 8550 of the Government Code. This includes projects that will remove, destroy, or significantly alter a historical resource when that resource represents an imminent threat to the public of bodily harm or of damage to adjacent property or when the project has received a determination by the State Office of Historic Preservation pursuant to Section 5028(b) of the Public Resources Code.

(b) Emergency repairs to publicly or privately owned service facilities necessary to maintain service essential to the public health, safety, or welfare. Emergency repairs include those that require a reasonable amount of planning to address an anticipated emergency.

(c) Projects necessary to prevent or mitigate an emergency. This does not include long-term projects undertaken for the purpose of preventing or mitigating a situation that has a low probability of occurrence in the short-term, but this exclusion does not apply (i) if the anticipated period of time to conduct an environmental review of such a long-term project would create a risk to public health, safety, or welfare, or (ii) if activities (such as fire or catastrophic risk mitigation or modifications to improve facility integrity) are proposed for existing facilities in response to an emergency at a similar existing facility.

(d) Projects undertaken, carried out, or approved by a public agency to maintain, repair, or restore an existing highway damaged by fire, flood, storm, earthquake, land subsidence, gradual earth movement, or landslide, provided that the project is within the existing right of way of that highway and is initiated within one year of the damage occurring. Highway shall have the same meaning as defined in Section 360 of the Vehicle Code. This exemption does not apply to highways designated as official state scenic highways, nor to any project undertaken, carried out, or approved by a public agency to expand or widen a highway damaged by fire, flood, storm, earthquake, land subsidence, gradual earth movement, or landslide.

(e) Seismic work on highways and bridges pursuant to Streets and Highways Code section 180.2.

(Reference: State CEQA Guidelines, § 15269.)

3.08 FEASIBILITY AND PLANNING STUDIES.

A project that involves only feasibility or planning studies for possible future actions which the District has not yet approved, adopted, or funded is exempt from CEQA.

(Reference: State CEQA Guidelines, § 15262.)

3.09 RATES, TOLLS, FARES, AND CHARGES.

The establishment, modification, structuring, restructuring, or approval of rates, tolls, fares, or other charges by the District that the District finds are for one or more of the purposes listed below are exempt from CEQA.

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(a) Meeting operating expenses, including employee wage rates and fringe benefits;
(b) Purchasing or leasing supplies, equipment or materials;
(c) Meeting financial reserve needs and requirements; or
(d) Obtaining funds for capital projects necessary to maintain service within existing service areas.

When the District determines that one of the aforementioned activities pertaining to rates, tolls, fares, or charges is exempt from the requirements of CEQA, it shall incorporate written findings setting forth the specific basis for the claim of exemption in the record of any proceeding in which such an exemption is claimed.

(Reference: State CEQA Guidelines, § 15273.)

3.10 PIPELINES WITHIN A PUBLIC RIGHT-OF-WAY AND LESS THAN ONE MILE IN LENGTH.

Projects that are for the installation of a new pipeline or the maintenance, repair, restoration, reconditioning, relocation, replacement, removal, or demolition of an existing pipeline and that are:

(a) in a public street or highway or any other public right-of-way; and
(b) less than one mile in length

shall be exempt from CEQA requirements.

"Pipeline" includes subsurface facilities but does not include any surface facility related to the operation of the underground facility.

(Reference: Public Resources Code, § 21080.21.)

3.11 PIPELINES OF LESS THAN EIGHT MILES IN LENGTH.

Projects that are for the inspection, maintenance, repair, restoration, reconditioning, relocation, replacement, or removal of an existing pipeline, or any valve, flange, meter, or other piece of equipment that is directly attached to the pipeline shall be exempt from CEQA requirements if all of the following conditions are met:

(a) The project is less than eight miles in length.
(b) Notwithstanding the project length, actual construction and excavation activities undertaken to achieve the maintenance, repair, restoration, reconditioning, relocation, replacement, or removal of an existing pipeline are not undertaken over a length of more than one-half mile at any one time.
(c) The project consists of a section of pipeline that is not less than eight miles from any section of pipeline that has been subject to an exemption pursuant to CEQA in the past 12 months.
(d) The project is not solely for the purpose of excavating soil that is contaminated by hazardous materials, and, to the extent not otherwise expressly required by law, the party undertaking the project immediately informs the lead agency of the discovery of contaminated soil.

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(e) To the extent not otherwise expressly required by law, the person undertaking the project has, in advance of undertaking the project, prepared a plan that will result in notification of the appropriate agencies so that they may take action, if determined to be necessary, to provide for the emergency evacuation of members of the public who may be located in close proximity to the project.

(f) Project activities are undertaken within an existing right-of-way and the right-of-way is restored to its condition prior to the project.

(g) The project applicant agrees to comply with all conditions otherwise authorized by law, imposed by the city or county planning department as part of any local agency permit process, that are required to mitigate potential impacts of the proposed project, and to otherwise comply with the Keene-Nejedly California Wetlands Preservation Act (Chapter 7 (commencing with Section 5810) of Division 5), the California Endangered Species Act (Chapter 1.5 (commencing with Section 2050) of Division 3 of the Fish and Game Code), and other applicable state laws, and with all applicable federal laws.

If a project meets all of the requirements for this exemption, the person undertaking the project shall do all of the following:

(a) Notify, in writing, any affected public agency, including, but not limited to, any public agency having permit, land use, environmental, public health protection, or emergency response authority of this exemption.

(b) Provide notice to the public in the affected area in a manner consistent with paragraph (3) of Public Resources Code section 21092(b).

(c) In the case of private rights-of-way over private property, receive from the underlying property owner permission for access to the property.

(d) Comply with all conditions otherwise authorized by law, imposed by the city or county planning department as part of any local agency permit process, that are required to mitigate potential impacts of the proposed project, and otherwise comply with the Keene-Nejedly California Wetlands Preservation Act (Chapter 7 (commencing with Section 5810) of Division 5), the California Endangered Species Act (Chapter 1.5 (commencing with Section 2050) of Division 3 of the Fish and Game Code), and other applicable state laws, and with all applicable federal laws.

This exemption does not apply to a project in which the diameter of the pipeline is increased or to a project undertaken within the boundaries of an oil refinery.

For purposes of this exemption, the following definitions apply:

(a) "Pipeline" includes every intrastate pipeline used for the transportation of hazardous liquid substances or highly volatile liquid substances, including a common carrier pipeline, and all piping containing those substances located within a refined products bulk loading facility which is owned by a common carrier and is served by a pipeline of that common carrier, and the common carrier owns and serves by pipeline at least five such facilities in the state. "Pipeline" does not include the following:

    (1) An interstate pipeline subject to Part 195 of Title 49 of the Code of Federal Regulations.

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(2) A pipeline for the transportation of a hazardous liquid substance in a gaseous state.
(3) A pipeline for the transportation of crude oil that operates by gravity or at a stress level of 20 percent or less of the specified minimum yield strength of the pipe.
(4) Transportation of petroleum in onshore gathering lines located in rural areas.
(5) A pipeline for the transportation of a hazardous liquid substance offshore located upstream from the outlet flange of each facility on the Outer Continental Shelf where hydrocarbons are produced or where produced hydrocarbons are first separated, dehydrated, or otherwise processed, whichever facility is farther downstream.
(6) Transportation of a hazardous liquid by a flow line.
(7) A pipeline for the transportation of a hazardous liquid substance through an onshore production, refining, or manufacturing facility, including a storage or in plant piping system associated with that facility.
(8) Transportation of a hazardous liquid substance by vessel, aircraft, tank truck, tank car, or other vehicle or terminal facilities used exclusively to transfer hazardous liquids between those modes of transportation.

(Reference: State CEQA Guidelines, § 15284.)

3.12 CERTAIN RESIDENTIAL HOUSING PROJECTS.

CEQA does not apply to the construction, conversion, or use of residential housing if the project meets all of the general requirements described in Section A below and satisfies the specific requirements for any one of the following three categories: (1) agricultural housing (Section B below), (2) affordable housing projects in urbanized areas (Section C below), or (3) affordable housing projects near major transit stops (Section D below).

A. General Requirements. The construction, conversion, or use of residential housing units affordable to low-income households (as defined in Local Guidelines Section 11.36) located on an infill site in an urbanized area is exempt from CEQA if all of the following general requirements are satisfied:

(1) The project is consistent with:

(a) Any applicable general plan, specific plan, or local coastal program, including any mitigation measures required by such plan or program, as that plan or program existed on the date that the application was deemed complete; and
(b) Any applicable zoning ordinance, as that zoning ordinance existed on the date that the application was deemed complete. However, the project may be inconsistent with zoning if the zoning is inconsistent with the general plan and the project site has not been rezoned to conform to the general plan;

(2) Community level environmental review has been adopted or certified;

(3) The project and other projects approved prior to the approval of the project can be adequately served by existing utilities, and the project applicant has paid, or has committed to pay, all applicable in-lieu or development fees;

(4) The project site meets all of the following four criteria relating to biological resources:

(a) The project site does not contain wetlands;
(b) The project site does not have any value as a wildlife habitat;
(c) The project does not harm any species protected by the federal Endangered Species Act of 1973, the Native Plant Protection Act, or the California Endangered Species Act; and
(d) The project does not cause the destruction or removal of any species protected by a local ordinance in effect at the time the application for the project was deemed complete;

(5) The site is not included on any list of facilities and sites compiled pursuant to Government Code section 65962.5;

(6) The project site is subject to a preliminary endangerment assessment prepared by a registered environmental assessor to determine the existence of any release of a hazardous substance on the site and to determine the potential for exposure of future occupants to significant health hazards from any nearby property or activity. In addition, the following steps must have been taken in response to the results of this assessment:

(a) If a release of a hazardous substance is found to exist on the site, the release shall be removed or any significant effects of the release shall be mitigated to a level of insignificance in compliance with state and federal requirements; or
(b) If a potential for exposure to significant hazards from surrounding properties or activities is found to exist, the effects of the potential exposure shall be mitigated to a level of insignificance in compliance with state and federal requirements;

(7) The project does not have a significant effect on historical resources pursuant to Section 21084.1 of the Public Resources Code (see Local Guidelines Section 11.28);

(8) The project site is not subject to wildland fire hazard, as determined by the Department of Forestry and Fire Protection; unless the applicable general plan or zoning ordinance contains provisions to mitigate the risk of a wildland fire hazard;

(9) The project site does not have an unusually high risk of fire or explosion from materials stored or used on nearby properties;

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(10) The project site does not present a risk of a public health exposure at a level that would exceed the standards established by any state or federal agency;

(11) Either the project site is not within a delineated earthquake fault zone, or a seismic hazard zone, as determined pursuant to Section 2622 and 2696 of the Public Resources Code respectively, or the applicable general plan or zoning ordinance contains provisions to mitigate the risk of an earthquake or seismic hazard;

(12) Either the project site does not present a landslide hazard, flood plain, flood way, or restriction zone, or the applicable general plan or zoning ordinance contains provisions to mitigate the risk of a landslide or flood;

(13) The project site is not located on developed open space;

(14) The project site is not located within the boundaries of a state conservancy;

(15) The project site has not been divided into smaller projects to qualify for one or more of the exemptions for affordable housing, agricultural housing, or residential infill housing projects found in the subsequent sections; and

(16) The project meets the requirements set forth in either Public Resources Code sections 21159.22, 21159.23 or 21159.24.

(Reference: State CEQA Guidelines, § 15192.)

B. Specific Requirements for Agricultural Housing. CEQA does not apply to the construction, conversion, or use of residential housing for agricultural employees that meets either of the following:

(1) The project meets all of the general requirements described above in Section A and meets the following additional criteria:

(a) The project either:

1. Is affordable to lower income households, lacks public financial assistance, and the developer has provided sufficient legal commitments to ensure the continued availability and use of the housing units for lower income households for a period of at least fifteen (15) years; or

2. If public financial assistance exists for the project, then the project must be housing for very low-, low-, or moderate-income households and the developer of the project has provided sufficient legal commitments to the appropriate local agency to ensure the continued availability and use of

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the housing units for low- and moderate-income households for a period of at least fifteen (15) years;

(b) The project site is adjacent on at least two sides to land that has been developed and the project consists of not more than forty-five (45) units or provides dormitories, barracks, or other group-living facilities for a total of forty-five (45) or fewer agricultural employees, and either:

1. The project site is within incorporated city limits or within a census-defined place with a minimum population density of at least five thousand (5,000) persons per square mile; or

2. The project site is within incorporated city limits or within a census-defined place and the minimum population density of the census-defined place is at least one thousand (1,000) persons per square mile, unless the Lead Agency determines that there is a reasonable possibility that the project, if completed, would have a significant effect on the environment due to unusual circumstances or that the cumulative effects of successive projects of the same type in the same area would, over time, be significant;

(c) If the project is located on a site zoned for general agricultural use, it must consist of twenty (20) or fewer units, or, if the housing consists of dormitories, barracks, or other group-living facilities, the project must not provide housing for more than twenty (20) agricultural employees; and

(d) The project is not more than two (2) acres in area if the project site is located in an area with a population density of at least one thousand (1,000) persons per square mile, and is not more than five (5) acres in area for all other project sites.

(2) If the project does not meet the general requirements described above in Section A, but still meets the criteria described above in Section B(1) in accordance with Public Resources Code section 21159.22, and the following:

(a) Project is an agricultural housing development that satisfies all of the following:

1. Agricultural employee housing does not contain dormitory-style housing;

2. Development consists of no more than either (i) thirty-six units or spaces designed for use by a single family or household, or (ii) one hundred fifty units or spaces designed

for use by a single family or household if development is located in Counties of Fresno, Madera, Merced, Santa Clara, or Santa Cruz;

3. Housing must be maintained and operated by a qualified affordable housing organization that has been certified pursuant to Health and Safety Code section 17030.10, and provide for onsite management of development; and development proponent shall submit proof of issuance of qualified affordable housing organization's certification by enforcement agency; or if the housing is maintained and operated by local public housing agency or multicounty, state, or multistate agency that has been certified as qualified affordable housing organization, that agency either directly maintains and operates the housing or contracts with another qualified housing organization, and the local government must ensure an affordability covenant is recorded on the property for not less than 55 years, and the housing is not eligible for state funding pursuant to Public Resources Code sections 50205(b)(1) or 50517.10(b)(1); and

4. Funded by either: (i) the Joe Serna, Jr. Farmworker Housing Grant Program; (ii) the Office of Migrant Services with the Department of Housing and Community Development; (iii) local government; or (iv) owned or operated and funded by a public or nonprofit entity, or that receives state, federal, or local public funding.

(3) Project consists exclusively of the repair or maintenance of an existing farmworker housing project.

(Reference: Pub. Resources Code, §§ 21084, 21080.44, 21159.22; State CEQA Guidelines, §§ 15192, 15193.)

C. Specific Requirements for Affordable Housing Projects in Urbanized Areas. CEQA does not apply to any development project that consists of the construction, conversion, or use of residential housing consisting of one hundred (100) or fewer units that are affordable to low-income households if all of the general requirements described in Section A above are satisfied and the following additional criteria are also met:

(1) The developer of the project provides sufficient legal commitments to the local agency to ensure the continued availability and use of the housing units for lower income households for a period of at least thirty (30) years, at monthly housing costs deemed to be "affordable rent" for lower income, very low income, and extremely low income households, as determined pursuant to Section 50053 of the Health and Safety Code;

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(2) The project site meets one of the following conditions:

(a) Has been previously developed for qualified urban uses;
(b) Is immediately adjacent to parcels that are developed with qualified urban uses; or
(c) At least 75% of the perimeter of the site adjoins parcels that are developed with qualified urban uses and the remaining 25% of the perimeter of the site adjoins parcels that have previously been developed for qualified urban uses, the site has not been developed for urban uses and no parcel within the site has been created within ten (10) years prior to the proposed development of the site;

(3) The project site is not more than five (5) acres in area; and

(4) The project site meets one of the following requirements regarding population density:

(a) The project site is within an urbanized area or within a census-defined place with a population density of at least five thousand (5,000) persons per square mile;
(b) If the project consists of fifty (50) or fewer units, the project site is within an incorporated city with a population density of at least twenty-five hundred (2,500) persons per square mile and a total population of at least twenty-five thousand (25,000) persons; or
(c) The project site is within either an incorporated city or a census-defined place with a population density of one thousand (1,000) persons per square mile, unless there is a reasonable possibility that the project would have a significant effect on the environment due to unusual circumstances or due to the related or cumulative impacts of reasonably foreseeable projects in the vicinity of the project.

(Reference: Pub. Resources Code, §§ 21083, 21159.23; State CEQA Guidelines, § 15194.)

D. Specific Requirements for Affordable Housing Projects Near Major Transit Stops.

(a) Except as provided in subdivision (b), CEQA does not apply to a project if all of the following criteria are met:

1. The project is a residential project on an infill site.

2. The project is located within an urbanized area.

3. The project satisfies the criteria of Public Resources Code section 21159.21, described in Section A above.

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4. Within five years of the date that the application for the project is deemed complete pursuant to Section 65943 of the Government Code, community-level environmental review was certified or adopted.

5. The site of the project is not more than four acres in total area.

6. The project does not contain more than 100 residential units.

7. Either of the following criteria (subdivision a or subdivision b) are met:

   a. (1) At least 10 percent of the housing is sold to families of moderate income, or not less than 10 percent of the housing is rented to families of low income, or not less than 5 percent of the housing is rented to families of very low income; and

      (2) The project developer provides sufficient legal commitments to the appropriate local agency to ensure the continued availability and use of the housing units for very low-, low-, and moderate-income households at monthly housing costs determined pursuant to paragraph (3) of the subdivision (h) of Section 65589.5 of the Government Code.

   b. The project developer has paid or will pay in-lieu fees pursuant to a local ordinance in an amount sufficient to result in the development of an equivalent number of units that would otherwise be required pursuant to subparagraph 7.a above.

8. The project is within one-half mile of a major transit stop.

9. The project does not include any single level building that exceeds 100,000 square feet.

10. The project promotes higher density infill housing. A project with a density of at least 20 units per acre shall be conclusively presumed to promote higher density infill housing. A project with a density of at least 10 units per acre and a density greater than the average density of the residential properties within 1,500 feet shall be presumed to promote higher density housing unless the preponderance of the evidence demonstrates otherwise.

(b) Notwithstanding subdivision (a) above, the Exemption for Affordable Housing Projects near Major Transit Stops does not apply if any one of the following criteria is met:

1. There is a reasonable possibility that the project-specific, significant effect on the environment due to unusual circumstances;

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2. Substantial changes have occurred since community-level environmental review was adopted or certified with respect to the circumstances under which the project is being undertaken, and those changes are related to the project; or
3. New information regarding the circumstances under which the project is being undertaken has become available, and that new information is related to the project and was not known and could not have been known at the time of the community-level environmental review.

(c) If a project satisfies the criteria described above in Section 3.12D(a), but is not exempt from CEQA as a result of satisfying the criteria described in Section 3.12D(b), the analysis of the environmental effects of the project in the EIR or the negative declaration for the project shall be limited to an analysis of the project-specific effects of the project and any effects identified pursuant to Paragraph 2 or 3 of Section 3.12D(b), above.

(Reference: Pub. Resources Code, §§ 21083, 21159.24; State CEQA Guidelines, § 15195.)

E. Whenever the Lead Agency determines that a project is exempt from environmental review based on Public Resources Code sections 21159.22 [Section 3.12B of these Local Guidelines], 21159.23 [Section 3.12C of these Local Guidelines], or 21159.24 [Section 3.12D of these Local Guidelines], Staff and/or the proponent of the project shall file a Notice of Exemption with the Office of Land Use and Climate Innovation within five (5) working days after the approval of the project.

(Reference: State CEQA Guidelines, § 15196.)

3.13 MINOR ALTERATIONS TO FLUORIDATE WATER UTILITIES.

Minor alterations to water utilities made for the purpose of complying with the fluoridation requirements of Health and Safety Code sections 116410 and 116415 or regulations adopted thereunder are exempt from CEQA.

(Reference: State CEQA Guidelines, § 15282(m).)

3.14 BALLOT MEASURES.

The definition of project in the State CEQA Guidelines specifically excludes the submittal of proposals to a vote of the people of the state or of a particular community. This exemption does not apply to the public agency that sponsors the initiative. When a governing body makes a decision to put a measure on the ballot, that decision may be discretionary and therefore subject to CEQA. In contrast, the enactment of a qualified voter-sponsored initiative under California Constitution Art. II, Section 11(a) and Election Code section 9214 is not a project and therefore is not subject to CEQA review.

(Reference: Local Guidelines Section 3.01; State CEQA Guidelines, § 15378(b)(3).)

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3.15 TRANSIT PRIORITY PROJECT.

Exemption: Transit Priority Projects (see Local Guidelines Section 11.77) that are consistent with the general use designation, density, building intensity, and applicable policies specified for the project area in either a Sustainable Community Strategy or an alternative planning strategy may be exempt from CEQA. To qualify for the exemption, the decision-making body must hold a hearing and make findings that the project meets all of Public Resources Code section 21155.1's environmental, housing, and public safety conditions and requirements.

Streamlined Review: A Transit Priority Project that has incorporated all feasible mitigation measures, performance standards or criteria set forth in a prior environmental impact report, may be eligible for streamlined environmental review. For a complete description of the requirements for this streamlined review see Public Resources Code section 21155.2. Similarly, the environmental review for a residential or mixed use residential project may limit, or entirely omit, its discussion of growth-inducing impacts or impacts from traffic on global warming under certain limited circumstances. Note, however, that impacts from other sources of greenhouse gas emissions would still need to be analyzed. For complete requirements see Public Resources Code section 21159.28.

Note that neither the exemption nor the streamlined review will apply until: (1) the applicable Metropolitan Planning Organization prepares and adopts a Sustainable Communities Strategy or alternative planning strategy for the region; and (2) the California Air Resources Board has accepted the Metropolitan Planning Organization's determination that the Sustainable Communities Strategy or the alternative planning strategy would, if implemented, achieve the greenhouse gas emission reduction targets adopted for the region.

(Reference: Pub. Resources Code, §§ 21155.1, 21151.2, 21159.28.)

3.16 CERTAIN INFILL PROJECTS

(a) (1) If an environmental impact report was certified for a planning level decision of the city or county, the application of CEQA to the approval of an infill project shall be limited to the effects on the environment that (A) are specific to the project or to the project site and were not addressed as significant effects in the prior environmental impact report or (B) substantial new information shows the effects will be more significant than described in the prior environmental impact report. The attached Form "S" shall be used for this determination. A lead agency's determination pursuant to this section shall be supported by substantial evidence.

(2) An effect of a project upon the environment shall not be considered a specific effect of the project or a significant effect that was not considered significant in a prior environmental impact report, or an effect that is more significant than was described in the prior environmental impact report if uniformly applicable development policies or standards adopted by the city, county, or the lead agency, would apply to the project and the lead agency makes a finding, based upon substantial evidence, that the development policies or standards will substantially mitigate that effect.

(b) If an infill project would result in significant effects that are specific to the project or the project site, or if the significant effects of the infill project were not addressed in the prior

environmental impact report, or are more significant than the effects addressed in the prior environmental impact report, and if a mitigated negative declaration or a sustainable communities environmental assessment could not be otherwise adopted, an environmental impact report prepared for the project analyzing those effects shall be limited as follows:

(1) Alternative locations, densities, and building intensities to the project need not be considered.

(2) Growth inducing impacts of the project need not be considered.

(c) This section applies to an infill project that satisfies both of the following:

(1) The project satisfies any of the following:

A) Is consistent with the general use designation, density, building intensity, and applicable policies specified for the project area in either a sustainable communities strategy or an alternative planning strategy for which the State Air Resources Board, pursuant to subparagraph (H) of paragraph (2) of subdivision (b) of Section 65080 of the Government Code, has accepted a metropolitan planning organization's determination that the sustainable communities strategy or the alternative planning strategy would, if implemented, achieve the greenhouse gas emission reduction targets.

(B) Consists of a small walkable community project located in an area designated by a city for that purpose.

(C) Is located within the boundaries of a metropolitan planning organization that has not yet adopted a sustainable communities strategy or alternative planning strategy, and the project has a residential density of at least 20 units per acre or a floor area ratio of at least 0.75.

(2) Satisfies all applicable statewide performance standards contained in the guidelines adopted pursuant to Public Resources Code section 21094.5.5 (Form "R").

(d) This section applies after the Secretary of the Natural Resources Agency adopts and certifies the guidelines establishing statewide standards pursuant to Public Resources Code section 21094.5.5.

(e) For the purposes of this section, the following terms mean the following:

(1) "Infill project" means a project that meets the following conditions:

(A) Consists of any one, or combination, of the following uses:

(i) Residential.

(ii) Retail or commercial, where no more than one-half of the project area is used for parking.

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(iii) A transit station.

(iv) A school.

(v) A public office building.

(B) Is located within an urban area on a site that has been previously developed, or on a vacant site where at least 75 percent of the perimeter of the site adjoins, or is separated only by an improved public right-of-way from, parcels that are developed with qualified urban uses.

(2) "Planning level decision" means the enactment or amendment of a general plan, community plan, specific plan, or zoning code.

(3) "Prior environmental impact report" means the environmental impact report certified for a planning level decision, as supplemented by any subsequent or supplemental environmental impact reports, negative declarations, or addenda to those documents.

(4) "Small walkable community project" means a project that is in an incorporated city, which is not within the boundary of a metropolitan planning organization and that satisfies the following requirements:

(A) Has a project area of approximately one-quarter mile diameter of contiguous land completely within the existing incorporated boundaries of the city.

(B) Has a project area that includes a residential area adjacent to a retail downtown area.

(C) The project has a density of at least eight dwelling units per acre or a floor area ratio for retail or commercial use of not less than 0.50.

(5) "Urban area" includes either an incorporated city or an unincorporated area that is completely surrounded by one or more incorporated cities that meets both of the following criteria:

(A) The population of the unincorporated area and the population of the surrounding incorporated cities equal a population of 100,000 or more.

(B) The population density of the unincorporated area is equal to, or greater than, the population density of the surrounding cities.

(Reference: Pub. Resources Code, § 21094.5.)

3.17 EXEMPTION FOR RESIDENTIAL OR MIXED-USE HOUSING PROJECTS

CEQA does not apply to residential or mixed-used housing projects, located in unincorporated areas of a county, that meet the requirements set forth below. For purposes of this section, "residential or mixed-use housing project" means a project consisting of multifamily residential

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uses only or a mix of multifamily residential and nonresidential uses, with at least two-thirds of the square footage of the development designated for residential use.

This exemption shall apply to a residential or mixed-use housing project if all of the following conditions are met:

(1) The project is consistent with the applicable general plan designation and all applicable general plan policies as well as with the applicable zoning designation and regulations.

(2) (A)The public agency approving or carrying out the project determines, based upon substantial evidence, that the density of the residential portion of the project is not less than the greater of the following:

a. The average density of the residential properties that adjoin, or are separated only by an improved public right-of-way from, the perimeter of the project site, if any.

b. The average density of the residential properties within 1,500 feet of the project site.

c. Six dwelling units per acre.

(B) The residential portion of the project is a multifamily housing development that contains six or more residential units.

(3) The proposed development occurs within an unincorporated area of a county on a project site of no more than five acres substantially surrounded by qualified urban uses. "Substantially surrounded" means (1) at least 75 percent of the perimeter of the project site adjoins, or is separated only by an improved public right-of-way from, parcels that are developed with qualified urban uses; and (2) the remainder of the perimeter of the site adjoins, or is separated only by an improved public right-of-way from, parcels that have been designated for qualified urban uses in a zoning, community plan, or general plan for which an environmental impact report was certified.

(4) The project site has no value as habitat for endangered, rare, or threatened species.

(5) Approval of the project would not result in any significant effects relating to transportation, noise, air quality, greenhouse gas emissions, or water quality.

(6) The site can be adequately served by all required utilities and public services.

(7) The project is located on a site that is a legal parcel or parcels wholly within the boundaries of an urbanized area or urban cluster, as designated by the United States Census Bureau.

The exemption does not apply to the project if any of the following conditions exist: (1) the cumulative impact of successive projects of the same type in the same place over time is significant; (2) there is a reasonable possibility that the project will have a significant effect on the

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environment due to unusual circumstances; (3) the project may result in damage to scenic resources, including, but not limited to, trees, historic buildings, rock outcroppings, or similar resources, within a highway officially designated as a state scenic highway; (4) the project is located on a site which is included on any list compiled pursuant to Section 65962.5 of the Government Code; (5) the project may cause a substantial adverse change in the significance of a historical resource; or (6) the project may cause a substantial adverse impact to tribal cultural resources.

If the lead agency determines that a project is not subject to this division pursuant to this section and it determines to approve or carry out the project, the lead agency shall file a notice of exemption with the Office of Land Use and Climate Innovation and with the county clerk in the county in which the project will be located.

This section shall remain in effect only until January 1, 2032, and as of that date is repealed.

(Reference: Pub. Resources Code, § 21159.25.)

3.18 EXEMPTION FOR INFILL PROJECTS IN TRANSIT PRIORITY AREAS

A residential or mixed-use project, or a project with a floor area ratio of at least 0.75 on commercially-zoned property, including any required subdivision or zoning approvals, is exempt from CEQA if the project satisfies the following criteria:

- The project is located within a transit priority area as defined in Section 11.74 below;
- The project is consistent with an applicable specific plan for which an environmental impact report was certified; and
- The project is consistent with the general use designation, density, building intensity, and applicable policies specified for the project area in either a sustainable communities strategy or an alternative planning strategy for which the State Air Resources Board has accepted the determination that the sustainable communities strategy or the alternative planning strategy would achieve the applicable greenhouse gas emissions reduction targets.

Further environmental review shall be required for a project meeting the above criteria only if one of the events specified in Section 8.04 below occurs.

(Reference: State CEQA Guidelines, § 15182(b).)

3.19 EXEMPTION FOR RESIDENTIAL PROJECTS UNDERTAKEN PURSUANT TO A SPECIFIC PLAN

Where a public agency has prepared an EIR for a specific plan after January 1, 1980, a residential project undertaken pursuant to and in conformity with that specific plan is generally exempt from CEQA. Residential projects covered by this section include, but are not limited to, land subdivisions, zoning changes, and residential planned unit developments.

Further environmental review shall be required for a project meeting the above criteria only if, after the adoption of the specific plan, one of the events specified in Section 8.04 below occurs. In that circumstance, this exemption shall not apply until the city or county which adopted the specific plan completes a subsequent EIR or a supplement to an EIR on the specific plan. The exemption provided by this section shall again be available to residential projects after the Lead Agency has filed a Notice of Determination on the specific plan as reconsidered by the subsequent EIR or supplement to the EIR.

(Reference: State CEQA Guidelines, § 15182(c).)

3.20 EXEMPTION FOR CERTAIN HOUSING DEVELOPMENT PROJECTS THAT ARE 20 ACRES OR LESS IN SIZE

CEQA does not apply to a housing development project, including any permits, approvals, or public improvements required for the housing development project, if the housing development project meets all of the following conditions:

1) Is not more than 20 acres or, for a builder's remedy project, be no more than four acres;

2) Is located in an incorporated city or urban area, and either previously developed or surrounded by urban uses;

3) Is generally consistent with applicable general plan and zoning ordinances, as well as any applicable specific plan and local coastal program;

4) Meets minimum residential density requirements of five units per acre in unincorporated nonmetropolitan counties, 10 units per acre in suburban jurisdictions, or 15 units per acre in metropolitan jurisdictions;

5) Does not require demolition of a historic structure and avoid hazardous sites and sensitive lands (e.g., prime farmland, wetlands, etc.);

6) Does not include any transient lodging (e.g., hotel, motel, or bed and breakfast inn);

7) Within either (i) 14 days of the preliminary project application being deemed complete or if no preliminary application was submitted, then the project application being deemed complete, or (ii) for projects whose applications were deemed complete before July 1, 2026, within 14 days of notifying the lead agency the project is eligible for this exemption, the lead agency shall provide formal notification via certified mail and email to each California Native American tribe that is traditionally and culturally affiliated with the project site as an invitation to consult on the proposed project, its location, and the project's potential effects on tribal cultural resources;

8) Include any mitigation for tribal cultural resources as a result of consultation with any California Native American tribe traditionally and culturally affiliated with the project site;

9) Include a condition of approval requiring an environmental assessment for hazardous substance releases, with mitigation requirements based upon results;

10) Comply with specific environmental hazard and air filtration standards if within 500 feet of a freeway; and

11) Comply with labor requirements, including payment of prevailing wage for 100 perfect affordable projects and use of a skilled and trained workforce for buildings exceeding 85 feet in height.

(Reference: Pub. Resources Code, § 21080.66.)

3.21 TRANSFER OF LAND FOR THE PRESERVATION OF NATURAL CONDITIONS

CEQA does not apply to the acquisition, sale, or other transfer of interest in land by the District for the purpose of fulfilling any of the following purposes: (1) preservation of natural conditions existing at the time of transfer, including plant and animal habitats, (2) restoration of natural conditions, including plant and animal habitats, (3) continuing agricultural use of the land; (4) prevention of encroachment of development into flood plains; (5) preservation of historical resources; or (6) preservation of open space or lands for park purposes. CEQA similarly does not apply to the granting or acceptance of funding by the District for the foregoing purposes.

The foregoing applies even if physical changes to the environment or changes in the use of the land are a reasonably foreseeable consequence of the acquisition, sale, or other transfer of the interests in land, or of the granting or acceptance of funding, provided that environmental review otherwise required by CEQA occurs before any project approval that would authorize physical changes being made to that land.

The District must file a Notice of Exemption with the State Clearinghouse and the County Clerk should it find a project exempt under this provision.

(Reference: Pub. Resources Code, § 21080.28.)

3.22 TRANSIT PRIORITIZATION PROJECTS.

CEQA exempts the following projects when (i) the project is carried out by a local agency that is the lead agency for the project; (ii) the project does not induce single-occupancy vehicle trips, add additional highway lanes, widen highways, or add physical infrastructure or striping to highways except for minor modifications needed for efficient and safe movement of transit vehicles, bicycles, or high-occupancy vehicles, such as extended merging lanes, shoulder improvements, or improvements to the roadway within the existing right of way; (iii) the project does not include the addition of any auxiliary lanes; and (iv) the construction of the project shall not require the demolition of affordable housing units:

(1) Pedestrian and bicycle facilities—including bicycle parking, bicycle sharing facilities, and bikeways as defined in Section 890.4 of the Streets and Highways Code—that improve safety, access, or mobility, including new facilities, within the public right-of-way;

(2) Projects that improve customer information and wayfinding for transit riders, bicyclists, or pedestrians within the public right-of-way;

(3) Transit prioritization projects, which are defined to mean any of the following transit project types on highways or in the public right-of-way:

(a) Signal and sign changes, such as signal coordination, signal timing modifications, signal modifications, or the installation of traffic signs or new signals;

(b) The installation of wayside technology and onboard technology;

(c) The installation of ramp meters;

(d) The conversion to dedicated transit lanes, including transit queue jump or bypass lanes, shared turning lanes and turn restrictions, the narrowing of lanes to allow for dedicated transit lanes or transit reliability improvements, or the widening of existing transit travel lanes by removing or restricting street parking; and

(e) Transit stop access and safety improvements, including, but not limited to, the installation of transit bulbs and the installation of transit boarding islands.

(4) A project for the designation and conversion of general purpose lanes to high-occupancy vehicle lanes or bus-only lanes, or highway shoulders to part-time transit lanes, for use either during peak congestion hours or all day on highways with existing public transit service or where a public transit agency will be implementing public transit service as identified in a short range transit plan.

(5) A project for the protection, improvement, institution, or increase of microtransit, paratransit, shuttle, bus, ferry, bus rapid transit, or light rail service, including the protection, maintenance, construction, operation, or rehabilitation of stops, stations, terminals, or existing operations facilities, which will be exclusively used by zero-emission, near-zero-emission, low oxide of nitrogen engine, compressed natural gas fuel, fuel cell, or hybrid powertrain vehicles, rail or cable cars, rolling stock, or vessels. The project shall be located entirely within an existing public right-of-way or existing highway right-of-way, whether or not the right-of-way is in use for rail or public mass transit and is wholly within the boundaries of an urbanized area or urban cluster. Until January 1, 2032, a project for the protection, improvement, institution, or increase of certain transit services, including the protection, maintenance, construction, operation, or rehabilitation of stops, stations, terminals, or existing operations facilities, if used primarily by near-zero-emission and other alternative fuels.

(6) A project for the institution or increase of bus rapid transit, bus, or light rail service, including the construction or rehabilitation of stations, terminals, or existing operations facilities, which will be exclusively used by zero-emission, near-zero

emission, low oxide of nitrogen engine, compressed natural gas fuel, fuel cell, or hybrid powertrain buses or light rail vehicles, on existing public rights-of-way or existing highway rights-of-way, whether or not the right-of-way is in use for public mass transit. The project shall be located on a site that is wholly within the boundaries of an urbanized area or urban cluster, as designated by the United State Census Bureau.

(7) Until January 1, 2040, a public project for the institution or increase of passenger rail service, other than light rail service eligible under paragraph (5), including the construction or rehabilitation of stations, terminals, or existing operations facilities, which will be exclusively used by zero-emission trains. The project shall be located entirely within an existing rail right-of-way or existing highway right-of-way, whether or not the right-of-way is in use for passenger rail transit.

(8) A project to construct or maintain infrastructure to charge or refuel zero-emission transit buses, provided the project is carried out by a public transit agency that is subject to, and in compliance with, the State Air Resources Board's Innovative Clean Transit regulations (Article 4.3 (commencing with Section 2023) of Chapter 1 of Division 3 of Title 13 of the California Code of Regulations) and the project is located on property owned by the transit agency or within an existing public right-of-way.

A lead agency applying an exemption pursuant to this paragraph for hydrogen refueling infrastructure or facilities necessary to refuel or maintain zero-emission public transit buses, trains, or ferries shall hold a noticed public hearing and give notice of the meeting consistent with Public Resources Code section 21080.25(b)(6)(B).

(9) The maintenance, repair, relocation, replacement, or removal of any utility infrastructure associated with a project identified in paragraphs (1) to (6), inclusive.

(10) A project that consists exclusively of a combination of any of the components of a project identified in paragraphs (1) to (7), inclusive.

(11) A planning decision carried out by a local agency to reduce or eliminate minimum parking requirements or institute parking maximums, remove or restrict parking, or implement transportation demand management requirements or programs.

Additional conditions apply to a project otherwise exempt under this section if the project exceeds fifty hundred million dollars ($50,000,000), as set forth in Public Resources Code section 21080.25(d)-(e).

Moreover, a project exempt under this section may be subject to certain labor requirements, including that the project be completed by a skilled and trained workforce, as set forth in Public Resources Code section 21080.25(f).

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If the District determines that a project is not subject to CEQA pursuant to this section and approves that project, the District must file a Notice of Exemption with both the Office of Land Use and Climate Innovation and the County Clerk of the county in which the project is located.

This exemption specifically covering transportation-related projects, such as pedestrian and bicycle facilities, transit prioritization projects, public projects located in an urbanized area or urban cluster, and public projects for the construction or maintenance of infrastructure of facilities to charge, refuel or maintain zero-emission public transit, shall remain in effect only until January 1, 2040, and as of that date it will be repealed.

(Reference: Pub. Resources Code, § 21080.25.)

3.23 TRANSPORTATION PLANS, PEDESTRIAN PLANS, AND BICYCLE TRANSPORTATION PLANS.

CEQA does not apply to an active transportation plan, a pedestrian plan, or a bicycle transportation plan for restriping of streets and highways, bicycle parking and storage, signal timing to improve street and highway intersection operations, the related signage for bicycles, pedestrians, and vehicles, a transit comprehensive operational analysis, transit route readjustment, or other transit agency route addition, elimination, or modification. An active transportation plan or pedestrian plan is encouraged to include the consideration of environmental factors, but that consideration does not inhibit or preclude the application of this section.

An individual project that is part of an active transportation plan or pedestrian plan remains subject to CEQA unless another exemption applies to that project.

Before determining that a project is exempt pursuant to this section, the Lead Agency must hold noticed public hearings in areas affected by the project to hear and respond to public comments. Publication of the notice must comply with Government Code section 6061 and be in a newspaper of general circulation in the area affected by the proposed project.

If the District determines that a project is not subject to CEQA pursuant to this section and approves that project, the District must file a Notice of Exemption with both the Office of Land Use and Climate Innovation and the County Clerk of the county in which the project is located.

For purposes of this section, the following definitions apply:

(1) “Active transportation plan” means a plan developed by a local jurisdiction that promotes and encourages people to choose walking, bicycling, or rolling through the creation of safe, comfortable, connected, and accessible walking, bicycling, or rolling networks, and encourages alternatives to single-occupancy vehicle trips.

(2) “Pedestrian plan” means a plan developed by a local jurisdiction that establishes a comprehensive, coordinated approach to improving pedestrian infrastructure and safety.

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(3) "Transit Comprehensive Operational Analysis" means a plan that redesigns or modifies a transit operator's or local agency's public transit service network, including the routing of fixed route and microtransit services.

(Reference: Pub. Resources Code, § 21080.20.)

3.24 FACILITIES SUPPORTING HIGH-SPEED RAIL

CEQA does not apply to a project that consists of the development, construction, or operation of a heavy maintenance facility for electrically powered high-speed rail if the following conditions are met:

(1) The project was previously evaluated in a project-level EIR that evaluated one or more similar high-speed rail maintenance facility sites

(2) The project incorporates all applicable mitigation measures identified in the prior EIR

(3) The Project site is located within one mile of a rail right-of-way approved for high-speed rail service

CEQA also does not apply to a project that consists of the development, construction, or modification of a proposed passenger rail station, or design changes to a passenger rail station, for the purpose of serving electrically powered high-speed rail, if both of the following conditions are met:

(1) The station or station design change is located within an area previously reviewed in a certified EIR

(2) The project incorporates all applicable mitigation measures identified in the previous EIR

(Reference: Pub. Resources Code, § 21080.70.)

3.25 CERTAIN PUBLIC PARK AND TRAIL PROJECTS

CEQA does not apply to any activity or approval necessary for or incidental to planning, design, site acquisition, construction, operation, or maintenance of public park or nonmotorized recreational trail facilities funded in whole or in part by the Safe Drinking Water, Wildfire Prevent, Drought Preparedness, and Clear Air Bond Act of 2024.

(Reference: Pub. Resources Code, § 21080.57.)

3.26 WATER SYSTEM WELLS AND DOMESTIC WELL PROJECTS

CEQA does not apply to the construction, maintenance, repair, or replacement of a well or a domestic well that meets all of the following conditions:

(1) The domestic well or water system to which the well is connected has been designated by the State Water Resources Control Board ("State Board") as high risk or medium risk in the State Board's drinking water needs assessment;

(2) The well project is designed to mitigate or prevent a failure of the well or the domestic well that would leave residents that rely on the well, the water system to which the well is connected, or the domestic well without an adequate supply of safe drinking water;

(3) The lead agency determines all of the following:

(a) The well project is not designed primarily to serve irrigation or future growth.

(b) The well project does not affect wetlands or sensitive habitats.

(c) Unusual circumstances do not exist that would cause the well project to have a significant effect on the environment.

(d) The well project is not located on a site that is included on any list compiled pursuant to Section 65962.5 of the Government Code.

(e) The well project does not have the potential to cause a substantial adverse change in the significance of a historical resource.

(f) The well project's construction impacts are fully mitigated consistent with applicable law.

(g) The cumulative impact of successive reasonably anticipated projects of the same type as the well project, in the same place, over time, is not significant.

Before determining that a well project is exempt pursuant to this section, a lead agency must contact the State Board to determine whether claiming the exemption under this section will affect the ability of the well project to receive federal financial assistance or federally capitalized financial assistance.

A lead agency that determines that a well project is exempt under this section must file a notice of exemption with both the Office of Land Use and Climate Innovation and the County Clerk. The notice of exemption must explain whether the project is additionally exempt from CEQA under Public Resources Code section 21080 (e.g., whether it is a ministerial project, an emergency repair necessary to maintain service, or an action necessary to prevent or mitigate an emergency), Public Resources Code section 21080.47 (see Section 3.27 of these Local Guidelines, below), or under the Class 1 (Existing Facilities) or Class 2 (Replacement or Reconstruction) categorical exemptions (see Section 3.38 of these Local Guidelines, below). If none of the exemptions referenced in this paragraph apply to a project that is otherwise exempt under this section, the notice of exemption must explain why the exemptions referenced in this paragraph do not apply to the project.

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For purposes of this section, the following definitions apply:

A "well" is defined as a wellhead that provides drinking water to a "water system."

A "domestic well" is defined as a groundwater well used to supply water for the domestic needs of an individual residence or a water system that is not a public water system and that has no more than four service connections.

A "water system" is defined to mean a "public water system" as that term is defined in Health and Safety Code section 116275(h) (i.e., a system for the provision of water for human consumption through pipes or other constructed conveyances that has 15 or more service connections or regularly serves at least 25 individuals daily at least 60 days out of the year), a "state small water system" as that term is defined in Health and Safety Code section 116275(n) (i.e., a system for the provision of piped water to the public for human consumption that serves at least five, but not more than 14, service connections and does not regularly serve drinking water to more than an average of 25 individuals daily for more than 60 days out of the year), or a tribal water system.

(Pub. Resources Code, § 21080.31 [in effect until January 1, 2028].)

3.27 ROUTINE MAINTENANCE OF STORMWATER FACILITIES

CEQA does not apply to routine maintenance of public stormwater facilities that are fully concrete or have a conveyance capacity of less than a 100-year storm event if all of the following conditions are met:

(1) The project does not increase the designed conveyance capacity of the stormwater facility.

(2) The project is undertaken or approved by a public agency that has adopted, by ordinance, procedures that apply to the project to minimize the impacts of construction equipment, debris, sediment, and other pollutants.

(3) The project is not likely to result in adverse impacts to tribal cultural resources.

Under this bill, if a nonelected decision making body of a city with a population of at least 1,000,000 determines that such a routine maintenance project is exempt from CEQA, that determination may not be appealed to the agency's elected decision making body.

This section will remain in effect until January 1, 2030, and as of that date, is repealed.

(Reference: Pub. Resources Code, § 21080.61.)

3.28 SMALL DISADVANTAGED COMMUNITY WATER SYSTEM AND STATE SMALL WATER SYSTEM.

CEQA does not apply to certain water infrastructure projects that primarily benefit a "small disadvantaged community water system" or a "state small water system," as these terms are

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defined in Public Resources Code section 21080.47. If certain labor requirements and other conditions are met as set forth in Public Resources Code section 21080.47, the installation, repair, or construction of the following for the benefit of a small disadvantaged community water system or state small water system is exempt from CEQA:

(1) Drinking water groundwater wells with a maximum flow rate of up to 250 gallons per minute;

(2) Drinking water treatment facilities with a footprint of less than 2,500 square feet that are not located in an environmentally sensitive area;

(3) Drinking water storage tanks with a capacity of up to 250,000 gallons;

(4) Booster pumps and hydropneumatic tanks;

(5) Pipelines of less than one mile in length in a road right-of-way or up to seven miles in length in a road right-of-way when the project is required to address threatened or current drinking water violations;

(6) Water services lines; and

(7) Minor drinking water system appurtenances, including, but not limited to, system and service meters, fire hydrants, water quality sampling stations, valves, air releases and vacuum break valves, emergency generators, backflow prevention devices, and appurtenance enclosures.

(Reference: Pub. Resources Code, § 21080.47.)

3.29 STATE FUNDED COMMUNITY WATER SYSTEMS

CEQA does not apply to a project, defined in Public Resources Code section 21080.47, that is a community water system that is funded pursuant to the Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024 or the State Water Resources Control Board's Safe and Affordable Funding for Equity and Resilience program that does not otherwise include any construction activities if the project does both of the following:

(1) Results in long-term net benefits to climate resiliency, biodiversity, and sensitive species recovery.

(2) Includes procedures and ongoing management for the protection of the environment.

(Reference: Pub. Resources Code, § 21080.48.)

3.30 WILDFIRE RISK REDUCTION PROJECTS

CEQA does not apply to the following wildfire risk reduction projects:

(1) Projects consisting of a prescribed fire or fuel reduction to reduce wildfire risk by reestablishing the fire return interval appropriate to the ecosystem for biodiversity

or other benefits, excluding projects located on coastal sage scrub habitat or any other sensitive habitat. In order to qualify, all of the following requirements must be met:

a. The project shall not exceed 50 contiguous acres and shall be located within one-half mile of a subdivision of 30 or more dwelling units.

b. The lead agency shall consult with the Department of Fish and Wildlife to avoid or minimize, to the extent feasible, impacts to candidate, rare, threatened, endangered plants and wildlife along with wildlife nursery sites

c. The lead agency shall, to the extent feasible, design the project to avoid impacts to riparian areas and water quality through use of sediment and erosion control measures

d. The lead agency shall identify and, to the extent feasible, protect tribal cultural resources that may be impacted by the project.

(2) Projects consisting of "defensible space" fire clearance of up to 100 feet, as measured from the center line of the roadway, for a public roadway identified as an egress and evacuation route for a subdivision or community of 30 or more dwelling units, to remove flammable vegetation or trees of less than 12 inches in diameter as measured at chest height.

(3) Projects consisting of the establishment or enhancement of residential home hardening or defensible space for wildfire risk reduction within 200 feet of a legal structure located in a high or very high wildfire hazard zone.

(4) Projects consisting of a fuel break that extends up to 200 feet from structures, including the clearance of flammable vegetation and trees less than 12 inches in diameter as measured at chest height.

(Reference: Pub. Resources Code, § 21080.49.)

3.31 WILDFIRE DEFENSIBLE SPACE REQUIREMENTS

CEQA does not apply to ordinances, designed by a local agency responsible for fire protection, designating defensible space requirements based on regulations promulgated by the State Board of Forestry and Fire Protection.

In developing the ordinance, a local agency may, in order to meet the intent of the State Board of Forestry and Fire Protection regulations, consider local variations in local fire hazards, geography, development, and other conditions and authorize alternative practices to those in the State Board of Forestry and Fire Protection regulations, if the alternative practices provide for substantially similar practical effects as those stated in the State Board of Forestry and Fire Protection regulations. This subdivision does not preclude a local agency from adopting an ordinance designating defensible space requirements that are more stringent than the regulations adopted by the State Board of Forestry and Fire Protection.

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(Reference: Government Code, §§ 51182(f)(1), 51182.4.)

3.32 CONSERVATION AND RESTORATION OF CALIFORNIA NATIVE FISH AND WILDLIFE.

(a) CEQA does not apply to a project that is exclusively one of the following (though a project may exclusively be one of the following even if it has incidental public benefits, such as public access or recreation) and meets the criteria set forth in subdivision (b) of this section:

(1) A project to conserve, restore, protect, or enhance, and assist in the recovery of California native fish and wildlife, and the habitat upon which they depend.

(2) A project to restore or provide habitat for California native fish and wildlife.

(b) This section does not apply to a project unless the project does both of the following:

(1) Results in long-term net benefits to climate resiliency, biodiversity, and sensitive species recovery; and

(2) Includes procedures and ongoing management for the protection of the environment.

(c) This section does not apply to a project that includes construction activities, except for construction activities solely related to habitat restoration.

(d) The lead agency shall obtain the concurrence of the Director of Fish and Wildlife for the determinations required pursuant to subdivisions (a) through (c) above.

(e) Within 48 hours of making a determination that a project is exempt pursuant to this section, the lead agency shall file a Notice of Exemption with the Office of Land Use and Climate Innovation, and the Department of Fish and Wildlife must post the concurrence of the Director of Fish and Wildlife on the department's website.

This exemption is in effect until January 1, 2030. (Pub. Resources Code, § 21080.56.)

3.33 LINEAR BROADBAND DEPLOYMENT IN A RIGHT-OF-WAY.

(a) CEQA does not apply to a project that consists of linear broadband deployment in a right-of-way if the project meets all of the following conditions:

(1) The project is located in an area identified by the Public Utilities Commission as a component of the statewide open-access middle-mile broadband network pursuant to Section 11549.54 of the Government Code.

(2) The project is constructed along, or within 30 feet of, the right-of-way of any public road or highway.

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(3) The project is either deployed underground where the surface area is restored to a condition existing before the project or placed aerially along an existing utility pole right-of-way.

(4) The project incorporates, as a condition of project approval, measures developed by the Public Utilities Commission or the Department of Transportation to address potential environmental impacts. At a minimum, the project shall be required to include monitors during construction activities and measures to avoid or address impacts to cultural and biological resources.

(5) The project applicant agrees to comply with all conditions otherwise authorized by law, imposed by the planning department of a city or county as part of a local agency permit process, that are required to mitigate potential impacts of the proposed project, and to comply with the Keene-Nejedly California Wetlands Preservation Act (Chapter 7 (commencing with Section 5810) of Division 5), the California Endangered Species Act (Chapter 1.5 (commencing with Section 2050) of Division 3 of the Fish and Game Code), as applicable, other applicable state laws, and all applicable federal laws.

(b) If a project meets all of the requirements of subdivision (a), the project applicant shall do all of the following:

(1) Notify, in writing, any affected public agency, including, but not limited to, any public agency having permit, land use, environmental, public health protection, or emergency response authority, of the exemption of the project pursuant to this section.

(2) File a Notice of Exemption.

(3) In the case of private rights-of-way over private property, receive from the underlying property owner permission for access to the property.

(4) Comply with all conditions authorized by law imposed by the planning department of a city or county as part of any local agency permit process, that are required to mitigate potential impacts of the proposed project, and otherwise comply with the Keene-Nejedly California Wetlands Preservation Act (Chapter 7 (commencing with Section 5810) of Division 5), the California Endangered Species Act (Chapter 1.5 (commencing with Section 2050) of Division 3 of the Fish and Game Code), as applicable, other applicable state laws, and all applicable federal laws.

(Pub. Resources Code, § 21080.51.)

3.34 DAYCARE CENTERS, RURAL HEALTH CLINICS, FOOD BANKS, AND ADVANCED MANUFACTURING FACILITIES

CEQA does not apply to the following projects:

(1) Projects that consist exclusively of a day care center, as defined in Section 1596.76 of the Health and Safety Code, that is not located in a residential area.

(2) Projects that consist exclusively of a rural health clinic or federally qualified health center.

(3) Projects that consist exclusively of a facility for advanced manufacturing if the project is located on a site that is zoned exclusively for industrial uses.

(4) Projects that consist exclusively of a nonprofit food bank or food pantry that solicits, stores, and distributes sufficient food to their defined service area, if the project is located on a site that is zoned exclusively for industrial uses.

(Reference: Pub. Resources Code § 21080.69.)

3.35 NEEDLE AND SYRINGE EXCHANGE SERVICES.

The Legislature has authorized cities and counties meeting certain requirements to apply to the State Department of Public Health for authorization to provide hypodermic needle and syringe exchange services consistent with state standards in any location where the State Department of Public Health determines that the conditions exist for the rapid spread of human immunodeficiency virus (HIV), viral hepatitis, or any other potentially deadly or disabling infections that are spread through the sharing of used hypodermic needles and syringes. (Health and Safety Code, § 121349.) Needle and syringe exchange services application submissions, authorizations, and operations performed pursuant to Health and Safety Code section 121349 are exempt from review under CEQA. (Health and Safety Code, § 121349(h).)

3.36 REPRODUCTIVE SERVICES COMMUNITY CLINIC

CEQA does not apply to the approval of an application of a community clinic providing reproductive health services if the application meets objective planning standards and is subject to the ministerial review process set forth in Government Code section 65914.900. The following objective planning standards must be satisfied for the development project to qualify for the ministerial approval:

(1) the development must be on a parcel that is within a zone where office, retail, health care, or parking are a principally permitted use;

(2) the development must be for a community clinic licensed pursuant to Section 1204 of the Health and Safety Code that provides reproductive health services as defined in subdivision (f) of Section 423.1 of the Penal Code;

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(3) the development must comply with minimum construction standards of adequacy and safety for the physical plant of primary care clinics found in the Building Standards Code;

(4) the development must meet all of the local agency's objective design review standards;

(5) the development must not require the demolition of a historic structure;

(6) the development must not be located on a site described in paragraph (6) of subdivision (a) of Section 65913.4 of the Government Code;

(7) the project must not bet likely to result in adverse impacts to tribal cultural resources; and

(8) the development must not require the demolition of housing.

A local agency, within 60 calendar days of receiving an application pursuant to these provisions, must approve or deny the application subject to specified requirements, including that, among other things, if the local agency determines that the development is in conflict with any of the above-described standards, the local agency is required to provide the development proponent written documentation of which standard or standards the development conflicts with, as specified.

For more information about these requirements, consult Government Code, section 65914.900.

3.37 OTHER SPECIFIC EXEMPTIONS.

CEQA and the State CEQA Guidelines exempt many other specific activities, including early activities related to thermal power plants, ongoing projects, transportation improvement programs, family day care homes, congestion management programs, railroad grade separation projects, restriping of streets or highways to relieve traffic congestion, hazardous or volatile liquid pipelines, and the installation of solar energy systems, including, but not limited to solar panels. Specific statutory exemptions are listed in the Public Resources Code, including Sections 21080 through 21080.35, and in the State CEQA Guidelines, including Sections 15260 through 15285. In addition, other titles of the California Codes provide statutory exemptions from CEQA, including, for example, Government Code section 12012.70.

3.38 CATEGORICAL EXEMPTIONS.

The State CEQA Guidelines establish certain classes of categorical exemptions. These apply to classes of projects which have been determined not to have a significant effect on the environment and which, therefore, are generally exempt from CEQA. For any project that falls within one of these classes of categorical exemptions, the preparation of environmental documents under CEQA is not required. The classes of projects are briefly summarized below. (Reference to the State CEQA Guidelines for the full description of each exemption is recommended.)

The exemptions for Classes 3, 4, 5, 6, and 11 below are qualified in that such projects must be considered in light of the location of the project. A project that is ordinarily insignificant in its

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impact on the environment may, in a particularly sensitive environment, be significant. Therefore, these classes are considered to apply in all instances except when the project may impact an environmental resource of hazardous or critical concern that has been designated, precisely mapped, and officially adopted pursuant to law by federal, state, or local agencies.

All classes of categorical exemptions are qualified. None of the categorical exemptions are applicable if any of the following circumstances exist:

(1) The cumulative impact of successive projects of the same type in the same place over time is significant;

(2) There is a reasonable possibility that the activity will have a significant effect on the environment due to unusual circumstances;

(3) The project may result in damage to a scenic resource or may result in a substantial adverse change to a historical resource; or

(4) The project is located on a site which is included on any hazardous waste site or list compiled pursuant to Government Code section 65962.5.

However, a project's greenhouse gas emissions do not, in and of themselves, cause an exemption to be inapplicable if the project otherwise complies with all applicable regulations or requirements adopted to implement statewide, regional, or local plans consistent with State CEQA Guidelines section 15183.5.

With the foregoing limitations in mind, the following classes of activity are generally exempt from CEQA:

Class 1: Existing Facilities. Activities involving the operation, repair, maintenance, permitting, leasing, licensing, minor alteration of—or legislative activities to regulate—existing public or private structures, facilities, mechanical equipment or other property, or topographical features, provided the activity involves negligible or no expansion of existing or former use. The types of "existing facilities" itemized in State CEQA Guidelines section 15301 are not intended to be all-inclusive of the types of projects which might fall within the Class 1 categorical exemption. The key consideration is whether the project involves negligible or no expansion of use. (State CEQA Guidelines, § 15301.)

Class 2: Replacement or Reconstruction. Replacement or reconstruction of existing facilities, structures, or other property where the new facility or structure will be located on the same site as the replaced or reconstructed facility or structure and will have substantially the same purpose and capacity as the replaced or reconstructed facility or structure. (State CEQA Guidelines, § 15302.)

Class 3: New Construction or Conversion of Small Structures. Construction of limited numbers of small new facilities or structures; installation of small new equipment or facilities in small structures; and the conversion of existing small structures from one use to another, when only minor modifications are made in the exterior of the structure. This exemption includes

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structures built for both residential and commercial uses. (State CEQA Guidelines, § 15303 outlines, among other things, the maximum number of structures allowable under this exemption].)

Class 4: Minor Alterations to Land. Minor alterations in the condition of land, water, and/or vegetation which do not involve removal of healthy, mature, scenic trees, except for forestry or agricultural purposes. (State CEQA Guidelines, § 15304.)

Class 5: Minor Alterations in Land Use Limitations. Minor alterations in land use limitations in areas with an average slope of less than 20% which do not result in any changes in land use or density. (State CEQA Guidelines, § 15305.)

Class 6: Information Collection. Basic data collection, research, experimental management, and resource evaluation activities which do not result in a serious or major disturbance to an environmental resource. (State CEQA Guidelines, § 15306.)

Class 7: Actions by Regulatory Agencies for Protection of Natural Resources. Actions taken by regulatory agencies as authorized by state law or local ordinance to assure the maintenance, restoration, or enhancement of a natural resource where the regulatory process involves procedures for protection of the environment. (State CEQA Guidelines, § 15307.)

Class 8: Actions By Regulatory Agencies for Protection of the Environment. Actions taken by regulatory agencies, as authorized by state or local ordinance, to assure the maintenance, restoration, enhancement or protection of the environment where the regulatory process involves procedures for protection of the environment. (State CEQA Guidelines, § 15308.)

Class 9: Inspection. Inspection activities, including, but not limited to, inquiries into the performance of an operation and examinations of the quality, health or safety of a project. (State CEQA Guidelines, §15309.)

Class 10: Loans. Loans made by the Department of Veterans Affairs under the Veterans Farm and Home Purchase Act of 1943, mortgages for the purchase of existing structures where the loan will not be used for new construction and the purchase of such mortgages by financial institutions. (State CEQA Guidelines, § 15310.)

Class 11: Accessory Structures. Construction or replacement of minor structures accessory or appurtenant to existing commercial, industrial, or institutional facilities, including, but not limited to, on-premise signs; small parking lots; and placement of seasonal or temporary use items, such as lifeguard towers, mobile food units, portable restrooms or similar items in generally the same locations from time to time in publicly owned parks, stadiums or other facilities designed for public use. (State CEQA Guidelines, §15311.)

Class 12: Surplus Government Property Sales. Sales of surplus government property, except for certain parcels of land located in an area of statewide, regional or area-wide concern identified in State CEQA Guidelines section 15206(b)(4). However, even if the surplus property to be sold is located in any of those areas, its sale is exempt if:

(a) The property does not have significant values for wildlife or other environmental purposes; and

(b) Any one of the following three conditions is met:
1. The property is of such size, shape, or inaccessibility that it is incapable of independent development or use;
2. The property to be sold would qualify for an exemption under any other class of categorical exemption in the State CEQA Guidelines; or
3. The use of the property and adjacent property has not changed since the time of purchase by the public agency.

(State CEQA Guidelines, § 15312.)

Class 13: Acquisition of Lands for Wildlife Conservation Purposes. Acquisition of lands for fish and wildlife conservation purposes, including preservation of fish and wildlife habitat, establishment of ecological preserves under Fish and Game Code section 1580, and preservation of access to public lands and waters where the purpose of the acquisition is to preserve the land in its natural condition. (State CEQA Guidelines, § 15313.)

Class 14: Minor Additions to Schools. Minor additions to existing schools within existing school grounds where the addition does not increase original student capacity by more than 25% or ten (10) classrooms, whichever is less. The addition of portable classrooms is included in this exemption. (State CEQA Guidelines, § 15314.)

Class 15: Minor Land Divisions. Division(s) of property in urbanized areas zoned for residential, commercial or industrial use into four or fewer parcels when the division is in conformance with the General Plan and zoning, no variances or exceptions are required, all services and access to the proposed parcels to local standards are available, the parcel was not involved in a division of a larger parcel within the previous two (2) years, and the parcel does not have an average slope greater than 20%. (State CEQA Guidelines, §15315.)

Class 16: Transfer of Ownership of Land in Order to Create Parks. Acquisition, sale, or other transfer of land in order to establish a park where the land is in a natural condition or contains historical or archaeological resources and either:

(a) The management plan for the park has not been prepared, or
(b) The management plan proposes to keep the area in a natural condition or preserve the historic or archaeological resources.

CEQA will apply when a management plan is proposed that will change the area from its natural condition or cause substantial adverse change in the significance of the historic or archaeological resource. (State CEQA Guidelines, § 15316.)

Class 17: Open Space Contracts or Easements. Establishment of agricultural preserves, making and renewing of open space contracts under the Williamson Act, or acceptance of easements or fee interests in order to maintain the open space character of the area. (The cancellation of such preserves, contracts, interests or easements is not included in this exemption.) (State CEQA Guidelines, § 15317.)

Class 18: Designation of Wilderness Areas. Designation of wilderness areas under the California Wilderness System. (State CEQA Guidelines, § 15318.)

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Class 19: Annexations of Existing Facilities and Lots for Exempt Facilities.
This exemption applies only to the following annexations:

(a) Annexations to a city or special district of areas containing existing public or private structures developed to the density allowed by the current zoning or prezoning of either the gaining or losing governmental agency, whichever is more restrictive; provided, however, that the extension of utility services to the existing facilities would have a capacity to serve only the existing facilities; and
(b) Annexations of individual small parcels of the minimum size for facilities exempted by Class 3, New Construction or Conversion of Small Structures.

(State CEQA Guidelines, § 15319.)

Class 20: Changes in Organization of Local Agencies. Changes in the organization of local governmental agencies where the changes do not change the geographical area in which previously existing powers are exercised. Examples include but are not limited to:

(a) Establishment of a subsidiary district;
(b) Consolidation of two or more districts having identical powers; and
(c) Merger with a city of a district lying entirely within the boundaries of the city.

(State CEQA Guidelines, § 15320.)

Class 21: Enforcement Actions by Regulatory Agencies. Actions by regulatory agencies to enforce or revoke a lease, permit, license, certificate or other entitlement for use issued, adopted or prescribed by the regulatory agency or enforcement of a law, general rule, standard or objective administered or adopted by the regulatory agency; or law enforcement activities by peace officers acting under any law that provides a criminal sanction. The direct referral of a violation of lease, permit, license, certificate, or entitlement to the City Attorney for judicial enforcement is exempt under this Class. (Construction activities undertaken by the public agency taking the enforcement or revocation action are not included in this exemption.) (State CEQA Guidelines, § 15321.)

Class 22: Educational or Training Programs Involving No Physical Changes. The adoption, alteration or termination of educational or training programs which involve no physical alteration in the area affected or which involve physical changes only in the interior of existing school or training structures. Examples include but are not limited to:

(a) Development of or changes in curriculum or training methods; or
(b) Changes in the trade structure in a school which do not result in changes in student transportation. (State CEQA Guidelines, § 15322.)

Class 23: Normal Operations of Facilities for Public Gatherings. Continued or repeated normal operations of existing facilities for public gatherings for which the facilities were designed, where there is past history, of at least three years, of the facility being used for the same or similar purposes. Facilities included within this exemption include, but are not limited to, race tracks, stadiums, convention centers, auditoriums, amphitheaters, planetariums, swimming pools and amusement parks. (State CEQA Guidelines, § 15323.)

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Class 24: Regulation of Working Conditions. Actions taken by the District to regulate employee wages, hours of work or working conditions where there will be no demonstrable physical changes outside the place of work. (State CEQA Guidelines, § 15324.)

Class 25: Transfers of Ownership of Interest in Land to Preserve Existing Natural Conditions and Historical Resources. Transfers of ownership of interest in land in order to preserve open space, habitat, or historical resources. Examples include, but are not limited to, acquisition, sale, or other transfer of areas to: preserve existing natural conditions, including plant or animal habitats; allow continued agricultural use of the areas; allow restoration of natural conditions; preserve open space or lands for natural park purposes; or prevent encroachment of development into floodplains. This exemption does not apply to the development of parks or park uses. (State CEQA Guidelines, § 15325.)

Class 26: Acquisition of Housing for Housing Assistance Programs. Actions by a redevelopment agency, housing authority or other public agency to implement an adopted Housing Assistance Plan by acquiring an interest in housing units, provided the housing units are either in existence or possessing all required permits for construction when the agency makes its final decision to acquire the units. (State CEQA Guidelines, § 15326.)

Class 27: Leasing New Facilities. Leasing of a newly constructed or previously unoccupied privately owned facility by a local or state agency when the District determines that the proposed use of the facility:

(a) Conforms with existing state plans and policies and with general, community, and specific plans for which an EIR or Negative Declaration has been prepared;
(b) Is substantially the same as that originally proposed at the time the building permit was issued;
(c) Does not result in a traffic increase of greater than 10% of front access road capacity; and
(d) Includes the provision of adequate employee and visitor parking facilities.

(State CEQA Guidelines, § 15327.)

Class 28: Small Hydroelectric Projects as Existing Facilities. Installation of certain small hydroelectric-generating facilities in connection with existing dams, canals and pipelines, subject to the conditions in State CEQA Guidelines section 15328. (State CEQA Guidelines, § 15328.)

Class 29: Cogeneration Projects at Existing Facilities. Installation of cogeneration equipment with a capacity of 50 megawatts or less at existing facilities meeting certain conditions listed in State CEQA Guidelines section 15329. (State CEQA Guidelines, § 15329.)

Class 30: Minor Actions to Prevent, Minimize, Stabilize, Mitigate or Eliminate the Release or Threat of Release of Hazardous Waste or Hazardous Substances. Any minor cleanup actions taken to prevent, minimize, stabilize, mitigate, or eliminate the release or threat of release of a hazardous waste or substance which are small or medium removal actions costing $1 million or less.

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(a) No cleanup action shall be subject to this Class 30 exemption if the action requires the onsite use of a hazardous waste incinerator or thermal treatment unit or the relocation of residences or businesses, or the action involves the potential release into the air of volatile organic compounds as defined in Health and Safety Code section 25123.6, except for small scale in situ soil vapor extraction and treatment systems which have been permitted by the local Air Pollution Control District or Air Quality Management District. All actions must be consistent with applicable state and local environmental permitting requirements including, but not limited to, off-site disposal, air quality rules such as those governing volatile organic compounds and water quality standards, and approved by the regulatory body with jurisdiction over the site;

(b) Examples of such minor cleanup actions include but are not limited to:

1. Removal of sealed, non-leaking drums of hazardous waste or substances that have been stabilized, containerized and are designated for a lawfully permitted destination;
2. Maintenance or stabilization of berms, dikes, or surface impoundments;
3. Construction or maintenance or interim of temporary surface caps;
4. Onsite treatment of contaminated soils or sludge provided treatment system meets Title 22 requirements and local air district requirements;
5. Excavation and/or offsite disposal of contaminated soils or sludge in regulated units;
6. Application of dust suppressants or dust binders to surface soils;
7. Controls for surface water run-on and run-off that meets seismic safety standards;
8. Pumping of leaking ponds into an enclosed container;
9. Construction of interim or emergency ground water treatment systems; or
10. Posting of warning signs and fencing for a hazardous waste or substance site that meets legal requirements for protection of wildlife.

(State CEQA Guidelines, § 15330.)

Class 31: Historical Resource Restoration/Rehabilitation. Maintenance, repairs, stabilization, rehabilitation, restoration, preservation, conservation, or reconstruction of historical resources in a manner consistent with the Secretary of the Interior's Standards for the Treatment of Historic Properties with Guidelines for Preserving, Rehabilitating, Restoring, and Reconstructing Historic Buildings (1995), Weeks and Grimmer. (State CEQA Guidelines, § 15331.)

Class 32: Infill Development Projects. Infill development meeting the following conditions:

(a) The project is consistent with the applicable general plan designation and all applicable general plan policies as well as with applicable zoning designation and regulations;

(b) The proposed development occurs within city limits on a project site of no more than five acres substantially surrounded by urban uses;

(c) The project site has no value as habitat for endangered, rare or threatened species;

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(d) Approval of the project would not result in any significant effects relating to traffic, noise, air quality, or water quality; and

(e) The site can be adequately served by all required utilities and public services.

(State CEQA Guidelines, § 15332.)

Class 33: Small Habitat Restoration Projects.

This exemption applies to projects to assure the maintenance, restoration, enhancement, or protection of habitat for fish, plants, or wildlife, provided that such projects meet the following criteria:

(a) The project does not exceed five acres in size;

(b) There would be no significant adverse impact on endangered, rare or threatened species or their habitat pursuant to Section 15065 of the State CEQA Guidelines;

(c) There are no hazardous materials at or around the project site that may be disturbed or removed; and

(d) The project will not result in impacts that are significant when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects.

Examples of small habitat restoration projects include, but are not limited to: revegetation of disturbed areas with native plant species; wetland restoration, the primary purpose of which is to improve conditions for waterfowl or other species that rely on wetland habitat; stream or river bank revegetation, the primary purpose of which is to improve habitat for amphibians or native fish; projects to restore or enhance habitat that are carried out principally with hand labor and not mechanized equipment; stream or river bank stabilization with native vegetation or other bioengineering techniques, the primary purpose of which is to reduce or eliminate erosion and sedimentation; and culvert replacement conducted in accordance with published guidelines of DFW or NOAA Fisheries, the primary purpose of which is to improve habitat or reduce sedimentation. (State CEQA Guidelines, § 15333.)

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4. TIME LIMITATIONS

4.01 REVIEW OF PRIVATE PROJECT APPLICATIONS.

Staff shall determine whether the application for a private project is complete within thirty (30) days of receipt of the application. No application may be deemed incomplete based on an applicant's refusal to waive the time limitations set forth in Local Guidelines Sections 4.03 and 4.04.

Accepting an application as complete does not limit the authority of the District, acting as Lead Agency or Responsible Agency, to require the applicant to submit additional information needed for environmental evaluation of the project. Requiring such additional information after the application is complete does not change the status of the application.

(Reference: State CEQA Guidelines, § 15101.)

4.02 DETERMINATION OF TYPE OF ENVIRONMENTAL DOCUMENT.

Except as provided in Local Guidelines Sections 4.05 and 4.06, Staff's initial determination as to whether a Negative Declaration, Mitigated Negative Declaration or an EIR should be prepared shall be made within thirty (30) days from the date on which an application for a project is accepted as complete by the District. This period may be extended fifteen (15) days with consent of the applicant and the District.

(Reference: State CEQA Guidelines, § 15102.)

4.03 COMPLETION AND ADOPTION OF NEGATIVE DECLARATION.

For private projects involving the issuance of a lease, permit, license, certificate, or other entitlement for use by one or more public agencies, the Negative Declaration/Mitigated Negative Declaration shall be completed and approved within one hundred eighty (180) days from the date when the District accepted the application as complete. In the event that compelling circumstances justify additional time and the project applicant and Lead Agency consent thereto, Staff may provide that the 180-day time limit may be extended once for a period of not more than 90 days.

(Reference: State CEQA Guidelines, § 15107.)

4.04 COMPLETION AND CERTIFICATION OF FINAL EIR.

For private projects, the Final EIR shall be completed and certified by the District within one (1) year after the date the District accepted the application as complete. In the event that compelling circumstances justify additional time and the project applicant consents thereto, the District may provide a one-time extension up to ninety (90) days for completing and certifying the EIR.

(Reference: State CEQA Guidelines, § 15108.)

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4.05 PROJECTS SUBJECT TO THE PERMIT STREAMLINING ACT.

The Permit Streamlining Act requires agencies to make decisions on certain development project approvals within specified time limits. If a project is subject to the Permit Streamlining Act, the District cannot require the project applicant to submit the informational equivalent of an EIR or prove compliance with CEQA as a prerequisite to determining whether the project application is complete. In addition, if requested by the project applicant, the District must begin processing the project application prior to final CEQA action, provided the information necessary to begin the process is available.

(Reference: Gov. Code §§ 65941, 65944.)

Under the Permit Streamlining Act, the Lead Agency must approve or disapprove the development project application within one hundred eighty (180) days from the date on which it certifies the EIR, or within ninety (90) days of certification if an extension for completing and certifying the EIR was granted. If the Lead Agency adopts a Negative Declaration/Mitigated Negative Declaration or determines the development project is exempt from CEQA, it shall approve or disapprove the project application within sixty (60) days from the date on which it adopts the Negative Declaration/Mitigated Negative Declaration or determines that the project is exempt from CEQA.

(Reference: Gov. Code §§ 65950, 65950.1; see also State CEQA Guidelines, § 15107.)

Except for waivers of the time periods for preparing a joint Environmental Impact Report/Environmental Impact Statement (as outlined in Government Code sections 65951 and 65957), the District cannot require a waiver of the time limits specified in the Permit Streamlining Act as a condition of accepting or processing a development project application. In addition, the District cannot disapprove a development project application in order to comply with the time limits specified in the Permit Streamlining Act.

(Reference: Gov. Code §§ 65940.5, 65952.2.)

4.06 PROJECTS, OTHER THAN THOSE SUBJECT TO THE PERMIT STREAMLINING ACT, WITH SHORT TIME PERIODS FOR APPROVAL.

A few statutes require agencies to make decisions on project applications within time limits that are so short that review of the project under CEQA would be difficult. To enable the District as Lead Agency to comply with both the enabling statute and CEQA, the District shall deem a project application as not received for filing under the enabling statute until such time as the environmental documentation required by CEQA is complete. This section applies where all of the following conditions are met:

(a) The enabling statute for a program, other than development projects under Chapter 4.5 (commencing with Section 65920) of Division 1 of Title 7 of the Government Code, requires the District to take action on an application within a specified period of time of six (6) months or less;
(b) The enabling statute provides that the project is approved by operation of law if the District fails to take any action within the specified time period; and

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(c) The project application involves the District's issuance of a lease, permit, license, certificate or other entitlement for use.

In any case, the environmental document shall be completed or certified and the decision on the application shall be made within the period established by the Permit Streamlining Act (Government Code sections 65920, et seq.).

(Reference: State CEQA Guidelines, § 15111.)

4.07 WAIVER OR SUSPENSION OF TIME PERIODS.

These deadlines may be waived by the applicant if the project is subject to both CEQA and the National Environmental Policy Act ("NEPA").

An unreasonable delay by an applicant in meeting the District's requests necessary for the preparation of a Negative Declaration, Mitigated Negative Declaration, or an EIR shall suspend the running of the time periods described in Local Guidelines sections 4.03 and 4.04 for the period of the unreasonable delay. Alternatively, the District may disapprove a project application where there is unreasonable delay in meeting requests. The District may also allow a renewed application to start at the same point in the process where the prior application was when it was disapproved.

(Reference: State CEQA Guidelines, §§ 15109, 15110, and 15224; see Section 5.04 of these Local Guidelines for information about projects that are subject to both CEQA and NEPA.)

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5. INITIAL STUDY

5.01 PREPARATION OF INITIAL STUDY.

If the District determines that it is the Lead Agency for a project which is not exempt, the District will normally prepare an Initial Study to ascertain whether the project may have a substantial adverse effect on the environment, regardless of whether the overall effect of the project is adverse or beneficial. All phases of project planning, implementation and operation must be considered in the Initial Study. An Initial Study may rely on expert opinion supported by facts, technical studies or other substantial evidence. However, an Initial Study is neither intended nor required to include the level of detail included in an EIR.

The District, as Lead Agency, may use any of the following arrangements or combination of arrangements to prepare an Initial Study:

(1) Preparing the Initial Study directly with the District's own staff.

(2) Contracting with another entity, public or private, to prepare the Initial Study.

(3) Accepting a draft Initial Study prepared by the applicant, a consultant retained by the applicant, or any other third person.

(4) Executing a third party contract or memorandum of understanding with the applicant to govern the preparation of an Initial Study by an independent contractor.

(5) Using a previously prepared Initial Study.

The Initial Study sent out for public review, however, must reflect the independent judgment of the Lead Agency.

For private projects, the person or entity proposing to carry out the project shall complete Form "I" of these Local CEQA Guidelines, submit the completed Form "I" to the District, and submit all other data and information as may be required by the District to determine whether the proposed project may have a significant effect on the environment. All costs incurred by the District in reviewing the data and information submitted, or in conducting its own investigation based upon such data and information, or in preparing an Initial Study for the project shall be borne by the person or entity proposing to carry out the project.

(Reference: State CEQA Guidelines, §§ 15063, 15084.)

5.02 INFORMAL CONSULTATION WITH OTHER AGENCIES.

When more than one public agency will be involved in undertaking or approving a project, the Lead Agency shall consult with all Responsible and any Trustee Agencies. Such consultation shall be undertaken in compliance with the notice procedures applicable to the type of CEQA document being prepared. See Section 6.04, Negative Declarations, and Sections 7.03 and 7.25, EIRs.

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When the District is acting as Lead Agency, the District may choose to engage in early consultation with Responsible and Trustee Agencies before the District begins to prepare the Initial Study. This early consultation may be done quickly and informally and is intended to ensure that the EIR, Negative Declaration or Mitigated Negative Declaration reflects the concerns of all Responsible Agencies that will issue approvals for the project and all Trustee Agencies responsible for natural resources affected by the project. The District's early consultation process may include consultation with other individuals or organizations with an interest in the project, if the District so desires. The Office of Land Use and Climate Innovation ("LCI"), upon request of the District or a private project applicant, shall assist in identifying the various Responsible Agencies for a proposed project and ensure that the Responsible Agencies are notified regarding any early consultation. In the case of a project undertaken by a public agency, the LCI, upon request of the District, shall ensure that any Responsible Agency or public agency that has jurisdiction by law with respect to the project is notified regarding any early consultation.

If, during the early consultation process it is determined that the project will clearly have a significant effect on the environment, the District, as Lead Agency, may immediately dispense with the Initial Study and determine that an EIR is required.

(Reference: State CEQA Guidelines, § 15063.)

5.03 CONSULTATION WITH PRIVATE PROJECT APPLICANT.

During or immediately after preparation of an Initial Study for a private project, the District may consult with the applicant to determine if the applicant is willing to modify the project to reduce or avoid the significant effects identified in the Initial Study. If the project can be revised to avoid or mitigate effects to a level of insignificance and there is no substantial evidence before the District that the project, as revised, may have a significant effect on the environment, the District may prepare and adopt a Negative Declaration or Mitigated Negative Declaration. If any significant effect may still occur despite alterations of the project, an EIR must be prepared.

(Reference: State CEQA Guidelines, § 15063(g).)

5.04 PROJECTS SUBJECT TO NEPA.

Projects that are carried out, financed, or approved in whole or in part by a federal agency are subject to the provisions of NEPA in addition to CEQA. To the extent possible, the State CEQA Guidelines encourage the District, when it is a Lead Agency under CEQA, to use the federally-prepared Environmental Impact Statement ("EIS") or Finding of No Significant Impact ("FONSI") or to prepare a joint CEQA/NEPA document instead of preparing separate NEPA and CEQA documents for a project that is subject to both NEPA and CEQA. (State CEQA Guidelines, § 15220.)

For example, the District should attempt to work in conjunction with the federal agency involved in the project to prepare a combined EIR-EIS or Negative Declaration-FONSI. (State CEQA Guidelines, § 15222.) To avoid the need for the federal agency to prepare a separate document for the same project, the Lead Agency must involve the federal agency in the preparation of the joint document. The Lead Agency may also enter into a Memorandum of Understanding with the federal agency to ensure that both federal and state requirements are met.

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The District is required to cooperate with the federal agency and to utilize joint planning processes, environmental research and studies, public hearings, and environmental documents to the fullest extent possible. (State CEQA Guidelines, § 15226.) However, since NEPA does not require an examination of mitigation measures or growth-inducing impacts, analysis of mitigation measures and growth-inducing impacts will need to be added before NEPA documents may be used to satisfy CEQA. (State CEQA Guidelines, § 15221.)

For projects that are subject to NEPA, a scoping meeting held pursuant to NEPA satisfies the CEQA scoping requirement as long as notice is provided to the agencies and individuals listed in Local Guidelines Section 7.10, and provided in accordance with these Local Guidelines.

If the federal agency refuses to cooperate with the District with regard to the preparation of joint documents, the District should attempt to involve a state agency in the preparation of the EIR, Negative Declaration, or Mitigated Negative Declaration. Since federal agencies are explicitly permitted to utilize environmental documents prepared by agencies of statewide jurisdiction, it is possible that the federal agency will reuse the state-prepared CEQA documents instead of requiring the applicant to fund a redundant set of federal environmental documents. (State CEQA Guidelines, § 15228.)

Where the federal agency has circulated the EIS or FONSI and the circulation satisfied the requirements of CEQA and any other applicable laws, the District, when it is a Lead Agency under CEQA, may use the EIS or FONSI in place of an EIR or Negative Declaration without having to recirculate the federal documents. The District's intention to adopt the previously circulated EIS or FONSI must be publicly noticed in the same way as a Notice of Availability of a Draft EIR. Special rules may apply when the environmental documents are prepared for projects involving the reuse of military bases. (See State CEQA Guidelines, § 15225.)

5.05 AN INITIAL STUDY.

The Initial Study shall be used to determine whether a Negative Declaration, Mitigated Negative Declaration or an EIR shall be prepared for a project. It provides written documentation of whether the District found evidence of significant adverse impacts which might occur. The purposes of an Initial Study are to:

(a) Identify environmental impacts;
(b) Enable an applicant or Lead Agency to modify a project, mitigating adverse impacts before an EIR is written;
(c) Focus an EIR, if one is required, on potentially significant environmental effects;
(d) Facilitate environmental assessment early in the design of a project;
(e) Provide documentation of the factual basis for the finding in a Negative Declaration that a project will not have a significant effect on the environment;
(f) Eliminate unnecessary EIRs; and
(g) Determine whether a previously prepared EIR could be used for the project.

(Reference: State CEQA Guidelines, § 15063.)

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5.06 CONTENTS OF INITIAL STUDY.

An Initial Study shall contain in brief form:

(a) A description of the project, including the location of the project. The project description must be consistent throughout the environmental review process;
(b) An identification of the environmental setting. The environmental setting is usually the existing physical environmental conditions in the vicinity of the project, as they exist at the time the Notice of Preparation is published, or if no Notice of Preparation is published, such as in the case of a Negative Declaration or Mitigated Negative Declaration, at the time environmental analysis begins. The environmental setting should describe both the project site and surrounding properties. The description should include, but not necessarily be limited to, a discussion of existing structures, land use, energy supplies, topography, water usage, soil stability, plants and animals, and any cultural, historical, or scenic aspects. This environmental setting will normally constitute the baseline physical conditions against which a Lead Agency may compare the project to determine whether an impact is significant;
(c) An identification of environmental effects by use of a checklist, matrix, or other method, provided that entries are briefly explained to show the evidence supporting the entries. The brief explanation may be through either a narrative or a reference to other information such as attached maps, photographs, or an earlier EIR or Negative Declaration or Mitigated Negative Declaration. A reference to another document should include a citation to the page or pages where the information is found;
(d) A discussion of ways to mitigate any significant effects identified;
(e) An examination of whether the project is consistent with existing zoning and local land use plans and other applicable land use controls;
(f) The name of the person or persons who prepared or participated in the Initial Study; and
(g) Identification of prior EIRs or environmental documents that could be used with the project.

(Reference: State CEQA Guidelines, § 15063(d).)

5.07 USE OF A CHECKLIST INITIAL STUDY.

When properly completed, the Environmental Checklist (Form "J") will meet the requirements of Local Guidelines Section 5.05 for an Initial Study provided that the entries on the checklist are explained. Either the Environmental Checklist (Form "J") should be expanded or a separate attachment should be prepared to describe the project, including its location, and to identify the environmental setting.

California courts have rejected the use of a bare, unsupported Environmental Checklist as an Initial Study. An Initial Study must contain more than mere conclusions. It must disclose supporting data or evidence upon which the Lead Agency relied in conducting the Initial Study. The Lead Agency must augment checklists with supporting factual data and reference information sources when completing the forms. Explanation of all "potential impact" answers should be provided on attached sheets. For controversial projects, it is advisable to state briefly why "no"

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answers were checked. If practicable, attach a list of reference materials, such as prior EIRs, plans, traffic studies, air quality data, or other supporting studies.

5.08 EVALUATING SIGNIFICANT ENVIRONMENTAL EFFECTS.

In evaluating the environmental significance of effects disclosed by the Initial Study, the Lead Agency shall consider:

(a) Whether the Initial Study and/or any comments received informally during consultations indicate that a fair argument can be made that the project may have a significant adverse environmental impact that cannot be mitigated to a level of insignificance. Even if a fair argument can be made to the contrary, an EIR should be prepared;

(b) Whether both primary (direct) and reasonably foreseeable secondary (indirect) consequences of the project were evaluated. Primary consequences are immediately related to the project, while secondary consequences are related more to the primary consequences than to the project itself. For example, secondary impacts upon the resources base, including land, air, water and energy use of an area, may result from population growth, a primary impact;

(c) Whether adverse social and economic changes will result from a physical change caused by the project. Adverse economic and social changes resulting from a project are not, in themselves, significant environmental effects. However, if such adverse changes cause physical changes in the environment, those consequences may be used as the basis for finding that the physical change is significant;

(d) Whether there is serious public controversy or disagreement among experts over the environmental effects of the project. However, the existence of public controversy or disagreement among experts does not, without more, require preparation of an EIR in the absence of substantial evidence of significant effects;

(e) Whether the cumulative impact of the project is significant and whether the incremental effects of the project are "cumulatively considerable" (as defined in Local Guidelines Section 11.13) when viewed in connection with the effects of past projects, current projects, and probable future projects. The District may conclude that a project's incremental contribution to a cumulative effect is not cumulatively considerable if the project will comply with the requirements in a previously approved plan or mitigation program (including, but not limited to, water quality control plan, air quality attainment or maintenance plan, integrated waste management plan, habitat conservation plan, natural community conservation plan, plans or regulations for the reduction of greenhouse gas emissions) that provides specific requirements that will avoid or substantially lessen the cumulative problem. To be used for this purpose, such a plan or program must be specified in law or adopted by the public agency with jurisdiction over the affected resources through a public review process. In relying on such a plan or program, the District should explain which requirements apply to the project and ensure that the project's incremental contribution is not cumulatively considerable; and

(f) Whether the project may cause a substantial adverse change in the significance of an archaeological or historical resource.

The District may use a threshold of significance (as that term is defined in State CEQA Guidelines section 15064.7) to determine whether a project may cause a significant environmental

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impact. When using a threshold of significance, the District should briefly explain how compliance with the threshold means that the project's impacts are less than significant. Compliance with the threshold, however, does not relieve the District of the obligation to consider substantial evidence indicating that a project's environmental effects may still be significant.

(Reference: State CEQA Guidelines, § 15064(b)(2).)

5.09 DETERMINING THE SIGNIFICANCE OF TRANSPORTATION IMPACTS

On or about December 28, 2018, the California Natural Resources Agency added a new section to the State CEQA Guidelines—Section 15064.3, entitled "Determining the Significance of Transportation Impacts." Section 15064.3 provides:

(a) Purpose.

This section describes specific considerations for evaluating a project's transportation impacts. Generally, vehicle miles traveled is the most appropriate measure of transportation impacts. For the purposes of this section, "vehicle miles traveled" refers to the amount and distance of automobile travel attributable to a project. Other relevant considerations may include the effects of the project on transit and non-motorized travel. Except as provided in subdivision (b)(2) below (regarding roadway capacity), a project's effect on automobile delay shall not constitute a significant environmental impact.

(b) Criteria for Analyzing Transportation Impacts.

(1) Land Use Projects. Vehicle miles traveled exceeding an applicable threshold of significance may indicate a significant impact. Generally, projects within one-half mile of either an existing major transit stop or a stop along an existing high quality transit corridor should be presumed to cause a less than significant transportation impact. Projects that decrease vehicle miles traveled in the project area compared to existing conditions should be presumed to have a less than significant transportation impact.

(2) Transportation Projects. Transportation projects that reduce, or have no impact on, vehicle miles traveled should be presumed to cause a less than significant transportation impact. For roadway capacity projects, agencies have discretion to determine the appropriate measure of transportation impact consistent with CEQA and other applicable requirements. To the extent that such impacts have already been adequately addressed at a programmatic level, such as in a regional transportation plan EIR, a lead agency may tier from that analysis as provided in Section 15152.

(3) Qualitative Analysis. If existing models or methods are not available to estimate the vehicle miles traveled for the particular project being considered, a lead agency may analyze the project's vehicle miles traveled qualitatively. Such a qualitative analysis would evaluate factors such as the availability of transit, proximity to other

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destinations, etc. For many projects, a qualitative analysis of construction traffic may be appropriate.

(4) Methodology. A lead agency has discretion to choose the most appropriate methodology to evaluate a project's vehicle miles traveled, including whether to express the change in absolute terms, per capita, per household or in any other measure. A lead agency may use models to estimate a project's vehicle miles traveled, and may revise those estimates to reflect professional judgment based on substantial evidence. Any assumptions used to estimate vehicle miles traveled and any revisions to model outputs should be documented and explained in the environmental document prepared for the project. The standard of adequacy in Section 15151 shall apply to the analysis described in this section.

(c) Applicability.

The provisions of this section shall apply prospectively as described in section 15007. A lead agency may elect to be governed by the provisions of this section immediately. Beginning on July 1, 2020, the provisions of this section shall apply statewide.

(Reference: State CEQA Guidelines, § 15064.3.)

5.10 MANDATORY FINDINGS OF SIGNIFICANT EFFECT.

Whenever there is substantial evidence, in light of the whole record, that any of the conditions set forth below may occur, the Lead Agency shall find that the project may have a significant effect on the environment and thereby shall require preparation of an EIR:

(a) The project has the potential to substantially degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, substantially reduce the number or restrict the range of a rare or endangered plant or animal, or eliminate important examples of major periods of California history or prehistory;
(b) The project has the potential to achieve short-term environmental goals to the disadvantage of long-term environmental goals;
(c) The project has possible environmental effects which are individually limited but cumulatively considerable, as defined in Local Guidelines Section 11.13. That is, the District, when acting as Lead Agency, is required to determine whether the incremental impacts of a project are cumulatively considerable by evaluating them against the back-drop of the environmental effects of the other projects; or
(d) The environmental effects of a project will cause substantial adverse effects on humans either directly or indirectly.

If, before the release of the CEQA document for public review, the potential for triggering one of the mandatory findings of significance is avoided or mitigation measures or project modifications reduce the potentially significant impacts to a point where clearly the mandatory

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finding of significance is not triggered, preparation of an EIR is not mandated. If the project's potential for triggering one of the mandatory findings of significance cannot be avoided or mitigated to a point where the criterion is clearly not triggered, an EIR shall be prepared, and the relevant mandatory findings of significance shall be used:

(1) as thresholds of significance for purposes of preparing the EIR's impact analysis;

(2) in making findings on the feasibility of alternatives or mitigation measures;

(3) when found to be feasible, in making changes in the project to lessen or avoid the adverse environmental impacts; and

(4) when necessary, in adopting a statement of overriding considerations.

Although an EIR prepared for a project that triggers one of the mandatory findings of significance must use the relevant mandatory findings as thresholds of significance, the EIR need not conclude that the impact itself is significant. Rather, the District, as Lead Agency, must exercise its discretion and determine, on a case-by-case basis after evaluating all of the relevant evidence, whether the project's environmental impacts are avoided or mitigated below a level of significance or whether a statement of overriding considerations is required.

With regard to a project that has the potential to substantially reduce the number or restrict the range of a protected species, the District, as Lead Agency, does not have to prepare an EIR solely due to that impact, provided the project meets the following three criteria:

(a) The project proponent must be bound to implement mitigation requirements relating to such species and habitat pursuant to an approved habitat conservation plan and/or natural communities conservation plan;
(b) The state or federal agency must have approved the habitat conservation plan and/or natural community conservation plan in reliance on an EIR and/or EIS; and
(c) The mitigation requirements must either avoid any net loss of habitat and net reduction in number of the affected species, or preserve, restore, or enhance sufficient habitat to mitigate the reduction in habitat and number of the affected species below a level of significance.

(Reference: State CEQA Guidelines, § 15065.)

5.11 MANDATORY PREPARATION OF AN EIR FOR WASTE-BURNING PROJECTS.

Lead Agencies shall prepare or cause to be prepared and certify the completion of an EIR, or, if appropriate, an Addendum, Supplemental EIR, or Subsequent EIR, for any project involving the burning of municipal wastes, hazardous waste or refuse-derived fuel, including, but not limited to, tires, if the project consists of any of the following:

(a) The construction of a new facility;
(b) The expansion of an existing hazardous waste burning facility which would increase its permitted capacity by more than 10%;

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(c) The issuance of a hazardous waste facilities permit to a land disposal facility, as defined in Local Guidelines Section 11.32; or

(d) The issuance of a hazardous waste facilities permit to an offsite large treatment facility, as defined in Local Guidelines Sections 11.33 and 11.53.

This section does not apply to projects listed in subsections (c) and (d), immediately above, if the facility only manages hazardous waste that is identified or listed pursuant to Health and Safety Code section 25140 or 25141 or only conducts activities which are regulated pursuant to Health and Safety Code sections 25100, et seq.

The Lead Agency shall calculate the percentage of expansion for an existing facility by comparing the proposed facility's capacity with either of the following, as applicable:

(a) The facility capacity authorized in the facility's hazardous waste facilities permit pursuant to Health and Safety Code section 25200, or its grant of interim status pursuant to Health and Safety Code section 25200.5, or the facility capacity authorized in any state or local agency permit allowing the construction or operation of the facility for the burning of hazardous waste granted before January 1, 1990; or

(b) The facility capacity authorized in the facility's original hazardous facilities permit, grant of interim status, or any state or local agency permit allowing the construction or operation of a facility for the burning of hazardous waste, granted on or after January 1, 1990.

This section does not apply to any project over which the State Energy Resources Conservation and Development Commission has assumed jurisdiction per Health and Safety Code sections 25500 et seq.

The EIR requirement is also subject to a number of exceptions for specific types of waste-burning projects. (Public Resources Code section 21151.1 and State CEQA Guidelines section 15081.5.) Even if preparation of an EIR is not mandatory for a particular type of waste-burning project, those projects are not exempt from the other requirements of CEQA, the State CEQA Guidelines, or these Local Guidelines. In addition, waste-burning projects are subject to special notice requirements under Public Resources Code section 21092. Specifically, in addition to the standard public notices required by CEQA, notice must be provided to all owners and occupants of property located within one-fourth mile of any parcel or parcels on which the waste-burning project will be located. (Public Resources Code section 21092(c); see Local Guidelines Sections 6.12 and 7.27.)

5.12 DEVELOPMENT PURSUANT TO AN EXISTING COMMUNITY PLAN AND EIR.

Before preparing a CEQA document, Staff should determine whether the proposed project involves development consistent with an earlier zoning or community plan to accommodate a particular density for which an EIR has been certified. If an earlier EIR for the zoning or planning action has been certified, and if the proposed project concerns the approval of a subdivision map or development, CEQA applies only to the extent the project raises environmental effects peculiar to the parcel which were not addressed in the earlier EIR. Off-site and cumulative effects not discussed in the general plan EIR must still be considered. Mitigation measures set out in the earlier EIR should be implemented at this stage.

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Environmental effects shall not be considered peculiar to the parcel if uniformly applied development policies or standards have been previously adopted by a city or county with a finding based on substantial evidence that the policy or standard will substantially mitigate the environmental effect when applied to future projects. Examples of uniformly applied development policies or standards include, but are not limited to: parking ordinances; public access requirements; grading ordinances; hillside development ordinances; flood plain ordinances; habitat protection or conservation ordinances; view protection ordinances; and requirements for reducing greenhouse gas emissions as set forth in adopted land use plans, policies or regulations. Any rezoning action consistent with the Community Plan shall be subject to exemption from CEQA in accordance with this section. "Community Plan" means part of a city's general plan which: (1) applies to a defined geographic portion of the total area included in the general plan; (2) complies with Article 5 (commencing with Section 65300) of Chapter 3 of Division 1 of Title 7 of the Government Code by referencing each of the mandatory elements specified in Government Code section 65302; and (3) contains specific development policies adopted for the area in the Community Plan and identifies measures to implement those policies, so that the policies which will apply to each parcel can be determined.

(Reference: State CEQA Guidelines, § 15183.)

5.13 LAND USE POLICIES.

When a project will amend a general plan or another land use policy, the Initial Study must address how the change in policy and its expected direct and indirect effects will affect the environment. When the amendments constitute substantial changes in policies that result in a significant impact on the environment, an EIR may be required.

5.14 EVALUATING IMPACTS ON HISTORICAL RESOURCES.

Projects that may cause a substantial adverse change in the significance of a historical resource, as defined in Local Guidelines Section 11.28 are projects that may have a significant effect on the environment, thus requiring consideration under CEQA. Particular attention and care should be given when considering such projects, especially projects involving the demolition of a historical resource, since such demolitions have been determined to cause a significant effect on the environment.

Substantial adverse change in the significance of a historical resource means physical demolition, destruction, relocation or alteration of the resource or its immediate surroundings, such that the significance of a historical resource would be materially impaired.

The significance of a historical resource is materially impaired when a project:

(a) Demolishes or materially alters in an adverse manner those physical characteristics of a historical resource that convey its historical significance and that justify its inclusion in, or eligibility for inclusion in, the California Register of Historical Resources;
(b) Demolishes or materially alters in an adverse manner those physical characteristics that account for its inclusion in a local register of historical resources or its identification in a historical resources survey, unless the Lead Agency establishes by a preponderance of evidence that the resource is not historically or culturally significant; or

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(c) Demolishes or materially alters in an adverse manner those physical characteristics of a historical resource that convey its historical significance and that justify its eligibility for inclusion in the California Register of Historical Resources as determined by the Lead Agency for purposes of CEQA.

Generally, a project that follows either one of the following sets of standards and guidelines will be considered mitigated to a level of less than significant: (a) the Secretary of the Interior's Standards for the Treatment of Historic Properties with Guidelines for Preserving, Rehabilitating, Restoring and Reconstructing Historic Buildings; or (b) the Secretary of the Interior's Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings (1995), Weeks and Grimmer.

In the event of an accidental discovery of a possible historical resource during construction of the project, the District may provide for the evaluation of the find by a qualified archaeologist or other professional. If the find is determined to be a historical resource, the District should take appropriate steps to implement appropriate avoidance or mitigation measures. Work on non-affected portions of the project, as determined by the District, may continue during the process. Curation may be an appropriate mitigation measure for an artifact that must be removed during project excavation or testing.

(Reference: State CEQA Guidelines, § 15064.5.)

5.15 EVALUATING IMPACTS ON ARCHAEOLOGICAL SITES.

When a project will impact an archaeological site, the District shall first determine whether the site is a historical resource, as defined in Local Guidelines Section 11.28 If the archaeological site is a historical resource, it shall be treated and evaluated as such, and not as an archaeological resource. If the archaeological site does not meet the definition of a historical resource, but does meet the definition of a unique archaeological resource set forth in Public Resources Code section 21083.2, the site shall be treated in accordance with said provisions of the Public Resources Code. The time and cost limitations described in Section 21083.2(c-f) do not apply to surveys and site evaluation activities intended to determine whether the project site contains unique archaeological resources.

If the archaeological resource is neither a unique archaeological resource nor a historical resource, the effects of the project on those resources shall not be considered a significant effect on the environment. It shall be sufficient that both the resource and the effect on it are noted in the Initial Study or EIR, if one is prepared to address impacts on other resources, but they need not be considered further in the CEQA process.

In the event of an accidental discovery of a possible unique archaeological resource during construction of the project, the District may provide for the evaluation of the find by a qualified archaeologist. If the find is determined to be a unique archaeological resource, the District should take appropriate steps to implement appropriate avoidance or mitigation measures. Work on non-affected portions of the project, as determined by the District, may continue during the process. Curation may be an appropriate mitigation measure for an artifact that must be removed during project excavation or testing.

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When an Initial Study identifies the existence of, or the probable likelihood of, Native American human remains within the Project, the District shall comply with the provisions of State CEQA Guidelines section 15064.5(d). In the event of an accidental discovery or recognition of any human remains in any location other than a dedicated cemetery, the District shall comply with the provisions of State CEQA Guidelines section 15064.5(e).

(Reference: State CEQA Guidelines, § 15064.5(c).)

5.16 CONSULTATION WITH WATER AGENCIES REGARDING LARGE DEVELOPMENT PROJECTS.

(a) Projects Subject to Consultation Requirements.

For certain development projects, cities and counties must consult with water agencies. If the District is a municipal water provider, the city or county may request that the District prepare a water supply assessment to be included in the relevant environmental documentation for the project. The District may refer to this section when preparing such an assessment or when reviewing projects in its role as a Responsible Agency. This section applies only to water demand projects as defined by Local Guidelines Section 11.85. Program level environmental review may not need to be as extensive as project level environmental review. (See Local Guidelines Sections 8.03 and 8.08.)

(b) Water Supply Assessment.

When a city or county as Lead Agency determines the type of environmental document that will be prepared for a water demand project or any project that includes a water demand project, the city or county must identify any public water system (as defined in Local Guidelines Sections 11.61 and 11.85) that may supply water for the project. The city or county must also request that the public water system determine whether the projected demand associated with the project was included in the most recently adopted Urban Water Management Plan. The city or county must also request that the public water system prepare a specified water supply assessment for approval at a regular or special meeting of the public water system governing body. A sample request for a water supply assessment is provided as Form "N" of these Local CEQA Guidelines.

If no public water system is identified that may supply water for the water demand project, the city or county shall prepare the water supply assessment. The city or county shall consult with any entity serving domestic water supplies whose service area includes the site of the water demand project, the local agency formation commission, and the governing body of any public water system adjacent to the site of the water demand project. The city council or county board of supervisors must approve the water assessment prepared pursuant to this paragraph at a regular or special meeting.

As per Water Code section 10910, the water assessment must include identification of existing water supply entitlements, water rights, or water service contracts relevant to the water supply for the proposed project and water received in prior years pursuant to those entitlements, rights, and contracts, and further information is required if water supplies include groundwater. The water assessment must determine the ability of the public water system to meet existing and future demands along with the demands of the proposed water demand project in light of existing

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and future water supplies. This supply demand analysis is to be conducted via a twenty-year projection, and must assess water supply sufficiency during normal year, single dry year, and multiple dry year hydrology scenarios. If the public water agency concludes that the water supply is, or will be, insufficient, it must submit plans for acquiring additional water supplies.

The city or county may grant the public water agency a thirty (30) day extension of time to prepare the assessment if the public water agency requests an extension within ninety (90) days of being asked to prepare the assessment. If the governing body of the public water system fails to request and receive an extension of time, or fails to submit the water assessment notwithstanding the thirty (30) day extension, the city or county may seek a writ of mandamus to compel the governing body of the public water system to comply.

If a water-demand project has been the subject of a water assessment, no additional water assessment shall be required for subsequent water-demand projects that were included in the larger water-demand project if all of the following criteria are met:

(1) The entity completing the water assessment concluded that its water supplies are sufficient to meet the projected water demand associated with the larger water-demand project, in addition to the existing and planned future uses, including, but not limited to, agricultural and industrial uses; and

(2) None of the following changes has occurred since the completion of the water assessment for the larger water-demand project:

(A) Changes in the larger water-demand project that result in a substantial increase in water demand for the water-demand project;

(B) Changes in the circumstances or conditions substantially affecting the ability of the public water system identified in the water assessment to provide a sufficient supply of water for the water demand project; and

(C) Significant new information becomes available which was not known and could not have been known at the time when the entity had reached its assessment conclusions.

(3) The city or county shall include the water assessment, and any water acquisition plan in the EIR, negative declaration, or mitigated negative declaration, or any supplement thereto, prepared for the project, and may include an evaluation of the water assessment and water acquisition plan information within such environmental document. A discussion of water supply availability should be included in the main text of the environmental document. Normally, this discussion should be based on the data and information included in the water supply assessment. In making its required findings under CEQA, the city or county shall determine, based on the entire record, whether projected water supplies will be sufficient to satisfy the demands of the project, in addition to existing and planned future uses. If a city or county determines that water supplies will not be sufficient, the city or county shall include that determination in its findings for the project.

The degree of certainty regarding the availability of water supplies will vary depending on the stage of project approval. A Lead Agency should have greater confidence in the availability of water supplies for a specific project than might be required for a conceptual plan (i.e. general plan, specific plan). An analysis of water supply in an environmental document may incorporate by reference information in a water supply assessment, urban water management plan, or other publicly available sources. The analysis shall include the following:

(1) Sufficient information regarding the project's proposed water demand and proposed water supplies to permit the Lead Agency to evaluate the pros and cons of supplying the amount of water that the project will need.

(2) An analysis of the reasonably foreseeable environmental impacts of supplying water throughout all phases of the project.

(3) An analysis of circumstances affecting the likelihood of the water's availability, as well as the degree of uncertainty involved. Relevant factors may include but are not limited to, drought, salt-water intrusion, regulatory or contractual curtailments, and other reasonably foreseeable demands on the water supply.

(4) If the Lead Agency cannot determine that a particular water supply will be available, it shall conduct an analysis of alternative sources, including at least in general terms the environmental consequences of using those alternative sources, or alternatives to the project that could be served with available water.

For complete information on these requirements, consult Water Code sections 10910, et seq. For other CEQA provisions applicable to these types of projects, see Local Guidelines Sections 7.03 and 7.25.

5.17 SUBDIVISIONS WITH MORE THAN 500 DWELLING UNITS.

Cities and counties must obtain written verification (see Form "O" for a sample) from the applicable public water system(s) that a sufficient water supply is available before approving certain residential development projects. If the District is a municipal water provider for a project, the city or county may request such a verification from the District. The District should also be aware of these requirements when reviewing projects in its role as a Responsible Agency.

Cities and counties are prohibited from approving a tentative map, parcel map for which a tentative map was not required, or a development agreement for a subdivision of property of more than 500 dwellings units, unless:

(1) The City Council, Board of Supervisors, or the advisory agency receives written verification from the applicable public water system that a sufficient water supply is available; or

(2) Under certain circumstances, the City Council, Board of Supervisors or the advisory agency makes a specified finding that sufficient water supplies are, or will be, available prior to completion of the project.

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For complete information on these requirements, consult Government Code section 66473.7.

5.18 IMPACTS TO OAK WOODLANDS.

When a county prepares an Initial Study to determine what type of environmental document will be prepared for a project within its jurisdiction, the county must determine whether the project may result in a conversion of oak woodlands that will have a significant effect on the environment. Normally, this rule will not apply to projects undertaken by the District. However, if the District is a Responsible Agency on such a project, the District should endeavor to ensure that the county, as Lead Agency, analyzes these impacts in accordance with CEQA.

(Reference: Pub. Resources Code, § 21083.4.)

5.19 CLIMATE CHANGE AND GREENHOUSE GAS EMISSIONS.

A. Estimating or Calculating the Magnitude of the Project's Greenhouse Gas Emissions.

The District shall analyze the greenhouse gas emissions of its projects as required by State CEQA Guidelines section 15064.4. For projects subject to CEQA, the District shall make a good-faith effort, based to the extent possible on scientific and factual data, to describe, calculate or estimate the amount of greenhouse gas emissions resulting from a project.

In performing analysis of greenhouse gas emissions, the District, as Lead Agency, shall have discretion to determine, in the context of a particular project, whether to:

(1) Quantify greenhouse gas emissions resulting from a project; and/ or

(2) Rely on a qualitative analysis or performance-based standards.

B. Factors in Determining Significance.

In determining the significance of a project's greenhouse gas emissions, the District, when acting as Lead Agency, should focus its analysis on the reasonably foreseeable incremental contribution of the project's emissions to the effects of climate change. A project's incremental contribution may be cumulatively considerable even if it appears relatively small compared to statewide, national, or global emissions. The District's analysis should consider a timeframe that is appropriate for the project. The District's analysis also must reasonably reflect evolving scientific knowledge and state regulatory schemes.

Once the amount of a project's greenhouse gas emissions have been described, estimated, or calculated, the District should consider the following factors, among others, to determine whether those emissions are significant:

(1) The extent to which the project may increase or reduce greenhouse gas emissions as compared to the existing environmental setting. Physical environmental conditions in the vicinity of the project, as they exist at the time the Notice of

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Preparation is published or the time when the environmental analysis is commenced, will normally constitute the baseline. All project phases, including construction and operation, should be considered in determining whether a project will cause emissions to increase or decrease as compared to the baseline;

(2) Whether the project emissions exceed a threshold of significance that the Lead Agency determines applies to the project. The Lead Agency may rely on thresholds of significance developed by experts or other agencies, provided that application of the threshold and the significance conclusion is supported with substantial evidence. When relying on thresholds developed by other agencies, the Lead Agency should ensure that the threshold is appropriate for the project and the project's location; and

(3) The extent to which the project complies with regulations or requirements adopted to implement a statewide, regional, or local plan for the reduction or mitigation of greenhouse gas emissions (see, e.g., State CEQA Guidelines section 15183.5(b)). Such requirements must be adopted by the relevant public agency through a public review process and must reduce or mitigate the project's incremental contribution of greenhouse gas emissions. If there is substantial evidence that the possible effects of a particular project are still cumulatively considerable notwithstanding compliance with the adopted regulations or requirements, an EIR must be prepared for the project. In determining the significance of impacts, the Lead Agency may consider a project's consistency with the State's long-term climate goals or strategies, provided that substantial evidence supports the agency's analysis of how those goals or strategies address the project's incremental contribution to climate change and its conclusion that the project's incremental contribution is not cumulatively considerable.

The Lead Agency may use a model or methodology to estimate greenhouse gas emissions resulting from a project. The Lead Agency has discretion to select the model or methodology it considers most appropriate to enable decision makers to intelligently take into account the project's incremental contribution to climate change. The Lead Agency must support its selection of a model or methodology with substantial evidence. The Lead Agency should explain the limitations of the particular model or methodology selected for use.

C. Consistency with Applicable Plans.

When an EIR is prepared, it must discuss any inconsistencies between the proposed project and any applicable general plan, specific plans, and regional plans. This includes, but is not limited to, any applicable air quality attainment plans, regional blueprint plans, or plans for the reduction of greenhouse gas emissions.

D. Mitigation Measures Related to Greenhouse Gas Emissions.

Lead Agencies must consider feasible means of mitigating the significant effects of greenhouse gas emissions. Any such mitigation measure must be supported by substantial

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evidence and be subject to monitoring or reporting. Potential mitigation will depend on the particular circumstances of the project, but may include the following, among others:

(1) Measures in an existing plan or mitigation program for the reduction of emissions that are required as part of the Lead Agency's decision;

(2) Reductions in emissions resulting from a project through implementation of project features, project design, or other measures, such as those described in State CEQA Guidelines Appendix F;

(3) Off-site measures, including offsets that are not otherwise required, to mitigate a project's emissions;

(4) Measures that sequester greenhouse gases; and

(5) In the case of the adoption of a plan, such as a general plan, long range development plan, or plan for the reduction of greenhouse gas emissions, mitigation may include the identification of specific measures that may be implemented on a project-by-project basis. Mitigation may also include the incorporation of specific measures or policies found in an adopted ordinance or regulation that reduces the cumulative effect of emissions.

E. Streamlined Analysis of Greenhouse Gas Emissions.

Under certain limited circumstances, the legislature has specifically declared that the analysis of greenhouse gas emissions or climate change impacts may be limited. Public Resources Code sections 21155, 21155.2, and 21159.28 provide that if certain residential, mixed use and transit priority projects meet specified ratios and densities, then the lead agencies for those projects may conduct a limited review of greenhouse gas emissions or may be exempted from analyzing global warming impacts that result from cars and light duty trucks, if a detailed list of requirements is met. However, unless the project is exempt from CEQA, the Lead Agency must consider whether such projects will result in greenhouse gas emissions from other sources, including, but not limited to, energy use, water use, and solid waste disposal.

F. Tiering.

The District may analyze and mitigate the significant effects of greenhouse gas emissions at a programmatic level. Later project-specific environmental documents may then tier from and/or incorporate by reference that existing programmatic review.

G. Plans for the Reduction of Greenhouse Gas Emissions.

Public agencies may choose to analyze and mitigate greenhouse gas emissions in a plan for the reduction of greenhouse gas emissions or in a similar document. A plan for the reduction of greenhouse gas emissions should:

(1) Quantify greenhouse gas emissions, both existing and projected over a specified time period, resulting from activities within a defined geographic area;

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(2) Establish a level, based on substantial evidence, below which the contribution to greenhouse gas emissions from activities covered by the plan would not be cumulatively considerable;

(3) Identify and analyze the greenhouse gas emissions resulting from specific actions or categories of actions anticipated within the geographic area;

(4) Specify measures or a group of measures, including performance standards, that substantial evidence demonstrates, if implemented on a project-by-project basis, would collectively achieve the specified emissions level;

(5) Establish a mechanism to monitor the plan's progress toward achieving the level and to require amendment if the plan is not achieving specified levels; and

(6) Be adopted in a public process following environmental review.

A plan for the reduction of greenhouse gas emissions, once adopted following certification of an EIR, or adoption of another environmental document, may be used in the cumulative impacts analysis of later projects. An environmental document that relies on a plan for the reduction of greenhouse gas emissions for a cumulative impacts analysis must identify those requirements specified in the plan that apply to the project, and, if those requirements are not otherwise binding and enforceable, incorporate those requirements as mitigation measures applicable to the project. If there is substantial evidence that the effects of a particular project may be cumulatively considerable notwithstanding the project's compliance with the specified requirements in the plan for reduction of greenhouse gas emissions, an EIR must be prepared for the project.

H. Analyzing the Effects of Climate Change on the Project.

Where an EIR is prepared for a project, the EIR shall analyze any significant environmental effects the project might cause by bringing development and people into the project area that may be affected by climate change. In particular, the EIR should evaluate any potentially significant impacts of locating development in areas susceptible to hazardous conditions (e.g., floodplains, coastlines, wildfire risk areas) as identified in authoritative hazard maps, risk assessments or in land use plans addressing such hazards areas. The analysis may be limited to the potentially significant effects of locating the project in a potentially hazardous location. Further, this analysis may be limited by the project's life in relation to the potential of such effects to occur and the availability of existing information related to potential future effects of climate change. Further, the EIR need not include speculation regarding such future effects.

5.20 ENERGY CONSERVATION.

Potentially significant energy implications of a project must be considered in an EIR to the extent relevant and applicable to the project. Therefore, the project description should identify the following as applicable or relevant to the particular project:

(1) Energy consuming equipment and processes which will be used during construction, operation and/or removal of the project. If appropriate, this

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discussion should consider the energy intensiveness of materials and equipment required for the project;

(2) Total energy requirements of the project by fuel type and end use;

(3) Energy conservation equipment and design features;

(4) Identification of energy supplies that would serve the project; and

(5) Total estimated daily vehicle trips to be generated by the project and the additional energy consumed per trip by mode.

As described in Local Guidelines Section 5.06, above, an initial study must include a description of the environmental setting. The discussion of the environmental setting may include existing energy supplies and energy use patterns in the region and locality. The District may also consider the extent to which energy supplies have been adequately considered in other environmental documents. Environmental impacts may include:

(1) The project's energy requirements and its energy use efficiencies by amount and fuel type for each stage of the project including construction, operation, maintenance and/or removal. If appropriate, the energy intensiveness of materials may be discussed;

(2) The effects of the project on local and regional energy supplies and on requirements for additional capacity;

(3) The effects of the project on peak and base period demands for electricity and other forms of energy;

(4) The degree to which the project complies with existing energy standards;

(5) The effects of the project on energy resources; and/or

(6) The project's projected transportation energy use requirements and its overall use of efficient transportation alternatives.

As discussed above in Section 5.06, the Initial Study must identify the potential environmental effects of the proposed activity. That discussion must include the unavoidable adverse effects. Unavoidable adverse effects may include wasteful, inefficient and unnecessary consumption of energy during the project construction, operation, maintenance and/or removal that cannot be feasibly mitigated.

When discussing energy conservation, alternatives should be compared in terms of overall energy consumption and in terms of reducing wasteful, inefficient and unnecessary consumption of energy.

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5.21 ENVIRONMENTAL IMPACT ASSESSMENT.

The Initial Study identifies which environmental impacts may be significant. Based upon the Initial Study, Staff shall determine whether a proposed project may or will have a significant effect on the environment. Such determination shall be made in writing on the Environmental Impact Assessment Form (Form "C"). If Staff finds that a project will not have a significant effect on the environment, it shall recommend that a Negative Declaration be prepared and adopted by the decision-making body. If Staff finds that a project may have a significant effect on the environment, but the effects can be mitigated to a level of insignificance, it shall recommend that a Mitigated Negative Declaration be prepared and adopted by the decision-making body. If Staff finds that a project may have a significant effect on the environment, it shall recommend that an EIR be prepared and certified by the decision-making body.

5.22 FINAL DETERMINATION.

The Board of Directors shall have the final responsibility for determining whether an EIR, Negative Declaration or Mitigated Negative Declaration shall be required for any project. The Board of Directors' determination shall be final and conclusive on all persons, including Responsible Agencies and Trustee Agencies, except as provided in Section 15050(c) of the State CEQA Guidelines. Additionally, in the event the Board of Directors has delegated authority to a subsidiary board or official to approve a project, the Board of Directors also hereby delegates to that subsidiary board or official the authority to make all necessary CEQA determinations, including whether an EIR, Negative Declaration, Mitigated Negative Declaration or exemption shall be required for any project. A subsidiary board or official's CEQA determination shall be subject to appeal consistent with the District's established procedures for appeals.

(Reference: Pub. Resources Code, § 21151.)

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6. NEGATIVE DECLARATION

6.01 DECISION TO PREPARE A NEGATIVE DECLARATION.

A Negative Declaration (Form "E") shall be prepared for a project subject to CEQA when the Initial Study shows that there is no substantial evidence in light of the whole record that the project may have a significant or potentially significant adverse effect on the environment. (See Local Guidelines Sections 11.65 and 11.71.)

(Reference: State CEQA Guidelines, § 15070(a).)

6.02 DECISION TO PREPARE A MITIGATED NEGATIVE DECLARATION.

A Mitigated Negative Declaration (Form "E") shall be prepared for a project subject to CEQA when the Initial Study identifies potentially significant effects on the environment, but:

(a) The project applicant has agreed to revise the project or the District can revise the project to avoid these significant effects or to mitigate the effects to a point where it is clear that no significant effects would occur; or
(b) There is no substantial evidence in light of the whole record before the District that the revised project may have a significant effect.

It is insufficient to require an applicant to adopt mitigation measures after final adoption of the Mitigated Negative Declaration or to state that mitigation measures will be recommended on the basis of a future study. The District must know the measures at the time the Mitigated Negative Declaration is adopted in order for them to be evaluated and accepted as adequate mitigation. Evidence of agreement by the applicant to such mitigation should be in the record prior to public review. Except where noted, the procedural requirements for the preparation and approval of a Negative Declaration and Mitigated Negative Declaration are the same.

(Reference: State CEQA Guidelines, § 15070(b).)

6.03 CONTRACTING FOR PREPARATION OF NEGATIVE DECLARATION OR MITIGATED NEGATIVE DECLARATION.

The District, when acting as Lead Agency, is responsible for preparing all documents required pursuant to CEQA. The documents may be prepared by Staff or by private consultants pursuant to a contract with the District, but they must be the District's product and reflect the independent judgment of the District.

6.04 NOTICE OF INTENT TO ADOPT A NEGATIVE DECLARATION OR MITIGATED NEGATIVE DECLARATION.

When, based upon the Initial Study, it is recommended to the decision-making body that a Negative Declaration or Mitigated Negative Declaration be adopted, a Notice of Intent to Adopt a Negative Declaration or Mitigated Negative Declaration (Form "D") shall be prepared. In addition to being provided to the public through the means set forth in Local Guidelines Section 6.07, this Notice shall also be provided to:

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(a) Each Responsible and Trustee Agency;
(b) Any other federal, state, or local agency that has jurisdiction by law or exercises authority over resources affected by the project, including:

(1) Any water supply agency consulted under Local Guidelines Section 5.16;

(2) Any city or county bordering on the project area;

(3) For a project of statewide, regional, or area-wide significance, to any transportation agencies or public agencies which have major local arterials or public transit facilities within five (5) miles of the project site or freeways, highways, or rail transit service within ten (10) miles of the project site which could be affected by the project; and

(4) For a subdivision project located within one mile of a facility of the State Water Resources Development System, to the California Department of Water Resources;

(c) The last known name and address of all organizations and individuals who have previously filed a written request with the District to receive these Notices;
(d) For certain projects that may impact a low-level flight path, military impact zone, or special use airspace and that meet the other criteria of Local Guidelines Section 6.05, to the specified military services contact;
(e) For certain projects that involve the construction or alteration of a facility anticipated to include hazardous air emissions or handle hazardous substances within one-quarter mile of a school and that meet the other requirements of Local Guidelines Section 6.06, to any potentially affected school district;
(f) For certain waste-burning projects that meet the requirements of Local Guidelines Section 5.11 (regarding mandatory preparation of EIR) (see also Local Guidelines Section 7.27), to the owners and occupants of property within one-fourth mile of any parcel on which the project will be located; and
(g) For a project that establishes or amends a redevelopment plan that contains land in agricultural use, notice shall be provided to the agricultural and farm agencies and organizations specified in Health and Safety Code section 33333.3.

The Notice of Intent must also be posted to the Lead Agency's website, if any. (Pub. Resources Code, § 21092.2(d).) Additionally, for a project of statewide, regional, or area-wide significance, the Lead Agency should also consult with public transit agencies with facilities within one-half mile of the proposed project.

A copy of the proposed Negative Declaration or Mitigated Negative Declaration and the Initial Study shall be attached to the Notice of Intent to Adopt that is sent to every Responsible Agency and Trustee Agency concerned with the project and every other public agency with jurisdiction by law over resources affected by the project.

The public review period for a Negative Declaration or Mitigated Negative Declaration shall not be less than twenty (20) days; the public review period shall be at least thirty (30) days where the Negative Declaration or Mitigated Negative Declaration is for a proposed project where

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(1) a state agency is the lead agency, a responsible agency, or a trustee agency; (2) a state agency otherwise has jurisdiction by law with respect to the project; or (3) the proposed project is of sufficient statewide, regional, or area-wide significance as determined pursuant to State CEQA Guidelines section 15206. The Lead Agency shall give notice of the public review period by filing and posting a Notice of Intent to Adopt a Negative Declaration (Form "D") with the County Clerk before commencement of the public review period; where a public review period of at least 30 days is required, the Lead Agency shall also electronically submit the Notice of Intent to the State Clearinghouse. (Pub. Resources Code, § 21091.)

For purposes of calculating the length of the public review period, the last day of the public review period cannot fall on a weekend, a legal holiday, or other day on which the lead agency's offices are closed.[1] (Reference: *Rominger v. County of Colusa* (2014) 229 Cal.App.4th 690, 708.)

The District requires requests for notices to be in writing and to be renewed annually. If the District is not otherwise required by CEQA or another regulation to provide notice, the District may charge a fee for providing notices to individuals or organizations that have submitted written requests to receive such notices, unless the request is made by another public agency.

If the Negative Declaration or Mitigated Negative Declaration has been submitted to the State Clearinghouse for review by state agencies, the public review period shall be at least as long as the period of review and comment by state agencies. (See Local Guidelines Section 6.10.) Day one of the state agency review period shall be the date that the State Clearinghouse distributes the Negative Declaration or Mitigated Negative Declaration to state agencies.

The Notice of Intent to Adopt a Negative Declaration or Mitigated Negative Declaration shall contain the following information:

(a) The period during which comments shall be received;
(b) The date, time and place of any public meetings or hearings on the proposed project;
(c) A brief description of the proposed project and its location;
(d) The address where copies of the proposed Negative Declaration or Mitigated Negative Declaration and all documents incorporated by reference in the proposed Negative Declaration or Mitigated Negative Declaration are available for review;
(e) A description of how the proposed Negative Declaration or Mitigated Negative Declaration can be obtained in electronic format;
(f) The Environmental Protection Agency ("EPA") list on which the proposed project site is located, if applicable, and the corresponding information from the applicant's statement (see Local Guidelines Section 2.05); and
(g) The significant effects on the environment, if any, anticipated as a result of the proposed project.

[1] A public agency's "offices are closed" for purposes of this section on days in which the agency is formally closed for business (for example, due to a weekend, a legal holiday, or a formal furlough affecting the entire office). A public agency's office is not considered closed for purposes of this section where the agency's office may be physically closed, but the agency is nonetheless open for business and is operating remotely or virtually (for example, in response to the Covid-19 pandemic).

(Reference: Pub. Resources Code, §§ 21082.1, 21091, 21161; State CEQA Guidelines, §§ 15072, 15105, 15205.)

6.05 PROJECTS AFFECTING MILITARY SERVICES; DEPARTMENT OF DEFENSE NOTIFICATION.

CEQA imposes additional requirements to provide notice to potentially affected military agencies when:

(a) The project meets one of the following three criteria:

(1) The project includes a general plan amendment;

(2) The project is of statewide, regional, or area-wide significance; or

(3) The project relates to a public use airport or certain lands surrounding a public use airport; and

(b) A "military service" (defined in Section 11.44 of these Local Guidelines) has provided its contact office and address and notified the Lead Agency of the specific boundaries of a "low-level flight path" (defined in Section 11.38 of these Local Guidelines), "military impact zone" (defined in Section 11.43 of these Local Guidelines), or "special use airspace" (defined in Section 11.69 of these Local Guidelines).

When a project meets these requirements, the District must provide the military service's designated contact with a copy of the Notice of Intent to Adopt a Negative Declaration or Mitigated Negative Declaration that has been prepared for the project, unless the project involves the remediation of lands contaminated with hazardous wastes and meets certain other requirements. (Reference: Pub. Resources Code, §§ 21080.4 and 21092; Health & Safety Code, §§ 25300, et seq., 25396, and 25187.)

The District must provide the military service with sufficient notice of its intent to adopt a Negative Declaration or Mitigated Negative Declaration to ensure that the military service has no fewer than twenty (20) days to review the documents before they are approved, provided that the military service shall have a minimum of thirty (30) days to review the environmental documents if the documents have been submitted to the State Clearinghouse.

(Reference: State CEQA Guidelines, §§ 15105(b), 15190.5(c).)

6.06 SPECIAL FINDINGS REQUIRED FOR FACILITIES THAT MAY EMIT HAZARDOUS AIR EMISSIONS NEAR SCHOOLS.

Special procedural rules apply to projects involving the construction or alteration of a facility within one-quarter mile of a school/schools when: (1) the facility might reasonably be anticipated to emit hazardous air emissions or to handle an extremely hazardous substance or a mixture containing extremely hazardous substances in a quantity equal to or greater than the threshold specified in Health and Safety Code section 25532(j), and (2) the emissions or substances may pose a health or safety hazard to persons who would attend or would be employed at the

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school. If the project meets both of those criteria, a Lead Agency may not approve a Negative Declaration or a Mitigated Negative Declaration unless both of the following have occurred:

(a) The Lead Agency consulted with the affected school district or districts having jurisdiction over the school regarding the potential impact of the project on the school; and
(b) The school district(s) was given written notification of the project not less than thirty (30) days prior to the proposed approval of the Negative Declaration.

When the District is considering the adoption of a Negative Declaration or Mitigated Negative Declaration for a project that meets these criteria, it can satisfy this requirement by providing the Notice of Intent to Adopt a Negative Declaration or Mitigated Negative Declaration, the proposed Negative Declaration or Mitigated Negative Declaration, and the Initial Study to the potentially affected school district at least thirty (30) days before the decision-making body will consider the adoption of the Negative Declaration or Mitigated Negative Declaration. See also Local Guidelines Section 6.04.

Implementation of this Guideline shall be consistent with the definitions and terms utilized in State CEQA Guidelines section 15186.

6.07 CONSULTATION WITH CALIFORNIA NATIVE AMERICAN TRIBES.

Prior to the release of a Notice of Intent to Adopt a Negative Declaration or Mitigated Negative Declaration for a project, the Lead Agency shall begin consultation with a California Native American tribe that is traditionally and culturally affiliated with the geographic area of the proposed project if:

(a) The California Native American tribe requested to the Lead Agency, in writing, to be informed by the Lead Agency through formal notification of proposed projects in the geographic area that is traditionally and culturally affiliated with the tribe; and

(b) The California Native American tribe responds, in writing, within 30 days of receipt of the formal notification, and requests the consultation. The California Native American tribe shall designate a lead contact person when responding to the Lead Agency. If a lead contact is not designated by the California Native American tribe, or it designates multiple lead contact people, the Lead Agency shall defer to the individuals listed on the contact list maintained by the Native American Heritage Commission. Consultation is defined in Local Guidelines Section 11.11.

To expedite the requirements of this section, the Native American Heritage Commission shall assist the Lead Agency in identifying the California American Native tribes that are traditionally and culturally affiliated with the project area.

Within 14 days of determining that an application for a project is complete or a decision by a public agency to undertake a project, the Lead Agency shall provide formal notification to the designated contact of, or a trial representative of, traditionally and culturally affiliated California Native America tribes that have requested notice, which shall be accomplished by at least one written notification that includes a brief description of the proposed project and its location, the Lead Agency contact information, and a notification that the California Native

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American tribe has 30 days to request consultation. Where the application for a housing development project is deemed to be complete on or after March 4, 2020 and before December 31, 2021, the California Native American tribe shall have 60 days to respond to the Lead Agency and request consultation. (Reference: Gov. Code, § 65583(i).)

The Lead Agency shall begin the consultation process within 30 days of receiving a California Native American tribe's request for consultation.

If consultation is requested, the parties may propose mitigation measures, including those set forth in Public Resources Code section 21084.3, capable of avoiding or substantially lessening potential significant impacts to a tribal cultural resource or alternatives that would avoid significant impacts to a tribal cultural resource. The consultation may include discussion concerning the type of environmental review necessary, the significance of tribal cultural resources, the significance of the project's impacts on the tribal cultural resources, and, if necessary, project alternatives or the appropriate measures for preservation or mitigation that the California Native American tribe may recommend to the Lead Agency.

The consultation shall be considered concluded when either of the following occurs:

(1) The parties agree to measures to mitigate or avoid a significant effect, if a significant effect exists, on a tribal cultural resource.

(2) A party, acting in good faith and after reasonable effort, concludes that mutual agreement cannot be reached.

The California Native American tribe is not limited in its ability to submit information to the lead agency regarding the significance of the tribal cultural resources, the significance of the project's impact on tribal cultural resources, or any appropriate measures to mitigate the impacts. Additionally, the lead agency or project proponent is not limited in its ability to incorporate changes and additions to the project as a result of the consultation, even if not legally required.

(Reference: Pub. Resources Code, §§ 21080.3.1, 21080.3.2.)

6.08 IDENTIFICATION OF TRIBAL CULTURAL RESOURCES AND PROCESSING OF INFORMATION AFTER CONSULTATION WITH THE CALIFORNIA NATIVE AMERICAN TRIBE

After consultation with the California Native American tribe listed above in Local Guidelines Section 6.07, any mitigation measures agreed upon in the consultation conducted pursuant to Public Resources Code section 21080.3.2 shall be recommended for inclusion in the Mitigated Negative Declaration and in an adopted mitigation monitoring and reporting program, if the mitigation measures are determined to avoid or lessen the proposed project's impacts on tribal cultural resources, and if the mitigation measures are enforceable.

If a project may have a significant impact on a tribal cultural resource, the Lead Agency's Mitigated Negative Declaration shall discuss both of the following:

(a) Whether the proposed project has a significant impact on an identified tribal cultural resource;

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(b) Whether feasible alternatives or mitigation measures, including those measures that may be agreed to during the consultation, avoid or substantially lessen the impact on the identified tribal cultural resource.

Any information provided regarding the location, description and use of the tribal cultural resource that is submitted by a California Native American tribe during the environmental review process shall not be included in the Negative Declaration or Mitigated Negative Declaration or otherwise disclosed by the Lead Agency or any other public agency to the public, consistent with Government Code section 7927.005, and State CEQA Guidelines section 15120(d), without the prior consent of the tribe that provided the information. If the Lead Agency publishes any information submitted by a California Native American tribe during the consultation or environmental review process, that information shall be published in a confidential appendix to the Negative Declaration or Mitigated Negative Declaration unless the tribe provides consent, in writing, to the disclosure of some or all of the information to the public. This does not prohibit the confidential exchange of the submitted information between public agencies that have lawful jurisdiction over the preparation of the Negative Declaration or the Mitigated Negative Declaration.

The exchange of confidential information regarding tribal cultural resources submitted by a California Native American tribe during the consultation or environmental review process among the Lead Agency, the California Native American tribe, the project applicant, or the project applicant's agent is not prohibited by Public Resources Code section 21082.3. The project applicant and the project applicant's legal advisers must use a reasonable degree of care and maintain the confidentiality of the information exchanged for the purposes of preventing looting, vandalism, or damage to tribal cultural resources and shall not disclose to a third party confidential information regarding the cultural resource unless the California Native American tribe providing the information consents in writing to the public disclosure of such information.

Public Resources Code section 21082.3 does not prevent a Lead Agency or other public agency from describing the information in general terms in the Negative Declaration or Mitigated Negative Declaration so as to inform the public of the basis of the Lead Agency's or other public agency's decision without breaching the confidentiality required. In addition, a Lead Agency may adopt a Mitigated Negative Declaration for a project with a significant impact on an identified tribal cultural resource only if one of the following occurs:

(a) The consultation process between the California Native American tribe and the Lead Agency has occurred as provided in Public Resources Code sections 21080.3.1 and 21080.3.2 and concluded pursuant to subdivision (b) of Section 21080.3.2.

(b) The California Native American tribe has requested consultation pursuant to Public Resources Code section 21080.3.1 and has failed to provide comments to the Lead agency, or otherwise failed to engage, in the consultation process.

(c) The Lead Agency has complied with subdivision (d) of Section 21080.3.1 of the Public Resources Code and the California Native American tribe has failed to request consultation within 30 days.

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If substantial evidence demonstrates that a project will cause a significant effect to a tribal cultural resource but the decision-makers do not include the mitigation measures recommended by the staff in the Mitigated Negative Declaration, or if there are no agreed upon mitigation measures at the conclusion of the consultation; or if no consultation has occurred, the Lead Agency must still consider the adoption of feasible mitigation.

(Reference: Pub. Resources Code, § 21082.3.)

6.09 SIGNIFICANT ADVERSE IMPACTS TO TRIBAL CULTURAL RESOURCES

Public agencies shall, when feasible, avoid damaging effects to any tribal cultural resource. If the Lead Agency determines that a project may cause a substantial adverse change to a tribal cultural resource, and measures are not otherwise identified in the consultation process provided in Public Resources Code section 21080.3.2 and as set forth in Local Guidelines Section 6.07, the following examples of mitigation measures, if feasible, may be considered to avoid or minimize the significant adverse impacts:

(a) Avoidance and preservation of the resources in place, including, but not limited to, planning and construction to avoid the resources and protect the cultural and natural context, or planning greenspace, parks, or other open space, to incorporate the resources with culturally appropriate protection and management criteria.

(b) Treating the resource with culturally appropriate dignity taking into account the tribal cultural values and meaning of the resource, including, but not limited to, the following:

(1) Protecting the cultural character and integrity of the resource.

(2) Protecting the traditional use of the resource.

(3) Protecting the confidentiality of the resource.

(c) Permanent conservation easements or other interests in real property, with culturally appropriate management criteria for the purposes of preserving or utilizing the resources or places.

(d) Protecting the resource.

(Reference: Pub. Resources Code, § 21084.3.)

6.10 POSTING AND PUBLICATION OF NEGATIVE DECLARATION OR MITIGATED NEGATIVE DECLARATION.

The District shall have a copy of the Notice of Intent to Adopt, the Negative Declaration or Mitigated Negative Declaration, and the Initial Study posted at the District's offices and on the District's website, if any, and shall make these documents available for public inspection. The Notice must be provided either twenty (20) or thirty (30) days prior to final adoption of the Negative Declaration or Mitigated Negative Declaration. The public review period for a Negative

Declaration or Mitigated Negative Declaration prepared for a project subject to state agency review, as set forth in Local Guidelines Section 6.11, must be circulated for at least as long as the review period established by the State Clearinghouse, usually no less than thirty (30) days. Under certain circumstances, a shortened review period of at least twenty (20) days may be approved by the State Clearinghouse as provided for in State CEQA Guidelines section 15105. See the Shortened Review Request Form "P." The state review period will commence on the date the State Clearinghouse distributes the document to state agencies. The State Clearinghouse will distribute the document within three (3) days of receipt if the Negative Declaration or Mitigated Negative Declaration is deemed complete.

The Notice must also be posted in the office of the Clerk in each county in which the project is located and must remain posted throughout the public review period. The County Clerk is required to post the Notice within twenty-four (24) hours of receiving it.

Notice shall be provided as stated in Local Guidelines Section 6.04. In addition, Notice of the Intent to Adopt shall be given to the last known name and address of all organizations and individuals who have previously requested notice; by posting the notice on the website of the lead agency; and by at least one of the following procedures:

(a) Publication at least once in a newspaper of general circulation in the area affected by the proposed project. If more than one area will be affected, the notice shall be published in the newspaper of largest circulation from among the newspapers of general circulation in those areas;
(b) Posting of notice on and off site in the area where the project is to be located; or
(c) Direct mailing to owners and occupants of property contiguous to the project, as shown on the latest equalized assessment roll.

The District, when acting as Lead Agency, shall consider all comments received during the public review period for the Negative Declaration or Mitigated Negative Declaration. For a Negative Declaration or Mitigated Negative Declaration, the District is not required to respond in writing to comments it receives either during or after the public review period. However, the District may provide a written response to all comments if it will not delay action on the Negative Declaration or Mitigated Negative Declaration, since any comment received prior to final action on the Negative Declaration or Mitigated Negative Declaration can form the basis of a legal challenge. A written response that refutes the comment or adequately explains the District's action in light of the comment will assist the District in defending against a legal challenge. The District shall notify any public agency that comments on a Negative Declaration or Mitigated Negative Declaration of the public hearing or hearings, if any, on the project for which the Negative Declaration or Mitigated Negative Declaration was prepared.

(Reference: Pub. Resources Code, § 21092; State CEQA Guidelines, §§ 15072-15073.)

6.11 SUBMISSION OF NEGATIVE DECLARATION OR MITIGATED NEGATIVE DECLARATION TO STATE CLEARINGHOUSE.

A Negative Declaration or Mitigated Negative Declaration must be submitted to the State Clearinghouse, in an electronic form as required by the Office of Land Use and Climate Innovation

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("LCI"), regardless of whether the document must be circulated for review and comment by state agencies under State CEQA Guidelines section 15205 and 15206. The Negative Declaration or Mitigated Negative Declaration must be submitted via LCI's CEQA Submit website (https://ceqasubmit.lci.ca.gov/). The CEQA Submit website differentiates between environmental documents that do require review and comment by state agencies and those that do not. In particular, the website provides a "Local Review Period" tab for submitting documents that do not require review and comment by state agencies, and a "State Review Period" tab for submitting documents that do require review and comment by state agencies.

A Negative Declaration or Mitigated Negative Declaration must be submitted to the State Clearinghouse for review and comment by state agencies (i.e., a Negative Declaration or Mitigated Negative Declaration must be submitted through the CEQA Submit website under the "State Review Period" tab) in the following situations:

(a) The Negative Declaration or Mitigated Negative Declaration is prepared by a Lead Agency that is a state agency;
(b) The Negative Declaration or Mitigated Negative Declaration is prepared by a public agency where a state agency is a Responsible Agency, Trustee Agency, or otherwise has jurisdiction by law with respect to the project; or
(c) The Negative Declaration or Mitigated Negative Declaration is for a project identified in State CEQA Guidelines section 15206 as being of statewide, regional, or area-wide significance.

State CEQA Guidelines section 15206 identifies the following types of projects as being examples of projects of statewide, regional, or area-wide significance that require submission to the State Clearinghouse for circulation:

(1) Projects that have the potential to cause significant environmental effects beyond the city or county where the project would be located, such as:

    (a) Residential development of more than 500 units;
    (b) Commercial projects employing more than 1,000 persons or covering more than 500,000 square feet of floor space;
    (c) Office building projects employing more than 1,000 persons or covering more than 250,000 square feet of floor space;
    (d) Hotel or motel development of more than 500 rooms; or
    (e) Industrial projects housing more than 1,000 persons, occupying more than 40 acres of land, or covering more than 650,000 square feet of floor area;

(2) Projects for the cancellation of a Williamson Act contract covering 100 or more acres;

(3) Projects in one of the following Environmentally Sensitive Areas:

    (a) Lake Tahoe Basin;
    (b) Santa Monica Mountains Zone;
    (c) Sacramento-San Joaquin River Delta;
    (d) Suisun Marsh;

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(e) Coastal Zone, as defined by the California Coastal Act;
(f) Areas within one-quarter mile of a river designated as wild and scenic; or
(g) Areas within the jurisdiction of the San Francisco Bay Conservation and Development Commission;

(4) Projects that would affect sensitive wildlife habitats or the habitats of any rare, threatened, or endangered species;

(5) Projects that would interfere with water quality standards; and

(6) Projects that would provide housing, jobs, or occupancy for 500 or more people within 10 miles of a nuclear power plant.

A Negative Declaration or Mitigated Negative Declaration may also be submitted to the State Clearinghouse for circulation if a state agency has special expertise with regard to the environmental impacts involved.

The public review period for a Negative Declaration or a Mitigated Negative Declaration shall not be less than twenty (20) days. The review period, however, shall be at least thirty (30) days if the Negative Declaration or Mitigated Negative Declaration is for a proposed project where a state agency is the lead agency, a responsible agency, or a trustee agency; a state agency otherwise has jurisdiction by law with respect to the project; or the proposed project is of sufficient statewide, regional, or areawide significance as determined pursuant to the guidelines certified and adopted pursuant to State CEQA Guidelines section 15206. When the Negative Declaration or Mitigated Negative Declaration is submitted to the State Clearinghouse for state agency review, the review period begins (day one) on the date that the State Clearinghouse distributes the Negative Declaration or Mitigated Negative Declaration to state agencies. The State Clearinghouse is required to distribute the Negative Declaration or Mitigated Negative Declaration to state agencies within three (3) working days from the date the State Clearinghouse receives the document, as long as the Negative Declaration or Mitigated Negative Declaration is complete when submitted to the State Clearinghouse. If the document submitted to the State Clearinghouse is not complete, the State Clearinghouse must notify the Lead Agency. The review period for the public and all other agencies may run concurrently with the state agency review period established by the State Clearinghouse, but the public review period cannot conclude before the state agency review period does. The review period for the public shall be at least as long as the review period established by the State Clearinghouse.

A shorter review period by the State Clearinghouse for a Negative Declaration or Mitigated Negative Declaration can be requested by the decision-making body. The shortened review period shall not be less than twenty (20) days. Such a request must be made in writing by the Lead Agency to LCI. The decision-making body may designate by resolution or ordinance an individual authorized to request a shorter review period. (See Form "P"). Any approval of a shortened review period must be given prior to, and reflected in, the public notice. However, a shortened review period shall not be approved by LCI for any proposed project of statewide, regional or areawide environmental significance, as defined by State CEQA Guidelines section 15206.

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When the Lead Agency completes its Negative Declaration or Mitigated Negative Declaration for a proposed project, the Lead Agency must also cause a Notice of Completion (Form "H") to be filed with the Office of Land Use and Climate Innovation via its CEQA Submit website. The Notice of Completion should briefly identify the project, indicate that an environmental document has been prepared for the project, and identify the project location by latitude and longitude.

The Lead Agency must post the Notice of Intent, Notice of Completion, and Negative Declaration or Mitigated Negative Declaration on its website, if any.

(Reference: Pub. Resources Code, §§ 21082.1, 21161; State CEQA Guidelines, §§ 15205, 15206.)

6.12 SPECIAL NOTICE REQUIREMENTS FOR WASTE- AND FUEL-BURNING PROJECTS.

For any project that involves the burning of municipal waste, hazardous waste, or refuse-derived fuel (such as tires) and that does not require an EIR, as defined in Local Guidelines Section 5.11, a Notice of Intent to Adopt a Negative Declaration or Mitigated Negative Declaration shall be given to all organizations and individuals who have previously requested it and shall also be given by all three of the procedures listed in Local Guidelines Section 6.07. In addition, Notice shall be given by direct mailing to the owners and occupants of property within one-quarter mile of any parcel or parcels on which such a project is located.

These notice requirements apply only to those projects described in Local Guidelines Section 5.11. These notice requirements do not preclude the District from providing additional notice by other means if desired.

(Reference: Pub. Resources Code, § 21092(c).)

6.13 CONSULTATION WITH WATER AGENCIES REGARDING LARGE DEVELOPMENT PROJECTS.

Under specific circumstances a city or county acting as Lead Agency must consult with the public water system that will supply the project to determine whether the public water system can adequately supply the water needed for the project. As a Responsible Agency, the District should be aware of these requirements. See Local Guidelines Section 5.16 for more information on these requirements.

(Reference: State CEQA Guidelines, § 15155.)

6.14 CONTENT OF NEGATIVE DECLARATION OR MITIGATED NEGATIVE DECLARATION.

A Negative Declaration must be prepared directly by or under contract to the District and should generally resemble Form "E." It shall contain the following information:

(a) A brief description of the project proposed, including any commonly used name for the project;
(b) The location of the project and the name of the project proponent;

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(c) A finding that the project as proposed will not have a significant effect on the environment; and
(d) An attached copy of the Initial Study documenting reasons to support the finding.

For a Mitigated Negative Declaration, feasible mitigation measures included in the project to substantially lessen or avoid potentially significant effects must be fully enforceable through permit conditions, agreements, or other measures. Such permit conditions, agreements, and measures must be consistent with applicable constitutional requirements such as the "nexus" and "rough proportionality" standards established by case law.

The proposed Negative Declaration or Mitigated Negative Declaration must reflect the independent judgment of the District.

(Reference: State CEQA Guidelines, § 15071.)

6.15 TYPES OF MITIGATION.

The following is a non-exhaustive list of potential types of mitigation the District may consider:

(a) Avoidance;
(b) Preservation;
(c) Rehabilitation or replacement. Replacement may be on-site or off-site depending on the particular circumstances; and/or
(d) Participation in a fee program.

(Reference: State CEQA Guidelines, § 15370.)

6.16 ADOPTION OF NEGATIVE DECLARATION OR MITIGATED NEGATIVE DECLARATION.

Following the publication, posting or mailing of the Notice of Intent to Adopt a Negative Declaration or Mitigated Negative Declaration, but not before the expiration of the applicable twenty (20) or thirty (30) day public review period, the Negative Declaration or Mitigated Negative Declaration may be presented to the decision-making body at a regular or special meeting. Prior to adoption, the District shall independently review and analyze the Negative Declaration or Mitigated Negative Declaration and find that the Negative Declaration or Mitigated Negative Declaration reflects the independent judgment of the District.

If new information is added to the Negative Declaration or Mitigated Negative Declaration after public review, the District should determine whether recirculation is warranted. (See Local Guidelines Section 6.19). If the decision-making body finds that the project will not have a significant effect on the environment, it shall adopt the Negative Declaration or Mitigated Negative Declaration. If the decision-making body finds that the proposed project may have a significant effect on the environment that cannot be mitigated or avoided, it shall order the preparation of a Draft EIR and the filing of a Notice of Preparation of a Draft EIR.

When adopting a Negative Declaration or Mitigated Negative Declaration, the District shall specify the location and custodian of the documents or other material that constitute the

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record of proceedings upon which it based its decision. If adopting a Negative Declaration for a project that may emit hazardous air emissions within one-quarter mile of a school and that meets the other requirements of Local Guidelines Section 6.06, the decision-making body must also make the findings required by Local Guidelines Section 6.06.

As Lead Agency, the District may charge a non-elected official or body with the responsibility of independently reviewing the adequacy of and adopting a Negative Declaration or a Mitigated Negative Declaration. Any final CEQA determination made by a non-elected decisionmaker, however, is appealable to the District's Board of Directors within either (a) the time period set forth in the District's established process to appeal the non-elected decisionmaker's CEQA determination; or, if no such process exists, (2) ten (10) days of the non-elected decisionmaker's determination. If the non-elected decisionmaker's CEQA determination is not timely appealed as set forth herein, the non-elected decisionmaker's determination shall be final.

(Reference: State CEQA Guidelines, § 15074.)

6.17 MITIGATION REPORTING OR MONITORING PROGRAM FOR MITIGATED NEGATIVE DECLARATION.

When adopting a Mitigated Negative Declaration pursuant to Local Guidelines Section 6.13, the District shall adopt a reporting or monitoring program to assure that mitigation measures, which are required to mitigate or avoid significant effects on the environment, will be fully enforceable through permit conditions, agreements, or other measures and implemented by the project proponent or other responsible party in a timely manner, in accordance with conditions of project approval. The District shall also specify the location and the custodian of the documents that constitute the record of proceedings upon which it based its decision. There is no requirement that the reporting or monitoring program be circulated for public review; however, the District may choose to circulate it for public comments along with the Mitigated Negative Declaration. The mitigation measures required to mitigate or avoid significant effects on the environment must be adopted as conditions of project approval.

This reporting or monitoring program shall be designed to assure compliance during the implementation or construction of a project and shall otherwise comply with the requirements described in Local Guidelines Section 7.38. If a Responsible Agency or Trustee Agency has required that certain conditions be incorporated into the project, the District may request that agency to prepare and submit a proposed reporting or monitoring program. The District shall also require that, prior to the close of the public review period for a Mitigated Negative Declaration (see Local Guidelines Section 6.04), the Responsible or Trustee Agency submit detailed performance objectives for mitigation measures, or refer the District to appropriate, readily available guidelines or reference documents. Any mitigation measures submitted to the District by a Responsible or Trustee Agency shall be limited to measures that mitigate impacts to resources that are within the Responsible or Trustee Agency's authority.

Local agencies have the authority to levy fees sufficient to pay for this program. Therefore, the District can charge the project proponent a fee to cover actual costs of program processing and implementation.

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Transportation information resulting from the reporting or monitoring program required to be adopted by the District shall be submitted to the regional transportation planning agency where the project is located and to the Department of Transportation for a project of statewide, regional or area-wide significance according to State CEQA Guidelines section 15206. The transportation planning agency and the Department of Transportation are required by law to adopt guidelines for the submittal of these reporting or monitoring programs, so the District may wish to tailor its submittal to such guidelines.

(Reference: State CEQA Guidelines, §§ 15074, 15097.)

6.18 APPROVAL OR DISAPPROVAL OF PROJECT.

At the time of adoption of a Negative Declaration or Mitigated Negative Declaration, the decision-making body may consider the project for purposes of approval or disapproval. Prior to approving the project, the decision-making body shall consider the Negative Declaration or Mitigated Negative Declaration, together with any written comments received and considered during the public review period, and shall approve or disapprove the Negative Declaration or Mitigated Negative Declaration. In making a finding as to whether there is any substantial evidence that the project will have a significant effect on the environment, the factors listed in Local Guidelines Section 5.08 should be considered. (See Local Guidelines Section 6.06 for approval requirements for facilities that may emit hazardous pollutants or that may handle extremely hazardous substances within one-quarter mile of a school site.)

(Reference: State CEQA Guidelines, § 15092.)

6.19 RECIRCULATION OF A NEGATIVE DECLARATION OR MITIGATED NEGATIVE DECLARATION.

A Negative Declaration or Mitigated Negative Declaration must be recirculated when the document must be substantially revised after the public review period but prior to its adoption. A "substantial revision" occurs when the District has identified a new and avoidable significant effect for which mitigation measures or project revisions must be added in order to reduce the effect to a level of insignificance, or when the District determines that the proposed mitigation measures or project revisions will not reduce the potential effects to less than significant and new measures or revisions must be required.

Recirculation is not required under the following circumstances:

(a) Mitigation measures are replaced with equal or more effective measures, and the District makes a finding to that effect;
(b) New project revisions are added after circulation of the Negative Declaration or Mitigated Negative Declaration or in response to written or oral comments on the project's effects, but the revisions do not create new significant environmental effects and are not necessary to mitigate an avoidable significant effect;
(c) Measures or conditions of project approval are added after circulation of the Negative Declaration or Mitigated Negative Declaration, but the measures or conditions are not required by CEQA, do not create new significant environmental effects, and are not necessary to mitigate an avoidable significant effect; or

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(d) New information is added to the Negative Declaration or Mitigated Declaration which merely clarifies, amplifies, or makes insignificant modifications to the Negative Declaration or Mitigated Negative Declaration.

If, after preparation of a Negative Declaration or Mitigated Negative Declaration, the District determines that the project requires an EIR, it shall prepare and circulate the Draft EIR for consultation and review and advise reviewers in writing that a proposed Negative Declaration or Mitigated Declaration had previously been circulated for the project.

(Reference: State CEQA Guidelines, § 15073.5.)

6.20 NOTICE OF DETERMINATION ON A PROJECT FOR WHICH A PROPOSED NEGATIVE OR MITIGATED NEGATIVE DECLARATION HAS BEEN APPROVED.

After final approval of a project for which a Negative Declaration or Mitigated Negative Declaration has been prepared, Staff shall cause to be prepared, filed, and posted a Notice of Determination (Form "F"). The Notice of Determination shall contain the following information:

(a) An identification of the project, including the project title as identified on the proposed Negative Declaration or Mitigated Negative Declaration, location, and the State Clearinghouse identification number for the proposed Negative Declaration or Mitigated Negative Declaration if the Notice of Determination is filed with the State Clearinghouse;
(b) For private projects, identification of the person undertaking a project that is supported, in whole or in part, through contracts, grants, subsidies, loans, or other forms of assistance from one or more public agencies or the identity of the person receiving a lease, permit, license, certificate, or other entitlement for use from one or more public agencies;
(c) A brief description of the project;
(d) The name of the District and the date on which the District approved the project;
(e) The determination of the District that the project will not have a significant effect on the environment;
(f) A statement that a Negative Declaration or Mitigated Negative Declaration was adopted pursuant to the provisions of CEQA;
(g) A statement indicating whether mitigation measures were made a condition of the approval of the project, and whether a mitigation monitoring plan/program was adopted; and
(h) The address where a copy of the Negative Declaration or Mitigated Negative Declaration may be examined.

The Notice of Determination shall be filed within five (5) working days of project approval with both (1) the Clerk of each county in which the project will be located; and (2) the State Clearinghouse of the Office of Land Use and Climate Innovation.

The District must also post the Notice of Determination on its website. Such electronic notice is in addition to the posting requirements of the State CEQA Guidelines and the Public Resources Code. The Clerk must post the Notice of Determination within twenty-four (24) hours of receipt. The Notice must be posted in the office of the Clerk for a minimum of thirty (30) days. Thereafter, the Clerk shall return the notice to the District with a notation of the period it was posted. The District shall retain the notice for not less than twelve (12) months. For projects with

more than one phase, Staff shall file a Notice of Determination for each phase requiring a discretionary approval.

The filing and posting of the Notice of Determination with the County Clerk usually starts a thirty (30) day statute of limitations on court challenges to the approval under CEQA. When separate notices are filed for successive phases of the same overall project, the thirty (30) day statute of limitations to challenge the subsequent phase begins to run when the subsequent notice is filed. Failure to file the Notice may result in a one hundred eighty (180) day statute of limitations.

(Reference: State CEQA Guidelines, § 15075.)

6.21 ADDENDUM TO NEGATIVE DECLARATION OR MITIGATED NEGATIVE DECLARATION.

The District may prepare an addendum to an adopted Negative Declaration or Mitigated Negative Declaration if only minor technical changes or additions are necessary. The District may also prepare an addendum to an adopted Negative Declaration or Mitigated Negative Declaration when none of the conditions calling for a subsequent Negative Declaration or Mitigated Negative Declaration have occurred. (See Local Guidelines Section 6.22 below.) An addendum need not be circulated for public review but can be attached to the adopted Negative Declaration or Mitigated Negative Declaration. The District shall consider the addendum with the adopted Negative Declaration or Mitigated Negative Declaration prior to project approval.

(Reference: State CEQA Guidelines, § 15164.)

6.22 SUBSEQUENT NEGATIVE DECLARATION OR MITIGATED NEGATIVE DECLARATION.

When a Negative Declaration or Mitigated Negative Declaration has been adopted for a project, or when an EIR has been certified, no subsequent Negative Declaration, Mitigated Negative Declaration, or EIR shall be prepared for that project unless the Lead Agency determines, on the basis of substantial evidence in the light of the whole record, one or more of the following:

(a) Substantial changes are proposed in the project which will require major revisions of the previous EIR, Negative Declaration, or Mitigated Negative Declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; or

(b) Substantial changes occur with respect to the circumstances under which the project is undertaken which will require major revisions of the previous EIR, Negative Declaration, or Mitigated Negative Declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; or

(c) New information of substantial importance which was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was certified or the Negative Declaration was adopted which shows any of the following:

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(1) The project will have one or more significant effects not discussed in the previous EIR or Negative Declaration;

(2) Significant effects previously examined will be substantially more severe than shown in the previous EIR;

(3) Mitigation measure(s) or alternative(s) previously found not to be feasible would in fact be feasible and would substantially reduce one or more significant effects of the project, but the project proponents declined to adopt the mitigation measure(s) or alternative(s); or

(4) Mitigation measure(s) or alternative(s) which are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects on the environment, but the project proponents decline to adopt the mitigation measure(s) or alternative(s).

The District, as Lead Agency, would then determine whether a Subsequent EIR, Supplemental EIR, Subsequent Negative Declaration, Subsequent Mitigated Negative Declaration, or Addendum would be applicable. Subsequent Negative Declarations and Mitigated Negative Declarations must be given the same notice and public review period as other Negative Declarations. The Subsequent Negative Declaration shall state where the previous document is available and can be reviewed.

(Reference: State CEQA Guidelines, § 15162.)

6.23 PRIVATE PROJECT COSTS.

For private projects, the person or entity proposing to carry out the project shall bear all costs incurred by the District in preparing the Initial Study and in preparing and filing the Negative Declaration or Mitigated Negative Declaration and Notice of Determination.

6.24 FILING FEES FOR PROJECTS THAT AFFECT WILDLIFE RESOURCES.

At the time a Notice of Determination for a Negative Declaration or Mitigated Negative Declaration is filed with the County or Counties in which the project is located, a fee of $3,043.75, or the then applicable fee, shall be paid to the Clerk for projects that will adversely affect fish or wildlife resources. These fees are collected by the Clerk on behalf of DFW pursuant to Fish and Game Code section 711.4.

Only one filing fee is required for each project unless the project is tiered or phased and separate environmental documents are prepared. (Fish & Game Code section 711.4(g).) For projects where Responsible Agencies file separate Notices of Determination, only the Lead Agency is required to pay the fee.

Note: County Clerks are authorized to charge a documentary handling fee for each project in addition to the Fish and Game Code fees specified above. Refer to the Index in the Staff Summary to help determine the correct total amount of fees applicable to the project.

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For private projects, the District may pass these costs on to the project applicant.

Fish and Game Code fees may be waived for projects with "no effect" on fish or wildlife resources or for certain projects undertaken by the DFW and implemented through a contract with a non-profit entity or local government agency; however, the Lead Agency must obtain a form showing that the DFW has determined that the project will have "no effect" on fish and wildlife. (Fish and Game Code section 711.4(c)(2)(A)). Projects that are statutorily or categorically exempt from CEQA are also not subject to the filing fee, and do not require a no effect determination. (State CEQA Guidelines sections 15260 through 15333; Fish and Game Code section 711.4(d)(1)). The applicable DFW Regional Office's environmental review and permitting staff are responsible for determining whether a project within their region will qualify for a no effect determination and if the CEQA filing fee will be waived.

The request should be submitted when the CEQA document is released for public review, or as early as possible in the public comment period. Documents submitted in digital format are preferred (e.g. compact disk). If insufficient documentation is submitted to DFW for the proposed project, a no effect determination will not be issued.

If the District believes that a project for which it is Lead Agency will have "no effect" on fish or wildlife resources, it should contact the appropriate DFW Regional Office. The project's CEQA document may need to be provided to the appropriate DFW Regional Office along with a written request. Documentation submitted to the appropriate DFW Regional Office should set forth facts in support of the fee exemption. Previous examples of projects that have qualified for a fee exemption include: minor zoning changes that did not lead to or allow new construction, grading, or other physical alterations to the environment; and minor modifications to existing structures, including addition of a second story to single or multi-family residences.

The fee exemption requirement that the project have "no" impact on fish or wildlife resources is more stringent than the former requirement that a project have only "de minimis" effects on fish or wildlife resources. DFW may determine that a project would have no effect on fish and wildlife if all of the following conditions apply:

- The project would not result in or have the potential to result in harm, harassment, or take of any fish and/or wildlife species.

- The project would not result in or have the potential to result in direct or indirect destruction, ground disturbance, or other modification of any habitat that may support fish and/or wildlife species.

- The project would not result in or have the potential to result in the removal of vegetation with potential to support wildlife.

- The project would not result in or have the potential to result in noise, vibration, dust, light, pollution, or an alteration in water quality that may affect fish and/or wildlife directly or from a distance.

- The project would not result in or have the potential to result in any interference with the movement of any fish and/or wildlife species.

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Any request for a fee exemption should include the following information:

(1) the name and address of the project proponent and applicant contact information;

(2) a brief description of the project and its location;

(3) site description and aerial and/or topographic map of the project site;

(4) State Clearinghouse number or county filing number;

(5) a statement that an Initial Study has been prepared by the District to evaluate the project's effects on fish and wildlife resources, if any; and

(6) a declaration that, based on the District's evaluation of potential adverse effects on fish and wildlife resources, the District believes the project will have no effect on fish or wildlife.

If insufficient documentation is submitted to DFW for the proposed project, a no effect determination will not be issued. (A sample Request for Fee Exemption is attached as Form "L".) DFW will review the District's finding, and if DFW agrees with the District's conclusions, DFW will provide the District with written confirmation. The District should retain DFW's determination as part of the administrative record; the District is required to file a copy of this determination with the County after project approval and at the time of filing of the Notice of Determination.

The District must have written confirmation of DFW's finding of "no impact" at the time the District files its Notice of Determination with the County. The County cannot accept the Notice of Determination unless it is accompanied by the appropriate fee or a written no effect determination from DFW.

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7. ENVIRONMENTAL IMPACT REPORT

7.01 DECISION TO PREPARE AN EIR.

An EIR shall be prepared whenever there is substantial evidence in light of the whole record which supports a fair argument that the project may have a significant effect on the environment. (See Local Guidelines Sections 11.67 and 11.73.) The record may include the Initial Study or other documents or studies prepared to assess the project's environmental impacts.

(Reference: Pub. Resources Code, § 21151.)

7.02 CONTRACTING FOR PREPARATION OF EIRS.

If an EIR is prepared under a contract with the District, the contract must be executed within forty-five (45) days from the date on which the District sends a Notice of Preparation. The District may take longer to execute the contract if the project applicant and the District mutually agree to an extension of the 45-day time limit. (Reference: Pub. Resources Code, § 21151.5.)

The EIR prepared under contract must be the District's product. Staff, together with such consultant help as may be required, shall independently review and analyze the EIR to verify its accuracy, objectivity and completeness prior to presenting it to the decision-making body. The EIR made available for public review must reflect the independent judgment of the District. Staff may require such information and data from the person or entity proposing to carry out the project as Staff deems necessary for completion of the EIR. (Reference: State CEQA Guidelines, §§ 15084, 15090.)

7.03 NOTICE OF PREPARATION OF DRAFT EIR.

After determining that an EIR will be required for a proposed project, the Lead Agency shall prepare and submit a Notice of Preparation (Form "G") to the Office of Land Use and Climate Innovation through its CEQA Submit website and to each of the following:

(a) Each Responsible Agency and Trustee Agency involved with the project;
(b) Any other federal, state, or local agency which has jurisdiction by law or exercises authority over resources affected by the project, including:

(1) Any water supply agency consulted under Local Guidelines Section 5.16;

(2) Any city or county bordering on the project area;

(3) For a project of statewide, regional, or area-wide significance, to any transportation agencies or public agencies which have major local arterials or public transit facilities within five (5) miles of the project site or freeways, highways, or rail transit service within ten (10) miles of the project site which could be affected by the project; and

(4) For a subdivision project located within one mile of a facility of the State Water Resources Development System, the California Department of Water Resources;

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(c) The last known name and address of all organizations and individuals who have previously filed a written request with the District to receive these Notices;
(d) For certain projects that may impact a low-level flight path, military impact zone, or special use airspace and that meet the other criteria in Local Guidelines Section 7.04, the specified military services contact;
(e) For certain projects that involve the construction or alteration of a facility anticipated to emit hazardous air emissions or handle hazardous substances within one-quarter mile of a school and that meet the other requirements of Local Guidelines Section 7.36, any potentially affected school district;
(f) For certain waste-burning projects that meet the requirements of Local Guidelines Section 5.11 (See also Local Guidelines Section 7.27), the owners and occupants of property within one-fourth mile of any parcel on which the project will be located; and
(g) For a project that establishes or amends a redevelopment plan that contains land in agricultural use, the agricultural and farm agencies and organizations specified in Health and Safety Code section 33333.3.

Additionally, for a project of statewide, regional, or area-wide significance, the Lead Agency should also consult with public transit agencies with facilities within one-half mile of the proposed project.

The Notice of Preparation must also be filed and posted in the office of the Clerk in each county in which the project is located for thirty (30) days. The County Clerk must post the Notice within twenty-four (24) hours of receipt.

When submitting the Notice of Preparation to LCI, a Notice of Completion (Form "H") should be used as a cover sheet. Responsible and Trustee Agencies, the State Clearinghouse, and the state agencies contacted by the State Clearinghouse have thirty (30) days to respond to the Notice of Preparation in writing via certified mail, email, or an equivalent procedure. Agencies that do not respond within thirty (30) days shall be deemed not to have any comments on the Notice of Preparation.

At a minimum, the Notice of Preparation shall include:

(a) A description of the project;
(b) The location of the project indicated either on an attached map (preferably a copy of the USGS 15' or 7½' topographical map identified by quadrangle name) or by a street address and cross street in an urbanized area;
(c) The probable environmental effects of the project;
(d) The name and address of the consulting firm retained to prepare the Draft EIR, if applicable; and
(e) The Environmental Protection Agency ("EPA") list on which the proposed site is located, if applicable, and the corresponding information from the applicant's statement. (See Local Guidelines Section 2.05.)

(Reference: Pub. Resources Code, § 21080.4; State CEQA Guidelines, § 15082.)

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7.04 SPECIAL NOTICE REQUIREMENTS FOR AFFECTED MILITARY AGENCIES

CEQA imposes additional requirements to provide notice to potentially affected military agencies when:

(a) A "military service" (defined in Section 11.44 of these Local Guidelines) has provided the District with its contact office and address and notified the District of the specific boundaries of a "low-level flight path" (defined in Section 11.38 of these Local Guidelines), "military impact zone" (defined in Section 11.43 of these Local Guidelines), or "special use airspace" (defined in Section 11.69 of these Local Guidelines); and

(b) The project meets one of the following criteria:

(1) The project is within the boundaries specified pursuant to subsection (a) of this guideline;

(2) The project includes a general plan amendment;

(3) The project is of statewide, regional, or area-wide significance; or

(4) The project relates to a public use airport or certain lands surrounding a public use airport.

When a project meets these requirements, the District must provide the military service's designated contact with any Notice of Preparation, and/or Notice of Availability of Draft EIRs that have been prepared for a project, unless the project involves the remediation of lands contaminated with hazardous wastes and meets certain other requirements.

The District must provide the military service with sufficient notice of its intent to certify an EIR to ensure that the military service has no fewer than thirty (30) days to review the document; or forty-five (45) days to review the environmental documents before they are approved if the documents have been submitted to the State Clearinghouse.

It should be noted that the effect, or potential effect, a project may have on military activities does not itself constitute an adverse effect on the environment pursuant to CEQA.

(Reference: Pub. Resources Code, §§ 21080.4, 21092; Health & Safety Code, §§ 25300, et seq., 25396, 25187; State CEQA Guidelines, § 15082(a).)

7.05 ENVIRONMENTAL LEADERSHIP DEVELOPMENT PROJECT.

Under certain circumstances, a project applicant may choose to apply to the Governor of the State of California to have the project certified as an Environmental Leadership Development Project. A project may qualify as an Environmental Leadership Development Project if it is one of the following:

(1) A residential, retail, commercial, sports, cultural, entertainment, or recreational use project that meets the following standards:

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- The project is certified as Leadership in Energy and Environmental Design (LEED) gold or better by the United States Green Building Council; and

- The project, where applicable, achieves a 15 percent greater standard for transportation efficiency than comparable projects; and

- The project is located on an infill site; and

- For a project that is within a metropolitan planning organization for which a sustainable communities strategy or alternative planning strategy is in effect, the infill project shall be consistent with the general use designation, density, building intensity, and applicable policies specified for the project area in either a sustainable communities strategy or an alternative planning strategy, for which the State Air Resources Board has accepted a metropolitan planning organization's determination, under subparagraph (H) of paragraph (2) of subdivision (b) of Section 65080 of the Government Code, that the sustainable communities strategy or the alternative planning strategy would, if implemented, achieve the greenhouse gas emission reduction targets.

(2) A clean renewable energy project that generates electricity exclusively through wind or solar, but not including waste incineration or conversion.

(3) A clean energy manufacturing project that manufactures products, equipment, or components used for renewable energy generation, energy efficiency, or for the production of clean alternative fuel vehicles.

(4) A housing development project—i.e., a project that entails either residential units only; mixed-use developments consisting of residential and nonresidential uses with at least two-thirds of the square footage designated for residential use; or transitional housing or supportive housing—that meets all of the following conditions:

- The housing development project is located on an infill site.

- For a housing development project that is located within a metropolitan planning organization for which a sustainable communities strategy or alternative planning strategy is in effect, the project is consistent with the general use designation, density, building intensity, and applicable policies specified for the project area in either a sustainable communities strategy or an alternative planning strategy, for which the State Air Resources Board has accepted a metropolitan planning organization's determination, under subparagraph (H) of paragraph (2) of subdivision (b) of Section 65080 of the Government Code, that the sustainable communities strategy or the alternative planning strategy would, if implemented, achieve the greenhouse gas emission reduction targets.

- Notwithstanding paragraph (1) of subdivision (a) of Section 21183, the housing development project will result in a minimum investment of fifteen million

dollars ($15,000,000), but less than one hundred million dollars ($100,000,000), in California upon completion of construction.

- At least 15 percent of the housing development project is dedicated as housing that is affordable to lower income households, as defined in Section 50079.5 of the Health and Safety Code. Upon completion of a housing development project that is qualified under this paragraph and is certified by the Governor, the lead agency or applicant of the project shall notify the Office of Land Use and Climate Innovation of the number of housing units and affordable housing units established by the project. Notwithstanding the foregoing, if a local agency has adopted an inclusionary zoning ordinance that establishes a minimum percentage for affordable housing within the jurisdiction in which the housing development project is located that is higher than 15 percent, the percentage specified in the inclusionary zoning ordinance shall be the threshold for affordable housing.

- Except for use as a residential hotel, as defined in Section 50519 of the Health and Safety Code, no part of the housing development project shall be used for a rental unit for a term shorter than 30 days, or designated for hotel, motel, bed and breakfast inn, or other transient lodging use. Moreover, no part of the housing development project shall be used for manufacturing or industrial uses.

The Governor may certify a leadership project for streamlining before the lead agency certifies an EIR for the project if various conditions set forth in Public Resources Code section 21182 are met. The conditions include but are not limited to the following: (1) except as set forth above, the project will result in a minimum investment of one hundred million dollars ($100,000,000) in California upon completion of construction; (2) the project creates high-wage, highly skilled jobs that pay prevailing wages and living wages, provide construction jobs and permanent jobs for Californians, helps reduce unemployment, and promotes apprenticeship training; and (3) the project will not result in any net additional emission of greenhouse gases, including greenhouse gas emissions from employee transportation.

If the Governor certifies a project as an Environmental Leadership Development Project, any lawsuit challenging the project—including any potential appeals to the court of appeal or the California Supreme Court—must be resolved, to the extent feasible, within 270 days of the filing of the certified record of proceedings with the trial court.

This section shall remain in effect until January 1, 2026. This section does not comprehensively set forth the rules governing Environmental Leadership Development projects. For more information, please see Chapter 6.5 of the Public Resources Code, starting with Public Resources Code section 21178.

7.06 PREPARATION OF DRAFT EIR.

The Lead Agency is responsible for preparing a Draft EIR. The Lead Agency may begin preparation of the Draft EIR without awaiting responses to the Notice of Preparation. However,

information communicated to the Lead Agency not later than thirty (30) days after receipt of the Notice of Preparation shall be included in the Draft EIR.

(Reference: State CEQA Guidelines, § 15084.)

7.07 CONSULTATION WITH CALIFORNIA NATIVE AMERICAN TRIBES.

Prior to the release of a Draft EIR for a project, the Lead Agency shall begin consultation with a California Native American tribe that is traditionally and culturally affiliated with the geographic area of the proposed project if:

(a) The California Native American tribe requested to the Lead Agency, in writing, to be informed by the Lead Agency through formal notification of proposed projects in the geographic area that is traditionally and culturally affiliated with the tribe; and

(b) The California Native American tribe responds, in writing, within 30 days of receipt of the formal notification, and requests the consultation. The California Native American tribe shall designate a lead contact person when responding to the Lead Agency. If a lead contact is not designated by the California Native American tribe, or if it designates multiple lead contact people, the Lead Agency shall defer to the individuals listed on the contact list maintained by the Native American Heritage Commission. Consultation is defined in Local Guidelines Section 11.11.

To expedite the requirements of this section, the Native American Heritage Commission shall assist the Lead Agency in identifying the California American Native tribes that are traditionally and culturally affiliated with the project area.

Within 14 days of determining that an application for a project is complete or a decision by a public agency to undertake a project, the Lead Agency shall provide formal notification to the designated contact of, or a trial representative of, traditionally and culturally affiliated California Native America tribes that have requested notice, which shall be accomplished by at least one written notification that includes a brief description of the proposed project and its location, the Lead Agency contact information, and a notification that the California Native American tribe has 30 days to request consultation.

The Lead Agency shall begin the consultation process within 30 days of receiving a California Native American tribe's request for consultation.

If consultation is requested, the parties may propose mitigation measures, including those set forth in Public Resources Code section 21084.3, capable of avoiding or substantially lessening potential significant impacts to a tribal cultural resource or alternatives that would avoid significant impacts to a tribal cultural resource. The consultation may include discussion concerning the type of environmental review necessary, the significance of tribal cultural resources, the significance of the project's impacts on the tribal cultural resources, and, if necessary, project alternatives or the appropriate measures for preservation or mitigation that the California Native American tribe may recommend to the lead agency.

The consultation shall be considered concluded when either of the following occurs:

(1) The parties agree to measures to mitigate or avoid a significant effect, if a significant effect exists, on a tribal cultural resource.

(2) A party, acting in good faith and after reasonable effort, concludes that mutual agreement cannot be reached.

The California Native American tribe is not limited in its ability to submit information to the Lead Agency regarding the significance of the tribal cultural resources, the significance of the project's impact on tribal cultural resources, or any appropriate measures to mitigate the impacts. Additionally, the Lead Agency or project proponent is not limited in its ability to incorporate changes and additions to the project as a result of the consultation, even if not legally required.

(Reference: Pub. Resources Code, §§ 21080.3.1, 21080.3.2.)

7.08 IDENTIFICATION OF TRIBAL CULTURAL RESOURCES AND PROCESSING OF INFORMATION AFTER CONSULTATION WITH THE CALIFORNIA NATIVE AMERICAN TRIBE

After consultation with the California Native American tribe listed above in Local Guidelines Section 7.07, any mitigation measures agreed upon in the consultation conducted pursuant to Public Resources Code section 21080.3.2 shall be recommended for inclusion in the EIR and in an adopted mitigation monitoring and reporting program, if the mitigation measures are determined to avoid or lessen the proposed project's impacts on tribal cultural resources, and if the mitigation measures are enforceable.

If a project may have a significant impact on a tribal cultural resource, the Lead Agency's EIR shall discuss both of the following:

(a) Whether the proposed project has a significant impact on an identified tribal cultural resource;

(b) Whether feasible alternatives or mitigation measures, including those measures that may be agreed to during the consultation, avoid or substantially lessen the impact on the identified tribal cultural resource.

Any information provided regarding the location, description and use of the tribal cultural resource that is submitted by a California Native American tribe during the environmental review process shall not be included in the EIR or otherwise disclosed by the lead agency or any other public agency to the public, consistent with Government Code section 7927.005, and State CEQA Guidelines section 15120(d), without the prior consent of the tribe that provided the information. If the Lead Agency publishes any information submitted by a California Native American tribe during the consultation or environmental review process, that information shall be published in a confidential appendix to the EIR unless the tribe provides consent, in writing, to the disclosure of some or all of the information to the public. This does not prohibit the confidential exchange of the submitted information between public agencies that have lawful jurisdiction over the preparation of the EIR.

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The exchange of confidential information regarding tribal cultural resources submitted by a California Native American tribe during the consultation or environmental review process among the Lead Agency, the California Native American tribe, the project applicant, or the project applicant's agent is not prohibited by Public Resources Code section 21082.3. The project applicant and the project applicant's legal advisers must use a reasonable degree of care and maintain the confidentiality of the information exchanged for the purposes of preventing looting, vandalism, or damage to tribal cultural resources and shall not disclose to a third party confidential information regarding the cultural resource unless the California Native American tribe providing the information consents in writing to the public disclosure of such information.

Public Resources Code section 21082.3 does not prevent a Lead Agency or other public agency from describing the information in general terms in the EIR so as to inform the public of the basis of the Lead Agency's or other public agency's decision without breaching the confidentiality required. In addition, a Lead Agency may certify an EIR for a project with a significant impact on an identified tribal cultural resource only if one of the following occurs:

(a) The consultation process between the California Native American tribe and the Lead Agency has occurred as provided in Public Resources Code sections 21080.3.1 and 21080.3.2 and concluded pursuant to subdivision (b) of Section 21080.3.2.

(b) The California Native American tribe has requested consultation pursuant to Public Resources Code section 21080.3.1 and has failed to provide comments to the Lead Agency, or otherwise failed to engage, in the consultation process.

(c) The Lead Agency has complied with subdivision (d) of Section 21080.3.1 of the Public Resources Code and the California Native American tribe has failed to request consultation within 30 days.

If substantial evidence demonstrates that a project will cause a significant effect to a tribal cultural resource but the decision-makers do not include the mitigation measures recommended by the staff in the Draft EIR, or if there are no agreed upon mitigation measures at the conclusion of the consultation, or if no consultation has occurred, the Lead Agency must still consider the adoption of feasible mitigation.

(Reference: Pub. Resources Code, § 21082.3.)

7.09 SIGNIFICANT ADVERSE IMPACTS TO TRIBAL CULTURAL RESOURCES

Public agencies shall, when feasible, avoid damaging effects to any tribal cultural resource. If the Lead Agency determines that a project may cause a substantial adverse change to a tribal cultural resource, and measures are not otherwise identified in the consultation process provided in Public Resources Code section 21080.3.2 as set forth in Local Guidelines Section 7.07, the following examples of mitigation measures, if feasible, may be considered to avoid or minimize the significant adverse impacts:

(a) Avoidance and preservation of the resources in place, including, but not limited to, planning and construction to avoid the resources and protect the cultural and natural

context, or planning greenspace, parks, or other open space, to incorporate the resources with culturally appropriate protection and management criteria.

(b) Treating the resource with culturally appropriate dignity taking into account the tribal cultural values and meaning of the resource, including, but not limited to the following:

(1) Protecting the cultural character and integrity of the resource.

(2) Protecting the traditional use of the resource.

(3) Protecting the confidentiality of the resource.

(c) Permanent conservation easements or other interests in real property, with culturally appropriate management criteria for the purposes of preserving or utilizing the resources or places.

(d) Protecting the resource.

(Reference: Pub. Resources Code, § 21084.3.)

7.10 CONSULTATION WITH OTHER AGENCIES AND PERSONS.

To expedite consultation in response to the Notice of Preparation, the Lead Agency, a Responsible Agency, or a project applicant may request a meeting among the agencies involved to assist in determining the scope and content of the environmental information that the involved agencies may require. For any project that may affect highways or other facilities under the jurisdiction of the State Department of Transportation, the Department of Transportation can request a scoping meeting. When acting as Lead Agency, the District must convene the meeting as soon as possible but no later than thirty (30) days after a request is made. When acting as a Responsible Agency, the District should make any requests for consultation as soon as possible after receiving a Notice of Preparation.

Prior to completion of the Draft EIR, the Lead Agency shall consult with each Responsible Agency and any public agency that has jurisdiction by law over the project.

When acting as a Lead Agency, the District may fulfill this obligation by distributing the Notice of Preparation in compliance with Local Guidelines Section 7.03 and soliciting the comments of Responsible Agencies, Trustee Agencies, and other affected agencies. The District may also consult with any individual who has special expertise with respect to any environmental impacts involved with a project. The District may also consult directly with any person or organization it believes will be concerned with the environmental effects of the project, including any interested individuals and organizations of which the District is reasonably aware. The purpose of this consultation is to "scope" the EIR's range of analysis. When a Negative Declaration or Mitigated Negative Declaration will be prepared for a project, no scoping meeting need be held, although the District may hold one if it so chooses. For private projects, the District as Lead Agency may charge and collect from the applicant a fee not to exceed the actual cost of the consultations.

In addition to soliciting comments on the Notice of Preparation, the Lead Agency may be required to conduct a scoping meeting to gather additional input regarding the impacts to be analyzed in the EIR. The Lead Agency is required to conduct a scoping meeting when:

(a) The meeting is requested by a Responsible Agency, a Trustee Agency, the Office of Land Use and Climate Innovation, or a project applicant;
(b) The project is one of "statewide, regional or area wide significance" as defined in State CEQA Guidelines section 15206; or
(c) The project may affect highways or other facilities under the jurisdiction of the State Department of Transportation, and the Department of Transportation has requested a scoping meeting.

When acting as Lead Agency, the District shall provide notice of the scoping meeting to all of the following:

(a) Any county or city that borders on a county or city within which the project is located, unless the District has a specific agreement to the contrary with that county or city;
(b) Any Responsible Agency;
(c) Any public agency that has jurisdiction by law over the project;
(d) A transportation planning agency, or any public agency that has transportation facilities within its jurisdiction, that could be affected by the project; and
(e) Any organization or individual who has filed a written request for the notice.

The requirement for providing notice of a scoping meeting may be met by including the notice of the public scoping meeting in the public meeting notice.

Government Code section 65352 requires that before a legislative body may adopt or substantially amend a general plan, the planning agency must refer the proposed action to any city or county, within or abutting the area covered by the proposal, and any special district that may be significantly affected by the proposed action. CEQA allows that referral procedure to be conducted concurrently with the scoping meeting required pursuant to this section of the Local CEQA Guidelines.

For projects that are also subject to NEPA, a scoping meeting held pursuant to NEPA satisfies the CEQA scoping requirement as long as notice is provided to the agencies and individuals listed above, and in accordance with these Local Guidelines. (See Local Guideline 5.04 for a discussion of NEPA.)

The District shall call the scoping meeting as soon as possible but not later than 30 days after the meeting was requested. If the scoping meeting is being conducted concurrently with the procedure in Government Code section 65352 for the consideration of adoption or amendment of general plans, each entity receiving a proposed general plan or amendment of a general plan should have 45 days from the date the referring agency mails it or delivers it in which to comment unless a longer period is specified. The commenting entity may submit its comments at the scoping meeting.

A Responsible Agency or other public agency shall only make comments regarding those activities that are within its area of expertise or that are required to be carried out or approved by

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the Responsible Agency. These comments must be supported by specific documentation. Any mitigation measures submitted to the District by a Responsible or Trustee Agency shall be limited to measures that mitigate impacts to resources that are within the Responsible or Trustee Agency's authority.

For projects of statewide, area-wide, or regional significance, consultation with transportation planning agencies or with public agencies that have transportation facilities within their jurisdictions shall be for the purpose of obtaining information concerning the project's effect on major local arterials, public transit, freeways, highways, overpasses, on-ramps, off-ramps, and rail transit services. Moreover, the Lead Agency should also consult with public transit agencies with facilities within one-half mile of the proposed project. Any transportation planning agency or public agency that provides information to the Lead Agency must be notified of, and provided with, copies of any environmental documents relating to the project.

(Reference: State CEQA Guidelines, §§ 15082, 15083.)

7.11 EARLY CONSULTATION ON PROJECTS INVOLVING PERMIT ISSUANCE.

When the project involves the issuance of a lease, permit, license, certificate, or other entitlement for use by one or more public agencies, the District, upon request of the applicant, shall meet with the applicant regarding the range of actions, potential alternatives, mitigation measures and significant effects to be analyzed in depth in the EIR. The District may also consult with concerned persons identified by the applicant and persons who have made written requests to be consulted. Such requests for early consultation must be made not later than thirty (30) days after the District's decision to prepare an EIR.

7.12 CONSULTATION WITH WATER AGENCIES REGARDING LARGE DEVELOPMENT PROJECTS.

For certain development projects, cities and counties must consult with water agencies. If the District is a water provider for the project, the city or county may request consultation with the District. (See Local Guidelines Sections 5.16 and 5.17 for more information on these requirements.)

(Reference: State CEQA Guidelines, § 15155.)

7.13 AIRPORT LAND USE PLAN.

When the District prepares an EIR for a project within the boundaries of a comprehensive airport land use plan, or, if such a plan has not been adopted, for a project within two (2) nautical miles of a public airport or public use airport, the District shall utilize the Airport Land Use Planning Handbook published by Caltrans' Division of Aeronautics to assist in the preparation of the EIR relative to potential airport or related safety hazards and noise problems.

(Reference: State CEQA Guidelines, § 15154.)

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7.14 GENERAL ASPECTS OF AN EIR.

Both a Draft and Final EIR must contain the information outlined in Local Guidelines Sections 7.17 and 7.18. Each element must be covered, and when elements are not separated into distinct sections, the document must state where in the document each element is covered.

The body of the EIR shall include summarized technical data, maps, diagrams and similar relevant information. Highly technical and specialized analyses and data should be included in appendices. Appendices may be prepared in separate volumes, but must be equally available to the public for examination. All documents used in preparation of the EIR must be referenced. An EIR shall not include "trade secrets," locations of archaeological sites and sacred lands, or any other information subject to the disclosure restrictions of the Public Records Act (Government Code section 7920.000, et seq.).

The EIR should discuss environmental effects in proportion to their severity and probability of occurrence. Effects dismissed in the Initial Study as clearly insignificant and unlikely to occur need not be discussed.

The Initial Study should be used to focus the EIR so that the EIR identifies and discusses only the specific environmental problems or aspects of the project that have been identified as potentially significant or important. A copy of the Initial Study should be attached to the EIR or included in the administrative record to provide a basis for limiting the impacts discussed.

The EIR shall contain a statement briefly indicating the reason for determining that various effects of a project that could possibly be considered significant were not found to be significant and consequently were not discussed in detail in the EIR. The District should also note any conclusion by it that a particular impact is too speculative for evaluation.

The EIR should omit unnecessary descriptions of projects and emphasize feasible mitigation measures and alternatives to projects.

7.15 USE OF REGISTERED CONSULTANTS IN PREPARING EIRS.

An EIR is not a technical document that can be prepared only by a registered consultant or professional. However, state statutes may provide that only registered professionals can prepare certain technical studies that will be used in an EIR, or that will control the detailed design, construction, or operation of the proposed project and that will be prepared in support of an EIR.

(Reference: State CEQA Guidelines, § 15149.)

7.16 INCORPORATION BY REFERENCE.

An EIR, Negative Declaration, or Mitigated Negative Declaration may incorporate by reference all or portions of another document that is a matter of public record or is generally available to the public. Any incorporated document shall be considered to be set forth in full as part of the text of the environmental document. When all or part of another document is incorporated by reference, that document shall be made available to the public for inspection at

the District's offices. The environmental document shall state where incorporated documents will be available for inspection.

When incorporation by reference is used, the incorporated part of the referenced document shall be briefly summarized, if possible, or briefly described if the data or information cannot be summarized. The relationship between the incorporated document and the EIR, Negative Declaration, or Mitigated Negative Declaration shall be described. When information from an environmental document that has previously been reviewed through the state review system ("State Clearinghouse") is incorporated by the District, the state identification number of the incorporated document should be included in the summary or text of the EIR.

(Reference: State CEQA Guidelines, § 15150.)

7.17 STANDARDS FOR ADEQUACY OF AN EIR.

An EIR should be prepared with a sufficient degree of analysis to provide decision-makers with information that enables them to make a decision that takes into account the environmental consequences of the project. The evaluation of environmental effects need not be exhaustive, but must be within the scope of what is reasonably feasible. The EIR should be written and presented in such a way that it can be understood by governmental decision-makers and members of the public. A good faith effort at completeness is necessary. The adequacy of an EIR is assessed in terms of what is reasonable in light of factors such as the magnitude of the project at issue, the severity of its likely environmental impacts, and the geographic scope of the project. CEQA does not require a Lead Agency to conduct every test or perform all research, study, and experimentation recommended or demanded by commenters, but CEQA does require the Lead Agency to make a good faith, reasoned response to timely comments raising significant environmental issues.

There is no need to unreasonably delay adoption of an EIR in order to include results of studies in progress, even if those studies will shed some additional light on subjects related to the project.

(Reference: State CEQA Guidelines, § 15151.)

7.18 FORM AND CONTENT OF EIR.

The text of the EIR should normally be less than 150 pages. For proposals of unusual scope or complexity, the EIR may be longer than 150 pages but should normally be less than 300 pages. The required contents of an EIR are set forth in Sections 15122 through 15132 of the State CEQA Guidelines. In brief, the EIR must contain:

(a) A table of contents or an index;
(b) A brief summary of the proposed project, including each significant effect with proposed mitigation measures and alternatives, areas of known controversy and issues to be resolved including the choice among alternatives, how to mitigate the significant effects and whether there are any significant and unavoidable impacts (generally, the summary should be less than fifteen (15) pages);

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(c) A description of the proposed project, including its underlying purpose and a list of permit and other approvals required to implement the project (see Local Guidelines Section 7.24 regarding analysis of future project expansion);

(d) A description of the environmental setting, which includes the project's physical environmental conditions from both a local and regional perspective at the time the Notice of Preparation is published, or if no Notice of Preparation is published, at the time environmental analysis begins. (State CEQA Guidelines section 15125.) This environmental setting will normally constitute the baseline physical conditions by which the Lead Agency determines whether an impact is significant. However, the District, when acting as Lead Agency, may choose any baseline that is appropriate as long as the District's choice of baseline is supported by substantial evidence;

(e) A discussion of any inconsistencies between the proposed project and applicable general, specific and regional plans. Such plans include, but are not limited to, the applicable air quality attainment or maintenance plan or State Implementation Plan, area-wide waste treatment and water quality control plans, regional transportation plans, regional housing allocation, regional blueprint plans, plans for the reduction of greenhouse gas emissions, habitat conservation plans, natural community conservation plans and regional land use plans;

(f) A description of the direct and indirect significant environmental impacts of the proposed project explaining which, if any, can be avoided or mitigated to a level of insignificance, indicating reasons that various possible significant effects were determined not to be significant and denoting any significant effects that are unavoidable or could not be mitigated to a level of insignificance. Direct and indirect significant effects shall be clearly identified and described, giving due consideration to both short-term and long-term effects;

(g) Potentially significant energy implications of a project must be considered to the extent relevant and applicable to the project (see Local Guidelines Section 5.20);

(h) An analysis of a range of alternatives to the proposed project that could feasibly attain the project's objectives as discussed in Local Guidelines Section 7.23;

(i) A description of any significant irreversible environmental changes that would be involved in the proposed action should it be implemented if, and only if, the EIR is being prepared in connection with:

(1) The adoption, amendment, or enactment of a plan, policy, or ordinance of a public agency;

(2) The adoption by a Local Agency Formation Commission of a resolution making determinations; or

(3) A project that will be subject to the requirement for preparing an Environmental Impact Statement pursuant to NEPA;

(j) An analysis of the growth-inducing impacts of the proposed action. The discussion should include ways in which the project could foster economic or population growth, or the construction of additional housing, either directly or indirectly, in the surrounding environment. Growth-inducing impacts may include the estimated energy consumption of growth induced by the project;

(k) A discussion of any significant, reasonably anticipated future developments and the cumulative effects of all proposed and anticipated action as discussed in Local Guidelines Section 7.24;

(l) In certain situations, a regional analysis should be completed for certain impacts, such as air quality;

(m) A discussion of any economic or social effects, to the extent that they cause, or may be used to determine, significant environmental impacts;

(n) A statement briefly indicating the reasons that various possible significant effects of a project were determined not to be significant and, therefore, were not discussed in the EIR;

(o) The identity of all federal, state or local agencies or other organizations and private individuals consulted in preparing the EIR, and the identity of the persons, firm or agency preparing the EIR, by contract or other authorization. To the fullest extent possible, the District should integrate CEQA review with these related environmental review and consultation requirements;

(p) A discussion of those potential effects of the proposed project on the environment that the District has determined are or may be significant. The discussion on other effects may be limited to a brief explanation as to why those effects are not potentially significant; and

(q) A description of feasible measures, as set forth in Local Guidelines Section 7.22, which could minimize significant adverse impacts.

(Reference: State CEQA Guidelines, §§ 15120-15148.)

7.19 CONSIDERATION AND DISCUSSION OF SIGNIFICANT ENVIRONMENTAL IMPACTS.

An EIR must identify and focus on the significant effects of the proposed project on the environment. In assessing the proposed project's potential impacts on the environment, the District should normally limit its examination to comparing changes that would result from the project as compared to the existing physical conditions in the affected area as they exist when the Notice of Preparation is published. If a Notice of Preparation is not published for the project, the District should compare the proposed project's potential impacts to the physical conditions that exist at the time environmental review begins. Direct and indirect significant effects of the project on the environment must be clearly identified and described, considering both the short-term and long-term effects. The discussion should include relevant specifics of the area, the resources involved, physical changes, alterations to ecological systems, and changes induced in population distribution, population concentration, the human use of the land (including commercial and residential development), health and safety problems caused by the physical changes, and other aspects of the project that may impact resources in the project area, such as water, historical resources, scenic quality, and public services. The EIR must also analyze any significant environmental effects the project might cause or risk exacerbating by bringing development and people into the area. If applicable, an EIR should also evaluate any potentially significant direct, indirect, or cumulative environmental impacts of locating development in areas susceptible to hazardous conditions (e.g., floodplains, coastlines, wildfire risk areas), including both short-term and long-term conditions, as identified on authoritative hazard maps, risk assessments or in land use plans addressing such hazards areas.

If analysis of the project's energy use reveals that the project may result in significant environmental effects due to wasteful, inefficient, or unnecessary use of energy, or wasteful use

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of energy resources, the EIR shall mitigate that energy use. This analysis should include the project's energy use for all project phases and components, including transportation-related energy, during construction and operation. In addition to building code compliance, other relevant considerations may include, among others, the project's size, location, orientation, equipment use and any renewable energy features that could be incorporated into the project. This analysis is subject to the rule of reason and shall focus on energy use that is caused by the project. This analysis may be included in related analyses of air quality, greenhouse gas emissions, transportation or utilities in the discretion of the Lead Agency.

The EIR must describe all significant impacts, including those that can be mitigated but not reduced to a level of insignificance. Where there are impacts that cannot be alleviated without imposing an alternative design, their implications and the reasons why the project is being proposed, notwithstanding their effect, should be described.

The EIR must also discuss any significant irreversible environmental changes that would be caused by the project. For example, use of nonrenewable resources during the initial and continued phases of a project may be irreversible if a large commitment of such resources makes removal or nonuse thereafter unlikely. Additionally, irreversible commitment of resources may include a discussion of how the project preempts future energy development or future energy conservation. Irretrievable commitments of resources to the proposed project should be evaluated to assure that such current consumption is justified.

(Reference: Pub. Resources Code, § 21100.)

7.20 ENVIRONMENTAL SETTING

An EIR must include a description of the physical environmental conditions in the vicinity of the project. This environmental setting will normally constitute the baseline physical conditions by which the Lead Agency determines whether an impact is significant. The description of the environmental setting shall be no longer than is necessary to provide an understanding of the significant effects of the proposed project and its alternatives. The purpose of this requirement is to give the public and decision makers the most accurate and understandable picture practically possible of the project's likely near-term and long-term impacts.

(1) Generally, the Lead Agency should describe physical environmental conditions as they exist at the time the Notice of Preparation is published, or if no Notice of Preparation is published, at the time environmental analysis is commenced, from both a local and regional perspective. Where existing conditions change or fluctuate over time, and where necessary to provide the most accurate picture practically possible of the project's impacts, the Lead Agency may define existing conditions by referencing historic conditions, or conditions expected when the project becomes operational, or both, that are supported with substantial evidence. In addition, the Lead Agency may also use baselines consisting of both existing conditions and projected future conditions that are supported by reliable projections based on substantial evidence in the record.

(2) The Lead Agency may use projected future conditions (beyond the date of project operations) as the sole baseline for analysis only if it demonstrates with substantial evidence that use of existing conditions would be either misleading or without informative value to decision-

makers and the public. Use of projected future conditions as the only baseline must be supported by reliable projections based on substantial evidence in the record.

(3) An existing conditions baseline shall not include hypothetical conditions—such as those that might be allowed, but have never actually occurred, under existing permits or plans—as the baseline.

(State CEQA Guidelines, § 15125.)

7.21 ANALYSIS OF CUMULATIVE IMPACTS.

An EIR must discuss cumulative impacts when the project's incremental effect is "cumulatively considerable" as defined in Local Guidelines Section 11.13. When the District is examining a project with an incremental effect that is not "cumulatively considerable," it need not consider that effect significant, but must briefly describe the basis for this conclusion. A project's contribution may be less than cumulatively considerable if the project is required to implement or fund its fair share of a mitigation measure designed to alleviate the cumulative impact. When relying on a fee program or mitigation measure(s), the District must identify facts and analysis supporting its conclusion that the cumulative impact is less than significant.

The District may determine that a project's incremental contribution to a cumulative effect is not cumulatively considerable if the project will comply with the requirements in a previously approved plan or mitigation program that provides specific requirements that will avoid or substantially lessen the cumulative problem in the geographic area in which the project is located. Such plans and programs may include, but are not limited to:

(1) Water quality control plans;

(2) Air quality attainment or maintenance plans;

(3) Integrated waste management plans;

(4) Habitat conservation plans;

(5) Natural community conservation plans; and/or

(6) Plans or regulations for the reduction of greenhouse gas emissions.

When relying on such a regulation, plan, or program, the District should explain how implementing the particular requirements of the plan, regulation or program will ensure that the project's incremental contribution to the cumulative effect is not cumulatively considerable.

A cumulative impact consists of an impact that is created as a result of the combination of the project evaluated in the EIR together with other projects causing related impacts. An EIR should not discuss impacts that do not result in part from the project evaluated in the EIR.

The discussion of cumulative impacts in an EIR must focus on the cumulative impacts to which the identified other projects contribute, rather than on the attributes of other projects that do

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not contribute to the cumulative impact. The discussion of significant cumulative impacts must include either of the following:

(1) A list of past, present, and probable future projects causing related or cumulative impacts including, if necessary, those projects outside the control of the District; or

(2) A summary of projections contained in an adopted local, regional or statewide plan, or related planning document, that describes or evaluates conditions contributing to the cumulative effect. Such plans may include: a general plan, regional transportation plan, or a plan for the reduction of greenhouse gas emissions. A summary of projections may also be contained in an adopted or certified prior environmental document for such a plan. Such projections may be supplemented with additional information such as a regional modeling program. Documents used in creating a summary of projections must be referenced and made available to the public.

When utilizing a list, as suggested above, factors to consider when determining whether to include a related project should include the nature of each environmental resource being examined and the location and type of project. Location may be important, for example, when water quality impacts are involved since projects outside the watershed would probably not contribute to a cumulative effect. Project type may be important, for example, when the impact is specialized, such as a particular air pollutant or mode of traffic.

Public Resources Code section 21094 also states that if a Lead Agency determines that a cumulative effect has been adequately addressed in an earlier EIR, it need not be examined in a later EIR if the later project's incremental contribution to the cumulative effect is not cumulatively considerable. A cumulative effect has been adequately addressed in the prior EIR if:

(1) it has been mitigated or avoided as a result of the prior EIR; or

(2) the cumulative effect has been examined in a sufficient level of detail to enable the effect to be mitigated or avoided by site-specific revisions, the imposition of conditions, or other means in connection with the approval of the later project.

Public Resources Code section 21094 only applies to earlier projects that (1) are consistent with the program, plan, policy, or ordinance for which an environmental impact report has been prepared and certified, (2) are consistent with applicable local land use plans and zoning of the city, county, or city and county in which the later project would be located and (3) are not subject to Public Resources Code section 21166.

If the Lead Agency determines that the cumulative effect has been adequately addressed in a prior EIR, the Lead Agency should clearly explain the basis for its determination in the current environmental documentation for the project.

The District should define the geographic scope of the area affected by the cumulative effect and provide a reasonable explanation for the geographic limitation used.

(Reference: State CEQA Guidelines, § 15130.)

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7.22 ANALYSIS OF MITIGATION MEASURES.

The discussion of mitigation measures in an EIR must distinguish between measures proposed by project proponents and other measures proposed by Lead, Responsible or Trustee Agencies. This discussion shall identify mitigation measures for each significant environmental effect identified in the EIR.

Where several measures are available to mitigate an impact, each should be disclosed and the basis for selecting a particular measure should be identified. Formulation of mitigation measures shall not be deferred until some future time The specific details of a mitigation measure, however, may be developed after project approval when it is impractical or infeasible to include those details during the project's environmental review provided that the Lead Agency (1) commits itself to the mitigation, (2) adopts specific performance standards the mitigation will achieve, and (3) identifies the type(s) of potential action(s) that can feasibly achieve that performance standard and that will be considered, analyzed, and potentially incorporated in the mitigation measure. Compliance with a regulatory permit or other similar process may be identified as mitigation if compliance would result in implementation of measures that would be reasonably expected, based on substantial evidence in the record, to reduce the significant impact to the specified performance standards.

If a mitigation measure would cause one or more significant effects in addition to those that would be caused by the project as proposed, the effects of the mitigation measure shall be disclosed but in less detail than the significant effects of the project itself.

If a project includes a housing development, the District may not reduce the project's proposed number of housing units as a mitigation measure or project alternative if the District determines that there is another feasible specific mitigation measure or project alternative that would provide a comparable level of mitigation without reducing the number of housing units.

Mitigation measures must be fully enforceable through permit conditions, agreements, or other legally binding instruments. In the case of the adoption of a plan, policy, regulation, or other public project, mitigation measures can be incorporated into the plan, policy, regulation, or project design. Mitigation measures must also be consistent with all applicable constitutional requirements such as the "nexus" and "rough proportionality" standards—i.e., there must be an essential nexus between the mitigation measure and a legitimate governmental interest, and the mitigation measure must be "roughly proportional" to the impacts of the project.

Where maintenance, repair, stabilization, rehabilitation, restoration, preservation, conservation or reconstruction of a historical resource will be conducted in a manner consistent with the Secretary of the Interior's "Standards for the Treatment of Historic Properties with Guidelines for Preserving, Rehabilitating, Restoring and Reconstructing Historic Buildings" (1995), Weeks and Grimmer, the project's impact on the historical resource shall generally be considered mitigated below a level of significance and thus not significant.

The District should, whenever feasible, seek to avoid damaging effects on any historical resource of an archaeological nature. The following must be considered and discussed in an EIR for a project involving an archaeological site:

(a) Preservation in place is the preferred manner of mitigating impacts to archaeological sites; and

(b) Preservation in place may be accomplished by, but is not limited to, the following:

(1) Planning construction to avoid archaeological sites;

(2) Incorporation of sites within parks, green space, or other open spaces;

(3) Covering the archaeological sites with a layer of chemically stable soil before building tennis courts, parking lots, or similar facilities on the site; and/or

(4) Deeding the site into a permanent conservation easement.

When data recovery through excavation is the only feasible mitigation, a data recovery plan, which makes provision for adequately recovering the scientifically consequential information from and about the historical resource, shall be prepared and adopted prior to excavation. Such studies must be deposited with the California Historical Resources Regional Information Center.

Data recovery shall not be required for a historical resource if the District determines that existing testing or studies have adequately recovered the scientifically consequential information from and about the archaeological or historical resource, provided that the determination is documented in the EIR and that the studies are deposited with the California Historical Resources Regional Information Center.

(Reference: State CEQA Guidelines, § 15126.4.)

7.23 ANALYSIS OF ALTERNATIVES IN AN EIR.

The alternatives analysis must describe and evaluate the comparative merits of a range of reasonable alternatives to the project or to the location of the project which would feasibly attain most of the basic objectives of the project, but which would avoid or substantially lessen any of the significant effects of the project. An EIR need not consider every conceivable alternative to a project, and it need not consider alternatives that are infeasible. Rather, an EIR must consider a reasonable range of potentially feasible alternatives that will foster informed decision-making and public participation.

Purpose of the Alternatives Analysis: An EIR must identify ways to mitigate or avoid the significant effects that a project may have on the environment. For this reason, a discussion of alternatives must focus on alternatives to the project or its location that are capable of avoiding or substantially lessening any significant effect of the project, even if these alternatives would impede to some degree the attainment of the project objectives or would be more costly.

Selection of a Range of Reasonable Alternatives: The range of potential alternatives to the proposed project shall include those that could feasibly accomplish most of the basic purposes of the project and could avoid or substantially lessen one or more of the significant effects, even if those alternatives would be more costly or would impede to some degree the attainment of the project's objectives. The EIR should briefly describe the rationale for selecting the alternatives to

be discussed. The EIR should also identify any alternatives that were considered by the Lead Agency and rejected as infeasible during the scoping process, and it should briefly explain the reasons for rejecting those alternatives. Additional information explaining the choice of alternatives should be included in the administrative record. Among the factors that may be used to eliminate alternatives from detailed consideration in an EIR are: (a) failure to meet most of the basic project objectives; (b) infeasibility; or (c) inability to avoid significant environmental impacts.

Evaluation of Alternatives: The EIR shall include sufficient information about each alternative to allow meaningful evaluation, analysis and comparison with the proposed project. A matrix displaying the major characteristics and significant environmental effects of each alternative may be used to summarize the comparison. The matrix may also identify and compare the extent to which each alternative meets project objectives. If an alternative would cause one or more significant effects in addition to those that would be caused by the project as proposed, the significant effects of the alternative shall be discussed but in less detail than the significant effects of the project as proposed.

The Rule of Reason: The range of alternatives required in an EIR is governed by a "rule of reason" which courts have held means that an alternatives discussion must be reasonable in scope and content. Therefore, the EIR must set forth only those alternatives necessary to permit public participation, informed decision-making, and a reasoned choice. The alternatives shall be limited to ones that would avoid or substantially lessen any of the significant effects of the project. Of those alternatives, the EIR need examine in detail only the ones the District determines could feasibly attain most of the basic objectives of the project. An EIR need not consider an alternative whose effect cannot be reasonably ascertained and whose implementation is remote and speculative.

Feasibility of Alternatives: The factors that may be taken into account when addressing the feasibility of alternatives include: site suitability; economic viability; availability of infrastructure; general plan consistency; other plans or regulatory limitations; jurisdictional boundaries (projects with a regionally significant impact should consider the regional context); and whether the proponent already owns the alternative site or can reasonably acquire, control or otherwise have access to the site. No one factor establishes a fixed limit on the scope of reasonable alternatives.

Alternative Locations: The first step in the alternative location analysis is to determine whether any of the significant effects of the project could be avoided or substantially lessened by putting the project in another location. This is the key question in this analysis. Only locations that would avoid or substantially lessen any of the significant effects of the project need be considered for inclusion in the EIR.

The second step in this analysis is to determine whether any of the alternative locations are feasible. If the District concludes that no feasible alternative locations exist, it must disclose its reasons, and it should include them in the EIR. When a previous document has sufficiently analyzed a range of reasonable alternative locations and environmental impacts for a project with the same basic purpose, the District should review the previous document and incorporate the previous document by reference. To the extent the circumstances have remained substantially the

same with respect to an alternative, the EIR may rely on the previous document to help it assess the feasibility of the potential project alternative.

The "No Project" Alternative: The specific alternative of "no project" must be evaluated along with its impacts. The purpose of describing and analyzing the no project alternative is to allow decision-makers to compare the impacts of approving the proposed project with the impacts of not approving the proposed project. The no project alternative may be different from the baseline environmental conditions. The no project alternative will be the same as the baseline only if it is identical to the existing environmental setting and the Lead Agency has chosen the existing environmental setting as the baseline.

A discussion of the "no project" alternative should proceed along one of two lines:

(a) When the project is the revision of an existing land use or regulatory plan, policy or ongoing operation, the "no project" alternative will be the continuation of the existing plan, policy or operation into the future. Typically, this is a situation where other projects initiated under the existing plan will continue while the new plan is developed. Thus, the projected impacts of the proposed plan or alternative plans would be compared to the impacts that would occur under the existing plan; or

(b) If the project is other than a land use or regulatory plan, for example a development project on identifiable property, the "no project" alternative is the circumstance under which the project does not proceed. This discussion would compare the environmental effects of the property remaining in its existing state against environmental effects that would occur if the project is approved. If disapproval of the project would result in predictable actions by others, such as the proposal of some other project, this "no project" consequence should be discussed.

After defining the "no project" alternative, the District should proceed to analyze the impacts of the "no project" alternative by projecting what would reasonably be expected to occur in the foreseeable future if the project were not approved, based on current plans and consistent with available infrastructure and community services. If the "no project" alternative is the environmentally superior alternative, the EIR must also identify another environmentally superior alternative among the remaining alternatives.

Remote or Speculative Alternatives: An EIR need not consider an alternative whose effect cannot be reasonably ascertained and whose implementation is remote and speculative.

(Reference: State CEQA Guidelines, § 15126.6.)

7.24 ANALYSIS OF FUTURE EXPANSION.

An EIR must include an analysis of the environmental effects of future expansion (or other similar future modifications) if there is credible and substantial evidence that:

(a) The future expansion or action is a reasonably foreseeable consequence of the initial project; and

(b) The future expansion or action is likely to change the scope or nature of the initial project or its environmental effects.

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Absent these two circumstances, future expansion of a project need not be discussed. CEQA does not require speculative discussion of future development that is unspecific or uncertain. However, if future action is not considered now, it must be considered and environmentally evaluated before it is actually implemented.

(Reference: *Laurel Heights Improvement Ass'n v. Regents of University of California* (1988) 47 Cal.3d 376, 396.)

7.25 NOTICE OF COMPLETION OF DRAFT EIR; NOTICE OF AVAILABILITY OF DRAFT EIR.

Notice of Completion. When the Draft EIR is completed, a Notice of Completion (Form "H") must be filed with the Office of Land Use and Climate Innovation ("LCI") in an electronic form via the LCI's CEQA Submit website, which is located at the following web address: https://ceqasubmit.lci.ca.gov/. The Notice of Completion shall contain:

(a) A brief description of the proposed project;
(b) The location of the proposed project including the proposed project's latitude and longitude;
(c) An address where copies of the Draft EIR are available and a description of how the Draft EIR can be provided in an electronic format; and
(d) The review period during which comments will be received on the Draft EIR.

The LCI has developed a model form Notice of Completion. Form H follows LCI's model. To ensure that the documents are accepted by LCI staff, this form should be used when documents are transmitted to State Clearinghouse.

Notice of Availability. At the same time it sends a Notice of Completion to LCI, the District shall provide public notice of the availability of the Draft EIR by distributing a Notice of Availability of Draft Environmental Impact Report (Form "K"). The Notice of Availability shall include at least the following information:

(a) A brief description of the proposed project and its location;
(b) The starting and ending dates for the review period during which the District will receive comments, the manner in which the District will receive those comments, and whether the review period has been shortened;
(c) The date, time, and place of any scheduled public meetings or hearings to be held by the District on the proposed project, if the District knows this information when it prepares the Notice;
(d) A list of the significant environmental effects anticipated as a result of the project;
(e) The address where copies of the EIR and all documents incorporated by reference in the EIR will be available for public review, and a description of how the Draft EIR can be obtained in electronic format. This location shall be readily accessible to the public during the District's normal working hours; and
(f) A statement indicating whether the project site is included on any list of hazardous waste facilities, land designated as hazardous waste property, or hazardous waste disposal site, and, if so, the information required in the Hazardous Waste and Substances Statement pursuant to Government Code section 65962.5.

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The Notice of Availability shall be provided to:

(a) Each Responsible and Trustee Agency;
(b) Any other federal, state, or local agency that has jurisdiction by law or exercises authority over resources affected by the project, including:

(1) Any water supply agency consulted under Local Guidelines Section 5.16;

(2) Any city or county bordering on the project area;

(3) For a project of statewide, regional, or area-wide significance, any transportation agencies or public agencies that have major local arterials or public transit facilities within five (5) miles of the project site; or freeways, highways, or rail transit service within ten (10) miles of the project site that could be affected by the project;

(4) For a subdivision project located within one mile of a facility of the State Water Resources Development System, the California Department of Water Resources; and

(5) For a general plan amendment, a project of statewide, regional, or area-wide significance, or a project that relates to a public use airport, to any "military service" (defined in Section 11.44 of these Local Guidelines) that has provided the District with its contact office and address and notified the District of the specific boundaries of a "low-level flight path" (defined in Section 11.38 of these Local Guidelines), "military impact zone" (defined in Section 11.43 of these Local Guidelines), or "special use airspace" (defined in Section 11.69 of these Local Guidelines);

(c) The last known name and address of all organizations and individuals who have previously filed a written request with the District to receive these Notices;
(d) For certain projects that may impact a low-level flight path, military impact zone, or special use airspace and that meet the other criteria of Local Guidelines Section 7.04, the specified military services contact;
(e) For certain projects that involve the construction or alteration of a facility anticipated to emit hazardous air emissions or handle hazardous substances within one-quarter mile of a school and that meet the other requirements of Local Guidelines Section 7.36, any potentially affected school district;
(f) For certain waste-burning projects that meet the requirements of Local Guidelines Section 5.11 (see also Local Guidelines Section 7.27), the owners and occupants of property within one-fourth mile of any parcel on which the project will be located; and
(g) For a project that establishes or amends a redevelopment plan that contains land in agricultural use, notice and a copy of the Draft EIR shall be provided to the agricultural and farm agencies and organizations specified in Health and Safety Code section 33333.3.

The District requires requests for copies of these Notices to be in writing and to be renewed annually; moreover, the District may charge a fee for the reasonable cost of providing these Notices. A project will not be invalidated due to a failure to send a requested Notice provided there has been substantial compliance with these notice provisions.

Staff may also consult with and obtain comments from any person known to have special expertise or any other person or organization whose comments relative to the Draft EIR would be desirable.

Notice shall be given to the last known name and address of all organizations and individuals who have previously requested notice; by posting the notice on the website of the lead agency; and by at least one of the following procedures:

(a) Publication of the Notice of Completion and/or the Notice of Availability at least once in a newspaper of general circulation in the area affected by the proposed project. If more than one area will be affected, the notice shall be published in the newspaper of largest circulation from among the newspapers of general circulation in those areas;
(b) Posting of the Notice of Completion and/or the Notice of Availability on and off site in the area where the project is to be located; or
(c) Direct mailing of the Notice of Completion and/or the Notice of Availability to owners and occupants of property contiguous to the project, as identified on the latest equalized assessment roll.

The Notice of Completion and Notice of Availability shall be posted in the office of the Clerk in each county in which the project is located for at least thirty (30) days. If the public review period for the Draft EIR is longer than thirty (30) days, the District may wish to leave the Notice posted until the public review period for the Draft EIR has expired.

Copies of the Draft EIR shall also be made available at the District office for review by members of the general public. The District may require any person obtaining a copy of the Draft EIR to reimburse the District for the actual cost of its reproduction. Copies of the Draft EIR should also be furnished to appropriate public library systems.

The District shall also post an electronic copy of the Notice of Completion, Notice of Availability, and Draft EIR on its website, if any.

(Reference: Pub. Resources Code, § 21082.1; State CEQA Guidelines, §§ 15085, 15087.)

7.26 SUBMISSION OF DRAFT EIR TO STATE CLEARINGHOUSE.

A Draft EIR must be submitted to the State Clearinghouse, at the same time as the Notice of Completion, in an electronic form as required by the Office of Land Use and Climate Innovation ("LCI"), regardless of whether the document must be circulated for review and comment by state agencies under State CEQA Guidelines section 15205 and 15206. The Draft EIR must be submitted via the LCI's CEQA Submit website (https://ceqasubmit.lci.ca.gov/). The CEQA Submit website differentiates between environmental documents that do require review and comment by state agencies and those that do not. In particular, the website provides a "Local Review Period" tab for submitting documents that do not require review and comment by state agencies, and a "State Review Period" tab for submitting documents that do require review and comment by state agencies.

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A Draft EIR must be submitted to the State Clearinghouse for review and comment by state agencies (i.e., the Draft EIR must be submitted through the CEQA Submit website under the "State Review Period" tab) in the following situations:

(a) A state agency is the Lead Agency for the Draft EIR;
(b) A state agency is a Responsible Agency, Trustee Agency, or otherwise has jurisdiction by law over resources potentially affected by the project; or
(c) The Draft EIR is for a project identified in State CEQA Guidelines section 15206 as being a project of statewide, regional, or area-wide significance.

State CEQA Guidelines section 15206 identifies the following types of projects as being examples of projects of statewide, regional, or area-wide significance that require submission to the State Clearinghouse for circulation:

(1) General plans, elements, or amendments for which an EIR was prepared;

(2) Projects that have the potential for causing significant environmental effects beyond the city or county where the project would be located, such as:

(a) Residential development of more than 500 units;
(b) Commercial projects employing more than 1,000 persons or covering more than 500,000 square feet of floor space;
(c) Office building projects employing more than 1,000 persons or covering more than 250,000 square feet of floor space;
(d) Hotel or motel development of more than 500 rooms; and
(e) Industrial projects housing more than 1,000 persons, occupying more than 40 acres of land, or covering more than 650,000 square feet of floor area;

(3) Projects for the cancellation of a Williamson Act contract covering more than 100 acres;

(4) Projects in one of the following Environmentally Sensitive Areas:

(a) Lake Tahoe Basin;
(b) Santa Monica Mountains Zone;
(c) Sacramento-San Joaquin River Delta;
(d) Suisun Marsh;
(e) Coastal Zone, as defined by the California Coastal Act;
(f) Areas within one-quarter mile of a river designated as wild and scenic; or
(g) Areas within the jurisdiction of the San Francisco Bay Conservation and Development Commission;

(5) Projects that would affect sensitive wildlife habitats or the habitats of any rare, threatened, or endangered species;

(6) Projects that would interfere with water quality standards; and

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(7) Projects that would provide housing, jobs, or occupancy for 500 or more people within 10 miles of a nuclear power plant.

A Draft EIR may also be submitted to the State Clearinghouse for review and comment by state agencies when a state agency has special expertise with regard to the environmental impacts involved.

Submission of the Draft EIR to the State Clearinghouse affects the timing of the public review period as set forth in Local Guidelines Section 7.28.

(Reference: Pub. Resources Code, § 21091; State CEQA Guidelines, §§ 15205, 15206.)

7.27 SPECIAL NOTICE REQUIREMENTS FOR WASTE- AND FUEL-BURNING PROJECTS.

For any waste-burning project, as defined in Local Guidelines Section 5.11, in addition to the notice requirements specified in Local Guidelines Sections 7.25 and 7.26, Notice of Availability of the Draft EIR shall be given by direct mailing or any other method calculated to provide delivery of the notice to the owners and occupants of property within one-fourth mile of any parcel or parcels on which the project is located.

(Reference: Pub. Resources Code, § 21092(c).)

7.28 TIME FOR REVIEW OF DRAFT EIR; FAILURE TO COMMENT.

A period of between thirty (30) and sixty (60) days from the filing of the Notice of Completion of the Draft EIR shall be allowed for review of and comment on the Draft EIR, except in unusual situations.

If the Draft EIR is for a proposed project where a state agency is the lead agency, a responsible agency, or a trustee agency; a state agency otherwise has jurisdiction by law with respect to the project; or the proposed project is of sufficient statewide, regional, or area-wide significance as determined pursuant to State CEQA Guidelines section 15206, the review period shall be at least forty-five (45) days (unless a shorter period is approved as set forth below), and the lead agency shall provide the document in an electronic form, as required by the LCI, to the State Clearinghouse for review and comment by state agencies.

For purposes of calculating the length of the public review period, the last day of the public review period cannot fall on a weekend, a legal holiday, or other day on which the lead agency's offices are closed.[2] (Reference: *Rominger v. County of Colusa* (2014) 229 Cal.App.4th 690, 708.)

If a state agency is a Responsible Agency, or if the Draft EIR is submitted to the State Clearinghouse for review and comment by state agencies, the public review period shall be at least as long as the review period established by the State Clearinghouse. The public review period and

[2] A public agency's "offices are closed" for purposes of this section on days in which the agency is formally closed for business (for example, due to a weekend, a legal holiday, or a formal furlough affecting the entire office). A public agency's office is not considered closed for purposes of this section where the agency's office may be physically closed, but the agency is nonetheless open for business and is operating remotely or virtually (for example, in response to the Covid-19 pandemic).

the state agency review period may, but are not required to, begin and end at the same time. The state agency review period begins (day one) on the date that the State Clearinghouse distributes the Draft EIR to state agencies. The State Clearinghouse is required to distribute the Draft EIR to state agencies within three (3) working days from the date the State Clearinghouse receives the document, as long as the Draft EIR is complete when submitted to the State Clearinghouse. If the document submitted to the State Clearinghouse is not complete, the State Clearinghouse must notify the Lead Agency. The review period for the public and all other agencies may run concurrently with the state agency review period established by the State Clearinghouse.

Under certain circumstances, a shorter review period of the Draft EIR by the State Clearinghouse can be requested by the District; however, a shortened review period shall not be less than thirty (30) days for a Draft EIR. Any request for a shortened review period must be made in writing by the District to LCI. The District may designate a person to make these requests. The District must contact all Responsible and Trustee agencies and obtain their agreement prior to obtaining a shortened review period. (See the Shortened Review Request Form "P.") A shortened review period is not available for any proposed project of statewide, regional or area-wide environmental significance as determined pursuant to State CEQA Guidelines section 15206. Any approval of a shortened review period shall be given prior to, and reflected in, the public notices.

In the event a public agency, group, or person whose comments on a Draft EIR are solicited fails to comment within the required time period, it shall be presumed that such agency, group, or person has no comment to make, unless the Lead Agency has received a written request for a specific extension of time for review and comment and a statement of reasons for the request.

Continued planning activities concerning the proposed project, short of formal approval, may continue during the period set aside for review and comment on the Draft EIR.

(Reference: Pub. Resources Code, § 21091; State CEQA Guidelines, §§ 15203, 15205(d).)

7.29 PUBLIC HEARING ON DRAFT EIR.

CEQA does not require formal public hearings for certification of an EIR; public comments may be restricted to written communications. (However, a hearing is required to utilize the limited exemption for Transit Priority Projects as explained in Local Guidelines Section 3.22; to adopt a bicycle transportation plan as explained in Local Guidelines Section 3.23; and for certain other actions involving the replacement or deletion of mitigation measures under State CEQA Guidelines section 15074.1.) However, if the District provides a public hearing on its consideration of a project, the District should include the project's environmental review documents as one of the subjects of the hearing. Notice of the time and place of the hearing shall be given in a timely manner in accordance with any legal requirements applicable to the proposed project. Generally, the requirements of the Ralph M. Brown Act will provide the minimum requirements for the inclusion of CEQA matters on agendas and at hearings. (Gov. Code, § 54950 et seq.) At a minimum, agendas for meetings and hearings before commissions, boards, councils, and other agencies must be posted in a location that is freely accessible to members of the public at least seventy-two (72) hours prior to a regular meeting. The agenda must contain a brief general description of each item to be discussed and the time and location of the meeting. (Gov. Code, § 54954.2.) Additionally, any legislative body or its presiding officer must post an agenda for

each regular or special meeting on the local agency's Internet Web site, if the local agency has one.

(Reference: State CEQA Guidelines, § 15202.)

7.30 RESPONSE TO COMMENTS ON DRAFT EIR.

The Lead Agency shall evaluate any comments on environmental issues received during the public review period for the Draft EIR and shall prepare a written response to those comments that raise significant environmental issues.

As stated below, the District, as Lead Agency, should also consider evaluating and responding to any comments received after the public review period. The written responses shall describe the disposition of any significant environmental issues that are raised in the comments. The responses may take the form of a revision of the Draft EIR, an attachment to the Draft EIR, or some other oral or written response that is adequate under the circumstances. If the District's position is at variance with specific recommendations or suggestions raised in the comment, the District's response must detail the reasons why such recommendations or suggestions were not accepted. The level of detail contained in the response, however, may correspond to the level of detail provided in the comment (i.e., responses to general comments may be general). A general response may be appropriate when a comment does not contain or specifically refer to readily available information, or does not explain the relevance of evidence submitted with the comment.

Moreover, the District shall respond to any specific suggestions for project alternatives or mitigation measures for significant impacts, unless such alternatives or mitigation measures are facially infeasible. The response shall contain recommendations, when appropriate, to alter the project as described in the Draft EIR as a result of an analysis of the comments received.

At least ten (10) days prior to certifying a Final EIR, the Lead Agency shall provide its proposed written response, either in printed copy or in an electronic format, to any public agency that has made comments on the Draft EIR during the public review period. The District, as Lead Agency, is not required to respond to comments received after the public review period. However, the District, as Lead Agency, should consider responding to all comments if it will not delay action on the Final EIR, since any comment received before final action on the EIR can form the basis of a legal challenge. A written response that addresses the comment or adequately explains the District's action in light of the comment may assist in defending against a legal challenge.

(Reference: State CEQA Guidelines, § 15088.)

7.31 PREPARATION AND CONTENTS OF FINAL EIR.

Following the receipt of any comments on the Draft EIR as required herein, such comments shall be evaluated by Staff and a Final EIR shall be prepared.

The Final EIR shall meet all requirements of Local Guidelines Section 7.18 and shall consist of the Draft EIR or a revision of the Draft, a section containing either verbatim or in summary the comments and recommendations received through the review and consultation process, a list of persons, organizations and public agencies commenting on the Draft, and a section

containing the responses of the District to the significant environmental points raised in the review and consultation process.

(Reference: State CEQA Guidelines, §§ 15089, 15132.)

7.32 RECIRCULATION WHEN NEW INFORMATION IS ADDED TO EIR.

When significant new information is added to the EIR after notice and consultation but before certification, the Lead Agency must recirculate the Draft EIR for another public review period. The term "information" can include changes in the project or environmental setting as well as additional data or other information.

New information is significant only when the EIR is changed in a way that would deprive the public of a meaningful opportunity to comment upon a substantial adverse environmental effect of a project or a feasible way to mitigate or avoid such an effect, including a feasible project alternative, that the project proponents decline to implement. Recirculation is required, for example, when:

(1) New information added to an EIR discloses:

(a) A new significant environmental impact resulting from the project or from a new mitigation measure proposed to be implemented; or

(b) A significant increase in the severity of an environmental impact (unless mitigation measures are also adopted that reduce the impact to a level of insignificance); or

(c) A feasible project alternative or mitigation measure that clearly would lessen the significant environmental impacts of the project, but which the project proponents decline to adopt; or

(2) The Draft EIR is so fundamentally and basically inadequate and conclusory in nature that meaningful public review and comment were precluded.

Recirculation is not required when the new information added to the EIR merely clarifies or amplifies or makes insignificant modifications in an adequate EIR. If the revision is limited to a few chapters or portions of the EIR, the District as Lead Agency need only recirculate the chapters or portions that have been modified. A decision to not recirculate an EIR must be supported by substantial evidence in the record.

When the District determines to recirculate a Draft EIR, it shall give Notice of Recirculation (Form "M") to every agency, person, or organization that commented on the prior Draft EIR. The Notice of Recirculation must indicate whether new comments must be submitted and whether the District has exercised its discretion to require reviewers to limit their comments to the revised chapters or portions of the recirculated EIR. The District shall also consult again with those persons contacted pursuant to Local Guidelines Section 7.25 before certifying the EIR. When the EIR is substantially revised and the entire EIR is recirculated, the District may require that reviewers submit new comments and need not respond to those comments received during the earlier circulation period. In those cases, the District should advise reviewers that, although their previous comments remain part of the administrative record, the final EIR will not provide a

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written response to those comments, and new comments on the revised EIR must be submitted. The District need only respond to those comments submitted in response to the revised EIR.

When the EIR is revised only in part and the District is recirculating only the revised chapters or portions of the EIR, the District may request that reviewers limit their comments to the revised chapters or portions. The District need only respond to: (1) comments received during the initial circulation period that relate to chapters or portions of the document that were not revised and recirculated, and (2) comments received during the recirculation period that relate to the chapters or portions of the earlier EIR that were revised and recirculated.

When recirculating a revised EIR, either in whole or in part, the District must, in the revised EIR or by an attachment to the revised EIR, summarize the revisions made to the previously circulated draft EIR.

(Reference: State CEQA Guidelines, § 15088.5.)

7.33 CERTIFICATION OF FINAL EIR.

Following the preparation of the Final EIR, Staff shall review the Final EIR and make a recommendation to the decision-making body regarding whether the Final EIR has been completed in compliance with CEQA, the State CEQA Guidelines and the District's Local Guidelines. The Final EIR and Staff recommendation shall then be presented to the decision-making body. The decision-making body shall independently review and consider the information contained in the Final EIR and determine whether the Final EIR reflects its independent judgment. Before it approves the project, the decision-making body must certify and find that: (1) the Final EIR has been completed in compliance with CEQA, the State CEQA Guidelines and the District's Local Guidelines; (2) the Final EIR was presented to the decision-making body and the decision-making body reviewed and considered the information contained in the Final EIR before approving the project; and (3) the Final EIR reflects the District's independent judgment and analysis.

Except in those cases in which the Board of Directors is the final decision-making body for the project, any interested person may appeal the certification or denial of certification of a Final EIR to the Board of Directors. Appeals must follow the procedures prescribed by the District.

(Reference: State CEQA Guidelines, § 15090.)

7.34 CONSIDERATION OF EIR BEFORE APPROVAL OR DISAPPROVAL OF PROJECT.

Once the decision-making body has certified the EIR, it may then proceed to consider the proposed project for purposes of approval or disapproval.

(Reference: State CEQA Guidelines, § 15092.)

7.35 FINDINGS.

The decision-making body shall not approve or carry out a project if a completed EIR identifies one or more significant environmental effects of the project unless it makes one or more of the following written findings for each such significant effect, accompanied by a brief

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explanation of the rationale supporting each finding. For impacts that have been identified as potentially significant, the possible findings are:

(a) Changes or alterations have been required in, or incorporated into, the project which mitigate or avoid the significant effects on the environment as identified in the Final EIR, such that the impact has been reduced to a less-than-significant level;
(b) Such changes or alterations are within the responsibility and jurisdiction of another public agency and not the District. Such changes have been, or can and should be, adopted by that other agency; or
(c) Specific economic, legal, social, technological or other considerations, including considerations for the provision of employment opportunities for highly trained workers, make infeasible the mitigation measures or alternatives identified in the Final EIR. The decision-making body must make specific written findings stating why it has rejected an alternative to the project as infeasible.

The findings required by this Section shall be supported by substantial evidence in the record. Measures identified and relied on to mitigate environmental impacts identified in the EIR to below a level of significance should be expressly adopted or rejected in the findings. The findings should include a description of the specific reasons for rejecting any mitigation measures or project alternatives identified in the EIR that would reduce the significant impacts of the project. Any mitigation measures that are adopted must be fully enforceable through permit conditions, agreements, or other measures.

If any of the proposed alternatives could avoid or lessen an adverse impact for which no mitigation measures are proposed, the District shall analyze the feasibility of such alternative(s). If the project is to be approved without including such alternative(s), the District shall find that specific economic, legal, social, technological or other considerations, including considerations for the provision of employment opportunities for highly trained workers, make infeasible the alternatives identified in the Final EIR and shall list such considerations before such approval.

The decision-making body shall not approve or carry out a project as proposed unless: (1) the project as approved will not have a significant effect on the environment; or (2) the project's significant environmental effects have been eliminated or substantially lessened (as determined through one or more of the findings indicated above), and any remaining unavoidable significant effects have been found acceptable because of facts and circumstances described in a Statement of Overriding Considerations (see Local Guidelines Section 7.37). Statements in the Draft EIR or comments on the Draft EIR are not determinative of whether the project will have significant effects.

When making the findings required by this Section, the District as Lead Agency shall specify the location and custodian of the documents or other material which constitute the record of proceedings upon which it based its decision.

(Reference: State CEQA Guidelines, § 15091.)

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7.36 SPECIAL FINDINGS REQUIRED FOR FACILITIES THAT MAY EMIT HAZARDOUS AIR EMISSIONS NEAR SCHOOLS.

Special procedural rules apply to projects involving the construction or alteration of a facility within one-quarter mile of a school when: (1) the facility might reasonably be anticipated to emit hazardous air emissions or to handle an extremely hazardous substance or a mixture containing extremely hazardous substances in a quantity equal to or greater than the threshold specified in Health and Safety Code section 25532(j); and (2) the emissions or substances may pose a health or safety hazard to persons who would attend or would be employed at the school. If the project meets both of those criteria, the Lead Agency may not certify an EIR or approve a Negative Declaration or Mitigated Negative Declaration unless it makes a finding that:

(a) The Lead Agency consulted with the affected school district or districts having jurisdiction over the school regarding the potential impact of the project on the school; and
(b) The school district was given written notification of the project not less than thirty (30) days prior to the proposed certification of the EIR or approval of the Negative Declaration or Mitigated Negative Declaration.

Implementation of this Local Guideline shall be consistent with the definitions and terms utilized in State CEQA Guidelines section 15186.

Additionally, in its role as a Responsible Agency, the District should be aware that for projects involving the acquisition of a school site or the construction of a secondary or elementary school by a school district, the Negative Declaration, Mitigated Negative Declaration, or EIR prepared for the project may not be adopted or certified unless there is sufficient information in the entire record to determine whether any boundary of the school site is within 500 feet of the edge of the closest traffic lane of a freeway or other busy traffic corridor.

If it is determined that the project involves the acquisition of a school site that is within 500 feet of the edge of the closest traffic lane of a freeway, or other busy traffic corridor, the Negative Declaration, Mitigated Negative Declaration, or EIR may not be adopted or certified unless the school board determines, through a health risk assessment pursuant to Section 44360(b)(2) of the Health and Safety Code and after considering any potential mitigation measures, that the air quality at the proposed project site does not present a significant health risk to pupils.

(Reference: State CEQA Guidelines, § 15186.)

7.37 STATEMENT OF OVERRIDING CONSIDERATIONS.

Before a project that has unmitigated significant adverse environmental effects can be approved, the decision-making body must adopt a Statement of Overriding Considerations. If the decision-making body finds in the Statement of Overriding Considerations that specific benefits of a proposed project outweigh the unavoidable adverse environmental effects, the adverse environmental effects may be considered "acceptable."

Accordingly, the Statement of Overriding Considerations allows the decision-making body to approve a project despite one or more unmitigated significant environmental impacts identified

in the Final EIR. A Statement of Overriding Considerations can be made only if feasible project alternatives or mitigation measures do not exist to reduce the environmental impact(s) to a level of insignificance and the benefits of the project outweigh the adverse environmental effect(s). The feasibility of project alternatives or mitigation measures is determined by whether the project alternative or mitigation measure can be accomplished within a reasonable period of time, taking into account economic, environmental, social, legal and technological factors.

Project benefits that are appropriate to consider in the Statement of Overriding Considerations include the economic, legal, environmental, technological and social value of the project. The District may also consider region-wide or statewide environmental benefits.

Substantial evidence in the entire record must justify the decision-making body's findings and its use of the Statement of Overriding Considerations. If the decision-making body makes a Statement of Overriding Considerations, the Statement must be included in the record of the project approval and it should be referenced in the Notice of Determination.

(Reference: State CEQA Guidelines, § 15093.)

7.38 MITIGATION MONITORING OR REPORTING PROGRAM FOR EIR.

When making findings regarding an EIR, the District must do all of the following:

(a) Adopt a reporting or monitoring program to assure that mitigation measures that are required to mitigate or avoid significant effects on the environment will be implemented by the project proponent or other responsible party in a timely manner, in accordance with conditions of project approval;
(b) Make sure all conditions and mitigation measures are feasible and fully enforceable through permit conditions, agreements, or other measures. Such permit conditions, agreements, and measures must be consistent with applicable constitutional requirements such as the "nexus" and "rough proportionality" standards established by case law; and
(c) Specify the location and the custodian of the documents which constitute the record of proceedings upon which the District based its decision in the resolution certifying the EIR.

There is no requirement that the reporting or monitoring program be circulated for public review; however, the District may choose to circulate it for public comments along with the Draft EIR. Any mitigation measures required to mitigate or avoid significant effects on the environment shall be adopted and made fully enforceable, such as by being imposed as conditions of project approval.

The adequacy of a mitigation monitoring program is determined by the "rule of reason." This means that a mitigation monitoring program does not need to provide every imaginable measure. It needs only to provide measures that are reasonably feasible and that are necessary to avoid significant impacts or to reduce the severity of impacts to a less-than-significant level.

The mitigation monitoring or reporting program shall be designed to assure compliance with the mitigation measures during the implementation and construction of the project. If a Responsible Agency or Trustee Agency has required that certain conditions be incorporated into the project, the District may request that agency to prepare and submit a proposed reporting or

monitoring program. The District shall also require that, prior to the close of the public review period for a Draft EIR, the Responsible or Trustee Agency submit detailed performance objectives for mitigation measures, or refer the District to appropriate, readily available guidelines or reference documents. Any mitigation measures submitted to the District by a Responsible or Trustee Agency shall be limited to measures that mitigate impacts to resources that are within the Responsible or Trustee Agency's authority.

When a project is of statewide, regional, or area-wide significance, any transportation information resulting from the reporting or monitoring program required to be adopted by the District shall be submitted to the regional transportation planning agency where the project is located and to the Department of Transportation. The transportation planning agency and the Department of Transportation are required by law to adopt guidelines for the submittal of these reporting or monitoring programs, so the District may wish to tailor its submittal to such guidelines.

Local agencies have the authority to levy fees sufficient to pay for this program. Therefore, the District may impose a program to charge project proponents fees to cover actual costs of program processing and implementation.

The District may delegate reporting or monitoring responsibilities to an agency or to a private entity that accepts the delegation; however, until mitigation measures have been completed, the District remains responsible for ensuring that implementation of the mitigation measures occurs in accordance with the program.

The District may choose whether its program will monitor mitigation, report on mitigation, or both. "Reporting" is defined as a written compliance review that is presented to the Board or an authorized staff person. A report may be required at various stages during project implementation or upon completion of the mitigation measure. Reporting is suited to projects that have readily measurable or quantitative mitigation measures or that already involve regular review. "Monitoring" is generally an ongoing or periodic process of project oversight. Monitoring is suited to projects with complex mitigation measures that may exceed the expertise of the District to oversee, are expected to be implemented over a period of time, or require careful implementation to assure compliance.

At its discretion, the District may adopt standardized policies and requirements to guide individually adopted programs.

Standardized policies or requirements for monitoring and reporting may describe, but are not limited to:

(a) The relative responsibilities of various departments within the District for various aspects of the program;
(b) The responsibilities of the project proponent;
(c) Guidelines adopted by the District to govern preparation of programs;
(d) General standards for determining project compliance with the mitigation measures and related conditions of approval;

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(e) Enforcement procedures for noncompliance, including provisions for administrative appeal; and/or
(f) A process for informing the Board and staff of the relative success of mitigation measures and using those results to improve future mitigation measures.

When a project is of statewide, regional, or area-wide importance, any transportation information generated by a mitigation monitoring or reporting program must be submitted to the transportation planning agency in the region where the project is located, as well as to the Department of Transportation.

(Reference: State CEQA Guidelines, § 15097.)

7.39 NOTICE OF DETERMINATION.

After approval of a project for which the District is the Lead Agency, Staff shall cause a Notice of Determination (Form "F") to be prepared, filed, and posted. The Notice of Determination shall include the following information:

(a) An identification of the project, including its common name, where possible, and its location. If the Notice of Determination is filed with the State Clearinghouse, the State Clearinghouse identification number for the draft EIR shall be provided.
(b) A brief description of the project;
(c) The District's name and the applicant's name (if any). If different from the applicant, the Notice of Determination shall further provide, if applicable, the identity of the person undertaking the project that is supported, in whole or in part, through contracts, grants, subsidies, loans, or other forms of assistance from one or more public agencies, or the identity of the person receiving a lease, permit, license, certificate, or other entitlement for use from one or more public agencies.
(d) The date when the District approved the project;
(e) Whether the project in its approved form with mitigation will have a significant effect on the environment;
(f) A statement that an EIR was prepared and certified pursuant to the provisions of CEQA;
(g) Whether mitigation measures were made a condition of the approval of the project, and whether a mitigation monitoring plan/program was adopted;
(h) Whether findings were made and/or whether a Statement of Overriding Considerations was adopted for the project; and
(i) The address where a copy of the EIR (with comments and responses) and the record of project approval may be examined by the general public.

The Notice of Determination shall be filed within five (5) working days of project approval with both (1) the Clerk of each county in which the project will be located; and (2) the State Clearinghouse of the Office of Land Use and Climate Innovation. (To determine the fees that must be paid with the filing of the Notice of Determination, see Local Guidelines Section 7.42 and the Staff Summary of the CEQA Process.) The County Clerk is required to post the Notice of Determination within twenty-four (24) hours of receipt. The Notice must be posted in the office of the Clerk for a minimum of thirty (30) days. Thereafter, the Clerk shall return the notice to the

District with a notation of the period it was posted. The District shall retain the notice for not less than twelve (12) months.

The District, when acting as lead agency, must post its Notice of Determination for a project on its website, if any.

For projects with more than one phase, Staff shall file a Notice of Determination for each phase requiring a discretionary approval. The filing and posting of a Notice of Determination with the Clerk, and, if necessary, with the State Clearinghouse, usually starts a thirty (30) day statute of limitations on court challenges to the approval under CEQA. When separate notices are filed for successive phases of the same overall project, the thirty (30) day statute of limitation to challenge the subsequent phase begins to run when the second notice is filed. Failure to file the Notice may result in a one hundred eighty (180) day statute of limitations.

(Reference: Pub. Resources Code, §§ 21092.2, 21108; State CEQA Guidelines, § 15094.)

7.40 DISPOSITION OF A FINAL EIR.

The District shall file a copy of the Final EIR with the appropriate planning agency of any city or county where significant effects on the environment may occur. The District shall also retain one or more copies of the Final EIR as a public record for a reasonable period of time. Finally, for private projects, the District may require that the project applicant provide a copy of the certified Final EIR to each Responsible Agency.

(Reference: State CEQA Guidelines, § 15095.)

7.41 PRIVATE PROJECT COSTS.

For private projects, the person or entity proposing to carry out the project shall be charged a reasonable fee to recover the estimated costs incurred by the District in preparing, circulating, and filing the Draft and Final EIRs, as well as all publication costs incident thereto.

7.42 FILING FEES FOR PROJECTS THAT AFFECT WILDLIFE RESOURCES.

At the time a Notice of Determination for an EIR is filed with the County or Counties in which the project is located, a fee of $4,227.50then applicable fee, shall be paid to the Clerk for projects that will adversely affect fish or wildlife resources. These fees are collected by the Clerk on behalf of DFW.

Only one filing fee is required for each project unless the project is tiered or phased and separate environmental documents are prepared. For projects where Responsible Agencies file separate Notices of Determination, only the Lead Agency is required to pay the fee.

Note: County Clerks are authorized to charge a documentary handling fee for each project in addition to the Fish and Wildlife fees specified above. Refer to the Index in the Staff Summary to help determine the correct total amount of fees applicable to the project.

For private projects, the District should pass these costs on to the project applicant.

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No fees are required for projects with "no effect" on fish or wildlife resources or for certain projects undertaken by the DFW and implemented through a contract with a non-profit entity or local government agency. (See Local Guidelines Section 6.24 for more information regarding a "no effect" determination.)

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8. TYPES OF EIRS

8.01 EIRs Generally.

This chapter describes a number of examples of various EIRs tailored to different situations. All of these types of EIRs must meet the applicable requirements of Chapter 7 of these Local Guidelines.

8.02 Tiering.

(a) Tiering Generally.

"Tiering" refers to using the analysis of general matters contained in a previously certified broader EIR in later EIRs, Negative Declarations, or Mitigated Negative Declarations prepared for narrower projects. The later EIR, Negative Declaration, or Mitigated Negative Declaration may incorporate by reference the general discussions from the broader EIR and may concentrate solely on the issues specific to the later project.

An Initial Study shall be prepared for the later project and used to determine whether a previously certified EIR may be used and whether new significant effects should be examined. Tiering does not excuse the District from adequately analyzing reasonably foreseeable significant environmental effects of a project, nor does it justify deferring analysis to a later tier EIR, Negative Declaration, or Mitigated Negative Declaration. However, the level of detail contained in a first-tier EIR need not be greater than that of the program, plan, policy, or ordinance being analyzed. When the District is using the tiering process in connection with an EIR for a large-scale planning approval, such as a general plan or component thereof (e.g., an area plan, specific plan or community plan), the development of detailed, site-specific information may not be feasible. Such site-specific information can be deferred, in many instances, until such time as the Lead Agency prepares a future environmental document in connection with a project of a more limited geographical scale, as long as deferral does not prevent adequate identification of significant effects of the planning approval at hand.

(b) Identifying New Significant Impacts.

When assessing whether there is a new significant cumulative effect for purposes of a subsequent tier environmental document, the Lead Agency shall consider whether the incremental effects of the project would be considerable when viewed in the context of past, present, and probable future projects.

A Lead Agency may use only a valid CEQA document as a first-tier document. Accordingly, the District, in its role as Lead Agency, should carefully review the first-tier environmental document to determine whether or not the statute of limitations for challenging the document has run. If the statute of limitations has not expired, the District should use the first-tier document with caution and pay careful attention to the legal status of the document. If the first-tier document is subsequently invalidated, any later environmental document may also be defective.

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(c) Infill Projects and Tiering.

Certain "infill" projects may tier off of a previously certified EIR. An "infill" project is defined as a project with residential, retail, and/or commercial uses, a transit station, a school, or a public office building. It must be located in an urban area on a previously developed site or on an undeveloped site that is surrounded by developed uses. The project must be either consistent with land use planning strategies that achieve greenhouse gas ("GHG") emission reduction targets, feature a small walkable community project, or where a sustainable communities or alternative planning strategy has not yet been adopted for the area, include a residential density of at least 20 units per acre or a floor area ratio of at least 0.75. The project must also meet a number of standards related to energy efficiency that are not yet defined but which SB 226 directs the Office of Land Use and Climate Innovation to prepare.

If an EIR was certified for a planning level decision by a city or county (such as a General Plan or Specific Plan), the scope of the CEQA review for a later "infill" project can be limited to those effects on the environment that: 1) are specific to the project or to the project site and were not addressed as significant effects in the prior EIR; or 2) substantial new information shows will be more significant than described in the prior EIR.

When a project meets the definition of "infill" and either of the above conditions exist but a Mitigated Negative Declaration cannot be adopted, then the subsequent EIR for such a project need not consider alternative locations, densities, and building intensities or growth-inducing impacts.

(d) Statement of Overriding Considerations.

A Lead Agency may also tier off of a previously prepared Statement of Overriding Considerations if certain conditions are met. (See Local Guidelines Section 7.37.)

(Reference: State CEQA Guidelines, § 15152.)

8.03 PROJECT EIR.

The most common type of EIR examines the environmental impacts of a specific development project and focuses primarily on the changes in the environment that would result from the development project. This type of EIR must examine all phases of the project, including planning, construction, and operation.

If the EIR for a redevelopment plan is a Project EIR, all public and private activities or undertakings pursuant to or in furtherance of the Redevelopment Plan shall constitute a single project, which shall be deemed approved at the time of the adoption of the Redevelopment Plan. Although the District will probably not act as a Lead Agency for a Redevelopment Plan, the District may act as a Responsible Agency.

(Reference: State CEQA Guidelines, §§ 15161, 15180.)

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8.04 SUBSEQUENT EIR.

A Subsequent EIR is required when a previous EIR has been prepared and certified, or a Negative Declaration or Mitigated Negative Declaration has been adopted, for a project and at least one of the three following situations occur:

(a) Substantial changes are proposed in the project which will require major revisions of a previous EIR due to the identification of new significant environmental effects or a substantial increase in the severity of previously identified significant effects;

(b) Substantial changes occur with respect to the circumstances under which the project is to be undertaken which will require major revisions of a previous EIR due to the identification of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; or

(c) New information, which was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was certified as complete or the Negative Declaration/Mitigated Negative Declaration was adopted, becomes available and shows any of the following:

(1) the project will have one or more significant effects not discussed in a previous EIR, Negative Declaration, or Mitigated Negative Declaration;

(2) significant effects previously examined will be substantially more severe than shown in a previous EIR;

(3) mitigation measures or alternatives previously found not to be feasible are in fact feasible and would substantially reduce one or more significant effects, but the project proponent declines to adopt the mitigation measures or alternatives; or

(4) mitigation measures or alternatives which were not considered in a previous EIR would substantially lessen one or more significant effects on the environment, but the project proponent declines to adopt the mitigation measures or alternatives.

A Subsequent EIR must receive the same circulation and review as the previous EIR received. As a potential tool to determine whether a Subsequent EIR is required, see Form J-1 of these Local Guidelines.

In instances where the District is evaluating a modification or revision to an existing use permit, the District may consider only those environmental impacts related to the changes between what was allowed under the old permit and what is requested under the new permit. Only if these differential impacts fall within the categories described above may the District require additional environmental review.

When the District is considering approval of a development project that is consistent with a general plan for which an EIR was completed, another EIR is required only if the project causes environmental effects peculiar to the parcel which were not addressed in the prior EIR or substantial new information shows the effects peculiar to the parcel will be more significant than described in the prior EIR. (Reference: State CEQA Guidelines, § 15162.)

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8.05 SUPPLEMENTAL EIR.

The District may choose to prepare a Supplemental EIR, rather than a Subsequent EIR, if any of the conditions described in Local Guidelines Section 8.04 have occurred but only minor additions or changes would be necessary to make the previous EIR adequately apply to the project in the changed situation. To assist the District in making this determination, the decision-making body should request an Initial Study and/or a recommendation by Staff. The Supplemental EIR need contain only the information necessary to make the previous EIR adequate for the project as revised.

A Supplemental EIR shall be given the same kind of notice and public review as is given to a Draft EIR but may be circulated by itself without recirculating the previous EIR.

When the decision-making body decides whether to approve the project, it shall consider the previous EIR as revised by the Supplemental EIR. Findings shall be made for each significant effect identified in the Supplemental EIR.

(Reference: State CEQA Guidelines, § 15163.)

8.06 ADDENDUM TO AN EIR.

The District shall prepare an Addendum to a previously certified EIR, rather than a Subsequent or Supplemental EIR, only if changes or additions to the EIR are necessary, but none of the conditions described in Local Guidelines Section 8.04 or 8.05 calling for preparation of a Subsequent or Supplemental EIR have occurred. Since significant effects on the environment were addressed by findings in the original EIR, no new findings are required in the Addendum.

An Addendum to an EIR need not be circulated for public review but should be included in or attached to the Final EIR. The decision-making body shall consider the Addendum with the Final EIR prior to making a decision on a project. A brief explanation of the decision not to prepare a Subsequent EIR or a Supplemental EIR should be included in the Addendum, the Lead Agency's findings on the project, or elsewhere in the record. This explanation must be supported by substantial evidence.

(Reference: State CEQA Guidelines, § 15164.)

8.07 STAGED EIR.

When a large capital project will require a number of discretionary approvals from governmental agencies and one of the approvals will occur more than two years before construction will begin, a Staged EIR may be prepared. The Staged EIR covers the entire project in a general form or manner. A Staged EIR should evaluate a proposal in light of current and contemplated plans and produce an informed estimate of the environmental consequences of an entire project. The particular aspect of the project before the District for approval shall be discussed with a greater degree of specificity.

When a Staged EIR has been prepared, a Supplemental EIR shall be prepared when a later approval is required for the project and the information available at the time of the later approval

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would permit consideration of additional environmental impacts, mitigation measures, or reasonable alternatives to the project.

(Reference: State CEQA Guidelines, § 15167.)

8.08 PROGRAM EIR.

A Program EIR is an EIR that may be prepared on an integrated series of actions that are related either:

(a) Geographically;
(b) As logical parts in a chain of contemplated actions;
(c) In connection with the issuance of rules, regulations, plans or other general criteria to govern the conduct of a continuing program; or
(d) As individual projects carried out under the same authorizing statutory or regulatory authority and having generally similar environmental effects that can be mitigated in similar ways.

An advantage of using a Program EIR is that it can "[a]llow the Lead Agency to consider broad policy alternatives and program wide mitigation measures at an early time when the agency has greater flexibility to deal with basic problems or cumulative impacts." (State CEQA Guidelines section 15168(b)(4).) A Program EIR is distinct from a Project EIR, as a Project EIR is prepared for a specific project and must examine in detail site-specific considerations. Program EIRs are commonly used in conjunction with the process of tiering.

Tiering is the coverage of general matters in broader EIRs (such as on general plans or policy statements) with subsequent narrower EIRs. (State CEQA Guidelines section 15385; see also Local Guidelines Sections 8.02 and 11.75.) Tiering is proper "when it helps a public agency to focus upon the issues ripe for decision at each level of environmental review and in order to exclude duplicative analysis of environmental effects examined in previous environmental impact reports." (Pub. Resources Code, § 21093(a).) For example, the California Supreme Court has ruled that "CEQA does not mandate that a first-tier program EIR identify with certainty particular sources of water for second-tier projects that will be further analyzed before implementation during later stages of the program. Rather, identification of specific sources is required only at the second-tier stage when specific projects are considered." (*In re Bay-Delta etc.* (2008) 43 Cal. 4th 1143.)

Subsequent activities in the program must be examined in light of the Program EIR to determine whether additional environmental documents must be prepared. Additional environmental review documents must be prepared if the proposed later project may arguably cause significant adverse effects on the environment.

(Reference: State CEQA Guidelines, § 15168.)

8.09 USE OF A PROGRAM EIR WITH SUBSEQUENT EIRS AND NEGATIVE DECLARATIONS.

A Program EIR can be used to simplify the task of preparing environmental documents on later activities in the program. The Program EIR can:

(a) Provide the basis for an Initial Study to determine whether the later activity may have any significant effects;
(b) Be incorporated by reference to deal with regional influences, secondary effects, cumulative impacts, broad alternatives and other factors that apply to the program as a whole; or
(c) Focus an EIR on a later activity to permit discussion solely of new effects which had not been considered before.

If a Program EIR is prepared for a redevelopment plan, subsequent activities in the redevelopment program will be subject to review if they would have effects that were not examined in the Program EIR. Where the later activities involve site-specific operations, the District should use a written checklist or similar device to document the evaluation of the site and the proposed activity to determine whether the environmental effects of the operation were within the scope of the Program EIR. If a later activity would have effects that were not examined in the Program EIR, a new Initial Study would need to be prepared leading to an EIR, Negative Declaration, or Mitigated Negative Declaration. That later analysis may tier from the Program EIR as provided in State CEQA Guidelines section 15152.

If the District finds that no Subsequent EIR would be required, the District can approve the activity as being within the scope of the project covered by the Program EIR, and no new environmental document is required. (See Local Guidelines Section 8.04.) Whether a later activity is within the scope of a Program EIR is a factual question that the Lead Agency determines based on substantial evidence in the record. Factors that the Lead Agency may consider in making that determination include, but are not limited to, consistency of the later activity with the type of allowable land use, overall planned density and building intensity, geographic area analyzed for environmental impacts, and covered infrastructure, as described in the Program EIR.

(Reference: State CEQA Guidelines, § 15168.)

8.10 USE OF AN EIR FROM AN EARLIER PROJECT.

A single EIR may be used to describe more than one project when the projects involve substantially identical environmental impacts. Any environmental impacts peculiar to one of the projects must be separately set forth and explained.

(Reference: State CEQA Guidelines, § 15165.)

8.11 MASTER EIR.

A Master EIR is an EIR which may be prepared for:

(a) A general plan (including elements and amendments);
(b) A specific plan;
(c) A project consisting of smaller individual projects to be phased;
(d) A regulation to be implemented by subsequent projects;
(e) A project to be carried out pursuant to a development agreement;
(f) A project pursuant to or furthering a redevelopment plan;
(g) A state highway or mass transit project subject to multiple reviews or approvals; or

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(h) A regional transportation plan or congestion management plan.

A Master EIR must do both of the following:

(a) Describe and present sufficient information about anticipated subsequent projects within its scope, including their size, location, intensity, and scheduling; and
(b) Preliminarily describe potential impacts of anticipated subsequent projects for which insufficient information is available to support a full impact assessment.

The District and Responsible Agencies identified in the Master EIR may use the Master EIR to limit environmental review of subsequent projects. However, the Lead Agency for the subsequent project must prepare an Initial Study to determine whether the subsequent project and its significant environmental effects were included in the Master EIR. If the Lead Agency for the subsequent project finds that the subsequent project will have no additional significant environmental effect and that no new mitigation measures or alternatives may be required, it may prepare written findings to that effect without preparing a new environmental document. When the Lead Agency makes this finding, it must provide public notice of the availability of its proposed finding for public review and comment in the same manner as if it were providing public notice of the availability of a draft EIR. (See Sections 15177(d) and 15087 of the State CEQA Guidelines and Section 7.25 of these Local Guidelines.)

A previously certified Master EIR cannot be relied upon to limit review of a subsequent project if:

(a) A project not identified in the certified Master EIR has been approved and that project may affect the adequacy of the Master EIR for the subsequent project now under consideration; or
(b) The Master EIR was certified more than five (5) years before the filing of an application for the subsequent project, unless the District reviews the adequacy of the Master EIR and:

(1) Finds that, since the Master EIR was certified, no substantial changes have occurred that would cause the subsequent project to have significant environmental impacts, and there is no new information that the subsequent project would have significant environmental impacts; or

(2) Prepares an Initial Study and either certifies a Subsequent or Supplemental EIR or adopts a Mitigated Negative Declaration that addresses any substantial changes or new information that would cause the subsequent project to have potentially significant environmental impacts. The certified subsequent or supplemental EIR must either be incorporated into the previously certified Master EIR or the District must identify any deletions, additions or other modifications to the previously certified Master EIR in the new document. The District may include a section in the subsequent or supplemental EIR that identifies these changes to the previously certified Master EIR.

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When the Lead Agency cannot find that the subsequent project will have no additional significant environmental effect and no new mitigation measures or alternatives will be required, it must prepare either a Mitigated Negative Declaration or an EIR for the subsequent project.

(Reference: State CEQA Guidelines, § 15175.)

8.12 FOCUSED EIR.

A Focused EIR is an EIR for a subsequent project identified in a Master EIR. It may be used only if the District finds that the Master EIR's analysis of cumulative, growth-inducing, and irreversible significant environmental effects is adequate for the subsequent project. The Focused EIR must incorporate by reference the Master EIR.

The Focused EIR must analyze additional significant environmental effects not addressed in the Master EIR and any new mitigation measures or alternatives not included in the Master EIR. "Additional significant effects on the environment" means those project-specific effects on the environment that were not addressed as significant effects on the environment in the Master EIR.

The Focused EIR must also examine the following:

(a) Significant effects discussed in the Master EIR for which substantial new information exists that shows those effects may be more significant than described in the Master EIR;
(b) Those mitigation measures found to be infeasible in the Master EIR for which substantial new information exists that shows the effects may be more significant than described in the Master EIR; and
(c) Those mitigation measures found to be infeasible in the Master EIR for which substantial new information exists that shows those measures may now be feasible.

The Focused EIR need not examine the following effects:

(a) Those that were mitigated through Master EIR mitigation measures; or
(b) Those that were examined in the Master EIR in sufficient detail to allow project-specific mitigation or for which mitigation was found to be the responsibility of another agency.

A Focused EIR may be prepared for a multifamily residential project not exceeding 100 units or a mixed use residential project not exceeding 100,000 square feet even though the project was not identified in a Master EIR, if the following conditions are met:

(a) The project is consistent with a general plan, specific plan, community plan, or zoning ordinance for which an EIR was prepared within five (5) years of the Focused EIR's certification;
(b) The project does not require the preparation of a Subsequent or Supplemental EIR; and
(c) The parcel is surrounded by immediately contiguous urban development, was previously developed with urban uses, or is within one-half mile of a rail transit station.

A Focused EIR for these projects should be limited to potentially significant effects that are project-specific and/or which substantial new information shows will be more significant than

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described in the Master EIR. No discussion shall be required of alternatives to the project, cumulative impacts of the project, or the growth-inducing impacts of the project.

(Reference: State CEQA Guidelines, § 15179.5.)

8.13 SPECIAL REQUIREMENTS FOR REDEVELOPMENT PROJECTS.

An EIR for a redevelopment plan may be a Master EIR, Program EIR or Project EIR. An EIR for a redevelopment plan must specify whether it is a Master EIR, a Program EIR or a Project EIR. Normally, the District will not be a Lead Agency for a redevelopment plan. However, if the District is a Responsible Agency on such a project, the District should endeavor to ensure that the county and/or applicable city as the case may be, as Lead Agency, analyzes these impacts in accordance with CEQA.

If a Program EIR is prepared for a redevelopment plan, subsequent activities in the redevelopment program will be subject to review if they would have effects that were not examined in the Program EIR. The Lead Agency should use a written checklist or similar device to document the evaluation of the site and the proposed activity to determine whether the environmental effects of the operation were indeed covered in the Program EIR. If the Lead Agency finds that no new effects could occur, no new mitigation measures would be required or that State CEQA Guidelines sections 15162 and 15163 do not otherwise apply, the Lead Agency can approve the activity as being within the scope of the project covered by the Program EIR, and no new environmental document is required.

If the EIR for a redevelopment plan is a Project EIR, all public and private activities or undertakings pursuant to or in furtherance of the Redevelopment Plan shall constitute a single project, which shall be deemed approved at the time of the adoption of the Redevelopment Plan. Once certified, no subsequent EIRs will be needed unless required by State CEQA Guidelines sections 15162 or 15163. If a Master EIR is prepared for a redevelopment plan, subsequent projects will be subject to review if they would have effects that were not examined in the Master EIR. If no new effects could occur or no new mitigation measures would be required, the Lead Agency can approve the activity as being within the scope of the project covered by the Master EIR, and no new environmental document is required.

(Reference: State CEQA Guidelines, § 15180.)

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9. AFFORDABLE HOUSING

9.01 STREAMLINED, MINISTERIAL APPROVAL PROCESS FOR AFFORDABLE HOUSING PROJECTS

The legislature has provided reforms and incentives to facilitate and expedite the approval and construction of affordable housing.

(a) An applicant may submit an application for a development that is subject to the streamlined, ministerial approval process and is not subject to a conditional use permit or any other non-legislative discretionary approval if the development satisfies all of the following objective planning standards:

(i) The development is a multifamily housing development that contains two or more residential units.

(ii) The development is located on a site that satisfies the following:

(A) A site that is a legal parcel or parcels located in a city if, and only if, the city boundaries include some portion of either an urbanized area or urban cluster, as designated by the United States Census Bureau, or, for unincorporated areas, a legal parcel or parcels wholly within the boundaries of an urbanized area or urban cluster, as designated by the United States Census Bureau.

(B) A site in which at least 75 percent of the perimeter of the site adjoins parcels that are developed with urban uses. For the purposes of this section, parcels that are only separated by a street or highway shall be considered to be adjoined.

(C)(1) A site that meets the requirements of clause (2) and satisfies any of the following:

(I) The site is zoned for residential use or residential mixed-use development.

(II) The site has a general plan designation that allows residential use or a mix of residential and nonresidential uses.

(III) The site is zoned for office or retail commercial use and meets the requirements of Gov. Code section 65852.24.

(2) At least two-thirds of the square footage of the development designated for residential use. Additional density, floor area, and units, and any other concession, incentive, or waiver of development standards granted pursuant to the Density Bonus Law in Government Code section 65915 shall be included in the square footage calculation. The square footage of the development shall not include underground space, such as basements or underground parking garages.

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(iii) If the development contains units that are subsidized, the development proponent already has recorded, or is required by law to record, a land use restriction or covenant providing that any lower or moderate income housing units required pursuant to subparagraph B of Paragraph (iv) of this Subsection shall remain available at affordable housing costs or rent to persons and families of lower or moderate income for the following applicable minimum durations:

(A) Fifty-five years for units that are rented.

(B) Forty-five years for units that are owned.

(iv) The development satisfies subparagraphs (A) and (B) below:

(A) The development is located in a locality that the department has determined is subject to this subparagraph on the basis that the number of units that have been issued building permits, as shown on the most recent production report received by the department, is less than the locality's share of the regional housing needs, by income category, for that reporting period. A locality shall remain eligible under this subparagraph until the department's determination for the next reporting period. A locality shall be subject to this subparagraph if it has not submitted an annual housing element report to the department pursuant to paragraph (2) of subdivision (a) of Section 65400 for at least two consecutive years before the development submitted an application for approval under this section.

(B) The development is subject to a requirement mandating a minimum percentage of below market rate housing based on one of the following:

(1) The locality did not submit its latest production report to the department by the time period required by Government Code section 65400, or that production report reflects that there were fewer units of above moderate-income housing approved than were required for the regional housing needs assessment cycle for that reporting period. In addition, if the project contains more than 10 units of housing, the project does either of the following:

A. The project dedicates a minimum of 10 percent of the total number of units, before calculating any density bonus, to housing affordable to households making at or below 80 percent of the area median income. However, if the locality has adopted a local ordinance that requires that greater than 10 percent of the units be dedicated to housing affordable to households making below 80 percent of the area median income, that local ordinance applies.

B. If the project is located within the San Francisco Bay area, the project, in lieu of complying with subclause (A),

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dedicates 20 percent of the total number of units, before calculating any density bonus, to housing affordable to households making below 120 percent of the area median income with the average income of the units at or below 100 percent of the area median income. However, a local ordinance adopted by the locality applies if it requires greater than 20 percent of the units be dedicated to housing affordable to households making at or below 120 percent of the area median income, or requires that any of the units be dedicated at a level deeper than 120 percent. In order to comply with this subclause, the rent or sale price charged for units that are dedicated to housing affordable to households between 80 percent and 120 percent of the area median income shall not exceed 30 percent of the gross income of the household. For purposes of this subclause, "San Francisco Bay area" means the entire area within the territorial boundaries of the Counties of Alameda, Contra Costa, Marin, Napa, San Mateo, Santa Clara, Solano, and Sonoma, and the City and County of San Francisco.

(2) The locality did not submit its latest production report to the department by the time period required by Government Code section 65400, or that production report reflects that there were fewer units of housing affordable to households making at or below 80 percent of the area median income that were issued building permits than were required for the regional housing needs assessment cycle for that reporting period, and the project seeking approval dedicates 50 percent of the total number of units, before calculating any density bonus, to housing affordable to households making at or below 80 percent of the area median income. However, if the locality has adopted a local ordinance that requires that greater than 50 percent of the units be dedicated to housing affordable to households making at or below 80 percent of the area median income, that ordinance applies.

(3) The locality did not submit its latest production report to the department by the time period required by Government Code section 65400, or if the production report reflects that there were fewer units of housing affordable to any income level described in clause (i) or (ii) that were issued building permits than were required for the regional housing needs assessment cycle for that reporting period, the project seeking approval may choose between utilizing clause (i) or (ii).

(C)(i) A development proponent that uses a unit of affordable housing to satisfy the requirements of subparagraph (B) may also satisfy any other local or state requirement for affordable housing, including local ordinances or the Density Bonus Law in Government Code section 65915, provided that the development proponent complies with the applicable requirements in the state or local law.

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(C)(ii) A development proponent that uses a unit of affordable housing to satisfy any other state or local affordability requirement may also satisfy the requirements of subparagraph (B), provided that the development proponent complies with applicable requirements of subparagraph (B).

(C)(iii) A development proponent may satisfy the affordability requirements of subparagraph (B) with a unit that is restricted to households with incomes lower than the applicable income limits required in subparagraph (B).

(v) The development, excluding any additional density or any other concessions, incentives, or waivers of development standards granted pursuant to the Density Bonus Law in Government Code section 65915, is consistent with objective zoning standards and objective design review standards in effect at the time that the development is submitted to the local government pursuant to this section. For purposes of this paragraph, "objective zoning standards" and "objective design review standards" mean standards that involve no personal or subjective judgment by a public official and are uniformly verifiable by reference to an external and uniform benchmark or criterion available and knowable by both the development applicant or proponent and the public official prior to submittal. These standards may be embodied in alternative objective land use specifications adopted by a city or county, and may include, but are not limited to, housing overlay zones, specific plans, inclusionary zoning ordinances, and density bonus ordinances, subject to the following:

(A) A development shall be deemed consistent with the objective zoning standards related to housing density, as applicable, if the density proposed is compliant with the maximum density allowed within that land use designation, notwithstanding any specified maximum unit allocation that may result in fewer units of housing being permitted.

(B) In the event that objective zoning, general plan, or design review standards are mutually inconsistent, a development shall be deemed consistent with the objective zoning standards pursuant to this section if the development is consistent with the standards set forth in the general plan.

(C) A project that satisfies the requirements of Government Code section 65852.24 shall be deemed consistent with objective zoning standards, objective design standards, and objective subdivision standards if the project is consistent with the provisions of subdivision (b) of Government Code section 65852.24 and if none of the square footage in the project is designated for hotel, motel, bed and breakfast inn, or other transient lodging use, except for a residential hotel. For purposes of this subdivision, "residential hotel" shall have the same meaning as defined in Section 50519 of the Health and Safety Code.

(vi) The development is not located on a site that is any of the following:

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(A) A coastal zone, as defined in Division 20 (commencing with Section 30000) of the Public Resources Code.

(B) Either prime farmland or farmland of statewide importance, as defined pursuant to United States Department of Agriculture land inventory and monitoring criteria, as modified for California, and designated on the maps prepared by the Farmland Mapping and Monitoring Program of the Department of Conservation, or land zoned or designated for agricultural protection or preservation by a local ballot measure that was approved by the voters of that jurisdiction.

(C) Wetlands, as defined in the United States Fish and Wildlife Service Manual.

(D) Within a very high fire hazard severity zone, as determined by the Department of Forestry and Fire Protection pursuant to Section 51178, or within a high or very high fire hazard severity zone as indicated on maps adopted by the Department of Forestry and Fire Protection pursuant to Section 4202 of the Public Resources Code. This subparagraph does not apply to sites excluded from the specified hazard zones by a local agency, pursuant to subdivision (b) of Government Code section 51179, or sites that have adopted fire hazard mitigation measures pursuant to existing building standards or state fire mitigation measures applicable to the development.

(E) A hazardous waste site that is listed pursuant to Government Code section 65962.5 or a hazardous waste site designated by the Department of Toxic Substances Control pursuant to Section 25356 of the Health and Safety Code, unless either of the following apply:

(i) The site is an underground storage tank site that received a uniform closure letter issued pursuant to subdivision (g) of Section 25296.10 of the Health and Safety Code based on closure criteria established by the State Water Resources Control Board for residential use or residential mixed uses. This section does not alter or change the conditions to remove a site from the list of hazardous waste sites listed pursuant to Government Code section 65962.5; or

(ii) The State Department of Public Health, State Water Resources Control Board, Department of Toxic Substances Control, or a local agency making a determination pursuant to subdivision (c) of Section 25296.10 of the Health and Safety Code, has otherwise determined that the site is suitable for residential use or residential mixed uses.

(F) Within a delineated earthquake fault zone as determined by the State Geologist in any official maps published by the State Geologist, unless the

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development complies with applicable seismic protection building code standards adopted by the California Building Standards Commission under the California Building Standards Law, Health and Safety Code section 18901, and by any local building department under Chapter 12.2 (commencing with Section 8875) of Division 1 of Title 2 of the Government Code.

(G) Within a flood plain as determined by maps promulgated by the Federal Emergency Management Agency, unless the development has been issued a flood plain development permit pursuant to Code of Federal Regulations section 59.1.

(H) Within a floodway as determined by maps promulgated by the Federal Emergency Management Agency, unless the development has received a no-rise certification in accordance with Code of Federal Regulations section 60.3(d)(3).

(I) Lands identified for conservation in an adopted natural community conservation plan pursuant to the Natural Community Conservation Planning Act, Fish and Game Code section 2800, habitat conservation plan pursuant to the federal Endangered Species Act of 1973 (16 U.S.C. Sec. 1531 et seq.), or other adopted natural resource protection plan.

(J) Habitat for protected species identified as candidate, sensitive, or species of special status by state or federal agencies, fully protected species, or species protected by the federal Endangered Species Act of 1973 (16 U.S.C. Sec. 1531 et seq.), the California Endangered Species Act, Fish and Game Code section 2050, or the Native Plant Protection Act, Fish and Game Code section 1900.

(K) Lands under conservation easement.

(vii) The development is not located on a site where any of the following apply:

(A) The development would require the demolition of the following types of housing:

(1) Housing that is subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of moderate, low, or very low income.

(2) Housing that is subject to any form of rent or price control through a public entity's valid exercise of its police power.

(3) Housing that has been occupied by tenants within the past 10 years.

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(B) The site was previously used for housing that was occupied by tenants that was demolished within 10 years before the development proponent submits an application under this section.

(C) The development would require the demolition of a historic structure that was placed on a national, state, or local historic register.

(D) The property contains housing units that are occupied by tenants, and units at the property are, or were, subsequently offered for sale to the general public by the subdivider or subsequent owner of the property.

(viii) The applicant has done both of the following, as applicable:

(A) Certified to the locality that either of the following is true, as applicable:

(1) The entirety of the development is a public work for purposes of Labor Code section 1720.

(2) If the development is not in its entirety a public work, that all construction workers employed in the execution of the development will be paid at least the general prevailing rate of per diem wages for the type of work and geographic area, as determined by the Director of Industrial Relations pursuant to Labor Code sections 1773 and 1773.9, except that apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate. If the development is subject to this subparagraph, then for those portions of the development that are not a public work all of the following shall apply:

(I) The development proponent shall ensure that the prevailing wage requirement is included in all contracts for the performance of the work.

(II) All contractors and subcontractors shall pay to all construction workers employed in the execution of the work at least the general prevailing rate of per diem wages, except that apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate.

(III) Except as provided in subsection (V), all contractors and subcontractors shall maintain and verify payroll records pursuant to Labor Code section 1776 and make those records available for inspection and copying as provided in therein.

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(IV) Except as provided in subsection (V), the obligation of the contractors and subcontractors to pay prevailing wages may be enforced by the Labor Commissioner through the issuance of a civil wage and penalty assessment pursuant to Labor Code section 1741, which may be reviewed pursuant to Labor Code section 1742, within 18 months after the completion of the development, by an underpaid worker through an administrative complaint or civil action, or by a joint labor-management committee through a civil action under Labor Code section 1771.2. If a civil wage and penalty assessment is issued, the contractor, subcontractor, and surety on a bond or bonds issued to secure the payment of wages covered by the assessment shall be liable for liquidated damages pursuant to Labor Code section 1742.1.

(V) Subsections (III) and (IV) shall not apply if all contractors and subcontractors performing work on the development are subject to a project labor agreement that requires the payment of prevailing wages to all construction workers employed in the execution of the development and provides for enforcement of that obligation through an arbitration procedure. For purposes of this clause, "project labor agreement" has the same meaning as set forth in Public Contract Code section 2500(b)(1).

(VI) Notwithstanding Labor Code section 1773.1, subdivision (c), the requirement that employer payments not reduce the obligation to pay the hourly straight time or overtime wages found to be prevailing shall not apply if otherwise provided in a bona fide collective bargaining agreement covering the worker. The requirement to pay at least the general prevailing rate of per diem wages does not preclude use of an alternative workweek schedule adopted pursuant to Labor Code section 511 or 514.

(B)(1) For developments for which any of the following conditions apply, certified that a skilled and trained workforce shall be used to complete the development if the application is approved:

(I) On and after January 1, 2018, until December 31, 2021, the development consists of 75 or more units that are not 100 percent subsidized affordable housing and will be located within a jurisdiction located in a coastal or bay county with a population of 225,000 or more.

(II) On and after January 1, 2023, until December 31, 2025, the development consists of 50 or more units that are not 100 percent subsidized affordable housing and will be located within a

jurisdiction located in a coastal or bay county with a population of 225,000 or more.

(III) On and after January 1, 2018, until December 31, 2019, the development consists of 75 or more units that are not 100 percent subsidized affordable housing and will be located within a jurisdiction with a population of fewer than 550,000 and that is not located in a coastal or bay county.

(IV) On and after January 1, 2020, until December 31, 2021, the development consists of more than 50 units and will be located within a jurisdiction with a population of fewer than 550,000 and that is not located in a coastal or bay county.

(V) On and after January 1, 2023, until December 31, 2025, the development consists of more than 25 units and will be located within a jurisdiction with a population of fewer than 550,000 and that is not located in a coastal bay county.

(2) For purposes of this section, "skilled and trained workforce" has the same meaning as provided in the Public Contract Code section 2600.

(3) If the development proponent has certified that a skilled and trained workforce will be used to complete the development and the application is approved, the following shall apply:

(I) The applicant shall require in all contracts for the performance of work that every contractor and subcontractor at every tier will individually use a skilled and trained workforce to complete the development.

(II) Every contractor and subcontractor shall use a skilled and trained workforce to complete the development.

(III) Except as provided in subdivision (IV), the applicant shall provide to the locality, on a monthly basis while the development or contract is being performed, a report demonstrating compliance with Public Contract Code section 2600. A monthly report provided to the locality pursuant to this subclause shall be a public record under the California Public Records Act (Government Code section 7920.000, et seq.) and shall be open to public inspection. An applicant that fails to provide a monthly report demonstrating compliance with Public Contract Code section 2600 shall be subject to a civil penalty of ten thousand dollars ($10,000) per month for each month for which the report has not been provided. Any contractor or subcontractor that fails to use a skilled

and trained workforce shall be subject to a civil penalty of two hundred dollars ($200) per day for each worker employed in contravention of the skilled and trained workforce requirement. Penalties may be assessed by the Labor Commissioner within 18 months of completion of the development using the same procedures for issuance of civil wage and penalty assessments pursuant to Labor Code section 1741, and may be reviewed pursuant to the same procedures in Labor Code section 1742. Penalties shall be paid to the State Public Works Enforcement Fund.

(IV) Subdivision (III) shall not apply if all contractors and subcontractors performing work on the development are subject to a project labor agreement that requires compliance with the skilled and trained workforce requirement and provides for enforcement of that obligation through an arbitration procedure. For purposes of this subparagraph, "project labor agreement" has the same meaning as set forth in Public Contract Code section 2500(b)(1).

(C) Notwithstanding subparagraphs (A) and (B) above, a development that is subject to approval pursuant to this section is exempt from any requirement to pay prevailing wages or use a skilled and trained workforce if it meets both of the following:

(1) The project includes 10 or fewer units.

(2) The project is not a public work for purposes of Labor Code section 1720.

(ix) The development did not or does not involve a subdivision of a parcel that is, or, notwithstanding this section, would otherwise be, subject to the Subdivision Map Act (Government Code section 66410, et seq.) or any other applicable law authorizing the subdivision of land, unless either of the following apply:

(A) The development has received or will receive financing or funding by means of a low-income housing tax credit and is subject to the requirement that prevailing wages be paid pursuant to subparagraph (A) of paragraph (viii).

(B) The development is subject to the requirement that prevailing wages be paid, and a skilled and trained workforce used, pursuant to paragraph (h).

(x) The development shall not be upon an existing parcel of land or site that is governed under the Mobilehome Residency Law, Civil Code section 798, the Recreational Vehicle Park Occupancy Law, Civil Code section 799.20, the

Mobilehome Parks Act, Health and Safety Code section 18200, or the Special Occupancy Parks Act, Health and Safety Code section 18860.

(b)(i)(A)(1) Before submitting an application for a development subject to the streamlined, ministerial approval process described in this section, the development proponent shall submit to the local government a notice of its intent to submit an application. The notice of intent shall be in the form of a preliminary application that includes all of the information described in Section 65941.1 of the Government Code, as that section read on January 1, 2020.

(2) Upon receipt of a notice of intent to submit an application, the local government shall engage in a scoping consultation regarding the proposed development with any California Native American tribe that is traditionally and culturally affiliated with the geographic area, as described in Section 21080.3.1 of the Public Resources Code, of the proposed development. In order to expedite compliance with this subdivision, the local government shall contact the Native American Heritage Commission for assistance in identifying any California Native American tribe that is traditionally and culturally affiliated with the geographic area of the proposed development.

(3) The timeline for noticing and commencing a scoping consultation in accordance with this subdivision shall be as follows:

A. The local government shall provide a formal notice of a development proponent's notice of intent to submit an application to each California Native American tribe that is traditionally and culturally affiliated with the geographic area of the proposed development within 30 days of receiving that notice of intent. The formal notice provided pursuant to this subclause shall include all of the following:

1. A description of the proposed development.
2. The location of the proposed development.
3. An invitation to engage in a scoping consultation in accordance with this subdivision.

B. Each California Native American tribe that receives a formal notice pursuant to this clause shall have 30 days from the receipt of that notice to accept the invitation to engage in a scoping consultation.

C. If the local government receives a response accepting an invitation to engage in a scoping consultation pursuant to this subdivision, the local government shall commence the scoping consultation within 30 days of receiving that response.

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(B) The scoping consultation shall recognize that California Native American tribes traditionally and culturally affiliated with a geographic area have knowledge and expertise concerning the resources at issue and shall take into account the cultural significance of the resource to the culturally affiliated California Native American tribe.

(C) The parties to a scoping consultation conducted pursuant to this subdivision shall be the local government and any California Native American tribe traditionally and culturally affiliated with the geographic area of the proposed development. More than one California Native American tribe traditionally and culturally affiliated with the geographic area of the proposed development may participate in the scoping consultation. However, the local government, upon the request of any California Native American tribe traditionally and culturally affiliated with the geographic area of the proposed development, shall engage in a separate scoping consultation with that California Native American tribe. The development proponent and its consultants may participate in a scoping consultation process conducted pursuant to this subdivision if all of the following conditions are met:

(1) The development proponent and its consultants agree to respect the principles set forth in this subdivision.

(2) The development proponent and its consultants engage in the scoping consultation in good faith.

(3) The California Native American tribe participating in the scoping consultation approves the participation of the development proponent and its consultants. The California Native American tribe may rescind its approval at any time during the scoping consultation, either for the duration of the scoping consultation or with respect to any particular meeting or discussion held as part of the scoping consultation.

(D) The participants to a scoping consultation pursuant to this subdivision shall comply with all of the following confidentiality requirements: (1) Government Code section 7927.000; Government Code section 7927.005; Public Resources Code section 21083.3, subdivision (c); (4) State CEQA Guidelines section 15120, subdivision (d); and any additional confidentiality standards adopted by the California Native American tribe participating in the scoping consultation.

(E) CEQA does not apply to the scoping consultation conducted pursuant to this subdivision.

(b)(ii)(A) If, after concluding the scoping consultation, the parties find that no potential tribal cultural resource would be affected by the proposed development, the development proponent may submit an application for the proposed development

that is subject to the streamlined, ministerial approval process described in this section

.

(B) If, after concluding the scoping consultation, the parties find that a potential tribal cultural resource could be affected by the proposed development and an enforceable agreement is documented between the California Native American tribe and the local government on methods, measures, and conditions for tribal cultural resource treatment, the development proponent may submit the application for a development subject to the streamlined, ministerial approval process described in this section. The local government shall ensure that the enforceable agreement is included in the requirements and conditions for the proposed development.

(C) If, after concluding the scoping consultation, the parties find that a potential tribal cultural resource could be affected by the proposed development and an enforceable agreement is not documented between the California Native American tribe and the local government regarding methods, measures, and conditions for tribal cultural resource treatment, the development shall not be eligible for the streamlined, ministerial approval process described in this section.

(D) For purposes of this paragraph, a scoping consultation shall be deemed to be concluded if either of the following occur:

(1) The parties to the scoping consultation document an enforceable agreement concerning methods, measures, and conditions to avoid or address potential impacts to tribal cultural resources that are or may be present.

(2) One or more parties to the scoping consultation, acting in good faith and after reasonable effort, conclude that a mutual agreement on methods, measures, and conditions to avoid or address impacts to tribal cultural resources that are or may be present cannot be reached.

(E) If the development or environmental setting substantially changes after the completion of the scoping consultation, the local government shall notify the California Native American tribe of the changes and engage in a subsequent scoping consultation if requested by the California Native American tribe.

(b)(iii) A local government may only accept an application for streamlined, ministerial approval pursuant to this section if one of the following applies:

(A) A California Native American tribe that received a formal notice of the development proponent's notice of intent to submit an application pursuant to this section did not accept the invitation to engage in a scoping consultation.

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(B) The California Native American tribe accepted an invitation to engage in a scoping consultation pursuant to this section but substantially failed to engage in the scoping consultation after repeated documented attempts by the local government to engage the California Native American tribe.

(C) The parties to a scoping consultation pursuant to this subdivision find that no potential tribal cultural resource will be affected by the proposed development.

(D) A scoping consultation between a California Native American tribe and the local government has occurred and resulted in an agreement.

(b)(iv) A project shall not be eligible for the streamlined, ministerial process described in this section if any of the following apply:

(A) There is a tribal cultural resource that is on a national, state, tribal, or local historic register list located on the site of the project.

(B) There is a potential tribal cultural resource that could be affected by the proposed development and the parties to a scoping consultation conducted pursuant to this subdivision do not document an enforceable agreement on methods, measures, and conditions for tribal cultural resource treatment, as described in this section.

(C) The parties to a scoping consultation conducted pursuant to this subdivision do not agree as to whether a potential tribal cultural resource will be affected by the proposed development.

(b)(v) (A) If, after a scoping consultation conducted pursuant to this subdivision, a project is not eligible for the streamlined, ministerial process described in this section for any or all of the following reasons, the local government shall provide written documentation of that fact, and an explanation of the reason for which the project is not eligible, to the development proponent and to any California Native American tribe that is a party to that scoping consultation:

(1) There is a tribal cultural resource that is on a national, state, tribal, or local historic register list located on the site of the project.

(2) The parties to the scoping consultation have not documented an enforceable agreement on methods, measures, and conditions for tribal cultural resource treatment.

(3) The parties to the scoping consultation do not agree as to whether a potential tribal cultural resource will be affected by the proposed development.

(b)(v) (B) The written documentation provided to a development proponent pursuant to this paragraph shall include information on how the development proponent may

seek a conditional use permit or other discretionary approval of the development from the local government.

(b)(vi) This section is not intended, and shall not be construed, to limit consultation and discussion between a local government and a California Native American tribe pursuant to other applicable law, confidentiality provisions under other applicable law, the protection of religious exercise to the fullest extent permitted under state and federal law, or the ability of a California Native American tribe to submit information to the local government or participate in any process of the local government.

(b)(vii) For purposes of this subdivision:

(A) "Consultation" means the meaningful and timely process of seeking, discussing, and considering carefully the views of others, in a manner that is cognizant of all parties' cultural values and, where feasible, seeking agreement. Consultation between local governments and Native American tribes shall be conducted in a way that is mutually respectful of each party's sovereignty. Consultation shall also recognize the tribes' potential needs for confidentiality with respect to places that have traditional tribal cultural importance. A lead agency shall consult the tribal consultation best practices described in the "State of California Tribal Consultation Guidelines: Supplement to the General Plan Guidelines" prepared by the Office of Land Use and Climate Innovation.

(B) "Scoping" means the act of participating in early discussions or investigations between the local government and California Native American tribe, and the development proponent if authorized by the California Native American tribe, regarding the potential effects a proposed development could have on a potential tribal cultural resource, as defined in Section 21074 of the Public Resources Code, or California Native American tribe, as defined in Section 21073 of the Public Resources Code.

(b)(viii) This subdivision (b) shall not apply to any project that has been approved under the streamlined, ministerial approval process provided under this section before September 25, 2020.

(c) (i) If a local government determines that a development submitted pursuant to this section is consistent with the objective planning standards specified in subdivision (a) and pursuant to paragraph (iii) of this subdivision, it shall approve the development. If a local government determines that a development submitted pursuant to this section is in conflict with any of the objective planning standards specified in subdivision (a), it shall provide the development proponent written documentation of which standard or standards the development conflicts with, and an explanation for the reason or reasons the development conflicts with that standard or standards, as follows:

(A) Within 60 days of submittal of the development to the local government pursuant to this section if the development contains 150 or fewer housing units.

(B) Within 90 days of submittal of the development to the local government pursuant to this section if the development contains more than 150 housing units.

(ii) If the local government fails to provide the required documentation pursuant to paragraph (1), the development shall be deemed to satisfy the objective planning standards specified in subdivision (a).

(iii) For purposes of this section, a development is consistent with the objective planning standards specified in subdivision (a) if there is substantial evidence that would allow a reasonable person to conclude that the development is consistent with the objective planning standards. The local government shall not determine that a development, including an application for a modification under subdivision (g), is in conflict with the objective planning standards on the basis that application materials are not included, if the application contains substantial evidence that would allow a reasonable person to conclude that the development is consistent with the objective planning standards.

(d) (i) Any design review or public oversight of the development may be conducted by the local government's planning commission or any equivalent board or commission responsible for review and approval of development projects, or the city council or board of supervisors, as appropriate. That design review or public oversight shall be objective and be strictly focused on assessing compliance with criteria required for streamlined projects, as well as any reasonable objective design standards published and adopted by ordinance or resolution by a local jurisdiction before submission of a development application, and shall be broadly applicable to development within the jurisdiction. That design review or public oversight shall be completed, and if the development is consistent with all objective standards, the local government shall approve the development as follows and shall not in any way inhibit, chill, or preclude the ministerial approval provided by this section or its effect, as applicable:

(A) Within 90 days of submittal of the development to the local government pursuant to this section if the development contains 150 or fewer housing units.

(B) Within 180 days of submittal of the development to the local government pursuant to this section if the development contains more than 150 housing units.

(ii) If the development is consistent with the requirements of subparagraph (A) or (B) of paragraph (ix) of subdivision (a) and is consistent with all objective subdivision standards in the local subdivision ordinance, an application for a subdivision pursuant to the Subdivision Map Act (Division 2 (commencing with Government Code section 66410)) shall be

exempt from the requirements of CEQA and shall be subject to the public oversight timelines set forth in paragraph (i).

(iii) If a local government determines that a development submitted pursuant to this section is in conflict with any of the standards imposed pursuant to paragraph (i), it shall provide the development proponent written documentation of which objective standard or standards the development conflicts with, and an explanation for the reason or reasons the development conflicts with that objective standard or standards consistent with the timelines described in paragraph (i) of subdivision (c).

(e) (i) Notwithstanding any other law, a local government, whether or not it has adopted an ordinance governing parking requirements in multifamily developments, shall not impose parking standards for a streamlined development that was approved pursuant to this section in any of the following instances:

(A) The development is located within one-half mile of public transit.

(B) The development is located within an architecturally and historically significant historic district.

(C) When on-street parking permits are required but not offered to the occupants of the development.

(D) When there is a car share vehicle located within one block of the development.

(ii) If the development does not fall within any of the categories described in paragraph (1), the local government shall not impose parking requirements for streamlined developments approved pursuant to this section that exceed one parking space per unit.

(f) (i) If a local government approves a development pursuant to this section, then, notwithstanding any other law, that approval shall not expire if the project satisfies both of the following requirements:

(A) The project includes public investment in housing affordability, beyond tax credits.

(B) At least 50 percent of the units are affordable to households making at or below 80 percent of the area median income.

(ii) If a local government approves a development pursuant to this section, and the project does not satisfy the requirements of subparagraphs (A) and (B) of paragraph (f)(i), that approval shall remain valid for three years from the date of the final action establishing that approval, or if litigation is filed challenging that approval, from the date of the final judgment upholding that approval. Approval shall remain valid for a project provided construction activity, including demolition and grading activity, on the

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development site has begun pursuant to a permit issued by the local jurisdiction and is in progress. For purposes of this subdivision, "in progress" means one of the following:

(A) The construction has begun and has not ceased for more than 180 days.

(B) If the development requires multiple building permits, an initial phase has been completed, and the project proponent has applied for and is diligently pursuing a building permit for a subsequent phase, provided that once it has been issued, the building permit for the subsequent phase does not lapse.

(C) Notwithstanding subparagraph (ii), a local government may grant a project a one-time, one-year extension if the project proponent can provide documentation that there has been significant progress toward getting the development construction ready, such as filing a building permit application.

(iii) If the development proponent requests a modification pursuant to subdivision (g), then the time during which the approval shall remain valid shall be extended for the number of days between the submittal of a modification request and the date of its final approval, plus an additional 180 days to allow time to obtain a building permit. If litigation is filed relating to the modification request, the time shall be further extended during the pendency of the litigation. The extension required by this paragraph shall only apply to the first request for a modification submitted by the development proponent.

(g) (i)(A) A development proponent may request a modification to a development that has been approved under the streamlined, ministerial approval process provided in subdivision (b) if that request is submitted to the local government before the issuance of the final building permit required for construction of the development.

(i)(B) Except as provided in paragraph (g)(iiii), the local government shall approve a modification if it determines that the modification is consistent with the objective planning standards specified in subdivision (a) that were in effect when the original development application was first submitted.

(i)(C) The local government shall evaluate any modifications requested pursuant to this subdivision for consistency with the objective planning standards using the same assumptions and analytical methodology that the local government originally used to assess consistency for the development that was approved for streamlined, ministerial approval pursuant to subdivision (b).

(i)(D) A guideline that is adopted or amended by the Department of Housing and Community Development after a development is approved through the streamlined, ministerial

approval process described in subdivision (b) shall not be used as a basis to deny proposed modifications.

(ii) Upon receipt of the development proponent's application requesting a modification, the local government shall determine if the requested modification is consistent with the objective planning standard and either approve or deny the modification request within 60 days after submission of the modification, or within 90 days if design review is required.

(iii) Notwithstanding paragraph (g)(i), the local government may apply objective planning standards adopted after the development application was first submitted to the requested modification in any of the following instances:

(A) The development is revised such that the total number of residential units or total square footage of construction changes by 15 percent or more. The calculation of the square footage of construction changes shall not include underground space.

(B) The development is revised such that the total number of residential units or total square footage of construction changes by 5 percent or more and it is necessary to subject the development to an objective standard beyond those in effect when the development application was submitted in order to mitigate or avoid a specific, adverse impact as that term is defined in subparagraph (A) of paragraph (1) of subdivision (j) of Government Code section 65589.5, upon the public health or safety and there is no feasible alternative method to satisfactorily mitigate or avoid the adverse impact. The calculation of the square footage of construction changes shall not include underground space.

(C) Objective building standards contained in the California Building Standards Code (Title 24 of the California Code of Regulations), including, but not limited to, building plumbing, electrical fire, and grading codes, may be applied to all modification applications that are submitted prior to the first building permit application. Those standards may be applied to modification applications submitted after first building permit application if agreed to by the development proponent.

(iv) The local government's review of a modification request pursuant to this subdivision shall be strictly limited to determining whether the modification, including any modification to previously approved density bonus concessions or waivers, modify the development's consistency with the objective planning standards and shall not reconsider prior determinations that are not affected by the modification.

(h) (i) A local government shall not adopt or impose any requirement, including, but not limited to, increased fees or inclusionary housing requirements, that applies to a project

solely or partially on the basis that the project is eligible to receive ministerial or streamlined approval pursuant to this section.

(ii) A local government shall issue a subsequent permit required for a development approved under this section if the application substantially complies with the development as it was approved pursuant to subdivision (b). Upon receipt of an application for a subsequent permit, the local government shall process the permit without unreasonable delay and shall not impose any procedure or requirement that is not imposed on projects that are not approved pursuant to this section. The local government shall consider the application for subsequent permits based upon the objective standards specified in any state or local laws that were in effect when the original development application was submitted, unless the development proponent agrees to a change in objective standards. Issuance of subsequent permits shall implement the approved development, and review of the permit application shall not inhibit, chill, or preclude the development. For purposes of this paragraph, a "subsequent permit" means a permit required subsequent to receiving approval under subdivision (b), and includes, but is not limited to, demolition, grading, and building permits and final maps, if necessary.

(i) (i) This section shall not affect a development proponent's ability to use any alternative streamlined by right permit processing adopted by a local government, including the provisions of Government Code section 65583.2(i).

(ii) This section shall not prevent a development from also qualifying as a housing development project entitled to the protections of Government Code section 65589.5. This paragraph does not constitute a change in, but is declaratory of, existing law.

(j) CEQA does not apply to actions taken by a state agency, local government, or the San Francisco Bay Area Rapid Transit District to:

(i) Lease, convey, or encumber land owned by the local government or the San Francisco Bay Area Rapid Transit District or to facilitate the lease, conveyance, or encumbrance of land owned by the local government, or for the lease of land owned by the San Francisco Bay Area Rapid Transit District in association with an eligible TOD project, as defined pursuant to Section 29010.1 of the Public Utilities Code, nor to any decisions associated with that lease, or to provide financial assistance to a development that receives streamlined approval pursuant to this section that is to be used for housing for persons and families of very low, low, or moderate income, as defined in Section 50093 of the Health and Safety Code.

(ii) Approve improvements located on land owned by the local government or the San Francisco Bay Area Rapid Transit District that are necessary to implement a development that receives streamlined approval pursuant to this section that is to be used for housing for persons and families of very low, low, or moderate income, as defined in Section 50093 of the Health and Safety Code.

(k) For purposes of this section the following definitions shall apply:

(1) "Affordable housing cost" has the same meaning as set forth in section 50052.5 of the Health and Safety Code.

(2) (A) Subject to the qualification provided by subparagraph (B), "affordable rent" has the same meaning as set forth in Section 50063 of the Health and Safety Code.

(B) For a development for which an application pursuant to this section was submitted prior to January 1, 2019, that includes 500 units or more of housing, and that dedicates 50 percent of the total number of units, before calculating any density bonus, to housing affordable to households making at, or below, 80 percent of the area median income, affordable rent for at least 30 percent of these units shall be set at an affordable rent as defined in subparagraph (k)(1), and "affordable rent" for the remainder of these units shall mean a rent that is consistent with the maximum rent levels for a housing development that receives an allocation of state or federal low-income housing tax credits from the California Tax Credit Allocation Committee.

(3) "Department" means the Department of Housing and Community Development.

(4) "Development proponent" means the developer who submits an application for streamlined approval pursuant to this section.

(5) "Completed entitlements" means a housing development that has received all the required land use approvals or entitlements necessary for the issuance of a building permit.

(6) "Locality" or "local government" means a city, including a charter city, a county, including a charter county, or a city and county, including a charter city and county.

(7) "Moderate income housing units" means housing units with an affordable housing cost or affordable rent for persons and families of moderate income, as that term is defined in Section 50093 of the Health and Safety Code.

(8) "Production report" means the information reported pursuant to subparagraph (D) of paragraph (2) of subdivision (a) of Government Code section 65400.

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(9) "State agency" includes every state office, officer, department, division, bureau, board, and commission, but does not include the California State University or the University of California.

(10) "Subsidized" means units that are price or rent restricted such that the units are affordable to households meeting the definitions of very low and lower income, as defined in Sections 50079.5 and 50105 of the Health and Safety Code.

(11) "Reporting period" means either of the following:

(A) The first half of the regional housing needs assessment cycle.

(B) The last half of the regional housing needs assessment cycle.

(12) "Urban uses" means any current or former residential, commercial, public institutional, transit or transportation passenger facility, or retail use, or any combination of those uses.

(l) The determination of whether an application for a development is subject to the streamlined ministerial approval process provided by subdivision (b) is not a "project" under CEQA.

(m) This section shall remain in effect until January 1, 2036.

(Reference: Gov. Code, § 65913.4.)

9.02 MINISTERIAL APPROVAL PROCESS FOR URBAN LOT SPLITS AND HOUSING DEVELOPMENTS WITH NO MORE THAN TWO RESIDENTIAL UNITS WITHIN A SINGLE-FAMILY RESIDENTIAL ZONE (SB 9)

(a) A proposed housing development containing no more than two residential units within a single-family residential zone shall be considered ministerially, without discretionary review or a hearing, and shall therefore not be subject to CEQA, if the proposed housing development meets all of the following requirements:

(1) The parcel subject to the proposed housing development is located within a city, the boundaries of which include some portion of either an urbanized area or urban cluster, as designated by the United States Census Bureau, or for unincorporated areas, a legal parcel wholly within the boundaries of an urbanized area or urban cluster, as designated by the United States Census Bureau.

(2) The parcel is not located on a site that is any of the following:

(A) Either prime farmland or farmland of statewide importance, as defined pursuant to United States Department of Agriculture land inventory and monitoring criteria, as modified for California, and

designated on the maps prepared by the Farmland Mapping and Monitoring Program of the Department of Conservation, or land zoned or designated for agricultural protection or preservation by a local ballot measure that was approved by the voters of that jurisdiction;

(B) Wetlands, as defined in the United States Fish and Wildlife Service Manual, Part 660 FW 2 (June 21, 1993);

(C) Within a very high fire hazard severity zone, as determined by the Department of Forestry and Fire Protection pursuant to Government Code section 51178, or within a high or very high fire hazard severity zone as indicated on maps adopted by the Department of Forestry and Fire Protection pursuant to Section 4202 of the Public Resources Code—unless the parcel is a site excluded from the specified hazard zone by a local agency, or is a site that has adopted fire hazard mitigation measures pursuant to existing building standards or state fire mitigation measures applicable to the development;

(D) A hazardous waste site that is listed pursuant to Government Code section 65962.5 or a hazardous waste site designated by the Department of Toxic Substances Control pursuant to Section 25356 of the Health and Safety Code, unless the State Department of Public Health, State Water Resources Control Board, or Department of Toxic Substances Control has cleared the site for residential use or residential mixed uses;

(E) Within a delineated earthquake fault zone as determined by the State Geologist in any official maps published by the State Geologist, unless the development complies with applicable seismic protection building code standards adopted by the California Building Standards Commission under the California Building Standards Law, and by any local building department;

(F) Within a special flood hazard area subject to inundation by the 1 percent annual chance flood (100-year flood) as determined by the Federal Emergency Management Agency in any official maps published by the Federal Emergency Management Agency;

(G) Within a regulatory floodway as determined by the Federal Emergency Management Agency in any official maps published by the Federal Emergency Management Agency, unless the development has received a no-rise certification;

(H) Lands identified for conservation in an adopted natural community conservation plan pursuant to the Natural Community Conservation

Planning Act, habitat conservation plan pursuant to the federal Endangered Species Act of 1973, or other adopted natural resources protection plan;

(I) Habitat for protected species identified as candidate, sensitive, or species of special status by state or federal agencies, fully protected species, or species protected by the federal Endangered Species Act of 1973, the California Endangered Species Act, or the Native Plant Protection Act; or lands under conservation easement; or

(J) Lands under conservation easement.

(3) Notwithstanding any provision of this section or any local law, the proposed housing development would not require demolition or alteration of any of the following types of housing:

(A) Housing that is subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of moderate, low, or very low income;

(B) Housing that is subject to any form of rent or price control through a public entity's valid exercise of its police power;

(C) Housing that has been occupied by a tenant in the last three years.

(4) The parcel subject to the proposed housing development is not a parcel on which an owner of residential real property has exercised the owner's rights to withdraw accommodations from rent or lease within 15 years before the date that the development proponent submits an application.

(5) The proposed housing development does not allow the demolition of more than 25 percent of the existing exterior structural walls, unless the housing development meets at least one of the following conditions:

(A) If a local ordinance so allows; or

(B) The site has not been occupied by a tenant in the last three years

(6) The development is not located within a historic district or property included on the State Historic Resources Inventory, as defined in Section 5020.1 of the Public Resources Code, or within a site that is designated or listed as a city or county landmark or historic property or district pursuant to a city or county ordinance.

Other regulations governing the approval of a housing development under this section are set forth in Government Code section 65852.21(a).

(b) Notwithstanding any other provision of local law, a local agency shall ministerially approve, as set forth in this section, a parcel map for an urban lot split—and such urban lot split shall therefore not be subject to CEQA—only if the local agency determines that the parcel map for the urban lot split meets all of the following requirements:

(1) The parcel map subdivides an existing parcel to create no more than two new parcels of approximately equal lot area provided that one parcel shall not be smaller than 40 percent of the lot area of the original parcel proposed for subdivision.

(2) Both newly created parcels are no smaller than 1,200 square feet, except that a local agency may by ordinance adopt a smaller minimum lot size subject to ministerial approval.

(3) The parcel being subdivided meets all of the following requirements:

(A) The parcel is located within a single-family residential zone.

(B) The parcel subject to the proposed urban lot split is located within a city, the boundaries of which include some portion of either an urbanized area or urban cluster, as designated by the United States Census Bureau, or, for unincorporated areas, a legal parcel wholly within the boundaries of an urbanized area or urban cluster, as designated by the United States Census Bureau.

(C) The parcel is not located on a site enumerated in Paragraph (a)(2) above.

(D) The proposed urban lot split would not require demolition or alteration of any of the following types of housing:

(i) Housing that is subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of moderate, low, or very low income.

(ii) Housing that is subject to any form of rent or price control through a public entity's valid exercise of its police power.

(iii) A parcel or parcels on which an owner of residential real property has exercised the owner's rights to withdraw accommodations from rent or lease within 15 years before the date that the development proponent submits an application.

(iv) Housing that has been occupied by a tenant in the last three years.

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(E) The parcel is not located within a historic district or property included on the State Historic Resources Inventory, as defined in Section 5020.1 of the Public Resources Code, or within a site that is designated or listed as a city or county landmark or historic property or district pursuant to a city or county ordinance.

(F) The parcel has not been established through prior exercise of an urban lot split as provided for in this section.

(G) Neither the owner of the parcel being subdivided nor any person acting in concert with the owner has previously subdivided an adjacent parcel using an urban lot split as provided for in this section.

Other regulations governing the approval of an urban lot split under this section are set forth in Government Code section 65852.21(b).

9.03 STREAMLINED, MINISTERIAL REVIEW FOR ADAPTIVE REUSE PROJECTS (AB 507)

An adaptive reuse project is a project that retrofits and repurposes an existing building to create new residential or mixed uses including office conversion projects. An adaptive reuse project shall be deemed a use by right in all zones, regardless of zoning, and subject to streamlined, ministerial review and exempt from CEQA, except that:

(1) Any nonresidential use in a mixed-use project must be allowed by existing zoning or be a lawful nonconforming use.

(2) Tourist hotel uses must still follow the local jurisdiction's normal approval process.

(3) Adaptive reuse projects are not allowed in industrial zones that do not permit residential uses.

(a) An adaptive reuse project site must be urban in character:

(1) The site must be a legal parcel located within a U.S. Census–designated urbanized area.

(2) At least 75 percent of the site perimeter must touch other urban development. Streets, highways, and similar rights-of-way count as adjoining development.

(b) An adaptive reuse project must reuse an existing building that qualifies under one of the following categories:

(1) A building less than 50 years old, which may be reused without historic review.

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(2) A building listed as a historic resource, provided the project follows applicable historic-preservation requirements.

(3) A building more than 50 years old that has been reviewed by the local government and determined to be either: (1) a historic resource, with the project complying with historic requirements; or, (2) not a historic resource, allowing the project to proceed without historic constraints.

(c) An adaptive reuse project must meet the following affordability criteria, as applicable:

(1) Rental projects must provide either: (1) 8% of units for very low income households and 5 % of the units for extremely low income households; or (2) 15% of the units for lower income households. All affordable rental units must remain affordable for 55 years.

(2) Owner-occupied projects must provide either: (1) 30% of the units shall be offered at an affordable housing costs to moderate-income households; or (2) 15% of the units shall be offered at an affordable housing cost to lower income households. All affordable ownership units must remain affordable for 45 years.

(3) If a local inclusionary housing policy applies, the project must: (1) meet whichever affordability percentage is higher; (2) must serve the lowest income level required by either state or local law; and (3) for rental project, include very low and extremely low-income units if the local policy does not require them, with adjustments to avoid double counting.

(d) If the adaptive reuse project includes nonresidential uses, at least half of the above-ground building area must be devoted to residential use.

A local government may adopt an ordinance to specify the process and requirements applicable to adaptive reuse projects and require an adaptive reuse project to comply with all objective planning standards found in the ordinance. Such an ordinance is not a "project" under CEQA.

Other regulations governing adaptive reuse projects under this section are set forth in Government Code sections 65658.3, 65658.5(a).

9.04 HOUSING DEVELOPMENT PROJECT LOCATED IN AREAS OF SMALLER POPULATIONS (SB 158)

CEQA does apply to a housing development that is: (1) located in a city with a population of more than 85,000 but less than 95,000, as determined by the 2020 Census, (2) located in a county with a population of more than 440,000 but less than 455,000, as determined by the 2020 Census, (3) a portion of the parcel where the project is located is identified on a United States Fish

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and Wildlife Service map as freshwater forested or shrub wetland; and (4) a portion of the parcel where the project is located is within a regulatory floodway.

(Reference: Pub. Resources Code, § 21080.73.)

9.05 APPROVAL OF ORDINANCE TO ZONE ANY PARCEL FOR UP TO 10 UNITS OF RESIDENTIAL DENSITY PER PARCEL IN CERTAIN CIRCUMSTANCES (SB 10)

(a) A local government may adopt an ordinance to zone a parcel for up to 10 units of residential density per parcel, at a height specified by the local government in the ordinance, if the parcel is located in a transit-rich area or an urban infill site. This subsection shall not apply to either of the following:

(1) Parcels located within a very high fire hazard severity zone, as determined by the Department of Forestry and Fire Protection pursuant to Government Code section 51178, or within a high or very high fire hazard severity zone as indicated on maps adopted by the Department of Forestry and Fire Protection pursuant to Section 4202 of the Public Resources Code. This paragraph does not apply to sites that have adopted fire hazard mitigation measures pursuant to existing building standards or state fire mitigation measures applicable to the development.

(2) Any local restriction enacted or approved by a local initiative that designates publicly owned land as open-space land, as defined in subdivision (h) of Section 65560, or for park or recreational purposes.

(b) An ordinance adopted in accordance with this section, and any resolution to amend the jurisdiction's General Plan, ordinance, or other local regulation adopted to be consistent with that zoning ordinance, shall not constitute a "project" under CEQA.

(c) Notwithstanding any other law that allows ministerial or by right approval of a development project or that grants an exemption from CEQA, a residential or mixed-use residential project consisting of more than 10 new residential units on one or more parcels that are zoned pursuant to an ordinance adopted under this section shall not be approved ministerially or by right and shall not be exempt from CEQA. This subdivision, however, shall not apply to a project located on a parcel or parcels that are zoned pursuant to an ordinance adopted under this section, but subsequently rezoned without regard to this section. A subsequent ordinance adopted to rezone the parcel or parcels shall not be exempt from CEQA. Any environmental review conducted to adopt the subsequent ordinance shall consider the change in the zoning applicable to the parcel or parcels before they were zoned or rezoned pursuant to the ordinance adopted under this section.

Other regulations governing the approval of an ordinance under this section are set forth in Government Code section 65913.5.

9.06 HOUSING SUSTAINABILITY DISTRICTS.

The Planning and Zoning Law requires a city or county to adopt a general plan for land use development within its boundaries. The general plan must contain seven mandatory elements, including a housing element. Existing law provides for various reforms and incentives intended to facilitate and expedite the construction of affordable housing. Senate Bill 73 authorizes a city, county, or city and county, including a charter agency, to establish by ordinance a housing sustainability district that meets specified requirements, including authorizing residential use within the district through the ministerial issuance of a permit. The agency is authorized to apply to the Department of Housing and Community Development for approval of a zoning incentive payment and requires the agency to provide specified information about the proposed housing sustainability district ordinance. The department is required to approve a zoning incentive payment if the ordinance meets the above-described requirements and the agency's housing element is in compliance with specified law.

A city, county, or city and county with a housing sustainability district would be entitled to a zoning incentive payment, subject to appropriation of funds for that purpose, and require that one-half of the amount be paid when the department approves the zone and one-half of the amount be paid when the department verifies that permits for the construction of the units have issued within the zone, provided that the city, county, or city and county has received a certificate of compliance for the applicable year. If the agency reduces the density of sites within the district from specified levels set forth in the Senate Bill 73, the agency would be required to return the full amount of zoning incentive payments it has received to the department. The bill also authorizes a developer to develop a project in a housing sustainability district in accordance with the already existing land use approval procedures that would otherwise apply to the parcel in the absence of the establishment of the housing sustainability district pursuant to its provisions, as provided.

As it relates specifically to CEQA, a Lead Agency designating a housing sustainability district is required to prepare an EIR pursuant to Government Code section 66201 to identify and mitigate, to the extent feasible, environmental impacts resulting from the designation. The EIR shall identify mitigation measures that may be undertaken by housing projects in the housing sustainability district to mitigate the environmental impacts identified in the EIR. Housing projects undertaken in the housing sustainability districts that meet specified requirements, including if the project satisfies certain design review standards applicable to development projects within the district provided the project is "complementary to adjacent buildings and structures and is consistent with the [agency's] general plan," are exempt under CEQA. (Reference: Pub. Resources Code, § 21155.10, 21155.11.)

9.07 INTERIM MOTEL HOUSING PROJECTS.

"Interim motel housing projects" are statutorily exempt from CEQA. A project is exempt from CEQA as an "interim motel housing project" where the project consists of the conversion of a structure with a certificate of occupancy as a motel, hotel, residential hotel, or hostel to supportive or transitional housing and the conversion meets at least one of the following conditions: (1) the conversion does not result in the expansion of more than 10 percent of the floor area of any individual living unit in the structure; and (2) the conversion does not result in any significant effects relating to traffic, noise, air quality, or water quality.

If the District determines that a project is exempt from CEQA as an interim motel housing project, it must file a Notice of Exemption with the State Clearinghouse.

(Reference: Pub. Resources Code, § 21080.50.)

9.08 SUPPORTIVE HOUSING AND "NO PLACE LIKE HOME" PROJECTS.

A decision by the District to seek funding from, or the Department of Housing and Community Development's awarding of funds pursuant to, the "No Place Like Home Program" (set forth in Part 3.9 of Division 5 of the Welfare and Institutions Code, commencing with Section 5849.1) does not constitute a "project" under CEQA.

"Supportive housing" in areas where multifamily and mixed uses are permitted may be a "use by right" and thus exempt from CEQA if the supportive housing project meets certain criteria set forth in Government Code section 65651. A "supportive housing" project is a project that provides housing with no limit on length of stay, that is occupied by persons within the target population—i.e., persons with disabilities, families who are homeless, or homeless youth—and that is linked to onsite or offsite services that assist the supportive housing resident to retain housing, improve their health status, and maximize their ability to live and, when possible, work in the community. A policy by a city or county to approve as a use by right proposed housing developments with a limit higher than 50 units does not constitute a "project" under CEQA. To see the requirements of the exemptions relating to supportive housing, please see Government Code section 65651.

If a No Place Like Home project is not exempt from CEQA under Government Code section 65651, the development applicant may request, within 10 days after the District determines the type of environmental documentation required for the project under CEQA, that the District prepare and certify the record of proceeding for the environmental review of the No Place Like Home project in accordance with Public Resources Code section 21186.

If the District approves or determines to carry out a No Place Like Home project that is subject to CEQA, the District shall file a notice of that approval or determination in accordance with the requirements of Public Resources Code section 21151, subdivision (a), except that the Notice of Determination shall be filed within two working days after the approval or determination becomes final. Likewise, if the District approves or determines to carry out a No Place Like Home project that is not subject to CEQA, the District shall file a Notice of Exemption in accordance with the requirements of Public Resources Code section 21152, subdivision (b), except that the Notice of Exemption shall be filed within two working days after the approval or determination becomes final.

(Reference: Pub. Resources Code, § 21163, *et seq.*; Gov. Code, § 65651; Health & Safety Code, § 50675.14.)

9.09 SHELTER CRISIS AND EMERGENCY HOUSING.

An action taken by certain cities, counties, or state agencies to lease, convey, or encumber land owned by a city or county—or an action to facilitate the lease, conveyance, or encumbrance of land owned by the local government—for, or to provide financial assistance to, a homeless

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shelter constructed pursuant to the provisions of Government Code section 8698.4 is statutorily exempt from CEQA. This narrow exception applies to specified efforts to assist specified cities or counties that have declared a shelter crisis and seek to build a homeless shelter. To see all the requirements of this exemption, please see Government Code section 8698.4.

(Reference: Gov. Code, § 8698.4 [in effect until January 1, 2026].)

9.10 AFFORDABLE HOUSING DEVELOPMENTS IN COMMERCIAL ZONES.

A proposed affordable multifamily housing development project is subject to streamlined, ministerial review and is not subject to CEQA if it meets the following requirements:

1. One hundred percent of the units within the development project, excluding managers' units, must be dedicated to lower income households at an affordable cost, as defined by Section 50052.5 of the Health and Safety Code, or an affordable rent set in an amount consistent with the rent limits established by the California Tax Credit Allocation Committee. The units must be subject to a recorded deed restriction for a period of 55 years for rental units and 45 years for owner-occupied units.

2. The proposed development must meet applicable objective zoning standards, objective subdivision standards, and objective design review standards as further defined in Government Code section 65912.113(f) & (g).

3. The proposed housing development must meet certain density requirements set forth in Government Code section 65583.2(c)(3).

4. The project must be located in a zone where office, retail, or parking are a principally permitted use.

5. At least 75 percent of the perimeter of the project site must adjoin parcels that are developed with urban uses. Parcels that are only separated by a street or highway shall be considered adjoined.

6. The project may not be located on a site or adjoined to any site where more than one-third of the square footage on the site is dedicated to industrial use.

7. The project site must be located on a legal parcel or parcels that are either (a) in a city where the city boundaries include some portion of either an urbanized area or urban cluster, as designated by the United States Census Bureau; or (b) in an unincorporated area, and the legal parcel or parcels are wholly within the boundaries of an urbanized area or urban cluster, as designated by the United States Census Bureau.

8. None of the proposed housing may be located within 500 feet of a freeway.

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9. None of the proposed housing may be located within 3,200 feet of a facility that actively extracts or refines oil or natural gas.

10. The project may not be located on a site that qualifies as either prime farmland or farmland of statewide importance.

11. The project site may not be located in wetlands.

12. The project site may not be located in a very high fire hazard severity zone.

13. The project site may not be located on a hazardous waste site, with limited exceptions as set forth in Government Code section 65913.4(a)(6)(E).

14. The project site may not be located within a delineated earthquake fault zone, unless the development complies with applicable seismic protection building code standards as set forth in Government Code section 65913.4(a)(6)(F).

15. The project may not be located within a special flood hazard area subject to inundation by the 1 percent annual chance flood (100-year flood) as determined by the Federal Emergency Management Agency ("FEMA").

16. The project site may not be located within a regulatory floodway as determined by FEMA, with limited exceptions as set forth in Government Code section 65913.4(a)(6)(H).

17. The project site may not be located on lands identified for conservation in an adopted natural community conservation plan pursuant to the Natural Community Conservation Planning Act, habitat conservation plan pursuant to the federal Endangered Species Act, or other adopted natural resource protection plan.

18. The project site may not be located on habitat for protected species identified as candidate, sensitive, or species of special status by state or federal agencies, fully protected species, or species protected by the federal Endangered Species Act, the California Endangered Species Act, or the Native Plant Protection Act.

19. The project site may not be located on lands under conservation easement.

20. The project site may not be located on an existing parcel of land or site that is governed under the Mobilehome Residency Law, the Recreational Vehicle Park Occupancy Law, the Mobilehome Parks Act, or the Special Occupancy Parks Act.

21. For a project proposed on a site within a neighborhood plan area, the applicable neighborhood plan must permit multifamily housing development on the site. Additional requirements apply to projects within a neighborhood plan area as of January 1, 2024, as set forth in Government Code section 65912.113(i).

22. For a project proposed on a vacant site, the project may not result in significant and unavoidable impacts to tribal cultural resources on the site.

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23. The development proponent must complete a Phase I Environmental Site Assessment, and the proponent must undertake additional measures if a recognized environmental condition is found as set forth in Government Code section 65912.113(c).

A project approved under this section must meet certain labor standards, as set forth in Government Code section 65912.130, et seq. For example, a private housing development project under this section is subject to a requirement that all construction workers employed in the execution of the development be paid at least the general prevailing rate of per diem wages for the type of work and geographic area, as determined by the Director of Industrial Relations.

(Reference: Gov. Code, § 65912.110, et seq.)

9.11 MIXED-INCOME HOUSING DEVELOPMENTS ALONG COMMERCIAL CORRIDORS.

A proposed multifamily housing development project is subject to streamlined, ministerial review and is not subject to CEQA if it meets the following requirements:

1. The proposed development project must meet all of the following affordability criteria, as set forth in greater detail in Government Code section 65912.122:

   (a)(1) A rental housing development shall include either of the following:

      (A) Eight percent of the units for very low income households and 5 percent of the units for extremely low income households; or

      (B) Fifteen percent of the units for lower income households.

   (2) The development proponent must agree to, and the local government must ensure, the continued affordability of all affordable rental units included pursuant to this section for 55 years.

   (b)(1) An owner-occupied housing development shall include either of the following:

      (A) Thirty percent of the units must be offered at an affordable housing cost, as defined in Section 50052.5 of the Health and Safety Code, to moderate-income households; or

      (B) Fifteen percent of the units must be offered at an affordable housing cost, as defined in Section 50052.5 of the Health and Safety Code, to lower income households.

   (2) The development proponent must agree to, and the local government must ensure, the continued affordability of all affordable rental units included pursuant to this section for 45 years.

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(c) If the local government has a local affordable housing requirement, the housing development project shall comply with all of the following:

(1) The development project shall include the percentage of affordable units required by this section or the local requirement, whichever is higher.

(2) The development project shall meet the lowest income targeting in either policy.

(3) If the local affordable housing requirement requires greater than 15 percent of the units to be dedicated for lower income households and does not require the inclusion of units affordable to very low and extremely low income households, then the rental housing development shall do both of the following:

(A) Include 8 percent of the units for very low income households and 5 percent of the units for extremely low income households; and

(B) Fifteen percent of units affordable to lower income households shall be subtracted from the percentage of units required by the local policy at the highest required affordability level.

(d) Affordable units in the development project shall have the same bedroom and bathroom count ratio as the market rate units, be equitably distributed within the project, and have the same type or quality of appliances, fixtures, and finishes.

2. The project site must abut a commercial corridor and have frontage along the commercial corridor of at least 50 feet.

3. The project site may not be greater than 20 acres.

4. The project must be located in a zone where office, retail, or parking are a principally permitted use.

5. At least 75 percent of the perimeter of the project site must adjoin parcels that are developed with urban uses. Parcels that are only separated by a street or highway shall be considered adjoined.

6. The project may not be located on a site or adjoined to any site where more than one-third of the square footage on the site is dedicated to industrial use.

7. The project site must be located on a legal parcel or parcels that are either (a) in a city where the city boundaries include some portion of either an urbanized area or urban cluster, as designated by the United States Census Bureau; or (b) in an

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unincorporated area, and the legal parcel or parcels are wholly within the boundaries of an urbanized area or urban cluster, as designated by the United States Census Bureau.

8. The proposed development must meet applicable objective zoning standards, objective subdivision standards, and objective design review standards as further explained in Government Code section 65912.123(j).

9. The proposed housing development must meet certain density requirements set forth in Government Code section 65912.123(b).

10. The proposed housing development must meet certain height and setback requirements set forth in Government Code section 65912.123(c)-(d).

11. The project may not be located on a site where any of the following would apply:

    (a) The development would require the demolition of the following types of housing: (i) housing that is subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of moderate, low, or very low income; (ii) housing that is subject to any form of rent or price control through a public entity's valid exercise of its police power; (iii) or housing that has been occupied by tenants within the past 10 years, excluding any manager's units.

    (b) The site was previously used for permanent housing that was occupied by tenants, excluding any manager's units, that was demolished within 10 years before the development proponent submitted its application for the development.

    (c) The site would require the demolition of a historic structure that was placed on a national, state, or local historic register.

    (d) The property contains one to four dwelling units.

    (e) The property is vacant and zoned for housing but not for multifamily residential use.

    (f) The existing parcel of land or site is governed under the Mobilehome Residency Law, the Recreational Vehicle Park Occupancy Law, the Mobilehome Parks Act, or the Special Occupancy Parks Act

12. None of the proposed housing may be located within 500 feet of a freeway.

13. None of the proposed housing may be located within 3,200 feet of a facility that actively extracts or refines oil or natural gas.

14. The project may not be located on a site that qualifies as either prime farmland or farmland of statewide importance.

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15. The project site may not be located in wetlands.

16. The project site may not be located in a very high fire hazard severity zone.

17. The project site may not be located on a hazardous waste site, with limited exceptions as set forth in Government Code section 65913.4(a)(6)(E).

18. The project site may not be located within a delineated earthquake fault zone, unless the development complies with applicable seismic protection building code standards as set forth in Government Code section 65913.4(a)(6)(F).

19. The project may not be located within a special flood hazard area subject to inundation by the 1 percent annual chance flood (100-year flood) as determined by the Federal Emergency Management Agency ("FEMA").

20. The project site may not be located within a regulatory floodway as determined by FEMA, with limited exceptions as set forth in Government Code section 65913.4(a)(6)(H).

21. The project site may not be located on lands identified for conservation in an adopted natural community conservation plan pursuant to the Natural Community Conservation Planning Act, habitat conservation plan pursuant to the federal Endangered Species Act, or other adopted natural resource protection plan.

22. The project site may not be located on habitat for protected species identified as candidate, sensitive, or species of special status by state or federal agencies, fully protected species, or species protected by the federal Endangered Species Act, the California Endangered Species Act, or the Native Plant Protection Act.

23. The project site may not be located on lands under conservation easement.

24. For a project proposed on a site within a neighborhood plan area, the applicable neighborhood plan must permit multifamily housing development on the site. Additional requirements apply to projects within a neighborhood plan area as of January 1, 2024, as set forth in Government Code section 65912.121(i).

25. For a project proposed on a vacant site, the project may not result in significant and unavoidable impacts to tribal cultural resources on the site.

26. The development proponent must complete a Phase I Environmental Site Assessment, and the proponent must undertake additional measures if a recognized environmental condition is found as set forth in Government Code section 65912.123(f).

A project approved under this section must meet certain labor standards, as set forth in Government Code section 65912.130, et seq. For example, a private housing development project under this section is subject to a requirement that all construction workers employed in

the execution of the development be paid at least the general prevailing rate of per diem wages for the type of work and geographic area, as determined by the Director of Industrial Relations.

(Reference: Gov. Code, § 65912.120, et seq.)

9.12 A RESPONSIBLE AGENCY'S PROVISION OF FINANCIAL ASSISTANCE OR INSURANCE FOR THE DEVELOPMENT AND CONSTRUCTION OF AFFORDABLE HOUSING.

Action taken by a local agency that is acting as a responsible agency – not as a lead agency – to provide financial assistance or insurance for the development and construction of residential housing for persons and families of low or moderate income, as defined in Section 50093 of the Health and Safety Code, is exempt from CEQA if the project that is the subject of the application for financial assistance or insurance will be subject to CEQA review by another public agency. This includes a local agency's approval of contracts that provide residential, counseling, and security services for people experiencing homelessness.

(Reference: Pub. Resources Code, § 21080.10.)

9.13 EXEMPTION FOR SPECIFIED AFFORDABLE HOUSING PROJECTS.

If the conditions and requirements set forth in Public Resources code section 21080.40 are met, the following public agency action relating to an "affordable housing project" shall be exempt from CEQA :

1. The issuance of an entitlement by a public agency for an affordable housing project.

2. An action to lease, convey, or encumber land owned by a public agency for an affordable housing project.

3. An action to facilitate the lease, conveyance, or encumbrance of land owned or to be purchased by a public agency for an affordable housing project.

4. Rezoning, specific plan amendments, or general plan amendments required specifically and exclusively to allow the construction of an affordable housing project.

5. An action to provide financial assistance in furtherance of implementing an affordable housing project.

Section 21080.40 of the Public Resources Code defines "affordable housing project" as a project that meets the following requirements:

- The project consists of multifamily residential uses only or a mix of multifamily residential and nonresidential uses;

- At least two-thirds of the square footage of the project is designated for residential use;

- All of the project's residential units, excluding managers' units, are dedicated to lower income households, as defined by Health & Safety Code section 50079.5;

- The project meets the labor requirements set forth in Government Code section 65912.130, or Government Code section 65912.131 if the project has 50 or more residential units;

- The project is located on a parcel in any of the following locations: (i) an urbanized area or urban cluster, as designated by the United States Census Bureau, (ii) within one-half mile walking distance to either a high-quality transit corridor or a major transit stop, (iii) a very low vehicle travel area (defined as an urbanized area where existing residential development generates vehicle miles traveled per capita that is below 85 percent of either regional vehicle miles traveled per capita or city vehicle miles traveled per capita), or (iv) proximal to six or more certain specified amenities, including within one-half mile of a bus station or ferry terminal, or within one mile (or two miles if in a rural area) of a supermarket or grocery store, public park, community center, pharmacy or drugstore, medical clinic or hospital, public library, or a school; and

- Parcels that are developed with urban uses must adjoin at least 75 percent of the perimeter of the project site or at least three sides of a four-sided project site.

To qualify for this exemption, the affordable housing project must meet a series of requirements set forth in Public Resources Code section 21080.40. The requirements include that the affordable housing project be subject to a recorded California Tax Credit Allocation Committee regulatory agreement for at least 55 years upon completion of construction, and that the project site must be adequately served by existing utilities or extensions. In addition, the public agency must confirm that the project is not built on environmentally sensitive or hazardous land; that the project will not have significant and unavoidable tribal cultural resource impacts; that a Phase I environmental assessment was prepared and any hazardous substances on the site have been remediated; and if the project site is not permitted for multifamily housing, that none of the housing is located within 500 feet of a freeway or within 3,200 feet of a facility that actively extracts or refines soil or natural gas; and that the project site is not within a very high fire hazard severity zone.

If a lead agency determines that the affordable housing project is exempt from CEQA pursuant to this provision, it must file a notice of exemption with the Office of Land Use and Climate Innovation and the county clerk of each county in which the project is located.

(Reference: Pub. Resources Code, § 21080.40.)

9.14 "NEAR MISS" STREAMLINED HOUSING DEVELOPMENT PROJECT

If a proposed housing development project would normally be exempt from CEQA pursuant to a statutory or categorical exemption (Classes 1 to 5, 12, 15, 20, 27, 30, or 32)—but fails to qualify because of just one specific issue—then CEQA review is limited to only the environmental effects caused by that one issue. The environmental review (initial study or EIR) only needs to

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analyze impacts caused solely by that single disqualifying issue, based on evidence in the record. If an EIR is required, it does not need to analyze project alternatives or growth-inducing impacts.

This limited review does not apply if:

- The project is not similar to the types of projects covered by the exemption.
- The project fails the exemption because of more than one issue.
- The project includes a distribution center or oil and gas infrastructure.
- The project is located on protected natural lands (with limited statutory exceptions).

To note, "condition" means a physical feature, regulatory requirement, or environmental effect related to the project. For a project that involves issuance of a lease, permit, license, certificate, or other entitlement for use, the lead agency must offer early consultation – if requested by a potential applicant – before an application is filed. This consultation covers possible actions, alternatives, mitigation measures, and any potential and significant effects on the environment.

(Reference: Pub. Resources Code, § 21080.1.)

9.15 MINISTERIAL APPROVAL OF HOUSING DEVELOPMENTS ON LAND OWNED BY INDEPENDENT INSTITUTIONS OF HIGHER EDUCATION AND RELIGIOUS INSTITUTIONS.

A "housing development project" is not subject to CEQA if it meets the criteria and requirements set forth in Government Code section 65913.16. To qualify for the exemption, a housing development project must, among other things, meet the following requirements:

1. The housing development project must be located on land owned on or before January 1, 2024 by an independent institution of higher education or a religious institution, including ownership through an affiliated or associated nonprofit public benefit corporation organized pursuant to the Nonprofit Corporation Law (Part 2 (commencing with Section 5110) of Division 2 of Title 1 of the Corporations Code).

2. The housing development project must consist of residential units only; constitute a mixed-use development consisting of residential and non-residential uses with at least two-thirds of the square footage designated for residential use; or consist of transitional housing or supportive housing.

3. The housing development project must meet certain affordability requirements. One hundred percent of the development project's total units, exclusive of a manager's unit or units, must be for lower income households, as defined by Section 50079.5 of the Health and Safety Code, except that up to 20 percent of the total units in the development may be for moderate-income households, as defined in Section 50052 of the Health and Safety Code, and 5 percent of the units may be for staff of the independent institution of higher education or religious institution that owns the land.

4. The project must be subject to specified labor and prevailing wage requirements.

The exemption is subject to a lengthy series of locational and other requirements, set forth in Government Code section 65913.16.

(Reference: Gov. Code, § 65913.16.)

10. CEQA LITIGATION

10.01 TIMELINES.

When a CEQA lawsuit is filed, there are numerous and complex time requirements that must be met. Pressing deadlines begin to run in the days immediately after a CEQA lawsuit has been filed with the Court. For example, within ten (10) business days of the public agency being served with a petition or complaint alleging a violation of CEQA, the District, if it was the Lead Agency, must provide the petitioner with a list of Responsible Agencies and public agencies with jurisdiction by law over any natural resource affected by the project at issue. There are a variety of other deadlines that apply in CEQA litigation.

If a CEQA lawsuit is filed, CEQA counsel should be contacted immediately in order to ensure that all the applicable deadlines are met.

10.02 MEDIATION AND SETTLEMENT.

After Litigation Has Been Filed. The parties in a CEQA lawsuit are required to meet and discuss settlement. Within twenty (20) days of being served with a CEQA legal challenge, the public agency named in the lawsuit must file a notice with the court setting forth the time and place for a settlement meeting. The meeting must be scheduled and held not later than forty-five (45) days from the date of service of the petition or complaint upon the public agency. Usually the main parties to the litigation (such as the Lead Agency, the developer of the project if there is one, and those challenging the project and their respective attorneys) meet to discuss settlement; there is no requirement to hire a professional mediator. The settlement meeting is usually subject to a confidentiality agreement.

If the parties in a CEQA lawsuit are in settlement or mediation, that attempt is intended to occur concurrently with the litigation. This means that the respondent public agency will be required to comply with all existing litigation timelines and requirements (for example, preparing and lodging the administrative record discussed below) while simultaneously conducting settlement or mediation, unless the parties enter into an alternate agreement to stay the litigation and that agreement is approved by the court.

10.03 ADMINISTRATIVE RECORD.

A. Contents of Administrative Record.

When the Lead Agency's CEQA finding(s) and/or action is challenged in a lawsuit, the Lead Agency must certify the administrative record that formed the basis of the Lead Agency's decision. To the extent the documents listed below exist and are not subject to a privilege that exempts them from disclosure, the following items should be included in the administrative record:

(1) All project application materials.

(2) All staff reports and related documents prepared by the public agency with respect to its compliance with the substantive and procedural requirements of CEQA and with respect to the action on the project.

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(3) All staff reports and related documents prepared by the public agency and written testimony or documents submitted by any person relevant to any findings or statement of overriding considerations adopted by the public agency pursuant to CEQA or these Local Guidelines.

(4) Any transcript or minutes of the proceedings at which the decision-making body of the public agency heard testimony on or considered any environmental document on the project, and any transcript or minutes of proceedings before any advisory body to the respondent public agency that were presented to the decision-making body prior to action on the environmental documents or on the project.

(5) All notices issued by the public agency to comply with CEQA or with any other law governing the processing and approval of the project.

(6) All written comments received in response to, or in connection with, environmental documents prepared for the project, including responses to the notice of preparation.

(7) All written evidence or correspondence submitted to, or transferred from, the public agency with respect to compliance with CEQA or with respect to the project.

(8) Any proposed decisions or findings submitted to the decision-making body of the public agency by its staff or the project proponent, project opponents, or other persons, to the extent such documents are subject to public disclosure.

(9) The documentation of the final public agency decision, including the final environmental impact report, mitigated negative declaration, or negative declaration, and all documents, in addition to those referenced in paragraph (3) above, cited or relied on in the findings or in a statement of overriding considerations adopted pursuant to CEQA.

(10) Any other written materials relevant to the respondent public agency's compliance with CEQA or to its decision on the merits of the project, including the initial study; any drafts of any environmental document, or portions thereof, that were released for public review; copies of studies or other documents relied upon in any environmental document prepared for the project and either made available to the public during the public review period or included in the public agency's files on the project; and internal agency communications presented to the final decision-making body or consulted and/or reviewed by the lead agency executive or other administrative official in a supervisory role, including staff notes and memoranda, related to the project or to compliance with CEQA, to the extent such documents are subject to public disclosure. The administrative record need not include communications that are of a logistical nature, such as meeting invitations or scheduling communications. The administrative record further may not include material that is subject to a privilege contained in the Evidence Code or material that is subject to an exemption set forth in the California Public Records Act.

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(11) The full written record before any inferior administrative decision-making body whose decision was appealed prior to the filing of the lawsuit.

B. Organization of Administrative Record.

The administrative record should be organized as follows:

(1) Index. A detailed index must be included at the beginning of the administrative record listing each document in the order presented. Each entry must include the document's title, date, brief description, and the volume and page where the document begins;

(2) The Notice of Determination;

(3) The resolutions or ordinances adopted by the Lead Agency approving the project;

(4) The findings required by Public Resources Code section 21081, including any statement of overriding considerations;

(5) The Final EIR, including the Draft EIR or a revision of the draft, all other matters included in the Final EIR (such as traffic studies and air quality studies), or other types of environmental documents prepared under CEQA, such as a negative declaration, mitigated negative declaration, or addenda;

(6) The initial study;

(7) Staff reports prepared for the administrative bodies providing subordinate approvals or recommendations to the Lead Agency, in chronological order;

(8) Transcripts and minutes of hearings, in chronological order; and

(9) All other documents appropriate for inclusion in the administrative record, in chronological order.

Each section listed above must be separated by tabs or marked with electronic bookmarks. Oversized documents (such as building plans and maps) must be presented in a manner that allows them to be easily unfolded and viewed.

The court may issue an order allowing the documents to be organized in a different manner.

C. Preparation of Administrative Record.

The administrative record can be prepared: (1) by the petitioner, if the petitioner provides the Lead Agency notice that it elects to prepare the record, or (2) by the Lead Agency. If the petitioner provides notice that it elects to prepare the administrative record, the Lead Agency may, within five (5) business days of receiving such notice, deny the petitioner's request to prepare the record. In this circumstance, the Lead Agency may prepare the administrative record itself despite the petitioner's election. The petitioner and the Lead Agency can also agree on any alternative

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method of preparing the record, such as having the project applicant prepare the administrative record. However, when a third party such as the project applicant prepares or assists with the preparation of the administrative record, the Lead Agency may not be able to recover fees incurred by the third party unless petitioner has agreed to this method of preparation.

Notwithstanding the above, upon the written request of a project applicant received no later than 30 days after the date that the Lead Agency makes a determination pursuant to Public Resources Code section 21080.1, 21094.5, or Chapter 4.2 (commencing with Public Resources Code section 21155) and with the written consent of the Lead Agency sent within 10 business days from receipt of the written request, the Lead Agency may prepare the administrative record concurrently with the administrative process. Should the Lead Agency and the project applicant so desire to pursue concurrent record preparation, the parties must comply with the provisions of Public Resources Code section 21167.6.2.

(See Pub. Resources Code, § 21167.6.)

D. Special Circumstances For Environmental Leadership Projects.

Special timing considerations and requirements apply if the Project is certified by the Governor as an Environmental Leadership Project pursuant to the "Jobs and Economic Improvement Through Environmental Leadership Act of 2021." For example, the administrative record must be finished and certified within five (5) days of project approval. See Public Resources Code section 21186 for a complete discussion of the special requirements related to the preparation of an administrative record for an Environmental Leadership Project.

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11. DEFINITIONS

Whenever the following terms are used in these Local Guidelines, they shall have the following meaning unless otherwise expressly defined:

11.01 "Agricultural Employee" means a person engaged in agriculture, which includes farming in all its branches, and, among other things, includes: (1) the cultivation and tillage of the soil, (2) dairying, (3) the production, cultivation, growing, and harvesting of any agricultural or horticultural commodities, (4) the raising of livestock, bees, furbearing animals, or poultry, and (5) any practices (including any forestry or lumbering operations) performed by a farmer or on a farm as an incident to or in conjunction with such farming operations, including preparation for market and delivery to storage or to market or to carriers for transportation to market.

This definition does not include any person covered by the National Labor Relations Act as agricultural employees pursuant to Section 2(3) of the Labor Management Relations Act (Section 152(3), Title 29, United States Code) and Section 3(f) of the Fair Labor Standards Act (Section 203(f), Title 29, United States Code). This definition does not apply to employees who perform work to be done at the site of the construction, alteration, painting, or repair of a building, structure, or other work (as these terms have been construed under Section 8(e) of the Labor Management Relations Act, 29 United States Code section 158(e)) or logging or timber-clearing operations in initial preparation of land for farming, or who does land leveling or only land surveying for any of the above. As used in this definition, "land leveling" shall include only major land moving operations changing the contour of the land, but shall not include annual or seasonal tillage or preparation of land for cultivation. (State CEQA Guidelines section 15191(a).)

11.02 "Applicant" means a person who proposes to carry out a project that requires a lease, permit, license, certificate, or other entitlement for use, or requires financial aid from one or more public agencies when applying for governmental approval or assistance.

11.03 "Approval" Means a decision by the decision-making body or other authorized body or officer of the District which commits the District to a definite course of action with regard to a particular project. With regard to any project to be undertaken directly by the District, approval shall be deemed to occur on the date when the decision-making body adopts a motion or resolution determining to proceed with the project, which in no event shall be later than the date of adoption of plans and specifications. As to private projects, approval shall be deemed to have occurred upon the earliest commitment to provide service or the issuance by the District of a discretionary contract, subsidy, or other form of financial assistance, lease, permit, license, certificate, or other entitlement for use of the project. The mere acquisition of land by the District shall not, in and of itself, be deemed to constitute approval of a project.

For purposes of these Local Guidelines, all environmental documents must be completed as of the time of project approval.

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11.04 "Baseline" refers to the pre-project environmental conditions. By comparing the project's potential impacts to the baseline, the Lead Agency determines whether the project's impacts are substantial enough to be significant under the relevant thresholds of significance. Generally, the baseline is the environmental conditions existing on the date the environmental analysis begins, such as the date the Notice of Preparation is published for an EIR or the date the Notice of Intent to Adopt a Negative Declaration is published. However, in certain circumstances, an earlier or later date may provide a more accurate environmental analysis. The District may establish any baseline that is appropriate, including an earlier or later date, as long as the choice of baseline can be supported by substantial evidence.

11.05 "California Native American Tribe" means a Native American tribe located in California that is on the contact list maintained by the Native American Heritage Commission for the purposes of Chapter 905 of the Statutes of 2004.

11.06 "Categorical Exemption" means an exemption from CEQA for a class of projects based on a finding by the Secretary of the Resources Agency that the class of projects does not have a significant effect on the environment.

11.07 "Census-Defined Place" means a specific unincorporated land area within boundaries determined by the United States Census Bureau in the most recent decennial census.

11.08 "CEQA" means the California Environmental Quality Act, codified at California Public Resources Code sections 21000, et seq.

11.09 "Clerk" means either the "Clerk of the Board" or the "County Clerk" depending upon the county. Please refer to the "Index to Environmental Filing by County" in the Staff Summary to determine which applies.

11.10 "Community-Level Environmental Review" means either (1) or (2) below:

(1) An EIR certified for any of the following:

(a) A general plan;
(b) A revision or update to the general plan that includes at least the land use and circulation elements;
(c) An applicable community plan;
(d) An applicable specific plan; or
(e) A housing element of the general plan, if the Environmental Impact Report analyzed the environmental effects of the density of the proposed project;

(2) A Negative Declaration or Mitigated Negative Declaration adopted as a subsequent environmental review document, following and based upon an EIR on a general plan, an applicable community plan or specific plan, provided that the subsequent environmental review document is allowed by CEQA following a Master EIR or a Program EIR or is required pursuant to Public Resource section 21166.

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11.11 "Consultation" means the meaningful and timely process of seeking, discussing, and considering carefully the views of others, in a manner that is cognizant of all parties' cultural values and, where feasible, seeking agreement. Consultation between government agencies and Native American tribes shall be conducted in a way that is mutually respectful of each party's sovereignty. Consultation shall also recognize the tribes' potential needs for confidentiality with respect to places that have traditional tribal cultural significance.

11.12 "Cumulative Impacts" means two or more individual effects which, when considered together, are considerable or which compound or increase other environmental impacts. The individual effects may be changes resulting from a single project or a number of separate projects, whether past, present or future.

The cumulative impact from several projects is the change in the environment which results from the incremental impact of the project when added to other closely related past, present and reasonably foreseeable future projects. Cumulative impacts can result from individually minor but collectively significant projects taking place over a period of time.

11.13 "Cumulatively Considerable" means that the incremental effects of an individual project are significant when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects.

11.14 "Decision-Making Body" means the body within the District, e.g. the Board of Directors, which has final approval authority over the particular project.

11.15 "Developed Open Space" means land that meets each of the following three criteria:

(1) Is publicly owned, or financed in whole or in part by public funds;

(2) Is generally open to, and available for use by, the public; and

(3) Is predominantly lacking in structural development other than structures associated with open spaces, including, but not limited to, playgrounds, swimming pools, ball fields, enclosed child play areas, and picnic facilities.

Developed Open Space may include land that has been designated for acquisition by a public agency for developed open space purposes, but does not include lands acquired by public funds dedicated to the acquisition of land for housing purposes.

11.16 "Development Project" means any project undertaken for the purpose of development, including any project involving the issuance of a permit for construction or reconstruction but not a permit to operate. It does not include any ministerial projects proposed to be carried out or approved by public agencies. (Government Code section 65928.)

11.17 "Discretionary Project" means a project for which approval requires the exercise of independent judgment, deliberation, or decision-making on the part of the District. To

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determine whether a project is discretionary, the key question is whether the public agency can use its subjective judgment to decide whether and how to carry out or approve a project.

11.18 "District" means the Rancho California Water District.

11.19 "EIR" means Environmental Impact Report, a detailed written statement setting forth the environmental effects and considerations pertaining to a project. EIR may mean a Draft or a Final version of an EIR, a Project EIR, a Subsequent EIR, a Supplemental EIR, a Tiered EIR, a Staged EIR, a Program EIR, a Redevelopment EIR, a Master EIR, or a Focused EIR.

11.20 "Emergency" means a sudden, unexpected occurrence, involving a clear and imminent danger, demanding immediate action to prevent or mitigate loss of, or damage to, life, health, property, or essential public services. Emergency includes such occurrences as fire, flood, earthquake, landslide or other natural disaster, as well as such occurrences as riot, war, terrorist incident, accident or sabotage.

11.21 "Endangered, Rare or Threatened Species" means certain species or subspecies of animals or plants. A species or subspecies of animal or plant is "Endangered" when its survival and reproduction in the wild are in immediate jeopardy from one or more causes, including loss of habitat, change in habitat, overexploitation, predation, competition, disease, or other factors. A species or subspecies of animal or plant is "Threatened" when it is listed as a threatened species pursuant to the California Endangered Species Act or the Federal Endangered Species Act. A species or subspecies of animal or plant is "Rare" when either:

(1) Although not presently threatened with extinction, the species is existing in such small numbers throughout all or a significant portion of its range that it may become endangered if its environment worsens; or

(2) The species is likely to become endangered within the foreseeable future throughout all or a significant portion of its range and may be considered "threatened" as that term is used in the Federal Endangered Species Act.

For purposes of analyzing impacts to biological resources, a species of animal or plant shall be presumed to be endangered, rare or threatened if it is listed under the California Endangered Species Act or the Federal Endangered Species Act.

This definition shall not include any species of the Class Insecta which is a pest whose protection under the provisions of CEQA would present an overwhelming and overriding risk to man as determined by the Director of Food and Agriculture (with regard to economic pests) or the Director of Health Services (with regard to health risks).

11.22 "Environment" means the physical conditions which exist in the area which will be affected by a proposed project, including land, air, water, minerals, flora, fauna, ambient noise, and objects of historic or aesthetic significance. The area involved shall

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be the area in which significant effects would occur either directly or indirectly as a result of the project. The "environment" includes both natural and man-made conditions.

11.23 "Feasible" means capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, social and technological factors.

11.24 "Final EIR" means an EIR containing the information contained in the Draft EIR, comments either verbatim or in summary received in the review process, a list of persons commenting, and the response of the District to the comments received.

11.25 "Greenhouse Gases" include, but are not limited to, carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride.

11.26 "Guidelines" or "Local Guidelines" means the District's Local Guidelines for implementing the California Environmental Quality Act.

11.27 "Highway" shall have the same meaning as defined in Section 360 of the Vehicle Code.

11.28 "Historical Resources" include:

Resources listed in, or eligible for listing in, the California Register of Historical Resources shall be considered historical resources.

A resource may be listed in the California Register if it meets any of the following National Register of Historic Places criteria:

(a) Is associated with events that have made a significant contribution to the broad patterns of California's history and cultural heritage;
(b) Is associated with the lives of persons important in our past;
(c) Embodies the distinctive characteristics of a type, period, region, or method of construction, or represents the work of an important creative individual, or possesses high artistic values; or
(d) Has yielded, or may be likely to yield, information important in prehistory or history.

A resource may also be listed in the California Register if it is identified as significant in an historical resource survey that meets all of the following criteria:

(a) The survey has been or will be included in the State Historic Resources Inventory;
(b) The survey and the survey documentation were prepared in accordance with office procedures and requirements; and
(c) The resource is evaluated and determined by the office to have a significance rating of Category 1 to 5 on DPR Form 523.

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Resources included on a list of properties officially designated or recognized as historically significant by a local government pursuant to a local ordinance or resolution, or identified as significant in a historical resource survey (as described above) are presumed to be historically or culturally significant, unless a preponderance of evidence demonstrates that they are not historically or culturally significant.

Any of the following may be considered historically significant: any object, building, structure, site, area, place, record or manuscript which a Lead Agency determines, based upon substantial evidence in light of the whole record, to be historically significant or significant in the architectural, engineering, scientific, economic, agricultural, educational, social, political, military or cultural annals of California.

The Lead Agency is not precluded from determining that a resource is a historical resource, as defined in Public Resources Code sections 5020.1(j) or 5024.1, even if it is: (a) not listed in, or is not determined to be eligible for listing in, the California Register of Historical Resources; (b) not included in a local register of historical resources; or (c) not identified in a historical resources survey.

11.29 "Infill Site" means a site in an urbanized area that meets either of the following criteria:

(1) The site has been previously developed for qualified urban uses; or

(2) The site has not been previously developed for qualified urban uses and both (a) and (b) are met:

(a) the site is immediately adjacent to parcels that are developed with qualified urban uses, or
1. at least 75 percent of the perimeter of the site adjoins, or is separated only by an improved public right-of-way from, parcels that are developed with existing qualified urban uses at the time the Lead Agency receives an application for an approval; and
2. the remaining 25 percent of the perimeter of the site adjoins parcels that had been previously developed for qualified urban uses;

(b) No parcel within the site has been created within the past 10 years unless the parcel was created as a result of the plan of a redevelopment agency.

(Public Resources Code section 21061.3.)

11.30 "Initial Study" means a preliminary analysis conducted by the District to determine whether an EIR, a Negative Declaration, or a Mitigated Negative Declaration must be prepared or to identify the significant environmental effects to be analyzed in an EIR.

11.31 "Jurisdiction by Law" means the authority of any public agency to grant a permit or other entitlement for use, to provide funding for the project in question or to exercise authority over resources which may be affected by the project.

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The District will have jurisdiction by law over a project when the District has primary and exclusive jurisdiction over the site of the project, the area in which the major environmental effects will occur, or the area in which reside those citizens most directly concerned by any such environmental effects.

11.32 "Land Disposal Facility" means a hazardous waste facility where hazardous waste is disposed in, on, or under land. (Health and Safety Code section 25199.1(d).)

11.33 "Large Treatment Facility" means a treatment facility which treats or recycles one thousand (1,000) or more tons of hazardous waste during any one month of the current reporting period commencing on or after July 1, 1991. (Health and Safety Code section 25205.1(d).)

11.34 "LCI" refers to the Governor's Office of Land Use and Climate Innovation (formerly known as the Office of Planning and Research, or OPR).

11.35 "Lead Agency" means the public agency which has the principal responsibility for preparing environmental documents and for carrying out or approving a project when more than one public agency is involved with the same underlying activity.

11.36 "Low- and Moderate-Income Households" means persons and families of low or moderate income as defined in Section 50093 of the Health and Safety Code—i.e., persons and families whose income does not exceed 120% of area median income, adjusted for family size by the Department of Housing and Community Development, in accordance with adjustment factors adopted and amended from time to time by the United States Department of Housing and Urban Development pursuant to Section 8 of the United States Housing Act of 1937. (Public Resources Code section 21159.20(d); State CEQA Guidelines section 15191(f).)

11.37 "Low-Income Households" means households of persons and families of very low and low income. Low-income persons or families are those eligible for financial assistance from governmental agencies for occupants of state-funded housing. Very low income persons are those whose incomes do not exceed the qualifying limits for very low income families as established and amended pursuant to Section 8 of the United States Housing Act of 1937. Such limits are published and updated in the California Code of Regulations. (Public Resources Code section 21159.20(c); Health and Safety Code sections 50105 and 50106; State CEQA Guidelines section 15191(g).)

11.38 "Low-Level Flight Path" means any flight path for any aircraft owned, maintained, or under the jurisdiction of the United States Department of Defense that flies lower than 1,500 feet above ground level, as indicated in the United States Department of Defense Flight Information Publication, "Area Planning Military Training Routes: North and South America (AP/1B)" published by the United States National Imagery and Mapping Agency or its successor.

11.39 "Lower Income Households" is defined in Health and Safety Code section 50079.5 to mean any of the following:

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11.40 "Lower income households" means persons and families whose income does not exceed the qualifying limits for lower income families as established and amended from time to time pursuant to Section 8 of the United States Housing Act of 1937;

(2) "Very low income households" means persons and families whose incomes do not exceed the qualifying limits for very low income families as defined in Health and Safety Code section 50105; or

(3) "Extremely low income households" means persons and families whose incomes do not exceed the qualifying limits for extremely low income families as defined in Health and Safety Code section 50106.

11.41 "Major Transit Stop" means a site containing an existing rail or bus rapid transit station, a ferry terminal served by either a bus or rail transit service, or the intersection of two or more major bus routes with a frequency of service interval of twenty (20) minutes or less during the morning and afternoon peak commute periods. (Pub. Resources Code, § 21064.3; see also Pub. Resources Code, § 21060.2; State CEQA Guidelines section 15191(i).)

11.42 "Metropolitan Planning Organization" or "MPO" means a federally-designated agency that provides transportation planning and programming in metropolitan areas. A MPO is designated for each urban area that has been defined in the most recent federal census as having a population of more than 50,000 people. There are 18 federally-designated MPOs in California. Non-urbanized (rural) areas do not have a designated MPO.

11.43 "Military Impact Zone" means any area, including airspace, that meets both of the following criteria:

(1) Is located within two miles of a military installation, including, but not limited to, any base, military airport, camp, post, station, yard, center, homeport facility for a ship, or any other military activity center that is under the jurisdiction of the United States Department of Defense; and

(2) Covers greater than 500 acres of unincorporated land, or greater than 100 acres of city incorporated land.

11.44 "Military Service" means the United States Department of Defense or any branch of the United States Armed Forces.

11.45 "Ministerial" describes a governmental decision involving little or no personal judgment by the public official as to the wisdom or manner of carrying out the project. The public official merely applies the law to the facts as presented but uses no special discretion or standards or objective measurements, and the public official cannot use personal, subjective judgment in deciding whether or how the project should be carried out. Common examples of ministerial permits include automobile registrations, dog licenses, and marriage licenses. A building permit is ministerial if the ordinance requiring the permit limits the public official to determining whether the zoning allows the structure to be built in the requested location, the structure would meet the strength

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requirements in the Uniform Building Code, and the applicant has paid his fee. (Public Resources Code section 21080(b)(1).)

11.46 "Mitigated Negative Declaration" or "MND" means a Negative Declaration prepared for a Project when the Initial Study has identified potentially significant effects on the environment, but: (1) revisions in the project plans or proposals made, or agreed to, by the applicant before the proposed Negative Declaration and Initial Study are released for public review would avoid the effects or mitigate the effects to a point where clearly no significant effect on the environment would occur, and (2) there is no substantial evidence in light of the whole record before the public agency that the project, as revised, may have a significant effect on the environment.

11.47 "Mitigation" includes avoiding the environmental impact altogether by not taking a certain action or parts of an action, minimizing impacts by limiting the degree or magnitude of the action and its implementation, rectifying the impact by repairing, rehabilitating or restoring the impacted environment, reducing or eliminating the impact over time by preservation and maintenance operations during the life of the action, or compensating for the impact by replacing or providing substitute resources or environments, including through permanent protection of such resources in the form of conservation easements.

11.48 "Negative Declaration" or "ND" means a written statement by the District briefly describing the reasons that a proposed project, not exempt from CEQA, will not have a significant effect on the environment and, therefore, does not require the preparation of an EIR.

11.49 "Notice of Completion" means a brief report filed with the Office of Land Use and Climate Innovation by the District when it is the Lead Agency as soon as it has completed a Draft EIR and is prepared to send out copies for review.

11.50 "Notice of Determination" means a brief notice to be filed by the District when it approves or determines to carry out a project which is subject to the requirements of CEQA.

11.51 "Notice of Exemption" means a brief notice which may be filed by the District when it has approved or determined to carry out a project, and it has determined that the project is exempt from the requirements of CEQA. Such a notice may also be filed by an applicant where such a determination has been made by a public agency which must approve the project.

11.52 "Notice of Preparation" means a brief notice sent by a Lead Agency to notify the Responsible Agencies, Trustee Agencies, the Office of Land Use and Climate Innovation, and involved federal agencies that the Lead Agency plans to prepare an EIR for a project. The purpose of this notice is to solicit guidance from those agencies as to the scope and content of the environmental information to be included in the EIR. Public agencies are free to develop their own formats for this notice.

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11.53 "Oak" means a native tree species in the genus Quercus, not designated as Group A or Group B commercial species pursuant to regulations adopted by the State Board of Forestry and Fire Protection pursuant to Public Resources Code section 4526, and that is five (5) inches or more in diameter at breast height. (Public Resources Code section 21083.4(a).)

11.54 "Oak Woodlands" means an oak stand with a greater than 10 percent canopy cover or that may have historically supported greater than 10 percent canopy cover. (Fish & Game Code section 1361(h).)

11.55 "Offsite Facility" means a facility that serves more than one generator of hazardous waste. (Public Resources Code section 21151.1(h).)

11.56 "Person" includes any person, firm, association, organization, partnership, business, trust, corporation, company, city, county, city and county, town, the state, and any of the agencies which may be political subdivisions of such entities, and, to the extent permitted by federal law, the United States, or any of its agencies or political subdivisions**.**

11.57 "Pipeline" as defined in these Local Guidelines depends on the context. Please see Local Guidelines Sections 3.10 and 3.11 for specific definitions.

11.58 "Private Project" means a project which will be carried out by a person other than a governmental agency, but which will need a discretionary approval from the District. Private projects will normally be those listed in subsections (2) and (3) of Local Guidelines Section 11.59.

11.59 "Project" means the whole of an action or activity which may cause either a direct physical change in the environment, or a reasonably foreseeable indirect change in the environment, and is any of the following:

(1) A discretionary activity directly undertaken by the District including but not limited to public works construction and related activities, clearing or grading of land, or improvements to existing public structures;

(2) A discretionary activity which involves a public agency's issuance to a person of a lease, permit, license, certificate, or other entitlement for use, or which is supported, in whole or in part, through contracts, grants, subsidies, loans or other forms of assistance by the District; or

(3) A discretionary project proposed to be carried out or approved by public agencies, including but not limited to the enactment and amendment of local General Plans or elements thereof, the enactment of zoning ordinances, the issuance of zoning variances, the issuance of conditional use permits and the approval of tentative subdivision maps.

The presence of any real degree of control over the manner in which a project is completed makes it a discretionary project.

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The term "project" refers to the activity which is being approved and which may be subject to several discretionary approvals by governmental agencies. The term "project" does not mean each separate governmental approval.

11.60 "Project-Specific Effects" means all the direct or indirect environmental effects of a project other than cumulative effects and growth-inducing effects. (Public Resources Code section 21065.3; State CEQA Guidelines section 15191(j).)

11.61 "Public Water System" means a system for the provision of piped water to the public for human consumption that has 3,000 or more service connections. A public water system includes all of the following: (A) Any collection, treatment, storage, and distribution facility under control of the operator of the system which is used primarily in connection with the system; (B) Any collection or pretreatment storage facility not under the control of the operator that is used primarily in connection with the system; (C) Any person who treats water on behalf of one or more public water systems for the purpose of rendering it safe for human consumption. (State CEQA Guidelines section 15155.)

11.62 "Qualified Urban Use" means any residential, commercial, public institutional, transit or transportation passenger facility, or retail use, or any combination of those uses. (Public Resources Code section 21072; State CEQA Guidelines section 15191(k).)

11.63 "Residential" means a use consisting of either residential units only or residential units and primarily neighborhood-serving goods, services, or retail uses that do not exceed 15% of the total floor area of the project. (State CEQA Guidelines section 15191(l).) Residential, pursuant to Public Resources Code section 21159.24, shall mean a use consisting of either of the following:

(1) Residential units only.

(2) Residential units and primarily neighborhood-serving goods, services, or retail uses that do not exceed 25 percent of the total building square footage of the project.

11.64 "Responsible Agency" means a public agency which proposes to carry out or approve a project for which a Lead Agency has prepared the environmental documents. For the purposes of CEQA, the term "Responsible Agency" includes all federal, state, regional and local public agencies other than the Lead Agency which have discretionary approval power over the project.

11.65 "Riparian areas" mean those areas transitional between terrestrial and aquatic ecosystems and that are distinguished by gradients in biophysical conditions, ecological processes, and biota. A riparian area is an area through which surface and subsurface hydrology connect waterbodies with their adjacent uplands. A riparian area includes those portions of terrestrial ecosystems that significantly influence exchanges of energy and matter with aquatic ecosystems. A riparian area is adjacent to perennial, intermittent, and ephemeral streams, lakes, and estuarine-marine shorelines.

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11.66 "Roadway" means a roadway as defined pursuant to Section 530 of the Vehicle Code and the previously graded and maintained shoulder that is within a roadway right-of-way of no more than five feet from the edge of the roadway.

11.67 "Significant Effect" means a substantial, or potentially substantial, adverse change in any of the physical conditions within the area affected by the activity including land, air, water, minerals, flora, fauna, ambient noise, and objects of historic or aesthetic significance. A social or economic change related to a physical change may be considered in determining whether the physical change is significant.

11.68 "Significant Value as a Wildlife Habitat" includes wildlife habitat of national, statewide, regional, or local importance; habitat for species protected by the federal Endangered Species Act of 1973 (16 U.S.C. Sec. 1531, et seq.), the California Endangered Species Act (Chapter 1.5 (commencing with Section 2050) of Division 3 of the Fish and Game Code), or the Native Plant Protection Act (Chapter 10 (commencing with Section 1900) of Division 2 of the Fish and Game Code); habitat identified as candidate, fully protected, sensitive, or species of special status by local, state, or federal agencies; or habitat essential to the movement of resident or migratory wildlife.

11.69 "Special Use Airspace" means the land area underlying the airspace that is designated for training, research, development, or evaluation for a military service, as that land area is established by the United States Department of Defense Flight Information Publication, "Area Planning: Special Use Airspace: North and South America (AP/1A)" published by the United States National Imagery and Mapping Agency or its successor.

11.70 "Staff" means the General Manager or his or her designee**.**

11.71 "Standard" means a standard of general application that is all of the following:

(1) A quantitative, qualitative or performance requirement found in a statute, ordinance, resolution, rule, regulation, order, or other standard of general application;

(2) Adopted for the purpose of environmental protection;

(3) Adopted by a public agency through a public review process;

(4) Governs the same environmental effect which the change in the environment is impacting; and

(5) Governs the jurisdiction where the project is located.

The definition of "standard" includes any thresholds of significance adopted by the District which meet the requirements of this Section.

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If there is a conflict between standards, the District shall determine which standard is appropriate based upon substantial evidence in light of the whole record.

11.72 "State CEQA Guidelines" means the Guidelines for Implementation of the California Environmental Quality Act as adopted by the Secretary of the California Natural Resources Agency as they now exist or hereafter may be amended. (California Administrative Code, Title 14, sections 15000, et seq.)

11.73 "Substantial Evidence" means reliable information on which a fair argument can be based to support an inference or conclusion, even though another conclusion could be drawn from that information. "Substantial evidence" includes facts, reasonable assumptions predicated upon facts, and expert opinion supported by facts. "Substantial evidence" does not include argument, speculation, unsubstantiated opinion or narrative, evidence which is clearly inaccurate or erroneous, or evidence of social or economic impacts which do not contribute to, or are not caused by, physical impacts on the environment.

11.74 "Sustainable Communities Strategy" is an element of a Regional Transportation Plan, which must be adopted by the Metropolitan Planning Organization for the region. (See Local Guidelines Section 11.40.) The Sustainable Communities Strategy is an integrated land use and transportation plan intended to reduce greenhouse gases. The Sustainable Communities Strategy includes various components such as: consideration of existing densities and uses within the region, identification of areas within the region that can accommodate an eight-year projection of the region's housing needs, development of projections for growth in the region, identification of existing transportation networks, and preparation of a forecast for development pattern for the region that can be integrated with transportation networks.

11.75 "Tiering" means the coverage of general matters in broader EIRs (such as on general plans or policy statements) with subsequent narrower EIRs or ultimately site-specific EIRs incorporating by reference the general discussions and concentrating solely on the issues specific to the EIR subsequently prepared. Tiering is appropriate when the sequence of EIRs is:

(a) From a general plan, policy, or Program EIR to a program, plan, or policy EIR of lesser scope or to a site-specific EIR; or

(b) From an EIR on a specific action at an early stage to a subsequent EIR or a supplement to an EIR at a later stage. Tiering in such cases is appropriate when it helps the Lead Agency to focus on the issues which are ripe for decision and exclude from consideration issues already decided or not yet ripe.

(Public Resources Code sections 21003, 21061 and 21100.)

11.76 "Transit Priority Area" means an area within one-half mile of a major transit stop that is existing or planned, if the planned stop is scheduled to be completed within the

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planning horizon included in a Transportation Improvement Program adopted pursuant to Section 450.216 or 450.322 of Title 23 of the Code of Federal Regulations.

11.77 "Transit Priority Project" means a mixed use project that is consistent with the general use designation, density, building intensity, and applicable policies specified for the project area in either a sustainable communities strategy or an alternative planning strategy for which the California Air Resources Board has accepted a Metropolitan Planning Organization's determination that the sustainable communities strategy or the alternative planning strategy would, if implemented, achieve the greenhouse gas emission reduction targets. Such a project may be exempt from CEQA if a detailed laundry list of requirements is met. To qualify for the exemption, the Transit Priority Project must:

(1) contain at least 50 percent residential use based on total building square footage;

(2) if the project contains between 26 percent and 50 percent non-residential uses, the floor-to-area ratio (FAR) must be at least 0.75;

(3) have a minimum net density of 20 dwelling units per acre;

(4) be located within a half mile of a major transit stop or high-quality transit corridor included in a regional transportation plan; and

(5) meet all the requirements of Public Resources Code section 21155.1.

11.78 "Transportation Facilities" includes major local arterials and public transit within five (5) miles of the project site, and freeways, highways, and rail transit service within ten (10) miles of the project site.

11.79 "Tribal Cultural Resources" are either of the following:

(1) Sites, features, places, cultural landscapes, sacred places, and objects with cultural value to a California Native American tribe that are either of the following:

(a) Included or determined to be eligible for inclusion in the California Register of Historical Resources.
(b) Included in a local register of historic resources as defined in subdivision (k) of Public Resources Code section 5020.1.

(2) A resource determined by the Lead Agency, in its discretion and supported by substantial evidence, to be significant pursuant to criteria set forth in subdivision (c) of Public Resources Code section 5024.1. In applying the criteria set forth in subdivision (c) of Section 5024.1 for the purposes of this definition, the Lead Agency shall consider the significance of the resource to a California Native American tribe.

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A cultural landscape that meets the criteria set forth above is a tribal cultural resource to the extent that the landscape is geographically defined in terms of the size and scope of the landscape.

A historic resource described in Public Resources Code section 21084.1, a unique archaeological resource as defined in subdivision (g) of Public Resources Code section 21083.2, or a "nonunique archaeological resource" as defined in subdivision (h) of Public Resources Code section 21083.2 may also be a tribal cultural resource if it conforms with the criteria of Tribal cultural resources.

11.80 "Trustee Agency" means a State agency having jurisdiction by law over natural resources affected by a project which are held in trust for the people of the State of California. Trustee Agencies may include, but are not limited to, the following:

(a) The California Department of Fish and Wildlife ("DFW") with regard to the fish and wildlife of the state, designated rare or endangered native plants, and game refuges, ecological reserves, and other areas administered by DFW;
(b) The State Lands Commission with regard to state owned "sovereign" lands such as the beds of navigable waters and state school lands;
(c) The State Department of Parks and Recreation with regard to units of the State Park System;
(d) The University of California with regard to sites within the Natural Land and Water Reserve System; and/or
(e) The State Water Resources Control Board with respect to surface waters.

11.81 "Urban Growth Boundary" means a provision of a locally adopted general plan that allows urban uses on one side of the boundary and prohibits urban uses on the other side of the boundary.

11.82 "Urbanized Area" means either of the following:

(1) An incorporated city that either by itself or in combination with two contiguous incorporated cities has a population of at least one hundred thousand (100,000) persons;

(2) An unincorporated area that meets both of the following requirements:

(a) The unincorporated area is either:
(i) completely surrounded by one or more incorporated cities, has a population of at least 100,000 persons either by itself or in combination with the surrounding incorporated city or cities, and has a population density that at least equals the population density of the surrounding city or cities; or
(ii) located within an urban growth boundary and has an existing residential population of at least five thousand (5,000) persons per square mile. An "urban growth boundary" means a

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provision of a locally adopted general plan that allows urban uses on one side of the boundary and prohibits urban uses on the other side.

(b) The board of supervisors with jurisdiction over the unincorporated area has taken all three of the following steps:

1. Prepared a draft document by which the board would find that the general plan, zoning ordinance, and related policies and programs applicable to the unincorporated area are consistent with principles that encourage compact development in a manner that promotes efficient transportation systems, economic growth, affordable housing, energy efficiency, and an appropriate balance of jobs and housing, and protects the environment, open space and agricultural areas;
2. Submitted the draft document to the Office of Land Use and Climate Innovation and allowed LCI thirty (30) days to submit comments on the draft finding to the board; and
3. At least thirty (30) days after submitting the draft document to the Office of Land Use and Climate Innovation, the board has adopted a final finding in substantial conformity with the draft finding described in the draft document.

(Public Resources Code sections 21083, 21159.20-21159.24; State CEQA Guidelines section 15191(m).)

11.83 "Water Acquisition Plans" means any plans for acquiring additional water supplies prepared by the public water system or a city or county Lead Agency pursuant to subdivision (a) of section 10911 of the Water Code.

11.84 "Water Assessment" or "Water Supply Assessment" means the water supply assessment that must be prepared by the governing body of a public water system, or a city or county, pursuant to and in compliance with sections 10910 to 10915 of the Water Code, and that includes, without limitation, the elements of the assessment required to comply with subdivisions (d), (e), (f), and (g) of section 10910 of the Water Code.

11.85 "Water Demand Project" means any one of the following:

(A) A residential development of more than 500 dwelling units;

(B) A shopping center or business establishment employing more than 1,000 persons or having more than 500,000 square feet of floor space;

(C) A commercial office building employing more than 1,000 persons or having more than 250,000 square feet of floor space;

(D) A hotel or motel, or both, having more than 500 rooms;

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(E) An industrial, manufacturing, or processing plant, or industrial park planned to house more than 1,000 persons, occupying more than 40 acres of land, or having more than 650,000 square feet of floor area;

Except, a proposed photovoltaic or wind energy generation facility approved on or after October 8, 2011, is not a Water Demand Project if the facility would demand no more than 75 acre-feet of water annually.

(F) A mixed-use project that includes one or more of the projects specified in subdivisions (A); (B), (C), (D), (E), or (G) of this section;

(G) A project that would demand an amount of water equivalent to, or greater than, the amount of water required by a 500 dwelling unit project; or

(H) For public water systems with fewer than 5,000 service connections, a project that meets the following criteria:

(1) A proposed residential, business, commercial, hotel or motel, or industrial development that would account for an increase of 10 percent or more in the number of a public water system's existing service connections; or

(2) A mixed-use project that would demand an amount of water equivalent to, or greater than, the amount of water required by residential development that would represent an increase of 10 percent or more in the number of the public water system's existing service connections.

(State CEQA Guidelines section 15155.)

11.86 "Waterway" means a bay, estuary, lake, pond, river, slough, or a perennial, intermittent, or ephemeral stream, lake, or estuarine-marine shoreline.

11.87 "Wetlands" has the same meaning as that term is construed in the regulations issued by the United States Army Corps of Engineers pursuant to the Clean Water Act. Thus, "wetlands" means areas that are inundated or saturated by surface or ground water at a frequency and duration sufficient to support, and that under normal circumstances do support, a prevalence of vegetation typically adapted for life in saturated soil conditions. Wetlands generally include swamps, marshes, bogs, and similar areas. (Public Resources Code section 21159.21(d), incorporating Title 33, Code of Federal Regulations, section 328.3.)

11.88 "Wildlife Habitat" means the ecological communities upon which wild animals, birds, plants, fish, amphibians, and invertebrates depend for their conservation and protection. (Public Resources Code section 21159.21.)

11.89 "Zoning Approval" means any enactment, amendment, or appeal of a zoning ordinance; granting of a conditional use permit or variance; or any other form of land

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use, subdivision, tract, or development approval required from the city or county having jurisdiction to permit the particular use of the property.

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12. FORMS

See forms A – S which accompany these Guidelines.

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NOTICE OF EXEMPTION

TO: ☐	Office of Land Use and Climate Innovation State Clearinghouse P. O. Box 3044, Room 113 Sacramento, CA 95812-3044	FROM: (Public Agency)	Name: Address: Telephone:
☐	Clerk of the Board of Supervisors or County Clerk (Include County name) Address:		

1.	Project Title:	
2.	Project Applicant (include address, telephone number and email address):	
3.	Project Location – Identify street address and cross streets or attach a map showing project site (preferably a USGS 15' or 7 1/2' topographical map identified by quadrangle name):	
4.	(a) Project Location – City:	(b) Project Location – County:
5.	Description of nature, purpose, and beneficiaries of Project:	
6.	Name of Public Agency approving project:	
7.	Name of Person or Agency undertaking the project, including any person undertaking an activity that receives financial assistance from the Public Agency as part of the activity or the person receiving a lease, permit, license, certificate, or other entitlement of use from the Public Agency as part of the activity:	
8.	Exempt status: (check one)	
	(a) ☐ Ministerial project.	(Pub. Resources Code § 21080(b)(1); State CEQA Guidelines § 15268)
	(b) ☐ Not a project.	(State CEQA Guidelines §§ 15050(c)(2)-(3), 15378)
	(c) ☐ Declared Emergency	(Pub. Resources Code § 21080(b)(3); State CEQA Guidelines § 15269(a))
	(d) ☐ Emergency Project.	(Pub. Resources Code § 21080(b)(4); State CEQA Guidelines § 15269(b),(c))

(e) ☐ Categorical Exemption. State type and section number:	
(f) ☐ Statutory Exemption. State Code section number:	
(g) ☐ Other. Explanation:	(State CEQA Guidelines § 15061(b)(3) Common Sense exemption)
9. Reason why project was exempt:	

10. Lead Agency Contact Person: Telephone:	
11. If filed by applicant: Attach Certificate of Determination (Form "B") before filing.	
12. Was a public hearing held by the Lead Agency to consider the exemption? Yes ☐ No ☐ If yes, the date of the public hearing was:	

Date:

_____
Signature

Name:

Title:

☐ Signed by Lead Agency ☐ Signed by Applicant

Date Received for Filing:

(Clerk Stamp Here)

Authority cited: Sections 21083 and 21110, Public Resources Code.
Reference: Sections 21108, 21152, and 21152.1, Public Resources Code.

CERTIFICATE OF DETERMINATION

(If Notice of Exemption filed by Project Applicant, Project Applicant must Attach to Notice of Exemption)

1.	Name or description of project:		
2.	Project Location – Identify street address and cross streets or attach a map showing project site (preferably a USGS 15' or 7 1/2' topographical map identified by quadrangle name):		
3.	Entity or person undertaking project:	A.	
		B. Other (Private)	
		(1) Name	
		(2) Address	
4.	Staff Determination: The Lead Agency's Staff, having undertaken and completed a preliminary review of this project in accordance with the California Environmental Quality Act (CEQA) and the Lead Agency's Local Guidelines for Implementing CEQA has concluded that this project does not require further environmental assessment because:		
a. ☐	The proposed action does not constitute a project under CEQA.		
b. ☐	The project is a Ministerial Project.		
c. ☐	The project is an Emergency Project.		
d. ☐	The project constitutes a feasibility or planning study.		
e. ☐	The project is categorically exempt.		
	Applicable Exemption Class:		
f. ☐	The project is statutorily exempt.		
	Applicable Exemption:		
g. ☐	The project is otherwise exempt on the following basis:		
h. ☐	The project involves another public agency which constitutes the Lead Agency.		
	Name of Lead Agency:		

Date: Staff:

ENVIRONMENTAL IMPACT ASSESSMENT
(STAFF RECOMMENDATION FOR INTERNAL USE ONLY)

1.	Name or description of project:	
2.	Project Location – Identify street address and cross streets or attach a map showing project site (preferably a USGS 15' or 7 1/2' topographical map identified by quadrangle name):	
3.	Entity or Person undertaking project:	
	A.	
	B. Other (Private)	
	(1) Name:	
	(2) Address:	

4. Staff Determination:

The Lead Agency's staff, having undertaken and completed an Initial Study of this project in accordance with the Lead Agency's "Local Guidelines for Implementing the California Environmental Quality Act (CEQA)" for the purpose of ascertaining whether the proposed project may have a significant effect on the environment, has reached the following conclusion:

a. ☐	The project could not have a significant effect on the environment; therefore, a Negative Declaration should be adopted.
b. ☐	The Initial Study identified potentially significant effects on the environment but revisions in the project plans or proposals made by or agreed to by the applicant would avoid the effects, or mitigate the effects to a point where clearly no significant effects would occur; therefore a Mitigated Negative Declaration should be adopted.
c. ☐	The project may have a significant effect on the environment; therefore, an Environmental Impact Report will be required.

Date: Staff:

NOTICE OF INTENT TO ADOPT A NEGATIVE DECLARATION/ MITIGATED NEGATIVE DECLARATION

Notice is hereby given that the public agency named below has completed an Initial Study of the following described project at the following location:	
Public Agency:	
Project Name:	
Project Description:	
Project Location – Identify street address and cross streets or attach a map showing project site (preferably a USGS 15' or 7 1/2' topographical map identified by quadrangle name):	

This Initial Study was completed in accordance with the Lead Agency's Guidelines for Implementing the California Environmental Quality Act. This Initial Study was undertaken for the purpose of deciding whether the project may have a significant effect on the environment. On the basis of such Initial Study, the Lead Agency's Staff has concluded that the project will not have a significant effect on the environment, and has therefore prepared a Draft Negative Declaration/Mitigated Negative Declaration. The Initial Study reflects the independent judgment of the Lead Agency.

☐	The Project site IS on a list compiled pursuant to Government Code section 65962.5.
☐	The Project site IS NOT on a list compiled pursuant to Government Code section 65962.5.
☐	The proposed project IS considered a project of statewide, regional or areawide significance.
☐	The proposed project IS NOT considered a project of statewide, regional or areawide significance.
☐	The proposed project WILL affect highways or other facilities under the jurisdiction of the State Department of Transportation.
☐	The proposed project WILL NOT affect highways or other facilities under the jurisdiction of the State Department of Transportation.
☐	A scoping meeting WILL be held by the Lead Agency.
☐	A scoping meeting WILL NOT be held by the Lead Agency.

If the project meets the criteria requiring the scoping meeting, or if the agency voluntarily elects to hold such a meeting, the date, time and location of the scoping meeting are as follows:

Date:	Time:	Location:

Copies of the Initial Study and Draft Negative Declaration/Mitigated Negative Declaration are on file and are available for public review at the Lead Agency's office, located at:

The proposed Negative Declaration or Mitigated Negative Declaration can be obtained in electronic format by the following method:

Lead Agency address:

Comments will be received from to

Any person wishing to comment on this matter must submit such comments, in writing, to the Lead Agency prior to . Comments of all Responsible Agencies are also requested.

The Lead Agency will consider the project and the Draft Negative Declaration/Mitigated Negative Declaration at its meeting on:	
Date:	Time:
If the Lead Agency finds that the project will not have a significant effect on the environment, it may adopt the Negative Declaration/Mitigated Negative Declaration. This means that the Lead Agency may proceed to consider the project without the preparation of an Environmental Impact Report.	

(Clerk Stamp Here)

NEGATIVE DECLARATION

1.	Name or description of project:	
2.	Project Location – Identify street address and cross streets or attach a map showing project site (preferably a USGS 15' or 7 1/2' topographical map identified by quadrangle name):	
3.	Entity or Person undertaking project:	
	A. Entity	
	(1) Name:	
	(2) Address:	
	B. Other (Private)	
	(1) Name:	
	(2) Address:	

The Lead Agency, having reviewed the Initial Study of this proposed project, having reviewed the written comments received prior to the public meeting of the Lead Agency, and having reviewed the recommendation of the Lead Agency's Staff, does hereby find and declare that the proposed project will not have a significant effect on the environment. A brief statement of the reasons supporting the Lead Agency's findings are as follows:

The Lead Agency hereby finds that the Negative Declaration reflects its independent judgment. A copy of the Initial Study is attached.

The location and custodian of the documents and any other material which constitute the record of proceedings upon which the Lead Agency based its decision to adopt this Negative Declaration are as follows:

Phone No.:	

Clerk's Stamp

NOTICE OF DETERMINATION

TO:	☐ Clerk of the Board of Supervisors or ☐ County Clerk Address:	FROM:	Public Agency/Lead Agency Name: Address: Contact: Phone:
			Email:
TO:	☐ Office of Land Use and Climate Innovation State Clearinghouse 1400 Tenth Street, Rm. 113 Sacramento, CA 95814	Lead Agency (if different from above)	
		Address:	
		Contact:	
		Phone:	

SUBJECT: Filing of Notice of Determination in compliance with Section 21108 or 21152 of the Public Resources Code.

State Clearinghouse Number (If submitted to SCH):
Project Title:
Project Applicant (include address, telephone number and email address):
Specific Project Location – Identify street address and cross street or attach a map showing project site (preferably a USGS 15' or 7 ½' topographical map identified by quadrangle name):
General Project Location (City and/or County):
Project Description:

Identify the person or entity undertaking the project, including any private applicant, any other person undertaking an activity that receives financial assistance from the Public Agency as part of the project, and any person receiving a lease, permit, license, certificate, or other entitlement of use from the Public Agency as part of the project.

This is to advise that the (☐ Lead Agency or ☐ Responsible Agency) has approved the above described project on and has made the following determinations regarding the above described project:

1.	The project [☐ will ☐ will not] have a significant effect on the environment.	
2. ☐	An Environmental Impact Report was prepared and certified for this project pursuant to the provisions of CEQA and reflects the independent judgment of the Lead Agency.	
☐	A Negative Declaration was prepared for this project pursuant to the provisions of CEQA and reflects the independent judgment of the Lead Agency.	
☐	A Mitigated Negative Declaration was prepared for this project pursuant to the provisions of CEQA and reflects the independent judgment of the Lead Agency.	
3. ☐	Mitigation measures [☐ were ☐ were not]made a condition of the approval of the project.	
4. ☐	A Mitigation Monitoring or Reporting Plan [☐ was ☐ was not] adopted for this project.	
5. ☐	A Statement of Overriding Considerations [☐ was ☐ was not] adopted for this project.	
6. ☐	Findings [☐ were ☐ were not] made pursuant to the provisions of CEQA.	
	This is to certify that the Final EIR with comments and responses and record of project approval, or the Negative Declaration, is available to General Public at:	
	Custodian:	Location:

Date:	_____ **Name** **Title**

Clerk's File Stamp:

Authority cited: Sections 21083, Public Resources Code.
Reference Section 21000-21174, Public Resources Code.

NOTICE OF PREPARATION

TO:	FROM: Name: Address: Telephone:

SUBJECT: Notice of Preparation of a Draft Environmental Impact Report.

The _____ will be the Lead Agency and will prepare an environmental impact report for the project identified below. We need to know the views of your agency as to the scope and content of the environmental information which is germane to your agency's statutory responsibilities in connection with the proposed project. Your agency will need to use the EIR prepared by our agency when considering your permit or other approval for the project.

The Project description, location, and the potential environmental effects are contained in the attached materials.

☐	A copy of the Initial Study IS attached.
☐	A copy of the Initial Study IS NOT attached.
☐	The proposed project IS considered a project of statewide, regional or areawide significance.
☐	The proposed project IS NOT considered a project of statewide, regional or areawide significance.
☐	The proposed project WILL affect highways or other facilities under the jurisdiction of the State Department of Transportation.
☐	The proposed project WILL NOT affect highways or other facilities under the jurisdiction of the State Department of Transportation.
☐	A scoping meeting WILL be held by the Lead Agency.
☐	A scoping meeting WILL NOT be held by the Lead Agency.

If the project meets the criteria requiring the scoping meeting, or if the agency voluntarily elects to hold such a meeting, the date, time and location of the scoping meeting are as follows:

Date:	Time:	Location:

Due to the time limits mandated by State law, your response must be sent at the earliest possible date, but not later than 30 days after receipt of this notice.

Please send your response to at the address shown above. We will need the name of a contact person in your agency.

Project Title:	
Project Location – Specific: Identify street address and cross street or attach a map showing project site (preferably a U.S.G.S. 15' or 7 ½' topographical map identified by quadrangle name):	
Project Description:	
Project Applicant (if any):	
California Environmental Protection Agency Hazardous Waste List (if applicable):	

Date:	Signature:	_____
	Name:	
	Title:	
	Telephone:	

Consulting firm retained to prepare draft EIR (if applicable):

Name:	
Address:	
City/State/Zip:	
Contact Person:	

Reference: California Code of Regulations, Title 14, (CEQA Guidelines) Sections 15082(a), 15103, 15375.

NOTICE OF COMPLETION & ENVIRONMENTAL DOCUMENT TRANSMITTAL

SCH No.:

For U.S. Mail: State Clearinghouse, PO Box 3044, Sacramento, CA 95812-3044; (916) 445-0613
For Hand Delivery/Street Address: 1400 Tenth Street, Sacramento, CA 95814

PROJECT TITLE		
LEAD AGENCY		CONTACT PERSON
MAILING ADDRESS		TELEPHONE
CITY AND STATE	ZIP CODE	COUNTY

PROJECT LOCATION				
COUNTY	CITY/NEAREST COMMUNITY			
LAT. / LONG.:				
CROSS STREETS	ZIP CODE		TOTAL ACRES	
ASSESSOR'S PARCEL NO.	SECTION	TOWNSHIP	RANGE	BASE
WITHIN 2 MILES: STATE HIGHWAY NO.		WITHIN 2 MILES: WATERWAYS		
WITHIN 2 MILES: AIRPORTS	WITHIN 2 MILES: RAILWAYS		WITHIN 2 MILES: SCHOOLS	

DOCUMENT TYPE

CEQA				NEPA		OTHER	
☐	NOP	☐	Supplemental EIR	☐	NOI	☐	Joint Document
☐	Early Cons	☐	Subsequent EIR	☐	EA	☐	Final Document
☐	Neg Dec	☐	(Prior SCH No.):	☐	Draft EIS	☐	Other:
☐	Mit Neg Dec	☐	Other:	☐	FONSI		
☐	Draft EIR						

LOCAL ACTION TYPE

☐	General Plan Update	☐	Specific Plan	☐	Rezone	☐	Annexation
☐	General Plan Amendment	☐	Master Plan	☐	Prezone	☐	Redevelopment
☐	General Plan Element	☐	Planned Unit Development	☐	Use Permit	☐	Coastal Permit
☐	Community Plan	☐	Site Plan	☐	Land Division (Subdivision, etc.)	☐	Other:

DEVELOPMENT TYPE

☐	Residential:	Units:	Acres:		☐	Water Facilities:	Type:	MGD:	
☐	Office:	Sq. ft.	Acres:	Employees:	☐	Transportation:	Type:		
☐	Commercial:	Sq. ft.	Acres:	Employees:	☐	Mining:	Mineral:		
☐	Industrial:	Sq. ft.	Acres:	Employees:	☐	Power:	Type:	MW:	
☐	Educational:				☐	Waste Treatment:			
☐	Recreational:				☐	Hazardous Waste:			
					☐	Other:			

PROJECT ISSUES DISCUSSED IN DOCUMENT:					
☐	Aesthetic/Visual	☐	Geologic/Seismic	☐	Toxic/Hazardous
☐	Agricultural Land	☐	Minerals	☐	Traffic/Circulation
☐	Air Quality	☐	Noise	☐	Vegetation
☐	Archaeological/Historical	☐	Population/Housing Balance	☐	Water Quality
☐	Biological Resources	☐	Public Services/Facilities	☐	Water Supply/Groundwater
☐	Coastal Zone	☐	Recreation/Parks	☐	Wetland/Riparian
☐	Drainage/Absorption	☐	Schools/Universities	☐	Wildlife
☐	Economic/Jobs	☐	Septic Systems	☐	Growth Inducement
☐	Fiscal	☐	Sewer Capacity	☐	Land Use
☐	Flood Plain/Flooding	☐	Soil Erosion/Compaction/Grading	☐	Cumulative Effects
☐	Forest Land/Fire Hazard	☐	Solid Waste	☐	Greenhouse Gases
☐	Other:				

PRESENT LAND USE/ZONING/GENERAL PLAN USE DESIGNATION:

PROJECT DESCRIPTION (*please use a separate page if necessary*)

NOTE: The State Clearinghouse will assign identification numbers for all new projects. If a SCH number already exists for a project (e.g. Notice or Preparation or previous draft document) please fill in.

Revised 2010

	Reviewing Agencies Checklist *Appendix C* Lead Agencies may recommend State Clearinghouse distribution by marking agencies below with an **"X."** If you have already sent your document to the agency please denote that with an **"S."**		
	Air Resources Board		Native American Heritage Commission
	Boating & Waterways, Department of		Office of Historic Preservation
	California Emergency Management Agency		Office of Public School Construction
	California Highway Patrol		Parks & Recreation, Department of
	Caltrans District #		Pesticide Regulation, Department of
	Caltrans Division of Aeronautics		Public Utilities Commission
	Caltrans Planning		Regional WQCB #
	Central Valley Flood Protection Board		Resources Agency
	Coachella Valley Mountains Conservancy		Resources Recycling and Recovery, Department of
	Coastal Commission		S.F. Bay Conservation & Development Commission
	Colorado River Board		San Gabriel & Lower Los Angeles Rivers & Mountains Conservancy
	Conservation, Department of		San Joaquin River Conservancy
	Corrections, Department of		Santa Monica Mountains Conservancy
	Delta Protection Commission		State Lands Commission
	Education, Department of		SWRCB: Clean Water Grants
	Energy Commission		SWRCB: Water Quality
	Fish & Wildlife Region #		SWRCB: Water Rights
	Food & Agriculture, Department of		Tahoe Regional Planning Agency
	Forestry & Fire Protection, Department of		Toxic Substances Control, Department of
	General Services, Department of		Water Resources, Department of
	Health Services, Department of		Other:
	Housing & Community Development		Other:

Local Public Review Period (to be filled in by lead agency):

Starting Date: Ending Date:

Address where copies of the Draft EIR are available and a description of how the Draft EIR can be provided in an electronic format:

Lead Agency (Complete if applicable):

Consulting Firm:

Address:

City/State/Zip:

Contact:

Phone:

Applicant:	
Address:	
City/State/Zip:	
Phone:	

Signature of Lead Agency Representative:	_____	Date:

Authority cited: Section 21083, Public Resources Code. Reference: Section 21161, Public Resources Code.

For SCH Use Only:

Date Received at SCH

Date Review Starts

Date to Agencies

Date to SCH

Clearance Date

Notes:

ENVIRONMENTAL INFORMATION FORM

(For private projects, this form must be completed by private project applicant to assist staff in completing Initial Study)

Date Filed:

GENERAL INFORMATION

1.	Developer or project sponsor	Name:
		Address:
2.	Project Location – Identify street address and cross streets or attach a map showing project site (preferably a USGS 15' or 7 1/2' topographical map identified by quadrangle name):	
3.	Assessor's Block and Lot Number	
4.	Person to be contacted regarding this project	Name:
		Address:
		Telephone:
5.	Permit Application Number for project	
6.	Existing Zoning District	
7.	Proposed use of site (project for which this form is filed)	

List and describe any other related permits and other public approvals required for this project, including those required by city, regional, state and federal agencies:

8.	Site size:	
9.	Square footage:	
10.	Number of floors of construction:	
11.	Amount of off-street parking provided:	
12.	Attach plans:	
13.	Proposed scheduling:	
14.	Associated projects:	
15.	Anticipated incremental development:	

16. If residential, include the number of units, schedule of unit sizes, range of sales prices or rents and type of household size expected.

17. If commercial, indicate the type, whether neighborhood, city or regionally oriented, square footage of sales area and loading facilities.

18. If industrial, indicate type, estimated employment per shift and loading facilities.

19. If institutional, indicate the major function, estimated employment per shift, estimated occupancy, loading facilities and community benefits to be derived from the project.

20. If the project involves a variance, conditional use or rezoning application, state this and indicate clearly why the application is required.

Are the following items applicable to the project or its effects?

Discuss below all items checked yes (attach additional sheets as necessary).

YES	NO		
☐	☐	21.	Change in existing features of any bays, tidelands, beaches, lakes, hills or substantial alteration of ground contours.
☐	☐	22.	Change in scenic views or vistas from existing residential areas or public lands or roads.
☐	☐	23.	Change in pattern, scale or character of general area of project.
☐	☐	24.	Significant amounts of solid waste or litter.
☐	☐	25.	Change in dust, ash, smoke, fumes or odors in vicinity.
☐	☐	26.	Change in ocean, bay, lake, stream or ground water quality or quantity, or alteration of existing drainage patterns.
☐	☐	27.	Substantial change in existing noise or vibration levels in the vicinity.
☐	☐	28.	Site on filled land or on slope of 10 percent or more.
☐	☐	29.	Use or disposal of potentially hazardous materials, such as toxic substances, flammables or explosives.
☐	☐	30.	Substantial change in demand for municipal services (police, fire, water, sewage, etc.).
☐	☐	31.	Substantial increase in fossil fuel consumption (electricity, oil, natural gas, etc.).
☐	☐	32.	Relationship to a larger project or series of projects.
☐	☐	33.	Has a prior environmental impact report been prepared for a program, plan, policy or ordinance consistent with this project?
☐	☐	34.	If you answered yes to question 33, may this project cause significant effects on the environment that were not examined in the prior EIR?

YES	NO		
☐	☐	35.	Will the project require the import or export of soil? If so, how much? From where will import come? To where will export go? What is the proposed haul route?

ENVIRONMENTAL SETTING

36. Describe the project site as it exists before the project, including information on topography, soil stability, plants and animals, and any cultural, historical or scenic aspects. Describe any existing structures on the site, and the use of the structures. Attach photographs of the site. (Snapshots or instant photos acceptable.)

37. Describe the surrounding properties, including information on plants and animals and any cultural, historical or scenic aspects. Indicate the type of land use (residential, commercial, etc.), intensity of land use (one-family, apartment houses, shops, department stores, etc.), and scale of development (height, frontage, set-back, rear yard, etc.). Attach photographs of the vicinity. (Snapshots or instant photos acceptable.)

CERTIFICATION: I hereby certify that the statements furnished above and in the attached exhibits present the data and information required for this initial evaluation to the best of my ability, and that the facts, statements, and information presented are true and correct to the best of my knowledge and belief.

Date:

Signature:

For:

INITIAL STUDY

NOTE: The following is a sample form that may be tailored by the Lead Agency to satisfy project circumstances. It may be used to meet the requirements for an initial study when the criteria set forth in the State and Local CEQA Guidelines have been met. Substantial evidence of potential impacts that are not listed on this form must also be considered. The sample questions in this form are intended to encourage thoughtful assessment of impacts, and do not necessarily represent thresholds of significance.

1. Project Title:

2. Lead Agency Name and Address:

3. Contact Person and Phone Number:

4. Project Location: .

5. Project Sponsor's Name and Address:

6. General Plan Designation:

7. Zoning:

8. Description of Project: (Describe the whole action involved, including but not limited to later phases of the project, and any secondary, support, or off-site features necessary for its implementation. Attach additional sheet(s) if necessary.)

9. Surrounding Land Uses and Setting: (Briefly describe the project's surroundings.)

10. Other public agencies whose approval is required (e.g., permits, financing approval, or participation agreement):

11. Have California Native American tribes traditionally and culturally affiliated with the project area requested consultation pursuant to Public Resources Code section 21080.3.1? If so, is there a plan for consultation that includes, for example, the determination of significance of impacts to tribal cultural resources, procedures regarding confidentiality, etc.?

Note: Conducting consultation early in the CEQA process allows tribal governments, lead agencies, and project proponents to discuss the level of environmental review, identify and address potential adverse impacts to tribal cultural resources, and reduce the potential for delay and conflict in the environmental review process. (See Public Resources Code section 21080.3.2.) Information may also be available from the California Native American Heritage Commission's Sacred Lands File per Public Resources Code section 5097.96 and the California Historical Resources Information System administered by the California Office of Historic Preservation. Please also note that Public Resources Code section 21082.3(c) contains provisions specific to confidentiality.

ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED:

The environmental factors checked below would be potentially affected by this project, involving at least one impact that is a "Potentially Significant Impact" as indicated by the checklist on the following pages.

☐ Aesthetics	☐ Agriculture/Forestry Resources	☐ Air Quality
☐ Biological Resources	☐ Cultural Resources	☐ Geology / Soils
☐ Greenhouse Gas Emissions	☐ Hazards & Hazardous Materials	☐ Hydrology / Water Quality
☐ Land Use / Planning	☐ Mineral Resources	☐ Noise
☐ Population / Housing	☐ Public Services	☐ Recreation
☐ Transportation	☐ Utilities / Service Systems	☐ Mandatory Findings of Significance
☐ Tribal Cultural Resources	☐ Wildfire	☐ Energy

DETERMINATION (To be completed by the Lead Agency):

On the basis of this initial evaluation:

☐ I find that the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.

☐ I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. A MITIGATED NEGATIVE DECLARATION will be prepared.

☐ I find that the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.

☐ I find that the proposed project MAY have a “potentially significant” or “potentially significant unless mitigated” impact on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed.

☐ I find that although the proposed project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier EIR or NEGATIVE DECLARATION pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier EIR or NEGATIVE DECLARATION, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.

_____

Signature Date

Printed Name For

EVALUATION OF ENVIRONMENTAL IMPACTS:

1) A brief explanation is required for all answers except “No Impact” answers that are adequately supported by the information sources a Lead Agency cites in the parentheses following each question. A “No Impact” answer is adequately supported if the referenced information sources show that the impact simply does not apply to projects like the one involved (e.g. the project falls outside a fault rupture zone). A “No Impact” answer should be explained where it is based on project-specific factors as well as general standards (e.g. the project will not expose sensitive receptors to pollutants, based on a project-specific screening analysis).

2) All answers must take account of the whole action involved, including off-site as well as on-site, cumulative as well as project-level, indirect as well as direct, and construction as well as operational impacts.

3) Once the Lead Agency has determined that a particular physical impact may occur, then the checklist answers must indicate whether the impact is potentially significant, less than significant with mitigation, or less than significant.

"Potentially Significant Impact" is appropriate if there is substantial evidence that an effect is significant. If there are one or more "Potentially Significant Impact" entries when the determination is made, an EIR is required.

4) "Negative Declaration: Less Than Significant With Mitigation Incorporated" applies where the incorporation of mitigation measures has reduced an effect from "Potentially Significant Impact" to a "Less than Significant Impact." The Lead Agency must describe the mitigation measures, and briefly explain how they reduce the effect to a less than significant level (mitigation measures from Section XVII, "Earlier Analyses," may be cross-referenced).

5) Earlier analyses may be used where, pursuant to the tiering, program EIR, or other CEQA process, an effect has been adequately analyzed in an earlier EIR or negative declaration. Section 15063(c)(3)(D). In this case, a brief discussion should identify the following:

   a) Earlier Analyses Used. Identify and state where they are available for review.

   b) Impacts Adequately Addressed. Identify which effects from the above checklist were within the scope of and adequately analyzed in an earlier document pursuant to applicable legal standards, and state whether such effects were addressed by mitigation measures based on the earlier analysis.

   c) Mitigation Measures. For effects that are "Less than Significant with Mitigation Measures Incorporated," describe the mitigation measures which were incorporated or refined from the earlier document and the extent to which they address site-specific conditions for the project.

6) Lead agencies are encouraged to incorporate into the checklist references to information sources for potential impacts (e.g. general plans, zoning ordinances). Reference to a previously prepared or outside document should, where appropriate, include a reference to the page or pages where the statement is substantiated.

7) Supporting Information Sources. A source list should be attached, and other sources used or individuals contacted should be cited in the discussion.

8) This is only a suggested form, and lead agencies are free to use different formats; however, lead agencies should normally address the questions from this checklist that are relevant to a project's environmental effects in whatever format is selected.

9) The explanation of each issue should identify:

   a) the significance criteria or threshold, if any, used to evaluate each question; and

   b) the mitigation measure identified, if any, to reduce the impact to less than significance.

SAMPLE QUESTION

Issues:

	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
I. AESTHETICS. Except as provided in public resources code section 21099, would the project:				
a) Have a substantial adverse effect on a scenic vista?	☐	☐	☐	☐
b) Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?	☐	☐	☐	☐

	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
c) In non-urbanized areas, substantially degrade the existing visual character or quality of public views of the site and its surroundings? (Public views are those that are experienced from publicly accessible vantage point). If the project is in an urbanized area, would the project conflict with applicable zoning and other regulations governing scenic quality?)	☐	☐	☐	☐
d) Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?	☐	☐	☐	☐

II. AGRICULTURE AND FOREST RESOURCES. In determining whether impacts to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Dept. of Conservation as an optional model to use in assessing impacts on agriculture and farmland. in determining whether impacts to forest resources, including timberland, are significant environmental effects, lead agencies may refer to information compiled by the California Department of Forestry and Fire Protection regarding the state's inventory of forest land, including the Forest and Range Assessment Project and the Forest Legacy Assessment project; and forest carbon measurement methodology provided in Forest Protocols adopted by the California Air Resources Board. Would the project:

a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?	☐	☐	☐	☐
b) Conflict with existing zoning for agricultural use, or a Williamson Act contract?	☐	☐	☐	☐
c) Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 12220(g)), timberland (as defined by Public Resources Code section 4526), or timberland zoned Timberland Production (as defined by Government Code section 51104(g))?	☐	☐	☐	☐
d) Result in the loss of forest land or conversion of forest land to non-forest use?	☐	☐	☐	☐
e) Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use or conversion of forest land to non-forest use?	☐	☐	☐	☐

III. AIR QUALITY. Where available, the significance criteria established by the applicable air quality management district or air pollution control district may be relied upon to make the following determinations. Would the project:

a) Conflict with or obstruct implementation of the applicable air quality plan?	☐	☐	☐	☐

	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
b) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard?	☐	☐	☐	☐
c) Expose sensitive receptors to substantial pollutant concentrations?	☐	☐	☐	☐
d) Result in other emissions (such as those leading to odors) adversely affecting a substantial number of people?	☐	☐	☐	☐
IV. BIOLOGICAL RESOURCES. Would the project:				
a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?	☐	☐	☐	☐
b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?	☐	☐	☐	☐
c) Have a substantial adverse effect on state or federally protected wetlands (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?	☐	☐	☐	☐
d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?	☐	☐	☐	☐
e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?	☐	☐	☐	☐
f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?	☐	☐	☐	☐

	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
V. CULTURAL RESOURCES. Would the project:				
a) Cause a substantial adverse change in the significance of a historical resource pursuant to § 15064.5?	☐	☐	☐	☐
b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to § 15064.5?	☐	☐	☐	☐
c) Disturb any human remains, including those interred outside of dedicated cemeteries?	☐	☐	☐	☐
VI. ENERGY. Would the project:				
a) Result in potentially significant environmental impact due to wasteful, inefficient, or unnecessary consumption of energy resources, during project construction or operation?	☐	☐	☐	☐
b) Conflict with or obstruct a state or local plan for renewable energy or energy efficiency?	☐	☐	☐	☐
VII. GEOLOGY AND SOILS. Would the project:				
a) Directly or indirectly cause potential substantial adverse effects, including the risk of loss, injury or death involving:	☐	☐	☐	☐
i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.	☐	☐	☐	☐
ii) Strong seismic ground shaking?	☐	☐	☐	☐
iii) Seismic-related ground failure, including liquefaction?	☐	☐	☐	☐
iv) Landslides?	☐	☐	☐	☐
b) Result in substantial soil erosion or the loss of topsoil?	☐	☐	☐	☐

	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
c) Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?	☐	☐	☐	☐
d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code, creating substantial direct or indirect risks to life or property?	☐	☐	☐	☐
e) Have soils incapable of adequately supporting the use of septic tanks or alternative waste water disposal systems where sewers are not available for the disposal of waste water?	☐	☐	☐	☐
f) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?	☐	☐	☐	☐
VIII. GREENHOUSE GAS EMISSIONS. Would the project:				
a) Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?	☐	☐	☐	☐
b) Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emission of greenhouse gases?	☐	☐	☐	☐
IX. HAZARDS AND HAZARDOUS MATERIALS. Would the project:				
a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?	☐	☐	☐	☐
b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?	☐	☐	☐	☐
c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?	☐ ☐ ☐ ☐			
d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?	☐	☐	☐	☐

	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard or excessive noise for people residing or working in the project area?	☐	☐	☐	☐
f) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?	☐	☐	☐	☐
g) Expose people or structures, either directly or indirectly, to a significant risk of loss, injury or death involving wildland fires?	☐	☐	☐	☐
X. HYDROLOGY AND WATER QUALITY. Would the project:				
a) Violate any water quality standards or waste discharge requirements or otherwise substantially degrade surface or ground water quality?	☐	☐	☐	☐
b) Substantially decrease groundwater supplies or interfere substantially with groundwater recharge such that the project may impede sustainable groundwater management of the basin?	☐	☐	☐	☐
c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river or through the addition of impervious surfaces, in a manner which would:	☐	☐	☐	☐
i) result in substantial erosion or siltation on- or off-site;	☐	☐	☐	☐
ii) substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or offsite;	☐	☐	☐	☐
iii) create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff; or	☐	☐	☐	☐
iv) impede or redirect flood flows?	☐	☐	☐	☐
d) In flood hazard, tsunami, or seiche zones, risk release of pollutants due to project inundation?	☐	☐	☐	☐

	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
e) Conflict with or obstruct implementation of a water quality control plan or sustainable groundwater management plan?	☐	☐	☐	☐
XI. LAND USE AND PLANNING. Would the project:				
a) Physically divide an established community?	☐	☐	☐	☐
b) Cause a significant environmental impact due to a conflict with any land use plan, policy, or regulation adopted for the purpose of avoiding or mitigating an environmental effect?	☐	☐	☐	☐
XII. MINERAL RESOURCES. Would the project:				
a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?	☐	☐	☐	☐
b) Result in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?	☐	☐	☐	☐
XIII. NOISE. Would the project result in:				
a) Generation of a substantial temporary or permanent increase in ambient noise levels in the vicinity of the project in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?	☐	☐	☐	☐
b) Generation of excessive groundborne vibration or groundborne noise levels?	☐	☐	☐	☐
c) For a project located within the vicinity of a private airstrip or an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?	☐	☐	☐	☐
XIV. POPULATION AND HOUSING. Would the project:				
a) Induce substantial unplanned population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of road or other infrastructure)?	☐	☐	☐	☐

	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
b) Displace substantial numbers of existing people or housing, necessitating the construction of replacement housing elsewhere?	☐	☐	☐	☐
XV. PUBLIC SERVICES. Would the project:				
a) Result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:	☐	☐	☐	☐
Fire protection?	☐	☐	☐	☐
Police protection?	☐	☐	☐	☐
Schools?	☐	☐	☐	☐
Parks?	☐	☐	☐	☐
Other public facilities?	☐	☐	☐	☐
XVI. RECREATION.				
a) Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?	☐	☐	☐	☐
b) Does the project include recreational facilities or require the construction or expansion of recreational facilities which have an adverse physical effect on the environment?	☐	☐	☐	☐
XVII. TRANSPORTATION. Would the project:				
a) Conflict with a program plan, ordinance or policy addressing the circulation system, including transit, roadway, bicycle and pedestrian facilities?	☐	☐	☐	☐
b) Conflict or be inconsistent with CEQA Guidelines section 15064.3, subdivision (b)?	☐	☐	☐	☐

	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
c) Substantially increase hazards due to a geometric design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?	☐	☐	☐	☐
d) Result in inadequate emergency access?	☐	☐	☐	☐
XVIII. TRIBAL CULTURAL RESOURCES				
a) Would the project cause a substantial adverse change in the significance of a tribal cultural resource, defined in Public Resources Code section 21074 as either a site, feature, place, cultural landscape that is geographically defined in terms of the size and scope of the landscape, sacred place, or object with cultural value to a California Native American tribe, and that is:	☐	☐	☐	☐
i) Listed or eligible for listing in the California Register of Historical Resources, or in a local register of historical resources as defined in Public Resources Code section 5020.1(k), or	☐	☐	☐	☐
ii) A resource determined by the lead agency, in its discretion and supported by substantial evidence, to be significant pursuant to criteria set forth in subdivision (c) of Public Resources Code section 5024.1. In applying the criteria set forth in subdivision (c) of Public Resources Code section 5024.1, the lead agency shall consider the significance of the resource to a California Native American tribe.	☐	☐	☐	☐
XIX. UTILITIES AND SERVICE SYSTEMS. Would the project:				
a) Require or result in the relocation or construction of new or expanded water, wastewater treatment or storm water drainage, electric power, natural gas, or telecommunications facilities, the construction or relocation of which could cause significant environmental effects?	☐	☐	☐	☐
b) Have sufficient water supplies available to serve the project and reasonably foreseeable future development during normal, dry and multiple dry years?	☐	☐	☐	☐

	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
c) Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?	☐	☐	☐	☐
d) Generate solid waste in excess of State or local standards, or in excess of the capacity of local infrastructure, or otherwise impair the attainment of solid waste reduction goals?	☐	☐	☐	☐
e) Comply with federal, state, and local management and reduction statutes and regulations related to solid waste?	☐	☐	☐	☐

XX. WILDFIRE. If located in or near state responsibility areas or lands classified as very high fire hazard severity zones, would the project:

a) Substantially impair an adopted emergency response plan or emergency evacuation plan?	☐	☐	☐	☐
b) Due to slope, prevailing winds, and other factors, exacerbate wildfire risks, and thereby expose project occupants to, pollutant concentrations from a wildfire or the uncontrolled spread of a wildfire?	☐	☐	☐	☐
c) Require the installation or maintenance of associated infrastructure (such as roads, fuel breaks, emergency water sources, power lines or other utilities) that may exacerbate fire risk or that may result in temporary or ongoing impacts to the environment?	☐	☐	☐	☐
d) Expose people or structures to significant risks, including downslope or downstream flooding or landslides, as a result of runoff, post-fire slope instability, or drainage changes?	☐	☐	☐	☐

XXI. MANDATORY FINDINGS OF SIGNIFICANCE. (State CEQA Guidelines section 15065(a).)

		Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
a)	Does the project have the potential to substantially degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, substantially reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?	☐	☐	☐	☐
b)	Does the project have the potential to achieve short-term environmental goals to the disadvantage of long-term environmental goals?	☐	☐	☐	☐
c)	Does the project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current project, and the effects of probable future projects.)	☐	☐	☐	☐
d)	Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?	☐	☐	☐	☐

Note: Authority cited: Public Resources Code sections 21083, 21083.05, 21083.09.

Reference: Gov. Code section 65088.4; Public Resources Code sections 21073, 21074, 21080(c), 21080.1, 21080.3, 21080.3.1, 21080.3.2, 21082.3, 21083, 21083.3, 21083.5, 21084.2, 21084.3, 21093, 21094, 21095 and 21151; *Sundstrom v. County of Mendocino* (1988) 202 Cal.App.3d 296; *Leonoff v. Monterey County Board of Supervisors* (1990) 222 Cal.App.3d 1337; *Eureka Citizens for Responsible Govt. v. City of Eureka* (2007) 147 Cal.App.4th 357; *Protect the Historic Amador Waterways v. Amador Water Agency* (2004) 116 Cal.App.4th 1099, 1109; *San Franciscans Upholding the Downtown Plan v. City and County of San Francisco* (2002) 102 Cal.App.4th 656.

SUPPLEMENTAL ENVIRONMENTAL CHECKLIST FORM

FOR USE WHEN REVIEWING SUBSEQUENT DISCRETIONARY ACTIONS PURSUANT TO A PREVIOUSLY APPROVED OR CERTIFIED ENVIRONMENTAL DOCUMENT

1. Project Title:

2. Lead Agency Name and Address:

3. Contact Person and Phone Number:

4. Project Location:

5. Project Sponsor's Name and Address:

6. General Plan Designation:

7. Zoning:

8. Previous Environmental Document: Please describe the previously adopted ND or MND or the previously certified EIR (include the date the document was adopted or certified, the date the project was approved, the date the NOD was filed with the County, and a summary of potentially significant effects identified in the CEQA document).

9. Description of Project: (Describe the previously approved project and the authorized entitlements/ discretionary actions. Describe whether the subsequent discretionary action now proposed was considered in the previously approved CEQA document and describe any differences between the proposed action and the approved project.)

10. Surrounding Land Uses and Setting: (Briefly describe the project's surroundings.)

11. Other public agencies whose approval is required (e.g., permits, financing approval, or participation agreement):

12. Have California Native American tribes traditionally and culturally affiliated with the project area requested consultation pursuant to Public Resources Code section 21080.3.1? If so, has consultation begun?

Note: Conducting consultation early in the CEQA process allows tribal governments, lead agencies, and project proponents to discuss the level of environmental review, identify and address potential adverse impacts to tribal cultural resources, and reduce the potential for delay and conflict in the environmental review process. (See Public Resources Code section 21083.3.2.) Information may also be available from the California Native American Heritage Commission's Sacred Lands File per Public Resources Code section 5097.96 and the California Historical Resources Information System administered by the California Office of Historic Preservation. Please also note that Public Resources Code section 21082.3(c) contains provisions specific to confidentiality.

NEW SIGNIFICANT ENVIRONMENTAL EFFECTS OR SUBSTANTIALLY MORE SEVERE SIGNIFICANT ENVIRONMENTAL EFFECTS COMPARED TO THOSE IDENTIFIED IN THE PREVIOUS CEQA DOCUMENT. The subject areas checked below were determined to be new significant environmental effects or to be previously identified effects that have a substantial increase in severity either due to a change in project, change in circumstances or new information of substantial importance, as indicated by the checklist and discussion on the following pages.

☐ Aesthetics	☐ Agriculture Resources	☐ Air Quality
☐ Biological Resources	☐ Cultural Resources	☐ Geology / Soils
☐ Hazards & Hazardous Materials	☐ Hydrology / Water Quality	☐ Land Use / Planning
☐ Mineral Resources	☐ Noise	☐ Population / Housing
☐ Public Services	☐ Recreation	☐ Transportation
☐ Utilities / Service Systems	☐ Mandatory Findings of Significance	☐ Greenhouse Gases
☐ Energy	☐ Wildfire	☐ Tribal Cultural Resources

DETERMINATION (To be completed by the Lead Agency):

On the basis of this initial evaluation:

☐ No substantial changes are proposed in the project and there are no substantial changes in the circumstances under which the project will be undertaken that will require major revisions to the previous approved ND or MND or certified EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects. Also, there is no "new information of substantial importance" as that term is used in CEQA Guidelines Section 15162(a)(3). Therefore, the previously adopted ND or MND or previously certified EIR adequately discusses the potential impacts of the project without modification.

☐ No substantial changes are proposed in the project and there are no substantial changes in the circumstances under which the project will be undertaken that will require major revisions to the previous approved ND or MND or certified EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects. Also, there is no "new information of substantial importance" as that term is used in CEQA Guidelines Section 15162(a)(3). Therefore, the previously adopted ND, MND or previously certified EIR adequately discusses the potential impacts of the project; however, minor changes require the preparation of an ADDENDUM.

☐ Substantial changes are proposed in the project or there are substantial changes in the circumstances under which the project will be undertaken that will require major revisions to the previous ND, MND or EIR due to the involvement of significant new environmental effects or a substantial increase in the severity of previously identified significant effects. Or, there is "new information of substantial importance," as that term is used in CEQA Guidelines Section 15162(a)(3). However, all new potentially significant environmental effects or substantial increases in the severity of previously identified significant effects are clearly reduced to below a level of significance through the incorporation of mitigation measures agreed to by the project applicant. Therefore, a SUBSEQUENT MND is required.

☐ Substantial changes are proposed in the project or there are substantial changes in the circumstances under which the project will be undertaken that will require major revisions to the previous environmental document due to the involvement of significant new environmental effects or a substantial increase in the severity of previously identified significant effects. Or, there is "new information of substantial importance," as that term is used in CEQA Guidelines Section 15162(a)(3). However, only minor changes or additions or changes would be necessary to make the previous EIR adequate for the project in the changed situation. Therefore, a SUPPLEMENTAL EIR is required.

☐ Substantial changes are proposed in the project or there are substantial changes in the circumstances under which the project will be undertaken that will require major revisions to the previous environmental document due to the involvement of significant new environmental effects or a substantial increase in the severity of previously

identified significant effects. Or, there is "new information of substantial importance," as that term is used in CEQA Guidelines Section 15162(a)(3). Therefore, a SUBSEQUENT EIR is required.

Signature Date

Printed Name For

EVALUATION OF ENVIRONMENTAL IMPACTS:

1. A finding of "No New Impact/No Impact" means that the potential impact was fully analyzed and/or mitigated in the prior CEQA document and no new or different impacts will result from the proposed activity. A brief explanation is required for all answers except "No New Impact/No Impact" answers that are adequately supported by the information sources a lead agency cites in the parentheses following each question. A "No New Impact/No Impact" answer is adequately supported if the referenced information sources show that the impact simply does not apply to projects like the one involved (e.g. the project falls outside a fault rupture zone). A "No New Impact/No Impact" answer should be explained where it is based on project-specific factors as well as general standards (e.g. the project will not expose sensitive receptors to pollutants, based on a project-specific screening analysis).

2. A finding of "New Mitigation is Required" means that the project may have a new potentially significant impact on the environment or a substantially more severe impact than analyzed in the previously approved or certified CEQA document and that new mitigation is required to address the impact.

3. A finding of "New Potentially Significant Impact" means that the project may have a new potentially significant impact on the environment or a substantially more severe impact than analyzed in the previously approved or certified CEQA document that cannot be mitigated to below a level of significance or be avoided.

4. A finding of "Reduced Impact" means that a previously infeasible mitigation measure is now available, or a previously infeasible alternative is now available that will reduce a significant impact identified in the previously prepared environmental document.

5. All answers must take account of the whole action involved, including off-site as well as on-site, cumulative as well as project-level, indirect as well as direct, and construction as well as operational impacts.

6. Earlier analyses may be used where, pursuant to the tiering, program EIR, or other CEQA process, an effect has been adequately analyzed in an earlier EIR or negative declaration. Section 15063(c)(3)(D). In this case, a brief discussion should identify the following:

    a. Earlier Analyses Used. Identify and state where they are available for review.

    b. Impacts Adequately Addressed. Identify which effects from the above checklist were within the scope of and adequately analyzed in an earlier document pursuant to applicable legal standards, and state whether such effects were addressed by mitigation measures based on the earlier analysis. Describe the mitigation measures which were incorporated or refined from the earlier document and the extent to which they address site-specific conditions for the proposed action.

    c. Infeasible Mitigation Measures. Since the previous EIR was certified or previous ND or MND was adopted, discuss any mitigation measures or alternatives previously found not to be feasible that would in fact be feasible or that are considerably different from those previously analyzed and would substantially reduce one or more significant effects of the project, but the project proponents decline to adopt the mitigation measures or alternatives.

    d. Changes in Circumstances. Since the previous EIR was certified or previous ND or MND was adopted, discuss any changes in the project, changes in circumstances under which the project is undertaken and/or "new information of substantial importance" that cause a change in conclusion regarding one or more effects discussed in the original document.

7. Lead agencies are encouraged to incorporate into the checklist references to information sources for potential impacts (e.g. general plans, zoning ordinances). Reference to a previously prepared or outside document should, where appropriate, include a reference to the page or pages where the statement is substantiated.

8. Supporting Information Sources. A source list should be attached, and other sources used or individuals contacted should be cited in the discussion.

9. This is only a suggested form, and lead agencies are free to use different formats; however, lead agencies should normally address the questions from this checklist that are relevant to a project's environmental effects in whatever format is selected.

10. The explanation of each issue should identify:

    a. the significance criteria or threshold, if any, used to evaluate each question;

    b. differences between the proposed activity and the previously approved project described in the approved ND or MND or certified EIR; and

    c. the previously approved mitigation measure identified, if any, to reduce the impact to less than significance.

SAMPLE QUESTION

		New Potentially Significant Impact	New Mitigation is Required	No New Impact/No Impact	Reduced Impact
I. AESTHETICS. Except as provided in Public Resources Code section 21099, would the project:					
a)	Have a substantial adverse effect on a scenic vista?	☐	☐	☐	☐
b)	Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?	☐	☐	☐	☐
c)	In non-urbanized areas, substantially degrade the existing visual character or quality of public views of the site and its surroundings? (Public views are those that are experienced from publicly accessible vantage point). If the project is in an urbanized area, would the project conflict with applicable zoning and other regulations governing scenic quality?)	☐	☐	☐	☐
d)	Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?	☐	☐	☐	☐

II. AGRICULTURE AND FOREST RESOURCES. In determining whether impacts to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Dept. of Conservation as an optional model to use in assessing impacts on agriculture and farmland. In determining whether impacts to forest resources, including timberland, are significant environmental effects, lead agencies may refer to information compiled by the California Department of Forestry and Fire Protection regarding the state's inventory of forest land, including the Forest and Range Assessment Project and the Forest Legacy Assessment project; and forest carbon measurement methodology provided in Forest protocols adopted by the California Air Resources Board. -- Would the project:

	New Potentially Significant Impact	New Mitigation is Required	No New Impact/No Impact	Reduced Impact
a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?	☐	☐	☐	☐
b) Conflict with existing zoning for agricultural use, or a Williamson Act contract?	☐	☐	☐	☐
c) Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 12220(g)), timberland (as defined by Public Resources Code section 4526), or timberland zoned Timberland Production (as defined by Government Code section 51104(g))?	☐	☐	☐	☐
d) Result in the loss of forest land or conversion of forest land to non-forest use?	☐	☐	☐	☐
e) Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use or conversion of forest land to non-forest use?	☐	☐	☐	☐

III. AIR QUALITY. Where available, the significance criteria established by the applicable air quality management district or air pollution control district may be relied upon to make the following determinations. Would the project:

a) Conflict with or obstruct implementation of the applicable air quality plan?	☐	☐	☐	☐
b) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard?	☐	☐	☐	☐
c) Expose sensitive receptors to substantial pollutant concentrations?	☐	☐	☐	☐
d) Result in other emissions (such as those leading to odors) adversely affecting a substantial number of people?	☐	☐	☐	☐

IV. BIOLOGICAL RESOURCES. Would the project:

	New Potentially Significant Impact	New Mitigation is Required	No New Impact/No Impact	Reduced Impact
a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?	☐	☐	☐	☐
b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?	☐	☐	☐	☐
c) Have a substantial adverse effect on state or federally protected wetlands (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?	☐	☐	☐	☐
d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?	☐	☐	☐	☐
e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?	☐	☐	☐	☐
f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?	☐	☐	☐	☐
V. CULTURAL RESOURCES. Would the project:				
a) Cause a substantial adverse change in the significance of a historical resource pursuant to § 15064.5?	☐	☐	☐	☐
b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to § 15064.5?	☐	☐	☐	☐
c) Disturb any human remains, including those interred outside of dedicated cemeteries?	☐	☐	☐	☐

	New Potentially Significant Impact	New Mitigation is Required	No New Impact/No Impact	Reduced Impact
VI. ENERGY. Would the project:				
a) Result in potentially significant environmental impact due to wasteful, inefficient, or unnecessary consumption of energy resources, during project construction or operation?	☐	☐	☐	☐
b) Conflict with or obstruct a state or local plan for renewable energy or energy efficiency?	☐	☐	☐	☐
VII. GEOLOGY AND SOILS. Would the project:				
a) Directly or indirectly cause potential substantial adverse effects, including the risk of loss, injury or death involving:	☐	☐	☐	☐
i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.	☐	☐	☐	☐
ii) Strong seismic ground shaking?	☐	☐	☐	☐
iii) Seismic-related ground failure, including liquefaction?	☐	☐	☐	☐
iv) Landslides?	☐	☐	☐	☐
b) Result in substantial soil erosion or the loss of topsoil?	☐	☐	☐	☐
c) Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?	☐	☐	☐	☐
d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code, creating substantial direct or indirect risks to life or property?	☐	☐	☐	☐
e) Have soils incapable of adequately supporting the use of septic tanks or alternative waste water disposal systems where sewers are not available for the disposal of waste water?	☐	☐	☐	☐

	New Potentially Significant Impact	New Mitigation is Required	No New Impact/No Impact	Reduced Impact
f) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?	☐	☐	☐	☐
VIII. GREENHOUSE GAS EMISSIONS. Would the project:				
a) Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?	☐	☐	☐	☐
b) Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emission of greenhouse gases?	☐	☐	☐	☐
IX. HAZARDS AND HAZARDOUS MATERIALS. Would the project:				
a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?	☐	☐	☐	☐
b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?	☐	☐	☐	☐
c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?	☐	☐	☐	☐
d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?	☐	☐	☐	☐
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard or excessive noise for people residing or working in the project area?	☐	☐	☐	☐
f) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?	☐	☐	☐	☐

	New Potentially Significant Impact	New Mitigation is Required	No New Impact/No Impact	Reduced Impact
g) Expose people or structures, either directly or indirectly, to a significant risk of loss, injury or death involving wildland fires?	☐	☐	☐	☐
X. HYDROLOGY AND WATER QUALITY. Would the project:				
a) Violate any water quality standards or waste discharge requirements or otherwise substantially degrade surface or ground water quality?	☐	☐	☐	☐
b) Substantially decrease groundwater supplies or interfere substantially with groundwater recharge such that the project may impede sustainable groundwater management of the basin?	☐	☐	☐	☐
c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river or through the addition of impervious surfaces, in a manner which would:	☐	☐	☐	☐
i) result in substantial erosion or siltation on- or off-site;	☐	☐	☐	☐
ii) substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or offsite;	☐	☐	☐	☐
iii) create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff; or	☐	☐	☐	☐
iv) impede or redirect flood flows?	☐	☐	☐	☐
d) In flood hazard, tsunami, or seiche zones, risk release of pollutants due to project inundation?	☐	☐	☐	☐
e) Conflict with or obstruct implementation of a water quality control plan or sustainable groundwater management plan?	☐	☐	☐	☐
XI. LAND USE AND PLANNING. Would the project:				
a) Physically divide an established community?	☐	☐	☐	☐

	New Potentially Significant Impact	New Mitigation is Required	No New Impact/No Impact	Reduced Impact
b) Cause a significant environmental impact due to a conflict with any land use plan, policy, or regulation adopted for the purpose of avoiding or mitigating an environmental effect?	☐	☐	☐	☐
XII. MINERAL RESOURCES. Would the project:				
a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?	☐	☐	☐	☐
b) Result in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?	☐	☐	☐	☐
XIII. NOISE. Would the project result in:				
a) Generation of a substantial temporary or permanent increase in ambient noise levels in the vicinity of the project in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?	☐	☐	☐	☐
b) Generation of excessive groundborne vibration or groundborne noise levels?	☐	☐	☐	☐
c) For a project located within the vicinity of a private airstrip or an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?	☐	☐	☐	☐
XIV. POPULATION AND HOUSING. Would the project:				
a) Induce substantial unplanned population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of road or other infrastructure)?	☐	☐	☐	☐
b) Displace substantial numbers of existing people or housing, necessitating the construction of replacement housing elsewhere?	☐	☐	☐	☐

	New Potentially Significant Impact	New Mitigation is Required	No New Impact/No Impact	Reduced Impact
XV. PUBLIC SERVICES. Would the project:				
a) Result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:	☐	☐	☐	☐
Fire protection?	☐	☐	☐	☐
Police protection?	☐	☐	☐	☐
Schools?	☐	☐	☐	☐
Parks?	☐	☐	☐	☐
Other public facilities?	☐	☐	☐	☐
XVI. RECREATION.				
a) Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?	☐	☐	☐	☐
b) Does the project include recreational facilities or require the construction or expansion of recreational facilities which have an adverse physical effect on the environment?	☐	☐	☐	☐
XVII. TRANSPORTATION. Would the project:				
a) Conflict with program plan, ordinance or policy addressing the circulation system, including transit, roadway, bicycle and pedestrian facilities?	☐	☐	☐	☐
b) Conflict or be inconsistent with CEQA Guidelines section 15064.3, subdivision (b)?	☐	☐	☐	☐
c) Substantially increase hazards due to a geometric design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?	☐	☐	☐	☐
d) Result in inadequate emergency access?	☐	☐	☐	☐

	New Potentially Significant Impact	New Mitigation is Required	No New Impact/No Impact	Reduced Impact
XVIII. TRIBAL CULTURAL RESOURCES. Would the project:				
a) Cause a substantial adverse change in the significance of a tribal cultural resource, defined in Public Resources Code section 21074 as either a site, feature, place, cultural landscape that is geographically defined in terms of the size and scope of the landscape, sacred place, or object with cultural value to a California Native American tribe, and that is:	☐	☐	☐	☐
i) Listed or eligible for listing in the California Register of Historical Resources, or in a local register of historical resources as defined in Public Resources Code section 5020.1(k), or	☐	☐	☐	☐
ii) A resource determined by the lead agency, in its discretion and supported by substantial evidence, to be significant pursuant to criteria set forth in subdivision (c) of Public Resources Code section 5024.1. In applying the criteria set forth in subdivision (c) of Public Resources Code section 5024.1, the lead agency shall consider the significance of the resource to a California Native American tribe.	☐	☐	☐	☐
XIX. UTILITIES AND SERVICE SYSTEMS. Would the project:				
a) Require or result in the relocation or construction of new or expanded water, wastewater treatment or storm water drainage, electric power, natural gas, or telecommunications facilities, the construction or relocation of which could cause significant environmental effects?	☐	☐	☐	☐
b) Have sufficient water supplies available to serve the project and reasonably foreseeable future development during normal, dry and multiple dry years?	☐	☐	☐	☐
c) Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?	☐	☐	☐	☐

	New Potentially Significant Impact	New Mitigation is Required	No New Impact/No Impact	Reduced Impact
d) Generate solid waste in excess of State or local standards, or in excess of the capacity of local infrastructure, or otherwise impair the attainment of solid waste reduction goals?	☐	☐	☐	☐
e) Comply with federal, state, and local management and reduction statutes and regulations related to solid waste?	☐	☐	☐	☐

X. WILDFIRE. If located in or near state responsibility areas or lands classified as very high fire hazard severity zones, would the project:

a) Substantially impair an adopted emergency response plan or emergency evacuation plan?	☐	☐	☐	☐
b) Due to slope, prevailing winds, and other factors, exacerbate wildfire risks, and thereby expose project occupants to, pollutant concentrations from a wildfire or the uncontrolled spread of a wildfire?	☒	☐	☐	☐
c) Require the installation or maintenance of associated infrastructure (such as roads, fuel breaks, emergency water sources, power lines or other utilities) that may exacerbate fire risk or that may result in temporary or ongoing impacts to the environment?	☐	☐	☐	☐
d) Expose people or structures to significant risks, including downslope or downstream flooding or landslides, as a result of runoff, post-fire slope instability, or drainage changes?	☐	☐	☐	☐

XI. MANDATORY FINDINGS OF SIGNIFICANCE. (State CEQA Guidelines section 15065(a).)

a) Does the project have the potential to substantially degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, substantially reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?	☐	☐	☐	☐
b) Does the project have the potential to achieve short-term environmental goals to the disadvantage of long-term environmental goals?	☐	☐	☐	☐

	New Potentially Significant Impact	New Mitigation is Required	No New Impact/No Impact	Reduced Impact
c) Does the project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current project, and the effects of probable future projects.)	☐	☐	☐	☐
d) Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?	☐	☐	☐	☐

NOTICE OF AVAILABILITY OF DRAFT ENVIRONMENTAL IMPACT REPORT

To:	
From:	
Lead Agencies:	
Contacts (name, address, telephone, email address):	
Project Title:	
Project Location – Specific; Identify street address and cross streets or attach a map showing project site (preferably a USGS 15' or 7 1/2' topographical map identified by quadrangle name):	
Project Location – City:	
Project Location – County:	
Description of Nature, Purpose, and Beneficiaries of Project:	
Significant environmental effects:	
Place and time of scheduled meetings:	
Date when project noticed to public:	
Address where copy of the EIR is available and how it can be obtained in an electronic format:	
Review Period:	to
Comments on the Draft EIR may be submitted via e-mail to xxxxxxx, or via U.S. mail to xxxxx, at the above mailing address by ____ __.m. on _____, 2023. In addition, comments may be provided at the public hearing noticed above.	

California Department of Fish and Wildlife - Inland Desert Region 6

No Effect Determination Request Form

To: DEPARTMENT OF FISH AND WILDLIFE

Inland Desert Regional Office
3602 Inland Empire Boulevard, Suite C-220
Ontario, CA 91764
Information:(909) 484-0167
FAX: (909) 941-7364
Email: AskRegion6@wildlife.ca.gov

http://www.wildlife.ca.gov
Environmental Review and Permitting
1416 Ninth Street
Sacramento, California 95814
Information: (916) 653-4875

Date Submitted:	
CEQA Lead Agency:	
Lead Agency Contact Phone Number:	
Lead Agency Address:	
SCH Number or County Filing Number and local agency project/case number:	
CEQA Document Type (the type of document prepared for your project by the CEQA Lead Agency):	
Applicant Name and Contact Phone Number (if applicable):	
Applicant Address (if applicable):	
Project Title:	
Project Location (include the street address, lat/long, range/township/section, or other description that clearly indicates the location of the project site. Include an aerial or topographic map of the project site):	
Project Description (include details such as new construction [with square footage], demolition of existing buildings, adaptive reuse of existing buildings, zoning amendments, general plan amendments, conditional use for sale of alcoholic beverages, etc.) Use additional sheets if necessary:	
Justification for No Effect Determination (explain how the proposed project is consistent with Title 14 Section 753.5(d) CCR):	

Facts Supporting Fee Exemption:

1. An Initial Study has been prepared by the Lead Agency to evaluate the project's effects on fish and wildlife resources, if any.

2. The Lead Agency hereby finds that there is substantial evidence that the project will have no effect on fish or wildlife.

3. The project will have NO EFFECT on the following resources:

   (A) Riparian land, rivers, streams, watercourses and wetlands;

   (B) Native and non-native plant life and the soil required to sustain habitat for fish and wildlife;

   (C) Rare and unique plant life and ecological communities dependent on plant life;

   (D) Listed threatened and endangered plants and animals and the habitat in which they are believed to reside;

   (E) All species listed as protected or identified for special management in the Fish and Game Code, the Public Resources Code, the Water Code or regulations adopted thereunder;

   (F) All marine and terrestrial species subject to the jurisdiction of the Department of Fish and Game and the ecological communities in which they reside; and

   (G) All air and water resources, the degradation of which will individually or cumulatively result in a loss of biological diversity among the plants and animals residing in that air and water.

DECLARATION:

Based on the Lead Agency's evaluation of potential adverse effects on fish and wildlife resources, the Lead Agency believes the project will have no effect on fish or wildlife resources, as defined in Section 711.2 of the Fish and Game Code.

_____
Signature - Lead Agency Representative

Title:

Lead Agency:

Date:

NOTICE OF RECIRCULATION

To whom it may concern: You are receiving this notice because you commented on the Draft EIR for the following Project:	
Project Name:	
Project Description:	
Project Location – Identify street address and cross streets or attach a map showing project site (preferably a USGS 15' or 7 1/2' topographical map identified by quadrangle name):	
The Draft EIR prepared for this project has been revised.	
☐ The entire Draft EIR is being recirculated. Your prior comments remain part of the administrative record, but they are no longer applicable to the Draft EIR that is under consideration. The Final EIR will not provide a response to your prior comments. Should you wish to comment on the revised Draft EIR, you will need to submit new comments.	
☐ Only the following chapters or portions of the Draft EIR have been revised, and only those parts of the revised Draft EIR are being recirculated:	
☐ Your comments should be limited to those parts of the revised Draft EIR that are being recirculated.	
☐ Your comments need not be limited to those parts of the revised Draft EIR that are being recirculated.	
Review Period on Recirculated Draft EIR: From to	
All comments on the Recirculated Draft EIR should be addressed to the following individual and must be received no later than [FILL-IN END DATE]. Should you have any questions about this notice, please contact:	
Staff:	
Title:	
Telephone Number:	
E-Mail:	

Date Received for Filing: Staff

(Clerk Stamp Here)

THIS IS A SAMPLE FORM AND SHOULD BE MODIFIED TO MEET THE NEEDS OF THE PARTICULAR PROJECT/CIRCUMSTANCE

General Manager

Re: Water Supply Assessment for Project within the _____

Dear _____,

We have received an application from [project proponent] for the following project ("Project"):

We have consulted with each other and have mutually agreed that your [District/Agency/Company] is a public water system that may provide water service to the Project. We have also mutually agreed that the Project is subject to the water supply assessment requirements of Water Code sections 10910 - 10912. Pursuant to Water Code section 10910, [Agency name] requests to submit a water supply assessment for the Project on or before _____, which is within 90 days of the date of this request. We concurrently request the [District/Agency/Company] to state whether the projected water demand associated with the Project was included as part of the most recently adopted Urban Water Management Plan. Please contact me to confirm receipt of this request.

Thank you for your cooperation in this matter. If you have any questions about this request, please contact me at your earliest convenience.

THIS IS A SAMPLE FORM AND SHOULD BE MODIFIED AS NECESSARY TO MEET THE NEEDS OF THE PARTICULAR PROJECT/CIRCUMSTANCE

General Manager

Re: Water Supply Verification for Project within the of _____

Dear _____,

_____ has submitted to the [public agency] an application for tentative map (No.) for the following subdivision ("Subdivision"):

_____ staff has determined that the application is complete. Pursuant to Government Code section 66455.3, we are enclosing a copy of the application.]

[We have consulted with each other and have mutually agreed that your is a public water system that may provide water service to the Subdivision. We have also mutually agreed that the Subdivision is subject to the water supply verification requirements of the Subdivision Map Act.] Pursuant to Government Code section 66473.7(b)(1), requests your _____ to submit a water supply verification for the Subdivision on or before , which is within 90 days of the date of this request. Please contact me to confirm receipt of this request.

Thank you for your cooperation in this matter. If you have any questions about this request, please contact me at your earliest convenience.

SHORTENED REVIEW REQUEST FORM

(To be filled out and signed by the **Lead Agency** and submitted with the DEIR or Negative Declaration to SCH)

TO:	State Clearinghouse P.O. Box 3044 Sacramento, CA 95812-3044	FROM:	Lead Agency: Address: Phone No.: Contact:

State Clearinghouse Number:
Project Title:
Specific Project Location – Identify street address and cross street or attach a map showing project site (preferably a USGS 15' or 7 ½' topographical map identified by quadrangle name):
General Project Location (City and/or County):
Type of Environmental Document: ☐ Environmental Impact Report (EIR). The Lead Agency issued a Notice of Preparation on _____ and received comments from applicable State agencies. ☐ Negative Declaration (ND) or Mitigated Negative Declaration (MND). The Lead Agency consulted with applicable State agencies on .
Brief Project Description:

Explain "exceptional circumstances" (State CEQA Guidelines Section 15205(d)) for requesting a shortened review. Identify which of the following five (5) criteria in State CEQA Guidelines Appendix K are met for this project.

1. ☐	The Lead Agency is operating under an extension of the one-year period for completion of an EIR and would not otherwise be able to complete the EIR within the extended period.
2. ☐	The public project applicant is under severe time constraints with regard to obtaining financing or exercising options which cannot be met without shortening the review period.
3. ☐	The document is a supplement to a draft EIR or proposed negative declaration or mitigated negative declaration previously submitted to the State Clearinghouse.
4. ☐	The health and safety of the community would be at risk unless the project is approved expeditiously.
5. ☐	The document is a revised draft EIR, or proposed negative declaration or mitigated negative declaration, where changes in the document are primarily the result of comments from agencies and the public.

	Explain how the above criteria applies to the project.

In compliance with the State and Local CEQA Guidelines, the Lead Agency has contacted and obtained prior approval for a shortened review from the applicable State responsible and trustee agencies. List responsible and trustee state agencies with contact person, phone number and date of consent for the shortened review, as well as any agencies that have commented on the project (attach additional pages, if necessary):

As designated representative for the Lead Agency, I verify, in the Lead Agency's behalf, that there is no "statewide, regional, or areawide significance" to this project.

Length of review being requested: days

Date:

_____
Signature of Designated Lead Agency Representative

Print Name:

Title:

Date Received for Filing:

SUMMARY FORM FOR ELECTRONIC DOCUMENT SUBMITTAL

Lead agencies must submit Environmental Impact Reports, Negative Declarations, Mitigated Negative Declarations, or Notices of Preparation to the State Clearinghouse (SCH) through the CEQA Submit portal. The SCH also accepts other summaries, such as EIR Executive Summaries prepared pursuant to CEQA Guidelines Section 15123 electronically only. Please include the Notice of Completion Form (NOC) with your submission and attach the summary to each electronic copy of the document.

State Clearinghouse Number:

Project Title:

Lead Agency:

Contact Name:

Email: Phone Number:

Project Location (City and County):

Provide a Project Description (Proposed actions, location, and/or consequences).
Identify the project's significant or potentially significant effects and briefly describe any proposed mitigation measures that would reduce or avoid that effect.
If applicable, describe any of the project's areas of controversy known to the Lead Agency, including issues raised by agencies and the public.
Provide a list of the responsible or trustee agencies for the project.

Form R: Performance Standards for Infill Projects Eligible for Streamlined Review

I. Introduction

Section 15183.3 provides a streamlined review process for infill projects that satisfy specified performance standards. This appendix contains those performance standards. The lead agency's determination that the project satisfies the performance standards shall be supported with substantial evidence, which should be documented on the Infill Checklist in Appendix S. Section II defines terms used in this Appendix. Performance standards that apply to all project types are set forth in Section III. Section IV contains performance standards that apply to particular project types (i.e., residential, commercial/retail, office building, transit stations, and schools).

II. Definitions

The following definitions apply to the terms used in this Appendix.

"High-quality transit corridor" means an existing corridor with fixed route bus service with service intervals no longer than 15 minutes during peak commute hours. For the purposes of this Appendix, an "existing stop along a high-quality transit corridor" may include a planned and funded stop that is included in an adopted regional transportation improvement program.

Unless more specifically defined by an air district, city or county, "high-volume roadway" means freeways, highways, urban roads with 100,000 vehicles per day, or rural roads with 50,000 vehicles per day.

"Low vehicle travel area" means a traffic analysis zone that exhibits a below average existing level of travel as determined using a regional travel demand model. For residential projects, travel refers to either home-based or household vehicle miles traveled per capita. For commercial and retail projects, travel refers to non-work attraction trip length; however, where such data are not available, commercial projects reference either home-based or household vehicle miles traveled per capita. For office projects, travel refers to commute attraction vehicle miles traveled per employee; however, where such data are not available, office projects reference either home-based or household vehicle miles traveled per capita.

"Major Transit Stop" means a site containing an existing rail transit station, a ferry terminal served by either a bus or rail transit service, or the intersection of two or more major bus routes with frequencies of service intervals of 15 minutes or less during the morning and afternoon peak commute periods. For the purposes of this Appendix, an "existing major transit stop" may include a planned and funded stop that is included in an adopted regional transportation improvement program.

"Office building" generally refers to centers for governmental or professional services; however, the lead agency shall have discretion in determining whether a project is "commercial" or "office building" for the purposes of this Appendix based on local zoning codes.

"Significant sources of air pollution" include airports, marine ports, rail yards and distribution centers that receive more than 100 heavy-duty truck visits per day, as well as stationary sources that are designated major by the Clean Air Act.

A “Traffic Analysis Zone” is an analytical unit used by a travel demand model to estimate vehicle travel within a region.

III. Performance Standards Related to Project Design

To be eligible for streamlining pursuant to Section 15183.3, a project must implement all of the following:

Renewable Energy. All non-residential projects shall include on-site renewable power generation, such as solar photovoltaic, solar thermal and wind power generation, or clean back-up power supplies, where feasible. Residential projects are also encouraged to include such on-site renewable power generation.

Soil and Water Remediation. If the project site is included on any list compiled pursuant to Section 65962.5 of the Government Code, the project shall document how it has remediated the site, if remediation is completed. Alternatively, the project shall implement the recommendations provided in a preliminary endangerment assessment or comparable document that identifies remediation appropriate for the site.

Residential Units Near High-Volume Roadways and Stationary Sources. If a project includes residential units located within 500 feet, or other distance determined to be appropriate by the local agency or air district based on local conditions, of a high volume roadway or other significant sources of air pollution, the project shall comply with any policies and standards identified in the local general plan, specific plan, zoning code or community risk reduction plan for the protection of public health from such sources of air pollution. If the local government has not adopted such plans or policies, the project shall include measures, such as enhanced air filtration and project design, that the lead agency finds, based on substantial evidence, will promote the protection of public health from sources of air pollution. Those measures may include, among others, the recommendations of the California Air Resources Board, air districts, and the California Air Pollution Control Officers Association.

IV. Additional Performance Standards by Project Type

In addition to the project features described above in Section III, specific eligibility requirements are provided below by project type.

Several of the performance standards below refer to “low vehicle travel areas.” Such areas can be illustrated on maps based on data developed by the regional Metropolitan Planning Organization (MPO) using its regional travel demand model.

Several of the performance standards below refer to distance to transit. Distance should be calculated so that at least 75 percent of the surface area of the project site is within the specified distance.

A. Residential

To be eligible for streamlining pursuant to Section 15183.3, a project must satisfy one of the following:

Projects achieving below average regional per capita vehicle miles traveled (VMT). A residential project is eligible if it is located in a "low vehicle travel area" within the region.

Projects located within 1/2% mile of an Existing Major Transit Stop or High Quality Transit Corridor. A residential project is eligible if it is located within 1/2 mile of an existing major transit stop or an existing stop along a high quality transit corridor.

Low-Income Housing. A residential or mixed-use project consisting of 300 or fewer residential units all of which are affordable to low income households is eligible if the developer of the development project provides sufficient legal commitments to the lead agency to ensure the continued availability and use of the housing units for lower income households, as defined in Section 50079.5 of the Health and Safety Code, for a period of at least 30 years, at monthly housing costs, as determined pursuant to Section 50053 of the Health and Safety Code.

B. Commercial/Retail

To be eligible for streamlining pursuant to Section 15183.3, a project must satisfy one of the following:

Regional Location. A commercial project with no single-building floor-plate greater than 50,000 square feet is eligible if it locates in a "low vehicle travel area."

Proximity to Households. A project with no single-building floor-plate greater than 50,000 square feet located within one-half mile of 1800 households is eligible.

C. Office Building

To be eligible for streamlining pursuant to Section 15183.3, a project must satisfy one of the following:

Regional Location. Office buildings, both commercial and public, are eligible if they locate in a low vehicle travel area.

Proximity to a Major Transit Stop. Office buildings, both commercial and public, within 1/2 mile of an existing major transit stop, or 1/4 mile of an existing stop along a high quality transit corridor, are eligible.

D. Transit

Transit stations, as defined in Section 15183.3(e)(1), are eligible.

E. Schools

Elementary schools within one mile of fifty percent of the projected student population are eligible. Middle schools and high schools within two miles of fifty percent of the projected student population are eligible. Alternatively, any school within 1/2% mile of an existing major transit stop or an existing stop along a high quality transit corridor is eligible.

Additionally, in order to be eligible, all schools shall provide parking and storage for bicycles and scooters and shall comply with the requirements in Sections 17213, 17213.1 and 17213.2 of the California Education Code.

F. Small Walkable Community Projects

Small walkable community projects, as defined in Section 15183.3, subdivision (e)(6), that implement the project features described in Section III above are eligible.

G. Mixed-Use Projects

Where a project includes some combination of residential, commercial and retail, office building, transit station, and/or schools, the performance standards in this Section that apply to the predominant use shall govern the entire project.

Authority: Public Resources Code Sections 21083, 21094.5.5

Reference: Public Resources Code Sections 21094.5 and 21094.5.5

INFILL ENVIRONMENTAL CHECKLIST FORM

NOTE: This sample form is intended to assist lead agencies in assessing infill projects according to the procedures provided in Section 21094.5 of the Public Resources Code. Lead agencies may customize this form as appropriate, provided that the contents satisfies the requirements in Section 15183.3 of the State CEQA Guidelines.

1. Project Title:

2. Lead Agency Name and Address:

3. Contact Person and Phone Number:

4. Project Location: Click to enter text.

5. Project Sponsor's Name and Address:

6. General Plan Designation:

7. Zoning:

8. Prior Environmental Document(s) Analyzing the Effects of the Infill Project:

9. Location of Prior Environmental Document(s) Analyzing the Effects of the Infill Project (including State Clearinghouse Number, if assigned):

10. Description of Project: (Describe the whole action involved, including but not limited to later phases of the project, and any secondary, support, or off-site features necessary for its implementation. Attach additional sheet(s) if necessary.)

11. Surrounding Land Uses and Setting: (Briefly describe the project's surroundings, including any prior uses of the project site, or, if vacant, describe the urban uses that exist on at least 75% of the project's perimeter.)

12. Other public agencies whose approval is required (e.g., permits, financing approval, or participation agreement):

13. Have California Native American tribes traditionally and culturally affiliated with the project area requested consultation pursuant to Public Resources Code section 21080.3.1? If so, is there a plan for consultation that includes, for example, the determination of significance of impacts to tribal cultural resources, procedures regarding confidentiality, etc.?

Note: Conducting consultation early in the CEQA process allows tribal governments, lead agencies, and project proponents to discuss the level of environmental review, identify and address potential adverse impacts to tribal cultural resources, and reduce the potential for delay and conflict in the environmental review process. (See Public Resources Code section 21080.3.2.) Information may also be available from the California Native American Heritage Commission's Sacred Lands File per Public Resources Code section 5097.96 and the California Historical Resources Information System administered by the California Office of Historic Preservation. Please also note that Public Resources Code section 21082.3(c) contains provisions specific to confidentiality

SATISFACTION OF FORM R PERFORMANCE STANDARDS

Provide the information demonstrating that the infill project satisfies the performance standards in Form R below. For **mixed-use projects**, the predominant use will determine which performance standards apply to the entire project.

1. Does the non-residential infill project include a renewable energy feature? If so, describe below. If not, explain below why it is not feasible to do so.

2. If the project site is included on any list compiled pursuant to Section 65962.5 of the Government Code, either provide documentation of remediation or describe the recommendations provided in a preliminary endangerment assessment or comparable document that will be implemented as part of the project.

3. If the infill project includes residential units located within 500 feet, or such distance that the local agency or local air district has determined is appropriate based on local conditions, a high volume roadway or other significant source of air pollution, as defined in Form R, describe the measures that the project will implement to protect public health. Such measures may include policies and standards identified in the local general plan, specific plans, zoning code or community risk reduction plan, or measures recommended in a health risk assessment, to promote the protection of public health. Identify the policies or standards, or refer to the site specific analysis, below. (Attach additional sheets if necessary.)

4. For **residential** projects, the project satisfies which of the following?

☐ Located within a low vehicle travel area, as defined in Form S. (Attach VMT map.)

☐ Located within 1/2 mile of an existing major transit stop or an existing stop along a high quality transit corridor. (Attach map illustrating proximity to transit.)

☐ Consists of 300 or fewer units that are each affordable to low income households. (Attach evidence of legal commitment to ensure the continued availability and use of the housing units for lower income households, as defined in Section 50079.5 of the Health and Safety Code, for a period of at least 30 years, at monthly housing costs, as determined pursuant to Section 50053 of the Health and Safety Code.)

5. For **commercial** projects with a single building floor-plate below 50,000 square feet, the project satisfies which of the following?

☐ Located within a low vehicle travel area, as defined in Form R. (Attach VMT map.)

☐ The project is within one-half mile of 1800 dwelling units. (Attach map illustrating proximity to households.)

6. For **office building** projects, the project satisfies which of the following?

☐ Located within a low vehicle travel area, as defined in Form R. (Attach VMT map.)

☐ Located within 1/2 mile of an existing major transit stop or within 1/4 of a stop along a high quality transit corridor. (Attach map illustrating proximity to transit.)

7. For **school** projects, the project does all of the following:

☐ The project complies with the requirements of Sections 17213, 17213.1 and 17213.2 of the California Education Code.

☐ The project is an elementary school and is within one mile of 50% of the student population, or is a middle school or high school and is within two miles of 50% of the student population. Alternatively, the school is within 1/2 mile of an existing major transit stop or an existing stop along a high quality transit corridor. (Attach map and methodology.)

☐ The project provides parking and storage for bicycles and scooters.

8. For **small walkable community projects**, the project must be a residential project that has a density of at least eight units to the acre or a commercial project with a floor area ratio of at least 0.5, or both.

ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED:

The infill project could potentially result in one or more of the following environmental effects.

☐ Aesthetics	☐ Agriculture and Forestry Resources	☐ Air Quality
☐ Biological Resources	☐ Cultural Resources	☐ Geology / Soils
☐ Greenhouse Gas Emissions	☐ Hazards & Hazardous Materials	☐ Hydrology / Water Quality
☐ Land Use / Planning	☐ Mineral Resources	☐ Noise
☐ Population / Housing	☐ Public Services	☐ Recreation
☐ Transportation	☐ Utilities / Service Systems	☐ Mandatory Findings of Significance
☐ Energy	☐ Wildfire	

DETERMINATION (To be completed by the Lead Agency):

On the basis of this initial evaluation:

☐ I find that the proposed infill project WOULD NOT have any significant effect on the environment that either have not already been analyzed in a prior EIR or that are more significant than previously analyzed, or that uniformly applicable development policies would not substantially mitigate. Pursuant to Public Resources Code Section 21094.5, CEQA does not apply to such effects. A Notice of Determination will be filed. (State CEQA Guidelines, § 15094.)

☐ I find that the proposed infill project will have effects that either have not been analyzed in a prior EIR, or are more significant than described in the prior EIR, and that no uniformly applicable development policies would substantially mitigate such effects. With respect to those effects that are subject to CEQA, I find that such effects WOULD NOT be significant and a NEGATIVE DECLARATION, or if the project is a Transit Priority Project a SUSTAINABLE COMMUNITIES ENVIRONMENTAL ASSESSMENT, will be prepared.

☐ I find that the proposed infill project will have effects that either have not been analyzed in a prior EIR, or are more significant than described in the prior EIR, and that no uniformly applicable development policies would substantially mitigate such effects. I find that although those effects could be significant, there will not be a significant effect in this case because revisions in the infill project have been made by or agreed to by the project proponent. A MITIGATED NEGATIVE DECLARATION, or if the project is a Transit Priority Project a SUSTAINABLE COMMUNITIES ENVIRONMENTAL ASSESSMENT, will be prepared.

☐ I find that the proposed infill project would have effects that either have not been analyzed in a prior EIR, or are more significant than described in the prior EIR, and that no uniformly applicable development policies would substantially mitigate such effects. I find that those effects WOULD be significant, and an infill ENVIRONMENTAL IMPACT REPORT is required to analyze those effects that are subject to CEQA.

Signature Date

Printed Name For

EVALUATION OF ENVIRONMENTAL IMPACTS:

1. A brief explanation is required for all answers except "No Impact" answers that are adequately supported by the information sources a Lead Agency cites in the parentheses following each question. A "No Impact" answer is adequately supported if the referenced information sources show that the impact simply does not apply to projects like the one involved (e.g. the project falls outside a fault rupture zone). A "No Impact" answer should be explained where it is based on project-specific factors as well as general standards (e.g. the project will not expose sensitive receptors to pollutants, based on a project-specific screening analysis).

2. All answers must take account of the whole action involved, including off-site as well as on-site, cumulative as well as project-level, indirect as well as direct, and construction as well as operational impacts.

3. For the purposes of this checklist, "prior EIR" means the environmental impact report certified for a planning level decision, as supplemented by any subsequent or supplemental environmental impact reports, negative declarations, or addenda to those documents. "Planning level decision" means the enactment or amendment of a general plan, community plan, specific plan, or zoning code. (State CEQA Guidelines, § 15183.3(f)(2).)

4. Once the Lead Agency has determined that a particular physical impact may occur as a result of an infill project, then the checklist answers must indicate whether the impact has already been analyzed in a prior EIR. If the effect of the infill project is not more significant than what has already been analyzed, that effect of the infill project is not subject to CEQA. The brief explanation accompanying this determination should include page and section references to the portions of the prior EIR containing this analysis of that effect. The brief explanation shall also indicate whether the prior EIR included any mitigation measures to substantially lessen that effect and whether those measures have been incorporated into the infill project.

5. If the infill project would cause a significant adverse effect that either is specific to the project or project site and was not analyzed in a prior EIR, or is more significant than what was analyzed in a prior EIR, the Lead Agency must determine whether uniformly applicable development policies or standards that have been adopted by the Lead Agency, or city or county, would substantially mitigate that effect. If so, the checklist shall explain how the infill project's implementation of the uniformly applicable development policies will substantially mitigate that effect. That effect of the infill project is not subject to CEQA if the lead agency makes a finding, based upon substantial evidence, that the development policies or standards will substantially mitigate that effect.

6. If all effects of an infill project were either analyzed in a prior EIR or are substantially mitigated by uniformly applicable development policies or standards, CEQA does not apply to the project, and the Lead Agency shall file a Notice of Determination.

7. Effects of an infill project that either have not been analyzed in a prior EIR, or that uniformly applicable development policies or standards do not substantially mitigate, are subject to CEQA. With respect to those effects of the infill project that are subject to CEQA, the checklist shall indicate whether those effects are significant, less than significant with mitigation, or less than significant. If there are one or more "Significant Impact" entries when the determination is made, an infill EIR is required. The infill EIR should be limited to analysis of those effects determined to be significant. (State CEQA Guidelines, § 15183.3(d).)

8. "Less Than Significant With Mitigation Incorporated" applies where the incorporation of mitigation measures will reduce an effect of an infill project that is subject to CEQA from "Significant Impact" to a "Less Than Significant

Impact." The Lead Agency must describe the mitigation measures, and briefly explain how those measures reduce the effect to a less than significant level. If the effects of an infill project that are subject to CEQA are less than significant with mitigation incorporated, the Lead Agency may prepare a Mitigated Negative Declaration. If all of the effects of the infill project that are subject to CEQA are less than significant, the lead agency may prepare a Negative Declaration.

9. This is only a suggested form, and lead agencies are free to use different formats; however, lead agencies should normally address the questions from this checklist that are relevant to an infill project's environmental effects in whatever format is selected.

10. The explanation of each issue should identify:

    a. the significance criteria or threshold, if any, used to evaluate each question; and

    b. the mitigation measure identified, if any, to reduce the impact to less than significance.

Issues:

	Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact	Analyzed in the Prior EIR	Substantially Mitigated by Uniformly Applicable Development Policies
I. AESTHETICS. Except as provided in Public Resources Code section 21099, would the project:						
a) Have a substantial adverse effect on a scenic vista?	☐	☐	☐	☐	☐	☐
b) Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?	☐	☐	☐	☐	☐	☐
c) In non-urbanized areas, substantially degrade the existing visual character or quality of public views of the site and its surroundings? (Public views are those that are experienced from publicly accessible vantage point). If the project is in an urbanized area, would the project conflict with applicable zoning and other regulations governing scenic quality?)	☐	☐	☐	☐	☐	☐

	Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact	Analyzed in the Prior EIR	Substantially Mitigated by Uniformly Applicable Development Policies
d) Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?	☐	☐	☐	☐	☐	☐
II. AGRICULTURE AND FOREST RESOURCES. In determining whether impacts to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Dept. of Conservation as an optional model to use in assessing impacts on agriculture and farmland. In determining whether impacts to forest resources, including timberland, are significant environmental effects, lead agencies may refer to information compiled by the California Department of Forestry and Fire Protection regarding the state's inventory of forest land, including the Forest and Range Assessment Project and the Forest Legacy Assessment project; and forest carbon measurement methodology provided in Forest protocols adopted by the California Air Resources Board. -- Would the project:						
a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?	☐	☐	☐	☐	☐	☐

	Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact	Analyzed in the Prior EIR	Substantially Mitigated by Uniformly Applicable Development Policies
b) Conflict with existing zoning for agricultural use, or a Williamson Act contract?	☐	☐	☐	☐	☐	☐
c) Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 12220(g)), timberland (as defined by Public Resources Code section 4526), or timberland zoned Timberland Production (as defined by Government Code section 51104(g))?	☐	☐	☐	☐	☐	☐
d) Result in the loss of forest land or conversion of forest land to non-forest use?	☐	☐	☐	☐	☐	☐
e) Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use or conversion of forest land to non-forest use?	☐	☐	☐	☐	☐	☐
III. AIR QUALITY. Where available, the significance criteria established by the applicable air quality management district or air pollution control district may be relied upon to make the following determinations. Would the project:	☐	☐	☐	☐	☐	☐
a) Conflict with or obstruct implementation of the applicable air quality plan?	☐	☐	☐	☐	☐	☐

	Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact	Analyzed in the Prior EIR	Substantially Mitigated by Uniformly Applicable Development Policies
b) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard?	☐	☐	☐	☐	☐	☐
c) Expose sensitive receptors to substantial pollutant concentrations?	☐	☐	☐	☐	☐	☐
d) Result in other emissions (such as those leading to odors) adversely affecting a substantial number of people?	☐	☐	☐	☐	☐	☐
IV. BIOLOGICAL RESOURCES. Would the project:						
a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?	☒	☐	☐	☐	☐	☐
b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?	☐	☐	☐	☐	☐	☐

	Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact	Analyzed in the Prior EIR	Substantially Mitigated by Uniformly Applicable Development Policies
c) Have a substantial adverse effect on state or federally protected wetlands (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?	☐	☐	☐	☐	☐	☐
d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?	☐	☐	☐	☐	☐	☐
e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?	☐	☐	☐	☐	☐	☐
f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?	☐	☐	☐	☐	☐	☐
V. CULTURAL RESOURCES. Would the project:						
a) Cause a substantial adverse change in the significance of a historical resource pursuant to § 15064.5?	☐	☐	☐	☐	☐	☐

	Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact	Analyzed in the Prior EIR	Substantially Mitigated by Uniformly Applicable Development Policies
b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to § 15064.5?	☐	☐	☐	☐	☐	☐
c) Disturb any human remains, including those interred outside of dedicated cemeteries?	☐	☐	☐	☐	☐	☐
VI. ENERGY. Would the project:						
a) Result in potentially significant environmental impact due to wasteful, inefficient, or unnecessary consumption of energy resources, during project construction or operation?	☐	☐	☐	☐	☐	☐
b) Conflict with or obstruct a state or local plan for renewable energy or energy efficiency?	☐	☐	☐	☐	☐	☐
VII. GEOLOGY AND SOILS. Would the project:						
a) Directly or indirectly cause potential substantial adverse effects, including the risk of loss, injury or death involving:	☐	☐	☐	☐	☐	☐

	Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact	Analyzed in the Prior EIR	Substantially Mitigated by Uniformly Applicable Development Policies
i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.	☐	☐	☐	☐	☐	☐
ii) Strong seismic ground shaking?	☐	☐	☐	☐	☐	☐
iii) Seismic-related ground failure, including liquefaction?	☐	☐	☐	☐	☐	☐
iv) Landslides?	☐	☐	☐	☐	☐	☐
b) Result in substantial soil erosion or the loss of topsoil?	☐	☐	☐	☐	☐	☐
c) Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?	☐	☐	☐	☐	☐	☐
d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code, creating substantial direct or indirect risks to life or property?	☐	☐	☐	☐	☐	☐

	Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact	Analyzed in the Prior EIR	Substantially Mitigated by Uniformly Applicable Development Policies
e) Have soils incapable of adequately supporting the use of septic tanks or alternative waste water disposal systems where sewers are not available for the disposal of waste water?	☐	☐	☐	☐	☐	☐
f) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?	☐	☐	☐	☐	☐	☐
VIII. GREENHOUSE GAS EMISSIONS. Would the project:						
a) Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?	☐	☐	☐	☐	☐	☐
b) Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emission of greenhouse gases?	☐	☐	☐	☐	☐	☐
IX. HAZARDS AND HAZARDOUS MATERIALS. Would the project:						
a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?	☐	☐	☐	☐	☐	☐
b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?	☐	☐	☐	☐	☐	☐

	Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact	Analyzed in the Prior EIR	Substantially Mitigated by Uniformly Applicable Development Policies
c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?	☐	☐	☐	☐	☐	☐
d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?	☐	☐	☐	☐	☐	☐
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard or excessive noise for people residing or working in the project area?	☐	☐	☐	☐	☐	☐
f) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?	☐	☐	☐	☐	☐	☐
g) Expose people or structures, either directly or indirectly, to a significant risk of loss, injury or death involving wildland fires?	☐	☐	☐	☐	☐	☐

	Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact	Analyzed in the Prior EIR	Substantially Mitigated by Uniformly Applicable Development Policies
X. HYDROLOGY AND WATER QUALITY. Would the project:						
a) Violate any water quality standards or waste discharge requirements or otherwise substantially degrade surface or ground water quality?	☐	☐	☐	☐	☐	☐
b) Substantially decrease groundwater supplies or interfere substantially with groundwater recharge such that the project may impede sustainable groundwater management of the basin?	☐	☐	☐	☐	☐	☐
c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river or through the addition of impervious surfaces, in a manner which would:	☐	☐	☐	☐	☐	☐
i) result in substantial erosion or siltation on- or off-site;	☐	☐	☐	☐	☐	☐
ii) substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or offsite;	☐	☐	☐	☐	☐	☐

	Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact	Analyzed in the Prior EIR	Substantially Mitigated by Uniformly Applicable Development Policies
iii) create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff; or	☐	☐	☐	☐	☐	☐
iv) impede or redirect flood flows?	☐	☐	☐	☐	☐	☐
d) In flood hazard, tsunami, or seiche zones, risk release of pollutants due to project inundation?	☐	☐	☐	☐	☐	☐
e) Conflict with or obstruct implementation of a water quality control plan or sustainable groundwater management plan?	☐	☐	☐	☐	☐	☐
XI. LAND USE AND PLANNING. Would the project:						
a) Physically divide an established community?	☐	☐	☐	☐	☐	☐
b) Cause a significant environmental impact due to a conflict with any land use plan, policy, or regulation adopted for the purpose of avoiding or mitigating an environmental effect?	☐	☐	☐	☐	☐	☐
XII. MINERAL RESOURCES. Would the project:						
a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?	☐	☐	☐	☐	☐	☐

	Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact	Analyzed in the Prior EIR	Substantially Mitigated by Uniformly Applicable Development Policies
b) Result in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?	☐	☐	☐	☐	☐	☐
XIII. NOISE. Would the project result in:						
a) Generation of a substantial temporary or permanent increase in ambient noise levels in the vicinity of the project in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?	☐	☐	☐	☐	☐	☐
b) Generation of excessive groundborne vibration or groundborne noise levels?	☐	☐	☐	☐	☐	☐
c) For a project located within the vicinity of a private airstrip or an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?	☐	☐	☐	☐	☐	☐

	Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact	Analyzed in the Prior EIR	Substantially Mitigated by Uniformly Applicable Development Policies
XIV. POPULATION AND HOUSING. Would the project:						
a) Induce substantial unplanned population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of road or other infrastructure)?	☐	☐	☐	☐	☐	☐
b) Displace substantial numbers of existing people or housing, necessitating the construction of replacement housing elsewhere?	☐	☐	☐	☐	☐	☐
XV. PUBLIC SERVICES. Would the project:						
a) Result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:	☐	☐	☐	☐	☐	☐
Fire protection?	☐	☐	☐	☐	☐	☐
Police protection?	☐	☐	☐	☐	☐	☐
Schools?	☐	☐	☐	☐	☐	☐

	Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact	Analyzed in the Prior EIR	Substantially Mitigated by Uniformly Applicable Development Policies
Parks?	☐	☐	☐	☐	☐	☐
Other public facilities?	☐	☐	☐	☐	☐	☐
XVI. RECREATION.						
a) Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?	☐	☐	☐	☐	☐	☐
b) Does the project include recreational facilities or require the construction or expansion of recreational facilities which have an adverse physical effect on the environment?	☐	☐	☐	☐	☐	☐
XVII. TRANSPORTATION. Would the project:						
a) Conflict with program plan, ordinance or policy addressing the circulation system, including transit, roadway, bicycle and pedestrian facilities?	☐	☐	☐	☐	☐	☐
b) Conflict or be inconsistent with CEQA Guidelines section 15064.3, subdivision (b)?	☐	☐	☐	☐	☐	☐
c) Substantially increase hazards due to a geometric design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?	☐	☐	☐	☐	☐	☐

		Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact	Analyzed in the Prior EIR	Substantially Mitigated by Uniformly Applicable Development Policies
d)	Result in inadequate emergency access?	☐	☐	☐	☐	☐	☐
XVIII.	**TRIBAL CULTURAL RESOURCES.** Would the project:						
a)	Cause a substantial adverse change in the significance of a tribal cultural resource, defined in Public Resources Code section 21074 as either a site, feature, place, cultural landscape that is geographically defined in terms of the size and scope of the landscape, sacred place, or object with cultural value to a California Native American tribe, and that is:	☐	☐	☐	☐	☐	☐
i)	Listed or eligible for listing in the California Register of Historical Resources, or in a local register of historical resources as defined in Public Resources Code section 5020.1(k), or	☐	☐	☐	☐	☐	☐

	Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact	Analyzed in the Prior EIR	Substantially Mitigated by Uniformly Applicable Development Policies
ii) A resource determined by the lead agency, in its discretion and supported by substantial evidence, to be significant pursuant to criteria set forth in subdivision (c) of Public Resources Code section 5024.1. In applying the criteria set forth in subdivision (c) of Public Resources Code section 5024.1, the lead agency shall consider the significance of the resource to a California Native American tribe.	☐	☐	☐	☐	☐	☐
XIX. UTILITIES AND SERVICE SYSTEMS. Would the project:						
a) Require or result in the relocation or construction of new or expanded water, wastewater treatment or storm water drainage, electric power, natural gas, or telecommunications facilities, the construction or relocation of which could cause significant environmental effects?	☐	☐	☐	☐	☐	☐
b) Have sufficient water supplies available to serve the project and reasonably foreseeable future development during normal, dry and multiple dry years?	☐	☐	☐	☐	☐	☐

	Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact	Analyzed in the Prior EIR	Substantially Mitigated by Uniformly Applicable Development Policies
c) Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?	☐	☐	☐	☐	☐	☐
d) Generate solid waste in excess of State or local standards, or in excess of the capacity of local infrastructure, or otherwise impair the attainment of solid waste reduction goals?	☐	☐	☐	☐	☐	☐
e) Comply with federal, state, and local management and reduction statutes and regulations related to solid waste?	☐	☐	☐	☐	☐	☐
XX. WILDFIRE. If located in or near state responsibility areas or lands classified as very high fire hazard severity zones, would the project:						
a) Substantially impair an adopted emergency response plan or emergency evacuation plan?	☐	☐	☐	☐	☐	☐
b) Due to slope, prevailing winds, and other factors, exacerbate wildfire risks, and thereby expose project occupants to, pollutant concentrations from a wildfire or the uncontrolled spread of a wildfire?	☐	☐	☐	☐	☐	☐

	Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact	Analyzed in the Prior EIR	Substantially Mitigated by Uniformly Applicable Development Policies
c) Require the installation or maintenance of associated infrastructure (such as roads, fuel breaks, emergency water sources, power lines or other utilities) that may exacerbate fire risk or that may result in temporary or ongoing impacts to the environment?	☐	☐	☐	☐	☐	☐
d) Expose people or structures to significant risks, including downslope or downstream flooding or landslides, as a result of runoff, post-fire slope instability, or drainage changes?	☐	☐	☐	☐	☐	☐
XXI. MANDATORY FINDINGS OF SIGNIFICANCE. (State CEQA Guidelines section 15065(a).)						
a) Does the project have the potential to substantially degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, substantially reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?	☐	☐	☐	☐	☐	☐

	Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact	Analyzed in the Prior EIR	Substantially Mitigated by Uniformly Applicable Development Policies
b) Does the project have the potential to achieve short-term environmental goals to the disadvantage of long-term environmental goals?	☐	☐	☐	☐	☐	☐
c) Does the project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current project, and the effects of probable future projects.)	☐	☐	☐	☐	☐	☐
d) Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?	☐	☐	☐	☐	☐	☐

Authority: Public Resources Code Sections 21083, 21094.5.5
Reference: Public Resources Code Sections 21094.5 and 21094.5.5

13. COMMON ACRONYMS

A. **********

ADEIR – Administrative Draft Environmental Impact Report
AQMD – Air Quality Management District
AQMP – Air Quality Management Plan
AR – Administrative Record
ARB – Air Resources Board

B. **********

BMP – Best Management Practices
BO – Biological Opinion

C. **********

Cal EPA – California Environmental Protection Agency
CAP – Climate Action Plan
CCAA – California Clean Air Act
CCR – California Code of Regulations (Title 14 Sections 15000 et seq. are also known as the State CEQA Guidelines.)
CE – Categorical Exclusion (NEPA)
CESA – California Endangered Species Act
CEQA – California Environmental Quality Act
CFR – Code of Federal Regulations
CMP – Congestion Management Plan
CRWQCB – California Regional Water Quality Control Board

D. **********

DEIR – Draft Environmental Impact Report
DFW – Department of Fish and Wildlife

E. **********

EA – Environmental Assessment (NEPA term)
EIR – Environmental Impact Report
EIS – Environmental Impact Statement (NEPA term)
EPA – Environmental Protection Agency
ESA – Endangered Species Act; Environmental Site Assessment

F. **********

FCAA – Federal Clean Air Act
FEIR – Final Environmental Impact Report
FOIA – Freedom of Information Act (Federal)
FONSI – Finding of No Significant Impact (NEPA term)
FWS – Fish and Wildlife Service

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G. **********

GHG – Greenhouse Gas
GW – Ground Water

H. **********

HH&E – Human Health and Environment
HRA – Health Risk Assessment
HS – Hazardous Substance

I. **********

IS – Initial Study

J. **********

K. **********

L. **********

LADD – Lifetime Average Daily Dose; Lowest Acceptable Daily Dose
LCI – Office of Land Use and Climate Innovation (formerly Office of Planning and Research or OPR)
LEA – Local Enforcement Agency
LESA – Land Evaluation and Site Assessment
LUFT – Leaking Underground Fuel Tank
LUST – Leaking Underground Storage Tanks. Reference Part 213 of Public Act 451 of 1994.

M. **********

MEIR – Master Environmental Impact Report
MMRP – Mitigation Monitoring and Reporting Plan
MPO – Metropolitan Planning Organization
MND – Mitigated Negative Declaration

N. **********

ND – Negative Declaration
NEPA – National Environmental Policy Act
NOA – Notice of Availability
NOC – Notice of Completion
NOD – Notice of Determination
NOE – Notice of Exemption
NOI – Notice of Intent
NOP – Notice of Preparation
NOV – Notice of Violation

O. **********

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P. **********

PEIR – Program Environmental Impact Report. Sometimes also used to describe a Project Environmental Impact Report
PM – Particulate Matter
PRA – Public Records Act
PSA – Permit Streamlining Act

Q. **********

R. **********

RCRA – Resource Conservation and Recovery Act (1976) Governs definition, handling, and disposal of hazardous waste.

S. **********

SCH – State Clearinghouse
SEIR – Supplemental or Subsequent Environmental Impact Report
SMARA – Surface Mining and Reclamation Act
SWMP – Stormwater Monitoring Program
SWPPP – Stormwater Pollution Prevention Program

T. **********

TCM – Transportation Control Measure
TCP – Transportation Control Plan
TDS – Total Dissolved Solids
TMP – Transportation Management Plan
Title V – refers to Title V of the Clean Air Act related to ambient air quality provisions
TLV – Threshold Limit Value

U. **********

UBC – Uniform Building Code
UFC – Uniform Fire Code
UGST – Underground Storage Tank
USDW – Underground Source of Drinking Water
UWMP – Urban Water Management Plan

V. **********

VOC – Volatile Organic Compounds (Health & Safety Code, section 25123.6.)
VOS – Vehicle Operating Survey

W. **********

WQS – Water Quality Standard
WSA – Water Supply Assessment

WTP – Water Treatment Plant. A facility designed to provide treatment to water.
WWTP – Wastewater Treatment Plan

X. **********

Y. **********

Z. **********

RESOLUTION NO. 2026-5-DRAFT

RESOLUTION OF THE BOARD OF DIRECTORS OF THE RANCHO CALIFORNIA WATER DISTRICT, RIVERSIDE COUNTY, CALIFORNIA, AMENDING, AND ADOPTING LOCAL GUIDELINES FOR IMPLEMENTING THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) [PUBLIC RESOURCES CODE §§ 21000 ET SEQ.] AND RESCINDING RESOLUTION NO. 2025-5-2

WHEREAS, the California Legislature has amended the California Environmental Quality Act ("CEQA") (Pub. Resources Code §§ 21000 et seq.), the Natural Resources Agency has amended portions of the State CEQA Guidelines (Cal. Code Regs, tit. 14, §§ 15000 et seq.), and the California courts have interpreted specific provisions of CEQA; and

WHEREAS, Public Resources Code section 21082 requires all public agencies to adopt objectives, criteria, and procedures for (1) the evaluation of public and private projects undertaken or approved by such public agencies, and (2) the preparation, if required, of environmental impact reports and negative declarations in connection with that evaluation; and

WHEREAS, the Rancho California Water District must revise its local guidelines for implementing CEQA to make them consistent with current CEQA provisions and interpretations, as well as the State CEQA Guidelines.

NOW, THEREFORE, the Rancho California Water District ("District") hereby resolves as follows:

SECTION 1. The District hereby adopts the "2026 Local Guidelines for Implementing the California Environmental Quality Act," a copy of which is on file at the offices of the District and is available for inspection by the public.

SECTION 2. Resolution No. 2025-5-2 is hereby rescinded. The District's Local CEQA Guidelines, which were revised as of April 29, 2026, are to be completely replaced by the attached Local Guidelines, which shall apply to any project for which a draft Environmental Impact Report or proposed Negative Declaration has not been prepared.

APPROVED, ADOPTED, and SIGNED, this 14th day of May 2026.

_____
Brian J. Brady, President of the
Board of Directors of the
Rancho California Water District

ATTEST:

_____
Jennifer A. Serna, Secretary of the
Board of Directors of the
Rancho California Water District

STATE OF CALIFORNIA)
)ss.
COUNTY OF RIVERSIDE)

I, JENNIFER A. SERNA, Secretary of the Board of Directors of the Rancho California Water District, do hereby certify that the foregoing Resolution No. 2026-5-DRAFT was duly adopted by the Board of Directors of said District at a regular meeting thereof held on the 14th day of May 2026, and that it was so adopted by the following vote:

AYES:	DIRECTORS:	Brady, Gonzales-Brady, Harkey, Hoagland, Plummer, Rossi, and Wilson
NOES:	DIRECTORS:	
ABSENT:	DIRECTORS:	
ABSTAIN:	DIRECTORS:	

Jennifer A. Serna, Secretary of the
Board of Directors of the
Rancho California Water District

(SEAL)

STATE OF CALIFORNIA)
)ss.
COUNTY OF RIVERSIDE)

I, JENNIFER A. SERNA, Secretary of the Board of Directors of the Rancho California Water District, do hereby certify that the above and foregoing is a full, true, and correct copy of Resolution No. 2026-5-DRAFT of said Board, and that the same has not been amended or repealed.

DATED: May 14, 2026

Jennifer A. Serna, Secretary of the
Board of Directors of the
Rancho California Water District

(SEAL)

Rancho Water

BOARD ACTION

BOARD OF DIRECTORS

May 14, 2026

ITEM 3.A: **Public Hearing to Review Status of Vacant Positions, Recruitment and Retention Efforts as Required by AB2561**

RESPONSIBLE/LEAD STAFF MEMBER(S):

Bryan Melton, Principal Human Resources Analyst

RECOMMENDATIONS:

Staff requests the Board of Directors (Board) conduct the public hearing (Hearing) as scheduled.

DISCUSSION:

Background

On September 22, 2024, Governor Newsom signed Assembly Bill (AB) 2561 into law, adding Government Code (GC) § 3502.3 to the Meyers-Milias-Brown Act (MMBA), creating obligations for public agencies related to tracking and presenting information on job vacancies. The law and the legal obligations took effect January 1, 2025.

AB 2561 declares that job vacancies in local government are a widespread and significant problem for the public sector, and that job vacancies may undermine labor relations between public agencies and their employees. AB 2561 requires that, on an annual basis, public agencies assess and address vacancy rates to help avoid the negative effects of understaffing on the delivery of public services as well as on public employees.

Under GC § 3502.3, public agencies must do the following:

1. Track job vacancies at the agency
2. Present information on the status of the vacancies (such as information on the number of posted job openings, candidates interviewed, eligibility lists created, conditional offers made, etc.) and the agency's recruitment and retention efforts. An agency must present this information at a public hearing before the agency's governing body at least once per fiscal year. If an agency will adopt an annual or multi-year budget in a given year, the public hearing must occur prior to the governing body adopting the agency's budget; and
3. Identify, during the public hearing, any policies, procedures, and recruitment activities that may present obstacles in the agency's hiring process and potential changes that may alleviate such obstacles.

These affirmative obligations apply to all public agencies subject to the MMBA, even if the agency has no represented employees. However, if the agency has a represented workforce, the law

entitles recognized employee organizations to make a presentation at the public hearing when the agency makes its presentation; however, it is not required.

In addition to the requirements described above, if the vacancy rate in a bargaining unit exceeds 20% of the total number of authorized full-time positions, the employee organization that represents the bargaining unit may request that the agency present additional information at the public hearing.

District Vacancies

As of March 1, 2026, the District has five (5) vacancies among the 164 full-time positions authorized by the Board of Directors in the Fiscal Year 2025-2026 Annual Operating Budget. This reflects a vacancy rate of 3.02 percent across the District. In compliance with GC § 3502.3, Rancho California Water District Employees' Association (RCWDEA) currently has a 1.70 percent vacancy rate (two (2) vacancies), while the Management, Professional, and Confidential Employees' Association (MPCEA) has a 6.50 percent vacancy rate (two (2) vacancies). In addition, there is one (1) vacancy in the Unrepresented Group, not required to be reported under GC § 3502.3.

To mitigate the operational impacts of vacancies on service delivery and staff workload, the District has continued its efforts to streamline the hiring process. The Human Resources Department tracks recruitment timelines from the initial recruitment opening date through the candidate's acceptance of the position. The average number of days to fill vacancies is 34.95 and 45.55 for fiscal years 2024 and 2025, respectively.

Additionally, the Human Resources Department closely monitors employee separations and turnover trends within the District. Employees who leave the District generally fall into one of three separation categories: voluntary, involuntary, or retirement. The table below provides an overview of the District's turnover trends over the past three fiscal years.

Separation Reason	FY 22/23	FY 23/24	FY 24/25
Voluntary	9	13	6
Involuntary	0	0	3
Retirement	6	3	4
Total	15	16	13
Avg Number of Employees	150.50	158.42	156.33
Turnover Rate	9.97%	10.10%	8.32%

Recruitment and Retention Efforts

To efficiently fill vacancies and retain top talent, the Human Resources Department employs a proactive strategy, continuously refining its recruitment and retention efforts as needed. Enhancements to the hiring process include the implementation of NEOGOV Insight, which provides applicants with a seamless and user-friendly application experience; the use of targeted advertising channels to attract highly qualified candidates; and the expansion of a dynamic and comprehensive internship program to cultivate future talent.

The District is committed to employee retention through a comprehensive approach that

prioritizes competitive total compensation, professional growth, work-life balance, and a positive workplace culture. We invest in continuous learning opportunities, career advancement programs, and mentorship initiatives to support long-term employee development. Competitive compensation, comprehensive benefits, and wellness programs ensure our team members feel valued and supported. Additionally, Human Resources is developing a robust onboarding process through NEOGOV Onboard, comprehensively introducing new employees to Rancho Water's culture, clearly outlining their role and responsibilities, and providing necessary training.

Succession Planning

To ensure long-term organizational stability and leadership continuity, the Human Resources Department takes a proactive approach to succession planning, making strategic adjustments as needed. Key initiatives include identifying high-potential employees, providing leadership development opportunities, and implementing mentorship programs to prepare future leaders. By fostering internal growth, offering targeted training, and creating clear career pathways, the District strengthens its talent pipeline and ensures a seamless transition for key roles.

ALTERNATIVES:

Not applicable

FISCAL ANALYSIS:

None

ENVIRONMENTAL REQUIREMENTS:

None

EXHIBITS/ATTACHMENTS:

1. Notice of Public Hearing
2. Proof of Publication

Rancho Water
WORKING FOR OUR COMMUNITY

RANCHO CALIFORNIA WATER DISTRICT
42135 Winchester Road
Temecula, California
(951) 296-6900

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that on:

Thursday, May 14, 2026
at 8:30 AM

in the Board Room of the District's Administration Building, located at 42135 Winchester Road, Temecula, California, the Board of Directors of the Rancho California Water District a public hearing will be held.

Per Assembly Bill (AB) 2561, local public agencies are required to hold a public hearing to present information regarding vacancies, recruitment, and retention efforts at least once per fiscal year before the adoption of an annual budget.

All persons desiring to speak on the subject are invited to attend the public hearing on the date indicated above.

DATED: April 10, 2026

Jennifer Serna, Secretary of the
Board of Directors of the
Rancho California Water District

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Jennifer Serna
42135 Winchester Rd
Temecula, CA 92590

Publication: The Press-Enterprise

PROOF OF PUBLICATION OF

Ad Desc: 0011788019

FILE NO. 0011788019

PROOF OF PUBLICATION

I am a citizen of the United States. I am over the age of eighteen years and not party to or interested in the above-entitled matter. I am an authorized representative of THE PRESS-ENTERPRISE, a newspaper of general circulation, printed and published daily in the County of Riverside, and which newspaper has been adjudicated a newspaper of general circulation by the Superior Court of the County of Riverside, State of California, under date of April 25, 1952, Case Number 54446, under date of March 29, 1957, Case Number 65673, under date of August 25, 1995, Case Number 267864, and under date of September 16, 2013, Case Number RIC 1309013; that the notice, of which the annexed is a printed copy, has been published in said newspaper in accordance with the instructions of the person(s) requesting publication, and not in any supplement thereof on the following dates, to wit:

04/27/2026, 05/04/2026

I certify (or declare) under the penalty of perjury that the foregoing is true and correct.

Date: May 4, 2026.
At: Riverside, California

Signature

RANCHO CALIFORNIA WATER DISTRICT
42135 Winchester Road
Temecula, California
(951) 296-6900
NOTICE OF PUBLIC HEARING

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The Press-Enterprise
Published: 4/27, 5/4/26

4.A

Rancho Water

BOARD ACTION

BOARD OF DIRECTORS

May 14, 2026

ITEM 4.A: **Consider Adoption of Resolution Concurring in Support of Association of California Water Agencies' (ACWA) Vision for Our Water Future**

RESPONSIBLE/LEAD STAFF MEMBER(S):

Danielle Coats, Director of Government and Public Affairs

RECOMMENDATIONS:

Staff recommends the Board of Directors' (Board) adoption of the resolution concurring in the support of ACWA's Vision for Our Water Future initiative.

DISCUSSION:

The aforementioned resolution is attached for the Board's review and consideration for adoption.

ALTERNATIVES:

Take no action

FISCAL ANALYSIS:

Not applicable

ENVIRONMENTAL REQUIREMENTS:

None

EXHIBITS/ATTACHMENTS:

1. DRAFT Resolution Concurring in Support of ACWA's Vision for Our Water Future

RESOLUTION NO. 2026-5-DRAFT

RESOLUTION OF THE BOARD OF DIRECTORS OF THE RANCHO CALIFORNIA WATER DISTRICT, RIVERSIDE COUNTY, CALIFORNIA, CONCURRING IN SUPPORT OF ASSOCIATION OF CALIFORNIA WATER AGENCIES' VISION FOR OUR WATER FUTURE INITIATIVE

WHEREAS, in April 2026, the Association of California Water Agencies (ACWA) launched Vision for Our Water Future, a member-driven initiative to identify statewide water priorities to inform engagement with California's next Administration; and

WHEREAS, the Vision for Our Water Future priorities are a set of recommendations for the next governor, emphasizing the important of strong leadership, sustainable investment and coordinated action across all levels of government to secure California's water future; and

WHEREAS, the first priority is to lead on water and elevate water as foundational to California's economy, communities, environment and climate resilience through sustained leadership and coordinated state action; and

WHEREAS, the second priority is to ensure safe and reliable water remains affordable through sustained and predictable funding partnerships and streamlined investment delivery; and

WHERAS, the third priority is to strengthen and modernize California's water infrastructure, including both built and natural systems, to improve reliability and resilience; and

WHEREAS, the fourth priority is to improve regulatory, operational and scientific frameworks to enable efficient project delivery and adaptive water management; and

WHEREAS, local water agencies play a critical role in delivering safe and reliable water supplies and are essential partners in implementing statewide solutions; and

WHEREAS, supporting the Vision recommendations demonstrates a unified commitment to collaborative, science-based and practical policies that advance a secure and resilient water future for California's communities, economy and environment;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Rancho California Water District that the Rancho California Water District expresses support for ACWA's Vision for Our Water Future recommendations and affirms its commitment to working collaboratively to advance reliable, affordable and resilient water supplies.

ADOPTED, SIGNED, AND APPROVED this 14th day of May 2026.

Brian J. Brady, President of the
Board of Directors of the
Rancho California Water District

ATTEST:

Jennifer A. Serna, Secretary of the
Board of Directors of the
Rancho California Water District

STATE OF CALIFORNIA)
)ss.
COUNTY OF RIVERSIDE)

I, JENNIFER A. SERNA, Secretary of the Board of Directors of the Rancho California Water District, do hereby certify that the foregoing Resolution No. 2026-5-DRAFT was duly adopted by the Board of Directors of said District at a regular meeting thereof held on the 14th day of May, and that it was so adopted by the following vote:

AYES:	DIRECTORS:	Brady, Gonzales-Brady, Harkey, Hoagland, Plummer, Rossi, and Wilson
NOES:	DIRECTORS:	
ABSENT:	DIRECTORS:	
ABSTAIN:	DIRECTORS:	

Jennifer A. Serna, Secretary of the
Board of Directors of the
Rancho California Water District

(SEAL)

STATE OF CALIFORNIA)
)ss.
COUNTY OF RIVERSIDE)

I, JENNIFER A. SERNA , Secretary of the Board of Directors of the Rancho California Water District, do hereby certify that the above and foregoing is a full, true, and correct copy of Resolution No. 2026-5-DRAFT of said Board, and that the same has not been amended or repealed.

DATED: May 14, 2026

Jennifer A. Serna, Secretary of the
Board of Directors of the
Rancho California Water District

(SEAL)

4.B

Rancho Water

BOARD ACTION

BOARD OF DIRECTORS

May 14, 2026

ITEM 4.B: Consider Approval of Financial Statements - March 31, 2026

RESPONSIBLE/LEAD STAFF MEMBER(S):

Karrie Swaine, Controller

RECOMMENDATIONS:

Staff requests the Board of Directors (Board) consider approval of the financial statements as presented.

DISCUSSION:

Attached for the Board's review is a summary of Rancho California Water District's financial results as of March 31, 2026.

ALTERNATIVES:

Take no action

FISCAL ANALYSIS:

Not applicable

ENVIRONMENTAL REQUIREMENTS:

Not applicable

EXHIBITS/ATTACHMENTS:

1. Financial Statements Monthly Review
2. Statement of Net Position
3. Statement of Revenues, Expenses, and Changes in Net Position
4. Statement of Cash Flows
5. Budget Comparison
6. Monthly Comparison

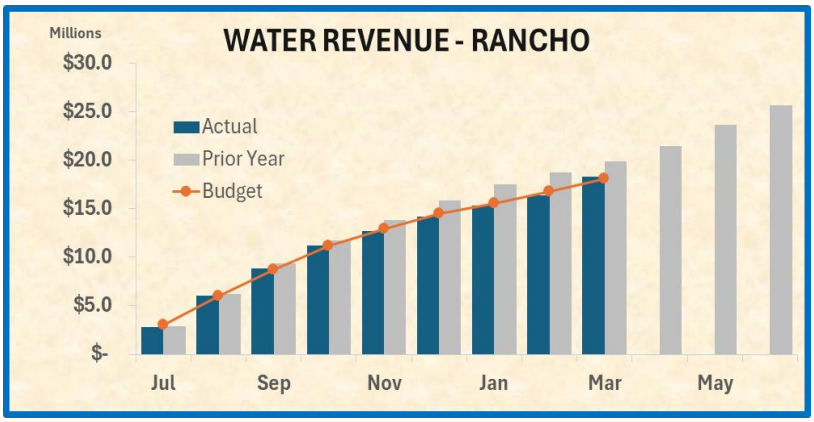
Financial Statements Monthly Review

March 31, 2026

The District's financial statements as of March 31, 2026 are included for the Board's review. The following is a highlight summary of their contents.

Rancho Water Division

Operating Revenues: The Sales Mix chart shows that demand is over budget in most of the categories, except for Ag and Ag/Dom which are under budget. Total water sales quantities are 621 acre-feet (AF) or 2.7 percent overbudget. Actual water revenue is over budget by $161,984, or 0.9 percent; the energy revenue is under budget by $46,048, or 3.2 percent.





SALES MIX (AF) - RANCHO DIVISION	BUDGET TO DATE	ACTUAL TO DATE	OVER/ (UNDER)
Ag	1,404	1,175	(229)
Ag/Dom	1,602	1,573	(30)
Domestic	12,444	12,498	55
Other	5,790	6,223	433
Recycled	1,874	2,265	392
Total	23,114	23,735	621

Energy revenue represents 109.6 percent of booster energy costs allocated to the Rancho Division.

Source of Supply Costs: Purchased Water Joint Facility costs are over budget by $1,417,105, or 6.5 percent as water demand increased due to warmer weather particularly in March. Purchased Water costs for the Santa Margarita River flow releases are currently under budget by $1,240,218, or 54.6 percent. These costs reflect the District's obligation to fulfill the flow regime requirements, which fluctuate throughout the year under the Cooperative Water Resources Management Agreement (CWRMA). CWRMA establishes the flow requirement based on watershed hydrologic conditions. This year has been designated as a critical dry year with minimum flow requirements. Because the annual budget is based on average annual CWRMA requirements, actual costs are expected to remain under budget throughout the remainder of the fiscal year.

Booster Pumping Costs are under budget by $177,333 or 9.9 percent primarily due to lower than anticipated materials and supplies purchases offset by over budget in utilities.

Transmission & Distribution Costs are over budget by $624,286, or 12.5 percent. This is primarily attributable to increased operational activity in the Rancho Division and pipeline and roadway repairs resulting from multiple pipeline failures at Camino Del Vino, Glenoaks Road, Jefferson, Sanborn, Warren Road, Via De Los Fideos, Tivoli Street and Strigel Court as well as two separate mainline leaks at Rancho California and Margarita, and Cervin Circle and Linalou Ranch.

Customer Service Costs are under budget by $12,736, or 0.5 percent due to lower than anticipated resource customer support offset by an increase in meter repairs, backflow testing, inspections, as well as materials purchases and customer support needed resulting from the multiple mainline leaks that affected customer service.

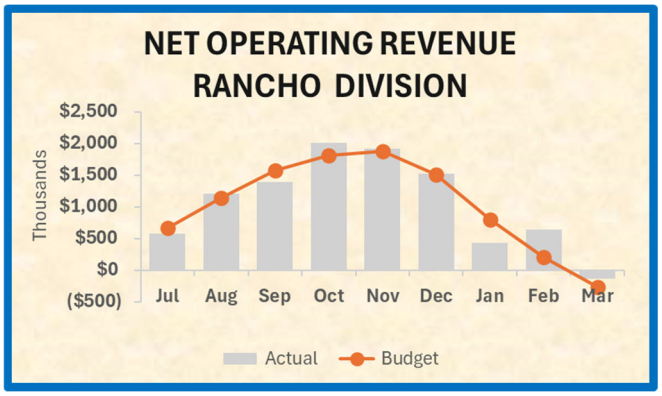
Recycled Water Costs are under budget by $436,578 or 24.4 percent primarily due to reduced expenditures in outside services and corrective maintenance. Planned maintenance associated with the solar powered mixer will be deferred to next fiscal year due to pending re-evaluation of its operational necessity. In addition, the scheduled algae treatment remains contingent on weather conditions and system demands, both of which influence the timing and extent of the required maintenance activities.

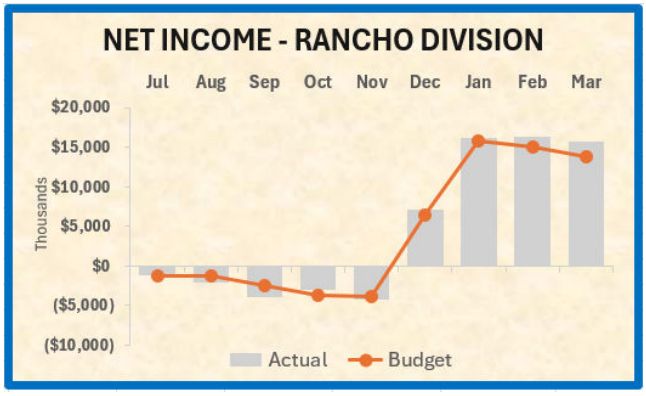
Support & Engineering Costs are over budget by $9,114, or 0.12 percent. These costs are from the Resource Division allocation of various District support efforts, which are allocated to functional categories through overhead on direct labor. Overall, these costs are close to budget.

Net Operating Revenue/(Deficit): The Rancho Division reported net operating deficit of $133,076, compared to budgeted deficit of $265,141.

Non-Operating: Total non-operating revenue is over budget by $982,922, or 3.4 percent, primarily due to the higher-than-expected interest revenues and the receipt of $1,834,968 related to a partial PFAS settlement, which is offset by the delayed receipt of grant revenues. Total non-operating expenses are under budget by $696,577, or 4.7 percent due to Bond interest and Depreciation and Amortization offset by paying the District's share of the CFD 89-5 principal and interest payment. Additionally, non-operating grant expenses, though not budgeted, are offset by corresponding non-operating grant revenues.

Net Income/(Loss): The Rancho Division has a net income of $15,688,397, compared to a budgeted net income of $13,876,832. In accordance with GASB 33, capacity fees and capital contributions are reported as increases to net assets and are presented separately from operating revenue.

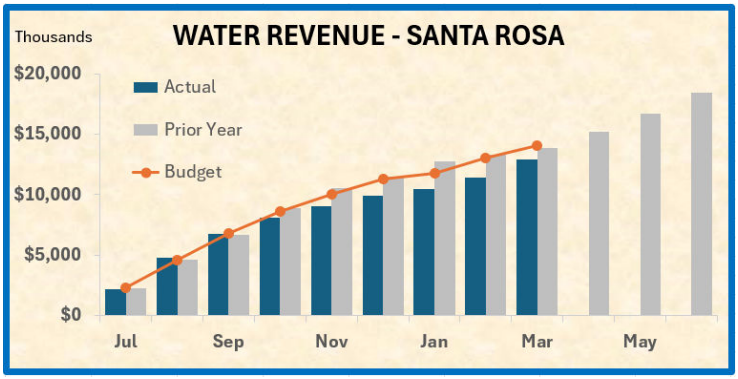




SANTA ROSA DIVISION

OPERATING REVENUE:

Actual water revenue is under budget by $1,160,824, or 8.2 percent. Energy revenue is under budget by $217,003, or 11.9 percent. Water sales quantities are 1,592 AF, or 11.6 percent less than budgeted amounts in all areas as reflected in the "Sales Mix" chart.





SALES MIX (AF) - SANTA ROSA	BUDGET TO DATE	ACTUAL TO DATE	OVER/ (UNDER)
Ag	6,139	5,190	(950)
Ag/Dom	2,818	2,376	(442)
Domestic	2,740	2,606	(134)
Other	1,343	1,302	(41)
Recycled	711	685	(27)
Total	13,752	12,159	(1,592)

ENERGY REVENUE represents 121.7 percent of total energy costs allocated to the Santa Rosa Division.

SOURCE OF SUPPLY COSTS: Purchased Water Joint Facility cost is under budget by $1,945,591, or 10.9 percent. Purchased Water for the Santa Margarita River flow releases are under budget by $310,054, or 54.6 percent. These costs reflect the District's obligation to fulfill the flow regime requirements, which fluctuate throughout the year under the Cooperative Water Resources Management Agreement (CWRMA). CWRMA establishes the flow requirement based on watershed hydrologic conditions. This year has been designated as a critical dry year with minimum flow requirements. The annual budget was based on average annual CWRMA requirements, actual costs are expected to remain under budget throughout the remainder of the fiscal year.

Booster Pumping Costs are under budget by $41,065, or 2.0 percent, primarily due to lower materials and supplies and utility charges and offset by an over budget of $142,810 in outside services related repairs resulting from production meter failures at pump stations.

TRANSMISSION & DISTRIBUTION COSTS are under budget by $467,502, or 13.5 percent, mainly from efforts being focused on numerous pipeline and road repairs that were needed in the Rancho Division.

CUSTOMER SERVICE COSTS are under budget by $73,977, or 7.6 percent, as more efforts are diverted to the Rancho division.

RECYCLED WATER COSTS under budget by $201,430, or 23.3 percent due to reduced expenditures in outside services and corrective maintenance. Planned maintenance associated with the solar powered mixer will be

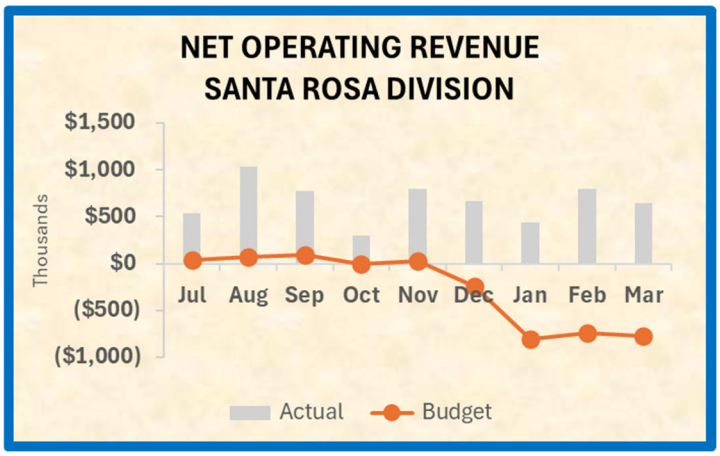
deferred to next fiscal year due to pending re-evaluation of its operational necessity. In addition, the scheduled algae treatment remains contingent on weather conditions and system demands, both of which influence the timing and extend of the required maintenance activities.

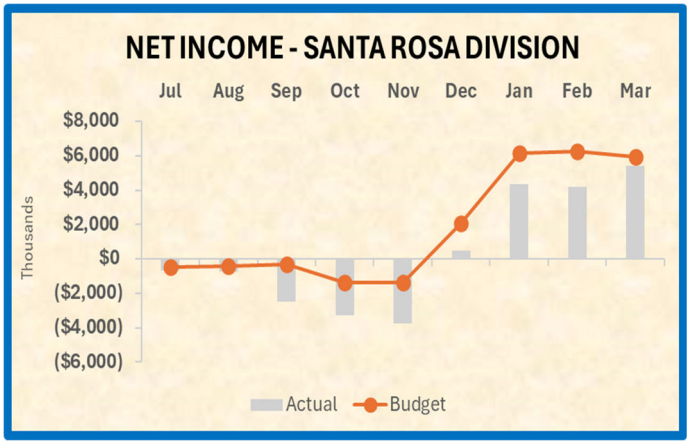
Support & Engineering Costs are over budget by $13,296, or 0.6 percent. These costs are from the Resource Division allocation of various District support efforts, which are allocated to functional categories through overhead on direct labor. Overall, these costs are close to budget.

Net Operating Revenue/(Deficit): The Santa Rosa Division reports a net operating income of $640,954, compared to a budgeted net operating deficit of $766,768.

Non-Operating: Total non-operating revenue is under budget by $2,474,638, or 13.4 percent, primarily due to lower-than-expected interest revenue and delayed receipt of grant revenues, offset by the receipt of $1,441,761 related to a partial PFAS settlement. Total non-operating expenses are under budget by $489,008, or 4.1 percent, mainly due to the District's share of the CFD 89-5 principal and interest payment. It is important to note that non-operating grant expenses, though not budgeted, are offset by corresponding non-operating grant revenue.

Net Income/(Loss): The Santa Rosa Division has a net income of $5,379,951, compared to a budgeted net income of $5,957,860. In accordance with GASB 33, capacity fees and capital contributions are recorded as increases to net assets and are presented separately from operating revenue.





RESOURCE DIVISION

Total potable water production is 797 AF under budget and actual water sales are 1,337 AF under budget.

POTABLE SALES, PRODUCTION, & WATER LOSS			
	BUDGET TO DATE	ACTUAL TO DATE	OVER/ (UNDER) BUDGET
Sales	34,281	32,943	(1,337)
Production	35,962	35,165	(797)
Unaccounted	1,681	2,222	540
Water Loss	4.7%	6.3%	

Native and Recharge Well water production is under budget by 2,055 AF, import water is over budget by 1,258 AF and Recycled Water is under budget by 92 AF.

WATER PRODUCTION MIX (AF)			
	BUDGET TO DATE	ACTUAL TO DATE	OVER/(UNDER) BUDGET
Native Well	12,328	10,240	(2,088)
Recharge Well	11,289	11,322	33
Cyclic Storage	-	-	-
Import	12,345	13,603	1,258
Recycled	2,706	2,614	(92)
Total	38,668	37,779	(889)

WASTEWATER DIVISION (SRWRF)

OPERATING REVENUES: Wastewater service charges are $115,246 or 6.0 percent under budget.



INFORMATIONAL REPORTING FOR THE WASTEWATER DIVISION

TREATMENT COSTS: The District's financial statements present primary and secondary treatment separately from tertiary treatment. However, the table below consolidates all operational expenses of the plant to provide a more comprehensive view of overall plant performance relative to budget. As of now, total operational expenses are under budget by $366,158, or 5.8 percent.

TREATMENT COSTS (NET OF SRRRA ACTIVITY)			
	BUDGET TO DATE	TOTAL TREATMENT EXP. INCURRED	OVER/(UNDER) BUDGET
Primary/Secondary	$ 3,522,239	$ 3,344,957	$ (177,282)
Tertiary	1,810,412	1,592,323	(218,089)
Other	996,367	1,025,580	29,213
Total	$ 6,329,017	$ 5,962,859	$ (366,158)

UTILITY COSTS are under budget by $180,400, or 20.8 percent.

PRIMARY/SECONDARY COSTS are under budget by $177,282, or 5.0 percent, primarily due to lower-than-expected routine operational costs resulting from the timing of work execution. These routine operational costs are expected to normalize as planned activities are completed closer to fiscal year-end. This is offset by corrective repair work required to repair the concrete structure for both the SBR and grit pump.

TERTIARY COSTS are under budget by $218,089, or 12.0 percent, largely attributable to lower than anticipated electricity cost and the timing of routine operational activities during the fiscal year. Spending in this category is projected to increase and align more closely with budgeted levels as scheduled work is carried out later in the fiscal year.

OTHER COSTS are over budget by $29,213, or 2.9 percent. These costs are from the Resource Division allocation of various District support efforts, which are allocated to functional categories as overhead based on direct labor and divisional charges.

SRRRA COSTS: The District's treatment costs paid to the SRRRA are based on budgeted, annually established rates, which are adjusted to actual flow data at the end of each fiscal year.

DISTRICTWIDE

CORRECTIVE MAINTENANCE: The Corrective Maintenance budget includes both planned and emergency corrective work, with emergency work comprising 95 percent of the budget. Total emergency corrective maintenance expenses are $3,146,865, or 70.9 percent of the budget, as of March 31, 2026.

CORRECTIVE MAINTENANCE	BUDGET HOURS	ACTUAL HOURS	BUDGET	ACTUAL TO DATE
Source of Supply	985	-	$ 237,378	$ 125,502
Transmission & Distribution	16,628	12,018	3,783,251	2,822,002
Booster	465	-	137,996	11,349
Reclaimed	1,664	134	275,705	47,979
Wastewater	14	43	1,603	140,033
Total	19,756	12,195	$ 4,435,933	$ 3,146,865

CAPITAL ACQUISITION BUDGET: FY 2025/2026 has an approved Capital Acquisition budget of $2,565,500. As of March 31, 2026, $1,950,009 has been expended.

2025/2026 CAPITAL ACQUISITIONS			
REPLACEMENT	APPROVED FUNDING	EXPENDED TO DATE	REMAINING AMOUNT
Fleet	$ 780,000	$ 660,469	$ 119,531
Construction	200,000	171,470	28,530
Wastewater/ Testing & Equipment	35,000	32,682	2,318
Computers/Office	187,000	38,144	148,856
Sub-Total	$ 1,202,000	$ 902,765	$ 299,235
NEW	APPROVED FUNDING	EXPENDED TO DATE	REMAINING AMOUNT
Fleet	$ 1,074,000	$ 893,118	$ 180,882
Construction	166,000	115,149	50,851
Wastewater/ Testing & Equipment	-	-	-
Computers/Office	123,500	38,976	84,524
Sub-Total	$ 1,363,500	$ 1,047,244	$ 316,256
Total	$ 2,565,500	$ 1,950,009	$ 615,491

Rancho Water

STATEMENT OF NET POSITION

As of March 31, 2026

	COMBINED TOTAL	RANCHO	SANTA ROSA	RESOURCE	SRWRF
CURRENT ASSETS-CASH:					
Cash & Investments	$ 50,807,790	$ 31,189,664	$ 17,084,390	$ -	$ 2,533,735
Reserve for Other	-	-	-	-	-
Replacement Fund	5,407,231	725,221	4,173,702	-	508,309
TOTAL CURRENT ASSETS - CASH	56,215,021	31,914,885	21,258,092	-	3,042,044
CURRENT ASSETS-OTHER:					
Taxes & Assessments Rec.	-	-	-	-	-
Accounts Rec. Water Sales	11,331,855	5,936,474	4,829,874	-	565,508
Accounts Rec. Other	23,423,223	16,550,530	6,445,269	-	427,424
Notes Receivable	-	-	-	-	-
Intercompany	-	-	-	-	-
Inter-Division Loan Receivable	22,263,563	22,263,563	-	-	-
Accrued Interest Rec.	2,271,932	1,714,585	511,284	-	46,062
Water Inventory	26,895,842	13,447,921	13,447,921	-	-
Materials Inventory	3,847,019	1,923,509	1,923,509	-	-
Prepaid Expenses	1,443,627	646,674	646,674	-	150,280
TOTAL CURRENT ASSETS - OTHER	91,477,062	62,483,256	27,804,532	-	1,189,274
TOTAL CURRENT ASSETS	147,692,083	94,398,141	49,062,623	-	4,231,318
RESTRICTED ASSETS:					
Cash & Investments Construction	55,736,167	33,836,023	21,693,548	-	206,596
Debt Service/Capital Improvement Fund	200,251,694	201,203,510	(5,854,076)	-	4,902,260
Capacity Fees	-	-	-	-	-
Bond Trust Reserves	16,129	5,635	9,711	-	782
Pension Trust Reserve	10,674,839	5,392,752	3,329,549	-	1,952,538
Deferred Comp.-Employees	18,391,690	9,195,845	9,195,845	-	-
TOTAL RESTRICTED ASSETS	285,070,518	249,633,765	28,374,576	-	7,062,177
UTILITY PLANT ASSETS:					
Construction in Progress	79,975,503	40,667,904	39,206,664	-	100,935
Fixed Assets less Accm Depr.	518,989,712	326,123,458	178,743,750	-	14,122,505
TOTAL UTILITY PLANT ASSETS	598,965,216	366,791,362	217,950,413	-	14,223,440
OTHER ASSETS:					
Other Assets- Adv Conn Chgs	1,007,934	573,982	433,953	-	-
Investment in Joint Venture	7,602,928	1,035,851	443,936	-	6,123,141
OPEB Asset	3,805,773	1,888,766	1,207,791	-	709,216
TOTAL OTHER ASSETS	12,416,636	3,498,599	2,085,680	-	6,832,357
TOTAL ASSETS	1,044,144,452	714,321,867	297,473,292	-	32,349,292
DEFERRED OUTFLOWS OF RESOURCES:					
Deferred Amount on Refunding	12,091,639	5,579,206	7,241,439	-	(729,005)
Deferred Outflows Pension	15,460,196	8,256,085	4,533,159	-	2,670,952
Deferred Outflows OPEB	2,677,837	1,368,371	820,285	-	489,181
Deferred Outflows Leases	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	1,074,374,125	729,525,530	310,068,175	-	34,780,420

Rancho Water

STATEMENT OF NET POSITION

As of March 31, 2026

	COMBINED TOTAL	RANCHO	SANTA ROSA	RESOURCE	SRWRF
CURRENT LIABILITIES:					
Accounts Payable	$ 11,773,131	$ 7,732,046	$ 3,412,942	$ -	$ 628,142
Unearned Tax Revenue	-	-	-	-	-
Inter-Division Loan Payable	22,263,564	-	21,100,936	-	1,162,628
Accrued Payroll	4,015,639	2,007,820	2,007,820	-	-
Construction & Service Dep.	547,932	234,211	311,018	-	2,703
Inter-Company Payable	-	-	-	-	-
Accrued Interest Payable	-	-	-	-	-
TOTAL CURRENT LIABILITIES	38,600,265	9,974,076	26,832,716	-	1,793,473
RESTRICTED LIABILITIES:					
Accrued Interest Payable	1,291,138	543,728	729,889	-	17,521
Advance Connection Fees	63,543	-	-	-	63,543
Deferred Comp.-Employees	18,391,690	9,195,845	9,195,845	-	-
TOTAL RESTRICTED LIABILITIES	19,746,371	9,739,573	9,925,734	-	81,063
LONG-TERM LIABILITIES:					
A/P Advance Connection Chg.	929,276	521,173	408,103	-	-
Certificates of Participation	-	-	-	-	-
Revenue Bonds Payable	217,497,335	99,601,451	114,947,686	-	2,948,198
Pension Liability	34,734,122	18,633,441	10,214,330	-	5,886,351
OPEB Liability	-	-	-	-	-
Other Long-Term Liability	1,235,389	617,695	617,695	-	-
TOTAL LONG-TERM LIABILITIES	254,396,122	119,373,759	126,187,814	-	8,834,549
TOTAL LIABILITIES	312,742,758	139,087,408	162,946,264	-	10,709,085
DEFERRED INFLOWS:					
Deferred Amount on Refunding	-	-	-	-	-
Deferred Inflows Pension	265,054	-	139,847	-	125,207
Deferred Inflows OPEB	8,759,450	4,650,531	2,608,276	-	1,500,643
Deferred Inflows Leases	15,986,956	12,190,840	3,796,116	-	-
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	337,754,218	155,928,779	169,490,503	-	12,334,935
NET POSITION:					
Net Investment of Capital Assets	392,402,790	272,204,231	109,652,321	-	10,546,237
Restricted	237,397,231	218,683,040	9,206,727	-	9,507,465
Unrestricted	106,819,886	82,709,480	21,718,624	-	2,391,783
TOTAL NET POSITION	$ 736,619,907	$ 573,596,750	$ 140,577,672	$ -	$ 22,445,485

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

FOR THE MONTH ENDING MARCH 31, 2026

	COMBINED TOTAL	*RANCHO*	*SANTA ROSA*	*RESOURCE*	*SRWRF*
OPERATING REVENUE:					
Water Revenue	$ 31,195,618	$ 18,280,585	$ 12,915,033	$ -	$ -
Capacity Charges	19,558,937	12,215,715	7,343,222	-	-
Unmetered Construction Water	-	-	-	-	-
Skinner - Export	-	-	-	-	-
Western IDA- Rock Mtn.	65,736	-	65,736	-	-
Energy Charges	3,012,921	1,409,512	1,603,409	-	-
Wastewater Service Charges	1,793,785	-	-	-	1,793,785
Temporary Treatment Fees	-	-	-	-	-
New Service Connections	230,735	103,169	127,565	-	-
Other OP Rev - Billing	1,538,824	1,113,207	425,617	-	-
Other OP Rev - Engineering	360,525	294,923	65,586	-	16
Reclass (To)/From Non-Operating	12,890,793	9,310,948	3,074,668	-	505,177
TOTAL OPERATING REVENUE	70,647,873	42,728,060	25,620,835	-	2,298,978
OPERATING EXPENSE:					
SOURCE OF SUPPLY:					
Purchased Water - Imported	35,584,492	-	-	35,584,492	-
Purchased Water - J/F	-	23,191,094	15,847,081	(39,038,175)	-
Purchased Water - Santa Margarita	-	1,030,037	257,509	(1,287,547)	-
Labor	496,607	-	-	496,607	-
G&A / Fringe Benefits	768,582	-	-	768,582	-
Materials & Supplies	332,660	-	-	332,660	-
Utilities	2,431,539	-	-	2,431,539	-
Outside Services	529,772	-	-	529,772	-
Vehicle & Equipment Use	56,567	-	-	56,567	-
Corrective Maint. - Labor	-	-	-	-	-
Corrective Maint. - G&A / FB	-	-	-	-	-
Corrective Maintenance	125,502	-	-	125,502	-
TOTAL SOURCE OF SUPPLY	40,325,722	24,221,131	16,104,590	-	-
BOOSTER PUMPING:					
Labor	158,214	64,739	93,476	-	-
G&A / Fringe Benefits	244,839	100,243	144,595	-	-
Materials & Supplies	136,398	21,196	115,202	-	-
Utilities	2,603,342	1,286,163	1,317,179	-	-
Outside Services	467,823	132,021	335,801	-	-
Vehicle & Equipment Use	18,063	7,400	10,663	-	-
Corrective Maint. - Labor	-	-	-	-	-
Corrective Maint. - G&A / FB	-	-	-	-	-
Corrective Maintenance	11,349	8,406	2,943	-	-
TOTAL BOOSTER PUMPING	3,640,027	1,620,168	2,019,859	-	-

Rancho Water

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

FOR THE MONTH ENDING MARCH 31, 2026

	COMBINED TOTAL	*RANCHO*	*SANTA ROSA*	*RESOURCE*	*SRWRF*
SEWAGE TREATMENT:					
Labor	675,386	-	-	-	675,386
G&A / Fringe Benefits	934,408	-	-	-	934,408
Materials & Supplies	170,722	-	-	-	170,722
Utilities	606,893	-	-	-	606,893
Outside Services	752,848	-	-	-	752,848
Vehicle & Equipment Use	64,667	-	-	-	64,667
Inter-Agency Treatment	-	-	-	-	-
Corrective Maint. - Labor	2,140	-	-	-	2,140
Corrective Maint. - G&A / FB	3,293	-	-	-	3,293
Corrective Maintenance	134,600	-	-	-	134,600
Treatment Reimbursables	(3,572,772)	-	-	-	(3,572,772)
Contract Treatment Expense - JPA	1,352,518	-	-	-	1,352,518
TOTAL SEWAGE TREATMENT	1,124,704	-	-	-	1,124,704
TRANSMISSION & DISTRIBUTION:					
Labor	$ 2,009,117	$ 1,393,282	$ 615,835	$ -	$ -
G&A / Fringe Benefits	2,748,909	1,904,783	844,126	-	-
Materials & Supplies	191,249	70,163	121,085	-	-
Outside Services	369,418	253,630	115,787	-	-
Vehicle & Equipment Use	202,341	140,278	62,063	-	-
Corrective Maint. - Labor	581,255	377,178	204,076	-	-
Corrective Maint. - G&A / FB	901,326	587,086	314,240	-	-
Corrective Maintenance	1,339,421	759,080	580,342	-	-
Service Connect. - Labor	44,016	25,875	18,141	-	-
Service Connect. - G&A / FB	57,089	32,196	24,893	-	-
Service Connection	155,924	71,156	84,768	-	-
TOTAL TRANSMISSION & DISTRIBUTION	8,600,065	5,614,708	2,985,357	-	-
CUSTOMER SERVICE:					
Labor	1,184,717	495,195	196,269	493,254	-
G&A / Fringe Benefits	1,504,222	723,574	289,758	490,890	-
Materials & Supplies	396,691	274,202	117,380	5,109	-
Outside Services	491,553	24,720	7,554	459,279	-
Vehicle & Equipment Use	135,133	56,382	22,362	56,389	-
Resource Customer Support	-	1,105,309	254,779	(1,504,921)	144,833
Uncollectible Accounts	62,114	44,129	14,395	-	3,590
TOTAL CUSTOMER SERVICE	3,774,430	2,723,511	902,495	-	148,423

Rancho Water

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

FOR THE MONTH ENDING MARCH 31, 2026

	COMBINED TOTAL	*RANCHO*	*SANTA ROSA*	*RESOURCE*	*SRWRF*
RECYCLED WATER:					
Joint Facility Recycled Water	2	920,352	290,638	(1,210,987)	-
Purchased Recycled Water	534,263	-	-	534,263	-
Labor	250,774	47,397	31,310	172,067	-
G&A / Fringe Benefits	388,156	73,371	48,247	266,537	-
Materials & Supplies	372,298	2,553	8,246	361,499	-
Utilities	478,902	195,500	201,373	82,029	-
Outside Services	294,641	106,798	52,772	135,070	-
Vehicle & Equipment Use	28,622	5,414	3,544	19,663	-
Corrective Maint. - Labor	9,223	-	9,223	-	-
Corrective Maint. - G&A / FB	14,226	34	14,192	-	-
Corrective Maintenance	24,530	-	3,336	21,194	-
Tertiary Reimbursables	(1,251,689)	-	-	(1,251,689)	-
Contract Treatment Expense - JPA	870,353	-	-	870,353	-
TOTAL RECYCLED WATER	2,014,301	1,351,419	662,882	-	-
SUPPORT:					
Labor	5,565,843	-	-	5,565,843	-
G&A / Fringe Benefits	3,908,789	-	-	3,908,789	-
Materials & Supplies	572,398	-	-	572,398	-
Utilities	37,499	-	-	37,499	-
Outside Services	4,546,991	-	-	4,546,991	-
Vehicle & Equipment Use	-	-	-	-	-
Corrective Maint. - Labor	6,400	-	-	6,400	-
Corrective Maint. - G&A / FB	4,560	-	-	4,560	-
Corrective Maintenance	41,884	-	-	41,884	-
Direct Support Allocation	(1)	5,997,437	1,727,589	(8,468,267)	743,240
Resource Support	(5,279,798)	495,049	314,517	(6,216,098)	126,733
TOTAL SUPPORT	9,404,565	6,492,486	2,042,106	-	869,973
ENGINEERING:					
Labor	875,739	95,859	62,752	717,128	-
G&A / Fringe Benefits	857,192	116,025	27,467	713,699	-
Materials & Supplies	6,667	238	-	6,429	-
Outside Services	76,840	206	-	76,634	-
Vehicle & Equipment Use	92,821	8,680	2,440	81,701	-
Engineering O/H CAP/FEE	(801,772)	56,134	8,185	(866,090)	-
Engineering Closed Jobs	-	-	-	-	-
Resource Engineering Serv.	-	560,570	161,748	(729,501)	7,182
TOTAL ENGINEERING	1,107,487	837,712	262,592	-	7,182

Rancho Water

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

FOR THE MONTH ENDING MARCH 31, 2026

	COMBINED TOTAL	*RANCHO*	*SANTA ROSA*	*RESOURCE*	*SRWRF*
VEHICLE & EQUIPMENT					
Vehicle & Equip. PM Labor	51,114	-	-	51,114	-
Vehicle & Equip. PM G&A /FB	36,693	-	-	36,693	-
Vehicle & Equip. Exp. - PM	364,772	-	-	364,772	-
Vehicle & Equip. CM Labor	62,725	-	-	62,725	-
Vehicle & Equip. CM G&A /FB	44,927	-	-	44,927	-
Vehicle & Equip. Exp. - CM	215,962	-	-	215,962	-
Applied Overhead	(776,193)	-	-	(776,193)	-
TOTAL VEHICLE & EQUIPMENT	-	-	-	-	-
EMPLOYEE FRINGE BENEFITS:					
E/B Vacation/Sick/Holiday	2,645,257	-	-	2,645,257	-
Employee Benefits	7,473,901	-	-	7,473,901	-
Applied Overhead	(10,119,158)	-	-	(10,119,158)	-
TOTAL EMPLOYEE FRINGE BENEFITS	-	-	-	-	-
TOTAL OPERATING EXPENSE	69,991,299	42,861,136	24,979,881	-	2,150,282
NET OPERATING REVENUE	656,574	(133,076)	640,954	-	148,696
NON-OPERATING REVENUE:					
Taxes & Assessments	33,977,796	25,378,181	8,599,616	-	-
Standby Charge	1,578,624	-	1,534,596	-	44,028
Interest Revenue	8,865,754	7,404,813	1,025,365	-	435,576
Fire Service Charge	151,421	111,276	40,144	-	-
Other Income - Government Subsidy	255,070	44,767	210,303	-	-
Other Income - Debt Service	1,421,486	-	-	-	1,421,486
Other Income - Capital Replacement Fund	1,251,891	-	843,831	-	408,060
Other Income - Tier 3 & Tier 4 Programs	856,460	548,662	307,798	-	-
1440 Energy Reimbursement	-	-	-	-	-
Net Contract Revenue - JPA	-	-	-	-	-
Contract Treatment Expense - JPA	-	-	-	-	-
Acreage Assessment Fees	8,112	2,092	6,019	-	-
Reclass (To)/From Oper. Income	(12,890,793)	(9,310,948)	(3,074,668)	-	(505,177)
Taxes & Assmt. - Annexation	-	-	-	-	-
Primary Facilities	-	-	-	-	-
Vail Lake Operations	291,776	204,243	87,533	-	-
Other Non-Operating Income	3,933,875	2,204,743	1,729,131	-	-
Non-Operating Grant Income	7,612,292	2,399,535	5,212,757	-	-
Gain / Loss Investment Sale	344,738	304,661	31,165	-	8,912
Interest on Interdivisional Loan	-	539,410	(511,856)	-	(27,555)
Defeasance Gain	-	-	-	-	-
Capacity Lease	-	-	-	-	-
TOTAL NON-OPERATING REVENUE	47,658,500	29,831,435	16,041,736	-	1,785,329

Rancho Water

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

FOR THE MONTH ENDING MARCH 31, 2026

	COMBINED TOTAL	*RANCHO*	*SANTA ROSA*	*RESOURCE*	*SRWRF*
NON-OPERATING EXPENSE:					
Banked Water Purchase	-	-	-	-	-
Depreciation and Amortization	17,776,493	9,971,818	7,403,346	-	401,329
Bond Discount Amortization	(374,077)	(50,648)	(227,603)	-	(95,825)
Bond Interest	5,670,689	2,454,655	3,136,283	-	79,751
Arbitrage Expense	-	-	-	-	-
Non-Operating Grant Expense	589,686	294,843	294,843	-	-
Changes in Investment in Joint Venture	816,193	72,765	31,185	-	712,243
Other	1,824,738	1,169,322	651,981	-	3,435
Investment Management Exp.	113,471	97,208	12,704	-	3,560
TOTAL NON-OPERATING EXPENSE	26,417,193	14,009,962	11,302,739	-	1,104,492
NET NON-OPERATING REVENUE	21,241,307	15,821,473	4,738,997	-	680,837
N.I. BEFORE CAPITAL CONTRIBUTIONS	21,897,880	15,688,397	5,379,951	-	829,533
CONTRIBUTED CAPITAL:					
Connection Fee	554,720	435,979	75,558	-	43,183
Capital Contributions	762,093	750,784	11,308	-	-
TOTAL CONTRIBUTED CAPITAL	1,316,812	1,186,763	86,866	-	43,183
Special Items	-	-	-	-	-
CHANGES IN NET POSITION	$ 23,214,693	$ 16,875,161	$ 5,466,817	$ -	$ 872,715

Rancho Water

STATEMENT OF CASH FLOWS

FOR THE MONTH ENDING MARCH 31, 2026

	RANCHO	*SANTA ROSA*	*WASTEWATER*	*COMBINED*
CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash Received from Customers	$ 51,183,322	$ 31,258,705	$ 2,835,468	$ 85,277,494
Cash Payments to Suppliers for Goods and Services	(36,669,105)	(22,132,285)	(1,623,036)	(60,424,426)
Cash Payments to Employees for Services	(7,038,045)	(5,749,229)	(681,798)	(13,469,072)
NET CASH PROVIDED/(USED) BY OPERATING ACTIVITIES	7,476,172	3,377,191	530,634	11,383,996
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Capital Contributions - Capacity Fees	435,979	75,558	43,183	554,720
Tax Receipts General Purpose	11,035,349	2,259,748	-	13,295,097
Tax Receipts Restricted for Debt Service	15,089,228	8,561,738	62,615	23,713,581
Other Charges and Fees	3,937,409	7,360,730	1,113,868	12,412,007
Interdivisional Reallocation of Activities	-	-	-	-
Proceeds from Issuance of Revenue Bonds	-	-	-	-
Acquisition and Construction of Capital Assets	(16,782,010)	(16,772,780)	(116,775)	(33,671,565)
Deferred Item- Refunding	-	-	(73,682)	(73,682)
Principal Payments on Bonds	(3,513,675)	(5,024,135)	(258,508)	(8,796,318)
Interest Payments on Bonds	(3,329,790)	(4,264,163)	(112,557)	(7,706,510)
NET CASH PROVIDED FROM / (USED) FOR CAPITAL RELATED FINANCING ACTIVITIES	6,872,491	(7,803,304)	658,143	(272,670)
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest on Investments	7,617,073	1,204,384	442,718	9,264,175
Payments on Interdivisional Loans	1,170,801	(1,109,978)	(60,822)	-
NET CASH PROVIDED FROM INVESTING ACTIVITIES	8,343,312	(180,072)	220,935	8,384,175
NET INC/(DEC) IN CASH AND CASH EQUIVALENTS	22,691,975	(4,606,185)	1,409,712	19,495,501
BEGINNING CASH AND CASH EQUIVALENTS	249,660,830	45,043,008	8,694,509	302,162,958
CASH AND CASH EQUIVALENTS AT As of March 31, 2026	272,352,805	40,436,823	10,104,221	321,658,459

Rancho Water

STATEMENT OF CASH FLOWS

FOR THE MONTH ENDING MARCH 31, 2026

	RANCHO	*SANTA ROSA*	*WASTEWATER*	*COMBINED*
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:				
Operating Income(Loss)	$ (133,077)	$ 640,954	$ 148,696	$ 656,573
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:				
Reclassification of Interest & Tax Revenue	(9,310,948)	(3,074,668)	(505,176)	(12,890,792)
Changes in Assets and Liabilities:				
Inc/Dec in Accounts Receivable	17,766,210	8,712,536	1,041,670	27,520,416
Inc/Dec in Inventory	1,668,430	1,668,430	-	3,336,860
Inc/Dec in Prepaid Expenses	(340,639)	(340,639)	(150,280)	(831,558)
Inc/Dec in Accounts Payable	(2,007,526)	(4,074,297)	-	(6,081,823)
Inc/Dec in Accrued Payroll	(166,279)	(155,127)	(4,272)	(325,678)
NET CASH PROVIDED/(USED) BY OPERATING ACTIVITIES	7,476,171	3,377,190	530,638	11,383,998
NONCASH ACTIVITIES:				
Capital Contributions	750,784	11,308	-	762,093
Acquisition and Construction of Capital Assets in AP	-	-	-	
Change in Pension-Related Items GASB68	-	-	-	-
Change in OPEB Related Items GASB75	-	-	-	-
Change in Lease Income GASB87	-	-	-	-
Change in Investment in Joint Venture	-	-	-	-
Unrealized Gain/Loss Adjustment	-	-	-	-
Depreciation/Amortization	(9,921,169)	(7,175,742)	(305,504)	(17,402,416)
TOTAL NON-CASH TRANSACTIONS	(9,170,385)	(7,164,434)	(305,504)	(16,640,323)
Current Cash	31,914,885	21,258,092	3,042,044	56,215,021
Restricted Cash	249,633,765	28,374,576	7,062,177	285,070,518
Def Comp	(9,195,845)	(9,195,845)	-	(18,391,690)
Total	$ 272,352,805	$ 40,436,823	$ 10,104,221	$ 322,893,849

Rancho Water

BUDGET COMPARISON - **RANCHO DIVISION**
FOR THE MONTH ENDING MARCH 31, 2026

	BUDGET			ACTUAL		FAV/(UNFAV)		% OF ANNUAL BUDG	
	ANNUAL	CURR MO	TO DATE	CURR MO	TO DATE	TO DATE		BG TO DT	AC TO DT
OPERATING REVENUE:									
Water Revenue	$ 24,385,735	$ 1,331,461	$ 18,118,601	$ 1,917,021	$ 18,280,585	$ 161,984	0.9%	74.3%	75.0%
Capacity Charges	16,021,644	1,334,603	12,017,835	1,456,879	12,215,715	197,879	1.6%	75.0%	76.2%
Unmetered Construction Water	6,559	546	4,920	-	-	(4,920)	-100.0%	75.0%	0.0%
Energy Charges	2,007,242	103,294	1,455,560	126,068	1,409,512	(46,048)	-3.2%	72.5%	70.2%
New Service Connections	149,111	12,421	111,848	11,153	103,169	(8,679)	-7.8%	75.0%	69.2%
Other OP Rev - Billing	1,739,198	144,875	1,304,572	140,440	1,113,207	(191,365)	-14.7%	75.0%	64.0%
Other OP Rev - Engineering	100,396	8,363	75,307	(9,649)	294,923	219,616	291.6%	75.0%	293.8%
Reclass (To)/From Non-Operating	12,763,466	465,866	9,323,712	465,866	9,310,948	(12,760)	-0.1%	73.0%	72.9%
TOTAL OPERATING REVENUE	57,173,351	3,401,430	42,412,355	4,107,778	42,728,060	315,705	0.7%	74.2%	74.7%
OPERATING EXPENSE:									
SOURCE OF SUPPLY:									
Purchased Water - Imported	-	-	-	-	-	-	0.0%	0.0%	0.0%
Purchased Water - J/F	29,843,807	1,478,983	21,773,989	2,756,391	23,191,094	(1,417,105)	-6.5%	73.0%	77.7%
Purchased Water - Santa Margarita	3,153,133	384,682	2,270,256	318,612	1,030,037	1,240,218	54.6%	72.0%	32.7%
Labor	-	-	-	-	-	-	0.0%	0.0%	0.0%
G&A / Fringe Benefits	-	-	-	-	-	-	0.0%	0.0%	0.0%
Materials & Supplies	-	-	-	-	-	-	0.0%	0.0%	0.0%
Utilities	-	-	-	-	-	-	0.0%	0.0%	0.0%
Outside Services	-	-	-	-	-	-	0.0%	0.0%	0.0%
Vehicle & Equipment use	-	-	-	-	-	-	0.0%	0.0%	0.0%
Corrective Maint. - Labor	-	-	-	-	-	-	0.0%	0.0%	0.0%
Corrective Maint. - G&A / FB	-	-	-	-	-	-	0.0%	0.0%	0.0%
Corrective Maintenance	-	-	-	-	-	-	0.0%	0.0%	0.0%
TOTAL SOURCE OF SUPPLY	32,996,940	1,863,665	24,044,245	3,075,002	24,221,131	(176,886)	-0.7%	72.9%	73.4%
BOOSTER PUMPING:									
Labor	119,731	9,974	89,810	7,733	64,739	25,072	27.9%	75.0%	54.1%
G&A / Fringe Benefits	184,241	15,347	138,199	11,899	100,243	37,956	27.5%	75.0%	54.4%
Materials & Supplies	156,350	13,024	117,278	3,776	21,196	96,082	81.9%	75.0%	13.6%
Utilities	1,574,208	64,543	1,237,327	138,275	1,286,163	(48,835)	-3.9%	78.6%	81.7%
Outside Services	204,500	17,035	153,395	11,587	132,021	21,374	13.9%	75.0%	64.6%
Vehicle & Equipment use	13,530	1,127	10,149	874	7,400	2,749	27.1%	75.0%	54.7%
Corrective Maint. - Labor	11,576	964	8,683	-	-	8,683	100.0%	75.0%	0.0%
Corrective Maint. - G&A / FB	19,121	1,593	14,343	-	-	14,343	100.0%	75.0%	0.0%
Corrective Maintenance	37,750	3,145	28,316	1,925	8,406	19,910	70.3%	75.0%	22.3%
TOTAL BOOSTER PUMPING	2,321,007	126,751	1,797,501	176,068	1,620,168	177,333	9.9%	77.4%	69.8%
SEWAGE TREATMENT:									
Labor	-	-	-	-	-	-	0.0%	0.0%	0.0%
G&A / Fringe Benefits	-	-	-	-	-	-	0.0%	0.0%	0.0%
Materials & Supplies	-	-	-	-	-	-	0.0%	0.0%	0.0%
Utilities	-	-	-	-	-	-	0.0%	0.0%	0.0%
Outside Services	-	-	-	-	-	-	0.0%	0.0%	0.0%
Vehicle & Equipment use	-	-	-	-	-	-	0.0%	0.0%	0.0%
Corrective Maint. - Labor	-	-	-	-	-	-	0.0%	0.0%	0.0%
Corrective Maint. - G&A / FB	-	-	-	-	-	-	0.0%	0.0%	0.0%
Corrective Maintenance	-	-	-	-	-	-	0.0%	0.0%	0.0%
Treatment Reimbursables	-	-	-	-	-	-	0.0%	0.0%	0.0%
Contract Treatment Expense - JPA	-	-	-	-	-	-	0.0%	0.0%	0.0%
TOTAL SEWAGE TREATMENT	-	-	-	-	-	-	0.0%	0.0%	0.0%
TRANSMISSION & DISTRIBUTION:									
Labor	1,568,973	130,695	1,176,887	151,286	1,393,282	(216,395)	-18.4%	75.0%	88.8%
G&A / Fringe Benefits	2,209,227	184,029	1,657,141	208,336	1,904,783	(247,642)	-14.9%	75.0%	86.2%
Materials & Supplies	112,905	9,405	84,690	6,441	70,163	14,527	17.2%	75.0%	62.1%
Outside Services	281,990	23,490	211,521	11,613	253,630	(42,110)	-19.9%	75.0%	89.9%
Vehicle & Equipment use	162,232	13,514	121,690	15,299	140,278	(18,588)	-15.3%	75.0%	86.5%
Corrective Maint. - Labor	437,725	36,462	328,338	28,196	377,178	(48,841)	-14.9%	75.0%	86.2%
Corrective Maint. - G&A / FB	723,034	60,229	542,348	43,389	587,086	(44,738)	-8.2%	75.0%	81.2%
Corrective Maintenance	1,007,812	83,951	755,960	48,495	759,080	(3,120)	-0.4%	75.0%	75.3%
Service Connect. - Labor	18,520	1,543	13,892	1,960	25,875	(11,983)	-86.3%	75.0%	139.7%
Service Connect. - G&A / FB	30,591	2,548	22,946	3,008	32,196	(9,250)	-40.3%	75.0%	105.2%
Service Connection	100,000	8,330	75,010	6,185	71,156	3,854	5.1%	75.0%	71.2%
TOTAL TRANSMISSION & DISTRIBUTION	6,653,009	554,196	4,990,422	524,208	5,614,708	(624,286)	-12.5%	75.0%	84.4%

Rancho Water

BUDGET COMPARISON - **RANCHO DIVISION**
FOR THE MONTH ENDING MARCH 31, 2026

	BUDGET			ACTUAL		FAV/(UNFAV)		% OF ANNUAL BUDG	
	ANNUAL	CURR MO	TO DATE	CURR MO	TO DATE	TO DATE		BG TO DT	AC TO DT
CUSTOMER SERVICE:									
Labor	610,087	50,820	457,626	49,375	495,195	(37,568)	-8.2%	75.0%	81.2%
G&A / Fringe Benefits	902,239	75,157	676,769	71,553	723,574	(46,805)	-6.9%	75.0%	80.2%
Materials & Supplies	251,000	20,908	188,275	20,152	274,202	(85,927)	-45.6%	75.0%	109.2%
Outside Services	25,200	2,099	18,903	920	24,720	(5,818)	-30.8%	75.0%	98.1%
Vehicle & Equipment use	68,940	5,743	51,712	5,579	56,382	(4,670)	-9.0%	75.0%	81.8%
Resource Customer Support	1,755,377	146,223	1,316,708	99,077	1,105,309	211,399	16.1%	75.0%	63.0%
Uncollectible Accounts	35,000	2,916	26,254	7,320	44,129	(17,875)	-68.1%	75.0%	126.1%
TOTAL CUSTOMER SERVICE	3,647,843	303,865	2,736,247	253,976	2,723,511	12,736	0.5%	75.0%	74.7%
RECYCLED WATER:									
Joint Facility Recycled Water	1,361,503	117,918	1,014,151	125,956	920,352	93,799	9.2%	74.5%	67.6%
Labor	74,261	6,186	55,703	2,897	47,397	8,306	14.9%	75.0%	63.8%
G&A / Fringe Benefits	114,273	9,519	85,716	4,457	73,371	12,345	14.4%	75.0%	64.2%
Materials & Supplies	20,000	1,666	15,002	38	2,553	12,449	83.0%	75.0%	12.8%
Utilities	367,249	41,132	265,154	17,953	195,500	69,654	26.3%	72.2%	53.2%
Outside Services	291,500	24,282	218,654	6,357	106,798	111,856	51.2%	75.0%	36.6%
Vehicle & Equipment use	8,391	699	6,294	327	5,414	880	14.0%	75.0%	64.5%
Corrective Maint. - Labor	31,948	2,661	23,964	-	-	23,964	100.0%	75.0%	0.0%
Corrective Maint. - G&A / FB	52,772	4,396	39,584	-	34	39,551	99.9%	75.0%	0.1%
Corrective Maintenance	85,020	7,082	63,774	-	-	63,774	100.0%	75.0%	0.0%
TOTAL RECYCLED WATER	2,406,917	215,541	1,787,996	157,986	1,351,419	436,578	24.4%	74.3%	56.1%
SUPPORT:									
Labor	-	-	-	-	-	-	0.0%	0.0%	0.0%
G&A / Fringe Benefits	-	-	-	-	-	-	0.0%	0.0%	0.0%
Materials & Supplies	-	-	-	-	-	-	0.0%	0.0%	0.0%
Utilities	-	-	-	-	-	-	0.0%	0.0%	0.0%
Outside Services	-	-	-	-	-	-	0.0%	0.0%	0.0%
Vehicle & Equipment use	-	-	-	-	-	-	0.0%	0.0%	0.0%
Corrective Maint. - Labor	-	-	-	-	-	-	0.0%	0.0%	0.0%
Corrective Maint. - G&A / FB	-	-	-	-	-	-	0.0%	0.0%	0.0%
Corrective Maintenance	-	-	-	-	-	-	0.0%	0.0%	0.0%
Direct Support Allocation	8,809,825	733,858	6,608,250	631,828	5,997,437	610,812	9.2%	75.0%	68.1%
Resource Support	-	-	-	(71,970)	495,049	(495,049)	0.0%	0.0%	0.0%
TOTAL SUPPORT	8,809,825	733,858	6,608,250	559,858	6,492,486	115,763	1.8%	75.0%	73.7%
ENGINEERING:									
Labor	56,189	4,681	42,147	2,694	95,859	(53,711)	-127.4%	75.0%	170.6%
G&A / Fringe Benefits	55,566	4,629	41,680	3,990	116,025	(74,345)	-178.4%	75.0%	208.8%
Materials & Supplies	-	-	-	-	238	(238)	0.0%	0.0%	0.0%
Outside Services	-	-	-	-	206	(206)	0.0%	0.0%	0.0%
Vehicle & Equipment use	6,349	529	4,762	296	8,680	(3,918)	-82.3%	75.0%	136.7%
Engineering O/H CAP/FEE	38,153	3,178	28,619	1,579	56,134	(27,515)	-96.1%	75.0%	147.1%
Resource Engineering Serv.	794,063	66,145	595,627	68,629	560,570	35,056	5.9%	75.0%	70.6%
TOTAL ENGINEERING	950,320	79,162	712,835	77,188	837,712	(124,877)	-17.5%	75.0%	88.2%
VEHICLE & EQUIPMENT									
Vehicle & Equip. PM Labor	-	-	-	-	-	-	0.0%	0.0%	0.0%
Vehicle & Equip. PM G&A /FB	-	-	-	-	-	-	0.0%	0.0%	0.0%
Vehicle & Equip. Exp. - PM	-	-	-	-	-	-	0.0%	0.0%	0.0%
Vehicle & Equip. CM Labor	-	-	-	-	-	-	0.0%	0.0%	0.0%
Vehicle & Equip. CM G&A /FB	-	-	-	-	-	-	0.0%	0.0%	0.0%
Vehicle & Equip. Exp. - CM	-	-	-	-	-	-	0.0%	0.0%	0.0%
Applied Overhead	-	-	-	-	-	-	0.0%	0.0%	0.0%
TOTAL VEHICLE & EQUIPMENT	-	-	-	-	-	-	0.0%	0.0%	0.0%
EMPLOYEE FRINGE BENEFITS:									
E/B Vacation/Sick/Holiday	-	-	-	-	-	-	0.0%	0.0%	0.0%
Employee Benefits	-	-	-	-	-	-	0.0%	0.0%	0.0%
Applied Overhead	-	-	-	-	-	-	0.0%	0.0%	0.0%
TOTAL EMPLOYEE FRINGE BENEFITS	-	-	-	-	-	-	0.0%	0.0%	0.0%
TOTAL OPERATING EXPENSE	57,785,861	3,877,038	42,677,496	4,824,286	42,861,136	(183,640)	-0.4%	73.9%	74.2%
NET OPERATING REVENUE	(612,510)	(475,608)	(265,141)	(716,508)	(133,076)	132,065	-49.8%	43.3%	21.7%

Rancho Water

BUDGET COMPARISON - **RANCHO DIVISION**
FOR THE MONTH ENDING MARCH 31, 2026

	BUDGET			ACTUAL		FAV/(UNFAV)		% OF ANNUAL BUDG	
	ANNUAL	CURR MO	TO DATE	CURR MO	TO DATE	TO DATE		BG TO DT	AC TO DT
NON-OPERATING REVENUE:									
Taxes & Assessments	43,703,203	-	25,347,858	213,686	25,378,181	30,323	0.1%	58.0%	58.1%
Standby Charge	-	-	-	-	-	-	0.0%	0.0%	0.0%
Interest Revenue	8,613,542	717,508	6,461,018	1,174,270	7,404,813	943,795	14.6%	75.0%	86.0%
Fire Service Charge	197,268	-	104,552	-	111,276	6,724	6.4%	53.0%	56.4%
Other Income - Government Subsidy	59,689	4,972	44,773	4,974	44,767	(6)	0.0%	75.0%	75.0%
Other Income - Debt Service	-	-	-	-	-	-	0.0%	0.0%	0.0%
Other Income - Capital Replacement Fund	-	-	-	-	-	-	0.0%	0.0%	0.0%
Other Income - Tier 3 & Tier 4 Programs	921,667	50,323	684,799	26,082	548,662	(136,136)	-19.9%	74.3%	59.5%
Net Contract Revenue - JPA	-	-	-	-	-	-	0.0%	0.0%	0.0%
Acreage Assessment Fees	-	-	-	-	2,092	2,092	0.0%	0.0%	0.0%
Reclass (To)/From Oper. Income	(12,763,466)	(465,866)	(9,323,712)	(465,866)	(9,310,948)	12,763	-0.1%	73.0%	72.9%
Primary Facilities	-	-	-	-	-	-	0.0%	0.0%	0.0%
Vail Lake Operations	264,618	22,043	198,490	23,059	204,243	5,753	2.9%	75.0%	77.2%
Other Non-Operating Income	17,230,091	-	-	-	2,204,743	2,204,743	0.0%	0.0%	12.8%
Non-Operating Grant Income	6,605,229	550,216	4,954,582	529,197	2,399,535	(2,555,047)	-51.6%	75.0%	36.3%
Gain / Loss Investment Sale	-	-	-	198	304,661	304,661	0.0%	0.0%	0.0%
Interest on Interdivisional Loan	501,471	41,773	376,153	58,815	539,410	163,257	43.4%	75.0%	107.6%
Defeasance Gain	-	-	-	-	-	-	0.0%	0.0%	0.0%
TOTAL NON-OPERATING REVENUE	65,333,312	920,967	28,848,513	1,564,415	29,831,435	982,922	3.4%	44.2%	45.7%
NON-OPERATING EXPENSE:									
Depreciation and Amortization	13,677,979	1,139,376	10,259,852	1,147,954	9,971,818	288,034	2.8%	75.0%	72.9%
Bond Discount Amortization	(63,537)	(5,293)	(47,659)	(5,628)	(50,648)	2,989	-6.3%	75.0%	79.7%
Bond Interest	4,426,995	368,769	3,320,689	271,032	2,454,655	866,034	26.1%	75.0%	55.4%
Arbitrage Expense	-	-	-	-	-	-	0.0%	0.0%	0.0%
Non-Operating Grant Expense	-	-	-	4,037	294,843	(294,843)	0.0%	0.0%	0.0%
Changes in Investment in Joint Venture	516,323	43,010	387,294	-	72,765	314,528	81.2%	75.0%	14.1%
Other	926,345	77,165	694,851	58,718	1,169,322	(474,470)	-68.3%	75.0%	126.2%
Investment Management Exp.	122,000	10,163	91,512	12,284	97,208	(5,695)	-6.2%	75.0%	79.7%
TOTAL NON-OPERATING EXPENSE	19,606,105	1,633,189	14,706,539	1,488,397	14,009,962	696,577	4.7%	75.0%	71.5%
NET NON-OPERATING REVENUE	45,727,207	(712,221)	14,141,974	76,019	15,821,473	1,679,500	11.9%	30.9%	34.6%
N.I. BEFORE CAPITAL CONTRIBUTIONS	45,114,697	(1,187,829)	13,876,832	(640,489)	15,688,397	1,811,565	13.1%	30.8%	34.8%
CONTRIBUTED CAPITAL:									
Connection Fee	5,158,170	429,676	3,869,143	32,786	435,979	(3,433,164)	-88.7%	75.0%	8.5%
Capital Contributions	-	-	-	16,161	750,784	750,784	0.0%	0.0%	0.0%
TOTAL CONTRIBUTED CAPITAL	5,158,170	429,676	3,869,143	48,947	1,186,763	(2,682,380)	-69.3%	75%	8%
CHANGES IN NET POSITION	50,272,867	(758,154)	17,745,976	(591,542)	16,875,161	(870,815)	-4.9%	106%	43%

Rancho Water

BUDGET COMPARISON - SANTA ROSA DIVISION
FOR THE MONTH ENDING MARCH 31, 2026

	BUDGET			ACTUAL		FAV/(UNFAV)	% OF ANNUAL BUDG	
	ANNUAL	CURR MO	TO DATE	CURR MO	TO DATE	TO DATE	BG TO DT	AC TO DT
OPERATING REVENUE:								
Water Revenue	$ 18,985,510	$ 1,051,797	$ 14,075,857	$ 1,501,881	$ 12,915,033	$ (1,160,824)	-8.2%	74.1%	68.0%
Capacity Charges	9,768,721	813,734	7,327,518	869,242	7,343,222	15,704	0.2%	75.0%	75.2%
Unmetered Construction Water	-	-	-	-	-	-	0.0%	0.0%	0.0%
Western IDA- Rock Mtn.	172,102	14,336	129,094	24,157	65,736	(63,358)	-49.1%	75.0%	38.2%
Energy Charges	2,491,393	143,843	1,820,411	192,978	1,603,409	(217,003)	-11.9%	73.1%	64.4%
New Service Connections	61,445	5,118	46,090	25,101	127,565	81,476	176.8%	75.0%	207.6%
Other OP Rev - Billing	951,895	79,293	714,016	32,713	425,617	(288,399)	-40.4%	75.0%	44.7%
Other OP Rev - Engineering	63,416	5,283	47,568	12,651	65,586	18,017	37.9%	75.0%	103.4%
Reclass (To)/From Non-Operating	4,214,760	153,839	3,078,882	153,839	3,074,668	(4,215)	-0.1%	73.1%	73.0%
TOTAL OPERATING REVENUE	36,709,242	2,267,244	27,239,437	2,812,564	25,620,835	(1,618,602)	-5.9%	74.2%	69.8%
OPERATING EXPENSE:								
SOURCE OF SUPPLY:								
Purchased Water - Imported	-	-	-	-	-	-	0.0%	0.0%	0.0%
Purchased Water - J/F	24,386,945	1,208,555	17,792,672	1,904,728	15,847,081	1,945,591	10.9%	73.0%	65.0%
Purchased Water - Santa Margarita	788,283	96,171	567,564	79,653	257,509	310,054	54.6%	72.0%	32.7%
Labor	-	-	-	-	-	-	0.0%	0.0%	0.0%
G&A / Fringe Benefits	-	-	-	-	-	-	0.0%	0.0%	0.0%
Materials & Supplies	-	-	-	-	-	-	0.0%	0.0%	0.0%
Utilities	-	-	-	-	-	-	0.0%	0.0%	0.0%
Outside Services	-	-	-	-	-	-	0.0%	0.0%	0.0%
Vehicle & Equipment use	-	-	-	-	-	-	0.0%	0.0%	0.0%
Corrective Maint. - Labor	-	-	-	-	-	-	0.0%	0.0%	0.0%
Corrective Maint. - G&A / FB	-	-	-	-	-	-	0.0%	0.0%	0.0%
Corrective Maintenance	-	-	-	-	-	-	0.0%	0.0%	0.0%
TOTAL SOURCE OF SUPPLY	25,175,228	1,304,725	18,360,236	1,984,381	16,104,590	2,255,645	12.3%	72.9%	64.0%
BOOSTER PUMPING:								
Labor	101,098	8,421	75,834	11,770	93,476	(17,642)	-23.3%	75.0%	92.5%
G&A / Fringe Benefits	155,570	12,959	116,693	18,112	144,595	(27,902)	-23.9%	75.0%	92.9%
Materials & Supplies	306,200	25,506	229,681	5,790	115,202	114,479	49.8%	75.0%	37.6%
Utilities	1,744,316	61,051	1,384,987	142,520	1,317,179	67,808	4.9%	79.4%	75.5%
Outside Services	257,288	21,432	192,992	35,625	335,801	(142,810)	-74.0%	75.0%	130.5%
Vehicle & Equipment use	11,424	952	8,569	1,330	10,663	(2,094)	-24.4%	75.0%	93.3%
Corrective Maint. - Labor	11,991	999	8,994	-	-	8,994	100.0%	75.0%	0.0%
Corrective Maint. - G&A / FB	19,808	1,650	14,858	-	-	14,858	100.0%	75.0%	0.0%
Corrective Maintenance	37,750	3,145	28,316	1,040	2,943	25,373	89.6%	75.0%	7.8%
TOTAL BOOSTER PUMPING	2,645,445	136,115	2,060,924	216,187	2,019,859	41,065	2.0%	77.9%	76.4%
SEWAGE TREATMENT:								
Labor	-	-	-	-	-	-	0.0%	0.0%	0.0%
G&A / Fringe Benefits	-	-	-	-	-	-	0.0%	0.0%	0.0%
Materials & Supplies	-	-	-	-	-	-	0.0%	0.0%	0.0%
Utilities	-	-	-	-	-	-	0.0%	0.0%	0.0%
Outside Services	-	-	-	-	-	-	0.0%	0.0%	0.0%
Vehicle & Equipment use	-	-	-	-	-	-	0.0%	0.0%	0.0%
Corrective Maint. - Labor	-	-	-	-	-	-	0.0%	0.0%	0.0%
Corrective Maint. - G&A / FB	-	-	-	-	-	-	0.0%	0.0%	0.0%
Corrective Maintenance	-	-	-	-	-	-	0.0%	0.0%	0.0%
Treatment Reimbursables	-	-	-	-	-	-	0.0%	0.0%	0.0%
Contract Treatment Expense - JPA	-	-	-	-	-	-	0.0%	0.0%	0.0%
TOTAL SEWAGE TREATMENT	-	-	-	-	-	-	0.0%	0.0%	0.0%
TRANSMISSION & DISTRIBUTION:								
Labor	1,035,960	86,295	777,074	81,493	615,835	161,238	20.7%	75.0%	59.4%
G&A / Fringe Benefits	1,417,256	118,057	1,063,084	113,451	844,126	218,958	20.6%	75.0%	59.6%
Materials & Supplies	157,845	13,148	118,400	5,509	121,085	(2,686)	-2.3%	75.0%	76.7%
Outside Services	211,941	17,655	158,977	9,461	115,787	43,189	27.2%	75.0%	54.6%
Vehicle & Equipment use	104,075	8,669	78,067	8,331	62,063	16,004	20.5%	75.0%	59.6%
Corrective Maint. - Labor	340,558	28,368	255,453	29,248	204,076	51,376	20.1%	75.0%	59.9%
Corrective Maint. - G&A / FB	562,530	46,859	421,954	45,007	314,240	107,714	25.5%	75.0%	55.9%
Corrective Maintenance	711,588	59,275	533,762	85,849	580,342	(46,580)	-8.7%	75.0%	81.6%
Service Connect. - Labor	21,820	1,818	16,367	3,808	18,141	(1,774)	-10.8%	75.0%	83.1%
Service Connect. - G&A / FB	36,042	3,002	27,035	5,860	24,893	2,142	7.9%	75.0%	69.1%
Service Connection	3,583	298	2,688	15,670	84,768	(82,080)	-3054.0%	75.0%	2365.8%
TOTAL TRANSMISSION & DISTRIBUTION	4,603,198	383,446	3,452,859	403,686	2,985,357	467,502	13.5%	75.0%	64.9%

Rancho Water

BUDGET COMPARISON - SANTA ROSA DIVISION
FOR THE MONTH ENDING MARCH 31, 2026

	BUDGET			ACTUAL		FAV/(UNFAV)		% OF ANNUAL BUDG	
	ANNUAL	CURR MO	TO DATE	CURR MO	TO DATE	TO DATE		BG TO DT	AC TO DT
CUSTOMER SERVICE:									
Labor	298,238	24,843	223,708	24,258	196,269	27,440	12.3%	75.0%	65.8%
G&A / Fringe Benefits	431,211	35,920	323,451	35,105	289,758	33,694	10.4%	75.0%	67.2%
Materials & Supplies	58,800	4,898	44,106	16,316	117,380	(73,274)	-166.1%	75.0%	199.6%
Outside Services	17,000	1,416	12,752	2,702	7,554	5,198	40.8%	75.0%	44.4%
Vehicle & Equipment use	33,701	2,807	25,279	2,741	22,362	2,917	11.5%	75.0%	66.4%
Resource Customer Support	447,839	37,305	335,924	22,842	254,779	81,145	24.2%	75.0%	56.9%
Uncollectible Accounts	15,000	1,250	11,252	6,857	14,395	(3,143)	-27.9%	75.0%	96.0%
TOTAL CUSTOMER SERVICE	1,301,789	108,439	976,472	110,821	902,495	73,977	7.6%	75.0%	69.3%
RECYCLED WATER:									
Joint Facility Recycled Water	429,948	37,237	320,258	39,776	290,638	29,620	9.2%	74.5%	67.6%
Labor	55,285	4,605	41,469	5,277	31,310	10,159	24.5%	75.0%	56.6%
G&A / Fringe Benefits	85,072	7,086	63,813	8,120	48,247	15,565	24.4%	75.0%	56.7%
Materials & Supplies	20,600	1,716	15,452	-	8,246	7,206	46.6%	75.0%	40.0%
Utilities	316,716	32,305	229,936	19,016	201,373	28,562	12.4%	72.6%	63.6%
Outside Services	145,600	12,128	109,215	6,420	52,772	56,442	51.7%	75.0%	36.2%
Vehicle & Equipment use	6,248	520	4,687	596	3,544	1,142	24.4%	75.0%	56.7%
Corrective Maint. - Labor	30,028	2,501	22,524	-	9,223	13,301	59.1%	75.0%	30.7%
Corrective Maint. - G&A / FB	49,601	4,132	37,206	-	14,192	23,013	61.9%	75.0%	28.6%
Corrective Maintenance	26,335	2,194	19,754	1,571	3,336	16,418	83.1%	75.0%	12.7%
TOTAL RECYCLED WATER	1,165,433	104,426	864,312	80,777	662,882	201,430	23.3%	74.2%	56.9%
SUPPORT:									
Labor	-	-	-	-	-	-	0.0%	0.0%	0.0%
G&A / Fringe Benefits	-	-	-	-	-	-	0.0%	0.0%	0.0%
Materials & Supplies	-	-	-	-	-	-	0.0%	0.0%	0.0%
Utilities	-	-	-	-	-	-	0.0%	0.0%	0.0%
Outside Services	-	-	-	-	-	-	0.0%	0.0%	0.0%
Vehicle & Equipment use	-	-	-	-	-	-	0.0%	0.0%	0.0%
Corrective Maint. - Labor	-	-	-	-	-	-	0.0%	0.0%	0.0%
Corrective Maint. - G&A / FB	-	-	-	-	-	-	0.0%	0.0%	0.0%
Corrective Maintenance	-	-	-	-	-	-	0.0%	0.0%	0.0%
Direct Support Allocation	2,718,275	226,432	2,038,978	197,590	1,727,589	311,389	15.3%	75.0%	63.6%
Resource Support	-	-	-	(45,238)	314,517	(314,517)	0.0%	0.0%	0.0%
TOTAL SUPPORT	2,718,275	226,432	2,038,978	152,352	2,042,106	(3,128)	-0.2%	75.0%	75.1%
ENGINEERING:									
Labor	38,107	3,174	28,584	42,789	62,752	(34,168)	-119.5%	75.0%	164.7%
G&A / Fringe Benefits	37,684	3,139	28,267	6,126	27,467	800	2.8%	75.0%	72.9%
Materials & Supplies	-	-	-	-	-	-	0.0%	0.0%	0.0%
Outside Services	-	-	-	-	-	-	0.0%	0.0%	0.0%
Vehicle & Equipment use	4,306	359	3,230	383	2,440	790	24.5%	75.0%	56.7%
Engineering O/H CAP/FEE	25,875	2,155	19,409	2,006	8,185	11,224	57.8%	75.0%	31.6%
Resource Engineering Serv.	230,548	19,205	172,934	19,991	161,748	11,186	6.5%	75.0%	70.2%
TOTAL ENGINEERING	336,520	28,032	252,424	71,296	262,592	(10,168)	-4.0%	75.0%	78.0%
VEHICLE & EQUIPMENT									
Vehicle & Equip. PM Labor	-	-	-	-	-	-	0.0%	0.0%	0.0%
Vehicle & Equip. PM G&A /FB	-	-	-	-	-	-	0.0%	0.0%	0.0%
Vehicle & Equip. Exp. - PM	-	-	-	-	-	-	0.0%	0.0%	0.0%
Vehicle & Equip. CM Labor	-	-	-	-	-	-	0.0%	0.0%	0.0%
Vehicle & Equip. CM G&A /FB	-	-	-	-	-	-	0.0%	0.0%	0.0%
Vehicle & Equip. Exp. - CM	-	-	-	-	-	-	0.0%	0.0%	0.0%
Applied Overhead	-	-	-	-	-	-	0.0%	0.0%	0.0%
TOTAL VEHICLE & EQUIPMENT	-	-	-	-	-	-	0.0%	0.0%	0.0%
EMPLOYEE FRINGE BENEFITS:									
E/B Vacation/Sick/Holiday	-	-	-	-	-	-	0.0%	0.0%	0.0%
Employee Benefits	-	-	-	-	-	-	0.0%	0.0%	0.0%
Applied Overhead	-	-	-	-	-	-	0.0%	0.0%	0.0%
TOTAL EMPLOYEE FRINGE BENEFITS	-	-	-	-	-	-	0.0%	0.0%	0.0%
TOTAL OPERATING EXPENSE	37,945,888	2,291,616	28,006,204	3,019,499	24,979,881	3,026,323	10.8%	73.8%	65.8%
NET OPERATING REVENUE	(1,236,646)	(24,372)	(766,768)	(206,935)	640,954	1,407,721	-183.6%	62.0%	-51.8%

Rancho Water

BUDGET COMPARISON - SANTA ROSA DIVISION
FOR THE MONTH ENDING MARCH 31, 2026

	BUDGET			ACTUAL		FAV/(UNFAV)		% OF ANNUAL BUDG	
	ANNUAL	CURR MO	TO DATE	CURR MO	TO DATE	TO DATE		BG TO DT	AC TO DT
NON-OPERATING REVENUE:									
Taxes & Assessments	14,938,175	-	8,664,142	47,306	8,599,616	(64,526)	-0.7%	58.0%	57.6%
Standby Charge	2,694,424	-	1,347,212	-	1,534,596	187,384	13.9%	50.0%	57.0%
Interest Revenue	1,971,460	164,223	1,478,792	71,799	1,025,365	(453,427)	-30.7%	75.0%	52.0%
Fire Service Charge	71,929	-	38,122	-	40,144	2,022	5.3%	53.0%	55.8%
Other Income - Government Subsidy	280,404	23,358	210,331	23,367	210,303	(28)	0.0%	75.0%	75.0%
Other Income - Debt Service	-	-	-	-	-	-	0.0%	0.0%	0.0%
Other Income - Capital Replacement Fund	2,052,724	113,721	1,521,890	120,745	843,831	(678,058)	-44.6%	74.1%	41.1%
Other Income - Tier 3 & Tier 4 Programs	460,834	25,530	341,662	29,652	307,798	(33,865)	-9.9%	74.1%	66.8%
Net Contract Revenue - JPA	-	-	-	-	-	-	0.0%	0.0%	0.0%
Acreage Assessment Fees	-	-	-	-	6,019	6,019	0.0%	0.0%	0.0%
Reclass (To)/From Oper. Income	(4,214,760)	(153,839)	(3,078,882)	(153,839)	(3,074,668)	4,215	-0.1%	73.1%	73.0%
Taxes & Assmt - Annexation	-	-	-	-	-	-	0.0%	0.0%	0.0%
Primary Facilities	-	-	-	-	-	-	0.0%	0.0%	0.0%
Vail Lake Operations	113,408	9,447	85,067	9,882	87,533	2,465	2.9%	75.0%	77.2%
Other Non-Operating Income	8,486,462	-	-	-	1,729,131	1,729,131	0.0%	0.0%	20.4%
Non-Operating Grant Income	11,020,604	918,016	8,266,555	2,443,098	5,212,757	(3,053,798)	-36.9%	75.0%	47.3%
Gain / Loss Investment Sale	-	-	-	16	31,165	31,165	0.0%	0.0%	0.0%
Interest on Interdivisional Loan	(477,959)	(39,814)	(358,517)	(55,770)	(511,856)	(153,339)	42.8%	75.0%	107.1%
Defeasance Gain	-	-	-	-	-	-	0.0%	0.0%	0.0%
TOTAL NON-OPERATING REVENUE	37,397,705	1,060,642	18,516,374	2,536,257	16,041,736	(2,474,638)	-13.4%	49.5%	42.9%
NON-OPERATING EXPENSE:									
Depreciation and Amortization	10,220,085	851,333	7,666,086	829,474	7,403,346	262,740	3.4%	75.0%	72.4%
Bond Discount Amortization	(311,058)	(25,911)	(233,325)	(25,289)	(227,603)	(5,721)	2.5%	75.0%	73.2%
Bond Interest	5,278,139	439,669	3,959,132	345,671	3,136,283	822,849	20.8%	75.0%	59.4%
Arbitrage Expense	-	-	-	-	-	-	0.0%	0.0%	0.0%
Non-Operating Grant Expense	-	-	-	4,037	294,843	(294,843)	0.0%	0.0%	0.0%
Changes in Investment in Joint Venture	132,233	11,015	99,188	-	31,185	68,003	68.6%	75.0%	23.6%
Other	377,833	31,473	283,413	48,084	651,981	(368,569)	-130.0%	75.0%	172.6%
Investment Management Exp.	23,000	1,916	17,252	1,242	12,704	4,548	26.4%	75.0%	55.2%
TOTAL NON-OPERATING EXPENSE	15,720,232	1,309,495	11,791,746	1,203,218	11,302,739	489,008	4.1%	75.0%	71.9%
NET NON-OPERATING REVENUE	21,677,473	(248,853)	6,724,628	1,333,038	4,738,997	(1,985,631)	-29.5%	31.0%	21.9%
N.I. BEFORE CAPITAL CONTRIBUTIONS	20,440,827	(273,226)	5,957,860	1,126,103	5,379,951	(577,910)	-9.7%	29.1%	26.3%
CONTRIBUTED CAPITAL:									
Connection Fee	216,720	18,053	162,562	-	75,558	(87,004)	-53.5%	75.0%	34.9%
Capital Contributions	-	-	-	164	11,308	11,308	0.0%	0.0%	0.0%
TOTAL CONTRIBUTED CAPITAL	216,720	18,053	162,562	164	86,866	(75,695)	-46.6%	75%	35%
CHANGES IN NET POSITION	20,657,547	(255,173)	6,120,422	1,126,267	5,466,817	(653,605)	-10.7%	104%	61%

Rancho Water

BUDGET COMPARISON - **RESOURCE DIVISION**
FOR THE MONTH ENDING MARCH 31, 2026

	BUDGET			ACTUAL		FAV/(UNFAV)		% OF ANNUAL BUDG	
	ANNUAL	CURR MO	TO DATE	CURR MO	TO DATE	TO DATE		BG TO DT	AC TO DT
OPERATING REVENUE:									
Water Revenue	-	-	-		-	-	0.0%	0.0%	0.0%
Capacity Charges	-	-	-	-	-	-	0.0%	0.0%	0.0%
Unmetered Construction Water	-	-	-	-	-	-	0.0%	0.0%	0.0%
Skinner - Export	-	-	-	-	-	-	0.0%	0.0%	0.0%
Western IDA- Rock Mtn.	-	-	-	-	-	-	0.0%	0.0%	0.0%
Energy Charges	-	-	-	-	-	-	0.0%	0.0%	0.0%
Wastewater Service Charges	-	-	-	-	-	-	0.0%	0.0%	0.0%
Temporary Treatment Fees	-	-	-	-	-	-	0.0%	0.0%	0.0%
New Service Connections	-	-	-	-	-	-	0.0%	0.0%	0.0%
Other OP Rev - Billing	-	-	-	-	-	-	0.0%	0.0%	0.0%
Other OP Rev - Engineering	-	-	-	-	-	-	0.0%	0.0%	0.0%
Reclass (To)/From Non-Operating	-	-	-	-	-	-	0.0%	0.0%	0.0%
TOTAL OPERATING REVENUE	-	-	-	-	-	-	0.0%	0.0%	0.0%
OPERATING EXPENSE:									
SOURCE OF SUPPLY:									
Purchased Water - Imported	$ 49,513,206	2,525,174	35,946,588	$ 4,614,384	$ 35,584,492	$ 362,095	1.0%	72.6%	71.9%
Purchased Water - J/F	(54,230,751)	(2,687,538)	(39,566,660)	(4,661,119)	(39,038,175)	(528,486)	1.3%	73.0%	72.0%
Purchased Water - Santa Margarita	(3,941,416)	(480,853)	(2,837,820)	(398,264)	(1,287,547)	(1,550,273)	54.6%	72.0%	32.7%
Labor	923,992	76,969	693,086	51,385	496,607	196,480	28.3%	75.0%	53.7%
G&A / Fringe Benefits	1,421,839	118,439	1,066,521	79,072	768,582	297,939	27.9%	75.0%	54.1%
Materials & Supplies	688,900	57,385	516,744	35,601	332,660	184,083	35.6%	75.0%	48.3%
Utilities	3,350,840	201,050	2,476,271	244,125	2,431,539	44,731	1.8%	73.9%	72.6%
Outside Services	1,931,601	160,902	1,448,894	29,009	529,772	919,122	63.4%	75.0%	27.4%
Vehicle & Equipment use	104,411	8,697	78,319	5,807	56,567	21,752	27.8%	75.0%	54.2%
Corrective Maint. - Labor	50,863	4,237	38,152	-	-	38,152	100.0%	75.0%	0.0%
Corrective Maint. - G&A / FB	84,015	6,998	63,020	-	-	63,020	100.0%	75.0%	0.0%
Corrective Maintenance	102,500	8,538	76,885	-	125,502	(48,617)	-63.2%	75.0%	122.4%
TOTAL SOURCE OF SUPPLY	-	-	-	-	-	-			
BOOSTER PUMPING:									
Labor	-	-	-	-	-	-	0.0%	0.0%	0.0%
G&A / Fringe Benefits	-	-	-	-	-	-	0.0%	0.0%	0.0%
Materials & Supplies	-	-	-	-	-	-	0.0%	0.0%	0.0%
Utilities	-	-	-	-	-	-	0.0%	0.0%	0.0%
Outside Services	-	-	-	-	-	-	0.0%	0.0%	0.0%
Vehicle & Equipment use	-	-	-	-	-	-	0.0%	0.0%	0.0%
Corrective Maint. - Labor	-	-	-	-	-	-	0.0%	0.0%	0.0%
Corrective Maint. - G&A / FB	-	-	-	-	-	-	0.0%	0.0%	0.0%
Corrective Maintenance	-	-	-	-	-	-	0.0%	0.0%	0.0%
TOTAL BOOSTER PUMPING	-	-	-	-	-	-			
SEWAGE TREATMENT:									
Labor	-	-	-	-	-	-	0.0%	0.0%	0.0%
G&A / Fringe Benefits	-	-	-	-	-	-	0.0%	0.0%	0.0%
Materials & Supplies	-	-	-	-	-	-	0.0%	0.0%	0.0%
Utilities	-	-	-	-	-	-	0.0%	0.0%	0.0%
Outside Services	-	-	-	-	-	-	0.0%	0.0%	0.0%
Vehicle & Equipment use	-	-	-	-	-	-	0.0%	0.0%	0.0%
Corrective Maint. - Labor	-	-	-	-	-	-	0.0%	0.0%	0.0%
Corrective Maint. - G&A / FB	-	-	-	-	-	-	0.0%	0.0%	0.0%
Corrective Maintenance	-	-	-	-	-	-	0.0%	0.0%	0.0%
Treatment Reimbursables	-	-	-	-	-	-	0.0%	0.0%	0.0%
Contract Treatment Expense - JPA	-	-	-	-	-	-	0.0%	0.0%	0.0%
TOTAL SEWAGE TREATMENT	-	-	-	-	-	-			
TRANSMISSION & DISTRIBUTION:									
Labor	-	-	-	-	-	-	0.0%	0.0%	0.0%
G&A / Fringe Benefits	-	-	-	-	-	-	0.0%	0.0%	0.0%
Materials & Supplies	-	-	-	-	-	-	0.0%	0.0%	0.0%
Outside Services	-	-	-	-	-	-	0.0%	0.0%	0.0%
Vehicle & Equipment use	-	-	-	-	-	-	0.0%	0.0%	0.0%
Corrective Maint. - Labor	-	-	-	-	-	-	0.0%	0.0%	0.0%
Corrective Maint. - G&A / FB	-	-	-	-	-	-	0.0%	0.0%	0.0%
Corrective Maintenance	-	-	-	-	-	-	0.0%	0.0%	0.0%
Service Connect. - Labor	-	-	-	-	-	-	0.0%	0.0%	0.0%
Service Connect. - G&A / FB	-	-	-	-	-	-	0.0%	0.0%	0.0%
Service Connection	-	-	-	-	-	-	0.0%	0.0%	0.0%
TOTAL TRANSMISSION & DISTRIBUTION	-	-	-	-	-	-			

Rancho Water

BUDGET COMPARISON - **RESOURCE DIVISION**
FOR THE MONTH ENDING MARCH 31, 2026

	BUDGET			ACTUAL		FAV/(UNFAV)		% OF ANNUAL BUDG	
	ANNUAL	CURR MO	TO DATE	CURR MO	TO DATE	TO DATE		BG TO DT	AC TO DT
CUSTOMER SERVICE:									
Labor	687,567	57,274	515,744	54,872	493,254	22,490	4.4%	75.0%	71.7%
G&A / Fringe Benefits	679,935	56,639	510,019	54,263	490,890	19,129	3.8%	75.0%	72.2%
Materials & Supplies	37,000	3,082	27,754	3,021	5,109	22,644	81.6%	75.0%	13.8%
Outside Services	913,500	76,095	685,216	16,516	459,279	225,937	33.0%	75.0%	50.3%
Vehicle & Equipment use	77,695	6,472	58,279	6,201	56,389	1,890	3.2%	75.0%	72.6%
Resource Customer Support	(2,395,697)	(199,562)	(1,797,012)	(134,873)	(1,504,921)	(292,091)	16.3%	75.0%	62.8%
Uncollectible Accounts	-	-	-	-	-	-	0.0%	0.0%	0.0%
TOTAL CUSTOMER SERVICE	-	-	-	-	(0)	-			
RECYCLED WATER:									
Joint Facility Recycled Water	(1,791,451)	(155,155)	(1,334,409)	(165,731)	(1,210,987)	(123,422)	9.2%	74.5%	67.6%
Purchased Recycled Water	793,914	67,137	592,502	69,499	534,263	58,239	9.8%	74.6%	67.3%
Labor	298,921	24,900	224,221	15,669	172,067	52,154	23.3%	75.0%	57.6%
G&A / Fringe Benefits	458,206	38,169	343,700	24,111	266,537	77,163	22.5%	75.0%	58.2%
Materials & Supplies	433,260	36,091	324,988	45,207	361,499	(36,511)	-11.2%	75.0%	83.4%
Utilities	263,285	26,855	191,145	44,768	82,029	109,116	57.1%	72.6%	31.2%
Outside Services	144,673	12,051	108,519	30,094	135,070	(26,551)	-24.5%	75.0%	93.4%
Vehicle & Equipment use	33,778	2,814	25,337	1,771	19,663	5,674	22.4%	75.0%	58.2%
Corrective Maint. - Labor	-	-	-	-	-	-	0.0%	0.0%	0.0%
Corrective Maint. - G&A / FB	-	-	-	-	-	-	0.0%	0.0%	0.0%
Corrective Maintenance	-	-	-	-	21,194	(21,194)	0.0%	0.0%	0.0%
Tertiary Reimbursables	(1,795,057)	(149,528)	(1,346,472)	(162,094)	(1,251,689)	(94,784)	7.0%	75.0%	69.7%
Contract Treatment Expense - JPA	1,160,471	96,667	870,469	96,706	870,353	116	0.0%	75.0%	75.0%
TOTAL RECYCLED WATER	-	-	-	-	-	-			
SUPPORT:									
Labor	7,829,766	652,220	5,873,107	643,004	5,565,843	307,265	5.2%	75.0%	71.1%
G&A / Fringe Benefits	5,577,925	464,641	4,184,002	447,430	3,908,789	275,212	6.6%	75.0%	70.1%
Materials & Supplies	755,417	62,926	566,638	46,876	572,398	(5,760)	-1.0%	75.0%	75.8%
Utilities	53,260	4,437	39,950	1,725	37,499	2,451	6.1%	75.0%	70.4%
Outside Services	7,479,261	623,022	5,610,194	385,331	4,546,991	1,063,203	19.0%	75.0%	60.8%
Vehicle & Equipment use	-	-	-	-	-	-	0.0%	0.0%	0.0%
Corrective Maint. - Labor	10,102	841	7,577	1,820	6,400	1,177	15.5%	75.0%	63.4%
Corrective Maint. - G&A / FB	7,007	584	5,256	1,297	4,560	697	13.3%	75.0%	65.1%
Corrective Maintenance	87,526	7,291	65,653	7,290	41,884	23,769	36.2%	75.0%	47.9%
Direct Support Allocation	(12,656,075)	(1,054,251)	(9,493,322)	(908,258)	(8,468,267)	(1,025,055)	10.8%	75.0%	66.9%
Resource Support	(9,144,189)	(761,711)	(6,859,056)	(626,514)	(6,216,098)	(642,959)	9.4%	75.0%	68.0%
TOTAL SUPPORT	-	-	-	-	-	-			
ENGINEERING:									
Labor	1,034,896	86,207	776,275	88,847	717,128	59,147	7.6%	75.0%	69.3%
G&A / Fringe Benefits	1,023,409	85,250	767,659	87,861	713,699	53,960	7.0%	75.0%	69.7%
Materials & Supplies	35,000	2,916	26,254	365	6,429	19,825	75.5%	75.0%	18.4%
Outside Services	39,000	3,249	29,254	6,260	76,634	(47,380)	-162.0%	75.0%	196.5%
Vehicle & Equipment use	116,943	9,741	87,719	10,040	81,701	6,018	6.9%	75.0%	69.9%
Engineering O/H CAP/FEE	(1,216,790)	(101,359)	(912,714)	(103,824)	(866,090)	(46,624)	5.1%	75.0%	71.2%
Resource Engineering Serv.	(1,032,458)	(86,004)	(774,447)	(89,549)	(729,501)	(44,946)	5.8%	75.0%	70.7%
TOTAL ENGINEERING	-	-	-	-	-	-			
VEHICLE & EQUIPMENT									
Vehicle & Equip. PM Labor	52,699	4,390	39,530	5,373	51,114	(11,584)	-29.3%	75.0%	97.0%
Vehicle & Equip. PM G&A /FB	37,543	3,127	28,161	3,828	36,693	(8,532)	-30.3%	75.0%	97.7%
Vehicle & Equip. Exp. - PM	553,000	46,065	414,805	34,713	364,772	50,033	12.1%	75.0%	66.0%
Vehicle & Equip. CM Labor	154,085	12,835	115,579	8,349	62,725	52,854	45.7%	75.0%	40.7%
Vehicle & Equip. CM G&A /FB	109,770	9,144	82,338	5,948	44,927	37,412	45.4%	75.0%	40.9%
Vehicle & Equip. Exp. - CM	259,000	21,575	194,276	18,289	215,962	(21,686)	-11.2%	75.0%	83.4%
Applied Overhead	(1,166,097)	(97,136)	(874,689)	(76,500)	(776,193)	(98,496)	11.3%	75.0%	66.6%
TOTAL VEHICLE & EQUIPMENT	-	-	-	-	-	-			
EMPLOYEE FRINGE BENEFITS:									
E/B Vacation/Sick/Holiday	3,177,978	264,726	2,383,801	186,414	2,645,257	(261,455)	-11.0%	75.0%	83.2%
Employee Benefits	9,905,414	825,121	7,430,051	791,735	7,473,901	(43,850)	-0.6%	75.0%	75.5%
Applied Overhead	(13,083,392)	(1,089,847)	(9,813,852)	(978,149)	(10,119,158)	305,305	-3.1%	75.0%	77.3%
TOTAL EMPLOYEE FRINGE BENEFITS	-	-	-	-	-	-			
TOTAL OPERATING EXPENSE	-	-	-	-	-	-	0.0%	0.0%	0.0%
NET OPERATING REVENUE	-	-	-	-	-	-	0.0%	0.0%	0.0%

Rancho Water

BUDGET COMPARISON - **RESOURCE DIVISION**
FOR THE MONTH ENDING MARCH 31, 2026

	BUDGET			ACTUAL		FAV/(UNFAV)	% OF ANNUAL BUDG	
	ANNUAL	CURR MO	TO DATE	CURR MO	TO DATE	TO DATE	BG TO DT	AC TO DT
NON-OPERATING REVENUE:								
Taxes & Assessments	-	-	-	-	-	-	0.0%	0.0%
Standby Charge	-	-	-	-	-	-	0.0%	0.0%
Interest Revenue	-	-	-	-	-	-	0.0%	0.0%
Fire Service Charge	-	-	-	-	-	-	0.0%	0.0%
Other Income - Government Subsidy	-	-	-	-	-	-	0.0%	0.0%
Other Income - Debt Service	-	-	-	-	-	-	0.0%	0.0%
Other Income - Capital Replacement Fund	-	-	-	-	-	-	0.0%	0.0%
Other Income - Tier 3 & Tier 4 Programs	-	-	-	-	-	-	0.0%	0.0%
Net Contract Revenue - JPA	-	-	-	-	-	-	0.0%	0.0%
Contract Treatment Expense - JPA	-	-	-	-	-	-	0.0%	0.0%
Acreage Assessment Fees	-	-	-	-	-	-	0.0%	0.0%
Reclass (To)/From Oper. Income	-	-	-	-	-	-	0.0%	0.0%
Taxes & Assmt - Annexation	-	-	-	-	-	-	0.0%	0.0%
Primary Facilities	-	-	-	-	-	-	0.0%	0.0%
Vail Lake Operation	-	-	-	-	-	-	0.0%	0.0%
Other Non-Operating Income	-	-	-	-	-	-	0.0%	0.0%
Non-Operating Grant Income	-	-	-	-	-	-	0.0%	0.0%
Gain / Loss Investment Sale	-	-	-	-	-	-	0.0%	0.0%
Interest on Interdivisional Loan	-	-	-	-	-	-	0.0%	0.0%
Defeasance Gain	-	-	-	-	-	-	0.0%	0.0%
Capacity Lease	-	-	-	-	-	-	0.0%	0.0%
TOTAL NON-OPERATING REVENUE	-	-	-	-	-	-	0.0%	0.0%
NON-OPERATING EXPENSE:								
Banked Water Purchase	-	-	-	-	-	-	0.0%	0.0%
Depreciation and Amortization	-	-	-	-	-	-	0.0%	0.0%
Bond Discount Amortization	-	-	-	-	-	-	0.0%	0.0%
Bond Interest	-	-	-	-	-	-	0.0%	0.0%
Arbitrage Expense	-	-	-	-	-	-	0.0%	0.0%
Changes in Investment in Joint Venture	-	-	-	-	-	-	0.0%	0.0%
Other	-	-	-	-	-	-	0.0%	0.0%
Investment Management Exp.	-	-	-	-	-	-	0.0%	0.0%
TOTAL NON-OPERATING EXPENSE	-	-	-	-	-	-	0.0%	0.0%
NET NON-OPERATING REVENUE	-	-	-	-	-	-	0.0%	0.0%
N.I. BEFORE CAPITAL CONTRIBUTIONS	-	-	-	-	-	-	0.0%	0.0%
CONTRIBUTED CAPITAL:								
Connection Fee	-	-	-	-	-	-	0.0%	0.0%
Capital Contributions	-	-	-	-	-	-	0.0%	0.0%
TOTAL CONTRIBUTED CAPITAL	-	-	-	-	-	-	0.0%	0.0%
CHANGES IN NET POSITION	-	-	-	-	-	-	0.0%	0.0%

Rancho Water

BUDGET COMPARISON - **SRWRF DIVISION**
FOR THE MONTH ENDING MARCH 31, 2026

	BUDGET			ACTUAL		FAV/(UNFAV)		% OF ANNUAL BUDG	
	ANNUAL	CURR MO	TO DATE	CURR MO	TO DATE	TO DATE		BG TO DT	AC TO DT
OPERATING REVENUE:									
Water Revenue	-	-	-	-	-	-	0.0%	0.0%	0.0%
Capacity Charges	-	-	-	-	-	-	0.0%	0.0%	0.0%
Unmetered Construction Water	-	-	-	-	-	-	0.0%	0.0%	0.0%
Skinner - Export	-	-	-	-	-	-	0.0%	0.0%	0.0%
Western IDA- Rock Mtn.	-	-	-	-	-	-	0.0%	0.0%	0.0%
Energy Charges	-	-	-	-	-	-	0.0%	0.0%	0.0%
Wastewater Service Charges	2,550,135	213,701	1,909,031	210,431	1,793,785	(115,246)	-6.0%	74.9%	70.3%
Temporary Treatment Fees	-	-	-	-	-	-	0.0%	0.0%	0.0%
New Service Connections	-	-	-	-	-	-	0.0%	0.0%	0.0%
Other OP Rev - Billing	-	-	-	-	-	-	0.0%	0.0%	0.0%
Other OP Rev - Engineering	-	-	-	2	16	16	0.0%	0.0%	0.0%
Reclass (To)/From Non-Operating	692,498	25,276	505,870	25,276	505,177	(693)	-0.1%	73.1%	72.9%
TOTAL OPERATING REVENUE	3,242,633	238,977	2,414,901	235,709	2,298,978	(115,922)	-4.8%	74.5%	70.9%
OPERATING EXPENSE:									
SOURCE OF SUPPLY:									
Purchased Water - Imported	-	-	-	-	-	-	0.0%	0.0%	0.0%
Purchased Water - J/F	-	-	-	-	-	-	0.0%	0.0%	0.0%
Purchased Water - Santa Margarita	-	-	-	-	-	-	0.0%	0.0%	0.0%
Labor	-	-	-	-	-	-	0.0%	0.0%	0.0%
G&A / Fringe Benefits	-	-	-	-	-	-	0.0%	0.0%	0.0%
Materials & Supplies	-	-	-	-	-	-	0.0%	0.0%	0.0%
Utilities	-	-	-	-	-	-	0.0%	0.0%	0.0%
Outside Services	-	-	-	-	-	-	0.0%	0.0%	0.0%
Vehicle & Equipment use	-	-	-	-	-	-	0.0%	0.0%	0.0%
Corrective Maint. - Labor	-	-	-	-	-	-	0.0%	0.0%	0.0%
Corrective Maint. - G&A / FB	-	-	-	-	-	-	0.0%	0.0%	0.0%
Corrective Maintenance	-	-	-	-	-	-	0.0%	0.0%	0.0%
TOTAL SOURCE OF SUPPLY	-	-	-	-	-	-	0.0%	0.0%	0.0%
BOOSTER PUMPING:									
Labor	-	-	-	-	-	-	0.0%	0.0%	0.0%
G&A / Fringe Benefits	-	-	-	-	-	-	0.0%	0.0%	0.0%
Materials & Supplies	-	-	-	-	-	-	0.0%	0.0%	0.0%
Utilities	-	-	-	-	-	-	0.0%	0.0%	0.0%
Outside Services	-	-	-	-	-	-	0.0%	0.0%	0.0%
Vehicle & Equipment use	-	-	-	-	-	-	0.0%	0.0%	0.0%
Corrective Maint. - Labor	-	-	-	-	-	-	0.0%	0.0%	0.0%
Corrective Maint. - G&A / FB	-	-	-	-	-	-	0.0%	0.0%	0.0%
Corrective Maintenance	-	-	-	-	-	-	0.0%	0.0%	0.0%
TOTAL BOOSTER PUMPING	-	-	-	-	-	-	0.0%	0.0%	0.0%
SEWAGE TREATMENT:									
Labor	958,898	79,876	719,269	67,914	675,386	43,883	6.1%	75.0%	70.4%
G&A / Fringe Benefits	1,384,820	115,356	1,038,753	93,247	934,408	104,345	10.0%	75.0%	67.5%
Materials & Supplies	244,629	20,378	183,496	7,626	170,722	12,774	7.0%	75.0%	69.8%
Utilities	904,114	75,313	678,176	24,754	606,893	71,283	10.5%	75.0%	67.1%
Outside Services	1,099,243	91,567	824,542	75,255	752,848	71,694	8.7%	75.0%	68.5%
Vehicle & Equipment use	102,384	8,529	76,798	6,562	64,667	12,132	15.8%	75.0%	63.2%
Corrective Maint. - Labor	605	50	454	-	2,140	(1,686)	-371.5%	75.0%	353.7%
Corrective Maint. - G&A / FB	999	83	749	-	3,293	(2,543)	-339.4%	75.0%	329.6%
Corrective Maintenance	-	-	-	-	134,600	(134,600)	0.0%	0.0%	0.0%
Treatment Reimbursables	(4,738,227)	(394,694)	(3,554,144)	(355,971)	(3,572,772)	18,627	-0.5%	75.0%	75.4%
Contract Treatment Expense - JPA	1,803,472	150,229	1,352,784	150,280	1,352,518	266	0.0%	75.0%	75.0%
TOTAL SEWAGE TREATMENT	1,760,937	146,686	1,320,879	69,667	1,124,704	196,175	14.9%	75.0%	63.9%
TRANSMISSION & DISTRIBUTION:									
Labor	-	-	-	-	-	-	0.0%	0.0%	0.0%
G&A / Fringe Benefits	-	-	-	-	-	-	0.0%	0.0%	0.0%
Materials & Supplies	-	-	-	-	-	-	0.0%	0.0%	0.0%
Outside Services	-	-	-	-	-	-	0.0%	0.0%	0.0%
Vehicle & Equipment use	-	-	-	-	-	-	0.0%	0.0%	0.0%
Corrective Maint. - Labor	-	-	-	-	-	-	0.0%	0.0%	0.0%
Corrective Maint. - G&A / FB	-	-	-	-	-	-	0.0%	0.0%	0.0%
Corrective Maintenance	-	-	-	-	-	-	0.0%	0.0%	0.0%
Service Connect. - Labor	-	-	-	-	-	-	0.0%	0.0%	0.0%
Service Connect. - G&A / FB	-	-	-	-	-	-	0.0%	0.0%	0.0%
Service Connection	-	-	-	-	-	-	0.0%	0.0%	0.0%
TOTAL TRANSMISSION & DISTRIBUTION	-	-	-	-	-	-	0.0%	0.0%	0.0%

Rancho Water

BUDGET COMPARISON - **SRWRF DIVISION**
FOR THE MONTH ENDING MARCH 31, 2026

	BUDGET			ACTUAL		FAV/(UNFAV)		% OF ANNUAL BUDG	
	ANNUAL	CURR MO	TO DATE	CURR MO	TO DATE	TO DATE		BG TO DT	AC TO DT
CUSTOMER SERVICE:									
Labor	-	-	-	-	-	-	0.0%	0.0%	0.0%
G&A / Fringe Benefits	-	-	-	-	-	-	0.0%	0.0%	0.0%
Materials & Supplies	-	-	-	-	-	-	0.0%	0.0%	0.0%
Outside Services	-	-	-	-	-	-	0.0%	0.0%	0.0%
Vehicle & Equipment use	-	-	-	-	-	-	0.0%	0.0%	0.0%
Resource Customer Support	192,482	16,034	144,381	12,954	144,833	(452)	-0.3%	75.0%	75.2%
Uncollectible Accounts	-	-	-	320	3,590	(3,590)	0.0%	0.0%	0.0%
TOTAL CUSTOMER SERVICE	192,482	16,034	144,381	13,275	148,423	(4,043)	-2.8%	75.0%	77.1%
RECYCLED WATER:									
Joint Facility Recycled Water	-	-	-	-	-	-	0.0%	0.0%	0.0%
Purchased Recycled Water	-	-	-	-	-	-	0.0%	0.0%	0.0%
Labor	-	-	-	-	-	-	0.0%	0.0%	0.0%
G&A / Fringe Benefits	-	-	-	-	-	-	0.0%	0.0%	0.0%
Materials & Supplies	-	-	-	-	-	-	0.0%	0.0%	0.0%
Utilities	-	-	-	-	-	-	0.0%	0.0%	0.0%
Outside Services	-	-	-	-	-	-	0.0%	0.0%	0.0%
Vehicle & Equipment use	-	-	-	-	-	-	0.0%	0.0%	0.0%
Corrective Maint. - Labor	-	-	-	-	-	-	0.0%	0.0%	0.0%
Corrective Maint. - G&A / FB	-	-	-	-	-	-	0.0%	0.0%	0.0%
Corrective Maintenance	-	-	-	-	-	-	0.0%	0.0%	0.0%
Tertiary Reimbursables	-	-	-	-	-	-	0.0%	0.0%	0.0%
Contract Treatment Expense - JPA	-	-	-	-	-	-	0.0%	0.0%	0.0%
TOTAL RECYCLED WATER	-	-	-	-	-	-	0.0%	0.0%	0.0%
SUPPORT:									
Labor	-	-	-	-	-	-	0.0%	0.0%	0.0%
G&A / Fringe Benefits	-	-	-	-	-	-	0.0%	0.0%	0.0%
Materials & Supplies	-	-	-	-	-	-	0.0%	0.0%	0.0%
Utilities	-	-	-	-	-	-	0.0%	0.0%	0.0%
Outside Services	-	-	-	-	-	-	0.0%	0.0%	0.0%
Vehicle & Equipment use	-	-	-	-	-	-	0.0%	0.0%	0.0%
Corrective Maint. - Labor	-	-	-	-	-	-	0.0%	0.0%	0.0%
Corrective Maint. - G&A / FB	-	-	-	-	-	-	0.0%	0.0%	0.0%
Corrective Maintenance	-	-	-	-	-	-	0.0%	0.0%	0.0%
Direct Support Allocation	1,127,976	93,960	846,095	78,840	743,241	102,854	12.2%	75.0%	65.9%
Resource Support	-	-	-	(18,228)	126,733	(126,733)	0.0%	0.0%	0.0%
TOTAL SUPPORT	1,127,976	93,960	846,095	60,612	869,974	(23,879)	-2.8%	75.0%	77.1%
ENGINEERING:									
Labor	-	-	-	-	-	-	0.0%	0.0%	0.0%
G&A / Fringe Benefits	-	-	-	-	-	-	0.0%	0.0%	0.0%
Materials & Supplies	-	-	-	-	-	-	0.0%	0.0%	0.0%
Outside Services	-	-	-	-	-	-	0.0%	0.0%	0.0%
Vehicle & Equipment use	-	-	-	-	-	-	0.0%	0.0%	0.0%
Engineering O/H CAP/FEE	-	-	-	-	-	-	0.0%	0.0%	0.0%
Resource Engineering Serv.	7,854	654	5,891	929	7,182	(1,291)	-21.9%	75.0%	91.4%
TOTAL ENGINEERING	7,854	654	5,891	929	7,182	(1,291)	-21.9%	75.0%	91.4%
VEHICLE & EQUIPMENT									
Vehicle & Equip. PM Labor	-	-	-	-	-	-	0.0%	0.0%	0.0%
Vehicle & Equip. PM G&A /FB	-	-	-	-	-	-	0.0%	0.0%	0.0%
Vehicle & Equip. Exp. - PM	-	-	-	-	-	-	0.0%	0.0%	0.0%
Vehicle & Equip. CM Labor	-	-	-	-	-	-	0.0%	0.0%	0.0%
Vehicle & Equip. CM G&A /FB	-	-	-	-	-	-	0.0%	0.0%	0.0%
Vehicle & Equip. Exp. - CM	-	-	-	-	-	-	0.0%	0.0%	0.0%
Applied Overhead	-	-	-	-	-	-	0.0%	0.0%	0.0%
TOTAL VEHICLE & EQUIPMENT	-	-	-	-	-	-	0.0%	0.0%	0.0%
EMPLOYEE FRINGE BENEFITS:									
E/B Vacation/Sick/Holiday	-	-	-	-	-	-	0.0%	0.0%	0.0%
Employee Benefits	-	-	-	-	-	-	0.0%	0.0%	0.0%
Applied Overhead	-	-	-	-	-	-	0.0%	0.0%	0.0%
TOTAL EMPLOYEE FRINGE BENEFITS	-	-	-	-	-	-	0.0%	0.0%	0.0%
TOTAL OPERATING EXPENSE	3,089,249	257,334	2,317,246	144,482	2,150,283	166,962	7.2%	75.0%	69.6%
NET OPERATING REVENUE	153,384	(18,357)	97,655	91,227	148,695	51,040	52.3%	63.7%	96.9%

Rancho Water

BUDGET COMPARISON - **SRWRF DIVISION**
FOR THE MONTH ENDING MARCH 31, 2026

	BUDGET			ACTUAL		FAV/(UNFAV)		% OF ANNUAL BUDG	
	ANNUAL	CURR MO	TO DATE	CURR MO	TO DATE	TO DATE		BG TO DT	AC TO DT
NON-OPERATING REVENUE:									
Taxes & Assessments	-	-	-	-	-	-	0.0%	0.0%	0.0%
Standby Charge	30,529	-	15,265	-	25,470	10,205	66.9%	50.0%	83.4%
Interest Revenue	257,954	21,488	193,491	35,491	435,576	242,085	125.1%	75.0%	168.9%
Fire Service Charge	-	-	-	-	-	-	0.0%	0.0%	0.0%
Other Income - Government Subsidy	-	-	-	-	-	-	0.0%	0.0%	0.0%
Other Income - Debt Service	1,884,183	155,822	1,416,717	156,268	1,421,486	4,769	0.3%	75.2%	75.4%
Other Income - Capital Replacement Fund	645,297	60,722	463,259	53,518	408,060	(55,199)	-11.9%	71.8%	63.2%
Other Income - Tier 3 & Tier 4 Programs	-	-	-	-	-	-	0.0%	0.0%	0.0%
Debt Service Share from JPA	-	-	-	-	-	-	0.0%	0.0%	0.0%
Acreage Assessment Fees	-	-	-	-	-	-	0.0%	0.0%	0.0%
Reclass (To)/From Oper. Income	(692,498)	(25,276)	(505,870)	(25,276)	(505,177)	693	-0.1%	73.0%	72.9%
Primary Facilities	-	-	-	-	-	-	0.0%	0.0%	0.0%
Vail Lake Opertation	-	-	-	-	-	-	0.0%	0.0%	0.0%
Other Non-Operating Income	-	-	-	-	-	-	0.0%	0.0%	0.0%
Non-Operating Grant Income	-	-	-	-	-	-	0.0%	0.0%	0.0%
Gain / Loss Investment Sale	-	-	-	6	8,912	8,912	0.0%	0.0%	0.0%
Interest on Interdivisional Loan	(23,512)	(1,959)	(17,636)	(3,045)	(27,555)	(9,918)	56.2%	75.0%	117.2%
Defeasance Gain	-	-	-	-	-	-	0.0%	0.0%	0.0%
TOTAL NON-OPERATING REVENUE	2,101,953	210,797	1,565,226	216,962	1,766,771	201,545	12.9%	74.5%	84.1%
NON-OPERATING EXPENSE:									
Banked Water Purchase	-	-	-	-	-	-	0.0%	0.0%	0.0%
Depreciation and Amortization	534,720	44,542	401,093	44,577	401,329	(236)	-0.1%	75.0%	75.1%
Bond Discount Amortization	(130,961)	(10,909)	(98,234)	(10,647)	(95,825)	(2,409)	2.5%	75.0%	73.2%
Bond Interest	112,414	9,364	84,322	8,684	79,751	4,571	5.4%	75.0%	70.9%
Arbitrage Expense	-	-	-	-	-	-	0.0%	0.0%	0.0%
Non-Operating Grant Expense	-	-	-	-	-	-	0.0%	0.0%	0.0%
Changes in Investment in Joint Venture	2,515,627	-	-	-	712,243	(712,243)	0.0%	0.0%	28.3%
Other	1,400	117	1,050	107	3,435	(2,385)	-227.1%	75.0%	245.3%
Investment Management Exp.	7,000	583	5,251	434	3,560	1,691	32.2%	75.0%	50.9%
TOTAL NON-OPERATING EXPENSE	3,040,200	43,697	393,482	43,155	1,104,492	(711,010)	-180.7%	12.9%	36.3%
NET NON-OPERATING REVENUE	(938,247)	167,100	1,171,744	173,806	662,279	(509,465)	-43.5%	-124.9%	-70.6%
N.I. BEFORE CAPITAL CONTRIBUTIONS	(784,863)	148,743	1,269,399	265,033	810,974	(458,425)	-36.1%	-161.7%	-103.3%
CONTRIBUTED CAPITAL:									
Connection Fee	389,250	32,425	291,976	4,117	43,183	(248,794)	-85.2%	75.0%	11.1%
Capital Contributions	-	-	-	-	-	-	0.0%	0.0%	0.0%
TOTAL CONTRIBUTED CAPITAL	389,250	32,425	291,976	4,117	43,183	(248,794)	-85.2%	75%	11%
CHANGES IN NET POSITION	(395,613)	181,168	1,561,375	269,151	854,156	(707,219)	-45.3%	-87%	-92%

Rancho Water

MONTHLY COMPARISON - RANCHO DIVISION
STATEMENT OF NET POSITION

	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH
CURRENT ASSETS-CASH:									
Cash & Investments	26,185,015	25,293,876	26,232,805	28,012,324	29,058,219	29,404,765	32,258,793	28,493,950	31,252,900
Reserve for Other	-	-	-	-	-	-	-	-	-
Replacement Fund	770,833	837,073	725,221	725,221	725,221	725,221	725,221	725,221	725,221
TOTAL CURRENT ASSETS - CASH	**26,955,848**	**26,130,949**	**26,958,026**	**28,737,545**	**29,783,440**	**30,129,986**	**32,984,014**	**29,219,171**	**31,978,121**
CURRENT ASSETS-OTHER:									
Taxes & Assessments Receivable	-	-	-	-	-	-	-	-	-
Accounts Receivable - Water Sales	6,893,639	7,889,436	7,300,777	7,016,814	6,329,577	5,738,109	5,842,002	5,639,613	5,936,474
Accounts Receivable - Other	15,726,524	15,777,931	15,895,599	15,993,275	15,903,624	15,997,543	16,136,514	16,429,456	16,550,530
Notes Receivable	-	-	-	-	-	-	-	-	-
Intercompany	-	-	-	-	-	-	-	-	-
Inter-Division Loan Receivable	22,825,055	22,755,094	22,685,068	22,614,978	22,544,824	22,474,606	22,404,323	22,333,975	22,263,563
Accrued Interest Receivable	1,527,434	1,388,686	1,433,800	1,603,650	1,540,316	1,802,602	1,811,722	1,538,932	1,714,585
Water Inventory	15,154,797	15,154,797	15,154,797	15,154,797	15,154,797	15,154,797	15,154,797	14,659,664	13,447,921
Materials Inventory	1,873,664	1,896,741	1,906,615	1,889,565	1,909,711	1,902,878	1,873,402	1,939,270	1,923,509
Prepaid Expenses	1,863,583	1,898,480	1,695,903	1,502,640	1,309,377	1,116,113	922,720	842,521	646,674
TOTAL CURRENT ASSETS - OTHER	**65,864,695**	**66,761,164**	**66,195,832**	**65,940,083**	**64,897,681**	**64,186,648**	**64,145,478**	**63,383,431**	**62,483,256**
TOTAL CURRENT ASSETS	**92,820,544**	**92,892,113**	**93,153,858**	**94,677,628**	**94,681,121**	**94,316,633**	**97,129,493**	**92,602,602**	**94,461,377**
RESTRICTED ASSETS:									
Cash & Investments Construction	33,823,349	33,824,629	33,826,926	33,827,629	33,829,028	33,830,766	33,831,637	33,833,470	33,836,023
Debt Service/Capital Improvement Fund	192,168,928	190,693,985	187,092,965	185,608,139	183,790,564	193,672,023	201,385,775	201,252,624	201,203,510
Capacity Fees	-	-	-	-	-	-	-	-	-
Bond Trust Reserves	5,220,293	6,096	6,117	6,137	6,158	6,177	1,629,872	5,488	5,635
Pension Trust Reserve	5,186,666	5,218,854	4,939,303	4,949,251	4,957,741	5,007,631	5,007,816	5,411,689	5,392,752
Deferred Compensation - Employees	8,592,132	8,846,009	9,031,195	9,155,208	9,200,145	9,220,394	9,420,584	9,584,022	9,195,845
TOTAL RESTRICTED ASSETS	**244,991,368**	**238,589,573**	**234,773,231**	**233,381,999**	**231,578,180**	**241,736,991**	**251,275,685**	**250,087,293**	**249,633,765**
UTILITY PLANT ASSETS:									
Construction in Progress	35,303,343	36,091,052	39,706,574	36,572,027	37,488,573	39,393,947	38,383,185	39,972,053	40,667,904
Fixed Assets less Accumulated Depreciation	323,748,547	322,669,503	321,591,133	325,252,981	325,543,484	325,473,148	324,347,716	326,400,098	326,123,458
TOTAL UTILITY PLANT ASSETS	**359,051,890**	**358,760,555**	**361,297,706**	**361,825,008**	**363,032,057**	**364,867,095**	**362,730,901**	**366,372,151**	**366,791,362**
OTHER ASSETS:									
Other Assets- Advance Connection Charges	573,982	573,982	573,982	573,982	573,982	573,982	573,982	573,982	573,982
Investment in Joint Venture	1,035,851	1,035,851	1,035,851	1,035,851	1,035,851	1,035,851	1,035,851	1,035,851	1,035,851
OPEB Asset	1,888,766	1,888,766	1,888,766	1,888,766	1,888,766	1,888,766	1,888,766	1,888,766	1,888,766
TOTAL OTHER ASSETS	**3,498,599**	**3,498,599**	**3,498,599**	**3,498,599**	**3,498,599**	**3,498,599**	**3,498,599**	**3,498,599**	**3,498,599**
TOTAL ASSETS	**700,362,401**	**693,740,840**	**692,723,394**	**693,383,235**	**692,789,957**	**704,419,319**	**714,634,677**	**712,560,645**	**714,385,103**
DEFERRED OUTFLOWS OF RESOURCES:									
Deferred Amount on Refunding	6,042,644	5,984,715	5,926,785	5,868,855	5,810,925	5,752,995	5,695,065	5,637,136	5,579,206
Deferred Outflows Pension	7,811,524	7,811,524	8,256,085	8,256,085	8,256,085	8,256,085	8,256,085	8,256,085	8,256,085

	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH
Deferred Outflows OPEB	1,368,371	1,368,371	1,368,371	1,368,371	1,368,371	1,368,371	1,368,371	1,368,371	1,368,371
Deferred Outflows Leases	-	-	-	-	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	**715,584,940**	**708,905,450**	**708,274,636**	**708,876,546**	**708,225,339**	**719,796,770**	**729,954,199**	**727,822,237**	**729,588,766**
CURRENT LIABILITIES:									
Accounts Payable	8,176,043	7,023,848	7,149,615	6,134,671	5,552,221	5,780,176	5,597,421	5,198,770	7,732,046
Unearned Tax Revenue	-	-	-	-	-	-	-	-	-
Inter-Division Loan Payable	-	-	-	-	-	-	-	-	-
Accrued Payroll	1,797,837	1,897,003	1,930,129	2,361,808	2,560,832	1,977,372	2,000,309	1,983,414	2,007,820
Construction & Service Department	109,686	128,980	(393,290)	(502,270)	79,753	166,613	898,998	260,907	234,211
Promissory Notes Payable	-	-	-	-	-	-	-	-	-
Accrued Interest Payable	-	-	-	-	-	-	-	-	-
TOTAL CURRENT LIABILITIES	**10,083,566**	**9,049,832**	**8,686,454**	**7,994,209**	**8,192,806**	**7,924,161**	**8,496,728**	**7,443,091**	**9,974,076**
RESTRICTED LIABILITIES:									
Accrued Interest Payable	1,703,308	271,705	542,737	813,769	1,084,801	1,355,833	1,626,865	272,696	543,728
Advance Connection Fees	-	-	-	-	-	-	-	-	-
Deferred Compensation - Employees	8,592,132	8,846,009	9,031,195	9,155,208	9,200,145	9,220,394	9,420,584	9,584,022	9,195,845
TOTAL RESTRICTED LIABILITIES	**10,295,440**	**9,117,714**	**9,573,933**	**9,968,977**	**10,284,946**	**10,576,227**	**11,047,449**	**9,856,718**	**9,739,573**
LONG TERM LIABILITIES									
A/P Advance Connection Charges	521,173	521,173	521,173	521,173	521,173	521,173	521,173	521,173	521,173
Bonds Payable									
Certificates of Participation	-	-	-	-	-	-	-	-	-
Revenue Bonds Payable	103,623,585	100,046,353	99,982,795	99,919,238	99,855,681	99,792,123	99,728,566	99,665,008	99,601,451
Pension Liability	18,633,441	18,633,441	18,633,441	18,633,441	18,633,441	18,633,441	18,633,441	18,633,441	18,633,441
OPEB Liability	-	-	-	-	-	-	-	-	-
Other Long-Term Liability	617,695	617,695	617,695	617,695	617,695	617,695	617,695	617,695	617,695
TOTAL LONG-TERM LIABILITIES	**123,395,893**	**119,818,661**	**119,755,103**	**119,691,546**	**119,627,988**	**119,564,431**	**119,500,874**	**119,437,316**	**119,373,759**
TOTAL LIABILITIES	**143,774,899**	**137,986,207**	**138,015,489**	**137,654,732**	**138,105,741**	**138,064,819**	**139,045,051**	**136,737,126**	**139,087,408**
DEFERRED OUTFLOWS:									
Deferred Amount on Refunding	-	-	-	-	-	-	-	-	-
Deferred Inflows Pension	-	-	-	-	-	-	-	-	-
Deferred Inflows OPEB	4,650,531	4,650,531	4,650,531	4,650,531	4,650,531	4,650,531	4,650,531	4,650,531	4,650,531
Deferred Inflows Leases	12,190,840	12,190,840	12,190,840	12,190,840	12,190,840	12,190,840	12,190,840	12,190,840	12,190,840
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	**160,616,270**	**154,827,578**	**154,856,860**	**154,496,104**	**154,947,112**	**154,906,190**	**155,886,422**	**153,578,497**	**155,928,779**
NET POSITION									
Net Investment of Capital Assets	260,906,063	264,134,032	266,676,810	267,209,740	268,422,416	270,263,082	268,132,515	271,779,392	272,204,231
Restricted	230,834,954	225,457,154	203,707,361	202,090,934	199,907,811	210,037,627	219,114,220	218,843,769	218,683,040
Unrestricted	63,227,652	64,486,686	83,033,604	85,079,769	84,947,999	84,589,871	86,821,042	83,620,579	82,772,716
TOTAL NET POSITION	**554,968,670**	**554,077,872**	**553,417,775**	**554,380,443**	**553,278,227**	**564,890,580**	**574,067,777**	**574,243,740**	**573,659,986**

Rancho Water

MONTHLY COMPARISON - RANCHO DIVISION
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS

	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH
OPERATING REVENUE:									
Water Revenue	2,800,289	3,279,276	2,775,525	2,374,146	1,508,107	1,482,539	1,151,885	991,798	1,917,021
Capacity Charges	1,348,313	1,345,918	1,307,593	1,348,555	1,307,682	1,351,658	1,413,730	1,335,387	1,456,879
Energy Charges	239,779	256,169	231,671	160,469	114,870	70,849	112,053	97,584	126,068
New Service Connections	-	11,559	5,499	10,101	-	58,037	5,676	1,145	11,153
Other Operating Revenue - Billing	103,726	108,433	136,271	120,947	130,002	139,009	120,867	113,513	140,440
Other Operating Revenue - Engineering	5,816	4,156	44,790	6,288	13,744	55,370	119,388	55,021	(9,649)
Reclass (To)/From Non-Operating	1,697,541	1,633,724	1,480,562	1,314,637	829,625	829,625	344,614	714,754	465,866
TOTAL OPERATING REVENUE	**6,195,464**	**6,639,234**	**5,981,911**	**5,335,143**	**3,904,030**	**3,987,087**	**3,268,213**	**3,309,200**	**4,107,778**
OPERATING EXPENSE:									
SOURCE OF SUPPLY:									
Purchased Water - Imported	-	-	-	-	-	-	-	-	-
Purchased Water - J/F	3,139,349	3,798,004	3,670,308	2,187,139	2,059,392	2,374,136	1,909,223	1,297,151	2,756,391
Purchased Water - Santa Margarita	104,426	73,248	68,590	61,604	40,568	51,011	167,273	144,706	318,612
Labor	-	-	-	-	-	-	-	-	-
G&A / Fringe Benefits	-	-	-	-	-	-	-	-	-
Materials & Supplies	-	-	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-	-	-
Outside Services	-	-	-	-	-	-	-	-	-
Vehicle & Equipment use	-	-	-	-	-	-	-	-	-
Corrective Maintenance - Labor	-	-	-	-	-	-	-	-	-
Corrective Maintenance - G&A / FB	-	-	-	-	-	-	-	-	-
Corrective Maintenance	-	-	-	-	-	-	-	-	-
TOTAL SOURCE OF SUPPLY	**3,243,775**	**3,871,253**	**3,738,899**	**2,248,743**	**2,099,961**	**2,425,146**	**2,076,496**	**1,441,857**	**3,075,002**
BOOSTER PUMPING:									
Labor	8,094	8,605	8,008	9,455	4,984	5,773	6,120	5,968	7,733
G&A / Fringe Benefits	13,079	13,242	12,322	14,549	7,670	8,883	9,418	9,183	11,899
Materials & Supplies	1,724	2,461	5,252	3,383	599	165	1,630	2,206	3,776
Utilities	157,967	211,232	180,557	171,091	136,137	107,326	86,609	96,967	138,275
Outside Services	11,906	32,747	22,325	15,733	1,472	28,235	1,522	6,496	11,587
Vehicle & Equipment use	999	972	905	1,068	563	652	692	674	874
Corrective Maintenance - Labor	-	-	-	-	-	-	-	-	-
Corrective Maintenance - G&A / FB	-	-	-	-	-	-	-	-	-
Corrective Maintenance	-	1,903	3,823	-	-	-	-	756	1,925
TOTAL BOOSTER PUMPING	**193,768**	**271,162**	**233,192**	**215,278**	**151,425**	**151,034**	**105,990**	**122,250**	**176,068**

Rancho Water

MONTHLY COMPARISON - **RANCHO DIVISION**
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS

	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH
SEWAGE TREATMENT:									
Labor	-	-	-	-	-	-	-	-	-
G&A / Fringe Benefits	-	-	-	-	-	-	-	-	-
Materials & Supplies	-	-	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-	-	-
Outside Services	-	-	-	-	-	-	-	-	-
Vehicle & Equipment use	-	-	-	-	-	-	-	-	-
Inter-Agency Treatment	-	-	-	-	-	-	-	-	-
Corrective Maintenance - Labor	-	-	-	-	-	-	-	-	-
Corrective Maintenance - G&A / FB	-	-	-	-	-	-	-	-	-
Corrective Maintenance	-	-	-	-	-	-	-	-	-
Treatment Reimbursables	-	-	-	-	-	-	-	-	-
Contract Treatment Expense - JPA	-	-	-	-	-	-	-	-	-
TOTAL SEWAGE TREATMENT	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
TRANSMISSION & DISTRIBUTION									
Labor	139,966	142,745	148,818	227,469	119,772	135,762	156,354	171,110	151,286
G&A / Fringe Benefits	195,435	192,816	202,154	311,715	157,934	182,912	215,367	238,115	208,336
Materials & Supplies	11,817	10,175	6,944	9,478	14,769	3,591	4,584	2,365	6,441
Outside Services	6,120	23,744	25,369	11,965	6,412	18,946	11,141	138,320	11,613
Vehicle & Equipment use	14,754	14,159	14,845	22,890	11,598	13,432	15,815	17,486	15,299
Construction Closed Jobs	-	-	-	-	-	-	-	-	-
Corrective Maintenance - Labor	67,753	63,495	48,645	39,918	40,351	23,995	33,227	31,599	28,196
Corrective Maintenance - G&A / FB	110,940	97,706	74,855	61,426	62,092	36,924	51,130	48,625	43,389
Corrective Maintenance	126,288	77,078	99,007	55,612	78,876	56,916	160,809	55,997	48,495
Service Connect. - Labor	-	3,989	645	3,590	-	14,226	1,396	68	1,960
Service Connect. - G&A / FB	-	5,943	920	4,675	-	15,396	2,148	105	3,008
Service Connection	-	12,922	3,934	8,945	-	36,067	2,132	972	6,185
TOTAL TRANSMISSION & DISTRIBUTION	**673,073**	**644,773**	**626,135**	**757,685**	**491,803**	**538,167**	**654,103**	**704,761**	**524,208**
CUSTOMER SERVICE:									
Labor	47,174	54,401	60,111	87,627	46,844	50,382	48,092	51,188	49,375
G&A / Fringe Benefits	72,501	77,863	87,718	127,416	67,915	73,474	70,218	74,917	71,553
Materials & Supplies	45,656	24,699	40,694	54,824	17,438	27,017	20,565	23,156	20,152
Outside Services	4,864	3,392	1,020	1,037	2,200	4,057	4,073	3,158	920
Vehicle & Equipment use	5,756	6,147	6,793	9,902	5,293	5,693	5,434	5,784	5,579
Resource Customer Support	120,490	121,963	111,741	189,767	98,986	119,857	123,871	119,557	99,077
Uncollectible Accounts	1,529	5,286	1,648	9,536	1,486	16,461	2,279	(1,416)	7,320
TOTAL CUSTOMER SERVICE	**297,970**	**293,751**	**309,724**	**480,108**	**240,162**	**296,942**	**274,533**	**276,344**	**253,976**

Rancho Water

MONTHLY COMPARISON - **RANCHO DIVISION**
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS

	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH
RECYCLED WATER:									
Joint Facility Recycled Water	185,972	34,992	103,534	106,196	62,131	120,672	95,375	85,524	125,956
Purchased Recycled Water	-	-	-	-	-	-	-	-	-
Labor	6,474	5,609	5,309	11,504	5,502	4,966	1,888	3,247	2,897
G&A / Fringe Benefits	10,433	8,631	8,169	17,703	8,467	7,608	2,906	4,997	4,457
Materials & Supplies	36	217	587	120	244	1,233	-	78	38
Utilities	38,701	32,946	34,397	21,307	(853)	26,603	12,329	12,116	17,953
Outside Services	1,585	2,249	2,860	2,874	1,990	1,411	20,867	66,605	6,357
Vehicle & Equipment use	790	634	600	1,300	622	561	213	367	327
Corrective Maintenance - Labor	-	-	-	-	-	-	-	-	-
Corrective Maintenance - G&A / FB	-	-	-	-	-	34	-	-	-
Corrective Maintenance	-	-	-	-	-	-	-	-	-
Tertiary Reimbursables	-	-	-	-	-	-	-	-	-
Contract Treatment Expense - JPA	-	-	-	-	-	-	-	-	-
TOTAL RECYCLED WATER	**243,991**	**85,277**	**155,457**	**163,304**	**78,589**	**163,088**	**133,286**	**166,103**	**149,432**
SUPPORT:									
Labor	-	-	-	-	-	-	-	-	-
G&A / Fringe Benefits	-	-	-	-	-	-	-	-	-
Materials & Supplies	-	-	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-	-	-
Outside Services	-	-	-	-	-	-	-	-	-
Vehicle & Equipment use	-	-	-	-	-	-	-	-	-
Corrective Maintenance - Labor	-	-	-	-	-	-	-	-	-
Corrective Maintenance - G&A / FB	-	-	-	-	-	-	-	-	-
Corrective Maintenance	-	-	-	-	-	-	-	-	-
Direct Support Allocation	620,570	735,729	649,435	955,348	668,105	528,357	712,152	495,915	631,828
Resource Support	227,907	10,551	20,913	(127,574)	230,661	(501)	229,704	(31,534)	(71,970)
TOTAL SUPPORT	**848,477**	**746,280**	**670,348**	**827,773**	**898,766**	**527,856**	**941,856**	**464,380**	**559,858**
ENGINEERING:									
Labor	1,178	1,542	29,285	(17,164)	4,489	28,610	34,243	10,982	2,694
G&A / Fringe Benefits	1,164	1,525	40,101	(23,968)	7,345	9,172	56,526	20,172	3,990
Materials & Supplies	-	-	238	-	-	-	-	-	-
Outside Services	-	-	-	-	-	-	206	-	-
Vehicle & Equipment use	134	174	3,468	(2,052)	456	1,140	3,675	1,390	296
Engineering O/H CAP/FEE	-	-	24,727	(17,351)	2,384	5,993	28,105	10,697	1,579
Engineering Closed Jobs	-	-	-	-	-	-	-	-	-
Resource engineering Serv.	65,855	70,152	31,541	82,171	57,392	46,491	73,038	65,302	68,629
TOTAL ENGINEERING	**68,331**	**73,392**	**129,359**	**21,635**	**72,066**	**91,406**	**195,793**	**108,542**	**77,188**

Rancho Water

MONTHLY COMPARISON - **RANCHO DIVISION**
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS

	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH
VEHICLE & EQUIPMENT									
Vehicle & Equip. PM Labor	-	-	-	-	-	-	-	-	-
Vehicle & Equip. PM G&A /FB	-	-	-	-	-	-	-	-	-
Vehicle & Equip. Exp. - PM	-	-	-	-	-	-	-	-	-
Vehicle & Equip. CM Labor	-	-	-	-	-	-	-	-	-
Vehicle & Equip. CM G&A /FB	-	-	-	-	-	-	-	-	-
Vehicle & Equip. Exp. - CM	-	-	-	-	-	-	-	-	-
Applied Overhead	-	-	-	-	-	-	-	-	-
TOTAL VEHICLE & EQUIPMENT	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
EMPLOYEE FRINGE BENEFITS:									
E/B Vacation/Sick/Holiday	-	-	-	-	-	-	-	-	-
Employee Benefits	-	-	-	-	-	-	-	-	-
Applied Overhead	-	-	-	-	-	-	-	-	-
TOTAL EMPLOYEE FRINGE BENEFITS	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL OPERATING EXPENSE	**5,569,384**	**5,985,888**	**5,863,114**	**4,714,526**	**4,032,772**	**4,193,638**	**4,382,057**	**3,284,237**	**4,815,732**
NET OPERATING REVENUE	**626,080**	**653,346**	**118,797**	**620,617**	**(128,742)**	**(206,551)**	**(1,113,845)**	**24,962**	**(707,954)**
NON-OPERATING REVENUE:									
Taxes & Assessments	564,762	278,459	164	868,247	-	11,495,320	11,101,123	856,420	213,686
Standby Charge	-	-	-	-	-	-	-	-	-
Interest Revenue	640,952	542,377	1,213,181	681,473	587,663	979,356	539,981	1,091,903	1,174,270
Fire Service Charge	4,807	5,778.47	-	-	-	-	90,929	9,762	-
Other Income - Government Subsidy	4,974	4,974	4,974	4,974	4,974	4,974	4,974	4,974	4,974
Other Income - Debt Service	-	-	-	-	-	-	-	-	-
Other Income - Capital Replacement Fund	-	-	-	-	-	-	-	-	-
Other Income - Tier 3 & Tier 4 Programs	45,612	66,240	81,511	98,876	90,633	66,709	41,846	31,154	26,082
Acreage Assessment Fees	-	-	-	-	-	-	-	2,092	-
Reclass (To)/From Oper. Income	(1,697,541)	(1,633,724)	(1,480,562)	(1,314,637)	(829,625)	(829,625)	(344,614)	(714,754)	(465,866)
Taxes & Assmt - Annexation	-	-	-	-	-	-	-	-	-
Vail Lake Operations	(304)	31,983	23,127	33,458	23,120	33,465	36,071	265	23,059
Other Non-Operating Income	(1,415)	525,611	60,094	1,277,032	323,681	18,144	0	1,597	-
Non-Operating Grant Income	186,791	-	-	14,603	64,579	1,329,864	180,213	94,287	529,197
Gain / Loss Investment Sale	3,406	14,473	10,477	57,683	55,122	31,632	109,904	21,766	198
Interest on Interdivisional Loan	20,866	99,753	60,248	60,722	60,440	60,754	58,695	59,116	58,815
TOTAL NON-OPERATING REVENUE	**(227,089)**	**(64,075)**	**(26,786)**	**1,782,431**	**380,585**	**13,190,593**	**11,819,123**	**1,458,582**	**1,564,415**

MONTHLY COMPARISON - **RANCHO DIVISION**
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS

	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH
NON-OPERATING EXPENSE:									
Banked Water Purchase	-	-	-	-	-	-	-	-	-
Depreciation and Amortization	1,080,189	1,079,044	1,078,463	1,080,639	1,122,044	1,128,299	1,126,767	1,128,419	1,147,954
Bond Discount Amortization	(5,628)	(5,628)	(5,628)	(5,628)	(5,628)	(5,628)	(5,628)	(5,628)	(5,628)
Bond Interest	284,445	271,032	271,032	271,032	272,317	271,701	271,032	271,032	271,032
Arbitrage Expense	-	-	-	-	-	-	-	-	-
Non-Operating Grant Expense	163,492	101,404	7,076	6,887	1,827	5,875	1,350	2,895	4,037
Changes in Investment in Joint Venture	-	-	46,177	26,589	-	-	-	-	-
Other	23,241	593,847	13,823	94,513	35,003	153,104	165,587	31,488	58,718
Investment Management Exp.	1,936	11,464	11,434	11,595	12,068	12,104	-	24,324	12,284
TOTAL NON-OPERATING EXPENSE	**1,547,675**	**2,051,162**	**1,422,377**	**1,485,626**	**1,437,632**	**1,565,455**	**1,559,108**	**1,452,531**	**1,488,397**
NET NON-OPERATING REVENUE	**(1,774,763)**	**(2,115,237)**	**(1,449,163)**	**296,805**	**(1,057,046)**	**11,625,138**	**10,260,015**	**6,051**	**76,019**
N.I. BEFORE CAPITAL CONTRIBUTIONS	**(1,148,684)**	**(1,461,891)**	**(1,330,366)**	**917,422**	**(1,185,788)**	**11,418,587**	**9,146,170**	**31,013**	**(631,935)**
CONTRIBUTED CAPITAL:									
Connection Fee	12,078	24,739	14,725	10,893	5,007	319,515	10,824	5,412	32,786
Capital Contributions	-	-	602,511	35,118	79,332	17,008	328	328	16,161
TOTAL CONTRIBUTED CAPITAL	**12,078**	**24,739**	**617,236**	**46,011**	**84,339**	**336,523**	**11,152**	**5,740**	**48,947**
CHANGES IN NET POSITION	**(1,136,606)**	**(1,437,152)**	**(713,130)**	**963,432**	**(1,101,449)**	**11,755,110**	**9,157,321**	**36,753**	**(582,988)**

Rancho Water

MONTHLY COMPARISON - SANTA ROSA DIVISION
STATEMENT OF NET POSITION

	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH
CURRENT ASSETS-CASH:									
Cash & Investments	13,441,695	12,555,850	12,372,587	13,216,030	14,199,321	15,085,960	12,183,582	15,439,101	17,021,154
Reserve for Other	-	-	-	-	-	-	-	-	-
Replacement Fund	4,268,915	4,298,714	4,097,602	4,103,487	4,115,190	4,129,724	4,137,017	4,152,350	4,173,702
TOTAL CURRENT ASSETS - CASH	**17,710,610**	**16,854,564**	**16,470,189**	**17,319,517**	**18,314,511**	**19,215,684**	**16,320,599**	**19,591,451**	**21,194,856**
CURRENT ASSETS-OTHER:									
Taxes & Assessments Receivable	-	-	0	-	-	-	-	-	-
Accounts Receivable - Water Sales	6,139,558	7,051,680	6,827,723	6,034,061	5,369,080	4,434,924	4,324,592	4,768,787	4,829,874
Accounts Receivable - Other	5,489,680	5,485,356	5,567,837	5,638,671	5,583,375	5,614,105	5,725,064	5,816,775	6,445,269
Notes Receivable	-	-	-	-	-	-	-	-	-
Intercompany	-	-	-	-	-	-	-	-	-
Inter-Division Loan Receivable	0	0	0	-	-	-	-	-	-
Accrued Interest Receivable	379,059	357,235	404,398	228,031	243,791	409,707	305,167	294,823	511,284
Water Inventory	15,154,797	15,154,797	15,154,797	15,154,797	15,154,797	15,154,797	15,154,797	14,659,664	13,447,921
Materials Inventory	1,873,664	1,896,741	1,906,615	1,889,565	1,909,711	1,902,878	1,873,402	1,939,270	1,923,509
Prepaid Expenses	1,863,583	1,898,480	1,695,903	1,502,640	1,309,377	1,116,113	922,720	842,521	646,674
TOTAL CURRENT ASSETS - OTHER	**30,900,340**	**31,844,289**	**31,557,273**	**30,447,765**	**29,570,130**	**28,632,524**	**28,305,741**	**28,321,840**	**27,804,532**
TOTAL CURRENT ASSETS	**48,610,949**	**48,698,853**	**48,027,462**	**47,767,282**	**47,884,641**	**47,848,208**	**44,626,340**	**47,913,291**	**48,999,387**
RESTRICTED ASSETS:									
Cash & Investments Construction	21,683,919	21,684,892	21,686,636	21,687,171	21,688,234	21,689,554	21,690,216	21,691,608	21,693,548
Debt Service/Capital Improvement Fund	271,476	(324,161)	(3,785,344)	(5,222,000)	(7,605,320)	(5,460,961)	(4,883,825)	(6,530,179)	(5,854,076)
Capacity Fees	-	-	-	-	-	-	-	-	-
Bond Trust Reserves	7,221,033	10,223	10,259	10,293	10,328	10,361	2,080,713	9,538	9,711
Pension Trust Reserve	3,202,309	3,222,182	3,049,584	3,055,726	3,060,968	3,091,770	3,091,885	3,341,241	3,329,549
Deferred Comp.-Employees	8,592,132	8,846,009	9,031,195	9,155,208	9,200,145	9,220,394	9,420,584	9,584,022	9,195,845
TOTAL RESTRICTED ASSETS	**40,970,868**	**33,439,145**	**29,992,330**	**28,850,763**	**26,559,810**	**28,551,117**	**31,399,572**	**28,096,231**	**28,374,576**
UTILITY PLANT ASSETS:									
Construction in Progress	27,326,076	27,900,577	31,512,235	28,082,946	29,255,049	31,258,263	36,601,852	38,240,910	39,206,664
Fixed Assets less Accm Depr.	181,174,514	180,366,148	179,557,904	183,494,809	184,072,702	184,083,369	183,248,833	179,357,733	178,743,750
TOTAL UTILITY PLANT ASSETS	**208,500,589**	**208,266,725**	**211,070,139**	**211,577,755**	**213,327,751**	**215,341,633**	**219,850,686**	**217,598,644**	**217,950,413**
OTHER ASSETS:									
Other Assets- Adv Conn Chgs	433,953	433,953	433,953	433,953	433,953	433,953	433,953	433,953	433,953
Investment in Joint Venture	443,936	443,936	443,936	443,936	443,936	443,936	443,936	443,936	443,936
OPEB Asset	1,207,791	1,207,791	1,207,791	1,207,791	1,207,791	1,207,791	1,207,791	1,207,791	1,207,791
TOTAL OTHER ASSETS	**2,085,680**	**2,085,680**	**2,085,680**	**2,085,680**	**2,085,680**	**2,085,680**	**2,085,680**	**2,085,680**	**2,085,680**
TOTAL ASSETS	**300,168,087**	**292,490,402**	**291,175,611**	**290,281,480**	**289,857,882**	**293,826,638**	**297,962,277**	**295,693,845**	**297,410,056**
DEFERRED OUTFLOWS OF RESOURCES:									
Deferred Amount on Refunding	7,603,751	7,558,462	7,513,173	7,467,884	7,422,595	7,377,306	7,332,017	7,286,728	7,241,439
Deferred Outflows Pension	4,258,681	4,258,681	4,533,159	4,533,159	4,533,159	4,533,159	4,533,159	4,533,159	4,533,159

Rancho Water

MONTHLY COMPARISON - SANTA ROSA DIVISION
STATEMENT OF NET POSITION

	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH
Deferred Outflows OPEB	820,285	820,285	820,285	820,285	820,285	820,285	820,285	820,285	820,285
Deferred Outflows Leases	-	-	-	-	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	**312,850,803**	**305,127,830**	**304,042,227**	**303,102,807**	**302,633,921**	**306,557,387**	**310,647,737**	**308,334,016**	**310,004,939**
CURRENT LIABILITIES:									
Accounts Payable	5,979,689	4,864,072	4,889,351	3,834,729	3,375,000	3,610,529	3,400,778	2,875,394	3,412,942
Unearned Tax Revenue	-	-	-	-	-	-	-	-	-
Inter-Division Loan Payable	21,632,832	21,566,548	21,500,206	21,433,807	21,367,349	21,300,833	21,234,259	21,167,627	21,100,936
Accrued Payroll	1,797,837	1,897,003	1,930,129	2,361,808	2,560,832	1,977,372	2,000,309	1,983,414	2,007,820
Construction & Service Dep.	166,723	180,696	180,543	127,084	110,833	66,124	67,682	139,987	311,018
Promissory Notes Payable	-	-	-	-	-	-	-	-	-
Accrued Interest Payable	-	-	-	-	-	-	-	-	-
TOTAL CURRENT LIABILITIES	**29,577,081**	**28,508,319**	**28,500,229**	**27,921,792**	**27,619,471**	**26,954,859**	**26,703,027**	**26,166,422**	**26,832,716**
RESTRICTED LIABILITIES:									
Accrued Interest Payable	2,190,797	352,816	704,380	1,055,944	1,407,508	1,759,072	2,110,637	384,218	729,889
Advance Connection Fees	-	-	-	-	-	-	-	-	-
Deferred Comp.-Employees	8,592,132	8,846,009	9,031,195	9,155,208	9,200,145	9,220,394	9,420,584	9,584,022	9,195,845
TOTAL RESTRICTED LIABILITIES	**10,782,929**	**9,198,825**	**9,735,575**	**10,211,152**	**10,607,653**	**10,979,466**	**11,531,220**	**9,968,240**	**9,925,734**
LONG TERM LIABILITIES									
A/P Advance Connection Chg.	408,103	408,103	408,103	408,103	408,103	408,103	408,103	408,103	408,103
Bonds Payable									
Certificates of Participation	-	-	-	-	-	-	-	-	-
Revenue Bonds Payable	120,611,436	115,591,711	115,371,156	115,300,577	115,229,999	115,159,421	115,088,843	115,018,264	114,947,686
Pension Liability	10,214,330	10,214,330	10,214,330	10,214,330	10,214,330	10,214,330	10,214,330	10,214,330	10,214,330
OPEB Liability	-	-	-	-	-	-	-	-	-
Other Long-Term Liability	617,695	617,695	617,695	617,695	617,695	617,695	617,695	617,695	617,695
TOTAL LONG-TERM LIABILITIES	**131,851,564**	**126,831,839**	**126,611,284**	**126,540,705**	**126,470,127**	**126,399,549**	**126,328,971**	**126,258,392**	**126,187,814**
TOTAL LIABILITIES	**172,211,574**	**164,538,983**	**164,970,361**	**164,673,649**	**164,697,251**	**164,333,874**	**164,563,218**	**162,393,054**	**162,946,264**
DEFERRED OUTFLOWS:									
Deferred Amount on Refunding	-	-	-	-	-	-	-	-	-
Deferred Inflows Pension	139,847	139,847	139,847	139,847	139,847	139,847	139,847	139,847	139,847
Deferred Inflows OPEB	2,608,276	2,608,276	2,608,276	2,608,276	2,608,276	2,608,276	2,608,276	2,608,276	2,608,276
Deferred Inflows Leases	3,796,116	3,796,116	3,796,116	3,796,116	3,796,116	3,796,116	3,796,116	3,796,116	3,796,116
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	**178,755,813**	**171,083,222**	**171,514,601**	**171,217,889**	**171,241,490**	**170,878,113**	**171,107,457**	**168,937,293**	**169,490,503**
NET POSITION									
Net Investment of Capital Assets	94,901,059	99,641,630	102,620,311	103,153,216	104,928,501	106,967,672	111,502,015	109,275,262	109,652,321
Restricted	29,549,899	23,634,407	11,031,027	9,114,243	6,442,549	8,227,959	10,420,120	8,669,415	9,206,727
Unrestricted	9,644,032	10,768,571	18,999,562	19,617,459	20,021,380	20,483,643	17,618,145	21,452,046	21,655,388
TOTAL NET POSITION	**134,094,990**	**134,044,609**	**132,650,900**	**131,884,918**	**131,392,430**	**135,679,274**	**139,540,280**	**139,396,723**	**140,514,436**

Rancho Water

MONTHLY COMPARISON - SANTA ROSA DIVISION
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS

	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH
OPERATING REVENUE:									
Water Revenue	2,147,381	2,598,573	2,010,730	1,307,899	1,008,267	861,271	532,434	946,598	1,501,881
Capacity Charges	812,804	815,406	790,333	814,472	787,590	815,519	849,873	787,984	869,242
Western IDA- Rock Mtn.	-	7,236	3,628	7,561	8,508	2,842	3,176	8,628	24,157
Energy Charges	273,343	279,221	260,392	163,150	123,384	106,000	83,343	121,597	192,978
New Service Connections	10,061	14,711	10,593	23,441	7,234	14,631	9,569	12,224	25,101
Other OP Rev - Billing	36,171	53,747	56,907	48,287	43,342	52,591	44,856	57,003	32,713
Other OP Rev - Engineering	5,790	4,697	6,001	12,487	2,940	6,674	8,661	5,685	12,651
Reclass (To)/From Non-Operating	560,563	539,489	488,912	434,120	273,959	273,959	113,799	236,027	153,839
TOTAL OPERATING REVENUE	**3,846,112**	**4,313,081**	**3,627,496**	**2,811,416**	**2,255,225**	**2,133,487**	**1,645,710**	**2,175,745**	**2,812,564**
OPERATING EXPENSE:									
SOURCE OF SUPPLY:									
Purchased Water - Imported	-	-	-	-	-	-	-	-	-
Purchased Water - J/F	2,507,801	2,747,515	2,615,495	2,134,606	603,396	1,282,132	877,798	1,173,610	1,904,728
Purchased Water - Santa Margarita	26,106	18,312	17,148	15,401	10,142	12,753	41,818	36,176	79,653
Labor	-	-	-	-	-	-	-	-	-
G&A / Fringe Benefits	-	-	-	-	-	-	-	-	-
Materials & Supplies	-	-	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-	-	-
Outside Services	-	-	-	-	-	-	-	-	-
Vehicle & Equipment use	-	-	-	-	-	-	-	-	-
Corrective Maint. - Labor	-	-	-	-	-	-	-	-	-
Corrective Maint. - G&A / FB	-	-	-	-	-	-	-	-	-
Corrective Maintenance	-	-	-	-	-	-	-	-	-
TOTAL SOURCE OF SUPPLY	**2,533,907**	**2,765,828**	**2,632,642**	**2,150,007**	**613,538**	**1,294,885**	**919,616**	**1,209,786**	**1,984,381**
BOOSTER PUMPING:									
Labor	8,096	7,592	7,482	20,952	11,884	8,843	7,943	8,914	11,770
G&A / Fringe Benefits	13,213	11,683	11,513	32,242	18,287	13,608	12,223	13,716	18,112
Materials & Supplies	34,543	2,237	3,711	15,856	13,294	35,615	1,400	2,756	5,790
Utilities	136,544	274,713	177,728	152,127	194,652	152,677	74,842	11,376	142,520
Outside Services	40,745	15,320	83,628	43,335	22,327	43,197	11,779	39,846	35,625
Vehicle & Equipment use	1,015	858	845	2,368	1,343	999	898	1,007	1,330
Corrective Maint. - Labor	-	-	-	-	-	-	-	-	-
Corrective Maint. - G&A / FB	-	-	-	-	-	-	-	-	-
Corrective Maintenance	-	1,903	-	-	-	-	-	-	1,040
TOTAL BOOSTER PUMPING	**234,156**	**314,306**	**284,906**	**266,879**	**261,786**	**254,939**	**109,085**	**77,616**	**216,187**

Rancho Water

MONTHLY COMPARISON - SANTA ROSA DIVISION
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS

	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH
SEWAGE TREATMENT:									
Labor	-	-	-	-	-	-	-	-	-
G&A / Fringe Benefits	-	-	-	-	-	-	-	-	-
Materials & Supplies	-	-	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-	-	-
Outside Services	-	-	-	-	-	-	-	-	-
Vehicle & Equipment use	-	-	-	-	-	-	-	-	-
Inter-Agency Treatment	-	-	-	-	-	-	-	-	-
Corrective Maint. - Labor	-	-	-	-	-	-	-	-	-
Corrective Maint. - G&A / FB	-	-	-	-	-	-	-	-	-
Corrective Maintenance	-	-	-	-	-	-	-	-	-
Treatment Reimbursables	-	-	-	-	-	-	-	-	-
Contract Treatment Expense - JPA	-	-	-	-	-	-	-	-	-
TOTAL SEWAGE TREATMENT	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
TRANSMISSION & DISTRIBUTION									
Labor	44,833	52,180	54,966	104,090	81,724	72,215	60,963	63,371	81,493
G&A / Fringe Benefits	62,603	70,091	73,863	143,813	113,862	99,044	81,927	85,472	113,451
Materials & Supplies	12,683	20,215	5,444	23,037	6,037	7,987	11,031	29,142	5,509
Outside Services	2,458	10,114	13,637	3,603	3,929	27,691	10,381	34,514	9,461
Vehicle & Equipment use	4,669	5,147	5,424	10,561	8,361	7,273	6,016	6,280	8,331
Construction Closed Jobs	-	-	-	-	-	-	-	-	-
Corrective Maint. - Labor	3,201	42,638	28,858	22,170	12,795	21,461	20,728	22,978	29,248
Corrective Maint. - G&A / FB	5,133	65,611	44,407	34,115	19,689	33,024	31,896	35,359	45,007
Corrective Maintenance	30,935	27,510	151,963	55,437	78,330	70,221	52,377	27,721	85,849
Service Connect. - Labor	2,028	1,272	2,704	3,201	981	3,170	-	976	3,808
Service Connect. - G&A / FB	1,740	1,897	2,580	4,926	1,509	4,879	-	1,502	5,860
Service Connection	6,293	12,512	4,338	15,314	4,744	16,152	-	9,745	15,670
TOTAL TRANSMISSION & DISTRIBUTION	**176,575**	**309,188**	**388,183**	**420,267**	**331,960**	**363,116**	**275,319**	**317,061**	**403,686**
CUSTOMER SERVICE:									
Labor	20,595	23,588	23,021	29,237	16,606	16,633	21,037	21,293	24,258
G&A / Fringe Benefits	31,791	34,420	33,936	43,041	24,600	24,517	31,111	31,236	35,105
Materials & Supplies	30,657	3,192	16,410	21,412	2,026	14,941	9,475	2,951	16,316
Outside Services	470	594	380	175	275	75	225	2,657	2,702
Vehicle & Equipment use	2,511	2,665	2,601	3,304	1,876	1,879	2,377	2,406	2,741
Resource Customer Support	27,758	28,098	25,743	43,718	22,804	27,766	28,573	27,477	22,842
Uncollectible Accounts	(12,763)	3,093	(660)	4,655	605	7,963	12,226	(7,581)	6,857
TOTAL CUSTOMER SERVICE	**101,021**	**95,651**	**101,431**	**145,541**	**68,793**	**93,773**	**105,024**	**80,440**	**110,821**

Rancho Water

MONTHLY COMPARISON - SANTA ROSA DIVISION
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS

	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH
RECYCLED WATER:									
Joint Facility Recycled Water	58,728	11,050	32,695	33,535	19,620	38,107	30,118	27,008	39,776
Purchased Recycled Water	-	-	-	-	-	-	-	-	-
Labor	1,670	1,749	3,309	4,744	1,812	1,463	4,618	6,669	5,277
G&A / Fringe Benefits	2,636	2,691	5,091	7,300	2,788	2,252	7,106	10,263	8,120
Materials & Supplies	2,041	77	3,138	2,758	81	38	-	114	-
Utilities	31,523	45,592	32,926	21,549	12,656	13,501	11,918	12,692	19,016
Outside Services	352	4,696	2,799	4,273	3,106	598	237	30,292	6,420
Vehicle & Equipment use	195	198	374	536	205	165	522	754	596
Corrective Maint. - Labor	-	-	-	-	-	-	9,223	-	-
Corrective Maint. - G&A / FB	-	-	-	-	-	-	14,192	-	-
Corrective Maintenance	-	-	-	-	-	-	1,764	-	1,571
Tertiary Reimbursables	-	-	-	-	-	-	-	-	-
Contract Treatment Expense - JPA	-	-	-	-	-	-	-	-	-
TOTAL RECYCLED WATER	**97,145**	**66,051**	**80,331**	**84,248**	**81,512**	**81,244**	**88,344**	**94,625**	**89,330**
SUPPORT:									
Labor	-	-	-	-	-	-	-	-	-
G&A / Fringe Benefits	-	-	-	-	-	-	-	-	-
Materials & Supplies	-	-	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-	-	-
Outside Services	-	-	-	-	-	-	-	-	-
Vehicle & Equipment use	-	-	-	-	-	-	-	-	-
Corrective Maint. - Labor	-	-	-	-	-	-	-	-	-
Corrective Maint. - G&A / FB	-	-	-	-	-	-	-	-	-
Corrective Maintenance	-	-	-	-	-	-	-	-	-
Direct Support Allocation	152,534	227,050	185,426	277,051	242,146	135,963	201,769	108,060	197,590
Resource Support	145,282	7,190	13,773	(80,564)	147,031	168	146,423	(19,548)	(45,238)
TOTAL SUPPORT	**297,816**	**234,240**	**199,199**	**196,487**	**389,177**	**136,132**	**348,192**	**88,512**	**152,352**
ENGINEERING:									
Labor	3,938	1,271	2,674	2,069	1,138	3,684	3,047	2,142	42,789
G&A / Fringe Benefits	6,221	1,257	2,426	2,047	1,125	2,081	4,074	2,108	6,126
Materials & Supplies	-	-	-	-	-	-	-	-	-
Outside Services	-	-	-	-	-	-	-	-	-
Vehicle & Equipment use	418	144	293	233	129	246	342	251	383
Engineering O/H CAP/FEE	2,214	-	1,057	(39)	25	841	1,378	703	2,006
Engineering Closed Jobs	-	-	-	-	-	-	-	-	-
Resource engineering Serv.	17,552	19,952	9,330	24,469	17,024	13,226	21,073	19,131	19,991
TOTAL ENGINEERING	**30,342**	**22,624**	**15,780**	**28,779**	**19,442**	**20,079**	**29,913**	**24,336**	**71,296**

Rancho Water

MONTHLY COMPARISON - SANTA ROSA DIVISION
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS

	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH
VEHICLE & EQUIPMENT									
Vehicle & Equip. PM Labor	-	-	-	-	-	-	-	-	-
Vehicle & Equip. PM G&A /FB	-	-	-	-	-	-	-	-	-
Vehicle & Equip. Exp. - PM	-	-	-	-	-	-	-	-	-
Vehicle & Equip. CM Labor	-	-	-	-	-	-	-	-	-
Vehicle & Equip. CM G&A /FB	-	-	-	-	-	-	-	-	-
Vehicle & Equip. Exp. - CM	-	-	-	-	-	-	-	-	-
Applied Overhead	-	-	-	-	-	-	-	-	-
TOTAL VEHICLE & EQUIPMENT	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
EMPLOYEE FRINGE BENEFITS:									
E/B Vacation/Sick/Holiday	-	-	-	-	-	-	-	-	-
Employee Benefits	-	-	-	-	-	-	-	-	-
Applied Overhead	-	-	-	-	-	-	-	-	-
TOTAL EMPLOYEE FRINGE BENEFITS	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL OPERATING EXPENSE	**3,470,962**	**3,807,888**	**3,702,473**	**3,292,209**	**1,766,208**	**2,244,168**	**1,875,494**	**1,892,376**	**3,028,053**
NET OPERATING REVENUE	**375,150**	**505,193**	**(74,977)**	**(480,793)**	**489,017**	**(110,681)**	**(229,784)**	**283,369**	**(215,489)**
NON-OPERATING REVENUE:									
Taxes & Assessments	192,576	15,584	33	176,209	-	4,104,454	3,688,161	375,292	47,306
Standby Charge	50,950	(9,662)	-	-	-	-	1,385,193	108,115	-
Interest Revenue	93,129	69,928	250,842	19,984	61,662	119,110	41,312	301,991	71,799
Fire Service Charge	(1,273)	229	-	-	-	-	39,875	1,313	-
Other Income - Government Subsidy	23,367	23,367	23,367	23,367	23,367	23,367	23,367	23,367	23,367
Other Income - Debt Service	-	-	-	-	-	-	-	-	-
Other Income - Capital Replacement Fund	178,709	(12,694)	172,803	107,717	82,802	65,678	40,873	87,198	120,745
Other Income - Tier 3 & Tier 4 Programs	24,091	31,253	41,002	42,534	42,298	26,885	31,384	38,699	29,652
Acreage Assessment Fees	3,991	(3)	2,032	-	-	-	-	-	-
Reclass (To)/From Oper. Income	(560,563)	(539,489)	(488,912)	(434,120)	(273,959)	(273,959)	(113,799)	(236,027)	(153,839)
Taxes & Assmt - Annexation	-	-	-	-	-	-	-	-	-
Vail Lake Operations	(130)	13,707	9,911	14,339	9,908	14,342	15,459	114	9,882
Other Non-Operating Income	(1,415)	512,361	(59,940)	1,003,705	254,679	18,144	-	1,597	-
Non-Operating Grant Income	186,791	663,661	-	14,603	64,579	1,612,481	180,213	47,330	2,443,098
Gain / Loss Investment Sale	550	2,100	1,512	5,875	5,590	3,152	10,414	1,956	16
Interest on Interdivisional Loan	(17,818)	(96,794)	(57,216)	(57,637)	(57,291)	(57,531)	(55,737)	(56,062)	(55,770)
TOTAL NON-OPERATING REVENUE	**172,955**	**673,549**	**(104,566)**	**916,575**	**213,635**	**5,656,124**	**5,286,716**	**694,883**	**2,536,257**

Rancho Water

MONTHLY COMPARISON - SANTA ROSA DIVISION
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS

	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH
NON-OPERATING EXPENSE:									
Banked Water Purchase	-	-	-	-	-	-	-	-	-
Depreciation and Amortization	808,689	808,365	808,244	805,582	834,747	836,772	834,536	836,937	829,474
Bond Discount Amortization	(25,289)	(25,289)	(25,289)	(25,289)	(25,289)	(25,289)	(25,289)	(25,289)	(25,289)
Bond Interest	333,027	351,564	351,564	351,564	353,176	352,480	351,564	345,671	345,671
Arbitrage Expense	-	-	-	-	-	-	-	-	-
Non-Operating Grant Expense	163,492	101,404	7,076	6,887	1,827	5,875	1,350	2,895	4,037
Changes in Investment in Joint Venture	-	-	19,790	11,395	-	-	-	-	-
Other	13,350	294,277	21,805	62,820	29,320	104,444	55,999	21,883	48,084
Investment Management Exp.	489	1,966	1,868	1,795	1,358	1,357	-	2,629	1,242
TOTAL NON-OPERATING EXPENSE	**1,293,759**	**1,532,287**	**1,185,058**	**1,214,753**	**1,195,138**	**1,275,639**	**1,218,160**	**1,184,725**	**1,203,218**
NET NON-OPERATING REVENUE	**(1,120,804)**	**(858,738)**	**(1,289,624)**	**(298,178)**	**(981,504)**	**4,380,485**	**4,068,556**	**(489,843)**	**1,333,038**
N.I. BEFORE CAPITAL CONTRIBUTIONS	**(745,654)**	**(353,545)**	**(1,364,600)**	**(778,971)**	**(492,487)**	**4,269,804**	**3,838,773**	**(206,474)**	**1,117,549**
CONTRIBUTED CAPITAL:									
Connection Fee	15,810	10,540	5,270	15,501	-	6,204	22,233	-	-
Capital Contributions	-	-	-	145	-	10,836	-	164	164
TOTAL CONTRIBUTED CAPITAL	**15,810**	**10,540**	**5,270**	**15,646**	**-**	**17,040**	**22,233**	**164**	**164**
CHANGES IN NET POSITION	**(729,844)**	**(343,005)**	**(1,359,330)**	**(763,326)**	**(492,487)**	**4,286,844**	**3,861,006**	**(206,310)**	**1,117,713**

MONTHLY COMPARISON - **RESOURCE DIVISION**
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS

	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH
OPERATING REVENUE:									
Water Revenue	-	-	-	-	-		-	-	-
Capacity Charges	-	-	-	-	-	-	-	-	-
Western IDA- Rock Mtn.	-	-	-	-	-	-	-	-	-
Energy Charges	-	-	-	-	-	-	-	-	-
New Service Connections	-	-	-	-	-	-	-	-	-
Other OP Rev - Billing	-	-	-	-	-	-	-	-	-
Other OP Rev - Engineering	-	-	-	-	-	-	-	-	-
Reclass (To)/From Non-Operating	-	-	-	-	-	-	-	-	-
TOTAL OPERATING REVENUE	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
OPERATING EXPENSE:									
SOURCE OF SUPPLY:									
Purchased Water - Imported	5,547,052	6,040,748	5,529,747	3,719,003	2,296,501	2,971,215	2,522,335	2,343,507	4,614,384
Purchased Water - J/F	(5,877,505)	(6,545,520)	(6,055,448)	(4,321,745)	(2,662,789)	(3,656,268)	(2,787,021)	(2,470,760)	(4,661,119)
Purchased Water - Santa Margarita	(130,532)	(91,560)	(85,738)	(77,005)	(50,710)	(63,764)	(209,091)	(180,882)	(398,264)
Labor	44,748	57,879	61,838	89,244	46,191	42,027	46,816	56,480	51,385
G&A / Fringe Benefits	73,260	89,064	95,157	137,329	71,078	64,671	72,040	86,911	79,072
Materials & Supplies	26,765	35,725	32,094	115,570	23,693	20,632	22,113	20,468	35,601
Utilities	258,684	318,385	328,897	294,130	248,326	460,923	220,570	57,501	244,125
Outside Services	35,682	81,110	65,079	30,607	22,487	94,473	103,459	67,866	29,009
Vehicle & Equipment use	5,506	6,540	6,988	10,085	5,220	4,749	5,290	6,382	5,807
Corrective Maint. - Labor	-	-	-	-	-	-	-	-	-
Corrective Maint. - G&A / FB	-	-	-	-	-	-	-	-	-
Corrective Maintenance	16,341	7,630	21,386	2,782	4	61,341	3,491	12,527	-
TOTAL SOURCE OF SUPPLY	**0**	**(0)**	**(0)**	**-**	**-**	**-**	**-**	**-**	**-**
BOOSTER PUMPING:									
Labor	-	-	-	-	-	-	-	-	-
G&A / Fringe Benefits	-	-	-	-	-	-	-	-	-
Materials & Supplies	-	-	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-	-	-
Outside Services	-	-	-	-	-	-	-	-	-
Vehicle & Equipment use	-	-	-	-	-	-	-	-	-
Corrective Maint. - Labor	-	-	-	-	-	-	-	-	-
Corrective Maint. - G&A / FB	-	-	-	-	-	-	-	-	-
Corrective Maintenance	-	-	-	-	-	-	-	-	-
TOTAL BOOSTER PUMPING	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Rancho Water

MONTHLY COMPARISON - RESOURCE DIVISION
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS

	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH
SEWAGE TREATMENT:									
Labor	-	-	-	-	-	-	-	-	-
G&A / Fringe Benefits	-	-	-	-	-	-	-	-	-
Materials & Supplies	-	-	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-	-	-
Outside Services	-	-	-	-	-	-	-	-	-
Vehicle & Equipment use	-	-	-	-	-	-	-	-	-
Inter-Agency Treatment	-	-	-	-	-	-	-	-	-
Corrective Maint. - Labor	-	-	-	-	-	-	-	-	-
Corrective Maint. - G&A / FB	-	-	-	-	-	-	-	-	-
Corrective Maintenance	-	-	-	-	-	-	-	-	-
Treatment Reimbursables	-	-	-	-	-	-	-	-	-
Contract Treatment Expense - JPA	-	-	-	-	-	-	-	-	-
TOTAL SEWAGE TREATMENT	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
TRANSMISSION & DISTRIBUTION									
Labor	(0)	-	-	-	-	-	-	-	-
G&A / Fringe Benefits	-	-	-	-	-	-	-	-	-
Materials & Supplies	-	-	-	-	-	-	-	-	-
Outside Services	-	-	-	-	-	-	-	-	-
Vehicle & Equipment use	-	-	-	-	-	-	-	-	-
Construction Closed Jobs	-	-	-	-	-	-	-	-	-
Corrective Maint. - Labor	-	-	-	-	-	-	-	-	-
Corrective Maint. - G&A / FB	-	-	-	-	-	-	-	-	-
Corrective Maintenance	-	-	-	-	-	-	-	-	-
Service Connect. - Labor	-	-	-	-	-	-	-	-	-
Service Connect. - G&A / FB	-	-	-	-	-	-	-	-	-
Service Connection	-	-	-	-	-	-	-	-	-
TOTAL TRANSMISSION & DISTRIBUTION	**(0)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
CUSTOMER SERVICE:									
Labor	49,044	58,099	53,987	85,760	45,298	46,013	48,487	51,694	54,872
G&A / Fringe Benefits	51,611	57,454	53,388	84,808	44,795	45,503	47,949	51,120	54,263
Materials & Supplies	-	274	630	245	443	290	(35)	241	3,021
Outside Services	57,204	43,665	38,034	77,872	39,118	66,273	66,808	53,789	16,516
Vehicle & Equipment use	6,193	6,565	6,101	9,691	5,119	5,200	5,479	5,841	6,201
Resource Customer Support	(164,052)	(166,058)	(152,140)	(258,375)	(134,773)	(163,278)	(168,687)	(162,685)	(134,873)
Uncollectible Accounts	-	-	-	-	-	-	-	-	-
TOTAL CUSTOMER SERVICE	**-**	**0**	**0**	**-**	**-**	**-**	**-**	**-**	**-**

Rancho Water

MONTHLY COMPARISON - RESOURCE DIVISION
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS

	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH
RECYCLED WATER:									
Joint Facility Recycled Water	(244,700)	(46,042)	(136,229)	(139,731)	(81,751)	(158,779)	(125,493)	(112,532)	(165,731)
Purchased Recycled Water	58,473	58,473	56,317	58,473	56,317	69,499	61,146	54,420	69,499
Labor	23,850	20,230	16,951	26,904	15,204	19,065	17,775	16,419	15,669
G&A / Fringe Benefits	38,462	31,129	26,084	41,400	23,395	29,338	27,353	25,266	24,111
Materials & Supplies	26,127	92,702	34,877	32,663	12,002	45,488	47,662	24,772	45,207
Utilities	4,658	4,658	4,658	4,658	4,658	4,658	4,657	4,658	44,768
Outside Services	7,556	18,071	11,938	10,772	7,107	35,530	8,446	5,555	30,094
Vehicle & Equipment use	2,915	2,286	1,915	3,040	1,718	2,154	2,009	1,855	1,771
Corrective Maint. - Labor	-	-	-	-	-	-	-	-	-
Corrective Maint. - G&A / FB	-	-	-	-	-	-	-	-	-
Corrective Maintenance	-	-	21,194	-	-	-	-	-	-
Tertiary Reimbursables	(110,753)	(181,506)	(134,410)	(134,884)	(135,356)	(135,305)	(140,261)	(117,120)	(162,094)
Contract Treatment Expense - JPA	193,412	-	96,706	96,706	96,706	96,706	96,706	96,706	96,706
TOTAL RECYCLED WATER	**0**	**-**	**(0)**	**-**	**-**	**-**	**-**	**-**	**-**
SUPPORT:									
Labor	572,913	620,956	605,659	909,449	511,393	551,719	563,552	587,198	643,004
G&A / Fringe Benefits	420,564	433,118	422,745	639,863	353,349	383,969	397,111	410,640	447,430
Materials & Supplies	79,032	73,712	54,664	131,404	65,952	48,115	44,002	28,641	46,876
Utilities	3,586	5,201	2,552	3,785	4,642	6,442	6,592	2,975	1,725
Outside Services	574,166	603,170	486,067	704,989	644,781	322,526	650,698	175,262	385,331
Equipment Rental/Maint	-	-	-	-	-	-	-	-	-
Corrective Maint. - Labor	236	1,090	930	353	412	1,185	-	373	1,820
Corrective Maint. - G&A / FB	168	776	663	252	294	845	-	266	1,297
Corrective Maintenance	6,432	4,821	1,440	12,015	92	518	4,582	4,694	7,290
Direct Support Allocation	(852,506)	(1,047,706)	(916,782)	(1,352,411)	(980,681)	(732,235)	(1,001,780)	(675,909)	(908,258)
Resource Support	(804,590)	(695,138)	(657,938)	(1,049,700)	(600,236)	(583,085)	(664,756)	(534,140)	(626,514)
TOTAL SUPPORT	**0**	**0**	**(0)**	**-**	**-**	**-**	**-**	**-**	**-**
ENGINEERING:									
Labor	57,203	77,242	66,000	124,010	67,620	67,348	86,739	82,121	88,847
G&A / Fringe Benefits	61,097	76,384	65,268	122,633	66,870	66,600	85,776	81,209	87,861
Materials & Supplies	2,451	390	408	571	406	727	891	218	365
Outside Services	37,619	10,755	610	1,186	10,532	8,064	859	750	6,260
Vehicle & Equipment use	7,129	8,728	7,458	14,013	7,641	7,610	9,802	9,280	10,040
Engineering O/H CAP/FEE	(81,606)	(82,497)	(98,436)	(154,580)	(77,730)	(90,065)	(89,070)	(88,282)	(103,824)
Engineering Closed Jobs	-	-	-	-	-	-	-	-	-
Resource engineering Serv.	(83,893)	(91,002)	(41,308)	(107,834)	(75,338)	(60,284)	(94,997)	(85,296)	(89,549)
TOTAL ENGINEERING	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Rancho Water

MONTHLY COMPARISON - RESOURCE DIVISION
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS

	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH
VEHICLE & EQUIPMENT									
Vehicle & Equip. PM Labor	7,051	5,669	3,708	6,878	4,488	5,262	6,868	5,816	5,373
Vehicle & Equip. PM G&A /FB	5,303	4,039	2,642	4,900	3,197	3,748	4,893	4,143	3,828
Vehicle & Equip. Exp. - PM	29,654	41,838	52,290	36,120	48,611	28,033	45,156	48,357	34,713
Vehicle & Equip. CM Labor	4,833	7,137	8,541	11,151	5,870	5,932	5,566	5,345	8,349
Vehicle & Equip. CM G&A /FB	3,684	5,084	6,085	7,944	4,182	4,226	3,965	3,808	5,948
Vehicle & Equip. Exp. - CM	19,402	25,213	43,494	28,207	14,962	4,864	48,685	12,847	18,289
Applied Overhead	(69,928)	(88,980)	(116,761)	(95,200)	(81,310)	(52,065)	(115,133)	(80,316)	(76,500)
TOTAL VEHICLE & EQUIPMENT	-	-	-	-	-	-	-	-	-
EMPLOYEE FRINGE BENEFITS:									
E/B Vacation/Sick/Holiday	367,943	198,280	271,496	290,762	476,574	300,571	289,539	263,677	186,414
Employee Benefits	911,356	766,740	756,848	1,009,027	773,704	642,365	1,032,261	789,866	791,735
Applied Overhead	(1,279,299)	(965,019)	(1,028,345)	(1,299,789)	(1,250,278)	(942,936)	(1,321,800)	(1,053,543)	(978,149)
TOTAL EMPLOYEE FRINGE BENEFITS	-	-	-	-	-	-	-	-	-
TOTAL OPERATING EXPENSE	1	0	(1)	-	-	-	-	-	-
NET OPERATING REVENUE	(1)	(0)	1	-	-	-	-	-	-
NON-OPERATING REVENUE:									
Taxes & Assessments	-	-	-	-	-	-	-	-	-
Standby Charge	-	-	-	-	-	-	-	-	-
Interest Revenue	-	-	-	-	-	-	-	-	-
Fire Service Charge	-	-	-	-	-	-	-	-	-
Other Income - Government Subsidy	-	-	-	-	-	-	-	-	-
Other Income - Debt Service	-	-	-	-	-	-	-	-	-
Other Income - Capital Replacement Fund	-	-	-	-	-	-	-	-	-
Other Income - Tier 3 & Tier 4 Programs	-	-	-	-	-	-	-	-	-
Acreage Assessment Fees	-	-	-	-	-	-	-	-	-
Reclass (To)/From Oper. Income	-	-	-	-	-	-	-	-	-
Taxes & Assmt - Annexation	-	-	-	-	-	-	-	-	-
Vail Lake Operations	-	-	-	-	-	-	-	-	-
Other Non-Operating Income	-	-	-	-	-	-	-	-	-
Non-Operating Grant Income	-	-	-	-	-	-	-	-	-
Gain / Loss Investment Sale	-	-	-	-	-	-	-	-	-
Interest on Interdivisional Loan	-	-	-	-	-	-	-	-	-
TOTAL NON-OPERATING REVENUE	-	-	-	-	-	-	-	-	-

MONTHLY COMPARISON - **RESOURCE DIVISION**
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS

	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH
NON-OPERATING EXPENSE:									
Banked Water Purchase	-	-	-	-	-	-	-	-	-
Depreciation and Amortization	-	-	-	-	-	-	-	-	-
Bond Discount Amortization	-	-	-	-	-	-	-	-	-
Bond Interest	-	-	-	-	-	-	-	-	-
Arbitrage Expense	-	-	-	-	-	-	-	-	-
Changes in Investment in Joint Venture	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Investment Management Exp.	-	-	-	-	-	-	-	-	-
TOTAL NON-OPERATING EXPENSE	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
NET NON-OPERATING REVENUE	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
N.I. BEFORE CAPITAL CONTRIBUTIONS	**(1)**	**(0)**	**1**	**-**	**-**	**-**	**-**	**-**	**-**
CONTRIBUTED CAPITAL:									
Connection Fee	-	-	-	-	-	-	-	-	-
Capital Contributions	-	-	-	-	-	-	-	-	-
TOTAL CONTRIBUTED CAPITAL	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Rancho Water

MONTHLY COMPARISON - **SRWRF DIVISION**
STATEMENT OF NET POSITION

	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH
CURRENT ASSETS-CASH:									
Cash & Investments	1,544,616	1,755,057	1,509,551	2,051,867	1,945,560	1,967,494	1,997,103	2,340,640	2,533,735
Replacement Fund	553,892	582,439	499,483	500,165	501,523	503,208	504,054	505,832	508,309
TOTAL CURRENT ASSETS - CASH	**2,098,508**	**2,337,496**	**2,009,034**	**2,552,033**	**2,447,083**	**2,470,702**	**2,501,157**	**2,846,472**	**3,042,044**
CURRENT ASSETS-OTHER:									
Taxes & Assessments Receivable	29	-	-	-	-	-	-	-	-
Accounts Receivable - Water Sales	588,099	599,060	598,940	586,441	581,600	563,903	609,508	574,274	565,508
Accounts Receivable - Other	1,157,127	1,155,498	1,492,490	796,037	978,144	936,936	895,298	487,161	427,424
Notes Receivable	-	-	-	-	-	-	-	-	-
Intercompany	-	-	-	-	-	-	-	-	-
Inter-Division Loan Receivable	-	-	-	-	-	-	-	-	-
Accrued Interest Rec.	40,526	37,687	33,705	42,573	43,858	50,282	55,339	42,472	46,062
Water Inventory	-	-	-	-	-	-	-	-	-
Materials Inventory	-	-	-	-	-	-	-	-	-
Prepaid Expenses	(300,560)	150,280	150,280	150,280	150,280	150,280	150,280	150,280	150,280
TOTAL CURRENT ASSETS - OTHER	**1,485,221**	**1,942,525**	**2,275,415**	**1,575,331**	**1,753,883**	**1,701,401**	**1,710,425**	**1,254,187**	**1,189,274**
TOTAL CURRENT ASSETS	**3,583,729**	**4,280,021**	**4,284,449**	**4,127,363**	**4,200,966**	**4,172,103**	**4,211,582**	**4,100,659**	**4,231,318**
RESTRICTED ASSETS:									
Cash & Investments Construction	206,596	206,596	206,596	206,596	206,596	206,596	206,596	206,596	206,596
Debt Service/Capital Improvement Fund	4,818,477	4,369,525	4,075,735	4,020,914	4,185,240	4,358,185	4,505,524	4,691,855	4,902,260
Capacity Fees	-	-	-	-	-	-	-	-	-
Bond Trust Reserves	393,212	794	796	799	802	804	52,760	774	782
Pension Trust Reserve	1,877,921	1,889,576	1,788,359	1,791,961	1,795,035	1,813,098	1,813,166	1,959,395	1,952,538
Deferred Comp.-Employees	-	-	-	-	-	-	-	-	-
TOTAL RESTRICTED ASSETS	**7,296,207**	**6,466,490**	**6,071,487**	**6,020,271**	**6,187,673**	**6,378,684**	**6,578,046**	**6,858,620**	**7,062,177**
UTILITY PLANT ASSETS:									
Construction in Progress	33,591	163,530	94,102	76,825	47,067	53,774	50,975	100,935	100,935
Fixed Assets less Accm Depr.	14,479,213	14,434,591	14,389,969	14,345,392	14,300,815	14,256,237	14,211,660	14,167,082	14,122,505
TOTAL UTILITY PLANT ASSETS	**14,512,804**	**14,598,121**	**14,484,072**	**14,422,217**	**14,347,881**	**14,310,012**	**14,262,635**	**14,268,018**	**14,223,440**
OTHER ASSETS:									
Other Assets- Adv Conn Chgs	-	-	-	-	-	-	-	-	-
Investment in Joint Venture	6,123,141	6,123,141	6,123,141	6,123,141	6,123,141	6,123,141	6,123,141	6,123,141	6,123,141
OPEB Asset	709,216	709,216	709,216	709,216	709,216	709,216	709,216	709,216	709,216
TOTAL OTHER ASSETS	**6,832,357**	**6,832,357**	**6,832,357**	**6,832,357**	**6,832,357**	**6,832,357**	**6,832,357**	**6,832,357**	**6,832,357**
TOTAL ASSETS	**32,225,097**	**32,176,989**	**31,672,365**	**31,402,208**	**31,568,878**	**31,693,156**	**31,884,620**	**32,059,655**	**32,349,292**
DEFERRED OUTFLOWS OF RESOURCES:									
Deferred Amount on Refunding	(794,501)	(786,314)	(778,127)	(769,940)	(761,753)	(753,566)	(745,379)	(737,192)	(729,005)
Deferred Ouflows Pension	2,509,991	2,509,991	2,670,952	2,670,952	2,670,952	2,670,952	2,670,952	2,670,952	2,670,952

Rancho Water

MONTHLY COMPARISON - **SRWRF DIVISION**
STATEMENT OF NET POSITION

	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH
Deferred Ouflows OPEB	489,181	489,181	489,181	489,181	489,181	489,181	489,181	489,181	489,181
Deferred Ouflows Leases	-	-	-	-	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	**34,429,768**	**34,389,847**	**34,054,371**	**33,792,401**	**33,967,257**	**34,099,723**	**34,299,374**	**34,482,595**	**34,780,420**
CURRENT LIABILITIES:									
Accounts Payable	564,926	564,775	619,258	641,970	623,240	627,747	640,686	601,971	628,142
Unearned Tax Revenue	-	-	-	-	-	-	-	-	-
Inter-Division Loan Payable	1,192,223	1,188,546	1,184,861	1,181,171	1,177,475	1,173,772	1,170,064	1,166,349	1,162,628
Accrued Payroll	-	-	-	-	-	-	-	-	-
Construction & Service Dep.	2,703	2,703	2,703	2,703	2,703	2,703	2,703	2,703	2,703
Promissory Notes Payable	-	-	-	-	-	-	-	-	-
Accrued Interest Payable	-	-	-	-	-	-	-	-	-
TOTAL CURRENT LIABILITIES	**1,759,852**	**1,756,023**	**1,806,822**	**1,825,843**	**1,803,418**	**1,804,222**	**1,813,453**	**1,771,023**	**1,793,473**
RESTRICTED LIABILITIES:									
Accrued Interest Payable	60,463	8,755	17,439	26,123	34,807	43,491	52,174	8,837	17,521
Advance Connection Fees	63,543	63,543	63,543	63,543	63,543	63,543	63,543	63,543	63,543
Deferred Comp.-Employees	-	-	-	-	-	-	-	-	-
TOTAL RESTRICTED LIABILITIES	**124,006**	**72,297**	**80,981**	**89,665**	**98,349**	**107,033**	**115,717**	**72,379**	**81,063**
LONG TERM LIABILITIES									
A/P Advance Connection Chg.	-	-	-	-	-	-	-	-	-
Bonds Payable									
Certificates of Participation	-	-	-	-	-	-	-	-	-
Revenue Bonds Payable	3,300,070	2,965,420	2,962,959	2,960,499	2,958,039	2,955,578	2,953,118	2,950,658	2,948,198
Pension Liability	5,886,351	5,886,351	5,886,351	5,886,351	5,886,351	5,886,351	5,886,351	5,886,351	5,886,351
OPEB Liability	-	-	-	-	-	-	-	-	-
Other Long-Term Liability	-	-	-	-	-	-	-	-	-
TOTAL LONG-TERM LIABILITIES	**9,186,422**	**8,851,771**	**8,849,311**	**8,846,850**	**8,844,390**	**8,841,930**	**8,839,469**	**8,837,009**	**8,834,549**
TOTAL LIABILITIES	**11,070,279**	**10,680,092**	**10,737,114**	**10,762,359**	**10,746,157**	**10,753,185**	**10,768,640**	**10,680,411**	**10,709,085**
DEFERRED OUTFLOWS:									
Deferred Amount on Refunding	-	-	-	-	-	-	-	-	-
Deferred Inflows Pension	125,207	125,207	125,207	125,207	125,207	125,207	125,207	125,207	125,207
Deferred Inflows OPEB	1,500,643	1,500,643	1,500,643	1,500,643	1,500,643	1,500,643	1,500,643	1,500,643	1,500,643
Deferred Inflows Leases	-	-	-	-	-	-	-	-	-
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	**12,696,129**	**12,305,942**	**12,362,964**	**12,388,209**	**12,372,007**	**12,379,034**	**12,394,489**	**12,306,261**	**12,334,935**
NET POSITION									
Net Investment of Capital Assets	10,418,233	10,846,387	10,742,985	10,691,778	10,628,090	10,600,867	10,564,138	10,580,168	10,546,237
Restricted	10,223,741	9,442,894	9,196,157	8,453,467	8,613,472	8,802,222	8,997,957	9,309,002	9,507,465
Unrestricted	1,091,665	1,794,654	1,752,265	2,258,947	2,353,690	2,317,599	2,342,791	2,287,165	2,391,783
TOTAL NET POSITION	**21,733,638**	**22,083,935**	**21,691,407**	**21,404,192**	**21,595,251**	**21,720,688**	**21,904,885**	**22,176,335**	**22,445,485**

Rancho Water

MONTHLY COMPARISON - **SRWRF DIVISION**
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS

	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH
OPERATING REVENUE:									
Water Revenue	-	-	-	-	-	-	-	-	-
Capacity Charges	-	-	-	-	-	-	-	-	-
Western IDA- Rock Mtn.	-	-	-	-	-	-	-	-	-
Energy Charges	-	-	-	-	-	-	-	-	-
Wastewater Service Charges	197,888	215,283	192,059	205,507	191,736	207,167	205,113	168,600	210,431
Temporary Treatment Fees	-	-	-	-	-	-	-	-	-
New Service Connections	-	-	-	-	-	-	-	-	-
Other OP Rev - Billing	-	-	-	-	-	-	-	-	-
Other OP Rev - Engineering	2	2	3	2	2	1	2	2	2
Reclass (To)/From Non-Operating	92,102	88,640	80,330	71,327	45,012	45,012	18,697	38,780	25,276
TOTAL OPERATING REVENUE	**289,992**	**303,925**	**272,392**	**276,837**	**236,750**	**252,181**	**223,812**	**207,382**	**235,709**
OPERATING EXPENSE:									
SOURCE OF SUPPLY:									
Purchased Water - Imported	-	-	-	-	-	-	-	-	-
Purchased Water - J/F	-	-	-	-	-	-	-	-	-
Purchased Water - Santa Margarita	-	-	-	-	-	-	-	-	-
Labor	-	-	-	-	-	-	-	-	-
G&A / Fringe Benefits	-	-	-	-	-	-	-	-	-
Materials & Supplies	-	-	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-	-	-
Outside Services	-	-	-	-	-	-	-	-	-
Vehicle & Equipment use	-	-	-	-	-	-	-	-	-
Corrective Maint. - Labor	-	-	-	-	-	-	-	-	-
Corrective Maint. - G&A / FB	-	-	-	-	-	-	-	-	-
Corrective Maintenance	-	-	-	-	-	-	-	-	-
TOTAL SOURCE OF SUPPLY	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
BOOSTER PUMPING:									
Labor	-	-	-	-	-	-	-	-	-
G&A / Fringe Benefits	-	-	-	-	-	-	-	-	-
Materials & Supplies	-	-	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-	-	-
Outside Services	-	-	-	-	-	-	-	-	-
Vehicle & Equipment use	-	-	-	-	-	-	-	-	-
Corrective Maint. - Labor	-	-	-	-	-	-	-	-	-
Corrective Maint. - G&A / FB	-	-	-	-	-	-	-	-	-
Corrective Maintenance	-	-	-	-	-	-	-	-	-
TOTAL BOOSTER PUMPING	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

MONTHLY COMPARISON - **SRWRF DIVISION**
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS

	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH
SEWAGE TREATMENT:									
Labor	65,077	62,173	73,450	120,441	64,425	70,389	70,901	80,616	67,914
G&A / Fringe Benefits	97,502	85,348	98,223	166,066	88,445	96,790	99,649	109,138	93,247
Materials & Supplies	17,189	34,560	11,296	11,532	7,352	37,162	10,634	33,370	7,626
Utilities	6,309	104,028	70,386	37,015	67,447	72,609	76,563	71,047	24,754
Outside Services	34,449	54,823	85,521	110,505	42,349	203,757	98,166	48,024	75,255
Vehicle & Equipment use	7,394	5,885	6,487	11,267	6,070	6,669	7,062	7,270	6,562
Inter-Agency Treatment	-	-	-	-	-	-	-	-	-
Corrective Maint. - Labor	614	688	455	206	147	29	-	-	-
Corrective Maint. - G&A / FB	945	1,059	700	317	226	45	-	-	-
Corrective Maintenance	24,374	78	33,456	23	17,733	58,937	-	-	-
Treatment Reimbursables	(396,876)	(404,290)	(381,042)	(317,617)	(411,461)	(491,924)	(453,337)	(360,254)	(355,971)
Contract Treatment Expense - JPA	150,280	150,280	150,280	150,280	150,280	150,280	150,280	150,280	150,280
TOTAL SEWAGE TREATMENT	**7,257**	**94,633**	**149,212**	**290,035**	**33,014**	**204,743**	**59,918**	**139,491**	**69,667**
TRANSMISSION & DISTRIBUTION									
Labor	-	-	-	-	-	-	-	-	-
G&A / Fringe Benefits	-	-	-	-	-	-	-	-	-
Materials & Supplies	-	-	-	-	-	-	-	-	-
Outside Services	-	-	-	-	-	-	-	-	-
Vehicle & Equipment use	-	-	-	-	-	-	-	-	-
Construction Closed Jobs	-	-	-	-	-	-	-	-	-
Corrective Maint. - Labor	-	-	-	-	-	-	-	-	-
Corrective Maint. - G&A / FB	-	-	-	-	-	-	-	-	-
Corrective Maintenance	-	-	-	-	-	-	-	-	-
Service Connect. - Labor	-	-	-	-	-	-	-	-	-
Service Connect. - G&A / FB	-	-	-	-	-	-	-	-	-
Service Connection	-	-	-	-	-	-	-	-	-
TOTAL TRANSMISSION & DISTRIBUTION	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
CUSTOMER SERVICE:									
Labor	-	-	-	-	-	-	-	-	-
G&A / Fringe Benefits	-	-	-	-	-	-	-	-	-
Materials & Supplies	-	-	-	-	-	-	-	-	-
Outside Services	-	-	-	-	-	-	-	-	-
Vehicle & Equipment use	-	-	-	-	-	-	-	-	-
Resource Customer Support	15,804	15,997	14,656	24,890	12,983	15,656	16,243	15,651	12,954
Uncollectible Accounts	740	(173)	227	602	28	1,142	393	310	320
TOTAL CUSTOMER SERVICE	**16,544**	**15,824**	**14,883**	**25,492**	**13,011**	**16,798**	**16,636**	**15,961**	**13,275**

Rancho Water

MONTHLY COMPARISON - **SRWRF DIVISION**
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS

	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH
RECYCLED WATER:									
Joint Facility Recycled Water	-	-	-	-	-	-	-	-	-
Purchased Recycled Water	-	-	-	-	-	-	-	-	-
Labor	-	-	-	-	-	-	-	-	-
G&A / Fringe Benefits	-	-	-	-	-	-	-	-	-
Materials & Supplies	-	-	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-	-	-
Outside Services	-	-	-	-	-	-	-	-	-
Vehicle & Equipment use	-	-	-	-	-	-	-	-	-
Corrective Maint. - Labor	-	-	-	-	-	-	-	-	-
Corrective Maint. - G&A / FB	-	-	-	-	-	-	-	-	-
Corrective Maintenance	-	-	-	-	-	-	-	-	-
Tertiary Reimbursables	-	-	-	-	-	-	-	-	-
Contract Treatment Expense - JPA	-	-	-	-	-	-	-	-	-
TOTAL RECYCLED WATER	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
SUPPORT:									
Labor	-	-	-	-	-	-	-	-	-
G&A / Fringe Benefits	-	-	-	-	-	-	-	-	-
Materials & Supplies	-	-	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-	-	-
Outside Services	-	-	-	-	-	-	-	-	-
Vehicle & Equipment use	-	-	-	-	-	-	-	-	-
Corrective Maint. - Labor	-	-	-	-	-	-	-	-	-
Corrective Maint. - G&A / FB	-	-	-	-	-	-	-	-	-
Corrective Maintenance	-	-	-	-	-	-	-	-	-
Direct Support Allocation	79,402	84,927	81,921	120,012	70,430	67,915	87,859	71,934	78,840
Resource Support	58,541	2,897	5,550	(32,463)	59,246	68	59,001	(7,877)	(18,228)
TOTAL SUPPORT	**137,943**	**87,824**	**87,471**	**87,549**	**129,676**	**67,982**	**146,860**	**64,057**	**60,612**
ENGINEERING:									
Labor	-	-	-	-	-	-	-	-	-
G&A / Fringe Benefits	-	-	-	-	-	-	-	-	-
Materials & Supplies	-	-	-	-	-	-	-	-	-
Outside Services	-	-	-	-	-	-	-	-	-
Vehicle & Equipment use	-	-	-	-	-	-	-	-	-
Engineering O/H CAP/FEE	-	-	-	-	-	-	-	-	-
Engineering Closed Jobs	-	-	-	-	-	-	-	-	-
Resource engineering Serv.	486	898	437	1,194	921	568	886	863	929
TOTAL ENGINEERING	**486**	**898**	**437**	**1,194**	**921**	**568**	**886**	**863**	**929**

Rancho Water

MONTHLY COMPARISON - **SRWRF DIVISION**
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS

	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH
VEHICLE & EQUIPMENT									
Vehicle & Equip. PM Labor	-	-	-	-	-	-	-	-	-
Vehicle & Equip. PM G&A /FB	-	-	-	-	-	-	-	-	-
Vehicle & Equip. Exp. - PM	-	-	-	-	-	-	-	-	-
Vehicle & Equip. CM Labor	-	-	-	-	-	-	-	-	-
Vehicle & Equip. CM G&A /FB	-	-	-	-	-	-	-	-	-
Vehicle & Equip. Exp. - CM	-	-	-	-	-	-	-	-	-
Applied Overhead	-	-	-	-	-	-	-	-	-
TOTAL VEHICLE & EQUIPMENT	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
EMPLOYEE FRINGE BENEFITS:									
E/B Vacation/Sick/Holiday	-	-	-	-	-	-	-	-	-
Employee Benefits	-	-	-	-	-	-	-	-	-
Applied Overhead	-	-	-	-	-	-	-	-	-
TOTAL EMPLOYEE FRINGE BENEFITS	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL OPERATING EXPENSE	**162,230**	**199,179**	**252,003**	**404,270**	**176,623**	**290,091**	**224,300**	**220,373**	**144,482**
NET OPERATING REVENUE	**127,762**	**104,746**	**20,389**	**(127,433)**	**60,127**	**(37,911)**	**(488)**	**(12,991)**	**91,227**
NON-OPERATING REVENUE:									
Taxes & Assessments	-	-	-	-	-	-	-	-	-
Standby Charge	37,560	1,649	-	-	-	-	4,847	-	-
Interest Revenue	15,313	27,143	87,235	21,181	23,055	49,110	17,650	160,809	35,491
Fire Service Charge	-	-	-	-	-	-	-	-	-
Other Income - Government Subsidy	-	-	-	-	-	-	-	-	-
Other Income - Debt Service	156,127	161,218	158,793	158,812	158,793	158,801	156,318	156,355	156,268
Other Income - Capital Replacement Fund	53,469	28,973	41,253	41,258	41,253	41,255	53,535	53,547	53,518
Other Income - Tier 3 & Tier 4 Programs	-	-	-	-	-	-	-	-	-
Acreage Assessment Fees	-	-	-	-	-	-	-	-	-
Reclass (To)/From Oper. Income	(92,102)	(88,640)	(80,330)	(71,327)	(45,012)	(45,012)	(18,697)	(38,780)	(25,276)
Taxes & Assmt - Annexation	-	-	-	-	-	-	-	-	-
Vail Lake Operations	-	-	-	-	-	-	-	-	-
Other Non-Operating Income	-	-	-	-	-	-	-	-	-
Non-Operating Grant Income	-	-	-	-	-	-	-	-	-
Gain / Loss Investment Sale	92	403	284	1,545	1,589	966	3,412	614	6
Interest on Interdivisional Loan	(3,049)	(2,960)	(3,032)	(3,086)	(3,149)	(3,223)	(2,958)	(3,055)	(3,045)
TOTAL NON-OPERATING REVENUE	**167,411**	**127,786**	**204,204**	**148,383**	**176,529**	**201,897**	**214,106**	**329,491**	**216,962**

Rancho Water

MONTHLY COMPARISON - **SRWRF DIVISION**
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS

	JULY	*AUGUST*	*SEPTEMBER*	*OCTOBER*	*NOVEMBER*	*DECEMBER*	*JANUARY*	*FEBRUARY*	*MARCH*
NON-OPERATING EXPENSE:									
Banked Water Purchase	-	-	-	-	-	-	-	-	-
Depreciation and Amortization	44,622	44,622	44,622	44,577	44,577	44,577	44,577	44,577	44,577
Bond Discount Amortization	(10,647)	(10,647)	(10,647)	(10,647)	(10,647)	(10,647)	(10,647)	(10,647)	(10,647)
Bond Interest	10,136	8,684	8,684	8,684	8,787	8,724	8,684	8,684	8,684
Arbitrage Expense	-	-	-	-	-	-	-	-	-
Non-Operating Grant Expense	-	-	-	-	-	-	-	-	-
Changes in Investment in Joint Venture	-	-	523,989	188,254	-	-	-	-	-
Other	-	189	-	163	2,474	-	422	80	107
Investment Management Exp.	168	396	404	400	407	433	-	918	434
TOTAL NON-OPERATING EXPENSE	**44,279**	**43,243**	**567,051**	**231,431**	**45,597**	**43,087**	**43,036**	**43,612**	**43,155**
NET NON-OPERATING REVENUE	**123,132**	**84,543**	**(362,848)**	**(83,048)**	**130,931**	**158,809**	**171,070**	**285,879**	**173,806**
N.I. BEFORE CAPITAL CONTRIBUTIONS	**250,894**	**189,289**	**(342,459)**	**(210,481)**	**191,059**	**120,899**	**170,582**	**272,888**	**265,033**
CONTRIBUTED CAPITAL:									
Connection Fee	10,184	10,728	-	-	-	4,538	13,615	-	4,117
Capital Contributions	-	-	-	-	-	-	-	-	-
TOTAL CONTRIBUTED CAPITAL	**10,184**	**10,728**	**-**	**-**	**-**	**4,538**	**13,615**	**-**	**4,117**
CHANGES IN NET POSITION	**261,078**	**200,017**	**(342,459)**	**(210,481)**	**191,059**	**125,437**	**184,197**	**272,888**	**269,151**

4.C

Rancho Water

BOARD ACTION

BOARD OF DIRECTORS

May 14, 2026

ITEM 4.C: **Consider Approval of Treasurer's Report, Certification of Cash Sufficiency, and Related Investment Activity Data, as of March 31, 2026.**

RESPONSIBLE/LEAD STAFF MEMBER(S):

Kathy Naylor, Chief Financial Officer/Treasurer

RECOMMENDATIONS:

Staff requests the Board of Directors (Board) consider approval of the Treasurer's Report as presented.

DISCUSSION:

The subject treasurer's report and related investment activity detail provided by staff in conjunction with Chandler Asset Management, Inc. (Chandler) are attached for the Board's review. Per Government Code Section 5346 and Rancho California Water District's Investment Policy, the Certification of Cash Sufficiency documenting its ability to meet cash flows for the next six-month period is included herewith.

ALTERNATIVES:

Take no action

FISCAL ANALYSIS:

Not applicable

ENVIRONMENTAL REQUIREMENTS:

Not applicable

EXHIBITS/ATTACHMENTS:

1. Treasurer's Report
2. Certification of Cash Sufficiency
3. Cash Reserve Report
4. Statement of Compliance

TREASURER'S REPORT

March 31, 2026

		THIS MONTH	LAST MONTH	CHANGE
Pooled Cash				
L.A.I.F.		$ 44,562,262	$ 44,562,262	$ -
Riverside Co. Treasurer's Investment Pool		129,117	127,950	1,167
Money Market Fund		1,233,819	255,458	978,361
TOTAL POOLED CASH		45,925,197	44,945,669	979,528
Pooled Investments				
Federal Agencies		29,359,713	29,359,713	-
U.S. Treasury Notes		90,860,867	90,860,867	-
U.S. Corporate Notes		70,257,247	70,257,247	-
Collateralized Mortgage Obligations		45,600,334	45,602,562	(2,228)
Municipal Bonds		17,518,943	17,518,943	-
Foreign Corporate		-	-	-
Asset Backed Securities		8,704,664	8,728,083	(23,419)
TOTAL POOLED INVESTMENTS		262,301,768	262,327,416	(25,648)
TOTAL POOLED CASH & INVESTMENTS		308,226,965	307,273,085	953,880
Operating Cash Accounts				
Checking		6,033,400	1,587,636	4,445,764
Payroll		-	-	-
TOTAL OPERATING CASH		6,033,400	1,587,636	4,445,764
Market Valuation at June 30, 2025		(2,057,484)	(2,057,653)	169
SUB-TOTAL		312,202,881	306,803,068	5,399,813
Cash Held in Trust				
Bank of New York		16,129	15,801	328
Pension Trust Sect 115		10,674,839	10,712,325	(37,486)
TOTAL CASH HELD IN TRUST		10,690,968	10,728,126	(37,158)
TOTAL CASH & INVESTMENTS		**$ 322,893,849**	**$ 317,531,194**	**$ 5,362,655**
Classification				
Current Cash & Investments		56,215,021	51,657,093	4,557,928
Restricted Cash & Investments		285,070,518	285,042,145	28,374
Less: Deferred Compensation		(18,391,690)	(19,168,044)	776,354
TOTAL CASH & INVESTMENTS		**$ 322,893,849**	**$ 317,531,194**	**$ 5,362,655**
Market Value	**March 31, 2026**	**$ 322,964,939**	**$ 321,909,721**	**$ 1,055,218**
Unrealized Gain/(Loss)	**March 31, 2026**	**$ 71,090**	**$ 4,378,528**	**$ (4,307,438)**

CERTIFICATION OF CASH SUFFICIENCY FOR THE NEXT SIX MONTHS

March 31, 2026

Current Cash Balance		
Checking	$	6,033,400
Money Market Fund		1,233,819
Riverside Co. Treasurer's Investment Pool		129,117
L.A.I.F.		44,562,262
TOTAL		51,958,597
Source of Funds		
Operations		46,762,612
Assessments		29,537,696
Maturities		10,677,665
Other		4,202,549
TOTAL		91,180,522
Use of Funds		
Operations		43,297,503
Capital Projects		10,104,197
Payroll		11,762,485
Debt Service		14,332,129
TOTAL		79,496,314
Net Source/(Use) of Funds		11,684,208
Projected Cash Balance @ 9/30/2026	**$**	**63,642,805**

The above Certification of Cash Sufficiency is being submitted in accordance with Government Code Section 53646 to document the District's ability to meet cash flows for the next six-month period. All investments identified within the Treasurer's Report are within the policy and guidelines of the Rancho California Water District's Investment Policy currently in effect and as adopted by the Board of Directors on August 14, 2025.

Kathleen Naylor

Kathleen Naylor

CFO/Treasurer

CASH RESERVE REPORT

As of March 31, 2026

		RANCHO	FUNDED %	SANTA ROSA	FUNDED %	SRWRF	FUNDED %	TOTAL
Operating Reserve Targets	(1)							
Working Capital	(2)	$ 19,261,954		$ 12,648,629		$ 1,029,750		$ 32,940,333
Drought Reserve	(3)	2,957,825		2,957,825		-		5,915,650
Rate Stabilization	(4)	9,630,977		6,324,315		514,875		16,470,166
TOTAL OPERATING TARGET		31,850,756		21,930,769		1,544,625		55,326,149
General Fund Balance		32,209,906	*101%*	21,233,681	*97%*	3,001,827	*194%*	56,445,414
Over / (Under) Reserve Target		*359,150*		*(697,088)*		*1,457,202*		*1,119,265*
Non-Operating Reserves Targets								
Debt Service	(5)	9,409,338		13,590,164		3,176,729		26,176,231
Capital Project Reserve	(6)	45,507,650		13,526,480		605,939		59,640,069
Risk Management	(7)	6,058,397		3,497,922		862,472		10,418,791
Pension Trust Reserves		5,392,752		3,329,549		1,952,538		10,674,839
Bond Trust Reserves		5,635		9,711		782		16,129
TOTAL NON-OPERATING TARGET		66,373,772		33,953,826		6,598,461		106,926,059
Non-Operating Fund Balance		*242,487,581*		*19,140,200*		*6,878,139*		*268,505,919*
Over/(Under) Non-Operating Reserve Target	(8)	*176,113,808*		*(14,813,626)*		*279,678*		*161,579,861*
Unrealized Market Value Adjustment		(2,344,681)		62,942		224,256		(2,057,484)
TOTAL OPERATING & NON-OPERATING FUNDS		**$ 272,352,805**		**$ 40,436,823**		**$ 10,104,221**		**$ 322,893,849**
Balance Sheet Cash & Investments								
Current		31,914,885		21,258,092		3,042,044		56,215,021
Restricted		249,633,765		28,374,576		7,062,177		285,070,518
Less: Deferred Comp		(9,195,845)		(9,195,845)		-		(18,391,690)
TOTAL CASH & INVESTMENTS		**$ 272,352,805**		**$ 40,436,823**		**$ 10,104,221**		**$ 322,893,849**

Notes:

(1) Operating Reserve Targets listed in funding priority.

(2) Working Capital Reserve to be equivalent to a minimum of four (4) months of the total operating budget.

(3) Drought Reserve is equal to potential loss of local supplies of $4,812,450 (5,000 AF x $962.49). First priority for Drought Penalties Reserves.

(4) Rate Stabilization Fund has a funding goal of two (2) months of the budgeted operating costs.

(5) Annual debt service based on five (5) year average.

(6) Annual pay-go for capital projects based on five (5) year average.

(7) Risk Reserve is set to $500,000 for liability, $250,000 for property (split by water division), and 1% of historical utility plant costs at end of previous fiscal year.

(8) Reserves above minimum target used to fund future construction projects. Five (5) Year CIP totals $338,500,000.

STATEMENT OF COMPLIANCE

Rancho California Water District Operating Reserve | Account #30 | As of March 31, 2026

Rules Name	Limit	Actual	Compliance Status	Notes
AGENCY MORTGAGE SECURITIES				
Max % (MV)	100.0	17.5	Compliant	
Max % Issuer (MV)	30.0	17.5	Compliant	
Max Maturity (Years)	30.0	7.4	Compliant	
ASSET-BACKED SECURITIES (ABS)				
Max % (MV)	20.0	3.4	Compliant	
Max % Issuer (MV)	5.0	0.8	Compliant	
Max Maturity (Years)	5	4	Compliant	
Min Rating (AA- by 1)	0.0	0.0	Compliant	
BANKERS' ACCEPTANCES				
Max % (MV)	40.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Days)	180	0.0	Compliant	
Min Rating (A-1 by 1 or A- by 1)	0.0	0.0	Compliant	
CERTIFICATE OF DEPOSIT PLACEMENT SERVICE (CDARS)				
Max % (MV)	30.0	0.0	Compliant	
Max Maturity (Years)	5.0	0.0	Compliant	
COLLATERALIZED BANK DEPOSITS				
Max % (MV)	100.0	0.0	Compliant	
COLLATERALIZED TIME DEPOSITS (NON-NEGOTIABLE CD/TD)				
Max % (MV)	20.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Years)	5.0	0.0	Compliant	
COMMERCIAL PAPER				
Max % (MV)	40.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Days)	270	0.0	Compliant	
Min Rating (A-1 by 1 or A- by 1)	0.0	0.0	Compliant	
CORPORATE MEDIUM TERM NOTES				
Max % (MV)	30.0	27.0	Compliant	
Max % Issuer (MV)	5.0	1.4	Compliant	
Max Maturity (Years)	5	4	Compliant	
Min Rating (A- by 1)	0.0	0.0	Compliant	

STATEMENT OF COMPLIANCE

Rancho California Water District Operating Reserve | Account #30 | As of March 31, 2026

Rules Name	Limit	Actual	Compliance Status	Notes
FDIC INSURED TIME DEPOSITS (NON-NEGOTIABLE CD/ TD)				
Max % (MV)	20.0	0.0	Compliant	
Max Maturity (Years)	5	0.0	Compliant	
FEDERAL AGENCIES				
Max % (MV)	100.0	10.8	Compliant	
Max % Issuer (MV)	30.0	5.1	Compliant	
Max Maturity (Years)	30	5	Compliant	
LOCAL AGENCY INVESTMENT FUND (LAIF)				
Max Concentration (MV)	75.0	0.0	Compliant	
LOCAL GOVERNMENT INVESTMENT POOL (LGIP)				
Max Concentration (MV)	37.0	0.0	Compliant	
MONEY MARKET MUTUAL FUNDS				
Max % (MV)	20.0	0.5	Compliant	
Max % Issuer (MV)	10.0	0.5	Compliant	
Min Rating (AAA by 2)	0.0	0.0	Compliant	
MORTGAGE-BACKED SECURITIES (NON-AGENCY)				
Max % (MV)	20.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Years)	5.0	0.0	Compliant	
Min Rating (AA by 1)	0.0	0.0	Compliant	
MUNICIPAL SECURITIES (CA, LOCAL AGENCY)				
Max % (MV)	20.0	3.3	Compliant	
Max % Issuer (MV)	5.0	2.5	Compliant	
Max Maturity (Years)	30	6	Compliant	
Min Rating (A- by 1)	0.0	0.0	Compliant	
MUNICIPAL SECURITIES (CA, OTHER STATES)				
Max % (MV)	20.0	3.5	Compliant	
Max % Issuer (MV)	5.0	1.2	Compliant	
Max Maturity (Years)	30	5	Compliant	
Min Rating (A- by 1)	0.0	0.0	Compliant	
MUTUAL FUNDS				
Max % (MV)	20.0	0.0	Compliant	
Max % Issuer (MV)	10.0	0.0	Compliant	

STATEMENT OF COMPLIANCE

Rancho California Water District Operating Reserve | Account #30 | As of March 31, 2026

Rules Name	Limit	Actual	Compliance Status	Notes
Min Rating (AAA by 2)	0.0	0.0	Compliant	
NEGOTIABLE CERTIFICATES OF DEPOSIT (NCD)				
Max % (MV)	30.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (Years)	5	0.0	Compliant	
Min Rating (A-1 by 1 or A- by 1 if > FDIC Limit)	0.0	0.0	Compliant	
REPURCHASE AGREEMENTS				
Max Maturity (Years)	1.0	0.0	Compliant	
SUPRANATIONAL OBLIGATIONS				
Max % (MV)	30.0	0.0	Compliant	
Max % Issuer (MV)	10.0	0.0	Compliant	
Max Maturity (Years)	5	0.0	Compliant	
Min Rating (AA- by 1)	0.0	0.0	Compliant	
U.S. TREASURIES				
Max % (MV)	100.0	34.1	Compliant	
Max Maturity (Years)	30	7	Compliant	

4.D

Rancho Water

BOARD ACTION

BOARD OF DIRECTORS

May 14, 2026

ITEM 4.D: **Consider Ratification of the Register of Audited Demands (March 14, 2026-April 17, 2026) and Approval of the Purchasing Card Transactions Report (February 1, 2026-March 31, 2026)**

RESPONSIBLE/LEAD STAFF MEMBER(S):

Karrie Swaine, Controller

RECOMMENDATIONS:

Staff requests the Board of Directors (Board) consider ratification of the Register of Audited Demands and approval of the Purchasing Card Transactions Report, as presented.

DISCUSSION:

Attached for the Board's ratification and approval are: (1) the Register of Audited Demands (March 14, 2026 - April 17, 2026), with a net distribution totaling $14,369,640.71 and a Payment Plus distribution of $53,757.65; and (2) the Purchasing Card Transactions Report (February 1, 2026 - March 31, 2026), reflecting total expenditures of $96,831.52.

Effective December 2025, the District implemented the Purchasing Card (P-Card) Program. This enables designated full-time regular employees to purchase items directly from merchants within predefined spending limits and compliance with the Purchasing Policy, thereby reducing costs associated with low-value and emergency purchasing activities. In addition, the P-Card program allows the District to earn funds through their Revenue Share Program. Currently, the District can earn 115 basis points which escalates based on annual spend.

ALTERNATIVES:

Take no action

FISCAL ANALYSIS:

Not applicable

ENVIRONMENTAL REQUIREMENTS:

Not applicable

EXHIBITS/ATTACHMENTS:

1. Warrant List - March 14, 2026 - April 17, 2026
2. Purchasing Card Transactions - February 1, 2026 to March 31, 2026

Cash Disbursements for the Period March 14, 2026 to April 17, 2026

CHECK NUMBER	VENDOR	NAME	DESCRIPTION	CHECK DATE	AMOUNT	STATUS
180019	1020	SANTA ROSA BLDG	CUSTOMER ACCOUNT REFUND	3/19/2026	$ 766.26	ISSUED
180019 Total					**$ 766.26**	
180020	1020	DALE SILIMPERI	CUSTOMER ACCOUNT REFUND	3/19/2026	$ 58.54	ISSUED
180020 Total					**$ 58.54**	
180021	1020	DARLENE DORMENEN	CUSTOMER ACCOUNT REFUND	3/19/2026	$ 325.94	ISSUED
180021 Total					**$ 325.94**	
180022	1020	D MOULD	CUSTOMER ACCOUNT REFUND	3/19/2026	$ 13.29	ISSUED
180022 Total					**$ 13.29**	
180023	1020	PARTNERS CAPITAL MANAGEMENT LP	CUSTOMER ACCOUNT REFUND	3/19/2026	$ 125.57	ISSUED
180023 Total					**$ 125.57**	
180024	1020	CLIFFORD HITCH	CUSTOMER ACCOUNT REFUND	3/19/2026	$ 77.13	ISSUED
180024 Total					**$ 77.13**	
180025	1020	CARYNN KANOW	CUSTOMER ACCOUNT REFUND	3/19/2026	$ 132.57	ISSUED
180025 Total					**$ 132.57**	
180026	1020	TAKIS BILIOS	CUSTOMER ACCOUNT REFUND	3/19/2026	$ 324.65	ISSUED
180026 Total					**$ 324.65**	
180027	1020	AMANDA SUMROW	CUSTOMER ACCOUNT REFUND	3/19/2026	$ 18.26	ISSUED
180027 Total					**$ 18.26**	
180028	1020	GRIGOR BLBULYAN	CUSTOMER ACCOUNT REFUND	3/19/2026	$ 693.06	ISSUED
180028 Total					**$ 693.06**	
180029	1020	NATALIE BALBESINO	CUSTOMER ACCOUNT REFUND	3/19/2026	$ 1,785.51	ISSUED
180029 Total					**$ 1,785.51**	
180030	1020	JENIFER BERNECKI	CUSTOMER ACCOUNT REFUND	3/19/2026	$ 49.69	ISSUED
180030 Total					**$ 49.69**	
180031	1020	WOODSIDE HOMES	CUSTOMER ACCOUNT REFUND	3/19/2026	$ 2,296.36	ISSUED
180031 Total					**$ 2,296.36**	
180032	1020	WOODSIDE HOMES	CUSTOMER ACCOUNT REFUND	3/19/2026	$ 1,128.50	ISSUED
180032 Total					**$ 1,128.50**	
180033	1020	GRANITE CONSTRUCTION INC.	CUSTOMER ACCOUNT REFUND	3/19/2026	$ 344.58	ISSUED
180033 Total					**$ 344.58**	
180034	1020	ELIZABETH BEHNKE	CUSTOMER ACCOUNT REFUND	3/19/2026	$ 67.04	ISSUED
180034 Total					**$ 67.04**	
180035	1020	MARIA ANDRADE	CUSTOMER ACCOUNT REFUND	3/19/2026	$ 28.35	ISSUED
180035 Total					**$ 28.35**	
180036	1020	ROY SALAMEH	CUSTOMER ACCOUNT REFUND	3/19/2026	$ 864.84	ISSUED
180036 Total					**$ 864.84**	
180037	1020	MARINA LANDSCAPE CONSTRUCTION	CUSTOMER ACCOUNT REFUND	3/19/2026	$ 719.76	ISSUED
180037 Total					**$ 719.76**	
180038	1020	RICHMOND AMERICAN HOMES	CUSTOMER ACCOUNT REFUND	3/19/2026	$ 3,444.27	ISSUED
180038 Total					**$ 3,444.27**	
180039	1020	CASS ARRIETA	CUSTOMER ACCOUNT REFUND	3/19/2026	$ 564.36	ISSUED
180039 Total					**$ 564.36**	
180040	1020	MAGNUM PROPERTY MANAGEMENT	CUSTOMER ACCOUNT REFUND	3/19/2026	$ 74.02	ISSUED
180040 Total					**$ 74.02**	
180041	1020	SLK INVESTMENTS	CUSTOMER ACCOUNT REFUND	3/19/2026	$ 545.01	ISSUED
180041 Total					**$ 545.01**	
180042	1020	VIAREN LLC	CUSTOMER ACCOUNT REFUND	3/19/2026	$ 2,342.50	ISSUED
180042 Total					**$ 2,342.50**	
180043	1020	EDWIN E MANSKE	CUSTOMER ACCOUNT REFUND	3/19/2026	$ 10.25	ISSUED
180043 Total					**$ 10.25**	
180044	1020	MICHAL BLEDSOE	CUSTOMER ACCOUNT REFUND	3/19/2026	$ 163.20	ISSUED
180044 Total					**$ 163.20**	

Cash Disbursements for the Period March 14, 2026 to April 17, 2026

180045	1020	PETER'S PAVING AND GRADING	CUSTOMER ACCOUNT REFUND	3/19/2026	$	1,736.17	ISSUED
180045 Total					**$**	**1,736.17**	
180046	1020	ALEXANDER DALE	CUSTOMER ACCOUNT REFUND	3/19/2026	$	619.80	ISSUED
180046 Total					**$**	**619.80**	
180047	1020	L.C. PAVING & SEALING INC	CUSTOMER ACCOUNT REFUND	3/19/2026	$	963.72	ISSUED
180047 Total					**$**	**963.72**	
180048	1020	DEARMOND CONSTRUCTION	CUSTOMER ACCOUNT REFUND	3/19/2026	$	1,024.10	ISSUED
180048 Total					**$**	**1,024.10**	
180049	1020	CELESTE MARTIN	CUSTOMER ACCOUNT REFUND	3/19/2026	$	1,014.26	ISSUED
180049 Total					**$**	**1,014.26**	
180050	2460	ADVANCE FIRE PROTECTION	REFUND ON PLAN CHECK DEPOSIT	3/19/2026	$	782.54	ISSUED
180050 Total					**$**	**782.54**	
180051	2460	NEXXGEN CORPORATION	REFUND ON PLAN CHECK DEPOSIT	3/19/2026	$	923.51	ISSUED
180051 Total					**$**	**923.51**	
180052	1086	R & B AUTOMATION INC.	INSTALLATION-VALVES	3/19/2026	$	5,454.18	ISSUED
180052 Total					**$**	**5,454.18**	
180053	1095	CALIFORNIA-NEVADA SECTION, AMERICAN WATER WORKS ASSOCIATION	D3-D4 REVIEW-C FRUTOS	3/19/2026	$	210.00	ISSUED
180053	1095	CALIFORNIA-NEVADA SECTION, AMERICAN WATER WORKS ASSOCIATION	D2-D4 MATH REVIEW-C FRUTOS	3/19/2026	$	210.00	ISSUED
180053 Total					**$**	**420.00**	
180054	1142	CONSOLIDATED ELECTRICAL DISTRIBUTORS, INC	PANELS	3/19/2026	$	473.06	ISSUED
180054 Total					**$**	**473.06**	
180055	1154	CENTRAL COMMUNICATIONS	MO ANSWERING SVC	3/19/2026	$	965.45	ISSUED
180055 Total					**$**	**965.45**	
180056	1235	PACIFIC SURVEYS, LLC.	WELL 125 SURVEY	3/19/2026	$	5,555.00	ISSUED
180056 Total					**$**	**5,555.00**	
180057	1264	CR & R INC.	TRASH SVC	3/19/2026	$	1,157.86	ISSUED
180057 Total					**$**	**1,157.86**	
180058	1346	C WELLS PIPELINE MATERIALS INC	FLANGES	3/19/2026	$	14,137.50	ISSUED
180058 Total					**$**	**14,137.50**	
180059	1386	EASTERN MUNICIPAL WATER DIST.	RECYCLED WATER-MARCH 2026	3/19/2026	$	69,498.78	ISSUED
180059 Total					**$**	**69,498.78**	
180060	1397	CHANDLER ASSET MANAGEMENT INC.	MANAGEMENT FEES-115 TRUST	3/19/2026	$	518.73	ISSUED
180060	1397	CHANDLER ASSET MANAGEMENT INC.	MANAGEMENT FEES-RETIREMENT MEDICAL	3/19/2026	$	2,278.32	ISSUED
180060	1397	CHANDLER ASSET MANAGEMENT INC.	MANAGEMENT FEES-GENERAL	3/19/2026	$	11,267.73	ISSUED
180060 Total					**$**	**14,064.78**	
180061	1453	WILLIAM PLUMMER	REIMB EXP-UWI CONFERENCE	3/19/2026	$	892.24	ISSUED
180061 Total					**$**	**892.24**	
180062	1542	WILLDAN FINANCIAL SERVICES	ARBITRAGE REBATE SVC	3/19/2026	$	1,250.00	ISSUED
180062 Total					**$**	**1,250.00**	
180063	1568	FERGUSON ENTERPRISES, LLC	COPPER PIPE	3/19/2026	$	112.43	ISSUED
180063	1568	FERGUSON ENTERPRISES, LLC	FEES	3/19/2026	$	12.13	ISSUED
180063	1568	FERGUSON ENTERPRISES, LLC	COPPER PIPE	3/19/2026	$	7,683.19	ISSUED
180063	1568	FERGUSON ENTERPRISES, LLC	FITTINGS-PIPE-STRUTS-COPPER	3/19/2026	$	434.44	ISSUED
180063	1568	FERGUSON ENTERPRISES, LLC	ADAPTER-FITTING-CLAMPS	3/19/2026	$	41.38	ISSUED
180063	1568	FERGUSON ENTERPRISES, LLC	ADAPTERS-CLAMPS-PIPE	3/19/2026	$	351.44	ISSUED
180063	1568	FERGUSON ENTERPRISES, LLC	COPPER PIPE	3/19/2026	$	8,497.51	ISSUED
180063 Total					**$**	**17,132.52**	
180065	1751	GRAINGER INC.	GAUGE	3/19/2026	$	154.57	ISSUED
180065	1751	GRAINGER INC.	HEATER	3/19/2026	$	262.38	ISSUED
180065	1751	GRAINGER INC.	FLASHLIGHT-OIL	3/19/2026	$	328.61	ISSUED
180065	1751	GRAINGER INC.	RELAY SOCKETS	3/19/2026	$	298.95	ISSUED
180065	1751	GRAINGER INC.	FILTERS	3/19/2026	$	321.58	ISSUED
180065 Total					**$**	**1,366.09**	

180066	1814	PIONEER AMERICAS LLC	SODIUM HYPOCHLORITE	3/19/2026	$	11,294.27	ISSUED
180066 Total					**$**	**11,294.27**	
180067	1895	KRIEGER & STEWART INC.	JOAQUIN RANCHPUMP STATION DISINFECTION IMPROVEMENTS	3/19/2026	$	5,438.00	ISSUED
180067 Total					**$**	**5,438.00**	
180068	1896	DEPARTMENT OF JUSTICE	FINGERPRINTING SVC	3/19/2026	$	128.00	ISSUED
180068 Total					**$**	**128.00**	
180069	1914	INFO SEND INC.	BILLING SERVICE	3/19/2026	$	7,176.96	ISSUED
180069 Total					**$**	**7,176.96**	
180070	1920	KENNEDY / JENKS CONSULTANTS	URBAN WATER MANAGEMENT PLAN	3/19/2026	$	9,630.00	ISSUED
180070	1920	KENNEDY / JENKS CONSULTANTS	URBAN WATER MANAGEMENT PLAN	3/19/2026	$	10,910.00	ISSUED
180070	1920	KENNEDY / JENKS CONSULTANTS	URBAN WATER MANAGEMENT PLAN	3/19/2026	$	19,700.00	ISSUED
180070	1920	KENNEDY / JENKS CONSULTANTS	URBAN WATER MANAGEMENT PLAN	3/19/2026	$	14,798.75	ISSUED
180070 Total					**$**	**55,038.75**	
180071	1931	LAYNE CHRISTENSEN CO.	WELL 152 REPAIR	3/19/2026	$	138,175.65	ISSUED
180071 Total					**$**	**138,175.65**	
180072	2076	RAYMOND HANDLING SOLUTIONS INC	FORKLIFT RENTAL	3/19/2026	$	2,307.69	ISSUED
180072 Total					**$**	**2,307.69**	
180073	2146	SECRETARY OF STATE	SRRRA SF-405 COPY FILING FEE	3/19/2026	$	17.00	ISSUED
180073 Total					**$**	**17.00**	
180074	2154	CARB/PERP	JETTER ENGINE REGISTRATION	3/19/2026	$	805.00	ISSUED
180074 Total					**$**	**805.00**	
180075	2191	CA DEPT OF TAX AND FEE ADMIN	SALES/USE TAX-Q1 FEBRUARY2026	3/19/2026	$	244.65	ISSUED
180075 Total					**$**	**244.65**	
180076	2228	DAVID TAUSSIG & ASSOC. INC.	AD 32A FY 25-26	3/19/2026	$	265.00	ISSUED
180076	2228	DAVID TAUSSIG & ASSOC. INC.	CFD 99-1 FY 25-26	3/19/2026	$	875.00	ISSUED
180076	2228	DAVID TAUSSIG & ASSOC. INC.	CFD 99-2 FY 25-26	3/19/2026	$	388.75	ISSUED
180076 Total					**$**	**1,528.75**	
180077	2230	NAPA AUTO PARTS	OIL	3/19/2026	$	151.58	ISSUED
180077	2230	NAPA AUTO PARTS	FUEL FILTER	3/19/2026	$	2.95	ISSUED
180077	2230	NAPA AUTO PARTS	STARTER BUTTON	3/19/2026	$	14.00	ISSUED
180077	2230	NAPA AUTO PARTS	THERMAL SHIELD	3/19/2026	$	35.88	ISSUED
180077 Total					**$**	**204.41**	
180078	2237	TEMECULA VALLEY PIPE & SUPPLY	STRAINERS-NIPPLES	3/19/2026	$	1,649.22	ISSUED
180078	2237	TEMECULA VALLEY PIPE & SUPPLY	ADAPTERS-VALVES	3/19/2026	$	50.48	ISSUED
180078 Total					**$**	**1,699.70**	
180079	2302	WM CORPORATE SERVICES, INC.	TRASH SERVICE	3/19/2026	$	2,700.00	ISSUED
180079 Total					**$**	**2,700.00**	
180080	2309	E.S. BABCOCK AND SONS INC.	LAB REPORTS	3/19/2026	$	8,781.96	ISSUED
180080 Total					**$**	**8,781.96**	
180081	2310	WESTERN MUNICIPAL WATER DIST.	WR-34 FEBRUARY 2026	3/19/2026	$	180,983.32	ISSUED
180081	2310	WESTERN MUNICIPAL WATER DIST.	MO MWD CAPACITY CHARGE-MAR 2026	3/19/2026	$	221,897.83	ISSUED
180081	2310	WESTERN MUNICIPAL WATER DIST.	WR-28 FEBRUARY 2026	3/19/2026	$	(72,860.12)	ISSUED
180081	2310	WESTERN MUNICIPAL WATER DIST.	WR-26 FEBRUARY 2026	3/19/2026	$	(133,755.30)	ISSUED
180081 Total					**$**	**196,265.73**	
180082	2954	PRIME SYSTEMS INDUSTRIAL AUTOMATION, INC.	SCADA SUPPORT	3/19/2026	$	8,100.00	ISSUED
180082 Total					**$**	**8,100.00**	
180083	2981	PARADISE CHEVROLET & CADILLAC	ALIGNMENT	3/19/2026	$	125.99	ISSUED
180083 Total					**$**	**125.99**	
180084	3003	CASAGA ELECTRIC INC.	PM-ANZA PUMP STATION	3/19/2026	$	1,610.00	ISSUED
180084	3003	CASAGA ELECTRIC INC.	PM-CALLE BREVE PUMP STATION	3/19/2026	$	1,610.00	ISSUED
180084	3003	CASAGA ELECTRIC INC.	PM-WELL 143	3/19/2026	$	453.00	ISSUED
180084	3003	CASAGA ELECTRIC INC.	PM-WELL 109	3/19/2026	$	453.00	ISSUED
180084	3003	CASAGA ELECTRIC INC.	PM- WELL 141	3/19/2026	$	453.00	ISSUED

180084	3003	CASAGA ELECTRIC INC.	PM-AVOCADO MESA PUMP STATION	3/19/2026	$	916.00	ISSUED
180084	3003	CASAGA ELECTRIC INC.	PM-REDONDO MESA HYDRO RES	3/19/2026	$	248.00	ISSUED
180084	3003	CASAGA ELECTRIC INC.	PM-AVENIDA ESCALA PUMP STATION	3/19/2026	$	1,263.00	ISSUED
180084	3003	CASAGA ELECTRIC INC.	PM-WELL 145	3/19/2026	$	453.00	ISSUED
180084	3003	CASAGA ELECTRIC INC.	PM-FREEMANPUMP STATION	3/19/2026	$	1,610.00	ISSUED
180084	3003	CASAGA ELECTRIC INC.	PM-WELL 138	3/19/2026	$	453.00	ISSUED
180084 Total					**$**	**9,522.00**	
180085	3044	MPS SECURITY	SECURITY SERVICES	3/19/2026	$	6,866.49	ISSUED
180085	3044	MPS SECURITY	SECURITY SERVICES	3/19/2026	$	7,703.49	ISSUED
180085	3044	MPS SECURITY	SECURITY SERVICES	3/19/2026	$	6,485.38	ISSUED
180085 Total					**$**	**21,055.36**	
180086	3186	SOUTHWEST FIRE PROTECTION	WEED ABATEMENT	3/19/2026	$	3,750.00	ISSUED
180086 Total					**$**	**3,750.00**	
180087	3222	BLAIS & ASSOCIATES	VAIL DAM	3/19/2026	$	258.75	ISSUED
180087 Total					**$**	**258.75**	
180088	3276	SEWER EQUIPMENT CO OF AMERICA	FORD F550 TRUCK WITH MOUNTED JETTER SYSTEM	3/19/2026	$	211,172.02	ISSUED
180088 Total					**$**	**211,172.02**	
180089	3337	THE SHERWIN-WILLIAMS CO., INC	PAINT	3/19/2026	$	109.73	ISSUED
180089 Total					**$**	**109.73**	
180090	3352	UNIFIRST CORPORATION	UNIFORMS-MATS-TOWELS	3/19/2026	$	445.91	ISSUED
180090	3352	UNIFIRST CORPORATION	UNIFORMS-MATS-TOWELS	3/19/2026	$	277.55	ISSUED
180090	3352	UNIFIRST CORPORATION	UNIFORMS-MATS-TOWELS	3/19/2026	$	430.93	ISSUED
180090	3352	UNIFIRST CORPORATION	UNIFORMS-MATS-TOWELS	3/19/2026	$	277.55	ISSUED
180090 Total					**$**	**1,431.94**	
180091	3407	VARNER & BRANDT LLP	GENERAL LABOR	3/19/2026	$	1,789.60	ISSUED
180091 Total					**$**	**1,789.60**	
180092	3476	DAVIS FARR LLP	ANNUAL AUDITING SERVICES	3/19/2026	$	5,815.00	ISSUED
180092 Total					**$**	**5,815.00**	
180093	3486	KENT HARRIS TRUCKING	CLASS II BASE	3/19/2026	$	1,025.76	ISSUED
180093 Total					**$**	**1,025.76**	
180094	3488	SANTA ROSA REGIONAL RESOURCES	MONTHLY COST SHARE APRIL 2026	3/19/2026	$	246,985.75	ISSUED
180094 Total					**$**	**246,985.75**	
180095	3497	ADAME LANDSCAPE INC.	IRRIGATION REPAIRS	3/19/2026	$	1,824.69	ISSUED
180095 Total					**$**	**1,824.69**	
180096	3627	LIFELINE RESCUE	CPR/FIRST AID/AED TRAINING	3/19/2026	$	1,820.00	ISSUED
180096 Total					**$**	**1,820.00**	
180097	3643	GRANICUS LLC	DISCLOSURE DOCS SUBSCRIPTION	3/19/2026	$	3,617.99	ISSUED
180097 Total					**$**	**3,617.99**	
180098	3707	RED WING BUSINESS ADVANTAGE	WORK BOOTS-N JOHNSON	3/19/2026	$	250.00	ISSUED
180098	3707	RED WING BUSINESS ADVANTAGE	WORK BOOTS-R PETERSON	3/19/2026	$	244.67	ISSUED
180098	3707	RED WING BUSINESS ADVANTAGE	WORK BOOTS-E RUELAS	3/19/2026	$	234.89	ISSUED
180098 Total					**$**	**729.56**	
180099	3727	HOFFMAN'S PAINTING	RECOAT-WELLS 132-232-234	3/19/2026	$	9,810.00	ISSUED
180099 Total					**$**	**9,810.00**	
180100	3786	US BANK CORP PAYMENT SYSTEMS	PAYMENT PLUS	3/19/2026	$	131,548.01	ISSUED
180100 Total					**$**	**131,548.01**	
180101	3797	GEOTAB USA INC.	ASSET TRACKER PLAN SUPPORT	3/19/2026	$	2,205.25	ISSUED
180101	3797	GEOTAB USA INC.	ASSET TRACKER PLAN SUPPORT	3/19/2026	$	2,205.25	ISSUED
180101 Total					**$**	**4,410.50**	
180102	3831	GALLAGHER RESTORATION INC.	RESTORATION-WOMEN'S BATHROOM	3/19/2026	$	8,253.00	ISSUED
180102	3831	GALLAGHER RESTORATION INC.	RESTORATION-FRONT OFFICE	3/19/2026	$	3,000.00	ISSUED
180102 Total					**$**	**11,253.00**	
180103	3841	AMERICAN EAGLE TROPHIES	BOARDROOM NAMEPLATE	3/19/2026	$	19.58	ISSUED

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180103 Total					**$**	**19.58**	
180104	3857	NORTHSTAR CHEMICAL	ALUMINUM SULFATE	3/19/2026	$	9,509.57	ISSUED
180104 Total					**$**	**9,509.57**	
180105	3875	FLEETPRIDE INC.	VALVE	3/19/2026	$	155.87	ISSUED
180105 Total					**$**	**155.87**	
180106	3904	ICONIX WATERWORKS (US) INC.	NUTS	3/19/2026	$	354.53	ISSUED
180106	3904	ICONIX WATERWORKS (US) INC.	RETURN-NUTS	3/19/2026	$	(245.78)	ISSUED
180106	3904	ICONIX WATERWORKS (US) INC.	IRON PIPE	3/19/2026	$	607.41	ISSUED
180106	3904	ICONIX WATERWORKS (US) INC.	VALVE	3/19/2026	$	1,439.90	ISSUED
180106 Total					**$**	**2,156.06**	
180107	3906	HUMBOLDT MFG. CO.	REPAIR KITS	3/19/2026	$	3,342.51	ISSUED
180107 Total					**$**	**3,342.51**	
180108	3958	MARC COHEN TRUCKING, INC.	CLASS II BASE	3/19/2026	$	896.22	ISSUED
180108	3958	MARC COHEN TRUCKING, INC.	CLASS II BASE	3/19/2026	$	1,085.91	ISSUED
180108	3958	MARC COHEN TRUCKING, INC.	CLASS II BASE	3/19/2026	$	1,073.80	ISSUED
180108	3958	MARC COHEN TRUCKING, INC.	CLASS II BASE	3/19/2026	$	371.07	ISSUED
180108 Total					**$**	**3,427.00**	
180109	3963	VOX CIVIC COMMUNICATIONS	2026 IE CA WATER PUBLICATION	3/19/2026	$	3,950.00	ISSUED
180109 Total					**$**	**3,950.00**	
180110	3983	ARDURRA GROUP INC.	CARANCHO PUMP STATION DESIGN	3/19/2026	$	10,022.75	ISSUED
180110	3983	ARDURRA GROUP INC.	CARANCHO PUMP STATION DESIGN	3/19/2026	$	5,423.75	ISSUED
180110 Total					**$**	**15,446.50**	
180111	3990	AMAZON CAPITAL SERVICES INC.	MARKERS-COLORING BOOK-DRAWING KIT-TOTE BAGS-PICTURE FRAME	3/19/2026	$	3,231.41	ISSUED
180111	3990	AMAZON CAPITAL SERVICES INC.	HANGER CLIP	3/19/2026	$	13.45	ISSUED
180111	3990	AMAZON CAPITAL SERVICES INC.	CUTTING BOARD	3/19/2026	$	35.83	ISSUED
180111	3990	AMAZON CAPITAL SERVICES INC.	DRAWING KIT	3/19/2026	$	136.20	ISSUED
180111	3990	AMAZON CAPITAL SERVICES INC.	COFFEE STICKS-TEA	3/19/2026	$	101.92	ISSUED
180111	3990	AMAZON CAPITAL SERVICES INC.	O RINGS-CURTAINS	3/19/2026	$	1,092.88	ISSUED
180111	3990	AMAZON CAPITAL SERVICES INC.	MONITOR-ADAPTER	3/19/2026	$	1,308.14	ISSUED
180111	3990	AMAZON CAPITAL SERVICES INC.	WIRELESS CHARGER	3/19/2026	$	35.76	ISSUED
180111	3990	AMAZON CAPITAL SERVICES INC.	TAPE-SILVERWARE-MARKERS-LENS-NAPKINS-SPRAY	3/19/2026	$	758.62	ISSUED
180111	3990	AMAZON CAPITAL SERVICES INC.	MOUSE PAD	3/19/2026	$	17.28	ISSUED
180111	3990	AMAZON CAPITAL SERVICES INC.	FLY TRAPS	3/19/2026	$	48.94	ISSUED
180111	3990	AMAZON CAPITAL SERVICES INC.	HEADPHONES	3/19/2026	$	103.30	ISSUED
180111	3990	AMAZON CAPITAL SERVICES INC.	HEAT GUN	3/19/2026	$	150.08	ISSUED
180111	3990	AMAZON CAPITAL SERVICES INC.	SHIPPING LABELS	3/19/2026	$	49.71	ISSUED
180111	3990	AMAZON CAPITAL SERVICES INC.	PRESSURE WASHER-HOSE	3/19/2026	$	182.69	ISSUED
180111	3990	AMAZON CAPITAL SERVICES INC.	WIPES	3/19/2026	$	25.71	ISSUED
180111	3990	AMAZON CAPITAL SERVICES INC.	CABLE SLEEVE-PRINTER STAND	3/19/2026	$	126.34	ISSUED
180111	3990	AMAZON CAPITAL SERVICES INC.	STORAGE CHEST	3/19/2026	$	255.75	ISSUED
180111	3990	AMAZON CAPITAL SERVICES INC.	RETURN-TAPE	3/19/2026	$	(33.26)	ISSUED
180111 Total					**$**	**7,640.75**	
180112	4015	DANIELLE COATS	REIMB EXP-MILEAGE	3/19/2026	$	245.63	ISSUED
180112 Total					**$**	**245.63**	
180113	4025	ALLIANT INSURANCE SERVICES INC	CONSULTING FEE	3/19/2026	$	2,500.00	ISSUED
180113 Total					**$**	**2,500.00**	
180114	4036	SMASH MY TRASH SOUTHWEST CALIF	TRASH COMPACTING SERVICE	3/19/2026	$	470.00	ISSUED
180114 Total					**$**	**470.00**	
180115	4057	JOHN D. HARKEY	REIMB EXP-CASA-ACWA DC CONFERENCES	3/19/2026	$	1,559.21	ISSUED
180115 Total					**$**	**1,559.21**	
180116	4061	WESTERN RIVERSIDE COUNTY	VAIL LAKE DAM-SPECIAL ENTITY REVIEW	3/19/2026	$	20,135.22	ISSUED
180116 Total					**$**	**20,135.22**	
180117	4081	USABLUEBOOK	AMMONIA	3/19/2026	$	1,032.09	ISSUED

180117	4081	USABLUEBOOK	CHLORINE ANALYZER	3/19/2026	$	7,605.86	ISSUED
180117	4081	USABLUEBOOK	TUBIDIMETER	3/19/2026	$	2,220.19	ISSUED
180117 Total					**$**	**10,858.14**	
180118	4095	PHOENIX NAP LLC	CLOUD BACKUP FOR VEEAM	3/19/2026	$	714.00	ISSUED
180118 Total					**$**	**714.00**	
180119	4097	STAPLES	PRINTER INK	3/19/2026	$	661.90	ISSUED
180119 Total					**$**	**661.90**	
180120	4098	UNITED RENTALS (NORTH AMERICA),INC.	SCISSOR LIFT RENTAL	3/19/2026	$	534.50	ISSUED
180120 Total					**$**	**534.50**	
180121	4119	NALCO COMPANY LLC	WATER SOFTENER SERVICE	3/19/2026	$	1,239.34	ISSUED
180121	4119	NALCO COMPANY LLC	WATER SOFTENER SERVICE	3/19/2026	$	1,439.99	ISSUED
180121 Total					**$**	**2,679.33**	
180122	4176	ROBERT MAHR	REIMB EXP-TURBINE SCHOOL TRAINING	3/19/2026	$	280.56	ISSUED
180122 Total					**$**	**280.56**	
180123	4239	NICOLAS HALMAN	RETIREE MEDICARE SURCHARGE	3/19/2026	$	2,922.00	ISSUED
180123 Total					**$**	**2,922.00**	
180124	4295	SYNAGRO TECHNOLOGIES, INC	SLUDGE REMOVAL	3/19/2026	$	25,016.24	ISSUED
180124 Total					**$**	**25,016.24**	
180125	4315	ACTION GAS	FLAP DISC	3/19/2026	$	304.50	ISSUED
180125 Total					**$**	**304.50**	
180126	4318	NEXGEN ASSET MANAGEMENT	CMMS PROJECT MANAGEMENT	3/19/2026	$	9,900.00	ISSUED
180126	4318	NEXGEN ASSET MANAGEMENT	CMMS PROJECT MANAGEMENT	3/19/2026	$	6,380.00	ISSUED
180126 Total					**$**	**16,280.00**	
180127	4362	SUPERIOR READY MIX CONCRETE L.P.	SLURRY-CALLE JARDIN/CALLE CUERO	3/19/2026	$	1,651.96	ISSUED
180127	4362	SUPERIOR READY MIX CONCRETE L.P.	SLURRY-CALLE JARDIN/CALLE CUERO	3/19/2026	$	3,208.92	ISSUED
180127 Total					**$**	**4,860.88**	
180128	4367	LEFT COAST PEST SOLUTIONS CO	BEE REMOVAL-E VALLEJO AVENUE	3/19/2026	$	200.00	ISSUED
180128 Total					**$**	**200.00**	
180129	4378	ATLAS TECHNICAL CONSULTANTS LLC	LEMON STREET SEWER REPLACEMENT	3/19/2026	$	1,107.50	ISSUED
180129	4378	ATLAS TECHNICAL CONSULTANTS LLC	LEMON STREET SEWER REPLACEMENT	3/19/2026	$	1,097.00	ISSUED
180129	4378	ATLAS TECHNICAL CONSULTANTS LLC	LEMON STREET SEWER REPLACEMENT	3/19/2026	$	3,702.50	ISSUED
180129 Total					**$**	**5,907.00**	
180130	4453	ORANGE COUNTY WINWATER WORKS	CONNECTORS	3/19/2026	$	3,383.40	ISSUED
180130	4453	ORANGE COUNTY WINWATER WORKS	CONNECTORS	3/19/2026	$	6,068.79	ISSUED
180130	4453	ORANGE COUNTY WINWATER WORKS	ADAPTERS	3/19/2026	$	1,240.83	ISSUED
180130	4453	ORANGE COUNTY WINWATER WORKS	VALVES	3/19/2026	$	7,909.02	ISSUED
180130	4453	ORANGE COUNTY WINWATER WORKS	VALVE DISK ASSEMBLIES	3/19/2026	$	3,235.31	ISSUED
180130	4453	ORANGE COUNTY WINWATER WORKS	VALVE DISK ASSEMBLIES	3/19/2026	$	2,349.98	ISSUED
180130 Total					**$**	**24,187.33**	
180133	1019	SOUTHERN CALIFORNIA GAS CO.	SRRRA	3/26/2026	$	290.80	ISSUED
180133 Total					**$**	**290.80**	
180134	1095	CALIFORNIA-NEVADA SECTION, AMERICAN WATER WORKS ASSOCIATION	D2-D4 MATH REVIEW COURSE-D WALKOWIAK	3/26/2026	$	180.00	ISSUED
180134 Total					**$**	**180.00**	
180135	1136	CITY OF TEMECULA	CIP REIMBURSEMENTS	3/26/2026	$	319,983.61	ISSUED
180135 Total					**$**	**319,983.61**	
180136	1195	WESTSIDE BUSINESS CENTRE POA	ASSESSMENT DUES	3/26/2026	$	2,262.04	ISSUED
180136 Total					**$**	**2,262.04**	
180137	1292	RICHARDSON TECHNOLOGIES INC.	PM-REMOTE SITES	3/26/2026	$	1,590.00	ISSUED
180137 Total					**$**	**1,590.00**	
180138	1313	CINTAS	FIRST AID SUPPLIES	3/26/2026	$	931.23	ISSUED
180138 Total					**$**	**931.23**	
180139	1346	C WELLS PIPELINE MATERIALS INC	SPLINE	3/26/2026	$	380.63	ISSUED
180139	1346	C WELLS PIPELINE MATERIALS INC	WEDDING BANDS-VALVES	3/26/2026	$	5,222.18	ISSUED

180139	1346	C WELLS PIPELINE MATERIALS INC	WEDDING BANDS-VALVES	3/26/2026	$	3,104.81	ISSUED
180139	1346	C WELLS PIPELINE MATERIALS INC	DUAL CHECK VALVES	3/26/2026	$	5,709.38	ISSUED
180139	1346	C WELLS PIPELINE MATERIALS INC	GATE VALVES	3/26/2026	$	8,564.06	ISSUED
180139	1346	C WELLS PIPELINE MATERIALS INC	GATE CAPS	3/26/2026	$	4,404.38	ISSUED
180139 Total					**$**	**27,385.44**	
180140	1349	JUSTIN WEEKS	REIMB EXP-CONEXPO 2026	3/26/2026	$	991.79	ISSUED
180140 Total					**$**	**991.79**	
180141	1351	DANS FEED & SEED INC.	SCALE FEES	3/26/2026	$	10.00	ISSUED
180141 Total					**$**	**10.00**	
180142	1386	EASTERN MUNICIPAL WATER DIST.	EM13 EM20 EM21-FEBRUARY 2026	3/26/2026	$	1,433,357.98	ISSUED
180142 Total					**$**	**1,433,357.98**	
180143	1409	UMETECH INC.	EOL JQUERY SUPPORT	3/26/2026	$	9,990.00	ISSUED
180143	1409	UMETECH INC.	OFFSITE DISASTER STORAGE	3/26/2026	$	50.00	ISSUED
180143 Total					**$**	**10,040.00**	
180144	1568	FERGUSON ENTERPRISES, LLC	PIPE	3/26/2026	$	878.70	ISSUED
180144 Total					**$**	**878.70**	
180145	1638	EMISSION COMPLIANT CONTROLS CORP	WATER DAILY INSPECTION	3/26/2026	$	3,299.24	ISSUED
180145	1638	EMISSION COMPLIANT CONTROLS CORP	ACE BOWEN EMISSION TESTING	3/26/2026	$	1,925.00	ISSUED
180145	1638	EMISSION COMPLIANT CONTROLS CORP	ACE BOWEN EMISSION TESTING	3/26/2026	$	1,375.00	ISSUED
180145	1638	EMISSION COMPLIANT CONTROLS CORP	WATER DAILY INSPECTION	3/26/2026	$	2,869.77	ISSUED
180145 Total					**$**	**9,469.01**	
180146	1650	CA WATER ENVIRONMENT ASSOC	ANNUAL MEMBERSHIP-A MARTINEZ	3/26/2026	$	251.00	ISSUED
180146 Total					**$**	**251.00**	
180147	1751	GRAINGER INC.	TIE DOWN STRAPS-PUMP	3/26/2026	$	1,440.93	ISSUED
180147 Total					**$**	**1,440.93**	
180148	1814	PIONEER AMERICAS LLC	SODIUM HYPOCHLORITE	3/26/2026	$	11,440.21	ISSUED
180148 Total					**$**	**11,440.21**	
180149	1855	ITRON INC.	REPAIR	3/26/2026	$	1,952.06	ISSUED
180149 Total					**$**	**1,952.06**	
180150	1895	KRIEGER & STEWART INC.	UVDC WELL 173-174-175	3/26/2026	$	12,968.51	ISSUED
180150 Total					**$**	**12,968.51**	
180151	1920	KENNEDY / JENKS CONSULTANTS	URBAN WATER MANAGEMENT PLAN	3/26/2026	$	12,585.00	ISSUED
180151 Total					**$**	**12,585.00**	
180152	1943	LSA ASSOCIATES, INC.	JOAQUIN PUMP STATION DISINFECTION SYSTEM IMPROVEMENTS	3/26/2026	$	7,870.65	ISSUED
180152 Total					**$**	**7,870.65**	
180153	1952	MISSION ELECTRIC SUPPLY INC.	TANK PARTS	3/26/2026	$	284.83	ISSUED
180153 Total					**$**	**284.83**	
180154	1984	NPG CORPORATION	ASPHALT REPAIR-N. GENERAL KEARNY ROAD	3/26/2026	$	1,126.00	ISSUED
180154	1984	NPG CORPORATION	ASPHALT REPAIR-SYCAMORE MESA ROAD	3/26/2026	$	1,675.50	ISSUED
180154	1984	NPG CORPORATION	ASPHALT REPAIR-CALLE DE COMPANERO	3/26/2026	$	6,321.00	ISSUED
180154	1984	NPG CORPORATION	ASPHALT REPAIR-GLEN OAKS ROAD	3/26/2026	$	566.50	ISSUED
180154	1984	NPG CORPORATION	ASPHALT REPAIR-CAMINO ESTRIBO	3/26/2026	$	5,117.00	ISSUED
180154	1984	NPG CORPORATION	ASPHALT REPAIR-DE LUZ ROAD	3/26/2026	$	2,194.50	ISSUED
180154	1984	NPG CORPORATION	ASPHALT REPAIR-PAUBA ROAD	3/26/2026	$	1,029.50	ISSUED
180154	1984	NPG CORPORATION	ASPHALT REPAIR-VIA RENAISSANCE	3/26/2026	$	2,643.50	ISSUED
180154	1984	NPG CORPORATION	ASPHALT REPAIR-CAMINO ESTRIBO	3/26/2026	$	1,317.75	ISSUED
180154	1984	NPG CORPORATION	ASPHALT REPAIR-CALLE CAPISTRANO	3/26/2026	$	2,400.75	ISSUED
180154	1984	NPG CORPORATION	ASPHALT REPAIR-WELL 123	3/26/2026	$	1,115.50	ISSUED
180154	1984	NPG CORPORATION	ASPHALT REPAIR-WELL 130	3/26/2026	$	2,107.38	ISSUED
180154 Total					**$**	**27,614.88**	
180155	2000	PACIFIC ELECTRIC INC.	CIRCUIT BREAKERS	3/26/2026	$	76,950.89	ISSUED
180155 Total					**$**	**76,950.89**	
180156	2066	RAINBOW PRECISION PRODUCTS	SPROCKETS	3/26/2026	$	80.00	ISSUED

180156 Total					**$**	**80.00**	
180157	2134	SOFTCHOICE CORP.	LICENSE RENEWAL	3/26/2026	$	5,460.00	ISSUED
180157 Total					**$**	**5,460.00**	
180158	2230	NAPA AUTO PARTS	NOZZLE	3/26/2026	$	14.55	ISSUED
180158	2230	NAPA AUTO PARTS	SWITCH	3/26/2026	$	21.03	ISSUED
180158	2230	NAPA AUTO PARTS	WIPER BLADES	3/26/2026	$	63.51	ISSUED
180158 Total					**$**	**99.09**	
180159	2237	TEMECULA VALLEY PIPE & SUPPLY	REPAIR KITS	3/26/2026	$	471.14	ISSUED
180159 Total					**$**	**471.14**	
180160	2245	PETES ROAD SERVICE INC.	TIRE	3/26/2026	$	261.17	ISSUED
180160 Total					**$**	**261.17**	
180161	2271	PECHANGA BAND OF INDIANS	JOAQUIN RANCH PUMP STATION	3/26/2026	$	178.70	ISSUED
180161	2271	PECHANGA BAND OF INDIANS	JOAQUIN RANCH PUMP STATION	3/26/2026	$	3,810.60	ISSUED
180161 Total					**$**	**3,989.30**	
180162	2309	E.S. BABCOCK AND SONS INC.	LAB REPORTS	3/26/2026	$	15,142.24	ISSUED
180162	2309	E.S. BABCOCK AND SONS INC.	LAB REPORTS	3/26/2026	$	12,048.26	ISSUED
180162 Total					**$**	**27,190.50**	
180163	2339	VERIZON WIRELESS	CELLUAR PHONE USAGE	3/26/2026	$	8,192.02	ISSUED
180163 Total					**$**	**8,192.02**	
180164	2664	DEPT. OF INDUSTRIAL RELATIONS	CONVEYANCE	3/26/2026	$	225.00	ISSUED
180164 Total					**$**	**225.00**	
180165	2809	CHRIS SOLORZANO	REIMB EXP-DOT PHYSICAL	3/26/2026	$	110.00	ISSUED
180165 Total					**$**	**110.00**	
180166	2816	TRUSSELL TECH. INC.	FILTER MEDIA SUPPORT	3/26/2026	$	10,190.00	ISSUED
180166 Total					**$**	**10,190.00**	
180167	2936	ARCADIS US INC.	UPPER VALLE DE LOS CABALLOS REGIONAL PUMP STATION	3/26/2026	$	71,726.50	ISSUED
180167	2936	ARCADIS US INC.	UPPER VALLE DE LOS CABALLOS REGIONAL PUMP STATION	3/26/2026	$	63,218.75	ISSUED
180167 Total					**$**	**134,945.25**	
180168	2981	PARADISE CHEVROLET & CADILLAC	TRIM CAP	3/26/2026	$	93.62	ISSUED
180168 Total					**$**	**93.62**	
180169	3003	CASAGA ELECTRIC INC.	PM-WELL 149	3/26/2026	$	453.00	ISSUED
180169	3003	CASAGA ELECTRIC INC.	PM-WELL 126	3/26/2026	$	453.00	ISSUED
180169	3003	CASAGA ELECTRIC INC.	PM-BUTTERFIELD PUMP STATION	3/26/2026	$	2,304.00	ISSUED
180169	3003	CASAGA ELECTRIC INC.	PM-WELL 153	3/26/2026	$	453.00	ISSUED
180169	3003	CASAGA ELECTRIC INC.	PM-WELL 154	3/26/2026	$	453.00	ISSUED
180169	3003	CASAGA ELECTRIC INC.	PM-WELL 157	3/26/2026	$	453.00	ISSUED
180169	3003	CASAGA ELECTRIC INC.	PM-WELL 158	3/26/2026	$	453.00	ISSUED
180169 Total					**$**	**5,022.00**	
180170	3213	SUPERIOR GATE SERVICES	GATE REPAIR-ACE BOWEN	3/26/2026	$	250.00	ISSUED
180170 Total					**$**	**250.00**	
180171	3276	SEWER EQUIPMENT CO OF AMERICA	BOXES-TOOLS	3/26/2026	$	2,144.01	ISSUED
180171 Total					**$**	**2,144.01**	
180172	3310	BADGER DAYLIGHTING CORP	HYDROVAC SERVICE	3/26/2026	$	3,434.72	ISSUED
180172	3310	BADGER DAYLIGHTING CORP	HYDROVAC SERVICE	3/26/2026	$	2,495.62	ISSUED
180172 Total					**$**	**5,930.34**	
180173	3460	#1 LOWEST PRICE AUTO GLASS	RUST TREATMENT	3/26/2026	$	385.00	ISSUED
180173 Total					**$**	**385.00**	
180174	3481	QUINN COMPANY	WHEEL LOADER RENTAL	3/26/2026	$	6,301.33	ISSUED
180174	3481	QUINN COMPANY	GASKETS-PUMPS	3/26/2026	$	3,529.07	ISSUED
180174 Total					**$**	**9,830.40**	
180175	3486	KENT HARRIS TRUCKING	TONS 3/4 ROCK	3/26/2026	$	791.70	ISSUED
180175 Total					**$**	**791.70**	
180176	3497	ADAME LANDSCAPE INC.	MONTHLY LANDSCAPING SVC	3/26/2026	$	6,950.83	ISSUED

180176 Total					**$**	**6,950.83**	
180177	3649	RYAN BACON	REIMB EXP-T3 CERTIFICATION	3/26/2026	$	90.00	ISSUED
180177 Total					**$**	**90.00**	
180178	3707	RED WING BUSINESS ADVANTAGE	WORK BOOTS-C FRUTOS	3/26/2026	$	250.00	ISSUED
180178	3707	RED WING BUSINESS ADVANTAGE	WORK BOOTS-D GARCIA	3/26/2026	$	229.99	ISSUED
180178 Total					**$**	**479.99**	
180179	3825	LOS ANGELES TRUCK CENTERS LLC	WIPER MOTOR	3/26/2026	$	174.40	ISSUED
180179 Total					**$**	**174.40**	
180180	3827	TEL-PATH COMMUNICATIONS	CABLING MATERIALS	3/26/2026	$	1,964.75	ISSUED
180180 Total					**$**	**1,964.75**	
180181	3837	NATIONAL ELECTRIC WORKS INC.	SRWRF PANEL INVESTIGATION	3/26/2026	$	569.25	ISSUED
180181 Total					**$**	**569.25**	
180182	3841	AMERICAN EAGLE TROPHIES	COFFEE MUG	3/26/2026	$	39.15	ISSUED
180182 Total					**$**	**39.15**	
180183	3859	EUROFINS EATON ANALYTICAL LLC	LAB REPORTS	3/26/2026	$	8,461.00	ISSUED
180183 Total					**$**	**8,461.00**	
180184	3964	TUSKER METALS LLC	STEEL TUBES	3/26/2026	$	13.65	ISSUED
180184 Total					**$**	**13.65**	
180185	3980	TKE ENGINEERING, INC.	RELOCATING DRAIN LINES-DE PORTOLA RESERVOIR	3/26/2026	$	13,687.23	ISSUED
180185	3980	TKE ENGINEERING, INC.	RELOCATING DRAIN LINES-DE PORTOLA RESERVOIR	3/26/2026	$	19,280.63	ISSUED
180185	3980	TKE ENGINEERING, INC.	RELOCATING DRAIN LINES-DE PORTOLA RESERVOIR	3/26/2026	$	1,090.00	ISSUED
180185 Total					**$**	**34,057.86**	
180186	3983	ARDURRA GROUP INC.	CARANCHO PUMP STATION DESIGN	3/26/2026	$	8,917.50	ISSUED
180186 Total					**$**	**8,917.50**	
180187	3987	EXPERT AUTO UPHOLSTERY LLC	SEAT COVERS	3/26/2026	$	429.56	ISSUED
180187 Total					**$**	**429.56**	
180188	3990	AMAZON CAPITAL SERVICES INC.	TAPE-SUNSCREEN-PLATES-CLEANER-CUPS	3/26/2026	$	748.68	ISSUED
180188	3990	AMAZON CAPITAL SERVICES INC.	USB CABLE	3/26/2026	$	18.18	ISSUED
180188	3990	AMAZON CAPITAL SERVICES INC.	GRAFFITI REMOVER	3/26/2026	$	390.72	ISSUED
180188	3990	AMAZON CAPITAL SERVICES INC.	MAGNETIC FENDER COVER	3/26/2026	$	43.49	ISSUED
180188	3990	AMAZON CAPITAL SERVICES INC.	OFFICE CHAIRS	3/26/2026	$	1,914.68	ISSUED
180188	3990	AMAZON CAPITAL SERVICES INC.	RACK MOUNT	3/26/2026	$	528.39	ISSUED
180188	3990	AMAZON CAPITAL SERVICES INC.	POST IT NOTES-KEYBOARD-PENS	3/26/2026	$	170.68	ISSUED
180188	3990	AMAZON CAPITAL SERVICES INC.	CONNECTOR KITS	3/26/2026	$	67.88	ISSUED
180188	3990	AMAZON CAPITAL SERVICES INC.	UMBRELLAS	3/26/2026	$	63.06	ISSUED
180188	3990	AMAZON CAPITAL SERVICES INC.	ADAPTERS-PHONE CHARGERS	3/26/2026	$	93.44	ISSUED
180188	3990	AMAZON CAPITAL SERVICES INC.	MAGNETS	3/26/2026	$	20.65	ISSUED
180188	3990	AMAZON CAPITAL SERVICES INC.	MAGNETS	3/26/2026	$	14.12	ISSUED
180188	3990	AMAZON CAPITAL SERVICES INC.	ADAPTERS	3/26/2026	$	314.94	ISSUED
180188 Total					**$**	**4,388.91**	
180189	4086	RS AMERICAS INC.	CIRCUIT BREAKER	3/26/2026	$	2,087.40	ISSUED
180189 Total					**$**	**2,087.40**	
180190	4092	DOKKEN ENGINEERING	PAUBA VALLEY GROUNDWATER STORAGE FEASIBILITY STUDY	3/26/2026	$	6,785.00	ISSUED
180190 Total					**$**	**6,785.00**	
180191	4097	STAPLES	POST IT NOTES-PENS	3/26/2026	$	89.34	ISSUED
180191 Total					**$**	**89.34**	
180192	4098	UNITED RENTALS (NORTH AMERICA),INC.	BOOM LIFT RENTAL-HOSE	3/26/2026	$	3,432.97	ISSUED
180192	4098	UNITED RENTALS (NORTH AMERICA),INC.	CONTAINMENT BERM-TANK	3/26/2026	$	2,166.03	ISSUED
180192 Total					**$**	**5,599.00**	
180193	4119	NALCO COMPANY LLC	WATER SOFTENER SERVICE	3/26/2026	$	1,540.31	ISSUED
180193	4119	NALCO COMPANY LLC	WATER SOFTENER SERVICE	3/26/2026	$	1,740.95	ISSUED
180193	4119	NALCO COMPANY LLC	WATER SOFTENER SERVICE	3/26/2026	$	1,941.60	ISSUED
180193 Total					**$**	**5,222.86**	

180194	4120	WHITE CAP LP	PADDLES	3/26/2026	$	138.42	ISSUED
180194 Total					**$**	**138.42**	
180195	4204	SPEEDY SMOG (BY ROSA ESTRADA)	REGISTRATION FEES	3/26/2026	$	100.00	ISSUED
180195 Total					**$**	**100.00**	
180196	4251	IFLOW INC.	SPLICE KIT-AMR CONNECTOR	3/26/2026	$	4,512.31	ISSUED
180196 Total					**$**	**4,512.31**	
180197	4276	AUTOZONE PARTS, INC	ADHESIVE	3/26/2026	$	8.86	ISSUED
180197 Total					**$**	**8.86**	
180198	4299	GOSCH FORD OF TEMECULA	COVER	3/26/2026	$	12.40	ISSUED
180198 Total					**$**	**12.40**	
180199	4314	COLBY LAWTON	REIMB EXP-ACWA CONFERENCE	3/26/2026	$	2,398.16	ISSUED
180199	4314	COLBY LAWTON	REIMB EXP-CSDA LEGISLATIVE MEETING	3/26/2026	$	196.64	ISSUED
180199 Total					**$**	**2,594.80**	
180200	4315	ACTION GAS	FILTERS	3/26/2026	$	198.60	ISSUED
180200	4315	ACTION GAS	HIGH PRESSURE CYLINDERS	3/26/2026	$	7.95	ISSUED
180200	4315	ACTION GAS	HIGH PRESSURE CYLINDERS	3/26/2026	$	13.09	ISSUED
180200 Total					**$**	**219.64**	
180201	4362	SUPERIOR READY MIX CONCRETE L.P.	SLURRY-CALLE CAPISTRANO/ARJUNA AVENUE	3/26/2026	$	1,724.10	ISSUED
180201	4362	SUPERIOR READY MIX CONCRETE L.P.	SLURRY-DE PORTOLA ROAD	3/26/2026	$	1,419.46	ISSUED
180201	4362	SUPERIOR READY MIX CONCRETE L.P.	SLURRY-TOURNAMENT LANE	3/26/2026	$	973.19	ISSUED
180201	4362	SUPERIOR READY MIX CONCRETE L.P.	SLURRY-CALLE ANGELINA	3/26/2026	$	1,754.46	ISSUED
180201	4362	SUPERIOR READY MIX CONCRETE L.P.	SLURRY- LA SERENA WAY/MARGARITA ROAD	3/26/2026	$	2,647.67	ISSUED
180201	4362	SUPERIOR READY MIX CONCRETE L.P.	SLURRY-SUNSET TERRACE/MORNING GLORY CIRCLE	3/26/2026	$	2,201.39	ISSUED
180201 Total					**$**	**10,720.27**	
180202	4367	LEFT COAST PEST SOLUTIONS CO	BEE REMOVAL-BEARSKIN CIRCLE	3/26/2026	$	200.00	ISSUED
180202	4367	LEFT COAST PEST SOLUTIONS CO	BEE REMOVAL-CORTE ALEGRIA	3/26/2026	$	200.00	ISSUED
180202 Total					**$**	**400.00**	
180203	4378	ATLAS TECHNICAL CONSULTANTS LLC	UVDC AND WASHINGTON AVE IN-LINE TURBINE GENERATOR	3/26/2026	$	171.00	ISSUED
180203 Total					**$**	**171.00**	
180204	4382	WILSON CREEK WINERY AND VINEYARDS INC	CROPSWAP-MULCHING	3/26/2026	$	6,000.00	ISSUED
180204 Total					**$**	**6,000.00**	
180205	4387	CARL HERMOSILLO	CROPSWAP-ROOTSTOCK-REJUVENATION	3/26/2026	$	6,126.83	ISSUED
180205 Total					**$**	**6,126.83**	
180206	4406	ENVIROCHECK INC	ASBESTOS INSPECTION-RANCHO CALIFORNIA ROAD	3/26/2026	$	2,512.00	ISSUED
180206 Total					**$**	**2,512.00**	
180207	4483	CARBON HEALTH MEDICAL GROUP OF CALIFORNIA	DRUG TESTING	3/26/2026	$	270.00	ISSUED
180207 Total					**$**	**270.00**	
180208	4486	SC FUELS	FUEL	3/26/2026	$	15,263.67	ISSUED
180208 Total					**$**	**15,263.67**	
180209	4555	RANCHO OJEDA LLC	CROPSWAP-ROOTSTOCK	3/26/2026	$	50,000.00	ISSUED
180209 Total					**$**	**50,000.00**	
180210	4571	DEBORA SAWYER	CROPSWAP-IMPROVEMENTS-AUTOMATION	3/26/2026	$	1,379.50	ISSUED
180210 Total					**$**	**1,379.50**	
180211	4572	SEYEDREZA HOSSEINI	CROPSWAP-AUTOMATION	3/26/2026	$	5,000.00	ISSUED
180211 Total					**$**	**5,000.00**	
180212	4573	MARK MEHRABIANI	CROPSWAP-REJUVENATION	3/26/2026	$	6,750.00	ISSUED
180212 Total					**$**	**6,750.00**	
180213	4575	BENEFIT COORDINATORS CORPORATION	EMPLOYEE COVERAGE	3/26/2026	$	17,212.50	ISSUED
180213 Total					**$**	**17,212.50**	
180214	1016	SOUTHERN CALIFORNIA EDISON	BELLE CHAINE LOOP	4/2/2026	$	29.53	ISSUED
180214 Total					**$**	**29.53**	
180215	1019	SOUTHERN CALIFORNIA GAS CO.	SHOP	4/2/2026	$	922.33	ISSUED
180215	1019	SOUTHERN CALIFORNIA GAS CO.	HEADQUARTERS	4/2/2026	$	654.48	ISSUED

180215	1019	SOUTHERN CALIFORNIA GAS CO.	BUILDING B	4/2/2026	$	147.72	ISSUED
180215	1019	SOUTHERN CALIFORNIA GAS CO.	MARSHALLPUMP STATION	4/2/2026	$	89.10	ISSUED
180215 Total					**$**	**1,813.63**	
180216	1026	BEST BEST & KRIEGER	GENERAL	4/2/2026	$	15,946.95	ISSUED
180216 Total					**$**	**15,946.95**	
180217	1086	R & B AUTOMATION INC.	EM 21 REPAIRS	4/2/2026	$	9,867.08	ISSUED
180217	1086	R & B AUTOMATION INC.	VALVE	4/2/2026	$	38,238.68	ISSUED
180217 Total					**$**	**48,105.76**	
180218	1215	TEMECULA VALLEY BACKFLOW	BACKFLOW ASSEMBLY REPAIR	4/2/2026	$	1,674.00	ISSUED
180218 Total					**$**	**1,674.00**	
180219	1224	COUNTY CLERK	CLERK FISH AND GAME FILINGS	4/2/2026	$	50.00	ISSUED
180219 Total					**$**	**50.00**	
180220	1224	COUNTY CLERK	CLERK FISH AND GAME FILINGS	4/2/2026	$	50.00	ISSUED
180220 Total					**$**	**50.00**	
180221	1298	BRENNTAG PACIFIC INC.	SODIUM BISULFITE	4/2/2026	$	1,265.04	ISSUED
180221 Total					**$**	**1,265.04**	
180222	1346	C WELLS PIPELINE MATERIALS INC	PVC PIPE	4/2/2026	$	7,612.50	ISSUED
180222	1346	C WELLS PIPELINE MATERIALS INC	FLANGES	4/2/2026	$	7,139.44	ISSUED
180222	1346	C WELLS PIPELINE MATERIALS INC	VALVE	4/2/2026	$	7,139.44	ISSUED
180222	1346	C WELLS PIPELINE MATERIALS INC	FLANGE	4/2/2026	$	565.50	ISSUED
180222 Total					**$**	**22,456.88**	
180223	1381	COUNTY OF RIVERSIDE	PERMIT FEE-UVDC PUMP STATION	4/2/2026	$	693.00	ISSUED
180223 Total					**$**	**693.00**	
180224	1568	FERGUSON ENTERPRISES, LLC	TUBE	4/2/2026	$	150.73	ISSUED
180224	1568	FERGUSON ENTERPRISES, LLC	STRUT	4/2/2026	$	46.52	ISSUED
180224 Total					**$**	**197.25**	
180225	1608	WELLS FARGO	CREDIT CARD-J HAESSLY	4/2/2026	$	7,363.88	ISSUED
180225 Total					**$**	**7,363.88**	
180226	1638	EMISSION COMPLIANT CONTROLS CORP	FUEL POLISHING	4/2/2026	$	7,471.36	ISSUED
180226 Total					**$**	**7,471.36**	
180227	1751	GRAINGER INC.	GLOVES-CHAIN-GLASSES-BATTERY-FILTER-TAPE	4/2/2026	$	2,404.55	ISSUED
180227	1751	GRAINGER INC.	STEEL	4/2/2026	$	54.34	ISSUED
180227	1751	GRAINGER INC.	ROLLER ASSEMBLY	4/2/2026	$	267.95	ISSUED
180227	1751	GRAINGER INC.	IEC MAGNETIC SWITCH	4/2/2026	$	191.15	ISSUED
180227	1751	GRAINGER INC.	ANCHORS-BOLTS-FLATS	4/2/2026	$	549.04	ISSUED
180227	1751	GRAINGER INC.	FOAM TAPE	4/2/2026	$	201.93	ISSUED
180227	1751	GRAINGER INC.	DEHUMIDIFIER BAG	4/2/2026	$	38.43	ISSUED
180227	1751	GRAINGER INC.	DUST MOP	4/2/2026	$	48.94	ISSUED
180227 Total					**$**	**3,756.33**	
180228	1757	GRAYBAR ELECTRIC CO.	ADVANCED CONTROL EXPERT XL TEAM SUPPORT	4/2/2026	$	10,200.00	ISSUED
180228 Total					**$**	**10,200.00**	
180229	1758	GENERAL LOGISTICS SYSTEMS US	OVERNIGHT DELIVERY SERVICE	4/2/2026	$	10.21	ISSUED
180229 Total					**$**	**10.21**	
180230	1799	HARPER & ASSOC ENGINEERING INC	RESERVOIR RECOAT AND REHABILITATION PROGRAM	4/2/2026	$	9,120.00	ISSUED
180230	1799	HARPER & ASSOC ENGINEERING INC	RESERVOIR RECOAT AND REHABILITATION PROGRAM	4/2/2026	$	6,080.00	ISSUED
180230 Total					**$**	**15,200.00**	
180231	1814	PIONEER AMERICAS LLC	SODIUM HYPOCHLORITE	4/2/2026	$	11,576.74	ISSUED
180231 Total					**$**	**11,576.74**	
180232	1864	IVA SOLUTIONS INC.	QUARTERLY MAINTENANCE	4/2/2026	$	8,742.00	ISSUED
180232 Total					**$**	**8,742.00**	
180233	1895	KRIEGER & STEWART INC.	JOAQUIN RANCH PUMP STATION DISINFECTION IMPROVEMENTS	4/2/2026	$	5,134.75	ISSUED
180233 Total					**$**	**5,134.75**	
180234	1896	DEPARTMENT OF JUSTICE	FINGERPRINTING SERVICE	4/2/2026	$	32.00	ISSUED

180234 Total					**$**	**32.00**	
180235	1914	INFO SEND INC.	BILLING SERVICE	4/2/2026	$	16,428.55	ISSUED
180235	1914	INFO SEND INC.	BILLING SERVICE	4/2/2026	$	15,060.04	ISSUED
180235	1914	INFO SEND INC.	BILLING SERVICE	4/2/2026	$	13,724.42	ISSUED
180235 Total					**$**	**45,213.01**	
180236	1920	KENNEDY / JENKS CONSULTANTS	GRANT ADMIN SUPPORT	4/2/2026	$	29,048.75	ISSUED
180236 Total					**$**	**29,048.75**	
180237	1984	NPG CORPORATION	ASPHALT REPAIR-APPLEWOOD PLACE	4/2/2026	$	53,186.12	ISSUED
180237	1984	NPG CORPORATION	ASPHALT REPAIR-CALLE JARDIN	4/2/2026	$	6,192.50	ISSUED
180237	1984	NPG CORPORATION	ASPHALT REPAIR-BEAR CREEK DRIVE SOUTH	4/2/2026	$	2,896.75	ISSUED
180237	1984	NPG CORPORATION	ASPHALT REPAIR-BARLETTA STREET	4/2/2026	$	1,214.25	ISSUED
180237	1984	NPG CORPORATION	ASPHALT REPAIR-MORNING GLORY CIRCLE	4/2/2026	$	1,743.75	ISSUED
180237	1984	NPG CORPORATION	ASPHALT REPAIR-CALLE ANGELINA	4/2/2026	$	1,578.75	ISSUED
180237	1984	NPG CORPORATION	ASPHALT REPAIR-WELL 131	4/2/2026	$	7,200.00	ISSUED
180237 Total					**$**	**74,012.12**	
180238	1988	NEWARK	ETHERNET SWITCH	4/2/2026	$	811.87	ISSUED
180238 Total					**$**	**811.87**	
180239	2038	PRECISION ALIGNMENT & BRAKE	TIRE PRESSURE CHECK	4/2/2026	$	225.00	ISSUED
180239 Total					**$**	**225.00**	
180240	2066	RAINBOW PRECISION PRODUCTS	SEAL	4/2/2026	$	40.65	ISSUED
180240 Total					**$**	**40.65**	
180241	2103	RIVERSIDE CNTY CLERK/RECORDER	ASSESSOR RECORD REQUEST	4/2/2026	$	52.00	ISSUED
180241	2103	RIVERSIDE CNTY CLERK/RECORDER	ASSESSOR RECORD REQUEST	4/2/2026	$	66.00	ISSUED
180241	2103	RIVERSIDE CNTY CLERK/RECORDER	ASSESSOR RECORD REQUEST	4/2/2026	$	66.00	ISSUED
180241 Total					**$**	**184.00**	
180242	2134	SOFTCHOICE CORP.	AUTOCAD LT SUBSCRIPTION	4/2/2026	$	1,900.00	ISSUED
180242 Total					**$**	**1,900.00**	
180243	2143	SCW CONTRACTING CORPORATION	DE PORTOLA VALVE REPLACEMENT	4/2/2026	$	89,761.30	ISSUED
180243 Total					**$**	**89,761.30**	
180244	2230	NAPA AUTO PARTS	SPRING U-BOLT	4/2/2026	$	49.55	ISSUED
180244	2230	NAPA AUTO PARTS	OIL SEAL	4/2/2026	$	10.07	ISSUED
180244	2230	NAPA AUTO PARTS	HOSE ASSEMBLY	4/2/2026	$	118.81	ISSUED
180244	2230	NAPA AUTO PARTS	EVAPORATOR CORE	4/2/2026	$	142.36	ISSUED
180244	2230	NAPA AUTO PARTS	BELT	4/2/2026	$	41.84	ISSUED
180244	2230	NAPA AUTO PARTS	THREADLOCKER	4/2/2026	$	27.18	ISSUED
180244	2230	NAPA AUTO PARTS	FITTING	4/2/2026	$	4.23	ISSUED
180244 Total					**$**	**394.04**	
180245	2237	TEMECULA VALLEY PIPE & SUPPLY	COVERS-BOXES-NIPPLES-PLUGS	4/2/2026	$	8,875.13	ISSUED
180245	2237	TEMECULA VALLEY PIPE & SUPPLY	SOLENOID	4/2/2026	$	100.63	ISSUED
180245	2237	TEMECULA VALLEY PIPE & SUPPLY	VALVE	4/2/2026	$	94.07	ISSUED
180245	2237	TEMECULA VALLEY PIPE & SUPPLY	ADAPTERS	4/2/2026	$	72.45	ISSUED
180245 Total					**$**	**9,142.28**	
180246	2245	PETES ROAD SERVICE INC.	TIRE REPAIR	4/2/2026	$	195.12	ISSUED
180246	2245	PETES ROAD SERVICE INC.	TIRES (3)	4/2/2026	$	611.75	ISSUED
180246	2245	PETES ROAD SERVICE INC.	TIRES (2)	4/2/2026	$	359.32	ISSUED
180246	2245	PETES ROAD SERVICE INC.	TIRE REPAIR	4/2/2026	$	1,967.15	ISSUED
180246 Total					**$**	**3,133.34**	
180247	2302	WM CORPORATE SERVICES, INC.	TRASH SERVICE	4/2/2026	$	290.41	ISSUED
180247	2302	WM CORPORATE SERVICES, INC.	TRASH SERVICE	4/2/2026	$	290.41	ISSUED
180247 Total					**$**	**580.82**	
180248	2309	E.S. BABCOCK AND SONS INC.	LAB REPORTS	4/2/2026	$	11,284.96	ISSUED
180248 Total					**$**	**11,284.96**	
180249	2387	PSOMAS	PIPELINE AND VALVE REPLACEMENT-VIA HORCA	4/2/2026	$	10,757.50	ISSUED

Cash Disbursements for the Period March 14, 2026 to April 17, 2026

180249 Total				**$**	**10,757.50**	
180250	3003 CASAGA ELECTRIC INC.	CONDUITS-VIA VAQUERO PUMP STATION	4/2/2026	$	9,652.53	ISSUED
180250	3003 CASAGA ELECTRIC INC.	SURGE TANKS-BALDARAY PUMP STATION	4/2/2026	$	2,500.13	ISSUED
180250	3003 CASAGA ELECTRIC INC.	CIRCUITS-BUILDING A	4/2/2026	$	1,954.37	ISSUED
180250	3003 CASAGA ELECTRIC INC.	PM-WELL 161	4/2/2026	$	453.00	ISSUED
180250 Total				**$**	**14,560.03**	
180251	3213 SUPERIOR GATE SERVICES	MAINTENANCE-HQ-300 ACRES-ACE BOWEN	4/2/2026	$	2,500.00	ISSUED
180251 Total				**$**	**2,500.00**	
180252	3249 INTERSTATE SWEEPING SERVICES	SWEEPING SERVICE	4/2/2026	$	800.00	ISSUED
180252 Total				**$**	**800.00**	
180253	3351 FRONTIER	SCADA LANDLINE-FIOS SERVICES	4/2/2026	$	350.98	ISSUED
180253	3351 FRONTIER	MONTHLY ALARM LINES-DIAZ ROAD	4/2/2026	$	125.81	ISSUED
180253	3351 FRONTIER	FIBER INTERNET-PHONE SERVICE	4/2/2026	$	750.30	ISSUED
180253 Total				**$**	**1,227.09**	
180254	3352 UNIFIRST CORPORATION	UNIFORMS-MATS-TOWELS	4/2/2026	$	429.99	ISSUED
180254	3352 UNIFIRST CORPORATION	UNIFORMS-MATS-TOWELS	4/2/2026	$	277.55	ISSUED
180254	3352 UNIFIRST CORPORATION	UNIFORMS-MATS-TOWELS	4/2/2026	$	420.79	ISSUED
180254	3352 UNIFIRST CORPORATION	UNIFORMS-MATS-TOWELS	4/2/2026	$	277.55	ISSUED
180254 Total				**$**	**1,405.88**	
180255	3375 RPI CONSULTANTS LLC	SUBSCRIPTION-SPREADSHEET SERVER	4/2/2026	$	39,536.30	ISSUED
180255 Total				**$**	**39,536.30**	
180256	3376 YOLANDA VEJAR	REIMB EXP-CALWEP SPRING PLENARY	4/2/2026	$	22.40	ISSUED
180256 Total				**$**	**22.40**	
180257	3481 QUINN COMPANY	CANISTER-CAPS-SCREWS-SPRING	4/2/2026	$	650.98	ISSUED
180257 Total				**$**	**650.98**	
180258	3497 ADAME LANDSCAPE INC.	IRRIGATION REPAIRS	4/2/2026	$	2,031.34	ISSUED
180258	3497 ADAME LANDSCAPE INC.	IRRIGATION REPAIRS	4/2/2026	$	94.68	ISSUED
180258	3497 ADAME LANDSCAPE INC.	IRRIGATION REPAIRS	4/2/2026	$	390.65	ISSUED
180258	3497 ADAME LANDSCAPE INC.	IRRIGATION REPAIRS	4/2/2026	$	514.43	ISSUED
180258	3497 ADAME LANDSCAPE INC.	IRRIGATION REPAIRS	4/2/2026	$	189.36	ISSUED
180258	3497 ADAME LANDSCAPE INC.	IRRIGATION REPAIRS	4/2/2026	$	33.58	ISSUED
180258	3497 ADAME LANDSCAPE INC.	IRRIGATION REPAIRS	4/2/2026	$	235.06	ISSUED
180258	3497 ADAME LANDSCAPE INC.	IRRIGATION REPAIRS	4/2/2026	$	33.58	ISSUED
180258	3497 ADAME LANDSCAPE INC.	IRRIGATION REPAIRS	4/2/2026	$	100.74	ISSUED
180258	3497 ADAME LANDSCAPE INC.	IRRIGATION REPAIRS	4/2/2026	$	141.99	ISSUED
180258 Total				**$**	**3,765.41**	
180259	3529 PEST OPTIONS INC.	WEED ABATEMENT	4/2/2026	$	17,985.46	ISSUED
180259	3529 PEST OPTIONS INC.	WEED ABATEMENT	4/2/2026	$	4,296.00	ISSUED
180259 Total				**$**	**22,281.46**	
180260	3688 SULZER ELECTRO-MECHANICAL SRVC	MOTOR REPLACEMENT WELL 132	4/2/2026	$	12,157.16	ISSUED
180260 Total				**$**	**12,157.16**	
180261	3727 HOFFMAN'S PAINTING	BREAK ROOM CABINETS	4/2/2026	$	3,100.00	ISSUED
180261 Total				**$**	**3,100.00**	
180262	3746 PTC INC.	SNMP SUITE SUBSCRIPTION	4/2/2026	$	705.14	ISSUED
180262 Total				**$**	**705.14**	
180263	3787 PURETEC INDUSTRIAL WATER	DI TANK RENTAL	4/2/2026	$	230.18	ISSUED
180263	3787 PURETEC INDUSTRIAL WATER	DI TANK RENTAL	4/2/2026	$	42.50	ISSUED
180263 Total				**$**	**272.68**	
180264	3816 G/M BUSINESS INTERIORS	CUBICLE RELOCATION	4/2/2026	$	3,224.00	ISSUED
180264 Total				**$**	**3,224.00**	
180265	3831 GALLAGHER RESTORATION INC.	RESTORATION-EXECUTIVE MANAGER/UPSTAIRS WOMEN'S RESTROOMS	4/2/2026	$	70,375.56	ISSUED
180265	3831 GALLAGHER RESTORATION INC.	RESTORATION-EXECUTIVE MANAGER/UPSTAIRS WOMEN'S RESTROOMS	4/2/2026	$	9,903.60	ISSUED
180265 Total				**$**	**80,279.16**	

180266	3837	NATIONAL ELECTRIC WORKS INC.	SRWRF PANEL INVESTIGATION	4/2/2026	$	5,814.40	ISSUED
180266 Total					**$**	**5,814.40**	
180267	3898	ROKA PEST MANAGEMENT	BEE REMOVAL-BAHAMA WAY	4/2/2026	$	150.00	ISSUED
180267	3898	ROKA PEST MANAGEMENT	BEE REMOVAL-COUR CITRAN	4/2/2026	$	150.00	ISSUED
180267 Total					**$**	**300.00**	
180268	3950	CHARTER COMMUNICATIONS	FIBER INTERNET-PHONE SERVICE	4/2/2026	$	1,601.34	ISSUED
180268 Total					**$**	**1,601.34**	
180269	3990	AMAZON CAPITAL SERVICES INC.	MARKERS	4/2/2026	$	11.65	ISSUED
180269	3990	AMAZON CAPITAL SERVICES INC.	HDMI CABLES	4/2/2026	$	209.39	ISSUED
180269	3990	AMAZON CAPITAL SERVICES INC.	NOTEBOOKS	4/2/2026	$	59.80	ISSUED
180269	3990	AMAZON CAPITAL SERVICES INC.	WEBCAM	4/2/2026	$	37.18	ISSUED
180269	3990	AMAZON CAPITAL SERVICES INC.	CHARGER-HOOKS-BROOM RACK	4/2/2026	$	67.39	ISSUED
180269	3990	AMAZON CAPITAL SERVICES INC.	USB ADAPTOR	4/2/2026	$	15.39	ISSUED
180269	3990	AMAZON CAPITAL SERVICES INC.	SENSOR	4/2/2026	$	76.11	ISSUED
180269	3990	AMAZON CAPITAL SERVICES INC.	KITCHEN MAT	4/2/2026	$	16.30	ISSUED
180269	3990	AMAZON CAPITAL SERVICES INC.	BRUSHES	4/2/2026	$	172.90	ISSUED
180269	3990	AMAZON CAPITAL SERVICES INC.	PLUG BOX	4/2/2026	$	15.21	ISSUED
180269	3990	AMAZON CAPITAL SERVICES INC.	LAPTOP	4/2/2026	$	765.24	ISSUED
180269	3990	AMAZON CAPITAL SERVICES INC.	KITCHEN MAT-HEADPHONES	4/2/2026	$	142.44	ISSUED
180269 Total					**$**	**1,589.00**	
180270	3997	AZTEC JANITORIAL SERVICE	JANITORIAL SVC	4/2/2026	$	14,589.64	ISSUED
180270 Total					**$**	**14,589.64**	
180271	4019	G3 GREEN GARDENS GROUP	CONSULTING SERVICES	4/2/2026	$	9,680.00	ISSUED
180271 Total					**$**	**9,680.00**	
180272	4055	SOLAR STAR CALIFORNIA XL LLC	SOLAR	4/2/2026	$	40,568.67	ISSUED
180272 Total					**$**	**40,568.67**	
180273	4056	MCCABES LANDSCAPE CONSTRUCTION	GARDEN MAINTENANCE	4/2/2026	$	960.00	ISSUED
180273 Total					**$**	**960.00**	
180274	4074	HYDRAULIC HOSE & SUPPLY INC.	NIPPLE	4/2/2026	$	2.70	ISSUED
180274	4074	HYDRAULIC HOSE & SUPPLY INC.	NIPPLE	4/2/2026	$	3.08	ISSUED
180274 Total					**$**	**5.78**	
180275	4093	SOUTHERN CALIFORNIA MULCH INC.	MULCH VOUCHER-3046837 FORESTA	4/2/2026	$	15.00	ISSUED
180275 Total					**$**	**15.00**	
180276	4097	STAPLES	PENS-SOAP-NOTEBOOKS	4/2/2026	$	114.25	ISSUED
180276 Total					**$**	**114.25**	
180277	4120	WHITE CAP LP	RAKE	4/2/2026	$	92.94	ISSUED
180277	4120	WHITE CAP LP	SHOVELS	4/2/2026	$	413.36	ISSUED
180277 Total					**$**	**506.30**	
180278	4177	CARLI COVEY	REIMB EXP-MILEAGE	4/2/2026	$	45.82	ISSUED
180278 Total					**$**	**45.82**	
180279	4212	DANIEL LOHRE	REIMB EXP-CERTIFIED INSTRUCTOR FALL PROTECTION	4/2/2026	$	600.00	ISSUED
180279 Total					**$**	**600.00**	
180280	4221	CLARK LAND RESOURCES INC.	SUNDANCE CLEAN OUT	4/2/2026	$	1,500.00	ISSUED
180280 Total					**$**	**1,500.00**	
180281	4246	VERDANTAS INC.	NEW PAD FOR FUTURE WELL 173-UVDC WELL 175	4/2/2026	$	5,091.25	ISSUED
180281 Total					**$**	**5,091.25**	
180282	4258	PACIFIC HYDROTECH CORPORATION	UVDC REGIONAL PUMP STATION & CHLORINE TANK	4/2/2026	$	496,154.25	ISSUED
180282	4258	PACIFIC HYDROTECH CORPORATION	UVDC IN-LINE TURBINE GENERATOR HYDROELECTRIC	4/2/2026	$	45,125.00	ISSUED
180282	4258	PACIFIC HYDROTECH CORPORATION	WASHINGTON AVE IN-LINE TURBINE GENERATOR HYDROELECTRIC	4/2/2026	$	31,017.50	ISSUED
180282	4258	PACIFIC HYDROTECH CORPORATION	UVDC REGIONAL PUMP STATION & CHLORINE TANK	4/2/2026	$	1,287,706.00	ISSUED
180282	4258	PACIFIC HYDROTECH CORPORATION	UVDC IN-LINE TURBINE GENERATOR HYDROELECTRIC	4/2/2026	$	293,782.75	ISSUED
180282	4258	PACIFIC HYDROTECH CORPORATION	WASHINGTON AVE IN-LINE TURBINE GENERATOR HYDROELECTRIC	4/2/2026	$	158,930.53	ISSUED
180282 Total					**$**	**2,312,716.03**	

180283	4291	WELL TEC SERVICE	HEAD SHAFTS	4/2/2026	$	3,532.69	ISSUED
180283 Total					**$**	**3,532.69**	
180284	4296	GIOVANNI RODRIGUEZ	REIMB EXP-CALWEP	4/2/2026	$	119.34	ISSUED
180284 Total					**$**	**119.34**	
180285	4299	GOSCH FORD OF TEMECULA	SPINDLE-NUT	4/2/2026	$	165.69	ISSUED
180285	4299	GOSCH FORD OF TEMECULA	BALL ASSEMBLY-SUSPENSION	4/2/2026	$	270.46	ISSUED
180285	4299	GOSCH FORD OF TEMECULA	BOLT-HEX NUT	4/2/2026	$	23.06	ISSUED
180285 Total					**$**	**459.21**	
180286	4318	NEXGEN ASSET MANAGEMENT	CMMS PROJECT MANAGEMENT	4/2/2026	$	99,000.00	ISSUED
180286	4318	NEXGEN ASSET MANAGEMENT	CMMS PROJECT MANAGEMENT	4/2/2026	$	28,820.00	ISSUED
180286	4318	NEXGEN ASSET MANAGEMENT	CMMS PROJECT MANAGEMENT	4/2/2026	$	18,370.00	ISSUED
180286 Total					**$**	**146,190.00**	
180287	4327	MYERS & SONS CONSTRUCTION LLC	CARANCHO PUMP STATION EXPANSION AND IMPROVEMENT	4/2/2026	$	216,276.21	ISSUED
180287 Total					**$**	**216,276.21**	
180288	4329	JACOBS PROJECT MANAGEMENT CO.	MANAGEMENT SERVICES FOR WATER RESOURCES PROGRAM	4/2/2026	$	99,077.19	ISSUED
180288 Total					**$**	**99,077.19**	
180289	4356	RANCHO TWO-WAY RADIO	2 WAY RADIO MAINTENANCE	4/2/2026	$	480.00	ISSUED
180289 Total					**$**	**480.00**	
180290	4360	SOUTHWEST RIVERSIDE COUNTY ASSOCIATION OF REALTORS INC	SPONSORSHIP	4/2/2026	$	300.00	ISSUED
180290 Total					**$**	**300.00**	
180291	4367	LEFT COAST PEST SOLUTIONS CO	BEE REMOVAL-COUR CITRAN	4/2/2026	$	200.00	ISSUED
180291 Total					**$**	**200.00**	
180292	4378	ATLAS TECHNICAL CONSULTANTS LLC	UVDC AND WASHINGTON AVE IN-LINE TURBINE GENERATOR	4/2/2026	$	1,427.50	ISSUED
180292 Total					**$**	**1,427.50**	
180293	4424	BLUETRITON BRANDS INC	DRINKING WATER	4/2/2026	$	23.90	ISSUED
180293 Total					**$**	**23.90**	
180294	4431	AMERICAN BUSINESS BANK	PROJECT D1903-UVDC REGIONAL PUMP STATION CHLORINE TANK	4/2/2026	$	26,113.38	ISSUED
180294 Total					**$**	**26,113.38**	
180295	4431	AMERICAN BUSINESS BANK	PROJECT D2181-UVDC IN-LINE TURBINE GENERATOR	4/2/2026	$	2,375.00	ISSUED
180295 Total					**$**	**2,375.00**	
180296	4431	AMERICAN BUSINESS BANK	PROJECT D2217-WASHINGTON AVE IN-LINE TURBINE GENERATOR	4/2/2026	$	1,632.50	ISSUED
180296 Total					**$**	**1,632.50**	
180297	4431	AMERICAN BUSINESS BANK	PROJECT D1903-UVDC REGIONAL PUMP STATION CHLORINE TANK	4/2/2026	$	67,774.00	ISSUED
180297 Total					**$**	**67,774.00**	
180298	4431	AMERICAN BUSINESS BANK	PROJECT D2181-UVDC IN-LINE TURBINE GENERATOR	4/2/2026	$	15,462.25	ISSUED
180298 Total					**$**	**15,462.25**	
180299	4431	AMERICAN BUSINESS BANK	PROJECT D2181-UVDC IN-LINE TURBINE GENERATOR	4/2/2026	$	12,824.12	ISSUED
180299 Total					**$**	**12,824.12**	
180300	4431	AMERICAN BUSINESS BANK	PROJECT D2217-WASHINGTON AVE IN-LINE TURBINE GENERATOR	4/2/2026	$	8,364.76	ISSUED
180300 Total					**$**	**8,364.76**	
180301	4453	ORANGE COUNTY WINWATER WORKS	FITTINGS-COUPLINGS	4/2/2026	$	1,722.73	ISSUED
180301 Total					**$**	**1,722.73**	
180302	4462	SECURITY BUSINESS CAPITAL LLC	DISCS-RODS-SEAL KIT	4/2/2026	$	1,447.61	ISSUED
180302 Total					**$**	**1,447.61**	
180303	4464	PRIME BATTERY SOLUTIONS 2	REPLACEMENT BATTERIES	4/2/2026	$	129.41	ISSUED
180303 Total					**$**	**129.41**	
180304	4475	KAISER PREMIER LLC	FILTERS	4/2/2026	$	679.54	ISSUED
180304 Total					**$**	**679.54**	
180305	4535	LEPE JONES CONSULTING LLC	CONSULTING SVC	4/2/2026	$	6,000.00	ISSUED
180305 Total					**$**	**6,000.00**	
180306	4548	HPS PLUMBING SERVICES	JOAQUIN RANCH PUMP STATION DISINFECTION IMPROVEMENTS	4/2/2026	$	107,696.75	ISSUED
180306 Total					**$**	**107,696.75**	
180307	4549	PUBLIC POLICY PARTNERSHIP	ADVOCACY SERVICES	4/2/2026	$	8,000.00	ISSUED

180307	4549 PUBLIC POLICY PARTNERSHIP	ADVOCACY SERVICES	4/2/2026	$	8,150.00	ISSUED
180307	4549 PUBLIC POLICY PARTNERSHIP	ADVOCACY SERVICES	4/2/2026	$	8,000.00	ISSUED
180307 Total				**$**	**24,150.00**	
180308	4563 D & L GROVES	CROPSWAP-AVOCADO TREE REJUVENATION	4/2/2026	$	50,000.00	ISSUED
180308 Total				**$**	**50,000.00**	
180309	4566 CABLECO	CRANE BLOCK	4/2/2026	$	10,298.58	ISSUED
180309 Total				**$**	**10,298.58**	
180312	1020 J A RUND	CUSTOMER ACCOUNT REFUND	4/9/2026	$	80.98	ISSUED
180312 Total				**$**	**80.98**	
180313	1020 ROBERT TUCKER	CUSTOMER ACCOUNT REFUND	4/9/2026	$	138.54	ISSUED
180313 Total				**$**	**138.54**	
180314	1020 KAY CADMES	CUSTOMER ACCOUNT REFUND	4/9/2026	$	29.97	ISSUED
180314 Total				**$**	**29.97**	
180315	1020 WOODSIDE HOMES	CUSTOMER ACCOUNT REFUND	4/9/2026	$	1,121.18	ISSUED
180315 Total				**$**	**1,121.18**	
180316	1020 WOODSIDE 055 LP DBA WOODSIDE	CUSTOMER ACCOUNT REFUND	4/9/2026	$	328.77	ISSUED
180316 Total				**$**	**328.77**	
180317	1020 HENKELS MC COY WEST	CUSTOMER ACCOUNT REFUND	4/9/2026	$	1,220.39	ISSUED
180317 Total				**$**	**1,220.39**	
180318	1020 RJ NOBLE COMPANY	CUSTOMER ACCOUNT REFUND	4/9/2026	$	2,472.99	ISSUED
180318 Total				**$**	**2,472.99**	
180319	1020 J.D. BURNS CONSTRUCTION	CUSTOMER ACCOUNT REFUND	4/9/2026	$	2,057.41	ISSUED
180319 Total				**$**	**2,057.41**	
180320	1020 CHRISTOPHER L. WRENN	CUSTOMER ACCOUNT REFUND	4/9/2026	$	760.68	ISSUED
180320 Total				**$**	**760.68**	
180321	1020 PAI WAI WONG OR DYLAN YIHU WONG	CUSTOMER ACCOUNT REFUND	4/9/2026	$	593.22	ISSUED
180321 Total				**$**	**593.22**	
180322	1016 SOUTHERN CALIFORNIA EDISON	MCC1	4/9/2026	$	27,330.71	ISSUED
180322	1016 SOUTHERN CALIFORNIA EDISON	MCC2	4/9/2026	$	11,789.37	ISSUED
180322	1016 SOUTHERN CALIFORNIA EDISON	SENGA DOHERTY PUMP STATION	4/9/2026	$	12,492.58	ISSUED
180322 Total				**$**	**51,612.66**	
180323	1019 SOUTHERN CALIFORNIA GAS CO.	ACE BOWEN	4/9/2026	$	48,206.05	ISSUED
180323 Total				**$**	**48,206.05**	
180324	1113 AMERICAN LABOR POOL INC.	TEMP SERVICES-METERS	4/9/2026	$	847.89	ISSUED
180324	1113 AMERICAN LABOR POOL INC.	TEMP SERVICES-METERS	4/9/2026	$	1,130.52	ISSUED
180324	1113 AMERICAN LABOR POOL INC.	TEMP SERVICES-METERS	4/9/2026	$	1,085.89	ISSUED
180324	1113 AMERICAN LABOR POOL INC.	TEMP SERVICES-METERS	4/9/2026	$	847.89	ISSUED
180324	1113 AMERICAN LABOR POOL INC.	TEMP SERVICES-METERS	4/9/2026	$	1,368.52	ISSUED
180324	1113 AMERICAN LABOR POOL INC.	TEMP SERVICES-METERS	4/9/2026	$	1,130.52	ISSUED
180324	1113 AMERICAN LABOR POOL INC.	TEMP SERVICES-METERS	4/9/2026	$	1,085.89	ISSUED
180324 Total				**$**	**7,497.12**	
180325	1136 CITY OF TEMECULA	SPONSORSHIP	4/9/2026	$	1,000.00	ISSUED
180325 Total				**$**	**1,000.00**	
180326	1142 CONSOLIDATED ELECTRICAL DISTRIBUTORS, INC	CONNECTORS-COVERS	4/9/2026	$	87.77	ISSUED
180326	1142 CONSOLIDATED ELECTRICAL DISTRIBUTORS, INC	CONNECTORS	4/9/2026	$	334.95	ISSUED
180326	1142 CONSOLIDATED ELECTRICAL DISTRIBUTORS, INC	LIGHT SWITCH-COVER	4/9/2026	$	15.16	ISSUED
180326	1142 CONSOLIDATED ELECTRICAL DISTRIBUTORS, INC	CONDUCTORS	4/9/2026	$	1,499.41	ISSUED
180326 Total				**$**	**1,937.29**	
180327	1202 FIELDMAN ROLAPP & ASSOCIATES	CDIAC REPORTING SERVICES	4/9/2026	$	309.60	ISSUED
180327 Total				**$**	**309.60**	
180328	1215 TEMECULA VALLEY BACKFLOW	ASSEMBLY REPAIR-RUBBER KIT	4/9/2026	$	366.00	ISSUED
180328	1215 TEMECULA VALLEY BACKFLOW	ASSEMBLY TEST	4/9/2026	$	280.00	ISSUED
180328 Total				**$**	**646.00**	

180329	1292	RICHARDSON TECHNOLOGIES INC.	NEW HVAC ZONE IN CUSTOMER SERVICE	4/9/2026	$	3,789.00	ISSUED
180329 Total					**$**	**3,789.00**	
180330	1313	CINTAS	EYEWASH SERVICE AGREEMENT	4/9/2026	$	104.14	ISSUED
180330 Total					**$**	**104.14**	
180331	1341	DE LUZ CSD	DE LUZ PERMITS	4/9/2026	$	1,110.00	ISSUED
180331 Total					**$**	**1,110.00**	
180332	1346	C WELLS PIPELINE MATERIALS INC	COUPLING	4/9/2026	$	5,981.25	ISSUED
180332	1346	C WELLS PIPELINE MATERIALS INC	ADAPTERS	4/9/2026	$	13,033.69	ISSUED
180332	1346	C WELLS PIPELINE MATERIALS INC	FLANGES	4/9/2026	$	317.55	ISSUED
180332 Total					**$**	**19,332.49**	
180333	1409	UMETECH INC.	JQUERY SUPPORT	4/9/2026	$	12,825.00	ISSUED
180333 Total					**$**	**12,825.00**	
180334	1568	FERGUSON ENTERPRISES, LLC	TUBE	4/9/2026	$	150.73	ISSUED
180334	1568	FERGUSON ENTERPRISES, LLC	FITTINGS-FLUSH VALVE	4/9/2026	$	216.81	ISSUED
180334	1568	FERGUSON ENTERPRISES, LLC	FEES	4/9/2026	$	2.78	ISSUED
180334	1568	FERGUSON ENTERPRISES, LLC	PIPE-SOLDER	4/9/2026	$	248.10	ISSUED
180334	1568	FERGUSON ENTERPRISES, LLC	CLAMP	4/9/2026	$	32.85	ISSUED
180334	1568	FERGUSON ENTERPRISES, LLC	PIPE CUTTER-PUTTY	4/9/2026	$	71.52	ISSUED
180334	1568	FERGUSON ENTERPRISES, LLC	CARTS-VALVES	4/9/2026	$	666.76	ISSUED
180334 Total					**$**	**1,389.55**	
180335	1638	EMISSION COMPLIANT CONTROLS CORP	ACE BOWEN EMISSION TESTING	4/9/2026	$	2,200.00	ISSUED
180335	1638	EMISSION COMPLIANT CONTROLS CORP	WATER DAILY INSPECTION	4/9/2026	$	5,302.94	ISSUED
180335 Total					**$**	**7,502.94**	
180336	1751	GRAINGER INC.	AIR REGULATOR-PRESSURE GAUGE	4/9/2026	$	85.53	ISSUED
180336	1751	GRAINGER INC.	REBAR HOOKS	4/9/2026	$	463.12	ISSUED
180336	1751	GRAINGER INC.	DC MOTOR	4/9/2026	$	976.73	ISSUED
180336 Total					**$**	**1,525.38**	
180337	1757	GRAYBAR ELECTRIC CO.	CONDULET DEVICE BOX	4/9/2026	$	413.95	ISSUED
180337	1757	GRAYBAR ELECTRIC CO.	LIGHTING	4/9/2026	$	423.73	ISSUED
180337 Total					**$**	**837.68**	
180338	1984	NPG CORPORATION	ASPHALT REPAIR-DE PORTOLA ROAD	4/9/2026	$	1,675.00	ISSUED
180338	1984	NPG CORPORATION	ASPHALT REPAIR-MARGARITA ROAD	4/9/2026	$	3,527.25	ISSUED
180338	1984	NPG CORPORATION	ASPHALT REPAIR-TOURNAMENT LANE	4/9/2026	$	2,806.50	ISSUED
180338 Total					**$**	**8,008.75**	
180339	2007	PACIFIC PIPELINE SUPPLY	PIPE REPAIR WRAPPERS	4/9/2026	$	3,015.64	ISSUED
180339 Total					**$**	**3,015.64**	
180340	2066	RAINBOW PRECISION PRODUCTS	SEAL	4/9/2026	$	65.28	ISSUED
180340 Total					**$**	**65.28**	
180341	2203	DEPT. OF WATER RESOURCES	ANNUAL PERMIT FEE FOR VAIL DAM	4/9/2026	$	69,725.00	ISSUED
180341 Total					**$**	**69,725.00**	
180342	2230	NAPA AUTO PARTS	HUB CAP	4/9/2026	$	31.97	ISSUED
180342	2230	NAPA AUTO PARTS	GASKET	4/9/2026	$	8.11	ISSUED
180342	2230	NAPA AUTO PARTS	AC CONDENSER-TUBE	4/9/2026	$	217.71	ISSUED
180342	2230	NAPA AUTO PARTS	WIRING KIT	4/9/2026	$	42.43	ISSUED
180342	2230	NAPA AUTO PARTS	BATTERY REPLACEMENT	4/9/2026	$	45.60	ISSUED
180342	2230	NAPA AUTO PARTS	PINTLE HITCH	4/9/2026	$	410.03	ISSUED
180342	2230	NAPA AUTO PARTS	PINTLE HITCH SPARE	4/9/2026	$	205.02	ISSUED
180342	2230	NAPA AUTO PARTS	ANTIFREEZE	4/9/2026	$	21.58	ISSUED
180342	2230	NAPA AUTO PARTS	GASKET	4/9/2026	$	15.39	ISSUED
180342	2230	NAPA AUTO PARTS	HEADLIGHT RESTORATION KIT	4/9/2026	$	15.21	ISSUED
180342 Total					**$**	**1,013.05**	
180343	2237	TEMECULA VALLEY PIPE & SUPPLY	FITTINGS-COUPLINGS-PIPE CEMENT	4/9/2026	$	358.11	ISSUED
180343	2237	TEMECULA VALLEY PIPE & SUPPLY	WEED BARRIER	4/9/2026	$	198.24	ISSUED

180343	2237	TEMECULA VALLEY PIPE & SUPPLY	WEED BARRIER STAPLES	4/9/2026	$	11.85	ISSUED
180343	2237	TEMECULA VALLEY PIPE & SUPPLY	SWITCHES	4/9/2026	$	18,149.55	ISSUED
180343	2237	TEMECULA VALLEY PIPE & SUPPLY	COUPLINGS	4/9/2026	$	211.06	ISSUED
180343 Total					**$**	**18,928.81**	
180344	2245	PETES ROAD SERVICE INC.	TIRES (2)	4/9/2026	$	661.63	ISSUED
180344 Total					**$**	**661.63**	
180345	2299	WATERMASTER SANTA MARGARITA RIVER WATERSHED	Q2/Q3 SHARE-WATER EXPENSES	4/9/2026	$	66,955.00	ISSUED
180345 Total					**$**	**66,955.00**	
180346	2634	NUTRIEN AG SOLUTIONS INC.	WEED WACKER HEAD	4/9/2026	$	27.18	ISSUED
180346 Total					**$**	**27.18**	
180347	2782	HDR ENGINEERING INC	PIPELINE CONDITION ASSESSMENT	4/9/2026	$	22,177.75	ISSUED
180347 Total					**$**	**22,177.75**	
180348	2981	PARADISE CHEVROLET & CADILLAC	PAINT	4/9/2026	$	516.54	ISSUED
180348 Total					**$**	**516.54**	
180349	3037	HOFFMAN & HOFFMAN LTD	OILER FOR WATER WELLS	4/9/2026	$	7,907.00	ISSUED
180349 Total					**$**	**7,907.00**	
180350	3062	CONSERV INC	WUE EVALUATION	4/9/2026	$	850.00	ISSUED
180350	3062	CONSERV INC	IN BLOOM DRIP PROGRAM	4/9/2026	$	325.00	ISSUED
180350 Total					**$**	**1,175.00**	
180351	3315	DENNIS JANDA INC	VAIL DAM DEFARMATION	4/9/2026	$	24,200.00	ISSUED
180351 Total					**$**	**24,200.00**	
180352	3376	YOLANDA VEJAR	REIMB EXP-CLCA RENEWALS	4/9/2026	$	339.53	ISSUED
180352 Total					**$**	**339.53**	
180353	3441	RCWD EMPLOYEE ASSN	2025 PICNIC	4/9/2026	$	4,000.00	ISSUED
180353 Total					**$**	**4,000.00**	
180354	3441	RCWD EMPLOYEE ASSN	2026 PICNIC	4/9/2026	$	4,500.00	ISSUED
180354 Total					**$**	**4,500.00**	
180355	3481	QUINN COMPANY	MINI EXCAVATOR RENTAL	4/9/2026	$	582.01	ISSUED
180355 Total					**$**	**582.01**	
180356	3486	KENT HARRIS TRUCKING	TONS 3/4 ROCK	4/9/2026	$	1,480.88	ISSUED
180356	3486	KENT HARRIS TRUCKING	CLASS II BASE	4/9/2026	$	1,009.54	ISSUED
180356	3486	KENT HARRIS TRUCKING	CLASS II BASE	4/9/2026	$	569.19	ISSUED
180356	3486	KENT HARRIS TRUCKING	CLASS II BASE	4/9/2026	$	602.95	ISSUED
180356	3486	KENT HARRIS TRUCKING	CLASS II BASE	4/9/2026	$	510.86	ISSUED
180356 Total					**$**	**4,173.42**	
180357	3488	SANTA ROSA REGIONAL RESOURCES	MONTHLY COST SHARE MAY 2026	4/9/2026	$	246,985.75	ISSUED
180357 Total					**$**	**246,985.75**	
180358	3578	CAROL LEE BRADY	REIMB EXP-ACWA CONFERENCE	4/9/2026	$	994.24	ISSUED
180358	3578	CAROL LEE BRADY	REIMB EXP-ACWA CONFERENCE	4/9/2026	$	172.21	ISSUED
180358	3578	CAROL LEE BRADY	REIMB EXP-ACWA SELECTION COMMITTEE INTERVIEWS	4/9/2026	$	867.09	ISSUED
180358	3578	CAROL LEE BRADY	REIMB EXP-MILEAGE	4/9/2026	$	142.10	ISSUED
180358	3578	CAROL LEE BRADY	REIMB EXP-MILEAGE	4/9/2026	$	57.82	ISSUED
180358	3578	CAROL LEE BRADY	REIMB EXP-UWI CONFERENCE	4/9/2026	$	201.01	ISSUED
180358 Total					**$**	**2,434.47**	
180359	3689	JOHN ROSSI	REIMB EXP-CMUA CONFERENCE	4/9/2026	$	1,845.01	ISSUED
180359 Total					**$**	**1,845.01**	
180360	3694	TEMECULA PRECISION FABRICATION	ALUMINUM PLATES	4/9/2026	$	800.00	ISSUED
180360 Total					**$**	**800.00**	
180361	3764	QUINCY COMPRESSOR LLC	FILTER	4/9/2026	$	1,160.00	ISSUED
180361 Total					**$**	**1,160.00**	
180362	3941	WENDIE HEIE	REIMB EXP-MILEAGE	4/9/2026	$	192.49	ISSUED
180362	3941	WENDIE HEIE	REIMB EXP-MILEAGE	4/9/2026	$	102.23	ISSUED
180362 Total					**$**	**294.72**	

180363	3964	TUSKER METALS LLC	STEEL	4/9/2026	$	215.65	ISSUED
180363 Total					**$**	**215.65**	
180364	3981	KIMBERLY WALL	REIMB EXP-FIELD TRIP ANAHEIM SUSTAINABILITY CENTER	4/9/2026	$	147.41	ISSUED
180364 Total					**$**	**147.41**	
180365	3990	AMAZON CAPITAL SERVICES INC.	COMPUTER STORAGE	4/9/2026	$	24.46	ISSUED
180365	3990	AMAZON CAPITAL SERVICES INC.	MONITOR ARMS	4/9/2026	$	195.72	ISSUED
180365	3990	AMAZON CAPITAL SERVICES INC.	JOINTS-WRENCH-SOCKET	4/9/2026	$	334.88	ISSUED
180365	3990	AMAZON CAPITAL SERVICES INC.	SOAP-PENS-POST-IT NOTES-MARKERS-WHITE OUT	4/9/2026	$	86.91	ISSUED
180365	3990	AMAZON CAPITAL SERVICES INC.	NOTEBOOK-FILTER-STOOL	4/9/2026	$	54.02	ISSUED
180365	3990	AMAZON CAPITAL SERVICES INC.	SALT AND PEPPER PACKETS-WALL MOUNT-HOOKS-NAPKINS	4/9/2026	$	126.62	ISSUED
180365	3990	AMAZON CAPITAL SERVICES INC.	IMPACT DRIVER KIT	4/9/2026	$	276.21	ISSUED
180365	3990	AMAZON CAPITAL SERVICES INC.	IMPACT DRIVER KIT	4/9/2026	$	82.71	ISSUED
180365 Total					**$**	**1,181.53**	
180366	3994	BRIAN BRADY	REIMB EXP-ACWA CONFERENCE	4/9/2026	$	172.20	ISSUED
180366	3994	BRIAN BRADY	REIMB EXP-MILEAGE	4/9/2026	$	142.10	ISSUED
180366	3994	BRIAN BRADY	REIMB EXP-MILEAGE	4/9/2026	$	57.82	ISSUED
180366	3994	BRIAN BRADY	REIMB EXP-UWI CONFERENCE	4/9/2026	$	201.01	ISSUED
180366 Total					**$**	**573.13**	
180367	4074	HYDRAULIC HOSE & SUPPLY INC.	COUPLER	4/9/2026	$	11.43	ISSUED
180367 Total					**$**	**11.43**	
180368	4097	STAPLES	DUSTERS-SEAL	4/9/2026	$	29.16	ISSUED
180368 Total					**$**	**29.16**	
180369	4098	UNITED RENTALS (NORTH AMERICA),INC.	TILLER RENTAL	4/9/2026	$	156.60	ISSUED
180369	4098	UNITED RENTALS (NORTH AMERICA),INC.	VIBRATION PLATE	4/9/2026	$	120.71	ISSUED
180369	4098	UNITED RENTALS (NORTH AMERICA),INC.	BOOM RENTAL	4/9/2026	$	968.07	ISSUED
180369 Total					**$**	**1,245.38**	
180370	4116	REECE PLUMBING	FLARING TOOL	4/9/2026	$	69.17	ISSUED
180370 Total					**$**	**69.17**	
180371	4120	WHITE CAP LP	SHOVELS	4/9/2026	$	206.68	ISSUED
180371 Total					**$**	**206.68**	
180372	4124	NATASHA MARTINEZ	REIMB EXP-NEOGOV CONFERENCE	4/9/2026	$	2,304.59	ISSUED
180372 Total					**$**	**2,304.59**	
180373	4130	CORELOGIC SOLUTIONS LLC	RECORD REQUEST	4/9/2026	$	730.06	ISSUED
180373 Total					**$**	**730.06**	
180374	4198	ELECTRIC & GAS INDUSTRIES ASSC	MONTHLY MAINTENANCE & SERVICE	4/9/2026	$	1,000.00	ISSUED
180374 Total					**$**	**1,000.00**	
180375	4214	CANTEEN	COFFEE	4/9/2026	$	1,415.80	ISSUED
180375 Total					**$**	**1,415.80**	
180376	4290	PIPELINE PLUMBING & DRAIN SPECIALISTS INC	WATER LEAK DETECTION ASSISTANCE-VIA SERON	4/9/2026	$	250.00	ISSUED
180376	4290	PIPELINE PLUMBING & DRAIN SPECIALISTS INC	WATER LEAK DETECTION ASSISTANCE-CALLE DE SUENOS	4/9/2026	$	250.00	ISSUED
180376	4290	PIPELINE PLUMBING & DRAIN SPECIALISTS INC	WATER LEAK DETECTION ASSISTANCE-VIA NORTE	4/9/2026	$	250.00	ISSUED
180376	4290	PIPELINE PLUMBING & DRAIN SPECIALISTS INC	WATER LEAK DETECTION ASSISTANCE-LUZ DEL SOL	4/9/2026	$	250.00	ISSUED
180376	4290	PIPELINE PLUMBING & DRAIN SPECIALISTS INC	WATER LEAK DETECTION ASSISTANCE-SKY TERRACE DRIVE	4/9/2026	$	250.00	ISSUED
180376	4290	PIPELINE PLUMBING & DRAIN SPECIALISTS INC	WATER LEAK DETECTION ASSISTANCE-LOCUST COURT	4/9/2026	$	250.00	ISSUED
180376	4290	PIPELINE PLUMBING & DRAIN SPECIALISTS INC	WATER LEAK DETECTION ASSISTANCE-AVENIDA LA CRESTA	4/9/2026	$	250.00	ISSUED
180376	4290	PIPELINE PLUMBING & DRAIN SPECIALISTS INC	WATER LEAK DETECTION ASSISTANCE-DELMONTE STREET	4/9/2026	$	250.00	ISSUED
180376 Total					**$**	**2,000.00**	
180377	4299	GOSCH FORD OF TEMECULA	COVERS	4/9/2026	$	351.59	ISSUED
180377 Total					**$**	**351.59**	
180378	4334	GREG BROWN	REIMB EXP-NO DIG SHOW CONFERENCE	4/9/2026	$	101.55	ISSUED
180378 Total					**$**	**101.55**	
180379	4362	SUPERIOR READY MIX CONCRETE L.P.	SLURRY-TOURNAMENT LANE	4/9/2026	$	1,291.96	ISSUED
180379	4362	SUPERIOR READY MIX CONCRETE L.P.	SLURRY-BARLETTA STREET	4/9/2026	$	1,036.94	ISSUED

180379	4362	SUPERIOR READY MIX CONCRETE L.P.	SLURRY-GLEN ABBEY LANE	4/9/2026	$	1,381.95	ISSUED
180379	4362	SUPERIOR READY MIX CONCRETE L.P.	SLURRY-CALLE BELLAGIO	4/9/2026	$	1,189.19	ISSUED
180379	4362	SUPERIOR READY MIX CONCRETE L.P.	SLURRY-CHACO CANYON ROAD	4/9/2026	$	1,291.96	ISSUED
180379	4362	SUPERIOR READY MIX CONCRETE L.P.	SLURRY-CALLE GIRASOL	4/9/2026	$	2,201.38	ISSUED
180379	4362	SUPERIOR READY MIX CONCRETE L.P.	SLURRY-5TH STREET	4/9/2026	$	781.92	ISSUED
180379 Total					**$**	**9,175.30**	
180380	4442	PRISM	EMPLOYEE ASSISTANCE PROGRAM QUATERLY	4/9/2026	$	957.42	ISSUED
180380 Total					**$**	**957.42**	
180381	4453	ORANGE COUNTY WINWATER WORKS	HVAC COVERS	4/9/2026	$	1,691.54	ISSUED
180381	4453	ORANGE COUNTY WINWATER WORKS	HYDRANT LOCKS	4/9/2026	$	4,625.12	ISSUED
180381	4453	ORANGE COUNTY WINWATER WORKS	FLANGED REDUCER	4/9/2026	$	1,436.72	ISSUED
180381	4453	ORANGE COUNTY WINWATER WORKS	FITTINGS	4/9/2026	$	1,595.10	ISSUED
180381	4453	ORANGE COUNTY WINWATER WORKS	PRESSURE REGULATORS	4/9/2026	$	5,707.81	ISSUED
180381 Total					**$**	**15,056.29**	
180382	4486	SC FUELS	FUEL	4/9/2026	$	28,430.76	ISSUED
180382 Total					**$**	**28,430.76**	
180383	4543	JAMISON ENGINEERING CONTRACTORS INC.	VALVE REPLACEMENT	4/9/2026	$	18,250.00	ISSUED
180383 Total					**$**	**18,250.00**	
180384	4544	CHERYL BUTLER	CROPSWAP-COMPREHENSIVE CROP CONVERSION (AVO TO GRAPES)	4/9/2026	$	22,500.00	ISSUED
180384 Total					**$**	**22,500.00**	
180385	4560	THE SURVIVORS TRUST	CROPSWAP-AUTOMATION-SENSORS-IMPROVEMENTS	4/9/2026	$	36,000.00	ISSUED
180385 Total					**$**	**36,000.00**	
180386	4575	BENEFIT COORDINATORS CORPORATION	EMPLOYEE COVERAGE	4/9/2026	$	17,164.96	ISSUED
180386	4575	BENEFIT COORDINATORS CORPORATION	EMPLOYEE COVERAGE	4/9/2026	$	17,013.90	ISSUED
180386 Total					**$**	**34,178.86**	
180387	4578	ALL4 LLC	VAIL DAM SEISMIC AND HYDROLOGIC REMEDIATION PROJECT	4/9/2026	$	200.00	ISSUED
180387	4578	ALL4 LLC	VAIL DAM SEISMIC AND HYDROLOGIC REMEDIATION PROJECT	4/9/2026	$	699.50	ISSUED
180387 Total					**$**	**899.50**	
180388	4579	BELLA CASA DI VINO	CROPSWAP-NUTRIENT MANAGEMENT-MULCHING-COVER CROP	4/9/2026	$	6,200.00	ISSUED
180388 Total					**$**	**6,200.00**	
180389	1016	SOUTHERN CALIFORNIA EDISON	EVMWD M.M.	4/16/2026	$	14.51	ISSUED
180389	1016	SOUTHERN CALIFORNIA EDISON	CAL OAKS 1 LIFT STATION	4/16/2026	$	845.26	ISSUED
180389	1016	SOUTHERN CALIFORNIA EDISON	MURRIETA 1 M.M.	4/16/2026	$	19.25	ISSUED
180389	1016	SOUTHERN CALIFORNIA EDISON	ADAMS N. INTERTIE M.M.	4/16/2026	$	27.24	ISSUED
180389	1016	SOUTHERN CALIFORNIA EDISON	CAL OAKS 2 M.M.	4/16/2026	$	18.54	ISSUED
180389	1016	SOUTHERN CALIFORNIA EDISON	CAL OAKS 3 M.M.	4/16/2026	$	18.15	ISSUED
180389	1016	SOUTHERN CALIFORNIA EDISON	ADAMS S. INTERTIE M.M.	4/16/2026	$	23.75	ISSUED
180389 Total					**$**	**966.70**	
180390	1016	SOUTHERN CALIFORNIA EDISON	CAL OAKS 1 M.M.	4/16/2026	$	18.61	ISSUED
180390 Total					**$**	**18.61**	
180391	1040	DELL MARKETING L.P.	MICROSOFT ENTERPRISE AGREEMENT	4/16/2026	$	734.80	ISSUED
180391 Total					**$**	**734.80**	
180392	1113	AMERICAN LABOR POOL INC.	TEMP SERVICES-METERS	4/16/2026	$	1,130.52	ISSUED
180392	1113	AMERICAN LABOR POOL INC.	TEMP SERVICES-METERS	4/16/2026	$	1,368.52	ISSUED
180392 Total					**$**	**2,499.04**	
180393	1136	CITY OF TEMECULA	GRANT PROJECT REIMBURSEMENT-BUTTERFLY GARDEN	4/16/2026	$	3,772.18	ISSUED
180393 Total					**$**	**3,772.18**	
180394	1142	CONSOLIDATED ELECTRICAL DISTRIBUTORS, INC	SUPPORT TABS	4/16/2026	$	432.81	ISSUED
180394	1142	CONSOLIDATED ELECTRICAL DISTRIBUTORS, INC	LUBE-FOAM	4/16/2026	$	64.70	ISSUED
180394	1142	CONSOLIDATED ELECTRICAL DISTRIBUTORS, INC	FITTINGS-BAND SAW-COVER	4/16/2026	$	271.27	ISSUED
180394	1142	CONSOLIDATED ELECTRICAL DISTRIBUTORS, INC	CLAMP	4/16/2026	$	62.22	ISSUED
180394 Total					**$**	**831.00**	
180395	1154	CENTRAL COMMUNICATIONS	MO ANSWERING SERVICE	4/16/2026	$	1,001.15	ISSUED

180395 Total					**$**	**1,001.15**	
180396	1204	ACWA JPIA	MEDICAL INS-APR 2026	4/16/2026	$	462,099.39	ISSUED
180396 Total					**$**	**462,099.39**	
180397	1204	ACWA JPIA	EXCESS CRIME COVERAGE APR 2026-MARCH 2027	4/16/2026	$	2,368.00	ISSUED
180397 Total					**$**	**2,368.00**	
180398	1204	ACWA JPIA	PROPERTY INSURANCE-SRRRA APRIL 2026-MARCH 2027	4/16/2026	$	132,950.47	ISSUED
180398 Total					**$**	**132,950.47**	
180399	1264	CR & R INC.	TRASH SERVICE	4/16/2026	$	70.54	ISSUED
180399	1264	CR & R INC.	TRASH SERVICE	4/16/2026	$	618.93	ISSUED
180399 Total					**$**	**689.47**	
180400	1292	RICHARDSON TECHNOLOGIES INC.	MINI SPLIT FOR BOARD ROOM DATA CENTER	4/16/2026	$	5,880.00	ISSUED
180400 Total					**$**	**5,880.00**	
180401	1298	BRENNTAG PACIFIC INC.	SODIUM BISULFITE	4/16/2026	$	1,295.32	ISSUED
180401 Total					**$**	**1,295.32**	
180402	1346	C WELLS PIPELINE MATERIALS INC	FLANGES	4/16/2026	$	60.90	ISSUED
180402	1346	C WELLS PIPELINE MATERIALS INC	FITTINGS	4/16/2026	$	560.06	ISSUED
180402	1346	C WELLS PIPELINE MATERIALS INC	FLANGES	4/16/2026	$	6,742.50	ISSUED
180402	1346	C WELLS PIPELINE MATERIALS INC	ADAPTERS	4/16/2026	$	21,722.81	ISSUED
180402	1346	C WELLS PIPELINE MATERIALS INC	FITTINGS	4/16/2026	$	9,570.00	ISSUED
180402	1346	C WELLS PIPELINE MATERIALS INC	FITTING	4/16/2026	$	2,370.75	ISSUED
180402 Total					**$**	**41,027.02**	
180403	1386	EASTERN MUNICIPAL WATER DIST.	SEWER-FEBRUARY 2026	4/16/2026	$	2,210,874.52	ISSUED
180403 Total					**$**	**2,210,874.52**	
180404	1386	EASTERN MUNICIPAL WATER DIST.	SEWER-MARCH 2026	4/16/2026	$	2,054,214.58	ISSUED
180404 Total					**$**	**2,054,214.58**	
180405	1409	UMETECH INC.	OFFSITE DISASTER STORAGE	4/16/2026	$	50.00	ISSUED
180405 Total					**$**	**50.00**	
180406	1505	FEDEX	OVERNIGHT DELIVERY SERVICE	4/16/2026	$	145.46	ISSUED
180406 Total					**$**	**145.46**	
180407	1638	EMISSION COMPLIANT CONTROLS CORP	FUEL POLISHING	4/16/2026	$	7,137.12	ISSUED
180407 Total					**$**	**7,137.12**	
180408	1727	PATRICK ELSASSER	REIMB EXP-MILEAGE	4/16/2026	$	84.97	ISSUED
180408	1727	PATRICK ELSASSER	REIMB EXP-INNOVATECH 2026 MISAC CONFERENCE	4/16/2026	$	444.29	ISSUED
180408 Total					**$**	**529.26**	
180409	1751	GRAINGER INC.	SQUARE TUBE	4/16/2026	$	25.89	ISSUED
180409	1751	GRAINGER INC.	LADDER	4/16/2026	$	522.44	ISSUED
180409	1751	GRAINGER INC.	EXTENSION CORD	4/16/2026	$	1,050.06	ISSUED
180409	1751	GRAINGER INC.	ENCLOSURE	4/16/2026	$	5,817.88	ISSUED
180409 Total					**$**	**7,416.27**	
180410	1758	GENERAL LOGISTICS SYSTEMS US	OVERNIGHT DELIVERY SERVICE	4/16/2026	$	14.51	ISSUED
180410	1758	GENERAL LOGISTICS SYSTEMS US	OVERNIGHT DELIVERY SERVICE	4/16/2026	$	16.05	ISSUED
180410 Total					**$**	**30.56**	
180411	1799	HARPER & ASSOC ENGINEERING INC	RESERVOIR RECOAT AND REHABILITATION PROGRAM	4/16/2026	$	12,132.00	ISSUED
180411 Total					**$**	**12,132.00**	
180412	1914	INFO SEND INC.	BILLING SERVICE	4/16/2026	$	748.56	ISSUED
180412	1914	INFO SEND INC.	BILLING SERVICE	4/16/2026	$	4,968.92	ISSUED
180412 Total					**$**	**5,717.48**	
180413	1988	NEWARK	SWITCHES	4/16/2026	$	950.48	ISSUED
180413 Total					**$**	**950.48**	
180414	2191	CA DEPT OF TAX AND FEE ADMIN	SALES/USE TAX-Q1 MARCH 2026	4/16/2026	$	18,370.97	ISSUED
180414 Total					**$**	**18,370.97**	
180415	2230	NAPA AUTO PARTS	OIL FILTER-SWITCH	4/16/2026	$	31.48	ISSUED
180415	2230	NAPA AUTO PARTS	MOTOR OIL	4/16/2026	$	67.73	ISSUED

180415 Total				**$**	**99.21**	
180416	2237 TEMECULA VALLEY PIPE & SUPPLY	LID	4/16/2026	$	13.08	ISSUED
180416	2237 TEMECULA VALLEY PIPE & SUPPLY	FITTINGS	4/16/2026	$	62.50	ISSUED
180416	2237 TEMECULA VALLEY PIPE & SUPPLY	FITTINGS	4/16/2026	$	1,522.94	ISSUED
180416 Total				**$**	**1,598.52**	
180417	2245 PETES ROAD SERVICE INC.	TIRES (2)	4/16/2026	$	1,106.63	ISSUED
180417	2245 PETES ROAD SERVICE INC.	TIRES (2)	4/16/2026	$	485.60	ISSUED
180417	2245 PETES ROAD SERVICE INC.	TIRE	4/16/2026	$	370.65	ISSUED
180417 Total				**$**	**1,962.88**	
180418	2302 WM CORPORATE SERVICES, INC.	TRASH SERVICE	4/16/2026	$	1,828.24	ISSUED
180418	2302 WM CORPORATE SERVICES, INC.	TRASH SERVICE	4/16/2026	$	659.16	ISSUED
180418 Total				**$**	**2,487.40**	
180419	2310 WESTERN MUNICIPAL WATER DIST.	MO MWD CAPACITY CHARGE-MARCH 2026	4/16/2026	$	221,897.83	ISSUED
180419 Total				**$**	**221,897.83**	
180420	2444 HARRIS COMPUTER CORPORATION	DEVELOP TWILIO API	4/16/2026	$	1,381.25	ISSUED
180420 Total				**$**	**1,381.25**	
180421	2452 BHA INC.	SUNDANCE RANCH SURVEY-MAPPING	4/16/2026	$	5,280.00	ISSUED
180421	2452 BHA INC.	SUNDANCE RANCH SURVEY-MAPPING	4/16/2026	$	330.00	ISSUED
180421	2452 BHA INC.	SURVEYING AND MAPPING SERVICES-VAIL PROPERTY-DORLAND ARTS	4/16/2026	$	220.00	ISSUED
180421 Total				**$**	**5,830.00**	
180422	2634 NUTRIEN AG SOLUTIONS INC.	SPARK PLUG-BLADES-SWITCH-FILTER	4/16/2026	$	50.54	ISSUED
180422 Total				**$**	**50.54**	
180423	2981 PARADISE CHEVROLET & CADILLAC	ROTOR-PAD KITS	4/16/2026	$	888.50	ISSUED
180423	2981 PARADISE CHEVROLET & CADILLAC	BELT-PULLEY	4/16/2026	$	106.63	ISSUED
180423	2981 PARADISE CHEVROLET & CADILLAC	OIL-FLUID-FILTER KIT	4/16/2026	$	332.38	ISSUED
180423 Total				**$**	**1,327.51**	
180424	3003 CASAGA ELECTRIC INC.	SURGE TANKS-DEL OROPUMP STATION	4/16/2026	$	6,891.10	ISSUED
180424	3003 CASAGA ELECTRIC INC.	SHED ELECTRICAL-WELL 123	4/16/2026	$	3,622.44	ISSUED
180424	3003 CASAGA ELECTRIC INC.	SHED ELECTRICAL-WELL 130	4/16/2026	$	3,622.44	ISSUED
180424 Total				**$**	**14,135.98**	
180425	3018 PAPER RECYCLING	DOCUMENT SHREDDING SERVICE	4/16/2026	$	137.00	ISSUED
180425 Total				**$**	**137.00**	
180426	3060 ADAMS LANDSCAPING INC	HERITAGE OAK TREE MAINTENANCE	4/16/2026	$	2,080.00	ISSUED
180426 Total				**$**	**2,080.00**	
180427	3249 INTERSTATE SWEEPING SERVICES	SWEEPING SVC	4/16/2026	$	800.00	ISSUED
180427 Total				**$**	**800.00**	
180428	3337 THE SHERWIN-WILLIAMS CO., INC	PAINT	4/16/2026	$	297.09	ISSUED
180428 Total				**$**	**297.09**	
180429	3342 WELLS FARGO BANK NA	STANDBY COMMISSION LOC	4/16/2026	$	5,478.60	ISSUED
180429 Total				**$**	**5,478.60**	
180430	3352 UNIFIRST CORPORATION	UNIFORMS-MATS-TOWELS	4/16/2026	$	419.86	ISSUED
180430	3352 UNIFIRST CORPORATION	UNIFORMS-MATS-TOWELS	4/16/2026	$	277.55	ISSUED
180430	3352 UNIFIRST CORPORATION	UNIFORMS-MATS-TOWELS	4/16/2026	$	419.86	ISSUED
180430 Total				**$**	**1,117.27**	
180431	3356 DISH NETWORK	MO SATELLITE-MUSIC SVC	4/16/2026	$	98.14	ISSUED
180431 Total				**$**	**98.14**	
180432	3369 ORANGE COUNTY FIRE PROTECTION	ANNUAL INSPECTION OF THE FIRE SPRINKLER SYSTEMS	4/16/2026	$	4,391.83	ISSUED
180432 Total				**$**	**4,391.83**	
180433	3371 DCSE INC.	UTILITY NETWORK GIS COMPONENT	4/16/2026	$	14,552.00	ISSUED
180433 Total				**$**	**14,552.00**	
180434	3382 FACTORY LOT SWEEPING SERVICE	SWEEPING SERVICE	4/16/2026	$	556.50	ISSUED
180434 Total				**$**	**556.50**	
180435	3388 GHA TECHNOLOGIES	FOXIT PDF EDITOR + SUBSCRIPTION	4/16/2026	$	8,934.00	ISSUED

180435	3388	GHA TECHNOLOGIES	ADOBE ACROBAT PRO	4/16/2026	$	2,622.00	ISSUED
180435 Total					**$**	**11,556.00**	
180436	3394	ROYAL TRUCK BODY	UTILITY BODY FOR VACTOR SKID	4/16/2026	$	16,412.56	ISSUED
180436 Total					**$**	**16,412.56**	
180437	3398	BEST DRILLING AND PUMP INC	CASING REPAIR AND PUMP INSTALLATION-WELL 139	4/16/2026	$	1,620.00	ISSUED
180437 Total					**$**	**1,620.00**	
180438	3407	VARNER & BRANDT LLP	GENERAL LABOR	4/16/2026	$	3,720.40	ISSUED
180438 Total					**$**	**3,720.40**	
180439	3481	QUINN COMPANY	OIL FILTER	4/16/2026	$	16.82	ISSUED
180439	3481	QUINN COMPANY	WHEEL LOADER RENTAL	4/16/2026	$	6,301.33	ISSUED
180439 Total					**$**	**6,318.15**	
180440	3486	KENT HARRIS TRUCKING	CLASS II BASE	4/16/2026	$	588.95	ISSUED
180440 Total					**$**	**588.95**	
180441	3648	LOWE'S	SWIVEL	4/16/2026	$	15.39	ISSUED
180441	3648	LOWE'S	UTILITY HOOK	4/16/2026	$	4.11	ISSUED
180441	3648	LOWE'S	CLAMPS-WOOD BOARDS	4/16/2026	$	809.83	ISSUED
180441	3648	LOWE'S	WOOD BOARDS-SCREW	4/16/2026	$	79.03	ISSUED
180441	3648	LOWE'S	BLINDS	4/16/2026	$	198.36	ISSUED
180441	3648	LOWE'S	PUSH BUTTON	4/16/2026	$	53.19	ISSUED
180441	3648	LOWE'S	CLEANERS	4/16/2026	$	67.00	ISSUED
180441	3648	LOWE'S	BLINDS	4/16/2026	$	245.89	ISSUED
180441 Total					**$**	**1,472.80**	
180442	3651	SC FUELS	FUEL	4/16/2026	$	380.05	ISSUED
180442 Total					**$**	**380.05**	
180443	3707	RED WING BUSINESS ADVANTAGE	WORK BOOTS-K OLSON	4/16/2026	$	237.58	ISSUED
180443	3707	RED WING BUSINESS ADVANTAGE	WORK BOOTS-A ADEN	4/16/2026	$	250.00	ISSUED
180443	3707	RED WING BUSINESS ADVANTAGE	WORK BOOTS-I GOMEZ	4/16/2026	$	250.00	ISSUED
180443	3707	RED WING BUSINESS ADVANTAGE	WORK BOOTS-B CAHILL	4/16/2026	$	250.00	ISSUED
180443	3707	RED WING BUSINESS ADVANTAGE	WORK BOOTS-R LUCAS	4/16/2026	$	250.00	ISSUED
180443	3707	RED WING BUSINESS ADVANTAGE	WORK BOOTS-D WELLS	4/16/2026	$	250.00	ISSUED
180443 Total					**$**	**1,487.58**	
180444	3785	LAGERLOF LLP	LEGAL-SRRRA	4/16/2026	$	1,785.00	ISSUED
180444 Total					**$**	**1,785.00**	
180445	3786	US BANK CORP PAYMENT SYSTEMS	PAYMENT PLUS	4/16/2026	$	32,033.51	ISSUED
180445 Total					**$**	**32,033.51**	
180446	3790	ASBURY ENVIRONMENTAL SERVICES	WASHER RENTAL	4/16/2026	$	222.73	ISSUED
180446 Total					**$**	**222.73**	
180447	3793	CALIBER COLLISION CENTERS	TRUCK REPAIR	4/16/2026	$	1,411.64	ISSUED
180447 Total					**$**	**1,411.64**	
180448	3797	GEOTAB USA INC.	ASSET TRACKER PLAN SUPPORT	4/16/2026	$	2,205.25	ISSUED
180448 Total					**$**	**2,205.25**	
180449	3825	LOS ANGELES TRUCK CENTERS LLC	LAMP	4/16/2026	$	31.41	ISSUED
180449	3825	LOS ANGELES TRUCK CENTERS LLC	AIR DRYER CARTRIDGE KIT	4/16/2026	$	153.32	ISSUED
180449 Total					**$**	**184.73**	
180450	3830	JOHNSON EQUIPMENT COMPANY	INSTALL LIGHT BAR	4/16/2026	$	3,139.20	ISSUED
180450 Total					**$**	**3,139.20**	
180451	3831	GALLAGHER RESTORATION INC.	CONSTRUCTION SERVICE-RELOCATE 2 OFFICE DOORS IN CUSTOMER SERVICE	4/16/2026	$	7,628.00	ISSUED
180451 Total					**$**	**7,628.00**	
180452	3837	NATIONAL ELECTRIC WORKS INC.	FABRICATE PANELS FOR TESLA BATTERIES-FIBERGLASS ENCLOSURES	4/16/2026	$	5,502.75	ISSUED
180452 Total					**$**	**5,502.75**	
180453	3841	AMERICAN EAGLE TROPHIES	NAMEPLATE	4/16/2026	$	19.58	ISSUED
180453	3841	AMERICAN EAGLE TROPHIES	NAMEPLATES	4/16/2026	$	29.36	ISSUED
180453 Total					**$**	**48.94**	

180454	3857	NORTHSTAR CHEMICAL	ALUMINUM SULFATE	4/16/2026	$	9,781.39	ISSUED
180454 Total					**$**	**9,781.39**	
180455	3904	ICONIX WATERWORKS (US) INC.	ADAPTERS-COUPLINGS	4/16/2026	$	1,641.54	ISSUED
180455 Total					**$**	**1,641.54**	
180456	3968	BLUE-WHITE INDUSTRIES	CABLES-PUMP	4/16/2026	$	65,805.60	ISSUED
180456 Total					**$**	**65,805.60**	
180457	3990	AMAZON CAPITAL SERVICES INC.	WIFI BRIDGE	4/16/2026	$	216.41	ISSUED
180457	3990	AMAZON CAPITAL SERVICES INC.	WIRE-CONTROLLER	4/16/2026	$	473.94	ISSUED
180457	3990	AMAZON CAPITAL SERVICES INC.	AIR FRESHENER-PEST DETERRENT	4/16/2026	$	102.79	ISSUED
180457	3990	AMAZON CAPITAL SERVICES INC.	BOWLS-TAPE	4/16/2026	$	237.85	ISSUED
180457	3990	AMAZON CAPITAL SERVICES INC.	CANDY	4/16/2026	$	249.79	ISSUED
180457	3990	AMAZON CAPITAL SERVICES INC.	OFFICE CHAIR	4/16/2026	$	209.34	ISSUED
180457	3990	AMAZON CAPITAL SERVICES INC.	MIRROR	4/16/2026	$	65.24	ISSUED
180457	3990	AMAZON CAPITAL SERVICES INC.	LAPTOP HOLDERS	4/16/2026	$	85.11	ISSUED
180457	3990	AMAZON CAPITAL SERVICES INC.	FOOTREST	4/16/2026	$	30.65	ISSUED
180457	3990	AMAZON CAPITAL SERVICES INC.	IGNITION KEYS	4/16/2026	$	7.38	ISSUED
180457	3990	AMAZON CAPITAL SERVICES INC.	CARPET SWEEPER	4/16/2026	$	21.72	ISSUED
180457	3990	AMAZON CAPITAL SERVICES INC.	LAWNMOWER TIRE	4/16/2026	$	94.80	ISSUED
180457 Total					**$**	**1,795.02**	
180458	4011	KLINGSPOR ABRASIVES INC	WHEEL THINS-GRINDER WHEELS-WIRE KNOT WHEELS	4/16/2026	$	432.69	ISSUED
180458 Total					**$**	**432.69**	
180459	4015	DANIELLE COATS	REIMB EXP-MILEAGE	4/16/2026	$	108.49	ISSUED
180459 Total					**$**	**108.49**	
180460	4025	ALLIANT INSURANCE SERVICES INC	CONSULTING FEE	4/16/2026	$	2,500.00	ISSUED
180460 Total					**$**	**2,500.00**	
180461	4055	SOLAR STAR CALIFORNIA XL LLC	SOLAR	4/16/2026	$	63,890.88	ISSUED
180461 Total					**$**	**63,890.88**	
180462	4074	HYDRAULIC HOSE & SUPPLY INC.	FITTINGS	4/16/2026	$	34.91	ISSUED
180462	4074	HYDRAULIC HOSE & SUPPLY INC.	HYDRAULIC OIL	4/16/2026	$	252.97	ISSUED
180462	4074	HYDRAULIC HOSE & SUPPLY INC.	DRILL BITS-WASHERS-CLAMPS-CONNECTORS	4/16/2026	$	305.44	ISSUED
180462 Total					**$**	**593.32**	
180463	4081	USABLUEBOOK	HYDRANT BUDDY	4/16/2026	$	270.58	ISSUED
180463	4081	USABLUEBOOK	CHLORINE-CHEMKEY-TEST STRIPS-AMMONIA-ACID	4/16/2026	$	3,819.45	ISSUED
180463 Total					**$**	**4,090.03**	
180464	4186	L ANDERSEN WATER MANAGEMENT	AGRICULTURAL INSPECTION SERVICE	4/16/2026	$	7,260.00	ISSUED
180464 Total					**$**	**7,260.00**	
180465	4229	4IMPRINT INC.	TAPE MEASURES-HIGHLIGHTERS-JOURNALS-MINT TINS	4/16/2026	$	2,943.10	ISSUED
180465 Total					**$**	**2,943.10**	
180466	4258	PACIFIC HYDROTECH CORPORATION	UVDC IN-LINE TURBINE GENERATOR HYDROELECTRIC	4/16/2026	$	243,658.19	ISSUED
180466 Total					**$**	**243,658.19**	
180467	4276	AUTOZONE PARTS, INC	FILTER	4/16/2026	$	108.74	ISSUED
180467 Total					**$**	**108.74**	
180468	4295	SYNAGRO TECHNOLOGIES, INC	SLUDGE REMOVAL	4/16/2026	$	30,651.17	ISSUED
180468 Total					**$**	**30,651.17**	
180469	4313	TDH SERVICES LLC	WELL EFFICIENCY TESTING	4/16/2026	$	4,650.00	ISSUED
180469 Total					**$**	**4,650.00**	
180470	4314	COLBY LAWTON	REIMB EXP-MILEAGE	4/16/2026	$	148.92	ISSUED
180470 Total					**$**	**148.92**	
180471	4315	ACTION GAS	HIGH PRESSURE CYLINDERS	4/16/2026	$	14.50	ISSUED
180471 Total					**$**	**14.50**	
180472	4319	GILLIS + PANICHAPAN ARCHITECTS INC.	ATRIUM ROOF REPLACEMENT	4/16/2026	$	1,785.00	ISSUED
180472 Total					**$**	**1,785.00**	
180473	4350	MINUTEMAN PRESS	SIGNS	4/16/2026	$	98.15	ISSUED

Cash Disbursements for the Period March 14, 2026 to April 17, 2026

180473 Total						**$ 98.15**	
180474	4359	SUNSTRONG COMMERCIAL HOLDINGS LLC	SOLAR-SRRRA	4/16/2026	$	16,345.34	ISSUED
180474 Total						**$ 16,345.34**	
180475	4362	SUPERIOR READY MIX CONCRETE L.P.	SLURRY-VIA CORDOBA	4/16/2026	$	1,036.94	ISSUED
180475	4362	SUPERIOR READY MIX CONCRETE L.P.	SLURRY-DAVENPORT LANE	4/16/2026	$	1,291.96	ISSUED
180475 Total						**$ 2,328.90**	
180476	4367	LEFT COAST PEST SOLUTIONS CO	BEE REMOVAL-MARGARITA ROAD	4/16/2026	$	200.00	ISSUED
180476	4367	LEFT COAST PEST SOLUTIONS CO	BEE REMOVAL-TEMECULA PARKWAY	4/16/2026	$	200.00	ISSUED
180476	4367	LEFT COAST PEST SOLUTIONS CO	BEE REMOVAL-SANTIAGO ROAD	4/16/2026	$	200.00	ISSUED
180476	4367	LEFT COAST PEST SOLUTIONS CO	BEE REMOVAL-DEL REY ROAD	4/16/2026	$	200.00	ISSUED
180476 Total						**$ 800.00**	
180477	4453	ORANGE COUNTY WINWATER WORKS	CHARGERS-FUEL-BATTERY PACKS-WRENCHES	4/16/2026	$	3,623.29	ISSUED
180477	4453	ORANGE COUNTY WINWATER WORKS	ELECTRIC TOOL REPAIR	4/16/2026	$	162.72	ISSUED
180477 Total						**$ 3,786.01**	
180478	4517	FIDUCIARY EXPERTS LLC	FIDUCIARY OVERSIGHT	4/16/2026	$	4,500.00	ISSUED
180478	4517	FIDUCIARY EXPERTS LLC	FIDUCIARY OVERSIGHT	4/16/2026	$	4,500.00	ISSUED
180478 Total						**$ 9,000.00**	
180479	4568	SENTRY EQUIPMENT CORP.	WIPERS	4/16/2026	$	3,662.01	ISSUED
180479 Total						**$ 3,662.01**	
180480	4575	BENEFIT COORDINATORS CORPORATION	EMPLOYEE COVERAGE	4/16/2026	$	17,171.39	ISSUED
180480 Total						**$ 17,171.39**	
180481	4580	ERIC HENRICKSON	CROPSWAP-AVOCADO TREE REJUVENATION	4/16/2026	$	16,490.00	ISSUED
180481 Total						**$ 16,490.00**	
180482	4581	611 MERCHANT LLC.	BEDLINER SPRAY	4/16/2026	$	200.00	ISSUED
180482 Total						**$ 200.00**	
180483	4587	PROCORE TECHNOLOGIES, INC.	PROJECT MANAGEMENT PRO FEBRUARY 2026-FEBRUARY 2027	4/16/2026	$	11,577.43	ISSUED
180483 Total						**$ 11,577.43**	
180484	4589	STEPHEN RYDER	CROPSWAP-NUTRIENT MANAGEMENT	4/16/2026	$	3,500.00	ISSUED
180484 Total						**$ 3,500.00**	
180485	4591	CRYSTAL OGUNEDOJUTIMI	REIMB EXP-ENGINEERING CONTRACTS TRAINING LUNCHEON	4/16/2026	$	346.37	ISSUED
180485 Total						**$ 346.37**	
Total Distributions						**$ 14,369,640.71**	

Vendor Payments Remitted Through Electronic US Bank Payment Plus Program (these payments are remitted electronically to vendors through US Bank and the District then issues a warrant to US Bank to reimburse for such payments)

CHECK NUMBER	VENDOR	NAME	DESCRIPTION	CHECK DATE	AMOUNT	STATUS
8686	1114	CAMERON WELDING SUPPLY	RESPIRATOR	3/19/2026	$ 50.11	ISSUED
8686 Total					**$ 50.11**	
8687	1765	HANK'S HARDWARE AND LUMBER INC.	SALT	3/19/2026	$ 417.27	ISSUED
8687	1765	HANK'S HARDWARE AND LUMBER INC.	REBAR	3/19/2026	$ 10.85	ISSUED
8687	1765	HANK'S HARDWARE AND LUMBER INC.	WRENCH-BINS	3/19/2026	$ 43.80	ISSUED
8687	1765	HANK'S HARDWARE AND LUMBER INC.	NIPPLES	3/19/2026	$ 11.18	ISSUED
8687	1765	HANK'S HARDWARE AND LUMBER INC.	CONDUITS-WIRE CUTTER-DRILL BIT	3/19/2026	$ 136.71	ISSUED
8687	1765	HANK'S HARDWARE AND LUMBER INC.	VALVE-CLIP-ELECTRICAL BOX	3/19/2026	$ 83.44	ISSUED
8687	1765	HANK'S HARDWARE AND LUMBER INC.	TUBING	3/19/2026	$ 3.07	ISSUED
8687	1765	HANK'S HARDWARE AND LUMBER INC.	LOCK	3/19/2026	$ 57.63	ISSUED
8687	1765	HANK'S HARDWARE AND LUMBER INC.	LEVER	3/19/2026	$ 40.23	ISSUED
8687	1765	HANK'S HARDWARE AND LUMBER INC.	STEEL-CLAMPS-JOINTS-WRENCH	3/19/2026	$ 219.22	ISSUED
8687	1765	HANK'S HARDWARE AND LUMBER INC.	STRAPS	3/19/2026	$ 1.70	ISSUED
8687	1765	HANK'S HARDWARE AND LUMBER INC.	HAMMER-CLEANER-WAX	3/19/2026	$ 59.11	ISSUED
8687	1765	HANK'S HARDWARE AND LUMBER INC.	NUTS-BATTERY	3/19/2026	$ 58.77	ISSUED
8687	1765	HANK'S HARDWARE AND LUMBER INC.	SCREWS	3/19/2026	$ 2.16	ISSUED

8687	1765	HANK'S HARDWARE AND LUMBER INC.	LIGHT BULBS-FLAP DISC	3/19/2026	$	39.41	ISSUED
8687	1765	HANK'S HARDWARE AND LUMBER INC.	TIRE COAT	3/19/2026	$	8.69	ISSUED
8687	1765	HANK'S HARDWARE AND LUMBER INC.	TAPE-GLUE	3/19/2026	$	26.61	ISSUED
8687	1765	HANK'S HARDWARE AND LUMBER INC.	GLOVES-NIPPLES-BALL VALVES	3/19/2026	$	218.84	ISSUED
8687 Total					**$**	**1,438.69**	
8688	1929	MCCALLS METER SALES	CONVERSION KITS-O-RINGS	3/19/2026	$	815.78	ISSUED
8688 Total					**$**	**815.78**	
8689	1933	MCMASTER - CARR SUPPLY CO.	HEX KEY	3/19/2026	$	10.60	ISSUED
8689	1933	MCMASTER - CARR SUPPLY CO.	PIPE FITTINGS	3/19/2026	$	1,039.74	ISSUED
8689 Total					**$**	**1,050.34**	
8690	2120	RYAN HERCO PRODUCTS CORP.	DRUM COVER	3/19/2026	$	470.78	ISSUED
8690 Total					**$**	**470.78**	
8691	3048	OREILLY AUTO PARTS	CLEANER	3/19/2026	$	47.92	ISSUED
8691	3048	OREILLY AUTO PARTS	CLEANER	3/19/2026	$	27.68	ISSUED
8691	3048	OREILLY AUTO PARTS	FILTERS	3/19/2026	$	783.87	ISSUED
8691 Total					**$**	**859.47**	
8692	3354	BOOT BARN INC.	WORK BOOTS-A ROMO	3/19/2026	$	195.74	ISSUED
8692	3354	BOOT BARN INC.	WORK BOOTS-M GOODMAN	3/19/2026	$	222.11	ISSUED
8692	3354	BOOT BARN INC.	WORK BOOTS-F MATA	3/19/2026	$	250.00	ISSUED
8692 Total					**$**	**667.85**	
8693	3812	SOUTH COAST COPY SYSTEMS	MO COPIER CHARGES	3/19/2026	$	27.30	ISSUED
8693	3812	SOUTH COAST COPY SYSTEMS	MO COPIER CHARGES	3/19/2026	$	130.34	ISSUED
8693	3812	SOUTH COAST COPY SYSTEMS	MO COPIER CHARGES	3/19/2026	$	64.87	ISSUED
8693	3812	SOUTH COAST COPY SYSTEMS	MO COPIER CHARGES	3/19/2026	$	47.63	ISSUED
8693	3812	SOUTH COAST COPY SYSTEMS	MO COPIER CHARGES	3/19/2026	$	8.91	ISSUED
8693	3812	SOUTH COAST COPY SYSTEMS	MO COPIER CHARGES	3/19/2026	$	16.48	ISSUED
8693 Total					**$**	**295.53**	
8694	1114	CAMERON WELDING SUPPLY	OXYGEN-ACETYLENE-PROPANE	3/26/2026	$	3,949.46	ISSUED
8694 Total					**$**	**3,949.46**	
8695	1765	HANK'S HARDWARE AND LUMBER INC.	WALL TEXTURE	3/26/2026	$	130.43	ISSUED
8695	1765	HANK'S HARDWARE AND LUMBER INC.	GLOVES-PRIMER-PAINT	3/26/2026	$	53.22	ISSUED
8695	1765	HANK'S HARDWARE AND LUMBER INC.	ANCHORS-BITS	3/26/2026	$	16.52	ISSUED
8695	1765	HANK'S HARDWARE AND LUMBER INC.	TOWELS-HOSE-SOCKET-COUPLING-PUTTY KNIFE	3/26/2026	$	56.71	ISSUED
8695	1765	HANK'S HARDWARE AND LUMBER INC.	BALL VALVE	3/26/2026	$	232.58	ISSUED
8695	1765	HANK'S HARDWARE AND LUMBER INC.	CLAMPS-DRAIN-GASKET-HOSE	3/26/2026	$	55.84	ISSUED
8695	1765	HANK'S HARDWARE AND LUMBER INC.	PAINT-MEASURE WHEEL-HARDWARE	3/26/2026	$	122.63	ISSUED
8695	1765	HANK'S HARDWARE AND LUMBER INC.	PLASTIC BUCKETS	3/26/2026	$	37.99	ISSUED
8695	1765	HANK'S HARDWARE AND LUMBER INC.	TAPE-GLOVES	3/26/2026	$	20.10	ISSUED
8695	1765	HANK'S HARDWARE AND LUMBER INC.	SOAP	3/26/2026	$	24.32	ISSUED
8695	1765	HANK'S HARDWARE AND LUMBER INC.	HARDWARE-BRUSH-VINYL	3/26/2026	$	47.74	ISSUED
8695	1765	HANK'S HARDWARE AND LUMBER INC.	GLASS CLEANER-SPRAY	3/26/2026	$	28.57	ISSUED
8695	1765	HANK'S HARDWARE AND LUMBER INC.	TAPE-WIRE CONNECTORS	3/26/2026	$	19.98	ISSUED
8695	1765	HANK'S HARDWARE AND LUMBER INC.	FILE SET-HEX KEY-SPLICE	3/26/2026	$	32.04	ISSUED
8695	1765	HANK'S HARDWARE AND LUMBER INC.	GRAB BARS	3/26/2026	$	146.77	ISSUED
8695	1765	HANK'S HARDWARE AND LUMBER INC.	WIRE-TAPE	3/26/2026	$	120.35	ISSUED
8695	1765	HANK'S HARDWARE AND LUMBER INC.	HAT	3/26/2026	$	17.39	ISSUED
8695	1765	HANK'S HARDWARE AND LUMBER INC.	PAINT	3/26/2026	$	26.07	ISSUED
8695	1765	HANK'S HARDWARE AND LUMBER INC.	ADHESIVE-PEST DETERRENT	3/26/2026	$	57.59	ISSUED
8695	1765	HANK'S HARDWARE AND LUMBER INC.	PRUNING SHEARS	3/26/2026	$	31.95	ISSUED
8695	1765	HANK'S HARDWARE AND LUMBER INC.	CONTAINER-CLAMPS-CABLE TIES-SCREWS	3/26/2026	$	66.46	ISSUED
8695	1765	HANK'S HARDWARE AND LUMBER INC.	WASHERS-HEX CAPS-LUMBER	3/26/2026	$	81.20	ISSUED
8695 Total					**$**	**1,426.45**	
8696	1933	MCMASTER - CARR SUPPLY CO.	ADHESIVE	3/26/2026	$	367.04	ISSUED

8696 Total					**$**	**367.04**	
8697	3048	OREILLY AUTO PARTS	REAR VIEW MIRROR	3/26/2026	$	35.68	ISSUED
8697	3048	OREILLY AUTO PARTS	HVAC ACTUATOR-SWAY LINK	3/26/2026	$	138.64	ISSUED
8697	3048	OREILLY AUTO PARTS	BACKUP CAMERA	3/26/2026	$	48.93	ISSUED
8697	3048	OREILLY AUTO PARTS	TAPE	3/26/2026	$	26.09	ISSUED
8697	3048	OREILLY AUTO PARTS	WIRE CONDUIT	3/26/2026	$	13.68	ISSUED
8697	3048	OREILLY AUTO PARTS	FILTERS	3/26/2026	$	37.73	ISSUED
8697 Total					**$**	**300.75**	
8698	3354	BOOT BARN INC.	WORK BOOTS-V OCCHIPINTI	3/26/2026	$	250.00	ISSUED
8698	3354	BOOT BARN INC.	WORK BOOTS-C OGUNEDOJUTIMI	3/26/2026	$	237.81	ISSUED
8698	3354	BOOT BARN INC.	WORK BOOTS-J VINCENT	3/26/2026	$	156.59	ISSUED
8698	3354	BOOT BARN INC.	WORK BOOTS-B UNGER	3/26/2026	$	215.22	ISSUED
8698	3354	BOOT BARN INC.	WORK BOOTS-B RHODES	3/26/2026	$	201.18	ISSUED
8698 Total					**$**	**1,060.80**	
8699	3631	VISCID DESIGN CO. LLC	MONITORING WELL STICKERS	3/26/2026	$	411.08	ISSUED
8699 Total					**$**	**411.08**	
8700	3812	SOUTH COAST COPY SYSTEMS	MO COPIER CHARGES	3/26/2026	$	8.68	ISSUED
8700	3812	SOUTH COAST COPY SYSTEMS	MO COPIER CHARGES	3/26/2026	$	21.49	ISSUED
8700 Total					**$**	**30.17**	
8701	1114	CAMERON WELDING SUPPLY	BRAZING ROD	4/2/2026	$	818.19	ISSUED
8701 Total					**$**	**818.19**	
8702	1765	HANK'S HARDWARE AND LUMBER INC.	CABLE-COUPLINGS	4/2/2026	$	28.24	ISSUED
8702	1765	HANK'S HARDWARE AND LUMBER INC.	CHAIN-LATCH	4/2/2026	$	41.24	ISSUED
8702	1765	HANK'S HARDWARE AND LUMBER INC.	ANCHORS-ADAPTERS-REDUCERS	4/2/2026	$	45.98	ISSUED
8702	1765	HANK'S HARDWARE AND LUMBER INC.	ANCHORS	4/2/2026	$	20.05	ISSUED
8702	1765	HANK'S HARDWARE AND LUMBER INC.	ROD-HARDWARE	4/2/2026	$	29.01	ISSUED
8702	1765	HANK'S HARDWARE AND LUMBER INC.	TORCH KIT-PROPANE	4/2/2026	$	56.53	ISSUED
8702	1765	HANK'S HARDWARE AND LUMBER INC.	RUBBER-PAINT-STRAP	4/2/2026	$	37.79	ISSUED
8702	1765	HANK'S HARDWARE AND LUMBER INC.	HARDWARE	4/2/2026	$	8.09	ISSUED
8702	1765	HANK'S HARDWARE AND LUMBER INC.	ANCHORS	4/2/2026	$	88.50	ISSUED
8702	1765	HANK'S HARDWARE AND LUMBER INC.	WHEEL-TAPE MEASURE	4/2/2026	$	86.98	ISSUED
8702	1765	HANK'S HARDWARE AND LUMBER INC.	TOWEL-FOGGER	4/2/2026	$	39.65	ISSUED
8702	1765	HANK'S HARDWARE AND LUMBER INC.	BUCKET-WHEEL-AIR FRESHENERS-WRENCHES-SLEDGE HAMMER	4/2/2026	$	255.40	ISSUED
8702	1765	HANK'S HARDWARE AND LUMBER INC.	TAPE-GLUE-GLOVES-BOX CUTTER	4/2/2026	$	83.67	ISSUED
8702	1765	HANK'S HARDWARE AND LUMBER INC.	BINS-DIVIDERS-BUCKETS-SLINGS-SCREWS-BRUSH-ROD-TOWEL-CLEANER	4/2/2026	$	205.27	ISSUED
8702	1765	HANK'S HARDWARE AND LUMBER INC.	CONTAINERS-TABLE SAW SAFETY STICK	4/2/2026	$	38.95	ISSUED
8702	1765	HANK'S HARDWARE AND LUMBER INC.	MIRROR	4/2/2026	$	13.04	ISSUED
8702	1765	HANK'S HARDWARE AND LUMBER INC.	CONDUIT-NUTS-WASHERS	4/2/2026	$	146.14	ISSUED
8702	1765	HANK'S HARDWARE AND LUMBER INC.	ANCHORS	4/2/2026	$	21.49	ISSUED
8702	1765	HANK'S HARDWARE AND LUMBER INC.	SCREWS	4/2/2026	$	90.00	ISSUED
8702	1765	HANK'S HARDWARE AND LUMBER INC.	TAPE-TUBING-DIVERTERS	4/2/2026	$	30.82	ISSUED
8702	1765	HANK'S HARDWARE AND LUMBER INC.	STEEL	4/2/2026	$	45.16	ISSUED
8702	1765	HANK'S HARDWARE AND LUMBER INC.	HARDWARE	4/2/2026	$	3.65	ISSUED
8702	1765	HANK'S HARDWARE AND LUMBER INC.	COUPLING-GLUE-ANCHOR	4/2/2026	$	126.18	ISSUED
8702	1765	HANK'S HARDWARE AND LUMBER INC.	CHAINS	4/2/2026	$	115.31	ISSUED
8702	1765	HANK'S HARDWARE AND LUMBER INC.	CLAMP-HARDWARE-CAP	4/2/2026	$	24.54	ISSUED
8702	1765	HANK'S HARDWARE AND LUMBER INC.	PVC-COUPLING-ADAPTER	4/2/2026	$	36.21	ISSUED
8702	1765	HANK'S HARDWARE AND LUMBER INC.	PVC PIPE	4/2/2026	$	14.07	ISSUED
8702	1765	HANK'S HARDWARE AND LUMBER INC.	CABLE-SLEEVES	4/2/2026	$	19.24	ISSUED
8702	1765	HANK'S HARDWARE AND LUMBER INC.	GREASE-AIR FRESHENER	4/2/2026	$	60.80	ISSUED
8702	1765	HANK'S HARDWARE AND LUMBER INC.	BALL VALVE	4/2/2026	$	55.88	ISSUED
8702	1765	HANK'S HARDWARE AND LUMBER INC.	ANCHORS-REDUCER	4/2/2026	$	81.82	ISSUED
8702	1765	HANK'S HARDWARE AND LUMBER INC.	GLOVES	4/2/2026	$	13.04	ISSUED

8702 Total					**$**	**1,962.74**	
8703	1884	LESLIE'S POOLMART INC	CHLORINE DRUMS	4/2/2026	$	1,914.65	ISSUED
8703 Total					**$**	**1,914.65**	
8704	1933	MCMASTER - CARR SUPPLY CO.	BRUSHES-CONNECTOR	4/2/2026	$	171.11	ISSUED
8704 Total					**$**	**171.11**	
8705	2513	ULINE	CHAIRS	4/2/2026	$	540.86	ISSUED
8705 Total					**$**	**540.86**	
8706	2622	DIESEL POLLUTION SOLUTIONS	HD/IM EMISSIONS TEST	4/2/2026	$	180.00	ISSUED
8706	2622	DIESEL POLLUTION SOLUTIONS	HD/IM EMISSIONS TEST	4/2/2026	$	145.00	ISSUED
8706	2622	DIESEL POLLUTION SOLUTIONS	HD/IM EMISSIONS TEST	4/2/2026	$	145.00	ISSUED
8706 Total					**$**	**470.00**	
8707	3048	OREILLY AUTO PARTS	BLOWER MOTOR	4/2/2026	$	107.85	ISSUED
8707	3048	OREILLY AUTO PARTS	TIRE CLEANER	4/2/2026	$	30.96	ISSUED
8707	3048	OREILLY AUTO PARTS	BLOWER KIT	4/2/2026	$	11.41	ISSUED
8707	3048	OREILLY AUTO PARTS	U-BOLT	4/2/2026	$	16.50	ISSUED
8707	3048	OREILLY AUTO PARTS	BELT	4/2/2026	$	39.52	ISSUED
8707	3048	OREILLY AUTO PARTS	BELT	4/2/2026	$	40.74	ISSUED
8707	3048	OREILLY AUTO PARTS	WATER PUMP	4/2/2026	$	144.04	ISSUED
8707	3048	OREILLY AUTO PARTS	BRAKE PADS	4/2/2026	$	55.03	ISSUED
8707	3048	OREILLY AUTO PARTS	BATTERY	4/2/2026	$	108.94	ISSUED
8707	3048	OREILLY AUTO PARTS	ACTUATOR	4/2/2026	$	35.74	ISSUED
8707	3048	OREILLY AUTO PARTS	BATTERY	4/2/2026	$	162.53	ISSUED
8707	3048	OREILLY AUTO PARTS	SPLICE	4/2/2026	$	29.83	ISSUED
8707	3048	OREILLY AUTO PARTS	LOCK	4/2/2026	$	24.50	ISSUED
8707	3048	OREILLY AUTO PARTS	LOCKS	4/2/2026	$	49.00	ISSUED
8707	3048	OREILLY AUTO PARTS	BATTERIES	4/2/2026	$	558.39	ISSUED
8707 Total					**$**	**1,414.98**	
8708	3812	SOUTH COAST COPY SYSTEMS	MO COPIER CHARGES	4/2/2026	$	31.23	ISSUED
8708	3812	SOUTH COAST COPY SYSTEMS	MO COPIER CHARGES	4/2/2026	$	180.33	ISSUED
8708 Total					**$**	**211.56**	
8709	1027	BEST FOR LESS TIRES	ALIGNMENT	4/9/2026	$	129.95	ISSUED
8709 Total					**$**	**129.95**	
8710	1114	CAMERON WELDING SUPPLY	TORCH HANDLE	4/9/2026	$	271.38	ISSUED
8710	1114	CAMERON WELDING SUPPLY	ACETYLENE-CARBON DIOXIDE-OXYGEN	4/9/2026	$	2,215.65	ISSUED
8710 Total					**$**	**2,487.03**	
8711	1229	CALOLYMPIC	GLOVES	4/9/2026	$	437.98	ISSUED
8711	1229	CALOLYMPIC	GLOVES	4/9/2026	$	2,072.60	ISSUED
8711	1229	CALOLYMPIC	GLOVES	4/9/2026	$	795.16	ISSUED
8711 Total					**$**	**3,305.74**	
8712	1765	HANK'S HARDWARE AND LUMBER INC.	RAGS	4/9/2026	$	42.39	ISSUED
8712	1765	HANK'S HARDWARE AND LUMBER INC.	PIPE-COUPLING	4/9/2026	$	14.74	ISSUED
8712	1765	HANK'S HARDWARE AND LUMBER INC.	BOLT-NUT	4/9/2026	$	35.58	ISSUED
8712	1765	HANK'S HARDWARE AND LUMBER INC.	SCREWS-AIR FRESHENER-TOWEL-CLEANER-SLINGS	4/9/2026	$	97.80	ISSUED
8712	1765	HANK'S HARDWARE AND LUMBER INC.	BRUSH-HANDLE	4/9/2026	$	8.13	ISSUED
8712	1765	HANK'S HARDWARE AND LUMBER INC.	GLOVES-GREASE-FUNNEL-TAPE-PVC-STAKES-COUPLING	4/9/2026	$	72.24	ISSUED
8712	1765	HANK'S HARDWARE AND LUMBER INC.	WALLPLATE	4/9/2026	$	1.72	ISSUED
8712	1765	HANK'S HARDWARE AND LUMBER INC.	HARDWARE	4/9/2026	$	21.15	ISSUED
8712	1765	HANK'S HARDWARE AND LUMBER INC.	PAINT	4/9/2026	$	34.76	ISSUED
8712	1765	HANK'S HARDWARE AND LUMBER INC.	WRAP-PIPE INSULATION	4/9/2026	$	25.52	ISSUED
8712	1765	HANK'S HARDWARE AND LUMBER INC.	FITTINGS	4/9/2026	$	21.38	ISSUED
8712	1765	HANK'S HARDWARE AND LUMBER INC.	TARP-GARDEN HOE	4/9/2026	$	18.01	ISSUED
8712 Total					**$**	**393.42**	
8713	2270	UNDERGROUND SERVICE ALERT	CA STATE REGULATORY FEES	4/9/2026	$	252.97	ISSUED

8713	2270	UNDERGROUND SERVICE ALERT	MO ALERT CHARGES	4/9/2026	$	693.70	ISSUED
8713 Total					**$**	**946.67**	
8714	2513	ULINE	CHAIRS	4/9/2026	$	540.86	ISSUED
8714 Total					**$**	**540.86**	
8715	2695	CALIFORNIA T'S	SHIRTS	4/9/2026	$	3,847.58	ISSUED
8715 Total					**$**	**3,847.58**	
8716	3048	OREILLY AUTO PARTS	CAR FOGGER	4/9/2026	$	11.71	ISSUED
8716	3048	OREILLY AUTO PARTS	BELT-PULLEY-TENSIONER	4/9/2026	$	160.76	ISSUED
8716	3048	OREILLY AUTO PARTS	BATTERY	4/9/2026	$	184.90	ISSUED
8716	3048	OREILLY AUTO PARTS	BATTERIES	4/9/2026	$	417.41	ISSUED
8716	3048	OREILLY AUTO PARTS	BATTERY	4/9/2026	$	208.70	ISSUED
8716	3048	OREILLY AUTO PARTS	FILTER	4/9/2026	$	22.49	ISSUED
8716 Total					**$**	**1,005.97**	
8717	3812	SOUTH COAST COPY SYSTEMS	MO COPIER CHARGES	4/9/2026	$	104.03	ISSUED
8717	3812	SOUTH COAST COPY SYSTEMS	MO COPIER CHARGES	4/9/2026	$	28.04	ISSUED
8717	3812	SOUTH COAST COPY SYSTEMS	MO COPIER CHARGES	4/9/2026	$	75.90	ISSUED
8717 Total					**$**	**207.97**	
8718	1027	BEST FOR LESS TIRES	WHEEL ALIGNMENT	4/16/2026	$	89.95	ISSUED
8718 Total					**$**	**89.95**	
8719	1114	CAMERON WELDING SUPPLY	RODS-BLADES-AIR-SOLDER-ACETYLENE	4/16/2026	$	3,949.83	ISSUED
8719 Total					**$**	**3,949.83**	
8720	1765	HANK'S HARDWARE AND LUMBER INC.	DRILL BITS-NUTS	4/16/2026	$	112.64	ISSUED
8720	1765	HANK'S HARDWARE AND LUMBER INC.	SEAL-PAINT-BRUSHES-ADHESIVE	4/16/2026	$	148.37	ISSUED
8720	1765	HANK'S HARDWARE AND LUMBER INC.	WRENCH-SINK TOOL	4/16/2026	$	56.42	ISSUED
8720	1765	HANK'S HARDWARE AND LUMBER INC.	CABLES	4/16/2026	$	31.81	ISSUED
8720	1765	HANK'S HARDWARE AND LUMBER INC.	WASHERS-NUTS-SCREWS	4/16/2026	$	25.25	ISSUED
8720	1765	HANK'S HARDWARE AND LUMBER INC.	PAINT	4/16/2026	$	59.96	ISSUED
8720	1765	HANK'S HARDWARE AND LUMBER INC.	NIPPLES	4/16/2026	$	46.38	ISSUED
8720	1765	HANK'S HARDWARE AND LUMBER INC.	PLUG-WRENCH	4/16/2026	$	30.07	ISSUED
8720	1765	HANK'S HARDWARE AND LUMBER INC.	TARP-CAULK	4/16/2026	$	179.25	ISSUED
8720	1765	HANK'S HARDWARE AND LUMBER INC.	RAIL	4/16/2026	$	189.19	ISSUED
8720	1765	HANK'S HARDWARE AND LUMBER INC.	TAPE MEASURE-PAINT	4/16/2026	$	114.07	ISSUED
8720	1765	HANK'S HARDWARE AND LUMBER INC.	SLIDING DISCS	4/16/2026	$	39.78	ISSUED
8720	1765	HANK'S HARDWARE AND LUMBER INC.	CLOTH	4/16/2026	$	40.23	ISSUED
8720	1765	HANK'S HARDWARE AND LUMBER INC.	COUPLINGS-CONNECTORS-WASHERS-TOWELS-COVERS	4/16/2026	$	146.48	ISSUED
8720 Total					**$**	**1,219.90**	
8721	2120	RYAN HERCO PRODUCTS CORP.	FILTER CARTRIDGES-CONTROLLER-FLOW METERS	4/16/2026	$	942.84	ISSUED
8721	2120	RYAN HERCO PRODUCTS CORP.	DAMPENER	4/16/2026	$	2,483.08	ISSUED
8721 Total					**$**	**3,425.92**	
8722	2513	ULINE	JACKETS-PANTS	4/16/2026	$	869.06	ISSUED
8722 Total					**$**	**869.06**	
8723	2695	CALIFORNIA T'S	JACKETS-SWEATSHIRTS	4/16/2026	$	328.43	ISSUED
8723	2695	CALIFORNIA T'S	JACKET-SWEATSHIRT	4/16/2026	$	51.11	ISSUED
8723	2695	CALIFORNIA T'S	JACKET	4/16/2026	$	56.55	ISSUED
8723	2695	CALIFORNIA T'S	JACKETS-SHIRTS	4/16/2026	$	455.66	ISSUED
8723 Total					**$**	**891.75**	
8724	3048	OREILLY AUTO PARTS	MOTOR OIL	4/16/2026	$	86.96	ISSUED
8724	3048	OREILLY AUTO PARTS	CLEANERS	4/16/2026	$	235.07	ISSUED
8724	3048	OREILLY AUTO PARTS	GREASE	4/16/2026	$	24.41	ISSUED
8724	3048	OREILLY AUTO PARTS	FUEL FILTER-OIL FILTER	4/16/2026	$	135.14	ISSUED
8724	3048	OREILLY AUTO PARTS	TRANSMISSION FLUID	4/16/2026	$	61.80	ISSUED
8724 Total					**$**	**543.38**	
8725	3362	MALLORY SAFETY AND SUPPLY LLC	GAS DETECTOR	4/16/2026	$	8,929.03	ISSUED

Cash Disbursements for the Period March 14, 2026 to April 17, 2026

8725 Total				**$**	**8,929.03**	
8726	3812 SOUTH COAST COPY SYSTEMS	MO COPIER CHARGES	4/16/2026	$	10.58	ISSUED
8726	3812 SOUTH COAST COPY SYSTEMS	MO COPIER CHARGES	4/16/2026	$	98.84	ISSUED
8726	3812 SOUTH COAST COPY SYSTEMS	MO COPIER CHARGES	4/16/2026	$	36.04	ISSUED
8726	3812 SOUTH COAST COPY SYSTEMS	MO COPIER CHARGES	4/16/2026	$	81.98	ISSUED
8726	3812 SOUTH COAST COPY SYSTEMS	MO COPIER CHARGES	4/16/2026	$	14.90	ISSUED
8726	3812 SOUTH COAST COPY SYSTEMS	MO COPIER CHARGES	4/16/2026	$	18.04	ISSUED
8726	3812 SOUTH COAST COPY SYSTEMS	MO COPIER CHARGES	4/16/2026	$	14.87	ISSUED
8726 Total				**$**	**275.25**	
Total Distributions				**$**	**53,757.65**	

PURCHASING CARD TRANSACTION LIST

STATEMENT PERIOD 02/01/2026 - 03/31/2026

CARDHOLDER	TRANSACTION DATE	MERCHANT NAME	STATE	PURPOSE OF THE CHARGE	AMOUNT
Bryan Melton	02/20/2026	Sp State And Federal	CA	Workplace notices	$ 38.95
Bryan Melton	02/25/2026	California Special Dis	CA	CSDA Legislative Conference Refund	$ (790.00)
Bryan Melton	02/25/2026	Southwestt	TX	2026 Spring ACWA JPIA Membership Summit Airfare	$ 273.79
Bryan Melton	02/25/2026	California Special Dis	CA	CSDA Legislative Conference	$ 790.00
Bryan Melton Total					**$ 312.74**
Daniel Ruiz	02/25/2026	Mastros-Palm Desert	CA	UWI Conference Group Dinner	$ 478.03
Daniel Ruiz	02/26/2026	Uber *trip	CA	UWI Conference, Uber from Hotel to Dinner	$ 31.99
Daniel Ruiz	02/26/2026	Uber *trip	CA	UWI Conference, Uber from Dinner to Hotel	$ 36.98
Daniel Ruiz	02/27/2026	Uber *trip	CA	UWI Conference, Uber from Hotel to Dinner	$ 32.97
Daniel Ruiz	02/27/2026	Uber *trip	CA	UWI Conference, Uber from Dinner to Hotel	$ 33.31
Daniel Ruiz	02/27/2026	Sammy Gs	CA	UWI Conference lunch with WMWD	$ 58.16
Daniel Ruiz	02/27/2026	Renaissance Hotels Pal	CA	UWI Conference hotel	$ 714.06
Daniel Ruiz	03/11/2026	Tst* Islands Restaurants	CA	Staff Lunch - San Diego meeting for UVDC project	$ 107.39
Daniel Ruiz	03/17/2026	Bjs Restaurants 456	CA	Lunch meeting with Kelly Abreu	$ 56.74
Daniel Ruiz	03/30/2026	The Ragla Group Llc	CA	Lunch with consultants from Jacobs	$ 44.08
Daniel Ruiz Total					**$ 1,593.71**
Danielle Coats	02/16/2026	United	TX	San Francisco - Flight, studio recording for water resources revenue	$ 17.19
Danielle Coats	02/16/2026	United	TX	San Francisco - Flight, studio recording for water resources revenue	$ 602.81
Danielle Coats	02/19/2026	Sdia Airport Parking	CA	Water agency revenues impact society podcast meeting - Airport parking	$ 38.00
Danielle Coats	02/19/2026	Sq *sf Cab	CA	Water agency revenues impact society podcast meeting - Taxi	$ 77.42
Danielle Coats	02/20/2026	Tst* Mustards Gril	CA	CSDA Legislative Committee - Meal	$ 32.30
Danielle Coats	02/23/2026	Brookwood Gate C Las	NV	CASA Conference - Meal	$ 23.28
Danielle Coats	02/23/2026	Sq *independent Taxi	MD	ACWA Conference - Taxi	$ 26.40
Danielle Coats	02/24/2026	Tst*px Java	DC	ACWA Conferences - Meal	$ 21.53
Danielle Coats	02/24/2026	Acwa Event Registration	CA	ACWA Conference - Registration for Colby Lawton	$ 999.00
Danielle Coats	02/25/2026	Oiaa Parking Online Book	CA	ACWA Conference - Airport parking reservation	$ 81.00
Danielle Coats	02/25/2026	Southwest	TX	ACWA Conference - Flight change for Danielle Coats	$ 123.91
Danielle Coats	02/25/2026	Southwest	TX	ACWA Conference - Airfare for Kimy Wall	$ 277.43
Danielle Coats	02/25/2026	California Special Dis	CA	CSDA legislative days registration - Colby Lawton	$ 395.00
Danielle Coats	02/25/2026	California Special Dis	CA	CSDA legislative days registration - Danielle Coats	$ 395.00
Danielle Coats	02/26/2026	Curb Dc Taxi	NY	CASA/ACWA conferences taxi to airport - Danielle Coats	$ 20.33
Danielle Coats	02/26/2026	Dca Reservoir	VA	CASA/ACWA conferences breakfast - Danielle Coats	$ 36.67
Danielle Coats	02/26/2026	Oiaa Parking Lot 4	CA	CASA/ACWA conferences airport parking - Danielle Coats	$ 120.00
Danielle Coats	02/26/2026	Intercontinental Willard	DC	CASA/ACWA conferences hotel - Danielle Coats	$ 1,353.15
Danielle Coats	02/27/2026	Urbane Cafe	CA	Meeting with Christine Compton	$ 33.29
Danielle Coats	03/06/2026	Community Water Center	CA	Community Water Center water justice leadership awards ticket - Danielle Coats	$ 50.00
Danielle Coats	03/06/2026	Southwest	TX	Water Justice Leadership awards- flight	$ 522.10
Danielle Coats	03/09/2026	Southwest	TX	CSDA legislative days conference flight - Colby Lawton	$ 236.79
Danielle Coats	03/09/2026	Capio Conference Reg	CA	CAPIO Annual Conference registration - Rob Roseen	$ 700.00
Danielle Coats	03/10/2026	Town And Country - Lod	CA	CAPIO Annual Conference hotel deposit - Rob Roseen	$ 263.46
Danielle Coats	03/11/2026	Hyatt Regency Scrmnto F&	CA	Water Justice Leadership awards- Dinner	$ 37.54
Danielle Coats	03/11/2026	Flywheel	CA	Water Justice Leadership awards- Taxi	$ 50.50
Danielle Coats	03/11/2026	Prsa	NY	PRSA membership reinstatement - Kimy Wall	$ 308.00
Danielle Coats	03/12/2026	La Bou Bakery & Cafe	CA	Water Justice Leadership awards- Lunch	$ 27.27
Danielle Coats	03/12/2026	Hyatt Regency Scrmnto F&	CA	Water Justice Leadership awards- Meal	$ 48.24

PURCHASING CARD TRANSACTION LIST

STATEMENT PERIOD 02/01/2026 - 03/31/2026

CARDHOLDER	TRANSACTION DATE	MERCHANT NAME	STATE	PURPOSE OF THE CHARGE	AMOUNT
Danielle Coats	03/12/2026	Sdia Airport Parking	CA	Water Justice Leadership awards- Airport parking	$ 76.00
Danielle Coats	03/12/2026	Hyatt Regency Sacramento	CA	Water Justice Leadership awards- Hotel	$ 327.78
Danielle Coats	03/18/2026	Southwest	TX	CMUA annual conference - Flight	$ 581.80
Danielle Coats	03/19/2026	Southwest	TX	CMUA annual conference - Flight	$ 12.00
Danielle Coats	03/19/2026	Southwest	TX	CMUA annual conference - Flight	$ 600.81
Danielle Coats	03/23/2026	McDonalds F41139	CA	CMUA annual conference - Breakfast	$ 14.86
Danielle Coats	03/24/2026	Tst*cibo	CA	CMUA annual conference - Meal	$ 20.68
Danielle Coats	03/24/2026	Sjc Jim Stumps 6631112	CA	CMUA annual conference - Dinner	$ 31.03
Danielle Coats	03/24/2026	Sdia Airport Parking	CA	CMUA annual conference - Airport parking	$ 38.00
Danielle Coats	03/24/2026	Enterprise Rent-A-Car	CA	CMUA annual conference - Rental car	$ 379.94
Danielle Coats	03/24/2026	Marriott Monterey Bay	CA	CMUA annual conference - Hotel and meal	$ 416.52
Danielle Coats	03/26/2026	Southwest	TX	Water use legislative committee meeting - flight	$ 412.89
Danielle Coats	03/26/2026	Southwest	TX	CSDA legislative days - flight	$ 600.81
Danielle Coats	03/27/2026	Citizen Marriott Fb	CA	ACWA state legislative meeting - Meal	$ 21.49
Danielle Coats	03/27/2026	Oiaa Parking Lot 4	CA	ACWA legislative committee meeting - airport parking	$ 30.00
Danielle Coats	03/27/2026	Flywheel	CA	ACWA legislative committee meeting - Taxi	$ 50.50
Danielle Coats Total					**$ 10,532.72**
Eileen Dienzo	03/24/2026	California Emergency Serv	CA	CESA Conference-Registration for Vicente De La Torre	$ 875.00
Eileen Dienzo Total					**$ 875.00**
Jason Martin	02/04/2026	Bluewater Temecula	CA	Monthly check in - Director Rossi	$ 72.90
Jason Martin	02/09/2026	Tst*penfolds Cafe Temec	CA	Monthly check in - Director Harkey	$ 46.75
Jason Martin	02/11/2026	The Mill	CA	Monthly check in - Director Hoagland	$ 48.51
Jason Martin	02/22/2026	Tst*high Flying Foods -	CA	ACWA DC Conference - breakfast	$ 16.50
Jason Martin	02/22/2026	Jw Marriott Dc Lobby	DC	ACWA DC Conference - Dinner	$ 30.74
Jason Martin	02/22/2026	United	TX	ACWA DC Conference - United Airlines Checked Bag	$ 40.00
Jason Martin	02/22/2026	Ztrip Dulles	VA	ACWA DC Conference - Taxi	$ 80.19
Jason Martin	02/23/2026	Intercontinental Willard	DC	ACWA DC Conference - Hotel	$ 40.58
Jason Martin	02/23/2026	Palm Washington Dc	DC	ACWA DC Conference- Group Dinner	$ 549.70
Jason Martin	02/24/2026	Sq *uvc Inc.	DC	ACWA DC Conference Hotel to Capitol Hill transportation	$ 15.36
Jason Martin	02/24/2026	Sq *uvc Inc	DC	ACWA DC Conference Capitol Hill to Hotel transportation	$ 19.43
Jason Martin	02/24/2026	Lyft *ride Mon 6pm	CA	ACWA DC Conference Hotel to Dinner - Taxi	$ 19.99
Jason Martin	02/24/2026	Tst*px Java	DC	ACWA DC Conference - Lunch	$ 20.10
Jason Martin	02/24/2026	Uber *trip	CA	ACWA DC Conference Uber Dinner to Hotel	$ 23.88
Jason Martin	02/24/2026	Balos Restaurant	DC	ACWA DC Conference Group Dinner	$ 507.43
Jason Martin	02/25/2026	Sq *uvc Inc	DC	ACWA DC Conference Capitol Hill to Hotel Transportation	$ 18.11
Jason Martin	02/25/2026	Uber *trip	CA	ACWA DC Conference Uber Hotel to Dinner	$ 46.78
Jason Martin	02/25/2026	Uber *trip	CA	ACWA DC Conference Uber Dinner to Hotel	$ 46.78
Jason Martin	02/25/2026	Tst*the Bombay Club	DC	ACWA DC Conference Group Dinner	$ 747.00
Jason Martin	02/26/2026	Ua Inflt	TX	ACWA DC Conference United Airlines Inflight WIFI	$ 8.00
Jason Martin	02/26/2026	United	TX	ACWA DC Conference United Airlines Checked Bag	$ 40.00
Jason Martin	02/26/2026	Uber *trip	CA	ACWA DC Conference Uber Dinner to Hotel	$ 44.38
Jason Martin	02/26/2026	Uber *trip	CA	ACWA DC Conference Uber Hotel to Dinner	$ 45.77
Jason Martin	02/26/2026	Uber *trip	CA	ACWA DC Conference Uber Hotel to Airport	$ 68.85
Jason Martin	02/26/2026	Intercontinental Willard	DC	CASA/ACWA DC Conference- Hotel	$ 1,353.15
Jason Martin	02/27/2026	Tst* Grille District - Ia	VA	CASA/ACWA DC Conference - Breakfast	$ 30.24

PURCHASING CARD TRANSACTION LIST

STATEMENT PERIOD 02/01/2026 - 03/31/2026

CARDHOLDER	TRANSACTION DATE	MERCHANT NAME	STATE	PURPOSE OF THE CHARGE	AMOUNT
Jason Martin	03/03/2026	Southwest	TX	ACWA Sacramento Flight	$ 320.80
Jason Martin	03/25/2026	In *urban Water Institute	CA	UWI Conference San Diego, Aug 19-21, Kathleen Naylor	$ 645.00
Jason Martin	03/25/2026	In *urban Water Institute	CA	UWI Conference San Diego, Aug 19-21, Director Wilson, Director Hoagland, Jason Martin	$ 1,935.00
Jason Martin	03/25/2026	In *urban Water Institute	CA	UWI Conference San Diego, Aug 19-21, Diretor Harkey, Director Rossi, Daniel Ruiz	$ 1,935.00
Jason Martin Total					**$ 8,816.92**
Jennifer Serna	02/03/2026	Western Ri* Ca	CA	WRCOG Woman's Day Forum - Kimy Wall	$ 40.00
Jennifer Serna	02/03/2026	Acwa Event Registration	CA	ACWA DC Conference Registration Director Harkey	$ 950.00
Jennifer Serna	02/03/2026	Acwa Event Registration	CA	ACWA DC Conference Registration Director Rossi	$ 950.00
Jennifer Serna	02/03/2026	Acwa Event Registration	CA	ACWA DC Conference Registration Jason Martin	$ 950.00
Jennifer Serna	02/03/2026	Acwa Event Registration	CA	ACWA DC Conference Registration Director Harkey	$ 950.00
Jennifer Serna	02/05/2026	Calmuni* California Mu	CA	CMUA Spring Conference Registration - Jason Martin	$ 1,250.00
Jennifer Serna	02/06/2026	Luna Grill 023 Cyb	CA	Lunch meting with SMWD	$ 143.87
Jennifer Serna	02/06/2026	Acwa Event Registration	CA	ACWA Spring Conference Registration - Jason Martin	$ 999.00
Jennifer Serna	02/06/2026	Acwa Event Registration	CA	ACWA Spring Conference Registration - Danielle Coats	$ 999.00
Jennifer Serna	02/06/2026	Acwa Event Registration	CA	ACWA Spring Conference Registration - Kimy Wall	$ 999.00
Jennifer Serna	02/11/2026	Acwa Event Registration	CA	ACWA Legislative Conference Refund	$ (310.00)
Jennifer Serna	02/17/2026	Southwest	TX	CSDA Legislative Conference - Flight Colby Lawton	$ 512.81
Jennifer Serna	02/18/2026	The Mexico Cafe	CA	Admin Lunch - Bettinna Prescott, Jennifer Serna	$ 40.78
Jennifer Serna	02/18/2026	Urbane Cafe	CA	Budget prep meeting - Jason Martin, President Brady, Director Harkey	$ 60.65
Jennifer Serna	02/20/2026	Office Depot #609	CA	Partial refund for DC trip flipbooks printed wrong	$ (100.05)
Jennifer Serna	02/20/2026	Office Depot #609	CA	Flip books for DC trip	$ 522.82
Jennifer Serna	02/22/2026	Intercontinental Willard	DC	Credit for group hotel rate - price adjustment	$ (489.25)
Jennifer Serna	02/22/2026	Intercontinental Willard	DC	Credit for group hotel rate - price adjustment	$ (9.00)
Jennifer Serna	02/24/2026	The Mexico Cafe	CA	Admin team lunch - Bettinna P, Ana B, Krista L , Crystal O, Karen W, Jennifer S	$ 134.22
Jennifer Serna	02/28/2026	Calmuni* California Mu	CA	CMUA Spring Conference refund - Jason Martin	$ (100.00)
Jennifer Serna	03/01/2026	Calmuni* California Mu	CA	CMUA Spring Conference refund - Jason Martin	$ (1,050.00)
Jennifer Serna	03/04/2026	Bbk Law* Sb 827 Compli	CA	BBK SB827 training for multiple staff filers Form 700	$ 1,650.00
Jennifer Serna	03/04/2026	Bbk Law* Sb 827 Compli	CA	BBK SB827 training for multiple staff filers Form 700	$ 1,725.00
Jennifer Serna	03/09/2026	Acwa Event Registration	CA	ACWA spring conference registration Director Wilson	$ 999.00
Jennifer Serna	03/09/2026	Acwa Event Registration	CA	ACWA spring conference registration Director Rossi	$ 999.00
Jennifer Serna	03/09/2026	Acwa Event Registration	CA	ACWA spring conference registration Director Plummer	$ 999.00
Jennifer Serna	03/09/2026	Acwa Event Registration	CA	ACWA Spring conference registration President Brady	$ 999.00
Jennifer Serna	03/17/2026	Bbk Law* Sb 827 Compli	CA	BBK SB827 training - Lance Vess	$ 75.00
Jennifer Serna	03/17/2026	Bbk Law* Sb 827 Compli	CA	BBK SB827 training - Adolfo Mendez	$ 75.00
Jennifer Serna	03/17/2026	Bbk Law* Sb 827 Compli	CA	BBK SB827 training - Wendy Heie	$ 75.00
Jennifer Serna	03/17/2026	Bbk Law* Sb 827 Compli	CA	BBK SB827 training - Director Gonzales-Brady	$ 75.00
Jennifer Serna	03/18/2026	A *socalwater	CA	SCWC Quarterly Luncheon Registration, May 15 President Brady, Director Harkey, Director Rossi, Director Wilson, Jason Martin, Danielle Coats	$ 750.00
Jennifer Serna	03/23/2026	Bbk Law* Sb 827 Compli	CA	BBK SB827 training - Lauren Nelson	$ 75.00
Jennifer Serna	03/24/2026	Bbk Law* Sb 827 Compli	CA	BBK SB827 training- Alfonso Paz	$ 75.00
Jennifer Serna	03/25/2026	Riverside Co Temecula	CA	Jennifer Serna Notary Registration with County Clerk	$ 77.63
Jennifer Serna Total					**$ 16,092.48**
Karrie Swaine	02/18/2026	Customcoaste	TX	Purchase of pulpboard coasters for the Fix a Leak event (qty 2000) for Kimy Wall	$ 420.00
Karrie Swaine	02/19/2026	Gotprint.Com	CA	Purchase of new business cards for District staff due to change in district logo for Kimy Wall	$ 269.42
Karrie Swaine	02/23/2026	Tst*bougainvillea Fresh	CA	CSMFO 2026 Annual Conference - Dinner for Karrie Swaine and Carli Covey	$ 96.94

PURCHASING CARD TRANSACTION LIST

STATEMENT PERIOD 02/01/2026 - 03/31/2026

CARDHOLDER	TRANSACTION DATE	MERCHANT NAME	STATE	PURPOSE OF THE CHARGE	AMOUNT
Karrie Swaine	02/24/2026	Courtyard By Marriott	CA	CSMFO 2026 Annual Conference - Dinner for Karrie Swaine and Carli Covey	$ 51.52
Karrie Swaine	02/24/2026	Ruben And Ozzys Oyste	CA	CSMFO 2026 Annual Conference - Dinner	$ 61.72
Karrie Swaine	02/24/2026	Csmfo	WI	CSMFO 2026 Annual Conference (Pre-conference course for Carli Covey - "Public Speaking for Finance Professionals")	$ 140.00
Karrie Swaine	02/24/2026	Csmfo	WI	CSMFO 2026 Annual Conference (Pre-conference course for Karrie Swaine "Public Procurement Essentials")	$ 275.00
Karrie Swaine	02/25/2026	Courtyard By Marriott	CA	CSMFO 2026 Annual Conference - Breakfast for Karrie Swaine and Carli Covey	$ 54.16
Karrie Swaine	02/25/2026	El Patio Palm Springs	CA	CSMFO 2026 Annual Conference - Dinner for Kathleen Naylor, Karrie Swaine, & Carli Covey	$ 125.42
Karrie Swaine	02/26/2026	Renaissance Plm Spgs F	CA	CSMFO 2026 Annual Conference - Breakfast for Karrie Swaine and Carli Covey	$ 59.00
Karrie Swaine	02/27/2026	Courtyard By Marriott	CA	CSMFO 2026 Annual Conference - Breakfast for Karrie Swaine and Carli Covey	$ 55.00
Karrie Swaine	02/27/2026	Peppers Thai Palm Spring	CA	CSMFO 2026 Annual Conference - Lunch for Karrie Swaine and Carli Covey	$ 60.00
Karrie Swaine	02/27/2026	Courtyard By Marriott	CA	CSMFO 2026 Annual Conference - Hotel accomodation from 02/23/2026 to 02/27/2026 for Karrie Swaine & Carli Covey - shared room)	$ 1,960.20
Karrie Swaine	03/09/2026	Best Western Yacht Harbo	CA	Xylem Inc. San Diego Municipal / industrial turbine school / training - David Jimenez	$ 347.70
Karrie Swaine	03/09/2026	Best Western Yacht Harbo	CA	Xylem Inc. San Diego Municipal / industrial turbine school / training - Jose Mendoza	$ 347.70
Karrie Swaine	03/09/2026	Best Western Yacht Harbo	CA	Xylem Inc. San Diego Municipal / industrial turbine school / training - Nikolas Booker	$ 347.70
Karrie Swaine	03/13/2026	Amazon Mktpl	WA	Government Finance Professionals Week -celebratory gifts for staff ceramic pottery	$ 80.46
Karrie Swaine Total					**$ 4,751.94**
Kathleen Naylor	02/24/2026	Courtyard By Marriott	CA	CSMFO 2026 Annual Conference - Dinner	$ 28.58
Kathleen Naylor	02/24/2026	Tst*tac Quila	CA	CSMFO 2026 Annual Conference - Dinner for Kathleen Naylor and Carli Covey	$ 98.00
Kathleen Naylor	02/24/2026	Csmfo	WI	CSMFO 2026 Annual Conference (Pre-Conference course for Cali Covey "Digging Deeper: Muni Bonds in Today's Financial Landscape")	$ 140.00
Kathleen Naylor	02/24/2026	Csmfo	WI	CSMFO 2026 Annual Conference (Pre-Conference course for Kathleen Naylor "Public Speaking for Finance Professionals & Digging Deeper: Muni Bonds in Today's Financial Landscape")	$ 280.00
Kathleen Naylor	02/25/2026	Courtyard By Marriott	CA	CSMFO 2026 Annual Conference - Breakfast	$ 32.77
Kathleen Naylor	02/26/2026	Courtyard By Marriott	CA	CSMFO 2026 Annual Conference - Breakfast	$ 30.67
Kathleen Naylor	02/27/2026	Courtyard By Marriott	CA	CSMFO 2026 Annual Conference - Hotel accomodation from 02/23/2026 to 02/27/2026	$ 1,940.38
Kathleen Naylor	03/11/2026	Csmfo	WI	CSMFO membership renewal	$ 155.00
Kathleen Naylor	03/19/2026	Amazon Mktpl	WA	Government Finance Professionals Week -celebratory gifts for staff artificial plants with rocks	$ 57.61
Kathleen Naylor	03/20/2026	Siggys Restaurant	CA	Government Finance Professionals Week - breakfast burritos for staff	$ 186.90
Kathleen Naylor	03/24/2026	Siggys Restaurant	CA	Government Finance Professionals Week - Addt'l breakfast burritos for staff	$ 7.60
Kathleen Naylor Total					**$ 2,957.51**
Krista Larocchia	03/12/2026	Amazon Reta* Bd67j05m2	WA	March Service Awards	$ 150.00
Krista Larocchia	03/13/2026	Target.Com	MN	Shower curtain rod for bathroom remodel	$ 38.06
Krista Larocchia	03/18/2026	Amazon Reta* B558f9572	WA	March Super Stars	$ 375.00
Krista Larocchia	03/19/2026	In-N-Out Temecula	CA	Safety Team of the Quarter Lunch Recognition	$ 294.98
Krista Larocchia Total					**$ 858.04**
Nikolay Lyuber	02/04/2026	The Construction Spec	VA	Certified Construction Contract Administrator Exam	$ 375.00
Nikolay Lyuber	02/05/2026	Py *la Csi	CA	Certified Construction Contract Administrator Exam Prep Classes	$ 100.00
Nikolay Lyuber	02/05/2026	The Construction Spec	VA	Certified Construction Contract Administrator Exam and Insurance Fee	$ 467.75
Nikolay Lyuber	02/10/2026	Expedia 73370104107269	WA	NASTT, No-Dig Show 2026 Conference Hotel Booking	$ 809.88
Nikolay Lyuber	02/23/2026	Engineers Bd	CA	Professional Engineers, Land Surveyors, and Geologists License Renewal	$ 180.00
Nikolay Lyuber	02/24/2026	Www.Cmaanet.Org	VA	Professional Membership Fees	$ 185.00
Nikolay Lyuber	03/06/2026	Sp School Of Pe	OH	PE Civil Water Resources & Environmental Exam Prep	$ 1,599.00
Nikolay Lyuber	03/09/2026	Ca-Nv Section Awwa	CA	AWWA Ca-Nv Section Water Conference West 2026, April 7 through April 9, 2026, Registration, Emily Troike	$ 705.00

PURCHASING CARD TRANSACTION LIST

STATEMENT PERIOD 02/01/2026 - 03/31/2026

CARDHOLDER	TRANSACTION DATE	MERCHANT NAME	STATE	PURPOSE OF THE CHARGE	AMOUNT
Nikolay Lyuber	03/10/2026	Guestrs*townandcou	TX	AWWA Ca-Nv Section Water Conference West 2026, April 7 through April 9, 2026, Lodging, Emily Troike	$ 869.92
Nikolay Lyuber Total					**$ 5,291.55**
Todd Landen	02/05/2026	Namebadge.Com	FL	Requisition #14496 / PO #209709 - Name Badges	$ 406.74
Todd Landen	02/05/2026	Gotprint.Com	CA	Requisition #14529 / PO #209694 - Business Cards	$ 770.69
Todd Landen	02/10/2026	American Water Works Asso	CO	Annual AWWA Educational Webinar Subscription for Joe Perriera (RQ#14654 - Jasmine Crowell - Dept. 554)	$ 295.00
Todd Landen	02/10/2026	Sq *abpa Southern Califor	CA	Annual ABPA Southern California Chapter Conference for Joe Perreira and Adam Nowicki (RQ#14524 - Ashlynn Pattschull - Dept. 554)	$ 399.76
Todd Landen	02/12/2026	Currency Conversion Fee		Credit Card Use or Conversion Fee for SP Flyachilles - HQ Exterior Lights Replacement (RQ#14719 - Dept. 511)	$ 5.21
Todd Landen	02/12/2026	Sp Flyachilles		Replacement of HQ Exterior Lights (RQ#14719 Dept. 511)	$ 520.99
Todd Landen	02/12/2026	America Truck Driving	CA	Truck Driving School - Stick Shift Course for Gio Franceshinin and David Jimenez (Dept. 513 and Dept. 533)	$ 8,890.00
Todd Landen	02/13/2026	Gotprint.Com	CA	Replace Business Cards with New District Logo	$ 752.31
Todd Landen	02/17/2026	Parts Sourcefy	WA	Parts Needed by Fleet Department to Repair District Truck (RQ#14504 - Sergio Perez - Dept. 512)	$ 396.04
Todd Landen	02/18/2026	Tyl*murrieta Serv Fee	TX	City of Murrieta Permit Fees (RQ#14771 - Tom Wallace - Dept. 513)	$ 2.94
Todd Landen	02/18/2026	City Of*murrieta Ca	CA	City of Murrieta Permit Fees (RQ#14771 - Tom Wallace - Dept. 513)	$ 78.35
Todd Landen	02/18/2026	American Water College	TX	Educational Course for Daniel Walkowiak - D4 Distribution Exam Preparation	$ 349.99
Todd Landen	02/19/2026	American Water Works Asso	CO	PFAS Education Class for Sonny Miller (RQ #14679 - Ashlynn Pattschull - Dept 530)	$ 90.00
Todd Landen	02/19/2026	Hudson Temecula Llc	CA	Baseboards for Office Remodel of Kyle Jefferies Office (RQ#14941 - Tony Potts - Dept. 511)	$ 90.83
Todd Landen	02/19/2026	Northernpow	UT	Parts for Electrical Department - Parking Bushings (RQ#14678 - Blake Unger - Project D2009 - Dept. 532)	$ 714.97
Todd Landen	02/20/2026	Universitye	CA	Education Class for employee Anthony Lara - Water Distribution System Operation & Maintenance (RQ#13960 - Ashlynn Pattschull - Dept. 513)	$ 205.25
Todd Landen	02/20/2026	Sp Branch Furniture	NY	Ergonomic Office Chairs for Operations and Maintenance Department. (RQ#14939 - Ashlynn Pattschul - Dept 513)	$ 1,005.18
Todd Landen	02/23/2026	Hudson Temecula Llc	CA	Baseboards Needed for Front Desk Remodel (RQ#15009 - Tony Potts - Dept 511)	$ 50.11
Todd Landen	02/23/2026	Ssfeatures.Com	CA	Smartsheet Functionality Needed by Engineering Department (RQ#14733 - Heather Buero)	$ 120.00
Todd Landen	02/23/2026	America Truck Driving	CA	Truck Driving School - Stick Shift Course for Gio Franceshinin and David Jimenez (Dept. 513 and Dept. 533)	$ 900.00
Todd Landen	02/24/2026	Infor	GA	Educational Class - INFOR Lab Sessions for Robert Kearney (RQ#14659)	$ 750.00
Todd Landen	02/25/2026	The Webstaurant Store Inc	PA	Bathroom Remodel Project - Towel Dispenser Replacement (RQ#15054 - Dept.511)	$ 230.47
Todd Landen	02/25/2026	Watereuse Association	VA	Educational Conference for Fernando Mata - 2026 WateReuse Symposium (RQ#14981 - Dept. 570)	$ 1,000.00
Todd Landen	02/27/2026	Lowes #00907	NC	GM Kitchenette Remodel - Mini Fridge Replacement in GM Office (RQ#15173 - Dept. 511)	$ 2,868.83
Todd Landen	02/28/2026	The Webstaurant Store Inc	PA	Bathroom Remodel Project - Towel Dispenser Replacement - (RQ#15173 - Dept. 511)	$ 166.21
Todd Landen	03/02/2026	Costco Delivery #1581	CA	2 Pallets of Bottled Water for Field Operations Use (Dept 513) and 1 case of Coffee Supplies for Staff Use (Dept 230)	$ 987.83
Todd Landen	03/03/2026	Gotprint.Com	CA	Business Cards for Staff	$ 66.13
Todd Landen	03/04/2026	California Water Environ	CA	Certification Fee for Andrew Alanis - Environmental Compliance Inspector Grade 1	$ 225.00
Todd Landen	03/11/2026	Amazon Reta* Bp1k97mx1	WA	Safety Awards (Safety/Risk Dept)	$ 250.00
Todd Landen	03/11/2026	Radwell International	NJ	Parts Needed for the Electrical Department (Approved on Requisition #15458)	$ 298.45
Todd Landen	03/11/2026	Radwell International	NJ	Parts Needed for Electrical Department (Requested by Lance Vess via Attached Email)	$ 690.13
Todd Landen	03/12/2026	Ppa/Rfxpremier	AZ	Membership to Procurement Professional Alliance - R. Lucas (Public Procurement Training Courses)	$ 35.00

PURCHASING CARD TRANSACTION LIST

STATEMENT PERIOD 02/01/2026 - 03/31/2026

CARDHOLDER	TRANSACTION DATE	MERCHANT NAME	STATE	PURPOSE OF THE CHARGE	AMOUNT
Todd Landen	03/12/2026	Sq *waterwisepro Training	CA	D3-D5 Distribution Math Exam Prep Class - D. Walkowiak	$ 125.00
Todd Landen	03/12/2026	Dmhs Socal Inc	CA	Repair Parts Needed for District Forklift	$ 509.39
Todd Landen	03/12/2026	Mac Faucets Llc	CA	Faucets for Bathroom Remodels (Field Services - Facilities Dept)	$ 1,984.94
Todd Landen	03/13/2026	Sq *french Valley Nursery	CA	Trees added at Rancho Cal Pump Station	$ 3,846.10
Todd Landen	03/18/2026	Gotprint.Com	CA	Rebranding of Business Cards	$ 55.83
Todd Landen	03/18/2026	Sq *waterwisepro Training	CA	Professional Training Course - Pump Performance Mastery Bundle for Steven Drew (Dept 531)	$ 550.00
Todd Landen	03/19/2026	Ctc-Vis *svc	MD	CARB Registration Fees on District Fleet - Payment Services Fee (Fleet Dept)	$ 3.84
Todd Landen	03/19/2026	Fs *manictime.Com	CA	Software Subscription - MainicTime Pro for Philip Dauben (Dept 410)	$ 60.90
Todd Landen	03/19/2026	Ctc-Vis	CA	CARB Registration Fees on District Fleet (Fleet Dept)	$ 128.52
Todd Landen	03/19/2026	4imprint, Inc	WI	Marketing Materials for Public Information Events	$ 3,053.14
Todd Landen	03/21/2026	Regional Training Cent	CA	Supervisor Training for Tom Wallace (Approved on Requisition #15765)	$ 643.75
Todd Landen	03/23/2026	Radwell International	NJ	Refund Parts Needed for Electrical Department (Requested via Email by Lance Vess)	$ (690.13)
Todd Landen	03/23/2026	Openai *chatgpt Subscr	CA	ChatGPT Subscription for Liviu Rosu and Richard Lucas (Approved by Pat Elsasser)	$ 325.16
Todd Landen	03/23/2026	Py *california T S	CA	Rebranding of Staff Apparel (Public Affairs Dept.	$ 644.92
Todd Landen	03/23/2026	Viridian Wastewater	CA	Professional Training - Grade 4 and 5 Certification Exam Review - Tony Martinez	$ 850.00
Todd Landen	03/25/2026	Tesla Supercharger Us	CA	EV Charging of District Fleet - D. Zarate-Poore	$ 37.90
Todd Landen	03/25/2026	Tesla Supercharger Us	CA	EV Charging of District Fleet - D. Zarate-Poore	$ 40.56
Todd Landen	03/25/2026	Lock City Llc	CA	Hidden Shackle Locks Needed to Secure District Property - Thomas Wallace	$ 339.49
Todd Landen	03/25/2026	Do/Mro/Pdf/Trw Supply	NC	Replacement Equipment Needed for Water Quality Dept	$ 365.40
Todd Landen	03/26/2026	Viridian Wastewater	CA	Grade IV & V Exam Review for Tony Martinez	$ 850.00
Todd Landen	03/26/2026	Sq *waterwisepro Training	CA	D1-5 Distribution Exam Prep Course - Vince Occhipinti & Alex Romo	$ 950.00
Todd Landen	03/26/2026	Sq *violet Balloonz Llc	CA	Decorations for Upcoming Innovation Day	$ 1,222.00
Todd Landen	03/26/2026	Pape Material Handling	CA	Parts to Repair Forklift at Wastewater Treatment Plant (Approved on Requisition #15719)	$ 1,753.60
Todd Landen	03/27/2026	Fsp*diamond Limos Inc	CA	Bus transportation needed for the "Gardens In Bloom Event" where up to 200 guests will be taken on a tour of local neighborhood gardens.	$ 1,521.30
Todd Landen	03/27/2026	Fsp*diamond Limos Inc	CA	Transportation for Gardens In Bloom Event May 2026 (Requested by Kimy Wall)	$ 1,752.49
Todd Landen	03/30/2026	Skillpath	KS	Leadership Training class for Dan Koger	$ 212.40
Todd Landen Total					**$ 44,748.91**
Grand Total					**$ 96,831.52**

4.E

Rancho Water

BOARD ACTION

BOARD OF DIRECTORS

May 14, 2026

ITEM 4.E: **Presentation and Review of the Draft Operating and Non-Operating Budgets, Fiscal Year 2026/2027**

RESPONSIBLE/LEAD STAFF MEMBER(S):

Bill Moses, Finance Manager

RECOMMENDATIONS:

Staff requests the Board of Director's (Board) review, provide direction, and consider adoption of the draft Fiscal Year (FY) 2026/2027 Operating and Non-Operating Budgets (Budget), at the Board's regular meeting and public hearing scheduled for June 11, 2026.

DISCUSSION:

The Rancho California Water District (Rancho Water/District) presents its FY 2026/2027 Budget, reflecting diligent planning amid economic challenges and inflationary pressures. The District prioritizes equitable water and wastewater rates, guided by a comprehensive cost of service study (COSS). For additional information, please refer to Exhibit A for a detailed discussion.

ALTERNATIVES:

Take no action

FISCAL ANALYSIS:

The proposed FY 2026/2027 budget, as presented in Exhibit B, provides the required revenue to meet the District's current operating, capital and debt service obligations.

ENVIRONMENTAL REQUIREMENTS:

Not applicable

EXHIBITS/ATTACHMENTS:

1. Exhibit A - Discussion of the Draft Fiscal Year 2026-2027 Budget Document
2. Exhibit B - Draft Fiscal Year 2026-2027 Operating and Non-Operating Budgets
3. Exhibit C - 2024 Water and Sewer Cost of Service Study

Rancho California Water District
Fiscal Year 2026/2027 Budget Development Update

Executive Summary

- Operating revenue increases by 8.7 percent
- Operating expense increases by 7.6 percent
- Net operating surplus of $389,771
- $1.4 million in reserves used
- Key driver: MWD cost increases

The Rancho California Water District (Rancho Water/District) annual budget process serves as a key tool for planning upcoming activities and advancing the Board of Directors' (Board) strategic priorities. For FY 2026/2027, the District anticipates moderated inflationary pressures, with the most recent Consumer Price Index for Riverside County reported at 3.1 percent as of March 2026. District staff identified cost savings and operational efficiencies to help offset these pressures and minimize impacts on customers. As a result, the draft FY 2026/2027 operating budget includes the use of approximately $1.4 million in operating reserves to partially offset projected operating expenses. The draft FY 2026/2027 operating budget summary is presented below.

Operating Budget Summary FY 2026/2027	
Operating Revenues	$106,720,889
Operating Expenses	106,331,118
Gain or (Loss) From Operations	**$389,771**
Reserves - Use Of / (Addition To)	1,371,084
Interest Earnings Transfer	1,907,116
CIP Funding Transfer	-3,667,970
Net Sources / (Uses) From Operating Activities	**$0**

Operating Budget

Water rates and charges for FY 2026/2027 were approved as part of the FY 2024/2025 budget development process, which included a comprehensive Cost of Service Study (COSS). The COSS process concluded in June 2024, with the Board's approval of a multi-year rate package that includes rate increases in calendar years (CY) 2024, 2025, 2026, and 2027. The FY 2026/2027 operating revenue budget incorporates a scheduled rate adjustment effective January 1, 2027, as approved on June 20, 2024. This adjustment will result in an average residential customer bill increase of 7.7 percent in the Rancho Division and 8.6 percent in the Santa Rosa Division. For agricultural customers, the average bill will increase by 10.0 percent in the Rancho Division and 9.9 percent in the Santa Rosa Division.

The FY 2026/2027 Budget incorporates updated financial projections and applies the preapproved rates on the revenue side of the operating budget. The following sections summarize key operating factors for the fiscal year.

Consolidated Operating Budget Comparison
FY 2026/2027 – Revenue

Operating Revenue	FY 2025/2026	FY 2026/2027	$ Change	% Change
Water Revenue	$44,864,546	$49,020,826	$4,156,280	9.3%
Recycled Water Revenue	1,941,922	2,078,814	136,892	7.0%
Monthly Service Charges	25,790,364	28,180,867	2,390,503	9.3%
Unmetered Construction Water	6,559	0	-6,559	-100.0%
Energy Charges	4,498,635	4,876,077	377,442	8.4%
Wastewater Service Charges	2,387,623	2,436,203	48,580	2.0%
New Service Connections	210,556	172,855	-37,701	-17.9%
Rental/Lease Income	912,885	941,179	28,294	3.1%
Operating Grant Revenue	214,724	112,069	-102,655	-47.8%
Other Op Rev-Billing	1,563,484	1,307,882	-255,603	-16.3%
Other Op Rev-Engineering	163,812	196,189	32,377	19.8%
Western IDA/Rock Mountain	172,102	176,446	4,345	2.5%
Reclass From/(To) Non-Operating	15,477,593	17,221,481	1,743,888	11.3%
Total Operating Revenue	**$98,204,806**	**$106,720,889**	**$8,516,083**	**8.7%**

Consolidated Operating Budget Comparison
FY 2026/2027 - Expenses

Operating Expenses	FY 2025/2026	FY 2026/2027	$ Change	% Change
Source of Supply	$58,172,168	$62,864,412	$4,692,244	8.1%
Booster Pumping	4,966,452	5,602,989	636,537	12.8%
Transmission & Distribution	11,256,209	11,986,175	729,966	6.5%
Customer Service	5,142,114	5,568,437	426,323	8.3%
Recycled Water	3,572,350	3,706,540	134,190	3.8%
Wastewater Expense	1,761,122	1,748,556	-12,567	-0.7%
Engineering	1,294,694	1,354,349	59,655	4.6%
Support	12,656,075	13,499,660	843,585	6.7%
Total Operating Expenses	**$98,821,183**	**$106,331,118**	**$7,509,935**	**7.6%**

Water Divisions

Budgeted water demand drives the District's projected water production. As discussed at the February 5, 2026, Finance and Audit Committee (FAC) meeting, the FY 2026/2027 budgeted water demand is based on the usage assumptions established in the COSS. The COSS accounted for several influencing factors, including state mandates such as the 2018 "Make Conservation a California Way of Life" legislation and Assembly Bill 1572 (Friedman) Potable water: nonfunctional turf, signed in October 2023. These regulatory frameworks are expected to reduce urban water demand and gradually eliminate potable water use for ornamental turf irrigation in public spaces. Additionally, the budget reflects potential reductions in agricultural water use due to factors such as declining irrigated acreage and efficiency initiatives like the Regional CropSWAP Program.

FY 2026/2027 budgeted demand is projected to remain flat year over year. As shown in the following table, total sales are projected to increase by 230 acre-feet (AF), while total production increases by 518 AF.

Water Sales
Actual and Budgeted Sales (Potable and Recycled) in Acre Feet (AF)

Division	FY 2024/2025 Actual	FY 2025/2026 Budget	FY 2026/2027 Budget	AF Change from FY 2024/2025
Rancho Sales	33,763	31,350	31,737	387
Santa Rosa Sales	18,461	18,572	18,415	-157
Total Sales	**52,224**	**49,922**	**50,152**	**230**
Production	**56,214**	**52,274**	**52,792**	**518**

Production

The District relies on three primary sources of potable water to meet production needs. The three sources are utilized in the following priority:

1. **Native well** – the District's lowest cost source of water. The amount of Native well water is determined as part of the annual groundwater audit which was reviewed with the Engineering and Operations Committee (E&O) in January.
2. **Untreated Import Water/Recharge Water** – This represents untreated water purchased from MWD that is deposited to spreading grounds to percolate into the groundwater aquifer at the District's Valle De Los Caballos (VDC) facility. The water is then pumped back into the distribution system. The draft FY 2026/2027 Operating budget anticipates increased production at the VDC resulting from the completion of the VDC expansion capital project. The VDC expansion provides the ability to recharge an additional 4,000 AF of water for a total recharge budget of 19,500 AF for FY 2026/2027.
3. **Treated Imported Water** – This represents treated water purchased from MWD and is the District's most expensive source of water. Generally, any demands not met by the first two sources are met with treated imported water. As noted above, the draft budget anticipates an increase in the VDC output which results in a projected decrease of 3,974 AF in the amount of budgeted treated imported water for FY 2026/2027.

The table below lists the historical and budgeted production sources for the past five FYs.

Production/Sales History (AF)						
Fiscal Year	Local Well	Purchased Treated	Purchased Untreated	Recycled	Total Production	Annual Sales
2027 Budget	16,050	12,661	20,000*	4,080	52,792	50,152
2026 Budget	16,120	16,635	15,500	4,019	52,274	49,922
2025 Actual	15,678	20,020	15,573	4,943	56,214	52,224
2024 Actual	15,373	13,036	14,753	4,535	47,697	43,289
2023 Actual	14,317	14,726	16,499	3,351	48,894	45,421

**Includes 500 AF of Banked Water*

Water production and supply costs, known as Source of Supply (SOS) costs, are the largest operating expense for Rancho Water, accounting for approximately 54 percent of the operating budget.

Compared to the FY 2025/2026 Budget, SOS costs associated with purchases from MWD will increase by $3.8 million. The increase is primarily driven by higher variable rates, higher fixed charges, and the addition of three new treatment-related fixed charges beginning in CY 2027. The draft operating budget uses MWD's approved rates and charges including the recently approved CY 2027 rates, approved by the MWD Board on April 14, 2026.

The following tables summarize the year-over-year impact of those rates and charges on the District's Operating Budget.

MWD Variable Cost Impact*							
	FY 2025/2026 Budget			FY 2026/2027 Budget			
Water Type	Usage/AF	MWD Rates/AF	Budget $	Usage/AF	MWD Rates/AF	Budget $	Increase/ (Decrease)
Untreated	15,500	$960	$14,880,000	20,000	$1,013	$20,260,000	$5,380,000
Treated	16,635	1,458	24,250,000	12,661	1,531	19,380,000	-4,870,000
SM Water	4,000	985	3,940,000	4,000	1,041	4,160,000	220,000
Totals	**36,135**		**$43,070,000**	**36,661**		**$43,800,000**	**$730,000**

**Amounts rounded*

MWD Fixed Cost Impact*			
Charge	2025/2026	2026/2027	Increase/ (Decrease)
Capacity	$1,870,000	$2,230,000	$360,000
RTS	4,570,000	5,930,000	1,360,000
TPCC	$0	450,000	450,000
TUSCC	$0	150,000	150,000
TRSCC	$0	720,000	720,000
Totals	**$6,440,000**	**$9,480,000**	**$3,040,000**

**Amounts rounded*
New CY 2027 - TPCC = Treatment Peaking Capacity Charge
New CY 2027 - TUSCC = Treatment Used Standby Capacity Charge
New CY 2027 - TRSCC = Treatment Remaining Capacity Charge

Energy

Energy is another significant operating cost category, representing approximately 9 percent of the total draft Operating Budget. For FY 2026/2027, staff expects Southern California Edison rates to increase by approximately 8 percent and natural gas rates by about 7 percent. The draft energy budget totals $9.6 million, which is approximately $1.035 million higher than the FY 2025/2026 budget. While a small portion of the increase is attributable to slightly higher budgeted demand, the primary driver is the

expanded VDC recharge capability, which supports approximately 4,000 additional AF of recharge and associated pumping. The energy budget for both water and wastewater operations is based on recent usage patterns and anticipated operating conditions for the fiscal year.

Labor

The table below compares the proposed FY 2026/2027 labor budget with the FY 2025/2026 labor budget. The draft labor budget reflects retirements, vacancies, the new Memorandum of Understanding between employees and the Board, and the proposed addition of one position in the Purchasing Department. As shown at the bottom of the table, the draft labor budget remains below the amount projected in the COSS.

Labor Budget Comparison			
Description	**2025/2026**	**2026/2027**	**$ Difference**
# of Employees	166	167	1
# of Interns*	14	14	0
Total Employees	**180**	**181**	**1**
Total Labor Cost	**$20.4M**	**$21.6M**	**$1.2M**
2026/2027 COSS Labor Cost		**$22.1M**	
$ Difference		**($0.5M)**	

*LTD position retirement replaced with an intern

The following table presents a bridge from the FY 2025/2026 operating budget to the proposed FY 2026/2027 operating budget.

Description	Budget
FY 2025/2026 Budget	**$98,821,183**
Increase in MWD Treated Price	925,461
Decrease in MWD Treated Quantity	-5,793,281
Increase in MWD Untreated Price	1,056,245
Increase in MWD Untreated Quantity	4,318,955
Increase in MWD Fixed Charges	3,040,134
Increase in MWD Santa Margarita Water	223,528
Increase in Energy	1,034,878
Increase from All Other Categories	2,704,014
Proposed 2026/2027 Operating Budget	**$106,331,118**
$ Difference	**$7,509,935**
% Difference	**7.6%**

Rancho Division

The FY 2026/2027 total budgeted operating costs for the Rancho Division are projected to increase by $4.9 million or 8.4 percent. The table below provides a summary of each operating budget category, the dollar and percent change from the prior year and a brief explanation of the change.

Budget Category	$ Increase/ (Decrease)	% Increase/ (Decrease)	Explanation for Increase / (Decrease)
Source of Supply	$3,117,849	9.4%	Increase is primarily due to fixed and variable charge increases from MWD.
Booster	310,091	13.4%	Increase primarily due to an increase in budgeted utilities. Also reflects inflationary pressure on materials, supplies, and outside services.
Transmission & Distribution (T&D)	400,988	6.0%	Increase due to higher corrective maintenance and labor on the T&D system and materials and supplies (based on a 3-year average of actual costs).
Customer Service	368,476	10.1%	Increase due to inflationary pressure on labor, materials and supplies and outside services like postage/mailing costs.
Recycled Water	71,681	3.0%	Increase due to higher recycled water supply costs, listed as "Joint Facility Recycled Water" and outside services.
Engineering	45,828	4.8%	Increase due to additional engineering labor budgeted for the Rancho Division engineering efforts and Resource Engineering labor.
Support	557,592	6.3%	Increase in liability and property insurance premiums, software subscriptions, and labor including the addition of one new position in the Purchasing Department.
Total	**$4,872,508**	**8.4%**	

Santa Rosa Division

The FY 2026/2027 total budgeted operating costs for the Santa Rosa Division are projected to increase by $2.5 million, or 6.7 percent. The table below provides a summary of each operating budget category, the dollar and percent change from the prior year and a brief explanation of the change.

Budget Category	$ Increase/ (Decrease)	% Increase/ (Decrease)	Explanation for Increase / (Decrease)
Source of Supply	$1,574,395	6.3%	Increase is primarily due to fixed and variable charge increases from MWD.
Booster	326,446	12.3%	Increase primarily due to an increase in budgeted utilities. Also reflects inflationary pressure on materials, supplies, and outside services.
Transmission & Distribution (T&D)	328,978	7.1%	Increase due to higher corrective maintenance and labor on the T&D system and materials and supplies (based on a 3-year average of actual costs).
Customer Service	41,432	3.2%	Increase due to inflationary pressure on labor, materials and supplies.
Recycled Water	62,510	5.4%	Increase primarily due to increased labor budgeted for the Santa Rosa Division.
Engineering	13,927	4.1%	Increase due to additional engineering labor budgeted for the Rancho Division engineering efforts and Resource Engineering labor.
Support	195,700	7.2%	Increase in liability and property insurance premiums, software subscriptions and labor including the addition of one new position in the Purchasing Department.
Total	**$2,543,387**	**6.7%**	

Santa Rosa Water Reclamation Facility (SRWRF)

The total budgeted operating costs for the SRWRF increased by $94,040, or 3.0 percent, primarily due to an increase in support costs like insurance premiums, software subscription fees, and additional labor costs including the addition of one new position in the Purchasing Department. The current overall FY 2025/2026 wastewater rate is $48.81 per EDU (which includes the operating and non-operating components of wastewater costs) and will increase to $50.27 on January 1, 2027. The following table details the allocation between the O&M, Collections, and Capital/Debt Service rate components of the total rate per EDU for FYs 2025/2026 and 2026/2027.

Wastewater Monthly Service Charges

Rate Component	Current Jan 1, 2026	Effective Jan 1, 2027
O&M	$23.84	$24.29
Replacement	18.60	18.17
Capital/Debt	6.37	7.81
Totals	**$48.81**	**$50.27**
$ Change		**1.46**
% Change		**3.0%**

Water and Recycled Water Rates and Charges

As part of the FY 2025/2026 budget process, Rancho Water's Board approved a multi-year rate package at their special meeting on June 20, 2024. The rate package includes four (4) rate increases on July 1, 2024, January 1, 2025, January 1, 2026, and January 1, 2027. Customers were notified of the rate increases with a special mailing on April 29, 2024. Any property owner not yet connected to the system received a separate mailing. All noticing was accomplished at least 45 days prior to the public hearing.

The COSS (see Exhibit C) prepared by Carollo provides a more detailed look at the development of the rates and charges approved by the Board on June 20, 2024. The next pages show the approved water rates and charges, and the monthly impacts to the average domestic and agricultural customers.

Rancho Division

RANCHO DIVISION MONTHLY WATER COMMODITY RATES ($/HCF)		
Residential, multi-family, & landscape customers		
Tier Level	**Effective January 1, 2026 (Current)**	**Effective January 1, 2027**
Tier 1	$0.92	$1.00
Tier 2	$2.06	$2.30
Tier 3	$4.99	$5.33
Tier 4	$6.52	$6.90

RANCHO DIVISION MONTHLY WATER COMMODITY RATES ($/HCF)		
CII/Ag customers		
Tier Level	Effective January 1, 2026 (Current)	Effective January 1, 2027
Tier 1	$1.67	$1.85
Tier 2	$4.99	$5.33
Tier 3	$6.52	$6.90

RANCHO DIVISION – AVERAGE MONTHLY BILL IMPACTS		
Residential Customers (14 units, 3/4-inch water meter, pump zone 1485)		
Charge	Current Bill	Estimated Bill Effective January 1, 2027
Total	$49.85	$53.67
Average Impact %		7.7%
Average Impact $		$3.82

RANCHO DIVISION – AVERAGE MONTHLY BILL IMPACTS		
CII/AG Customers (2 AF, 2-inch water meter, pump zone 1610)		
Charge	Current Bill	Estimated Bill Effective January 1, 2027
Total	$1,792.43	$1,973.20
Average Impact %		10.09%
Average Impact $		$180.77

Santa Rosa Division

SANTA ROSA DIVISION MONTHLY WATER COMMODITY RATES ($/HCF)		
Residential, multi-family, & landscape customers		
Tier Level	**Effective January 1, 2026 (Current)**	**Effective January 1, 2027**
Tier 1	$1.84	$2.05
Tier 2	$3.03	$3.32
Tier 3	$5.90	$6.29
Tier 4	$6.94	$7.37

SANTA ROSA DIVISION MONTHLY WATER COMMODITY RATES ($/HCF)		
CII/Ag customers		
Tier Level	**Effective January 1, 2026 (Current)**	**Effective January 1, 2027**
Tier 1	$2.70	$2.98
Tier 2	$5.90	$6.29
Tier 3	$6.94	$7.37

SANTA ROSA DIVISION – AVERAGE MONTHLY BILL IMPACTS		
Residential Customers (14 units, 3/4-inch water meter, pump zone 1500)		
Charge	**Current Bill**	**Estimated Bill Effective January 1, 2027**
Total	$79.98	$86.88
Average Impact %		8.63%
Average Impact $		$6.90

SANTA ROSA DIVISION – AVERAGE MONTHLY BILL IMPACTS		
CII/AG Customers (2 AF, 2-inch water meter, pump zone 1610)		
Charge	**Current Bill**	**Estimated Bill Effective January 1, 2027**
Total	$5,498.84	$6,044.89
Average Impact %		9.93%
Average Impact $		$546.05

Monthly Service Charges

A significant portion of the District's operating costs are fixed and do not fluctuate with changes in water usage. To recover these costs, a monthly service charge is applied to each water meter based on the meter's capacity to deliver water (i.e., its flow rate). This charge reflects the philosophy that Rancho Water must maintain its infrastructure and be ready to meet customer demand at all times, regardless of actual water consumption.

Rancho Division

RANCHO DIVISION MONTHLY SERVICE CHARGES ($/Meter Size)		
All customer classes (except multi-family)		
Meter	**Effective January 1, 2026 (Current)**	**Effective January 1, 2027**
3/4"	$27.89	$29.49
1"	$40.95	$43.31
1 1/2"	$72.89	$77.15
2"	$111.01	$117.54
2" Turbine	$196.16	$207.88
3"	$320.51	$339.71
4"	$626.63	$664.38
6"	$996.99	$1,057.11
6" Turbo/F2 Compound	$1,078.15	$1,196.60
8" & Larger	$1,493.69	$1,642.63

RANCHO DIVISION MONTHLY SERVICE CHARGES ($/Meter Size)		
Multi-family customers		
Meter	**Effective January 1, 2026 (Current)**	**Effective January 1, 2027**
3/4"	$9.73	$10.22
1"	$10.62	$11.14
1 1/2"	$12.42	$13.00
2"	$14.22	$14.85
2" Turbine	$14.57	$15.21
3"	$17.79	$18.54
4"	$21.36	$22.23
6"	$28.53	$29.63
6" Turbo/F2 Compound	$28.53	$29.63
8" & Larger	$35.69	$37.02
Capacity Charge *Per Dwelling Unit*	$12.17	$12.91

Santa Rosa Division

SANTA ROSA DIVISION MONTHLY SERVICE CHARGES ($/Meter Size)		
All customer classes (except multi-family)		
Meter	**Effective January 1, 2026 (Current)**	**Effective January 1, 2027**
3/4"	$60.70	$65.54
1"	$90.92	$98.63
1 1/2"	$165.23	$180.03
2"	$254.22	$277.55
2" Turbine	$456.46	$499.52
3"	$749.25	$820.60
4"	$1,474.09	$1,615.92
6"	$2,348.41	$2,574.98
6" Turbo/F2 Compound	$2,578.47	$2,969.21
8" & Larger	$3,572.00	$4,074.80

SANTA ROSA DIVISION MONTHLY SERVICE CHARGES ($/Meter Size)		
Multi-family customers		
Meter	**Effective January 1, 2026 (Current)**	**Effective January 1, 2027**
3/4"	$17.50	$18.12
1"	$18.78	$19.44
1 1/2"	$21.37	$22.13
2"	$23.97	$24.81
2" Turbine	$24.47	$25.33
3"	$29.12	$30.13
4"	$34.27	$35.46
6"	$44.61	$46.14
8" & Larger	$54.94	$56.82
Capacity Charge		
Per Dwelling Unit	$28.95	$31.78

Recycled Water Rates and Charges

The District has two sources of recycled water that are available for resale to approved users. The first source is recycled water that is generated as a by-product of wastewater treatment at the SRWRF. The second source of recycled water is purchased under a contract with Eastern Municipal Water District (EMWD). The approved recycled water rates are listed in the following table.

RECYCLED WATER MAXIMUM COMMODITY RATES ($/AF)		
Service	**Effective January 1, 2026 (Current)**	**Effective January 1, 2027**
Recycled Water	$522.87	$554.24

The approved recycled monthly service charges are listed in the following tables.

RANCHO DIVISION - RECYCLED WATER MAXIMUM WATER SERVICE CHARGES ($/Meter Size)		
Meter	**Effective January 1, 2026 (Current)**	**Effective January 1, 2027**
3/4"	$17.84	$21.30
1"	$22.40	$27.86
1 1/2"	$33.25	$43.62
2"	$45.89	$62.18
2" Turbine	$71.03	$100.99
3"	$110.04	$159.63
4"	$202.38	$300.81
6"	$316.51	$473.69
6" Turbo/F2 Compound	$387.17	$583.34
8" or Larger	$518.95	$783.62

SANTA ROSA DIVISION - RECYCLED WATER MAXIMUM WATER SERVICE CHARGES ($/Meter Size)		
Meter	**Effective January 1, 2026 (Current)**	**Effective January 1, 2027**
3/4"	$17.84	$21.30
1"	$22.40	$27.86
1 1/2"	$33.25	$43.62
2"	$45.89	$62.18
2" Turbine	$71.03	$100.99
3"	$110.04	$159.63
4"	$202.38	$300.81
6"	$316.51	$473.69
6" Turbo/F2 Compound	$387.17	$583.34
8" or Larger	$518.95	$783.62

Non-Operating Budget

At the March 26, 2026, E&O meeting, staff presented the draft 5-Year Capital Improvement Plan (CIP) and the draft Long-Range Financial Plan (LRFP), and the Annual Standby Charges Report which are key components of the proposed FY 2026/2027 Non-Operating Budget.

The LRFP outlines Rancho Water's funding strategy and provides detailed insight into the current and projected non-operating revenues, expenditures, debt service, and capital requirements. Net Non-Operating Income is projected to decrease by $29.7 million compared to the previous year's budget. The significant drivers of this decrease include:

- The Pechanga Water Rights Settlement (Settlement) funds were received in FY 2024/2025. As a result, no Settlement funds are budgeted for FY 2026/2027, representing a $25.7 million decrease compared to the previous year.
- A projected $7.7 million decrease in capital grant reimbursement/revenue, due to revised timelines for major capital projects, such as the $95 million construction phase of the Vail Dam Remediation Project, of which $49 million is anticipated to be funded through grants.

Significant offsets to the decrease include:

- A projected $1.4 million increase in Ad Valorem (AV) assessment revenue, based on a 3.25 and 3.0 percent increase of assessed property value increases for the Rancho and Santa Rosa Divisions, respectively.
- A projected $1.3 million increase in the 1 percent general-purpose tax, based on a 3.5 percent increase in assessed property values.
- An estimated increase of $740 thousand in investment earnings, reflecting higher projected interest rates on the District's investments.

Additionally, there is an increase of $1.7 million in the reclassification of Non-Operating revenue to Operating, which accounts for higher projected interest earnings in the Rancho Division and increased costs for major planned maintenance and software subscriptions. These capital-related expenses are included in the Operating budget but are funded through Non-Operating revenues.

Revenues

Investment earnings are budgeted to increase by 7 percent, or $740 thousand attributable to higher projected yields (from 3.33 to 3.50 percent) and slightly higher projected non-operating reserve balances. Chandler Asset Management's portfolio forecasts rising future yields, as portfolio rebalancing continues toward higher-yielding investments.

Capacity fee revenue is projected to decrease by $922 thousand, or 16 percent, based on development projections. The Engineering Department develops annual growth assumptions based on current and planned development activities, in coordination with the District's water and wastewater master plans. Estimated Capacity Fee revenues reflect updated Capacity Fees approved by the Board on October 9, 2025, escalated by changes in the Engineering News Record Construction Cost Index.

The FY 2026/2027 draft Budget includes $7.7 million decrease in estimated grant reimbursement revenue, reflecting the estimated start of several major capital projects which have secured partial grant funding. Among these projects is the Vail Dam Remediation Project, budgeted to receive $49.5 million in grant revenue from the Federal Emergency Management Agency. The LRFP assumes an allocation of grants supporting the Vail Dam Project, Pauba Valley Wells Project, and Mid-Valley Recharge Basin Project, prioritizing the Santa Rosa Division's total share of these efforts. Remaining grant funds will be allocated to offset Rancho Division's share of capital costs.

The accompanying Annual Standby Charges help fund the District's costs associated with acquiring, constructing, and providing water importation, development, transportation, and distribution facilities, to obtain and provide water supplies and wastewater services to Rancho Water consumers and property owners. It is recommended that the existing charges be maintained for FY 2026/2027. Furthermore, to help support future infrastructure, staff recommends retaining the AV assessments in the Rancho Division and Santa Rosa Division of $0.30 and $0.50, respectively, per $100.00 of land-assessed value for FY 2026/2027.

Debt Service

A debt service/replacement surcharge (Surcharge) was implemented in the Santa Rosa Division in FY 2018/2019 to provide an additional funding source for the division's capital funding needs. Based on the preapproved rates for the Santa Rosa Division, the FY 2026/2027 draft Budget anticipates that the

Surcharge will generate approximately $2.7 million in capital funding for the Santa Rosa Division.

Debt service payments for the District are projected to decrease from the prior year, with a decrease of approximately $1.1 million when compared to the FY 2025/2026 Budget. The FY 2026/2027 debt service budget reflects the addition of $2.6 million in new debt service, resulting from a proposed debt issuance of approximately $43 million to support the Santa Rosa Division capital projects. The year-to-year budget decrease stems from the prior year budget modeling a bond issuance that was postponed. In addition, in the pre-existing debt service payments for FY 2026/2027 are lower than FY 2025/2026.

Santa Rosa Regional Resources Authority (SRRRA) Debt

SRRRA (formed in November 2015 by Rancho Water, Western Municipal Water District, and Elsinore Valley Municipal Water District) debt payments are allocated among the three member agencies. Rancho Water's LRFP incorporates its share of the debt service and CIP costs. These estimated payments are increasing by $145 thousand due to a higher amount of planned SRRRA capital project expenditures in FY 2026/2027.

Capital Needs

The 5-Year CIP, reviewed at the March 26, 2026, E&O meeting, is incorporated into the LRFP. The LRFP demonstrates the District's ability to fund these projects, including an approximate $43 million debt issuance anticipated in FY 2026/2027, which will support the Santa Rosa Division projects. The Rancho Division, which maintains stronger reserve levels, is expected to cash fund many of its projects, though its share of the Vail Dam Remediation Project is estimated to be debt-funded in FY 2029/2030.

Only the first year of the 5-Year CIP is proposed for approval and funding as part of this budget cycle. Capital spending is projected to decrease by $7.6 million from the previous year, reflecting the current estimated project timelines and workload assumptions.

The proposed FY 2026/2027 Capital Acquisition Budget was also presented at the March 26, 2026, E&O meeting and totals $2,255,000, a $173,500 reduction from the prior year budget, and includes the following key categories:

1. **Replacement Vehicles/Equipment - $1,450,000:** This includes replacing the following vehicles:
    - 3 Silverado electric vehicles - $225,000

- 1 Knuckle boom - $525,000
- 2 Dump trucks - $700,000

2. **New Vehicles/Equipment - $250,000:** This category includes new equipment that will help improve operational efficiency. Notable acquisitions include:
    - A Well Jetter - $180,000

3. **Replacement Construction and Field Equipment - $289,000:** The budget includes purchasing both new and replacement equipment.

4. **Office Equipment - $266,000:** This item includes replacing PCs, laptops and backup appliances.

The draft FY 2026/2027 Budget document is included as Exhibit B for the Board's review and discussion. Any changes to the draft Budget will be incorporated and brought to the June 11, 2026, regular meeting of the Board for final approval.

Rancho Water

WORKING FOR OUR COMMUNITY



DRAFT Fiscal Year 2026/2027 Operating and Non-Operating Budgets

Rancho Water

OPERATING & NON-OPERATING BUDGETS

JULY 1, 2026 – JUNE 30, 2027

ADOPTED JUNE 11, 2026

Board of Directors

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Carol Lee Gonzales-Brady, Vice President
John E. Hoagland, Vice President
William E. Plummer, Vice President
John V. Rossi, Vice President
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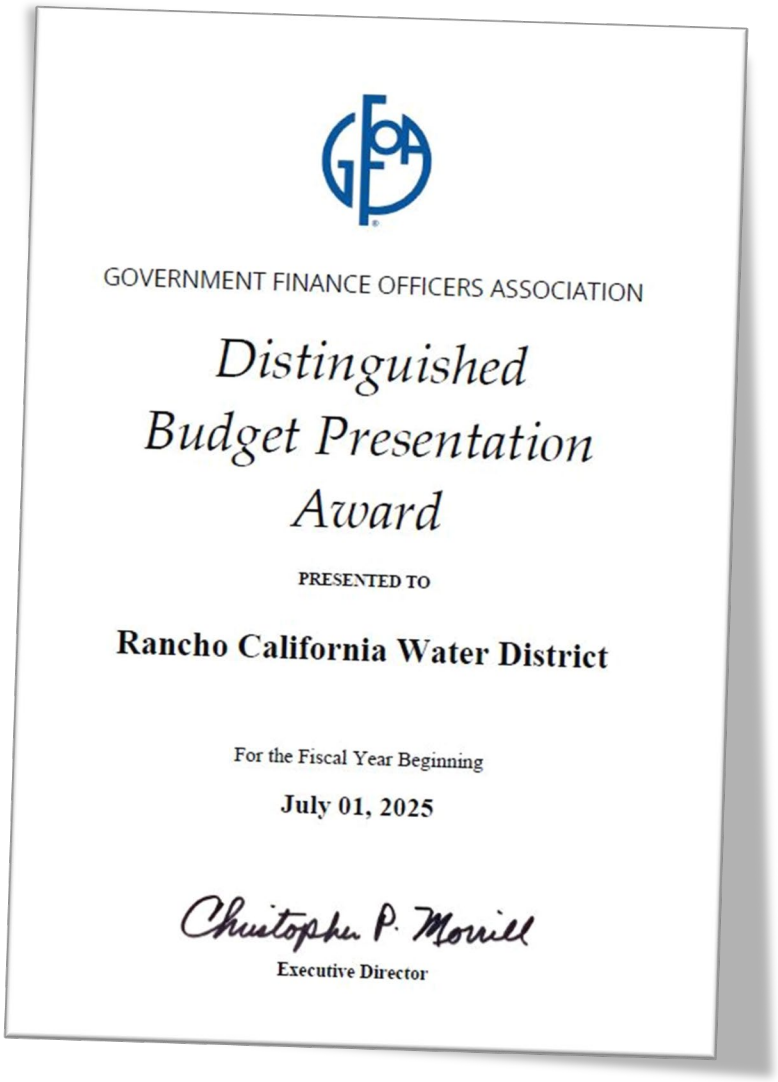
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GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

Rancho California Water District

For the Fiscal Year Beginning

July 01, 2025

Christopher P. Morrill

Executive Director

The GFOA of the United States and Canada presented a Distinguished Budget Presentation Award to Rancho Water for its Annual Budget beginning July 1, 2025. To receive this award, a government unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communication device.

This award is valid for a period of one year only. We believe our current Budget continues to conform to program requirements, and we are submitting it to the GFOA to determine its eligibility for another award.

This is the 18th consecutive year that Rancho Water has achieved this prestigious award.

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Rancho Water
WORKING FOR OUR COMMUNITY

June 11, 2026

Board of Directors
Rancho California Water District

On behalf of Rancho California Water District (Rancho Water/District), I am pleased to present the Fiscal Year (FY) 2026/2027 Operating and Non-Operating Budgets (Budget) totaling $193,791,086. This Budget represents more than a financial plan; it is a strategic framework that aligns our resources with the District's mission to provide safe, reliable, and affordable water and wastewater services while advancing the policy direction set by the Board of Directors (Board).

The FY 2026/2027 Budget is developed during a period of continued uncertainty and evolving opportunities for the water sector. Long-term water supply reliability across California and the western United States remains challenged by hydrological variability, constrained state and federal infrastructure, and ongoing stress on the Colorado River system. These realities underscore the importance of disciplined planning, operational flexibility, and sustained investment in local and regional water resources.

At the same time, Rancho Water continues to navigate rising imported water costs, increasing energy and regulatory expenses, and inflationary pressures that impact both capital projects and day-to-day operations. In response, the District remains focused on prudent financial management and strategic investments that strengthen resilience, including the continued development of local groundwater resources, infrastructure renewal and modernization, energy efficiency initiatives, and strong regional partnerships.

This Budget reflects the District's commitment to long-term sustainability and fiscal responsibility. It supports a financially sound organization capable of adapting to changing conditions while maintaining high levels of service for our customers. Equally important, it reflects the dedication and professionalism of Rancho Water's employees and the thoughtful governance of the Board, whose leadership continues to guide the District through complex challenges with clarity and purpose.

As we look to FY 2026/2027 and beyond, this Budget outlines not only planned expenditures and investments, but also the priorities that define Rancho Water's path forward with a focus on resilience in the face of uncertainty, sustainability for future generations, and a steadfast commitment to serving our community. I would like to highlight some of the areas of focus for the coming year:

Resiliency & Reliability

Rancho Water is committed to delivering a high-quality, reliable, and affordable water supply to over 156,000 residents. To reduce reliance on costly imported water, the District is expanding its local supply portfolio through key projects like the Upper Valle De Los Caballos (UVDC) Optimization, the Mid-Valley basin expansion, and the Vail Dam remediation project. These initiatives are designed to secure dependable and cost-effective water sources, especially during drought or other challenging conditions.

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Assistant General Manager – Engineering & Operations
Kathleen M. Naylor
Chief Financial Officer/Treasurer
Jennifer A. Serna
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Maintaining infrastructure reliability is essential to Rancho Water's mission. The District oversees $1 billion in water and wastewater assets and has implemented a risk-based Asset Management Program (AMP) to analyze and manage maintenance and capital costs. Upgrading the Computerized Maintenance Management System (CMMS) is underway and a critical next step to ensure efficient operations at the lowest lifecycle cost. In parallel, Rancho Water is enhancing its information systems and cybersecurity defenses, implementing the recommendations from the recently completed five-year Information Technology Master Plan.

Recognizing the importance of workforce sustainability, Rancho Water prioritizes succession planning through leadership development, education, and mentorship. Through programs like the Manager Leadership Training Program, the District is supporting management growth, while the District's internship program encourages local students to pursue careers in water and wastewater services, helping to secure the next generation of water professionals.

Fiscal Stewardship

Rancho Water maintains strong financial health, supported by robust reserves, proactive planning, and a 'AAA' bond rating the, highest possible, allowing the District to secure low-cost financing that directly benefits customers. While the overall outlook is positive, the Santa Rosa Division faces financial challenges due to rising water costs, aging infrastructure, and a limited customer base to share expenses. Despite these constraints, the District remains committed to long-term financial sustainability.

The District is actively managing over $50 million in grant funding and continues to seek additional resources for critical projects such as the Vail Dam upgrades, UVDC optimization, Pauba groundwater development, and a potential brine line to advance indirect potable reuse. To streamline and enhance these efforts, Rancho Water is employing AI and analytics to identify non-traditional funding sources, simplify grant reporting, and improve interdepartmental coordination—boosting efficiency and effectiveness in managing external funds.

To ensure equitable and transparent customer rates, Rancho Water conducted a comprehensive five-year cost-of-service study (COSS) in FY 2023/2024. This analysis evaluated operational costs, infrastructure needs, regulatory impacts, and demographic data to design sustainable water and wastewater rates that fairly reflect the true cost of service. These efforts reinforce the District's mission to provide reliable and affordable services through responsible financial stewardship.

Community & Advocacy

Rancho Water's commitment to community engagement goes beyond providing water; it's about building meaningful partnerships. Through educational programs, sponsorships, and active participation in local events and boards, the District fosters strong connections with schools, cities, and community groups. This dedication has earned notable accolades, including recognition as Large Business of the Year by the Murrieta/Wildomar Chamber of Commerce, EPA WaterSense Partner of the Year, and an Emmy Award from the National Academy of Television Arts and Sciences.

As one of California's largest water retailers, Rancho Water plays an active role in statewide advocacy, working with agencies such as the Bureau of Reclamation, the SWRCB, and the California Energy Commission to shape policies and pursue funding for regulatory compliance. Through its memberships in ACWA, CMUA, and CASA, the District ensures that the interests of its diverse customer base, including agriculture, are well represented.

Rancho Water also values regional collaboration. It continues to strengthen ties with neighboring water agencies, cities, and community organizations through initiatives like the Regional Resiliency Plan, which focuses on cross-boundary water supply and storage solutions. The District also leads innovative programs like the DWR-funded Regional CropSWAP, aimed at improving water use efficiency and supporting local agriculture across Riverside and San Diego Counties.

Acknowledgements

I would like to thank the Board for their exemplary leadership, unwavering dedication, and steadfast support for continual prudent fiscal management, particularly during these challenging and unpredictable times. Additionally, I would like to express my sincere appreciation and gratitude to all District employees and department managers for their remarkable dedication in formulating the goals and objectives outlined in this year's Budget, in alignment with Rancho Water's mission statement, guiding principles, and strategic plan. Your exceptional efforts and commitment have been instrumental in achieving our shared goals and objectives.

Above all, I extend my sincere thanks to our valued customers, on behalf of our Board and all District employees. It is a privilege to serve you.

Respectfully submitted,

Rancho California Water District



Jason A. Martin
General Manager

Attachment: Budget in Summary

Budget in Summary

The FY 2026/2027 Budget reflects the Board's strategic priorities, which have been diligently communicated to District staff through a series of meetings. This document serves as a comprehensive road map for prioritization of major capital improvement programs in alignment with the District's mission statement. It outlines key short- and long-term objectives while reaffirming the District's commitment to strategically leveraging capital resources for critical projects that address the evolving needs of current and future customers, while maintaining fiscal responsibility. With the financial framework established in this Budget, staff is confident in the District's ability to deliver reliable, high-quality water, wastewater, and reclamation services to the community in a prudent and sustainable manner.

Water Demand and Sales Trends

As of March 2026, the District experienced a 2.6 percent decrease in actual water demand when compared to the budgeted water sales through the same time period, attributed to a slightly wetter winter compared to the prior year. In addition, customer water conservation efforts remained strong. As a result, the FY 2026/2027 water sales budget is relatively flat when compared to the prior year budget and reflects a small increase of approximately 230 AF or 0.5 percent from the previous fiscal year budget.

The proposed operating budget for FY 2026/2027 totals $106.3 million, representing a $7,509,935 or 7.6 percent increase over the prior-year budget. The cost of producing water continues to be the single greatest expense the District incurs, accounting for 54 percent of the total operating budget. The following table compares budgeted costs for FY 2026/2027 to the budgeted costs for FY 2025/2026. Key drivers of year-to-year changes include:

- MWD Imported Water Costs: The budget for MWD costs for FY 2026/2027 reflects the following changes:
  - MWD revised their rates and charge structure beginning in calendar year (CY) 2027 to include three new fixed charges all related to water treatment. The three new charges represent $1.3 million of MWD imported water costs in the FY 2026/2027 budget.
  - Production at the District's VDC project is budgeted to increase from 15,500 AF per year to 19,500 AF per year and reflects the anticipated completion of the VDC expansion project. This allows the District to use less of the costly treated water by offsetting that use with more cost-effective raw water. This change leads to a budgeted decrease of $1.5 million when compared to the prior year budget.
  - Per AF rate increases from MWD result in an increase of $2.0 million when compared to the prior year.
  - MWD fixed Capacity and Ready to Serve (RTS) fixed charges reflect a budgeted increase of $1.7 million when compared to the prior year budget.
  - Water supplied by MWD to satisfy the required Santa Margarita River flow results in a $223,500 increase, due to higher MWD rates for untreated water.
- Imported Recharge Water: As noted above, the District projects the amount of imported recharge water to increase by 4,000 AF to 19,500 AF for FY 2026/2027.
- Local Well Production: Native well water remains the District's most cost-effective source of water supply. The District anticipates a slight decrease of 70 AF or (0.4) percent in well water production, reflecting the annual groundwater audit results used to determine the annual yield for local well production.

- Energy Costs: Energy represents another significant component of the total operating budget, amounting to approximately $9.6 million or 9 percent of the total Budget. The total budgeted energy cost for FY 2026/2027 is $1.0 million or 13.4 percent higher than the prior year budget. The total energy budget reflects anticipated increases in energy rates from SCE of approximately 8 percent, while natural gas rates are expected to increase by approximately 7 percent. This includes all energy for boosters, wells, wastewater, and headquarters. In addition, the increase in the production of the District VDC recharge facility contributes to the budgeted increase in energy. The energy rate increases for water operations are partially mitigated by operational strategies, such as shifting pumping operations to off-peak periods.
- Inflationary Impacts: Changes in the operating budget from components unrelated to imported water and energy total $2.7 million, primarily due to inflationary impacts on materials and outside services costs, labor, and overhead, including CalPERS and healthcare premiums.

Operating Budget Comparison:

Fiscal Year 2025/2026 Budget	**$98,821,183**
Increase in Treated Import Price	$925,461
Increase in Untreated Import Price	1,056,245
Decrease in Treated Import Quantity	(5,793,281)
Increase in Untreated Import Quantity	4,318,955
Increase in Import Water Fixed Charge Cost	3,040,134
Increase in Santa Margarita Import Water Cost	223,528
Increase in Energy Cost	1,034,878
Additional Cost from All Other Categories	2,704,014
Proposed Fiscal Year 2026/2027 Budget	**$106,331,118**

Future Cost Pressures and Water Use Efficiency

Rancho Water anticipates continued upward cost pressures in the source of supply category, with MWD projecting rate increases for untreated water of 4.7 percent and 7.4 percent, and a decrease of 7.1 percent coupled with an increase of 6.6 percent for treated water per year in CYs 2027 and 2028. The decrease of 7.1 percent for treated water in CY 2027 is offset by the previously mentioned addition of three new fixed charges beginning in CY 2027. A critical strategy for mitigating costs and preserving our water supply is through conservation and water-use efficiency. Every drop of water saved directly reduces the need to rely on the most expensive supply sources. Notably, imported water costs 500 percent more than locally sourced water to produce. Therefore, by using water wisely, every customer can help reduce costs.
With this principle in mind, Rancho Water has initiated various efforts to provide tools and incentives for customers to conserve and become more efficient, including but not limited to the following:

- Maintaining budget-based tiered-rate structures that reinforce efficient water use and support long-term demand management;
- Providing MyWaterTracker website tool, which allows customers to track their real-time water usage as compared to their water budgets, while also providing a warning via email or text message notification if they are close to exceeding their water budget or moving to a higher-tiered water rate;

- Maintaining a customized MyWaterTracker tool for the benefit of District agricultural customers, enabling customized leak alerts as they pertain to their specific irrigation practices and allowing customers to view summary information for multiple accounts, using the MyWaterDashboard module;
- Providing water efficiency scorecards through which customers can compare their water use to similar accounts and identify opportunities for improved efficiency;
- Providing customer educational workshops and site-based learning opportunities focused on water use efficiency and best management practices;
- Hosting customer distribution events to promote adoption of water-efficient devices;
- Distributing digital and written educational materials that support indoor and outdoor water use efficiency;
- Maintaining the Temecula Murrieta In Bloom landscape platform, which serves as a centralized resource for climate-appropriate plants, available rebates, and local landscape professionals and vendors;
- Partnering with local businesses, HOAs, and cities to promote climate-appropriate demonstration gardens throughout the community;
- Implementing a $5-million Regional CropSWAP Program, fully funded by a state grant, providing agricultural customers with financial incentives for crop conversion projects and regenerative best management practices;
- Offering rebates and financial assistance for water-efficient devices, landscape upgrades, and recycled water retrofits through locally funded programs, state grants, and MWD membership agency-funded programs, including appliances, irrigation equipment, turf conversion, mulch incentives, and on-site recycled water retrofit projects;
- Providing direct-install water efficiency upgrades through the In Bloom DRIP Program, offering outdoor efficiency improvements for residential customers and expanded indoor and outdoor installations for qualifying disadvantaged communities;
- Providing outdoor landscape water use efficiency evaluations for residential, large landscape, commercial, and multifamily customers who exceed their water budgets or exhibit high-use patterns;
- Offering an Agricultural Irrigation Efficiency Program that provides agricultural customers with on-site free technical assistance to improve irrigation system performance and identify rebate opportunities;
- Providing automated leak alerts for residential and fire service accounts using advanced metering data to support early leak detection and reduce water loss, with agricultural customers able to opt-in to leak alerts through MyWaterTracker;
- Offering customer leak detection assistance services, including on-site investigations by qualified consultants to help locate hard-to-detect leaks;
- Providing concierge-style assistance to support customer participation in conservation programs by helping customers navigate eligibility, applications, and next steps;
- Implementing targeted pilot projects to evaluate emerging irrigation and water management technologies for urban and agricultural applications for water use;
- Implementing the Save our Water; Save our Watershed Partnership with Riverside County Flood Control and Water Conservation District to provide targeted outreach and assistance for customers to replace turf with lower-water-use plants; and
- Incorporating satellite-based leak detection technologies to support leak identification within the District's water distribution system.

Strategic Use of Grants and Outside Funding

Rancho Water continues to implement innovative programs that align with the Guiding Principles in its Strategic Plan, while also taking a deliberate approach to diversifying grant funding sources and pursuing opportunities that create pathways to future funding. The District is currently managing more than $50 million in grant funds that support water supply reliability, quality, and long-term sustainability in a fiscally responsible manner. Rancho Water is also actively pursuing grant opportunities related to electric vehicle fleet transition and supporting infrastructure. In addition to delivering near term project benefits, many of these grants establish planning, design, and pilot level work that strengthens competitiveness for subsequent funding opportunities. The following are examples of District projects that are partially funded with grants:

Water Supply Reliability Projects:

- **Wells 172, 173, 174, and 175**: $11.7 million for expanding untreated-water purchases and recharge/extraction capabilities
- **Hydroelectric Facilities Project**: $3.8 million for lessening power demand by the installation of equipment utilizing existing water pressure to produce an estimated $2.2 million kilowatts of energy providing an estimated annual energy cost savings of $300,000
- **Carancho Pump Station Expansion and Improvement Project**: $5 million to increase the water pressure capacity and provide permanent backup power to guard against power shutoffs during high-risk fire events
- **Recycled Water and Groundwater Recharge Feasibility Study**: $1 million for completion of a feasibility study that explores a regional partnership for the advanced treatment of wastewater for potable reuse
- **UVDC Optimization Project**: $500,000 to enhance conjunctive use of water resources and improve long-term supply reliability by increasing groundwater recovery capacity
- **Water Quality Reliability:** $400,000 to develop a treatment strategy that protects local groundwater and reduces reliance on imported water supplies
- **Groundwater Storage Enhancement Project**: $10.1 million for construction of recharge basins and distribution facilities, which will allow the District to fully leverage the groundwater basin
- **Well 240 Arsenic Treatment and Pipeline Relocation Design:** $400,000 for engineering and design of an arsenic treatment system and discharge pipeline relocation to restore up to 2,900-acre feet per year of reliable local drinking water supply by returning Well 240 to service
- **Santa Rosa Division Pipeline Replacement Project:** $1 million to replace aging and failure-prone potable water pipelines in the Santa Rosa Division to reduce water loss, improve system reliability, and support drinking water delivery
- **Integrated Groundwater Wellfield System (RAMs):** $200,000 to support development and implementation of an integrated groundwater wellfield system that improves real-time monitoring, operational control, and reliability of Rancho Water's groundwater production facilities

Water Supply Sustainability Projects:

- **Save our Water; Save our Watershed Partnership** - $500,000 for a partnership with the Riverside County Flood Control and Water Conservation District for targeted outreach and assistance for customers to replace turf with lower-water-use plants;
- **Regional CropSWAP Program** - $5 million to support crop conversions, irrigation efficiency upgrades, and regenerative agricultural practices that reduce water use, improve soil health, and maintain viable agricultural operations;
- **Water Conservation Demonstration Garden** - $100,000 for a partnership with the City of Temecula to create a community water conservation demonstration garden;
- **Optimizing Hydrant Efficiency for Water Conservation and Safety**: $92,000 to install 40 advanced hydrant check valves at high-risk locations to reduce water loss, improve system reliability, and enhance public safety by preventing damage-related hydrant leaks;
- **Helicopter Dip Tank Project:** $500,000 to plan, design, and construct dedicated helicopter water filling tanks to support wildfire response and emergency operations in the unincorporated Santa Rosa communities by improving access to reliable firefighting water supplies;
- **State and Local Cybersecurity Grant Program**: $250,000 to strengthen Rancho Water's cybersecurity posture through implementation of security enhancements, risk reduction measures, and protections for critical water system infrastructure and operations; and
- **Community Planning Assistance for Wildfire (CPAW) Partnership:** Approximately $50,000–$75,000 in pro bono professional services to evaluate wildfire risks across Rancho Water's infrastructure and service area and deliver a districtwide wildfire planning and risk mitigation report with prioritized strategies and an implementation roadmap. This project strengthens the District's ability to pursue future wildfire-related funding by laying the technical, planning, and strategic groundwork that many competitive grant programs require.

Budget Monitoring and Adjustments

Rancho Water uses a budget-based tiered-water rate structure designed to promote efficient water use. Each customer has a budget that represents an appropriate amount of water to meet their needs, and if a customer exceeds that budget amount, they are considered to be using water inefficiently or wastefully and will correspondingly pay a higher rate.

In this dynamic economic environment, monitoring the Budget and responding to changes or unanticipated events is a continuing process. The Finance Division provides the Board with monthly reports and quarterly analyses of operating and project results compared to the Operating and Non-Operating Budgets. If adjustments to the Budget are required, the District will respond accordingly.

FY 2026/2027 BUDGET HIGHLIGHTS

The District's FY 2026/2027 total Budget is $193,791,086 and is comprised of the following:

Category	FY 2025/2026	FY 2026/2027
Operating Expenses	$98,821,183	$106,331,118
Non-Operating Expenses	24,850,598	23,547,653
CIP Expenditures	69,213,820	61,657,315
Capital Acquisition	2,428,500	2,255,000
Total	**$195,314,102**	**$193,791,086**

The District's Board approved a multi-year rate package at their June 20, 2024, special meeting. The rate package included four rate increases on July 1, 2024, January 1, 2025, January 1, 2026, and January 1, 2027. Customers were notified about the rate increases with a special mailing on April 29, 2024. Property owners not yet connected to the system received a separate mailing. All noticing was accomplished at least 45 days prior to the public hearing.

The monthly impacts on the average residential and agricultural bill in the Rancho and Santa Rosa Divisions are detailed in the following tables.

Monthly Bill Impact-Rancho Division

Average Monthly Bill Impacts		
Residential Customers (14 units, 3/4-inch water meter, pump zone 1485)		
Charge	**Current Bill**	**Estimated Bill Effective January 1, 2027**
Total	$49.85	$53.67
Average Impact %		7.7%
Average Impact $		$3.82

Average Monthly Bill Impacts		
CII/AG Customers (2 AF, 2-inch water meter, pump zone 1610)		
Charge	**Current Bill**	**Estimated Bill Effective January 1, 2027**
Total	$1,792.43	$1,973.20
Average Impact %		10.09%
Average Impact $		$180.77

Monthly Bill Impact-Santa Rosa Division

Average Monthly Bill Impacts		
Residential Customers (14 units, 3/4-inch water meter, pump zone 1500)		
Charge	**Current Bill**	**Estimated Bill Effective January 1, 2027**
Total	$79.98	$86.88
Average Impact %		8.63%
Average Impact $		$6.90

Average Monthly Bill Impacts		
CII/AG Customers (2 AF, 2-inch water meter, pump zone 1610)		
Charge	**Current Bill**	**Estimated Bill Effective January 1, 2027**
Total	$5,498.84	$6,044.89
Average Impact %		9.93%
Average Impact $		$546.05

Understanding the Budget Document

Annually, the Rancho Water Board adopts a budget for the upcoming fiscal year's operations. Given the influence of unpredictable variables such as growth rates and weather conditions, it is challenging to accurately forecast water demand. As a result, actual revenues and expenditures may vary from the approved budget. Therefore, the budget functions primarily as an estimation and planning tool, helping the District forecast revenues and expenditures while providing a framework for identifying unusual or unexpected financial trends through comparative analysis.

As a comprehensive management and financial planning document, the budget serves both internal managerial needs and outlines the services, resources, and policies provided by the District to its customers. Furthermore, it defines Board guidelines for achieving immediate and long-term strategic objectives. The Board approved this budget at its regular meeting on June 11, 2026.

The budget has been organized and presented to meet the informational needs of the District, its customers, the Board, District staff, and the public. It is divided into the following key sections:

Introduction
- This section contains a description of the District and its organizational structure, budget process, community profile, and an explanation of its financial policies.

Strategic Plan
- This section describes how the District utilizes strategic planning in defining its long-term goals and objectives.

Operating Budget
- This section describes the philosophy and process used to develop the operating budget by discussing important operational factors and operating rate changes, providing a budget summary, detailed budget, and a five-year forecast, as well as department objectives and accomplishments, including specific performance measurement indicators.

Non-Operating Budget
- This section presents a summary of the non-operating budget, and details the non-operating rates, fees, and assessments for the fiscal year. The section also contains the District's 10-year LRFP, detailing projects, capital purchases, funding sources and projected cash reserve levels required to meet its long-term capital needs.

Glossary
- This section contains a list of abbreviations and definitions of terms used in this document.

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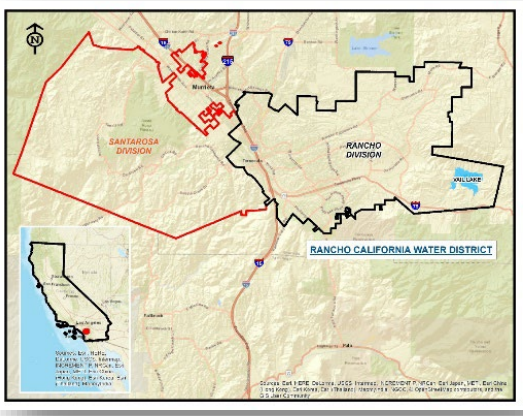
Description of the District



Development of the Temecula/Rancho California community began in 1965 when a partnership of Kaiser Corporations and Macco Realty Company acquired the Vail Ranch. To ensure a reliable water supply, the Rancho California Water District (the "Rancho District") was formed on August 16, 1965, covering the easterly portion of the development. The Santa Rosa Ranches Water District (the "Santa Rosa District") was established on January 24, 1968, to serve the westerly 44,800 acres.

In 1966, the Rancho District was annexed to the EMWD and the MWD, with EMWD also receiving wastewater management authority. In 1968, the Santa Rosa District was annexed to the WMWD and MWD. Both EMWD and WMWD are MWD member agencies supplying imported Colorado River and State Project water. EMWD assisted in operating and maintaining Rancho District's system until 1976, when Rancho assumed full responsibility. The Santa Rosa District independently operated its system until consolidation.

On January 1, 1977, the Rancho and Santa Rosa Districts were consolidated into the Rancho California Water District under County Reorganization Nos. 76-34-4 and 76-34-5. The original territories became the "Rancho Division" and "Santa Rosa Division." The consolidated District gained authority over all water systems and wastewater services within its boundaries, though EMWD continues to manage wastewater in the Rancho Division. Following further annexations, the District now covers approximately 50,574 acres in the Santa Rosa Division and 48,596 acres in the Rancho Division.



Service Area

The District's service area includes the City of Temecula, portions of the City of Murrieta, and adjacent County unincorporated territory. Currently, the District serves a population of approximately 157,100, which is comprised of two divisions: Rancho and Santa Rosa Divisions. The District is located approximately 85 miles southeast of Los Angeles and 65 miles north of San Diego (see map on left).

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Demographic Summary

WATER SYSTEM	
Service Area	99,171 acres
Miles of Water Main	913 miles
No. of Reservoirs	39
No. of Wells	43
No. of Service Connections	45,699
RECYCLED WATER SYSTEM	
Miles of Water Main	72 miles
No. of Reservoirs	4
No. of Service Connections	284 connections
WASTEWATER SYSTEM	
Miles of Sewer Line	54 miles
Treatment Plant	1 ~ SRWRF (maximum capacity 5 MGD)
No. of Sewer Connections	8,393 EDUs
MISCELLANEOUS STATISTICAL INFORMATION	
Population Served	157,100
No. of Employees Budgeted	172.02 FTE
Operating Budget	$98.8 Million
Non-Operating Budget	$24.9 Million
Capital Improvement Program	$71.6 Million

Source: Rancho California Water District

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Government

A seven-member elected Board of Directors governs the District. Board members shall be registered voters in the District's service area at the time of their election and during their term in office. Board members serve alternate four-year terms.

The District Board members are identified below:

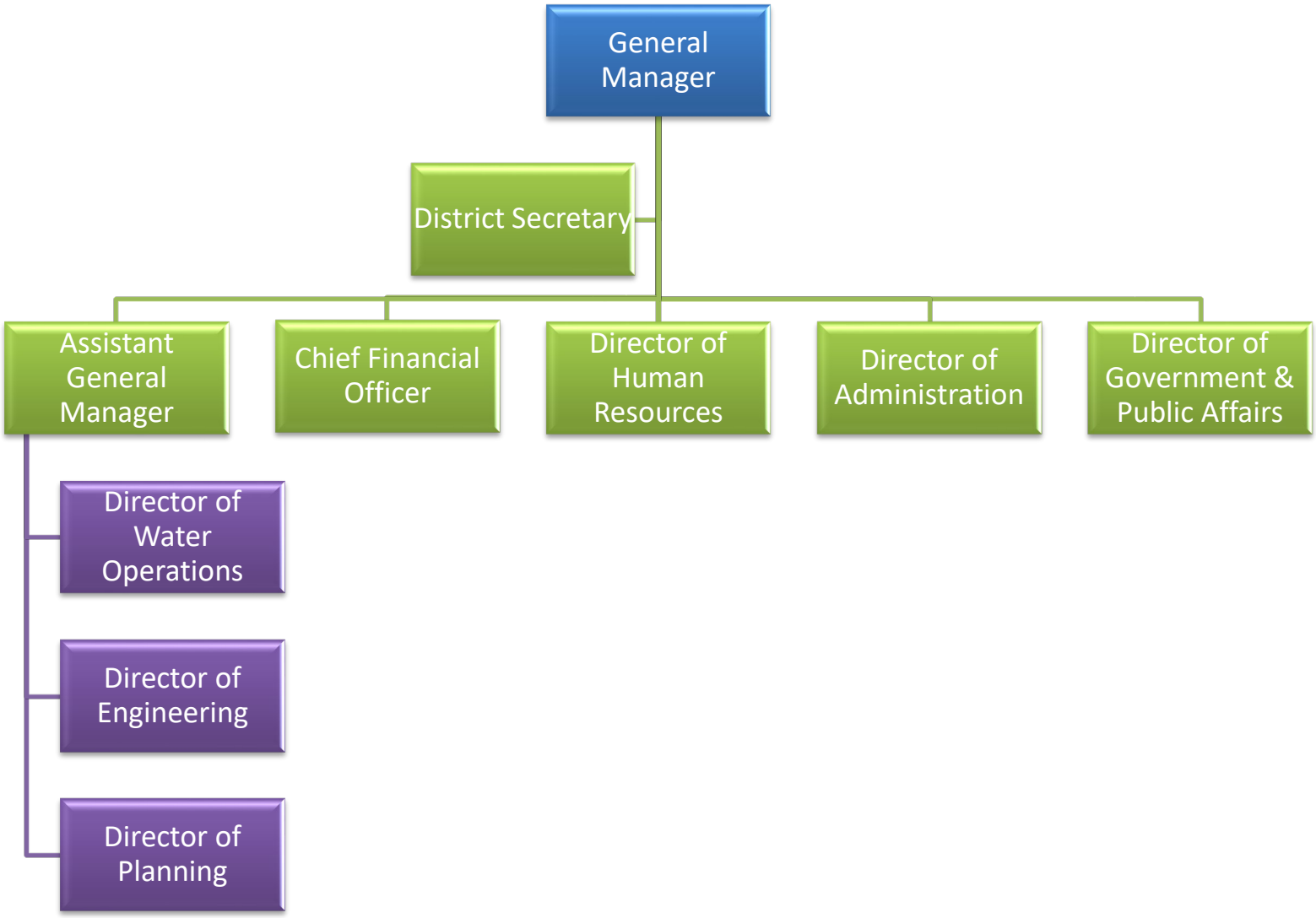
Directors	Years of Service	Term Expiration December
Brian J. Brady, President	6	2028
John D. Harkey, Senior Vice President	3	2026
Carol Lee Gonzales-Brady, Vice President	9	2026
John E. Hoagland, Vice President	22	2028
William E. Plummer, Vice President	21	2026
John V. Rossi, Vice President	8	2026
Bill J. Wilson, Vice President	11	2028



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Organizational Structure

District Executives are as follows:



Organizational Structure (Continued)

The District currently employs an administrative and operating staff of 160.0 FTE under the direction of a Board-appointed general manager.



Jason Martin
General Manager

Mr. Martin was appointed the District's General Manager in September 2024. In May 2024, he was appointed Interim General Manager, and in January 2024, he was appointed the Assistant General Manager. Previously, he served as the District's Director of Administration since 2015. Prior to joining the District, he was the Business Manager for a telecommunications construction firm and the Training, Project Management, and Field Services Manager for an e-911 emergency response system vendor. Mr. Martin has a bachelor's degree in management information systems from California State University, San Bernardino.



Dan Ruiz
AGM-Engineering and Operations

Mr. Ruiz was appointed Assistant General Manager – Engineering and Operations in March 2025. Previously, he served as the Director of Engineering and then Senior Director of Engineering since 2023. Prior to joining the District, he served as Engineering Manager at Coachella Valley Water District, where he managed domestic water infrastructure programs and secured significant state and federal grant funding for critical projects. His expertise in strategic planning, budgeting, and construction oversight has contributed to the successful execution of large-scale capital improvement initiatives throughout his career. He also has extensive experience in the private sector, having held leadership roles in engineering, planning, and environmental teams. Mr. Ruiz holds a bachelor's degree of Science in Engineering from California State University, Fullerton, and is a licensed Professional Civil Engineer in California.



Kathleen M. Naylor
Chief Financial Officer/ Treasurer

Ms. Naylor joined the District in September 2004 and has served the District in various accounting, finance, and managerial capacities for over 20 years. Prior to joining the District, she spent five years as a financial statement auditor for a San Diego-based public accounting firm specializing in a variety of private and public industries, including professional service firms, manufacturing, distribution, non-profit, and retirement medical benefit plans. Ms. Naylor is a Certified Public Accountant, achieving her license in May 2002 and holds a Bachelor of Science in Accountancy from California State University San Marcos.

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Organizational Structure (Continued)

Justin Haessly

- Director of Administration
- 17 years of service

Eileen Dienzo

- Director of Human Resources
- 15 years of service

Jeff Kirshberg

- Director of Planning
- 15 years of service

Danielle Coats

- Director of Government and Public Affairs
- 4 years of service

Nik Lyuber

- Director of Engineering
- 1.5 years of service

Jennifer Serna

- District Secretary
- 8 months of service



Draft

Organizational Structure (Continued)

The District recognizes three employee groups: the Rancho California Water District Employees Association (RCWDEA), the Rancho California Water District Management, Professional, and Confidential Employees Association (RCWD MPCEA), and an unrepresented group. In compliance with state law, the District conducts annual meet-and-confer sessions with the bargaining units. The RCWDEA and RCWD MPCEA have entered into a three-year MOU that runs through fiscal year 2028/2029 .

The District provides a defined benefit pension plan for all full-time employees through the Public Agency portion of CalPERS, which includes retirement, disability, cost of living adjustments, and death benefits. Employee contributions are set by state law, while employer contributions are determined and may be amended by CalPERS. Classic employees (hired before January 1, 2013, or vested in CalPERS) and new members contribute 8 percent of covered salary. Classic members also pay an additional 2.936 percent for enhanced retirement benefits (2.7 percent at age 55). The District contributes the actuarially determined amounts to support these benefits, including an additional 0.875 percent for the Employer Paid Member Contribution (EPMC) conversion. For the fiscal year ending June 30, 2025, the District's contribution totaled $5,104,124, net of $1,757,645 in employee contributions.

Community Profile

The District serves the cities of Temecula and Murrieta, located in Southwest California. Temecula is noted for its wine country, hot-air ballooning, and golf, blending natural beauty with modern attractions. Murrieta is a growing, affluent community known for its family-oriented environment, scenic landscapes, quality schools, and healthcare facilities.

Rancho Water actively participates in local events such as the Annual Community Water Festival, Water Conservation Expo, and Santa's Electric Parade. Educational outreach includes service to parts of the Temecula Valley and Murrieta Valley Unified School Districts, and support for local, higher education institutions, including UC Riverside, CSU San Marcos, and Mt. San Jacinto College satellite campuses. The District sponsors the Student of the Month programs in both Temecula and Murrieta/Wildomar, provides awards and event support, and hosts an annual awards dinner for winners of the student poster contest.

Draft

Principal Employers

Employer Name	Location	No. of Employees
Temecula Valley Unified School District	Temecula	3,238
Murrieta Valley Unified School District	Murrieta	2,210
Rancho Springs Medical Center – SHS	Murrieta	1,788
Abbott Laboratories	Temecula	1,700
Loma Linda University Medical Center	Murrieta	1,613
Temecula Valley Hospital	Temecula	1,270
County of Riverside	Murrieta	939
Milgard Manufacturing Inc. (DBA Milgard)	Temecula	530
Walmart	Temecula	500
Costco Wholesale	Temecula	500

Source: Rancho California Water District

Principal Taxpayers

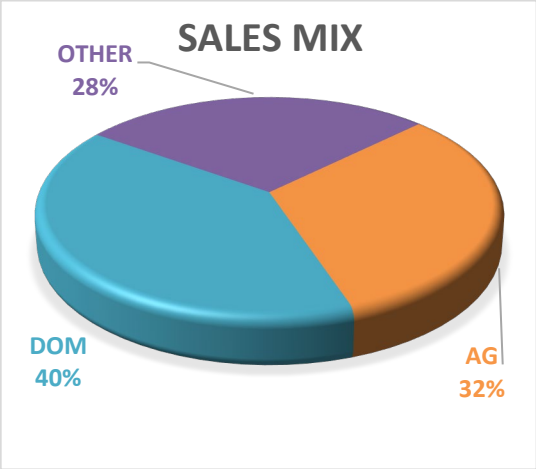
Customer	Type	Tax Levy [1]	% of Total Tax Levy	Assessed Land Valuations
Exeter LLC	Commercial	$129,733	0.22%	$25,001,810
Meritage Homes of California	Commercial	113,220	0.19%	37,739,974
ZL Murrieta	Commercial	95,993	0.16%	18,460,872
Pechanga Resorts Inc.	Commercial	91,915	0.16%	27,026,844
Sage Canyon Apartments	Residential	91,183	0.16%	30,119,013
Arbors at Calif Oaks Prop Owner	Commercial	80,630	0.14%	15,546,784
Temecula Heights	Commercial	74,174	0.13%	14,591,610
Redhawk Towne Center II	Commercial	73,898	0.13%	24,058,584
Temecula Towne Center Association	Commercial	62,663	0.11%	20,391,679
LIPT Winchester Road Inc.	Commercial	61,067	0.10%	20,104,101
Total Principal Taxpayers		**874,476**	**1.50%**	**233,041,271**
Total Other Taxpayers		**57,834,346**	**98.51%**	**8,296,636,604**
Total Tax Levy		**$58,708,822**	**100.00%**	**$8,529,677,875**

[1] Tax levy includes Ad Valorem assessments and Standby charges, if applicable.

Source: Rancho California Water District

Draft

Population



Historically, the District's customer base was comprised of a mix of agricultural, domestic, landscape, commercial, and miscellaneous water accounts. Continued growth in the last decade has increased the number of customer accounts from 44,400 to 45,699. The largest customer base is in the domestic, residential category, with 86 percent of total accounts, resulting in 40 percent of total consumption. The agricultural customers have the highest average consumption, creating the second-largest production demands on the system. Although agriculture comprises only 3 percent of the accounts, 32 percent of the total water demand is for agricultural purposes.

Expansion in the communities served by the District has moderated from the growth rates in previous decades, as the District's area is becoming more mature in its development phase. The District's growth rate remained consistent at 0.2 percent.

Weather

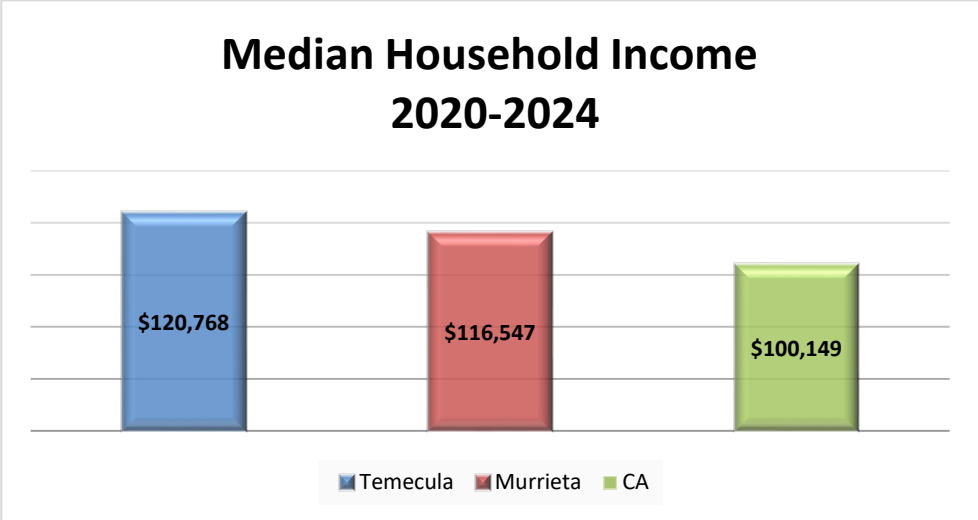
The regional climate is Mediterranean with hot, dry summers and cool, wet winters. Summer daytime temperatures typically range from the mid-80s to upper-90s (°F), with periodic heat waves pushing temperatures higher. Local conditions are shaped by onshore influences from the Pacific Ocean and the rain shadow effect of the Santa Rosa Mountains. Seasonal Santa Ana winds can bring intervals of very hot weather with dry winds. Winter daytime temperatures are mild, averaging in the mid-60s (°F). The region's average monthly maximum temperature is 80.8 (°F), based on historical data from the nearby Sun City weather station.



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Residential/Housing

Riverside County has been the fastest-growing major county in California. The Temecula-Murrieta area, in particular, demonstrates a notable level of affluence, placing it among the more prosperous communities in the Inland Empire. This strong base of discretionary income enhances the region's appeal to retailers, and the local retail sector has consistently outpaced statewide growth trends.



Source: US Census

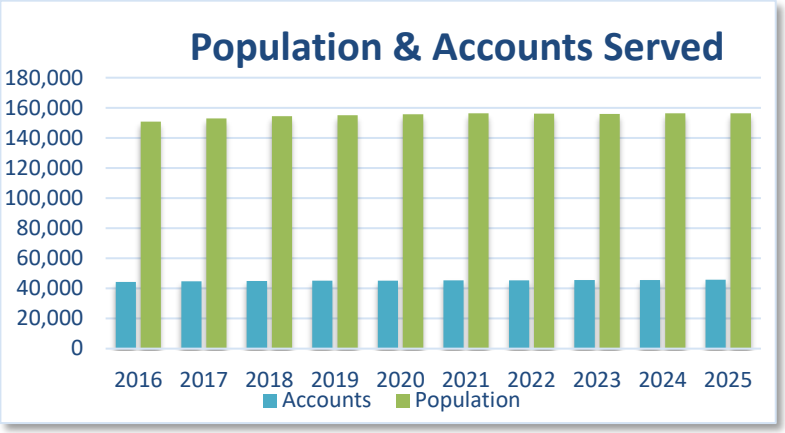
With housing prices higher in the San Diego, Orange, and Los Angeles Counties, families look inland at quality communities like Temecula and Murrieta.

Median value of owner-occupied housing units, 2020-2024

Temecula	$737,700
Murrieta	$677,600
California Republic	$759,500

Source: US Census

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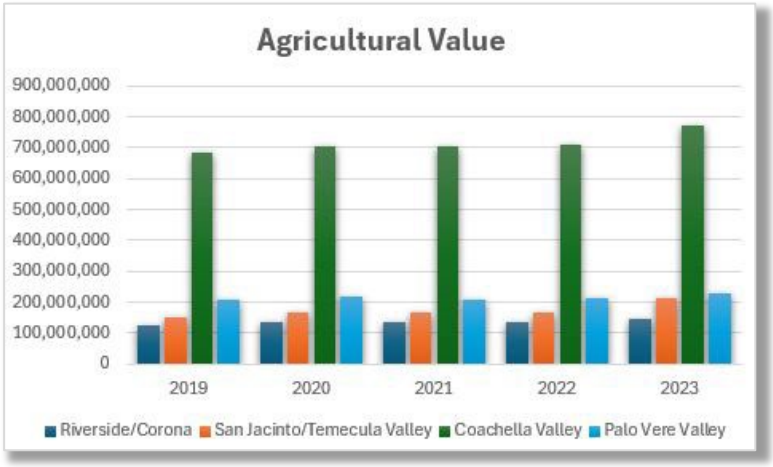
Source: Rancho California Water District

The District added 70 new services during the fiscal year compared to 78 new accounts added in the prior year. Additionally, economic conditions have sustained consistent growth in assessed land values, which have increased slightly each year since 2015. During Fiscal Year 2025, the District's service area assessed land values were approximately 4 percent higher than the previous fiscal year.

Agriculture

Agriculture remains a leading source of income in the County. Principal agricultural products in 2023 were nursery stock, dates, eggs, alfalfa, avocados, lemons, peppers, milk, grapes, and turf grass. These crops contributed to a total agricultural production value of approximately $1.54 billion, reflecting a 3.36 percent increase from the previous year.

The County's total agricultural production is derived from four separate and distinct districts: Riverside/Corona, San Jacinto/ Temecula Valley, Coachella Valley, and the Palo Verde Valley.



Source: Riverside County Agricultural Commissioner

The chart on the right compares the value of the agricultural crops in each of the districts for the period 2019 through 2023.

Within Rancho Water's service area, agricultural production is characterized by perennial crops, particularly wine grapes, citrus, and avocados. These crops account for more than 9,000 irrigated acres, representing approximately 9 percent of the District's total service area and reflecting the region's continued contribution to the County's overall agricultural economy. Avocados comprise the majority of agricultural land in the Santa Rosa Division, while in the Rancho Division, grapes represent roughly half of the agricultural acreage, with citrus accounting for approximately one-third. These agricultural uses represent an important economic sector within the service area and continue to be managed in balance with the District's broader water supply reliability and stewardship objectives.

Draft

Budget Process

The District's budget process for FY 2026/2027 was a comprehensive and collaborative effort that began in November 2025, with a kickoff meeting involving the Executive Management Team. This meeting established the budget development schedule, identified key planning assumptions, and aligned efforts with the District's strategic and operational priorities. Staff conducted a detailed analysis of financial requirements, reviewed and consolidated departmental requests, and developed the draft budget. Discussions with directors, managers, and supervisors ensured consistency with established assumptions, procedures, and any changes from the prior year's plan.

The District implemented a new budgeting software tool, Questica, during FY 2024/2025 which streamlined the submission and review of departmental budget requests. The system enhanced transparency, improved workflow efficiency, and supported better collaboration across divisions during budget development.

All proposed capital improvement projects were reviewed by the Engineering Division to ensure alignment with the District's water and wastewater master plans. Requests for vehicles, equipment, and technology were evaluated by the appropriate managers to ensure they support operational effectiveness and complied with District standards.

To ensure accountability and fiscal responsibility, division managers provided detailed, activity-based justifications for each budget item. These justifications served as a framework for managing expenditures throughout the fiscal year and for evaluating future budget amendments. Managers also reviewed and updated departmental goals, objectives, performance measures, and reported key accomplishments from the previous year. Each department identified performance indicators to evaluate operational efficiency and effectiveness. These metrics are reviewed annually and detailed in the departmental budget section of this document, supporting transparency, accountability, and continuous improvement across the organization.

Throughout the development process, Committee meetings were held to review strategic objectives, evaluate departmental needs, and gather feedback to ensure the proposed budget aligned with the Board's goals and priorities. During Committee meetings, portions of the budget were presented to evaluate capital improvement requests, maintenance needs, staffing plans, and operational forecasts. Input from these discussions was incorporated into the final draft budget, which was confirmed to be balanced, with estimated expenditures aligning with projected revenues and including the responsible use of reserves. The general manager's recommended budget was then presented and approved by the Board on June 11, 2026.

The annual budget for FY 2026/2027 highlights management's commitment to incorporate the District's short- and long-term goals and objectives into its daily operations by integrating the results of its strategic planning efforts into the budget development process. Consistent with the principles of *budgeting by objectives*, these goals and objectives have been instrumental in developing detailed departmental action plans, which in turn are translated into fiscal decisions through the budgetary process.

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Budget Calendar

As part of the initial budget process, budgetary staff prepare a schedule for the development of the budget for that year. Said schedule is then distributed to division directors and management for their reference in submitting their data for review, approval, and incorporation into the final budget.

Listed below is the schedule for the development and review of the FY 2026/2027 Budget.

FY 2026/2027 Budget Schedule	
Date	**Description**
January 22, 2026	Engineering & Operations Committee / Groundwater Audit / Production
February 5, 2026	Finance & Audit Committee / Water Sales Forecast
March 5, 2026	Finance & Audit Committee / MWD Update
March 26, 2026	Engineering & Operations Committee / 5-Year CIP / Non-Operating Budget
April 2, 2026	Finance & Audit Committee / MWD Update
April 9, 2026	Board of Directors / Operating Budget Review
April 28, 2026	Farm Managers' Meeting
May 14, 2026	Board of Directors / Draft Budget
June 11, 2026	Board of Directors / Budget Adoption

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Budget Organization

The District is organized into four divisions based on various types of services and legal requirements. These divisions consist of the Rancho and Santa Rosa Divisions, the SRWRF known as the Wastewater Division, and finally, the Resource Division, which is used to accumulate and allocate shared costs, such as source of supply and indirect expenditures.

The Divisions and their respective orders are identified as follows:



Balanced Budget

The District considers a balanced budget when its yearly income is equal to or more than its expenses. To avoid large rate increases, the District may use savings set aside in reserves, and this is still considered part of a balanced budget. Also, expenses are recorded in the correct year to make sure the budget reflects the true cost of services and doesn't unfairly impact future years.

Budget Amendments

The Board does not formally amend the budget after approval. Subject to Board approval, the general manager has full charge and control of the District's expenditures to ensure that operating and capital expenditures in each fiscal year is within the budgetary guidelines, and to ensure that the District's goals and objectives are met. No expenditure of funds shall be authorized unless sufficient funds have been appropriated by the Board or general manager, as described in this budget. The general manager has the authority to enter into contracts and agreements and expend funds up to $150,000. Purchases in excess of $150,000 not approved in the budget require Board approval.

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Budget Basis

The District utilizes the accrual basis of budgeting, which aligns with the accounting method used in its audited financial statements. Under this approach, revenues are recognized when earned, and expenses are recorded when incurred, providing a more accurate reflection of the District's financial activity during each period.

The District's water and wastewater operations are accounted for as enterprise funds. An enterprise fund is a self-contained accounting entity used to track the financial performance and position of specific governmental activities, in accordance with Generally Accepted Accounting Principles (GAAP). These funds operate similarly to private-sector businesses, with the objective of sustaining operations through revenues generated from user fees. Enterprise funds are used for services that are provided continuously and are primarily funded by charges to the customers who use them.

Proposition 218 Compliance

The District complies with Proposition 218 noticing requirements by mailing a newsletter, informing customers of the proposed rate changes and the date of the public hearing when these rate changes will be considered.

The District approved three years of rate increases (FYs 2024/2025, 2025/2026, and 2026/2027) as part of the FY 2024/2025 Budget preparation and approval process. Customers were informed about the rate increases with a special mailing on April 29, 2024. Additionally, any property owner not yet connected to the system receives a separate mailing. All noticing was accomplished at least 45 days prior to the public hearing. For complete details on the multi-year rate package, please use the links below, from the District's website, to see Proposition 218 Notices for the Rancho and Santa Rosa Divisions.

Rancho Division Prop 218 Notice

Santa Rosa Division Prop 218 Notice





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Financial Policies

The District's financial policy document incorporates many of its financial management practices that are used by staff as guidelines for operational and strategic decision-making related to current and future financial matters.

These policies help identify acceptable and unacceptable courses of action, establishing parameters within which the District can operate, as well as providing a standard against which the District's fiscal performance can be reviewed. Some policies are flexible when they are utilized as performance measurement tools to monitor the District's finances, while others are restrictive to emphasize accountability.

Due to the reasons above, these policies are drafted as a living document to maintain their effectiveness to accommodate changes. District staff and Board members will review these policies on an annual basis to accommodate minor changes to the existing policy or major shifts in financial priorities, as approved by the District's Board at its sole discretion and to ensure compliance with each policy.

The District's financial policies encompass the following functional areas:

- Investment Policy;
- Cash Reserve Policy;
- Land-Secured Financing Policy;
- Debt and Financial Management Policy; and
- Interest Rate Swap Policy.

Investment Policy-Revised August 2025

The Investment Policy is set forth by the District for the following purposes:

- To establish a clear understanding for the governing Board, management, responsible employees, citizens, and third parties of the objectives, policies, and guidelines for the investment of the District's idle surplus funds;
- To offer guidance to investment staff and any external investment advisers on the investment of District funds; and
- To establish a basis for evaluating investment results.

The District establishes investment policies that meet its current investment goals. The District shall review this policy annually and may change its policies, as its investment objectives change.

The primary objectives, in priority order, of investment activities shall be safety, liquidity, and return. To achieve these objectives, the District has segregated its funds into three portfolios. The Construction Fund is structured to meet a schedule of payouts for capital expenditures. The Cash Management Account is invested in short-term securities to meet operating needs. The Operating Reserve is invested in somewhat longer-term securities to provide for future needs. As stated in the District's Investment Policy, the primary objectives for investment of its RMBP monies shall be safety, liquidity, and return.

Draft

Cash Reserve Policy-Adopted June 2024

To protect District investments in various assets and to satisfy its commitments under its numerous financial, regulatory, and contractual obligations, the District has developed and segregated several funds and reserves.

The efficient and discrete management of these reserves, when combined with their appropriate fortification, add additional assurance that the current levels of service reliability and quality will continue.

These reserves can be broken out into two types: operating and non-operating. Within each category, the Policy further establishes reserves that are intended to be funded by District Revenues.

Operating reserves are comprised of several independent target balances that are prioritized to be met with available net revenues. Operating reserves would be predominately funded from water and wastewater user rates and would be accumulated in the District's General Fund.

Non-operating reserves are revenues designated for debt service and the construction of new capital assets and replacement of aging utility systems and consist of the following:

- **Debt service** are those funds that relate to the management of the District's $205,130,000 in outstanding bonded indebtedness. The proceeds from these bonds have been used to fund the construction cost of the District's backbone utility plant. These funds are accumulated in a debt-service-related fund from which annual principal and interest costs are paid.
- **Capital project reserve** is used for the funding of new capital assets or for the funding of the replacement of capital assets when they reach the end of their useful lives. Replacement of capital assets shall include repair, rehabilitation, improvements, and/or extensions of existing capital assets.
- **Risk management reserve** is comprised of money to mitigate the risk of costs on claims that would be self-insured. It is designated as the lowest priority to receive operating revenues due to the nature of its infrequent use and ability to be funded by other reserves or non-operating funds.

The non-operating reserve fund balances are evaluated on an annual basis during the adoption of the District's non-operating budget. The non-operating budget is a 10-year financial plan, which projects debt costs and facility requirements and balances those needs with revenue and fund balance projections. The General Fund requirements are evaluated on an annual basis during the adoption and creation of the operating budget.

Land-Secured Financing Policy

The District created these policies on debt financing as guidelines to assist all concerned parties in determining its approach to land-secured financing. It is the District's intent to support projects which address public needs and provide public benefit. These policies are designed to comply with Government Code Section 53312.7(a).

Draft

The District and the Board will consider the use of community facilities districts, or fixed-lien special assessment districts, as well as other methods of public financing to assist the development of commercial, industrial, and/or residential property. The minimum principal amount of any land-secured financing shall be $150,000. While specific criteria are established in these policies, for land-secured financing between $150,000 and $1 million, the structure and processing procedures will be determined on a case-by-case basis. The District reserves the right to amend or modify these policies at any time, as well as make exceptions or changes for specific financing projects, as facts and circumstances warrant.

Debt and Financial Management Policy-Revised September 2019

General Management Policy

The District will regularly review its financial performance and how it aligns with the financial policies in this document. These policies will guide capital planning, budgeting, and rate-setting decisions.

- In recognition of periodic changes in the cost of providing service to system users, service costs and fees will be reviewed annually and adjusted commensurately.
- The District will present any proposed adjustments to existing rates, fees, and charges at public meetings, and will consider recommendations and input from the public, in relation to such proposed changes.
- All District funds will be invested according to the District's Investment Policy.
- Necessary appropriations for annual debt-service requirements will be routinely included in the District's annual budget.
- The District will maintain proactive communication with the investment community, including rating agencies, credit enhancers, and investors, to ensure future capital market access at the lowest possible rates.

Financial Management Policy

The District utilizes a comprehensive planning process to determine its long-term capital needs. It evaluates each capital project in relation to established levels of reserves, current rate structure, expected asset life/replacement timeline, and available revenue sources to ensure that adequate financial resources are available to support the District's financial obligations.

The District's Debt and Financial Management, Land-Secured Financing, Cash Reserve, Investment, and Interest Rate Swap policies are integrated into the decision-making framework utilized in the budgeting and capital improvement planning process. As such, the following policies outline the District's approach to debt management.

- The District will evaluate financing for each capital project on a case-by-case basis. The District will seek to pay for all capital projects from current revenues and available reserves prior to or in combination with the use of debt.

Draft

- The District will seek to issue debt only in the case where there is an identified source of repayment. Bonds will be issued to the extent that (i) projected fixed revenues are sufficient to pay for the proposed debt service together with all existing debt service covered by such fixed revenues, or (ii) additional projected revenues have been identified as a source of repayment in an amount sufficient to pay for the proposed debt.
- Debt issuance for capital projects will not be considered, unless such issuance has been incorporated into the capital improvement plan (LRFP).
- User Fees and Water Rates will be set at adequate levels, which are fair and nondiscriminatory, to generate sufficient revenues to pay all Operating and Maintenance costs, to maintain sufficient operating reserves, and to pay debt service costs, if necessary.
- Property Assessment and Connection fees will be maintained at a level sufficient to finance a portion of growth-related capital costs and to cover related annual debt-service requirements.
- Property Assessments also will be utilized to finance a portion of replacement costs and related annual debt-service payments.

Debt and Capital Management Policy

The following policies formally establish parameters for evaluating, issuing, and managing District debt. The policies outlined below are ***not*** intended to serve as a list of rules to be applied to the District debt issuance process, but rather to serve as a set of guidelines to promote sound, financial management.

In issuing Debt, the District objective will be to:

- Achieve the lowest cost of capital;
- Ensure ratepayer equity;
- Maintain high-credit rating and accessibility to credit enhancement; and
- Preserve financial flexibility.

Interest Rate Swap Policy-Adopted October 2013

The purpose of this policy is to establish guidelines for the use and management of all interest rate management agreements, including but not limited to, interest rate swaps, swaptions, caps, collars, and floors incurred in connection with the issuance of bonds, notes, and other obligations.

This policy sets forth the manners of execution of swaps, provides for security and payment provisions, risk considerations, and certain other relevant provisions in the context of being responsive to the 2003 Recommended Practices of the GFOA, regarding the contents of an interest rate swap policy. District failure to comply with any provision of this policy shall not invalidate or impair any agreement.

The issuance of bonds involves a variety of interest payment obligations and risks that varieties of financial instruments are available to reduce, offset, or hedge. The structure of the District's debt is often designed to manage the assets and liabilities in its balance sheet. It is the policy of the District to consider the use of swaps and other financial instruments for better management of its assets and liabilities. The District may carry out a swap if the transactions can be expected to result in one or more of the following, or any similar type of benefit:

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- Reduce exposure to changes in interest rates on a particular financial transaction or in the context of the management of interest rate risk derived from the District's overall asset/liability balance.
- Result in a lower net expected cost of borrowing with respect to bonds.
- Manage variable interest rate exposure consistent with prudent debt practices.
- Manage exposure to changing market conditions in advance of anticipated issuance of bonds (with anticipatory hedging instruments).
- Achieve more flexibility in meeting overall financial objectives that cannot be achieved in conventional markets. For example, entering a swap option with an upfront payment.
- Provide customized cash flows to match required payment obligations or revenue projections.

The District will not use agreements that:

- Are speculative or create extraordinary leverage;
- Lack adequate liquidity to terminate without incurring a significant bid/ask spread;
- Provide insufficient price transparency to allow reasonable valuation; or
- Provide exposure to currency risk, sovereignty risk, commodity risk, or the use of credit derivatives—unless directly linked to the districts of the counterparty's credit.



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DISTRICT VISION AND GUIDING PRINCIPLES

District Strategic Business Plan – 2023

This Strategic Plan is a blueprint for how the District will respond to current challenges and make the best of future opportunities for the benefit of our customers. It reaffirms our vision, mission, guiding principles, and goals as a special purpose public agency dedicated to high-quality water, wastewater, and recycled water service. It establishes approaches for the preservation of our precious resources for future generations, utilizing the principles of sustainability and prudent fiscal practices. It also outlines the specific strategies and measurable objectives we will pursue.



Rancho California Water District Service Area Map

The original plan was developed through a collaborative process with management and staff and approved by the Board in December 2016. The most recent update to the plan was completed in May 2023 and included multiple facilitated planning discussions with executive staff and the Board of Directors. Additionally, each divisional goal is directly tied to a strategic objective in the plan.

The plan succinctly defines six goals for the District related to: Resource Management, System Reliability, Employee Development, Advocacy, Community, and Financial Stewardship. Our Board actions will consistently support these commitments, and we will track our progress against this plan, revisiting the plan regularly to adjust as conditions warrant.

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District Vision

The vision statement represents the aspiration of the District as follows:

"Rancho California Water District is an innovative, responsive, and prudent steward of the water and water recycling service responsibility entrusted to it."

District Mission

The District has established the following mission statement to guide decision-making on behalf of the customers and communities we serve:

"The mission of the Rancho California Water District is to deliver reliable, high-quality water and reclamation services to its customers and communities in a prudent and sustainable manner."

Guiding Principles

The District's primary guiding principles are as follows:

Personal Responsibility & Accountability	By upholding the core value of Personal Responsibility & Accountability, we do what we say we will do, and we follow through on our commitments. Decisions and actions related to this core value are characterized by setting the highest standards for ourselves and the organization.
Approach to Work	By upholding the core value of Approach to Work, we ensure a strategic and unified workforce committed to being a leader in the industry. Through professional development, collaboration, and communication we consistently work through any challenges that we encounter.
Community First	By upholding the core value of Community First, Rancho Water upholds the highest standards of honesty, integrity, respect, and professionalism in our relationships with our internal and external customers, community, and all other stakeholders.
Stewardship	By upholding the core value of Stewardship, we demonstrate our commitment to protecting, conserving, restoring, and enhancing the resources in our care.

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District Vision and Guiding Principles

Rancho Water is committed to our responsibilities in serving our customers and having a passion for creative and collaborative solutions. We take on big challenges and pride ourselves on seeing them through. We value recognizing our efforts and sharing our successes. We hold ourselves accountable to our customers, communities, stakeholders, and employees by honoring our commitments, providing results, and striving for the highest quality.

The goal of this effort is not simply to state our organizational values, but to develop a shared culture where these values drive our actions – towards our fellow employees, our customers, and our community.

Goals

These six Goals represent the commitment statements for the District: *Resource Management, System Reliability, Employee Development, Advocacy, Community,* and *Financial Stewardship*. The District is committed to these goals to achieve our vision and mission.

Resource Management	Provide a safe, resilient, and sustainable water supply portfolio that achieves an optimum balance of water resources.
System Reliability	Provide innovative asset management for cost-effective system operations and long-term infrastructure reliability.
Employee Development	Attract and retain well-qualified employees and maintain an environment that fosters professional development to meet both the current and future needs of the District.
Advocacy	Achieve and sustain a recognized level of influence through legislative policy and regulatory initiatives. Pursue and secure external funding.
Community	Proudly serve our community and customers through clear and timely communication, education, and public engagement.
Financial Stewardship	Maintain financial sustainability through proactive planning, prudent investing, leverage external funding, and risk management.

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Goal 1 – Resource Management – Provide a safe, resilient, and sustainable water supply portfolio that achieves an optimum balance of water resources.

Strategy 1 – Develop appropriate water resource mix to meet the water quality and reliability needs of the community we serve

Strategy 2 – Optimize the use of recycled water in the service area

Strategy 3 – Develop and implement a comprehensive groundwater management strategy

Strategy 4 – Meet or exceed all current drinking water regulations

Strategy 5 – Anticipate regulatory and environmental changes

Strategy 6 – Plan for long-term salinity management and nutrient management

Strategy 7 – Use District-owned property to meet operational needs and in the best interest of the community

Goal 2 – System Reliability (Assets and Operations) – Provide innovative asset management for cost-effective system operations and long-term infrastructure reliability.

Strategy 1 – Plan and prepare for catastrophic emergencies

Strategy 2 – Pursue maintenance on existing facilities that meet or exceed industry norms

Strategy 3 – Optimize energy efficiencies, including the economically appropriate use of renewable power

Strategy 4 – Implement and effectively utilize technology throughout the organization to improve efficiency, increase service levels, and minimize costs

Goal 3 – Employee Development (and Engagement) – Attract and retain well-qualified employees and maintain an environment that fosters professional development to meet both the current and future needs of the District.

Strategy 1 – Promote an open and professional work environment

Strategy 2 – Attract, retain, and develop staff to support a high-performance organization

Strategy 3 – Continually improve organizational effectiveness and excellence

Strategy 4 – Position Rancho Water as an employer of choice

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Goal 4 – Advocacy – Achieve and sustain a recognized level of influence through legislative policy and regulatory initiatives. Pursue and secure external funding.

Strategy 1 – Influence water policy and regulations at the local, state, and federal levels to promote and protect the interests of Rancho Water, our partner agencies, and community

Strategy 2 – Seek legislative and regulatory support for District priorities

Strategy 3 – Promote collaboration to achieve the District's mission and the needs of the region

Goal 5 – Community – Proudly serve our community and customers through clear and timely communication, education, and public engagement.

Strategy 1 – Provide prompt and high-quality customer service

Strategy 2 – Educate and engage our community on short-term and long-term water challenges through outreach efforts

Strategy 3 – Implement effective water use efficiency programs that meet or exceed voluntary best management practices and/or legislative requirements

Strategy 4 – Make information easily accessible

Goal 6 – Financial Stewardship – Maintain financial sustainability through proactive planning, prudent investing, leverage external funding, and risk management.

Strategy 1 – Be sound financial stewards

Strategy 2 – Maintain transparent, accurate, and timely financial reporting

Strategy 3 – Research and analyze agency and outside service agreements

Strategy 4 – Leverage financial instruments and real-estate opportunities

Strategy 5 – Maximize outside funding opportunities

Strategy 6 – Maintain, implement, and enhance the long-range financial plan

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RATE DESIGN STRUCTURE

Rate-Setting Philosophy

Accounting for water and wastewater operations is performed on an *enterprise fund* basis. An *enterprise fund* is defined as "a fund established to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges."

As an enterprise fund, water and wastewater operations are viewed as a business. Likewise, appropriate business principles related to cost identification, cost-effectiveness, and financial reporting are addressed accordingly. The District has three enterprise funds, one for the Rancho Division, one for the Santa Rosa Division, and one for the Wastewater Division.

As indicated by the definition of an enterprise fund, appropriate fees and charges are established to ensure the District can operate on a self-sustaining basis. In a water and wastewater utility, such as the District, most of the revenue is derived from user charges. User charges are defined as "fees, rates, assessments, and billings that are charged to the beneficiaries of services." User charges are a way of recovering costs for providing a service from those that benefit directly from that service. The total process of (1) identifying water and wastewater costs; (2) allocating costs to utility or service beneficiaries; and (3) designing rate structures to recover allocated costs is defined as the user-charge system**.**

Some of the factors that are considered in designing appropriate rate structures include:

- **Equity or fairness**: Costs should be recovered from customers or customer classes in proportion to the costs of providing service to these beneficiaries.
- **Legality**: A user-charge system should comply with appropriate local, state, and federal legal requirements.
- **Impact on customers**: The economic impact that a proposed user-charge system will have on customers should be considered. When a utility modifies its rates, costs are typically redistributed among customer classes and significant impacts can affect certain customers.
- **Avoidance of discriminatory relationships**: The user-charge system should avoid placing unfair cost-recovery burdens on any class of customers. This is accomplished by using a cost-of-service rate structure.

Establishing a cost-of-service user-charge system with numerous user classes will achieve greater equity but is complex and more difficult to implement. These trade-offs show that ratemaking is an art that carefully considers alternative rate-setting techniques to optimize District cost-recovery objectives and to achieve equity among customers.

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Cost and Revenue Categories

The District's current rate structure is established and maintained on a cost-of-service basis, as described in the preceding section. Under this approach, the costs of operations and the funding of capital facilities are identified and apportioned so that the customers receiving benefits from these services are appropriately charged.

When the various costs of operating the District are analyzed, the first consideration is the separation of operating costs related to the production and delivery of water from costs related to the construction and expansion of the production and delivery systems. These two categories are referred to as "operating" and "non-operating" costs.

Operating Costs

The operating costs are broken down into three categories, as follows:

Variable Costs - These costs are created during the actual production, distribution, and delivery of water services and represent the costs per unit of water measured in HCF.

Fixed Costs - These costs are created by the need to maintain utility systems' capacity to deliver water to all customers and represent the cost-of-service availability, which must be maintained for each customer to preserve their share of reserved system volume.

Fee for Service Costs - These costs are created by specific service needs of specific customers and do not provide a direct benefit to other utility customers. In general terms, the tenor of the law in the State of California requires that the user or requestor pay for services in direct proportion to the benefit received. Therefore, the Board has established a policy of setting the amount of the fees/rates to recover direct and indirect expenses related to providing the requested services, as opposed to supplementing these services in the water rates. Periodically, an evaluation of all services is conducted wherein the amount of actual expense for the service is reviewed and the fee/rate is set or adjusted accordingly. Examples of these fees/charges would be customer turn-on and turn-off fees, meter installation fees, and other various inspection and engineering-related services.

Non-Operating Costs

Non-operating costs are defined and discussed in the LRFP Section of the budget (refer to the Table of Contents).

OPERATIONAL FACTORS

The following is a summary of the District's operating environment and philosophies, which affected the preparation of the District's annual strategic operating plan and operating budget for the Water and Wastewater Divisions.

Operating Revenues

It has been and continues to be the District's policy to fix water and wastewater rates (consisting of base water rates, energy charges, monthly capacity fees, and wastewater monthly charges) to cover all costs of water and wastewater operations.

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Water Rates and Sales

Four potable water rate classifications exist in the District. Farmers, growers, and ranchers pay an agricultural rate; homeowners pay a residential rate; businesses pay a commercial or an industrial rate; and developers/contractors pay a construction rate. All rates include payment for amount of water used, as well as an energy charge for the cost incurred in pumping water to higher-elevation properties. Recycled water customers pay a recycled water rate.

While growth continues to occur in the residential category, now comprising 86 percent of total accounts, the agricultural customers continue to create the greatest production demands on the system. However, comprising only 3 percent of the accounts, 35 percent of the total water demands are for agricultural purposes.

One of the greatest challenges facing the District centers on finding new ways to meet these increasing demands, while minimizing the financial impact to its customers. Based on current general plans for the cities of Temecula and Murrieta, and the County, the build-out annual potable water demand is projected to increase by 113 percent from the FY 2026/2027 budgeted total demand to 106,718 AFY (95.3 MGD), with an estimated 57,209 dwelling units and 100,203 acres of potable water use area, which includes the District's Contract Service Areas. The District is projected to provide build-out potable and/or non-potable water service to 45,399 parcels, which includes 99 percent of the 45,733 parcels within the District's service area (excluding right-of-way).

The chart below details the projected water sales for each of the next five years. The chart assumes minimal new development growth in potable and recycled customers from which is offset by a projected increase in conservation and efficiency, due to continued customer outreach. The net effect is annual decreases in projected water sales over the next five years, ranging from 400 to 550 AF per year. Rancho Water encourages a culture of long-term conservation and will continue to promote water use efficiency programs and advocate for smart water usage by our customers. The total sales for FY 2026/2027 are projected to be 0.5 percent higher than the FY 2025/2026 budgeted amounts.

5-Year Water Sales Forecast (AF)

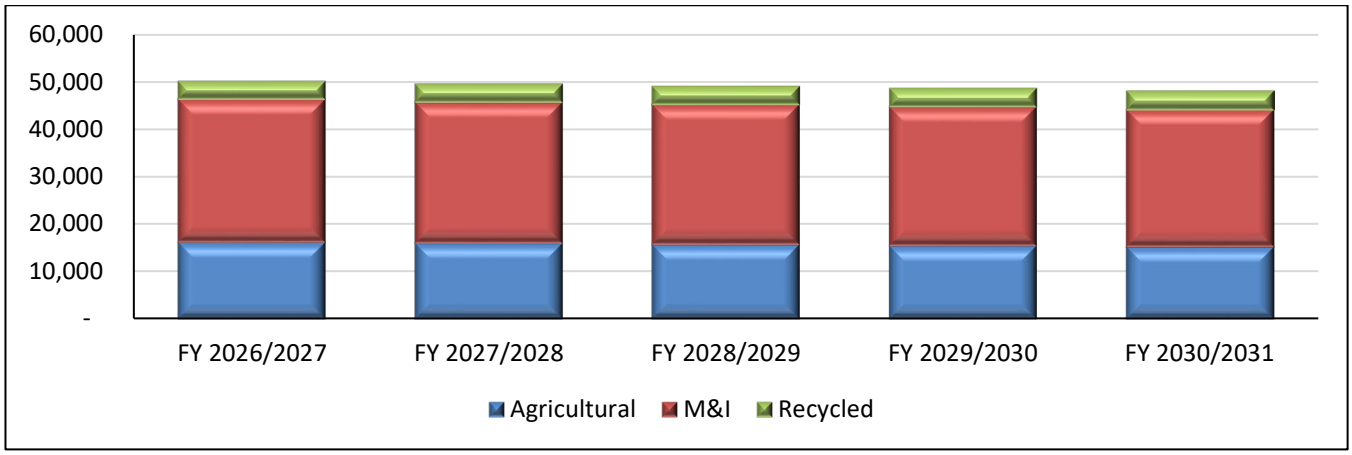


Chart 5.1

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Monthly Service Charges

The District levies a fixed monthly fee on each water meter according to the rate of flow that the meter can deliver. The philosophy behind this charge is that the fixed costs for the District will remain irrespective of water demands and represent the cost to keep the system ready to meet demands. These fixed charges account for approximately 25 percent of the District's operating revenues. A more detailed description can be found in the Footnotes Section and the Schedule of Monthly Service Charges (refer to the Table of Contents).

Sources of Water

Water Utility Supply and Operations

As identified in its 2015 Water Facilities Master Plan, the water resources available to the District include imported water from MWD purchased through EMWD and WMWD, natural local sources and secondary sources, such as locally available recycled water and water conservation. Local sources include the District's right to capture native waters at Vail Lake (up to 40,000 AF annually) and to appropriate local groundwater, which it does on a perennial safe-yield basis. Over the last 10 fiscal years, the District has lost approximately 5.2 percent to 7.1 percent of its water sources between the source and the ultimate use by the consumer, due to pipeline breaks, evaporation from operating reservoirs, and metering discrepancies.

A summary of the District's annual water production by source for the last 10 fiscal years, 2016 through 2025, is shown in the table below:

ANNUAL WATER PRODUCTION SOURCE

Last 10 Fiscal Years

Fiscal Year	Local Well [2]	Purchased Treated	Purchased Untreated [1]	Recycled	Total Production	Annual Sales	Unaccounted for %
2025	15,678	20,020	15,573	4,943	56,214	52,225	7.1%
2024	15,373	13,036	14,753	4,535	47,697	43,289	9.2%
2023	14,317	14,726	16,499	3,351	48,894	45,421	7.1%
2022	15,896	22,351	16,006	3,986	58,239	54,498	6.4%
2021	16,500	25,687	14,996	4,120	61,303	57,213	6.7%
2020	17,473	19,128	13,696	4,020	54,317	51,352	5.5%
2019	16,575	18,036	13,940	3,769	52,320	49,357	5.7%
2018	19,146 [4]	26,730	12,606	4,222	62,704	58,735	6.3%
2017	17,473 [3]	21,820	13,155	3,851	56,299	53,168	5.6%
2016	23,852	17,829	10,089	3,688	55,458	52,577	5.2%

[1] This source of supply is a result of the Valle de Los Caballos Recharge Project, which became operational in FY 1998. Untreated water purchased from the MWD is used to recharge the local aquifer. Specific wells are used to pump this water out of the aquifer and into the distribution system. This category also includes water purchased through a cyclic storage agreement with MWD.

[2] Total native water production budget determined annually based on safe yield amounts that will sustain the groundwater basin.

[3] Reduced groundwater production due to unanticipated maintenance on well pumping facilities.

[4] In FY 2018, the District initiated a program to temporarily reduce groundwater pumping to mitigate the effects of prior-year droughts and manage the groundwater basin in a sustainable manner. The budget for groundwater production will remain at 16,000 to 17,000 AF annually until groundwater levels recover. The increased production of well water in FY 2018 is a carryover from lower-than-anticipated production in FY 2017.

Source: Rancho California Water District

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Local Sources of Water

The District's policy is to manage and protect its local groundwater resources as a top priority. Local sources of water include groundwater from underlying aquifers, which are recharged from precipitation and stream flows. Natural local sources supplied approximately 32.2 percent of the District's FY 2023/2024 water demand and 27.9 percent of its FY 2024/2025 water demand. Starting in FY 1997/1998, the District began to use recharge and recovery programs, utilizing imported water. Recharged water provided approximately 30.9 percent and 27.7 percent of the District's water demand in FYs 2023/2024 and 2024/2025, respectively. For management purposes, the District has subdivided the Murrieta-Temecula Groundwater Basin into 14 hydrologic sub-units, a substantial portion of which is in the Rancho Division. In previous years, the perennial safe yield of local groundwater within the District was estimated to be between 20,000 and 30,000 AF per year, depending on hydrologic conditions. For the next five years, the new safe yield is assumed to be 15,220 to 16,120 AF per year. The District's knowledge of the groundwater basin has grown substantially over the past 30 years through extensive monitoring programs, a well-documented annual groundwater audit process to establish safe production targets, and the development and integration of a combined-surface water/groundwater hydrogeologic computer model.

All aquifers managed by the District are in the Santa Margarita Watershed. Oversight of all groundwater production within the Santa Margarita Watershed falls under the continuing jurisdiction of the United States District Court, in the case of the United States versus Fallbrook Public Utility District, et al., and is administered by a court-appointed watermaster (the "Santa Margarita Watermaster"). The court-appointed a steering committee that is comprised of representatives from the United States, WMWD, EMWD, FPUD, MWD, Pechanga Tribe, and RCWD, whose purpose is to assist the court, to facilitate litigation, and to assist the Santa Margarita Watermaster. The need for the watermaster and the steering committee stems from litigation that began in the early years of the twentieth century over various water rights between the Vail Ranch and the Santa Margarita Ranch, two cattle ranches. Today, the District, through the Vail Lake Agreement, has assumed the rights and responsibilities of Vail Ranch, and the United States MCBCP is the successor in interest to the Santa Margarita Ranch.

In 2002, the District and MCBCP entered a CWRMA, which supplements the Fallbrook decree and has been approved by the Court in the FPUD Case. In general terms, the CWRMA divides the natural supply of Santa Margarita River supply, one-third to the District and two-thirds to MCBCP and requires the District to provide make-up water if there is a shortage in MCBCP's share of the river flows. If the parties comply with the provisions of the CWRMA, the long-standing water rights dispute between the District and MCBCP over the Santa Margarita River is considered resolved.

Settling the water rights disputes in the watershed is a result of the District's long-term management policies. In 1966, the District instituted an Agency Agreement program, requiring property owners to assign management of their water rights to the District in return for acquiring service from the District. This program has now allowed the District to cover 95 percent of the properties within the District's boundaries with a restriction on drilling wells and producing groundwater. Consequently, the District controls most of the groundwater production in the upper basin. As such, the District can manage the basin on a long-term sustained-yield basis, which targets an annual production of approximately 15,000 to 17,000 AF.

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Vail Lake is an important component of the District's local water sources. It is the only surface water capture-release facility in the hydrogeologic area of the District. Vail Dam was constructed in 1948-1949 to impound the winter flows derived from the Wilson, Kolb, and Temecula Creeks, an upstream area of approximately 319 square miles. Through the Vail Lake Agreement between Kaiser Development Company and the District, executed in 1978, the District acquired Vail Lake and Vail Dam, as well as the right to operate the facilities for the benefit of District water users. Water contained within Vail Lake is released at the base of Vail Dam into Butterfield Canyon, through which Temecula Creek flowed uncontrolled prior to the construction of the dam.

The full reservoir area of Vail Dam is 1,070 surface acres. Based on recent bathymetry, the storage capacity of Vail Dam at spillway crest (1,472.6 feet NAVD88) is 42,680 AF. Average annual surface flows into the reservoir are approximately 12,500 AF. Under an Appropriations Permit obtained from the State of California in 1948, the District may store up to 40,000 AF in Vail Lake each year between November 1 and April 30. The SWRCB issued an amended Appropriations Permit 7032 in 2009 that entitles the District to use the diverted and stored water for groundwater recharge and ultimate use for all purposes throughout the District's service area. SWRCB's issuance of the amended Appropriations Permit 7032 was conditioned upon the existence of a valid CWRMA by and between the District and MCBCP.

Since 1975, a total of 185,400 AF of captured surface water run-off has been periodically released from Vail Lake to artificially recharge the groundwater aquifers serving the District. In 1993, the District constructed 175 acres of improvements in its recharge facility. The installation of these facilities enables the District to recharge up to 29,000 AF of imported water purchased from MWD.

To protect water quality and continue to provide customers with a reliable water supply, the District purchased over 7,000 acres surrounding Vail Lake in Temecula through a court-ordered bankruptcy sale in August 2014. The District has owned Vail Dam, Vail Lake, and the associated state water rights permit since 1978. The lands that surround Vail Lake were owned by various corporate entities and consist of open space, an RV campground, and associated fishing and water recreation operations on the lake. By purchasing the land surrounding Vail Lake, the District is seeking to protect the quality of its water supplies and enhance the reliability of those supplies. Vail Lake is an important asset to the community and the District plans to continue to protect this asset.

At the end of March 2026, Vail Lake was 27 percent full, with approximately 12,150 /45,000 AF capacity of water in storage. With the efforts to reduce groundwater pumping over the last five years, the groundwater levels have stabilized. However, recovery of groundwater levels to pre-drought conditions has not occurred. As such, the annual groundwater production budgeting analysis determined that the pumping amounts from the groundwater basin should remain at similar levels as compared to the last four years. For the FY 2026/2027 water production budget, native groundwater will provide about 30 percent of total water supply for the District with untreated water recharge providing an additional 37 percent of supply along with previously banked water supplying 1 percent. Imported treated water purchases will provide 24 percent of District water needs with recycled water providing 8 percent of the total.

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Imported Water

Approximately 35.6 percent of the District's FY 2024/2025 and 27.3 percent of its FY 2023/2024 water supply was treated, imported water. Based on the District's Master Plan, the annual projected ultimate water demand for both potable and recycled water is estimated to be 109,942 AF, more than twice as much as FY 2024/2025 demand. The District expects that additional future water needs will be provided from increased amounts of imported water as shown in the chart below. It is estimated that the imported water will consist of treated, raw, and inventoried or banked water (water that is stored in a prior fiscal year for use later) from MWD. The use of raw water is budgeted at 19,500 AF in FY 2026/2027.

5-Year Production Forecast (AF)

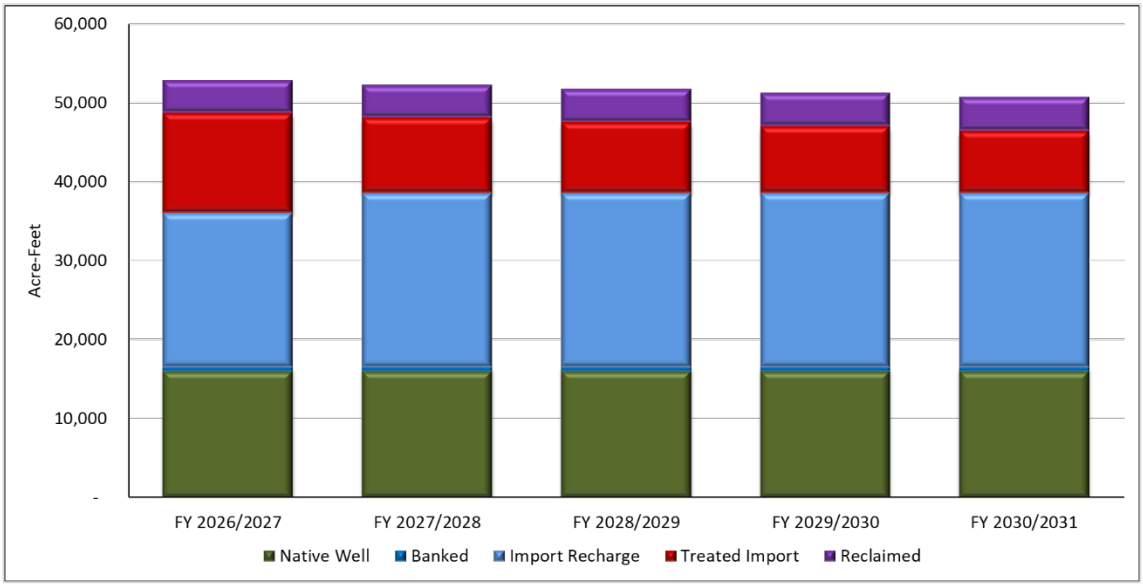


Chart 5.2

Imported water purchased from EMWD and WMWD is delivered to the District from MWD pipelines passing through the District. EMWD generally serves the Rancho Division and WMWD generally serves the Santa Rosa Division. The District's ability to purchase imported water from EMWD and WMWD is based on availability and demand within the region, and no assurances can be made as to the ability of MWD to satisfy the water demands of its member agencies, including EMWD and WMWD, and, in turn, the demands of the District to EMWD and WMWD. The cost of treated water from imported sources is budgeted at approximately $1,531 per AF for FY 2026/2027, which is substantially more expensive than the average cost of water from local sources. The cost of untreated recharge water is budgeted at approximately $1,018 per AF for FY 2026/2027.

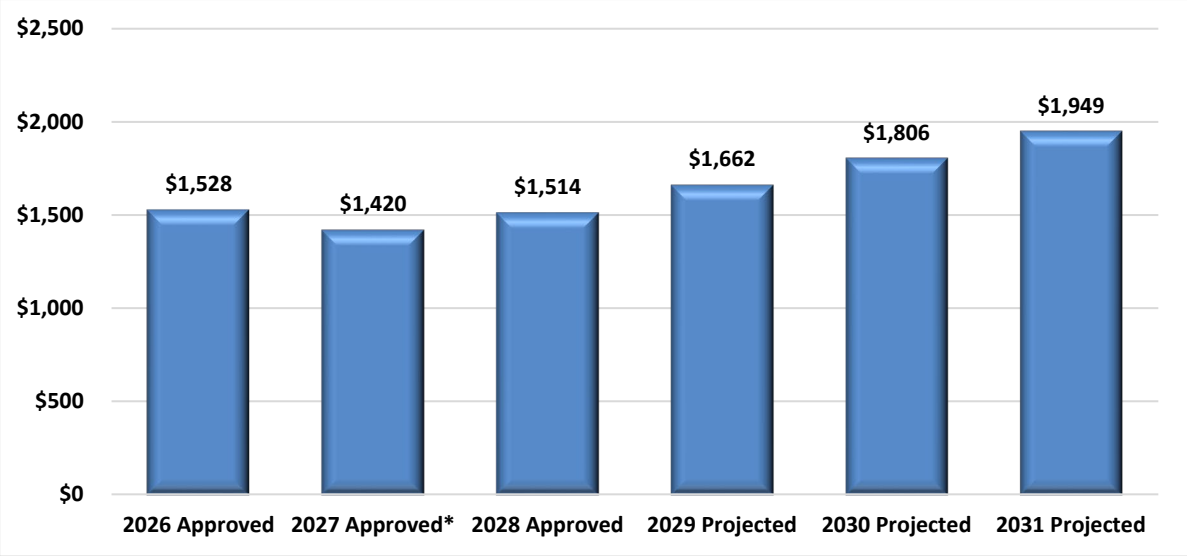
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Marginal-Cost Impacts

Imported water costs and changes in imported water requirements significantly impact the cost of water utility operations due to the marginal per-unit cost difference between import water and local water. The cost per AF of treated imported water exceeds that of local water by approximately 500 percent; therefore, any changes in the quantity of imported water requirements have a material impact on total water operations and corresponding water rates. Moreover, projected imported water rate increases by MWD will further add to the impact on total operating costs and corresponding water rates.

The chart below details projected MWD treated water rates for the next six calendar years, showing an anticipated increase of 28 percent from calendar years 2026 to 2031. Please note that the calendar years 2026 to 2028 are approved by MWD, calendar years 2026 to 2031 are projected based on MWD's long-term projections.

Approved and Projected MWD Treated Import Water Rates



**2027 reduction in rate reflects MWD's implementation of three new fixed charges related to treatment. This shifted the revenue recovery from the per acre foot rates listed above to the three new fixed charges.*

Chart 5.3

Skinner Reservoir (Skinner), a MWD facility located 13 miles from the District, provides additional stored surface water within Southern California. Skinner was completed in April 1973, with a full reservoir area of 1,140 acres (total capacity - 44,264 AF). This MWD facility is storage and a regulating reservoir for the California Water Project and for Colorado River water imported to Southern California for use in southern Riverside and San Diego counties. All imported water deliveries to the District emanate from Skinner. In 2002, the District constructed a new connection to Skinner, which increased the connected capacity by 100 CFS.

Upstream drainage of the dam that forms Skinner includes approximately 44 square miles. Natural surface runoff from that area is measured as it enters the reservoir and, by legal agreement, upstream surface flows are passed through the reservoir and discharged into Tucalota Creek. Flows in Tucalota Creek enter Santa Gertrudis Creek; a tributary of Murrieta Creek. Flows into Tucalota Creek and Santa Gertrudis Creek help recharge underground aquifers; source of groundwater for the District. Once the releases from Skinner reach Murrieta Creek, the water is effectively lost from the area by evaporation and/or surface flows out through the Temecula Gorge.

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Secondary Sources of Water

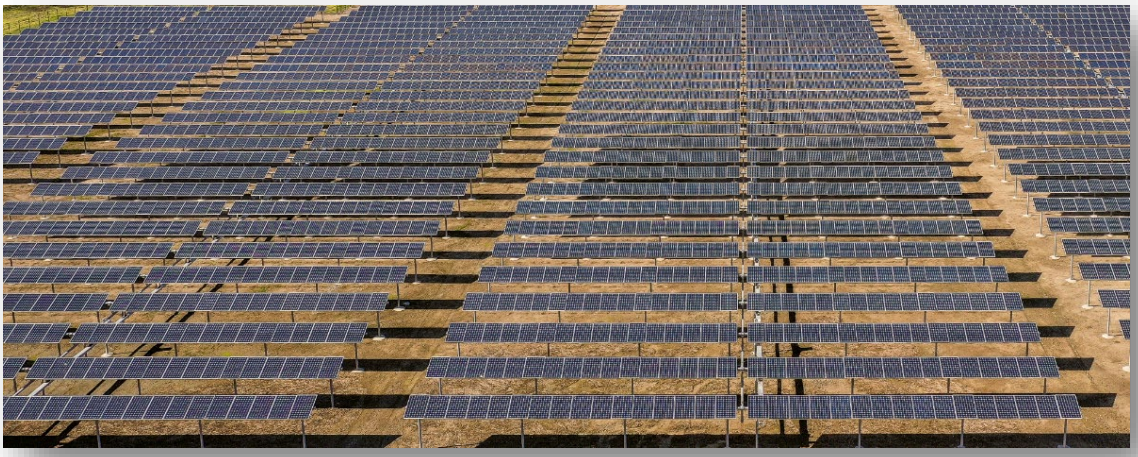


Secondary sources of water for the District include recycled water and conserved water. According to the District's Master Plan, these secondary resources will contribute to the District's supplies for the near future by reducing overall costs to the District's water users, as well as ensuring an adequate long-term supply through build-out of the District.

Recycled water produced at the SRWRF is used to irrigate large turf areas in the District's service area, such as golf courses, parks, and schools. In FYs 2023/2024 and 2024/2025, the District sold 3,295 AF and 4,205 AF of recycled water, respectively. As M&I water usage increases in the future, additional recycled water is expected to become available for specialized purposes. The District is working on increasing its use of recycled water with an end goal more than 9,000 AF. Although not a true water source, conservation, through scientific and more efficient water use applications, will be largely reflected mainly in the agricultural use sector. The District has also purchased imported water to percolate and recharge its basins and use stored water during its high-demand periods. In FY 2023/2024, such recharged water supply provided 14,753 AF, representing 30.9 percent of the District's water supply. In FY 2024/2025, such recharged water supply provided 15,573 AF, representing 27.7 percent of the District's water supply.

Energy Costs

The District's FY 2025/2026 energy budget of $6,669,364 related to potable water operations is estimated to increase to $7,718,614 for FY 2026/2027. This equates to an increase of $1,049,250 or a 15.7 percent increase over the prior-year estimate. The increase in energy costs factors in a projected increase of 8 percent in SCE energy rates and an increase of 4,000 AF at the VDC, The District currently has four separate solar power facilities with a capacity of 7.6 megawatts that help to offset energy rate increases by SCE.



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Quality of District's Water

The quality of water delivered by the District meets all current requirements of the Federal Safe Drinking Water Act and regulations of the SWRCB. The District purchases raw and treated MWD water stored at Skinner Reservoir through EMWD and WMWD. The District's MWD water is delivered from the first delivery station of Skinner Reservoir. As a result, the District receives treated water with the highest strength of residual disinfectant level as compared to other delivery stations in the system downstream.

The District manages the production of local groundwater for both long-term sustained yield and quality. Three of the District's 43 active production wells currently exceed allowable maximum contaminant levels for arsenic and/or fluoride. Both constituents commonly occur naturally in the region's geologic formations. All three wells operate under SWRCB-approved blending plans so that the water delivered to customers meets all current drinking water standards.

Existing Water Utility Facilities

The District uses a combination of existing groundwater wells, four imported treated turnouts from MWD, and two imported untreated turnouts from MWD, recycled water, and groundwater recharge to meet its water supply needs. Increased water recycling projects and groundwater recharge are expected to provide future water supply needs.

Wastewater Utility Operations



The District is responsible for collecting, treating, and disposing wastewater in its Santa Rosa Division. In 1989, the District placed in service its SRWRF. The SRWRF is a sequencing-batch-reactor waste-water treatment facility with a design capacity of 5 MGD for secondary and tertiary level treatment. The SRWRF processed flows of 2.97 MGD in FY 2024/2025, which is 60 percent of its current secondary capacity. The District anticipates connections of approximately 30 EDUs per year, which should produce an additional 4,200 gallons per day of influent per year. The construction of the plant rehabilitation project to update certain facilities employed at the SRWRF to improve operational efficiency and reliability is complete. The District secured an SRF loan for this project and its construction. As set forth in the District's Capital Facilities Plan, the rehabilitation cost was approximately $38 million and was financed by the SRRRA, as described below.

In 1993, the District completed construction of tertiary-level treatment facilities at the SRWRF. The recycled water from the tertiary facilities is used to irrigate golf courses, green belts, parks, and other large, landscaped areas and potentially for agricultural uses.

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Wastewater Utility Operations (Continued)

The District has a capacity fee program for the wastewater system. Upon making application to the District for wastewater service, the District requires payment of a capacity fee per EDU.

In November 2015, the District, WMWD, and EVMWD formed the SRRRA, a JPA. The SRRRA is now responsible for the governance of the SRWRF and treatment of its influent flows originating from WMWD, EVMWD, and the District. Furthermore, the JPA appointed the District as the SRRRA's administrator and the SRWRF's operator. Per the JPA formation agreement, the SRRRA purchased the SRWRF through debt financing in August 2017. This financing thereby eliminated the District's existing debt associated with SRWRF. All operating expenses and obligations are allocated to each member agency by an agreed-upon allocation, where current flows allocate operating expenses, and capital facility debt and costs are allocated by a member agency's capacity in the plant. The District has 40 percent primary and secondary treatment capacity, 60 percent tertiary treatment capacity, and 36.6 percent trunk-sewer line capacity for the SRWRF. The SRRRA's debt financing paid for the acquisition of the plant, and the rehabilitation project for the SRWRF is financed through the SRF loan.

Insurance

As a member of ACWA/JPIA, the District carries property, liability, and workers' compensation insurance. ACWA/JPIA currently services 470 member agencies.

ACWA/JPIA provides pooled-insurance coverage for losses more than the member districts specified self-insured retention level. Individual claims (and aggregate public liability and property claims) more than specified levels are covered by excess insurance policies purchased from commercial carriers.

The District continues its proactive risk management role through careful monitoring of losses, working closely with ACWA/JPIA's claims adjuster, and designing and implementing programs to minimize risks and losses. In addition, the District analyzes workers' compensation issues by monitoring work conditions and organizing and implementing safety-training programs to reduce employee exposure to hazards.

Permits and Licenses

The District operates its water system pursuant to a Water Supply Permit issued by the State of California DHS to supply water to its service area under Water Permit No. 04-14-96P-016. Additionally, the District owns Permit 7032, issued on April 22, 2009, for Vail Lake, which allows the District to impound up to 40,000 AF of water per year at Vail Dam and release the same to recharge the Pauba Valley for recovery and use for municipal, domestic, and industrial irrigation.

The District operates the SRRRA's SRWRF pursuant to a discharge permit issued by the San Diego RWQCB. RWQCB Order No. 94-92 allows the District to reclaim up to 5.0 MGD and redistribute that water over a portion of its service area for irrigation purposes.

Please note that table amounts may not total due to independent rounding.

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Consolidated Operating Budget

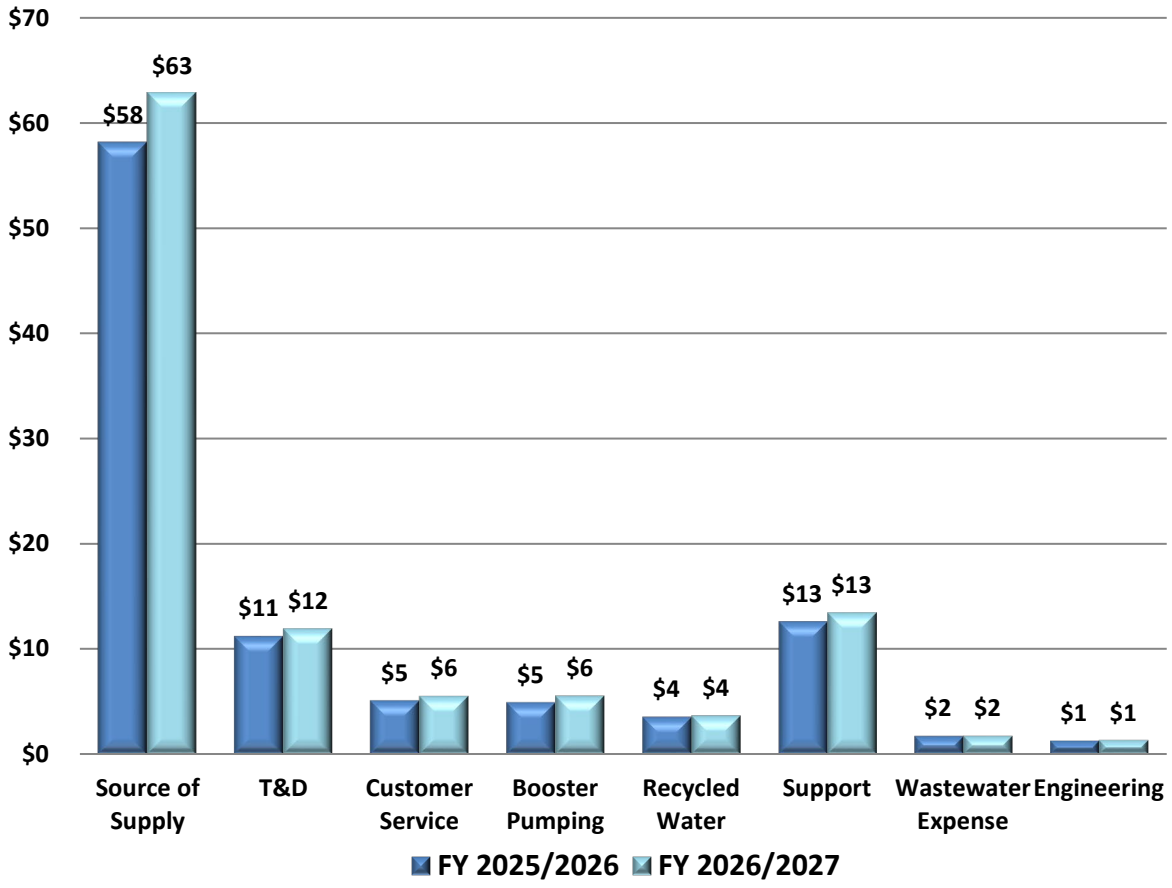
CONSOLIDATED OPERATING BUDGET COMPARISON
FY 2026/2027

	FY 2024/2025 ACTUAL	FY 2025/2026 PROJECTED	FY 2025/2026 BUDGET	FY 2026/2027 BUDGET	% CHANGE
OPERATING REVENUE					
Water Revenue	$42,289,867	$40,087,149	$44,864,546	$49,020,826	9.3%
Recycled Water Revenue	1,831,101	2,169,594	1,941,922	2,078,814	7.0%
Monthly Service Charges	24,987,037	25,849,223	25,790,364	28,180,867	9.3%
Unmetered Construction Water	0	0	6,559	0	(100.0%)
Energy Charges	4,467,024	4,000,996	4,498,635	4,876,077	8.4%
Wastewater Service Charges	2,366,304	2,375,030	2,387,623	2,436,203	2.0%
New Service Connections	257,501	330,808	210,556	172,855	(17.9%)
Rental/Lease Income	872,182	768,192	912,885	941,179	3.1%
Operating Grant Revenue	87,133	214,724	214,724	112,069	(47.8%)
Other Op Rev-Billing	1,337,948	1,280,314	1,563,484	1,307,882	(16.3%)
Other Op Rev-Engineering	150,133	536,307	163,812	196,189	19.8%
Western IDA/Rock Mountain	103,858	62,368	172,102	176,446	2.5%
Reclass (To)/From Non-Operating	13,065,357	15,477,593	15,477,593	17,221,481	11.3%
TOTAL OPERATING REVENUE	**$91,815,443**	**$93,152,298**	**$98,204,806**	**$106,720,888**	**8.7%**
OPERATING EXPENSES					
Source of Supply	$56,817,278	$54,403,781	$58,172,168	$62,864,412	8.1%
Booster Pumping	5,010,660	4,477,066	4,966,452	5,602,989	12.8%
Transmission & Distribution	11,272,843	11,508,256	11,256,209	11,986,175	6.5%
Customer Service	5,266,416	5,094,537	5,142,114	5,568,437	8.3%
Recycled Water	3,202,283	2,663,304	3,572,350	3,706,540	3.8%
Wastewater Expense	1,827,775	1,582,554	1,761,122	1,748,556	(0.7%)
Engineering	953,404	1,437,112	1,294,694	1,354,349	4.6%
Support	12,627,366	12,483,463	12,656,075	13,499,660	6.7%
TOTAL OPERATING EXPENSES	**$96,978,024**	**$93,650,073**	**$98,821,183**	**$106,331,118**	**7.6%**
GAIN/(LOSS) FROM OPERATIONS	**($5,162,582)**	**($497,775)**	**($616,377)**	**$389,771**	
RESERVES-USE OF/(ADDITION TO)	**$5,587,667**	**$1,739,871**	**$1,858,472**	**$1,371,084**	
INTEREST EARNINGS GEN FUND	**$2,216,354**	**$2,193,131**	**$2,193,131**	**$1,907,116**	
CAPITAL EXPENDITURES GEN FUND	**($2,641,439)**	**($3,435,225)**	**($3,435,225)**	**($3,667,970)**	
NET SOURCES/(USES) FROM OP ACTIVITIES	**$0**	**$0**	**$0**	**$0**	

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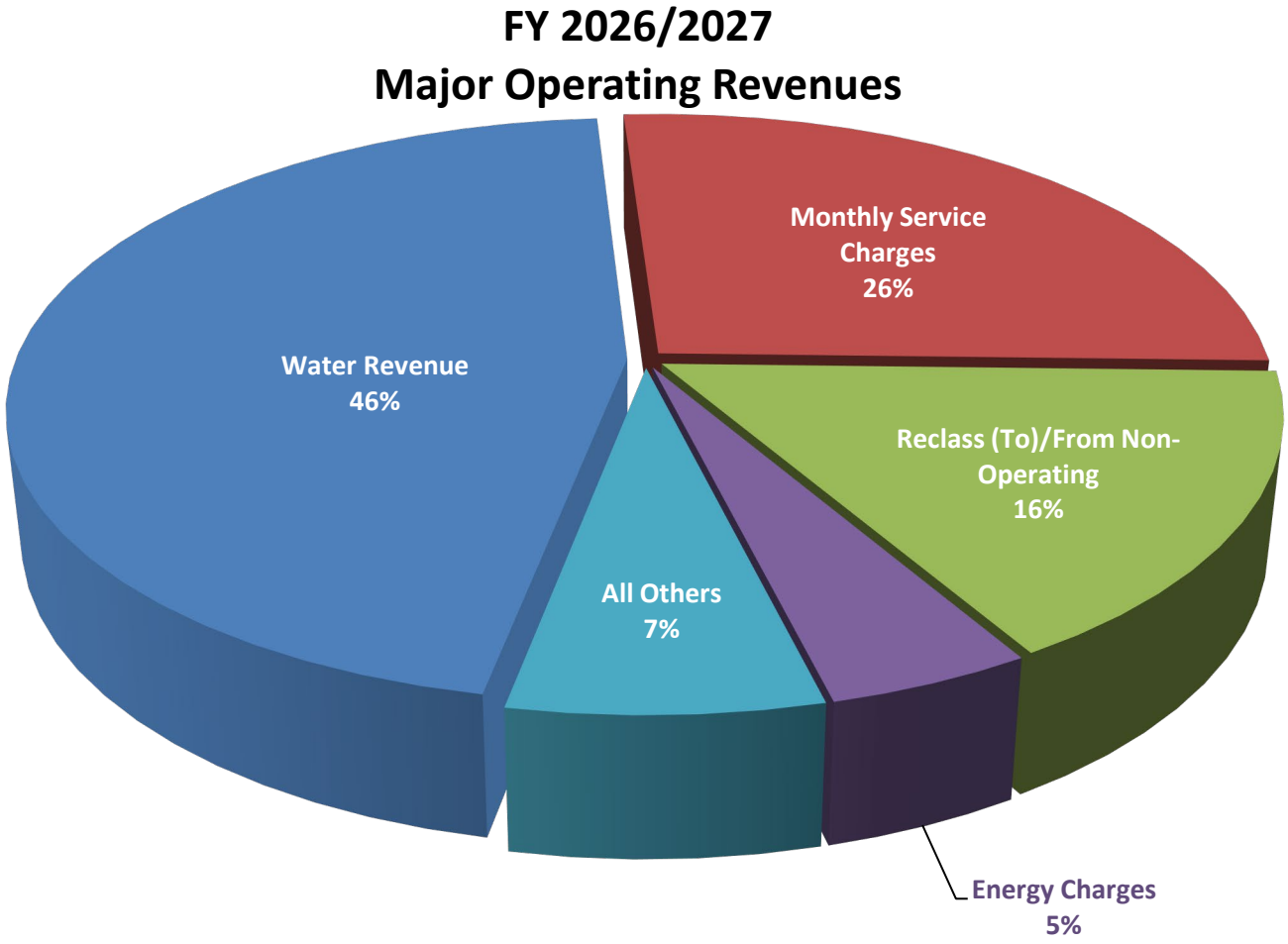
Consolidated Operating Budget

$ Amounts in Millions



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The following graph and schedules identify the major sources of revenue for the FY 2026/2027 Operating Budget.

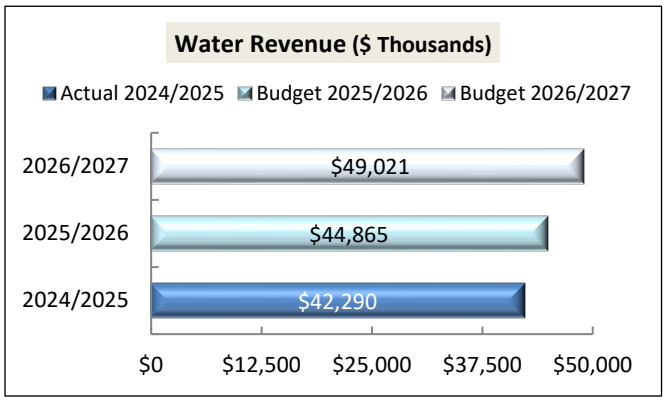


MAJOR OPERATING REVENUES

Revenues	Actual FY 2024/2025	Budget FY 2025/2026	Budget FY 2026/2027	Percent Change
Water Revenue	$42,289,867	$44,864,546	$49,020,826	9.3%
Recycled Water Revenue	1,831,101	1,941,922	2,078,814	7.0%
Monthly Service Charges	24,987,037	25,790,364	28,180,867	9.3%
Unmetered Construction Water	0	6,559	0	(100.0%)
Energy Charges	4,467,024	4,498,635	4,876,077	8.4%
Wastewater Service Charges	2,366,304	2,387,623	2,436,203	2.0%
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Rental/Lease Income	872,182	912,885	941,179	3.1%
Operating Grant Revenue	87,133	214,724	112,069	(47.8%)
Other OP Revenue - Billing	1,337,948	1,563,484	1,307,882	(16.3%)
Other OP Revenue - Engineering	150,133	163,812	196,189	19.8%
Western IDA/Rock Mountain	103,858	172,102	176,446	2.5%
Reclass (To)/From Non-Operating	13,065,357	15,477,593	17,221,481	11.3%
TOTALS	**$91,815,443**	**$98,204,806**	**$106,720,888**	**8.7%**

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Explanation of Major Revenue Sources



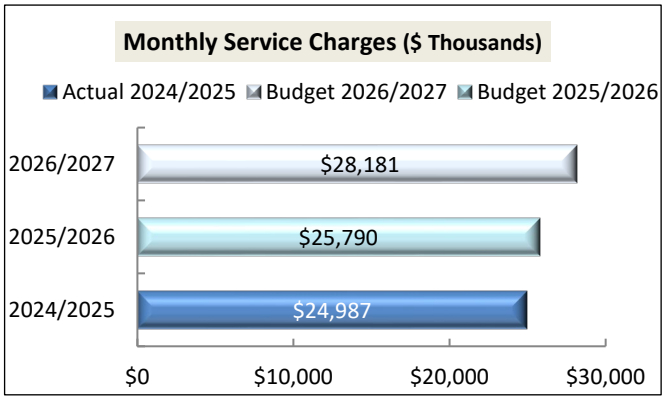
WATER REVENUE: Commodity water sales are the largest source of District revenues. The District sets rates at a level to recover the cost of delivery. There are four major types of water revenue: Ag, Ag-Domestic, Domestic, and Other.

For FY 2026/2027, potable sales quantities are projected to be 46,276 AF, which is 192 AF or 0.4 percent more than the prior year. The budgeted increase in potable sales from the prior year is minimal and reflects limited new development within the District as well as the expectation of continued customer conservation because of the District's sustained customer education and outreach related to water conservation. Water sales revenue is projected to be $49,020,826, which is an increase of 9.3 percent when compared to FY 2025/2026. The budgeted increase in sales revenue reflects water rate and charge increases developed as part of a comprehensive COSS developed with Carollo Engineering during the development of the FY 2024/2025 Budget. The adjustments to water rates and charges were approved by the Board at their June 20, 2024, special meeting.

RECYCLED WATER REVENUE: Recycled water sales are supplied for approved recycled water uses, such as golf courses, landscapes, parks, etc.

For FY 2026/2027, recycled water sales quantities are projected to be 3,876 AF, which is 38 AF or 1.0 percent more than the prior year and reflects current demand trends. Recycled water sales revenue is projected to be $2,078,814. Recycled revenue is projected to increase by 7.0 percent compared to FY 2025/2026, due to the small increase in budgeted recycled water sales, but more so to the adjustment to recycled water rates and charges as mentioned in the section above.

MONTHLY SERVICE CHARGES: Revenues earned from a monthly service charge (prorated daily) for system maintenance and customer services, such as maintaining meters, processing bills, posting payments, and repairing water mains. Daily charges are primarily based on the size of a customer's water meter and are applied to open accounts, whether water is used or not.



For FY 2026/2027, revenue is projected to be $28,180,867. Monthly service charges revenue is projected to increase by 9.3 percent compared to FY 2025/2026, due to the COSS mentioned in the previous sections.

ENERGY CHARGES: Revenues earned from a commodity energy charge per HCF for the cost of energy related to the pumping of water to various elevation pressure zones.

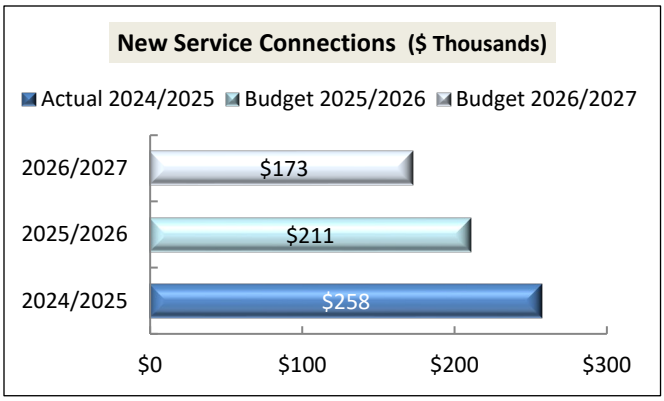
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For FY 2026/2027, revenue is projected to be $4,876,077. Energy revenue is projected to be 8.4 percent higher when compared to the prior year due to the COSS discussed previously that incorporates increases to the energy rates for FY 2026/2027.

WASTEWATER SERVICE CHARGES: Revenues earned from a monthly charge, prorated daily, on a customer's account to recover the costs of collection, transporting, treating, and disposing of sewage. Rates are based on EDUs.

For FY 2026/2027, revenue is projected to be $2,436,203. Wastewater service charges are projected to increase by 2.0 percent, compared to the prior year based on the previously discussed COSS. The overall wastewater rate of $48.81 per EDU for FY 2025/2026 (which includes the operating and non-operating components of wastewater costs) will increase by $1.46 to $50.27 for FY 2026/2027.

NEW SERVICE CONNECTIONS: The District charges customers for the installation of new water meters.



For FY 2026/2027, revenues are projected to be $172,855. New service connections revenue is projected to decrease by 17.9 percent compared to FY 2025/2026—due to the expectation of fewer meter installations occurring during the fiscal year.

RENTAL/LEASE INCOME: The District collects rent received from the lease of its old headquarters property and cellular facilities located on District property. For FY 2026/2027, revenues are projected to be $941,179. Rental/Lease income is projected to increase by 3.1 percent compared to the prior year, due to contracted rent increases in the existing rent/lease agreements.

OPERATING GRANT REVENUE: This is a newer category that was added in the preparation of the FY 2025/2026 Budget. This category reflects anticipated grant reimbursement for operating expenses funded by a grant. Expenses reimbursed can include labor overhead, materials and outside services. The grant revenue included in the FY 2026/2027 Budget is related to two limited-term staff positions, both fund ed by grants. One of the positions is related to water use efficiency and the other is related to public outreach for several significant capital improvement projects. The budgeted amount for FY 2026/2027 is $112,069 and 47.8 percent lower when compared to FY 2025/2026. The budgeted amount is lower than the prior year due to a portion of the labor for the two positions mentioned above shifting from Operating related to Capital related labor.

OTHER OPERATING REVENUE-BILLING: The District collects fees for various services related to the customer water accounts such as returned-check charges, Reduced Pressure Backflow inspection fees, delinquent charges, meter tests, Reduced Pressure Backflow certification, meter relocations, billing service charges, contracted operation service revenues, and miscellaneous operation revenue.

For FY 2026/2027, revenues are projected to be $1,307,882. Other Operating Revenue-Billing is projected to decrease by 16.3 percent compared to the prior year—primarily due to increased credit card billing fees that are charged to the District when customers pay their monthly bills by credit card.

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OTHER OPERATING REVENUE-ENGINEERING: The District collects engineering fees for various services performed, such as will-serve letters, blueprint sales, sewer inspections, water inspections, and plan checks.

For FY 2026/2027, revenues are projected to be $196,189. Other Operating Revenue-Engineering is projected to increase by 19.8 percent compared to the prior year—due to an increase in budgeted engineering labor and services.

WESTERN INTER-DISTRICT AGREEMENT (IDA)/ROCK MOUNTAIN: The District receives reimbursement from WMWD for maintaining its facilities in the Rock Mountain area. The amount budgeted for FY 2026/2027 is $176,446, which is a 2.5 percent increase from FY 2025/2026—due to an anticipated small increase in the maintenance needs for these facilities.

RECLASS FROM NON-OPERATING TO OPERATING: This item represents a transfer from the Non-Operating budget to the Operating budget. The projected transfer for FY 2026/2027 is $17,221,481, which is an 11.3 percent increase from the prior year budget. The 11.3 percent increase in the total transfer amount is primarily due to a higher projected rate of return on the Non-Operating reserve funds. This increase raised the budgeted interest earnings transfer by $1,374,951 compared to FY 2025/2026. This reclassification includes the following transfers from the Non-Operating to the Operating budget:

- **CalPERS UAL Funding**: Funds transferred from the Non-Operating budget of all three divisions to pay the UAL portion of the annual CalPERS pension cost. The UAL represents the amortized cost of past service benefits for current retirees, active employees, and deferred members. For FY 2026/2027, this transfer is budgeted at $4,011,960. Although the UAL cost appears in the Fringe Benefits section of the Operating Budget, it reflects a liability for past service and is therefore appropriately funded using Non-Operating revenue sources.

- **OPEB Liability (NOL) Funding**: Similar to the CalPERS UAL transfer, this item covers the Net (Unfunded Accrued) OPEB Liability, related to retiree medical benefits from past service. The NOL is also accounted for under Fringe Benefits but is treated as a debt-like obligation. However, based on the most recent actuarial valuation by Nyhart, the District's NOL is fully funded. As a result, no expense is budgeted for FY 2026/2027. This reflects the District's proactive funding over recent fiscal years.

- **Interest Earnings Transfer – Rancho Division**: $8,727,664 in budgeted interest earnings from the Rancho Division's Non-Operating reserve funds will be transferred to offset increased imported water costs due to the loss of native groundwater and to fund other Operating costs. In contrast, the Santa Rosa Division retains its Non-Operating interest earnings for capital replacement needs and does not transfer them to the Operating Budget.

- **Bond Refunding Savings Transfer**: Transfers from both water divisions' Non-Operating budgets funded by savings from the 2016 bond refunding. These savings—resulting from reduced interest rates when refunding the bonds—are used to offset Operating costs. For FY 2026/2027, the Rancho Division's share of this transfer is $282,448, while the Santa Rosa Division's share is $498,130, specifically to help cover increased imported water costs. These transfers will end in FY 2027/2028.

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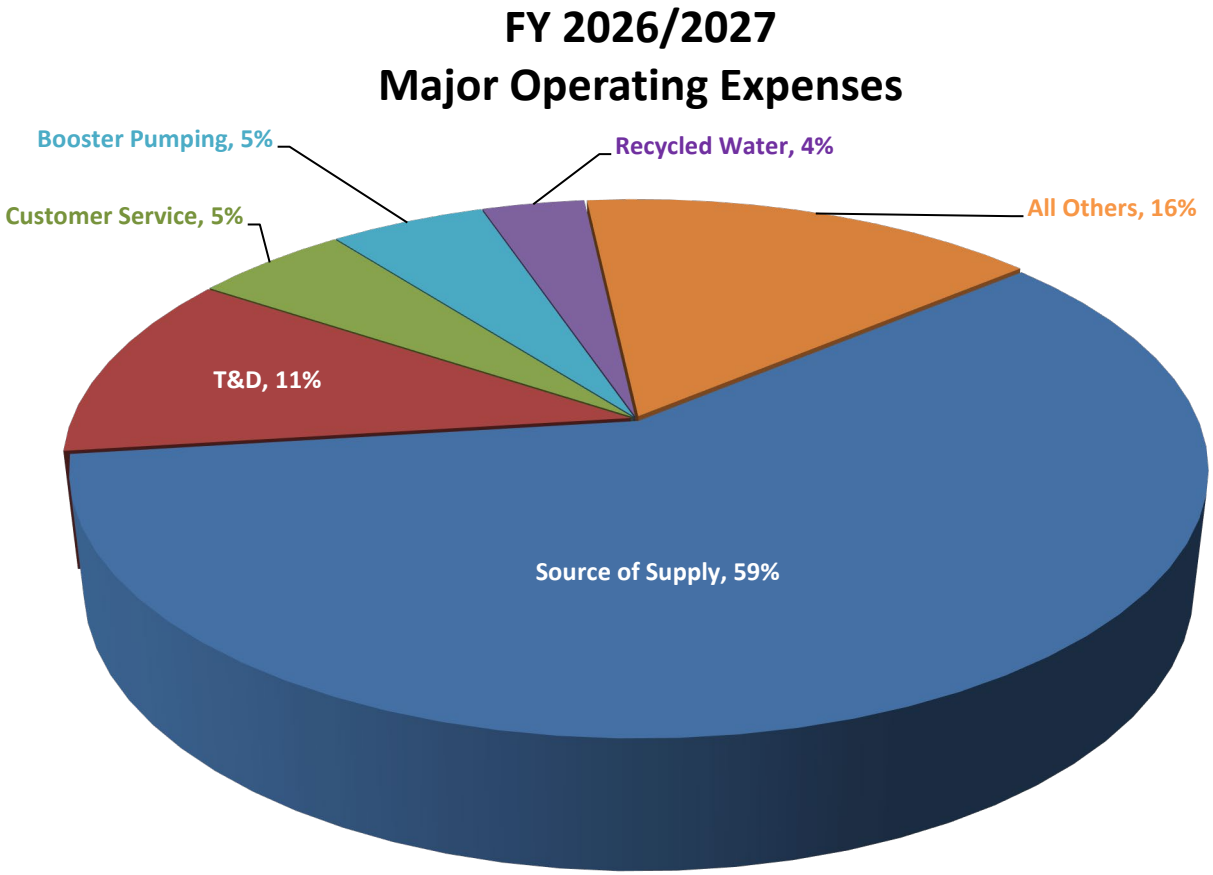
- **Vail Lake Lease Revenue**: $351,871 is transferred from the Rancho Division's Non-Operating budget to offset Operating costs and help reduce rate impacts. This amount is funded by the Rancho Division's share of lease revenues from the Vail Lake recreation area.

- **Mitigation of Rate Swings & SBITA Costs**: To reduce rate volatility and fund large, planned maintenance activities pertaining to capital facilities, a $3,349,408 transfer is budgeted from the Debt Service Capital Improvement Fund. This also includes funding for software subscription costs added in FY 2022/2023 in compliance with GASB Statement No. 96 regarding SBITAs.



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The following graph and schedules identify the major operating expenses for the FY 2026/2027 Operating Budget.

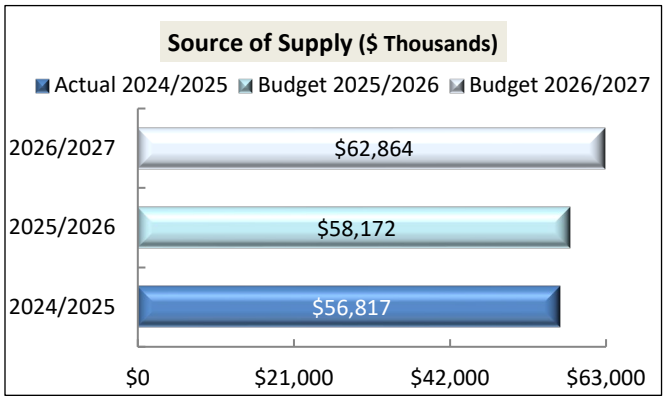


MAJOR OPERATING EXPENSES

Expenses	Actual FY 2024/2025	Budget FY 2025/2026	Budget FY 2026/2027	Percent Change
Source of Supply	$56,817,278	$58,172,168	$62,864,412	8.1%
Booster Pumping	5,010,660	4,966,452	5,602,989	12.8%
Transmission and Distribution	11,272,843	11,256,209	11,986,175	6.5%
Customer Service	5,266,416	5,142,114	5,568,437	8.3%
Recycled Water	3,202,283	3,572,350	3,706,540	3.8%
Wastewater Expense	1,827,775	1,761,122	1,748,556	(0.7%)
Engineering	953,404	1,294,694	1,354,349	4.6%
Support	12,627,366	12,656,075	13,499,660	6.7%
TOTALS	**$96,978,024**	**$98,821,183**	**$106,331,1188**	**7.6%**

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Explanation of Major Operating Expenses



SOURCE OF SUPPLY: Source of supply expense is the acquisition cost of water for resale to customers. The District has several water resources available, including treated and untreated import water, recycled water, and natural local sources. Import water is purchased from MWD through two of its member agencies, EMWD and WMWD, and distributed through connections at EM13, EM20 (EMWD connections generally in the southeastern area of the District), WR26, and WR28 (WMWD connections generally in the northwestern area of the District). The natural local groundwater is produced through the District's potable water wells. The District purchases untreated water from EMWD through the EM21 connection to recharge the groundwater basin.

This operating function includes the cost of labor, overheads, materials, outside services, permits, water quality regulations, and utilities used and incurred in the general supervision and operation of water source of supply activities. The District's water source comes from the groundwater basin and through imported water from MWD. The District has a system of wells and pump stations to extract water from the ground. Source of supply activities include preventive and corrective maintenance on all well facilities, recharge ponds, and water connections.

For FY 2026/2027, expenses are projected to be $62,864,412. The Source of Supply expense is projected to increase by 8.1 percent compared to FY 2025/2026—due to MWD increases in their rates and charges for CYs 2026 and 2027. A projected increase in energy costs stemming from a budgeted 8.0 percent rate increase from SCE and a 7.0 percent increase in natural gas rates are also incorporated into the budgeted amount.

BOOSTER PUMPING: Booster pumping is the activity that transfers water from lower to higher elevation pressure zones through pump stations that lift the water for customer usage.

This operating function includes the cost of labor, overheads, materials, outside services, and utilities used and incurred in the general supervision and operation of pumping activities. The cost of energy is 67 percent or $3,741,77 of the total cost of this activity. Booster-pumping activities include preventive and corrective maintenance on all pump stations, generators, and other equipment used to pump water to various elevations of the District.

For FY 2026/2027, expenses are projected to be $5,602,989. Booster expense is projected to increase by 12.8 percent compared to FY 2025/2026—primarily due to an increase budgeted energy reflecting the projected energy rate increases discussed in the Source of Supply section above..

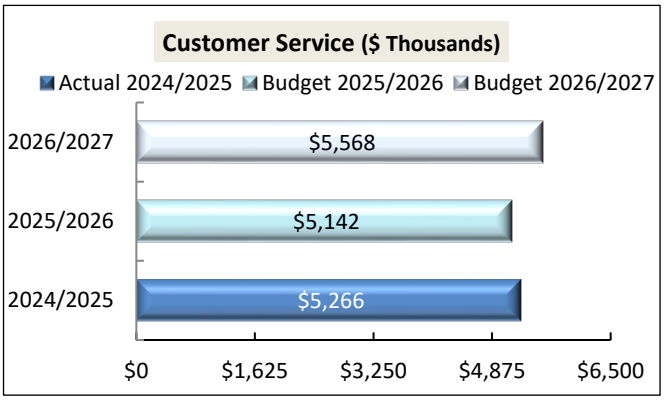
TRANSMISSION AND DISTRIBUTION: T&D is the water system conveyance facilities that transport water from source-of-supply facilities to water users. These facilities consist of fire hydrants, air-vacs, valves, reservoirs, and large-diameter pipelines that transport water in and out of reservoirs. Reservoirs are designed to meet water requirements at peak demand to equalize the system.

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This operating function includes the cost of labor, overheads, materials, and outside services used and incurred in the general supervision and operation of T&D facilities. T&D activities include preventive and corrective maintenance on all reservoirs, mainlines, air-vacs, fire hydrants, valves, and meter installations.

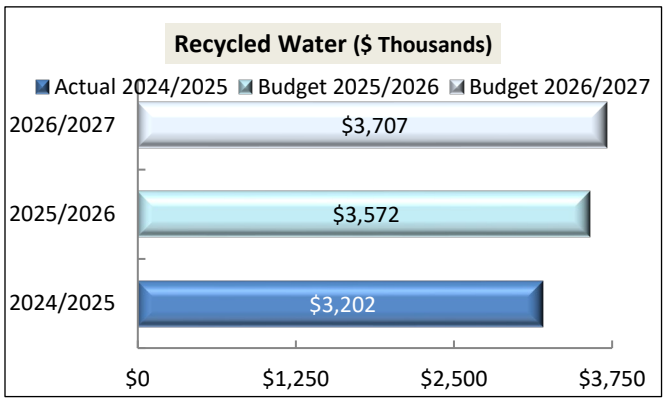
For FY 2026/2027, expense is projected to be $11,986,175. T&D expense is projected to increase by 6.5 percent compared to the prior year—primarily due to an increase in labor related to corrective maintenance of the T&D system.

CUSTOMER SERVICE: Customer service is the activity involved in reading and maintaining water meters. It is essential that meters be properly installed, maintained, and ready to obtain necessary information to support the revenue for the water system.



This operating function includes the cost of labor, overheads, materials, and outside services used and incurred in the general supervision and operation of customer meters and associated equipment. Activities include preventive maintenance of and meter reading.

For FY 2026/2027, this expense is projected to be $5,568,437. Customer Service expense is projected to decrease by 8.3 percent compared to FY 2025/2026—due to a budgeted increase in labor and an increase in the outside services line item of the Customer Service budget that reflects an increase in mailing/postage costs.



RECYCLED WATER: Recycled water is wastewater treated beyond the secondary to tertiary treatment level (Title 22). This process consists of a chemically assisted filtration system that de-chlorinates the water for use in landscape irrigation, golf courses, and some Agricultural uses. The recycled water system includes reservoirs, pipelines, pump stations, and holding ponds.

This operating function includes the cost of labor, overheads, materials, utilities, and outside services used and incurred in the general supervision and operation of recycled water facilities and associated equipment. Activities include preventive and corrective maintenance of all recycled waterlines, reservoirs, pump stations, and holding ponds.

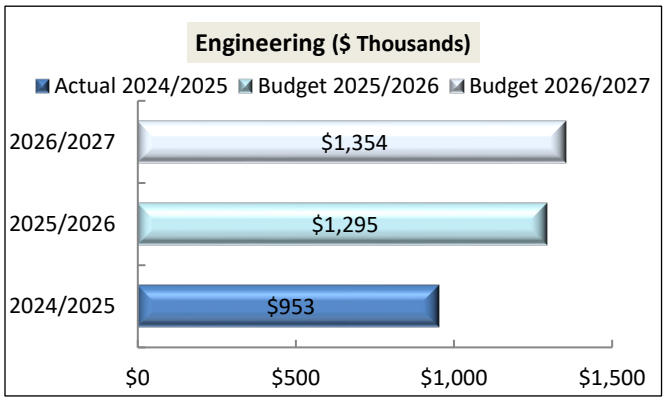
For FY 2026/2027, recycled water expense is projected to be $3,706,540, an increase of 3.8 percent compared to FY 2025/2026. The budget reflects budgeted increases in labor and utilities and corrective maintenance.

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WASTEWATER EXPENSE: Wastewater treatment is the process whereby raw sewage is collected and lifted to the treatment plant for processing. There are two processes the sewage goes through: primary and secondary. The primary process is the physical settling of waste. The secondary process is transferred to biological treatment, whereby particles are consumed by biological activity. After the secondary treatment, the wastewater is transferred to the recycled water function for further processing.

This operating function includes the cost of labor, overheads, materials, outside services, bio-solid removal, and utilities used and incurred in the general supervision and operation of wastewater treatment activities. Wastewater activities include preventive and corrective maintenance on all treatment plant structures and improvements.

For FY 2026/2027, the Wastewater expense is projected to be $1,748,556, a projected decrease of 0.7 percent compared to FY 2025/2026—due to a budgeted increase in the Treatment Reimbursable line item of the Wastewater budget. This line item represents the projected reimbursement from the three SRRRA member agencies for the District's operation of the wastewater plant. The increase in this line item is partially offset by labor and inflationary pressure on the outside services category of the Wastewater budget. Please see the Wastewater Utility Operations Section for more details on the SRWRF rehabilitation.



ENGINEERING: The primary function of Engineering is the planning, design, and construction management of District capital facilities, both new and replacement. Engineering also includes overseeing developer activities to ensure that capital facilities meet District standards.

This operating function includes the cost of labor, overheads, materials, and outside services used and incurred in connection with the engineering functions that are not chargeable directly to capital activity. Activities include cost estimates, general customer inquiries, mapping updates, and general project planning.

For FY 2025/2026, the Engineering operating expense is projected to be $1,354,349. The expense is projected to increase by 4.6 percent compared to FY 2025/2026—due to a budgeted increase in engineering labor when compared to the prior year budget.

SUPPORT: Support consists of the functions that uphold District activities. These functions include grant management, IT, accounting, board administration, governmental affairs, public relations, human resources, records management, warehouse operations, purchasing, office-building maintenance, legal expenses, insurance, and utilities. The costs become overhead that is allocated to operating and capital functions. The overhead rate is determined during the annual budget process.

This operating function includes the cost of labor, overheads, materials, utilities, and outside services used and incurred in connection with the general administration of the District's operations that are not chargeable directly to a particular operating function. Activities include preventive and corrective maintenance of all District office buildings, office equipment, and furnishings.

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For FY 2026/2027, the Support expense is projected to be $13,499,660—an increase of 6.7 percent compared to FY 2025/2026. The increase reflects a budgeted increase in support labor and an increase in insurance costs and the addition of one new full time purchasing position.

EMPLOYEE BENEFITS: This operating function includes the cost of employees' sick-vacation-holiday benefit, medical-dental-vision insurance, group term life insurance, FICA, long-term disability insurance, and PERS benefits. These costs become overhead that is allocated to operating and capital functions. The overhead rate is determined during the annual budget process.

For FY 2026/2027, the Employee Benefit expense is projected to be $14,036,126—an increase of 7.3 percent compared to the FY 2025/2026 Budget. The FY 2026/2027 Budget reflects an increase in the budgeted cost for the CalPERS expense that reflects an increase in budgeted labor, resulting from the addition of one new position to the FY 2026/2027 labor budget, and a new three-year MOU between the District's Board and staff.

VEHICLE & EQUIPMENT: This operating function includes the cost of labor, overheads, materials, and outside services used and incurred in connection with the preventive and corrective maintenance of all District vehicles and equipment. These costs become overhead that is allocated to operating and capital functions. The overhead rate is determined during the annual budget process.

For FY 2026/2027, expense is projected to be $1,235,380. Vehicle & Equipment expense is projected to increase by 5.9 percent compared to FY 2025/2026—primarily due to a budgeted increase in costs for maintenance of the District's fleet that reflects inflationary pressures on vehicle repairs both internal and external, as well as rising fuel prices.



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	2024/2025 ACTUAL	2025/2026 PROJECTED	2025/2026 BUDGET	2026/2027 BUDGET	
OPERATING REVENUES					
Water Revenue	$24,390,576	$22,619,947	$23,875,197	$26,484,554	SEE NOTE 2
Recycled Water Revenue	1,315,642	1,662,639	1,432,205	1,533,162	
Monthly Service Charges	15,570,096	16,138,253	16,021,644	17,360,910	SEE NOTE 2
Unmetered Construction Water	0	0	6,559	0	
Energy Charges	2,106,587	1,905,085	2,007,242	2,229,364	SEE NOTE 2
New Service Connections	97,291	177,112	149,111	106,717	SEE NOTE 3
Rental/Lease Income	605,971	583,134	631,402	647,773	
Operating Grant Revenue	55,560	159,269	159,269	67,589	
Other Op Rev-Billing	993,027	876,016	948,527	955,506	
Other Op Rev-Engineering	114,290	456,858	100,396	153,736	
Reclass From/(To) Non-Op	9,321,467	11,502,636	11,502,636	13,302,858	SEE NOTE 6
TOTAL OPERATING REVENUES	**$54,570,507**	**$56,080,950**	**$56,834,187**	**$62,842,168**	
OPERATING EXPENSES					
SOURCE OF SUPPLY					
Purchased Water Resource	$30,458,786	$29,228,526	$29,843,807	$32,782,833	SEE NOTE 4
Purchased Water Santa Marg	3,064,652	3,153,133	3,153,133	3,331,956	
TOTAL SOURCE OF SUPPLY	**$33,523,438**	**$32,381,659**	**$32,996,940**	**$36,114,788**	
BOOSTER PUMPING					
OPERATING					
Labor	$114,051	$85,509	$119,731	$143,479	
G&A/Fringe Benefit	168,495	132,517	184,241	216,998	
Materials & Supplies	82,076	26,129	156,350	170,000	
Utilities	1,382,482	1,542,166	1,574,208	1,778,536	
Outside Services	127,925	180,651	204,500	216,700	
Vehicle & Equipment	13,991	9,789	13,530	16,213	
Total Operating	*$1,889,020*	*$1,976,761*	*$2,252,560*	*$2,541,927*	
CORRECTIVE MAINTENANCE					
Corrective Maintenance-Labor	$3,494	$0	$11,576	$14,539	
Corrective Maintenance-G&A/FB	5,196	0	19,121	23,632	
Corrective Maintenance	22,547	9,723	37,750	51,000	
Total Corrective	*$31,238*	*$9,723*	*$68,447*	*$89,171*	
TOTAL BOOSTER PUMPING	**$1,920,257**	**$1,986,484**	**$2,321,006**	**$2,631,098**	
TRANSMISSION & DISTRIBUTION					
OPERATING					
Labor	$1,554,852	$1,862,994	$1,568,972	$1,628,984	
G&A/Fringe Benefit	2,015,822	2,544,671	2,209,228	2,268,197	
Materials & Supplies	68,733	95,583	112,905	152,955	
Outside Services	282,121	363,026	281,990	267,700	
Vehicle & Equipment	167,387	187,469	162,232	169,470	
Service Connections-Labor	21,722	35,872	18,520	19,699	
Service Connections-G&A/FB	17,660	43,782	30,591	32,018	
Service Connection Expense	60,530	97,457	100,000	55,000	
Total Operating	*$4,188,827*	*$5,230,854*	*$4,484,438*	*$4,594,023*	
CORRECTIVE MAINTENANCE					
Corrective Maintenance-Labor	$626,161	$523,473	$437,725	$546,925	
Corrective Maintenance-G&A/FB	924,223	815,546	723,034	888,972	
Corrective Maintenance	1,542,983	1,065,877	1,007,812	1,024,077	
Total Corrective	*$3,093,367*	*$2,404,896*	*$2,168,571*	*$2,459,974*	
TOTAL TRANS & DISTRIBUTION	**$7,282,195**	**$7,635,751**	**$6,653,009**	**$7,053,997**	

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	2024/2025 ACTUAL	2025/2026 PROJECTED	2025/2026 BUDGET	2026/2027 BUDGET	
CUSTOMER SERVICE					
OPERATING					
Labor	$652,531	$668,729	$610,087	$667,465	
G&A/Fringe Benefit	918,831	978,032	902,239	970,445	
Materials & Supplies	390,578	381,074	251,000	347,000	
Outside Services	18,728	35,701	25,200	31,700	
Vehicle & Equipment	80,081	76,204	68,940	75,424	
Resource Customer Support	1,608,691	1,509,348	1,755,377	1,889,289	
Uncollectible Accounts	176,093	55,214	35,000	35,000	
Total Operating	*$3,845,534*	*3,704,302*	*$3,647,844*	*$4,016,323*	
TOTAL CUSTOMER SERVICE	**$3,845,534**	**$3,704,302**	**$3,647,844**	**$4,016,323**	
RECYCLED WATER					
OPERATING					
Joint Facility Recycled Water	$1,368,435	$1,109,572	$1,361,503	$1,393,757	
Labor	75,803	66,750	$74,261	82,520	
G&A/Fringe Benefit	112,207	103,421	114,273	124,803	
Materials & Supplies	194,774	3,772	20,000	22,100	
Utilities	266,700	266,321	367,249	346,837	
Outside Services	49,651	150,662	291,500	317,500	
Vehicle & Equipment	9,317	7,630	8,391	9,325	
Total Operating	*$2,076,887*	*$1,708,127*	*$2,237,177*	*$2,296,842*	
CORRECTIVE MAINTENANCE					
Corrective Maintenance-Labor	$750	$0	$31,948	$36,846	
Corrective Maintenance-G&A/FB	1,116	0	52,772	59,890	
Corrective Maintenance	6,306	0	85,020	85,020	
Total Corrective	*$8,172*	*$0*	*$169,741*	*$181,756*	
TOTAL RECYCLED WATER	**$2,085,059**	**$1,708,127**	**$2,406,918**	**$2,478,598**	
ENGINEERING					
OPERATING					
Labor	$37,481	$139,747	$56,189	$59,270	
G&A/Fringe Benefit	51,525	168,053	55,566	58,316	
Materials & Supplies	0	357	0	0	
Outside Services	500	309	0	0	
Vehicle & Equipment	4,087	12,576	6,349	6,698	
Engineering OH-Cap Fee for Service	13,841	81,833	38,153	40,986	SEE NOTE 5
Resource Engineering	617,260	737,912	794,063	830,878	SEE NOTE 5
Total Operating	*$724,694*	*$1,140,787*	*$950,320*	*$996,148*	
TOTAL ENGINEERING	**$724,694**	**$1,140,787**	**$950,320**	**$996,148**	
SUPPORT					
OPERATING					
Direct Support Allocation	$8,237,825	$8,048,414	$8,809,825	$9,367,417	
Resource Support	584,211	566,253	0	0	
Total Operating	*$8,822,036*	*$8,614,667*	*$8,809,825*	*$9,367,417*	
TOTAL SUPPORT	**$8,822,036**	**$8,614,667**	**$8,809,825**	**$9,367,417**	
TOTAL OPERATING EXPENSES	**$58,203,214**	**$57,171,777**	**$57,785,861**	**$62,658,369**	
GAIN/(LOSS) FROM OPERATIONS	**($3,632,707)**	**($1,090,827)**	**($951,674)**	**$183,799**	
RESERVES-USE OF/(ADDITION TO)	2,865,132	751,665	612,512	(379,794)	
INTEREST EARNINGS GENERAL FUND	1,492,796	1,260,829	1,260,829	1,117,662	
CAPITAL EXPENDITURES GENERAL FUND	(725,221)	(921,667)	(921,667)	(921,667)	
NET SOURCES/(USES) FROM OP ACTIVITIES	**$0**	**$0**	**$0**	**$0**	

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	2024/2025 ACTUAL	2025/2026 PROJECTED	2025/2026 BUDGET	2026/2027 BUDGET	
OPERATING REVENUES					
Water Revenue	$17,899,291	$17,467,202	$20,989,350	$22,536,272	SEE NOTE 2
Recycled Water Revenue	515,459	506,955	509,718	545,652	
Monthly Service Charges	9,416,940	9,710,970	9,768,721	10,819,957	SEE NOTE 2
Energy Charges	2,360,436	2,095,911	2,491,393	2,646,713	SEE NOTE 2
New Service Connections	160,210	153,696	61,445	66,138	SEE NOTE 3
Rental/Lease Income	266,211	185,058	281,483	293,406	
Operating Grant Revenue	31,574	55,455	55,455	44,480	
Other Op Rev-Billing	344,921	404,297	614,957	352,376	
Other Op Rev-Engineering	35,814	79,401	63,416	42,454	
Western IDA-Rock Mtn.	103,858	62,368	172,102	176,446	
Reclass From/(To) Non-Op	3,130,490	3,333,886	3,333,886	3,274,314	SEE NOTE 6
TOTAL OPERATING REVENUES	**$34,265,203**	**$34,055,199**	**$38,341,925**	**$40,798,208**	
OPERATING EXPENSES					
SOURCE OF SUPPLY					
Purchased Water Resource	$22,527,678	$21,233,839	$24,386,945	$25,916,635	SEE NOTE 4
Purchased Water Santa Marg	766,163	788,283	788,283	832,989	
TOTAL SOURCE OF SUPPLY	**$23,293,841**	**$22,022,122**	**$25,175,228**	**$26,749,624**	
BOOSTER PUMPING					
OPERATING					
Labor	$151,189	$122,559	$101,098	$112,445	
G&A/Fringe Benefit	223,705	189,725	155,570	170,062	
Materials & Supplies	271,769	164,118	126,200	141,500	
Utilities	1,936,065	1,547,063	1,744,316	1,963,240	
Outside Services	487,204	450,264	437,288	485,700	
Vehicle & Equipment	18,576	13,999	11,424	12,706	
Total Operating	*$3,088,508*	*$2,487,727*	*$2,575,897*	*$2,885,654*	
CORRECTIVE MAINTENANCE					
Corrective Maintenance-Labor	$337	$0	$11,991	$13,803	
Corrective Maintenance-G&A/FB	501	0	19,808	22,435	
Corrective Maintenance	1,056	2,855	37,750	50,000	
Total Corrective	*$1,894*	*$2,855*	*$69,549*	*$86,237*	
TOTAL BOOSTER PUMPING	**$3,090,402**	**$2,490,582**	**$2,645,446**	**$2,971,892**	
TRANSMISSION & DISTRIBUTION					
OPERATING					
Labor	$739,088	$801,513	$1,035,960	$1,027,652	
G&A/Fringe Benefit	964,905	1,096,012	1,417,256	1,387,494	
Materials & Supplies	183,641	173,365	157,845	212,250	
Outside Services	166,434	159,490	211,941	237,225	
Vehicle & Equipment	80,122	80,598	104,075	103,668	
Service Connections-Labor	28,229	21,500	21,820	23,827	
Service Connections-G&A/FB	33,791	28,549	36,042	38,728	
Service Connection Expense	80,856	103,647	3,583	3,583	
Total Operating	*$2,277,067*	*$2,464,674*	*$2,988,521*	*$3,034,427*	
CORRECTIVE MAINTENANCE					
Corrective Maintenance-Labor	$307,767	$262,242	$340,558	$426,639	
Corrective Maintenance-G&A/FB	457,499	403,849	562,534	693,460	
Corrective Maintenance	948,316	741,740	711,588	777,652	
Total Corrective	*$1,713,582*	*$1,407,832*	*$1,614,680*	*$1,897,751*	
TOTAL TRANS & DISTRIBUTION	**$3,990,648**	**$3,872,506**	**$4,603,200**	**$4,932,178**	

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	2024/2025 ACTUAL	2025/2026 PROJECTED	2025/2026 BUDGET	2026/2027 BUDGET	
CUSTOMER SERVICE					
OPERATING					
Labor	$268,551	$258,016	$298,238	$321,861	
G&A/Fringe Benefit	381,924	381,979	431,211	457,353	
Materials & Supplies	102,339	151,596	58,800	90,300	
Outside Services	6,642	7,278	17,000	18,500	
Vehicle & Equipment	32,948	29,431	33,701	36,370	
Resource Customer Support	369,625	347,905	447,839	418,836	
Uncollectible Accounts	42,314	11,307	15,000	0	
Total Operating	*$1,204,344*	*1,187,512*	*$1,301,789*	*$1,343,220*	
TOTAL CUSTOMER SERVICE	**$1,204,344**	**$1,187,512**	**$1,301,789**	**$1,343,220**	
RECYCLED WATER					
OPERATING					
Joint Facility Recycled Water	$560,888	$458,312	$429,948	$483,566	
Labor	49,143	39,050	55,285	63,566	
G&A/Fringe Benefit	72,900	60,191	85,072	96,137	
Materials & Supplies	86,516	12,369	20,600	18,500	
Utilities	306,719	273,536	316,716	317,919	
Outside Services	27,404	69,528	145,600	123,600	
Vehicle & Equipment	6,053	4,422	6,247	7,183	
Total Operating	*$1,109,624*	*$917,408*	*$1,059,468*	*$1,110,472*	
CORRECTIVE MAINTENANCE					
Corrective Maintenance-Labor	$1,239	$13,835	$30,028	$34,713	
Corrective Maintenance-G&A/FB	1,843	21,289	49,601	56,422	
Corrective Maintenance	4,518	2,647	26,335	26,335	
Total Corrective	*$7,600*	*$37,770*	*$105,964*	*$117,470*	
TOTAL RECYCLED WATER	**$1,117,223**	**$955,178**	**$1,165,432**	**$1,227,942**	
ENGINEERING					
OPERATING					
Labor	$16,871	$29,945	$38,107	$40,157	
G&A/Fringe Benefit	20,592	32,011	37,684	39,511	
Materials & Supplies	0	0	0	0	
Outside Services	5,680	0	0	0	
Vehicle & Equipment	1,942	3,085	4,306	4,538	
Engineering OH-Cap Fee for Service	3,731	9,268	25,875	27,769	SEE NOTE 5
Resource Engineering	173,393	212,635	230,548	238,471	SEE NOTE 5
Total Operating	*$222,208*	*$286,944*	*$336,519*	*$350,446*	
TOTAL ENGINEERING	**$222,208**	**$286,944**	**$336,519**	**$350,446**	
SUPPORT					
OPERATING					
Direct Support Allocation	$2,451,227	$2,294,999	$2,718,275	$2,913,974	
Resource Support	306,120	359,755	0	0	
Total Operating	*$2,757,347*	*$2,654,754*	*$2,718,275*	*$2,913,974*	
TOTAL SUPPORT	**$2,757,347**	**$2,654,754**	**$2,718,275**	**$2,913,974**	
TOTAL OPERATING EXPENSES	**$35,676,013**	**$33,469,597**	**$37,945,888**	**$40,489,275**	
GAIN/(LOSS) FROM OPERATIONS	**($1,410,812)**	**$585,602**	**$396,037**	**$308,933**	
RESERVES-USE OF/(ADDITION TO)	2,695,415	1,047,082	1,236,647	1,738,264	
INTEREST EARNINGS GENERAL FUND	631,614	880,875	880,875	699,107	
CAPITAL EXPENDITURES GENERAL FUND	(1,916,218)	(2,513,558)	(2,513,558)	(2,746,303)	
NET SOURCES/(USES) FROM OP ACTIVITIES	**$0**	**$0**	**$0**	**$0**	

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	2024/2025 ACTUAL	2025/2026 PROJECTED	2025/2026 BUDGET	2026/2027 BUDGET	
OPERATING REVENUES					
TOTAL OPERATING REVENUES	**$0**	**$0**	**$0**	**$0**	
OPERATING EXPENSES					
SOURCE OF SUPPLY					
Purchased Water MWD	$26,276,323	$22,318,198	$24,252,195	$19,384,375	
Import Water Fixed Charge	5,722,709	6,443,195	6,443,195	9,483,329	
Purchased Recharge Water	18,360,952	18,817,816	18,817,816	$24,416,545	
Purchased Water Resource	(52,986,464)	(50,462,365)	(54,230,752)	(58,699,467)	SEE NOTE 4
Purchased Water Santa Marg	(3,830,815)	(3,941,416)	(3,941,416)	($4,164,945)	
Labor	645,083	767,832	923,992	1,026,331	
G&A/Fringe Benefit	956,682	1,181,540	1,421,839	1,552,223	
Materials & Supplies	460,245	445,590	688,900	769,750	
Utilities	3,047,304	3,214,074	3,350,840	3,976,838	
Outside Services	1,169,320	951,143	1,931,601	1,871,185	
Vehicle & Equipment	79,412	76,140	104,411	115,975	
Total Operating	*($99,248)*	*($188,253)*	*($237,378)*	*($267,861)*	
CORRECTIVE MAINTENANCE					
Corrective Maintenance-Labor	$3,217	$0	$50,863	$53,082	
Corrective Maintenance-G&A/FB	4,784	0	84,015	86,279	
Corrective Maintenance	91,247	188,253	102,500	128,500	
Total Corrective	*$99,248*	*$188,253*	*$237,378*	*$267,861*	
TOTAL SOURCE OF SUPPLY	**$0**	**$0**	**$0**	**$0**	
CUSTOMER SERVICE					
OPERATING					
Labor	$653,332	$657,572	$687,567	$700,806	
G&A/Fringe Benefit	638,567	654,941	679,935	689,523	
Materials & Supplies	5,456	3,132	37,000	35,000	
Outside Services	806,698	664,144	913,500	1,012,500	
Vehicle & Equipment	80,687	75,282	77,695	79,191	
Resource Customer Support	(2,189,282)	(2,055,071)	(2,395,698)	(2,517,019)	
Uncollectable Accounts	4,543	0	0	0	
Total Operating	*$0*	*$0*	*$0*	*$0*	
TOTAL CUSTOMER SERVICE	**$0**	**$0**	**$0**	**$0**	
RECYCLED WATER					
OPERATING					
Joint Facility Recycled Water	($1,929,323)	($1,567,884)	($1,791,451)	($1,877,323)	
Purchased Recycled Water	895,447	697,146	793,914	829,726	
Labor	304,415	234,597	298,921	300,603	
G&A/Fringe Benefit	450,031	363,639	458,206	452,816	
Materials & Supplies	399,105	474,438	433,260	477,870	
Utilities	140,058	55,890	263,285	263,285	
Outside Services	160,009	157,465	144,673	146,600	
Vehicle & Equipment	37,428	26,839	33,778	33,968	
Treatment Reimbursables	(1,616,366)	(1,634,393)	(1,795,057)	(1,923,598)	
Contract Treatment Exp.-JPA	1,127,138	1,160,471	1,160,471	1,249,034	
Total Operating	*($32,058)*	*($31,791)*	*$0*	*($47,019.20)*	
CORRECTIVE MAINTENANCE					
Corrective Maintenance-Labor	$0	$0	$0	$8,366	
Corrective Maintenance-G&A/FB	0	0	0	12,653	
Corrective Maintenance	32,058	31,791	0	26,000	
Total Corrective	*$32,058*	*$31,791*	*$0*	*$47,019*	
TOTAL RECYCLED WATER	**$0**	**$0**	**$0**	**$0**	

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	2024/2025 ACTUAL	2025/2026 PROJECTED	2025/2026 BUDGET	2026/2027 BUDGET	
ENGINEERING					
OPERATING					
Labor	$1,004,564	$942,422	$1,034,896	$1,083,955	
G&A/Fringe Benefit	977,242	938,757	1,023,409	1,066,503	
Materials & Supplies	20,738	9,096	35,000	40,000	
Outside Services	138,872	105,560	39,000	44,000	
Vehicle & Equipment	123,480	107,492	116,943	122,487	
Engineering OH-Cap Fee for Service	(1,467,742)	(1,143,399)	(1,216,791)	(1,279,841)	SEE NOTE 5
Resource Engineering	(797,154)	(959,928)	(1,032,458)	(1,077,104)	SEE NOTE 5
Total Operating	*$0*	*$0*	*$0*	*$0*	
TOTAL ENGINEERING	**$0**	**$0**	**$0**	**$0**	
SUPPORT					
OPERATING					
Labor	$7,120,487	$7,384,258	$7,829,766	$8,346,604	
G&A/Fringe Benefit	4,837,634	5,192,040	5,577,925	6,007,051	
Materials & Supplies	740,183	788,283	755,417	834,950	
Utilities	63,025	53,662	53,260	54,222	
Outside Services	5,940,827	6,242,489	7,479,261	7,457,182	
Corrective Maintenance	98,257	63,657	104,635	105,787	
Direct Support Allocation	(11,736,937)	(11,340,014)	(12,656,075)	(13,499,660)	
Resource Support	(7,063,475)	(8,384,375)	(9,144,189)	(9,306,135)	SEE NOTE 5
Total Operating	*$0*	*$0*	*$0*	*$0*	
TOTAL SUPPORT	**$0**	**$0**	**$0**	**$0**	
EMPLOYEE BENEFIT					
Employee Benefits	$10,093,750	$10,023,250	$9,905,414	$10,674,970	
E/B Vacation/Sick/Holiday	3,155,344	3,688,264	3,177,978	3,361,155	
Reimbursement Employee Benefit	(13,249,094)	(13,711,514)	(13,083,392)	(14,036,126)	
TOTAL EMPLOYEE BENEFIT	**$0**	**$0**	**$0**	**$0**	
VEHICLE & EQUIPMENT					
OPERATING					
Vehicle & Equipment PM-Labor	$60,446	$68,612	$52,699	$55,646	
Vehicle & Equipment PM-G&A/FB	41,697	49,299	37,543	40,048	
Vehicle & Equipment Exp. PM	553,682	495,088	553,000	607,000	
Total Operating	*$655,825*	*$612,998*	*$643,242*	*$702,694*	
CORRECTIVE MAINTENANCE					
Vehicle & Equipment CM-Labor	$96,646	$81,563	$154,085	$163,800	
Vehicle & Equipment CM-G&A/FB	66,959	58,468	109,770	117,887	
Vehicle & Equipment Exp. CM	203,235	296,509	259,000	251,000	
Total Corrective	*$366,840*	*$436,540*	*$522,856*	*$532,686*	
Reimburse Vehicle Expense	($1,022,665)	($1,049,538)	($1,166,098)	($1,235,380)	SEE NOTE 5
TOTAL VEHICLE & EQUIP EXPENSE	**$0**	**$0**	**$0**	**$0**	
TOTAL OPERATING EXPENSES	**$0**	**$0**	**$0**	**$0**	
GAIN/(LOSS) FROM OPERATIONS	**$0**	**$0**	**$0**	**$0**	
RESERVES-USE OF/ (ADDITION TO)	0	0	0	0	
INTEREST EARNINGS GENERAL FUND	0	0	0	0	
CAPITAL EXPENDITURES GENERAL FUND	0	0	0	0	
NET SOURCES/(USES) FROM OP ACTIVITIES	**$0**	**$0**	**$0**	**$0**	

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	2024/2025 ACTUAL	2025/2026 PROJECTED	2025/2026 BUDGET	2026/2027 BUDGET	
OPERATING REVENUES					
Wastewater Service Charges	$2,366,304	$2,375,030	$2,387,623	$2,436,203	SEE NOTE 7
Other Op Rev-Billing	0	0	0	0	
Other Op Rev-Engineering	29	48	0	0	
Reclass From/(To) Non-Op	613,400	641,071	641,071	644,309	
TOTAL OPERATING REVENUES	**$2,979,733**	**$3,016,149**	**$3,028,694**	**$3,080,512**	
CUSTOMER SERVICE					
OPERATING					
Resource Customer Support	$210,965	$197,818	$192,482	$208,894	
Uncollectible Accounts	5,573	4,905	0	0	
Total Operating	*$216,538*	*$202,723*	*$192,482*	*$208,894*	
TOTAL CUSTOMER SERVICE	**$216,538**	**$202,723**	**$192,482**	**$208,894**	
WASTEWATER EXPENSE					
OPERATING					
Labor	$890,585	$911,208	$958,898	$959,238	
G&A/Fringe Benefit	1,211,329	1,261,741	1,384,820	1,361,049	
Materials & Supplies	199,038	244,644	244,629	291,250	
Utilities	890,705	873,207	904,114	907,988	
Outside Services	962,615	1,016,391	1,099,243	1,168,212	
Vehicle & Equipment	97,619	87,157	102,384	102,422	
Treatment Reimbursable	(4,394,604)	(4,825,201)	(4,737,928)	(5,048,423)	SEE NOTE 8
Contract Treatment Exp. - JPA	1,790,676	1,803,358	1,803,358	1,876,191	SEE NOTE 9
Uncollectible Accounts	0	0	0	0	
Total Operating	*$1,647,963*	*$1,372,505*	*$1,759,519*	*$1,617,927*	
CORRECTIVE MAINTENANCE					
Corrective Maintenance-Labor	$0	$3,210	$605	$17,380	
Corrective Maintenance-G&A/FB	$0	4,939	999	28,249	
Corrective Maintenance	$179,812	201,900	0	85,000	
Total Corrective	*$179,812*	*$210,049*	*$1,603*	*$130,628*	
TOTAL WASTEWATER EXPENSE	**$1,827,775**	**$1,582,554**	**$1,761,122**	**$1,748,556**	
ENGINEERING					
OPERATING					
Resource Engineering	$6,501	$9,381	$7,854	$7,755	
Total Operating	*$6,501*	*$9,381*	*$7,854*	*$7,755*	
TOTAL ENGINEERING	**$6,501**	**$9,381**	**$7,854**	**$7,755**	
SUPPORT					
OPERATING					
Direct Support Allocation	$1,047,887	$996,599	$1,127,976	$1,218,269	
Resource Support	96	217,443	0	0	
Total Operating	*$1,047,983*	*$1,214,042*	*$1,127,976*	*$1,218,269*	
TOTAL SUPPORT	**$1,047,983**	**$1,214,042**	**$1,127,976**	**$1,218,269**	
TOTAL OPERATING EXPENSES	**$3,098,797**	**$3,008,700**	**$3,089,434**	**$3,183,474**	
GAIN/(LOSS) FROM OPERATIONS	**($119,064)**	**$7,449**	**($60,740)**	**($102,962)**	
RESERVES	27,120	(58,876)	9,313	12,614	
INTEREST EARNINGS GENERAL FUND	91,944	51,427	51,427	90,347	
CAPITAL EXPENDITURES GENERAL FUND	0	0	0	0	
NET SOURCES/(USES) FROM OP ACTIVITIES	**$0**	**$0**	**$0**	**$0**	

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FOOTNOTE #1 – SUMMARY OF SIGNIFICANT BUDGETING POLICIES

Enterprise Fund - The District applies accounting principles consistent with enterprise fund operations; accordingly, revenues and expenses are budgeted using an accrual basis.

FOOTNOTE #2 – USER RATES

Total water demand in the FY 2026/2027 Budget is projected to increase slightly by 230 AF or 0.5 percent compared to the FY 2025/2026 Budget. The small increase reflects the District's continued efforts in customer outreach related to water conservation. The District encourages its customers to embrace a culture of long-term conservation.

The proposed operating budget for FY 2026/2027 totals $106.3 million, representing a $7,509,935 or 7.6 percent increase over the prior-year budget. The cost of producing water continues to be the single greatest expense the District incurs, accounting for 54 percent of the total operating budget. The following table compares budgeted costs for FY 2026/2027 to the budgeted costs for FY 2025/2026. Key drivers of year-to-year changes include:

- MWD Imported Water Costs: The budget for MWD costs for FY 2026/2027 reflect the following changes:
  - MWD revised their rates and charge structure beginning in calendar year (CY) 2027 to include three new fixed charges all related to water treatment. The three new charges represent $1.3 million of MWD imported water costs in the FY 2026/2027 budget.
  - Production at the District's VDC project is budgeted to increase from 15,500 AF per year to 19,500 AF per year and reflects the anticipated completion of the VDC expansion project. This allows the District to use less of more expensive treated water by offsetting that use with more less expensive raw water. This change leads to a budgeted decrease of $1.5 million when compared to the prior year budget.
  - Per AF rate increases from MWD result in an increase of $2.0 million when compared to the prior year.
  - MWD fixed Capacity and Ready to Serve (RTS) fixed charges reflect a budgeted increase of $1.7 million when compared to the prior-year budget.
  - Water supplied by MWD to satisfy the required Santa Margarita River flow results in a $223,500 increase, due to higher MWD rates for untreated water.
- Imported Recharge Water: As noted above, the District projects the amount of imported recharge water to increase by 4,000 AF to 19,500 AF for FY 2026/2027.
- Local Well Production: Native well water remains the District's most cost-effective source of water supply. The District anticipates a slight decrease of 70 AF or (0.4) percent in well water production, reflecting the annual groundwater audit results used to determine the annual yield for local well production.

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FOOTNOTE #2 – USER RATES (CONTINUED)

- Energy Costs: Energy represents another significant component of the total operating budget, amounting to approximately $9.6 million or 9 percent of the total Budget. The total budgeted energy cost for FY 2026/2027 is $1.0 million or 13.4 percent higher than the prior-year budget. The total energy budget reflects anticipated increases in energy rates from SCE of approximately 8 percent, while natural gas rates are expected to increase by approximately 7 percent. This includes all energy for boosters, wells, wastewater, and headquarters. In addition, the increase in the production of the District VDC recharge facility contributes to the budgeted increase in energy. The energy rate increases for water operations are partially mitigated by operational strategies, such as shifting pumping operations to off-peak periods.
- Inflationary Impacts: Changes in the operating budget from components unrelated to imported water and energy total $2.7 million, primarily due to inflationary impacts on materials and outside services costs, labor, and overhead, including CalPERS and healthcare premiums.

Fiscal Year 2025/2026 Budget	**$98,821,183**
Increase in Treated Import Price	$925,461
Increase in Untreated Import Price	1,056,245
Decrease in Treated Import Quantity	(5,793,281)
Increase in Untreated Import Quantity	4,318,955
Increase in Import Water Fixed Charge Cost	3,040,134
Increase in Santa Margarita Import Water Cost	223,528
Increase in Energy Cost	1,034,878
Additional Cost from All Other Categories	2,704,014
Proposed Fiscal Year 2026/2027 Budget	**$106,331,118**

Rancho Division – The FY 2026/2027 total budgeted operating costs are projected to increase by $4,872,508, or 8.4 percent. The table below presents each budget category included in Rancho Division's operating budget, the difference from FY 2025/2026, and the primary reason for the change.

Budget Category	$ Increase/ (Decrease)	% Increase/ (Decrease)	Explanation for Increase / (Decrease)
Source of Supply	$3,117,849	9.4%	Increase is primarily due to fixed and variable charge increases from MWD.
Booster Pumping	310,091	13.4%	Increase primarily due to an increase in budgeted utilities. Also reflects inflationary pressure on materials, supplies, and outside services.
Transmission & Distribution	400,988	6%	Increase due to higher corrective maintenance and labor on the T&D system and materials and supplies (based on a 3-year average of actual costs).
Customer Service	368,479	10.1%	Increase due to inflationary pressure on labor, materials and supplies and outside services like postage/mailing costs.

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FOOTNOTE #2 – USER RATES (CONTINUED)

Budget Category	$ Increase/ (Decrease)	% Increase/ (Decrease)	Explanation for Increase / (Decrease)
Recycled Water	71,681	3.0%	Increase due to higher recycled water supply costs, listed as "Joint Facility Recycled Water" and outside services.
Engineering	45,828	4.8%	Increase due to additional engineering labor budgeted for the Rancho Division engineering efforts and Resource Engineering labor.
Support	557,592	6.3%	Increase in liability and property insurance premiums, software subscriptions and labor including the addition of one new position in the purchasing department.
Total	**$4,872,508**	**8.4%**	

As part of the FY 2024/2025 budget process, the District's Board approved a multi-year rate package at their special meeting on June 20, 2024. The rate package includes four rate increases on July 1, 2024, January 1, 2025, January 1, 2026, and January 1, 2027. Customers were notified of the rate increases with a special mailing on April 29, 2024. Any property owner not yet connected to the system received a separate mailing. All noticing was accomplished at least 45 days prior to the public hearing.

The average monthly impact on both residential and agricultural bills in the Rancho Division are detailed in the tables below.

Average Monthly Bill Impacts		
Residential Customers (14 units, 3/4-inch water meter, pump zone 1485)		
Charge	**Current Effective January 1, 2026**	**Effective January 1, 2027**
Total	$49.85	$53.67
Average Impact %		7.7%
Average Impact $		$3.82

Average Monthly Bill Impacts		
CII/AG Customers (2 AF, 2-inch water meter, pump zone 1610)		
Charge	**Current Effective January 1, 2026**	**Effective January 1, 2027**
Total	$1,792.43	$1,973.20
Average Impact %	11.27%	10.09%
Average Impact $	$181.53	$180.77

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FOOTNOTE #2 – USER RATES (CONTINUED)

Santa Rosa Division – The FY 2026/2027 total budgeted operating costs for this division are projected to increase by $2,543,387 , or 6.7 percent. The table below presents each budget category included in the Santa Rosa Division's operating budget, the increase or decrease from FY 2025/2026, and the primary reason for the change.

Budget Category	$ Increase/ (Decrease)	% Increase/ (Decrease)	Explanation for Increase / (Decrease)
Source of Supply	$1,574,395	6.3%	Increase is primarily due to fixed and variable charge increases from MWD.
Booster Pumping	326,446	12.3%	Increase primarily due to an increase in budgeted utilities. Also reflects inflationary pressure on materials, supplies, and outside services.
Transmission & Distribution	328,978	7.1%	Increase is due to a higher corrective maintenance and labor on the T&D system (based on a 3-year average of actual costs).
Customer Service	41,432	3.2%	Increase due to inflationary pressure on labor and materials & supplies.
Recycled Water	62,510	5.4%	Increase primarily due to increased labor budgeted for the Santa Rosa Division.
Engineering	13,927	4.1%	Increase due to additional engineering labor budgeted for the Santa Rosa Division engineering efforts and Resource Engineering labor.
Support	195,700	7.2%	Increase in liability and property insurance premiums, software subscriptions and labor including the addition of one new position in the purchasing department.
Total	**$2,543,387**	**6.7%**	

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FOOTNOTE #2 – USER RATES (CONTINUED)

As part of the FY 2024/2025 budget process, the District's Board approved a multi-year rate package at their special meeting on June 20, 2024. The rate package includes four rate increases on July 1, 2024, January 1, 2025, January 1, 2026, and January 1, 2027. Customers were notified of the rate increases with a special mailing on April 29, 2024. Any property owner not yet connected to the system received a separate mailing. All noticing was accomplished at least 45 days prior to the public hearing.

The monthly impact on the average residential and agricultural bill in the Santa Rosa Division is detailed in the tables below.

Average Monthly Bill Impacts		
Residential Customers (14 units, 3/4-inch water meter, pump zone 1500)		
Charge	**Current Effective January 1, 2026**	**Effective January 1, 2027**
Total	$79.98	$86.88
Average Impact %		8.63%
Average Impact $		$6.90

Average Monthly Bill Impacts		
CII/AG Customers (2 AF, 2-inch water meter, pump zone 1610)		
Charge	**Current Effective January 1, 2026**	**Effective January 1, 2027**
Total	$5,498.84	$6,044.89
Average Impact %		9.93%
Average Impact $		$546.05

Budget-Based Tiered-Water Rate Structure–implemented in July 2010, this structure uses a four-tier system to reflect varying levels of efficient water use. This rate structure applies to domestic, multi-family, and dedicated landscape accounts. A similar three-tiered rate structure also applies to Ag and CII customers, each of whom receives an annual water budget specific to their property for efficient water use.

The foundational principle underlying this rate structure is that each customer is assigned a water-use budget appropriate for their property and circumstances. This approach acknowledges water as a finite resource and promotes its sustainable use to ensure long-term reliability. Water rates are designed to recover the cost of water operations while incentivizing efficient use of water. The use of tiered-price levels allows the District to invest in public outreach and tools to promote water-use efficiency .

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FOOTNOTE #2 – USER RATES (CONTINUED)

Absent this rate structure, all customers would effectively subsidize inefficient water use, and those customers who are less efficient would lack an incentive to become more efficient.

As previously noted, the District's Board approved a multi-year rate package at their special meeting on June 20, 2024, and the rates listed in the tables below will be effective on the dates indicated in table.

RANCHO DIVISION - BUDGET-BASED TIERED-WATER RATES (PER HCF)

RANCHO DIVISION MONTHLY WATER COMMODITY RATES ($/HCF)		
Residential, multi-family, & landscape customers		
Tier Level	**Current Effective January 1, 2026**	**Effective January 1, 2027**
Tier 1	$0.92	$1.00
Tier 2	$2.06	$2.30
Tier 3	$4.99	$5.33
Tier 4	$6.52	$6.90

RANCHO DIVISION MONTHLY WATER COMMODITY RATES ($/HCF)		
CII/Ag customers		
Tier Level	**Current Effective January 1, 2026**	**Effective January 1, 2027**
Tier 1	$1.67	$1.85
Tier 2	$4.99	$5.33
Tier 3	$6.52	$6.90

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FOOTNOTE #2 – USER RATES (CONTINUED)

SANTA ROSA DIVISION - BUDGET-BASED TIERED-WATER RATES (PER HCF)

SANTA ROSA DIVISION MONTHLY WATER COMMODITY RATES ($/HCF)		
Residential, multi-family, & landscape customers		
Tier Level	**Current Effective January 1, 2026**	**Effective January 1, 2027**
Tier 1	$1.84	$2.05
Tier 2	$3.03	$3.32
Tier 3	$5.90	$6.29
Tier 4	$6.94	$7.37

SANTA ROSA DIVISION MONTHLY WATER COMMODITY RATES ($/HCF)		
CII/Ag customers		
Tier Level	**Current Effective January 1, 2026**	**Effective January 1, 2027**
Tier 1	$2.70	$2.98
Tier 2	$5.90	$6.29
Tier 3	$6.94	$7.37

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FOOTNOTE #2 – USER RATES (CONTINUED)

The factors used to determine indoor and outdoor efficient water budgets are summarized in the table below.

VARIABLE	DEFINITION	CURRENT EFFECTIVE JULY 1, 2024
Single Family Default Household Size (Tier 1)	The default number of residents in the household, each using 55 GPCD.	3 Residents Per Household, each using 47 GPCD.
Multi-Family Default Household Size (Tier 1)	The default number of residents in the household, each using 55 GPCD.	3 Residents Per Household, each using 47 GPCD.
ETAF (Tier 2)	ETAF adjusts ET values used to calculate the maximum amount of water that should be applied to a landscape. It is expressed in inches of water.	Irrigated SF ETAF 0 to 30,000 75% 30,000 to 75,000 60%
Landscape Customer (Tier 1)	Ultra-efficient use of water for irrigation for landscape exclusive customers.	Rancho Division ETAF of 23% Santa Rosa Division ETAF of 13%
Landscape Area (Tier 2)	Landscape Area includes all areas on a customer's property that have grass, shrubs, trees, ground cover, etc. that are irrigated and measured in square feet (SF).	**Single Family Residence** Irrigated SF ETAF 0 to 30,000 75% 30,001 to 75,000 60% 75,001 to 150,000 0% **Multi-Family Residence** Irrigated SF ETAF of 75% **Landscape Customer** Rancho Division ETAF of 37% Santa Rosa Division ETAF of 47%

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FOOTNOTE #2 – USER RATES (CONTINUED)

Recycled Water Rates – The District has two sources of recycled water that are available for resale to approved users. The first source is recycled water that is generated as a biproduct of wastewater treatment at the SRWRF. The second source of recycled water is purchased under a contract with EMWD.

As previously noted, the District's Board approved a multi-year rate package at their June 20, 2024, special meeting and the recycled rates listed in the table below are effective as indicated by the dates listed in the table.

RECYCLED WATER MAXIMUM COMMODITY RATES ($/AF)		
Service	**Current Effective January 1, 2026**	**Effective January 1, 2027**
Recycled Water	$522.87	$554.24

SRWRF – The total budgeted operating Wastewater Service Charges for the SRWRF are projected to increase by $152,216, or 6.3 percent. The overall wastewater rate of $48.81 per EDU for FY 2025/2026 (which includes the operating and non-operating components of wastewater costs) will increase by $1.46 to $50.27, or 3 percent per EDU for FY 2026/2027. The per EDU increase is allocated with $0.45 going to the operating component of the overall wastewater rate and $1.01 going to the non-operating component (please see the table below for more detail).

The table below details the change in the total rate per EDU. As previously noted, the District's Board approved a multi-year rate package at their June 20, 2024, special meeting and the approved wastewater rates per EDU are listed in the table below.

WASTEWATER MAXIMUM MONTHLY SERVICE FEE ($/EDU)		
All customer classes		
Service	**Current Effective January 1, 2026**	**Effective January 1, 2027**
Wastewater	$48.81	$50.27

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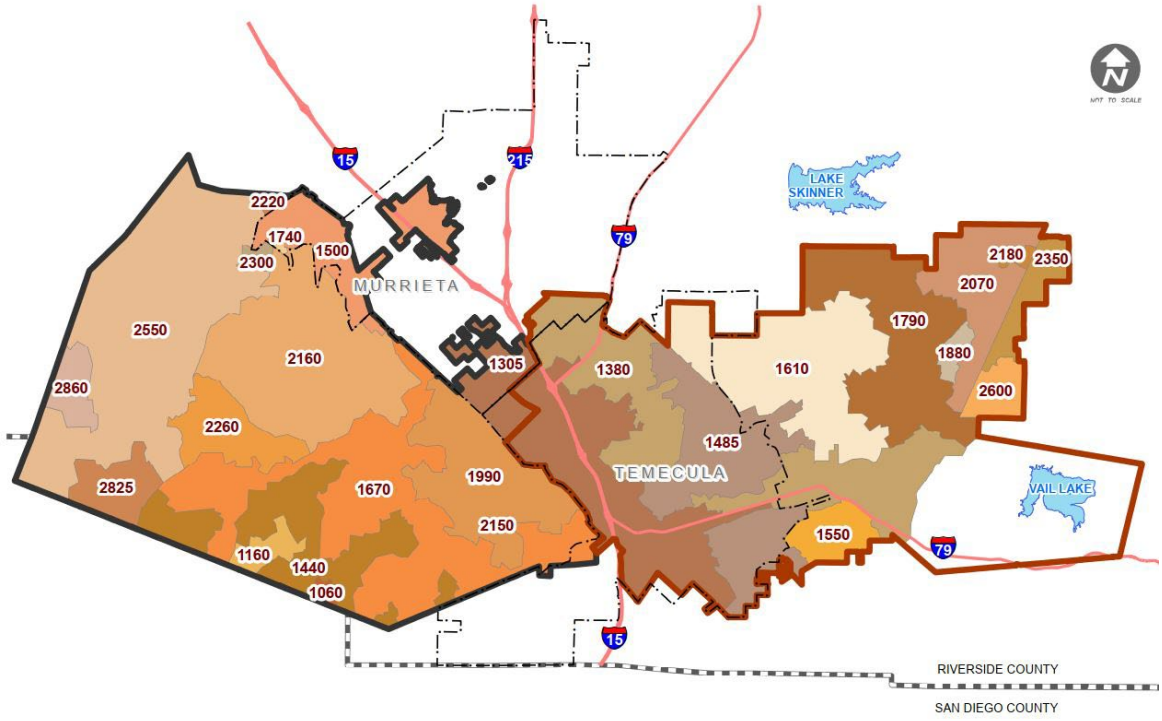
FOOTNOTE #2 – USER RATES (CONTINUED)

Monthly Service Charge – A significant portion of Rancho Water's operating costs are fixed in nature and do not fluctuate with changes in water deliveries. To recover these costs, a monthly service charge is assessed on each water meter based on the rate of flow that the meter is capable of delivering. The rationale for this charge is that the District must maintain its infrastructure and readiness to meet demand regardless of actual water use. Therefore, these fixed costs are allocated primarily based on meter-capacity.

The Board approved new Monthly Service Charges at their June 20, 2024, special meeting. The approved Monthly Service Charges by meter size are presented in the Rates and Fees Section of this document.

Energy Charges – Rancho Water's FY 2025/2026 energy budget of approximately $8.6 million will increase to approximately $9.6 million for FY 2026/2027. This equates to an increase of approximately $1.0 million, or 13.4 percent over the prior year. The total energy budget reflects anticipated increases in energy rates from SCE of approximately 8 percent, while natural gas rates are expected to increase by approximately 7 percent. The energy budget includes all energy for booster stations, wells, wastewater operations, and District headquarters. The increase in energy costs is also driven in part by higher production at the District's VDC recharge facility. Energy rate increases for water operations are partially mitigated by operational strategies, including shifting pumping to off-peak periods and ongoing implementation of energy-efficient practices. Over the past several years, operations staff have adjusted pump schedules to reduce exposure to peak-energy costs. The Board approved new energy charges at their June 20, 2024, special meeting, and the approved energy charges by pressure zone are presented in the Rates and Fees Section of this document.

Energy charges are based on pressure zones within the Rancho Division (outlined in orange) and the Santa Rosa Division (outlined in black), as identified in the map below.



Footnote #2 – User Rates (Continued)

Sales Quantities

Actual and Budgeted Sales (Potable & Recycled) in AF

Division	FY 2024/2025 Actual	FY 2025/2026 Budgeted	FY 2026/2027 Budgeted
Rancho Sales	33,764	31,350	31,737
Santa Rosa Sales	18,461	18,572	18,415
Total Sales	52,224	49,922	50,152
Production	56,214	52,274	52,792
Percentage of Average Production Loss	7.1%	4.5%	5.0%

Table 7.1

Footnote #3 – New Service Connections

The budget line item titled "New Service Connections" in the Operating Revenue and T&D Sections of the Operating Budget represents the estimated revenue and costs associated with the installation of new water meter services.

Footnote #4 – Water Cost

The source of supply costs associated with the Rancho and Santa Rosa Divisions are accumulated in the Resource Division. Underlying accounting records track specific costs of water production for both wells and import water supply for the Rancho, Santa Rosa, and Resource Divisions. These costs are then allocated back to the respective water division after consideration of the 12,000 AF of Native Water benefit to the Rancho Division, and 2,000 AF benefit to the Santa Rosa Division, in accordance with legal requirements.

The budget line item titled "Purchased Water Resource" represents the allocation of these costs.

Projected Production Requirements in AF

	FY 2024/2025 Actual		FY 2025/2026 Budgeted		FY 2026/2027 Budgeted	
Production Type	**Rancho**	**Santa Rosa**	**Rancho**	**Santa Rosa**	**Rancho**	**Santa Rosa**
Native Well	13,361	2,007	13,060	3,060	13,025	3,025
Treated Import	7,796	5,240	9,056	7,579	7,376	5,285
Import Recharge	7,377	7,377	7,750	7,750	10,000	10,000
Recycled	2,537	1,364	42,961	1,058	3,006	1,074
Total AF Req.	31,070	15,987	32,827	19,447	33,407	19,384
Avg. Cost Per AF	**$929**	**$1,183**	**$1,078**	**$1,354**	**$1,155**	**$1,443**
Avg. Production Loss	**8.2%**	**11.1%**	**4.5%**	**4.5%**	**5.0%**	**5.0%**

Table 7.2

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FOOTNOTE #5 – OVERHEAD ALLOCATIONS

General, Administrative, and Fringe Benefit – General, administrative, and fringe benefit indirect overhead costs are allocated to operating, fee-for-service, and capital activities, based upon direct labor hours.

G&A overhead expenses encompass the costs incurred to support the operation of the District's water and wastewater systems. These costs include but are not limited to human resources and engineering supervision. Functions supported by G&A generally include potable and recycled water supply and distribution, wastewater collection and treatment, customer service and Engineering (Operating Costs). G&A costs are integrated into each division's budget by applying a percentage to each hour of Operating Cost labor and are presented within the Operating Budget statement as "G&A/Fringe Benefit" for each Operating Cost category.

Presented below is a comparison of overhead rates:

CATEGORY	FY 2025/2026 BUDGETED	FY 2026/2027 BUDGETED
General & Administration	27.7%	26.4%
Fringe Benefit	71.2%	72.0%
Vehicle & Equipment*	11.3%	11.3%
Operations*	55.0%	52.9%
Operating Overhead Rate	**165.2%**	**162.5%**
Operating Overhead Rate	165.2%	162.5%
Engineering Direct Rate	67.9%	69.2%
Less Operations Rate	(55.0%)	(52.9%)
Total Fee for Service & Capital Allocation Rate	**178.1%**	**178.8%**

*The Vehicle & Equipment and Operations Overhead Rates are applied to District labor only if that labor is supported by the Overhead.

Table 7.3

General Engineering Support – Prior to FY 1991/1992, 100 percent of Rancho Water's general engineering support costs were charged to Operations. After studying the components of the general engineering support costs, it was determined that capital and fee-for-service customers obtained substantial benefit from the expenditures relating to non-directly allocable engineering costs. Therefore, a general engineering overhead rate was established based upon an estimate of the fee-for-service and capital portion of general engineering costs. The remaining general engineering costs, which were not allocable to fee-for-service nor capital jobs, are charged to each of the water and sewer divisions, based upon an estimate of their relative benefit, as determined by the Engineering Department.

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FOOTNOTE #6 – RECLASS FROM NON-OPERATING TO OPERATING

This item represents a transfer from the Non-Operating budget to the Operating budget. The projected transfer for FY 2026/2027 is $17,221,481, which is an 11.3 percent increase from the prior-year budget. The 11.3 percent increase in the total transfer amount is primarily due to a higher projected rate of return on the Non-Operating reserve funds. This increase raised the budgeted interest earnings transfer by $1,374,951 compared to FY 2025/2026. This reclassification includes the following transfers from the Non-Operating to the Operating budget:

- **CalPERS UAL Funding**: Funds transferred from the Non-Operating budget of all three divisions to pay the UAL portion of the annual CalPERS pension cost. The UAL represents the amortized cost of past service benefits for current retirees, active employees, and deferred members. For FY 2026/2027, this transfer is budgeted at $4,011,960. Although the UAL cost appears in the Fringe Benefits Section of the Operating budget, it reflects a liability for past service and is therefore appropriately funded using Non-Operating revenue sources.

- **OPEB Liability (NOL) Funding**: Similar to the CalPERS UAL transfer, this item covers the Net (Unfunded Accrued) OPEB Liability, related to retiree medical benefits from past service. The NOL is also accounted for under Fringe Benefits but is treated as a debt-like obligation. However, based on the most recent actuarial valuation by Nyhart, the District's NOL is fully funded. As a result, no expense is budgeted for FY 2026/2027. This reflects the District's proactive funding over recent fiscal years.

- **Interest Earnings Transfer – Rancho Division**: $8,727,664 in budgeted interest earnings from the Rancho Division's Non-Operating reserve funds will be transferred to offset increased imported water costs due to the loss of native groundwater and to fund other Operating costs. In contrast, the Santa Rosa Division retains its Non-Operating interest earnings for capital replacement needs and does not transfer them to the Operating Budget.

- **Bond Refunding Savings Transfer**: Transfers from both water divisions' Non-Operating budgets funded by savings from the 2016 bond refunding. These savings—resulting from reduced interest rates when refunding the bonds—are used to offset Operating costs. For FY 2026/2027, the Rancho Division's share of this transfer is $282,448, while the Santa Rosa Division's share is $498,130, specifically to help cover increased imported water costs. These transfers will end in FY 2027/2028.

- **Vail Lake Lease Revenue**: $351,871 is transferred from the Rancho Division's Non-Operating budget to offset Operating costs and help reduce rate impacts. This amount is funded by the Rancho Division's share of lease revenues from the Vail Lake recreation area.

- **Mitigation of Rate Swings & SBITA Costs**: To reduce rate volatility and fund large, planned maintenance activities pertaining to capital facilities, a $3,349,408 transfer is budgeted from the Debt Service Capital Improvement Fund. This also includes funding for software subscription costs added in FY 2022/2023 in compliance with GASB Statement No. 96 regarding SBITAs.

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Footnote #7 – Wastewater Service Charges

The amount budgeted for FY 2026/2027 for the line item titled "Wastewater Service Charges" reflects estimated revenue from the District's wastewater customers only. Following the formation of the SRRRA, revenues from EVMWD and WMWD are now directed to SRRRA rather than Rancho Water. Please see the "Wastewater Utility Operations" in the Operating budget - Operational Factors Section for more information.

Footnote #8 – Treatment Reimbursable

The "Treatment Reimbursable" line item in the Wastewater Expense Section of the Operating budget represents the operational expenses incurred by Rancho Water in operating the SRRRA Wastewater Plant. As the administrator and operator of the plant, Rancho Water is reimbursed for these expenses by SRRRA. For more information on the SRRRA, see the "Wastewater Utility Operations" in the Operating Budget - Operational Factors Section.

Footnote #9 – Contract Treatment Exp. - JPA

The budget line item titled "Contract Treatment Exp. - JPA" in the Wastewater Expense Section of the Operating budget represents Rancho Water's share of costs to treat wastewater through the SRRRA. These costs reflect Rancho Water's portion of plant operations and treatment services. For more information on the SRRRA, see the "Wastewater Utility Operations" in the Operating budget - Operational Factors Section.

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As part of the FY 2024/2025 budget process, the District's Board approved a multi-year rate package at their special meeting on June 20, 2024. The rate package includes four rate increases on July 1, 2024, January 1, 2025, January 1, 2026, and January 1, 2027. Customers were notified of the rate increases with a special mailing on April 29, 2024. Any property owner not yet connected to the system received a separate mailing. All noticing was accomplished at least 45 days prior to the public hearing. The current and future rates are presented in the tables below.

RANCHO DIVISION MONTHLY WATER COMMODITY RATES ($/HCF)		
Residential, multi-family, & landscape customers		
Tier Level	**Effective January 1, 2026 (Current)**	**Effective January 1, 2027**
Tier 1	$0.92	$1.00
Tier 2	$2.06	$2.30
Tier 3	$4.99	$5.33
Tier 4	$6.52	$6.90

RANCHO DIVISION MONTHLY WATER COMMODITY RATES ($/HCF)		
CII/Ag customers		
Tier Level	**Effective January 1, 2026 (Current)**	**Effective January 1, 2027**
Tier 1	$1.67	$1.85
Tier 2	$4.99	$5.33
Tier 3	$6.52	$6.90

RANCHO DIVISION MONTHLY ENERGY RATES ($/HCF)		
All customer classes		
Pressure Zone	**Effective January 1, 2026 (Current)**	**Effective January 1, 2027**
1305	$0.00	$0.00
1380	$0.07	$0.07
1485	$0.16	$0.17
1550	$0.21	$0.23
1610	$0.26	$0.28
1790	$0.42	$0.45
1880	$0.66	$0.70
2070	$0.66	$0.70
2350	$0.89	$0.96

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SANTA ROSA DIVISION MONTHLY WATER COMMODITY RATES ($/HCF)		
Residential, multi-family, & landscape customers		
Tier Level	**Effective January 1, 2026 (Current)**	**Effective January 1, 2027**
Tier 1	$1.84	$2.05
Tier 2	$3.03	$3.32
Tier 3	$5.90	$6.29
Tier 4	$6.94	$7.37

SANTA ROSA DIVISION MONTHLY WATER COMMODITY RATES ($/HCF)		
CII/Ag customers		
Tier Level	**Effective January 1, 2026 (Current)**	**Effective January 1, 2027**
Tier 1	$2.70	$2.98
Tier 2	$5.90	$6.29
Tier 3	$6.94	$7.37

SANTA ROSA DIVISION MONTHLY ENERGY RATES ($/HCF)		
All customer classes		
Pressure Zone	**Effective January 1, 2026 (Current)**	**Effective January 1, 2027**
1305	$0.00	$0.00
1434	$0.11	$0.12
1440 (1060, 1160)	$0.12	$0.13
1500	$0.17	$0.18
1670	$0.31	$0.33
1990	$0.57	$0.61
2160 (2153)	$0.71	$0.77
2260	$0.79	$0.85
2550	$1.03	$1.11
2850	$1.28	$1.38

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RECYCLED WATER MAXIMUM COMMODITY RATES ($/AF)		
Service	**Effective January 1, 2026 (Current)**	**Effective January 1, 2027**
Recycled Water	$522.87	$554.24

RANCHO DIVISION - RECYCLED WATER MAXIMUM WATER SERVICE CHARGES ($/Meter Size)		
Meter	**Effective January 1, 2026 (Current)**	**Effective January 1, 2027**
3/4"	$17.84	$21.30
1"	$22.40	$27.86
1 1/2"	$33.25	$43.62
2"	$45.89	$62.18
2" Turbine	$71.03	$100.99
3"	$110.04	$159.63
4"	$202.38	$300.81
6"	$316.51	$473.69
6" Turbo/F2 Compound	$387.17	$583.34
8" or Larger	$518.95	$783.62

SANTA ROSA DIVISION - RECYCLED WATER MAXIMUM WATER SERVICE CHARGES ($/Meter Size)		
Meter	**Effective January 1, 2026 (Current)**	**Effective January 1, 2027**
3/4"	$17.84	$21.30
1"	$22.40	$27.86
1 1/2"	$33.25	$43.62
2"	$45.89	$62.18
2" Turbine	$71.03	$100.99
3"	$110.04	$159.63
4"	$202.38	$300.81
6"	$316.51	$473.69
6" Turbo/F2 Compound	$387.17	$583.34
8" or Larger	$518.95	$783.62

Draft

As part of the FY 2024/2025 budget process, the District's Board approved a multi-year rate package at their special meeting on June 20, 2024. The rate package includes four rate increases on July 1, 2024, January 1, 2025, January 1, 2026, and January 1, 2027. Customers were notified of the rate increases with a special mailing on April 29, 2024. Any property owner not yet connected to the system received a separate mailing. All noticing was accomplished at least 45 days prior to the public hearing. The current and future rates are presented in the tables below.

RANCHO DIVISION MONTHLY SERVICE CHARGES ($/Meter Size)		
All customer classes (except multi-family)		
Meter	Current Effective January 1, 2026	Effective January 1, 2027
3/4"	$27.89	$29.49
1"	$40.95	$43.31
1 1/2"	$72.89	$77.15
2"	$111.01	$117.54
2" Turbine	$196.16	$207.88
3"	$320.51	$339.71
4"	$626.63	$664.38
6"	$996.99	$1,057.11
6" Turbo/F2 Compound	$1,078.15	$1,196.60
8" & Larger	$1,493.69	$1,642.63

RANCHO DIVISION MONTHLY SERVICE CHARGES ($/Meter Size)		
Multi-family customers		
Meter	Current Effective January 1, 2026	Effective January 1, 2027
3/4"	$9.73	$10.22
1"	$10.62	$11.14
1 1/2"	$12.42	$13.00
2"	$14.22	$14.85
2" Turbine	$14.57	$15.21
3"	$17.79	$18.54
4"	$21.36	$22.23
6"	$28.53	$29.63
6" Turbo/F2 Compound	$28.53	$29.63
8" & Larger	$35.69	$37.02
Capacity Charge *Per Dwelling Unit*	$12.17	$12.91

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SANTA ROSA DIVISION MONTHLY SERVICE CHARGES ($/Meter Size)		
All customer classes (except multi-family)		
Meter	**Current Effective January 1, 2026**	**Effective January 1, 2027**
3/4"	$60.70	$65.54
1"	$90.92	$98.63
1 1/2"	$165.23	$180.03
2"	$254.22	$277.55
2" Turbine	$456.46	$499.52
3"	$749.25	$820.60
4"	$1,474.09	$1,615.92
6"	$2,348.41	$2,574.98
6" Turbo/F2 Compound	$2,578.47	$2,969.21
8" & Larger	$3,572.00	$4,074.80

SANTA ROSA DIVISION MONTHLY SERVICE CHARGES ($/Meter Size)		
Multi-family customers		
Meter	**Current Effective January 1, 2026**	**Effective January 1, 2027**
3/4"	$17.50	$18.12
1"	$18.78	$19.44
1 1/2"	$21.37	$22.13
2"	$23.97	$24.81
2" Turbine	$24.47	$25.33
3"	$29.12	$30.13
4"	$34.27	$35.46
6"	$44.61	$46.14
8" & Larger	$54.94	$56.82
Capacity Charge		
Per Dwelling Unit	$28.95	$31.78

WASTEWATER MONTHLY SERVICE FEE ($/EDU)		
All customer classes		
Service	**Current Effective January 1, 2026**	**Effective January 1, 2027**
Wastewater	$48.81	$50.27

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FEE FOR SERVICE SCHEDULE		
	DESCRIPTION OF SERVICE	**FEE/DEPOSIT**
1	Water Availability Letters:	
	Single lot	$180
	Tract/Parcel map	$300
2	Fire Hydrant Location Map & Flow Capability Modeling	$300
3	Permits – Tenant Improvement & Waste Discharge	$300
4	Topographic Map	$25
5	Topographic Map w/Aerial	$35
6	Black Line Copies (24" x 36") – Each	$12
7	CFD/Assessment District (Processing Fee) [Deposit]	$10,000
	Assessment District Pay-Off Administrative Fee	$25
8	Request for Rancho Water Participation in JCFA (Processing Fee) [Deposit]	$5,000
9	Annexation Processing Deposit	$10,000
10	Annexation Acreage Fee:	
	Rancho Division	$7,699
	Santa Rosa Division	$4,999
11	Fire Hydrant Meter Deposit (Based on 3" Turbine)	$1,200
12	Construction Meter Deposit (4")	$1,500
13	Construction Meter Deposit (with Clay Valve add on)	$2,700
14	Construction Meter Deposit (6")	$3,000
15	Construction Meter Relocation	$75
16	Meter Test Requests (3/4" to 1")	$100
17	Meter Test Requests (1-1/2" to 2")	$200
18	Meter Test Requests (3" and larger)	$300
19	Water Theft (per Admin Code Part III, Chapter 1, Section 1.11)	$1,000-$2,000-$3,000
20	Floating Meter "No Read" Penalty	$200
21	Construction Meter Location Penalty	$200
22	Unmetered Water Accounts	$52
23	Meter Obstruction Charge	$77
24	Meter Relocation Deposit (3/4" to 2")	$2,000
25	Meter Downsize Deposit (3/4" to 2" MJ and Turbo)	$1,300
26	Drop-In Meter Installations:	
	Meter w/Double Checks:	
	¾" PD ADE N/AMR	$883
	1" DP ADE N/AMR	$1,073
	1.5" PD AMR	$1,424
	2" PD ADE N/AMR (A) ELIP	$1,839
	2" Turbo ADE N/AMR	$2,242
	Meter w/Pressure Regulator and Double Checks:	
	¾" PD ADE N/AMR	$1,207
	1" DP ADE N/AMR	$1,329
	1.5" PD AMR	$4,206
	2" PD ADE N/AMR (A) ELIP	$4,815
	2" Turbo ADE N/AMR	$4,696

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FEE FOR SERVICE SCHEDULE		
	DESCRIPTION OF SERVICE	**FEE/DEPOSIT**
27	Full Meter Installations:	
	Meter w/Double Checks:	
	¾" PD ADE N/AMR	$7,677
	1" PD ADE N/AMR	$7,730
	1.5" PD AMR	$9,745
	2" PD ADE N/AMR (A) ELIP	$10,319
	2" Turbo ADE N/AMR	$10,474
	Meter w/Pressure Regulator and Double Checks:	
	¾" PD ADE N/AMR	$7,889
	1" PD ADE N/AMR	$7,947
	1.5" PD AMR	$12,311
	2" PD ADE N/AMR (A) ELIP	$13,036
	2" Turbo ADE N/AMR	$13,190
28	Engineering:	
	Project Planning/Hydraulic Evaluation	$2,000
	Plan Review Pipelines – Up to 1,000 Linear Feet	$5,000
	Plan Review Pipelines – Per Linear Foot Thereafter	$1.00
	Plan Review Misc. Appurtenances (DCDAs, FHs, Meters, etc.) – Up to 4 App. Groupings	$5,000
	Misc. Appurtenances (DCDAs, FHs, Meters, etc.) – Additional 4 App. Groupings	$1,000
	Plan Review On-Site Recycled Water System	$5,000
	Grant of Easement by RCWD (Property Compensation Not Included)	$5,000
29	Inspection:	
	Pipelines – Up to 1,000 Linear Feet	$6,500
	Pipelines – Per Linear Foot Thereafter	$3.00
	Misc. Appurtenances (DCDAs, FHs, Meters, etc.) – Up to 2 App. Groupings	$2,750
	Misc. Appurtenances (DCDAs, FHs, Meters, etc.) – Additional 2 App. Groupings	$1,100
	On-Site Recycled Water System	$5,500
	3/4-inch Detector Check Meter Fee	$350
	Inspection Requiring a Shutdown or Water Quality Testing	$3,000
30	Post Construction Record Drawing Preparation & Processing/GIS Conversion (per page of plan)	$150
31	RP Device:	
	Initial Certification Fee	$180
	Recertification Fee	$150
32	Potable Construction Water	$6.50 / HCF
33	Recycled Construction Water	$1,416 / AF
34	Application Processing Fee (non-refundable)	$50
35	Bond Split Deposit	$1,500
	Per Parcel	$35
36	Sewer Lateral Sampling Wyes/Inspection, etc.	$155
37	Non-Compliance Sampling and Unauthorized Use Charges	$105
38	Non-Compliance Inspection	$130
39	Non-Compliance Inspection/Meeting	$210
40	Account Transfer/Set-Up Charge	$5
41	Delinquent Accounts (% x Balance) 1st 30 days	Greater of $10 or 10%
	Each 30 Days Thereafter	1.5%

Draft

FEE FOR SERVICE SCHEDULE		
	DESCRIPTION OF SERVICE	FEE/DEPOSIT
42	Service Interruption Charge for Non-Payment:	
	M-F 8 a.m. to 5 p.m.	$46
	M-F After 5 p.m.; Weekends and Holidays	$109
43	Turn On Charge for Non-Compliance:	
	M-F 8 a.m. to 5 p.m.	$46
	M-F After 5 p.m.; Weekends and Holidays	$109
44	Next Day Turn On	$23
45	Same Day Turn On	$46
46	Non-Sufficient Funds/NSF Returned Check Fee	$25
47	Lien Processing Fee	$110
48	Penalty for:	
	Cutting District Lock, Damaging Angle Meter Stop, Preventing a Meter From Measuring	
	Accurately, Straight Lining Across Meter	
	1st Offense	$125
	2nd Offense	$250
	Any Additional Offenses	$500
49	Replacement of Pulled Meter	$100
50	Fire Service Charge for Industrial/Commercial w/Water Meter:	
	0-30,000 SF (charged on water bill)	$0.002/SF
	Over 30,000 SF (charged on water bill)	$0.001/SF
	Annual Fee Per Acre or Per Parcel if Less than 1 Acre	$40
51	Site License, Land Lease, and Encroachment Permit Processing Deposit	$5,000
52	Telecommunications Site Development, Leasing, and Licensing Deposit	$10,000
53	48-Hour Notice Processing Fee	$30
54	Water Supply Assessment Deposit	$21,500
55	GIS Data Request Fee	$109/HR

ZONES OF BENEFIT

ZONE	FEE PER ACRE
1	$390
2	$4,138
3	$3,611
5	$3,192
7	$3,606
8	$5,598

Draft

FIVE-YEAR OPERATING FORECAST

The five-year operating forecast presented in the following pages is based on a comprehensive Cost of Service Study (COSS) conducted during FY 2023/2024 and updated as part of the FY 2025/2026 budget development process. Through this study, Rancho Water carefully evaluated key factors such as operational expenses, infrastructure investments, regulatory requirements, and customer demographics. These analyses were used to project operating expenses and develop fair, transparent, and sustainable rates.

The District is projected to continue growing, with its current customer base of approximately 45,700 water service connections expected to increase to over 62,000 connections by build out in 2050. This growth will require additional imported water supplies, leading to increased costs for providing water to Rancho Water customers.

Despite the anticipated growth in water service connections, potable water demand is projected to decline slightly over the next five years. This trend is based on the expectation that average water use per connection will decrease, driven by continued customer responsiveness to water use efficiency messaging.

Rates for MWD-treated imported water are expected to rise through CY 2031. To help offset these increases the District plans to increase its use of untreated imported water by expanding the untreated water recharge program (VDC). This strategy will enhance the role of recharge water in the District's overall water production portfolio. The five-year projection assumes an increase in production at the VDC facilities from 15,500 AF per year in FY 2025/2026 to 19,500 AF per year in FY 2026/2027 and then to 20,500 in FY 2027/2028. This shift toward higher utilization of untreated import water will help reduce reliance on higher-cost treated imported water and consequently lower projected MWD-treated imported water costs over the forecast period.

It is important to note that these projections serve as a planning guide: actual results will likely vary. Revenue projections incorporate the rate increases approved by the Board at its special meeting on June 20, 2024. Based on the forecasted operating costs, a five-year projection of water commodity and monthly wastewater rates has been developed and is presented on the following pages.



Demand Forecast



Operating Forecast



Rate Forecast

Draft

POTABLE WATER FORECAST
SUMMARY BUDGET & FORECAST – BY TYPE
TOTAL – BUDGET

	FY	Ag	Ag/Dom	Dom	Other	Total
Prior Year Budget	2025/2026	10,247	5,956	20,255	9,626	**46,084**
	2026/2027	10,183	6,001	20,582	9,510	**46,276**
	2027/2028	9,979	5,947	20,376	9,396	**45,698**
Five-Year Forecast	2028/2029	9,780	5,894	20,249	9,284	**45,206**
	2029/2030	9,584	5,842	20,124	9,174	**44,725**
	2030/2031	9,392	5,785	19,896	9,067	**44,141**

SUMMARY OF BUDGET & FORECAST – BY PUMP ZONE
PER FISCAL YEAR

Rancho Zones	FY 2026/2027	FY 2027/2028	FY 2028/2029	FY 2029/2030	FY 2030/2031
1305	6,115	6,052	5,991	5,930	5,847
1380	6,811	6,741	6,672	6,604	6,512
1485	8,455	8,367	8,282	8,198	8,083
1550	748	740	733	725	715
1610	2,995	2,964	2,934	2,904	2,864
1790	2,196	2,173	2,151	2,130	2,100
2070	1,390	1,376	1,362	1,348	1,329
2350	170	168	167	165	163
TOTAL	**28,881**	**28,583**	**28,291**	**28,005**	**27,612**

Santa Rosa Zones	FY 2026/2027	FY 2027/2028	FY 2028/2029	FY 2029/2030	FY 2030/2031
1305	538	529	523	517	511
1440	3,598	3,540	3,499	3,459	3,419
1500	2,957	2,909	2,875	2,842	2,809
1670	6,346	6,244	6,171	6,100	6,030
1990	2,374	2,335	2,308	2,282	2,255
2153	30	29	29	29	28
2160	144	142	140	139	137
2260	171	168	166	164	162
2550	1,191	1,172	1,158	1,145	1,132
2850	47	46	46	45	45
TOTAL	**17,395**	**17,115**	**16,915**	**16,720**	**16,528**
District Total	**46,276**	**45,698**	**45,206**	**44,725**	**44,141**

Excludes recycled water

Draft

Please note, the Projected Results presented in the table below are based on MWD's Draft Long-Term projections – these amounts will be updated for the final budget once MWD publishes their final projections.

PROJECTED RESULTS OF OPERATIONS

(In $1,000s)

	FY 2026/2027	FY 2027/2028	FY 2028/2029	FY 2029/2030	FY 2030/2031
OPERATING REVENUES					
Water Revenue	$49,021	$53,341	$57,442	$61,867	$66,641
Monthly Service Charges[1]	28,181	30,274	32,593	35,092	37,785
Energy Charges	4,876	5,220	5,634	6,081	6,564
Wastewater Service[2]	2,436	2,541	2,681	2,828	2,984
Reclass From/(To) Non-Operating	17,221	16,888	16,336	16,539	19,184
Other Revenue	4,985	5,193	5,434	5,690	5,962
Total Operating Revenue	**$106,721**	**$113,457**	**$120,121**	**$128,098**	**$139,119**
OPERATING EXPENSES					
Source of Supply[3]	$62,864	$65,507	$69,546	$74,789	$80,328
Booster Pumping[4]	5,603	5,939	6,296	6,673	7,074
Transmission & Distribution	11,986	12,705	13,468	14,276	15,132
Customer Service	5,568	5,847	6,139	6,446	6,768
Reclaimed Water	3,707	3,917	4,139	4,374	4,622
Wastewater Expense	1,749	1,836	1,928	2,024	2,125
Engineering	1,354	1,418	1,486	1,556	1,630
Support	13,500	14,268	15,081	15,940	16,849
Total Operating Expenses	**$106,331**	**$111,438**	**$118,081**	**$126,078**	**$134,528**
Net Operating Revenue/(Loss)	**$390**	**$2,019**	**$2,040**	**$2,020**	**$4,590**
Interest Earnings	$1,907	$2,093	$2,211	$2,217	$2,217
Capital Expenditures	($3,668)	($3,905)	($4,104)	($4,239)	($4,388)
Reserve – Use of / (Addition to)	$1,371	($207)	($147)	$2	($2,419)
Net Sources/(Uses) of Cash	**$0**	**$0**	**$0**	**$0**	**$0**

[1] Monthly Service Charges assumes minimal growth in new connections and an increase in monthly meter.
[2] Wastewater growth assumes an increase of 30 EDUs per year.
[3] Includes projected imported water rates per MWD.
[4] Includes estimated average energy rate increase between 6 percent and 8 percent and for FY 2026/2027 to FY 2030/2031.

Table 8.1

Source: Rancho California Water District

Draft

Please see the Rates and Fees Section of this document for full details on all the proposed rates, charges, and increases that are reflected in this five-year forecast. The graphs below present the overall revenue requirement change for each of the rate adjustment periods.

Please note, the projected revenue requirement change presented in the graphs below are based on MWD's Draft Long-Term projections – the graphs will be updated for the final budget once MWD publishes their final projections.

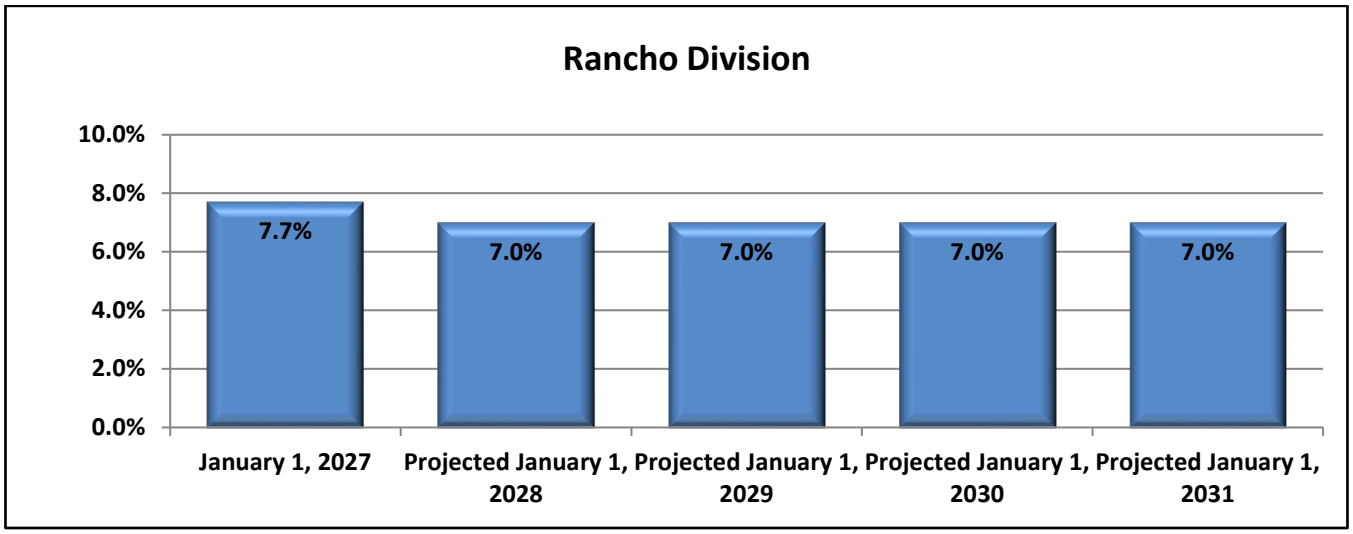


Chart 8.1

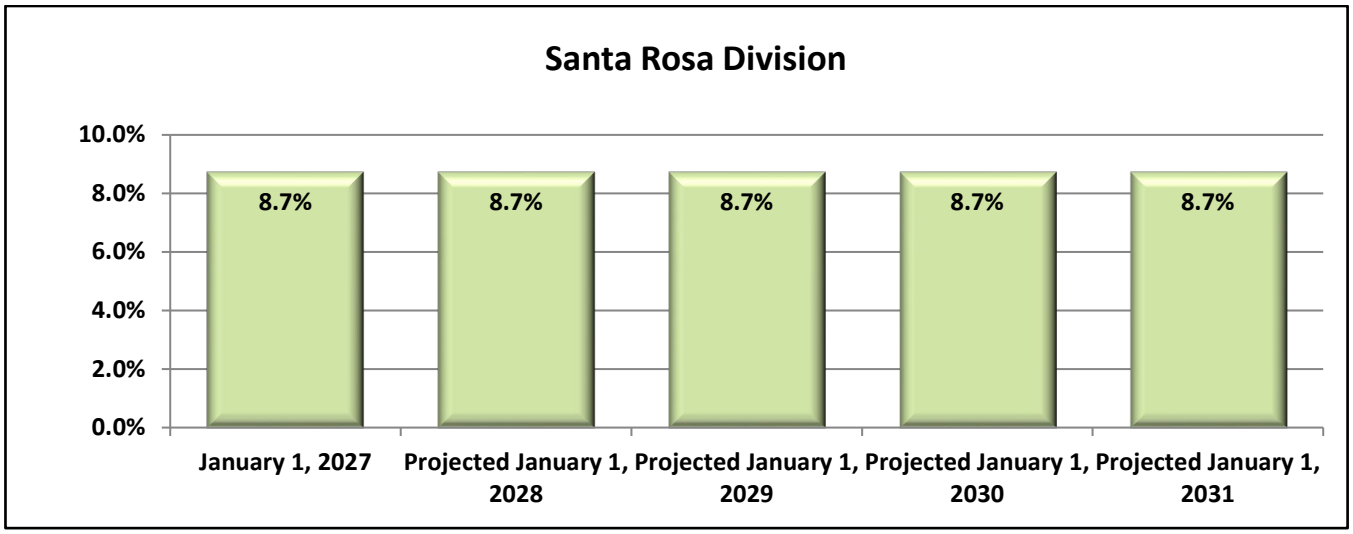


Chart 8.2

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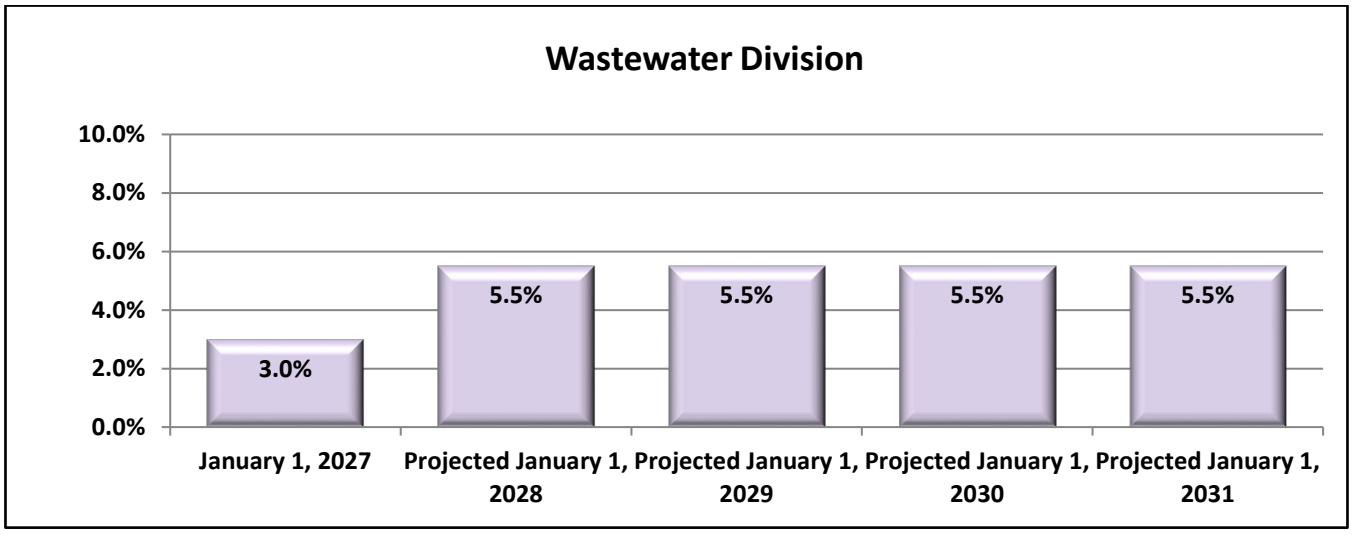
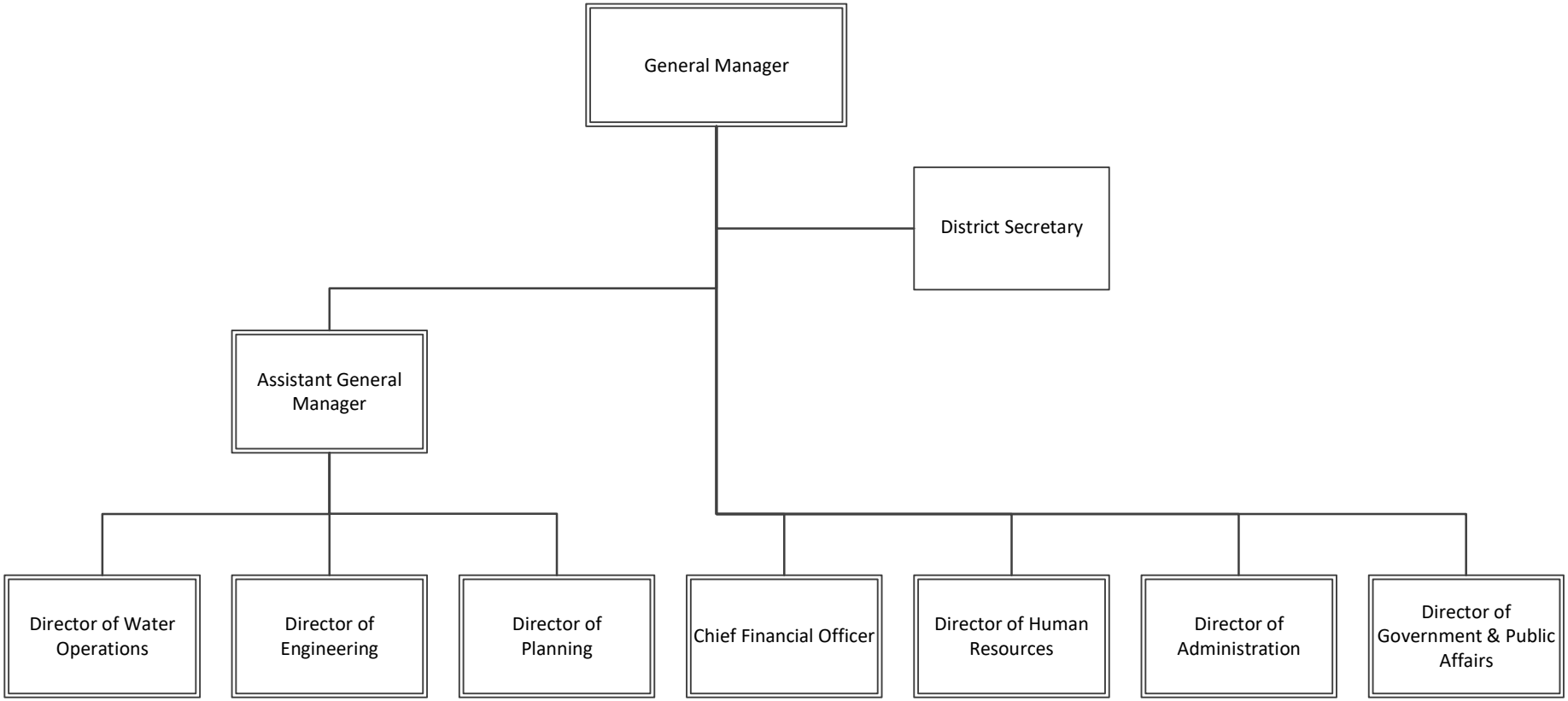


Chart 8.3

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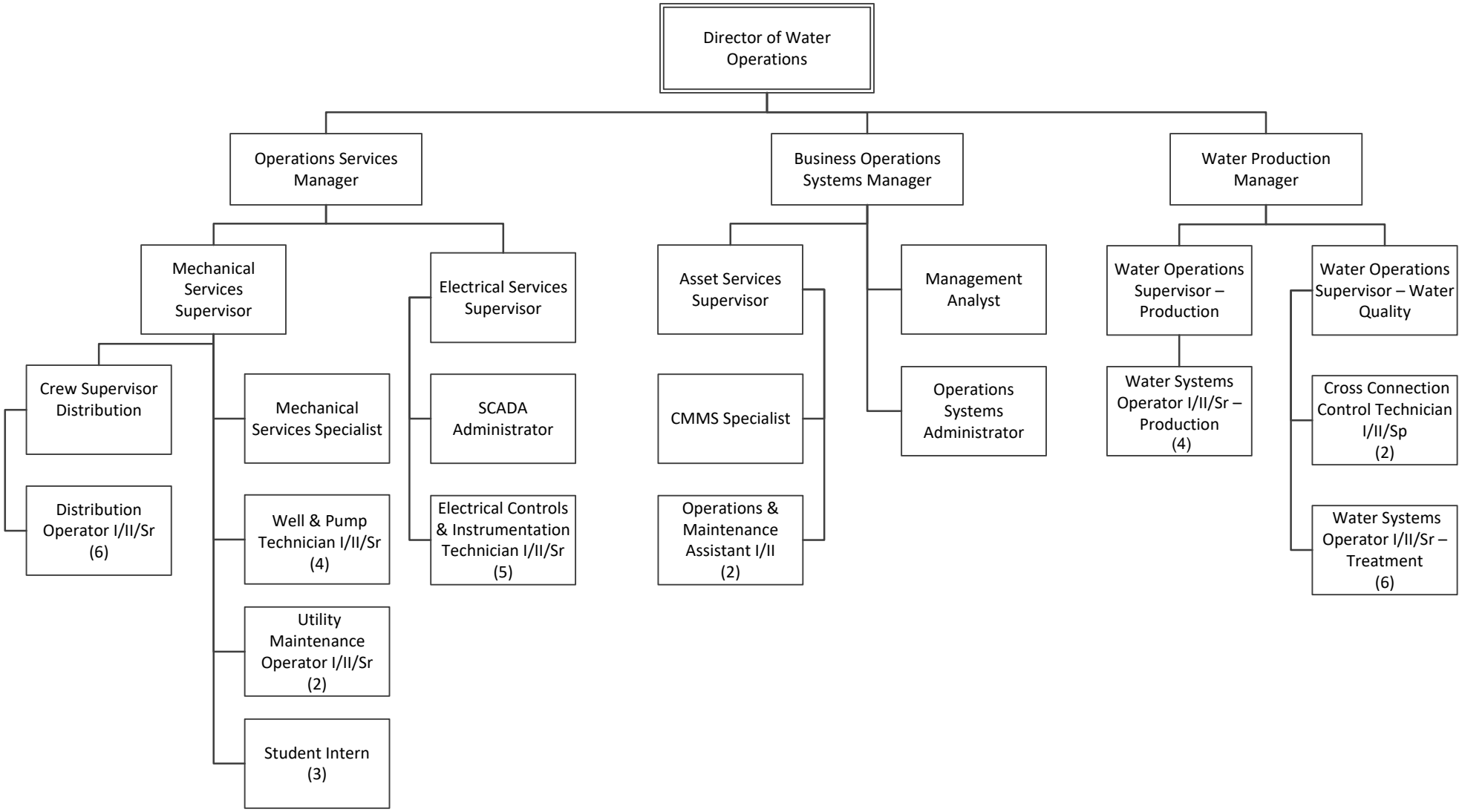
DISTRICT MANAGEMENT



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Operations & Maintenance Division

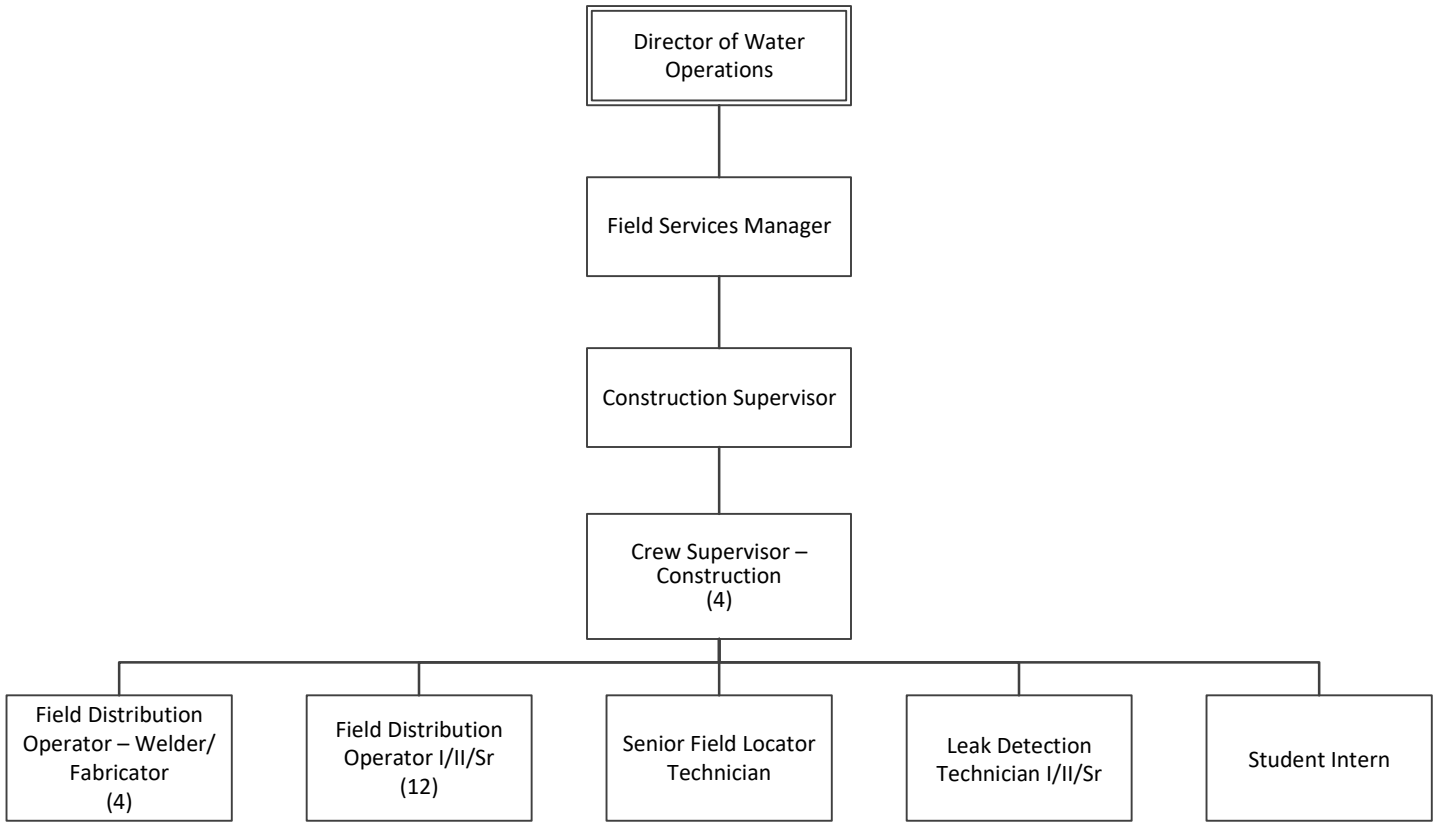
Operations



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OPERATIONS & MAINTENANCE DIVISION

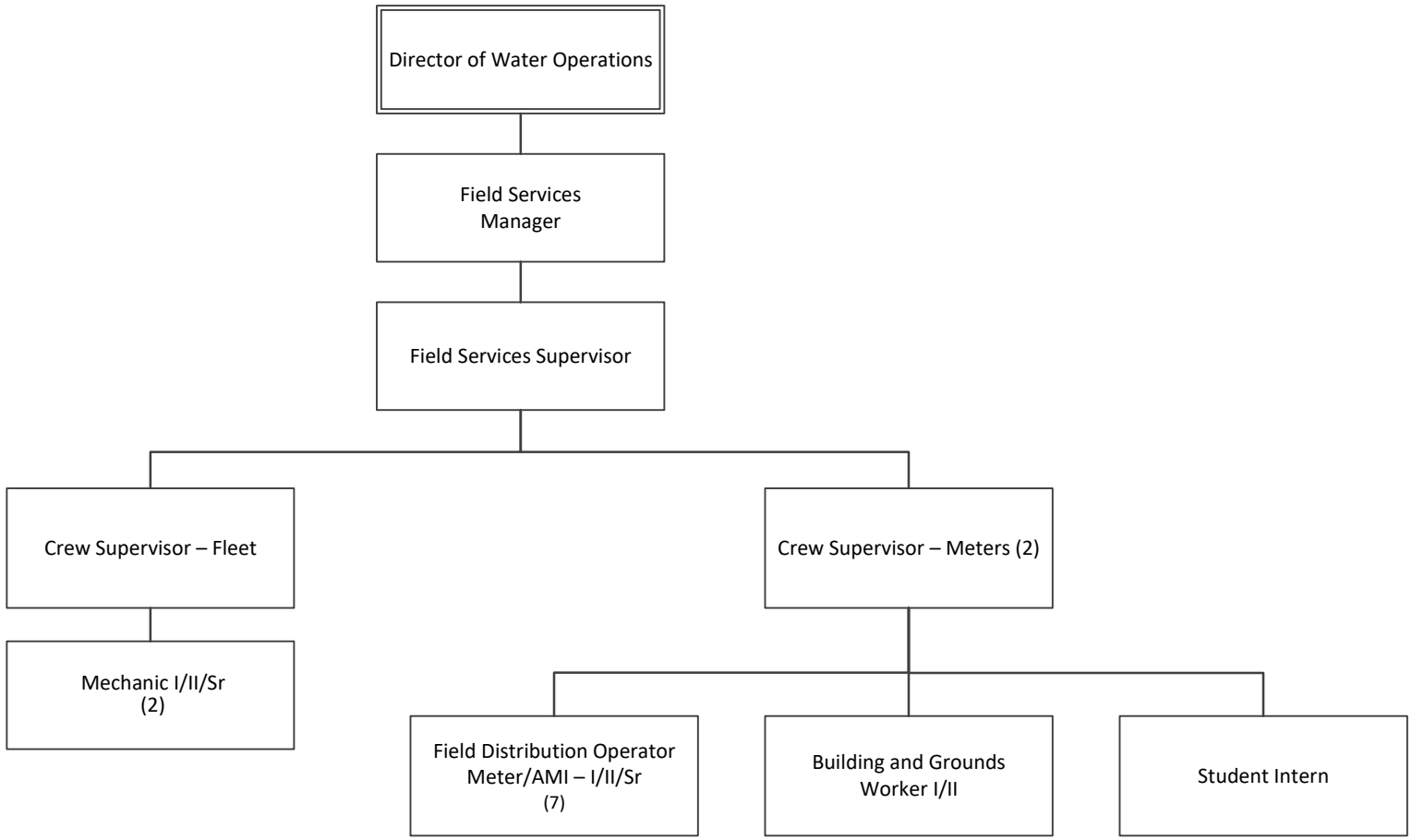
FIELD SERVICES - CONSTRUCTION



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OPERATIONS & MAINTENANCE DIVISION

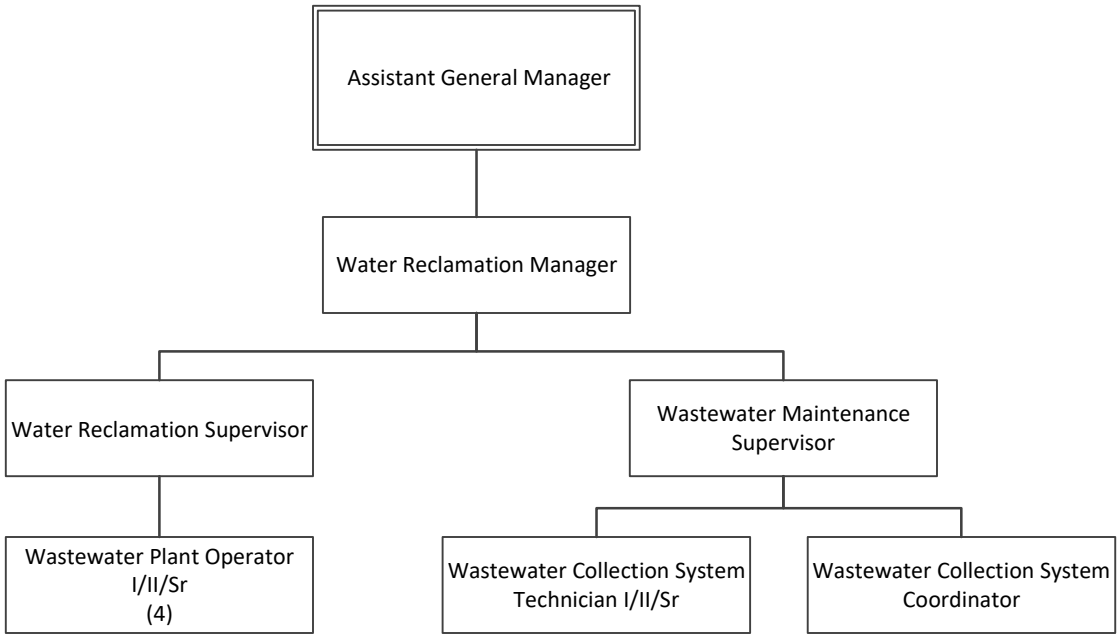
FIELD SERVICES - FACILITIES



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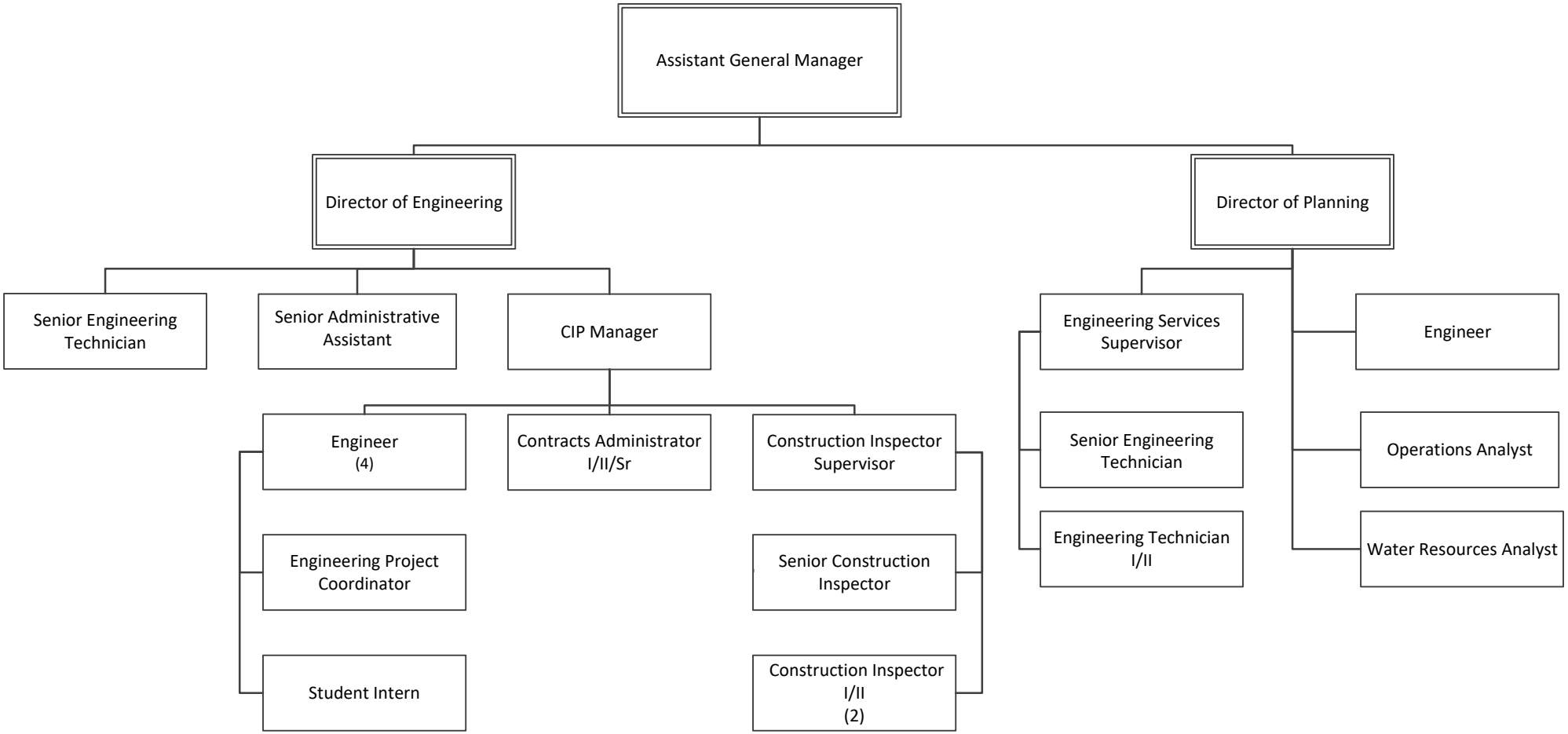
Operations & Maintenance Division

Water Reclamation



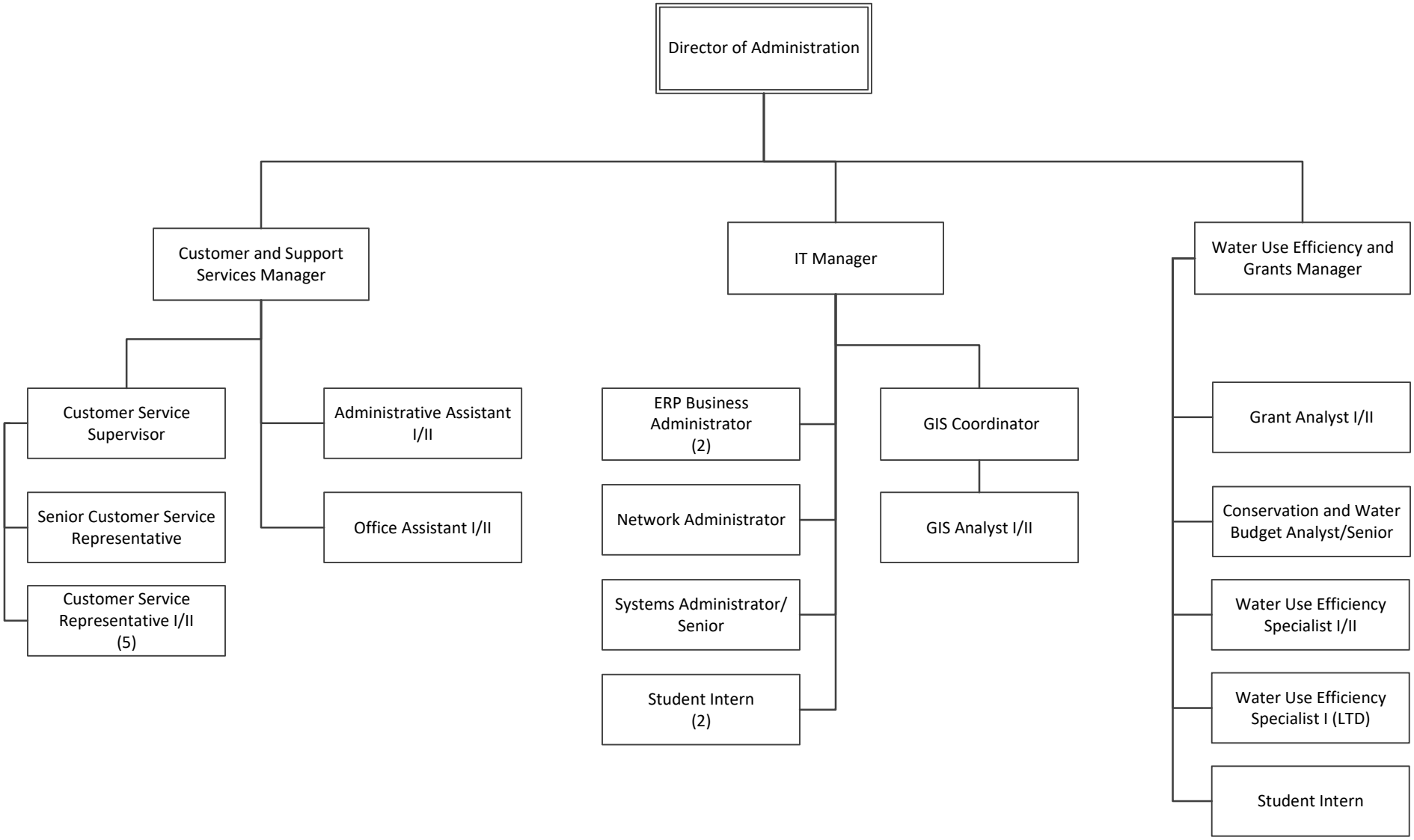
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ENGINEERING DIVISION



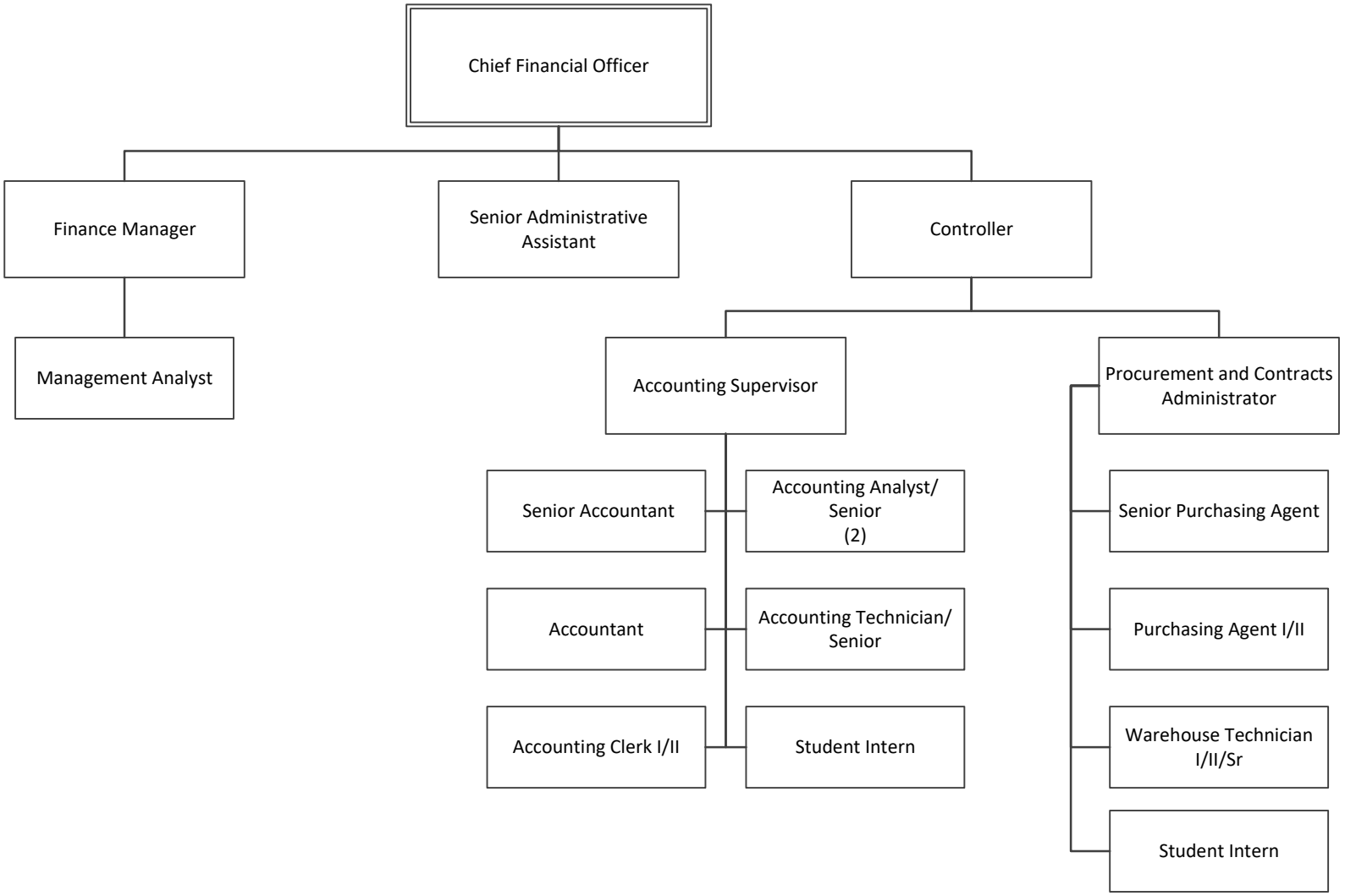
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ADMINISTRATION



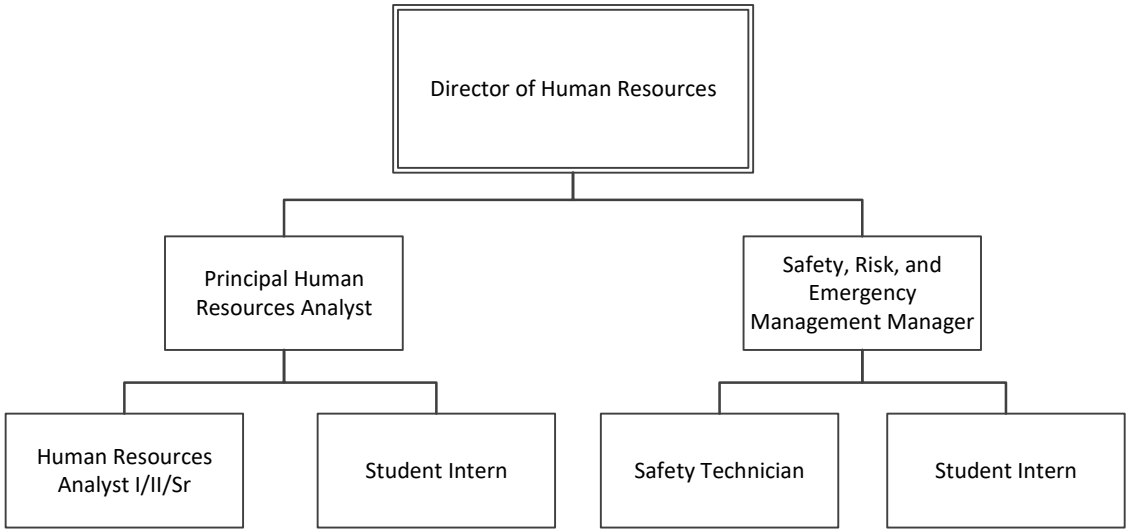
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FINANCE



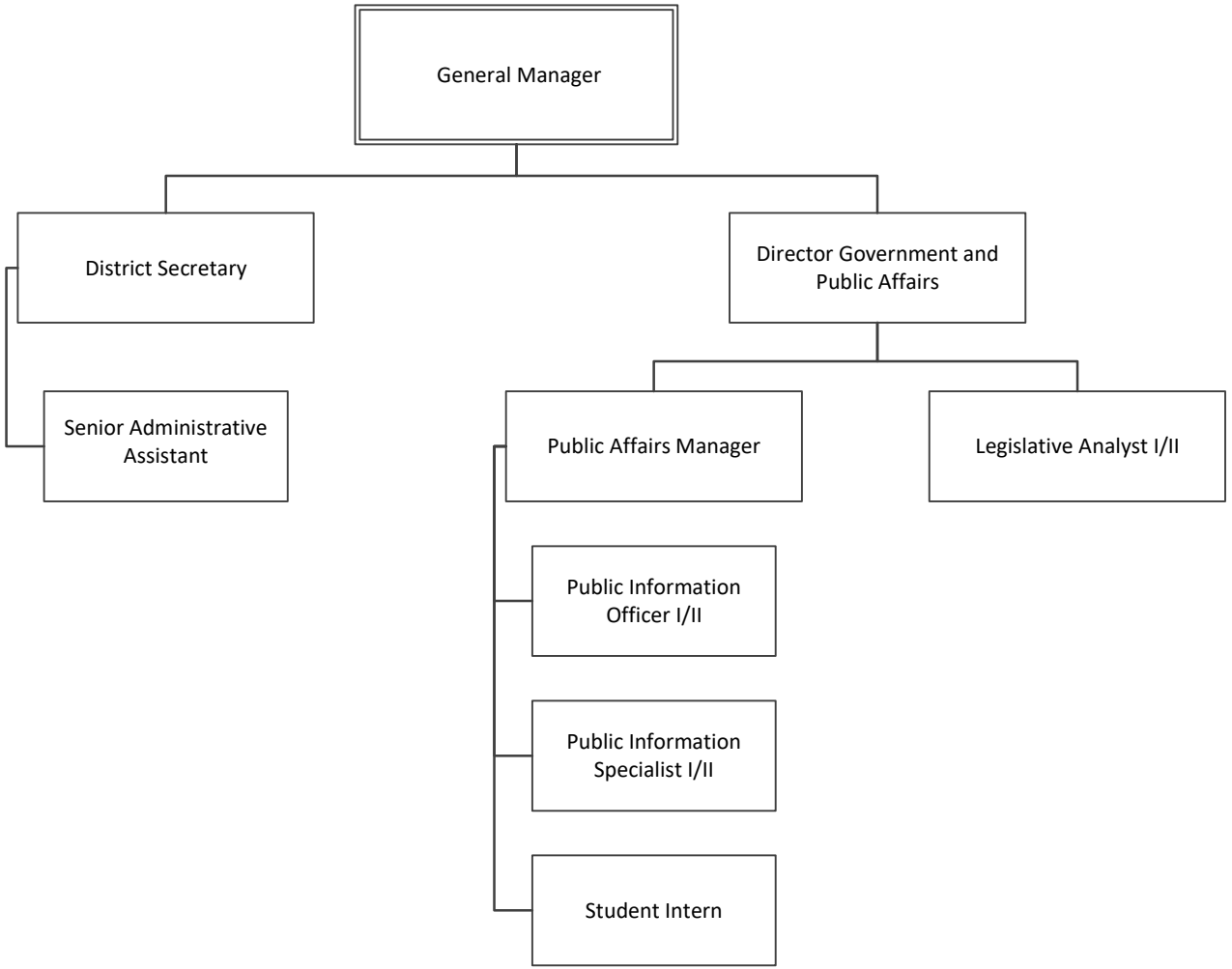
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HUMAN RESOURCES



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BOARD ADMINISTRATION



Draft

Rancho California Water District Non-Exempt Salary Range
Effective July 1, 2026

Draft

Grade/Position	Hourly Minimum	Hourly Maximum	Monthly Minimum	Monthly Maximum	Annual Minimum	Annual Maximum
UR05	$ 146.131	$ 175.357	$ 25,329.34	$ 30,395.21	$ 303,952.13	$ 364,742.56
General Manager						
UR04	$ 112.750	$ 146.575	$ 19,543.33	$ 25,406.33	$ 234,520.00	$ 304,876.00
Assistant General Manager						
UR03	$ 100.482	$ 130.626	$ 17,416.80	$ 22,641.84	$ 209,001.60	$ 271,702.08
Chief Financial Officer						
UR02	$ 93.914	$ 122.088	$ 16,278.37	$ 21,161.88	$ 195,340.40	$ 253,942.52
Director of Administration						
Director of Engineering						
Director of Government and Public Affairs						
Director of Human Resources						
Director of Planning						
Director of Water Operations						

Rancho Water

Rancho California Water District Exempt Salary Range
Effective July 1, 2026

Draft

Grade/Position	Hourly Minimum	Hourly Control	Hourly Maximum	Monthly Minimum	Monthly Control	Monthly Maximum	Annual Minimum	Annual Control	Annual Maximum
M34	$ 83.478	$ 100.174	$ 110.191	$ 14,469.52	$ 17,363.42	$ 19,099.76	$ 173,634.21	$ 208,361.06	$ 229,197.16
CIP Manager									
Field Services Manager									
Infrastructure Assets Manager									
Operations Project Manager									
Operations Services Manager									
Water Operations Manager									
Water Reclamation Manager									
M33	$ 81.442	$ 97.730	$ 107.503	$ 14,116.60	$ 16,939.92	$ 18,633.92	$ 169,399.23	$ 203,279.08	$ 223,606.99
Vacant									
M32	$ 79.456	$ 95.347	$ 104.881	$ 13,772.30	$ 16,526.75	$ 18,179.43	$ 165,267.54	$ 198,321.05	$ 218,153.16
Controller									
IT Manager									
M31	$ 77.518	$ 93.021	$ 102.323	$ 13,436.39	$ 16,123.66	$ 17,736.03	$ 161,236.63	$ 193,483.95	$ 212,832.35
Finance Manager									
Principal Engineer									
Water Use Efficiency and Grants Manager									
M30	$ 75.627	$ 90.752	$ 99.828	$ 13,108.67	$ 15,730.40	$ 17,303.44	$ 157,304.03	$ 188,764.83	$ 207,641.32
Vacant									
M29	$ 73.782	$ 88.539	$ 97.393	$ 12,788.95	$ 15,346.73	$ 16,881.41	$ 153,467.34	$ 184,160.81	$ 202,576.89
Business Operations Systems Manager									
M28	$ 71.983	$ 86.379	$ 95.017	$ 12,477.02	$ 14,972.42	$ 16,469.67	$ 149,724.24	$ 179,669.08	$ 197,635.99
Customer and Support Services Manager									
Governmental Affairs Manager									
Principal Human Resources Analyst									
Public Affairs Manager									
Safety, Risk, and Emergency Management Manager									
M27	$ 70.227	$ 84.273	$ 92.700	$ 12,172.70	$ 14,607.24	$ 16,067.97	$ 146,072.43	$ 175,286.91	$ 192,815.60
Associate Engineer									
M26	$ 68.514	$ 82.217	$ 90.439	$ 11,875.81	$ 14,250.97	$ 15,676.07	$ 142,509.68	$ 171,011.62	$ 188,112.78
Vacant									

Minimum to Control is 20%
Control to Maximum is 10%

Board Adopted Date: TBD

Rancho Water

Rancho California Water District Exempt Salary Range
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Grade/Position	Hourly Minimum	Hourly Control	Hourly Maximum	Monthly Minimum	Monthly Control	Monthly Maximum	Annual Minimum	Annual Control	Annual Maximum
M25	$ 66.843	$ 80.212	$ 88.233	$ 11,586.15	$ 13,903.38	$ 15,293.72	$ 139,033.84	$ 166,840.61	$ 183,524.67
Budget/Debt Administrator									
GIS Coordinator									
M24	$ 65.213	$ 78.255	$ 86.081	$ 11,303.56	$ 13,564.28	$ 14,920.70	$ 135,642.77	$ 162,771.32	$ 179,048.46
ERP Business Administrator									
Procurement and Contracts Administrator									
M23	$ 63.622	$ 76.347	$ 83.981	$ 11,027.87	$ 13,233.44	$ 14,556.79	$ 132,334.41	$ 158,801.29	$ 174,681.42
Assistant Engineer									
M22	$ 62.071	$ 74.485	$ 81.933	$ 10,758.90	$ 12,910.67	$ 14,201.74	$ 129,106.74	$ 154,928.09	$ 170,420.90
Accounting Supervisor									
Grant Analyst II									
Legislative Analyst II									
Senior Water Resources Planner									
M21	$ 60.557	$ 72.668	$ 79.935	$ 10,496.48	$ 12,595.78	$ 13,855.36	$ 125,957.80	$ 151,149.35	$ 166,264.29
Operations Analyst									
M20	$ 59.080	$ 70.896	$ 77.985	$ 10,240.47	$ 12,288.57	$ 13,517.42	$ 122,885.65	$ 147,462.79	$ 162,209.06
District Secretary									
Water Resources Analyst									
Water Systems Analyst									
M19	$ 57.639	$ 69.166	$ 76.083	$ 9,990.70	$ 11,988.84	$ 13,187.73	$ 119,888.44	$ 143,866.13	$ 158,252.75
Network Administrator									
M18	$ 56.233	$ 67.479	$ 74.227	$ 9,747.03	$ 11,696.43	$ 12,866.08	$ 116,964.33	$ 140,357.20	$ 154,392.92
Management Analyst									
Public Information Officer II									
Senior Human Resources Analyst									
Water Resources Planner									
M17	$ 54.861	$ 65.834	$ 72.417	$ 9,509.30	$ 11,411.15	$ 12,552.27	$ 114,111.55	$ 136,933.86	$ 150,627.24
Vacant									

Minimum to Control is 20%
Control to Maximum is 10%

Board Adopted Date: TBD

Rancho Water

Rancho California Water District Exempt Salary Range
Effective July 1, 2026

Draft

Grade/Position	Hourly Minimum	Hourly Control	Hourly Maximum	Monthly Minimum	Monthly Control	Monthly Maximum	Annual Minimum	Annual Control	Annual Maximum
M16	$ 53.523	$ 64.228	$ 70.651	$ 9,277.36	$ 11,132.83	$ 12,246.12	$ 111,328.34	$ 133,594.01	$ 146,953.41
Financial Analyst									
Grant Analyst I									
Legislative Analyst I									
Senior Accountant									
M15	$ 52.218	$ 62.661	$ 68.927	$ 9,051.08	$ 10,861.30	$ 11,947.43	$ 108,613.01	$ 130,335.62	$ 143,369.18
Vacant									
M14	$ 50.944	$ 61.133	$ 67.246	$ 8,830.33	$ 10,596.39	$ 11,656.03	$ 105,963.91	$ 127,156.70	$ 139,872.37
Human Resources Analyst II									
M13	$ 49.702	$ 59.642	$ 65.606	$ 8,614.95	$ 10,337.94	$ 11,371.74	$ 103,379.43	$ 124,055.31	$ 136,460.85
Vacant									
M12	$ 48.489	$ 58.187	$ 64.006	$ 8,404.83	$ 10,085.80	$ 11,094.38	$ 100,857.98	$ 121,029.58	$ 133,132.53
Accountant									
Public Information Officer I									
M11	$ 47.307	$ 56.768	$ 62.445	$ 8,199.84	$ 9,839.80	$ 10,823.78	$ 98,398.03	$ 118,077.63	$ 129,885.40
Vacant									
M10	$ 46.153	$ 55.384	$ 60.922	$ 7,999.84	$ 9,599.81	$ 10,559.79	$ 95,998.08	$ 115,197.69	$ 126,717.46
Vacant									
M9	$ 45.027	$ 54.033	$ 59.436	$ 7,804.72	$ 9,365.67	$ 10,302.23	$ 93,656.66	$ 112,387.99	$ 123,626.79
Vacant									
M8	$ 43.929	$ 52.715	$ 57.986	$ 7,614.36	$ 9,137.24	$ 10,050.96	$ 91,372.35	$ 109,646.82	$ 120,611.50
Human Resources Analyst I									

Minimum to Control is 20%
Control to Maximum is 10%

Board Adopted Date: TBD

Rancho California Water District Non-Exempt Salary Range
Effective July 1, 2026

Draft

Grade/Position	Hourly Minimum	Hourly Maximum	Monthly Minimum	Monthly Maximum	Annual Minimum	Annual Maximum
E51	$ 67.557	$ 81.069	$ 11,709.90	$ 14,051.88	$ 140,518.77	$ 168,622.52
Asset Services Supervisor						
Construction Supervisor						
Electrical Services Supervisor						
Field Services Supervisor						
Mechanical Services Supervisor						
Wastewater Maintenance Supervisor						
Water Operations Supervisor - Production						
Water Operations Supervisor - Water Quality						
Water Reclamation Supervisor						
E50	$ 65.909	$ 79.091	$ 11,424.29	$ 13,709.15	$ 137,091.48	$ 164,509.78
Vacant						
E49	$ 64.302	$ 77.162	$ 11,145.65	$ 13,374.78	$ 133,747.79	$ 160,497.35
Vacant						
E48	$ 62.733	$ 75.280	$ 10,873.80	$ 13,048.56	$ 130,485.65	$ 156,582.78
Vacant						
E47	$ 61.203	$ 73.444	$ 10,608.59	$ 12,730.31	$ 127,303.07	$ 152,763.68
Engineering Services Supervisor						
E46	$ 59.711	$ 71.653	$ 10,349.84	$ 12,419.81	$ 124,198.12	$ 149,037.74
Construction Inspector Supervisor						
E45	$ 58.254	$ 69.905	$ 10,097.41	$ 12,116.89	$ 121,168.90	$ 145,402.67
GIS Analyst II						
SCADA Administrator						
E44	$ 56.833	$ 68.200	$ 9,851.13	$ 11,821.36	$ 118,213.56	$ 141,856.27
Senior Systems Administrator						
E43	$ 55.447	$ 66.537	$ 9,610.86	$ 11,533.03	$ 115,330.30	$ 138,396.36
Mechanical Services Specialist						
Operations Systems Administrator						

Rancho California Water District Non-Exempt Salary Range
Effective July 1, 2026

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Grade/Position	Hourly Minimum	Hourly Maximum	Monthly Minimum	Monthly Maximum	Annual Minimum	Annual Maximum
E42	$ 54.095	$ 64.914	$ 9,376.45	$ 11,251.74	$ 112,517.36	$ 135,020.84
Crew Supervisor - Construction						
Crew Supervisor - Distribution						
Crew Supervisor - Fleet						
Crew Supervisor - Meters						
E41	$ 52.775	$ 63.331	$ 9,147.75	$ 10,977.30	$ 109,773.04	$ 131,727.65
Senior Electrical Controls/Instrumentation Technician						
E40	$ 51.488	$ 61.786	$ 8,924.64	$ 10,709.56	$ 107,095.65	$ 128,514.78
CMMS Specialist						
Senior Conservation and Water Budget Analyst						
Senior Conservation/Water Use Efficiency Analyst						
Senior Construction Inspector						
Systems Administrator						
E39	$ 50.232	$ 60.279	$ 8,706.96	$ 10,448.36	$ 104,483.56	$ 125,380.27
Cross Connection Control Specialist						
Engineering Project Coordinator						
GIS Analyst I						
Senior Water Systems Operator - Production						
Senior Water Systems Operator - Treatment						
Water Use Efficiency Specialist II						
E38	$ 49.007	$ 58.809	$ 8,494.60	$ 10,193.52	$ 101,935.18	$ 122,322.22
Safety Technician						
Senior Well and Pump Technician						
Wastewater Collection System Coordinator						
E37	$ 47.812	$ 57.374	$ 8,287.41	$ 9,944.90	$ 99,448.96	$ 119,338.75
Senior Construction Inspector						
Cross Connection Control Specialist						
Electrical Controls/Instrumentation Technician II						
Public Information Specialist II						
Senior Engineering Technician						
Senior Water Systems Operator						
Senior Well & Pump Technician						

Rancho Water

Rancho California Water District Non-Exempt Salary Range
Effective July 1, 2026

Draft

Grade/Position	Hourly Minimum	Hourly Maximum	Monthly Minimum	Monthly Maximum	Annual Minimum	Annual Maximum
E36	$ 46.646	$ 55.975	$ 8,085.28	$ 9,702.34	$ 97,023.37	$ 116,428.05
Conservation and Water Budget Analyst						
Conservation/Water Use Efficiency Analyst						
Construction Inspector II						
Operations & Maintenance Technician						
Senior Accounting Analyst						
Utility Systems Analyst						
E35	$ 45.508	$ 54.610	$ 7,888.08	$ 9,465.69	$ 94,656.95	$ 113,588.34
Administrative Services Supervisor						
Cross Connection Control Technician II						
Customer Service Supervisor						
Senior Wastewater Plant Operator						
Water Systems Operator II - Production						
Water Systems Operator II - Treatment						
E34	$ 44.398	$ 53.278	$ 7,695.69	$ 9,234.82	$ 92,348.24	$ 110,817.89
Field Distribution Operator - Welder/Fabricator						
Senior Distribution Operator - Operations						
Senior Purchasing Agent						
Well & Pump Technician II						
E33	$ 43.315	$ 51.978	$ 7,507.99	$ 9,009.58	$ 90,095.85	$ 108,115.01
Accounting Analyst						
Engineering Technician II						
Senior Field Distribution Operator - Construction						
Senior Field Distribution Operator - Meter/AMI						
Senior Field Locator Technician - Construction						
Senior Leak Detection Technician						
Senior Mechanic						
Water Use Efficiency Specialist I						
E32	$ 42.259	$ 50.711	$ 7,324.87	$ 8,789.84	$ 87,898.39	$ 105,478.06
Corrosion Control Technician II						
Senior Accounting Technician						
Senior Contracts Administrator						

Rancho Water

Rancho California Water District Non-Exempt Salary Range
Effective July 1, 2026

Draft

Grade/Position	Hourly Minimum	Hourly Maximum	Monthly Minimum	Monthly Maximum	Annual Minimum	Annual Maximum
E31	$ 41.228	$ 49.474	$ 7,146.21	$ 8,575.45	$ 85,754.52	$ 102,905.43
Electrical Controls/Instrumentation Technician I						
Public Information Specialist I						
Senior Operations & Maintenance Assistant						
Senior Wastewater Collection System Technician						
Wastewater Plant Operator II						
E30	$ 40.223	$ 48.267	$ 6,971.91	$ 8,366.29	$ 83,662.95	$ 100,395.54
Construction Inspector I						
Distribution Operator II - Operations						
Purchasing Agent II						
E29	$ 39.242	$ 47.090	$ 6,801.87	$ 8,162.24	$ 81,622.39	$ 97,946.87
Cross Connection Control Technician I						
Field Distribution Operator II - Construction						
Field Distribution Operator II - Meter/AMI						
Field Locator Technician II - Construction						
Leak Detection Technician II						
Mechanic II						
Senior Administrative Assistant						
Senior Warehouse Technician						
Water Systems Operator I - Production						
Water Systems Operator I - Treatment						
E28	$ 38.284	$ 45.941	$ 6,635.97	$ 7,963.16	$ 79,631.60	$ 95,557.92
Contracts Administrator II						
Senior Customer Service Representative						
Well & Pump Technician I						
E27	$ 37.351	$ 44.821	$ 6,474.11	$ 7,768.94	$ 77,689.37	$ 93,227.24
Engineering Technician I						
Operations & Maintenance Assistant II						
Wastewater Collection System Technician II						
E26	$ 36.440	$ 43.728	$ 6,316.21	$ 7,579.45	$ 75,794.50	$ 90,953.40
Accounting Technician						
Building & Grounds Worker II						
Corrosion Control Technician I						

Board Adopted Date: TBD

Rancho Water

Rancho California Water District Non-Exempt Salary Range
Effective July 1, 2026

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Grade/Position	Hourly Minimum	Hourly Maximum	Monthly Minimum	Monthly Maximum	Annual Minimum	Annual Maximum
E25	$ 35.551	$ 42.661	$ 6,162.15	$ 7,394.59	$ 73,945.86	$ 88,735.03
Administrative Assistant II						
Warehouse Technician II						
Wastewater Plant Operator I						
E24	$ 34.684	$ 41.621	$ 6,011.86	$ 7,214.23	$ 72,142.30	$ 86,570.76
Accounting Clerk II						
Customer Service Representative II						
Distribution Operator I - Operations						
Purchasing Agent I						
E23	$ 33.838	$ 40.605	$ 5,865.23	$ 7,038.27	$ 70,382.73	$ 84,459.28
Field Distribution Operator I - Construction						
Field Distribution Operator I - Meter/AMI						
Field Locator Technician I - Construction						
Leak Detection Technician I						
Mechanic I						
Senior Utility Maintenance Operator						
E22	$ 33.013	$ 39.615	$ 5,722.17	$ 6,866.61	$ 68,666.08	$ 82,399.29
Contracts Administrator I						
E21	$ 32.207	$ 38.649	$ 5,582.61	$ 6,699.13	$ 66,991.30	$ 80,389.56
Operations & Maintenance Assistant I						
Wastewater Collection System Technician I						
E20	$ 31.422	$ 37.706	$ 5,446.45	$ 6,535.74	$ 65,357.36	$ 78,428.83
Building & Grounds Worker I						
Engineering Aide						
Office Assistant II						
E19	$ 30.655	$ 36.787	$ 5,313.61	$ 6,376.33	$ 63,763.28	$ 76,515.94
Administrative Assistant I						
Utility Maintenance Operator II						
Warehouse Technician I						

Board Adopted Date: TBD

Rancho Water

Rancho California Water District Non-Exempt Salary Range
Effective July 1, 2026

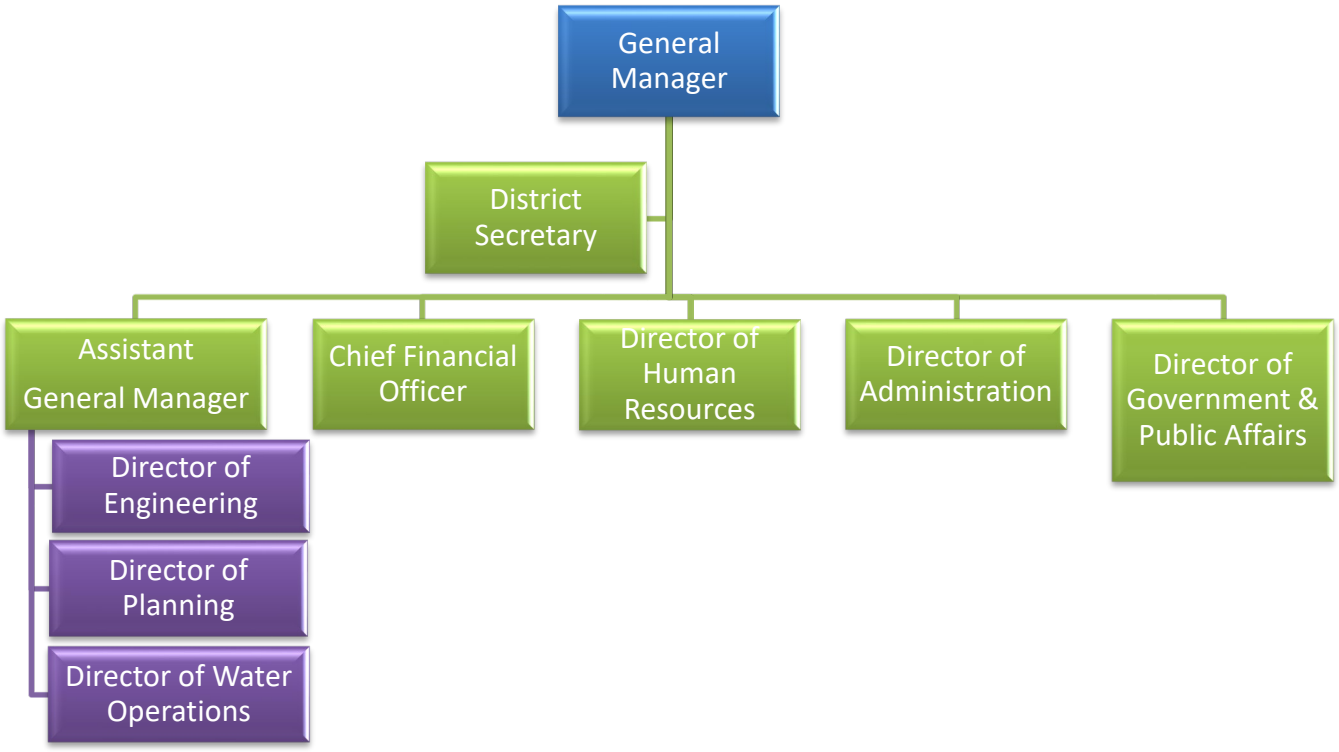
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Grade/Position	Hourly Minimum	Hourly Maximum	Monthly Minimum	Monthly Maximum	Annual Minimum	Annual Maximum
E18	$ 29.908	$ 35.889	$ 5,184.01	$ 6,220.81	$ 62,208.08	$ 74,649.69
Accounting Clerk I						
Customer Service Representative I						
Wastewater Plant Operator-In-Training (OIT)						
E17	$ 29.178	$ 35.014	$ 5,057.57	$ 6,069.08	$ 60,690.81	$ 72,828.97
Vacant						
E16	$ 28.467	$ 34.160	$ 4,934.21	$ 5,921.05	$ 59,210.54	$ 71,052.65
Vacant						
E15	$ 27.772	$ 33.327	$ 4,813.87	$ 5,776.64	$ 57,766.38	$ 69,319.66
Vacant						
E14	$ 27.095	$ 32.514	$ 4,696.45	$ 5,635.74	$ 56,357.45	$ 67,628.94
Office Assistant I						
E13	$ 26.434	$ 31.721	$ 4,581.91	$ 5,498.29	$ 54,982.88	$ 65,979.45
Utility Maintenance Operator I						
E12	$ 25.789	$ 30.947	$ 4,470.15	$ 5,364.18	$ 53,641.83	$ 64,370.20
Vacant						
E11	$ 25.160	$ 30.192	$ 4,361.12	$ 5,233.35	$ 52,333.49	$ 62,800.19
Utility Maintenance Operator-In-Training (OIT)						
AA	$ 17.500	$ 22.500	$ 3,033.33	$ 3,900.00	$ 36,400.00	$ 46,800.00
Student Intern						

A key element of Rancho Water's operating budget is developing departmental programs that are in support of its mission and goals. The Divisional Plans represent the link that transmits strategic planning into tactical action. This section presents departmental programs using the following format:

- Division Mission Statement
- Division Organizational Chart
- Division Personnel Requirements
- Division Critical Success Factors
- Department Function Narrative Statement
- Department Fiscal Year 2025/2026 Accomplishments
- Department Fiscal Year 2026/2027 Goals/Strategies and Initiatives
- Department Performance Measurement Indicators

DISTRICT ORGANIZATIONAL CHART



Draft

Personnel Staffing Levels

FULL-TIME EQUIVALENT (FTE) POSITIONS BY DIVISION

Division	Budget FY 2024/2025	Budget FY 2025/2026	Budgeted FY 2026/2027	Percent Change
Administration	34.72	36.72	33.72	(8.2%)
Human Resources	6.18	5.86	5.86	0.0%
Finance	15.86	14.86	16.86	13.5%
Engineering	20.43	19.43	21.43	10.3%
Operations and Maintenance	52.15	56.29	56.29	0.0%
Field Services	39.00	38.86	38.86	0.0%
TOTAL	**168.34**	**172.02**	**173.02**	**0.6%**

Total Personnel by Classification

Classification	Budget FY 2024/2025	Budget FY 2025/2026	Budget FY 2026/2027	Projected FY 2027/2028
General Manager	1	1	1	1
Assistant General Manager	2	1	1	1
Chief Financial Officer/Treasurer	1	1	1	1
Director	4	6	6	6
Management	12	11	13	13
Supervisory	18	26	25	25
Foreman	8	0	0	0
Professional	19.75	19	18	18
Office and Clerical	29.44	35.02	38.02	38.02
Technicians	38	8	8	8
Skilled Craft Workers	35.15	64	62	62
TOTAL	**168.34**	**172.02**	**173.02**	**173.02**

For FY2026/2027, the Budget proposes to fund 173.02 FTE positions and reflects the addition of the position listed below (when compared to the FY2025/2026 Budget). Adding this position is necessary to address the changing resource needs of the District and to align appropriate staffing resources for efficiency and effectively accomplishing the District's strategic goals.

- Finance Division – Senior Purchasing Agent

RATIO OF EMPLOYEES TO ACCOUNTS
LAST 10 FISCAL YEARS

FYE	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
# of Employees (FTE)	137.3	145.9	149.7	156.0	157.0	161.0	164.3	168.3	172.02	173.02
# of Accounts	44,878	45,086	45,218	45,330	45,456	45,551	45,629	45,699	45,808	46,037
Ratio	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.4%	0.4%	0.4%	0.4%

Draft

Fund Structure

The District accounts for its water and wastewater operations activities as enterprise funds, closely resembling private business enterprises where services are provided continuously and substantially financed by revenues derived from user charges.

Several District divisions perform functions supporting both water and wastewater enterprise funds. The following table shows the relationship between Rancho Water's divisions and the enterprise funds charged for their activities.

Relationship Between Divisions, Departments, and Enterprise Funds				
Division	**Department**	**Rancho**	**Santa Rosa**	**Wastewater**
Administration				
	Board Administration	√	√	√
	Public and Legislative Relations/Outreach Activities	√	√	√
	Administrative Services	√	√	√
	Customer Service	√	√	√
	Information Technology	√	√	√
	Geographic Information Systems	√	√	√
	Grants Acquisition and Management	√	√	√
	Water Use Efficiency	√	√	
Finance				
	Finance Administration	√	√	√
	Accounting	√	√	√
	Budgetary	√	√	√
	Treasury	√	√	√
	Real Estate Management	√	√	√
	Purchasing	√	√	√
	Warehouse	√	√	√
Engineering				
	Asset Management	√	√	√
	Engineering Administration	√	√	√
	Engineering/Water Resources Planning	√	√	√
	Engineering Design	√	√	√
	Engineering Services	√	√	√
	Construction Contracts	√	√	√
Human Resources				
	Human Resources	√	√	√
	Safety/Risk Transfer, Liability, and Property Insurance	√	√	√
Operations & Maintenance				
	Water Operations	√	√	
	Wells and Pumps Function	√	√	√
	Planning/Scheduling and Operations Administration			
	Water Quality	√	√	
	Corrosion Control	√	√	
	Electrical Services	√	√	√
	Wastewater Treatment			√
Field Services				
	Field Services	√	√	√
	Meter Maintenance	√	√	
	Valves, Hydrants, and Air Vacs			
	Building & Grounds	√	√	√
	Mechanic Maintenance	√	√	

Draft

Mission Statement

To provide exceptional, timely, and professional administrative support toward Rancho Water's mission, vision, and values, including specific administration of District records, board administration, customer service and billing, IT, GIS, and WUE.

Personnel Requirements (FTE)

Position	Budget FY 2024/2025	Budget FY 2025/2026	Budget FY 2026/2027	Projected FY 2027/2028
General Manager	1	1	1	1
Assistant General Manager	2	1	1	1
District Secretary	1	1	1	1
Director of Administration	0	1	1	1
Director of Government & Public Affairs	1	1	1	1
Customer and Support Services Manager	1	1	1	1
Information Technology Manager	0	0	1	1
Public Affairs Manager	0	1	1	1
Water Use Efficiency & Grants Manager	1	1	1	1
Administrative Assistant	1	1	1	1
Administrative Services Supervisor	1	0	0	0
Conservation and Water Budget Analyst	0	1	1	1
Customer Service Representative	5	6	5	5
Customer Service Supervisor	1	1	1	1
Datacenter Operations Supervisor	1	1	0	0
ERP Business Administrator	1	1	2	2
GIS Analyst	1	1	1	1
GIS Coordinator	1	1	1	1
Grant Analyst	1	1	1	1
Legislative Analyst	1	1	1	1
Network Administrator	0	1	1	1
Office Assistant	2	1	1	1
Public Information Officer	0	0	1	1
Public Information Officer - LTD	1	1	0	0
Public Information Specialist	1	1	1	1
Senior Administrative Assistant	0	3	1	1
Senior Customer Service Representative	2	1	1	1
Systems Administrator	2	1	1	1
Utility Systems Analyst	1	1	0	0
Water Resources Planner	1	0	0	0
Water Use Efficiency Specialist	1	1	1	1
Water Use Efficiency Specialist - LTD	1	1	1	1
Student Intern-IT	0.86	0.86	0.86	0.86
Student Intern-Public Information	0.43	0.43	0.43	0.43
Student Intern-Water Use Efficiency	0.43	0.43	0.43	0.43
Total	**34.72**	**36.72**	**33.72**	**33.72**

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Administration Division (Continued)

DIVISION SUMMARY

Category	Actual FY2024/2025	Budget FY 2025/2026	Budget FY 2026/2027
Labor	$3,829,482	$4,317,295	$4,348,508
Materials	187,580	160,500	174,150
Outside Services	3,809,396	5,477,524	5,344,497
FUNDED STAFFING LEVEL	**34.72**	**36.72**	**33.72**

CRITICAL SUCCESS FACTORS

The Administration Division has identified the following objectives it considers critical to the overall success of the Division and the District for FY 2026/2027:

- Provide administrative support to the General Manager, Assistant General Manager, and the Board.
- Provide technical support and compliance solutions that protect the District from legal, financial, and safety exposures.
- Provide administrative support for Rancho Water's internal and external customers.
- Coordinate with other local, regional, and state agencies relative to the implementation of Rancho Water's goals and positions as established by the Board, consistent with the Strategic Business Plan.
- Participate in state and national conferences to ensure Rancho Water is positioned properly with the statutes and programs of state and national agencies, with water supply and wastewater oversight.

Draft

Board Administration

Mission Statement

To provide specific administration of Board business, legal services, and election processes, including preparation and timely distribution of Board and Committee meeting packets, coordination of travel and event arrangements, maintenance of all official documents, and timely development and filing of all noticing requirements in accordance with the Ralph M. Brown Act.

Accomplishments for Fiscal Year 2025/2026

- Completed Board and Committee meeting minutes, and Board and Planning and Administration Committee meeting packets.
- Ensured compliance with all meeting agenda notices and related materials.
- Updated Part I-Administration of the District of the adopted Administrative Code.

Goal/Strategy	Fiscal Year 2026/2027 Initiatives
G2.S4	• Transcribe and generate for approval Board and PAC meeting minutes, and secure completion of meeting minutes for the FAC and E&OC.
G5.S4	• Assure timely preparation and electronic dispersion of the Board, PAC, FAC, and E&OC meeting packets. • Provide updates to Part I-Administration of the District of the adopted Administrative Code.

Performance Measurement Indicators

Activity	Criteria	Actual 2024/2025	Budget 2025/2026	Target 2026/2027
Prepare and post meeting agendas and notices	Post meeting agendas and notices in accordance with the Brown Act	100%	100%	100%
Timely prepare and complete all Board and PAC meeting agendas and packets	Provide completed meeting packets to the Board and staff, a minimum of four days before the subject meeting	100%	100%	100%
Generate Board and PAC meeting minutes	Complete minutes for review and approval by the Board within 30 days of the subject meeting	100%	100%	100%
Maintain updates for Part I of the Administrative Code	Update the Administrative Code as changes become effective	100%	100%	100%

Draft

ACCOMPLISHMENTS FISCAL YEAR 2025/2026 (DRAFT – TO BE UPDATED FOR FINAL)

- Coordinated five tours of the District's facilities with state and federal decision makers and regulatory entities, including the Army Corps of Engineers, USBR Deputy Regional Director for the Lower Colorado River, international representatives from Uzbekistan through the U.S. Department of State, Senator Adam Schiff's office, State Assembly Member Jeff Gonzalez, and the California Municipal Utilities Association executive team.
- Developed and fully executed the 2024 Strategic Advocacy Program recommendations that were developed following a comprehensive analysis of the District's existing state and federal advocacy programs.
- Secured and utilize a new legislative tracking software program that provides greater ability to engage in the state and federal legislative process.
- Selected to serve as an expert witness in support of AB 532 (Durazo) Low Income Water Rate Assistance.
- Executed two federal lobbying days and a State advocacy day to elevate the District's policy and funding priorities.

GOAL/STRATEGY	FISCAL YEAR 2026/2027 INITIATIVES (DRAFT)
G4.S1	• Continue to actively track/engage on state and federal legislation that affects the District and actively aid in informing association positions and informational materials. • Strategically release policy issue briefs elevating Rancho Water's position on key issues and proactively communicating with the Legislature and regulators on these issues. • Lead conversations on priority legislation on water affordability and accessibility; and introduce legislation midway in 2024 or at the beginning of 2025 that would help water and wastewater agencies to advance infrastructure in a more cost-effective manner. • Develop and foster relationships with federal agencies, including USACE and USBR, to support funding requests.
G4.S2-S3	• Actively support and contribute to the passage of SB 366 which would establish the creation of a bold water supply target for California to advance through the California Water Plan and actively pursue passage of the legislation. • Strengthen Rancho Water's position as a trusted partner and resource at the federal level, especially as federal agencies are rebuilding/restaffing departments that have undergone significant transition. • Develop processes or documents to keep the management and the Board on legislation and regulatory issues that are of importance to the District. • Engage/maintain working relationships with legislators and policy makers on issues affecting the District. • Undertake an assessment of opportunities for the District to sponsor or co-sponsor state legislation and develop a complementary coalition and outreach plan if such an opportunity presents itself.
G5.S4	• Provide factual and timely information to customers and specialized groups on current legislation and regulation impacting the District and its constituents.
G5.S5	• Pursue federal and state funding opportunities for District infrastructure and program needs; and support the inclusion of funding categories that would benefit the District in any state budget allocations or resources bond allocation that may be forthcoming.

Draft

Governmental Affairs - Federal and State Legislative Relations (Continued)

PERFORMANCE MEASUREMENT INDICATORS (DRAFT)

ACTIVITY	CRITERIA	ACTUAL 2024/2025	BUDGET 2025/2026	TARGET 2026/2027
Track/engage on regulations and legislation that affects the District	Work with legislative staff and legislators to communicate Rancho Water's position on legislation affecting it. Proactively engage in working groups and directly with committee consultants to craft language and advance amendments.	100%	100%	Ongoing
Elevate priority infrastructure projects to state, federal, and local funding partners	Develop relationships with federal agencies such as the USBR, USACE, and state partners including DWR and the State Board. Work with County leadership and Board of Supervisor members to secure ARPA.	Ongoing	Ongoing	Ongoing
Strengthened relationships with District legislative representatives and local stakeholders, and established relationships with new legislative representatives	Meet with state and federal legislative representatives and their staff to brief them on key issues. Share emerging issues and opportunities with staff, legislators and regulators.	100%	Ongoing	Ongoing

Draft

ACCOMPLISHMENTS FISCAL YEAR 2025/2026

- Hosted the very successful 60th Anniversary Splash Fest, a community event to celebrate the District's 60th anniversary with vendors, craft tables, fire trucks, petting zoo, bands, and water use efficiency demonstrations.
- Coordinated and participated in a series of high-impact community events with strong attendance and engagement, including educational workshops, holiday celebrations, city parades, and collaborative programs with regional partners.
- Produced a suite of marketing materials including press releases, the 2024 Consumer Confidence Report, monthly and quarterly newsletters and program eblasts, magazine articles, and newspaper ads.
- Earned multiple prestigious awards for outstanding projects and programs, including CAPIO honors for the 2024 Year-End Report and a Telly Award for the Regional CropSWAP video.
- Progressed multiple community partnerships with the support of programs from the Temecula Chamber of Commerce, Murrieta-Wildomar Chamber of Commerce, Murrieta Library, the cities of Temecula and Murrieta, Lake Elsinore Storm Baseball, and Mil-Vet.
- Engaged the community by participating in events, committees, and memberships with many entities including the Murrieta Rotary Club, Temecula Unified School District, DWR, CSUSM, and CAPIO.
- Led the successful implementation of Rancho Water's brand refresh by developing an updated logo, color palette, and core communication assets. Oversaw the organization-wide rollout of the refreshed brand, including updates to uniforms, printed collateral, promotional items, vehicle and facility signage, and digital platforms, ensuring consistency and alignment across all touchpoints.
- Created a new branding guideline to complement the brand refresh and to ensure consistency in visual identity, tone, and messaging across all internal and external communications.
- Expanded the education program to include new classroom-ready activity kits, an extended Poster Contest program with the inclusion of middle schools and high schools, and compiled a comprehensive list of staff speakers for career days and educational events.
- Supported ongoing outreach through strategic communications for construction projects at Valle de Los Caballos, including the use of video storytelling to document and share project milestones, demonstrate progress, and maintain public engagement throughout the construction lifecycle.

Draft

Public Affairs - Education and Community Outreach (Continued)

Goal/Strategy	Fiscal Year 2026/2027 Initiatives
G3.S4	• Lead the successful implementation of Rancho Water's brand refresh by developing an updated logo, color palette, and core communication assets. Oversee the organization-wide rollout of the refreshed brand, including updates to uniforms, printed collateral, promotional items, vehicle and facility signage, and digital platforms, ensuring consistency and alignment across all touchpoints.
G5.S2	• Expand the education program to include new classroom-ready activity kits, a new line of outreach materials featuring all Journey of Water characters, and a comprehensive list of staff speakers for career days and educational events. • Support ongoing outreach through strategic communications for construction projects at Valle de Los Caballos, including the use of video storytelling to document and share project milestones, demonstrate progress, and maintain public engagement throughout the construction lifecycle.
G5.S4	• Continue with new branding guidelines to complement the brand refresh and to ensure consistency in visual identity, tone, and messaging across all internal and external communications.

Performance Measurement Indicators

Activity	Criteria	Actual 2024/2025	Budget 2025/2026	Target 2026/2027
Engage internal staff on Rancho Water's current priorities	Keep internal staff and Board aware of key messages to the public on Rancho Water's priorities/emerging water issues through email, press releases, customer newsletters, and other customer material(s).	100%	100%	100%
Implement K-12 educational programs	Work with the local school districts and private schools to provide materials and contests regarding water-education poster contests, theater assembly program, and other educational opportunities.	100%	100%	100%
Continue local messaging and outreach to customers on any District priority	Communicate with customers through a variety of means (email blasts, mailers, social media, etc.) about water supply and infrastructure constraints, as well as other major priorities by sending quarterly printed newsletters, monthly e-newsletters, and quarterly bill inserts.	100%	100%	100%

Draft

Mission Statement

To provide a full array of quality administrative support for all Rancho Water departments. Such services include, but are not limited, to mail services, event arrangements, setting up for District-related meetings, and oversight of the centralized paper and electronic recordkeeping system, public records requests, as well as provide quality customer service to all internal and external customers.

Accomplishments for Fiscal Year 2025/2026

- Provided administrative support to all Rancho Water divisions.
- Continued to convert the remainder of the District's paper records to electronic records.
- Successfully planned and organized the District's Annual Employee Appreciation Luncheon, Employee Pop-up Events, and the District's Annual Employee Night Out.

Goal/Strategy	Fiscal Year 2026/2027 Initiatives
G2.S4	• Ensure completion of regular work duties in a timely manner. • Continue conversion of archived and current documents throughout the District to become paperless to electronic storage. • Continue to destroy records that have reached their legal required retention period.
G2.S4/G3.S3	• Provide administrative support to all District divisions, including clerical requests; special projects, research and retrieval of records, and continue to assist staff with OnBase. • Manage system applications within the ECMS.
G5.S4	• Comply with the California Public Records Act (Gov. Code §6250 et seq.).

Performance measurement Indicators

Activity	Criteria	Actual 2024/2025	Budget 2025/2026	Target 2026/2027
E-storage of archived and current documents	Scan, index, and quality control of archived and current documents Districtwide to become paperless.	N/A	100%	100%
ECMS	Timely manage/troubleshoot issues.	100%	100%	100%
Public Records Requests	Timely response to Public Records Requests in compliance with the California Public Records Act (Gov. Code §6250 et seq.).	100%	100%	100%
EDMS	Meet project schedule timeline and deadlines.	N/A	N/A	100%

Draft

Mission Statement

To manage the District's billing system to ensure water and sewer payments are collected on time. They process meter data, so customers are billed accurately, handle service requests like move-ins, move-outs, and shutoffs, and manage payments and collections. The team also responds to customer inquiries and focuses on delivering excellent service through clear communication and commitment to exceeding expectations.

Accomplishments Fiscal Year 2025/2026

- Successfully completed a Cayenta health check to ensure the system is working to its full potential.
- Continued successful utilization of the Itron Fixed Network System for reading accuracy, leak indicators, and customer assistance.
- Engaged with local and state agencies to offer several financial assistance programs to customers.
- Streamlined processes and conducted training to ensure operational efficiency.
- Continued additional enhancements to the online bill pay portal for customers, including increasing the amount of hourly data available, allowing customized notifications, and working to provide data as near real-time as possible.
- Provided job-specific knowledge training for the Customer Service Department.

Goal/Strategy	Fiscal Year 2026/20276 Initiatives
G2.S4	• Track and analyze customer service comments through online forms .
G3.S1-S2	• Continue to provide job-specific training for customer service staff.
G5.S1-S4	• Continually review and adjust, as required, residential, agricultural, and commercial rate structures and budgets in preparation for long-term demands and shortages. • Ensure continued compliance with SB 998. Update systems and processes as required. • Continue to develop and enhance the District's Revenue Protection Program software to protect District revenue and ensure billing accuracy and equity. • Continue to explore additional options for customer correspondence interactions.
G5.S1	• Continue effective collection of unpaid customer accounts through property liens and/or placement with collection agencies.
G5.S1	• Utilize the Mobile Network Management System to achieve maximum efficiency and accessibility in the field.

Draft

Customer Service (Continued)

PERFORMANCE MEASUREMENT INDICATORS

ACTIVITY	CRITERIA	ACTUAL 2024/2025	BUDGET 2025/2026	TARGET 2026/2027
Timely billing of customer accounts	Bills sent on Tuesdays	100%	100%	100%
Timely response to customer calls	Average time to answer incoming phone calls	24 seconds	Less than 35 seconds	Less than 30 seconds
Timely response to customer phone calls	Number of abandoned calls	2.19%	Less than 3%	Less than 2.5%
Efficient and alternative payment options	Customers utilizing some form of electronic payment	78.2%	78%	79%
Responding to customer service requests	Complete request in one day	99.3%	100%	100%
Timely completion of door hanger and delinquent shut-offs	Complete same day	100%	100%	100%

Draft

MISSION STATEMENT

To maintain secure, reliable information systems that support the District's daily operations and effective use of technology. IT is responsible for managing and maintaining Rancho Water's core servers and essential services, including:

- FIS, cybersecurity policies/procedures, GIS, and Microsoft Office 365/Exchange Online.
- Document Management System.
- Storage Area Network System.
- Disaster Recovery/Backup/Business Continuity System.
- Network Firewall/Security/Content Filter System.
- Web/E-commerce/FTP Servers.
- Telecommunications Servers and VoIP Phone System.
- Interactive Voice Response and Automated Call Distribution Systems.
- Maintain Datacenter Facility (Headquarters) and Backup Datacenter Facility (Disaster Recovery).
- Nine Intermediate Distribution Frames.
- Two Main Distribution Frames and Two Extension Networks.
- Multiple Internal Wireless Networks.
- District Mobile Device Management.
- SCADA Infrastructure.

ACCOMPLISHMENTS FISCAL YEAR 2025/2026

- Replaced multiple tablets, servers and client computers.
- Replaced Network Security Appliances (Firewalls) at Main, SRWRF-SCADA datacenters.
- Replaced server equipment at the Main, SRWRF, and SRWRF-SCADA datacenters.
- Completed in-person cybersecurity readiness assessment with DHS-CISA.
- Completed in-person cybersecurity network and infrastructure vulnerability assessment.
- Completed refresh of IT Master Plan representing the District's technology strategic roadmap over the next five years.
- Added Highly Available Virtual Infrastructure in the Operations SCADA datacenter.
- Successfully recruited for and filled the IT Intern positions.
- Completed upgrade of Mitel phone system incorporating latest security features and product updates.
- Completed upgrade of OnBase Enterprise Content Management ERP system.
- Developed and implemented Artificial Intelligence Use Policy.
- Achieved MISAC's "Excellence in IT Practices–Excellence" award.
- Replaced Video management system in the board room.

Draft

Information Technology (Continued)

Goal/Strategy	Fiscal Year 2026/2027 Initiatives
G1.S2/G2.S4	• Complete replacement of FIS system.
G2.S4	• Complete replacement of District's CMMS. • Explore opportunities for increased use of current District technology. • Explore opportunities for increased use in Artificial Intelligence (AI) technology.

Performance Measurement Indicators

Activity	Criteria	Actual 2024/2025	Budget 2025/2026	Target 2026/2027
Reliable and dependable network performance	Number of hours downtime during business hours	<1 hour	26.28 minutes/year (99.995%)	26.28 minutes/year (99.995%)
Timely resolution to user problems	Resolve problems within 24 hours	98%	85%	85%
Maintain internal customer service	Percentage of favorable responses to internal customer satisfaction survey	95%	90%	90%

Draft

Geographic Information Systems

MISSION STATEMENT

To provide high-quality geographic information to improve operations by integrating data and processes across departments, supporting more effective and efficient public service.

ACCOMPLISHMENTS FISCAL YEAR 2025/2026

- Assisted with mapping, reporting and analysis requests for various projects.
- Maintained GIS software, applications, and customer tools.
- Maintained digital map to support Customer Service Department in assisting customers with identifying District serving their property address.
- Produced maps and provided technical support for District personnel.
- Continued the as-built data conversion to GIS (new drawings conversion) and field-based verification of the GIS data.
- Provided support and training throughout the District for the Desktop GIS Viewer, Field Maps and Field Mapplet.
- Provided support for the Valve Tie Mapping effort.
- Provided ArcGIS Server web application support.
- Maintained GIS databases and replication.
- Continued to assist Finance Department with calculation of annual tax charges.
- Continued to assist with the Ag re-certification and CropSWAP projects.
- Continued to provide support and user training for GPS data collection.
- Updated/maintained the GIS viewers.
- Continued to support the drone-mapping program for various District departments.
- Created various GIS-Enabled dashboards for new projects.
- Assisted WUE Department with drone-based inspection for various projects.
- Implemented mobile GIS solutions to access GIS data in areas with no cell coverage.
- Improved GIS data collection process to streamline reporting.
- Assisted Operations Dept. with the implementation of the new CMMS.
- Maintained the GIS-based solution for Operations' leak detection program and the live dashboard used for monitoring the leak detection effort.
- Started the migration of water and sewer data to the new Utility Network model.
- Set up new servers to support the Utility Network data model.
- Deployed new GPS base station for field data collection.

Draft

Geographic Information Systems (Continued)

Goal/Strategy	Fiscal Year 2026/2027 Initiatives
G1.S1	• Continue to operate, develop, and maintain the District's GIS, including updating and adding new data sources. • Complete the migration from Geometric Network to Utility Network model.
G2.S4	• Streamline interagency reporting. • Continue to improve GIS dissemination Districtwide. • Promote integration of GIS with other business systems (ERP/CMMS/CIS). • Assist with the CMMS implementation . • Continue to provide support for improving spatial components of GIS data using GPS Technology. • Improve mobile GIS solution for field crews.
G5.S1	• Continue to reconcile meter database using CIS data and GPS information. • Continue to improve shut-off notification workflow. • Continue to improve the GIS-based Customer Notification System.
G5.S4	• Continue to improve the EOC online map.
G6.S1	• Continue to assist with tax-roll calculations.

Performance Measurement Indicators

Activity	Criteria	Actual 2024/2025	Budget 2025/2026	Target 2026/2027
Respond to customer service requests for maps	Maps produced within 48 hours of request	100%	90%	90%
Reliable GIS system software performance	Resolve problems within 24 hours of notification	100%	90%	90%

Draft

Grants Acquisition and Management

Mission Statement

To pursue, secure, and manage external funding to support capital projects, strengthen financial oversight, and advance the District's Strategic Plan.

Accomplishments Fiscal Year 2025/2026

- Monitored and evaluated local, state, federal, and legislative funding opportunities in a competitive and evolving funding environment.
- Submitted multiple grant applications to CalOES/FEMA, U.S. Bureau of Reclamation, and the Department of Water Resources to support priority District projects.
- Secured and initiated implementation of the District's first RISE Grant to conduct an independent organizational assessment and develop a roadmap to improve internal systems, coordination, and long-term efficiency.
- Executed amendments and managed compliance requirements for active state and federal grant agreements.
- Provided regular updates to the Board and executive leadership regarding grant acquisition status, funding opportunities, and implementation progress.
- Ensured compliance with Rancho Water's Grant Management Procedures, maintaining consistency with District policies, auditing standards, and grant accountability requirements.
- Engaged grants management consulting support to ensure adherence to grant terms, reporting obligations, and audit standards.
- Strengthened internal grants capacity through continued growth and expanded contributions of the Grant Analyst II role in support of portfolio management and funding diversification efforts.

Goal/Strategy	Fiscal Year 2026/2027 Initiatives
G6.S5	• Strategically pursue and diversify state, federal, regional, and legislative funding opportunities to support priority capital and operational projects. • Continue coordination with Government Affairs to advance federal and local appropriations aligned with District priorities. • Ensure full compliance with active grant agreements, including timely reporting, invoicing, and audit documentation. • Strengthen portfolio oversight and internal coordination through implementation of Project Connect (RISE) recommendations. • Enhance use of eCivis, Monday.com, and other grant management tools to improve efficiency, tracking, and competitive positioning. • Monitor funding policy shifts and competitive trends to proactively adjust funding strategy and reduce resilience on any single funding source.

Draft

Grants Acquisition and Management (Continued)

PERFORMANCE MEASUREMENT INDICATORS

ACTIVITY	CRITERIA	ACTUAL 2024/2024	BUDGET 2025/2026	TARGET 2026/2027
Update Committees/Board on grant acquisition and other funding opportunities	Provide regular updates to the PAC	Monthly Committee Updates	Monthly Committee Updates	Monthly Committee Updates
Track federal and state funding opportunities	Percentage of months received and reviewed federal and state funding opportunities	100%	100%	100%
Convene and update Grants Oversight Team	Hold regular Grant Oversight Team meetings to review funding strategy, grant implementation progress, and compliance status	100%	100%	100%
Manage requirements of state and federal grant agreements	Percentage of compliant and timely quarterly/semi-annual progress reports, invoices, and deliverables to funding agencies	100%	100%	100%
Diversify and secure outside funding	Submit competitive grant and appropriation applications aligned with approved District projects	100%	100%	100%

Draft

Water Use Efficiency

MISSION STATEMENT

To protect local water resources and ensure a reliable long-term supply through targeted, data-driven conservation programs and compliance with state water-use requirements.

ACCOMPLISHMENTS FISCAL YEAR 2025/2026

- Implemented new state-mandated water use efficiency requirements and maintained expanded conservation reporting and compliance obligations.
- Centralized processing of agricultural, commercial, multi-family, and dedicated landscape variance requests to review and update water budgets based on documented changes.
- Administered the District's water waste program in accordance with the Administrative Code, responding to complaints and conducting outreach to resolve non-compliant water use.
- Administered the Regional CropSWAP Program, providing incentives for irrigation efficiency, soil health, and crop transitions in coordination with regional partners.
- Implemented residential landscape efficiency programs, including design assistance and direct installation of irrigation upgrades.
- Maintained and enhanced the Temecula-Murrieta In Bloom online landscape resource platform to support climate-appropriate plant selection, rebate participation, and customer self-service conservation tools.
- Conducted targeted water use evaluations to identify efficiency opportunities across residential, commercial, and agricultural customers.
- Conducted customer workshops and community educational presentations regarding water supply conditions, conservation programs, and regulatory requirements.
- Maintained and enhanced the District's automated leak notification program utilizing AMI data to deliver near real-time alerts and improved detection accuracy.
- Advanced data-driven customer outreach efforts through integration of AMI, GIS, and billing analytics.
- Coordinated with wholesale agencies to leverage external conservation funding that expands customer program offerings and offsets District costs.
- Partnered with SoCal Gas to provide onsite water-use audits and free water efficient device installation to disadvantaged communities.
- Partnered with Riverside County Flood Control on identifying parcels that may be contributing to pollutant levels in local watersheds.

Draft

Water Use Efficiency (Continued)

Goal/Strategy	Fiscal Year 2026/2027 Initiatives
G1.S2	• Support optimization of recycled water use by identifying and advising eligible customers on transition opportunities within the recycled distribution service area.
G1.S5	• Implement and maintain compliance with state-mandated water use efficiency requirements, including development of customer tools and reporting processes to support evolving conservation legislation.
G5.S2/G5.S3	• Provide customer information and assistance through water use efficiency evaluations, workshops, and targeted outreach efforts. • Conduct a marketing and communication efforts to encourage adoption of efficient water-use practices across all customer sectors. • Manage and expand residential, commercial, and agricultural water use efficiency programs, including the Regional CropSWAP Program and landscape efficiency initiatives. • Expand CII conservation programs to meet state-mandated performance measurement requirements. • Expand automated leak detection and notification efforts to additional customer sectors. • Conduct pilot and demonstration projects to evaluate emerging irrigation efficiency technologies and best management practices. • Work with Cities of Temecula and Murrieta, Riverside County, and regional partners to support sustainability initiatives and increase awareness of local and imported water supply conditions.
G6.S5	• Apply for and leverage state, federal, and regional conservation funding, including coordination with wholesale agencies, to expand program offerings and offset District costs.

Performance Measurement Indicators

Activity	Criteria	Actual 2024/2025	Budget 2025/2026	Target 2026/2027
Develop and implement conservation and WUE programs for residential, dedicated landscape, and multi-family customers	Develop and implement programs, per District coverage goals	100%	100%	100%
Develop and implement conservation and WUE programs for Ag customers	Develop and implement programs, per District coverage goals	100%	100%	100%
Develop and implement conservation and WUE programs for CII customers	Develop and implement programs, per District coverage goals	100%	100%	100%
Maintain compliance with state-mandated WUE requirements	Meet/exceed Urban Water Use Objective and complete required state reporting	N/A	100%	100%

Draft

Mission Statement

To provide strategic financial guidance and support to the Board, management, and staff in maintaining low, stable water and wastewater rates. The Finance Division manages the District's financial resources, ensures strong financial controls, and delivers accurate reporting to protect assets and maintain a solid financial position. Key functions include accounting, auditing, investing, and debt management, all while maintaining a commitment to quality customer service.

Personnel Requirements (FTE)

Position	Budget FY 2024/2025	Budget FY 2025/2026	Budget FY 2026/2027	Projected FY 2027/2028
Chief Financial Officer	1	1	1	1
Controller	1	1	1	1
Finance Manager	1	1	1	1
Accountant	2	1	1	1
Accounting Analyst	2	2	2	2
Accounting Clerk	2	2	1	1
Accounting Supervisor	1	1	1	1
Accounting Technician	0	0	1	1
Management Analyst	1	1	1	1
Procurement & Contracts Administrator	1	1	1	1
Purchasing Agent	1	0	1	1
Senior Accountant	0	1	1	1
Senior Administrative Assistant	1	0	1	1
Senior Purchasing Agent	0	1	1	1
Warehouse Technician	1	1	1	1
Student Intern-Finance	0.43	0.43	0.43	0.43
Student Intern-Purchasing/Warehouse	0.43	0.43	0.43	0.43
Total	**15.86**	**14.86**	**16.86**	**16.86**

Division Summary

Category	Actual FY 2024/2025	Budget FY 2025/2026	Budget FY 2025/2026
Labor	$1,716,466	$1,729,473	$2,106,822
Materials	43,493	46,400	44,600
Outside Services	858,531	619,600	672,000
Funded Staffing Level	**15.86**	**14.86**	**16.86**

Draft

Finance Division (Continued)

CRITICAL SUCCESS FACTORS

The Finance Division has identified the following objectives it considers critical to the overall success of the Division and the District for FY 2026/2027:

- Complete the Operating and Non-Operating Budgets for FY 2026/2027, with complete Board review and recommendation on May 14, 2026, and adoption by the Board on June 11, 2026.
- Complete all internal financial records for the year ended June 30, 2025, by July 31, 2026, to allow Rancho Water's certified public accountants to perform and complete the independent audit of the District and its taxing entities for presentation to the Board no later than October 9, 2025. The results of the audit must contain an unmodified opinion, have no reportable conditions, and limit management letter comments to immaterial items.
- Complete the ACFR for the fiscal year ended June 30, 2026, with FAC review on October 1, 2026. The report should meet a quality standard sufficient to earn the GFOA's COA award.
- Develop an update of the 2024 Cost of Service Study to develop a new three-year water and sewer rate package for the Board's review and approval prior to the end of the Fiscal Year. This process will comply with all legal requirements including Proposition 218.

Draft

Mission Statement

To support the Finance Division in in meeting its goals while complying with state and federal regulations. Responsibilities include preparing monthly FAC and quarterly SRRRA EAC and Board meeting materials; producing quarterly financial reports; updating financial policies as needed; and coordinating both District and SRRRA annual budgets and Rancho Water ACFR to ensure compliance. The role also supports legal and regulatory work, collaborates with other divisions, and provides administrative support to the FAC, SRRRA EAC, and Board in accordance with the Ralph M. Brown Act.

Accomplishments Fiscal Year 2025/2026

- Completed monthly FAC meeting packets and corresponding minutes.
- Completed quarterly SRRRA EAC and Board meeting packets and corresponding minutes.
- Comply with annual audit for both District and SRRRA entities.
- Processed and posted to District website the annual comprehensive financial report.
- Processed and posted to District and SRRRA websites the annual budget document.
- Notified proper agencies of District Board-approved ACFR and Fiscal Year Annual Budget.
- Maintained master document list containing deadlines for the Finance Division.
- Hosted Regional Quarterly Chief Financial Officer roundtable with neighboring agencies.

Goal/Strategy	Fiscal Year 2026/2027 Initiatives
G2.S4	• Transcribe and generate FAC and SRRRA Board meeting minutes.
G5.S4	• Provide as-needed updates to Part II-Fiscal Policies of the adopted Administrative Code. • Assure timely preparation and electronic dispersion of the FAC packets. • Process timely preparation and electronic dispersion of the SRRRA EAC and Board packets.

Performance Measurement Indicators

Activity	Criteria	Actual 2024/2025	Budget 2025/2026	Target 2026/2027
Complete FAC and Board, SRRRA EAC, and SRRRA Board meeting staff reports	Complete within monthly scheduled deadlines	100%	100%	100%
Prepare and complete transcription of FAC and SRRRA BOD meeting minutes	Complete within 30 days of subject meeting	100%	100%	100%
Provide timely response to all requests for finalization of correspondence, agreements, and RFPs	Within one day of receipt	100%	100%	100%

Draft

Mission Statement

To provide accurate, timely, and transparent financial reporting to internal and external stakeholders. This function also protects District assets by ensuring their efficient use and maintains strong internal controls to support financial integrity, accountability, and compliance with applicable standards and regulations.

Accomplishments Fiscal Year 2025/2026

- Completed the ACFR and received the GFOA's COA award for excellence in financial reporting.
- Completed Audit of 2024/2025 Rancho Water financial records with an unmodified opinion.
- Completed Audit of the 2024/2025 SRRRA financial records with an unmodified opinion.
- Completed Audit of the 2024/2025 CFD Nos. 89-5, 99-1, and 99-2, and AD 32A financial records with unmodified opinions.

Goal/Strategy	Fiscal Year 2026/2027 Initiatives
G2.S3	• Complete the implementation of new ERP software for accounting payroll, and financial reporting functions.
G6.S1-S2	• Complete successful audits of grant programs from both federal requirements and issuing agencies. • Provide timely and accurate financial reporting, including receipt of the COA award from GFOA. • Obtain unmodified audit opinion. • Complete successful and timely audit with independent auditors. • Continue cross-training of key tasks and functions within the Accounting Department.

Performance Measurement Indicators

Activity	Criteria	Actual 2024/2025	Budget 2025/2026	Target 2026/2027
Timely closing of fiscal year accounting records	Approval of annual audit report	Met	Sept 2025	Sept 2026
Maintain accurate accounting records in accordance with GASB	Number of significant external audit findings	None	None	None
Timely payment of vendor invoices	Unpaid invoices over 30 days – Less than 5%	0%	Less than 5%	Less than 5%
Timely closing of fiscal year accounting records for contracted agencies (CFDs/AD and SRRRA)	Approval of annual audit report	Met	Oct 2025	Oct 2026

Draft

Mission Statement

Budgetary oversees Districtwide planning, development, and compliance with the approved operating and capital budgets. It also manages the rate-setting process and monitors departmental performance throughout the year.

Accomplishments Fiscal Year 2025/2026

- Completed operating and non-operating budgets with Board Approval on June 11, 2026.
- Updated LRFP – reviewed Capital Improvements, Capital Replacements, Planned Correctives, and Acquisition Outlays for funding availability.
- Revised and updated current Fee for Service Schedule.
- Completed a Capacity Fee study with Carollo Engineers that resulted in the Board's approval of new water and sewer capacity fees.

Goal/Strategy	Fiscal Year 2026/2027 Initiatives
G2.S4	• Continue developing the features of the new budgeting software to expand the budgetary reporting capabilities.
G4.S1	• Track and engage on MWD fixed-treatment charges and rate impacts from the California WaterFix Project.
G4.S1-S2	• Track and engage in state policies regarding water rates.
G6.S1-S2	• Complete an update of the 2024 COSS to develop a new three-year rate package for the Board's review and approval. Comply with all legal requirements including Proposition 218.
G6.S5-S6	• Update Long-Range Financial Plan. • Work with the District's finance team to issue bonds to fund capital projects. • Secure funding for the Vail Dam and conjunctive use projects.

Performance Measurement Indicators

Activity	Criteria	Actual 2024/2025	Budget 2025/2027	Target 2026/2027
Timely completion and approval of annual budget	Actual effective date of new rates	Goal Met	Goal Met	July 1
Review and monitor operating results versus budgets	Hold mid-year management budget review meetings	Goal Met	Goal Met	FY 2025/ 2026
Apply and receive GFOA Distinguished Budget Award	Receive award within 10 months of beginning of FY	Goal Met	Goal Met	FY 2025/ 2026

Draft

Treasury

Mission Statement

To ensure all District investments comply with the Board-adopted Investment Policy and follow the Prudent Investor Standard. Investment priorities are safely, liquidity, and return. Treasury also manages the District's debt, focusing on minimizing long-term borrowing costs and risk while effectively using bonding capacity to fund future capital needs.

Accomplishments Fiscal Year 2025/2026

- Preserved credit ratings from Standard & Poor's and Fitch of AAA.
- Maintained compliance with Investment Policy.

Goal/Strategy	Fiscal Year 2026/2027 Initiatives
G6.S1-S2	• Annually, update financial policies. • Conduct annual credit rating review process. • Maintain a minimum rating of AA+/Aa1.

Performance Measurement Indicators

Activity	Criteria	Actual 2024/2025	Budget 2025/2026	Target 2026/2027
Maintain District credit worthiness	Bond ratings received by rating agencies	Nov	Dec	Nov
	Complete continuing disclosure reporting requirements	Met	Met	Met
	Number of non-compliance reportable events	0	0	0
	Achieve minimum of 1.8 debt service coverage ratio	Met	Met	Met
	Minimum of AA+/Aa1 credit rating	Met	Met	Met
	Standard & Poor's	AAA	AAA	AAA
	Fitch	AAA	AAA	AAA
Review and maintain adequate bonding capacity	Updated LRFP	Annual	Annual	Annual
Investment portfolio performance	Instances of non-compliance with District-approved Investment Policy	0	0	0
	Investment return was equal or greater compared to established benchmarks for the main and short-term operating reserve funds.	Met	Met	Met

Draft

Mission Statement

To oversee and manage the District's property holdings. This includes acquiring, using, maintaining, and disposing of properties to ensure effective and efficient use of District assets.

Accomplishments Fiscal Year 2025/2026

- Working through negotiating several of our cell tower license Lease agreements to increase license/ lease amounts.

Goal/Strategy	Fiscal Year 2026/2027 Initiatives
G6.S4	• Assess real estate holdings and identify surplus properties (if any) for disposal and redeployment of capital proceeds. • Monitor and ensure further progress of agreed-upon property improvements by tenant at the Vail Lake RV Resort.
G6.S3-S4	• Negotiate lease extensions, rent increases, and new Communication Facility License Agreements with current and future tenants at Rancho Water's Communication Facilities.

Performance Measurement Indicators

Activity	Criteria	Actual 2024/2025	Budget 2025/2026	Target 2026/2027
New/extended cell site leases	Number of sites acquired	0	2	10
Diaz Road tenant	Percentage of year property leased	100%	100%	100%

Draft

Purchasing & Warehouse (Draft – to be updated on Final)

Mission Statement

To procure materials and services quickly and cost-effectively to support ongoing operations and maintenance for internal and external customers. This function also manages inventory to ensure needed materials are available for maintenance, operations, and repairs.

Accomplishments Fiscal Year 2025/2026

- Issued over 6,000 Purchase Orders, supporting timely procurement of goods and services Districtwide.
- Renewed more than 75 Annual Service Agreements, ensuring uninterrupted service and contract continuity.
- Successfully converted over 90 Professional Service Contracts into the new ERP system, improving tracking and management.
- Conducted more than 24 Formal Bids, promoting fair competition and cost-effective procurement.
- Completed the build-out and full implementation of the Supply Chain Management module within the new ERP system.
- Initiated the development and partial implementation of the ERP Contract Module, laying the groundwork for centralized contract oversight.
- Delivered Districtwide training on the procurement process within the new ERP system to enhance end-user proficiency and compliance.
- Added over 20 new inventory items to warehouse stock, directly supporting operational needs and improving material availability.
- Pulled and delivered over 1,900 Warehouse Inventory Requisitions to the Operations Department, ensuring timely material support for field activities.
- Completed a comprehensive safety review of the warehouse and racking system to ensure full OSHA compliance and improve workplace safety.

Goal/Strategy	Fiscal Year 2026/2027 Initiatives (Draft)
G2.S4/G3.S3	• Complete full build-out and implementation of the Contract Module in the new ERP system to centralize contract lifecycle management. • Convert all active Annual Service Agreements into the Contract Module to enhance tracking, renewal, and compliance. • Establish a formal process to ensure insurance compliance for all contracted service providers, reducing risk and improving vendor accountability. • Continue to evaluate and correct high/low quantities. • Update Warehouse Standard Operating Procedures. • Implement standardized electronic record keeping via warehouse share drive.

Draft

Purchasing & Warehouse (Continued)

PERFORMANCE MEASUREMENT INDICATORS (DRAFT)

ACTIVITY	CRITERIA	ACTUAL 2024/2025	BUDGET 2025/2026	TARGET 2026/2027
Process all stock material needs in a timely manner	Process all purchases for material requirements indicated by the Vendor Reorder Advice	98%	100%	100%
Turnaround time for informal quotes	From date the Purchasing Department receives the approved request	New	New	5 days or less
Turnaround time for formal RFBs	For most RFBs, from the date the Purchasing Department receives the approved request	New	New	3 weeks or less
Turnaround time for formal RFPs	For most RFPs, from the date the Purchasing Department receives the approved request	New	New	6 weeks or less
Cycle count in a timely manner	Prepare and complete one spot count per week	88%	100%	100%
Inventory requisitions	All requisitions received prior to 3:00 PM to be pulled for staging or to be delivered	100%	100%	100%

Draft

Mission Statement

To develop and manage programs that ensure reliable, high-quality water, wastewater, and reclamation services in a sustainable way. This is achieved by providing responsive engineering support through skilled staff, including facility planning, design, project management, inspection, and coordination of District and developer projects. The Engineering Division also provides engineering leadership and support across all District operations.

Personnel Requirements (FTE)

Position	Budget FY 2024/2025	Budget FY 2025/2026	Budget FY 2026/2027	Projected FY 2027/2028
Director of Engineering	1	1	1	1
Director of Planning	1	1	1	1
CIP Manager	0	0	1	1
Construction Contracts Manager	1	1	0	0
Engineering Manager	1	1	0	0
Construction Inspector	2	2	2	2
Contracts Administrator	1	1	1	1
Construction Inspector Supervisor	0	0	1	1
Engineer	5	5	5	5
Engineering Project Coordinator	1	1	1	1
Engineering Services Supervisor	1	1	1	1
Engineering Technician	2	1	1	1
Operations Analyst	0	0	1	1
Senior Administrative Assistant	0	0	1	1
Senior Construction Inspector	1	1	1	1
Senior Engineering Technician	2	2	2	2
Water Resources Analyst	1	1	1	1
Student Intern	0.43	0.43	0.43	0.43
Total	**20.43**	**19.43**	**21.43**	**21.43**

Division Summary

Category	Actual FY 2024/2025	Budget FY 2025/2026	Budget FY 2026/2027
Labor	$1,776,804	$1,969,578	$2,087,581
Materials	21,996	35,000	48,000
Outside Services	372,175	266,000	247,000
Funded Staffing Level	**19.43**	**19.43**	**19.43**

Draft

Engineering Division (Continued)

CRITICAL SUCCESS FACTORS

The Engineering Division has identified the following objectives it considers critical to the overall success of the Division and the District for FY 2026/2027:

- The timely completion of the report packets for the E&OC meetings and Board meetings.
- Preparation, approval, and implementation of the FY 2026/2027 Corrective Capital Replacement, and Capital Improvement Programs.
- Preparation and approval of the 5-Year CIP.
- Further refinement and enhancement of workflow processes within the Engineering Division, in particular, full utilization of the project/construction management software platform for increased efficiencies across engineering design and construction activities.
- The timely review of developer plan-check submittals and professional and courteous customer engineering support.
- Provide engineering leadership and support for all District functions and legal activities.

Draft

Mission Statement

The District manages its assets with an objective of reliability, sustainability, and cost-effectiveness. It embarked on a formal asset management program in 2015, with the preparation of asset management framework and roadmap, and completion of the AMP for wells. Staff has been executing the AMP for wells with the implementation of the well performance indicators and increased well rehabilitation. Staff has also improved their use of data analytics to analyze trends and deferred-maintenance needs. This analysis has resulted in a request for additional staffing to address the deferred maintenance.

The planning elements of the AMP are led by the Director of Planning, while the maintenance elements are led by the Operations Services Manager. The Engineering Division and the Operations & Maintenance Division will jointly work to implement this program.

Accomplishments Fiscal Year 2025/2026

- Ongoing monitoring of well asset management key performance indicators.
- Ongoing monitoring of the Collection System AMP.
- Continued implementation of the Brightly® Software Predictor asset management software.
- Completed the Sewer System Hydraulic Model Update
- Completed the Potable Water System Hydraulic Model Update.
- Continued work on the Pipeline AMP, which includes recommendations to improve the District's cathodic protection program and the deployment of Artificial Intelligence to determine pipelines with the highest probability of failure.
- Significantly advanced the implementation of the NexGen CMMS software.
- Ongoing implementation of the customer meter and valve replacement programs.
- Developed an annual pipeline replacement program.

Goal/Strategy	Fiscal Year 2026/2027 Initiatives
G1.S4	• Complete state-required water-loss reporting.
G2.S2	• Continue to implement the AMP for wells, pipelines, valves, pump stations, common treatment systems and reservoirs. • Identify the next set of AMPs to be prepared. • Continue to assess "level of service" maintenance standards. • Implement plans to rehabilitate wells and complete rehabilitation on several facilities.
G2.S4	• Make significant progress implementing the new CMMS (NEXGEN). • Continue to identify and develop appropriate performance measures.
G3.S2	• Identify the need for staffing to move forward with this objective.
G3.S3	• Identify staffing and/or consulting needs to complete this objective.
G5.S2	• Continue to communicate the status of the AMP initiative.

Draft

Asset Management (Continued)

PERFORMANCE MEASUREMENT INDICATORS

ACTIVITY	CRITERIA	ACTUAL 2024/2025	BUDGET 2025/2026	TARGET 2026/2027
Complete E&OC and Board meeting staff reports	Complete within monthly scheduled deadlines	100%	100%	100%
Develop and Implement AMPs	FY 2025/2026 Budget approval	Met	Jun 2026	Jun 2027

Draft

Mission Statement

To provide management support and leadership to help the Engineering Division achieve its goals. This includes managing records, processing correspondence, supporting legal activities, providing administrative assistance, coordinating with other District divisions and supporting the District's E&OC.

Accomplishments Fiscal Year 2025/2026

- Completed monthly E&OC meeting packets and minutes.
- Facilitated CEQA compliance on all projects.
- Maintained Agreement Log.
- Processed and posted to District's website continual updates to the Water System Facility Requirements, Design Guidelines Manual, Standard Specification and Drawings Manual for Board review.
- Maintained master document list for the Engineering Division components.

Goal/Strategy	Fiscal Year 2026/2027 Initiatives
G3.S1	• Review and update SOPs for the Engineering Administration Section.
G3.S2	• Conduct annual performance management and evaluation.
G5.S1	• Provide prompt and cost-effective customer service.
G5.S4	• Provide staff support for the Board.

Performance Measurement Indicators

Activity	Criteria	Actual 2024/2025	Budget 2025/2026	Target 2026/2027
Complete E&OC meeting packets and Board meeting staff reports	Complete within monthly scheduled deadlines	100%	100%	100%
Prepare and complete transcription of E&OC meeting minutes	Complete within 30 days of the subject meeting	100%	100%	100%
Provide timely response to all requests for finalization of correspondence, agreements, and specifications	Within one day of receipt	100%	100%	100%

Draft

Engineering/Water Resources Planning

Mission Statement

Engineering/Water Resources Planning's primary responsibility is for the immediate and long-range facility and resource planning for water, water reclamation, and wastewater facilities, ensuring needed facilities are available to provide reliable and sustainable services for District customers. This is accomplished by updating the facility master plans (including the SSMP), FY capital improvements/ replacement programs, furthering regional and local agency coordination, assisting with regulatory compliance activities, and assisting with CEQA documentation and design of major capital improvement projects. In addition, Water Resources Planning activities include implementation of the District's Water Resource Management Strategy and preparing the SNMP, UWMP, WSA, and Annual Water Audits.

Accomplishments Fiscal Year 2025/2026

- Completed the 2025 Urban Water Management Plan.
- Completed approximately 50 fire-hydrant maps and/or fire-flow requests.
- Completed 2025 Water Loss Audit in compliance with the U.S. SB 555.
- Completed 2025 Annual Water Supply and Demand Assessment.
- Ongoing development of the Water Meter Replacement Program.
- Assisted with ongoing effort to track opportunities for water transfers.
- Assisted with ongoing water and wastewater capacity fee development efforts.
- Assisted with ongoing effort to monitor compliance of the County's LAMP.
- Completed the 2025 Sewer System Management Plan.
- Completed the 2026 Sewer System Management Plan for the SRRRA.
- Continued SRRRA's Permanent Wastewater Flow Allocations.
- Assisted with planning efforts in support of the SRRRA.

Goal/Strategy	Fiscal Year 2026/2027 Initiatives
G1.S1	• Track opportunities for water transfers.
G1.S1	• Develop the Water and Sewer Facilities Master Plans
G1.S3	• Maintain resource-planning tools and models to support water resource planning.
G1.S6	• Monitor the County's implementation of its LAMP.

Performance Measurement Indicators

Activity	Criteria	Actual 2024/2025	Budget 2025/2026	Target 2026/2027
Develop annual water audit for U.S. SB 555 compliance	Provided within three weeks of request	Met	Met	Dec 2026

Draft

MISSION STATEMENT

To provide engineering services and deliverables to support capital improvement and developer projects within the District. It ensures that all new water, sewer, and recycled water facilities, as well as service connections, comply with applicable laws, regulations, and District standards and policies. Activities include:

- Managing District-led projects (major and minor CIP), to include design, preparation of construction contract documents, and related coordination and specialized tasks.
- Planning, plan-checking, and post-construction documentation of developer-led water, sewer, and recycled water facility and service improvement projects.
- Responding to inquiries for engineering and related technical information, including water availability, fire-flow/hydrant location, and facility conflict evaluation and processing.
- Coordinating interdepartmental District-led and developer-led facility improvement projects.
- Providing technical support to the Engineering Planning and Engineering Services work groups.
- Maintaining Rancho Water's Facility Design Requirements, as well as the Standard Specifications and Standard Drawings documentation.
- Providing technical support on District grant funding efforts.

ACCOMPLISHMENTS FISCAL YEAR 2025/2026

- Managed various CIP through design and/or construction phases.
- Coordinated various developer projects through plan review/approval and construction phases.
- Processed post-construction facility record documentation and GIS conversion of completed developer and District CIP projects.
- Performed a multitude of technical inquiries and evaluations for both internal and external customers.
- Performed and published updates to Engineering Division reference documentation (Water and Sewer Facility Design Requirements, Standard Specifications, Standard Drawings, and Onsite Recycled Water Irrigation Guidelines and Requirements).
- Performed and published updates to the Administrative Code to maintain compliance with new state laws affecting water service.
- Continued design and technical support of Rancho Water's Valve Replacement Program to accelerate the replacement of system valves utilizing in-house construction forces.

Draft

Engineering Design (Continued)

Goal/Strategy	Fiscal Year 2026/2027 Initiatives
G1.S1-S2	• Process onsite recycled water retrofits in a timely manner including any initiation of the accelerated retrofit program recommended as part of the Recycled Water Resources Plan.
G1.S1, S3, S4, & S7	• Commence construction of the Upper VDC Regional PS, which will act as the hub for full implementation of the Upper VDC conjunctive use optimization project.
G1.S4-S7	• Finalize design of the chloramination facility improvements at the Joaquin Ranch PS.
G1.S1, S3/G2.S1	• Obtain permits for the Vail Dam Rehabilitation and advertise the project for bids.
G1.S1-S7/ G2.S1-S3	• Develop annual 5-Year CIP.
G2.S3	• Support energy-efficiency initiatives and opportunities for alternative energy sources.
G5.S1	• Proficient and timely processing/coordinating of developer-led facility and service improvement projects.

Performance Measurement Indicators

Activity	Criteria	Actual 2024/2025	Budget 2025/2026	Target 2026/2027
Proficient and timely completion of developer-led facility plan checks	Published turnaround time	96%	95%	95%
Assess/improve accuracy and function of engineering reference documentation	Ongoing (frequent) review and updates to documents	Met	Jul & Jan E&O	Jul & Jan E&O
Prudent and timely completion of all assigned major and minor CIP projects	Percentage of assigned projects completed within scheduled FY	92%	Greater than 90%	Greater than 90%
Accurate and timely recordation of completed projects into District records systems	Percentage of new facilities as built and incorporated in GIS within three months of completion	100%	Greater than 90%	Greater than 90%
Develop proposed District 5-Year CIP projects	FY CIP Budget and 5-Year CIP approvals	100%	June 2023	June 2026
Develop proposed SRRRA 5-Year CIP projects	FY CIP Budget and 5-Year CIP approvals	100%	June 2023	June 2026

Draft

Mission Statement

To provide engineering support and customer service to internal and external customers, primarily assisting the development community with new water and sewer facilities and service installations. This function also supports reviews of rates, charges, and fees, conducts research for property assessments, and assists with annexation processes. Specific activities include:

- Process and coordinate applications for:
  - New service connections
  - Developer Plan Check and inspection projects
  - Installation, relocation, and removal of construction meters
- Process requests for engineering evaluation and correspondence (water availability, fire-flow water modeling, first and final water-sewer permit clearance, etc.).
- Process requests for Annexation.
- Process customer notifications for scheduled water shutdowns.
- Process and track recordation of all documents with the County.
- Support the WUE Department with Ag requests for variance and consolidation.
- Assist with administration of the Recycled Water Service Program in conjunction with District Water Quality staff.
- Respond to customer inquiries for engineering and other technical information.
- Process requests for topographic maps and record drawings.
- Assist in processing the variance requests for tiered-water budgets.
- Assist the Engineering Division with various research and data-driven activities.

Accomplishments Fiscal Year 2025/2026

- Facilitated customer notification for 80 scheduled water shutdowns.
- Processed 70 drop-in meter application requests and 30 full-meter requests.
- Processed 100 fire hydrant construction meter requests.
- Processed numerous plan-checks and inspection job requests.
- Maintained tracking and reading of numerous floating fire hydrant construction meters.
- Continued coordination with EMWD and WMWD to verify and improve the sewer connection hookup procedures.
- Identification and cleanup of incorrect APNs within the billing system.
- Agency and private well agreements GIS conversion for improved operational efficiency and staff productivity.
- Processed 180 requests for first and final water/sewer clearances.
- Continued to work on converting assessment fee books to GIS layers.
- Processed 40 requests for water availability letters.
- Processed 125 requests for water modeling/hydrant location maps.

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Engineering Services (Continued)

ACCOMPLISHMENTS FISCAL YEAR 2025/2026 (CONTINUED)

- Provided frontline administration of the variance request program, including the following:
  - Data entry of all information from the variance request forms directly into the billing system for all customer classes and calculated landscape measurements
  - Indexing all paperwork to be scanned into the customer billing records for future reference
  - Using GIS, trace landscape areas based off variance requests
  - Coordinate with the Contracts Department for the field verification of accounts

GOAL/STRATEGY	FISCAL YEAR 2026/2027 INITIATIVES
G5.S1-S4	• Inform District customers about water issues, water rates, policies, and water-efficiency assistance opportunities. • Assure timely preparation of applications and agreements for all service requests.
G5.S1	• Provide prompt responses and cost-effective customer service.

PERFORMANCE MEASUREMENT INDICATORS

ACTIVITY	CRITERIA	ACTUAL 2024/2025	BUDGET 2025/2026	TARGET 2026/2027
Timely processing of new service requests (all deposit and fee-based applications)	Turnaround time: two weeks or sooner	100%	100%	100%
Timely processing of incoming and outgoing plan checks and/or inspection packets	Turnaround time: two days or sooner	100%	100%	100%
Timely processing of phone call requests for information	Turnaround time: two days or sooner	95%	95%	95%

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Construction Contracts

Mission Statement

To manage construction contracts for District capital p0rojects, developer projects, and related programs. This function also supports Field Services construction teams. The group ensures all facilities are built to District standards and that District funds are used responsibly. This includes managing bidding, overseeing construction activities, performing inspections for compliance and safety, coordinating with departments and agencies, processing contractor payments, and completing final project acceptance and documentation.

Accomplishments Fiscal Year 2025/2026

- Completed construction of several CIP projects.
- Administration and inspection of developer-constructed facilities.

Goal/Strategy	Fiscal Year 2026/2027 Initiatives
G5.S1 & S4	• Provide construction contracts inspection and administration of the CIP and FY 2026/2027 Facility Corrective Program.
G3.S3	• Provide continued documentation support for the Engineering Division workflow process activities (knowledge management plan).
G5.S4	• Provide construction contracts inspection of developer-funded projects.

Performance Measurement Indicators

Activity	Criteria	Actual 2024/2025	Budget 2025/2026	Target 2026/2027
Complete committee status reports	Completed within monthly scheduled deadlines	100%	100%	100%
Finalize monthly progress reports	Complete within monthly scheduled deadlines	100%	100%	100%
Timely completion of construction projects	Percentage of projects completed by scheduled date	100%	95%	95%
Prepare daily reports for each project	Submit daily reports	100%	100%	100%
Timely submission of final as-built drawings to Engineering Division	Submit within two weeks of Notice of Completion	100%	100%	100%
Construction Contract Change Orders	Change Order cost as a percentage of original Contract Amount	1.83%	Less than 7%	Less than 7%

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Mission Statement

To help Rancho Water employees reach their full potential. We focus on hiring, developing, rewarding, retaining, and protecting both our people and resources. Our vision is to embrace change and the opportunities it brings, by creating a workplace that values fairness, open communication, accountability, trust, and mutual respect.

Personnel Requirements (FTE)

Position	Budget FY 2024/2025	Budget FY 2025/2026	Budget FY 2026/2027	Projected FY 2026/2027
Director of Human Resources	1	1	1	1
Safety, Risk, & Emerg. Management Manager	0	0	1	1
Principal Human Resources Analyst	0	1	1	1
Human Resource Analyst	2	1	1	1
Human Resource Analyst - Part Time	0.75	0	0	0
Safety, Risk, and Emergency Management Officer	1	1	0	0
Safety Technician	1	1	1	1
Student Intern	0.43	0.86	0.86	0.86
Total	**6.18**	**5.86**	**5.86**	**5.86**

Division Summary

Category	Actual FY 2024/2025	Budget FY 2025/2026	Budget FY 2026/2027
Labor	$836,231	$776,237	$854,596
Materials	31,760	5,000	10,000
Outside Services [1]	10,294,204	12,365,461	13,499,114
Funded Staffing Level	**6.18**	**5.86**	**5.86**

[1] *Outside Services includes fringe-benefits expense.*

Critical Success Factors

The Human Resources Division has identified the following objectives which it considers critical to the overall success of the Division and the District for FY 2026/2027:

- Modernize/maintain District classification plan, job descriptions, Employee Handbook, and personnel policies through a collaborative process with employee associations, supervisors, and management to ensure organizational alignment, equity, and compliance.
- Advance a comprehensive succession planning program to proactively address workforce transitions, institutional knowledge transfer, and leadership continuity.
- Expand leadership development initiatives focused on communication, accountability, and cross-departmental collaboration.
- Enhance the onboarding and employee integration experience to improve retention, engagement, and early performance outcomes.
- Provide proactive employee relations training/consultation to supervisors/managers to support effective workforce management and minimize organizational risk.

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Human Resources Division (Continued)

CRITICAL SUCCESS FACTORS (CONTINUED)

- Support employee wellness and engagement initiatives that contribute to a positive workplace culture and employee productivity.

ACCOMPLISHMENTS FISCAL YEAR 2025/2026

- Delivered Districtwide performance management training for executives, managers, supervisors, and professional staff to strengthen organizational effectiveness.
- Successfully negotiated and completed successor MOUs for both District employee associations, ensuring continuity of labor agreements and alignment with organizational priorities.
- Implemented the District's new long-term care benefit program, expanding its benefit portfolio and supporting employee financial and retirement security.
- Completed the procurement and contracting process for an independent fiduciary to oversee the District's deferred compensation plans, strengthening governance, compliance, and fiduciary oversight.
- Secured the maximum ACWA JPIA Wellness Grant award ($1,700) for FY 2025/2026 to enhance District wellness programming and support employee health and engagement initiatives.
- Coordinated the Annual Health and Wellness Fair in alignment with Open Enrollment to promote employee well-being and engagement.
- Provided ongoing employee relations guidance, training, and support to supervisors and managers, assisting in the effective resolution of workplace matters.
- Continued to foster team engagement and collaboration through targeted team-building initiatives across work groups.

Draft

Human Resources Division (Continued)

PERFORMANCE MEASUREMENT INDICATORS

ACTIVITY	CRITERIA	ACTUAL 2024/2025	BUDGET 2025/2026	TARGET 2026/2027
Update of certification chart/job descriptions	Collaborative effort with RCWDEA, HR, supervisors, and managers	Ongoing	Ongoing	Ongoing
Succession Planning	Identification of critical positions and documented succession plans	Framework Developed	Implementation Phase	Full Integration
Leadership and Employee Development Training	Number of leadership and employee development trainings conducted annually	Ongoing	Ongoing	6
Personnel Policy and Employee Handbook Updates	Timely updates to comply with legal, regulatory, and operational changes	As needed	As needed	Annual + Updates
Wellness Program	Districtwide wellness initiatives and employee participation	Annual Program	Annual Program	Expanded Participation
Onboarding Effectiveness	Standardized onboarding program and new hire integration process	Process Improvements	Enhanced Program	Formalized and Measured Program

Draft

Safety/Risk Transfer, Liability, and Property Insurance

Mission Statement

To manage Rancho Water's key safety and risk programs, including OSHA compliance, workers' compensation, insurance, and risk management. These efforts help protect the District from legal, financial, and safety risks.

Accomplishments Fiscal Year 2025/2026

- Secured Community Planning Assistance for Wildfire (CPAW) Grant and became project manager.
- Project manager for TriHydro Vail Lake Fire Mitigation Project
- Developed Job Hazard Analysis system for confined space permitting
- Goldspotted Oak Borer (GSOB) study conducted at Vail Lake
- Conducted multiple District Trainings:
  - Asbestos Safety
  - Active Shooter Training (in house)
  - CPR/First Aid/AED
  - Traffic Control
  - Defensive Driver
  - SRRRA Emergency Response Plan
  - EOC Activation
  - Fall Protection Authorized User
  - Forklift Operator
- ICS 100/700 Courses bringing the District into FEMA compliance.
- Oversaw MPS Security Services for Vail Lake, Sundance Properties, and District facilities.
- Assisted with Murrieta Fire Strategic Planning.
- Conducted mutual aid Emergency Management Trainings with:
  - Cities of Temecula and Murrieta Fire and Rescue, Cal Fire, Army National Guard, and Riverside Sheriff
- Mutual Aid conducted with:
  - Elsinore Valley Municipal Water District, Murrieta Police Department, Riverside Sheriff, California Department of Fish and Wildlife
- Joined WUSMA steering committee.
- Overtook DOT program and passed CHP Inspection.
- Completed Multiple Ergonomic Assessments/created an ergonomic example cubicle.
- Continued active participation on the Southwest Riverside County Emergency Preparedness Committee.

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Safety/Risk Transfer, Liability, and Property Insurance (Continued)

ACCOMPLISHMENTS FISCAL YEAR 2025/2026 (CONTINUED)

- Participated in quarterly Emergency Response Network of the Inland Empire (ERNIE) meetings—Safety/Risk Officer served as ERNIE steering committee member.
- Voted into ACWA JPIA Property Committee position.
- Successfully updated all insurance schedules.
- Completed Safety Manual Policy Revision.

GOAL/STRATEGY	FISCAL YEAR 2026/2027 INITIATIVES
G1.S5	• Update vehicle placarding.
G2.S1	• Conduct Emergency Response Plan review and revision. • Evaluate tools/equipment needed to update the EOC.
G2.S2	• Conduct Rancho Water Emergency Preparedness training/exercise as appropriate. • Conduct Fit Testing. • Quarterly Fire Drills.
G2.S2/G3.S3	• Conduct District safety training as required by law and best practices. • Develop a District Inspection Program. • Redesign Vector Solutions schedule. • Develop District Ergonomic Program.

PERFORMANCE MEASUREMENT INDICATORS

ACTIVITY	CRITERIA	ACTUAL 2024/2025	BUDGET 2025/2026	TARGET 2026/2027
Update all insurance schedules	Maintain vendor risk transfer and appropriate level of liability, property, and workers' compensation coverage	Ongoing	Ongoing	Ongoing
Maintain District Respiratory Program	Complete medical and fit test approval	Ongoing	Ongoing	Ongoing
Maintain a safe working environment	Supervisor/manager roundtable – TRR Goal (6.5)	3.47	4.80	3.84
Conduct Rancho Water Emergency Preparedness Program training and/or exercise, as appropriate	DHS-NIMS-FEMA compliance. Advanced Incident Command System and EOC Training	Ongoing	Ongoing	Ongoing
Maintain District Training Program	Complete mandatory OSHA training	Ongoing	Ongoing	Ongoing
Claims Administration	Timely response to claims filed against the District, per Government Code 912.4	100%	100%	100%

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Operations and Maintenance Division

Mission Statement

To operate and maintain the facilities and systems required to deliver water reliably, wastewater and water reclamation services to District customers in a prudent and sustainable manner.

Personnel Requirements (FTE)

Position	Budget FY 2024/2025	Budget FY 2025/2026	Budget FY 2026/2027	Projected FY 2027/2028
Director of Water Operations	1	1	1	1
Business Operations Systems Manager	0	0	1	1
Maintenance Manager	1	0	0	0
Operations Services Manager	0	1	1	1
Water Operations Manager	1	1	1	1
Water Reclamation Manager	1	1	1	1
Asset Services Supervisor	0	1	1	1
Business Operations Systems Supervisor	1	1	0	0
CMMS Specialist	0	1	1	1
Crew Supervisor - Distribution	1	1	1	1
Cross Connection Control Technician	2	2	2	2
Distribution Operator	4	6	6	6
Electrical Controls/Instrument Technician	5	5	5	5
Electrical Services Supervisor	1	1	1	1
Management Analyst	0	0	1	1
Mechanical Services Specialist	0	1	1	1
Mechanical Services Supervisor	1	1	1	1
Operations Analyst	1	1	0	0
Operations and Maintenance Assistant	2	2	2	2
Ops & Maintenance Planner/ Scheduler	1	0	0	0
Operations Systems Administrator	0	1	1	1
SCADA Administrator	1	1	1	1
Utility Maintenance Operator	2	2	2	2
Wastewater Collection Coordinator	1	1	1	1
Wastewater Collection System Technician	1	1	1	1
Wastewater Maintenance Supervisor	1	1	1	1
Wastewater Plant Operator	4	4	4	4
Water Ops Supervisor – Production	1	1	1	1
Water Ops Supervisor - Water Quality	1	1	1	1
Water Reclamation Supervisor	1	1	1	1
Water Systems Operator – Production	4	4	4	4
Water Systems Operator - Treatment	6	6	6	6
Well and Pump Foreman	1	0	0	0
Well and Pump Technician	3	4	4	4
Student Intern	2.15	1.29	1.29	1.29
Total	**52.15**	**56.29**	**56.29**	**56.29**

Draft

Operations and Maintenance Division (Continued)

Division Summary

Water Operations and Production

Category	Actual FY 2024/2025	Budget FY 2025/2026	Budget FY 2026/2027
Labor	$2,940,847	$3,528,623	$3,724,806
Materials	934,097	1,022,507	1,138,350
Outside Services [1]	58,218,912	60,304,967	65,238,753
Funded Staffing Level	**18.00**	**22.14**	**22.14**

[1] Outside Services includes import water and energy expense

Operations Services

Category	Actual FY 2024/2025	Budget FY 2025/2026	Budget FY 2026/2027
Labor	$2,441,337	$2,468,758	$2,668,803
Materials	898,766	1,136,533	1,268,205
Outside Services [1]	853,595	927,100	1,071,800
Funded Staffing Level	**25.15**	**25.15**	**25.15**

[1] Outside Services includes import water and energy expense

Wastewater

Category	Actual FY 2024/2025	Budget FY 2025/2026	Budget FY 2026/2027
Labor	$1,212,047	$1,150,787	$1,187,701
Materials	638,439	656,466	753,120
Outside Services [1]	1,940,568	2,068,389	2,223,673
Funded Staffing Level	**9.00**	**9.00**	**9.00**

[1] Outside Services includes energy expense

Critical Success Factors

The Operations and Maintenance Division has identified the following objectives it considers critical to the overall success of the division and the District for FY 2026/2027:

- Economically provide potable, sewer, and reclaimed water, by meeting budgeted well production and optimizing material, outside services, and operator and electrical services labor costs.
- Reliably provide services by minimizing the effects of purchased-treated water and energy shortages.
- Protect the public health and environment by meeting all SWRCB, EPA, and RWQCB requirements.

Draft

Water Operations and Production

Mission Statement

To manage the District's potable, recycled, and raw water systems to ensure reliable and sustainable service to customers. This function uses SCADA system to control water production and imported water flow through the transmission and distribution system. The team also performs maintenance, monitoring, and system evaluations to ensure reliable operations.

Accomplishments Fiscal Year 2025/2026

- Continued working with SCE to maximize pump efficiencies with their pump test programs.
- Helped develop the SCADA platform, improving the recycled and potable system automation.
- Continued improvements in weed abatement and recharge techniques at the VDC groundwater recharge facilities.
- Cleaned one recycled pond to minimize debris into boosters and recycle distribution system.

Goal/Strategy	Fiscal Year 2026/2027 Initiatives
G2.S2	• Complete condition assessment of key District assets.
G2.S3	• Ongoing evaluation and implementation of energy-efficient systems: continue to utilize the SCE Pump Efficiency Program to determine the most efficient way to run the distribution system.
G2.S4	• Continue with the development of SCADA automation for Automatic Control Valve at PRSs and booster stations.

Performance Measurement Indicators

Activity	Criteria	Actual 2024/2025	Budget 2025/2026	Target 2026/2027
Meet raw water import budget	Actual raw water imported is equal to budgeted amount	100%	100%	100%
Meet budgeted well production	Actual well production equals budgeted amount	100%	100%	100%

Draft

Mission Statement

To protect and ensure the District delivers safe, high-quality water to customers. This includes investigating and resolving water quality issues and customer complaints, conducting regular sampling and testing, completing required regulatory reporting, operating disinfection systems, and supporting District projects.

Accomplishments Fiscal Year 2025/2026

- Met all SWRCB and RWQCB regulatory and related reporting requirements to date.
- Began PFAS Initial Monitoring Orders.
- Continued all blending sampling requirements and related reporting.
- Upgraded analyzers at numerous District facilities to improve water-quality monitoring in the distribution system.
- Continued updating the chemical feed dosing pumps at well sites and converted to flow-paced dosing.
- Continued the NPDES discharge monitoring requirements, training, and reporting.
- Approved 7 new recycled water-use sites and 194 new backflow devices for a total of 290 recycled water use sites and 8941 active devices to date.
- Maintained all disinfection pumps and related dosing equipment.
- Maintained compliance at Rainbow Improvement District–A (ID-A) water system and related reporting.
- Continued Quagga Mussel Control and Prevention monitoring for the Santa Margarita River and Vail Lake, utilizing the revised California Department of Fish and Wildlife approved plans.
- Continued working with Engineering on developing a disinfection strategy for the new UVDC Regional PS.
- Conducted meetings with all recycled water use site supervisors to review their responsibilities and update contact information.

Goal/Strategy	Fiscal Year 2026/2027 Initiatives
G1.S4	• Maintain ID-A water system compliance. • Meet or exceed regulatory and environmental requirements. • Utilize NEXGEN for maintenance of related equipment. • Complete the Lead and Copper Rule Improvement sample requirements.

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Water Quality (Continued)

PERFORMANCE MEASUREMENT INDICATORS

ACTIVITY	CRITERIA	ACTUAL 2024/2025	BUDGET 2025/2026	TARGET 2026/2027
Prompt reporting to SWRCB and RWQCB	By deadline required under state regulations	100%	100%	100%
Prompt collection of water quality samples	By deadline required under state regulations	100%	100%	100%
Timely response to customer calls	Return phone call within 24 hours or next working day	100%	100%	100%
Timely response to cross connection inspection requests	Inspection within 10-working days	100%	100%	100%
Complete all preventative maintenance	By time prescribed under maintenance schedule	86%	100%	100%

Draft

Corrosion Control

Mission Statement

In FY 2021/2022, Rancho Water launched a study as part of the District's Pipeline AMP to compile its corrosion control data, assess the data for corrosion control improvements, and provide a recommendation on an enhanced program for maintenance, monitoring, and installation of CP assets. The study addresses corrosion control on the District's buried steel pipelines and steel water reservoirs. Rancho Water will continue to monitor and maintain its existing assets.

Following the completion of the CP Program Plan, the District has initiated the first recommended initiative outlined in the plan: the Corrosion Survey of Priority Infrastructure Project.

Accomplishments Fiscal Year 2025/2026

- Completed pilot project producing graphs of historical pipe-to-soil potential data for three pipelines.
- Performed CTS survey of pipelines with anodes and impressed current systems and pipe-to-soil potential surveys of all priority pipelines with CTS.
- Developed approach to automate data analysis of survey results (developed graphs by pipeline, review results and identify pipeline CP status).
- Began development of a Power Business Intelligence tool allowing the District to generate pipe-to-soil potential graphs as test station data is collected and input.
- Began survey of all reservoirs with galvanic anodes.

Goal/Strategy	Fiscal Year 2026/2027 Initiatives
G2.S2	• Complete annual survey of priority infrastructure and 30 percent of non-priority pipelines with CTS.
G2.S4	• Complete development of Power Business Intelligence tool for CTS data capture and visualization.

Performance Measurement Indicators

Activity	Criteria	Actual 2024/2025	Budget 2025/2026	Target 2026/2027
Evaluate existing reservoir CP systems	Identify condition of all Santa Rosa and Rancho Divisions' reservoir CP systems	100%	100%	100%
Complete all CP preventative maintenance	By time-prescribed under maintenance schedule	100%	0%	0%
Complete first initiative recommended in the CP Program Plan	Survey all test stations on priority pipelines and CP systems in reservoirs	N/A	100%	100%
Simplify CP data interpretation	Complete development of Power Business Intelligence Tool	N/A	100%	0

Draft

MISSION STATEMENT

To support District operations through safe, efficient, and proactive maintenance, technical expertise, and asset management. The division provides electrical, mechanical, and operational services—including power systems, controls and SCADA, distribution systems, pumps, wells, and utility infrastructure—to ensure reliable service and regulatory compliance.

We complete projects each year that improve efficiency and reduce costs. Through strong asset management, standardized processes, and effective planning, we extend the life and performance of District assets. We also serve as a technical resource for complex customer issues and support Engineering with technical guidance and equipment reviews.

Together, these efforts ensure reliable service, operational excellence, and long-term infrastructure sustainability.

Draft

Mission Statement

The primary responsibility of the Electrical Services Department is to maintain all electrical, electronic instrumentation, associated control data networks, SCADA, control system physical, and cyber-security systems and their networks used to supply water to District customers, as well as systems that treat and reclaim water (SRRRA). This is accomplished through:

- Immediate repairs to failed equipment and RCA to prevent future failures.
- Routine equipment maintenance to prevent failures, provide reliability, and extend equipment life.
- Maintain emergency generators for wells, PSs, SRRRA, and RCWD headquarters.
- Upgrade aging/obsolete equipment before it becomes expensive reoccurring problem.
- PLC programming as needed for operations requests, compliance, or reporting.
- Update SCADA system as needed by operations or SRRRA.
- Cyber security for SCADA and other Operations Technology networks.

A secondary function is to provide support to other departments through:

- Provide information as needed to the Engineering or other departments on topics such as NEC, NFPA 70E (arc flash), OSHA electrical code requirements, electrical imitations, and control strategy options.
- Issue plan check electrical drawings for accuracy and proper function.
- Conduct inspection assistance of new electrical/instrumentation construction.
- Train for new or upgraded devices and systems.

Accomplishments Fiscal Year 2025/2026

- Collaborated with Pumps and Wells staff on multiple site upgrades for surge tank automation for operational efficiency. This gives Operations better optics on these systems via SCADA and requires far less time by Pumps and Wells staff to maintain surge tanks to ensure they are operating in the correct parameters.
- Began testing new SCADA radio systems for all RCWD sites as the old radio system is over ten years old now and will soon be obsolete.
- Continued to improve physical and cybersecurity at all Rancho Water sites.
- Worked with Operations to identify well sites that needed level monitoring, which required telemetry. Electrical Services collaborated with Pumps and Wells to have these wells cleaned out for sound tubes to be installed. Electrical Services is installing necessary telemetry systems at these sites and will finish the project by having the data brought into SCADA for data sharing and analytics.
- Installed RAMS and a few well sheds.
- Automated surge tanks at Baldaray, Via Vaquero and Del Oro pump stations.
- Installed redundant VFDs at sites.
- Conducted multiple upgrades to SRRRA and Potable water system SCADA.

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Electrical Services (Continued)

Goal/Strategy	Fiscal Year 2026/2027 Initiatives
G2.S1	• Program, test, and deploy DRSS at Norma Marshall pump station for Emergencies.
G2.S4	• Install redundant VFDs for pressure control. • Install four WDMS systems at sites selected by Operations. • Automate three more surge tanks for Operations efficiency.

Performance Measurement Indicators

Activity	Criteria	Actual 2024/2025	Budget 2025/2026	Target 2026/2027
Install four WDMS systems at sites selected by Operations (systems are on order)	Build, program, and test WDMS reads needs to be .5% or better of a manual read and repeatability needs to be .25% or better	NA	20%	100%
Automate five more surge tanks	Automate five more surge tanks and add better level control for the surge tanks to gain another five days per month for the Pumps & Wells group and give Operations better visibility and control on the surge tanks	NA	NA	100%
Install redundant VFDs for pressure control	Operations can run pressure control mode in single reservoir zones, and this upgrade will add resiliency to the system	N/A	0%	100%
Update physical and cyber security of SRRRA SCADA system, PLCs and networks for these systems.	SRRRA Operations can get all needed data for their operators, the system updates are completed as well as data backups and the SRRRA SCADA system is physically and cyber secure	N/A	50%	100%

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Mechanical Services

Wells and Pumps Function

Mission Statement

To perform routine and complex maintenance and repairs on all District wells and pump stations. This function also supports reliable and sustainable service by maintaining the systems that keep water flowing to customers.

Accomplishments for the Fiscal Year 2025/2026

- Completed major repair work orders to several District well sites.
- UVDC rehabs will be worked on to schedule from 3/25 to 6/25.
- Worked with Electrical Services to automate surge tanks at Baldaray pump station, Del Oro pump station and Via Vaquero pump station.
- Multiple boosters and motors for multiple sites on order, long delays in shipment.
- Scheduled, inspected, and reviewed all work performed by outside contractors on District pump and well facilities.
- Initiated new tools and processes to assist in the rehabilitation of District wells.

Goal/Strategy	Fiscal Year 2026/2027 Initiatives
G2.S2	• Complete 5 well rehabilitations for non-UVDC wells and 1 well rehabilitations for UVDC wells. • Rehabilitate seven booster pumps that are out of service.
G2.S4	• Collaborate with Electrical Services on surge tank automation projects. • Assist in the initiation of a well assessment program for District facilities utilizing SCADA for well rehabilitation calculation and notification. Install RAMS on wells to perform step drawdown tests and SCADA will then notify of wells needing rehabilitation.

Performance Measurement Indicators

Activity	Criteria	Actual 2024/2025	Budget 2025/2026	Target 2026/2027
Assist with well assessment program for District facilities	Work with the SCADA Admin to have SCADA make calculations of well efficiency	25%	100%	100%
Rehab all booster pumps that are Out of Service (OOS)	Any OOS pumps will be pulled and grouped on RFPs for rehab or rebuild	NA	25%	100%

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Valves, Hydrants, & Air Vacs

Mission Statement

To perform routine maintenance on District valves, fire hydrants, air vacuum valves, and sample stations. This function ensures reliable and sustainable service by keeping the water system operating properly.

Accomplishments for the Fiscal Year 2025/2026

- Completed 100 percent of 4,800 weekly, monthly, and quarterly CMMS-generated preventative maintenance work orders to inspect and maintenance systems valves.
- Completed major repair work orders for planned and emergency shutdowns.
- Completed 100 percent of fire hydrant and air vac maintenance.
- Initiated new processes to assist in workflow efficiency.

Goal/Strategy	Fiscal Year 2026/2027 Initiatives
G2.S2	• With workflow efficiency improvements as well as a new valve turning response trailer, we will improve to 85 percent or better of all valve maintenance work orders. • Continue to achieve 100 percent completion on all fire hydrant and air vac work orders.
G3.S3	• Improve services with training targeted to our work processes.

Performance Measurement Indicators

Activity	Criteria	Actual 2024/2025	Budget 2025/2026	Target 2026/2027
Workflow efficiency	Purchase new valve turning trailer and fully implement new workflows to achieve 85% or better on completion of work orders	NA	0%	100%
Targeted training	Schedule and complete training for fire hydrants, air vacs, and any needed training for valves	90%	90%	100%
Continue 100% of completion on hydrants and air vacs	Work with the team to ensure our workflows continue to achieve 100% of work order completion for hydrants and air vacs	25%	100%	100%

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Planning/Scheduling and Operations Administration

Mission Statement

To provide routine and emergency scheduling for multiple departments to ensure all needed resources are available and ready for projects. This function also assists departments with CMMS needs. Operations Administration assists Operations Departments with compliance reporting, manages customer outage communications, and handles customer complaints during normal business hours.

Accomplishments for the Fiscal Year 2025/2026

- Assisted in writing or rewriting SOPs for Maintenance Division.
- Planning/Scheduling has worked with Mechanical Services and Electrical Services to document multiple Standard Operating Procedures.
- Working towards completing integrations of the new CMMS system.
- Completed nearly 100% of work-order initiations.
- Initiated new processes to assist in workflow efficiency.
- Complete Nexgen selected as the CMMS replacement and full deployment date is July 2026.
- Work with departments to optimize workflows as part of CMMS implementation.

Goal/Strategy	Fiscal Year 2026/2027 Initiatives
G2.S2	• Assist in initiating new workflows for efficiency. • Continue to achieve 100% completion on all work-orders.
G2.S4	• Implement new CMMS system by using sound change management.

Performance Measurement Indicators

Activity	Criteria	Actual 2024/2025	Budget 2025/2026	Target 2026/2027
New CMMS system	Complete and/or assist in implementation new CMMS	NA	0%	100%
New workflows	Assist in new workflows by creating or editing SOPs, giving input and assisting staff with any changes	90%	90%	100%
Work-order creation	Work with the team to ensure workflows continue to achieve 100% of work-order completion for hydrants and air vacs	25%	100%	100%

Draft

Wastewater Treatment

Mission Statement

To provide reliable wastewater collection services for District customers and operate and maintain the SRRRA SRWRF. This function also performs these duties using best management practices to ensure safe, efficient, and environmentally responsible operations.

Accomplishments Fiscal Year 2025/2026

- Completed the SRWRF Annual SBR inspections and maintenance.
- Completed the 5-year inspection and maintenance on SBR number 2.
- Completed inspection, repair and documentation of all 1865 Manholes.
- Continued with the AWT Assessment Projects.

Goal/Strategy	Fiscal Year 2026/2027 Initiatives
G1.S5/G2.S2	• Meet discharge water quality requirements.
G2.S2	• Complete the SRWRF SBR inspections and maintenance.
G2.S3	• Continue with the AWT Assessment Project.
G4.S1	• Continue to meet with contributory wastewater agencies.
G6.S3 & S5	• Participate in joint agency mutual aid meetings.

Performance Measurement Indicators

Activity	Criteria	Actual 2024/2025	Budget 2025/2026	Target 2026/2027
Timely completion of San Diego RWQCB reports and monthly scheduled maintenance	Reports submitted by 30th day of the following month	100%	100%	100%
Compliance with San Diego RWQCB discharge orders	Prevent discharge order violations	96%	94%	100%
Eliminate sewer overflows	No preventable sewer overflows	100%	100%	100%

Draft

Mission Statement

To ensure District customers receive reliable and sustainable services. It focuses on teamwork, quality, safety, and customer service. Its main role is maintaining and repairing the District's infrastructure, including the distribution system, and responding to emergencies 24/7 to keep service uninterrupted. The team also maintains production wells to support local supply and reduce reliance on more costly imported water.

Personnel Requirements (FTE)

Position	Budget FY 2024/2025	Budget FY 2025/2026	Budgeted FY 2026/2027	Projected FY 2027/2028
Field Services Manager	1	1	1	1
Building & Grounds Worker	1	1	1	1
Construction Supervisor	1	1	1	1
Crew Supervisor - Construction	4	4	4	4
Crew Supervisor - Fleet	1	1	1	1
Crew Supervisor - Meters	1	2	2	2
Field Distribution Operator - Construction	12	12	12	12
Field Distribution Operator - Meter/AMI	7	7	7	7
Field Distribution Operator - Welder/Fabricator	4	4	4	4
Field Locater Technician	1	1	1	1
Field Services Supervisor	1	1	1	1
Leak Detection Technician	1	1	1	1
Utility Analyst	1	0	0	0
Operations Systems Administrator	1	0	0	0
Mechanic	2	2	2	2
Student Intern	0	0.86	0.86	0.86
Total	39.00	38.86	38.86	38.86

Division Summary

Category	Actual FY 2024/2025	Budget FY 2025/2026	Budget FY 2026/2027
Labor	$2,802,229	$3,217,669	$3,490,248
Materials	1,746,510	1,262671	1,321,271
Outside Services	3,088,861	2,083,972	2,015,733
Funded Staffing Level	**39.00**	**38.86**	**38.86**

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Field Services Division (Continued)

CRITICAL SUCCESS FACTORS

The Maintenance Division has identified the following objectives it considers critical to the overall success of the Division and the District for FY 2026/2027:

- Focus on productivity and efficiency regarding the CIP Valve Replacement program by continuing to strengthen infrastructure while maximizing opportunities during water disruption processes.
- Continue extensive training and mentoring programs to ensure all staff is highly qualified and trained for their specific job duties and responsibilities.
- Completion of all preventative and corrective maintenance routines and plan for predictive facilities maintenance on all District-owned assets.
- Operate on a solid asset management and maintenance foundation wherein services provided meet customer expectations for reliability, sustainability, and cost effectiveness.
- Integrate processes designed to minimize lifecycle costs of owning, operating, and maintaining assets at an acceptable level of risk, while continuously meeting established customer service levels.

Draft

Mission Statement

To maintain the District's water and recycled water infrastructure to ensure reliable service. This function also handles meter installations, sets up service connections for new customers, and repairs service laterals and main line leaks, including installing and replacing main line valves.

Accomplishments Fiscal Year 2025/2026

- Completed 186 work orders during the first half of the fiscal year.
- Completed 126 corrective jobs relating to the distribution system during first half of the fiscal year.
- Completed 15 new water service installations.
- Completed 87 CIP valve replacements.

Goal/Strategy	Fiscal Year 2026/2027 Initiatives
G1.S4	• Provide safe drinking water to District customers by ensuring all current and anticipated drinking water regulations are met/surpassed.
G1.S5	• Continue to anticipate and comply with regulatory and environmental requirements.
G2.S2	• Ensure proper maintenance on existing facilities that meet/exceed industry standards.

Performance Measurement Indicators

Activity	Criteria	Actual 2024/2025	Budget 2025/2026	Target 2026/2027
Timely completion of major repair/replacement of distribution piping and valves	Complete assigned repair/ replacement jobs within 30 days	80%	90%	95%
Timely completion of unscheduled maintenance related work orders	Complete assigned unscheduled maintenance jobs within 30 days	80%	90%	95%
Complete customer installations	Complete all customer installations assigned within 30 days	90%	90%	95%

Draft

Meter Maintenance

Mission Statement

To ensure reliable water service and customer satisfaction by installing new meters for developments, residences, and agricultural customers. This function also repairs and inspects meters, recycled water meters, pressure regulators, and construction meters, and maintains the AMR system used to read water meters and support accurate billing.

Accomplishments for the Fiscal Year 2025/2026

- Completed meter maintenance tickets to date, averaging over 927 tickets per month.
- Exceeded goal of 99 percent read rate for the fixed AMR system by achieving an average daily meter read rate of 99.86 percent to date.
- Installed drop-in meters within 5 business days of receiving work orders.
- Continued CIP meter replacement program for the fiscal year.
- Assumed customer service field duties—unlock/lock-offs, customer service complaints.
- Continue to replace PS/Well site production meters
- Responded to 100 percent of customer service calls regarding meter leaks, no water complaints, and AMR problems within 24 hours, exceeding the department's goal of 90 percent.

Goal/Strategy	Fiscal Year 2026/2027 Initiatives
G2.S2	• Pursue maintenance on existing facilities that meet or exceed industry norms.
G3.S1	• Promote an open and professional work environment.
G3.S3	• Improve organizational effectiveness.
G5.S1	• Provide prompt responses and cost-effective customer service.

Performance Measurement Indicators

Activity	Criteria	Actual 2024/2025	Budget 2025/2026	Target 2026/2027
Fixed and mobile AMR network meter read rates	Achieve minimum of 99% meter read for the 100W Choice Connect System	100%	100%	100%
Meter installation	Install drop-in meters within 5 business days of receiving work orders	100%	100%	100%
Excellence in customer service through timely new service installations and meter repairs	Maintain highest level of customer service; responding to all service orders within a 24-hours (AMR investigations, meter leaks, no-water complaints, pressure issues, and meter turn-offs)	100%	100%	100%

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Mission Statement

To maintain District facilities, including buildings, pump stations, well sites, and reservoirs.

Accomplishments for the Fiscal Year 2025/2026

- Schedule, inspect, and assist in the completion of all outside services work involving District landscape, janitorial, weed abatement, HVAC, and pest control contractors.
- Recoat O&W buildings and HQ perimeter walls.
- Remodel "A" building women's/GM restrooms scheduled.
- Maintain formal bid and contracts issued.
- Average 35 service order requests per month at District facilities.

Goal/Strategy	Fiscal Year 202/2027 Initiatives
G2.S2	• Pursue maintenance on existing facilities that meet or exceed industry norms.
G3.S1	• Promote an open and professional work environment.
G3.S3	• Improve organizational effectiveness.
G5.S1	• Provide prompt responses and cost-effective customer service.

Performance Measurement Indicators

Activity	Criteria	Actual 2024/2025	Budget 2025/2026	Target 2026/2027
In-house service requests	Respond to service requests within 24 hours and complete within 5 business days	98%	100%	100%
Perform daily, monthly, and quarterly inspections of District facilities	Schedule, inspect, and review work performed by outside service contractors within 5 business days of completion	90%	100%	100%

Draft

Mechanic Maintenance Function

Mission Statement

To maintain and track all District vehicles and heavy equipment to keep the fleet operational and ready to respond. This function also services stationary engines that power wells and pump stations. These efforts support reliable water and sewer services and timely customer response.

Accomplishments for the Fiscal Year 2025/2026

- Met DOT requirements for truck inspections to date.
- Maintained excellent rating on vehicles, trailers, and records required for compliance with the CHP BIT Program.
- Completed CMMS-generated preventative maintenance work orders on District vehicles and equipment to date.
- Equipped all new utility vehicles, including the sale of diesel vehicles to comply with CARB monitoring programs and regulations.
- Completed corrective work orders on District vehicles and equipment to date.

Goal/Strategy	Fiscal Year 2026/2027 Initiatives
G2.S2	• Pursue maintenance on existing facilities that meet or exceed industry norms.
G3.S1	• Promote an open and professional work environment.
G3.S3	• Improve organizational effectiveness.
G5.S1	• Provide prompt responses and cost-effective customer service.

Performance Measurement Indicators

Activity	Criteria	Actual 2024/2025	Budget 2025/2026	Target 2026/2027
Schedule preventative maintenance	Complete CMMS-generated preventative maintenance of vehicles and equipment within 30 days of initiation	95%	95%	99%
Maintain heavy-duty trucks and equipment to DOT standards	Receive a satisfactory rating for the 2023-2024 CHP BIT	100%	100%	100%
Corrective maintenance	Complete corrective maintenance work orders within 5 business days of receiving the materials required to complete the repair	95%	95%	95%

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Objectives

Based on the current General Plans for the cities of Temecula and Murrieta, as well as the County of Riverside, the ultimate build-out of the District is projected to include approximately:

- 57,209 dwelling units,
- 5,128 acres of industrial/business parks,
- Civic and commercial areas, and
- Approximately 10,371 acres of agricultural use.

According to the District's Master Plan, the annual projected ultimate water demand—including both potable and recycled water—is estimated at 106,718 acre-feet (AF). This represents more than double the current demand, much of which will need to be met through imported water supplies.

Given the significant financial investment required to address both current and future service demands, the District utilizes a Long-Range Financial Plan (LRFP) as a key tool to optimize financial resources.

This financial plan:

- Details future capital requirements as outlined in Rancho Water's completed facility master plans.
- Identifies funding sources.
- Determines the rate structure necessary to meet future debt obligations.

The District finances capital improvements through a combination of long-term bonded indebtedness and, when available, cash reserves. This plan outlines a strategy for repaying existing and future debt obligations by projecting key variables that affect the availability and growth of the District's revenue streams.

The development of the plan was guided by the following goals:

- Utilize existing financial resources from property owners to minimize rates and maximize benefits.
- Ensure sufficient funding to meet financing needs as detailed in the facility master plans.
- Allocate costs equitably to benefiting property owners or customers.
- Maintain ad valorem assessments and standby charges within current parameters.
- Structure rates in compliance with financial market conditions and legal requirements.

In response to the County's General Plan (Riverside County Integrated Plan) and the General Plans for the cities of Temecula and Murrieta, the District developed several planning documents, including:

- The 2005 Water Facilities Master Plan
- The 2005 Wastewater Facilities Master Plan
- The 2005 Water Reclamation Facilities Master Plan

These master plans were designed to identify and prioritize all required capital facility improvements through 2030, anticipated facility build-out. Additionally, the District completed the 2005 Integrated Resources Plan (IRP) to optimize its use of its water resources. The Water Facilities Master Plan was updated in 2015 and the Wastewater Facilities Master Plan was updated in 2016. Updates to both the Water and Wastewater Facilities Master Plans are included in the FY 2026/2027 Minor Capital budget, the results of those plans will be utilized in future LRFPs.

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The IRP provides a long-term water supply strategy to meet water demands through 2050, in collaboration with WMWD and EMWD.

The current capital facilities future financing program anticipates expenditures of $715 million by the end of 2046, including:

- $65 million for water facilities
- $650 million for replacement of existing water facilities

Water Facilities

Revenue Sources

As a California water district, Rancho Water has various sources from which to fund water-related capital facilities and the corresponding annual debt service. These revenue sources are:

- Ad valorem assessments based on $100 of assessed land value;
- Standby charges based on acreage;
- Capacity fees;
- Capital replacement surcharge;
- Federal subsidies and solar rebates;
- General purpose property taxes; and
- Developer contributions.

The appropriate application of these revenue sources is critical to the success of the District's financial plan.

Classification of Water Facilities

The appropriate classification of water facilities is as critical to ensuring fairness and equity for property owners as the correct application of revenue sources is to the success of the District's overall financial plan. To achieve this, the District conceptualizes its facilities as three interrelated layers or categories, each corresponding to a different function and scale of benefit.

Layer 1: Source of Supply (Backbone System)

This foundational layer consists of facilities that provide production and sourcing of water. It includes:

- Well production facilities
- Groundwater recharge systems
- Imported water infrastructure
- Major water-wheeling (conveyance) facilities

These systems represent the District's primary water supply backbone.

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Layer 2: Delivery System by Zone (Pumping and Storage)

The second layer encompasses the distribution of water through various pumping and storage zones. Each zone has distinct facility needs, influenced by:

- The geographic characteristics of the area
- The water consumption patterns within the zone

This layer includes:

- Booster-pumping stations
- Zone-specific distribution pipelines
- Storage reservoirs and tanks

Layer 3: Property-Specific Delivery

The third layer includes facilities that provide direct water service connections to individual properties within each pumping zone. These facilities are supported by the infrastructure in the first and second layers.

As described above, these three layers build on one another. The source of supply facilities feed the pump zone facilities, and the pump zone facilities feed the property-specific facilities.

Based on this framework, the District categorizes its water facilities into three classes, reflecting the relative level of benefit received by property owners. A summary of these three categories is provided in the table below.

FACILITY LAYER	FACILITY TYPE	BENEFITING PROPERTY OWNERS
Category 1	Source of Supply	Benefits all properties within Rancho Water's sphere of influence since source of supply facilities enhance the value of property due to water availability.
Category 2	Divisional Delivery System	Benefits all properties within a specific division, as the facilities provide for the delivery of water throughout the entire Division.
Category 3	Property-Specific Delivery System	Benefits only individual properties, tracts, or zones because they require delivery facilities in addition to the Category 2 facilities.

Table 10.1

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Once facilities are defined and classified into the three categories described previously, their funding mechanisms can be established according to the same principle of proportional benefit.

1. Category 1 facilities, which provide benefits across the entire District, are funded on a District-wide (divisional) basis.
2. Category 2 facilities, which serve specific pumping and storage zones, are also funded on a divisional basis.
3. Category 3 facilities, which provide service directly to individual properties, are funded on a property-specific basis.

This structure ensures a fair alignment of cost with benefit for property owners throughout the District.

Assessment and Debt Service Allocation

To implement this structure and determine assessments for each division and the properties within them, debt service requirements are calculated and applied using the following framework:

1. **Calculate Gross Debt Service**
   The total (gross) debt service requirement—covering both existing and projected debt—is calculated for each division.
2. **Apply Non-Ad Valorem Revenues**
   Revenue sources such as:
   - Capacity fees
   - Standby charges
   - Water debt service surcharges
   - Investment earnings on debt service funds

   All are applied to reduce the total, yielding the net ad valorem assessment requirement for each division.
3. **Determine Bonding Capacity**
   Each division's bonding capacity is assessed based on current ad valorem rates.
4. **Allocate Bonding Capacity**
   Bonding capacity is applied in the following order:
   - First to Category 1 facilities
   - Then to Category 2 facilities specific to the division
5. **Address Shortfalls**
   If a division lacks sufficient bonding capacity to cover its full share of Category 1 and 2 facilities, the shortfall must be met through landowner contributions.
   - These contributions are formalized through reimbursement agreements
   - The agreements are repaid over time using capacity fees collected from benefiting property owners within the applicable division

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This funding and assessment framework ensures that financial obligations are equitably distributed based on the extent of benefit received, supporting both the integrity and sustainability of the District's long-range financial planning.

Accordingly, revenue sources collected from the property owners are applied as follows:

REVENUE SOURCE	APPLICATION
Ad Valorem Assessments Standby Assessments Water Surcharge	Fund Capital Improvements or Debt Service Related to Category 1 and 2 Facilities
Capacity Fees	Fund Capital Improvements or Debt Service Related to Category 2 Facilities
Landowner Contribution or Special Financing Instruments	Construction of Category 3 Facilities

Table 10.2

The financial plan calculates the bonding capacity for each division after the application of existing and future debt service costs relating to Category 1 and 2 facilities. The remaining bonding capacity for each division then represents that division's capital budget. Facilities must then be prioritized within each division to ensure that each division does not exceed its current bonding capacity. Any facility requirements exceeding the division's current bonding capacity must be funded via landowner contribution in the form of cash or alternative financing vehicles. If any other funding is required, reimbursement agreements can then be established and repaid via capacity fees charged to benefiting properties that connect in the future.

The numerous advantages to this financing plan are as follows:

- The District will not exceed its current bonding capacity;
- The collection of assessments is directly related to the benefit that each property owner receives from corresponding facilities;
- Since the District will not issue debt in excess of its current bonding capacity, the risk relating to development timing is shifted to the developing property; and
- Higher bond ratings; thus, lower financing costs.

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Allocation of Facility Costs

Specific facility costs are also allocated to each of the District's water divisions based upon estimated benefit. The following table depicts the allocation formulas for specific facility types and the rationale for divisional allocation.

FACILITY	ALLOCATION
Resource Distribution Facilities	67 percent Rancho Division; 33 percent Santa Rosa Division – Based upon ultimate water demand
Resource Wells	50 percent Rancho Division; 50 percent Santa Rosa Division – Based upon local water allocation
Recycled Water Advanced Treatment and Storage	80 percent Rancho Division; 20 percent Santa Rosa Division – Based upon ultimate water demand
Rancho Wells	100 percent Rancho Division – Economic Benefit
Santa Rosa Wells	100 percent Santa Rosa Division – Economic Benefit
Recharge Water Facilities	50 percent Rancho Division; 50 percent Santa Rosa Division – Based upon water allocation

Table 10.3

Replacement of Facilities

Establishing replacement reserves for aging infrastructure is especially critical for water and wastewater utilities due to the substantial capital investment required to maintain reliable service. Depreciation of utility plant assets is an economic reality that must be explicitly and systematically accounted for as a cost of service. Failure to fund asset replacement throughout their useful life results in a concealed form of deficit spending.

The first step in developing a replacement funding strategy is to quantify future replacement costs. To this end, the District completed a comprehensive Capital Facility Replacement Study in January 2006, which identifies replacement requirements through the year 2050.

To proactively address future replacement funding needs, the District has adopted a two-pronged approach:

1. **Long-Term Debt Strategy**

   Historically, the District has financed most new facility construction through debt issuance. The LRFP anticipates continuing this practice for the replacement of facilities as well. This approach ensures that:

   - The District's bonding capacity is used consistently as needs shift from new infrastructure to replacements.
   - Existing revenue streams currently used to service debt on new facilities will transition to support debt for replacement facilities over time.

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2. Rate-Based Funding Supplement

When necessary, the District will utilize a dedicated charge within existing water rates to meet additional replacement funding requirements not covered by debt financing.

This forward-looking strategy enables the District to maintain infrastructure reliability while promoting financial sustainability and equity for ratepayers.

The graph below details projected future facility requirements in five-year increments. As is demonstrated by the graph, between now and the year 2056, the District's planning focus will shift from new facilities to the management of replacing aging facilities.

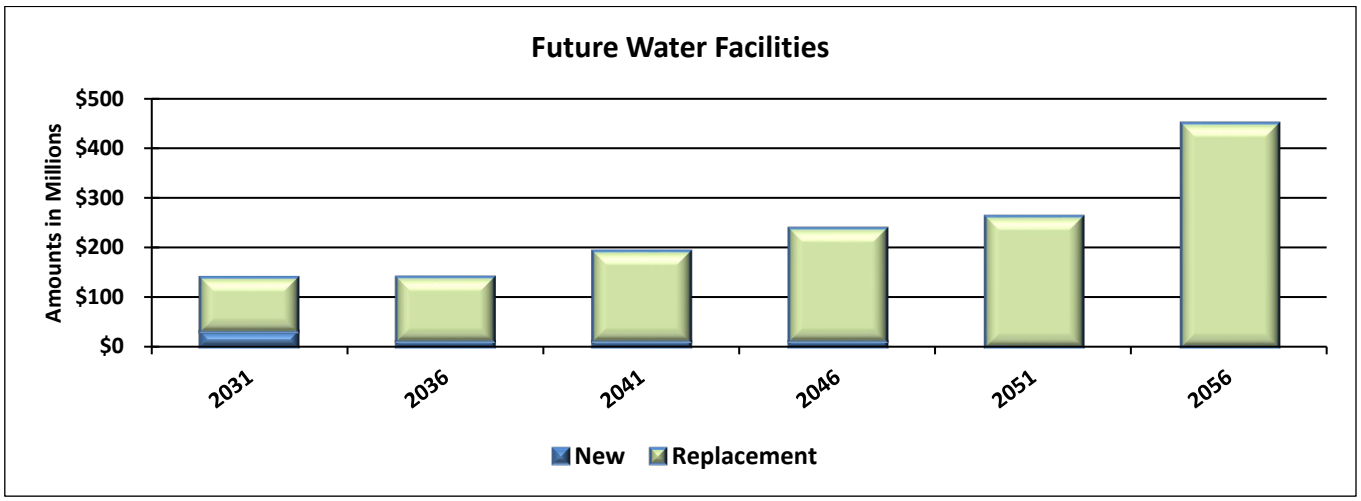


Chart 10.1



Draft

Restructuring of District Debt

Over the years, the District refunded outstanding debt. The refundings reduced average annual debt service payments by $6.8 million. The formation of SRRRA collectively reduced the District's debt by $58.9 million, while increasing debt by its allocable share of the SRRRA Bonds of $22.5 million. The refunding issues and their respective savings to the District are detailed below.

Debt Policy and Administration

Date	Bond Issue[1]	Issue Size	Present Value Savings/%	Gross Savings	Annual Gross/Cash Flow Savings[2]
Jan-92	Refunding Revenue Bonds, Series 1992	$41,810,000	$2,294,000 6.0%	$5,466,000	$273,300
Sep-93	Refunding Revenue Bonds, Series 1993	$48,710,000	$3,328,913 7.6%	$5,017,841	$228,000
Dec-93	Refunding Revenue Bonds, Series 1994	$91,595,000	$4,082,811 5.3%	$8,800,000	$303,500
May-94	Forward Interest Rate Agreement (FIRA)	$43,670,000	$2,806,856 6.4%	$4,699,512	$140,000
Aug-95	Refunding Revenue Bonds, Series 1995	$46,585,000	$2,517,468 5.7%	$4,912,155	$233,912
Jan-96	Adj. Rate Tender Refunding Revenue Bonds, Series 1996	$34,670,000	$2,128,835 6.5%	$7,681,820	$307,273
Nov-00	Refunding Revenue Bonds, Series 2001A	$19,170,000	$923,747 5.2%	$1,183,858	$98,655
Jul-02	Adj. Rate Refunding Revenue Bonds, Series 2002A	$77,095,000	$2,714,420 7.0%	$3,192,852	$122,802
Jun-04	Synthetic Fixed Rate Refunding Bonds, Series 2004B	$53,125,000	$2,546,042 5.1%	$3,199,371	$199,961
Aug-05	Synthetic Fixed Rate Refunding Bonds, Series 2005A	$30,250,000	$1,891,663 6.0%	$2,439,850	$221,805
Aug-05	Conventional Fixed Rate Refunding Revenue Bonds, Series 2005C	$18,185,000	$303,509 1.3%	$6,530,388	$466,456
Oct-16	Tax-Exempt Fixed Rate Refunding Revenue Bonds, Series 2016B	$37,970,000	$8,864,654 18.3%	$17,057,097	$1,153,589
Oct-16	Taxable Fixed Rate Refunding Revenue Bonds, Series 2016C	$35,905,000	$5,614,134 14.8%	$11,918,917	$670,125
Aug-17	SRRRA, Tax-Exempt Fixed Rate Revenue Bonds, Series 2017A	$24,040,000	$4,836,984 18.5%	$9,707,783	$573,200
Aug-17	SRRRA, Federally Taxable Fixed Rate Revenue Bonds, Series 2017B	$31,190,000	$2,819,620 8.6%	$7,557,506	$542,297
Dec-17	Tax-Exempt Fixed Rate Revenue Bonds, Series 2017A	$38,725,000	$879,414 2.0%	$236,613	$14,197
Oct-19	Tax-Exempt Fixed Rate Refunding Revenue Bonds, Series 2019A	$118,090,000	$17,200,468 13.0%	$24,223,916	$1,164,922
Jan-21	Taxable Fixed Rate Refunding Revenue Bonds, Series 2021A	$46,395,000	$2,254,217 6.1%	$2,363,314	$87,530 (~$470,680 FY 2021/2025 & ~$450 FY 2026 through maturity)
	Total	**$837,180,000**	**$68,007,755**	**$126,188,793**	**$6,801,524**

Table 10 .4

NOTE

(1) The Series 2008 A & B Refunding Bonds were executed for non-economic purposes; the quantitative benefit could not be accurately calculated. The 2008 refundings were completed to address the trading performance due to market issues surrounding the auction bonds, as well as the related downgrades of the bond insurers. In addition to issuing refunding bonds, the District terminated the related fixed payment interest rate swaps to eliminate future risks related to the interest rate swaps. In April 2008, the District issued the 2008A & 2008B Series Fixed Rate Refunding Bonds totaling $204,205,000. In December 2017, the District terminated the swaps associated with Series 2008B and refinanced the outstanding Series 2008B Bonds. The JPA issuance collectively acquired the wastewater facilities associated with the SRWRF and defeased certain obligations of Series 2002A, 2005C, 2008A, and 2010A. The District increased its debt by $22.5 million, the allocable share of the $55.2 million of SRRRA Bonds.

(2) Annual Gross/Cash Flow Savings for the Refunding Series reflect the average annual cash flow savings at the time of the refunding.

Draft

There is no statutory regulation setting debt limitations on the District. The District has adopted its own debt management policies, which determine the objectives and conditions for issuing debt. Per the policy, the District will seek to issue debt only in the case where there is an identified source of repayment.

Through the District's long-range financial planning process, borrowing needs are anticipated and revenue streams to repay borrowings are identified. The ability of the revenue streams to meet current and projected borrowing needs determines the bonding capacity of the District. The Long-Range Financial Plan ensures that the District will not exceed its current bonding capacity.

Total District long-term debt is as follows:

Year	Principal	Interest	Total
2027/2031	$60,710,000	$32,151,621	$92,861,621
2032/2036	49,130,000	20,454,362	69,584,362
2037/2041	76,025,000	8,297,400	84,322,400
2042/2046	8,545,000	838,823	9,383,823
2047*	1,850,000	24,975	1,874,975
Total	**$196,260,000**	**$61,767,181**	**$258,027,181**

Table 10.5

*2047 is the final year of debt service for the District's current issued and outstanding bonds.

Table 10.6 identifies the total amount of revenue bonds outstanding as of June 30, 2026.

Year Issued	Amount	Uses[1]
2011A Series	$9,870,000	Water Facilities
2016A Series	720,000	Water Facilities
2016B Series	3,080,000	Water and Wastewater Facilities
2017A Series	31,105,000	Water Facilities
2019A Series	107,780,000	Water and Wastewater Facilities
2021A Series	43,705,000	Water and Wastewater Facilities
Total	**$196,260,000**	

Table 10.6

(1) Water facilities include wells, ponds, recycled facilities, reservoirs, pump stations, transmission mains, and valves. Wastewater facilities include plant, lift stations, collections, trunk sewer, and plant improvements.

Draft

The FY 2026/2027 debt service requirements for the aforementioned obligations are as follows:

Description	Interest Rates[1]	Principal	Interest	Total
2011A Series[2]	1.7%	$0	$165,745	$165,745
2016A Series	5.0%	720,000	18,000	738,000
2016B Series	4.3%	3,080,000	61,600	3,141,600
2017A Series	5.0%	2,725,000	1,476,925	4,201,925
2019A Series	4.1%	1,845,000	4,388,125	6,233,125
2021A Series	2.0%	865,000	849,963	1,714,963
Total		**9,235,000**	**6,960,357**	**16,195,357**

Table 10.7

(1) The interest rate represents the interest due on the bonds for FY 2026/2027 as a percentage of the outstanding bonds as of June 30, 2026.

(2) Rate reflects net of 5.1 percent taxable rate, less federal subsidy.

Similarly, Table 10.8 identifies the total revenue bonds outstanding per division, together with their corresponding average interest rate on June 30, 2026.

Division	Amount	Weighted Average Annual Interest Rate
Rancho	$84,492,544	3.0%
Santa Rosa	109,208,820	2.9%
Wastewater	2,558,636	3.3%
Total	**$196,260,000**	**3.0%**

Table 10.8

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Table 10.9 identifies the projected principal payments by division.

FY	RANCHO	SANTA ROSA	SRWRF	TOTAL
2026/2027	$3,676,894	$5,216,927	$341,180	$9,235,000
2027/2028	$4,253,092	$7,192,057	$344,852	$11,790,000
2028/2029	$4,377,615	$7,461,209	$351,176	$12,190,000
2029/2030	$4,524,788	$7,801,974	$358,238	$12,685,000
2030/2031	$4,719,259	$9,628,865	$461,876	$14,810,000
2031/2032	$4,376,007	$7,592,010	$476,982	$12,445,000
2032/2033	$2,153,249	$5,591,628	$60,123	$7,805,000
2033/2034	$2,273,983	$5,699,382	$61,634	$8,035,000
2034/2035	$2,373,386	$4,831,581	$45,033	$7,250,000
2035/2036	$7,375,456	$6,210,654	$8,890	$13,595,000
2036/2037	$7,656,960	$6,434,119	$8,920	$14,100,000
2037/2038	$7,954,211	$6,676,668	$9,121	$14,640,000
2038/2039	$8,264,239	$6,931,232	$9,529	$15,205,000
2039/2040	$8,582,626	$7,187,231	$10,143	$15,780,000
2040/2041	$8,868,113	$7,420,948	$10,939	$16,300,000
2041/2042	$477,299	$1,142,701	0	$1,620,000
2042/2043	$489,084	$1,170,916	0	$1,660,000
2043/2044	$503,815	$1,206,185	0	$1,710,000
2044/2045	$517,073	$1,237,927	0	$1,755,000
2045/2046	$530,332	$1,269,668	0	$1,800,000
2046/2047	$545,063	$1,304,937	0	$1,850,000
TOTAL	**$84,492,544**	**$109,208,820**	**$2,558,636**	**$196,260,000**

Table 10.9

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Table 10.10 identifies the projected interest payments by division.

FY	Rancho	Santa Rosa	SRWRF	Total
2026/2027	$3,175,882	$4,028,706	$95,862	$7,300,450
2027/2028	$3,029,707	$3,787,053	$81,937	$6,898,698
2028/2029	$2,880,784	$3,523,570	$70,231	$6,474,585
2029/2030	$2,721,942	$3,239,478	$57,664	$6,019,083
2030/2031	$2,528,512	$2,889,025	$41,269	$5,458,806
2031/2032	$2,313,623	$2,534,137	$21,007	$4,868,768
2032/2033	$2,163,032	$2,259,790	$9,031	$4,431,852
2033/2034	$2,064,820	$2,010,713	$5,983	$4,081,516
2034/2035	$1,960,917	$1,780,295	$3,320	$3,744,531
2035/2036	$1,764,255	$1,561,421	$2,019	$3,327,695
2036/2037	$1,470,620	$1,325,317	$1,663	$2,797,600
2037/2038	$1,164,316	$1,077,272	$1,302	$2,242,890
2038/2039	$846,042	$819,705	$928	$1,666,675
2039/2040	$515,365	$552,323	$532	$1,068,220
2040/2041	$214,786	$307,065	$164	$522,015
2041/2042	$76,248	$182,547	0	$258,795
2042/2043	$63,202	$151,313	0	$214,515
2043/2044	$49,798	$119,222	0	$169,020
2044/2045	$36,016	$86,226	0	$122,243
2045/2046	$21,876	$52,374	0	$74,250
2046/2047	$7,358	$17,617	0	$24,975
Total	**$29,069,102**	**$32,305,167**	**$392,912**	**$61,767,181**

Table 10.10

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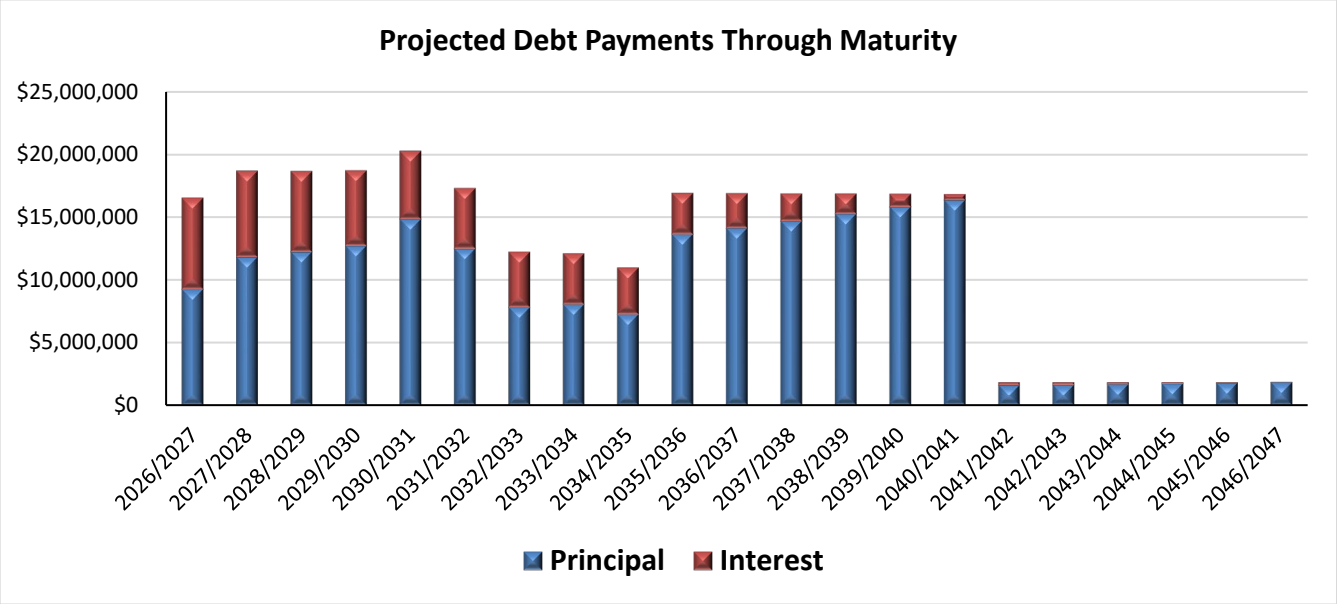


Chart 10.2

Bond Ratings

On June 30, 2026, the District had $196,260,000 in revenue bonds outstanding. In FY 2021/2022, the District increased its total bond-related debt by $3.5 million due to the issuance of the 2021A refunding bonds. Although the principal outstanding increased, the total future debt service (principal and interest) decreased, since the 2021A Bonds carry a lower interest rate than the debt it refunded. The weighted-average cost on all outstanding debt on June 30, 2026, is 3.7 percent and the District's debt service coverage ratio for the year was 4.66 compared to the pledged-minimum ratio of 1.10. It is the general intent of the District that rates and non-operating revenues are adequate to provide for debt service, while the reliance on capacity fees from new development is to be minimized for this purpose. The current rating by two rating agencies as of June 30, 2026, is as follows:

Rating Agency	Rating	Rating Reflects
Fitch	**AAA**	Healthy Financial Position; Strong Management; Growing Customer Base; and Customer Income Levels.
Standard & Poor's	**AAA**	Strong Financial Management Practices and Policies; Diverse Customer Base; Above Average Household Incomes; Affordable Rates.

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Bond proceeds are used to fund Category 1 and Category 2 facilities. Category 1 facilities are, primarily, source of supply facilities and benefit all properties in the District. Category 2 facilities are zone-specific facilities that benefit a limited number of property owners. Capacity fees are used to fund any shortfall of bond proceeds for Category 1 and 2 facilities.

The District issues debt in compliance with its formally adopted debt policies—they include general debt management, interest rate swaps, and land-secured financings. All applicable bond covenants, such as ratios of net revenues to debt service and reserve fund balance requirements have been met or exceeded.

Water Facilities – Rate Recommendations

Ad Valorem Rates

As is demonstrated in the financial models of the plan, it is recommended that assessment rates be maintained at the current levels for the FY 2026/2027 for both the Rancho and Santa Rosa Divisions, as follows:

- Rancho Division $0.30 per $100 of assessed land value only
- Santa Rosa Division $0.50 per $100 of assessed land value only

Water Standby Charges

For FY 2026/2027, it is recommended that the standby charges remain at current levels as follows:

Santa Rosa

Area 1- Parcels with a water meter shall be charged $69.92 per acre or per parcel if less than one acre.

Area 1A- Parcels without water service shall be charged $69.92 per acre or per parcel if less than one acre for the first 40 acres, and $62.10 per acre for the remaining acres.

Area 2- All Parcels shall be charged $48.00 per acre or per parcel if less than one acre.

Area 3- All Parcels shall be charged $23.50 per acre or per parcel if less than one acre.

Water Capacity Fee

The District has taken significant steps to create a capacity fee program that complies with the requirements of AB 1600. AB 1600 regulates the way that impact fees are imposed on development projects. The agency imposing the fees must (1) identify the purpose of the fee; (2) identify the use to which the fee is to be put, including identifying the public facilities to be financed; (3) show the reasonable relationship between the public facility to be constructed and the type of development; and (4) account for and spend the fees collected only for the purposes and projects specifically used in calculating the fee.

During FY 2025/2026, the District completed a comprehensive capacity fee study in coordination with Carollo Engineers. The updated capacity fees developed through this study were adopted by the Board and implemented in FY 2025/2026. These fees reflect current infrastructure costs, growth projections, and system demands.

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Wastewater Facilities

For the purposes of this plan, wastewater facilities are considered using a phase-by-phase approach. Multiple construction phases have been completed to support a treatment capacity of 5.0 MGD. To fund these improvements, the District issued Certificates of Participation and Revenue Bonds, resulting in a $63 million investment in wastewater treatment facilities at the SRWRF.

To determine the ultimate capacity needs of the SRWRF, the District collaborated with its contract agencies. This effort culminated in the formation of the SRRRA (a JPA) in November 2015. As part of this agreement, the member agencies established final capacity requirements broken down by:

- Primary/Secondary Treatment
- Tertiary Treatment
- Trunk Sewer Collection System

These capacity allocations form the basis for each member agency's share of capital cost responsibilities.

In August 2017, the SRRRA purchased the SRWRF from the District through a bond issuance. Soon thereafter, the JPA approved the SRWRF Rehabilitation Project, with a total cost of approximately $38 million, as part of its FY 2017/2018 Capital Improvement Project Budget. The project was completed in fall 2021 and included major rehabilitation efforts across several plant processes. These improvements:

- Extend the facility's useful life
- Enhance energy efficiency
- Preserve the use of the sequencing batch reactor (SBR) treatment process

To fund the project, the SRRRA obtained a State Revolving Fund (SRF) Loan in FY 2017/2018.

The District's Long-Range Financial Plan (LRFP) accounts for:

- District's share of near- and long-term capital needs
- District's share of the SRRRA-issued bond debt (used to purchase the SRWRF)
- Repayment obligations related to the SRF Loan

Additionally, the District completed its initial Sewer System Management Plan (SSMP) in 2008, with the most recent update completed in 2018.





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Revenue Sources

The District has five revenue sources from which to fund wastewater facilities. These revenue sources are as follows:

1. Monthly wastewater capital facility replacement charge
2. Monthly wastewater debt service charge
3. Capacity fees
4. Standby assessments
5. Developer contributions

Monthly wastewater charges for debt service and replacement of capital facilities are the primary source of revenue for the funding of wastewater facilities. There are two secondary revenue sources, capacity fees and standby charges, which supplement the primary revenue source. The operations and maintenance costs are paid for by monthly service charges and are not part of the capital budget. Currently, the plant is processing 3.23 - MGD of permanent flows, which is approximately 65 percent of its current capacity. The portion of the plant capacity that is in reserve for future-benefiting users creates a financial burden that is directly tied to the availability of the service. To arrive at an equitable apportionment of cost and benefit, it is necessary that an annual standby charge be levied on those properties that have not paid their proportionate share of the capital costs of this facility.

The District has currently received capacity fees for approximately 8,964 EDUs from its service area, or 63 percent of its 2.0-MGD share of the capacity in the plant and is bearing the risk for the remaining 29 percent of uncovered capacity. Other member agencies in the SRRRA own and are responsible for the other 3.0 MGD of the plant's capacity. As future capacity fees are received from newly connected EDUs, the risk to the District for debt service requirements decreases accordingly.

Wastewater Facilities – Rate Recommendations

Wastewater Capacity Fees

During FY 2025/2026, the District completed a comprehensive capacity fee study in coordination with Carollo Engineers. The updated capacity fees developed through this study were adopted by the Board and implemented in FY 2025/2026. These fees reflect current infrastructure costs, growth projections, and system demands. For FY 2026/2027, the fee approved by the Board will be adjusted by the change in the Engineering News Record to $13,329. In the formation agreements of the SRRRA, the District and other member agencies agreed to supersede prior cost-sharing arrangements with respect to capital and debt service costs and have agreed to pro-rata share these costs based on the ultimate capacity needs of each agency. The agreed-upon cost-share allocations are noted in the table on the next page. The District is currently receiving and is responsible for the costs associated with the tertiary water flows from WMWD.

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	Primary & Secondary Treatment	Tertiary Treatment	Trunk Sewer
Member Agency	Based on Ultimate Flow/ Capacity Requirements	Based on Ultimate Recycled Water Amounts	Based on Engineering Analysis
EVMWD	40% - 2.0 MGD	40% - 2.0 MGD	43.57%
RCWD	40% - 2.0 MGD	60% - 3.0 MGD	36.61%
WMWD	20% - 1.0 MGD	0% - 0.0 MGD	19.82%

The SRRRA purchased the SRWRF upon successful completion of a bond issuance in August 2017. The purchase shifted the debt service/costs from the District to the JPA. The District is now responsible for its allocated share of the debt service. This is reflected in the non-operating statement as "SRRRA Debt Service and SRF Loan Share."

Wastewater Standby Charges

The current levy of a standby charge for properties that have not paid a capacity fee is $28.50 per acre or per parcel if less than one acre. It is recommended that the levy of a standby charge remains at $28.50 per acre or per parcel if less than one acre for FY 2026/2027 on all land that has not paid a capacity fee as of March 1, 2026.

Wastewater Replacement Charge

Wastewater Division customers currently pay $6.37 per EDU per month towards facility replacement. For FY 2026/2027, it is recommended that the replacement charge be increased to $7.81 per EDU per month. This revenue is the primary source for funding wastewater facility replacement.

Wastewater Debt Service Charge

A wastewater debt service charge was implemented in FY 2007/2008. This charge is the primary revenue stream for debt service and adds stability and reliability to the financial plan. For FY 2026/2027, it is recommended that the debt service charge be reduced from its current rate of $18.60 per EDU per month to $18.17. The reduction on the EDU per month amount will be shifted to the Wastewater Replacement Charge to better meet the Wastewater Division's Capital funding needs.

The overall current wastewater rate of $48.81 per EDU (which includes the operating and non-operating components of wastewater costs) will increase by $1.46 to $50.27 per EDU for FY 2026/2027.

Table 10.11 identifies the total wastewater monthly rate per EDU.

Allocation	FY 2025/2026	FY 2026/2027
Operations & Maintenance	$23.84	$24.29
Replacement	6.37	7.81
Debt Service	18.60	18.17
Total	**$48.81**	**$50.27**

Table 10.11

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Water Reclamation, Treatment, and Distribution Facilities

Recycled water has been identified as a critical resource to Rancho Water, as it relates to its ability to meet future water demand requirements and for which it has made a substantial investment of $52 million. The questions arising during discussion of the funding of water reclamation treatment facilities are "Who bears the burden for these facility costs?" and "Are water reclamation facilities the responsibility of the wastewater generator or the end-user of recycled water resources?"

The District's Water Resources Master Plan identifies recycled water as one of the required resources to meet ultimate water demands. The use of recycled water helps to mitigate the increased need for imported water or water production facilities in the future. Therefore, the financing of recycled water advance treatment, storage, and distribution facilities has been included in the water divisions' capital plans. The cost of advanced treatment facilities will be funded at 80 percent for the Rancho Division and 20 percent for the Santa Rosa Division. This allocation is based upon the projected ultimate use of recycled water. The costs of recycled water distribution facilities are funded based upon the direct benefit of these facilities to each division.



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Capital Projects

Capital facilities are potable water, recycled, and wastewater infrastructure related projects that require longer to build and to complete, have a longer estimated life, and have costs well exceeding $10,000. Capital facilities include reservoirs, pipelines, wells, transmission mains, and pump stations. Budget appropriations for major capital projects continue from year to year until each project is completed. All capital facilities are currently funded by bond funds, grant funds, or District cash reserves. District cash reserves can be capacity fee funds, replacement funds, or debt service funds.

Capacity fee funds are one-time capital charges assessed against new developments to provide or cover a proportional share of the costs of capital facilities constructed or to be constructed. The fee incorporates a component that recognizes that existing users have developed and maintained the utility system to accommodate growth and incorporates a component that recognizes the cost of additional facilities that provide incremental capacity to accommodate growth.

Replacement funds are used for those projects that renew or replace existing facilities that have deteriorated or have exceeded their useful life and are funded from user rates.

Debt Service Construction funds are used for new projects and/or replacement facilities as approved by the Board.

Classification of Improvements

The CIP is separated by the District's divisional structure and by major and minor capital projects. Major capital projects are projects that exceed $100,000 in cost, have long-term life spans (greater than two years), and are generally nonrecurring (not maintenance work). A major capital project is facility-related and generally consists of:

- Construction of a new facility, i.e., a pipeline, reservoir, or PS, etc.
- Addition to, or expansion, or replacement of an existing facility
- Nonrecurring rehabilitation or betterment to a facility which extends the asset life of the facility or improves its functionality, i.e., reservoir recoating, etc.
- Acquisition of land for a public purpose
- Asset management program activities
- Specific planning, engineering study, or design work related to a project

Minor capital projects are facility-related capital projects with a cost that is generally $100,000 or less. Furthermore, minor capital projects include planned improvement projects that cost greater than $10,000, are generally nonrecurring, and have a life span of greater than two years. The difference between a major capital project and a planned-improvement project is the planned-improvement project does not extend the life of a facility asset. As such, these projects typically represent a report or replacement activity that restores an asset component to its original condition, extends the useful life of the asset component, or improves its functionality. Planned-improvement projects do not include planned or preventative maintenance projects. Planned-improvement projects generally consist of:

- Replacement or the installation of new pipeline appurtenances
- Replacing a reservoir's sacrificial anodes
- Replacing pumping unit components, i.e., pump bowl assemblies, pump seals, etc.
- Replacing electrical/instrumentation components
- Sewer manhole coating and repairs.

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Project Prioritization

Although most minor capital and non-capitalized projects are not prioritized, their needs are validated as part of the District's asset management principles and practices. The major capital projects recommended in the 5-Year CIP have been prioritized with the following process:

Establish CIP Prioritization Criteria: Once established, the Benefit Criteria can be revisited from time to time to confirm if business or strategy of the District warrant revision to the Benefit Criteria. Once developed or revised, each Benefit Criteria receives a weighting. There are 13 Benefit Criteria and their respective weightings, which are identified as follows:

CRITERIA	WEIGHTING
Maintain Regulated (Safety)	16%
Maintain Regulated (Service)	15%
New Regulations (Safety)	15%
New Regulations (Service)	15%
Maintain Discretionary LOS	10%
Growth	9%
Resilience	6%
Financial	5%
Enhance Discretionary LOS	5%
Maintain Aesthetics	1%
Environmental Improvement	1%
Enhance Aesthetics	1%
Working Environment	1%
TOTAL	**100%**

Multi Criteria Prioritization: The weighted Benefit Criteria are then applied to the projects for prioritization. Each proposed project needs to have at least one benefit for it to be considered in the CIP. A project with at least one benefit (and no more than three) is then loaded into the District's Multi Criteria Prioritization (MCP) model under one or more of four investment drivers (maintaining an asset, maintain regulatory, enhancing service, and growth) and scored based on risk improvement and population impact.

Derive Uptake Factor: An Uptake Factor is then applied to scale (normalize) the projects and reflect the number of customers (or other stakeholders) receiving the benefit. The distinctive feature of the Uptake Factor is to distinguish more clearly between large projects providing benefits to many customers versus small projects providing benefits to a small number of customers. This step results in a total benefit score.

Review and Adjust Benefit Scores: This step is conducted collaboratively in a group consensus setting.

Calculate Efficiency: This step is performed within the modeling tool. The calculated efficiency value helps to understand how projects compare to other projects of similar cost in terms of total benefit delivered for the cost. This is an important step to help ensure that large projects that may have a broad system-wide benefit are not disadvantaged in the model.

Calculate Priority Score: This step is performed within the modeling tool. The priority value is on a 1-to-5 scale, with 1 being most advantageous (highest priority), and 5 being least advantageous (lowest priority).

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Apply Funding Constraints: For this step, the District's financial (funding) constraints for the Rancho, Santa Rosa, and Resource Divisions are entered into the model.

Fit Projects within Funding Constraints: The model helps staff make adjustments to projects to fit within funding limitations and make sure those projects deemed to be most advantageous (highest priority) are delivered first. To do this, the model selects the most advantageous projects for delivery up to each year's funding constraints. If a project causes the budget limitations to be exceeded, the model selects the next lowest priority project to push to the next business cycle. In other words, the advantageous projects that cannot be completed in the first year due to funding constraints are moved to the next year and so on. Staff must interact with the model to adjust for projects that span several years, to adjust where one project depends upon another's completion, and address situations where unacceptable risk is introduced if the model defers projects.

For FY 2026/2027, a total of $18,544,000 has been budgeted for Board approval in the District's CIP. The actual amounts spent in FY 2026/2027 are dependent on how each project progresses through the fiscal year. The 10-year LRFP CIP funding amount reflects staff's best estimate of the spending schedule for each approved project for FY 2026/2027.

The following table identifies the District's previous CIP Budgets for the last 10 years.

CIP Budgets

FY	Rancho	Santa Rosa	Wastewater	Total
2026/2027	$11,717,250	$6,088,750	$738,000	$18,544,000
2025/2026	13,358,400	7,636,800	382,300	21,377,500
2024/2025	95,156,000	57,041,300	30,000	152,227,300
2023/2024	26,330,887	23,267,162	424,700	50,022,748
2022/2023	14,086,126	11,684,825	53,858	25,824,810
2021/2022	11,464,000	11,049,000	223,000	22,736,000
2020/2021	17,295,700	12,455,600	275,000	30,026,300
2019/2020	10,428,000	8,537,000	105,000	19,070,000
2018/2019	10,382,250	3,044,750	120,000	13,547,000
2017/2018	4,266,500	3,463,000	110,000	7,839,500

Table 10.12

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Summary of Capital Improvement Projects

The Project Summary sheets provide detailed information on the District's significant recurring and nonrecurring projects, which are defined as those projects with budgets of at least $1 million.

The projects which meet these criteria and represent 41 percent of budgeted CIP expenditures for FY 2026/2027 are:

FY 2026/2027 Budgeted Expenditures	Project Name
$1,500,000	1380-1550 PZ Conversion Pipeline (Design only) - nonrecurring
$2,050,000	Valve and Appurtenance Replacement Rancho Division - recurring
$1,320,000	Valve and Appurtenance Replacement Santa Rosa Division - recurring
$1,000,000	Pipeline Replacement Program Rancho Division - recurring
$1,800,000	Well Rehabilitations Resource Division - recurring
$7,670,000	**Total**

Table 10.13

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Major Capital Project List

Major Capital – FY 2026/2027			
Rancho Division			
Project Name	**Est. Cost**	**Classification**	**Priority**
1380-1550 PZ Conversion Pipeline (Feasibility/Design)	$1,500,000	OEI	1.50
Del Rey Road Pipeline Replacement (In-house Design and Construction)	$150,000	R&R	1.75
Well No. 240 Discharge Pipeline Relocations (Design)	$100,000	WR	2.27
Rancho Division Major Capital Project List Total	**$1,750,000**		
Resource Division			
Project Name	**Est. Cost**	**Classification**	**Priority**
Headquarters - Roof Repair	$900,000	WR	1.29
Well No. 113 - Replacement (Feasibility)	$500,000	FP	2.27
Water Facilities Master Plan Update	$400,000	R&R	2.45
Well No. 123 - Replacement (Feasibility)	$350,000	WR	3.55
Resource Division Major Capital Project List Total	**$2,150,000**		
Wastewater Division			
Project Name	**Est. Cost**	**Classification**	**Priority**
Sewer Facilities Master Plan Update	$250,000	R&R	2.49
Winchester Park Lift Station and Force main Abandonment	$200,000	R&R	2.27
Wastewater Division Major Capital Project List Total	**$450,000**		
FY 2026/2027 Major Capital Project Costs Total	**$4,350,000**		

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Minor Capital Project List

Minor Capital - FY 2026/2027		
Rancho Division		
Project Name	**Est. Cost**	**Classification**
Valve and Appurtenance Replacement	$2,050,000	R&R
Pipeline Replacement Program - Design	$1,000,000	OEI
Rancho Division well Rehabilitations	$950,000	OEI
COT Murrieta Creek Bridge at Overland Drive - Pipeline and Appurtenance Relocation (Construction)	$500,000	R&R
Rancho Division pump replacements	$500,000	R&R
Misc. Unknown Relocations - Facility Relocation's	$280,000	REG
Meadowview Pump Station Abandonment	$200,000	R&R
Electrical - Replace Main Circuit Breakers - Replace 1 Site TBD	$170,000	R&R
Butterfield Stage pump station surge tank automation	$155,000	R&R
Asphalt 300 Acres Road for providing Alternative Ingress/Egress to District HQ	$150,000	ND
Mechanical - Replace System Meters - 2 units at sites TBD	$100,000	R&R
Structural - Buildings for Site security	$100,000	WR
Miscellaneous - PRS Relief Valve Limit Switch Installation multiple locations	$92,500	R&R
Replace Production Meters Locations TBD	$80,000	R&R
Air Vac Replacement (Rancho)	$75,000	R&R
SCADA Radios	$65,000	R&R
De Portola pump station surge tank automation	$50,000	R&R
Electrical - Replace Main Circuit Breakers - Replace 1 Site TBD	$17,500	R&R
Rancho Division Minor Capital Project List Total	**$6,535,000**	

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Minor Capital Project List (Continued)

Minor Capital - FY 2026/2027		
Santa Rosa Division		
Project Name	**Est. Cost**	**Classification**
Valve and Appurtenance Replacement	$1,320,000	R&R
Santa Rosa pump stations pump replacement	$800,000	R&R
Pipeline Replacement Program - Design	$250,000	OEI
Ace Bowen pump station Waukesha gas engine exhaust replacement	$220,000	R&R
Bear Creek Pump Station Surge Tank Automation	$160,000	OEI
Mechanical - Replace Existing Pump/discharge Heads/Seals - 2 unit at site TBD	$150,000	R&R
Mechanical - Replace System Meters - 2 units at sites TBD	$100,000	R&R
Replace Production Meters Locations TBD	$100,000	R&R
Miscellaneous - PRS Relief Valve Limit Switch Installation multiple locations	$92,500	R&R
De Portola Pump Station Surge Tank Automation	$90,000	OEI
Misc. Unknown Relocations - Facility Relocations	$80,000	REG
Air Vac Replacement (Santa Rosa)	$75,000	R&R
SCADA Radios	$65,000	R&R
Electrical - Replace Main Circuit Breakers - Replace 1 Site TBD	$17,500	R&R
Replace Production Meter Via Visa Grande PRS	$16,500	OEI
Santa Rosa Division Minor Capital Project List Total	**$3,536,500**	
Resource Division		
Project Name	**Est. Cost**	**Classification**
Resource Division Well rehabilitations	$1,800,000	OEI
Structural - Buildings for Site security - Five sites TBD	$400,000	WR
Cathodic Protection Monitoring and Corrosion Survey	$325,000	FP
Sundance Clean-Out Project	$300,000	OEI
Mechanical - Replace/Rehab Existing Casing, Replace Pump & Motor - Five sites	$300,000	R&R
Common Recycled Water Facilities Corrective - Phase 2 Wet Weather Storage Facilities - MOV and Control Installation	$267,000	OEI
Rancho Automated Measurement System (RAMS)	$250,000	OEI
Pipeline Risk Modeling Using Artificial Intelligence	$100,000	OEI
Advise on Notice of Intent to Enroll in New Recycled Water Use Permit	$50,000	REG
Water Loss Audit	$25,000	REG
Electrical - Replace Main Circuit Breakers - Replace 1 Site TBD	$17,500	R&R
Resource Division Minor Capital Project List Total	**$3,834,500**	

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Minor Capital Project List (Continued)

Minor Capital - FY 2026/2027		
Wastewater Division		
Project Name	**Est. Cost**	**Classification**
Miscellaneous Unknown Locations Collections Overlay (Rancho Collections)	$200,000	R&R
Sewer Manhole Repair	$50,000	R&R
Diaz Flow Meter Replacement	$25,000	R&R
Wastewater Division Minor Capital Project List Total	**$275,000**	
FY 2026/2027 Minor Capital Project Costs Total	**$14,181,000**	



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Capital Project Funding Breakdown

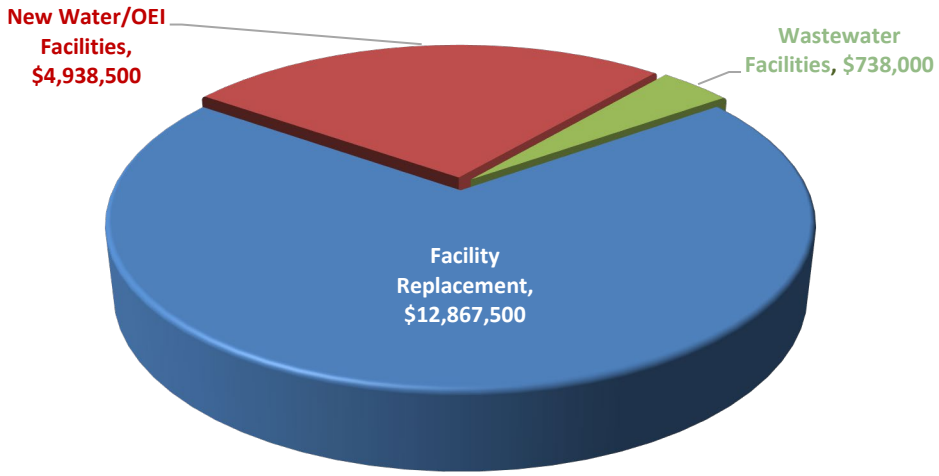
FY 2026/2027 Capital Projects Divisional Allocation

	Rancho	Santa Rosa	Resource	Wastewater
Major Capital Projects	$1,750,000	$0	$2,150,000	$450,000
Minor Capital Projects	6,535,000	3,536,500	3,834,500	275,000
Sub-Total Capital Projects	8,285,000	3,536,500	5,984,500	725,000
Resource Major Capital Reallocated	1,075,000	1,075,000	(2,150,000)	
Resource Minor Capital Reallocated	2,357,250	1,477,250	(3,834,500)	0
Grand Total Capital Projects	**$11,717,250**	**$6,088,750**	**$0**	**$725,000**

FY 2026/2027 Capital Project Totals

	General Fund	Debt Service/Capital Improvement Fund	Replacement Fund	Total
Rancho	$0	$11,717,250	$0	**$11,717,250**
Santa Rosa	0	6,088,750	0	**6,088,750**
Wastewater	0	0	725,000	**725,000**
Total	**$0**	**$17,806,000**	**$725,000**	**$18,531,000**

FY 2026/2027 Capital Expenditures Summary



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Fiscal Year	2026/2027
Project	**1380-1550 PZ Conversion Pipeline (Feasibility/Design)**
Funding Divisions	**Rancho**
Funding Amount	**$1,500,000**



PROJECT BACKGROUND

This project was recommended as a pipeline improvement Capital Improvement Project (CIP) in the Rancho California Water District (Rancho Water) Water Facilities Master Plan dated December 2015. This project is scheduled to go into design in July 2026.

PROJECT DESCRIPTION

This project includes installing a 16-inch PVC water main extension approximately 14,200 feet in length. The alignment runs from the intersection of State Highway 79 South and Anza Road, continues southeast along State Highway 79 to Maggie Weed Lane, then follows Maggie Weed Lane northeast to Los Corralitos Road. From there, it extends east along Los Corralitos Road to Pauba Road and finally proceeds south along Pauba Road back to State Highway 79 South. The project enhances system connectivity and improves water distribution reliability in the area.

PROJECT JUSTIFICATION

This project is necessary in order to convert the most southeasterly 173.3 acres of Rancho Water's 1380 Pressure Zone (Potable) to Rancho Water's 1550 Pressure Zone (Potable). The conversion is necessary to mitigate low water pressure availability in the vicinity from the 1380 Pressure Zone.

CEQA

Rancho Water expects no significant environmental impacts and will file a Negative Declaration with county and state agencies.

OPERATIONAL COST IMPACTS

Rancho Warter will assume higher operational expenses from maintaining the new 16-inch PVC water main extension.

ESTIMATED AVOIDED COSTS

This project avoids costs by eliminating a low-pressure 1380 Zone extension and its ongoing maintenance.

Useful Life	
Appurtenance	**Years**
Pipeline	50
NA	NA
NA	NA
NA	NA
NA	NA

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Capital Acquisitions

Capital Acquisitions are non-recurring operating expense items for Districtwide use that cost more than $10,000 each and have an estimated useful life of more than a year. The capital acquisitions include vehicles, shop and field equipment, wastewater/collection equipment, office equipment and furniture, and computer equipment.

The justification for each purchase is determined by whether it is required due to growth, improvements, upgrades, or to replace an existing asset. As these purchases are completed and placed into service, there is a potential impact on the Operating Budget.

The total Capital Acquisition Budget for FY 2026/2027 is $2,255,000.

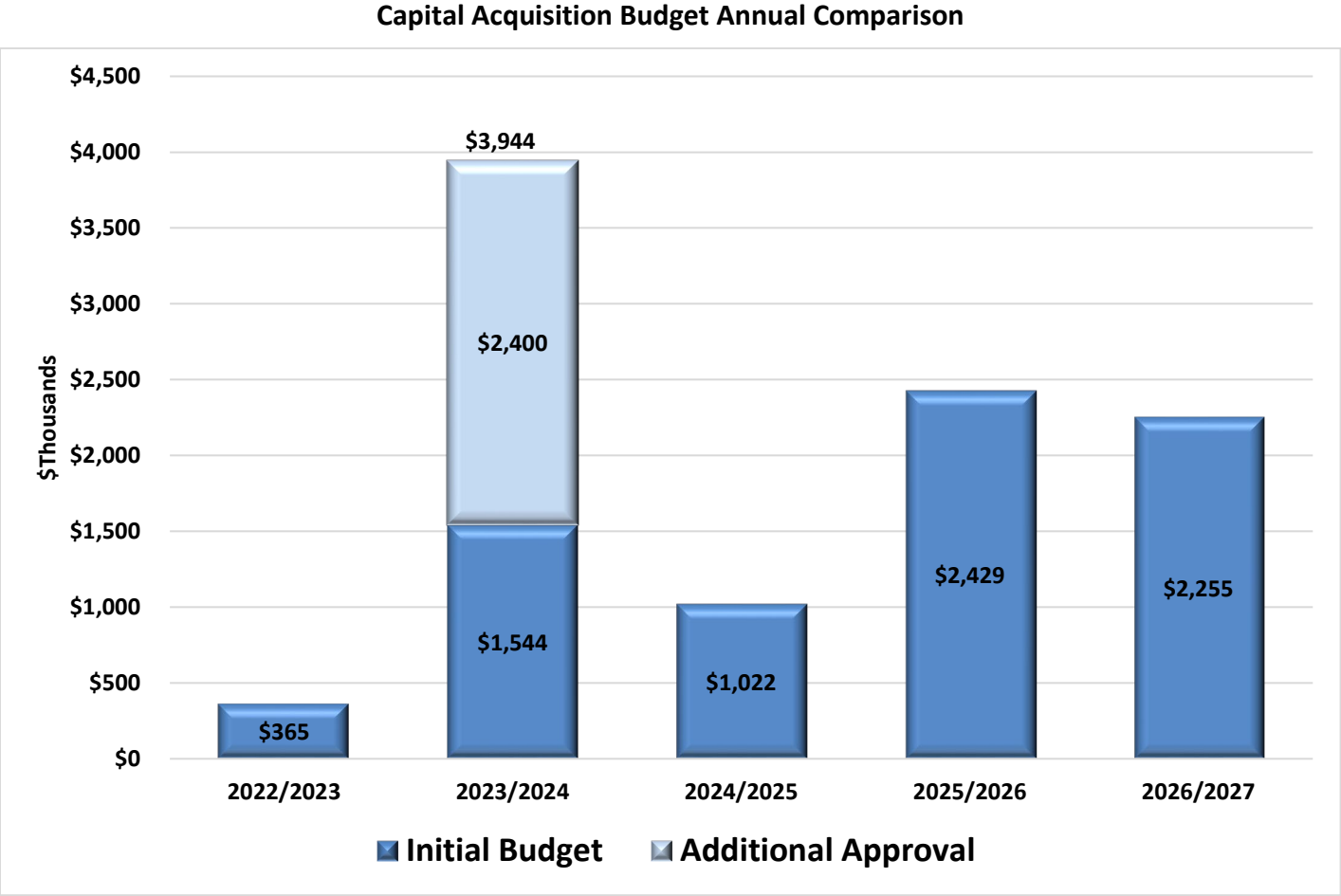


Chart 10.3

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FY 2026/2027 CAPITAL ACQUISITION BUDGET

CATEGORY	DESCRIPTION	QTY	BUDGET $
	REPLACEMENT		
VEHICLES / EQUIPMENT	Silverado EV	3	$225,000
	Knuckle Boom	1	525,000
	Dump Truck Replacements	2	700,000
	Total		**$1,450,000**
	NEW		
VEHICLES / EQUIPMENT	16' Dump Trailer, 16,000 GVWR	1	$20,000
	Forklift	1	$50,000
	Well Jetter	1	$180,000
	Total		**$250,000**
	REPLACEMENT		
CONSTRUCTION / FIELD / SHOP / TESTING EQUIP	Fab Shop replacement Equipment	1	$15,000
	Chemical Feed Pumps	5	42,000
	Replacement shoring equipment	1	20,000
	Porta Cooler - Mechanics Shop	1	6,000
	Ceiling Fans - Mechanics Shop	3	10,000
	Traffic plates CIP and Emergency leaks	10	45,000
	Total		**$138,000**
	NEW		
CONSTRUCTION / FIELD / SHOP / TESTING EQUIP	Locating Equipment	1	$15,000
	GPS unit	3	36,000
	Reservoir Mixers	2	100,000
	Total		**$151,000**
	REPLACEMENT		
OFFICE EQUIP / COMPUTERS	PC/Laptop 20% replacement	25	$50,000
	Mobile computers - Customer Service Department	6	15,000
	Rugged computers - Water Operations Department	4	25,000
	Engineering workstations	2	16,000
	Replacement backup appliances	2	150,000
	Total		**$256,000**
	NEW		
OFFICE EQUIP / COMPUTERS	New employee computers	3	$10,000
	Total		**$10,000**
	TOTAL - FY 2026/2027 CAPITAL ACQUISITION		**$2,255,000**

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FY 2026/2027 CAPITAL ACQUISITION BUDGET TOTALS

Replacement	Total
Rancho Debt Service/Capital Improvement	$922,000
Santa Rosa Debt Service/Capital Improvement	922,000
Wastewater Replacement	-
Total	**$1,844,000**

New	Total
Rancho Debt Service/Capital Improvement	$205,500
Santa Rosa Debt Service/Capital Improvement	205,500
Wastewater General Fund	-
Total	**$411,000**

Total	**$2,255,000**



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NON-OPERATING WATER AND WASTEWATER RATES SUMMARY

WATER RATES	RANCHO		SANTA ROSA	
DESCRIPTION	FY 2025/2026	FY 2026/2027	FY 2025/2026	FY 2026/2027
Ad Valorem Assessment	$0.30 per $100 of Assessed Land Value	$0.30 per $100 of Assessed Land Value	$0.50 per $100 of Assessed Land Value	$0.50 per $100 of Assessed Land Value
Standby Charge	N/A	N/A	Area 1-$69.92 per acre/parcel Area 1A-$69.92 per acre/parcel, first 40 acres, $62.10 per acre thereafter Area 2-$48 per acre/parcel Area 3-$23.50 per acre/parcel	Area 1-$69.92 per acre/parcel Area 1A-$69.92 per acre/parcel, first 40 acres, $62.10 per acre thereafter Area 2-$48 per acre/parcel Area 3-$23.50 per acre/parcel

WASTEWATER RATES	RANCHO		SANTA ROSA	
DESCRIPTION	FY 2025/2026	FY 2026/2027	FY 2025/2026	FY 2026/2027
**Standby Charge ID Nos. 2 and 3	N/A	N/A	$28.50 per unconnected parcel	$28.50 per unconnected parcel
*Wastewater Capacity fee per EDU	N/A	N/A	$12,730	$13,329
Wastewater Replacement Surcharge	N/A	N/A	$6.37 per EDU/month	$7.81 per EDU/month
Wastewater Debt Service Surcharge	N/A	N/A	$18.60 per EDU/month	$18.17 per EDU/month

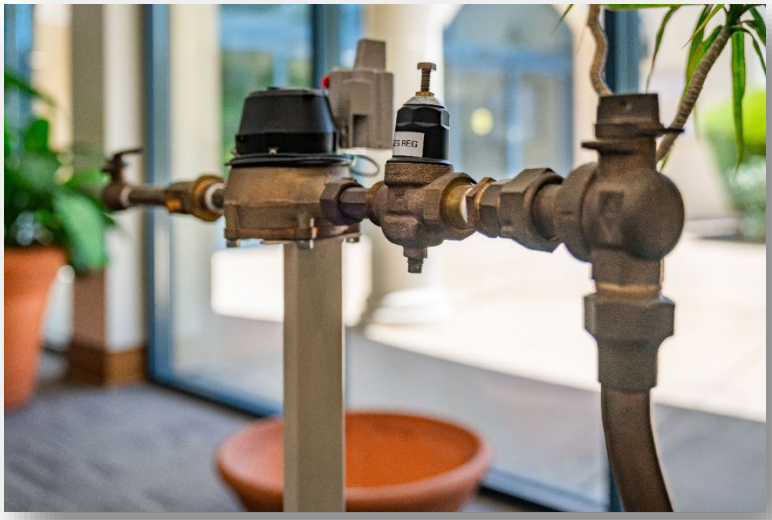
*SRWRF Improvement District (ID) Nos. 2 & 3
**SRWRF Standby Charge - $28.50 per acre or per parcel on all land that has not paid a capacity fee as of March 1, 2025

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WATER CAPACITY FEES

Meter Size	Rancho		Santa Rosa	
	FY 2025/2026*	FY 2026/2027	FY 2025/2026*	FY 2026/2027
3/4 Inch	$3,183	$3,298	$3,176	$3,290
1 Inch	5,412	5,607	5,400	5,594
1.5 Inch	10,504	10,882	10,481	10,858
2 Inch	16,870	17,477	16,833	17,439
2 Inch Turbine or Ultrasonic	31,830	32,976	31,760	32,903
3 Inch	53,157	55,071	53,040	54,949
4 Inch	105,994	109,810	105,761	109,568
6 Inch	169,654	175,762	169,281	175,375
6 Inch Turbo	212,307	219,950	211,840	219,466
8 Inch	286,470	296,783	285,840	296,130
8 Inch Turbo	371,457	384,829	370,640	383,983
10 Inch	572,940	593,566	571,680	592,260
12 Inch	848,907	879,468	847,040	877,533
Multifamily/Master Meter DU	$2,133	$2,210	$2,128	$2,205

*Updated Fees resulting from a Capacity Fee study approved by the Board in 2025.



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Rancho California Water District
Consolidated Non-Operating Budget
For Fiscal Year 2026/2027

Revenue	Combined Total	Rancho Division	Santa Rosa Division	SRWRF
AV Assessments	$34,881,499	$23,364,999	$11,516,500	$0
1% Assessments	26,432,470	22,301,753	4,130,717	0
Standby Assessments	2,726,393	0	2,695,864	30,529
Interest Revenue	11,583,168	9,845,326	1,497,520	240,323
Federal Direct Pay Interest Subsidy	340,093	59,689	280,404	0
Capacity Fee	4,842,191	4,243,835	198,486	399,870
Connection Fee Contra	(4,842,191)	(4,243,835)	(198,486)	(399,870)
Fire Service Charge	264,410	192,418	71,992	0
Debt Service Surcharge	1,839,301	**0**	0	1,839,301
Capital Replacement Surcharge	3,076,579	0	2,285,469	791,109
Vail Lake Operations	502,673	351,871	150,802	0
Other Tier IV Programs	1,382,501	921,667	460,834	0
Capital Grants	9,901,266	1,913,203	7,988,063	0
Pechanga Water Rights Settlement	0	0	0	0
Interdivisional Loan Interest	492,058	492,058	0	0
Total Non-Operating Revenue	**$93,422,410**	**$59,442,984**	**$31,078,164**	**$2,901,262**

Expenditures	Combined Total	Rancho Division	Santa Rosa Division	SRWRF
Depreciation & Amortization	$23,477,348	$13,137,355	$9,804,799	$535,194
Bond Discount Amortization	(498,769)	(67,531)	(303,471)	(127,767)
Reclass Operating Interest	1,907,116	1,117,662	699,107	90,347
Reclass to Operations - Other	13,209,521	11,075,490	2,134,031	0
Reclass to Operations - PERS UAL Payment	4,011,960	2,227,368	1,140,283	644,309
CFD Assessment	877,602	614,322	263,281	0
Bond Interest	9,242,668	3,175,882	5,970,924	95,862
Interdivisional Loan Interest	492,058	0	469,444	22,614
Groundwater Basin Replenishment	0	0	0	0
Capital Facilities/Debt Contribution to JPA	3,309,211	447,810	115,013	2,746,389
Investment Management Expense	180,000	141,000	32,000	7,000
Other Non Op Bond Expense	430,800	251,800	177,500	1,500
Total Non-Operating Expenditures	**$56,639,516**	**$32,121,158**	**$20,502,910**	**$4,015,448**

Net Non-Operating Revenue	**$36,782,894**	**$27,321,826**	**$10,575,254**	**($1,114,186)**

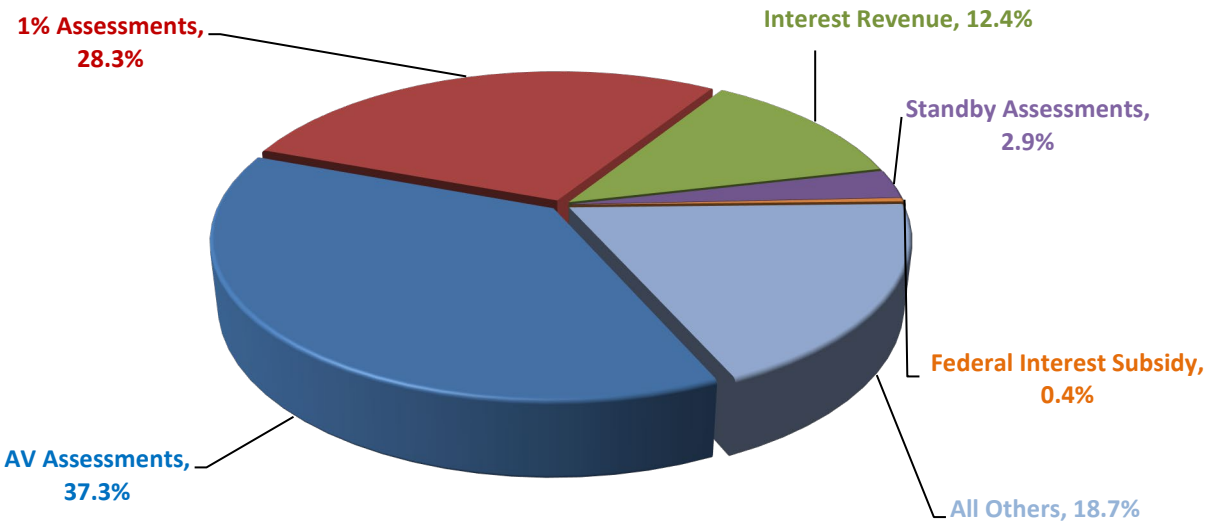
Adjustments to Cash Basis	Combined Total	Rancho Division	Santa Rosa Division	SRWRF
Add:				
Depreciation & Amortization	$23,477,348	$13,137,355	$9,804,799	$535,194
Bond Discount Amortization	(498,769)	(67,531)	(303,471)	(127,767)
Connection Fees	4,842,191	4,243,835	198,486	399,870
Reimbursement from Debt Financing	34,005,146	0	34,005,146	0
Interdivisional Loan Principal	359,335	359,335	**0**	0
Less:				
Capital Improvement Projects	($61,657,315)	($36,643,594)	($24,365,937)	($647,784)
Capital Acquisition Items	(2,255,000)	(1,127,500)	(1,127,500)	0
Debt Principal	($9,942,466)	($3,676,894)	($5,924,392)	($341,180)
Interdivisional Loan Principal	(359,335)	0	(313,969)	(45,366)
Net Cash Adjustment	**($12,028,864)**	**($23,774,994)**	**$11,973,162**	**($227,032)**

Net Non-Operating Cash Sources/(Uses)	**$24,754,030**	**$3,546,832**	**$22,548,416**	**($1,341,218)**

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The following graph and schedules identify the major sources of revenue for the FY 2026/2027 Non-Operating Budget.

FY 2026/2027 Major Non-Operating Revenues

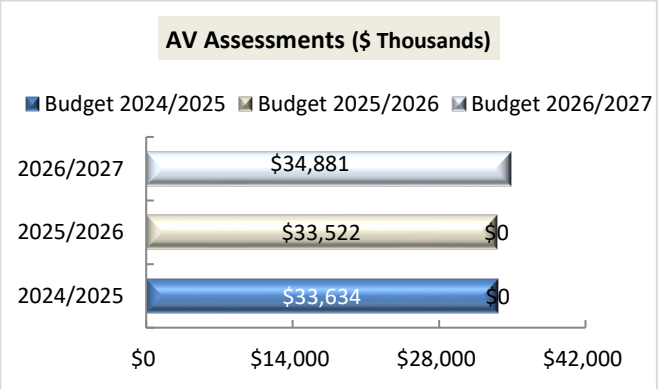


Major Non-Operating Revenues

Revenue	Actual FY 2024/2025	Budget FY 2025/2026	Budget FY 2026/2027	Percent Change
Ad Valorem Assessments	$33,633,521	$33,521,510	$34,881,499	4.1%
1% Assessments	23,732,114	25,119,868	26,432,470	5.2%
Standby Assessments	2,711,985	2,724,953	2,726,393	0.1%
Interest Revenue	9,559,323	10,842,957	11,583,168	6.8%
Federal Direct-Pay Interest Subsidy	340,093	340,093	340,093	0.0%
Capacity Fee	2,147,654	5,764,140	4,842,191	(16.0%)
Capacity Fee Contra	(2,147,654)	(5,764,140)	(4,842,191)	(16.0%)
Fire Service Charge	251,628	269,197	264,410	(1.8%)
Debt Service Surcharge	1,903,325	1,884,183	1,839,301	(2.4%)
Capital Replacement Surcharge	2,082,368	2,698,021	3,076,579	14.0%
Vail Lake Operations	447,504	378,025	502,673	33.0%
Other Tier 4 Programs	1,053,533	1,382,501	1,382,501	0.0%
Non-Op Grants Income	3,013,573	17,625,833	9,901,266	(43.8%)
Acreage Assessment Fees	86,437	-	-	0.0%
Other/ Pechanga Settlement	26,829,068	25,716,553	-	(100.0%)
Interdivisional Loan Interest	579,455	501,471	492,058	(1.9%)
Totals	**$106,223,927**	**$123,005,166**	**$93,422,410**	**(24.1%)**

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Explanation of Major Non-Operating Revenue Sources

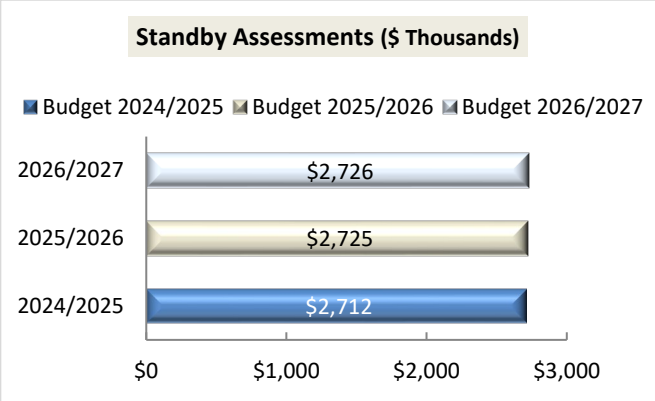


AV ASSESSMENTS: Revenues received from the annual ad valorem assessments levied by the District to pay for annual debt service on water improvement bonds, which funded capital facilities. The rate in the Rancho Division is $0.30 per $100 of assessed land value and is $0.50 per $100 of assessed land value for the Santa Rosa Division.

For FY 2026/2027, revenue is projected to be $34,881,499. AV assessment revenue is projected to increase by 4 percent compared to FY 2025/2026. This increase reflects projected assessed values based on recent annual trends.

1% ASSESSMENT: Revenues received from the District's share of the 1 percent property tax that is levied by the County based on land value and distributed to agencies and is used for debt service only.

For FY 2026/2027, revenue is projected to be $26,432,470. The 1 percent assessment revenue is projected to increase by 5 percent compared to FY 2025/2026. This increase reflects projected County assessments based on recent annual trends.



STANDBY ASSESSMENTS: Revenues received from the annual standby charges levied to pay annual debt service on bonds. This assessment is a fixed charge per acre/parcel based upon the estimated benefit from water facilities constructed to meet water supply demands.

For FY 2026/2027, revenue is projected to be $2,726,393. The standby assessment revenue is projected to remain relatively unchanged compared to FY 2025/2026.

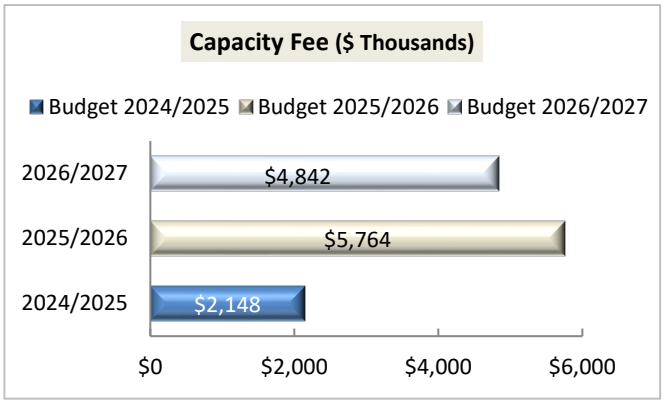
INTEREST REVENUE: Revenues received from the interest earned on general funds, assessment district funds, capital replacement funds, capacity fees funds, and various bond funds. District funds are pooled for investment purposes. Interest earnings are allocated based on prior-month cash balances for the various funds.

For FY 2026/2027, revenue is projected to be $ 11,583,168. The interest revenue is projected to increase by 7 percent compared to FY 2025/2026. This increase is primarily due to higher projected interest rates. Higher projected interest rates reflect the current investment environment for fixed income investments.

FEDERAL DIRECT-PAY SUBSIDY: In October 2011, the District issued $9,870,000 of QECBs. Under the QECBs Program, the District will receive a 70-percent interest subsidy on the issuance. Congress passed a sequestration for direct-pay bond subsidies that cut the interest subsidy on the bonds by a certain percentage. The current percentage reduction is 6 percent, which is effective until September 2030. With the current reduction, the District will receive a 67 percent interest subsidy on the QECBs. For FY 2026/2027, the District expects to receive $340,093, which is the same amount as FY 2025/2026.

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CAPACITY FEE: Revenues received from the collection of water and sewer connection fees, also referred to as capacity fees. The amount charged for the purchase of capacity in the District's water or sewer system is based upon the rated maximum water flow of the meter for water and the number of EDUs for sewer.



For FY 2026/2027, revenue is projected to be $4,842,191. Capacity fee revenue is projected to decrease by 16 percent, compared to the prior fiscal year. The decrease in projected capacity fee revenue is primarily attributable to the expectation of less development than what was projected in the prior-year budget.

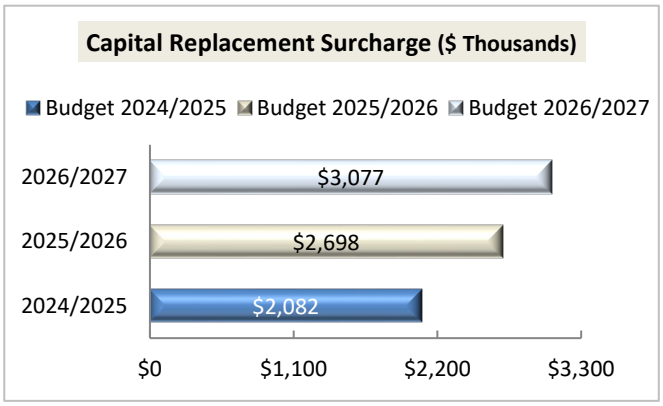
FIRE SERVICE CHARGE: Revenues received for fire-service charges levied on the property tax bill of parcels requiring more than a residential (1,000 GPM) fire-flow meter. The charge is a per acreage assessment and is used to help offset the additional capital cost of up-sizing District facilities to provide adequate fire flow. For FY 2026/2027, revenue is projected to be $264,410. The fire service charge revenue is projected to remain relatively flat compared to the prior fiscal year.

DEBT SERVICE SURCHARGE: Revenues received from a wastewater surcharge assessed as a monthly debt service charge on wastewater billing. The surcharge will decrease from $18.60 to $18.17 per EDU for FY 2026/2027. The amount of the reduction will be reallocated to the Capital Replacement Surcharge (see below) component and better reflects the Capital funding needs of the Wastewater Division.

The Debt Service Surcharge is included as a component of the overall wastewater rate of $50.27 per EDU proposed for FY 2026/2027. The overall wastewater rate includes operating and non-operating components of wastewater costs and reflects a $1.46 increase from the prior year. The increase reflects the funding needs of the Wastewater Division's operating and non-operating budgets.

For FY 2026/2027, Debt Service Surcharge revenue is projected to be $1,839,301 and is a slight decrease compared to the prior year, due to the reallocation discussed above.

CAPITAL REPLACEMENT SURCHARGE: Revenues received from a wastewater surcharge assessed for facility replacement on the monthly wastewater billing. The surcharge for wastewater will increase to $7.81 per EDU for FY 2026/2027. The increase in the Capital Replacement Surcharge aligns with the Wastewater Division's Capital funding needs.



This line item also includes revenues received from the Santa Rosa Division for capital replacement. This surcharge is collected as part of a water customer's monthly water bill.

For FY 2026/2027, revenue projected for the wastewater component is $791,109 and $2,285,469 for the water component. Capital replacement surcharge revenue is projected to increase 14 percent compared to the prior fiscal year. This increase is driven by an increase in the amount collected from the Capital Replacement Surcharge in the Santa Rosa Division.

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VAIL LAKE OPERATIONS: In 2014, the District purchased approximately 7,000 acres surrounding Vail Lake. It then entered into an agreement with KEI in FY 2018/2019 to lease and operate the facilities. A long-term lease for the campground facilities allows the District to focus on the core business of serving water and providing sewer collection and treatment to the community.

For FY 2026/2027, net revenue from Vail Lake Operations is projected to be $502,673. Vail Lake Operations are projected to increase by 33 percent compared to FY 2025/2026 due to the agreement with KEI, which provides an increase in annual lease payments, and beginning in FY 2024/2025 a portion of KEI's annual net income.

OTHER TIER 4 PROGRAMS: Annually, the District evaluates its Tier 4 revenue and reclassifies a portion of the funds to Non-Operating Reserves for the funding of the capitalized projects identified to be funded from the Tier 4 revenues.

FY 2026/2027, revenue is projected to be $1,382,501 which is the same amount as the FY 2025/2026 Budget. Some capital conservation programs can be funded through the Tier 4 rate.

NON-OP GRANTS INCOME: This line item represents grant funds awarded for capital projects. The amount projected for FY 2026/2027 is $9,901,266. The budgeted amount for FY 2025/2026 was $17,625,833. The decrease in the amount budgeted for FY 2026/2027 is primarily due to the absence of grant funding related to the Vail Dam Remediation Project, which represented a significant portion of the prior-year budget.

OTHER NON-OPERATING INCOME: This item represents a miscellaneous income that is generally one-time in nature. The amount budgeted for FY 2026/2027 is $0.

INTERDIVISIONAL LOAN INTEREST: This line item represents loan payments made to the Rancho Division by the Santa Rosa and Wastewater Divisions. The loans were used for funding the District's pension and OPEB costs and the cost of replenishing the District's groundwater aquifer. The first loan was utilized to prepay a portion of the Santa Rosa and Wastewater Divisions' share of the CalPERS pension UAL. This prepayment was sent directly to CalPERS. The second loan was also CalPERS-related but was utilized to fund a Section 115 Trust (Trust) that is restricted for CalPERS expenses. Depending on the investment returns of the Trust, additional payments may be made towards the District's UAL, until fully funded. Once the UAL is fully funded, the Trust can then be utilized to pay for normal CalPERS costs. These two loans will be fully paid in FY 2041/2042.

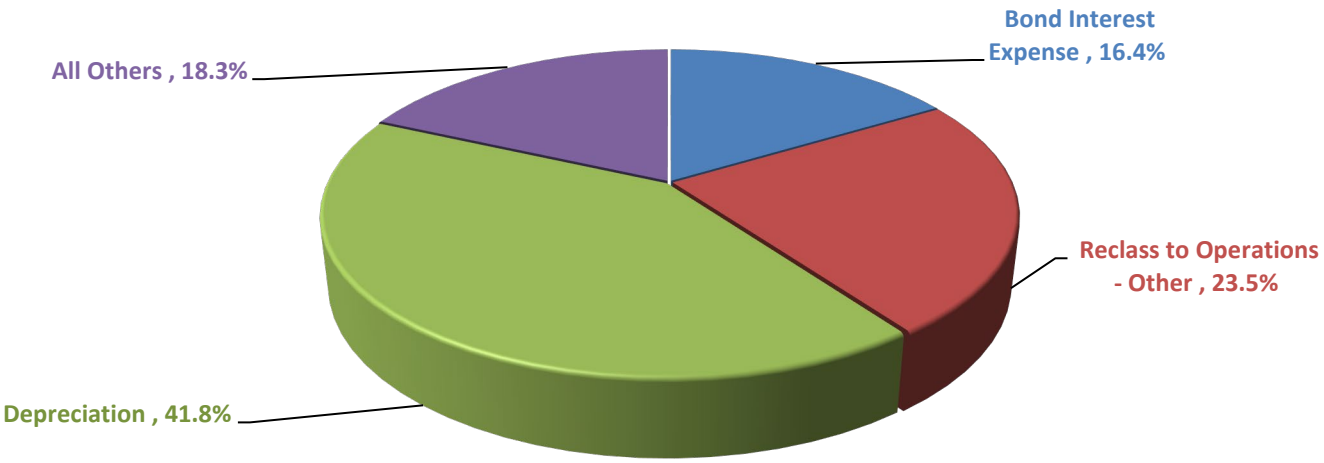
The third loan was utilized to fund both divisions' share of an additional contribution of $7.7 million to the District's VEBA trust that funds the District's OPEB costs. At the time, the additional contribution was sufficient to fund the District OPEB UAL, as it was calculated by the District's actuarial consultant, Nyhart, as of June 30, 2025. This loan will be fully paid in FY 2046/2047.

The final loan was to pay for approximately 18,000 AF of raw water purchased from MWD used to replenish the District's groundwater aquifer, as well as the District's participation in MWD's Reverse Cyclic Program. This program allows the District to pre-purchase water from MWD at the current rate with the water to be supplied and used by the District in the future, as determined by MWD. The Rancho Division paid for the raw water purchases and the Reverse Cyclic Program cost. The Santa Rosa Division is paying for interest only on these two loans, the principal will be repaid as the water is utilized by the Santa Rosa Division.

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The following graph and schedules identify the major non-operating expenses of the FY 2026/2027 Non-Operating Budget.

FY 2026/2027 Major Non-Operating Expenses



MAJOR NON-OPERATING EXPENSES

EXPENSES	ACTUAL FY 2024/2025	BUDGET FY 2025/2026	BUDGET FY 2026/2027	PERCENT CHANGE
Depreciation & Amortization	23,700,356	$24,432,785	23,477,348	(3.9%)
Bond Discount/Premium Amortization	(127,767)	(505,556)	(498,769)	(1.3%)
Reclass Operating Interest	2,216,354	2,193,131	1,907,116	-13.0%
Reclass to Operations – Other	10,122,529	11,972,756	13,209,521	10.3%
Reclass to Ops – PERS UAL & OPEB	2,850,883	3,504,837	4,011,960	14.5%
CFD Assessment	660,000	909,778	877,602	(3.5%)
Bond Interest Expense	8,008,799	9,817,549	9,242,668	-5.9%
Interdivisional Loan Interest	579,455	501,471	492,058	-1.9%
Groundwater Basin Replenishment	0	0	0	0.0%
Capital Facilities Contribution to JPA	1,457,941	3,164,183	3,309,211	4.6%
Investment Management Expense	180,039	152,000	180,000	18.4%
Other	2,893,136	395,800	430,800	8.8%
TOTALS	**$52,541,727**	**$ 56,538,732**	**$56,639,516**	**0.2%**

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Explanation of Major Non-Operating Expenses

DEPRECIATION AND AMORTIZATION: This expenditure includes such amounts of depreciation and amortization chargeable to each month's operations calculated on the straight-line method over the useful life of the assets.

For FY 2026/2027, expenses are projected to be $23,477,348. Depreciation and amortization expense is projected to decrease by 4 percent compared to the prior year, due to the anticipation that fewer assets will be added during the fiscal year.

BOND DISCOUNT/PREMIUM AMORTIZATION: This expenditure includes amortization of bond discount or premium chargeable to each month's operations. It is the process through which a bond discount or premium is written off over the life of the bonds. The costs are amortized on the straight-line method based on the estimated term of the related bond debt.

For FY 2026/2027, expenses are projected to be $498,769. The Bond Discount/Premium amortization expense is projected to decrease 1 percent as compared to the prior fiscal year.

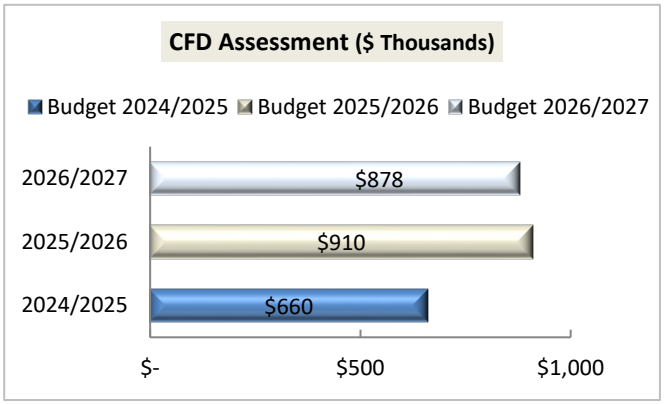
RECLASS FROM NON-OPERATING TO OPERATING: This item represents a transfer from the Non-Operating budget to the Operating budget. The projected transfer for FY 2026/2027 is $17,221,481, which is an 11.3 percent increase from the prior year budget. The 11.3 percent increase in the total transfer amount is primarily due to a higher projected rate of return on the Non-Operating reserve funds. This increase raised the budgeted interest earnings transfer by $1,374,951 compared to the prior fiscal year. This reclassification includes the following transfers from the Non-Operating to the Operating budget:

- **CalPERS UAL Funding:** Funds transferred from the Non-Operating budget of all three divisions to pay the UAL portion of the annual CalPERS pension cost. The UAL represents the amortized cost of past service benefits for current retirees, active employees, and deferred members. For FY 2026/2027, this transfer is budgeted at $4,011,960. Although the UAL cost appears in the Fringe Benefits section of the Operating Budget, it reflects a liability for past service and is therefore appropriately funded using Non-Operating revenue sources.
- **OPEB Liability (NOL) Funding:** Similar to the CalPERS UAL transfer, this item covers the Net (Unfunded Accrued) OPEB Liability, related to retiree medical benefits from past service. The NOL is also accounted for under Fringe Benefits but is treated as a debt-like obligation. However, based on the most recent actuarial valuation by Nyhart, the District's NOL is fully funded. As a result, no expense is budgeted for FY 2026/2027. This reflects the District's proactive funding over recent fiscal years.
- **Interest Earnings Transfer – Rancho Division:** $8,727,664 in budgeted interest earnings from the Rancho Division's Non-Operating reserve funds will be transferred to offset increased imported water costs due to the loss of native groundwater and to fund other Operating costs. In contrast, the Santa Rosa Division retains its Non-Operating interest earnings for capital replacement needs and does not transfer them to the Operating Budget.
- **Bond Refunding Savings Transfer:** Transfers from both water divisions' Non-Operating budgets funded by savings from the 2016 bond refunding. These savings—resulting from reduced interest rates when refunding the bonds—are used to offset Operating costs. For FY 2026/2027, the Rancho Division's share of this transfer is $282,448, while the Santa Rosa Division's share is $498,130, specifically to help cover increased imported water costs. These transfers will end in FY 2027/2028.

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- **Vail Lake Lease Revenue:** $351,871 is transferred from the Rancho Division's Non-Operating budget to offset Operating costs and help reduce rate impacts. This amount is funded by the Rancho Division's share of lease revenues from the Vail Lake recreation area.
- **Mitigation of Rate Swings & SBITA Costs:** To reduce rate volatility and fund large, planned maintenance activities pertaining to capital facilities, a $3,349,408 transfer is budgeted from the Debt Service Capital Improvement Fund. This also includes funding for software subscription costs added in FY 2022/2023 in compliance with GASB Statement No. 96 regarding SBITAs.

CFD Assessment: This expenditure includes the amount of special tax expense applicable to outstanding long-term debt issued by CFD No. 89-5. The District owns all property in the CFD's Zone B and is therefore responsible for a portion of the CFD's special tax. The actual special tax requirement will depend on the actual variable monthly interest payments due on the refunding bonds. The District will be responsible for the difference in the actual special tax requirement and the amount levied on Zone A parcels since Zone B, which is District-owned, is responsible for the special tax requirement that is not satisfied by Zone A parcels.



For FY 2026/2027, expenses are projected to be $ 877,602. CFD assessment expense is projected to decrease 4 percent compared to the prior fiscal year.

Bond Interest: This expenditure includes the amount of interest expense applicable to outstanding long-term debt issued by the District. It is accrued monthly and there is a corresponding liability account for each bond interest account.

For FY 2026/2027, this expense is projected to be $ 9,242,668. The interest expense is projected to decrease by 6 percent compared to the prior fiscal year.

Interdivisional Loan Interest: This item represents loan interest payments made to the Rancho Division from the Santa Rosa and Wastewater Divisions for several loans. See the "Interdivisional Loan Interest" section above for more detail on these loans. The amount budgeted for FY 2026/2027 is $ 492,058 .

Capital Facilities/Debt Service Contribution to JPA: This expense represents the District's share of facility project costs and Debt Service for the SRRRA JPA. For FY 2026/2027, the contribution amount is projected to be $3,309,211 , which is a 5 percent increase from the prior fiscal year, due to an increase in the amount of capital projects anticipated for the JPA in FY 2026/2027.

Investment Management Expense: The District utilizes an external professional management firm, Chandler Asset Management (Chandler), to execute its investment policy. For FY 2026/2027, this expense is projected to be $180,000. The increase is due to a projected increase in the assets managed by Chandler.

Other: This expenditure includes banking fees, County charges related to administering the property tax rates, and other miscellaneous expenses. For FY 2026/2027, the Other expense is projected to be $430,800 and is projected to be slightly higher due to an increase in Riverside County Fixed Charge costs for FY 2026/2027.

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The Groundwater Basin Replenishment was a new line item for FY 2024/2025. It represented the cost to purchase raw water from MWD to store in the District's groundwater basin for the purpose of basin health and future withdrawal and use by the Rancho and Santa Rosa Divisions. The item is budgeted at $0 for FY 2026/2027 since the District's annual groundwater audit determined that the groundwater basin was at an acceptable level compared to the long-term history of the basin.

Fund Structure – Non-Operating Budget

Debt Service Capital Improvement Fund

The Debt Service Capital Improvement (DSCI) Fund is used to account for money received by the District from the collection of property assessments, standby charges, and monthly wastewater surcharges for the Santa Rosa Division, the Capital Replacement Surcharge that is included on monthly water bills. Please see the "Capital Replacement Surcharge" section above for more information. Money placed in the DSCI Fund is used for the payment of principal and interest on bonds and to cash-fund capital improvement projects. Capital projects can include new facilities, as well as replacement water facilities.

Wastewater Replacement Fund

The Wastewater Replacement Fund is used to account for money received by the District from the payment of the depreciation surcharge attached to the monthly wastewater service charge. Money placed in the Wastewater Replacement Fund is used for the replacement of capital facilities.

Capacity Fee Fund

WATER CAPACITY FEE: Charges paid by new customers prior to connecting to the District's system. The District has taken significant steps to create a capacity fee program that equitably allocates capital between existing and future users and complies with the requirements of AB 1600. Money placed in the Water Capacity Fee Fund is used for the construction of capital facilities.

WASTEWATER CAPACITY FEE: Charges paid by new customers prior to connecting to the District's wastewater system. Money placed in the Wastewater Capacity Fee Fund is used for the funding of wastewater facilities and for the payment of principal and interest on construction bonds issued to construct wastewater facilities.

The Debt Service, Capital Facility, and Replacement Reserve Funds balances are evaluated on an annual basis during the adoption of the District's Non-Operating Budget. The Non-Operating Budget is a 10 - year financial plan, which projects debt costs and facility requirements and balances those needs with revenue and fund balance projections.

Long-Range Financial Plan

The following LRFP schedules demonstrate the District's ability to fund the projected "new and replacement" facility requirements through 2036. The LRFP incorporates projections of the revenues, use of cash reserves, and debt service on current and future debt needed to finance these facility requirements. Included in the LRFP is a projected beginning and ending reserve balance for each of the 10 years included in the plan. One way to view the ability of the District to demonstrate its ability to fund these facilities is to look at the ending reserve balances each year. A positive reserve balance projection demonstrates that the existing and projected revenues will be sufficient to either cash-fund or pay debt service on the financing of the facilities. The 10-year projections include cash-funding portions of the projected capital needs and results in a draw on reserves, but the mix of reserve use and debt issuance provides the most cost-effective plan to complete the capital needs of the District.

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Fiscal Year Ending June 30,	2027	2028	2029
Beginning Fund Balance - Unrestricted	$249,361,821	$254,026,316	$237,218,291
Beginning Fund Balance - Restricted	$0	$0	$0
Beginning Fund Balance - Total	**$249,361,821**	**$254,026,316**	**$237,218,291**
Funding Sources			
Taxes & Assessments			
1% General Purpose [1]	$22,301,753	$23,054,437	$23,803,706
Ad Valorem Assessments [2]	23,364,999	24,085,280	24,814,284
Fire Service Charges [3]	192,418	192,418	192,418
Total Taxes and Assessments	**$45,859,170**	**$47,332,135**	**$48,810,408**
Other Revenues			
Interest Internal Debt Reserve Funds [4]	$9,845,326	$8,636,895	$7,828,204
Other Tier IV Programs	921,667	921,667	921,667
Capacity Fees	4,243,835	6,201,447	3,991,295
Federal Direct Pay Interest Subsidy	59,689	53,127	39,460
Vail Lake Operations	351,871	370,221	434,509
Water Rights Settlement [5]	0	0	0
Interdivisional Loan Repayment	851,393	1,093,491	1,086,228
Other Miscellaneous	0	0	0
Total Other Revenues	**$16,273,781**	**$17,276,849**	**$14,301,363**
Non Revenue Cash/Debt Proceeds	**$0**	**$0**	**$0**
Total Funding Sources	**$62,132,951**	**$64,608,985**	**$63,111,771**
Funding Uses			
Debt Service and Other Expenses			
Debt Service [6]	$7,467,098	$7,923,671	$7,992,183
Misc. Bond Fees/Other Expenses	392,800	400,656	408,669
SRRRA Capital Cost Share - Tertiary Treatment [7]	447,810	1,133,083	1,491,186
Transfer to Operating Reserve Fund - Other [8]	11,075,490	11,113,575	10,291,804
Transfer to Operating Reserve Fund- PERS & OPEB UAL [9]	2,227,368	2,381,561	2,651,154
Total Debt Service and Other Expenses	**$21,610,565**	**$22,952,547**	**$22,834,997**
Capital Projects			
Capital Acquisition	$1,127,500	$1,000,000	$1,030,000
Capital Projects	36,643,594	59,989,050	47,675,211
Capital Grant Revenue	(1,913,203)	(2,524,587)	(2,148,268)
Net Capital Projects	**$35,857,891**	**$58,464,463**	**$46,556,942**
Total Funding Uses	**$57,468,457**	**$81,417,009**	**$69,391,940**
Net Sources/(Uses)	**$4,664,494**	**($16,808,025)**	**($6,280,169)**
Ending Fund Balance - Unrestricted	$254,026,316	$237,218,291	$230,938,122
Ending Fund Balance - Restricted	$0	$0	$0
Ending Fund Balance - Total	**$254,026,316**	**$237,218,291**	**$230,938,122**
Projected Debt Balance	**$83,231,470**	**$78,810,378**	**$74,248,071**

Rancho Division

Note 1: 1% Tax revenue is indexed at 3.5% growth for FY 2026/2027, 3.38% growth FY 2027/2028, 3.25% growth FY 2028/2029, 3.13% growth for FY 2029/2030, then at 3.0% per year thereafter.2026/2027

Note 2: Ad Valorem revenue is based upon a rate of $0.30 per $100 of land value indexed at 3.25% growth for FY 2026/2027, 3.19% growth for FY 2027/2028, 3.13% growth for FY 2028/2029, 3.06% growth for FY 2029/2030, then at 3.0% per year thereafter.2026/2027

Note 3: Fire Service is a property assessment applied to commercial properties related to upsizing capital facilities to meet commercial fire-flow requirements.

Note 4: Projected investment earnings are calculated at 3.5% for FY 2026/2027, 3.4% for FY 2027/2028, 3.3% for FY 2028/2029, 3.4% for FY 2029/2030 and 3.5% per year thereafter.2026/2027

Note 5: Proceeds from Pechanga Water Rights Settlement approved by Congress in FY 2016/2017 and appropriated in FY 2026/2027 for reimbursement to the District for certain capital projects and capacity to wheel water.2026/2027

Note 6: Debt service costs include taxes for CFD 89-5, ends in FY 2028/2029.

Note 7: Rancho Division's share of SRRRA facility project costs and Debt service.

Note 8: Amount is to fund increased imported water purchases due to native water pumping reductions, and to fund operating costs for major planned maintenance of capital facilities and software subscriptions.

Note 9: Amount to pay Rancho Division's share of the CalPER's UAL, projected to end in FY 2044/2045.

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Fiscal Year Ending June 30,	2030	2031	2032
Beginning Fund Balance - Unrestricted	$230,938,122	$296,740,600	$320,763,353
Beginning Fund Balance - Restricted	$0	$1,601,478	$0
Beginning Fund Balance - Total	**$230,938,122**	**$298,342,078**	**$320,763,353**
Funding Sources			
Taxes & Assessments			
1% General Purpose [1]	$24,547,572	$25,283,999	$26,042,519
Ad Valorem Assessments [2]	25,551,418	26,296,060	27,062,603
Fire Service Charges [3]	192,418	192,418	192,418
Total Taxes and Assessments	**$50,291,408**	**$51,772,477**	**$53,297,540**
Other Revenues			
Interest Internal Debt Reserve Funds [4]	$7,851,896	$10,385,921	$11,226,717
Other Tier IV Programs	921,667	921,667	921,667
Capacity Fees	4,117,208	979,458	1,008,850
Federal Direct Pay Interest Subsidy	24,508	8,330	0
Vail Lake Operations	491,550	500,379	508,619
Water Rights Settlement [5]	0	0	0
Interdivisional Loan Repayment	1,078,966	1,071,703	917,205
Other Miscellaneous	0	0	0
Total Other Revenues	**$14,485,794**	**$13,867,458**	**$14,583,059**
Non Revenue Cash/Debt Proceeds	**$81,185,288**	**$0**	**$0**
Total Funding Sources	**$145,962,491**	**$65,639,935**	**$67,880,598**
Funding Uses			
Debt Service and Other Expenses			
Debt Service [6]	$12,262,706	$12,263,747	$11,705,607
Misc. Bond Fees/Other Expenses	416,843	425,179	433,683
SRRRA Capital Cost Share - Tertiary Treatment [7]	690,703	1,819,613	906,660
Transfer to Operating Reserve Fund - Other [8]	10,437,111	13,045,275	13,960,380
Transfer to Operating Reserve Fund- PERS & OPEB UAL [9]	2,664,058	2,665,610	2,331,109
Total Debt Service and Other Expenses	**$26,471,421**	**$30,219,424**	**$29,337,439**
Capital Projects			
Capital Acquisition	$1,060,900	$1,092,727	$1,125,509
Capital Projects	55,255,271	12,100,117	12,456,066
Capital Grant Revenue	(4,229,057)	(193,607)	0
Net Capital Projects	**$52,087,114**	**$12,999,237**	**$13,581,575**
Total Funding Uses	**$78,558,534**	**$43,218,661**	**$42,919,013**
Net Sources/(Uses)	**$67,403,957**	**$22,421,275**	**$24,961,585**
Ending Fund Balance - Unrestricted	$296,740,600	$320,763,353	$345,724,938
Ending Fund Balance - Restricted	$1,601,478	$0	$0
Ending Fund Balance - Total	**$298,342,078**	**$320,763,353**	**$345,724,938**
Projected Debt Balance	**$151,088,826**	**$146,025,329**	**$141,479,510**

Rancho Division

Note 1:	1% Tax revenue is indexed at 3.5% growth for FY 2026/2027, 3.38% growth FY 2027/2028, 3.25% growth FY 2028/2029, 3.13% growth for FY 2029/2030, then at 3.0% per year thereafter.2026/2027
Note 2:	Ad Valorem revenue is based upon a rate of $0.30 per $100 of land value indexed at 3.25% growth for FY 2026/2027, 3.19% growth for FY 2027/2028, 3.13% growth for FY 2028/2029, 3.06% growth for FY 2029/2030, then at 3.0% per year thereafter.2026/2027
Note 3:	Fire Service is a property assessment applied to commercial properties related to upsizing capital facilities to meet commercial fire-flow requirements.
Note 4:	Projected investment earnings are calculated at 3.5% for FY 2026/2027, 3.4% for FY 2027/2028, 3.3% for FY 2028/2029, 3.4% for FY 2029/2030 and 3.5% per year thereafter.2026/2027
Note 5:	Proceeds from Pechanga Water Rights Settlement approved by Congress in FY 2016/2017 and appropriated in FY 2026/2027 for reimbursement to the District for certain capital projects and capacity to wheel water.2026/2027
Note 6:	Debt service costs include taxes for CFD 89-5, ends in FY 2028/2029.
Note 7:	Rancho Division's share of SRRRA facility project costs and Debt service.
Note 8:	Amount is to fund increased imported water purchases due to native water pumping reductions, and to fund operating costs for major planned maintenance of capital facilities and software subscriptions.
Note 9:	Amount to pay Rancho Division's share of the CalPER's UAL, projected to end in FY 2044/2045.

Fiscal Year Ending June 30,	2033	2034	2035
Beginning Fund Balance - Unrestricted	$345,724,938	$376,943,692	$410,291,539
Beginning Fund Balance - Restricted	$0	$0	$0
Beginning Fund Balance - Total	**$345,724,938**	**$376,943,692**	**$410,291,539**
Funding Sources			
Taxes & Assessments			
1% General Purpose [1]	$26,823,795	$27,628,508	$28,457,364
Ad Valorem Assessments [2]	27,851,695	28,664,005	29,500,219
Fire Service Charges [3]	192,418	192,418	192,418
Total Taxes and Assessments	**$54,867,908**	**$56,484,931**	**$58,150,000**
Other Revenues			
Interest Internal Debt Reserve Funds [4]	$12,100,373	$13,193,029	$14,360,204
Other Tier IV Programs	921,667	921,667	921,667
Capacity Fees	1,039,164	1,070,400	1,102,560
Federal Direct Pay Interest Subsidy	0	0	0
Vail Lake Operations	516,957	525,392	533,924
Water Rights Settlement [5]	0	0	0
Interdivisional Loan Repayment	909,942	902,679	895,416
Other Miscellaneous	0	0	0
Total Other Revenues	**$15,488,103**	**$16,613,168**	**$17,813,771**
Non Revenue Cash/Debt Proceeds	**$0**	**$0**	**$0**
Total Funding Sources	**$70,356,011**	**$73,098,099**	**$75,963,771**
Funding Uses			
Debt Service and Other Expenses			
Debt Service [6]	$9,332,257	$9,354,779	$9,350,279
Misc. Bond Fees/Other Expenses	442,357	451,204	460,228
SRRRA Capital Cost Share - Tertiary Treatment [7]	759,342	799,953	606,936
Transfer to Operating Reserve Fund - Other [8]	14,909,225	16,077,973	17,322,166
Transfer to Operating Reserve Fund- PERS & OPEB UAL [9]	2,275,537	2,088,025	1,987,133
Total Debt Service and Other Expenses	**$27,718,717**	**$28,771,934**	**$29,726,742**
Capital Projects			
Capital Acquisition	$1,159,274	$1,194,052	$1,229,874
Capital Projects	10,259,266	9,784,266	9,784,266
Capital Grant Revenue	0	0	0
Net Capital Projects	**$11,418,540**	**$10,978,318**	**$11,014,140**
Total Funding Uses	**$39,137,257**	**$39,750,252**	**$40,740,882**
Net Sources/(Uses)	**$31,218,754**	**$33,347,847**	**$35,222,889**
Ending Fund Balance - Unrestricted	$376,943,692	$410,291,539	$445,514,428
Ending Fund Balance - Restricted	$0	$0	$0
Ending Fund Balance - Total	**$376,943,692**	**$410,291,539**	**$445,514,428**
Projected Debt Balance	**$139,146,656**	**$136,647,595**	**$134,235,930**

Rancho Division

Note 1:	1% Tax revenue is indexed at 3.5% growth for FY 2026/2027, 3.38% growth FY 2027/2028, 3.25% growth FY 2028/2029, 3.13% growth for FY 2029/2030, then at 3.0% per year thereafter.2026/2027
Note 2:	Ad Valorem revenue is based upon a rate of $0.30 per $100 of land value indexed at 3.25% growth for FY 2026/2027, 3.19% growth for FY 2027/2028, 3.13% growth for FY 2028/2029, 3.06% growth for FY 2029/2030, then at 3.0% per year thereafter.2026/2027
Note 3:	Fire Service is a property assessment applied to commercial properties related to upsizing capital facilities to meet commercial fire-flow requirements.
Note 4:	Projected investment earnings are calculated at 3.5% for FY 2026/2027, 3.4% for FY 2027/2028, 3.3% for FY 2028/2029, 3.4% for FY 2029/2030 and 3.5% per year thereafter.2026/2027
Note 5:	Proceeds from Pechanga Water Rights Settlement approved by Congress in FY 2016/2017 and appropriated in FY 2026/2027 for reimbursement to the District for certain capital projects and capacity to wheel water.2026/2027
Note 6:	Debt service costs include taxes for CFD 89-5, ends in FY 2028/2029.
Note 7:	Rancho Division's share of SRRRA facility project costs and Debt service.
Note 8:	Amount is to fund increased imported water purchases due to native water pumping reductions, and to fund operating costs for major planned maintenance of capital facilities and software subscriptions.
Note 9:	Amount to pay Rancho Division's share of the CalPER's UAL, projected to end in FY 2044/2045.

Fiscal Year Ending June 30,	2036	Totals / Balance
Beginning Fund Balance - Unrestricted	$445,514,428	$445,514,428
Beginning Fund Balance - Restricted	$0	$0
Beginning Fund Balance - Total	**$445,514,428**	**$445,514,428**
Funding Sources		
Taxes & Assessments		
1% General Purpose [1]	$29,311,085	**$257,254,737**
Ad Valorem Assessments [2]	30,361,045	**267,551,607**
Fire Service Charges [3]	192,418	**1,924,180**
Total Taxes and Assessments	**$59,864,547**	**$526,730,524**
Other Revenues		
Interest Internal Debt Reserve Funds [4]	$15,593,005	**$111,021,570**
Other Tier IV Programs	921,667	**9,216,670**
Capacity Fees	1,135,644	**24,889,861**
Federal Direct Pay Interest Subsidy	0	**185,115**
Vail Lake Operations	542,556	**4,775,979**
Water Rights Settlement [5]	0	**0**
Interdivisional Loan Repayment	888,153	**9,695,177**
Other Miscellaneous	0	**0**
Total Other Revenues	**$19,081,025**	**$159,784,372**
Non Revenue Cash/Debt Proceeds	**$0**	**$81,185,288**
Total Funding Sources	**$78,945,573**	**$767,700,185**
Funding Uses		
Debt Service and Other Expenses		
Debt Service [6]	$14,155,687	**$101,808,013**
Misc. Bond Fees/Other Expenses	469,432	**4,301,050**
SRRRA Capital Cost Share - Tertiary Treatment [7]	146,702	**8,801,989**
Transfer to Operating Reserve Fund - Other [8]	18,642,940	**136,875,939**
Transfer to Operating Reserve Fund- PERS & OPEB UAL [9]	1,847,966	**23,119,523**
Total Debt Service and Other Expenses	**$35,262,728**	**$274,906,514**
Capital Projects		
Capital Acquisition	$1,266,770	**$11,286,606**
Capital Projects	9,784,266	**263,731,371**
Capital Grant Revenue	0	**(11,008,722)**
Net Capital Projects	**$11,051,036**	**$264,009,255**
Total Funding Uses	**$46,313,764**	**$538,915,769**
Net Sources/(Uses)	**$32,631,809**	**$228,784,416**
Ending Fund Balance - Unrestricted	$478,146,237	$478,146,237
Ending Fund Balance - Restricted	$0	$0
Ending Fund Balance - Total	**$478,146,237**	**$478,146,237**
Projected Debt Balance	**$126,821,507**	**$126,821,507**

Rancho Division

Note 1:	1% Tax revenue is indexed at 3.5% growth for FY 2026/2027, 3.38% growth FY 2027/2028, 3.25% growth FY 2028/2029, 3.13% growth for FY 2029/2030, then at 3.0% per year thereafter.2026/2027
Note 2:	Ad Valorem revenue is based upon a rate of $0.30 per $100 of land value indexed at 3.25% growth for FY 2026/2027, 3.19% growth for FY 2027/2028, 3.13% growth for FY 2028/2029, 3.06% growth for FY 2029/2030, then at 3.0% per year thereafter.2026/2027
Note 3:	Fire Service is a property assessment applied to commercial properties related to upsizing capital facilities to meet commercial fire-flow requirements.
Note 4:	Projected investment earnings are calculated at 3.5% for FY 2026/2027, 3.4% for FY 2027/2028, 3.3% for FY 2028/2029, 3.4% for FY 2029/2030 and 3.5% per year thereafter.2026/2027
Note 5:	Proceeds from Pechanga Water Rights Settlement approved by Congress in FY 2016/2017 and appropriated in FY 2026/2027 for reimbursement to the District for certain capital projects and capacity to wheel water.2026/2027
Note 6:	Debt service costs include taxes for CFD 89-5, ends in FY 2028/2029.
Note 7:	Rancho Division's share of SRRRA facility project costs and Debt service.
Note 8:	Amount is to fund increased imported water purchases due to native water pumping reductions, and to fund operating costs for major planned maintenance of capital facilities and software subscriptions.
Note 9:	Amount to pay Rancho Division's share of the CalPER's UAL, projected to end in FY 2044/2045.

Fiscal Year Ending June 30,	2027	2028	2029
Beginning Fund Balance - Unrestricted	$22,811,805	$46,059,328	$36,292,124
Beginning Fund Balance - Restricted	$0	$8,751,157	$1,268,641
Beginning Fund Balance - Total	**$22,811,805**	**$54,810,486**	**$37,560,765**
Funding Sources			
Taxes & Assessments			
1% General Purpose [1]	$4,130,717	$4,270,129	$4,408,908
Ad Valorem Assessments [2]	11,516,500	11,850,063	12,193,402
Standby Charges	2,695,864	2,695,864	2,695,864
Fire Service Charges [3]	71,992	71,992	71,992
Total Taxes and Assessments	**$18,415,073**	**$18,888,047**	**$19,370,166**
Other Revenues			
Interest Internal Debt Reserve Funds [4]	$1,497,520	$1,566,017	$1,197,640
Capital Replacement Surcharge [5]	2,285,469	2,522,618	2,721,878
Other Tier IV Programs	460,834	460,834	460,834
Capacity Fees	198,486	205,335	212,113
Federal Direct Pay Interest Subsidy	280,404	249,579	185,373
Vail Lake Operations	150,802	158,666	186,218
Water Rights Settlement [6]	0	0	0
Other Miscellaneous	0	0	0
Total Other Revenues	**$4,873,515**	**$5,163,050**	**$4,964,056**
Non Revenue Cash/Debt Proceeds	**$42,756,304**	**$0**	**$0**
Total Funding Sources	**$66,044,891**	**$24,051,097**	**$24,334,222**
Funding Uses			
Debt Service and Other Expenses			
Debt Service [7]	$12,158,596	$13,903,453	$13,948,941
Misc. Bond Fees/Other Expenses	209,500	213,690	217,964
SRRRA Capital Cost Share - Tertiary Treatment [8]	115,013	286,238	375,669
Transfer to Operating Reserve Fund - Other [9]	2,134,031	1,484,300	1,269,092
Transfer to Operating Reserve Fund- PERS & OPEB UAL [10]	1,140,283	1,219,221	1,357,237
Interdivisional Loan Payment [11]	783,413	783,413	776,150
Total Debt Service and Other Expenses	**16,540,836**	**17,890,314**	**17,945,052**
Capital Projects			
Capital Acquisition	$1,127,500	$1,000,000	$1,030,000
Capital Projects	24,365,937	37,980,143	24,883,579
Capital Grant Revenue	(7,988,063)	(15,569,639)	(9,557,218)
Net Capital Projects	**$17,505,375**	**$23,410,504**	**$16,356,361**
Total Funding Uses	**$34,046,211**	**$41,300,818**	**$34,301,413**
Net Sources/(Uses)	**$31,998,680**	**($17,249,721)**	**($9,967,191)**
Ending Fund Balance - Unrestricted	$46,059,328	$36,292,124	$27,593,574
Ending Fund Balance - Restricted	$8,751,157	$1,268,641	$0
Ending Fund Balance - Total	**$54,810,486**	**$37,560,765**	**$27,593,574**
Projected Debt Balance	**$147,048,780**	**$139,075,422**	**$130,795,470**

Santa Rosa Division

Note 1: 1% Tax revenue is indexed at 3.5% growth for FY 2026/2027, 3.38% growth FY 2027/2028, 3.25% growth FY 2028/2029, 3.13% growth for FY 2029/2030, then at 3.0% per year thereafter.2026/2027

Note 2: Ad Valorem revenue is based upon a rate of $0.50 per $100 of land value indexed at 3.0% growth for all years.

Note 3: Fire Service is a property assessment applied to commercial properties related to upsizing capital facilities to meet commercial fire-flow requirements.

Note 4: Projected investment earnings are calculated at 3.5% for FY 2026/2027, 3.4% for FY 2027/2028, 3.3% for FY 2028/2029, 3.4% for FY 2029/2030 and 3.5% per year thereafter.2026/2027

Note 5: Capital Replacement Surcharge recovered through water rates and charges and utilized to fund capital projects.

Note 6: Proceeds from Pechanga Water Rights Settlement approved by Congress in FY 2016/2017 and appropriated in FY 2026/2027 for reimbursement to the District for certain capital projects and capacity to wheel water.2026/2027

Note 7: Debt service costs include taxes for CFD 89-5, end in FY 2028/2029.

Note 8: Santa Rosa Division's share of SRRRA facility project costs and Debt service.

Note 9: Amount is to fund increased imported water purchases due to native water pumping reductions , and to fund operating costs for major planned maintenance of capital facilities and software subscriptions.

Note 10: Amount to pay the Santa Rosa Division's share of the CalPER's UAL, projected to end in FY 2044/2045.

Note 11: Repayment of $6.55M loan from Rancho Division for its 31% share of $10.5M additional payment to CalPERS and $10.5M initial contribution to Section 115 trust. Repayment of $2.4M loan from Rancho Division for its 31% share of $7.7M payment to VEBA trust.

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Fiscal Year Ending June 30,	2030	2031	2032
Beginning Fund Balance - Unrestricted	$27,593,574	$25,033,575	$23,687,821
Beginning Fund Balance - Restricted	$0	$0	$0
Beginning Fund Balance - Total	**$27,593,574**	**$25,033,575**	**$23,687,821**
Funding Sources			
Taxes & Assessments			
1% General Purpose [1]	$4,546,686	$4,683,087	$4,823,579
Ad Valorem Assessments [2]	12,546,807	12,910,574	13,285,428
Standby Charges	2,695,864	2,695,864	2,695,864
Fire Service Charges [3]	71,992	71,992	71,992
Total Taxes and Assessments	**$19,861,349**	**$20,361,517**	**$20,876,863**
Other Revenues			
Interest Internal Debt Reserve Funds [4]	$938,182	$876,175	$829,074
Capital Replacement Surcharge [5]	2,856,586	3,005,760	3,155,081
Other Tier IV Programs	460,834	460,834	460,834
Capacity Fees	619,576	638,165	657,355
Federal Direct Pay Interest Subsidy	115,130	39,134	0
Vail Lake Operations	210,664	214,448	217,980
Water Rights Settlement [6]	0	0	0
Other Miscellaneous	0	0	0
Total Other Revenues	**$5,200,972**	**$5,234,516**	**$5,320,324**
Non Revenue Cash/Debt Proceeds	**$0**	**$0**	**$71,102,608**
Total Funding Sources	**$25,062,321**	**$25,596,033**	**$97,299,795**
Funding Uses			
Debt Service and Other Expenses			
Debt Service [7]	$13,691,135	$15,167,573	$16,668,369
Misc. Bond Fees/Other Expenses	222,323	226,770	231,305
SRRRA Capital Cost Share - Tertiary Treatment [8]	175,451	556,861	328,523
Transfer to Operating Reserve Fund - Other [9]	1,303,664	1,338,974	1,375,044
Transfer to Operating Reserve Fund- PERS & OPEB UAL [10]	1,363,843	1,364,637	1,193,392
Interdivisional Loan Payment [11]	768,888	761,625	607,127
Total Debt Service and Other Expenses	**17,525,304**	**19,416,440**	**20,403,759**
Capital Projects			
Capital Acquisition	$1,060,900	$1,092,727	$1,125,509
Capital Projects	25,840,809	7,201,941	20,048,659
Capital Grant Revenue	(16,804,694)	(769,322)	0
Net Capital Projects	**$10,097,016**	**$7,525,346**	**$21,174,168**
Total Funding Uses	**$27,622,319**	**$26,941,786**	**$41,577,928**
Net Sources/(Uses)	**($2,559,999)**	**($1,345,754)**	**$55,721,867**
Ending Fund Balance - Unrestricted	$25,033,575	$23,687,821	$27,932,602
Ending Fund Balance - Restricted	$0	$0	$51,477,087
Ending Fund Balance - Total	**$25,033,575**	**$23,687,821**	**$79,409,689**
Projected Debt Balance	**$122,101,379**	**$111,542,788**	**$173,231,608**

Santa Rosa Division

Note 1: 1% Tax revenue is indexed at 3.5% growth for FY 2026/2027, 3.38% growth FY 2027/2028, 3.25% growth FY 2028/2029, 3.13% growth for FY 2029/2030, then at 3.0% per year thereafter.2026/2027

Note 2: Ad Valorem revenue is based upon a rate of $0.50 per $100 of land value indexed at 3.0% growth for all years.

Note 3: Fire Service is a property assessment applied to commercial properties related to upsizing capital facilities to meet commercial fire-flow requirements.

Note 4: Projected investment earnings are calculated at 3.5% for FY 2026/2027, 3.4% for FY 2027/2028, 3.3% for FY 2028/2029, 3.4% for FY 2029/2030 and 3.5% per year thereafter.2026/2027

Note 5: Capital Replacement Surcharge recovered through water rates and charges and utilized to fund capital projects.

Note 6: Proceeds from Pechanga Water Rights Settlement approved by Congress in FY 2016/2017 and appropriated in FY 2026/2027 for reimbursement to the District for certain capital projects and capacity to wheel water.2026/2027

Note 7: Debt service costs include taxes for CFD 89-5, end in FY 2028/2029.

Note 8: Santa Rosa Division's share of SRRRA facility project costs and Debt service.

Note 9: Amount is to fund increased imported water purchases due to native water pumping reductions , and to fund operating costs for major planned maintenance of capital facilities and software subscriptions.

Note 10: Amount to pay the Santa Rosa Division's share of the CalPER's UAL, projected to end in FY 2044/2045.

Note 11: Repayment of $6.55M loan from Rancho Division for its 31% share of $10.5M additional payment to CalPERS and $10.5M initial contribution to Section 115 trust. Repayment of $2.4M loan from Rancho Division for its 31% share of $7.7M payment to VEBA trust.

Draft

Fiscal Year Ending June 30,	2033	2034	2035
Beginning Fund Balance - Unrestricted	$27,932,602	$29,989,806	$32,966,313
Beginning Fund Balance - Restricted	$51,477,087	$38,401,565	$25,601,043
Beginning Fund Balance - Total	**$79,409,689**	**$68,391,371**	**$58,567,356**
Funding Sources			
Taxes & Assessments			
1% General Purpose [1]	$4,968,287	$5,117,335	$5,270,855
Ad Valorem Assessments [2]	13,671,277	14,068,448	14,477,275
Standby Charges	2,695,864	2,695,864	2,695,864
Fire Service Charges [3]	71,992	71,992	71,992
Total Taxes and Assessments	**$21,407,420**	**$21,953,639**	**$22,515,986**
Other Revenues			
Interest Internal Debt Reserve Funds [4]	$977,641	$1,049,643	$1,153,821
Capital Replacement Surcharge [5]	3,304,551	3,380,302	3,456,128
Other Tier IV Programs	460,834	460,834	460,834
Capacity Fees	478,280	492,618	507,383
Federal Direct Pay Interest Subsidy	0	0	0
Vail Lake Operations	221,553	225,168	228,824
Water Rights Settlement [6]	0	0	0
Other Miscellaneous	0	0	0
Total Other Revenues	**$5,442,859**	**$5,608,566**	**$5,806,990**
Non Revenue Cash/Debt Proceeds	**$0**	**$0**	**$0**
Total Funding Sources	**$26,850,279**	**$27,562,205**	**$28,322,976**
Funding Uses			
Debt Service and Other Expenses			
Debt Service [7]	$14,393,640	$14,252,317	$13,154,098
Misc. Bond Fees/Other Expenses	235,931	240,650	245,463
SRRRA Capital Cost Share - Tertiary Treatment [8]	291,591	301,640	253,280
Transfer to Operating Reserve Fund - Other [9]	1,411,895	1,449,552	1,498,038
Transfer to Operating Reserve Fund- PERS & OPEB UAL [10]	1,164,942	1,068,947	1,017,296
Interdivisional Loan Payment [11]	599,864	592,601	585,338
Total Debt Service and Other Expenses	**18,097,863**	**17,905,707**	**16,753,513**
Capital Projects			
Capital Acquisition	$1,159,274	$1,194,052	$1,229,874
Capital Projects	18,611,459	18,286,459	18,286,459
Capital Grant Revenue	0	0	0
Net Capital Projects	**$19,770,734**	**$19,480,512**	**$19,516,333**
Total Funding Uses	**$37,868,597**	**$37,386,219**	**$36,269,847**
Net Sources/(Uses)	**($11,018,318)**	**($9,824,014)**	**($7,946,871)**
Ending Fund Balance - Unrestricted	$29,989,806	$32,966,313	$37,819,964
Ending Fund Balance - Restricted	$38,401,565	$25,601,043	$12,800,522
Ending Fund Balance - Total	**$68,391,371**	**$58,567,356**	**$50,620,485**
Projected Debt Balance	**$165,238,408**	**$157,034,390**	**$149,649,552**

Santa Rosa Division

Note 1: 1% Tax revenue is indexed at 3.5% growth for FY 2026/2027, 3.38% growth FY 2027/2028, 3.25% growth FY 2028/2029, 3.13% growth for FY 2029/2030, then at 3.0% per year thereafter.2026/2027

Note 2: Ad Valorem revenue is based upon a rate of $0.50 per $100 of land value indexed at 3.0% growth for all years.

Note 3: Fire Service is a property assessment applied to commercial properties related to upsizing capital facilities to meet commercial fire-flow requirements.

Note 4: Projected investment earnings are calculated at 3.5% for FY 2026/2027, 3.4% for FY 2027/2028, 3.3% for FY 2028/2029, 3.4% for FY 2029/2030 and 3.5% per year thereafter.2026/2027

Note 5: Capital Replacement Surcharge recovered through water rates and charges and utilized to fund capital projects.

Note 6: Proceeds from Pechanga Water Rights Settlement approved by Congress in FY 2016/2017 and appropriated in FY 2026/2027 for reimbursement to the District for certain capital projects and capacity to wheel water.2026/2027

Note 7: Debt service costs include taxes for CFD 89-5, end in FY 2028/2029.

Note 8: Santa Rosa Division's share of SRRRA facility project costs and Debt service.

Note 9: Amount is to fund increased imported water purchases due to native water pumping reductions , and to fund operating costs for major planned maintenance of capital facilities and software subscriptions.

Note 10: Amount to pay the Santa Rosa Division's share of the CalPER's UAL, projected to end in FY 2044/2045.

Note 11: Repayment of $6.55M loan from Rancho Division for its 31% share of $10.5M additional payment to CalPERS and $10.5M initial contribution to Section 115 trust. Repayment of $2.4M loan from Rancho Division for its 31% share of $7.7M payment to VEBA trust.

Draft

Fiscal Year Ending June 30,	2036	Totals / Balance
Beginning Fund Balance - Unrestricted	$37,819,964	$37,819,964
Beginning Fund Balance - Restricted	$12,800,522	$12,800,522
Beginning Fund Balance - Total	**$50,620,485**	**$50,620,485**
Funding Sources		
Taxes & Assessments		
1% General Purpose [1]	$5,428,981	**$47,648,563**
Ad Valorem Assessments [2]	14,898,102	**131,417,876**
Standby Charges	2,695,864	**26,958,637**
Fire Service Charges [3]	71,992	**719,920**
Total Taxes and Assessments	**$23,094,939**	**$206,744,997**
Other Revenues		
Interest Internal Debt Reserve Funds [4]	$1,323,699	**$11,409,411**
Capital Replacement Surcharge [5]	3,532,028	**30,220,402**
Other Tier IV Programs	460,834	**4,608,340**
Capacity Fees	522,574	**4,531,885**
Federal Direct Pay Interest Subsidy	0	**869,621**
Vail Lake Operations	232,524	**2,046,848**
Water Rights Settlement [6]	0	**0**
Other Miscellaneous	0	**0**
Total Other Revenues	**$6,071,659**	**$53,686,507**
Non Revenue Cash/Debt Proceeds	**$0**	**$113,858,912**
Total Funding Sources	**$29,166,598**	**$260,431,503**
Funding Uses		
Debt Service and Other Expenses		
Debt Service [7]	$14,314,297	**$141,652,419**
Misc. Bond Fees/Other Expenses	250,372	**2,293,967**
SRRRA Capital Cost Share - Tertiary Treatment [8]	55,914	**2,740,179**
Transfer to Operating Reserve Fund - Other [9]	1,547,379	**14,811,970**
Transfer to Operating Reserve Fund- PERS & OPEB UAL [10]	946,051	**11,835,848**
Interdivisional Loan Payment [11]	578,075	**6,836,495**
Total Debt Service and Other Expenses	**17,692,089**	**180,170,878**
Capital Projects		
Capital Acquisition	$1,266,770	**$11,286,606**
Capital Projects	18,286,459	**213,791,907**
Capital Grant Revenue	0	**(50,688,935)**
Net Capital Projects	**$19,553,230**	**$174,389,577**
Total Funding Uses	**$37,245,318**	**$354,560,456**
Net Sources/(Uses)	**($8,078,721)**	**($94,128,952)**
Ending Fund Balance - Unrestricted	$42,541,765	$42,541,765
Ending Fund Balance - Restricted	$0	$0
Ending Fund Balance - Total	**$42,541,765**	**$42,541,765**
Projected Debt Balance	**$140,786,378**	**$140,786,378**

Santa Rosa Division

Note 1: 1% Tax revenue is indexed at 3.5% growth for FY 2026/2027, 3.38% growth FY 2027/2028, 3.25% growth FY 2028/2029, 3.13% growth for FY 2029/2030, then at 3.0% per year thereafter.2026/2027

Note 2: Ad Valorem revenue is based upon a rate of $0.50 per $100 of land value indexed at 3.0% growth for all years.

Note 3: Fire Service is a property assessment applied to commercial properties related to upsizing capital facilities to meet commercial fire-flow requirements.

Note 4: Projected investment earnings are calculated at 3.5% for FY 2026/2027, 3.4% for FY 2027/2028, 3.3% for FY 2028/2029, 3.4% for FY 2029/2030 and 3.5% per year thereafter.2026/2027

Note 5: Capital Replacement Surcharge recovered through water rates and charges and utilized to fund capital projects.

Note 6: Proceeds from Pechanga Water Rights Settlement approved by Congress in FY 2016/2017 and appropriated in FY 2026/2027 for reimbursement to the District for certain capital projects and capacity to wheel water.2026/2027

Note 7: Debt service costs include taxes for CFD 89-5, end in FY 2028/2029.

Note 8: Santa Rosa Division's share of SRRRA facility project costs and Debt service.

Note 9: Amount is to fund increased imported water purchases due to native water pumping reductions , and to fund operating costs for major planned maintenance of capital facilities and software subscriptions.

Note 10: Amount to pay the Santa Rosa Division's share of the CalPER's UAL, projected to end in FY 2044/2045.

Note 11: Repayment of $6.55M loan from Rancho Division for its 31% share of $10.5M additional payment to CalPERS and $10.5M initial contribution to Section 115 trust. Repayment of $2.4M loan from Rancho Division for its 31% share of $7.7M payment to VEBA trust.

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Fiscal Year Ending June 30,	2027	2028	2029
Beginning Fund Balance	**$4,285,011**	**$3,034,140**	**$1,812,980**
Funding Sources			
Capacity Fees [1]	$399,870	$413,666	$427,316
Standby Charges	30,529	29,613	28,725
Interest Internal Debt Reserve Funds [2]	240,323	103,161	59,828
Capital Replacement Surcharge [3]	791,109	939,963	1,088,968
Debt Service Surcharge [4]	1,839,301	1,860,633	1,855,005
Total Funding Sources	**$3,301,132**	**$3,347,036**	**$3,459,843**
Funding Uses			
Debt Service [5]	$437,042	$426,789	$421,407
SRRRA Debt Service and SRF Loan Share [6]	1,859,965	1,849,691	1,842,895
SRRRA Pay-Go Capital Cost Share [7]	886,423	721,353	348,978
Transfer to Operating Reserve Fund - PERS & OPEB UAL [8]	644,309	688,912	766,897
Interdivisional Loan Payment [9]	67,980	67,980	67,980
Misc. Bond Fees/Other Expenses	8,500	8,670	8,843
Pay-Go Capital	647,784	804,800	812,300
Total Funding Uses	**$4,552,003**	**$4,568,195**	**$4,269,301**
Net Sources/(Uses)	**($1,250,871)**	**($1,221,159)**	**($809,458)**
Ending Fund Balance	**$3,034,140**	**$1,812,980**	**$1,003,523**
Projected Debt Balance	**$22,055,625**	**$20,702,014**	**$18,978,597**

Santa Rosa Water Reclamation Facility

Note 1:	From EDU absorption calculations, future capacity fee growth based on the ENR CCI. Fee indexed at 3.6% for FY 2026/2027, 3.45% for FY 2027/2028, 3.3% for FY 2028/2029, 3.15% for FY 2029/2030, and 3.0% per year thereafter.
Note 2:	Projected investment earnings are calculated at 3.5% for FY 2026/2027, 3.4% for FY 2027/2028, 3.3% for FY 2028/2029, 3.4% for FY 2029/2030, and 3.5% per year thereafter.2026/2027
Note 3:	Monthly surcharge for Capital Replacement - $7.81 per EDU per month in FY 2026/2027, $9.25 in FY 2027/2028, $10.68 in FY 2028/2029, $10.50 in FY 2029/2030, and $8.00 thereafter.2026/2027
Note 4:	Monthly surcharge for Debt Service $18.17 per EDU per month for FY 2026/2027, $18.31 in FY 2027/2028, $18.19 in FY 2028/2029, and $20.00 thereafter2026/2027.
Note 5:	Does not include Rancho Water's portion of SRWRF Debt assumed by SRRRA JPA in FY 2017/2018.
Note 6:	Rancho Water's share of SRRRA's debt service for the plant acquisition and rehabilitation.
Note 7:	Rancho Water's share of SRRRA's Pay-Go Capital cost for capital improvement projects.
Note 8:	Amount to pay the SRWRF Division's share of the CalPER's UAL, projected to end in FY 2044/2045.
Note 9:	Repayment of $1.4M loan from Rancho Division for its 18% share of $7.7M payment to VEBA trust.

Fiscal Year Ending June 30,	2030	2031	2032
Beginning Fund Balance	**$1,003,523**	**$1,745,721**	**$2,888,833**
Funding Sources			
Capacity Fees [1]	$1,395,794	$1,437,667	$1,480,797
Standby Charges	27,863	27,027	26,217
Interest Internal Debt Reserve Funds [2]	34,120	61,100	101,109
Capital Replacement Surcharge [3]	1,082,490	833,874	842,994
Debt Service Surcharge [4]	2,061,886	2,084,686	2,107,486
Total Funding Sources	**$4,602,152**	**$4,444,355**	**$4,558,603**
Funding Uses			
Debt Service [5]	$415,902	$503,145	$497,989
SRRRA Debt Service and SRF Loan Share [6]	1,724,666	1,733,921	2,010,367
SRRRA Pay-Go Capital Cost Share [7]	317,688	85,313	59,933
Transfer to Operating Reserve Fund - PERS & OPEB UAL [8]	770,630	771,079	674,318
Interdivisional Loan Payment [9]	67,980	67,980	67,980
Misc. Bond Fees/Other Expenses	9,020	9,201	9,385
Pay-Go Capital	554,068	130,605	215,456
Total Funding Uses	**$3,859,954**	**$3,301,243**	**$3,535,429**
Net Sources/(Uses)	**$742,199**	**$1,143,112**	**$1,023,174**
Ending Fund Balance	**$1,745,721**	**$2,888,833**	**$3,912,008**
Projected Debt Balance	**$17,317,165**	**$15,601,037**	**$13,555,536**

Santa Rosa Water Reclamation Facility

Note 1:	From EDU absorption calculations, future capacity fee growth based on the ENR CCI. Fee indexed at 3.6% for FY 2026/2027, 3.45% for FY 2027/2028, 3.3% for FY 2028/2029, 3.15% for FY 2029/2030, and 3.0% per year thereafter.
Note 2:	Projected investment earnings are calculated at 3.5% for FY 2026/2027, 3.4% for FY 2027/2028, 3.3% for FY 2028/2029, 3.4% for FY 2029/2030, and 3.5% per year thereafter.2026/2027
Note 3:	Monthly surcharge for Capital Replacement - $7.81 per EDU per month in FY 2026/2027, $9.25 in FY 2027/2028, $10.68 in FY 2028/2029, $10.50 in FY 2029/2030, and $8.00 thereafter.2026/2027
Note 4:	Monthly surcharge for Debt Service $18.17 per EDU per month for FY 2026/2027, $18.31 in FY 2027/2028, $18.19 in FY 2028/2029, and $20.00 thereafter2026/2027.
Note 5:	Does not include Rancho Water's portion of SRWRF Debt assumed by SRRRA JPA in FY 2017/2018.
Note 6:	Rancho Water's share of SRRRA's debt service for the plant acquisition and rehabilitation.
Note 7:	Rancho Water's share of SRRRA's Pay-Go Capital cost for capital improvement projects.
Note 8:	Amount to pay the SRWRF Division's share of the CalPER's UAL, projected to end in FY 2044/2045.
Note 9:	Repayment of $1.4M loan from Rancho Division for its 18% share of $7.7M payment to VEBA trust.

Fiscal Year Ending June 30,	2033	2034	2035
Beginning Fund Balance	**$3,912,008**	**$4,983,159**	**$5,793,703**
Funding Sources			
Capacity Fees [1]	$1,051,600	$1,083,148	$1,115,642
Standby Charges	25,430	24,667	23,927
Interest Internal Debt Reserve Funds [2]	136,920	174,411	202,780
Capital Replacement Surcharge [3]	849,282	855,570	861,858
Debt Service Surcharge [4]	2,123,206	2,138,926	2,154,646
Total Funding Sources	**$4,186,438**	**$4,276,722**	**$4,358,853**
Funding Uses			
Debt Service [5]	$69,153	$67,618	$48,352
SRRRA Debt Service and SRF Loan Share [6]	2,048,330	2,453,240	523,989
SRRRA Pay-Go Capital Cost Share [7]	58,377	59,247	60,142
Transfer to Operating Reserve Fund - PERS & OPEB UAL [8]	658,243	604,001	574,816
Interdivisional Loan Payment [9]	67,980	67,980	67,980
Misc. Bond Fees/Other Expenses	9,572	9,764	9,959
Pay-Go Capital	203,632	204,327	205,044
Total Funding Uses	**$3,115,287**	**$3,466,177**	**$1,490,283**
Net Sources/(Uses)	**$1,071,151**	**$810,545**	**$2,868,570**
Ending Fund Balance	**$4,983,159**	**$5,793,703**	**$8,662,274**
Projected Debt Balance	**$11,405,164**	**$8,696,880**	**$7,839,829**

Santa Rosa Water Reclamation Facility

Note 1:	From EDU absorption calculations, future capacity fee growth based on the ENR CCI. Fee indexed at 3.6% for FY 2026/2027, 3.45% for FY 2027/2028, 3.3% for FY 2028/2029, 3.15% for FY 2029/2030, and 3.0% per year thereafter.
Note 2:	Projected investment earnings are calculated at 3.5% for FY 2026/2027, 3.4% for FY 2027/2028, 3.3% for FY 2028/2029, 3.4% for FY 2029/2030, and 3.5% per year thereafter.2026/2027
Note 3:	Monthly surcharge for Capital Replacement - $7.81 per EDU per month in FY 2026/2027, $9.25 in FY 2027/2028, $10.68 in FY 2028/2029, $10.50 in FY 2029/2030, and $8.00 thereafter.2026/2027
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Note 9:	Repayment of $1.4M loan from Rancho Division for its 18% share of $7.7M payment to VEBA trust.

Fiscal Year Ending June 30,	2036	Totals / Balance
Beginning Fund Balance	**$8,662,274**	**$8,662,274**
Funding Sources		
Capacity Fees [1]	$1,149,112	**$9,954,613**
Standby Charges	23,209	**267,209**
Interest Internal Debt Reserve Funds [2]	303,180	**1,416,931**
Capital Replacement Surcharge [3]	868,146	**9,014,256**
Debt Service Surcharge [4]	2,017,841	**20,243,613**
Total Funding Sources	**$4,361,488**	**$40,896,622**
Funding Uses		
Debt Service [5]	$10,909	**$2,898,307**
SRRRA Debt Service and SRF Loan Share [6]	523,989	**16,571,055**
SRRRA Pay-Go Capital Cost Share [7]	61,064	**2,658,518**
Transfer to Operating Reserve Fund - PERS & OPEB UAL [8]	534,560	**6,687,765**
Interdivisional Loan Payment [9]	67,980	**679,800**
Misc. Bond Fees/Other Expenses	10,158	**93,073**
Pay-Go Capital	205,782	**3,983,797**
Total Funding Uses	**$1,414,442**	**$33,572,314**
Net Sources/(Uses)	**$2,947,046**	**$7,324,308**
Ending Fund Balance	**$11,609,319**	**$11,609,319**
Projected Debt Balance	**$7,392,796**	**$7,392,796**

Santa Rosa Water Reclamation Facility

Note 1:	From EDU absorption calculations, future capacity fee growth based on the ENR CCI. Fee indexed at 3.6% for FY 2026/2027, 3.45% for FY 2027/2028, 3.3% for FY 2028/2029, 3.15% for FY 2029/2030, and 3.0% per year thereafter.
Note 2:	Projected investment earnings are calculated at 3.5% for FY 2026/2027, 3.4% for FY 2027/2028, 3.3% for FY 2028/2029, 3.4% for FY 2029/2030, and 3.5% per year thereafter.2026/2027
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Abbreviations & Acronyms

AB 1600 – In 1987, the Legislature passed Assembly Bill 166 better known as the Mitigation Fee Act, which established a process by which the District may impose capacity fees on new development to finance construction of capital facilities. The funds collected for the capacity fee must be recognized in a separate fund account and not commingled with any other revenue.

ACWA – Association of California Water Agencies

ACFR – Annual Comprehensive Financial Report

ADA – Americans with Disabilities Act

AF – Acre Foot/Acre Feet

AFY – Acre Feet per Year

Ag – Agriculture/Agricultural

AI – Artificial Intelligence

AMP – Asset Management Plan/Program

AMR – Automatic Meter Reading

APN – Assessor's Parcel Number

AQMD – Air Quality Management District

ARPA – The American Rescue Plan Act of 2021

AWIA – America's Water Infrastructure Act of 2018

AWMP – Agricultural Water Management Plan

AWWA – American Water Works Association

BIT – Biennial Inspection of Temecula

BMP – Best Management Practices

CalOES – California Office of Emergency Services

CalPERS – California Public Employees' Retirement System

CAPIO – California Public Information Officials

CARB – California Air Resources Board

CASA – California Association of Sanitation Agencies

CFD – Community Facility District

CFS – Cubic Feet per Second

CEQA – California Environmental Quality Act

CII – Commercial/Industrial/Institutional Customer

CIP – Capital Improvement Plan/Program

CIS – Customer Information System

CMMS – Computerized Maintenance Management System

CMTA – California Municipal Treasurers Association

CMUA – California Municipal Utilities Association

COA – Certificate of Achievement for Excellence in Financial Reporting COA Program for the Comprehensive Annual Financial Report

COSS – Cost of Service Study

CP – Cathodic Protection

CropSWAP – Crop Sustainable Water for Agricultural Production

CTS – Cathodic Test Station

CUWCC – California Urban Water Conservation Council

CWRMA – Cooperative Water Resources Management Agreement

CY – Calendar Year

DEH – Department of Environmental Health

DHS – Department of Health Services

DOT – Department of Transportation

DWR – Department of Water Resources

ECMS – Enterprise Content Management System

EDMS – Electronic Document Management System

EDU – Equivalent Dwelling Unit

EIR – Environmental Impact Report

Draft

EM 13 – An imported water connection located at Margarita Road and Rancho California Road through which the District purchases treated domestic water from EMWD delivered from the MWD aqueducts passing through the District.

EM 19 – An imported water connection located at Santiago Road and Vallejo Road through which the District purchases untreated domestic water from EMWD delivered from the MWD aqueducts passing through the District.

EM 20 – An imported water connection located at San Diego Pipe #3 through which the District purchases treated domestic water from EMWD delivered from the MWD aqueducts passing through the District.

EM 21 – An imported water connection located at Anza Road and De Portola Road through which the District purchases untreated domestic water from EMWD delivered from the MWD aqueducts passing through the District.

EMWD – Eastern Municipal Water District

ENR CCI – Engineering News Record Construction Cost Index

E&OC – Engineering and Operations Committee

EOC – Emergency Operations Center

EPA – Environmental Protection Agency

EPMC – Employer Paid Member Contributions

EQIP – Environmental Quality Incentives Program

ERP – Enterprise Resource Planning

ERNIE – Emergency Response Network of the Inland Empire

ET – Evapotranspiration

ETAF – Evapotranspiration Adjustment Factor

EUM – Effective Utility Management

EVMWD – Elsinore Valley Municipal Water District

FAC – Finance and Audit Committee

FEMA – Federal Emergency Management Agency

FICA – Federal Insurance Contributions Act

FIS – Finance Information System

FP – Facility Planning

FPUD – Fallbrook Public Utility District

FTE – Full Time Equivalent

FY – Fiscal Year

GAAP – Generally Accepted Accounting Principles

GASB – Governmental Accounting Standards Board

GFOA – Government Finance Officers Association

GIC – Guaranteed Investment Contract

GIS – Geographic Information System

GPD – Gallons per Day

GPCD – Gallons Per Capita per Day

GPM – Gallons per Minute

GPS – Global Positioning System

GWMP – Groundwater Management Plan

GRRP – Groundwater Replenishment Reuse Project

HCF – Hundred Cubic Feet

HOA – Homeowners Association

HQ – Headquarters (Main District Office)

H.R. 1725 – Rancho California Water District Recycled Water Reclamation Facility Act of 2007

HVAC – Heating, ventilation, and air conditioning.

IPR – Indirect Potable Reuse

IRWM – Integrated Regional Water Management

IRWMP – Integrated Regional Water Management Plan

IRP – Integrated Resources Plan

IT – Information Technology

IVR – Interactive Voice Response

JCFA – Joint Community Facilities Financing Agreement

JPA – Joint Powers Authority

Draft

JPIA – Joint Powers Insurance Authority

KPI – Key Performance Indicators

LAFCO – (Riverside) Local Agency Formation Commission

LAMP – Local Agency Management Plan

LAN – Local Area Network

LOS – Level of Service

LRFP – Long-Range Financial Plan

M&I – Municipal and Industrial

MCC – Motor Control Center

MCBCP – Marine Corps Base, Camp Pendleton

MG/MGD – Million Gallons/Million Gallons per Day

MISAC – Municipal Information Systems Association of California

MOU – Memorandum of Understanding

MWD – Metropolitan Water District of Southern California

NIMS/CAST – National Incident Management System Compliance Assistance Support Tool

NCSR – Nationwide Cybersecurity Review

ND – New Development

NEC - National Electrical Code

NFPA – National Fire Protection Association

NFT – Non-Functional Turf

NEPA – National Environmental Policy Act

NPDES – National Pollutant Discharge Elimination System

NPV – Net Present Value

NRCS – Natural Resources Conservation Service

NUC – Next Unit Computing

O&M – Operations & Maintenance

OEI – Operational Efficiency Improvement

OPEB – Other Post Employee Benefits

OSG – On-Site Generation

OSHA – Occupational Safety and Health Administration

PAC – Planning and Administration Committee

PC – Personal Computer

PERS – Public Employees' Retirement System

PEPRA – (California) Public Employees' Pension Reform Act

PDR – Preliminary Design Report

PFAS – Per- and polyfluoroalkyl substances

PLC – Programmable Logic Controller

PO – Purchase Order

PRS – Pressure Reducing Station

PS – Pump Station

PSA – Professional Services Agreement

PSPS – Public Safety Power Shutoffs

PZ – Pressure Zone

QECB – Qualified Energy Conservation Bonds

QR Code – Quick Response Code

RCA – Root Cause Analysis

RCWD – Rancho California Water District

RCWDEA – Rancho California Water District Employees' Association

RCWD MPCEA – Rancho California Water District Management, Professional, and Confidential Employees' Association

REG – Regulatory

RFB – Request for Bid

RFP – Request for Proposal

RISE – Rancho Innovation, Savings, and Efficiency

RMBP – Retirement Medical Benefits Plan

RP – Reduced-pressure

RQC – Requisition Center

R&R – Repair & Replacement

RWQCB – Regional Water Quality Control Board

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RWARP – Recycled Water Accelerated Retrofit Program

RWRP – Recycled Water Resources Plan

SAWPA – Santa Ana Watershed Project Authority

SB – Senate Bill

SB X7-7 – Enacted November 2009, requiring all water suppliers to increase water use efficiency.

SB 555 – Enacted February 2023, to add Chapter 5.6 (commencing with Section 50610) to Part 2 of Division 31 of the Health and Safety Code, relating to housing.

SCADA – Supervisory Control and Data Acquisition

SCE – Southern California Edison

SLA – Service Level Agreements

SNMP – Salt/Nutrient Management Plan

SOP – Standard Operating Procedures

SRF – State Revolving Fund

SRRRA – Santa Rosa Regional Resources Authority

SRWRF – Santa Rosa Water Reclamation Facility

SSPC – Society for Protective Coatings (In 1950, it was originally known as the Steel Structures Painting Council).

SSMP – Sewer System Management Plan

SWRCB – State Water Resources Control Board

T&D – Transmission & Distribution

TDS – Total Dissolved Solids

TOU – Time-of-Use Rate (SCE)

UAL – Unfunded Actuarial Liability

UCMR4 – Fourth Unregulated Contaminant Monitoring Rule

US – United States

USACE – U.S. Army Corps of Engineers

USBR – U.S. Bureau of Reclamation/Bureau

USGS – U.S. Geological Survey

USMW – Upper Santa Margarita Watershed

UWMP – Urban Water Management Plan

UVDC – Upper Valle de Los Caballos

VDC – Valle de Los Caballos

VDCR/RF – Valle de Los Caballos Recharge/ Recovery Facility

VFD/VFDs – Variable Frequency Drives

WaterSMART – WaterSMART (Sustain and Manage America's Resources for Tomorrow)

WDMS – Well-Depth Measurement System

WIFIA – Water Infrastructure Finance and Innovation Act of 2014

WMWD – Western Municipal Water District

WSA – Water Supply Assessment

WR – Water Resource (type of project that improves the District's water supply and/or improves the reliability of providing water service)

WR 26/28 – An imported water connection located at north of Via Gorrion and west of Ridgeline Court through which Rancho Water purchases treated domestic water from WMWD delivered from the MWD aqueducts passing through the District.

WSCP – Water Shortage Contingency Plan

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Terms

Accrual Basis – The method of accounting whereby income and expense items are recognized as they are earned or incurred, even though they may not have been received or actually paid in cash.

Ad Valorem Tax – A tax based on the value of the item rather than on its weight or quantity (e.g., an ad valorem property tax based on the assessed land value of property rather than its size).

Amortization – An accounting technique to lower the cost value of a finite life or intangible asset incrementally through scheduled charges to income.

Annexation – Properties that are outside the (current District) boundaries that desire service from Rancho Water must apply for annexation.

Aquifer – A layer of permeable rock, sand, or gravel through which ground water flows, containing enough water to supply wells and springs.

Asset – A probable future economic benefit obtained or controlled by a particular entity, because of past transactions or events (i.e., cash, receivables, equipment, and the like).

Audit – An objective examination and evaluation of the financial statements of an organization to make sure that the records are a fair and accurate representation of the transactions they claim to represent. The audit can be conducted internally by employees of the organization, or externally by an outside firm.

Balanced Budget – A situation in financial planning or the budgeting process where total revenues are equal to or greater than total expenses.

Beginning Balance – The beginning balance is comprised of residual funds brought forward from the previous fiscal year (ending balance).

Bond Discount - The amount by which the issuance price of a water district bond is less than its face (par) value. This discount represents additional interest cost to the district over the life of the bond and is often used to attract investors when the bond's coupon rate is below prevailing market rates.

Bonded Indebtedness – The District's general name for bond debt evidencing amounts owed and payable on specific dates or on demand.

Bond Premium - A bond premium occurs when a water district issues bonds above their face (par) value—that is, investors pay more than the principal amount of the bond. This typically happens when the bond's coupon rate is higher than current market interest rates, making it more attractive to investors.

Budget – A financial plan showing authorized planned expenditures and their funding sources.

Budget-Based Tiered Water Rate – Increasing rate block structure in which the block definition is different for each customer, based on an efficient level of water use by that customer.

Budget Process – The schedule of key dates or milestones, which the District follows in the development, preparation, adoption, and administration of the budget.

Budgetary – Management of a government or enterprise in accordance with an approved budget to keep expenditures within the limitations of available appropriations and available revenues.

Capital Projects – Projects budgeted within the Capital Budget fall within the definition of Capital Expenditures, which mean (1) they create or extend the lives of assets; (2) their work products have a useful life of greater than two years; and (3) they involve an expenditure of District resources more than $2,000.

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Capital Improvement Plan – Authorized expenditures for tangible and long-term physical improvements or additions of a fixed or permanent nature.

Capital Outlay – Individual item purchases of furniture, fixtures, machinery, vehicles, and equipment with an individual cost of at least $1,000 and having a useful life of two years or more.

Cayenta – Customer Information Billing System

Certificates of Participation – A security in the form of a bond, which evidences a proportionate participation in a flow of lease or other payments between two parties.

Comprehensive Annual Financial Report – A widely recognized comprehensive annual financial reporting medium summarizing financial and statistical data in a standardized format, used by municipal issuers.

Critical Success Factors – Key objectives that must be obtained for overall success to be achieved.

Debt Service – The current year portion of interest costs and current year principal payments incurred on long-term debt.

Depreciation – A portion of the cost of a fixed asset charged as an expense during a year, representing an estimate of the value of the asset used up during that year.

Derivatives - Financial instruments whose value is derived from the performance of an underlying asset, index, interest rate, or other financial variable. In the water district industry, derivatives are most commonly used to manage financial risk, such as interest rate fluctuations on debt.

Division Mission Statement – The Division's core purpose, how the Division supports the District's mission.

Effective Utility Management – Management that improves products and services, increases community support, and ensures a strong and viable utility into the future.

Energy Rate – The cost of energy generated by the pumping of water to various pump zones is recovered via an energy surcharge per HCF.

Enterprise Fund – A fund established to account for operations that are financed and operated in a manner like private business enterprises where the intent of the governing body is that the costs of providing goods or services to the public on a continuing basis be financed or recovered primarily through "user charges."

Expense – Decreases in net financial resources resulting from payment for operating costs, labor and overhead, services and supplies, land and structures, equipment, debt service, etc.

Fee for Service Costs – Cost of providing special services to customers and the related fee to cover those costs.

Fire Service Charge – A monthly charge assessed commercial and/or industrial properties to cover the cost of the District providing additional fire-flow capacity.

Fiscal Year – A 12-month period to which the annual operating budget applies and at the end of which a government determines its financial position and the results of its operations (Rancho Water's FY is July 1 through June 30).

Fixed Costs – Costs created by the need to maintain a utility system's capacity to deliver water to all customers and represent the cost-of-service availability, which must be maintained for each customer to preserve their share of reserved system volume.

Fund – A self-balancing set of accounts in which cash and other financial resources, all related liabilities and residual equities, or balances and changes therein, are recorded and segregated to carry on specific activities or attain certain objectives in accordance with special regulations, restrictions, or limitations.

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Fund Balance – The current funds on hand resulting from historical collection and use of monies. The difference between assets and liabilities plus residual equities or balances or changes therein, from the results of operations.

Full-Time Equivalent – Ratio unit for FTE employee working full-time. One FTE is equivalent to one employee working 40 hours per week.

GASB 68 – The primary objective of this statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions provided by other entities. This statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions about providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency.

GASB 96 – This statement is a Subscription-Based Information Technology Arrangement (SBITA). GASB 96 is applicable for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. This standard defines a SBITA and establishes that a SBITA results in a right-to-use subscription asset (intangible asset) and a corresponding subscription liability. GASB 96 also provides the capitalization criteria for outlays other than subscription payments, including the implementation costs of a SBITA and requires additional note disclosures regarding a SBITA.

General Fund – A fund used to account for major operating revenues and expenditures, except for those financial transactions that are required to be accounted for in another fund; General Fund revenues are derived primarily from property and other taxes.

Geographical Information Systems – An information system integrating maps with electronic data.

Groundwater – Water produced by pumping from an underground aquifer.

Hansen – Information System Software

Import Water – Purchased water

Lock Off – A final notice to a customer if their billing account remains unpaid for 45 days. Must be paid within 48 hours to avoid having water service terminated.

Long-Range Financial Plan – A plan that details future capital requirements for the District's service area and identifies funding sources to meet future debt obligations.

Major Capital Projects – Projects that are potable water, recycled, and wastewater infrastructure related projects that require a longer time to build and to complete, have a longer estimated life and have costs well exceeding $35,000.00. Capital facilities include reservoirs, pipelines, wells, transmission mains, pump stations, and waste-water facilities. All capital facilities are funded by bond funds or non-operating cash reserves of the District.

Minor Capital Projects – Projects that cost $35,000 or less and restore an asset to its original condition or extend the useful life and/or functionality of an asset. These projects are funded by non-operating revenue.

Monthly Capacity Rate – The charge to offset the "ready to serve" cost incurred by the District, regardless of the volume of water sold.

Mission Statement – The District's core purpose.

Non-Operating Budget – Budgeted income and expenses derived from non-operating type categories, such as interest income and expenses, assessments, connection fees, and depreciation.

Non-Operating Costs – Costs incurred through activities other than regular business operating activities, such as source of supply, transmission and distribution, customer service, etc.

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Operating Budget – The normal ongoing operating costs incurred to operate the District, including wages, materials, utilities, professional and outside services, and other such operating expenses.

Operating Costs – All costs necessary to operate and maintain the water and wastewater operations.

Operating Reserve Fund – A fund category designated for specific operating purposes.

Performance Measurement – A method of determining the success rate of a specific task or job requirement within identified guidelines of the District's goals and objectives.

Performance Measurement Indicators – A measurable achievement or accomplishment used to determine specific tasks or goals.

Plan Check – Process District reviews and approved drawings for improvements to the water/sewer system to ensure conformation of design materials with the standard drawings.

Proposition 84 – On November 7, 2006, voters passed Prop 84 by 53.9%. The $5.4 billion dollar "Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006" (Safe Drinking Water Bond) is detailed in Sections 75001-75090 of the Public Resources Code.

Proposition 218 (Prop 218) – Constitutional initiative approved by state voters in November 1996—applies to California cities, counties, special districts, schools, community college districts, redevelopment agencies, and regional organizations. Generally, Prop 218 requires the District to send physical notices to customers at least 45 days in advance of a public hearing to consider adoption of any water or wastewater rate increases.

Public Employees' Retirement System – An agent, multiple-employer, public retirement system to which Rancho Water contributes that acts as a common investment and administrative agent for participating public entities within the State of California.

Potable Water – Water suitable for drinking.

Proposition 50 – Prop 50 allows for $3.4 billion dollars in general obligation bonds to fund a variety of water projects.

Recycled Water – Water that has been treated to remove harmful contaminants that can be used for non-potable purposes, such as landscape and golf course irrigation.

Reserve – A portion of fund balance that is held for a specific future use.

Santa Rosa Regional Resources Authority – A Joint Powers Authority formed by EVMWD, RCWD, and WMWD to perform all functions for the treatment and disposal of wastewater from its member agencies, including the acquisition, construction, and financing for capital projects.

Standard Specifications – Written description of design and material standard drawings for water/sewer pipeline, appurtenances, and installation.

Standby Charge – A "ready-to-serve" charge levied annually in two equal installments against property within District boundaries based on the proximity of existing water facilities, with decreases in the charges as the distance from existing water service increases. Standby charges collected by the District are used exclusively for the purpose of paying bonded indebtedness.

Stewardship – The responsible management and responsibility to properly utilize District resources, including people, property, and financial and natural assets.

Strategic Plan – The long-term goals, objectives, and performance measurement standards for the District.

Sustainability – The use of natural, community, and utility resources in a manner that satisfies

Draft

current needs without compromising future needs or options.

Targeted Operating Reserve – A desired level of operating reserves for various purposes such as rate stabilization, drought, risk management, and working capital.

Tertiary – The purification of wastewater by removal of fine particles, nitrates, and phosphates.

Tier 2 Conservation Rate – Designed to charge customers using substantially more water than other customers in their customer class, an add-on rate to recover Tier 2 charges from MWD and to fund targeted water conservation programs.

Topographical Map – A large-scale map showing relief and man-made features of a portion of a land surface distinguished by portrayal of position, relation, size, shape, and elevation of the features.

Unfunded Actuarial Liability – Represents the unfunded portion of the cumulative value of pension benefits earned by employees from past services and is calculated by taking the District's total pension liability and deducting the total market value of assets the District has within its plan with CalPERS.

Unlock – The process of restoring service (removing the lock from the meter) once delinquent charges have been settled.

User Charge System – The total process of (1) identifying water and wastewater costs; (2) allocating costs to utility or service beneficiaries; and (3) designing rate structures to recover allocated costs.

Vail Lake – Surface water capture-release facility in the hydro-geologic area of the District.

Variable Costs – Costs created during the actual production, distribution, and delivery of water services that represent the costs per unit of water measured in HCF.

Water Capacity Fee – The amount charged for the purchase of capacity in the Rancho Water sewage treatment and collection system. The fee is based on the total EDUs.

Will Serve Letter – A conditional commitment by the District to provide water, sewer service, or fire flow. Subject to the completion of all financial arrangements and conditions of service.

Zone of Benefit – An acreage charge in the Santa Rosa Division for installation by Rancho Water of the secondary water system to all 20-acre parcels.

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2024 Water and Sewer Cost of Service Study



2024 Water and Sewer Cost of Service and Rate Update Report

FINAL / July 2024

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SECTION 1 INTRODUCTION

1.1 Background

1.1.1 Rancho California Water District Background

The Rancho California Water District (District or Rancho) is a local, independent "Special District" providing customers with water and wastewater services. Water services are divided into two divisions, the Rancho Division and Santa Rosa Division. Across its 155 square miles of jurisdiction, the District maintains over 45,000 water service connections, 230 recycled water connections, and provides wastewater services to 8,300 equivalent dwelling units (EDUs). The two Divisions served – Rancho and Santa Rosa – generally encompass the Eastern and Western area of the District, respectively. Each Division maintains separate accounting records and sets unique rates and charges separately for the utility services.

The District provides water services with local groundwater, recycled water, and treated and untreated imported water from the Metropolitan Water District of Southern California (MWD).

1.1.2 Study Purpose

The District conducted its last Cost of Service and Rate Study in 2021, which recommended the accepted rates for Fiscal Year (FY) 2022 and 2023. The 2021 study was an update to a study completed in 2018 that developed the current rate structure and methodology. The District retained Carollo Engineers, Inc. (Carollo) to provide an updated Cost of Service and Rate Study (study) which will determine the sufficiency of existing rates to recover costs and, if insufficient, recommend rates for the five-year duration of the study period from Fiscal Year Ending (FYE) 2025 through FYE 2029.

The variable wet weather conditions and dry seasons have alleviated drought conditions in the region, but statewide water scarcity remains an ongoing challenge. These uncertainties underscore the need for integrated financial planning and flexible rate design. At the outset of the study, Carollo and Rancho discussed and summarized key study goals. Several key issues and challenges that were considered during the cost-of-service analysis and rate design project included:

- Maintain financial stability while incentivizing efficient water usage.
- Maintaining the alignment of fixed and variable revenue collection with costs.
- Evaluate water budget calculations and pricing structure.
- Achieve customer equity under continued changes to consumption.
- Review customer impacts from implementing new tier breakpoints.
- Identify future fiscal, operational, and capital impacts and considerations.

The purpose of this report is to address each of these key issues as part of the systematic evaluation and development of the cost-of-service analysis and District rate design:

1. Revenue Requirements Analysis.

2. Cost of Service Analysis.
3. Rate Design Recommendations.

1.2 Overview of the Rate Setting Process

Rate analyses should be performed periodically so that revenues from rates adequately fund utility operations, maintenance, and capital investments. Additionally, in California, water rates must adhere to the cost-of-service requirements imposed by Proposition 218 and the State Constitution. Proposition 218 requires that property related fees and charges, including water rates, do not exceed the reasonable proportional cost of providing the service. In addition to Proposition 218 requirements, Article X (2) of the State Constitution establishes the need to preserve the State's water supplies and discourage the wasteful or unreasonable use of water by encouraging conservation. The proposed rate plan accounts for both of these constitutional mandates.

In addition to adhering to state requirements, Carollo's rate-setting methodology is consistent with industry guidelines described in the American Water Works Association's (AWWA) *M1 Manual: Principles of Water Rates, Fees, and Charges* (M1 Manual), and the Water Environment Federation's (WEF) *Manual of Practice 27: Financial and Charges for Wastewater Systems* (MOP 27).

The cost-of-service analysis presented within this report consists of the following three interconnected processes:

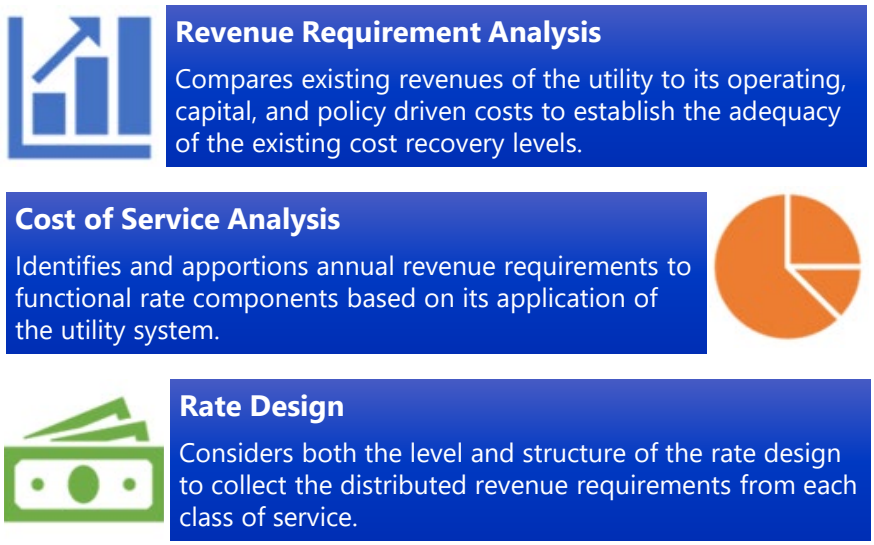


Figure 1.1 Cost of Service Rate Study Process

While the process is described in a linear step by step approach, it is better understood as an iterative process where the ultimate objective is to balance revenues with costs in an equitable manner for customers. These three processes will form the basis for the rate analyses presented within this report.

1.2.1 Revenue Requirement Analysis

The revenue requirement analysis is a comprehensive test of a utility's fiscal health, scrutinizing the adequacy of current revenues under existing rates and forecasted water demands to its forecasted operating and capital costs. The adequacy of the existing rate structure can be measured by comparing revenue requirement projections against revenue projections under existing rates. If revenue projections under existing rates do not meet forecasted requirements, rate revenue increases are recommended until the tests are passed. The study analyzed the revenue requirements to test the fiscal health of the water and wastewater systems, evaluate the adequacy of current rates and charges, and set the basis for the five-year rate plan.

1.2.1.1 Revenue Requirements Components

Revenue requirements are the summation of expenses or costs for providing safe drinking water and handling sewage to return clean water to the environment. They are determined on an annual basis, and they include:

- **Source of Supply Purchases:** Costs paid to MWD via Eastern Municipal Water District (EMWD) and Western Municipal Water District (WMWD) for raw and treated imported water.
- **Operations & Maintenance:** Salaries and benefits, chemicals, power, vehicles, equipment, supplies, etc. Some costs vary by the volume of treatment such as chemicals and power, but other costs are fixed and independent of volume such as salaries and vehicles.
- **Capital Improvements and Financing:** Design and construction of new and replacement infrastructure, including labor for District employees and fees for consultants and contractors that perform this work, along with debt service payments, bond issuance costs, commercial paper fees, etc. including debt coverage.

  The majority of the District's capital improvements are funded using non-operating revenues from property and ad valorem taxes and therefore do not directly impact rates. However, rates do provide some support for capital expenditures including:

  - Support for water supply related capital projects from the users driving the need for those projects.
  - A capital charge paid by Santa Rosa customers to support capital funding as the Santa Rosa Division generates less property tax revenue than the Rancho Division.

  Capital and debt service support included in the wastewater charge.
- **Financial Policies:** Maintenance of financial policies, such as minimum reserve balances, which are supported by user rates.

1.2.1.2 Revenue Requirement Tests

There are three sufficiency tests that can be used to define the annual revenue requirement: (1) operating income, (2) debt coverage, and (3) reserves. These sufficiency tests are commonly used to determine the amount of annual revenue that must be generated from an agency's rates.

- **Cash Flow Sufficiency Test:** Assesses whether revenues exceed expenses and looks for a net positive cash flow at the end of each fiscal year. When there is a cash flow deficit, this test recommends additional revenue.

- **Debt Service Coverage Test:** Assesses a utility's ability to meet their annual debt service payments. Bond issuances regularly include covenants requiring the agency to maintain sufficient cash flows to meet annual debt service payments plus an additional amount. Typical debt service coverage ratios (DSCR) range from 1.25 times to 1.50 times annual debt service, depending on the terms of the debt instrument issued. The DSCR is 1.25 times (1.25x). The District's covenants and agreements stipulate that the debt coverage is calculated on a District wide basis and can include revenues from property taxes. Thus, meeting the coverage requirement is not a driver of rate revenue increases for the District.
- **Reserve Sufficiency Test:** Measures the ability of the rates to meet the District's minimum and target operating reserve balance based on the reserve policies adopted by the Board of Directors. To mitigate the need for rate increases, the revenue requirement analysis targets the minimum operating reserve balance of 120 days of O&M expenses.

1.2.2 Cost of Service Analysis

This step builds a link between the District's cost of water and sewer service and the proposed rates for each customer. After determining the revenue requirement, this step outlines the cost to deliver each unit of water or collect and treat each unit of sewage to serve each customer.

This process takes each item in the system's budget and allocates the items based on what function is served. For example, some cost items support the ability to deliver additional, more expensive water, while other costs are incurred to provide customer service or to fund infrastructure maintenance. Organizing the budget in terms of end function allows the creation of a nexus between the budget item and the rate. This organization bridges the costs incurred by the District and the unique and varied benefits delivered to each customer.

With respect to water, there are two methods outlined in the *M1 Manual* for distributing these costs: Commodity Demand and Base-Extra Capacity. Both are considered fair and equitable because both approaches distribute revenue requirements to each class in proportion to their respective contribution to the system cost components. This study's cost of service analysis uses the Base-Extra Capacity method which uses a three-part allocation process:

4. **Functionalization:** Annual costs are allocated by utility functions, such as pumping, treatment, distribution, meters, and customer service.
5. **Rate Components:** Utility facilities are designed and sized to meet cost drivers, such as annual water demands, peak water demands, and the number and size of meters connected to the system. These services are the basis for allocating the functionalized costs to cost components.
6. **Customer Class:** Cost components are distributed to customer classes in proportion to their burden on the system: for the water systems, these units include accounts, meter equivalent units, and water demand patterns while the wastewater system is based on EDUs.

1.2.3 Rate Design and Calculation

The rate design involves developing a rate structure that proportionately recovers costs from customers. This structure must be resilient enough to handle changing cost and demand scenarios, and flexible enough to meet other unique criteria. By collecting different cost drivers from different rate components, the agency can ideally balance these goals.

The rate calculation is intended to quantify the nexus between the Revenue Requirements and the final rate that customers are charged. This process establishes rates to match the estimated revenue generation with expenditures.

1.3 Forward-Looking Statement

The calculations and forecasts of this analysis are based upon the reasonable projection of existing service costs, customer demands, system operational needs, existing legal agreements, and other similar data provided by the District, as well as Carollo's best understanding of the District's system.

If significant changes occur to any of those or the other factors used in this analysis, the District may need to revisit the analysis. These changes could include unexpected inflation, supply shortages from imported water suppliers, changes to California law, deviation from the projected water demands, or further regulatory actions by the Governor, Legislature, or the State Water Resources Control Board (SWRCB) in regard to water use.

1.4 Existing Rate Structure

The District has a rate structure consisting of fixed monthly charges and variable commodity rates for its water and recycled water services, and fixed monthly charges for wastewater services.

Water costs are recovered by a monthly service charge based on meter size, energy rates by pumping zone per hundred cubic feet (ccf), and commodity rates per ccf. The commodity rates are split into a three-tier and four-tier structure based on customer type:

- Budget-Base Tier Rates (BBTR) customers are charged using a 4-tier rate structure. This rate class includes residential (single-family), multi-family, and landscape irrigation customers.
- Commercial, Industrial, Institutional, and Agricultural (CII&Ag) customers are charged using a 3-tier rate structure. This rate class includes commercial, industrial, agricultural, agricultural-residential, schools, and other customers.

Potable construction water is also charged on a variable basis per ccf.

Sewer costs are recovered by a monthly service charge assessed per EDU for customers served by the District.

The tables below summarize the District's existing rates which took effect on July 1, 2023.

Table 1.1 Existing Monthly Service Charges – Potable Water

Meter Size	Rancho Division	Santa Rosa Division
3/4"	$25.79	$51.87
1"	$37.71	$78.30
1 1/2"	$64.74	$138.37
2"	$98.17	$212.90
2" turbine	$173.35	$383.19
3"	$282.87	$629.36
4"	$550.43	$1,233.76
6"	$875.25	$1,965.51

Meter Size	Rancho Division	Santa Rosa Division
8"	$1,235.10	$2,776.77
10"	$1,235.10	$2,776.77
12"	$1,235.10	$2,776.77

Notes:
(1) Effective July 1, 2023.

Table 1.2 Existing BBTR Water Rates ($/ccf)

Tier	Rancho Division	Santa Rosa Division
Tier 1	$0.829	$1.517
Tier 2	$1.808	$2.657
Tier 3	$3.499	$3.811
Tier 4	$8.242	$8.947

Notes:
(1) Effective July 1, 2023.

Table 1.3 Existing CII&Ag Water Rates ($/ccf)

Tier	Rancho Division	Santa Rosa Division
Tier 1	$1.516	$2.408
Tier 2	$3.499	$3.811
Tier 3	$8.242	$8.947

Notes:
(1) Effective July 1, 2023.

Table 1.4 Existing Energy Rates for Rancho Division ($/ccf)

Pumping Zone	Lift (ft)	Rancho Division
1305	-	$0.00000
1380	75	$0.03922
1485	180	$0.09406
1550	245	$0.12804
1610	305	$0.15939
1790	485	$0.25343
1880	765	$0.39973
2070	765	$0.39973
2350	1,045	$0.54604

Notes:
(1) Effective July 1, 2023.

Table 1.5 Existing Energy Rates for Santa Rosa Division ($/ccf)

Pumping Zone	Lift (ft)	Santa Rosa Division
1305	-	$0.00000
1434	129	$0.06652
1440	135	$0.06961
1500	195	$0.10055
1670	365	$0.18817
1990	685	$0.35110
2160	855	$0.44074
2260	955	$0.49230
2550	1,245	$0.64178
2850	1,545	$0.79642

Notes:
(1) Effective July 1, 2023.

Table 1.6 Existing Monthly Service Charges – Recycled Water

Meter Size	Rancho Division	Santa Rosa Division
3/4"	$10.27	$16.17
1"	$11.07	$17.33
1 1/2"	$12.69	$19.65
2"	$14.30	$21.96
2" turbine	$14.61	$22.42
3"	$17.51	$26.58
4"	$20.72	$31.21
6"	$27.18	$40.45
8"	$33.63	$49.70
10"	$33.63	$49.70
12"	$33.63	$49.70

Notes:
(1) Effective July 1, 2023.

Table 1.7 Existing Recycled Water Rates ($/Acre Foot)

Tier	Rancho Division	Santa Rosa Division
All Usage	$469.87	$493.27

Notes:
(1) Effective July 1, 2023.

Table 1.8 Existing Monthly Wastewater Charge ($/EDU)

Division	Service Charge ($/EDU)
District Wastewater Customers	$46.00

Notes:
(1) Effective July 1, 2023.

SECTION 2 WATER USAGE AND SUPPLY

The District maintains a diversified portfolio of water sources and has invested in redundant supplies to create a highly localized and resilient system. To this end, the District has expanded the recycled water distribution system and is working to connect additional customers. Further, the District will be making additional investments in supply sustainability projects to help ensure the long-term availability of local supplies.

Local groundwater from wells accounts for approximately 41 percent of the Rancho Division's supply and 14 percent of Santa Rosa's. The second largest source of supply for Rancho – and the largest supply for Santa Rosa – is treated water imported from MWD, at 33 percent and 45 percent, respectively. Last, recharge water provides the remaining 25 percent for Rancho customers and 41 percent for Santa Rosa.

Water demands vary annually based on weather conditions, which dictate the amount of water needed for outdoor irrigation and are influenced by other factors such as State mandated conservation measures and conservation messaging, and customer growth. For the purposes of this study, historic customer demands from the past five fiscal years were analyzed.

2.1 Water Usage

Water sales are the District's primary source of water revenues. Consequently, it is critical to examine and analyze potential shifts in short- and long-term water demands. Carollo evaluated several years of billing data to examine historical water demand patterns and potential developing trends. The District also maintains an internal demand forecast used for system and financial planning. This forecast accounts for these changing demand patterns, type of future development, and ongoing conservation efforts.

Variability in demand is typically driven by weather conditions with wetter years leading to decreased sales. The weather based variability is more pronounced for Santa Rosa due to the prevalence of agricultural customers in that division.

Over the past five fiscal years (FYE 2019 through FYE 2023), the District has delivered an annual average of 29,800 acre-ft of water to its potable retail customers in the Rancho Division and 17,857 acre-ft of potable water to retail customers in the Santa Rosa Division. Over that same timeframe, in the Rancho Division, potable sales have ranged approximately +10-percent and -10-percent from the average with a minimum of 26,594 (FYE 2023) acre-ft and a maximum of 32,867 (FYE 2021) acre-ft. In the Santa Rosa Division potable sales have ranged approximately +13-percent and -15-percent from the average with a minimum of 15,144 (FYE 2023) acre-ft and a maximum of 20,146 (FYE 2021) acre-ft.

Recycled water sales have displayed a similar pattern over the past five years. Recycled sales to Rancho Division customers averaged 2,725 acre-ft with a minimum of 2,380 acre-ft in FYE 2019 and a maximum of 2,976 acre-ft in FYE 2021. Recycled sales to Santa Rosa Division customers have averaged 938 acre-ft with a minimum of 829 acre-ft in FYE 2019 and a maximum of 1,062 acre-ft in FYE 2021.

Though emergency mandatory conservation targets have been lifted, permanent conservation resulting from removal of irrigated landscapes or conversion to more efficient planting, use of more water efficient fixtures and appliances, and changes in customer behavior have all led to permanent conservation.

Further, water scarcity remains an issue in California and the conservation messaging from the State and other entities continues.

In August 2022, the State published the California Water Supply Strategy (August 2022). The strategy includes, among other actions, "Freeing up 500,000 acre-feet of water through more efficient water use and conservation, helping make up for water lost due to climate change." Regardless of any mandatory actions imposed on the District, the messaging and outreach associated with the strategy is likely to lead to further conservation by District customers.

2.1.1.1 Projected Sales

The District's production, finance, and executive staff collaborate each year to develop a five-year water sales and production forecast for each division as part of the annual budgeting process. The forecast uses historical sales figures, expected customer growth, and anticipated conservation to project sales for each customer class.

Expected demand growth over the projection period from FY 2024/25 through FY 2028/29 varies by customer class and sub-type. While the projections assume a modest customer connection growth rate of 0.3-percent per year for FYE 2025 through FYE 2029, total sales are expected to decrease slightly over time due to continued conservation. For the rate study, the District has applied a further 2-percent reduction to all categories as further conservation is expected.

Figure 2.1 shows these projected sales for each division in acre-ft compared to the average of the previous five fiscal years. Detailed projections by division and customer sub-type are included for reference in Appendix A.

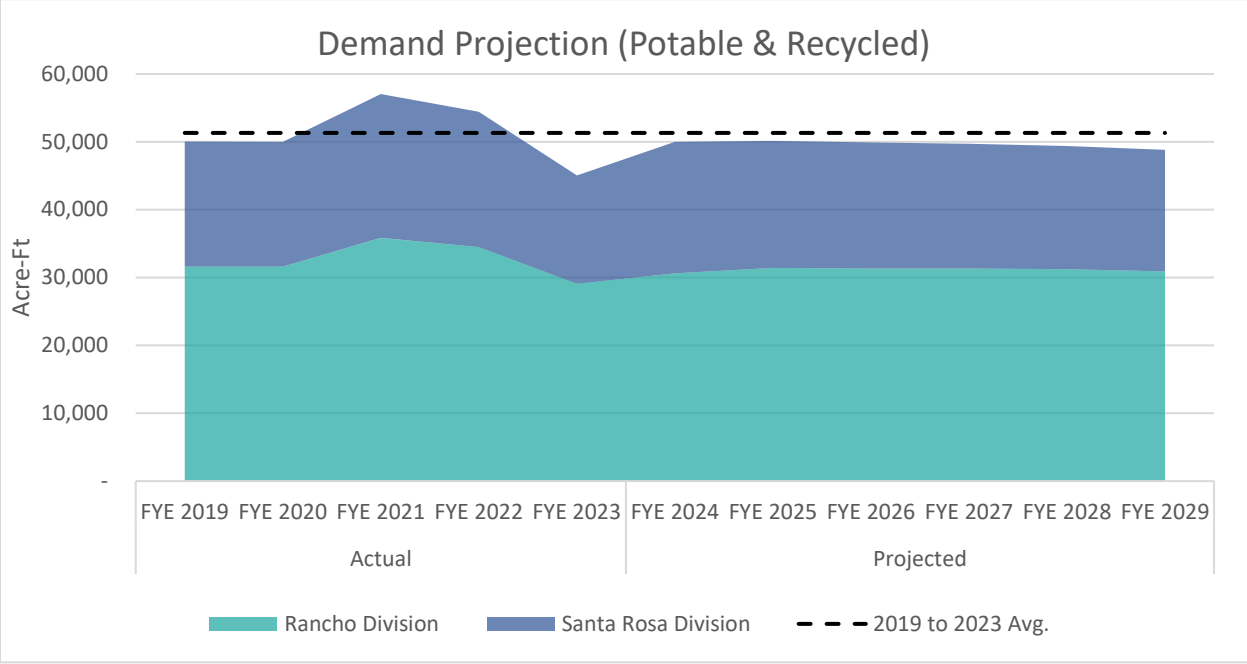


Figure 2.1 Projected Water Sales (Acre-Ft)

Table 2.1 shows the projected sales that serve as the basis of the cost-of-service analysis for the Rancho Division in ccf. These projected sales reflect the District's budget sales forecast with a further 2-percent

reduction as discussed above. Over the study period, potable sales are expected to decrease from 12.5 million ccf to 12.2 million ccf. Recycled water sales are projected to increase at 1.0-percent per year as the District will continue to promote the use of recycled water through conversions of potable customers and new connections to the system.

Table 2.1 Projected Sales by Class – Rancho Division (CCF)

	Note	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Rancho Division							
BBTR		9,409,038	9,359,771	9,339,916	9,320,458	9,174,603	*1*
CII&Ag		3,037,308	3,033,487	3,029,705	3,008,128	2,986,983	*2*
Construction		30,309	30,309	30,309	30,309	30,309	*3*
Rancho Potable Demand		**12,476,656**	**12,423,568**	**12,399,930**	**12,358,895**	**12,191,895**	***4***
Recycled Water		1,219,680	1,231,877	1,244,196	1,256,638	1,269,204	*5*
Total Rancho Demand		**13,696,336**	**13,655,445**	**13,644,126**	**13,615,533**	**13,461,099**	***6***

Notes:
(1) 1 unit of water = 1; CCF (hundred cubic feet) = 748 gallons.
(2) Detailed projections by customer sub-class and tier are included in Appendix A.
(3) Totals may be off due to rounding.

Table 2.2 shows the projected sales that serve as the basis of the cost-of-service analysis for the Santa Rosa Division in ccf. These projected sales reflect the District's budget sales forecast with a further 2-percent reduction as discussed above. Over the study period, potable sales are expected to decrease from 7.7 million ccf to 7.4 million ccf. Recycled water sales are projected to increase at 1.0-percent per year as the District will continue to promote the use of recycled water through conversions of potable customers and new connections to the system.

Table 2.2 Projected Sales by Class – Santa Rosa Division (CCF)

	Note	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Santa Rosa Division							
BBTR		2,013,631	2,000,355	1,967,209	1,934,726	1,930,551	*1*
CII&Ag		5,681,879	5,642,008	5,602,535	5,511,146	5,421,584	*2*
Construction		7,257	7,257	7,257	7,257	7,257	*3*
Santa Rosa Potable Demand		**7,702,767**	**7,649,620**	**7,577,002**	**7,453,129**	**7,359,392**	*4*
Recycled Water		435,600	439,956	444,356	448,799	453,287	*5*
Total Santa Rosa Demand		**8,138,367**	**8,089,576**	**8,021,357**	**7,901,928**	**7,812,679**	*6*

Notes:
(1) 1 unit of water = 1; CCF (hundred cubic feet) = 748 gallons.
(2) Detailed projections by customer sub-class and tier are included in Appendix A.
(3) Totals may be off due to rounding.

2.2 Customer Account and Meter Growth

The projected number of accounts by meter size is used to determine the amount of fixed charge revenue under the existing charges and serves as the basis for the analysis of proposed fixed charges. As noted previously, customer growth is projected at 0.3-percent per year. These account growth expectations were applied to the number of accounts in each rate class indicated in the District's billing records to estimate the number of accounts by meter size each year.

2.2.1 Meter Equivalent Ratios

Meter equivalent ratios are used to identify the operating or maintenance characteristics of meters of each available size and type and subsequently to determine the costs associated with providing service to each meter, by size. The District's rates use two sets of meter ratios which each tie to specific attributes of the meters and specific costs that need to be recovered. As outlined in Appendix B of the AWWA M1 Manual, a meter capacity ratio relates the capacity needed to serve each meter's rated flow while a meter-and-service cost ratio that related to the installation and maintenance costs of each meter size. The District's rates use each of these factor to proportionally recover specific costs

Unique fixed service charges are applied to each meter size through 8-inches, all meters larger than 8-inches pay the 8-inch charge. Currently, only a small number of meters over 8-inches in size are connected to the system. The Rancho Division has one 10-inch potable meter, one 12-inch potable meter, and one 12-inch recycled meter. The Santa Rosa Division has one 10-inch potable meter. These larger meters were installed historically prior to the conservation that has occurred over the past several years. The District plans to review the large meters in the system as well as their current demands and determine whether they can be downsized.

2.2.1.1 Capacity Ratios

The capacity ratio is related to the amount of flow that can be provided through meters of each size in gallons per minute (gpm). Flow rates are set by manufacturers' specifications and/or identified in the AWWA M1 manual. The ratios reflect a reasonable cost and benefit factor associated with greater hydraulic flow capacity. Capacity MEUs are used to recover fixed costs of operating and maintaining the water system which are related to the system's capacity.

The District provided detailed records of the sizes, types, and brands of the meters installed throughout the system and Carollo evaluated the flow rates indicated by the District's current capacity ratios to those indicated in the meter manufacturers documentation. The evaluation showed that most of the District's current capacity assumptions are reasonably in line with indicated flows and are therefore retained for this study. Minor updates are proposed for 6-inch turbo and F2 Compound meters and 8-inch meters to more closely align capacity ratios with the manufacturer's indicated flow capacity.

2.2.1.2 Meter Ratios

Meter ratios are related to the approximate cost to install and maintain meters of each size. They are determined based on the diameter of each meter and used recover costs related to meter repair and replacement. Specifically, costs tracked within each Division's Meter Service Maintenance And Repairs budget group are allocated using these ratios.

Table 2.3 shows the assumed capacity and meter ratios for each size and type of meter.

Table 2.3 MEU Ratios

Meter Size	Capacity Ratio	Max Flow Rate	Meter Ratio
3/4"	1.00	30	1.00
1"	1.67	50	1.33
1 1/2"	3.33	100	2.00
2"	5.33	160	2.67
2" turbine	10.00	300	2.80
3"	16.67	500	4.00
4"	33.33	1000	5.33
6"	53.33	1600	8.00
6" turbo/F2 Compound	66.67	2000	8.00
8" and Above	90.00	2700	10.67

Table 2.4 presents the projected accounts for Rancho Division potable customers as well as the capacity MEUs and meter costs MEUs, Table 2.5 shows the same information for Rancho Division recycled water accounts. MEUs are determined by multiplying the number of meters of each size by the respective capacity or meter ratio then summing the products.

Table 2.4 Account Growth – Rancho Division, Potable

Meter Size	Capacity Ratio	Meter Ratio	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029
3/4"	1.00	1.00	31,245	31,339	31,433	31,527	31,622
1"	1.67	1.33	2,809	2,817	2,825	2,834	2,842
1 1/2"	3.33	2.00	1,090	1,094	1,097	1,100	1,103
2"	5.33	2.67	1,097	1,100	1,104	1,107	1,110
2" turbine	10.00	2.80	118	119	119	119	120
3"	16.67	4.00	110	111	111	111	112
4"	33.33	5.33	68	68	68	68	68
6"	53.33	8.00	7	7	7	7	7
6" turbo/F2 Compound	66.67	8.00	39	39	39	39	39
8" and Above	90.00	10.67	16	16	16	16	16
Total Potable Accounts			**36,599**	**36,709**	**36,819**	**36,930**	**37,040**
Meter Equivalent Units - Capacity			**55,079**	**55,244**	**55,410**	**55,576**	**55,743**
Meter Equivalent Units - Meter Costs			**41,759**	**41,885**	**42,010**	**42,136**	**42,263**

Notes:
(1) Totals may be off due to rounding.

Table 2.5 Account Growth – Rancho Division, Recycled

Meter Size	Capacity Ratio	Meter Ratio	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029
3/4"	1.00	1.00	18	18	18	19	19
1"	1.67	1.33	29	29	29	29	30
1 1/2"	3.33	2.00	37	37	37	37	37
2"	5.33	2.67	69	69	69	69	70
2" turbine	10.00	2.80	0	0	0	0	0
3"	16.67	4.00	8	8	8	8	8
4"	33.33	5.33	3	3	3	3	3
6"	53.33	8.00	1	1	1	1	1
6" turbo/F2 Compound	66.67	8.00	4	4	4	4	4
8" and Above	90.00	10.67	2	2	2	2	2
Total Recycled Accounts			**171**	**172**	**172**	**173**	**173**
Meter Equivalent Units - Capacity			**1,297**	**1,301**	**1,305**	**1,309**	**1,313**
Meter Equivalent Units - Meter Costs			**425**	**426**	**427**	**428**	**430**

Notes:
(1) Totals may be off due to rounding.

Table 2.6 and Table 2.7 present the projected accounts and MEUs for Santa Rosa Division potable and recycled water customers, respectively.

Table 2.6 Account Growth – Santa Rosa Division, Potable

Meter Size	Capacity Ratio	Meter Ratio	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029
3/4"	1.00	1.00	5,347	5,363	5,379	5,395	5,411
1"	1.67	1.33	1,571	1,576	1,580	1,585	1,590
1 1/2"	3.33	2.00	529	530	532	533	535
2"	5.33	2.67	421	422	423	425	426
2" turbine	10.00	2.80	281	282	283	284	285
3"	16.67	4.00	48	49	49	49	49
4"	33.33	5.33	6	6	6	6	6
6"	53.33	8.00	6	6	6	6	6
6" turbo/F2 Compound	66.67	8.00	0	0	0	0	0
8" and Above	90.00	10.67	7	7	7	7	7
Total Potable Accounts			**8,216**	**8,241**	**8,265**	**8,290**	**8,315**
Meter Equivalent Units - Capacity			**16,746**	**16,796**	**16,846**	**16,897**	**16,948**
Meter Equivalent Units - Meter Costs			**10,753**	**10,786**	**10,818**	**10,851**	**10,883**

Notes:
(1) Totals may be off due to rounding.

Table 2.7 Account Growth – Santa Rosa Division, Recycled

Meter Size	Capacity Ratio	Meter Ratio	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029
3/4"	1.00	1.00	1	1	1	1	1
1"	1.67	1.33	69	69	69	70	70
1 1/2"	3.33	2.00	11	11	11	11	11
2"	5.33	2.67	12	12	12	12	12
2" turbine	10.00	2.80	0	0	0	0	0
3"	16.67	4.00	2	2	2	2	2
4"	33.33	5.33	1	1	1	1	1
6"	53.33	8.00	1	1	1	1	1
6" turbo/F2 Compound	66.67	8.00	2	2	2	2	2
8" and Above	90.00	10.67	1	1	1	1	1
Total Recycled Accounts			**100**	**101**	**101**	**101**	**102**
Meter Equivalent Units - Capacity			**568**	**570**	**571**	**573**	**575**
Meter Equivalent Units - Meter Costs			**197**	**197**	**198**	**198**	**199**

Notes:
(1) Totals may be off due to rounding.

2.3 Water Budget Calculations

The District's charges all potable water users based on water budget with the exception of construction meters. Water budget rate structures aim to accurately recover costs from customers and promote efficient water use by assigning water use allotments tied to each account's individual characteristics. Use within budget is considered to be efficient and is assessed at lower rates compared to above budget inefficient or excessive use. Rates for usage at all levels are tied to the specific costs of providing water at each level of demand. Rates are specific to each of the District's divisions.

Budgets and rates are developed for two major customer groups: Budget Based Tiered Rate (BBTR) customers and Commercial, Industrial, Institutional, and Agricultural (CII&Ag) customers. The budget structure for both customer groups is intended to provide an adequate amount of in-budget water for efficient use based on each account's specific attributes. BBTR customer budgets consist of two tiers, tier 1 is for indoor water use (residential users) or ultraefficient landscaping (landscape customers), tier 2 is an allotment for efficient outdoor use. Due to the diversity of CII&Ag customers, the budget allotment cannot easily be split into two tiers. Therefore, CII&Ag customers budgets consist of a single tier for efficient use based on each account's specific attributes.

For all customers, BBTR and CII&Ag, above budget use is split into two increments, each charged at a separate rate. The first above budget increment is for inefficient use and corresponds to tier 3 for BBTR customers or tier 2 for CII&Ag customers. The highest increment of use, BBTR tier 4 and CII&Ag tier 3, is considered to be excessive or wasteful and is charged at the highest rate.

2.3.1 BBTR Customers

BBTR customers are subject to a four-tiered rate structure. Tier 1 is the indoor budget and Tier 2 is the outdoor budget. Use with Tier 1 and Tier 2 is considered to be within budget. Tier 3 is considered to be inefficient use and Tier 4 is considered excessive. The sections and equations below detail the method used to calculate tier allotments for BBTR customers.

Tier 1 (Indoor Water Budget)

All single family residential customers are provided with an indoor water budget to accommodate a minimum of 3 people per household. The budget is determined by multiplying the household size by an assumed gallon per capita per day (GPCD), by the number of dwelling units, by the number of days in the billing period, and by an indoor drought factor then dividing by 748 gallons per ccf, shown in Equation 2.1. A variance can also be applied for additional persons per household, or extenuating circumstances such as medical equipment that requires additional water use.

Equation 2.1 Tier 1 Billed Usage Formula

$$Indoor\ Water\ Budget = \frac{GPCD\ \times Household\ Size \times Units\ \times Days\ in\ Billing\ Period \times DFindoor}{748} + Vindoor$$

Where:

GPCD – Gallons per capital per day. GPCD is set at 47 for this study based on updated state regulations targeting 47 GPCD for indoor use. Previously, GPCD was assumed at 55.

Household Size – Number of residents in each dwelling unit. The district assumes a default household size of 3, variance forms for larger households are available on the District website and at the District office.

Units – Number of dwelling units served by the meter.

Days in Billing Period – The number of days in each billing period varies for each customer. The indoor budget used for each billing period reflects the actual number of days in that period.

DFindoor – Indoor drought factor. – The percentage of the indoor water budget allotted during drought conditions. The District is currently not imposing any drought restrictions on water budgets and the percentage is set at 100-percent.

Vindoor – Indoor variance. – The additional indoor water allotted due to extenuating circumstances. This amount is granted by the District and subject to approval and verification per the District's variance program.

Tier 2 (Outdoor Water Budget)

All BBTR residential customers are provided with an appropriate outdoor water budget to accommodate efficient irrigation of landscaped areas such as grass, trees, shrubs, and groundcover. This budget is calculated using factors including the square feet of landscape area (obtained by aerial imagery and Geographic Information System (GIS) data) and real time weather conditions specific to the property's location. The goal of the outdoor water budget is to provide the customers with sufficient water to satisfy their landscape needs provided that they are irrigating efficiently and with the parameters set by the district for budget determination.

The outdoor budget is calculated by multiplying the irrigable landscape area by evapotranspiration reference index (ET_0) and ET adjustment factor (ETAF), with further adjustments applied in times of drought and for District approved variances. Evapotranspiration is the combined process of evaporation from surfaces such as soil and water bodies, and transpiration from plants, which releases water vapor into the atmosphere. It is typically expressed in inches of water. The District maintains weather stations throughout the service area to calculate ET_0 for each of over 350 microzones. The ETAF is applied to the ET_0 to calculate the maximum amount of water that should be applied to a landscape.

The outdoor budget calculation is shown in Equation 2.2.

Equation 2.2 Tier 2 Billed Usage Formula

$$Outdoor\ Water\ Budget = \left(\frac{Irrigable\ Lansdcape\ Area\ \times ETo \times ETAF}{1200} + Voutdoor\right) \times DFoutdoor$$

Where:

Irrigable Landscape Area – The measured area in square feet of landscape that is served by the customer's meter.

ET_0 – Estimated in inches of water based on the daily weather data for each microzone.

ETAF – Number of dwelling units served by the meter.

1200 – Conversion factor from inch x ft^2 to ccf

Voutdoor – Outdoor variance. – The additional outdoor water allotted due to extenuating circumstances such as animals. This amount is granted by the District and subject to approval and verification per the District's variance program.

DFoutdoor – Outdoor drought factor. – The percentage of the outdoor water budget allotted during drought conditions. The District is currently not imposing any drought restrictions on water budgets and the percentage is set at 100-percent.

The ETAF varies based on four blocks of irrigable area: under 30,000 acre feet (AF), between 30,001 AF and 75,000 AF, between 75,001 AF and 150,000 AF, and above 150,000 AF. Table 2.8 shows the current ETAF factors.

Table 2.8 ETAF Factors

Irrigable Area (AF)	Single Family	Multi-Family	Landscape	
			Rancho	Santa Rosa
Ultra Efficient ETAF			23%	13%
0-30,000	75%	75%	37%	47%
30,001-75,000	60%	60%	37%	47%
75,001-150,000	0%	60%	37%	47%
Above 150,000	0%	60%	37%	47%

Single family residential customers' budgets reflect an ETAF of 75-percent for their first 30,000 square feet of irrigable area and 60 percent for the next 45,000 square feet. No outdoor budget allotment is provided for single family landscape area over 75,000 square feet.

Multi-family customers' budgets reflect an ETAF of 75-percent for their first 30,000 square feet of irrigable area and 60 percent for all additional square feet.

Landscape customers do not have any indoor usage and their Tier 1 budget is set based on ultra efficient landscaping with an ETAF of 23-percnet for the Rancho Division and 13-percent for the Santa Rosa Division. Their Tier 2 budget is set assuming an ETAF of 37-percent for Rancho and 45-percent for Santa Rosa. Santa Rosa's lower ETAF assumption for ultra efficient landscaping reflects the proportionally lower amount of groundwater allotted to the Santa Rosa Division.

Tier 3 (Outdoor Inefficient Tier)

This budget captures additional water use that exceeds budgeted needs and is considered to be inefficient. It is set at half of the sum of Tiers 1 and 2, shown in Equation 2.3.

Equation 2.3 Tier 3 Budget Formula

$$Tier\ 3\ Budget = (Tier\ 1\ ccf + Tier\ 2\ ccf) \times 50\%$$

Tier 4 (Wasteful/Excessive Tier)

Any usage exceeding a customer's Tier 3 budget is considered wasteful and is billed at the Tier 4 rate.

Use per Tier

Table 2.9 shows the historic BBTR use per tier with the updated budget calculations reflecting indoor water allotments based on 47 GPCD. The values shown are based on the District's billing records and additional details are included for reference in Appendix B.

Table 2.9 Historic BBTR Use per Tier with Updated Budget Calculations (ccf)

	FYE 2019	FYE 2020	FYE 2021	FYE 2022	FYE 2023	Average % per Tier
Rancho Division						
Tier 1	3,910,948	3,885,054	4,055,583	4,017,842	3,684,800	39%
Tier 2	4,461,758	4,497,255	5,284,860	5,022,687	4,039,296	48%
Tier 3	1,055,707	1,116,926	1,447,165	1,146,458	967,949	12%
Tier 4	129,338	144,231	210,187	176,239	139,094	2%
Rancho Division Total ccf	**9,557,751**	**9,643,466**	**10,997,795**	**10,363,226**	**8,831,139**	**100%**
Santa Rosa Division						
Tier 1	641,209	629,592	651,105	648,120	610,072	31%
Tier 2	1,025,990	1,029,002	1,201,648	1,177,965	934,980	54%
Tier 3	217,145	224,787	279,989	250,010	197,995	12%
Tier 4	58,212	67,423	85,248	77,822	78,275	4%
Santa Rosa Division Total ccf	**1,942,556**	**1,950,804**	**2,217,990**	**2,153,917**	**1,821,322**	**100%**

Notes:
(1) Totals may be off due to rounding.

2.3.2 CII&Ag Tier Structure

The characteristics of CII&Ag customers are generally much more varied than those in the BBTR category, with more factors that influence their water needs. As such, their budget allocations are developed using different factors than those used for BBTR customers, and their rate structure is established accordingly. CII&Ag customers are charges using a three-tier structure as follows:

- **Tier 1 (Base Tier):** Each customer is provided a base water budget based on their account characteristics.
- **Tier 2 (Inefficient Tier):** Like tier 3 of the BBTR budget, Tier 2 is considered inefficient use, and the budget is 50 percent of the customer's Tier 1 base budget.
- **Tier 3 (Wasteful Tier):** Like Tier 4 of the BBTR budget, any consumption above the sum of Tier 1 and Tier 2 is considered wasteful and billed at the Tier 3 rate.

Commercial, industrial, institutional customers have widely varied water use characteristics that are largely dependent on the type of business that they conduct. Businesses typically size their water meters based on their needs and are price sensitive and likely to downsize if they find that their meter is oversized for their needs. As such, allotments for CII customers are based on historic water use by meter size and set on an annual basis. If a CII customer exceeds their allotment part way through the year, they will be charged at the tier 2 rate for the remainder of the year. The district also allows for a large lot variance for CII customers with lots over ¼ acre, and account specific variances as approved by the District.

No changes are proposed for the CII customers budgets for this study.

Agricultural customers receive customer specific budgets set to reflect the type of agricultural activity they perform and the facilities and installations on their properties. Agricultural properties with on-site residences are provided with an indoor water budget (calculated with the same method as the BBTR indoor budget), an outdoor water budget, and an agricultural budget.

The outdoor budget for an agricultural account uses the same method used for BBTR outdoor budgets but the landscape area is limited to 10-percent of each parcel up to a maximum of 75,000 square feet.

The Agricultural budget is determined based on the area of crops irrigated in acres, the crop coefficient, and ET_0. Crop coefficients account for the amount of water typically required to support different types of crops. The agricultural water budget is calculated using equation 4 shown below:

Equation 2.4 Agricultural Water Budget Formula

$$Agricultural\ Water\ Budget\ (acre-ft) = \frac{(ETo \times Crop\ Coefficient)}{12} \times Irrigated\ Area$$

Where:

ET_0 – Estimated in inches of water based on the daily weather data for each microzone.

Crop Coefficient – Crop specific factor for portion of ET_0 necessary for cultivation

12 – Conversion factor from inch to ft

Irrigated Area – The acres of crops being irrigated.

Table 2.10 shows the historic CII&Ag use per tier. The values shown are based on the District's billing records and additional details are included for reference in Appendix B.

Table 2.10 shows the historic CII&Ag use per tier with the existing budgets.

Table 2.10 shows the historic CII&Ag use per tier. The values shown are based on the District's billing records and additional details are included for reference in Appendix B.

Table 2.10 Historic CII&Ag Use per Tier with Existing Budgets (ccf)

	FYE 2019	FYE 2020	FYE 2021	FYE 2022	FYE 2023	Average % per Tier
Rancho Division						
Tier 1	2,939,004	2,803,371	3,160,880	3,104,957	2,581,863	96%
Tier 2	156,062	94,902	100,571	119,971	65,907	3%
Tier 3	40,400	28,775	23,780	48,472	84,654	1%
Rancho Division Total ccf	**3,135,466**	**2,927,048**	**3,285,231**	**3,273,400**	**2,732,424**	**100%**
Santa Rosa Division						
Tier 1	5,593,540	5,584,275	6,460,610	5,989,200	4,671,297	99%
Tier 2	127,526	35,440	74,740	96,108	62,388	1%
Tier 3	14,247	8,877	14,183	18,341	22,658	0%
Santa Rosa Division Total ccf	**5,735,313**	**5,628,592**	**6,549,533**	**6,103,649**	**4,756,343**	**100%**

Notes:
(1) Totals may be off due to rounding.

SECTION 3 WATER REVENUE REQUIREMENTS

3.1 Introduction

The revenue requirement analysis is a comprehensive test of a utility's fiscal health, scrutinizing the adequacy of current revenues and setting the basis for rate planning. It reviews the utility's revenues, expenses, debts, and reserve policies, assessing the viability of each metric going forward. Where cash flows and balances are insufficient, the revenue requirement analysis determines the needed additional cash flows to meet all funding goals.

The revenue requirement forecast is derived from the District's financial budget, including major cost components, production costs, personnel costs, other operations and maintenance (O&M), and rate supported debt service requirements and capital outlays. Policy requirements are also considered and used to assess revenue sufficiency.

The District provided budgeted revenues and expenditures for FYE 2024 and FY 2025 along with actual revenues and expenditures for FYE 2023. Other financial information included detailed cost projections and allocations for general and administrative and support costs, actual and projected fund balances, and other pertinent financial information.

There are three tests that comprise the revenue requirements analysis and determine if existing agency rates recover a sufficient amount of annual revenue:

- **Cash Flow Sufficiency Test:** Compares projected system revenues to the cost to operate, maintain, and improve the water system. This test evaluates whether revenues meet expenses and looks for a net positive cash flow at the end of the fiscal year. When there is a cash flow deficit, this test calculates the amount of rate revenue that must be raised to fund the projected expenditures.
- **Reserve Sufficiency Test:** Measures the ability of the rates to meet the Division's minimum operating reserve balance based on the reserve policies adopted by the Board of Directors. To mitigate the need for rate increases, the revenue requirement analysis targets the minimum operating reserve balance of 120 days of O&M expenses.
- **Debt Service Coverage Test:** Assesses a utility's ability to meet their annual debt service payments. Bond issuances regularly include covenants requiring the agency to maintain sufficient cash flows to meet annual debt service payments plus an additional amount. Typical debt service coverage ratios (DSCR) range from 1.25 times to 1.50 times annual debt service, depending on the terms of the debt instrument issued. The DSCR is 1.25 times (1.25x). The District's covenants and agreements stipulate that the debt coverage is calculated on a District wide basis and can include revenues from property taxes. Thus, meeting the coverage requirement is not a driver of rate revenue increases for the District.

The revenue requirement analysis determines if the District must increase system revenues to meet its ongoing obligations. If revenues are found to be insufficient to meet ongoing expenses (cash flow test), debt obligation (debt service coverage test), and/or reserve policies (reserve sufficiency test), revenues must be increased to achieve the higher of the needs.

The revenue requirement recommendations presented within this report are based on best-known information as of the writing of this report.

3.2 Projected Revenues

3.2.1 Revenues from Current Rates

The projection of rate revenues under current rates sets the basis of the revenue requirements analysis. These revenues, less offsets, are compared to requirements to determine necessary rate increases. Based on the customer account and sales projections, total rate revenues under current rates are projected to decrease due to the expected decrease in water sales. However, that decrease will be partially mitigated by growth in monthly service charges due to growth in accounts.

Table 3.1 and Table 3.2 show the projected rate revenues under current rates for the Rancho Division and Santa Rosa Division, respectively. FYE 2025 revenues were calculated by applying the projected sales by customer class and tier (Appendix A), and the projected accounts by meter size (Appendix B) to the existing rates presented in Table 3.1 through Table 1.7.

Table 3.1 Projected Baseline Rate Revenues – Rancho Division ($ thousands)

	Note	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Rancho Division - Rate Revenue With Current Rates							
Water Revenue (Volumetric)		$21,600	$21,508	$21,467	$21,396	$21,107	*1*
Recycled Water Revenue		1,316	1,329	1,342	1,356	1,369	*2*
Monthly Service Charges		14,864	14,908	14,953	14,998	15,043	*3*
Energy Charges		1,254	1,355	1,463	1,565	1,675	*4*
Rancho Rate Revenue (Current Rates)		**$39,034**	**$39,100**	**$39,225**	**$39,315**	**$39,194**	*5*

Notes:
(1) Totals may be off due to rounding.

Table 3.2 Projected Baseline Rate Revenues – Santa Rosa Division ($ thousands)

	Note	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Santa Rosa Division - Rate Revenue With Current Rates							
Water Revenue (Volumetric)		$19,340	$19,206	$19,024	$18,713	$18,477	*1*
Recycled Water Revenue		493	498	503	508	513	*2*
Monthly Service Charges		8,881	8,908	8,934	8,961	8,988	*3*
Energy Charges		1,599	1,727	1,866	1,996	2,136	*4*
Santa Rosa Rate Revenue (Current Rates)		**$30,313**	**$30,339**	**$30,327**	**$30,178**	**$30,115**	*5*

Notes:
(1) Totals may be off due to rounding.

3.2.2 Offsetting Revenues

The rate revenue needs are defined as the amount of revenues that must be recovered through water rates to cover expenditures, less any offsetting revenues. In addition to rate revenues, the District also collects offsetting revenues from other sources, including:

- Service charges for the establishment of new connections (other than capacity fees) - projected based on customer account growth,
- Rental and lease income - projected based on general cost inflation at 3-percent in FYE 2026 and 2.5-percent per year thereafter,
- Revenue for providing other billing services - projected based on customer account growth,
- Property tax revenues generated through the District's general property tax are permitted to be used for operating activities. These revenues are collected in the District's non-operating fund. The amount of revenues to be reclassified from non-operating to operating is projected based on general cost inflation at 3-percent in FYE 2026 and 2.5-percent per year thereafter,
- Interest earnings on operating reserves – calculated based on the FYE beginning fund balance with earnings of 4.0-percent for FYE 2025, 3.0-percent for FYE 2026, 3.2-percent for FYE 2027 and 3.0-percent thereafter, and
- Other operating revenue - projected based on general cost inflation at 3-percent in FYE 2026 and 2.5-percent per year thereafter.

Table 3.3 identifies the projected offsetting revenues for the upcoming five years for the Rancho Division. Over the course of the study, Rancho Division offsetting revenues are expected to increase from approximately $12.3 million in FYE 2025 to approximately $12.8 million in FYE 2029. This increase is primarily driven by the reclassification of non-operating revenues to operating.

Table 3.3 Projected Offsetting Revenues – Rancho Division ($ thousands)

	Note	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Unmetered Construction Water		$6	$7	$7	$7	$7	*1*
New Service Connections		146	146	147	147	148	*2*
Rental/Lease Income		612	630	646	662	679	*3*
Other Op Rev-Billing		913	920	877	831	834	*4*
Other Op Rev-Engineering		95	98	100	103	105	*5*
Western IDA/Rock Mountain		0	0	0	0	0	*6*
Reclass From/(To) Non-Operating		9,028	9,299	9,532	9,770	10,014	*7*
Interest Earnings on Operating Fund		1,433	1,023	1,001	832	727	*8*
Rancho Non-Rate Revenues		**$12,233**	**$12,123**	**$12,309**	**$12,352**	**$12,513**	*9*

Notes:
(1) Totals may be off due to rounding.

Table 3.4 identifies the projected offsetting revenues for the upcoming five years for the Santa Rosa Division. Offsetting revenues for the Santa Rosa Division are projected to decrease from approximately $4.8 million in FYE 2025 to approximately $3.6 million in FYE 2029.

This decrease is driven by a drop in the reclassification of non-operating revenues from general property taxes to the operating fund. One component of that transfer is set based on the savings associated with the District's 2016 bond refunding. As the savings from the 2016 bond refunding are realized, the associated transfer to operating will phase out. Further interest earnings on the operating fund will decrease as the fund balance is drawn down over time.

Table 3.4 Projected Offsetting Revenues – Santa Rosa Division ($ thousands)

	Note	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Unmetered Construction Water		$0	$0	$0	$0	$0	*1*
New Service Connections		63	63	64	64	64	*2*
Rental/Lease Income		273	281	288	295	303	*3*
Other Op Rev-Billing		594	598	586	573	574	*4*
Other Op Rev-Engineering		41	42	43	44	45	*5*
Western IDA/Rock Mountain		158	162	166	171	175	*6*
Reclass From/(To) Non-Operating		3,130	2,416	2,274	2,112	2,058	*7*
Interest Earnings on Operating Fund		616	445	415	321	265	*8*
Santa Rosa Non-Rate Revenues		**$4,875**	**$4,007**	**$3,835**	**$3,580**	**$3,484**	*9*

Notes:
(1) Totals may be off due to rounding.

3.3 Projected Expenses

The projected expenses for the water divisions include source of supply costs, operating and maintenance costs, and rate supported capital costs. The projections developed for this study build on information provided by the District including the FYE 2025 proposed budget, expected cost escalation factors, staffing plans, rates paid for imported water and other information.

3.3.1 Source of Supply Costs

Source of supply costs include internal water production costs as well as external costs paid to MWD for purchased water. Source of supply costs are calculated based on the water needed to serve customer demands and projected unit costs or rates for each element of the production process or source of imported supply.

The water supply needs for each division are determined by applying an unaccounted for water factor of 4.5-percent to the sales forecast. Unaccounted for water includes system losses and leakage, unbilled water, underbilled water due to meter error, and other minor losses. Those supply needs are then distributed amongst the various sources of supply based on supply availability.

The District's lowest cost source of supply is groundwater. The District's groundwater rights are administered by the Santa Margarita River Watershed Watermaster. Through the study period, the Districts total pumping allotments are set at 15,220 acre-ft per year. The Rancho Division holds proportionally more groundwater rights than the Santa Rosa Division, with 12,610 acre-ft per year allotted to Rancho and 2,610 allotted to Santa Rosa. With each division, groundwater is produced through native facilities, those serving only their respective division, and through joint facilities that serve both divisions.

Imported recharge purchased from MWD water is the second least expensive source of supply and its overall availability is limited by basin conditions and recharge infrastructure. The District is currently taking measures to increase the use of recharge water to decrease reliance on treated imported water. Based on the Districts supply forecast, recharge capacity is set at 15,500 acre-ft for FYE 2025, 16,000 acre-ft for FYE 2026 and FYE 2027, and at 22,000 acre-ft per year thereafter. The expected increase in FYE 2028 is a result of the Upper VDC project which will increase recharge capacity. Recharge supplies are allocated evenly between the Rancho Division and the Santa Rosa Division.

Remaining supply needs are satisfied using purchases of treated imported water from MWD via the Eastern Municipal Water District (EMWD) or the Western Municipal Water District (WMWD).

In addition to the purchases described above, the District is obligated to purchase 4,000 acre-ft per year of untreated water via WMWD to be discharged to the Santa Margarita river. Fulfillment of this obligation is necessary for the District to maintain access to its groundwater pumping rights. As such, Santa Margarita purchases are allocated in line with groundwater allotments at 80-percent to the Ranch Division and 20-percent to the Santa Rosa Division.

Table 3.5 shows the projected sources of supply for the Rancho Division.

Table 3.5 Sources of Supply – Rancho Division

	Note	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Potable Demand (ccf)	1	12,476,656	12,423,568	12,399,930	12,358,895	12,191,895	*1*
Potable Demand (AF)	2	28,642	28,521	28,466	28,372	27,989	*2*
Unaccounted For Water		4.50%	4.50%	4.50%	4.50%	4.50%	*3*
Required Production (AF)	3	**29,992**	**29,864**	**29,808**	**29,709**	**29,308**	*4*
Production by Source (AF)							
Native Well		5,825	5,825	5,825	5,825	5,825	*5*
Joint Well		6,785	6,785	6,785	6,785	6,785	*6*
Recharge Import		7,750	8,000	8,000	11,000	11,000	*7*
Treated Import (WMWD)		2,456	2,360	2,345	1,555	1,453	*8*
Treated Import (EMWD)		7,176	6,895	6,852	4,544	4,245	*9*
Rancho Potable Production		**29,992**	**29,864**	**29,808**	**29,709**	**29,308**	*10*
Share of Santa Margarita Water (AF)	4	3,200	3,200	3,200	3,200	3,200	*11*

Notes:
(1) From Table 2.1
(2) CCF divided by 435.6 ccf per acre-ft
(3) Accounts for water losses and other unaccounted for water within the system.
(4) 80% of 4,000 acre-ft total obligation.
(5) Totals may be off due to rounding.

Table 3.6 Sources of Supply – Santa Rosa Division

	Note	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Potable Demand (ccf)	1	7,702,767	7,649,620	7,577,002	7,453,129	7,359,392	*1*
Potable Demand (AF)	2	17,683	17,561	17,394	17,110	16,895	*2*
Unaccounted For Water		4.50%	4.50%	4.50%	4.50%	4.50%	*3*
Required Production (AF)	**3**	**18,516**	**18,389**	**18,214**	**17,916**	**17,691**	*4*
Production by Source (AF)							
Native Well		2,100	2,100	2,100	2,100	2,100	*5*
Joint Well		510	510	510	510	510	*6*
Recharge Import		7,750	8,000	8,000	11,000	11,000	*7*
Treated Import (WMWD)		2,080	1,984	1,939	1,098	1,041	*8*
Treated Import (EMWD)		6,076	5,795	5,665	3,208	3,040	*9*
Santa Rosa Potable Production		**18,516**	**18,389**	**18,214**	**17,916**	**17,691**	*10*
Share of Santa Margarita Water (AF)	4	800	800	800	800	800	*11*

Notes:
(1) From Table 2.2
(2) CCF divided by 435.6 ccf per acre-ft
(3) Accounts for water losses and other unaccounted for water within the system.
(4) 20% of 4,000 acre-ft total obligation.
(5) Totals may be off due to rounding.

3.3.2 Purchased Water Costs

Once the needed sources of supply have been calculated for each division, costs are calculated by applying unit rates for each supply source to the required volumes. All of the water purchased by the District is supplied by MWD, and the unit costs for those purchases are therefore outside of the District's control. In addition to the water costs paid to MWD, the District pays volumetric admin fees to EMWD and WMWD for purchases made through either of those entities.

Table 3.7 presents the current and projected unit rates for wholesale purchases. MWD sets its rates on a calendar year basis. The untreated MWD rate is applied to all recharge and Santa Margarita purchases. The MWD unit rates for CY 2024, CY 2025, and CY 2026 are set to the actual rates adopted by MWD. Rates for CY 2027 through CY 2029 are projected using MWD's expected overall rate increases of 11.5-percent in CY 2027 and CY 2028, and 5-percent in CY 2029. EMWD admin charges are projected to stay flat at $11.00 per acre-ft and WMWD admin costs are projected assuming increases of 3.0-percent per year. The District purchases both untreated and treated water through each of the administering agencies (EMWD and WMWD). Total unit rates for purchases through each agency are shown in the second block of Table 3.7.

Due to the calendar year increases on MWD rates, the amount of water purchased from each source during the first half (July to December) and the second half (January through June) impacts District's fiscal

year costs. As such, the supply cost calculations need to consider the timing of water purchases. The assumed percentage of water purchased in each half of the fiscal year, from each source, is shown at the bottom of Table 3.7. These percentages were developed by the District's production staff and reflect typical water purchases by source as driven by seasonal demands, groundwater production capacity, recharge capacity, and other factors. They are held constant throughout the study period.

Table 3.7 Supply Unit Rates

	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029	*Line*
Supplier Unit Rates							
Untreated MWD Rate ($/AF)	$903.00	$912.00	$984.00	$1,097.16	$1,223.33	$1,284.50	*1*
Treated MWD Rate ($/AF)	$1,256.00	$1,395.00	$1,528.00	$1,703.72	$1,899.65	$1,994.63	*2*
EMWD Admin Fee ($/AF)	$11.00	$11.00	$11.00	$12.10	$13.31	$13.98	*3*
WMWD Admin Fee ($/AF)	$25.52	$26.29	$27.07	$29.78	$32.76	$34.40	*4*
Unit Rates with Wholesaler Admin Fees							
Untreated Purchases through EMWD	$914.00	$923.00	$995.00	$1,109.26	$1,236.64	$1,298.48	*5*
Treated Purchases through EMWD	$1,267.00	$1,406.00	$1,539.00	$1,715.82	$1,912.96	$2,008.61	*6*
Treated Purchases through WMWD	$1,281.52	$1,421.29	$1,555.07	$1,733.50	$1,932.41	$2,029.03	*7*
Santa Margarita Purchases (Untreated through WMWD)	$928.52	$938.29	$1,011.07	$1,126.94	$1,256.09	$1,318.90	*8*
Fiscal Year Purchase Timing	**Untreated Water**		**Treated Water**		**Santa Margarita**		
Half 1	50.41%		67.66%		36.35%		*9*
Half 2	49.59%		32.34%		63.65%		*10*

Notes:
(1) Totals may be off due to rounding.

Table 3.8 shows the effective fiscal year unit rates for supply purchases from each source, calculated by multiplying the Unit Rates with Wholesaler Admin Fees by the Fiscal Year Purchase timing, both from Table 3.8. For example, the effective fiscal year unit costs for FYE 2025 are calculated by adding the products of the CY 2024 Rate times the Half 1 percentage and the CY 2025 rate times the Half 2 percentage. For Untreated Purchases through EMWD, ($914.00 x 50.41%)+($923.00 x 49.59%) = $918.46 per acre-ft.

Table 3.8 Effective Fiscal Year Supply Unit Rates

	Note	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Untreated Purchases through EMWD		$918.46	$958.70	$1,051.66	$1,172.43	$1,267.31	*1*
Treated Purchases through EMWD		$1,311.95	$1,449.01	$1,596.18	$1,779.57	$1,943.89	*2*
Treated Purchases through WMWD		$1,326.71	$1,464.55	$1,612.77	$1,797.82	$1,963.65	*3*
Santa Margarita Purchases (Untreated through WMWD)		$934.74	$984.62	$1,084.82	$1,209.15	$1,296.07	*4*

The District also pays fixed costs to MWD associated with imported water purchases. The MWD capacity charge is assessed to the District based on the capacity of its connections to the MWD system. The MWD Readiness-to-Serve (RTS) charge is assessed based on the District's ten-year rolling average water purchases. The costs projected for this study use the 2024 budgeted fixed import costs as a basis and project future costs using escalation factors published by MWD. Table 3.9 shows the projected fixed import costs for each division.

For budgeting and projection purposes, the District assigns MWD fixed costs to each division based on their respective shares of the charge basis used by MWD. The capacity charge is allocated between the divisions based on capacity in cubic feet per second (cfs). The RTS charge is allocated between the divisions based on each division's share of ten-year rolling average water purchases. For this study, the divisional allocations are assumed to stay consistent throughout the study period.

Table 3.9 Fixed Import Costs ($ thousands)

		FYE 2024	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
MWD Capacity Charge		**$1,349**	**$1,565**	**$1,753**	**$1,955**	**$2,180**	**$2,289**	*1*
Annual Increase			16.0%	12.0%	11.5%	11.5%	5.0%	*2*
Rancho Share	53.3%	$720	$835	$935	$1,042	$1,162	$1,220	*3*
Santa Rosa Share	46.7%	$336	$390	$436	$487	$542	$570	*4*
MWD RTS Charge		**$3,552**	**$3,836**	**$3,989**	**$4,448**	**$4,960**	**$5,208**	*5*
Annual Increase			8.0%	4.0%	11.5%	11.5%	5.0%	*6*
Rancho Share	53.6%	$1,903	$2,055	$2,137	$2,383	$2,657	$2,790	*7*
Santa Rosa Share	46.4%	$883	$954	$992	$1,106	$1,234	$1,295	*8*

Notes:
(1) Totals may be off due to rounding.

Volumetric charges are calculated by multiplying the production by source (Table 3.5 for Rancho, Table 3.6 for Santa Rosa) by the fiscal year unit supply rates from Table 3.8. All recharge water is purchased through EMWD, all Santa Margarita water is purchased through WMWD. Table 3.10 and Table 3.11 shows the projected water purchase costs for the Rancho Division and Santa Rosa Division, respectively.

Table 3.10 Water Purchase Costs – Rancho Division ($ thousands)

	Note	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Volumetric Charges							
Recharge Import		$7,118	$7,670	$8,413	$12,897	$13,940	*1*
Treated Import (WMWD)		$3,259	$3,456	$3,783	$2,796	$2,853	*2*
Treated Import (EMWD)		$9,414	$9,990	$10,937	$8,086	$8,251	*3*
Santa Margarita		$2,991	$3,151	$3,471	$3,869	$4,147	*4*
Fixed Charges							
MWD Capacity Charge		$835	$935	$1,042	$1,162	$1,220	*5*
MWD RTS Charge		$2,055	$2,137	$2,383	$2,657	$2,790	*6*
Total Water Purchase Costs		**$25,672**	**$27,339**	**$30,030**	**$31,467**	**$33,202**	*7*

Notes:
(1) Totals may be off due to rounding.

Table 3.11 Water Purchase Costs – Santa Rosa Division ($ thousands)

	Note	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Volumetric Charges							
Recharge Import		$7,118	$7,670	$8,413	$12,897	$13,940	*1*
Treated Import (WMWD)		2,759	2,905	3,127	1,974	2,043	*2*
Treated Import (EMWD)		7,972	8,397	9,042	5,709	5,910	*3*
Santa Margarita		748	788	868	967	1,037	*4*
Fixed Charges							
MWD Capacity Charge		$390	$436	$487	$542	$570	*5*
MWD RTS Charge		954	992	1,106	1,234	1,295	*6*
Total Water Purchase Costs		**$19,941**	**$21,188**	**$23,044**	**$23,323**	**$24,796**	*7*

Notes:
(1) Totals may be off due to rounding.

3.3.3 Production Costs

Production costs include labor, operating and maintenance, energy, chemical, and other costs the District incurs to produce potable water at the joint and native facilities. During the budget process, the District calculates production unit costs for:

- Native Well Production – Division specific unit cost applied to production from each division's native wells.
- Native Well Energy – Division specific production energy costs applied to production from each division's wells.

- Joint Well Production – Joint facility production costs applied to each division's share of joint well production and recharge production.
- Joint Well Energy – Joint facility energy costs applied to each division's share of joint well production and recharge production.

Production unit costs for FYE 2025 are matched to the District's proposed budget and costs for future years are escalated based on general cost inflation at 3.0-percent for FYE 2026 and 2.5-percent per year thereafter. Well energy costs are also projected from the FYE 2025 budget assuming inflation at 8.0-percent in FYE 2026 and FYE 2027 and 7.0-percent per year thereafter. Escalation assumptions are discussed further in Section 3.3.4.1.

Table 3.12 and Table 3.13 present the projected production unit costs and fiscal year production and energy costs for the Rancho Division and the Santa Rosa Division, respectively.

Table 3.12 Water Production Costs – Rancho Division

	Note	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Production Unit Costs	1						
Rancho Native Well Unit Cost ($/AF)		$118.50	$122.06	$125.11	$128.23	$131.44	*1*
Joint Well Unit Cost ($/AF)		$168.37	$173.42	$177.76	$182.20	$186.76	*2*
Well Energy Unit Costs	1						
Rancho Native Well Energy Cost ($/AF)		$148.56	$160.44	$173.28	$185.41	$198.39	*3*
Joint Well Energy Cost ($/AF)		$91.50	$98.82	$106.72	$114.19	$122.19	*4*
Production Costs ($1,000s)	2						
Rancho Native Well		$690	$711	$729	$747	$766	*5*
Joint Well		2,447	2,564	2,628	3,240	3,321	*6*
Rancho Well Production Costs		**$3,138**	**$3,275**	**$3,357**	**$3,987**	**$4,087**	*7*
Well Energy Costs ($1,000s)	3						
Rancho Native Well		$865	$935	$1,009	$1,080	$1,156	*8*
Joint Well		1,330	1,461	1,578	2,031	2,173	*9*
Rancho Well Energy Costs		**$2,195**	**$2,396**	**$2,587**	**$3,111**	**$3,329**	*10*

Notes:
(1) Unit costs for FYE 2025 from District budget documents, projected for future years based on general inflation factors discussed above.
(2) Production costs calculated by multiplying production unit costs for Native or Joint Wells (lines 1 and 2) by the respective acre-ft of production from each source from Table 3.5
(3) Well Energy costs calculated by multiplying well energy unit costs for Native or Joint Wells (lines 3 and 4) by the respective acre-ft of production from each source from Table 3.5
(4) Totals may be off due to rounding.

Table 3.13 Water Production Costs – Santa Rosa Division

	Note	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Production Unit Costs	1						
Santa Rosa Native Well Unit Cost ($/AF)		$85.11	$87.66	$89.85	$92.10	$94.40	*1*
Joint Well Unit Cost ($/AF)		$168.37	$173.42	$177.76	$182.20	$186.76	*2*
Well Energy Unit Costs	1						
Santa Rosa Native Well Energy Cost ($/AF)		$153.79	$166.09	$179.38	$191.94	$205.37	*3*
Joint Well Energy Cost ($/AF)		$91.50	$98.82	$106.72	$114.19	$122.19	*4*
Production Costs ($1,000s)	2						
Santa Rosa Native Well		$179	$184	$189	$193	$198	*5*
Joint Well		1,391	1,476	1,513	2,097	2,150	*6*
Santa Rosa Well Production Costs		**$1,569**	**$1,660**	**$1,701**	**$2,291**	**$2,348**	***7***
Well Energy Costs ($1,000s)	3						
Santa Rosa Native Well		$323	$349	$377	$403	$431	*8*
Joint Well		756	841	908	1,314	1,406	*9*
Santa Rosa Well Energy Costs		**$1,079**	**$1,190**	**$1,285**	**$1,717**	**$1,838**	***10***

Notes:
(1) Unit costs for FYE 2025 from District budget documents, projected for future years based on general inflation factors discussed above.
(2) Production costs calculated by multiplying production unit costs for Native or Joint Wells (lines 1 and 2) by the respective acre-ft of production from each source from Table 3.6
(3) Well Energy costs calculated by multiplying well energy unit costs for Native or Joint Wells (lines 3 and 4) by the respective acre-ft of production from each source from Table 3.6
(4) Totals may be off due to rounding.

3.3.4 Operating and Maintenance Costs

O&M costs are expenditures that the District incurs in the day-to-day operations of its water system - e.g., employee salaries and benefits, fuel, chemicals, power, supplies, and corrective maintenance. For the water divisions, O&M costs are budgeted and tracked in the budget categories described below.

3.3.4.1 O&M Costs Projected from the FYE 2025 Budget

Source of Supply

The Source of Supply O&M category includes the costs to procure and produce water as described in the previous section.

Booster Pumping

The Booster Pumping O&M category includes the costs to pump water to the various pressure zones within the system and maintain the infrastructure required to do so. Energy costs for electricity and

natural gas are the largest cost in the category comprising approximately 70-percent of costs. Other costs include labor and benefits costs, materials and supplies, outside services and corrective maintenance.

Transmission and Distribution

The Transmission and Distribution category includes the costs to operate and maintain the distribution system, excluding booter pumping activities. The labor and benefits for operations and corrective maintenance staff make up the majority of costs in this category, over 70-percent. Other significant costs include outside corrective maintenance activities from third parties, other outside services, and vehicles and equipment.

Customer Service

The customer service category includes the costs for customer billing, resource customer support, and other minor activities. Approximately half of the costs in this category are for meter service maintenance and repairs.

Recycled Water

The recycled water category includes the costs to produce recycled water at the joint facility as well as the costs to operate and maintain the recycled water distribution system. Most costs in this category are for water production at the joint facility. Other major costs include utilities, outside services, and labor and benefits for operations and maintenance staff.

Engineering

The engineering category includes the costs for engineering services performed by the District to the benefit of operations and maintenance activities. Most of the services are budgeted at the District level then allocated to the divisions in the Resource Engineering cost item.

Support

The support category includes costs incurred at the District level for activities that support other functions and programs. Support costs include finance, board administration, records management, headquarters O&M, procurement, warehouse, planning fringe overhead, and other costs. Support costs and budgeted and tracked in several subcategories and each is allocated among the divisions in proportion to the division's needs and /or the factors that drive the costs.

3.3.4.2 Additional Staff Costs

In addition to the cost of existing staff positions included in the categories discussed above, the District plans to add 9 new full-time staff members over the course of the study. These new positions have been identified by the District as necessary to maintain levels of service throughout the system. The costs for the FYE 2025 staff positions are included in the proposed FY 2025 budget provided by the District. For all subsequent years, labor and benefit costs are estimated based on the type of positions to be added and the District's typical pay scale and benefits costs.

- For FYE 2025, the new positions will include CMMS Tech, Maintenance Supervisor, and Safety Support person.

- For FYE 2026, the new positions will include two Valve Crew Distribution Operators.
- For FYE 2027, the new positions will include two Well and Pump Technicians.
- For FYE 2028, the new positions will include converting two Hydrant and Air Vac interns into full time positions.

The costs for new positions for FYE 2026 and onward are allocated to the O&M cost categories based on the functions that each staff member will perform.

3.3.4.3 Projected O&M

O&M costs for each division and category are projected from the District's FYE 2025 budget on a line-item basis using the escalation factors described below. Appendix C shows the detailed O&M projections for each division.

- Labor Cost Inflation: This escalation factor is applied to all labor and benefits costs. The District is currently conducting a salary survey and expects that overall salaries will be increased by up to 8-percent in FYE 2026 as a result. After that time, labor cost inflation is set at 4.5-percent per year to account for cost-of-living adjustments and merit increases.
- Energy Cost Inflation: This escalation factor is applied to utility costs which include electricity and natural gas. Energy costs have increased significantly over the past several years and further increases above the level of general cost inflation are expected. As such, the study assumes energy cost inflation at 8.0-percent per year for FYE 2026 and FYE 2027, and 7.0 percent per year thereafter.
- General Cost Inflation: This escalation factor is applied to all O&M costs that are not labor or energy related including materials and supplies, vehicles and equipment, outside services, and corrective maintenance as well as other costs. General cost inflation is assumed at 3.0-percent for FYE 2026 and 2.5-percent per year thereafter. The higher assumption for FYE 2026 reflects the current inflationary environment. The analysis assumes that inflation will partially mitigate in FYE 2027 and onward.

Table 3.14 shows the projected O&M costs for the Rancho Division. Over the study period, O&M costs are expected to increase from approximately $54.4 million in FYE 2025 to $69.5 million in FYE 2029. Over half of the increase in costs is driven by Source of Supply.

Table 3.14 Projected O&M – Rancho Division ($ thousands)

Category	Note	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Source of Supply		$31,005	$33,037	$36,003	$38,758	$40,953	*1*
Booster Pumping		2,248	2,433	2,595	2,796	3,001	*2*
Transmission & Distribution		5,852	6,268	6,628	6,896	7,175	*3*
Customer Service		3,203	3,365	3,477	3,594	3,715	*4*
Recycled Water		2,546	2,699	2,847	2,999	3,160	*5*
Engineering		933	967	993	1,020	1,049	*6*
Support		8,574	9,260	9,628	10,011	10,461	*7*
Total Rancho O&M Costs		**$54,362**	**$58,028**	**$62,172**	**$66,075**	**$69,514**	*8*

Notes:
(1) Totals may be off due to rounding.

Table 3.15 shows the projected O&M costs for the Santa Rosa Division. Over the study period, O&M costs are expected to increase from approximately $35.5 million in FYE 2025 to $45.4 million in FYE 2029. Over two-thirds of the increase in costs is driven by Source of Supply.

Table 3.15 Projected O&M – Santa Rosa Division ($ thousands)

Category	Note	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Source of Supply		$23,757	$25,294	$27,430	$28,979	$30,783	*1*
Booster Pumping		2,614	2,815	2,999	3,213	3,434	*2*
Transmission & Distribution		4,081	4,376	4,683	4,871	5,067	*3*
Customer Service		1,104	1,167	1,209	1,253	1,299	*4*
Recycled Water		912	971	1,027	1,086	1,147	*5*
Engineering		331	345	355	366	377	*6*
Support		2,679	2,893	3,008	3,129	3,269	*7*
Total Rancho O&M Costs		**$35,478**	**$37,861**	**$40,711**	**$42,896**	**$45,375**	*8*

Notes:
(1) Totals may be off due to rounding.

A detailed table of the O&M forecast with costs by Division, O&M category, and cost type (labor, utilities, materials and supplies, etc.) is included as Appendix C.

3.3.5 Capital Costs Supported by Rates

Along with operating costs, the District's rates support a limited amount of capital costs.

3.3.5.1 Supply Capital Projects

Rates from each division are used to support capital projects that will be undertaken to enhance the District's local supplies. The District's CIP includes a package of projects that are being implemented to enhance water storage and to provide the ability to produce water during times of seasonally high demands or import curtailment periods. The specific projects include recharge basins and wells in the Pauba Valley that will allow for additional groundwater recharge with raw water imports. The siting of the wells and recharge basins will optimize the use of the basin to maximize potential storage and recovery, resulting in up to 60,000 acre-ft of storage with an annual recharge and extraction throughput of 30,000 acre-ft.

While the projects provide an overall benefit to the system, the additional supply and production capacity provided by the projects is necessary and available to serve above-budget users during times of high demand and potential curtailments. Thus, the systems are sized accordingly, resulting in a more robust system being constructed to allow customers to go over budget.

The initial construction of the projects will be supported with non-operating revenues through direct project funding and/or payment of debt service with property tax receipts. As such, all customers pay for the initial project funding, with intent to be repaid with rate revenues from above budget usage over time as those rate revenues are collected.

Because the system is sized to meet the highest levels of demand, customers whose demands remain within budget have paid for unused capacity and should be compensated by those driving the need for that capacity, those using water above their respective budgets. The proposed rates account for this by including the amortized project costs in the rates for above budget use (BBTR Tiers 3 and 4 and CII&Ag Tiers 2 and 3). This compensates the in-budget users for their underutilized capacity as the initial investment that was funded with property taxes is repaid by customers who go above budget. Customers have full control to avoid paying for these costs through their rates by staying within their allotted water budgets.

Table 3.16 shows the expected supply capital projects, each division's share, and the annualized cost. The support to be provided by rates is annualized assuming a 4-percent interest rate over 30 years, in line with the District's typical bonding terms and interfund loan policies. This practice helps to avoid rate volatility by flattening year-to-year costs.

As the Santa Rosa Division receives proportionally less property tax revenue than Rancho making capital funding more difficult, the District intends to seek grant funding on behalf of the Santa Rosa Division to offset a portion of the costs. This will allow the project, which provides mutual water supply benefits to both divisions, to go forward without overburdening Santa Rosa Rates. For the purpose of this study, grant offsets are assumed at 50-percent of Santa Rosa's share of the project costs.

Table 3.16 Supply Capital Projects ($ thousands)

Project	Total Costs	Rancho Share	Santa Rosa Share
Pauba Valley Well #s 178, 179, 180 & 181 (Planning/Design)	$2,000	$1,000	$1,000
Mid-Valley Recharge Basins (Planning/Design)	4,700	2,350	2,350
Pauba Valley Well #s 178, 179 (Construction Only)	7,500	3,750	3,750
Well 130, 131 & 177 Conveyance to UVDC Treatment	4,875	2,438	2,438
Mid-Valley Recharge Basins (Construction)	5,300	2,650	2,650
Pauba Valley Well #s 180 & 181 (Construction Only)	7,500	3,750	3,750
Assumed Grant Offset			(7,969)
Total Cost to be Rate Funded		**$15,938**	**$7,969**
Annualized Cost		**$922**	**$461**

Notes:
(1) Totals may be off due to rounding.

3.3.5.2 Santa Rosa Capital Projects

Along with the supply capital projects shown in Table 3.16, the Santa Rosa Division's rates support additional capital costs for rehabilitation and replacement through contributions for projects and for debt service. The District provided the expected capital charge revenues for the study period from its long-term financial plan. The amount for supply capital projects (discussed above in Table 3.16) is a component of the total capital charge supported by Santa Rosa Division rates.

Table 3.17 shows the capital support from Santa Rosa Division rates that has been included in the revenue requirements analysis. Over the study period, the total capital charge is projected to increase from $2.2 million in FYE 2025 to $3.2 million in FYE 2029.

Table 3.17 Santa Rosa Capital Support ($ thousands)

	Note	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Supply Projects	1	$461	$461	$461	$461	$461	*1*
Other Capital Support		1,784	2,053	2,285	2,523	2,722	*2*
Total Capital Charge		**$2,244**	**$2,514**	**$2,746**	**$2,983**	**$3,183**	*3*

Notes:
(1) From Table 3.16.
(2) Totals may be off due to rounding.

3.4 Reserve Requirements

The District has recently updated its reserve policy to define component reserve targets tied to each division's operations and the specific revenue, cost, and operational risks that they face. The operating reserve portion of the policy is supported by rate revenues and consists of the three components described in Table 3.18.

The target for each component is set based on a specific metric(s) related to the purpose of the component, and the targeted reserve levels vary in each year based on the expenditures or revenues used to calculate each component. Table 3.19 shows the projected target reserve levels for each year of the five-year rate projection.

Table 3.18 Operating Reserve Metrics

Component and Description	Target
Working Capital: maintain sufficient resources to pay budgeted operating and maintenance expenses recognizing the timing differences between payment of expenditures and receipt of revenues.	120 Days of O&M Costs
Drought Reserve: provides funds to support increased treated water purchases in the event that prolonged drought leads to a decrease in groundwater availability	2500 acre-ft times the unit cost of treated water less the unit cost to produce groundwater for each division.
Rate Stabilization: provides broad protection against unexpected costs or loss of revenues and acts as the primary reserve, when considering mitigating rate increases.	60 Days of O&M Costs

Table 3.19 Projected Reserve Targets ($ thousands)

	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029
Rancho Division					
Working Capital	$17,872	$19,078	$20,440	$21,723	$22,854
Drought	2,884	3,184	3,594	4,057	4,262
Rate Stabilization	8,936	9,539	10,220	10,862	11,427
Rancho Total Operating Reserve Target	**$29,693**	**$31,800**	**$34,254**	**$36,642**	**$38,542**
Minimum For Rev. Req. Forecast Working Capital Component Only	***$17,872***	***$19,078***	***$20,440***	***$21,723***	***$22,854***
Santa Rosa Division					

	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029
Working Capital	$11,664	$12,447	$13,385	$14,103	$14,918
Drought	2,884	3,184	3,594	4,057	4,262
Rate Stabilization	5,832	6,224	6,692	7,051	7,459
Rancho Total Operating Reserve Target	**$20,380**	**$21,855**	**$23,671**	**$25,211**	**$26,638**
Minimum For Rev. Req. Forecast Working Capital Component Only	***$11,664***	***$12,447***	***$13,385***	***$14,103***	***$14,918***

Notes:
(1) Totals may not tie due to rounding.

In order to mitigate rate increases, the revenue requirement forecasts target maintaining a minimal level of operating reserves equal to the working capital component of 120 days of O&M costs.

3.5 Revenue Requirement Forecast – Rancho Division

Table 3.20 on the next page presents the calculation and results of the Rancho Division revenue requirements analysis and forecast. Based on the projections, rate revenue increases of 7.7-percent per year will be required for each year of the study period (FYE 2025 through FYE 2029). The increase in the first year will be split into a July 1, 2024 increase of 4.5-percent aimed at recouping increases in internal and energy costs, followed by a 3.2-percent increase on January 1, 2025 to coincide with MWD's wholesale rate increases. Increases in future years will be implemented on January 1st of each year. This implementation strategy has the advantages of matching MWD's calendar year rate setting process. Further, increasing rates during the winter allows customers more time to adapt to the increased rates before entering the high use season.Rate Increase Drivers

The necessary rate increases for the Rancho Division are driven primarily by the need to keep pace with operating cost increases and minimize deficits to the extent possible. To maintain affordability for customers, the proposed increases do not meet full cost recovery and would require the District to identify and impelement cost saving measures over the next five years. Increases in costs, particularly external costs outside of District control including water purchases and energy, have caused a current operating deficit of approximately $3.0 million in FYE 2025 prior to rate increases (Table 3.20, line 7).

Figure 3.1 below shows an approximate breakdown of the annual rate increase by driver; the breakdown reflects the proportional increase in each of the categories show, over the five-year projection. As shown, annual increases of approximately 4.5-percent are needed to cover increases in external costs for source of supply purchases and energy. The remaining 3.2-percent annual increase is needed to cover inflationary increases in the division's internal costs.

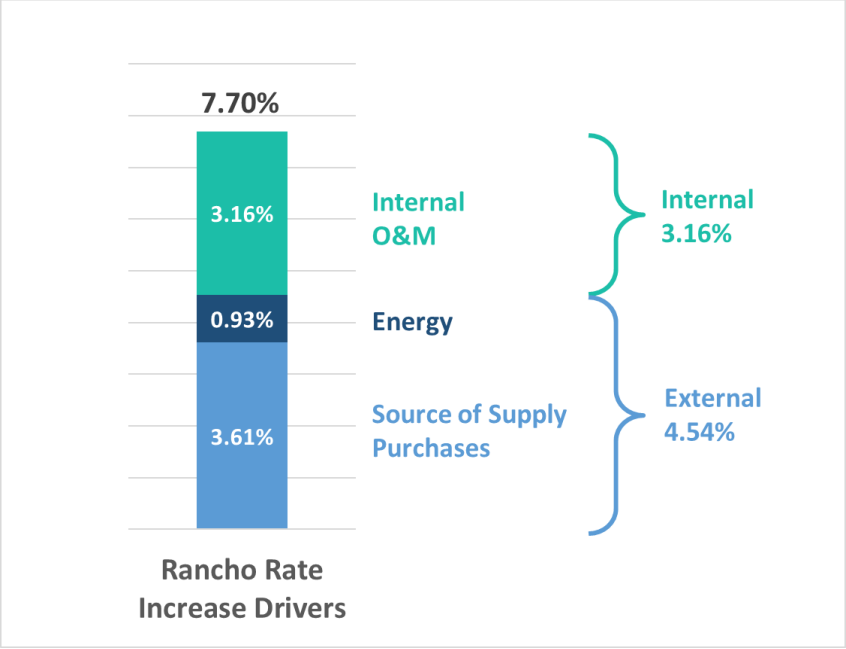


Figure 3.1 Rancho Division Rate Increase Drivers

Rate Smoothing

The proposed 7.7-percent annual increases would build toward addressing cash flow issues over the five-year study to smooth the impact to customers and avoid rate shock. As shown in Line 15 of Table 3.20, annual operating cash flows would remain negative for FYE 2025 through FYE 2029 as reserves are drawn down to mitigate the need for higher increases in those years. To maintain affordability for customers, the proposed rate increases will not reach full cost recovery, based on the current cost projections, and the District will work to identify potential cost reductions over the study period to mitigate the projected use of reserves.

Table 3.20 Revenue Requirements Results – Rancho Division ($ thousands)

	Note	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Rate Revenue Under Current Rates		$37,718	$37,771	$37,883	$37,959	$37,825	*1*
Revenue From Prior Years' Increases			2,908	6,059	9,461	13,066	*2*
Total Rate Revenue Prior to FY Increase		**$37,718**	**$40,679**	**$43,942**	**$47,420**	**$50,891**	*3*
Recycled Water Revenues with Increases		$1,420	$1,561	$1,712	$1,873	$2,046	*4*
Non-Rate Revenue		$12,233	$12,123	$12,309	$12,352	$12,513	*5*
Total Revenue Prior to FY Potable Increase		**$51,371**	**$54,363**	**$57,963**	**$61,646**	**$65,449**	*6*

	Note	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Expenditures							
O&M Costs		($54,362)	($58,028)	($62,172)	($66,075)	($69,514)	*7*
Operating Cash Flow Prior to FY Increase		**($2,991)**	**($3,664)**	**($4,209)**	**($4,430)**	**($4,065)**	*8*
Rate Revenue Increase		**7.70%**	**7.70%**	**7.70%**	**7.70%**	**7.70%**	*9*
Cumulative Increase		*7.70%*	*15.99%*	*24.92%*	*34.54%*	*44.90%*	*10*
Implementation Month		4.5% Jul. 1, 3.2% Jan. 1	January	January	January	January	*11*
Revenues from Full Year Increase		$2,904	$3,132	$3,384	$3,651	$3,919	*12*
Less Rate Increase Delay		($603)	($1,566)	($1,692)	($1,826)	($1,959)	*13*
Revenues from FY Increase		$2,301	$1,566	$1,692	$1,826	$1,959	*14*
Operating Cash Flow with FY Increase		**($690)**	**($2,098)**	**($2,517)**	**($2,604)**	**($2,105)**	*15*
Supply Capital Costs		($922)	($922)	($922)	($922)	($922)	*16*
Cash Flow inc. Supply Capital		($1,612)	($3,020)	($3,439)	($3,526)	($3,027)	*17*
Operating Reserve							
Beginning Balance		$16,819	$34,207	$31,187	$27,748	$24,222	*18*
Transfer from Non-Operating		19,000	0	0	0	0	*19*
Operating Cash Flow with FY Increase		(690)	(2,098)	(2,517)	(2,604)	(2,105)	*20*
Supply Capital Costs		(922)	(922)	(922)	(922)	(922)	*21*
Ending Balance		**$34,207**	**$31,187**	**$27,748**	**$24,222**	**$21,195**	*22*
Days Cash		230 Days	196 Days	163 Days	134 Days	111 Days	*23*

Notes:
(1) Totals may be off due to rounding.

Lines 18 through 23 of Table 3.20 present the projected flow of operating funds, fund balance, and days of O&M costs with the proposed rate increases. Meeting the cash flow objectives and staying near the minimum working capital target with the proposed increases will require a one-time transfer of $19.0 million in unrestricted general property tax revenues from the non-operating fund to the operating fund, scheduled to take place in FYE 2025. This initial transfer allows for the use of reserves over the projection period to smooth rate increases. Based on the above outlined assumptions and the proposed increases, the Rancho Division would need to identify and implement approximately $2.1 million in annual costs savings by FYE 2029 to maintain positive cash flows.

With the revenue requirement forecast completed and the annual increases determined, the results are used to determine the rate revenues that will be needed in each year. The required rate revenues are shown in Table 3.21, and calculated as the sum of O&M Costs, Supply Capital Costs, Cash Flows, and an Adjustment for Rate increase Delay minus Recycled Water Revenues and Non-Rate Revenues. The adjustment for the rate increase delay is needed so that the rate revenue requirements used in the subsequent cost of service allocations and rate calculations corresponds to a full year of revenues from each increase, since the rates are calculated based on a full fiscal year's demands and accounts.

Table 3.21 Required Rate Revenue Requirements – Rancho Division ($ thousands)

	Note	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
O&M Costs		$54,362	$58,028	$62,172	$66,075	$69,514	*1*
Supply Capital Costs		922	922	922	922	922	*2*
Cash Flow inc. Supply Capital		(1,612)	(3,020)	(3,439)	(3,526)	(3,027)	*3*
Adjustment for Rate Increase Delay		603	1,566	1,692	1,826	1,959	*4*
Less: Recycled Water Revenues		($1,420)	($1,561)	($1,712)	($1,873)	($2,046)	*5*
Less: Non-Rate Revenues		($12,233)	($12,123)	($12,309)	($12,352)	($12,513)	*6*
Potable Rate Revenues Required		**$40,622**	**$43,812**	**$47,325**	**$51,072**	**$54,809**	*7*

Notes:
(1) Totals may be off due to rounding.

With the proposed 7.7-percent annual increases and the assumed customer and demand growth projections, rate revenues will increase from their current $37.7 million (Table 3.1, sum of Lines 1, 3, and 4) to $54.8 million in FYE 2029. If significant changes to the division's operations or revenue base (such as drastic conservation, a severe drought impacting water supplies, or unexpected increases in costs) occur during the study period, the District may have to reevaluate the proposed rate increases and rates.

3.6 Revenue Requirement Forecast – Santa Rosa Division

Table 3.22 on the next page presents the calculation and results of the Santa Rosa Division revenue requirements analysis and forecast. Based on the projections, rate revenue increases of 8.7-percent per year will be required for each year of the study period (FYE 2025 through FYE 2029). The increase in the first year will be split into a July 1, 2024 increase of 4.5-percent aimed at recouping increases in internal and energy costs, followed by a 4.2-percent increase on January 1, 2025 to coincide with MWD's wholesale rate increases. Increases in future years will be implemented on January 1st of each year. This implementation strategy has the advantages of matching MWD's calendar year rate setting process. Further, increasing rates during the winter allows customers more time to adapt to the increased rates before entering the high use season.

Rate Increase Drivers

The necessary rate increases for the Santa Rosa Division are driven primarily by the need to maintain positive annual operating cash flows as well as to maintain the operating reserve to the extent possible.

To maintain affordability for customers, the proposed increases do not meet full cost recovery and would require the District to identify and implement cost saving measures over the next five years.

Figure 3.2 below shows an approximate breakdown of the annual rate increase by driver; the breakdown reflects the proportional increase in each of the categories shown over the five-year projection. As shown, annual increases of approximately 5.1-percent are needed to cover increases in external costs for source of supply purchases and energy. The increases due to external costs are higher for Santa Rosa than for Rancho because Santa Rosa sources a greater share of its water from treated imports and more energy is required to deliver water to Santa Rosa's pressure zones. The remaining 3.6-percent annual increase is needed to cover inflationary increases in the division's internal costs.

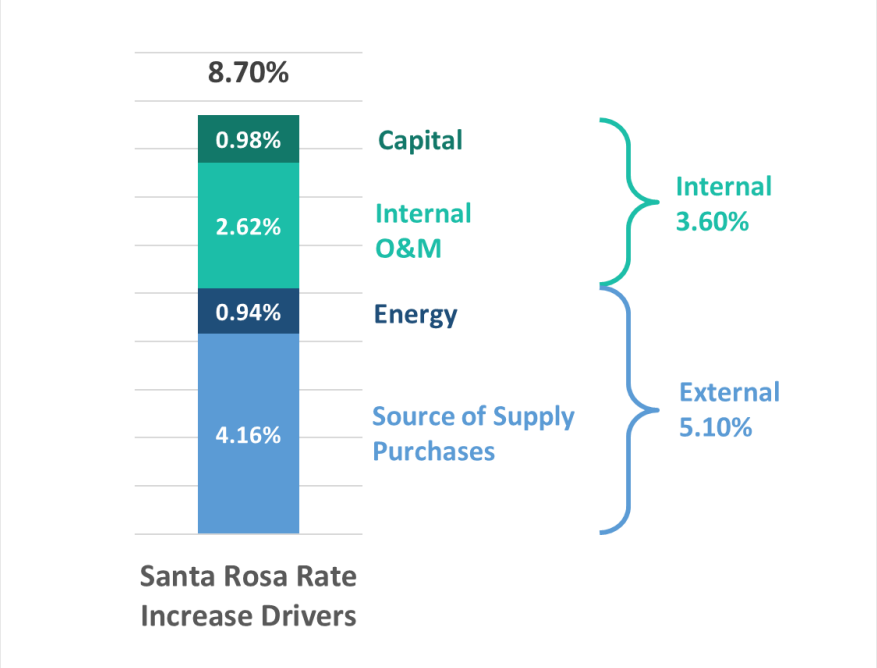


Figure 3.2 Rancho Division Rate Increase Drivers

Rate Smoothing

The proposed 8.7-percent annual increases would build toward generating positive cash flows over the five-year study to smooth the impact to customers and avoid rate shock. As shown in Line 15 of Table 3.20, annual operating cash flows remain positive through FYE 2029, however, with the capital charge included, deficits persist in all years and reserves are drawn down to mitigate the need for higher increases in those years. To maintain affordability for customers, the proposed rate increases will not reach full cost recovery, based on the current cost projections, and the District will work to identify potential cost reductions over the study period to mitigate the projected use of reserves.

Table 3.22 Revenue Requirements Results – Santa Rosa Division ($ thousands)

	Note	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Rate Revenue Under Current Rates		$29,820	$29,841	$29,824	$29,670	$29,601	*1*
Revenue From Prior Years' Increases			2,596	5,415	8,437	11,725	*2*
Total Rate Revenue Prior to FY Increase		**$29,820**	**$32,437**	**$35,239**	**$38,107**	**$41,326**	*3*
Recycled Water Revenues with Increases		510	564	622	683	749	*4*
Non-Rate Revenue		$4,875	$4,007	$3,835	$3,580	$3,484	*5*
Total Revenue Prior to FY Increase		**$35,205**	**$37,009**	**$39,696**	**$42,370**	**$45,560**	*6*
Expenditures							
O&M Costs		($35,478)	($37,861)	($40,711)	($42,896)	($45,375)	*7*
Operating Cash Flow Prior to FY Increase		**($272)**	**($852)**	**($1,016)**	**($526)**	**$185**	*8*
Rate Revenue Increase		**8.70%**	**8.70%**	**8.70%**	**8.70%**	**8.70%**	*9*
Cumulative Increase		*8.70%*	*18.16%*	*28.44%*	*39.61%*	*51.76%*	*10*
Implementation Month		January	January	January	January	January	*11*
Revenues from Full Year Increase		$2,617	$2,822	$3,066	$3,315	$3,595	*12*
Less Rate Increase Delay		($626)	($1,411)	($1,533)	($1,658)	($1,798)	*13*
Revenues from FY Increase		$1,991	$1,411	$1,533	$1,658	$1,798	*14*
Operating Cash Flow with FY Increase		**$1,719**	**$559**	**$517**	**$1,131**	**$1,982**	*15*
Capital Charge (inc. Supply Capital)		($2,244)	($2,514)	($2,746)	($2,983)	($3,183)	*16*
Cash Flow inc. Capital Charge		($526)	($1,955)	($2,229)	($1,852)	($1,200)	*17*
Operating Reserve							
Beginning Balance		$15,406	$14,880	$12,926	$10,697	$8,845	*18*
Operating Cash Flow with FY Increase		1,719	559	517	1,131	1,982	*19*
Supply Capital Costs		(2,244)	(2,514)	(2,746)	(2,983)	(3,183)	*20*
Ending Balance		**$14,880**	**$12,926**	**$10,697**	**$8,845**	**$7,644**	*21*
Days Cash		153 Days	125 Days	96 Days	75 Days	61 Days	*22*

Notes:
(1) Totals may be off due to rounding.

Lines 18 through 22 of Table 3.22 present the projected flow of operating funds, fund balance, and days of O&M costs with the proposed rate increases. Unlike the Rancho Division, Santa Rosa's non-operating funds do not have the capacity to fund operating reserves through transfers. Thus, meeting the operating reserve goal falls entirely on rate revenues. The proposed rate plan would allow the operating reserve to fall below the 120-day goal for FYE 2027 through FYE 2029. Based on the above outlined assumptions and the proposed increases, the Rancho Division would need to identify and implement approximately $1.5 million in annual costs savings by FYE 2029 to maintain positive cash flows.

With the revenue requirement forecast completed and the annual increases determined, the results are used to determine the rate revenues that will be needed in each year. The required rate revenues are shown in Table 3.23, and calculated as the sum of O&M Costs, Supply Capital Costs, Cash Flows, and an Adjustment for Rate increase Delay minus Recycled Water Revenues and Non-Rate Revenues. The adjustment for the rate increase delay is needed so that the rate revenue requirements used in the subsequent cost of service allocations and rate calculations corresponds to a full year of revenues from each increase, since the rates are calculated based on a full fiscal year's demands and accounts.

Table 3.23 Rate Revenue Requirements – Santa Rosa Division ($ thousands)

	Note	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
O&M Costs		$35,478	$37,861	$40,711	$42,896	$45,375	*1*
Capital Charge (inc. Supply Capital)		2,244	2,514	2,746	2,983	3,183	*2*
Cash Flow inc. Capital Charge		(526)	(1,955)	(2,229)	(1,852)	(1,200)	*3*
Adjustment for Rate Increase Delay		626	1,411	1,533	1,658	1,798	*4*
Less: Recycled Water Revenues		(510)	(564)	(622)	(683)	(749)	*5*
Less: Non-Rate Revenues		($4,875)	($4,007)	($3,835)	($3,580)	($3,484)	*6*
Rate Revenues Required		**$32,437**	**$35,259**	**$38,304**	**$41,422**	**$44,922**	*7*

Notes:
(1) Totals may be off due to rounding.

With the proposed 8.7-percent annual increases and the assumed customer and demand growth projections, rate revenues will increase from their current $30.8 million (Table 3.2, Line 5) to $46.1 million in FYE 2029. If significant changes to the division's operations or revenue base (such as drastic conservation, a severe drought impacting water supplies, or unexpected increases in costs) occur during the study period, the District may have to reevaluate the proposed rate increases and rates.

3.7 Districtwide Recycled Water Revenue Requirements

The District tracks and budgets recycled water costs and revenues on a divisional basis for accounting and planning purposes. The current rate structure includes specific recycled water variable rates and fixed charges for each division. However, the recycled water system functions as a single, Districtwide system, from a supply, infrastructure, and operational perspective. Going forward, all users will be charged under a common rate structure in recognition of the combined nature of the system.

The recycled water system benefits the District's potable customers by decreasing reliance on treated imported water, resulting in a greater share of the water served to potable customers being sourced from lower costs sources (groundwater and raw imports). As such, it is in the interest of potable customers to promote continued use of recycled water by maintaining recycled water's affordability.

Recycled water O&M costs are projected using the same escalation assumptions discussed previously in Section 3.3.4. Table 3.24 shows the projected O&M costs for the combined recycled water system, additional detail is provided in Appendix C. For rate development, the costs are split into two cost recovery categories: (1) volumetric costs to be recovered through variable rates and (2) capacity costs to be recovered through fixed charges.

The specific costs to be included in the phased-in capacity component of the fixed charges are those for corrective maintenance of the recycled water system. Costs for these activities are fixed and necessary to maintain the operability and reliability of the system. Maintenance costs are largely driven by the sizing of system components as dictated by the necessary system capacity and are therefore appropriately recovered based on capacity MEUs.

Table 3.24 Districtwide Recycled Water O&M ($ thousands)

	Note	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	Recovery	Line
Joint Facility Recycled Water		$1,810	$1,918	$2,034	$2,156	$2,285	Volumetric	*1*
Labor		118	128	133	139	146	Volumetric	*2*
G&A/Fringe Benefit		177	191	199	208	218	Volumetric	*3*
Materials & Supplies		30	31	32	33	33	Volumetric	*4*
Utilities		601	649	701	750	802	Volumetric	*5*
Outside Services		428	441	452	463	475	Volumetric	*6*
Vehicle & Equipment		15	15	15	16	16	Volumetric	*7*
Corrective Maint. - Labor		67	72	75	79	82	Capacity	*8*
Corrective Maint. - G&A/FB		108	117	122	128	133	Capacity	*9*
Corrective Maintenance		105	108	111	114	117	Capacity	*10*
Total Combined RW O&M		**$3,458**	**$3,670**	**$3,875**	**$4,085**	**$4,307**		*11*
Recycled Water Volumetric Costs		$3,178	$3,373	$3,566	$3,765	$3,975		*12*
Recycled Water Capacity Costs		$280	$297	$309	$320	$332		*13*

Notes:
(1) Totals may be off due to rounding.

In the current rate structure, recycled water capacity costs are recovered within the volumetric rate. To avoid a large spike in fixed charges, capacity costs recovery within the fixed charges will be phased-in over a five-year period. During the phase-in, recovery of the capacity costs will be split between the recycled water fixed and variable charges as shown in Table 3.25.

Table 3.25 Recycled Water Capacity Costs Recovery ($ thousands)

	Note	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	Line
Recycled Water Capacity Costs		$280	$297	$309	$320	$332	*1*
Amount To Recover in Fixed Charge		20%	40%	60%	80%	100%	*2*
Costs to Recover in Fixed Charge		$56	$119	$185	$256	$332	*3*
Costs to Recover in Variable Charge		$224	$178	$123	$64	$0	*4*

Notes:
(1) Totals may be off due to rounding.

Table 3.26 presents the calculation and results of the districtwide recycled water revenue requirements analysis and forecast. Variable charge rate increases for FYE 2025 will be division specific as the rates are brought into alignment. On July 1, 2024, Variable rates for customers in the Rancho Division will be increased by 5-percent to set them equal to the Santa Rosa rates which will be held at their current level. Staring in 2026, recycled water variable rates will be increased by 6-percent on January 1 of each year. In addition to the variable rate increases, fixed charges for recycled water users will be set to recover an increasing share of recycled water capacity costs as discussed above.

To maintain the affordability of recycled water, the revenue requirements reflect support from potable users to recognize the benefits they receive from recycled water in the form of decreased treated water purchase costs. As shown in Line 14 of Table 3.26 the recycled water system will require approximately $1.5 million per year from potable customers with the proposed recycled water rates. The benefits afforded to potable water users by the recycled water system can be quantified by estimating the additional treated water purchase volumes and costs that would be required without the recycled water system, as discussed later and shown in Table 3.27.

Table 3.26 Recycled Water Revenue Requirements Forecast ($ thousands)

	Note	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	Line
Recycled Rate Revenue Under Current Rates							
Rancho Customers		$1,316	$1,329	$1,342	$1,356	$1,369	*1*
Santa Rosa Customers		$493	$498	$503	$508	$513	*2*
Combined		**$1,809**	**$1,827**	**$1,845**	**$1,864**	**$1,882**	*3*
Revenues From Rate Increases			$66	$182	$306	$441	*4*
Total Rate Revenue Prior to FY Increase		**$1,809**	**$1,893**	**$2,027**	**$2,170**	**$2,323**	*5*
Capacity Cost Recovery (Phased-In)		$56	$119	$185	$256	$332	*6*
Expenditures							
Recycled Water O&M		(3,458)	(3,670)	(3,875)	(4,085)	(4,307)	*7*

	Note	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	Line
Recycled Water Cash Flows Prior to Increases		**($1,649)**	**($1,777)**	**($1,848)**	**($1,915)**	**($1,984)**	*8*
Rate Revenue Increase							
Increase in Variable Rate		**5% (Rancho Only)**	**6%**	**6%**	**6%**	**6%**	*9*
Cumulative Increase (Rancho)		*5.0%*	*11.28%*	*17.96%*	*25.03%*	*32.53%*	*10*
Cumulative Increase (Santa Rosa)			*6.00%*	*12.36%*	*19.10%*	*26.25%*	*11*
Revenues From Rate Increase		$66	$114	$122	$130	$139	*12*
Recycled Water Cash Flow with Increases		($1,528)	($1,544)	($1,541)	($1,528)	($1,512)	*13*
Supply Benefit Supported by Potable Customers		$1,528	$1,544	$1,541	$1,528	$1,512	*14*
Effective Recycled Water Cash Flow with Potable Support		$0	$0	$0	$0	$0	*15*

Notes:
(1) Totals may be off due to rounding.

Table 3.27 presents the savings for potable users generated by the recycled water system. The ability to sell recycled water to users for irrigation or other non-potable uses decreases the overall demands on the potable system, resulting in decreased purchases of treated potable supplies. Without recycled water, customers who currently take recycled water would need to be served by the potable system, leading to higher treated water purchase volumes to serve the current customer base. The avoided costs are calculated using the following steps:

- The avoided treated purchase unit cost in dollars per acre-ft is calculated by subtracting the recycled water support from potable users per acre-ft from the treated water purchase cost per acre-ft.
- The total avoided costs are calculated by multiplying the avoided purchase unit cost by the amount of additional treated water that would be required to serve potable users if recycled water was not available for the customers who currently use it.
- The amount of savings for potable users is calculated by multiplying the percent of districtwide total sales to potable users by the total avoided costs.

Table 3.27 Recycled Water Revenue Savings for Potable Users ($ thousands)

	Note	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	Line
Treated Water Purchase Cost Per AF	1	$1,316	$1,453	$1,600	$1,784	$1,949	*1*
Recycled Water Support from Potable Customers per Acre-ft	2	($402)	($402)	($398)	($390)	($382)	*2*
Avoided Treated Purchase Costs per AF of Recycled Water	3	$914	$1,051	$1,203	$1,394	$1,566	*3*

	Note	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	Line
Districtwide Recycled Water Sales (Acre-ft)	4	3,800	3,838	3,876	3,915	3,954	*4*
Treated Purchase Savings from Recycled Water Sales ($1,000s)	5	**$3,472**	**$4,032**	**$4,663**	**$5,457**	**$6,194**	*5*
Percent of Total Sales for Recycled Water	6	7.5%	7.7%	7.8%	7.9%	8.0%	*6*
Percent of Total Sales for Potable Water	7	92.5%	92.3%	92.2%	92.1%	92.0%	*7*
Net Savings for Potable Users ($1,000s)	8	**$3,210**	**$3,724**	**$4,301**	**$5,028**	**$5,699**	*8*

Notes:
(1) MWD treated purchase cost, average of Lines 2 and 3 from Table 3.8.
(2) Recycled water support from potable users (Line 14 from Table 3.26) divided by total recycled water sales.
(3) Line 1 minus Line 2.
(4) Sum of Line 5 from Table 2.1 and Line 5 from Table 2.2 divided by 435.6 to convert to acre-ft.
(5) Line 3 times Line 4.
(6) Recycled water percent of districtwide total sales.
(7) Potable water percent of districtwide total sales.
(8) Line 5 times Line 7.
(9) Totals may be off due to rounding.

The amount of support from potable customers is set to strike a balance between maintaining the affordability of recycled water by recognizing the supply cost offset, while also recovering an appropriate share of recycled water operating from the recycled water users. At face value, the net savings for potable users could justify support from potable users higher than that included in the proposed rates, however, recycled water rates should still be set to recover operating costs specific to the recycled water system. Further, construction of the recycled water system has been funded with property tax receipts from all users, so a share of the supply cost savings that it generates should be passed on to potable users.

As discussed previously, support from potable customers for recycled water costs is approximately $1.5 million per year to cover a portion of the joint facility recycled water costs. Recycled water rates recover all personnel, operating, utilities, and maintenance costs of the recycled water distribution system as well as the remaining portion of joint facility recycled water costs.

Table 3.28 presents the calculation of recycled water variable rates per acre-ft. The rates are calculated by dividing the total costs to recover through variables rates by the projected sales in acre-ft. The calculation of recycled water fixed charges is discussed later in Section 6.2.

Table 3.28 Recycled Water Revenue Variable Rate Calculation ($ thousands)

	Note	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	Line
Volumetric Costs ($1,000s)	1	$3,178	$3,373	$3,566	$3,765	$3,975	*1*
Capacity Costs to Recover in Volumetric Rates ($1,000s)	2	224	178	123	64	0	*2*
Less: Support From Potable for Supply Benefit ($1,000s)	3	($1,528)	($1,544)	($1,541)	($1,528)	($1,512)	*3*
Total to Recover Through Volumetric Rate ($1,000s)	4	$1,874	$2,007	$2,148	$2,300	$2,463	*4*

	Note	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	Line
Districtwide Recycled Water Sales (Acre-ft)	5	3,800	3,838	3,876	3,915	3,954	*5*
-							
Recycled Water Rate per AF	6	**$493.27**	**$522.87**	**$554.24**	**$587.50**	**$622.75**	*6*

Notes:
(1) From Table 3.24.
(2) From Table 3.25.
(3) From Table 3.26.
(4) Sum of Lines 1 through 3.
(5) Sum of Line 5 from Table 2.1 and Line 5 from Table 2.2 divided by 435.6 to convert to acre-ft.
(6) Line 4 divided by Line 5.
(7) Totals may be off due to rounding.

SECTION 4 WATER COST OF SERVICE ANALYSIS

The purpose of a cost-of-service analysis is to provide a rational basis for distributing the full costs of the District's water service to each customer class in proportion to the demands they place on the system. The study developed a detailed cost allocation that serves as the basis for the proposed rate adjustments. This analysis yields an appropriate method for allocating costs, which could be sustained unless substantial changes in cost drivers or customer consumption patterns occur.

The cost-of-service allocation completed in this study is established on the base-extra capacity method as defined by the American Water Works Association (AWWA). Under the base-extra capacity method, revenue requirements are allocated based on the demand placed on the water system. Typically, the cost-of-service process includes three main steps; first revenue requirements are allocated to major system functions (functionalization), next those functionalized costs are allocated to billable rate components, and lastly the rate component costs are allocated to each customer class based on their use of the system.

4.1 Functional Cost Allocation

The functional cost allocation assigns the revenue requirement for each year by major function. The study developed a list of functions specific to the District's water system. Each functional component is allocated to specific cost components, which can then be assigned to rates. The functional components used for the District are:

- **Customer And Meter Service:** Costs associated with providing customer service (billing, call center, etc.) as well as meter maintenance and replacement.
- **Support:** Costs for activities that support other District functions and programs. Support costs include finance, board administration, records management, headquarters O&M, procurement, warehouse, planning fringe overhead, and other costs.
- **Distribution:** Costs for operating and maintaining the transmission and distribution system including staff and benefits, maintenance materials, outside services, equipment, and corrective maintenance.
- **Recharge Import:** Costs for purchases of untreated imported water for groundwater recharge.
- **Treated Import:** Costs for purchases of treated water.
- **Fixed Import Costs:** Fixed costs associated with imported water purchases including the MWD RTS and Capacity charges.
- **Production Costs:** Costs for operating and maintaining the production facilities including staff and benefits, production energy, maintenance materials, outside services, equipment, and corrective maintenance.
- **Native Well:** Costs for operating and maintaining division specific water production facilities including staff and benefits, maintenance materials, outside services, equipment, and corrective maintenance.
- **Energy:** Costs for operating and maintaining booster stations including staff and benefits, energy, maintenance materials, outside services, equipment, and corrective maintenance.

- **Santa Margarita:** Cost for purchases of untreated imported water from WMWD for groundwater recharge.
- **Conservation:** Costs of the District's water conservation efforts including messaging, education, legislative action, rebate programs, etc.
- **Construction:** Costs incurred by the District specific to managing and serving temporary construction including labor costs, construction meter maintenance, and materials and supplies.
- **Engineering:** Costs for District engineering services performed for the benefit of system operations and maintenance.
- **Recycled Water:** Operating costs for the recycled system including recycled water production, staff and benefits, maintenance materials, outside services, and equipment.

Table 4.1 shows the functionalized O&M costs for the Rancho Division for FYE 2025 through FYE 2029. A table showing the detailed line-item functionalization is included in Appendix D.

Table 4.1 Functionalized O&M – Rancho Division ($ thousands)

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Customer And Meter Service		$3,103	$3,103	$3,258	$3,367	$3,479	$3,595	*1*
Support		7,344	7,344	7,931	8,247	8,575	8,960	*2*
Distribution		5,852	5,852	6,268	6,628	6,896	7,175	*3*
Recharge Import		7,084	7,118	7,670	8,413	12,897	13,940	*4*
Treated Import		12,240	12,673	13,446	14,720	10,882	11,104	*5*
Fixed Import Costs		2,622	2,890	3,072	3,426	3,819	4,010	*6*
Production Costs		3,760	3,760	4,062	4,296	5,375	5,787	*7*
Native Well		690	690	711	729	747	766	*8*
Energy		2,248	2,248	2,433	2,595	2,796	3,001	*9*
Santa Margarita		2,971	2,991	3,151	3,471	3,869	4,147	*10*
Conservation		2,134	2,134	2,275	2,352	2,628	2,722	*11*
Construction		79	79	85	88	92	96	*12*
Engineering		933	933	967	993	1,020	1,049	*13*
Recycled Water		2,546	2,546	2,699	2,847	2,999	3,160	*14*
Total Rancho O&M Costs		**$53,606**	**$54,362**	**$58,028**	**$62,172**	**$66,075**	**$69,514**	*15*

Notes:
(1) Totals may be off due to rounding.

Table 4.2 shows the functionalized O&M costs for the Rancho Division for FYE 2025 through FYE 2029. A table showing the detailed line-item functionalization is included in Appendix D.

Table 4.2 Functionalized O&M – Santa Rosa Division ($ thousands)

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Customer Account Service		$1,065	$1,065	$1,125	$1,166	$1,208	$1,252	*1*
Support		2,294	2,294	2,478	2,577	2,680	2,800	*2*
Distribution		4,081	4,081	4,376	4,683	4,871	5,067	*3*
Recharge Import		7,084	7,118	7,670	8,413	12,897	13,940	*4*
Treated Import		10,364	10,731	11,302	12,170	7,683	7,953	*5*
Fixed Import Costs		2,279	2,511	2,670	2,977	3,320	3,486	*6*
Production Costs		2,287	2,287	2,486	2,614	3,643	3,886	*7*
Native Well		179	179	184	189	193	198	*8*
Energy		2,614	2,614	2,815	2,999	3,213	3,434	*9*
Santa Margarita		743	748	788	868	967	1,037	*10*
Conservation		572	572	614	635	730	757	*11*
Construction		34	34	37	38	40	42	*12*
Engineering		331	331	345	355	366	377	*13*
Recycled Water		912	912	971	1,027	1,086	1,147	*14*
Total Rancho O&M Costs		**$34,838**	**$35,478**	**$37,861**	**$40,711**	**$42,896**	**$45,375**	*15*

Notes:
(1) Totals may be off due to rounding.

4.2 Rate Component Allocation

The first step in the rate component allocation is developing and defining the rate components to which costs will be allocated. The rate components are categories based on how costs are incurred, or the benefits realized by incurring those costs, which can be tied to each customer's use of the system.

The rate component allocation was completed using the components described below. Due to the way that the District tracks costs and the structure of the rates, several of the rate components are the same as or similar to the O&M components described previously. The costs allocated to the fixed components are recovered through the fixed monthly service charge. Variable components are recovered through the volumetric rates.

- Fixed O&M Cost Components:
  - **Customer:** Fixed costs that relate to operational support activities including accounting, billing, customer service, and administrative and technical support. These expenditures are essentially common-to-all customers and are reasonably uniform across the different customer classes. These costs are recovered equally from each account.
  - **Meter:** Fixed costs for customer meter repairs and maintenance, related to the proportional costs for meters of each size. These costs are recovered from all customers based on their meter cost MEUs.
  - **Capacity:** Fixed costs for operating and maintenance of the potable water system that are driven by the system's design capacity. These costs are recovered from potable water customers based on their capacity MEUs.

- Variable O&M Components:
  - **Well Production:** Variable and fixed costs incurred by the District to produce potable water. These costs are recovered through variable rates for the Rancho Division and a combination of fixed and variable rates for Santa Rosa.
  - **Conservation:** Costs for the District's conservation activities are recovered through variable rates and weighted toward the highest levels of usage.
  - **Supply Capital:** Costs for the supply capital project support are recovered through variable rates and weighted toward the highest levels of usage which drive the need for those investments.
  - **Recycled Supply:** Costs to provide recycled water service, these costs are offset by the projected recycled water revenues with the net costs being supported by potable users to recognize the supply benefits and costs savings they receive due to the recycled water program. These costs are recovered through volumetric rates.
- Supply and Energy Costs - Direct Allocations:

  The supply and energy categories can be allocated directly to the appropriate rate calculations as they are for specific costs to be recovered by elements of the rate structure.
  - **Energy:** Costs for booster pumping that are the basis of the variable energy charge rates.
  - **Recharge Import, Treated Import, and Santa Margarita:** Variable source of supply costs are allocated to be recovered from each tier based on the amount of each supply used in each tier.
  - **Fixed Import:** Fixed costs for MWD purchases that are recovered in the potable water fixed charges based on capacity MEUs.
- Capital Charge (Santa Rosa Only): The costs allocated to this component are used directly to calculate the volumetric capital charge for Santa Rosa customers.

Once the rate components have been defined, costs are allocated to each component on a line-item by line-item basis. The cost-of-service analysis has been completed by allocating projected O&M costs and other revenue requirements for each fiscal year of the analysis to the rate components. The line-item detail of the water rate component allocation is included in Appendix E.

4.2.1 Rancho Division Rate Component Allocation

Table 4.3 shows the allocation basis for each O&M functional component to rate components.

Table 4.3 O&M Rate Component Allocations – Rancho Division

O&M Category	Rate Component Allocation	Description/Explanation
Customer Account Service	50% Customer, 50% Meter	Approximately half of the O&M costs in the Customer Service budget category are in the Meter Service Maintenance and Repairs job function and therefore recovered based on the meter cost ratio. The remaining costs are related to basic customer service and recovered per account.
Support	38% Customer, 62% Capacity	Support costs are fixed and include activities that are common to all customers such as headquarters maintenance and utilities as well as costs that are related to the sizing and capacity of the system such as planning, procurement and warehouse. A detailed allocation of the costs included in the support category yielded the allocation of 38% to the Customer component and 62% to the capacity component.

O&M Category	Rate Component Allocation	Description/Explanation
Distribution	Capacity	Costs in the distribution O&M component are fixed and do not vary with based on the amount of water delivered, however, the cost to operate and maintain the distribution system are driven by the sizing and capacity of the system infrastructure. Distribution costs are therefore recovered based on capacity MEUs.
Recharge Import	Recharge Import	All Recharge Import O&M costs are allocated directly to the Recharge Import rate component.
Treated Import	Treated Import	All Treated Import O&M costs are allocated directly to the Treated Import rate component.
Fixed Import Costs	Fixed Import	All Fixed Import O&M costs are allocated directly to the Fixed Import rate component.
Production Costs	Production	All Production O&M costs are allocated to the Production rate component.
Native Well	Production	All Native Well costs are allocated to the Production rate component.
Energy	Energy	All Energy O&M costs are allocated to the Energy rate component.
Santa Margarita	Santa Margarita	All Santa Margarita O&M costs are allocated to the Santa Margarita rate component.
Conservation	Conservation	All Conservation O&M costs are allocated to the Conservation rate component.
Engineering	Capacity	Engineering costs fixed and related to design and operation of the District infrastructure. They are allocated to the Capacity component and recovered based on Capacity MEUs.
Recycled Water	Recycled Supply	All Recycled Water costs are allocated to the Recycled Supply rate component.

Table 4.4 shows the resulting allocation of O&M costs to rate components for FYE 2025 through FYE 2029. The detailed allocation tables are included in Appendix E.

Table 4.4 O&M Allocated to Rate Components – Rancho Division ($ thousands)

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Fixed O&M Cost Components								
Customer		$4,340	$4,340	$4,641	$4,815	$4,995	$5,200	*1*
Meter		1,551	1,551	1,629	1,683	1,739	1,798	*2*
Capacity		11,341	11,341	12,154	12,737	13,235	13,782	*3*
Production and Delivery Costs								
Well Production		$4,450	$4,450	$4,773	$5,024	$6,122	$6,552	*4*
Conservation		2,134	2,134	2,275	2,352	2,628	2,722	*5*
Supply Capital		0	0	0	0	0	0	*6*
Supply and Energy Costs (Direct Allocation)								

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Energy		$2,248	$2,248	$2,433	$2,595	$2,796	$3,001	*7*
Recharge Import		7,084	7,118	7,670	8,413	12,897	13,940	*8*
Treated Import		12,240	12,673	13,446	14,720	10,882	11,104	*9*
Santa Margarita		2,971	2,991	3,151	3,471	3,869	4,147	*10*
Recycled Supply		2,546	2,546	2,699	2,847	2,999	3,160	*11*
Fixed Import		2,622	2,890	3,072	3,426	3,819	4,010	*12*
Construction		79	79	85	88	92	96	*13*
Total Rancho O&M		**$53,606**	**$54,362**	**$58,028**	**$62,172**	**$66,075**	**$69,514**	*14*

Notes:
(1) Totals may be off due to rounding.

After O&M costs are allocated to rate components the results are combined with an allocation of the remaining elements of the rate revenue requirements to determine the total cost for each component to be supported with rates. Table 4.5 shows the allocation basis for each element of the rate revenue requirements to rate components.

Table 4.5 Revenue Requirements Rate Component Allocations – Rancho Division

Revenue Requirement	Rate Component Allocation
O&M Costs	Based on detailed O&M allocation.
Supply Capital Costs	Allocated to Supply Capital component.
Cash Flow inc. Supply Capital	Allocated as weighed average of all other revenue requirements.
Adjustment for Rate Increase Delay	Allocated as weighed average of all other revenue requirements.
Offsetting Revenues	
Recycled Water Revenues	Allocated to offset Recycled Supply costs as all recycled water program costs are allocated to that category.
Other Op Rev-Billing	Allocated to offset the Customer component as it is related to billing, a customer driven function.
Other Op Rev-Engineering	Allocated to offset the Capacity component consistent with the allocation of Engineering costs.
Non-Op Interest	Half of revenues in this category are allocated to offset Recharge Import and Santa Margarita (proportional to average volumes over 5 years) and the remaining half is allocated as the weighted average of all other revenue requirements. The resulting allocation is 36.5% to Recharge Import, 13.5% to Santa Margarita, and 50% as the weighted average.
Interest Earnings on Operating Fund	Allocated to offset the Recharge Import component.
All Other Offsetting Revenues	Allocated as weighed average of all other revenue requirements.

The results of the revenue requirements allocation to rate components are shown in Table 4.6. These component costs are then allocated to the customer classes to calculate rates (variable and supply components) or used to directly calculate rates and charges (energy, fixed components and fixed supply costs). The detailed allocation tables are included in Appendix E.

Table 4.6 Revenue Requirements Allocated to Rate Components – Rancho Division ($ thousands)

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Fixed O&M Cost Components								
Customer		$2,862	$2,862	$3,117	$3,306	$3,521	$3,758	*1*
Meter		1,294	1,294	1,363	1,412	1,469	1,546	*2*
Capacity		9,379	9,379	10,089	10,598	11,094	11,760	*3*
Production and Delivery Costs								
Well Production		$3,711	$3,711	$3,994	$4,214	$5,172	$5,634	*4*
Conservation		1,780	1,780	1,904	1,972	2,220	2,341	*5*
Supply Capital		922	922	922	922	922	922	*6*
Supply and Energy Costs (Direct Allocation)								
Energy		$1,875	$1,875	$2,036	$2,177	$2,362	$2,581	*7*
Recharge Import		2,850	2,978	3,625	4,286	8,297	9,395	*8*
Treated Import		9,864	10,569	11,252	12,345	9,193	9,548	*9*
Santa Margarita		1,762	1,839	1,917	2,194	2,565	2,836	*10*
Recycled Supply		939	939	952	952	951	958	*11*
Fixed Import		2,113	2,410	2,571	2,873	3,227	3,448	*12*
Construction		66	66	71	74	78	82	*13*
Total Rate Revenue Requirements		**$39,415**	**$40,622**	**$43,812**	**$47,325**	**$51,072**	**$54,809**	*14*

Notes:
(1) Totals may be off due to rounding.

4.2.2 Santa Rosa Division Rate Component Allocation

Table 4.7 shows the allocation basis for each O&M functional component to rate components.

Table 4.7 O&M Rate Component Allocations – Santa Rosa Division

O&M Category	Rate Component Allocation	Description/Explanation
Customer Account Service	50% Customer, 50% Meter	Approximately half of the O&M costs in the Customer Service budget category are in the Meter Service Maintenance and Repairs job function and therefore recovered based on the meter cost ratio. The remaining costs are related to basic customer service and recovered per account.
Support	38% Customer, 62% Capacity	Support costs are fixed and include activities that are common to all customers such as headquarters maintenance and utilities as well as costs that are related to the sizing and capacity of the system such as planning, procurement and warehouse. A detailed allocation of the costs included in the support category yielded the allocation of 38% to the Customer component and 62% to the capacity component.

O&M Category	Rate Component Allocation	Description/Explanation
Distribution	Capacity	Costs in the distribution O&M component are fixed and do not vary with based on the amount of water delivered, however, the cost to operate and maintain the distribution system are driven by the sizing and capacity of the system infrastructure. Distribution costs are therefore recovered based on capacity MEUs.
Recharge Import	Recharge Import	All Recharge Import O&M costs are allocated directly to the Recharge Import rate component.
Treated Import	Treated Import	All Treated Import O&M costs are allocated directly to the Treated Import rate component.
Fixed Import Costs	Fixed Import	All Fixed Import O&M costs are allocated directly to the Fixed Import rate component.
Production Costs	75% Production, 25% Capacity	Allocating a portion of production costs to the fixed components recognizes the smaller amount of groundwater available for Santa Rosa customers (as compared to Rancho) and helps to maintain appropriate pricing for in-budget use in tiers 1 and 2.
Native Well	Production	All Native Well costs are allocated to the Production rate component.
Energy	Energy	All Energy O&M costs are allocated to the Energy rate component.
Santa Margarita	Santa Margarita	All Santa Margarita O&M costs are allocated to the Santa Margarita rate component.
Conservation	Conservation	All Conservation O&M costs are allocated to the Conservation rate component.
Engineering	Capacity	Engineering costs fixed and related to design and operation of the District infrastructure. They are allocated to the Capacity component and recovered based on Capacity MEUs.
Recycled Water	Recycled Supply	All Recycled Water O&M costs are allocated to the Recycled Supply rate component.

Table 4.8 shows the resulting allocation of O&M costs to rate components for FYE 2025 through FYE 2029. The detailed allocation tables are included in Appendix E.

Table 4.8 O&M Allocated to Rate Components – Santa Rosa Division ($ thousands)

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Fixed O&M Cost Components								
Customer		$1,404	$1,404	$1,504	$1,561	$1,622	$1,689	*1*
Meter		533	533	563	583	604	626	*2*
Capacity		6,452	6,452	6,926	7,337	7,858	8,201	*3*
Production and Delivery Costs								
Well Production		$1,849	$1,849	$2,003	$2,102	$2,877	$3,063	*4*
Conservation		572	572	614	635	730	757	*5*
Supply Capital		0	0	0	0	0	0	*6*

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Supply and Energy Costs (Direct Allocation)								
Energy		$2,614	$2,614	$2,815	$2,999	$3,213	$3,434	*7*
Recharge Import		7,084	7,118	7,670	8,413	12,897	13,940	*8*
Treated Import		10,364	10,731	11,302	12,170	7,683	7,953	*9*
Santa Margarita		743	748	788	868	967	1,037	*10*
Recycled Supply		912	912	971	1,027	1,086	1,147	*11*
Fixed Import		2,279	2,511	2,670	2,977	3,320	3,486	*12*
Construction		34	34	37	38	40	42	*13*
Total Santa Rosa O&M		**$34,838**	**$35,478**	**$37,861**	**$40,711**	**$42,896**	**$45,375**	*14*

Notes:
(1) Totals may be off due to rounding.

After O&M costs are allocated to rate components the results are combined with an allocation of the remaining elements of the rate revenue requirements to determine the total cost for each component to be supported with rates. Table 4.9 shows the allocation basis for each element of the rate revenue requirements to rate components.

Table 4.9 Revenue Requirements Rate Component Allocations – Santa Rosa Division

Revenue Requirement	Rate Component Allocation
O&M Costs	Based on detailed O&M allocation.
Capital Charge	Allocated to Capital Charge component.
Capital Charge - Supply Component	Allocated to Supply Capital component.
Cash Flow inc. Capital Charge	Allocated as weighed average of all other revenue requirements.
Adjustment for Rate Increase Delay	Allocated as weighed average of all other revenue requirements.
Offsetting (Non-Rate) Revenues	
Recycled Water Revenues	Allocated to offset Recycled Supply costs as all recycled water program costs are allocated to that category.
Other Op Rev-Billing	Allocated to offset the Customer component as it is related to billing, a customer driven function.
Other Op Rev-Engineering	Allocated to offset the Capacity component consistent with the allocation of Engineering costs.
Reclass From/(To) Non-Operating: 2016 Refunding Savings	Revenues in this category are allocated to offset Recharge Import and Santa Margarita (proportional to average volumes over 5 years). The resulting allocation is 90.5% to Recharge Import and 9.5% to Santa Margarita.
Interest Earnings on Operating Fund	Allocated to offset the Santa Margarita component.
All Other Offsetting Revenues	Allocated as weighed average of all other revenue requirements.

The results of the revenue requirements allocation to rate components are shown in Table 4.10. These component costs are then allocated to the customer classes to calculate rates (variable and supply components) or used to directly calculate rates and charges (energy, fixed components and fixed supply costs). The detailed allocation tables are included in Appendix E.

Table 4.10 Revenue Requirements Allocated to Rate Components – Santa Rosa Division ($ thousands)

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Fixed O&M Cost Components								
Customer		$1,271	$1,271	$1,364	$1,417	$1,497	$1,589	*1*
Meter		482	482	510	529	558	589	*2*
Capacity		5,840	5,840	6,282	6,659	7,253	7,717	*3*
Production and Delivery Costs								
Well Production		$1,674	$1,674	$1,816	$1,908	$2,656	$2,882	*4*
Conservation		518	518	557	577	673	712	*5*
Supply Capital		461	461	461	461	461	461	*6*
Supply and Energy Costs (Direct Allocation)								
Energy		$2,366	$2,366	$2,553	$2,722	$2,966	$3,231	*7*
Recharge Import		5,542	5,627	6,343	7,227	11,696	13,117	*8*
Treated Import		9,292	9,714	10,251	11,046	7,092	7,483	*9*
Santa Margarita		29	34	247	368	575	726	*10*
Recycled Supply		364	364	369	368	371	374	*11*
Fixed Import		2,043	2,273	2,422	2,702	3,064	3,280	*12*
Construction		31	31	33	35	37	39	*13*
Capital Charge		1,784	1,784	2,053	2,285	2,523	2,722	*14*
Total Rate Revenue Requirements		**$31,695**	**$32,437**	**$35,259**	**$38,304**	**$41,422**	**$44,922**	*15*

Notes:
(1) Totals may be off due to rounding.

The allocated revenue requirements for Santa Rosa include two components to recover capital costs, supply capital and the capital charge. Supply capital costs are recovered through variable rates, specifically from over budget usage, further discussed in 5.3.4. The revenue requirements allocated to the capital charge component are further allocated to be collected through either fixed or variable charges.

Currently, all capital support from Santa Rosa rates is generated through variable charges. To provide a stable source of revenue and to better reflect the fixed nature of capital expenses, the proposed rates will include a phase-in of fixed cost recovery through the fixed charge for a portion of the total capital charge. The phase-in is set such that the amount variable collected based on in-budget use remains at a constant unit cost per ccf through the study period. Any increases in the total capital charge starting in FYE 2026 will be collected through the fixed charges.

Table 4.11 shows the capital charge allocation as well as the total capital costs supported by Santa Rosa rates.

Table 4.11 Capital Charge Fixed and Variable Allocation – Santa Rosa Division ($ thousands)

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Capital Charge Costs	1	**$1,784**	**$1,784**	**$2,053**	**$2,285**	**$2,523**	**$2,722**	*1*
Collected Through Variable		100%	100%	86%	77%	68%	63%	*2*
Collected Through Fixed		0%	0%	14%	23%	32%	37%	*3*
Capital Charge Costs								
Collected Through In Budget Rates	2	$1,784	$1,784	$1,771	$1,755	$1,726	$1,704	*4*
Collected Through Fixed	3	$0	$0	$281	$531	$796	$1,018	*5*
Supply Capital Costs	4	$461	$461	$461	$461	$461	$461	*6*
Total Capital Costs Supported With Rates		**$2,244**	**$2,244**	**$2,514**	**$2,746**	**$2,983**	**$3,183**	*7*

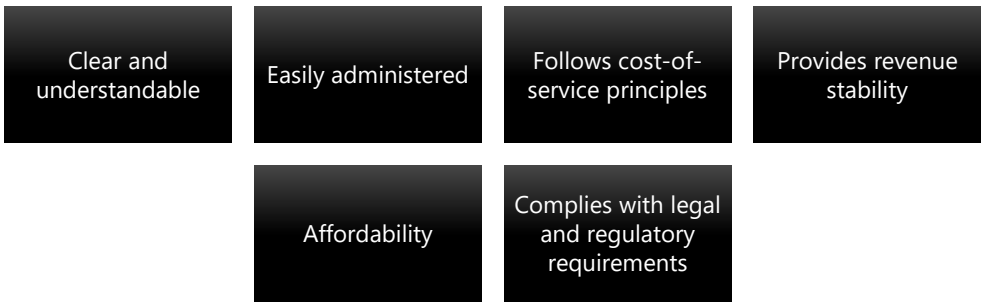
SECTION 5 CLASS ALLOCATION AND VARIABLE RATES

After costs have been allocated to rate components, they are allocated amongst the customer classes based on the customer classes' projected use and allocated supplies. This becomes the basis for recovering each variable rate component category from each customer class in a fair and equitable manner based on system usage.

5.1 Rate Setting Considerations

The water rate design analysis determines how the costs allocated to each class are recovered from each customer through specified water rates. The focus of this process is to achieve full cost recovery and substantiate that customers are paying their fair and proportionate share of system costs.

Once costs have been equitably allocated to each functional component, the District has some flexibility in designing the rate structure to meet its policy objectives, provided the rate structure reflects proportional allocation of costs. In determining the appropriate rate level and structure, the study analyzed various rate design alternatives and the corresponding customer and utility implications. Beyond the identified study objectives, Carollo identified additional criteria for considerations and discussed them at length with District staff. Listed below is a partial list of the additional rate design elements:



Given the numerous and, at times, competing elements, selection of an appropriate rate structure is complex. There is no single structure that meets all objectives equally, nor are all objectives or elements valued the same by the utility or customers. Each criterion or element has merit and plays an important role in the rates implementation and overall effectiveness. These elements and competing objectives were discussed and evaluated at length throughout the financial and rate study process.

Recommended Variable Water Rates

Based on discussion with District staff and careful review of the cost-of-service analysis, Carollo recommends that the Department consider the following water rate design recommendations.

- Implement the proposed Cost of Service allocations: The cost-of-service analysis includes updated allocations based on the recent changes to customer demand patterns and the District's cost structure.
- Retain the current budget and rate structure, with minor refinements. Through consumption and billing data analysis, the study found the general structure of the current rates is reasonable, and that no changes to the tier allocations are necessary.

- Maintain the practice of applying consistent pricing to the above budget tiers for BBTR and CII&Ag customer, as these levels of water use are all covered exclusively with treated import water:
  - Inefficient Use Tier – BBTR Tier 3 and CII&Ag Tier 2.
  - Wasteful/Excessive Use Tier – BBTR Tier 4 and CII&Ag Tier 3.
- Refine the BBTR budget calculation to be based on the new State guidelines of 47 GPCD.
- Update incremental tier pricing to reflect the current and projected sources of supply available and their associated costs.

5.1.2 Use of Offsetting (Non-Rate) Revenues

To maintain affordability for users that stay within their budget (BBTR Tiers 1 and 2, CII&Ag Tier 1) the allocations detailed in the previous section applied a share of non-rate revenue to offset costs for supplies that are used to satisfy in-budget demands. Specifically, a portion of non-operating and non-rate revenues is allocated to offset costs for purchased recharge water including recharge import purchases through EMWD and Santa Margarita purchases through WMWD.

For the Rancho Division, 50-percent of interest earnings on the non-operating fund are split to recharge import and Santa Margarita proportionally based on 5-year average purchases. 100-percent of interest earnings on the operating fund are allocated to offset the Recharge Import category.

For the Santa Rosa Division, re-classed non-operating revenues for "Savings from 2016 Refunding" are split to recharge import and Santa Margarita proportionally based on 5-year average purchases. This revenue is projected to phase out over time. 100-percent of interest earnings on the operating fund are allocated to offset the Santa Margarita category.

The difference in methodology between the divisions reflects the availability of non-operating revenues (Rancho Division has much higher non-op interest earnings) and the available supplies and source allocations. Santa Margarita water makes up a greater share of the in-budget water for the Santa Rosa division – applying operating interest to the Santa Margarita costs helps to normalize increases for BBTR Tier 1 and Tier 2.

5.1.3 Recycled Water Cost Sharing

The District's recycled water system water results in cost savings for all customers by freeing low cost groundwater and recharge supplies for potable users and avoiding additional treated water purchases. Cost sharing reflects these savings and helps to maintain and promote the use of recycled water through affordability. Recycled water costs supported by potable customers are recovered from above budget demands (BBTR Tiers 3 and 4 and CII&Ag Tiers 2 and 3).

5.1.4 Conservation Program Cost Recovery

All customers receive a level of benefit the District's conservation programs as purchased water is needed to satisfy all tiers of demand, raw recharge water for lower increments of demand, and treated purchases for higher increments. Thus, conservation costs are recovered from usage at all levels – in-budget and above-budget. The cost allocation is weighted to recover more costs from above budget demands (BBTR Tiers 3 and 4, CII&Ag Tiers 2 and 3) as above budget usage drives the need for conservation activities beyond the basic program and those users have the most potential to reduce consumption.

Some level of conservation programming is required for all users regardless of demand, specifically, outreach, education, and general legislative work performed in the conservation programs is targeted at the entire customer base. These costs constitute 32-percent of the conservation program for the Rancho Division and 37-percent of the conservation program for the Santa Rosa Division. They are recovered from in-budget demands.

The remaining conservation costs (68-percent for Rancho and 63-percent for Santa Rosa) are targeted at reducing high levels of usage to avoid treated water purchases, those costs are recovered from above budget demands in BBTR Tiers 3 and 4 and CII&Ag Tiers 2 and 3.

Additional discussion of conservation program allocations is included in Section 5.2.4 (Rancho) and Section 5.3.4 (Santa Rosa).

5.1.5 Supply and Resiliency Based Tier Pricing

Pricing for the District's tiered rates reflects the specific water supplies that are needed to serve demand in each tier as well as the other conservation and resiliency costs incurred so that those demands can be reliably met.

Supply Use By Tier

Supply costs are recovered from each tier in proportion to the amount of each supply that is used to satisfy demands in each tier. The lowest cost sources of supply are used first to cover demands for the in-budget tiers, BBTR tier 1 and tier 2 and CII&Ag tier 1. This utilizes all groundwater supplies (well production and Santa Margarita) and all of the recharge import water. A small amount of treated imports are also needed to serve in-budget demands. Above-budget demands are met exclusively with treated imports.

Conservation and Supply Resiliency By Tier

As discussed above, a small amount of conservation costs, those for outreach, education, and general legislative work are recovered from in-budget usage. On a unit cost basis, $/ccf, these costs make up a very small portion of the rates in the in-budget tiers.

Customers who use water above their allocated water budgets drive the need for investments in additional conservation programs and water supply resiliency. As discussed above, conservation costs are allocated such that a greater share is recovered from above budget users to reflect that if but for the above budget users, the conservation program could be significantly reduced.

Investments the District makes in supply resiliency programs such as the Mid Valley Recharge Basins and Pauba Valley Wells (discussed in Section 3.3.5.1) are necessary to provide adequate resiliency and reliability for customers using water above their budgets. Thus, the supply capital cost component which supports these projects is recovered from the above budget tiers (BBTR tier 3 and 4 and CII&Ag tiers 2 and 4). Similarly, the recycled water program adds resiliency by decreasing demands on the potable system, particularly in times of seasonally high demands, freeing capacity to serve increased use from potable customers. Thus, the potable users share of recycled water costs (the recycled supply cost component) are recovered from the above budget users.

Cost Recovery By Tier

Figure 5.1 and Figure 5.2 show the conceptual recovery of each component cost from each tier for the Rancho and Santa Rosa divisions, respectively. The size of each circle represents the relative impact on the unit rate for each cost component across the tiers. For example, the unit conservation costs per ccf is very small in BBTR tiers 1 and 2 compared to that in BBTR tiers 3 and 4, this is represented by small circles in tiers 1 and 2 and larger circles in tiers 3 and 4. The actual impact of each cost component on the rates for each tier for the FYE 2025 (January 1) proposed rates are shown in Figure 5.3 (Rancho) and Figure 5.4 (Santa Rosa).

In-budget use is covered by a combination of groundwater (including Santa Margarita costs), recharge import, and treated import sources. Because in-budget allotments can be split into two tiers for BBTR customers, as discussed in Section 2.3, BBTR tier 1 and tier 2 each have a specific blend of supplies. CII&Ag tier 1 utilizes supplies from all sources.

For Rancho, BBTR tier 1 is covered entirely by groundwater and thus costs for well production and Santa Margarita are included in tier 1. BBTR Tier 2 is covered by groundwater, recharge import water, and treated import water, with costs recovered appropriately.

Because less groundwater is available for Santa Rosa customers, recharge water is needed to cover a share of BBTR Tier 1 demands. Santa Rosa BBTR tier 1 is covered by groundwater and recharge water and thus costs for well production, Santa Margarita, and recharge import are included in tier 1. BBTR Tier 2 is covered by recharge import water and treated import water, with costs recovered appropriately.

All use in the above budget tiers is covered with treated import water.

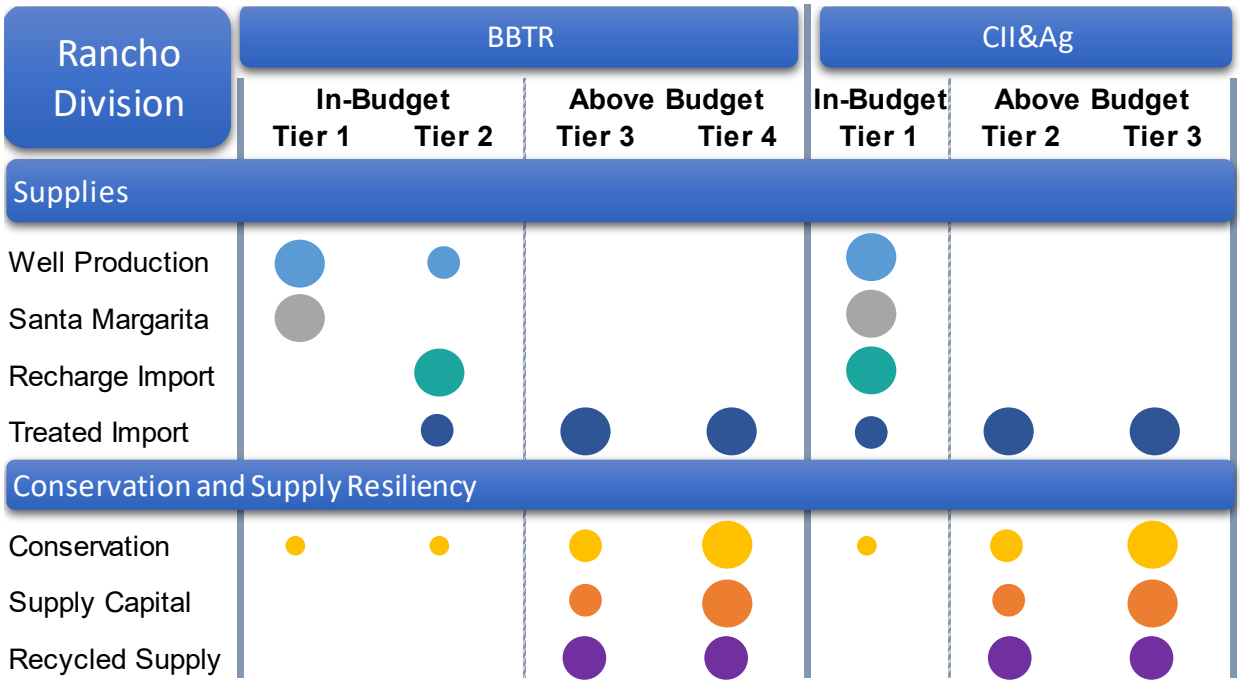


Figure 5.1 Rancho Division Conceptual Tier Cost Recovery

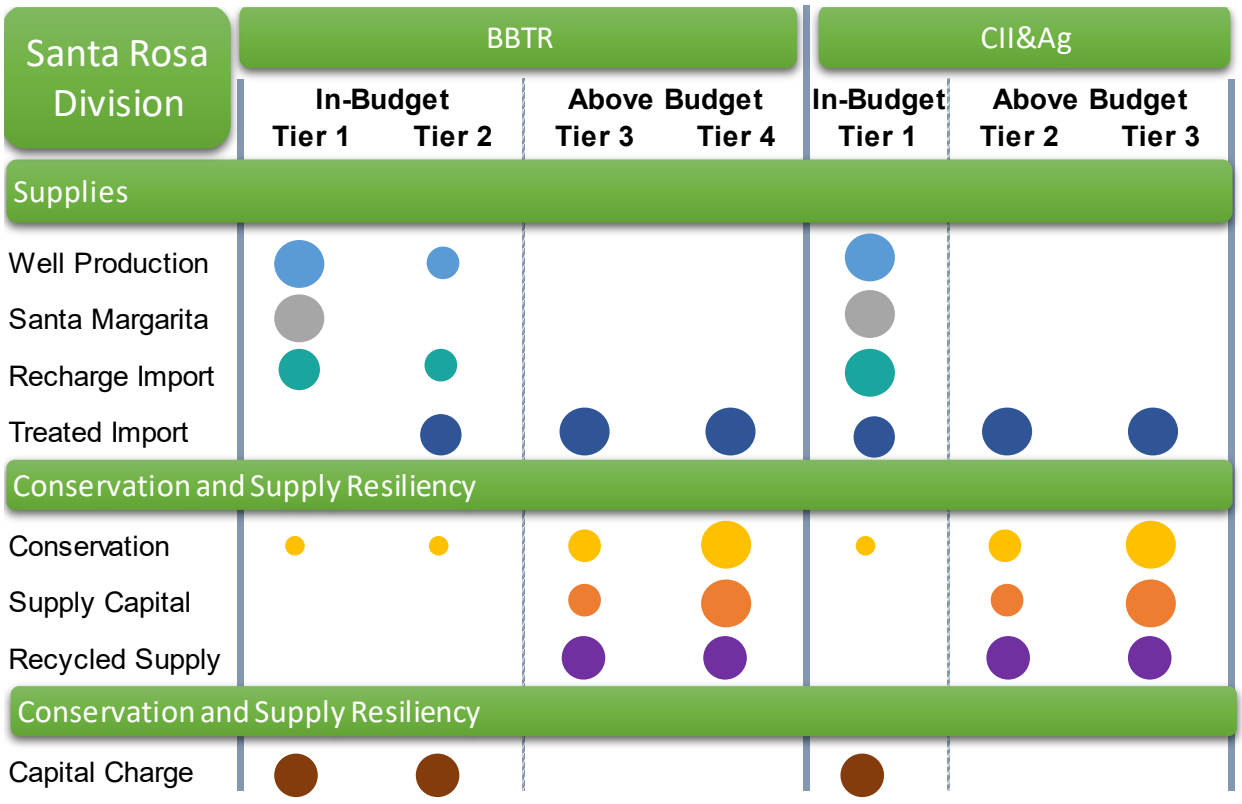


Figure 5.2 Santa Rosa Division Conceptual Tier Cost Recovery

Santa Rosa's volumetric rates also support capital projects beyond the supply capital component, as discussed in Section 3.3.5.2. The share of those costs (referred to as the capital charge component) to be recovered through volumetric rates, shown in Table 4.11, are recovered equally from all in-budget usage.

5.2 Rancho Division

The following sections detail the allocation of Rancho Division variable costs to each tier and the calculation of tier rates.

5.2.1 Supply Allocation – Rancho Division

The rates for each tier are set to reflect the specific water supplies that are used to satisfy the demand for water within each tier. As such, calculating rates requires assigning the available supplies to each tier based on demands, then using those assigned supplies to allocate costs. The well production recharge import, treated import, and Santa Margarita cost components are allocated using this method.

The available supplies are determined based on the expected levels of production from each source and adjusting unaccounted for water. Table 5.1 shows the production and available supplies, by source, for the Rancho Division.

Available supplies are calculated by multiplying the production from each source by 95.5-percent to account for the District's 4.5-percent unaccounted for water factor. The analysis assumes that the unaccounted for water factor is applied evenly across all sources of supply.

Table 5.1 Available Supplies (ccf) – Rancho Division (ccf)

	Note	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	Line
Water Production (ccf)							
Native Well		2,537,372	2,537,372	2,537,372	2,537,372	2,537,372	1
Joint Well		2,955,544	2,955,544	2,955,544	2,955,544	2,955,544	2
Recharge Import		3,375,900	3,484,800	3,484,800	4,791,600	4,791,600	3
Treated Import		4,195,745	4,031,256	4,006,504	2,656,736	2,481,867	4
Total Sources of Supply		**13,064,561**	**13,008,972**	**12,984,220**	**12,941,252**	**12,766,383**	5
Available Supplies (with Unaccounted for Water) (ccf)							
Native Well		2,423,191	2,423,191	2,423,191	2,423,191	2,423,191	6
Joint Well		2,822,544	2,822,544	2,822,544	2,822,544	2,822,544	7
Recharge Import		3,223,985	3,327,984	3,327,984	4,575,978	4,575,978	8
Treated Import		4,006,936	3,849,849	3,826,211	2,537,182	2,370,183	9
Total Available Supply		**12,476,656**	**12,423,568**	**12,399,930**	**12,358,895**	**12,191,895**	10

Notes:
(1) Totals may be off due to rounding.

Supplies are allocated to each customer class proportional to each class's share of total demands. Construction water customers are served exclusively with treated imported water. Table 5.2 shows the available supplies by class for FYE 2025 through FYE 2029.

Table 5.2 Available Supplies by Class – Rancho Division (ccf)

	Note	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	Line
BBTR Allocated Supplies							
Native Well		1,831,854	1,830,068	1,829,676	1,831,941	1,828,036	1
Joint Well		2,133,753	2,131,672	2,131,215	2,133,854	2,129,305	2
Recharge Import		2,437,229	2,513,396	2,512,857	3,459,457	3,452,081	3
Treated Import		3,006,203	2,884,634	2,866,168	1,895,206	1,765,182	4
Subtotal BBTR Supplies		**9,409,038**	**9,359,771**	**9,339,916**	**9,320,458**	**9,174,603**	5
CII&Ag Allocated Supplies							
Native Well		591,336	593,122	593,515	591,249	595,155	6
Joint Well		688,791	690,872	691,329	688,690	693,240	7
Recharge Import		786,756	814,588	815,127	1,116,521	1,123,897	8
Treated Import		970,425	934,906	929,735	611,668	574,692	9
Subtotal CII&Ag Supplies		**3,037,308**	**3,033,487**	**3,029,705**	**3,008,128**	**2,986,983**	10
Construction							
Treated Import		30,309	30,309	30,309	30,309	30,309	11

	Note	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	Line
Total Rancho Potable Supplies		**12,476,656**	**12,423,568**	**12,399,930**	**12,358,895**	**12,191,895**	*12*

Notes:
(1) Totals may be off due to rounding.

Next, supplies assigned to each class are allocated to each tier based on demands. The lowest cost sources of supply are prioritized for use by the in budget tiers, BBTR tiers 1 and 2 and CII&Ag tier 1.

Table 5.3 shows the projected sales per tier for Rancho BBTR customers (Appendix A) and the supply sources assigned to each tier. Tier 1 demands can be completely covered with the lowest cost sources of water, native well and joint well. Tier 2 demands are met with a blend of joint well, recharge import, and treated import supplies. All demands in tiers 3 and 4 are covered with treated import supplies.

Table 5.3 BBTR Supplies by Tier – Rancho Division (ccf)

	Note	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	Line
Sales per Tier							
Tier 1		3,732,381	3,711,232	3,697,393	3,683,832	3,622,477	*1*
Tier 2		4,432,347	4,411,112	4,409,086	4,407,101	4,343,887	*2*
Tier 3		1,092,448	1,086,542	1,083,546	1,080,609	1,062,815	*3*
Tier 4		151,863	150,886	149,891	148,916	145,424	*4*
Total BBTR Sales		**9,409,038**	**9,359,771**	**9,339,916**	**9,320,458**	**9,174,603**	*5*
Tier 1 Allocated Supplies							
Native Well		1,831,854	1,830,068	1,829,676	1,831,941	1,828,036	*6*
Joint Well		1,900,526	1,881,163	1,867,718	1,851,891	1,794,442	*7*
Subtotal Tier 1 Supplies		**3,732,381**	**3,711,232**	**3,697,393**	**3,683,832**	**3,622,477**	*8*
Tier 2 Allocated Supplies							
Joint Well		233,227	250,509	263,498	281,963	334,863	*9*
Recharge Import		2,437,229	2,513,396	2,512,857	3,459,457	3,452,081	*10*
Treated Import		1,761,891	1,647,206	1,632,731	665,681	556,943	*11*
Subtotal Tier 2 Supplies		**4,432,347**	**4,411,112**	**4,409,086**	**4,407,101**	**4,343,887**	*12*
Tier 3 Allocated Supplies							
Treated Import		**1,092,448**	**1,086,542**	**1,083,546**	**1,080,609**	**1,062,815**	*13*
Tier 4 Allocated Supplies							
Treated Import		**151,863**	**150,886**	**149,891**	**148,916**	**145,424**	*14*

Notes:
(1) Totals may be off due to rounding.

Table 5.4 shows the projected sales per tier for Rancho CII&Ag customers (Appendix B) and the supply sources assigned to each tier. Tier 1 demands are met with a blend of native well, joint well, recharge import, and treated import supplies. All demands in tiers 2 and 3 are covered with treated import supplies.

Table 5.4 CII&Ag Supplies by Tier – Rancho Division (ccf)

	Note	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	Line
Sales per Tier							
Tier 1		2,886,639	2,882,612	2,878,624	2,857,719	2,837,232	1
Tier 2		105,972	106,117	106,261	105,805	105,358	2
Tier 3		44,697	44,758	44,820	44,605	44,394	3
Total CII&Ag Sales		**3,037,308**	**3,033,487**	**3,029,705**	**3,008,128**	**2,986,983**	4
Tier 1 Allocated Supplies							
Native Well		591,336	593,122	593,515	591,249	595,155	5
Joint Well		688,791	690,872	691,329	688,690	693,240	6
Recharge Import		786,756	814,588	815,127	1,116,521	1,123,897	7
Treated Import		819,756	784,030	778,654	461,258	424,940	8
Subtotal Tier 1 Supplies		**2,886,639**	**2,882,612**	**2,878,624**	**2,857,719**	**2,837,232**	9
Tier 2 Allocated Supplies							
Treated Import		**105,972**	**106,117**	**106,261**	**105,805**	**105,358**	10
Tier 3 Allocated Supplies							
Treated Import		**44,697**	**44,758**	**44,820**	**44,605**	**44,394**	11

Notes:
(1) Totals may be off due to rounding.

5.2.2 Supply Cost Allocation – Rancho Division

Costs for each of the supply rate components are allocated to customer classes in proportion to the supplies allocated to each class. Table 5.5 develops the allocation factors used for each supply component for rancho customers.

Well Production and Santa Margarita costs are allocated proportionally each class's demands excluding treated imports as these costs are incurred for all water production other than treated import. Recharge import costs are allocated based on the amount of recharge import supplies assigned to each class. Treated import costs are allocated based on the treated import supplies assigned to each class.

Table 5.5 Class Allocations for Supply Costs – Rancho Division

	Note	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	Line
Well Production & Santa Margarita	**Allocation Basis:**		**Demand excluding Treated Import**				
BBTR (ccf)		6,402,836	6,475,137	6,473,748	7,425,252	7,409,421	1
CII&Ag (ccf)		2,066,883	2,098,582	2,099,970	2,396,461	2,412,292	2
Construction (ccf)		0	0	0	0	0	3
BBTR		*75.6%*	*75.5%*	*75.5%*	*75.6%*	*75.4%*	4

	Note	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	Line
CII&Ag		*24.4%*	*24.5%*	*24.5%*	*24.4%*	*24.6%*	*5*
Construction		*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*6*
Recharge Import	**Allocation Basis:**		**Recharge Import Supply**				
BBTR (ccf)		2,437,229	2,513,396	2,512,857	3,459,457	3,452,081	*7*
CII&Ag (ccf)		786,756	814,588	815,127	1,116,521	1,123,897	*8*
Construction (ccf)		0	0	0	0	0	*9*
BBTR		*75.6%*	*75.5%*	*75.5%*	*75.6%*	*75.4%*	*10*
CII&Ag		*24.4%*	*24.5%*	*24.5%*	*24.4%*	*24.6%*	*11*
Construction		*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*12*
Treated Import	**Allocation Basis:**		**Treated Import Supply**				
BBTR (ccf)		3,006,203	2,884,634	2,866,168	1,895,206	1,765,182	*13*
CII&Ag (ccf)		970,425	934,906	929,735	611,668	574,692	*14*
Construction (ccf)		30,309	30,309	30,309	30,309	30,309	*15*
BBTR		*75.0%*	*74.9%*	*74.9%*	*74.7%*	*74.5%*	*16*
CII&Ag		*24.2%*	*24.3%*	*24.3%*	*24.1%*	*24.2%*	*17*
Construction		*0.8%*	*0.8%*	*0.8%*	*1.2%*	*1.3%*	*18*

Notes:
(1) Totals may be off due to rounding.

Table 5.6 shows the supply costs that are allocated to each rate class. The costs for each supply and rate class are calculated by multiplying the supply rate component costs from Table 4.6 by the corresponding percentage allocation from Table 5.5.

Table 5.6 Allocated Supply Costs by Class – Rancho Division ($ thousands)

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	Line
BBTR								
Well Production		$2,805	$2,805	$3,016	$3,182	$3,910	$4,250	*1*
Recharge Import		2,154	2,251	2,738	3,236	6,273	7,088	*2*
Treated Import		7,400	7,929	8,431	9,248	6,867	7,111	*3*
Santa Margarita		1,332	1,391	1,448	1,657	1,939	2,139	*4*
CII&Ag								
Well Production		$906	$906	$978	$1,032	$1,262	$1,384	*5*
Recharge Import		695	727	887	1,050	2,024	2,307	*6*
Treated Import		2,389	2,560	2,732	3,000	2,216	2,315	*7*
Santa Margarita		430	449	469	537	626	696	*8*
Construction								
Treated Import		$75	$80	$89	$98	$110	$122	*9*

Notes:
(1) Totals may be off due to rounding.

5.2.3 Other Variable Costs Class Allocations – Rancho Division

Along with the supply and production costs discussed in the previous section, the variable rates recover costs for the conservation program, supply capital, and recycled water support. Table 5.7 presents these costs for each year of the study period. These costs are recovered from both customer classes based on use per in-budget and/or above budget tier. The allocations to each tier are discussed in the next section.

Table 5.7 Conservation and Supply Resiliency Costs – Rancho Division ($ thousands)

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Conservation		$1,780	$1,780	$1,904	$1,972	$2,220	$2,341	*1*
Supply Capital		$922	$922	$922	$922	$922	$922	*2*
Recycled Supply		$939	$939	$952	$952	$951	$958	*3*

5.2.4 Allocation of Costs by Tier – Rancho Division

After costs have been allocated to each customer class, they are distributed to each tier. Costs for the Well Production component and the supply components are allocated to each tier based on the applicable usage in each tier. Other variable components are allocated to the tiers using the specific factors described throughout this section.

Well production costs are incurred for all water produced excluding treated import. As such, they are allocated to each tier based on the amount water from native wells, joint wells, and recharge import consumed within that tier. For BBTR customers, well production costs are allocated to tiers 1 and 2. For CII&Ag customers, all well production costs are allocated to tier 1 as all well and recharge water is used in tier 1. Table 5.8 shows the allocation of well production component costs to tiers for the Rancho Division.

Table 5.8 Well Production Cost Tier Allocation – Rancho Division ($ thousands)

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
BBTR Well Production Costs		**$2,805**	**$2,805**	**$3,016**	**$3,182**	**$3,910**	**$4,250**	*1*
Allocation Basis	Supply per tier excluding Treated Imports							
Tier 1 (Native Well + Joint Well)		3,732,381	3,732,381	3,711,232	3,697,393	3,683,832	3,622,477	*2*
Tier 2 (Joint Well + Recharge Import)		2,670,455	2,670,455	2,763,905	2,776,355	3,741,420	3,786,944	*3*
Tier 1 Allocation		*58.3%*	*58.3%*	*57.3%*	*57.1%*	*49.6%*	*48.9%*	*4*
Tier 2 Allocation		*41.7%*	*41.7%*	*42.7%*	*42.9%*	*50.4%*	*51.1%*	*5*

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
BBTR Tier Allocations								
BBTR Tier 1		$1,635	$1,635	$1,729	$1,817	$1,940	$2,078	*6*
BBTR Tier 2		1,170	1,170	1,287	1,365	1,970	2,172	*7*
CII&Ag Well Production Costs		**$906**	**$906**	**$978**	**$1,032**	**$1,262**	**$1,384**	*8*
Allocation Basis	Supply per tier excluding Treated Imports, all non-treated import supplies used in Tier 1, therefore all production costs are allocated to Tier 1.							
CII&Ag Tier 1		$906	$906	$978	$1,032	$1,262	$1,384	*9*

Notes:
(1) Totals may be off due to rounding.

Recharge import costs are distributed to tiers based on the amount of recharge import water used within each tier. All BBTR recharge import component costs are allocated to tier 2 as all BBTR recharge import water is used in tier 2. Similarly, all CII&Ag recharge import component costs are allocated to tier 1 as all CII&Ag recharge import water is used within tier 1. Table 5.9 shows the allocation of recharge import water costs to each tier for the Rancho Division.

Table 5.9 Recharge Import Cost Tier Allocation – Rancho Division ($ thousands)

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
BBTR Recharge Import Costs		**$2,154**	**$2,251**	**$2,738**	**$3,236**	**$6,273**	**$7,088**	*1*
Allocation Basis	Recharge Import supply per tier, all Recharge supplies used in Tier 2, therefore all Recharge Import costs are allocated to Tier 2.							
BBTR Tier 2		$2,154	$2,251	$2,738	$3,236	$6,273	$7,088	*2*
CII&Ag Recharge Import Costs		**$695**	**$727**	**$887**	**$1,050**	**$2,024**	**$2,307**	*3*
Allocation Basis	Recharge Import supply per tier, all Recharge supplies used in Tier 1, therefore all Recharge Import costs are allocated to Tier 1.							
CII&Ag Tier 1		$695	$727	$887	$1,050	$2,024	$2,307	*4*

Notes:
(1) Totals may be off due to rounding.

Treated import costs are distributed to tiers based on the amount of treated import water used within each tier. All above budget BBTR demands are satisfied with treated import water, as such, BBTR treated import costs are allocated to tier 3 and tier 4 in proportion to the water used in each tier. Similarly, all above budget CII&Ag demands are satisfied with treated import water, as such, CII&Ag treated import costs are allocated to tier 2 and tier 3 in proportion to the water used in each tier. Table 5.10 and Table 5.11 show the allocation of treated import water costs to each tier for Rancho Division BBTR and CII&Ag customers, respectively.

Table 5.10 Treated Import Cost BBTR Tier Allocation – Rancho Division ($ thousands)

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
BBTR Treated Import Costs		**$7,400**	**$7,929**	**$8,431**	**$9,248**	**$6,867**	**$7,111**	*1*
Allocation Basis	Treated Import supply per tier							
Tier 2 Treated Import		1,761,891	1,761,891	1,647,206	1,632,731	665,681	556,943	*2*
Tier 3 Treated Import		1,092,448	1,092,448	1,086,542	1,083,546	1,080,609	1,062,815	*3*
Tier 4 Treated Import		151,863	151,863	150,886	149,891	148,916	145,424	*4*
Tier 2 Allocation		*59%*	*59%*	*57%*	*57%*	*35%*	*32%*	*5*
Tier 3 Allocation		*36%*	*36%*	*38%*	*38%*	*57%*	*60%*	*6*
Tier 4 Allocation		*5%*	*5%*	*5%*	*5%*	*8%*	*8%*	*7*
BBTR Tier 2		$4,337	$4,647	$4,814	$5,268	$2,412	$2,244	*8*
BBTR Tier 3		2,689	2,881	3,176	3,496	3,915	4,281	*9*
BBTR Tier 4		374	401	441	484	540	586	*10*

Notes:
(1) Totals may be off due to rounding.

Table 5.11 Treated Import Cost CII&Ag Tier Allocation – Rancho Division ($ thousands)

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
CII&Ag Treated Costs		**$2,389**	**$2,560**	**$2,732**	**$3,000**	**$2,216**	**$2,315**	*1*
Allocation Basis	Treated Import supply per tier							
Tier 1 Treated Import		819,756	819,756	784,030	778,654	461,258	424,940	*2*
Tier 2 Treated Import		105,972	105,972	106,117	106,261	105,805	105,358	*3*
Tier 3 Treated Import		44,697	44,697	44,758	44,820	44,605	44,394	*4*
Tier 1 Allocation		*84%*	*84%*	*84%*	*84%*	*75%*	*74%*	*5*
Tier 2 Allocation		*11%*	*11%*	*11%*	*11%*	*17%*	*18%*	*6*
Tier 3 Allocation		*5%*	*5%*	*5%*	*5%*	*7%*	*8%*	*7*

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
CII&Ag Tier 1		$2,018	$2,162	$2,291	$2,512	$1,671	$1,712	*8*
CII&Ag Tier 2		261	280	310	343	383	424	*9*
CII&Ag Tier 3		110	118	131	145	162	179	*10*

Notes:
(1) Totals may be off due to rounding.

Water purchased for recharge in the Santa Margarita cost component supports the District's groundwater allotments. Therefore, the costs for Santa Margarita are allocated to the tiers based on Native Well production. All BBTR Santa Margarita component costs are allocated to tier 1 and all CII&Ag Santa Margarita costs are allocated to tier 1, as shown in Table 5.12.

Table 5.12 Santa Margarita Cost Tier Allocation – Rancho Division ($ thousands)

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
BBTR Santa Margarita Import Costs		**$1,332**	**$1,391**	**$1,448**	**$1,657**	**$1,939**	**$2,139**	*1*
Allocation Basis	Native well supply per tier, all Native Well supplies used in Tier 1, therefore all Native Well Import costs are allocated to Tier 1.							
BBTR Tier 1		$1,332	$1,391	$1,448	$1,657	$1,939	$2,139	*2*
CII&Ag Santa Margarita Import Costs		**$430**	**$449**	**$469**	**$537**	**$626**	**$696**	*3*
Allocation Basis	Native well supply per tier, all Native Well supplies used in Tier 1, therefore all Native Well Import costs are allocated to Tier 1.							
CII&Ag Tier 1		$430	$449	$469	$537	$626	$696	*4*

Notes:
(1) Totals may be off due to rounding.

Conservation programs are made available to all users though the District typically targets high demand users in its conservation outreach efforts, As discussed previously, conservation component costs are shared among all tiers. Costs for general program activities that benefit all users are allocated to the in-budget tiers in proportion to the use in each tier. Specifically, these costs include the District's public information program, the water education program, and general legislative activity costs.

Remaining program costs include staff, materials, outside services, and other costs to support water efficiency program such as the District's core water use efficiency programs and projects, water use efficiency support to customers, rebate programs, and other initiatives. These costs are appropriately allocated to the above-budget tiers, as users in the above budget tiers drive the need for the District's conservation program, whether or not they elect to take advantage of those programs.

As a rate setting practice, conservation costs allocated to above-budget demands are weighted most heavily into the excessive user tier (BBTR tier 4 and CII&Ag tier 3). Use in this uppermost tier deviates furthest from the amount that would be deemed efficient for a user based on their respective budget. Thus, it drives the need for incrementally more investment in conservation programming, regardless of whether users opt to take advantage of those programs. The allocation is set such that the unit cost for conservation in the excessive tier (BBTR tier 4 and CII&Ag tier 3) is twice that of the inefficient tier (BBTR tier 3 and CII&Ag tier 4).

Table 5.13 shows the allocation of conservation component costs to each tier.

Table 5.13 Conservation Cost Tier Allocation – Rancho Division ($ thousands)

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Conservation Costs		**$1,780**	**$1,780**	**$1,904**	**$1,972**	**$2,220**	**$2,341**	*1*
Conservation Activities for All Users (Allocated by In-Budget Use)	1	$570	$570	$610	$632	$711	$750	*2*
Conservation Activities for High Demand Users (Allocated to upper tiers based on Peak use)	1	1,209	1,209	1,294	1,340	1,509	1,591	*3*
Allocated Conservation Costs								
BBTR Tier 1	2	$193	$193	$206	$213	$239	$252	*4*
BBTR Tier 2	2	229	229	245	254	286	302	*5*
CII&Ag Tier 1	2	149	149	160	166	186	197	*6*
BBTR Tier 3 / CII&Ag Tier 2	3	911	911	974	1,009	1,136	1,198	*7*
BBTR Tier 4 / CII&Ag Tier 3	3	299	299	320	331	373	393	*8*

Notes:

(1) 32-percent of the conservation program for the Rancho Division and 37-percent of the conservation program for the Santa Rosa Division are incurred for services to all customers and allocated to the in-budget tiers. The remaining 68-percent of costs for Rancho and 63-percent of costs for Santa Rosa are allocated to the above budget tiers.

(2) Conservation costs allocated to the in budget tiers are distributed proportionally to the demands within each tier, see Table 5.3 and Table 5.4 for use by tier.

(3) Conservation costs in the above budget tiers are allocated 75.3-percent to BBTR Tier 3 / CII&Ag Tier 2 and 24.7-percent to BBTR Tier 4 / CII&Ag Tier 3 based weighted consumption. The share of weighted consumption for each tier is calculated by multiplying consumption in ccf by the weighting factor and dividing by the total weighed consumption for both tiers.

$$BBTR\ T3, CII\&Ag\ T2\ Factor = \frac{0.5 \times 1{,}198{,}420\ ccf}{0.5 \times 1{,}198{,}420\ ccf + 1.0 \times 196{,}560\ ccf} = 75.3\%$$

$$BBTR\ T4, CII\&Ag\ T3\ Factor = \frac{1.0 \times 196{,}560\ ccf}{0.5 \times 1{,}198{,}420\ ccf + 1.0 \times 196{,}560\ ccf} = 24.7\%$$

(4) Totals may be off due to rounding.

Supply capital costs are recovered from above-budget demands as customers who utilize water above their allotted budget drive the need to incur those costs. The projects included in the supply capital component will expand the District's recharge capability and allow the District to store water to be used in times of scarcity or imported supply cutbacks, activities which are necessary to provide continued service

for above budget demands. Supply capital component costs are recovered from the above budget tiers and allocated to each tier based on incremental maximum month demand. Table 5.14 shows the supply cost allocation for the Rancho Division.

Table 5.14 Supply Capital Cost Tier Allocation – Rancho Division ($ thousands)

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Supply Capital Costs (BBTR and CII&Ag)	1	**$922**	**$922**	**$922**	**$922**	**$922**	**$922**	*1*
Allocation Basis	2	Based on incremental max month consumption per tier, districtwide, 73% to BBTR tier 3/CII&Ag tier 2 and 27% to BBTR tier 4/CII&Ag tier 3.						
Allocated Supply Capital Costs								
BBTR Tier 3 / CII&Ag Tier 2		$673	$673	$673	$673	$673	$673	*2*
BBTR Tier 4 / CII&Ag Tier 3		249	249	249	249	249	249	*3*

Notes:
(1) The line-item allocation of Supply Capital projects is included in Appendix F.
(2) Incremental max month per tier allocation, based on the previous five years of customer data from the District's billing records:

	Average Month (ccf)	Max Month (ccf)	Incremental Max Month (ccf)	Percent
BBTR T3 & CII&Ag T2	138,863	276,432	137,569	73%
BBTR T4 & CII&Ag T3	37,676	89,153	51,477	27%

(3) Totals may be off due to rounding.

Recycled supply component costs are recovered from the above budget tiers and allocated to each tier in proportion to demands. Table 5.15 shows the recycled supply component cost allocation for the Rancho Division.

Table 5.15 Recycled Supply Cost Tier Allocation – Rancho Division ($ thousands)

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Recycled Supply Costs (BBTR and CII&Ag)		**$939**	**$939**	**$952**	**$952**	**$951**	**$958**	*1*
Allocation Basis	Above budget use, BBTR tier 3 and 4, CII&Ag tier 2 and 3.							
BBTR Tier 3 / CII&Ag Tier 2 (ccf)		1,198,420	1,198,420	1,192,659	1,189,807	1,186,414	1,168,172	*2*
BBTR Tier 4 / CII&Ag Tier 3 (ccf)		196,560	196,560	195,645	194,711	193,520	189,818	*3*
BBTR Tier 3 / CII&Ag Tier 2 Allocation		*86%*	*86%*	*86%*	*86%*	*86%*	*86%*	*4*
BBTR Tier 4 / CII&Ag Tier 3 Allocation		*14%*	*14%*	*14%*	*14%*	*14%*	*14%*	*5*

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Allocated Recycled Supply Costs								
BBTR Tier 3 / CII&Ag Tier 2		$807	$807	$818	$818	$818	$824	*6*
BBTR Tier 4 / CII&Ag Tier 3		132	132	134	134	133	134	*7*

Notes:
(1) Totals may be off due to rounding.

5.2.5 Tier Rate Calculations – Rancho Division

Rates for each tier are calculated by summing the variable costs that have been allocated to each tier in the previous steps and dividing that sum by the demand in that tier. Rates for in-budget usage, BBTR tiers 1 and 2 and CII&Ag tier 1, are calculated separately for each customer class, as each of those tiers has a specific blend of supplies. Rates for above budget use in the inefficient tier (BBTR tier 3 / CII&Ag Tier 2) and the wasteful/excessive use tier (BBTR tier 4 / CII&Ag Tier 3) are calculated with the customer classes combined as all use in those tiers is satisfied with treated import water.

Table 5.16 presents the calculation of rates for BBTR tiers 1 and 2.

Table 5.16 BBTR Tiers 1 and 2 Rate Calculation – Rancho Division

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
BBTR Tier 1 Costs ($1,000s)								
Well Production	1	$1,635	$1,635	$1,729	$1,817	$1,940	$2,078	*1*
Conservation	2	193	193	206	213	239	252	*2*
Santa Margarita	3	1,332	1,391	1,448	1,657	1,939	2,139	*3*
Total BBTR Tier 1 Costs		**$3,160**	**$3,219**	**$3,382**	**$3,687**	**$4,118**	**$4,469**	*4*
BBTR Tier 1 Use (ccf)	6	3,732,381	3,732,381	3,711,232	3,697,393	3,683,832	3,622,477	*5*
BBTR Tier 1 Rate ($/ccf)		**$0.85**	**$0.87**	**$0.92**	**$1.00**	**$1.12**	**$1.24**	*6*
BBTR Tier 2 Costs ($1,000s)								
Well Production	1	$1,170	$1,170	$1,287	$1,365	$1,970	$2,172	*7*
Conservation	2	229	229	245	254	286	302	*8*
Recharge Import	4	2,154	2,251	2,738	3,236	6,273	7,088	*9*
Treated Import	5	4,337	4,647	4,814	5,268	2,412	2,244	*10*
Total BBTR Tier 2 Costs		**$7,890**	**$8,297**	**$9,084**	**$10,122**	**$10,941**	**$11,805**	*11*
BBTR Tier 2 Use (ccf)	6	4,432,347	4,432,347	4,411,112	4,409,086	4,407,101	4,343,887	*12*
BBTR Tier 2 Rate ($/ccf)	7	**$1.79**	**$1.88**	**$2.06**	**$2.30**	**$2.49**	**$2.72**	*13*
Smoothed BBTR Tier 2 Rate ($/ccf)	7	**$1.81**	**$1.85**	**$2.06**	**$2.30**	**$2.49**	**$2.72**	*14*

Notes:
(1) From Table 5.8.
(2) From Table 5.13.
(3) From
(4) Table 5.12.
(5) From Table 5.9.
(6) From Table 5.10.
(7) From Table 5.3.
(8) Rates for FYE 2025 smoothed by holding the rate at the current $1.81 per ccf through January 1, 2025, then adjusting the rate such that the total revenues generated over the fiscal year are equal to those under the unsmoothed rates in line 13.
(9) Totals may be off due to rounding.

Table 5.17 presents the calculation of rates for CII&Ag tier 1.

Table 5.17 CII&Ag Tier 1 Rate Calculation – Rancho Division

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
CII&Ag Tier 1 Costs ($1,000s)								
Well Production	1	$906	$906	$978	$1,032	$1,262	$1,384	*1*
Conservation	2	149	149	160	166	186	197	*2*
Recharge Import	3	695	727	887	1,050	2,024	2,307	*3*
Treated Import	4	2,018	2,162	2,291	2,512	1,671	1,712	*4*
Santa Margarita	5	430	449	469	537	626	696	*5*
Total CII&Ag Tier 1 Costs		**$4,198**	**$4,392**	**$4,785**	**$5,297**	**$5,769**	**$6,297**	*6*
CII&Ag Tier 1 Use (ccf)	6	2,886,639	2,886,639	2,882,612	2,878,624	2,857,719	2,837,232	*7*
CII&Ag Tier 1 Rate ($/ccf)	**7**	**$1.46**	**$1.53**	**$1.67**	**$1.85**	**$2.02**	**$2.22**	*8*
Smoothed CII&Ag Tier 1 Rate ($/ccf)	**7**	**$1.49**	**$1.49**	**$1.67**	**$1.85**	**$2.02**	**$2.22**	*9*

Notes:
(1) From Table 5.8.
(2) From Table 5.13.
(3) From Table 5.9.

From Table 5.11.
(4) Table 5.12.
(5) Rates for FYE 2025 smoothed by calculating a single rate for FYE 2025 set to recover the average of costs for the July 1 and Jan.1 costs.
Average costs = ($4,198,000 + $4,392,000)/2 = $4,295,000
Smoothed Rate = $4,295,000 / 2,886,639 ccf = $1.49 per ccf
(6) Totals may be off due to rounding.

Table 5.18 presents the calculation of rates for BBTR Tier 3 and CII&Ag Tier 2.

Table 5.18 BBTR Tier 3 and CII&Ag Tier 2 Rate Calculation – Rancho Division

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	Line
Allocated Costs($1,000s)								
Conservation	1	$911	$911	$974	$1,009	$1,136	$1,198	1
Supply Capital	2	673	673	673	673	673	673	2
Treated Import	3	2,950	3,161	3,486	3,839	4,299	4,706	3
Recycled Supply	4	807	807	818	818	818	824	4
Total BBTR Tier 3 and CII&Ag Tier 2 Costs		**$5,340**	**$5,551**	**$5,951**	**$6,339**	**$6,926**	**$7,401**	5
BBTR Tier 3 and CII&Ag Tier 2 Use (ccf)	5	1,198,420	1,198,420	1,192,659	1,189,807	1,186,414	1,168,172	6
BBTR Tier 3 and CII&Ag Tier 2 Rate ($/ccf)		**$4.46**	**$4.64**	**$4.99**	**$5.33**	**$5.84**	**$6.34**	7

Notes:
(1) From Table 5.13.
(2) From Table 5.14.
(3) Sum of Table 5.10 Line 3 and Table 5.11 Line 3.
(4) From Table 5.15.
(5) Sum of Table 5.3 Line 3 and Table 5.4 Line 2.
(6) Totals may be off due to rounding.

Table 5.19 presents the calculation of rates for BBTR Tier 4 and CII&Ag Tier 3.

Table 5.19 BBTR Tier 4 and CII&Ag Tier 3 Rate Calculation – Rancho Division

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	Line
Allocated Costs($1,000s)								
Conservation	1	$299	$299	$320	$331	$373	$393	1
Supply Capital	2	249	249	249	249	249	249	2
Treated Import	3	484	518	572	628	701	765	3
Recycled Supply	4	132	132	134	134	133	134	4
Total BBTR Tier 4 and CII&Ag Tier 3 Costs		**$1,164**	**$1,198**	**$1,274**	**$1,342**	**$1,456**	**$1,540**	5
BBTR Tier 4 and CII&Ag Tier 3 Use (ccf)	5	196,560	196,560	195,645	194,711	193,520	189,818	6
Unsmoothed BBTR Tier 4 and CII&Ag Tier 3 Rate ($/ccf)	6	**$5.93**	**$6.10**	**$6.52**	**$6.90**	**$7.53**	**$8.12**	7
BBTR Tier 4 and CII&Ag Tier 3 Rate ($/ccf)	6	**$6.01**	**$6.01**	**$6.52**	**$6.90**	**$7.53**	**$8.12**	8

Notes:
(1) From Table 5.13.
(2) From Table 5.14.
(3) Sum of Table 5.10 Line 4 and Table 5.11 Line 4.
(4) From Table 5.15.

(5) Sum of Table 5.3 Line 4 and Table 5.4 Line 3.
(6) Rates for FYE 2025 smoothed by calculating a single rate for FYE 2025 set to recover the average of costs for the July 1 and Jan.1 costs.
Average costs = ($1,164,000 + $1198,000)/2 = $1,181,000
Smoothed Rate = $1,181,000 / 196,560 ccf = $6.01 per ccf
(7) Totals may be off due to rounding.

As shown in Table 5.16 through Table 5.19, rates for each tier are set to recover the specific costs attributable to demands in the respective tier. Figure 5.3 shows the unit cost components of each tier for the FYE 2025 January 1 rates, prior to smoothing. All tiers include the costs of the water supplies used to meet demands within the tier as well as a share of conservation costs. As discussed previously, the conservation costs recovered from in-budget usage (BBTR tiers 1 and 2 and CII&Ag tier 1) are minimal, including only the basic conservation program elements, public information program, the water education program, and general legislative activity costs. Along with supply costs and an increased share of conservation program costs, the above-budget tiers collect costs for recycled water and supply capital, which the District incurs to ensure supply availability and resiliency needed to serve high demands.

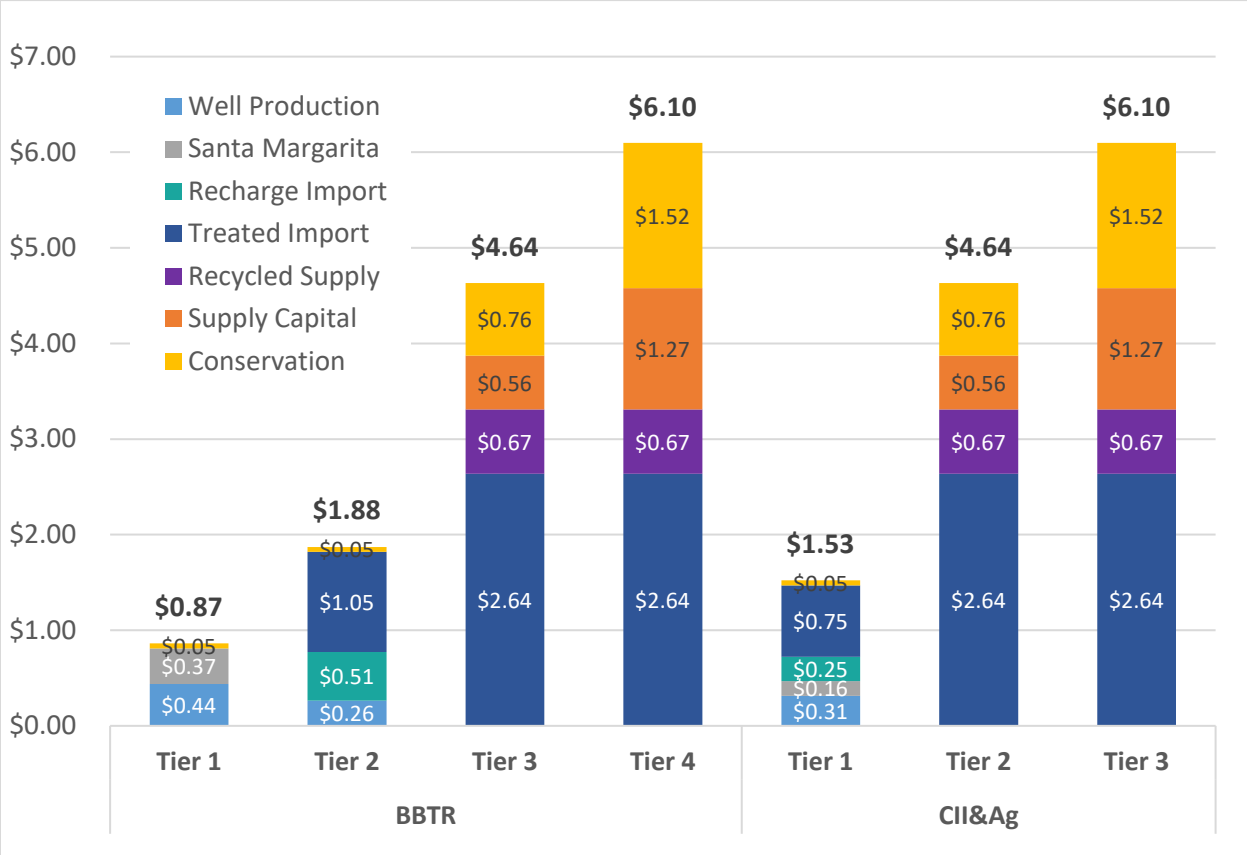


Figure 5.3 Rancho Division Tier Rate Component Costs, FYE 2025 January 1, Prior to Smoothing

5.3 Santa Rosa Division

The following sections detail the allocation of Santa Rosa Division variable costs to each tier and the calculation of tier rates.

5.3.1 Supply Allocation – Santa Rosa Division

The rates for each tier are set to reflect the specific water supplies that are used to satisfy the demand for water within each tier. As such, calculating rates requires assigning the available supplies to each tier based on demands, then using those assigned supplies to allocate costs. The well production, recharge import, treated import, and Santa Margarita cost components are allocated using this method.

The available supplies are determined based on the expected levels of production from each source and adjusting unaccounted for water. Table 5.20 shows the production and available supplies, by source, for the Santa Rosa Division. Available supplies are calculated by multiplying the production from each source by 95.5-percent to account for the District's 4.5-percent unaccounted for water factor. The analysis assumes that the unaccounted for water factor is applied evenly across all sources of supply.

Table 5.20 Available Supplies (ccf) – Santa Rosa Division (ccf)

	Note	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Water Production (ccf)							
Native Well		914,771	914,771	914,771	914,771	914,771	*1*
Joint Well		222,145	222,145	222,145	222,145	222,145	*2*
Recharge Import		3,375,900	3,484,800	3,484,800	4,791,600	4,791,600	*3*
Treated Import		3,552,909	3,388,358	3,312,317	1,875,808	1,777,654	*4*
Total Sources of Supply		**8,065,725**	**8,010,074**	**7,934,033**	**7,804,324**	**7,706,170**	*5*
Available Supplies (with Unaccounted for Water) (ccf)							
Native Well		873,606	873,606	873,606	873,606	873,606	*6*
Joint Well		212,149	212,149	212,149	212,149	212,149	*7*
Recharge Import		3,223,985	3,327,984	3,327,984	4,575,978	4,575,978	*8*
Treated Import		3,393,028	3,235,882	3,163,263	1,791,397	1,697,660	*9*
Total Available Supply		**7,702,767**	**7,649,620**	**7,577,002**	**7,453,129**	**7,359,392**	*10*

Notes:
(1) Totals may be off due to rounding.

Supplies are allocated to each customer class proportional to each class's share of total demands. Construction water customers are served exclusively with treated imported water. Table 5.21 shows the available supplies by class for FYE 2025 through FYE 2029.

Table 5.21 Available Supplies by Class – Santa Rosa Division (ccf)

	Note	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
BBTR Allocated Supplies							
Native Well		228,590	228,663	227,031	226,997	229,395	*1*
Joint Well		55,511	55,529	55,133	55,124	55,707	*2*
Recharge Import		843,598	871,085	864,870	1,189,016	1,201,577	*3*

	Note	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	Line
Treated Import		885,931	845,078	820,176	463,589	443,872	4
Subtotal BBTR Supplies		**2,013,631**	**2,000,355**	**1,967,209**	**1,934,726**	**1,930,551**	5
CII&Ag Allocated Supplies							
Native Well		645,016	644,943	646,575	646,609	644,211	6
Joint Well		156,637	156,620	157,016	157,024	156,442	7
Recharge Import		2,380,387	2,456,899	2,463,114	3,386,962	3,374,401	8
Treated Import		2,499,840	2,383,546	2,335,830	1,320,551	1,246,530	9
Subtotal CII&Ag Supplies		**5,681,879**	**5,642,008**	**5,602,535**	**5,511,146**	**5,421,584**	10
Construction							
Treated Import		7,257	7,257	7,257	7,257	7,257	11
Total Santa Rosa Potable Supplies		**7,702,767**	**7,649,620**	**7,577,002**	**7,453,129**	**7,359,392**	12

Notes:
(1) Totals may be off due to rounding.

Next, supplies assigned to each class are allocated to each tier based on demands. The lowest cost sources of supply are prioritized for use by the in-budget tiers, BBTR tiers 1 and 2 and CII&Ag tier 1.

Table 5.22 shows the projected sales per tier for Santa Rosa BBTR customers (Appendix B) and the supply sources assigned to each tier. Tier 1 demands are covered with a blend of native well, joint well and recharge import water. Tier 2 demands are met with a blend recharge import and treated import supplies. All demands in tiers 3 and 4 are covered with treated import supplies.

Table 5.22 BBTR Supplies by Tier – Santa Rosa Division (ccf)

	Note	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	Line
Sales per Tier							
Tier 1		635,311	630,982	620,386	610,002	608,169	1
Tier 2		1,071,145	1,064,270	1,046,822	1,029,722	1,028,541	2
Tier 3		233,807	232,229	228,345	224,538	223,693	3
Tier 4		73,368	72,874	71,657	70,464	70,149	4
Total BBTR Sales		**2,013,631**	**2,000,355**	**1,967,209**	**1,934,726**	**1,930,551**	5
Tier 1 Allocated Supplies							
Native Well		228,590	228,663	227,031	226,997	229,395	6
Joint Well		55,511	55,529	55,133	55,124	55,707	7
Recharge Import		351,209	346,790	338,222	327,881	323,067	8
Subtotal Tier 1 Supplies		**635,311**	**630,982**	**620,386**	**610,002**	**608,169**	9

	Note	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	Line
Tier 2 Allocated Supplies							
Recharge Import		492,388	524,295	526,647	861,136	878,510	*10*
Treated Import		578,756	539,975	520,175	168,587	150,031	*11*
Subtotal Tier 2 Supplies		**1,071,145**	**1,064,270**	**1,046,822**	**1,029,722**	**1,028,541**	*12*
Tier 3 Allocated Supplies							
Treated Import		**233,807**	**232,229**	**228,345**	**224,538**	**223,693**	*13*
Tier 4 Allocated Supplies							
Treated Import		**73,368**	**72,874**	**71,657**	**70,464**	**70,149**	*14*

Notes:
(1) Totals may be off due to rounding.

Table 5.23 shows the projected sales per tier for Rancho CII&Ag customers (Appendix B) and the supply sources assigned to each tier. Tier 1 demands are met with a blend of native well, joint well, recharge import, and treated import supplies. All demands in tiers 2 and 3 are covered with treated import supplies.

Table 5.23 CII&Ag Supplies by Tier – Santa Rosa Division (ccf)

	Note	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	Line
Sales per Tier							
Tier 1		5,588,457	5,549,072	5,510,081	5,419,976	5,331,673	*1*
Tier 2		78,001	77,587	77,177	76,080	75,005	*2*
Tier 3		15,421	15,349	15,278	15,090	14,907	*3*
Total CII&Ag Sales		**5,681,879**	**5,642,008**	**5,602,535**	**5,511,146**	**5,421,584**	*4*
Tier 1 Allocated Supplies							
Native Well		645,016	644,943	646,575	646,609	644,211	*5*
Joint Well		156,637	156,620	157,016	157,024	156,442	*6*
Recharge Import		2,380,387	2,456,899	2,463,114	3,386,962	3,374,401	*7*
Treated Import		2,406,417	2,290,610	2,243,375	1,229,381	1,156,618	*8*
Subtotal Tier 1 Supplies		**5,588,457**	**5,549,072**	**5,510,081**	**5,419,976**	**5,331,673**	*9*
Tier 2 Allocated Supplies							
Treated Import		**78,001**	**77,587**	**77,177**	**76,080**	**75,005**	*10*
Tier 3 Allocated Supplies							
Treated Import		**15,421**	**15,349**	**15,278**	**15,090**	**14,907**	*11*

Notes:
(1) Totals may be off due to rounding.

5.3.2 Supply Cost Allocation – Santa Rosa Division

Costs for each of the supply rate components are allocated to customer classes in proportion to the supplies allocated to each class. Table 5.24 develops the allocation factors used for each supply component for Rancho customers.

Well Production and Santa Margarita costs are allocated proportionally each class's demands excluding treated imports as these costs are incurred for all water production other than treated import. Recharge import costs are allocated based on the amount of Recharge Import supplies assigned to each class. Treated import costs are allocated based on the treated import supplies assigned to each class.

Table 5.24 Class Allocations for Supply Costs – Santa Rosa Division

	Note	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Well Production & Santa Margarita	**Allocation Basis:**		**Demand excluding Treated Import**				
BBTR (ccf)		1,127,700	1,155,277	1,147,033	1,471,138	1,486,679	*1*
CII&Ag (ccf)		3,182,040	3,258,462	3,266,706	4,190,595	4,175,054	*2*
Construction (ccf)		0	0	0	0	0	*3*
BBTR		*26.2%*	*26.2%*	*26.0%*	*26.0%*	*26.3%*	*4*
CII&Ag		*73.8%*	*73.8%*	*74.0%*	*74.0%*	*73.7%*	*5*
Construction		*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*6*
Recharge Import	**Allocation Basis:**		**Recharge Import Supply**				
BBTR (ccf)		843,598	871,085	864,870	1,189,016	1,201,577	*7*
CII&Ag (ccf)		2,380,387	2,456,899	2,463,114	3,386,962	3,374,401	*8*
Construction (ccf)		0	0	0	0	0	*9*
BBTR		*26.2%*	*26.2%*	*26.0%*	*26.0%*	*26.3%*	*10*
CII&Ag		*73.8%*	*73.8%*	*74.0%*	*74.0%*	*73.7%*	*11*
Construction		*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*12*
Treated Import	**Allocation Basis:**		**Treated Import Supply**				
BBTR (ccf)		885,931	845,078	820,176	463,589	443,872	*13*
CII&Ag (ccf)		2,499,840	2,383,546	2,335,830	1,320,551	1,246,530	*14*
Construction (ccf)		7,257	7,257	7,257	7,257	7,257	*15*
BBTR		*26.1%*	*26.1%*	*25.9%*	*25.9%*	*26.1%*	*16*
CII&Ag		*73.7%*	*73.7%*	*73.8%*	*73.7%*	*73.4%*	*17*
Construction		*0.2%*	*0.2%*	*0.2%*	*0.4%*	*0.4%*	*18*

Notes:
(1) Totals may be off due to rounding.

Table 5.25 shows the supply costs that are allocated to each rate class. The costs for each supply and rate class are calculated by multiplying the supply rate component costs from Table 4.10 by the corresponding percentage allocation from Table 5.24.

Table 5.25 Allocated Supply Costs by Class – Santa Rosa Division ($ thousands)

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
BBTR								
Well Production		$438	$438	$475	$496	$690	$757	*1*
Recharge Import		1,450	1,472	1,660	1,878	3,039	3,444	*2*
Treated Import		2,426	2,536	2,677	2,864	1,835	1,957	*3*
Santa Margarita		8	9	65	96	149	191	*4*
CII&Ag								
Well Production		$1,236	$1,236	$1,341	$1,412	$1,966	$2,125	*5*
Recharge Import		4,092	4,155	4,683	5,349	8,657	9,672	*6*
Treated Import		6,846	7,157	7,551	8,156	5,228	5,495	*7*
Santa Margarita		21	25	182	273	426	535	*8*
Construction								
Treated Import		$20	$21	$23	$25	$29	$32	*9*

Notes:
(1) Totals may be off due to rounding.

5.3.3 Other Variable Costs Class Allocations – Santa Rosa Division

Along with the supply and production costs discussed in the previous section, the variable rates recover costs for the conservation program, supply capital, and recycled water support. Table 5.26 presents these costs for each year of the study period. These costs are recovered from both customer classes based on use per in-budget and/or above-budget tier. The allocations to each tier are discussed in the next section.

Table 5.26 Conservation and Supply Resiliency Costs – Santa Rosa Division ($ thousands)

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Conservation		$518	$518	$557	$577	$673	$712	*1*
Supply Capital		$461	$461	$461	$461	$461	$461	*2*
Recycled Supply		$364	$364	$369	$368	$371	$374	*3*

Notes:
(1) Totals may be off due to rounding.

5.3.4 Allocation of Costs by Tier – Santa Rosa Division

After costs have been allocated to each customer class, they are distributed to each tier. Costs for the Well Production component and the supply components are allocated to each tier based on the applicable usage in each tier. Other variable components are allocated to the tiers using the specific factors described throughout this section.

Well production costs are incurred for all water produced excluding treated import. As such, they are allocated to each tier based on the amount water from native wells, joint wells, and recharge import consumed within that tier. For BBTR customers, well production costs are allocated to tiers 1 and 2. For CII&Ag customers, all well production costs are allocated to tier 1, as all well and recharge water are used in tier 1. Table 5.27 shows the allocation of well production component costs to tiers for the Santa Rosa Division.

Table 5.27 Well Production Cost Tier Allocation – Santa Rosa Division ($ thousands)

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
BBTR Well Production Costs		**$438**	**$438**	**$475**	**$496**	**$690**	**$757**	1
Allocation Basis	Supply per tier excluding Treated Imports							
Tier 1 (Native Well + Joint Well+ Recharge)		635,311	635,311	630,982	620,386	610,002	608,169	2
Tier 2 (Recharge Import)		492,388	492,388	524,295	526,647	861,136	878,510	3
Tier 1 Allocation		*56.3%*	*56.3%*	*54.6%*	*54.1%*	*41.5%*	*40.9%*	4
Tier 2 Allocation		*43.7%*	*43.7%*	*45.4%*	*45.9%*	*58.5%*	*59.1%*	5
BBTR Tier Allocations								
BBTR Tier 1		$247	$247	$260	$268	$286	$310	6
BBTR Tier 2		191	191	216	228	404	447	7
CII&Ag Well Production Costs		**$1,236**	**$1,236**	**$1,341**	**$1,412**	**$1,966**	**$2,125**	8
Allocation Basis	Supply per tier excluding Treated Imports, all non-treated supplies used in Tier 1, therefore all production costs are allocated to Tier 1.							
CII&Ag Tier 1		$1,236	$1,236	$1,341	$1,412	$1,966	$2,125	9

Notes:
(1) Totals may be off due to rounding.

Recharge import costs are distributed to tiers based on the amount of recharge import water used within each tier. For the Santa Rosa Division, BBTR Recharge Import component costs are allocated to tiers 1 and 2. All CII&Ag recharge import component costs are allocated to tier 1 as all CII&Ag recharge import water is used within tier 1. Table 5.28 shows the allocation of recharge import water costs to each tier for the Santa Rosa Division.

Table 5.28 Recharge Import Cost Tier Allocation – Santa Rosa Division ($ thousands)

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
BBTR Recharge Import Costs		**$1,450**	**$1,472**	**$1,660**	**$1,878**	**$3,039**	**$3,444**	*1*
Allocation Basis	Recharge Import supply per tier							
Tier 1 (Recharge Import)		351,209	351,209	346,790	338,222	327,881	323,067	*2*
Tier 2 (Recharge Import)		492,388	492,388	524,295	526,647	861,136	878,510	*3*
Tier 1 Allocation		42%	42%	40%	39%	28%	27%	*4*
Tier 2 Allocation		58%	58%	60%	61%	72%	73%	*5*
BBTR Tier 1		$604	$613	$661	$734	$838	$926	*6*
BBTR Tier 2		846	859	999	1,144	2,201	2,518	*7*
CII&Ag Recharge Import Costs		**$4,092**	**$4,155**	**$4,683**	**$5,349**	**$8,657**	**$9,672**	*8*
Allocation Basis	Recharge Import supply per tier, all Recharge supplies used in Tier 1, therefore all Recharge Import costs are allocated to Tier 1.							
CII&Ag Tier 1		$4,092	$4,155	$4,683	$5,349	$8,657	$9,672	*9*

Notes:
(1) Totals may be off due to rounding.

Treated import costs are distributed to tiers based on the amount of treated import water used within each tier. All above budget BBTR demands are satisfied with treated import water, as such, BBTR treated import costs are allocated to tier 3 and tier 4 in proportion to the water used in each tier. Similarly, all above budget CII&Ag demands are satisfied with treated import water, as such, CII&Ag treated import costs are allocated to tier 2 and tier 3 in proportion to the water used in each tier. Table 5.29 and Table 5.30 show the allocation of recharge import water costs to each tier for Santa Rosa Division BBTR and CII&Ag customers, respectively.

Table 5.29 Treated Import Cost BBTR Tier Allocation – Santa Rosa Division ($ thousands)

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
BBTR Treated Import Costs		**$2,426**	**$2,536**	**$2,677**	**$2,864**	**$1,835**	**$1,957**	*1*
Allocation Basis	Treated Import supply per tier							
Tier 2 Treated Import		578,756	578,756	539,975	520,175	168,587	150,031	*2*
Tier 3 Treated Import		233,807	233,807	232,229	228,345	224,538	223,693	*3*

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Tier 4 Treated Import		73,368	73,368	72,874	71,657	70,464	70,149	*4*
Tier 2 Allocation		*65%*	*65%*	*64%*	*63%*	*36%*	*34%*	*5*
Tier 3 Allocation		*26%*	*26%*	*27%*	*28%*	*48%*	*50%*	*6*
Tier 4 Allocation		*8%*	*8%*	*9%*	*9%*	*15%*	*16%*	*7*
BBTR Tier 2		$1,585	$1,657	$1,711	$1,816	$667	$661	*8*
BBTR Tier 3		640	669	736	797	889	986	*9*
BBTR Tier 4		201	210	231	250	279	309	*10*

Notes:
(1) Totals may be off due to rounding.

Table 5.30 Treated Import Cost CII&Ag Tier Allocation – Santa Rosa Division ($ thousands)

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
CII&Ag Recharge Treated Costs		**$6,846**	**$7,157**	**$7,551**	**$8,156**	**$5,228**	**$5,495**	*1*
Allocation Basis	Treated Import supply per tier							
Tier 1 Treated Import		2,406,417	2,406,417	2,290,610	2,243,375	1,229,381	1,156,618	*2*
Tier 2 Treated Import		78,001	78,001	77,587	77,177	76,080	75,005	*3*
Tier 3 Treated Import		15,421	15,421	15,349	15,278	15,090	14,907	*4*
Tier 1 Allocation		*96%*	*96%*	*96%*	*96%*	*93%*	*93%*	*5*
Tier 2 Allocation		*3%*	*3%*	*3%*	*3%*	*6%*	*6%*	*6*
Tier 3 Allocation		*1%*	*1%*	*1%*	*1%*	*1%*	*1%*	*7*
CII&Ag Tier 1		$6,590	$6,889	$7,256	$7,833	$4,867	$5,098	*8*
CII&Ag Tier 2		214	223	246	269	301	331	*9*
CII&Ag Tier 3		42	44	49	53	60	66	*10*

Notes:
(1) Totals may be off due to rounding.

Water purchased for recharge in the Santa Margarita cost component supports the District's groundwater allotments. Therefore, the costs for Santa Margarita are allocated to the tiers based on supply per tier, excluding treated imports. BBTR Santa Margarita component costs are allocated to tiers 1 and 2 and all CII&Ag Santa Margarita costs are allocated to tier 1, as shown in Table 5.31.

Table 5.31 Santa Margarita Cost Tier Allocation – Santa Rosa Division ($ thousands)

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
BBTR Santa Margarita Import Costs		**$8**	**$9**	**$65**	**$96**	**$149**	**$191**	*1*
Allocation Basis	Native Well supply per tier. All Native Well supplies are used in Tier 1, therefore all Santa Margarita costs are allocated to Tier 1.							
BBTR Tier 1		$8	$9	$65	$96	$149	$191	*2*
CII&Ag Santa Margarita Import Costs		**$21**	**$25**	**$182**	**$273**	**$426**	**$535**	*3*
Allocation Basis	Native Well supply per tier. All Native Well supplies are used in Tier 1, therefore all Santa Margarita costs are allocated to Tier 1.							
CII&Ag Tier 1		$21	$25	$182	$273	$426	$535	*4*

Notes:
(1) Totals may be off due to rounding.

Conservation programs are made available to all users though the District typically targets high demand users in its conservation outreach efforts, As discussed previously, conservation component costs are shared among all tiers. Costs for general program activities that benefit all users are allocated to the in-budget tiers in proportion to the use in each tier. Specifically, these costs include the District's public information program, the water education program, and general legislative activity costs.

Rand the remaining program costs include staff, materials, outside services, and other costs to support water efficiency program such as the District's core water use efficiency programs and projects, water use efficiency support to customers, rebate programs, and other initiatives. These costs are appropriately allocated to the above above-budget tiers, as users in the above budget tiers drive the need for the District's conservation program, whether or not they elect to take advantage of those programs.

As a rate setting practice, conservation costs allocated to above-budget demands are weighted most heavily into the excessive user tier (BBTR tier 4 and CII&Ag tier 3). Use in this uppermost tier deviates furthest from the amount that would be deemed efficient for a user based on their respective budget. Thus, it drives the need for incrementally more investment in conservation programming, regardless of whether users opt to take advantage of those programs. The allocation is set such that the unit cost for conservation in the excessive tier (BBTR tier 4 and CII&Ag tier 3) is twice that of the inefficient tier (BBTR tier 3 and CII&Ag tier 4).Table 5.32 shows the allocation of conservation component costs to each tier.

Table 5.32 Conservation Cost Tier Allocation – Santa Rosa Division ($ thousands)

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Conservation Costs		**$518**	**$518**	**$557**	**$577**	**$673**	**$712**	*1*
Conservation Activities for All Users (Allocated by In-Budget Use)	1	$193	$193	$208	$215	$252	$266	*2*

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Conservation Activities for High Demand Users (Allocated to upper tiers based on Peak use)	1	324	324	349	361	422	446	*3*
Allocated Conservation Costs								
BBTR Tier 1	2	$17	$17	$18	$19	$22	$23	*4*
BBTR Tier 2	2	$28	$28	$31	$31	$37	$39	*5*
CII&Ag Tier 1	2	$148	$148	$159	$165	$193	$204	*6*
BBTR Tier 3 / CII&Ag Tier 2	3	$207	$207	$222	$230	$269	$284	*7*
BBTR Tier 4 / CII&Ag Tier 3	3	$118	$118	$127	$131	$153	$162	*8*

Notes:
(1) 32-percent of the conservation program for the Rancho Division and 37-percent of the conservation program for the Santa Rosa Division are incurred for services to all customers and allocated to the in-budget tiers. The remaining 68-percent of costs for Rancho and 63-percent of costs for Santa Rosa are allocated to the above budget tiers.
(2) Conservation costs allocated to the in budget tiers are distributed proportionally to the demands within each tier, see Table 5.22 and Table 5.23 for use by tier.
(3) Conservation costs in the above budget tiers are allocated 63.7-percent to BBTR Tier 3 / CII&Ag Tier 2 and 36.3-percent to BBTR Tier 4 / CII&Ag Tier 3 based weighted consumption. The share of weighted consumption for each tier is calculated by multiplying consumption in ccf by the weighting factor and dividing by the total weighed consumption for both tiers.

$$BBTR\ T3, CII\&Ag\ T2\ Factor = \frac{0.5\ \times 311{,}808\ ccf}{0.5\ \times 311{,}808\ ccf + 1.0\ \times 88{,}789\ ccf} = 63.7\%$$

$$BBTR\ T4, CII\&Ag\ T3\ Factor = \frac{1.0\ \times 88{,}789\ ccf}{0.5\ \times 311{,}808\ ccf + 1.0\ \times 88{,}789\ ccf} = 36.3\%$$

(4) Totals may be off due to rounding.

Supply capital costs are recovered from above-budget demands as customers who utilize water above their allotted budget drive the need to incur those costs. The projects included in the supply capital component will expand the District's recharge capability and allow the District to store water to be used in times of scarcity or imported supply cutbacks, activities which are necessary to provide continued service for above budget demands. Supply capital component costs are recovered from the above budget tiers and allocated to each tier based on incremental maximum month demand. Table 5.33 shows the supply cost allocation for the Santa Rosa Division.

Table 5.33 Supply Capital Cost Tier Allocation – Santa Rosa Division ($ thousands)

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Supply Capital Costs (BBTR and CII&Ag)		**$461**	**$461**	**$461**	**$461**	**$461**	**$461**	*1*
Allocation Basis		Based on incremental max month consumption per tier, districtwide, 73% to BBTR tier 3/CII&Ag tier 2 and 27% to BBTR tier 4/CII&Ag tier 3.						

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Allocated Supply Capital Costs								
BBTR Tier 3 / CII&Ag Tier 2		$336	$336	$336	$336	$336	$336	*2*
BBTR Tier 4 / CII&Ag Tier 3		124	124	124	124	124	124	*3*

Notes:
(1) The line-item allocation of Supply Capital projects is included in Appendix F.
(2) Incremental max month per tier allocation, based on previous five years of customer data from the District's billing records:

	Average Month (ccf)	Max Month (ccf)	Incremental Max Month (ccf)	Percent
BBTR T3 & CII&Ag T2	138,863	276,432	137,569	73%
BBTR T4 & CII&Ag T3	37,676	89,153	51,477	27%

(3) Totals may be off due to rounding.

Recycled supply component costs are recovered from the above budget tiers and allocated to each tier in proportion to demands. Table 5.34 shows the recycled supply component cost allocation for the Rancho Division.

Table 5.34 Recycled Supply Cost Tier Allocation – Santa Rosa Division ($ thousands)

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Recycled Supply Costs (BBTR and CII&Ag)		**$364**	**$364**	**$369**	**$368**	**$371**	**$374**	*1*
Allocation Basis	Above budget use, BBTR tier 3 and 4, CII&Ag tier 2 and 3.							
BBTR Tier 3 / CII&Ag Tier 2 (ccf)		311,808	311,808	309,816	305,522	300,618	298,698	*2*
BBTR Tier 4 / CII&Ag Tier 3 (ccf)		88,789	88,789	88,223	86,934	85,554	85,055	*3*
BBTR Tier 3 / CII&Ag Tier 2 Allocation		*78%*	*78%*	*78%*	*78%*	*78%*	*78%*	*4*
BBTR Tier 4 / CII&Ag Tier 3 Allocation		*22%*	*22%*	*22%*	*22%*	*22%*	*22%*	*5*
Allocated Supply Capital Costs								
BBTR Tier 3 / CII&Ag Tier 2		$283	$283	$287	$287	$289	$291	*6*
BBTR Tier 4 / CII&Ag Tier 3		81	81	82	82	82	83	*7*

Notes:
(1) Totals may be off due to rounding.

5.3.5 Tier Rate Calculations – Santa Rosa Division

Rates for each tier are calculated by summing the variable costs that have been allocated to each tier in the previous steps and dividing that sum by the demand in that tier. Rates for in-budget usage, BBTR tiers 1 and 2 and CII&Ag tier 1, are calculated separately for each customer class, as each of those tiers has a specific blend of supplies. Rates for above budget use in the inefficient tier (BBTR tier 3 / CII&Ag Tier 2)

and the wasteful/excessive use tier (BBTR tier 4 / CII&Ag Tier 3) are calculated with the customer classes combined as all use in those tiers is satisfied with treated import water.

BBTR tiers 1 and 2 and CII&Ag tier 1 include a component for the capital charge, which is shown in Table 5.35. The capital charge is calculated by dividing the capital charge component costs by the applicable usage, and the unit cost is then added to the rates for the applicable tiers.

Table 5.35 Capital Charge Calculation – Santa Rosa Division ($ thousands)

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Variable Capital Charge Costs ($1,000s)		**$1,784**	**$1,784**	**$1,771**	**$1,755**	**$1,726**	**$1,704**	*1*
Use Subject to Capital Charge (ccf)								
BBTR Tier 1 Demand		635,311	635,311	630,982	620,386	610,002	608,169	*2*
BBTR Tier 2 Demand	1	1,071,145	1,071,145	1,064,270	1,046,822	1,029,722	1,028,541	*3*
CII&Ag Tier 1 Demand	2	5,588,457	5,588,457	5,549,072	5,510,081	5,419,976	5,331,673	*4*
Construction	3	7,257	7,257	7,257	7,257	7,257	7,257	*5*
Total Use for Capital Charge (ccf)		**7,302,170**	**7,302,170**	**7,251,581**	**7,184,546**	**7,066,957**	**6,975,639**	*6*
Capital Charge per CCF		**$0.24**	**$0.24**	**$0.24**	**$0.24**	**$0.24**	**$0.24**	*7*

Notes:
(1) From Table 5.22.
(2) From Table 5.23.
(3) From Table 2.2.
(4) Totals may be off due to rounding.

Table 5.36 presents the calculation of rates for BBTR tiers 1 and 2.

Table 5.36 BBTR Tiers 1 and 2 Rate Calculation – Santa Rosa Division

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
BBTR Tier 1 Costs ($1,000s)								
Well Production	1	$247	$247	$260	$268	$286	$310	*1*
Conservation	2	17	17	18	19	22	23	*2*
Recharge Import	3	604	613	661	734	838	926	*3*
Santa Margarita	4	8	9	65	96	149	191	*4*
Total BBTR Tier 1 Costs		**$875**	**$885**	**$1,003**	**$1,117**	**$1,295**	**$1,449**	*5*
BBTR Tier 1 Use (ccf)	5	635,311	635,311	630,982	620,386	610,002	608,169	*6*
BBTR Tier 1 Unit Cost ($/ccf)		$1.377	$1.394	$1.590	$1.800	$2.124	$2.383	*7*

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	Line
Capital Charge ($/ccf)		0.244	0.244	0.283	0.318	0.357	0.390	8
BBTR Tier 1 Rate ($/ccf)		**$1.63**	**$1.64**	**$1.84**	**$2.05**	**$2.37**	**$2.63**	9
BBTR Tier 2 Costs ($1,000s)								
Well Production	1	$191	$191	$216	$228	$404	$447	10
Conservation	3	28	28	31	31	37	39	11
Recharge Import	3	846	859	999	1,144	2,201	2,518	12
Treated Import	6	1,585	1,657	1,711	1,816	667	661	13
Total BBTR Tier 2 Costs		**$2,651**	**$2,736**	**$2,956**	**$3,219**	**$3,309**	**$3,666**	14
BBTR Tier 2 Use (ccf)	5	1,071,145	1,071,145	1,064,270	1,046,822	1,029,722	1,028,541	15
BBTR Tier 2 Unit Cost ($/ccf)		$2.475	$2.554	$2.778	$3.075	$3.214	$3.564	16
Capital Charge ($/ccf)	7	0.244	0.244	0.283	0.318	0.357	0.390	17
BBTR Tier 2 Rate ($/ccf)		**$2.72**	**$2.80**	**$3.03**	**$3.32**	**$3.46**	**$3.81**	18

Notes:
(1) From Table 5.27.
(2) From Table 5.32.
(3) From Table 5.28.
(4) From Table 5.31.
(5) From Table 5.22.
(6) From Table 5.29.
(7) From Table 5.35.
(8) Totals may be off due to rounding.

Table 5.37 presents the calculation of rates for CII&Ag tier 1.

Table 5.37 CII&Ag Tier 1 Rate Calculation – Santa Rosa Division

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	Line
CII&Ag Tier 1 Costs ($1,000s)								
Well Production	1	$1,236	$1,236	$1,341	$1,412	$1,966	$2,125	1
Conservation	2	148	148	159	165	193	204	2
Recharge Import	3	4,092	4,155	4,683	5,349	8,657	9,672	3
Treated Import	4	6,590	6,889	7,256	7,833	4,867	5,098	4
Santa Margarita	5	21	25	182	273	426	535	5
Total CII&Ag Tier 1 Costs		**$12,087**	**$12,453**	**$13,621**	**$15,032**	**$16,109**	**$17,635**	6
CII&Ag Tier 1 Use (ccf)	6	5,588,457	5,588,457	5,549,072	5,510,081	5,419,976	5,331,673	7

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
CII&Ag Tier 1 Unit Cost ($/ccf)		$2.163	$2.228	$2.455	$2.728	$2.972	$3.308	*8*
Capital Charge ($/ccf)	7	0.244	0.244	0.283	0.318	0.357	0.390	*9*
CII&Ag Tier 1 Rate ($/ccf)		**$2.41**	**$2.48**	**$2.70**	**$2.98**	**$3.22**	**$3.56**	*10*

Notes:
(1) From Table 5.27.
(2) From Table 5.32.
(3) From Table 5.28.
(4) From Table 5.30.
(5) From Table 5.31.
(6) From Table 5.23.
(7) From Table 5.35.
(8) Totals may be off due to rounding.

Table 5.38 presents the calculation of rates for BBTR Tier 3 and CII&Ag Tier 2.

Table 5.38 BBTR Tier 3 and CII&Ag Tier 2 Rate Calculation – Santa Rosa Division

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Allocated Costs($1,000s)								
Conservation	1	$207	$207	$222	$230	$269	$284	*1*
Supply Capital	2	336	336	336	336	336	336	*2*
Treated Import	3	854	893	981	1,067	1,190	1,317	*3*
Recycled Supply	4	283	283	287	287	289	291	*4*
Total BBTR Tier 3 and CII&Ag Tier 2 Costs		**$1,680**	**$1,719**	**$1,827**	**$1,920**	**$2,084**	**$2,229**	*5*
BBTR Tier 3 and CII&Ag Tier 2 Use (ccf)	5	311,808	311,808	309,816	305,522	300,618	298,698	*6*
BBTR Tier 3 and CII&Ag Tier 2 Rate ($/ccf)		**$5.390**	**$5.520**	**$5.900**	**$6.290**	**$6.940**	**$7.470**	*7*

Notes:
(1) From Table 5.32.
(2) From Table 5.33.
(3) Sum of Table 5.29 Line 9 and Table 5.30 Line 9.
(4) From Table 5.34.
(5) Sum of Table 5.22 Line 3 and Table 5.23 Line 2.
(6) Totals may be off due to rounding.

Table 5.39 presents the calculation of rates for BBTR Tier 4 and CII&Ag Tier 3.

Table 5.39 BBTR Tier 4 and CII&Ag Tier 3 Rate Calculation – Santa Rosa Division

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Allocated Costs($1,000s)								
Conservation	1	$118	$118	$127	$131	$153	$162	*1*
Supply Capital	2	124	124	124	124	124	124	*2*
Treated Import	3	243	254	279	304	339	375	*3*
Recycled Supply	4	81	81	82	82	82	83	*4*
Total BBTR Tier 4 and CII&Ag Tier 3 Costs		**$566**	**$577**	**$612**	**$641**	**$698**	**$744**	*5*
BBTR Tier 4 and CII&Ag Tier 3 Use (ccf)	5	88,789	88,789	88,223	86,934	85,554	85,055	*6*
BBTR Tier 4 and CII&Ag Tier 3 Rate ($/ccf)	6	**$6.38**	**$6.50**	**$6.94**	**$7.37**	**$8.17**	**$8.75**	*7*
Smoothed BBTR Tier 4 and CII&Ag Tier 3 Rate ($/ccf)	6	**$6.44**	**$6.44**	**$6.94**	**$7.37**	**$8.17**	**$8.75**	*8*

Notes:
(1) From Table 5.32.
(2) From Table 5.33.
(3) Sum of Table 5.29 Line 10 and Table 5.30 Line 10.
(4) From Table 5.34.
(5) Sum of Table 5.22 Line 4 and Table 5.23 Line 3.
(6) Rates for FYE 2025 smoothed by calculating a single rate for FYE 2025 set to recover the average of costs for the July 1 and Jan.1 costs.
Average costs = ($566,000 + $577,000)/2 = $571,000
Smoothed Rate = $571,000 / 88,789 ccf = $6.44 per ccf
(7) Totals may be off due to rounding.

As shown in Table 5.36 through Table 5.39, rates for each tier are set to recover the specific costs attributable to demands in the respective tier. Figure 5.3 shows the unit cost components of each tier for the FYE 2025 January 1 rates, prior to smoothing. All tiers include the costs of the water supplies used to meet demands within the tier as well as a share of conservation costs. As discussed previously, the conservation costs recovered from in-budget usage (BBTR tiers 1 and 2 and CII&Ag tier 1) are minimal, including only the basic conservation program elements, public information program, the water education program, and general legislative activity costs. In-budget tiers also include the variable portion of the capital charge. Along with supply costs and an increased share of conservation program costs, the above-budget tiers collect costs for recycled water and supply capital, which the District incurs to ensure supply availability and resiliency needed to serve high demands.

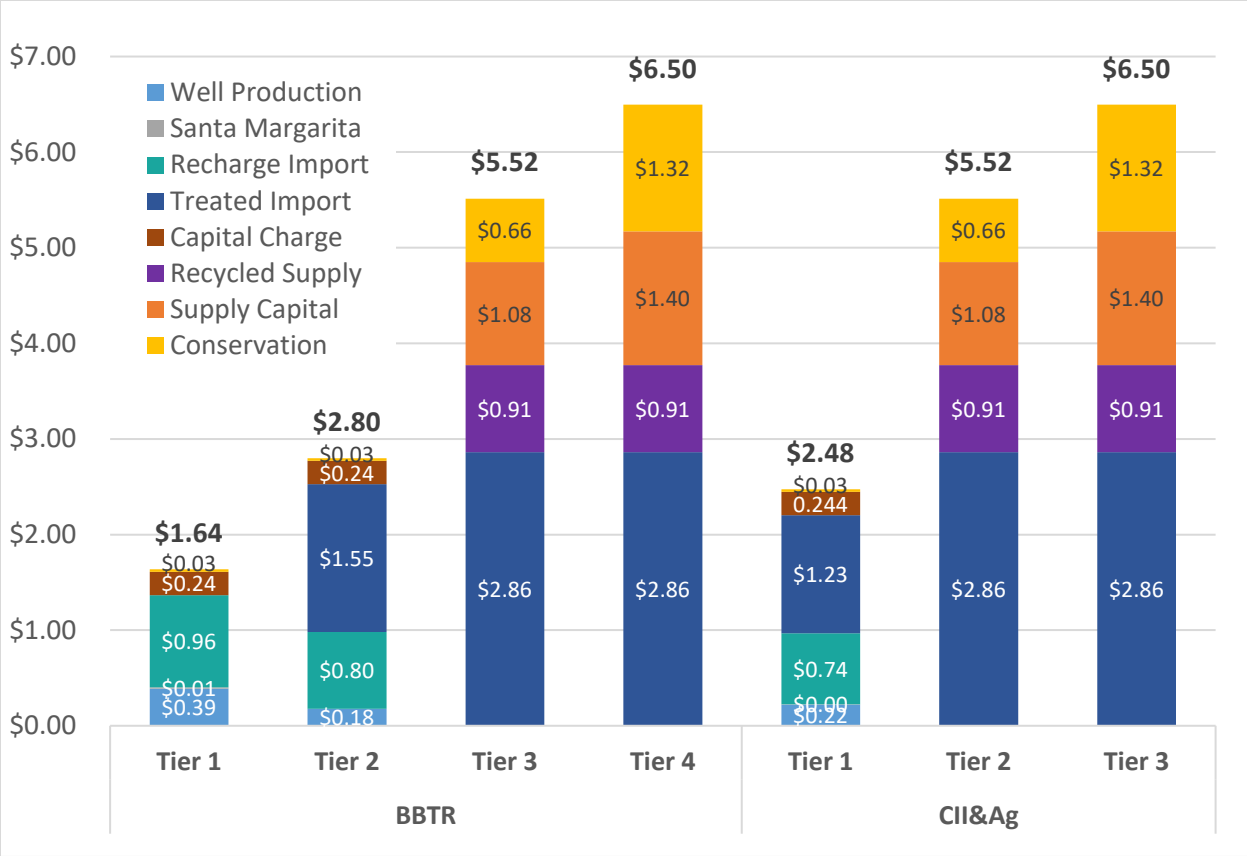


Figure 5.4 Santa Rosa Division Tier Rate Component Costs, FYE 2025 January 1, Prior to Smoothing

SECTION 6 FIXED MONTHLY SERVICE CHARGES

A monthly fixed charge is a cost recovery mechanism that is generally included in the rate structure to recover the utility's fixed expenditures, including meter and customer related costs, fixed O&M costs, Costs related to maintaining the system capacity necessary to serve customers, and fixed source of supply purchase costs. The fixed charges provide a stable source of revenue for the District to cover costs that are incurred independent of the level of water demands.

The proposed fixed charge is a combination of the customer, meter, capacity, and fixed import rate components. The customer and meter components are allocated across all users, including both potable and recycled water, as the services provided under those categories are shared by all users. The capacity component is calculated specifically for potable or recycled water charges based on the capacity component costs (potable) or the recycled capacity component costs (recycled). Fixed import costs are recovered exclusively from potable customers as they are only related to purchasing potable water.

6.1.1 Capacity MEUs for Rate Setting

The proposed rate structure includes an update to the method for determining capacity MEUs for multifamily fixed charges. The proposed rates assign MEUs to each multifamily customer based on the number of dwelling units (DUs) served at each complex and an effective MEUs per DU ratio. This methodology allows the fixed charges for multifamily accounts to better reflect the capacity demands placed on the system by their individual units. Each multifamily dwelling unit is assigned 0.67 capacity MEUs. This ratio reflects typical instantaneous flow rate for a 5/8-inch meter (20 gpm) compared to the that if individually metered, multifamily units would be connected using a 5/8- meter with and instantaneous flow rate of 20 gpm compared to flowrate for a ¾-inch meter, the District's base meter size.

Table 6.1 and Table 6.2 show the calculation of potable capacity MEUs for Rancho and Santa Rosa, respectively. First, the multifamily capacity MEUs based on meter size are subtracted are subtracted from the total MEUs based on meter size. Then, adjusted multifamily capacity MEUs are calculated by multiplying the total number of multifamily dwelling units by the 0.67 MEUs per DU ratio. The total potable capacity MEUs with multifamily charges per DU is the sum of the capacity MEUs based on meter size excluding multifamily and the adjusted multifamily capacity MEUs.

Table 6.1 Potable Capacity MEUs – Rancho Division

	Note	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	Line
Potable Capacity MEUs (All Potable Customers)	1	55,079	55,244	55,410	55,576	55,743	*1*
Multifamily Capacity MEUs (based on meter size)	2	4,127	4,139	4,152	4,164	4,177	2
Capacity MEUs Excluding Multifamily	3	50,952	51,104	51,258	51,411	51,566	*3*

	Note	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	Line
Multifamily Dwelling Units	2	10,400	10,431	10,462	10,494	10,525	*4*
Effective MEUs per Multifamily Dwelling Unit		0.67	0.67	0.67	0.67	0.67	*5*
Multifamily Adjusted MEUs	4	6,968	6,989	7,010	7,031	7,052	*6*
Potable Capacity MEUs With Multifamily Charges per DU	4	57,920	58,093	58,268	58,442	58,618	*7*

Notes:
(1) From Table 2.4.
(2) From customer billing records.
(3) Line 1 minus Line 2.
(4) Line 4 times Line 5.
(5) Line 3 plus Line 6.
(6) Totals may be off due to rounding

Table 6.2 Potable Capacity MEUs – Santa Rosa Division

	Note	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	Line
Potable Capacity MEUs (All Customers)	1	16,746	16,796	16,846	16,897	16,948	*1*
Multifamily Capacity MEUs	2	559	560	562	564	565	*2*
Capacity MEUs Excluding Multifamily	3	16,187	16,236	16,284	16,333	16,382	*3*
Multifamily Dwelling Units	4	1,633	1,638	1,643	1,648	1,653	*4*
Effective MEUs per Multifamily Dwelling Unit		0.67	0.67	0.67	0.67	0.67	*5*
Multifamily Adjusted MEUs	5	1,094	1,097	1,101	1,104	1,107	*6*
Potable Capacity MEUs With Multifamily Charges per DU	6	17,281	17,333	17,385	17,437	17,489	*7*

Notes:
(1) From Table 2.6.
(2) From customer billing records.
(3) Line 1 minus Line 2.
(4) Line 4 times Line 5.
(5) Line 3 plus Line 6.
(6) Totals may be off due to rounding.

6.1.2 Rancho Division Potable Fixed Charges

The following sections detail the calculation of fixed charges for potable customers in the Rancho Division.

6.1.2.1 Rancho Fixed Cost Customer Class Allocation

As noted previously, customer component costs and meter component costs are incurred for both potable and recycled water users. Therefore, they need to be allocated between potable and recycled

water users based on the appropriate allocation metric. Customer costs are allocated in proportion of the number of accounts as shown in Table 6.3. Meter costs are allocated in proportion to the number of meter cost MEUs as shown in Table 6.4.

Table 6.3 Customer Cost Allocation – Rancho Division

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	Line
Customer Costs ($1,000s)	1	**$2,862**	**$2,862**	**$3,117**	**$3,306**	**$3,521**	**$3,758**	*1*
Allocation Basis	Accounts							
Potable Water (BBTR, CII&Ag, Construction)	2	36,599	36,599	36,709	36,819	36,930	37,040	*2*
Recycled	3	171	171	172	172	173	173	*3*
Potable Water (BBTR, CII&Ag, Construction) Allocation		*99.5%*	*99.5%*	*99.5%*	*99.5%*	*99.5%*	*99.5%*	*4*
Recycled Allocation		*0.5%*	*0.5%*	*0.5%*	*0.5%*	*0.5%*	*0.5%*	*5*
Allocated Supply Capital Costs ($1,000s)								
Potable Water (BBTR, CII&Ag, Construction)		$2,848	$2,848	$3,102	$3,290	$3,505	$3,740	*6*
Recycled		13	13	15	15	16	17	*7*

Notes:
(1) From Table 4.6.
(2) From Table 2.4.
(3) From Table 2.5.
(4) Totals may be off due to rounding.

Table 6.4 Meter Cost Allocation – Rancho Division

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	Line
Meter Costs ($1,000s)	1	**$1,294**	**$1,294**	**$1,363**	**$1,412**	**$1,469**	**$1,546**	*1*
Allocation Basis	MEUs - Meter Cost							
Potable Water (BBTR, CII&Ag, Construction)	2	41,759	41,759	41,885	42,010	42,136	42,263	*2*
Recycled	3	425	425	426	427	428	430	*3*
Potable Water (BBTR, CII&Ag, Construction) Allocation		*99.0%*	*99.0%*	*99.0%*	*99.0%*	*99.0%*	*99.0%*	*4*
Recycled Allocation		*1.0%*	*1.0%*	*1.0%*	*1.0%*	*1.0%*	*1.0%*	*5*
Allocated Supply Capital Costs ($1,000s)								
Potable Water (BBTR, CII&Ag, Construction)		$1,281	$1,281	$1,350	$1,398	$1,455	$1,530	*6*
Recycled		13	13	14	14	15	16	*7*

Notes:
(1) From Table 4.6.

(2) From Table 2.4.
(3) From Table 2.5.
(4) Totals may be off due to rounding.

Capacity costs and fixed import costs are only applied to potable water. Recycled water users have distinct capacity costs, as identified previously in Section 3.7. Recycled water users also do not benefit from fixed import costs as they do not receive any imported water. Table 6.5 summarizes the capacity and fixed import costs to be recovered from potable users in the Rancho Division.

Table 6.5 Potable Fixed Costs – Rancho Division

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	Line
Capacity Costs	1	$9,379	$9,379	$10,089	$10,598	$11,094	$11,760	*1*
Fixed Import Costs	1	2,113	2,410	2,571	2,873	3,227	3,448	*2*

Notes:
(1) From Table 4.6.

6.1.2.2 Rancho Fixed Unit Costs Calculation

The Customer unit cost is the same for all meter sizes and is calculated by dividing the allocated customer component costs by the number of accounts, then dividing by 12 to convert to a monthly value. Table 6.6 shows the calculation of the customer unit cost for the Rancho Division.

Table 6.6 Customer Unit Cost Calculation – Rancho Division

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Customer Costs (Potable Users) ($1,000s)	1	**$2,848**	**$2,848**	**$3,102**	**$3,290**	**$3,505**	**$3,740**	*1*
Allocation Basis	Potable Accounts							
Potable Accounts	2	36,599	36,599	36,709	36,819	36,930	37,040	*2*
Customer Unit Cost ($/month)		$6.49	$6.49	$7.04	$7.45	$7.91	$8.41	*3*

Notes:
(1) From Table 6.3.
(2) From Table 2.4.
(3) Totals may be off due to rounding.

The Meter unit cost is calculated by dividing the allocated meter component costs by the number of MEUs – Meter Cost, then dividing by 12 to convert to a monthly value. Table 6.7 shows the calculation of the meter unit cost for the Rancho Division.

Table 6.7 Meter Unit Cost Calculation – Rancho Division

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Meter Costs (Potable Users) ($1,000s)	1	**$1,281**	**$1,281**	**$1,350**	**$1,398**	**$1,455**	**$1,530**	*1*
Allocation Basis	Potable MEUs - Meter Cost							
Potable MEUs - Meter Cost	2	41,759	41,759	41,885	42,010	42,136	42,263	*2*
Meter Unit Cost ($/month)		$2.56	$2.56	$2.68	$2.77	$2.88	$3.02	*3*

Notes:
(1) From Table 6.4.
(2) From Table 2.4.
(3) Totals may be off due to rounding.

The Capacity unit cost is calculated by dividing the allocated capacity component costs by the number of capacity MEUs, then dividing by 12 to convert to a monthly value. Table 6.8 shows the calculation of the capacity unit cost for the Rancho Division.

Table 6.8 Capacity Unit Cost Calculation – Rancho Division

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Capacity Costs ($1,000s)	1	**$9,379**	**$9,379**	**$10,089**	**$10,598**	**$11,094**	**$11,760**	*1*
Allocation Basis	Potable MEUs - Capacity							
Potable MEUs - Capacity	2	57,920	57,920	58,093	58,268	58,442	58,618	*2*
Capacity Unit Cost ($/month)		$13.49	$13.49	$14.47	$15.16	$15.82	$16.72	*3*

Notes:
(1) From Table 6.5.
(2) From Table 2.4.
(3) Totals may be off due to rounding.

The fixed import unit cost is calculated by dividing the allocated fixed import component costs by the number of capacity MEUs, then dividing by 12 to convert to a monthly value. Table 6.9 shows the calculation of the fixed import unit cost for the Rancho Division.

Table 6.9 Fixed Import Unit Cost Calculation – Rancho Division

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Fixed Import Costs ($1,000s)	1	**$2,113**	**$2,410**	**$2,571**	**$2,873**	**$3,227**	**$3,448**	*1*
Allocation Basis	Potable MEUs - Capacity							
Potable MEUs - Capacity	2	57,920	57,920	58,093	58,268	58,442	58,618	*2*
Capacity Unit Cost ($/month)		$3.04	$3.47	$3.69	$4.11	$4.60	$4.90	*3*

Notes:
(1) From Table 6.5.
(2) From Table 2.4.
(3) Totals may be off due to rounding.

6.1.2.3 Potable Fixed Charge Calculations

The potable water monthly fixed charge is calculated by combining the Customer, Meter, Capacity, and Fixed Import unit costs for each meter size.

- Customer costs are equal for all meter sizes, as the costs recovered through that component to not vary based on the capacity or cost of each meter.
- Meter costs vary based on the size of each connection as they are for the repair and replacement of meters which increase in cost as their diameter increases. Meter costs are calculated for each meter size by multiplying the Meter unit cost by the applicable meter cost MEU ratio for that meter size.
- Capacity costs vary based on the size of each connection, or the number of dwelling units for multifamily accounts, as they are for fixed O&M costs that are driven by system capacity. Capacity costs are calculated for each meter size by multiplying the capacity unit cost by the applicable capacity MEU ratio for that meter size.
- Fixed import costs vary based on the size of each connection, or the number of dwelling units for multifamily accounts, as they are driven by the District's capacity to take water and by historical imports, which can be tied to meter capacity. Fixed import costs are calculated for each meter size by multiplying the fixed import unit cost by the applicable capacity MEU ratio for that meter size.

Table 6.10 shows the calculation of fixed charges for the Rancho Division for FYE 2025. The same methodology was applied to calculate the charges for subsequent fiscal years shown in Table 6.11.

Table 6.10 FYE 2025 Monthly Fixed Charge Calculation – Rancho Division

Meter Size	MEU Ratio - Meter Costs	MEU Ratios - Capacity	Customer Cost	Meter Cost	Capacity Cost	Fixed Import Cost	Total Monthly Charge	*Line*
3/4"	1.00	1.00	$6.49	$2.56	$13.49	$3.47	$26.01	*1*
1"	1.33	1.67	$6.49	$3.40	$22.53	$5.79	$38.22	*2*
1 1/2"	2.00	3.33	$6.49	$5.11	$44.93	$11.55	$68.08	*3*
2"	2.67	5.33	$6.49	$6.82	$71.92	$18.48	$103.72	*4*
2" turbine	2.80	10.00	$6.49	$7.16	$134.94	$34.67	$183.26	*5*
3"	4.00	16.67	$6.49	$10.22	$224.94	$57.80	$299.46	*6*
4"	5.33	33.33	$6.49	$13.62	$449.75	$115.57	$585.44	*7*
6"	8.00	53.33	$6.49	$20.45	$719.63	$184.92	$931.49	*8*
6" turbo/F2 Compound	*8.00*	*66.67*	*$6.49*	*$20.45*	*$899.60*	*$231.16*	*$1,157.70*	*9*
8" and Above	*10.67*	*90.00*	*$6.49*	*$27.26*	*$1,214.46*	*$312.07*	*$1,560.28*	*10*

Notes:
(1) Totals may be off due to rounding.

Table 6.11 Calculated Fixed Charges – Rancho Division

Meter Size	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
3/4"		$25.58	$26.01	$27.89	$29.49	$31.21	$33.06	*1*
1"		$37.50	$38.22	$40.95	$43.31	$45.84	$48.54	*2*
1 1/2"		$66.66	$68.08	$72.89	$77.15	$81.67	$86.45	*3*
2"		$101.45	$103.72	$111.01	$117.54	$124.44	$131.72	*4*
2" turbine		$178.99	$183.26	$196.16	$207.88	$220.17	$233.08	*5*
3"		$292.35	$299.46	$320.51	$339.71	$359.83	$380.92	*6*
4"		$571.22	$585.44	$626.63	$664.38	$703.87	$745.15	*7*
6"		$908.74	$931.49	$996.99	$1,057.11	$1,119.96	$1,185.63	*8*
6" turbo/F2 Compound		*$1,129.26*	*$1,157.70*	*$1,239.19*	*$1,314.05*	*$1,392.30*	*$1,473.99*	*9*
8" and Above		*$1,521.89*	*$1,560.28*	*$1,670.07*	*$1,771.00*	*$1,876.45*	*$1,986.54*	*10*

As discussed in Section 2.2, the study included a review of the MEU ratios used to calculate the District's fixed charge and suggested refinements for the large meter sizes (6" Turbo/F2 Compound and 8" and above). As shown in Table 6.11, implementing the updated charges based on the updated ratios in a single year would lead to significant increases for the customers affected. To mitigate this potential rate shock, the proposed rates include a phase-in of increased fixed charges for the large meters over the five-year study period. Table 6.12 shows the phased-in fixed charges for the Rancho Division.

Table 6.12 Phased-In Fixed Charges – Rancho Division

Meter Size	Note	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
6" turbo/F2 Compound		$971.42	$1,078.15	$1,196.60	$1,328.07	$1,473.99	*1*
8" and Above		$1,358.26	$1,493.69	$1,642.63	$1,806.42	$1,986.54	*2*
Revenues Without Phase-In ($1,000s)		$127	$141	$155	$174	$188	*3*
Revenues With Phase-In ($1,000s)		$110	$128	$146	$166	$188	*4*
Non-Operating Revenues Needed to Support Phase-In ($1,000s)		$17	$13	$9	$8	$0	*5*

Notes:
(1) Totals may be off due to rounding.

Phasing the fixed charge increases will result in a slight under collection of revenues during FYE 2025 through FYE 2026. The District will use discretionary non-operating revenues or reserves to fund this deficit during the phase-in period.

6.1.2.4 Multifamily Fixed Charges

Multifamily fixed charges will consist of two components, an account and meter charge assessed based on meter size and a capacity charge assessed per dwelling unit. The account and meter charge recovers each multifamily accounts share of customer component costs and meter costs.

- Customer costs are equal for all meter sizes, as the costs recovered through that component to not vary based on the capacity or cost of each meter.
- Meter costs vary based on the size of each connection as they are for the repair and replacement of meters which increase in cost as their diameter increases. Meter costs are calculated for each meter size by multiplying the Meter unit cost by the applicable meter Cost MEU ratio for that meter size.

Table 6.13 shows the proposed multifamily account and meter charges.

Table 6.13 Multifamily Account and Meter Charges – Rancho Division

Meter Size	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
3/4"		$9.05	$9.05	$9.73	$10.22	$10.79	$11.44	*1*
1"		$9.89	$9.89	$10.62	$11.14	$11.74	$12.43	*2*
1-1/2"		$11.60	$11.60	$12.42	$13.00	$13.67	$14.45	*3*
2"		$13.31	$13.31	$14.22	$14.85	$15.59	$16.48	*4*
2" Turbine or Ultrasonic		$13.65	$13.65	$14.57	$15.21	$15.97	$16.87	*5*
3"		$16.71	$16.71	$17.79	$18.54	$19.42	$20.49	*6*
4"		$20.11	$20.11	$21.36	$22.23	$23.25	$24.50	*7*
6"		$26.94	$26.94	$28.53	$29.63	$30.93	$32.56	*8*
6" turbo/F2 Compound		$26.94	$26.94	$28.53	$29.63	$30.93	$32.56	*9*
8" and Above - Phased		$33.75	$33.75	$35.69	$37.02	$38.60	$40.60	*10*

The multifamily capacity charge is assessed based on the number of dwelling units served by each meter. The capacity charge is calculated by multiplying the sum of the capacity component unit cost and the fixed import unit cost by the 0.67 MEUs per DU ratio discussed previously in Section 6.1.1. Table 6.14 shows the calculation of the multifamily capacity charge per DU for each year.

Table 6.14 Multifamily Capacity Charges per DU – Rancho Division

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Capacity Unit Cost ($/month)		$13.49	$13.49	$14.47	$15.16	$15.82	$16.72	*1*
Fixed Import Unit Cost ($/month)		$3.04	$3.47	$3.69	$4.11	$4.60	$4.90	*2*
Total MEU- Capacity Unit Costs		$16.53	$16.96	$18.16	$19.27	$20.42	$21.62	*3*
Effective MEUs per Multifamily Dwelling Unit		0.67	0.67	0.67	0.67	0.67	0.67	*4*
Monthly Charge per Multifamily Dwelling Unit		**$11.08**	**$11.37**	**$12.17**	**$12.91**	**$13.69**	**$14.49**	***5***

Notes:
(1) Totals may be off due to rounding.

6.1.3 Santa Rosa Potable Division Fixed Charges

As noted previously, customer component costs and meter component costs are incurred for both potable and recycled water users. Therefore, they need to be allocated between potable and recycled water users based on the appropriate allocation metric. Customer costs are allocated in proportion of the number of accounts as shown in Table 6.15. Meter costs are allocated in proportion to the number of meter cost MEUs as shown in Table 6.16

6.1.3.1 Santa Rosa Fixed Cost Customer Class Allocation

Table 6.15 Customer Cost Allocation – Santa Rosa Division

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	Line
Customer Costs ($1,000s)	1	**$1,271**	**$1,271**	**$1,364**	**$1,417**	**$1,497**	**$1,589**	*1*
Allocation Basis	Accounts							
Potable Water (BBTR, CII&Ag, Construction)	2	8,216	8,216	8,241	8,265	8,290	8,315	*2*
Recycled	3	100	100	101	101	101	102	*3*
Potable Water (BBTR, CII&Ag, Construction) Allocation		*98.8%*	*98.8%*	*98.8%*	*98.8%*	*98.8%*	*98.8%*	*4*
Recycled Allocation		*1.2%*	*1.2%*	*1.2%*	*1.2%*	*1.2%*	*1.2%*	*5*
Allocated Supply Capital Costs ($1,000s)								
Potable Water (BBTR, CII&Ag, Construction)		$1,255	$1,255	$1,347	$1,400	$1,479	$1,570	*6*
Recycled		15	15	16	17	18	19	*7*

Notes:
(1) From Table 4.10.
(2) From Table 2.6.
(3) From Table 2.7.
(4) Totals may be off due to rounding.

Table 6.16 Meter Cost Allocation – Santa Rosa Division

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	Line
Meter Costs ($1,000s)	1	**$482**	**$482**	**$510**	**$529**	**$558**	**$589**	*1*
Allocation Basis	MEUs - Meter Cost							
Potable Water (BBTR, CII&Ag, Construction)	2	10,753	10,753	10,786	10,818	10,851	10,883	*2*
Recycled	3	197	197	197	198	198	199	*3*
Potable Water (BBTR, CII&Ag, Construction) Allocation		*98.2%*	*98.2%*	*98.2%*	*98.2%*	*98.2%*	*98.2%*	*4*
Recycled Allocation		*1.8%*	*1.8%*	*1.8%*	*1.8%*	*1.8%*	*1.8%*	*5*
Allocated Supply Capital Costs ($1,000s)								
Potable Water (BBTR, CII&Ag, Construction)		$473	$473	$501	$520	$548	$578	*6*
Recycled		9	9	9	9	10	11	*7*

Notes:
(1) From Table 4.10.
(2) From Table 2.6.
(3) From Table 2.7.
(4) Totals may be off due to rounding.

Capacity costs, fixed import costs, and the fixed capital charge component are only applied to potable water. Recycled water users have distinct capacity costs, as identified previously in Section 3.7. Recycled water users also do not benefit from fixed import costs as they do not receive any imported water. Table 6.17 summarizes the capacity and fixed import costs to be recovered from potable users in the Santa Rosa Division.

Table 6.17 Potable Fixed Costs – Santa Rosa Division

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	Line
Capacity Costs	1	$5,840	$5,840	$6,282	$6,659	$7,253	$7,717	*1*
Fixed Import Costs	1	$2,043	$2,273	$2,422	$2,702	$3,064	$3,280	*2*
Fixed Capital Charge	2	$0	$0	$281	$531	$796	$1,018	**3**

Notes:
(1) From Table 4.10.
(2) From Table 4.11.

6.1.3.2 Santa Rosa Fixed Unit Cost Calculation

The customer unit cost is the same for all meter sizes and is calculated by dividing the allocated customer component costs by the number of accounts, then dividing by 12 to convert to a monthly value. Table 6.18 shows the calculation of the customer unit cost for the Santa Rosa Division.

Table 6.18 Customer Unit Cost Calculation – Santa Rosa Division

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Customer Costs ($1,000s)	1	**$1,255**	**$1,255**	**$1,347**	**$1,400**	**$1,479**	**$1,570**	*1*
Allocation Basis	Accounts							
Potable Water (BBTR, CII&Ag, Construction)	2	8,216	8,216	8,241	8,265	8,290	8,315	*2*
Customer Unit Cost ($/month)	3	$12.73	$12.73	$13.62	$14.12	$14.86	$15.74	*3*

Notes:
(1) From Table 6.15.
(2) From Table 2.6.
(3) Totals may be off due to rounding.

The meter unit cost is calculated by dividing the allocated meter component costs by the number of MEUs – Meter Cost, then dividing by 12 to convert to a monthly value. Table 6.19 shows the calculation of the meter unit cost for the Santa Rosa Division.

Table 6.19 Meter Unit Cost Calculation – Santa Rosa Division

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Meter Costs ($1,000s)	1	**$473**	**$473**	**$501**	**$520**	**$548**	**$578**	*1*
Allocation Basis	MEUs - Meter Cost							
Potable Water (BBTR, CII&Ag, Construction)	2	10,753	10,753	10,786	10,818	10,851	10,883	*2*
Meter Unit Cost ($/month)		$3.67	$3.67	$3.87	$4.00	$4.20	$4.43	*5*

Notes:
(1) From Table 6.16.
(2) From Table 2.6.
(3) Totals may be off due to rounding.

The capacity unit cost is calculated by dividing the allocated capacity component costs by the number of capacity MEUs, then dividing by 12 to convert to a monthly value. Table 6.20 shows the calculation of the capacity unit cost for the Santa Rosa Division.

Table 6.20 Capacity Unit Cost Calculation – Santa Rosa Division

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Capacity Costs ($1,000s)	1	**$5,840**	**$5,840**	**$6,282**	**$6,659**	**$7,253**	**$7,717**	*1*
Allocation Basis	MEUs - Capacity, Potable Only							
Potable MEUs - Capacity	2	17,281	17,281	17,333	17,385	17,437	17,489	*2*
Capacity Unit Cost ($/month)		$28.16	$28.16	$30.20	$31.92	$34.66	$36.77	*3*

Notes:
(1) From Table 6.17.
(2) From Table 2.6.
(3) Totals may be off due to rounding.

The fixed import unit cost is calculated by dividing the allocated fixed import component costs by the number of capacity MEUs, then dividing by 12 to convert to a monthly value. Table 6.21 shows the calculation of the fixed import unit cost for the Santa Rosa Division.

Table 6.21 Fixed Import Unit Cost Calculation – Santa Rosa Division

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Fixed Import Costs ($1,000s)	1	**$2,043**	**$2,273**	**$2,422**	**$2,702**	**$3,064**	**$3,280**	*1*
Allocation Basis	MEUs - Capacity, Potable Only							
Potable MEUs - Capacity	2	17,281	17,281	17,333	17,385	17,437	17,489	*2*
Capacity Unit Cost ($/month)		$9.85	$10.96	$11.64	$12.95	$14.65	$15.63	*3*

Notes:
(1) From Table 6.17.
(2) From Table 2.6.
(3) Totals may be off due to rounding.

The fixed capital component unit cost is calculated by dividing the allocated fixed capital component costs by the number of capacity MEUs, then dividing by 12 to convert to a monthly value. Table 6.21 shows the calculation of the fixed capital unit cost for the Santa Rosa Division.

Table 6.22 Fixed Capital Charge Unit Cost Calculation – Santa Rosa Division

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Fixed Capital Costs ($1,000s)	1	**$0**	**$0**	**$281**	**$531**	**$796**	**$1,018**	*1*
Allocation Basis	MEUs - Capacity, Potable Only							
Potable MEUs - Capacity	2	17,281	17,281	17,333	17,385	17,437	17,489	*2*
Fixed Capital Unit Cost ($/month)		$0.00	$0.00	$1.35	$2.54	$3.81	$4.85	*3*

Notes:
(1) From Table 6.17.
(2) From Table 2.6.
(3) Totals may be off due to rounding.

6.1.3.3 Potable Fixed Charge Calculations

The potable water monthly fixed charge is calculated by combining the customer, meter, capacity, fixed import, and fixed capital unit costs for each meter size.

- Customer costs are equal for all meter sizes, as the costs recovered through that component to not vary based on the capacity or cost of each meter.
- Meter costs vary based on the size of each connection, or the number of dwelling units for multifamily accounts, as they are for the repair and replacement of meters which increase in cost as their diameter increases. Meter costs are calculated for each meter size by multiplying the Meter unit cost by the applicable meter cost MEU ratio for that meter size.

- Capacity costs vary based on the size of each connection, or the number of dwelling units for multifamily accounts, as they are for fixed O&M costs that are driven by system capacity. Capacity costs are calculated for each meter size by multiplying the Capacity unit cost by the applicable Capacity MEU ratio for that meter size.
- Fixed import costs vary based on the size of each connection, or the number of dwelling units for multifamily accounts, as they are driven by the District's capacity to take water and by historical imports, which can be tied to meter capacity. Fixed import costs are calculated for each meter size by multiplying the fixed import unit cost by the applicable capacity MEU ratio for that meter size.
- Fixed capital charge costs vary based on the size of each connection, or the number of dwelling units for multifamily accounts, as they are driven by providing funding for the District's capital program. Fixed capital charge costs are calculated for each meter size by multiplying the fixed capital unit cost by the applicable capacity MEU ratio for that meter size.

Table 6.23 shows the calculation of fixed charges for the Santa Rosa Division for FYE 2025. The same methodology was applied to calculate the charges for subsequent fiscal years shown in Table 6.24.

Table 6.23 FYE 2025 Monthly Fixed Charge Calculation – Santa Rosa Division

Meter Size	MEU Ratio - Meter Costs	MEU Ratios - Capacity	Account Cost	Meter Cost	Capacity Cost	Fixed Import Cost	Capital Charge	Total Monthly Charge	*Line*
3/4"	1.00	1.00	$12.73	$3.67	$28.16	$10.96	$0.00	$55.53	*1*
1"	1.33	1.67	$12.73	$4.88	$47.03	$18.31	$0.00	$82.95	*2*
1 1/2"	2.00	3.33	$12.73	$7.34	$93.78	$36.51	$0.00	$150.36	*3*
2"	2.67	5.33	$12.73	$9.79	$150.10	$58.43	$0.00	$231.07	*4*
2" turbine	2.80	10.00	$12.73	$10.27	$281.62	$109.63	$0.00	$414.26	*5*
3"	4.00	16.67	$12.73	$14.67	$469.46	$182.75	$0.00	$679.62	*6*
4"	5.33	33.33	$12.73	$19.55	$938.64	$365.39	$0.00	$1,336.32	*7*
6"	8.00	53.33	$12.73	$29.35	$1,501.89	$584.64	$0.00	$2,128.61	*8*
6" turbo/F2 Compound	8.00	66.67	$12.73	$29.35	$1,877.47	$730.85	$0.00	$2,650.41	*9*
8" and Above	10.67	90.00	$12.73	$39.13	$2,534.59	$986.65	$0.00	$3,573.10	*10*

Notes:
(1) Totals may be off due to rounding.

Table 6.24 Calculated Fixed Charges – Santa Rosa Division

Meter Size	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
3/4"		$54.42	$55.53	$60.70	$65.54	$72.19	$77.42	*1*
1"		$81.10	$82.95	$90.92	$98.63	$109.16	$117.23	*2*
1 1/2"		$146.66	$150.36	$165.23	$180.03	$200.15	$215.23	*3*
2"		$225.15	$231.07	$254.22	$277.55	$309.20	$332.69	*4*
2" turbine		$403.15	$414.26	$456.46	$499.52	$557.80	$600.61	*5*

Meter Size	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
3"		$661.10	$679.62	$749.25	$820.60	$917.13	$987.76	*6*
4"		$1,299.30	$1,336.32	$1,474.09	$1,615.92	$1,807.63	$1,947.38	*7*
6"		$2,069.37	$2,128.61	$2,348.41	$2,574.98	$2,881.17	$3,104.14	*8*
6" turbo/F2 Compound		$2,576.35	$2,650.41	$2,924.54	$3,207.39	$3,589.56	$3,867.62	*9*
8" and Above		$3,473.12	$3,573.10	$3,942.85	$4,324.50	$4,840.14	$5,215.19	*10*

As discussed in Section 2.2, the study included a review of the MEU ratios used to calculate the District's fixed charge and suggested refinements for the large meter sizes (6" Turbo/F2 Compound and above). As shown in Table 6.24, implementing the updated charges based on the updated ratios in a single year would lead to significant increases for the affected customers. To mitigate this potential rate shock, the proposed rates include a phase-in of increased fixed charges for the large meters over the five-year study period. Table 6.25 shows the phased-in fixed charges for the Santa Rosa Division.

Table 6.25 Phased-In Fixed Charges – Santa Rosa Division

Meter Size	Note	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
6" turbo/F2 Compound		$2,211.49	$2,578.47	$2,969.21	$3,403.78	$3,867.62	*1*
8"		$3,095.23	$3,572.00	$4,074.80	$4,629.54	$5,215.19	*2*
Revenues Without Phase-In ($1,000s)		$127	$141	$155	$174	$188	*3*
Revenues With Phase-In ($1,000s)		110	128	146	166	188	*4*
Non-Operating Revenues Needed to Support Phase-In ($1,000s)		17	13	9	8	0	*5*

Notes:
(1) Totals may be off due to rounding.

Phasing the fixed charge increases will result in a slight under collection of revenues during FYE 2025 through FYE 2026. The District will use discretionary non-operating revenues to fund this deficit during the phase-in period.

6.1.3.4 Multifamily Fixed Charges

Multifamily fixed charges will consist of two components, an account and meter charge assessed based on meter size and a capacity charge assessed per dwelling unit. The account and meter charge recovers each multifamily accounts share of customer component costs and meter costs.

- Customer costs are equal for all meter sizes, as the costs recovered through that component to not vary based on the capacity or cost of each meter.
- Meter costs vary based on the size of each connection as they are for the repair and replacement of meters which increase in cost as their diameter increases. Meter costs are calculated for each meter size by multiplying the meter unit cost by the applicable meter cost MEU ratio for that meter size.

Table 6.26 shows the proposed multifamily account and meter charges.

Table 6.26 Multifamily Account and Meter Charges – Santa Rosa Division

Meter Size	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
3/4"		$16.40	$16.40	$17.50	$18.12	$19.07	$20.17	*1*
1”		$17.62	$17.62	$18.78	$19.44	$20.46	$21.63	*2*
1-1/2”		$20.07	$20.07	$21.37	$22.13	$23.28	$24.60	*3*
2”		$22.53	$22.53	$23.97	$24.81	$26.10	$27.56	*4*
2" Turbine or Ultrasonic		$23.01	$23.01	$24.47	$25.33	$26.64	$28.14	*5*
3"		$27.41	$27.41	$29.12	$30.13	$31.69	$33.45	*6*
4"		$32.29	$32.29	$34.27	$35.46	$37.28	$39.34	*7*
6"		$42.08	$42.08	$44.61	$46.14	$48.51	$51.16	*8*
6" turbo/F2 Compound		$42.08	$42.08	$44.61	$46.14	$48.51	$51.16	*9*
8" and Above		$51.87	$51.87	$54.94	$56.82	$59.72	$62.97	*10*

Notes:
(1) Totals may be off due to rounding.

The multifamily capacity charge is assessed based on the number of dwelling units served by each meter. The capacity charge is calculated by multiplying the sum of the capacity component unit cost and the fixed import unit cost by the 0.67 MEUs per DU ratio discussed previously in Section 6.1.1. Table 6.27 shows the calculation of the multifamily capacity charge per DU for each year.

Table 6.27 Multifamily Capacity Charge per DU – Santa Rosa Division

Meter Size	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Capacity Unit Cost ($/month)		$28.16	$28.16	$30.20	$31.92	$34.66	$36.77	*1*
Fixed Import Unit Cost ($/month)		$9.85	$10.96	$11.64	$12.95	$14.65	$15.63	*2*
Fixed Capital Unit Cost ($/month)		$0.00	$0.00	$1.35	$2.54	$3.81	$4.85	*3*
Total MEU- Capacity Unit Costs		$38.01	$39.12	$43.20	$47.42	$53.12	$57.25	*4*
Effective MEUs per Multifamily Dwelling Unit		0.67	0.67	0.67	0.67	0.67	0.67	*5*
Monthly Charge per Multifamily Dwelling Unit		**$25.47**	**$26.22**	**$28.95**	**$31.78**	**$35.59**	**$38.36**	*6*

Notes:
(1) Totals may be off due to rounding.

6.2 Recycled Water Fixed Charges

Recycled water fixed charges recover recycled water users share of districtwide customer and meter costs as well as the recycled water capacity costs outlined in Section 3.7. The charges are calculated in the same manner as described above for the potable fixed charges.

The customer unit cost is the same for all meter sizes and is calculated by dividing the allocated Customer component costs by the number of accounts, then dividing by 12 to convert to a monthly value. Table 6.28 shows the calculation of the customer unit cost for the recycled water users.

Table 6.28 Recycled Water Customer Unit Cost – Districtwide

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Customer Costs (Potable Users) ($1,000s)	1	**$29**	**$29**	**$31**	**$33**	**$34**	**$37**	*1*
Recycled Accounts	2	272	272	272	273	274	275	*2*
Customer Unit Cost ($/month)		$8.80	$8.80	$9.48	$9.91	$10.48	$11.12	*3*

Notes:
(1) Sum of Line 7 from Table 6.3 and Line 7 from Table 6.15.
(2) Sum of Line 3 from Table 6.3 and Line 3 from Table 6.15.
(3) Totals may be off due to rounding.

The meter unit cost is calculated by dividing the allocated meter component costs by the number of MEUs – Meter Cost, then dividing by 12 to convert to a monthly value. Table 6.29 shows the calculation of the meter unit cost for recycled water users.

Table 6.29 Recycled Water Meter Unit Cost – Districtwide

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Meter Costs (Potable Users) ($1,000s)	1	**$22**	**$22**	**$23**	**$24**	**$25**	**$26**	*1*
Recycled MEUs - Meter Cost	2	621	621	623	625	627	629	*2*
Meter Unit Cost ($/month)		$2.91	$2.91	$3.06	$3.16	$3.30	$3.46	*3*

Notes:
(1) Sum of Line 7 from Table 6.4 and Line 7 from Table 6.16.
(2) Sum of Line 3 from Table 6.4 and Line 3 from Table 6.16.
(3) Totals may be off due to rounding.

The capacity unit cost is calculated by dividing the allocated capacity component costs by the number of capacity MEUs, then dividing by 12 to convert to a monthly value. Table 6.30 shows the calculation of the capacity unit cost for recycled water users.

Table 6.30 Recycled Water Capacity Unit Cost – Districtwide

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Recycled Capacity Costs to collect in fixed charge	1	**$56**	**$56**	**$119**	**$185**	**$256**	**$332**	*1*
Recycled MEUs - Capacity	2	1,865	1,865	1,871	1,876	1,882	1,888	*2*
Capacity Unit Cost ($/month)		$2.50	$2.50	$5.30	$8.22	$11.34	$14.67	*3*

Notes:
(1) From Table 3.25
(2) Sum of capacity MEUs from Table 2.5 and from Table 2.7
(3) Totals may be off due to rounding.

Table 6.31 shows the calculation of recycled water fixed charges for FYE 2025 and Table 6.32 shows the proposed fixed charges for FYE 2025 through FYE 2029. The recycled water monthly fixed charge is calculated by combining the customer, meter, and capacity unit costs for each meter size.

- Customer costs are equal for all meter sizes, as the costs recovered through that component to not vary based on the capacity or cost of each meter.
- Meter costs vary based on the size of each connection as they are for the repair and replacement of meters which increase in cost as their diameter increases. Meter costs are calculated for each meter size by multiplying the meter unit cost by the applicable meter cost MEU ratio for that meter size.
- Capacity costs vary based on the size of each connection as they are for fixed O&M costs that are driven by system capacity. Capacity costs are calculated for each meter size by multiplying the capacity unit cost by the applicable capacity MEU ratio for that meter size.

Table 6.31 FYE 2025 Recycled Water Fixed Charge Calculation – Districtwide

Meter Size	MEU Ratio - Meter Costs	MEU Ratio - Capacity	Account Cost	Meter Cost	Capacity Cost	Total Monthly Charge	*Line*
3/4"	1.00	1.00	$8.80	$2.91	$2.50	$14.21	*1*
1"	1.33	1.67	$8.80	$3.87	$4.18	$16.85	*2*
1 1/2"	2.00	3.33	$8.80	$5.82	$8.34	$22.95	*3*
2"	2.67	5.33	$8.80	$7.76	$13.34	$29.91	*4*
2" turbine	2.80	10.00	$8.80	$8.14	$25.04	$41.98	*5*
3"	4.00	16.67	$8.80	$11.63	$41.74	$62.17	*6*
4"	5.33	33.33	$8.80	$15.50	$83.45	$107.75	*7*
6"	8.00	53.33	$8.80	$23.26	$133.52	$165.58	*8*
6" turbo/F2 Compound	8.00	66.67	$8.80	$23.26	$166.91	$198.97	*9*
8" and Above	10.67	90.00	$8.80	$31.02	$225.33	$265.15	*10*

Notes:
(1) Totals may be off due to rounding.

Table 6.32 Calculated Recycled Water Fixed Charges – Districtwide

Meter Size	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
3/4"		$14.21	$14.21	$17.84	$21.30	$25.13	$29.26	*1*
1"		$16.85	$16.85	$22.40	$27.86	$33.81	$40.24	*2*
1 1/2"		$22.95	$22.95	$33.25	$43.62	$54.85	$66.91	*3*
2"		$29.91	$29.91	$45.89	$62.18	$79.75	$98.58	*4*
2" turbine		$41.98	$41.98	$71.03	$100.99	$133.15	$167.55	*5*
3"		$62.17	$62.17	$110.04	$159.63	$212.76	$269.56	*6*
4"		$107.75	$107.75	$202.38	$300.81	$406.12	$518.60	*7*
6"		$165.58	$165.58	$316.51	$473.69	$641.79	$821.29	*8*
6" turbo/F2 Compound		$198.97	$198.97	$387.17	$583.34	$793.06	$1,016.97	*9*
8" and Above		$265.15	$265.15	$518.95	$783.62	$1,066.52	$1,368.55	*10*

SECTION 7 OTHER WATER RATES

7.1 Energy Rates

The District's service area encompasses a wide elevation range with pressure zones ranging from 1305 ft of elevation to 2850 ft in elevation. This wide variation leads to disparate costs to provide service to customers in each zone as significantly more pumping infrastructure and energy is required for customers in higher pressure zones. The District's energy rates allow for the incremental costs of booster pumping activities to be recovered from each user based on the efforts required to serve them.

The first step in calculating energy rates is determining a unit cost per equivalent pumping unit, which represents the cost to pump one ccf of water up one foot in elevation. Unit cost per equivalent pumping unit is calculated by dividing the energy component costs by the total equivalent pumping units. Total equivalent pumping units are calculated by multiplying the demand in each pressure zone in ccf by the amount of elevation lift required for that pressure zone in feet, then summing the products of those multiplications.

Energy rates per ccf in each pressure zone are calculated by multiplying the unit cost per equivalent pumping unit by the required lift in each zone.

7.1.1 Rancho Division Energy Rates

Table 7.1 shows the calculation of the unit cost per equivalent pumping unit for the Rancho Division.

Table 7.1 Cost per Equivalent Pumping Unit – Rancho Division

Zone and Lift (ft)	Note	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
1305, 0 ft		3,138,666	3,129,295	3,126,701	3,120,149	3,084,759	*1*
1380, 75 ft		3,283,658	3,273,855	3,271,141	3,264,286	3,227,261	*2*
1485, 180 ft		4,187,665	4,175,162	4,171,701	4,162,959	4,115,741	*3*
1550, 245 ft		337,955	336,946	336,667	335,961	332,151	*4*
1610, 305 ft		1,217,852	1,214,216	1,213,210	1,210,667	1,196,935	*5*
1790, 485 ft		875,826	873,211	872,487	870,659	860,784	*6*
1880, 765 ft	1	76,244	76,016	75,953	75,794	74,935	*7*
2070, 765 ft		507,075	505,561	505,142	504,084	498,366	*8*
2350, 1045 ft		71,395	71,182	71,123	70,974	70,169	*9*
Total Demand (ccf)		**13,696,336**	**13,655,445**	**13,644,126**	**13,615,533**	**13,461,099**	*10*
Equivalent Pumping Units (1,000s) (ccf x ft)		**2,399,920**	**2,392,755**	**2,390,772**	**2,385,762**	**2,358,701**	*11*
Energy Costs ($1,000s)		**$1,875**	**$2,036**	**$2,177**	**$2,362**	**$2,581**	*12*
Unit Cost per Equivalent Pumping Unit		**$0.0007813**	**$0.0008508**	**$0.0009104**	**$0.0009902**	**$0.0010942**	*13*

Notes:
(1) Same as 2070 due to infrastructure utilized.
(2) Totals may be off due to rounding.

Table 7.2 shows the calculated energy rates for the Rancho Division.

Table 7.2 Calculated Energy Rates – Rancho Division

Zone and Lift (ft)	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
1305, 0 ft		$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	*1*
1380, 75 ft		$0.06	$0.06	$0.07	$0.07	$0.08	$0.09	*2*
1485, 180 ft		$0.15	$0.15	$0.16	$0.17	$0.18	$0.20	*3*
1550, 245 ft		$0.20	$0.20	$0.21	$0.23	$0.25	$0.27	*4*
1610, 305 ft		$0.24	$0.24	$0.26	$0.28	$0.31	$0.34	*5*
1790, 485 ft		$0.38	$0.38	$0.42	$0.45	$0.49	$0.54	*6*
1880, 765 ft	1	$0.60	$0.60	$0.66	$0.70	$0.76	$0.84	*7*
2070, 765 ft		$0.60	$0.60	$0.66	$0.70	$0.76	$0.84	*8*
2350, 1045 ft		$0.82	$0.82	$0.89	$0.96	$1.04	$1.15	*9*

Notes:
(1) Includes 2070 due to infrastructure utilized.

7.1.2 Santa Rosa Division Energy Rates

Table 7.3 shows the calculation of the unit cost per equivalent pumping unit for the Santa Rosa Division.

Table 7.3 Cost per Equivalent Pumping Unit – Santa Rosa Division

Zone and Lift (ft)	Note	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
1305, 0 ft		365,850	363,656	360,590	355,221	351,209	*1*
1434, 129 ft		0	0	0	0	0	*2*
1440, 135 ft	1	1,572,308	1,562,882	1,549,702	1,526,629	1,509,386	*3*
1500, 195 ft		1,595,698	1,586,132	1,572,756	1,549,339	1,531,840	*4*
1670, 365 ft		2,877,763	2,860,511	2,836,388	2,794,158	2,762,599	*5*
1990, 685 ft		1,020,868	1,014,748	1,006,190	991,209	980,014	*6*
2160, 955 ft	2	78,714	78,242	77,583	76,428	75,564	*7*
2260, 955 ft		68,270	67,861	67,289	66,287	65,538	*8*
2550, 1245 ft		542,184	538,934	534,389	526,432	520,486	*9*
2850, 1545 ft		16,711	16,611	16,471	16,226	16,042	*10*
Total Demand (ccf)		**8,138,367**	**8,089,576**	**8,021,357**	**7,901,928**	**7,812,679**	**11**
Equivalent Pumping Units (1,000s) (ccf x ft)		**3,106,438**	**3,087,814**	**3,061,775**	**3,016,188**	**2,982,122**	***12***
Energy Costs ($1,000s)		**$2,366**	**$2,553**	**$2,722**	**$2,966**	**$3,231**	***13***
Unit Cost per Equivalent Pumping Unit		**$0.0007616**	**$0.0008267**	**$0.0008889**	**$0.0009833**	**$0.0010834**	***14***

Notes:
(1) Includes 1060 and 1160 due to infrastructure utilized.
(2) Includes 2153 due to infrastructure utilized.
(3) Totals may be off due to rounding.

Table 7.4 shows the calculation of the unit cost per equivalent pumping unit for the Santa Rosa Division.

Table 7.4 Calculated Energy Rates – Santa Rosa Division

Zone and Lift (ft)	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
1305, 0 ft		$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	*1*
1434, 129 ft		$0.10	$0.10	$0.11	$0.12	$0.13	$0.14	*2*
1440, 135 ft	1	$0.11	$0.11	$0.12	$0.13	$0.14	$0.15	*3*
1500, 195 ft		$0.15	$0.15	$0.17	$0.18	$0.20	$0.22	*4*
1670, 365 ft		$0.28	$0.28	$0.31	$0.33	$0.36	$0.40	*5*
1990, 685 ft		$0.53	$0.53	$0.57	$0.61	$0.68	$0.75	*6*
2160, 955 ft	2	$0.66	$0.66	$0.71	$0.77	$0.85	$0.93	*7*
2260, 955 ft		$0.73	$0.73	$0.79	$0.85	$0.94	$1.04	*8*
2550, 1245 ft		$0.95	$0.95	$1.03	$1.11	$1.23	$1.35	*9*
2850, 1545 ft		$1.18	$1.18	$1.28	$1.38	$1.52	$1.68	*10*

Notes:
(1) Includes 1060 and 1160 due to infrastructure utilized.
(2) Includes 2153 due to infrastructure utilized.

7.2 Construction Rates

Construction water customers use temporary meters to provide water service during construction. Construction water variable rates calculated on a Districtwide basis and do not vary by Division. By policy, construction water users pay rates based on the highest cost sources of supply, treated imported water.

Construction water rates are calculated in three sub-components, a variable unit cost to recover their allocated share of Treated Import costs and the construction meter specific costs, a blended energy unit cost to recover their share of energy costs, and a blended capital unit cost so recover their share of Santa Rosa capital charges.

Table 7.5 shows the calculation of the variable unit cost for construction users. It is calculated by summing the costs allocated to construction users from the Rancho and Santa Rosa Divisions and dividing by the total construction demands.

Table 7.5 Construction Water – Variable Costs and Unit Cost

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Allocated Variable Costs ($1,000s)								
Treated Import	1	$94	$101	$112	$123	$139	$154	*1*
Construction	2	97	97	104	109	115	122	*2*
Construction Water Variable Costs		**$191**	**$198**	**$216**	**$232**	**$253**	**$276**	*3*
Construction Use (ccf)		37,566	37,566	37,566	37,566	37,566	37,566	*4*
Variable Unit Cost ($/ccf)		**$5.10**	**$5.26**	**$5.75**	**$6.17**	**$6.74**	**$7.34**	*5*

Notes:
(1) Sum of Table 5.6 line 9 and Table 5.25 line 9.

(2) Sum Table 5.7 line 13 and Table 4.10 line 13.
(3) Totals may be off due to rounding.

Table 7.6 shows the calculation of the blended energy unit cost and blended capital unit cost. The blended energy unit cost is calculated by dividing the total energy component costs for the Rancho and Santa Rosa divisions by the total demands for both divisions. The blended capital unit cost is calculated by dividing the Santa Rosa Capital Charge costs by the total in budget demands for both divisions.

Table 7.6 Construction Water – Blended Energy Cost and Unit Cost

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Energy Costs ($1,000s)		**$4,241**	**$4,241**	**$4,589**	**$4,898**	**$5,328**	**$5,812**	*1*
Total Demand (ccf)		21,834,703	21,834,703	21,745,021	21,665,483	21,517,461	21,273,779	*2*
Blended Energy Unit Cost ($/ccf)		$0.19	$0.19	$0.21	$0.23	$0.25	$0.27	*3*
Blended Capital Cost ($1,000s)		**$1,784**	**$1,784**	**$2,053**	**$2,285**	**$2,523**	**$2,722**	*4*
Total In Budget Demand (ccf)		18,459,509	18,459,509	18,362,653	18,275,911	18,121,414	17,884,593	*5*
Blended Capital Unit Cost ($/ccf)		$0.10	$0.10	$0.11	$0.13	$0.14	$0.15	*6*

Notes:
(1) Totals may be off due to rounding.

The construction water variable rate is the sum of the three subcomponent unit costs from the tables above as shown in Table 7.7.

Table 7.7 Construction Water – Calculated Rate

	Note	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Variable Unit Cost ($/ccf)		$5.10	$5.26	$5.75	$6.17	$6.74	$7.34	*1*
Blended Energy Unit Cost ($/ccf)		$0.19	$0.19	$0.21	$0.23	$0.25	$0.27	*2*
Blended Capital Unit Cost ($/ccf)		$0.10	$0.10	$0.11	$0.13	$0.14	$0.15	*3*
Construction Water Variable Costs ($/ccf)		**$5.39**	**$5.55**	**$6.07**	**$6.53**	**$7.13**	**$7.76**	
Smoothed Construction Water Rate ($/ccf)		**$5.47**	**$5.47**	**$6.06**	**$6.50**	**$7.09**	**$7.71**	*4*

Notes:
(1) Totals may be off due to rounding.

SECTION 8 PROPOSED WATER RATES SUMMARY AND CUSTOMER IMPACTS

The following section includes summary tables of the proposed water rates for each division as well as estimated customer bill impacts for typical customers in each division.

8.1.1 Rancho Division

Table 8.1 Rancho Division Proposed Monthly Fixed Charges, Potable

	Current	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	*FYE 2028*	*FYE 2029*	*Line*
3/4"	$25.79	$25.58	$26.01	$27.89	$29.49	*$31.21*	*$33.06*	*1*
1"	$37.71	$37.50	$38.22	$40.95	$43.31	*$45.84*	*$48.54*	*2*
1-1/2"	$64.74	$66.66	$68.08	$72.89	$77.15	*$81.67*	*$86.45*	*3*
2"	$98.17	$101.45	$103.72	$111.01	$117.54	*$124.44*	*$131.72*	*4*
2" Turbine or Ultrasonic	$173.35	$178.99	$183.26	$196.16	$207.88	*$220.17*	*$233.08*	*5*
3"	$282.87	$292.35	$299.46	$320.51	$339.71	*$359.83*	*$380.92*	*6*
4"	$550.43	$571.22	$585.44	$626.63	$664.38	*$703.87*	*$745.15*	*7*
6"	$875.25	$908.74	$931.49	$996.99	$1,057.11	*$1,119.96*	*$1,185.63*	*8*
6" turbo/F2 Compound[1]	$875.25	$971.42	$971.42	$1,078.15	$1,196.60	*$1,328.07*	*$1,473.99*	*9*
8" and Above[1]	$1,235.10	$1,358.26	$1,358.26	$1,493.69	$1,642.63	*$1,806.42*	*$1,986.54*	*10*

Notes:
(1) Phased-In Rates.

Table 8.2 Rancho Division Proposed Potable Variable Rates ($/CCF)

	Current	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	*FYE 2028*	*FYE 2029*	*Line*
Residential, Multi-family, & Landscape								*1*
Tier 1	$0.829	$0.85	$0.87	$0.92	$1.00	*$1.12*	*$1.24*	*2*
Tier 2	$1.808	$1.81	$1.85	$2.06	$2.30	*$2.49*	*$2.72*	*3*
Tier 3	$3.499	$4.46	$4.64	$4.99	$5.33	*$5.84*	*$6.34*	*4*
Tier 4	$8.242	$6.01	$6.01	$6.52	$6.90	*$7.53*	*$8.12*	*5*
								6
Commercial, Industrial, Ag, Ag-Dom, & Other								*7*
Tier 1	$1.516	$1.49	$1.49	$1.67	$1.85	*$2.02*	*$2.22*	*8*
Tier 2	$3.499	$4.46	$4.64	$4.99	$5.33	*$5.84*	*$6.34*	*9*
Tier 3	$8.242	$6.01	$6.01	$6.52	$6.90	*$7.53*	*$8.12*	*10*

Table 8.3 Rancho Division Proposed Energy Rates ($/CCF)

	Current	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	*FYE 2028*	*FYE 2029*	*Line*
1305	$0.00000	$0.00	$0.00	$0.00	$0.00	*$0.00*	*$0.00*	*1*
1380	$0.03922	$0.06	$0.06	$0.07	$0.07	*$0.08*	*$0.09*	*2*
1485	$0.09406	$0.15	$0.15	$0.16	$0.17	*$0.18*	*$0.20*	*3*
1550	$0.12804	$0.20	$0.20	$0.21	$0.23	*$0.25*	*$0.27*	*4*
1610	$0.15939	$0.24	$0.24	$0.26	$0.28	*$0.31*	*$0.34*	*5*
1790	$0.25343	$0.38	$0.38	$0.42	$0.45	*$0.49*	*$0.54*	*6*
1880	$0.39973	$0.60	$0.60	$0.66	$0.70	*$0.76*	*$0.84*	*7*
2070	$0.39973	$0.60	$0.60	$0.66	$0.70	*$0.76*	*$0.84*	*8*
2350	$0.54604	$0.82	$0.82	$0.89	$0.96	*$1.04*	*$1.15*	*9*

8.1.2 Santa Rosa Division

Table 8.4 Santa Rosa Division Proposed Monthly Fixed Charges, Potable

	Current	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	*FYE 2028*	*FYE 2029*	*Line*
3/4"	$51.87	$54.42	$55.53	$60.70	$65.54	*$72.19*	*$77.42*	*1*
1"	$78.30	$81.10	$82.95	$90.92	$98.63	*$109.16*	*$117.23*	*2*
1-1/2"	$138.37	$146.66	$150.36	$165.23	$180.03	*$200.15*	*$215.23*	*3*
2"	$212.90	$225.15	$231.07	$254.22	$277.55	*$309.20*	*$332.69*	*4*
2" Turbine or Ultrasonic	$383.19	$403.15	$414.26	$456.46	$499.52	*$557.80*	*$600.61*	*5*
3"	$629.36	$661.10	$679.62	$749.25	$820.60	*$917.13*	*$987.76*	*6*
4"	$1,233.76	$1,299.30	$1,336.32	$1,474.09	$1,615.92	*$1,807.63*	*$1,947.38*	*7*
6"	$1,965.51	$2,069.37	$2,128.61	$2,348.41	$2,574.98	*$2,881.17*	*$3,104.14*	*8*
6" turbo/F2 Compound[1]	$1,965.51	$2,211.49	$2,211.49	$2,578.47	$2,969.21	*$3,403.78*	*$3,867.62*	*9*
8" and Above(1)	$2,776.77	$3,095.23	$3,095.23	$3,572.00	$4,074.80	*$4,629.54*	*$5,215.19*	*10*

Notes:
(1) Phased-In Rates.

Table 8.5 Santa Rosa Division Proposed Potable Variable Rates ($/CCF)

	Current	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	*FYE 2028*	*FYE 2029*	*Line*
Residential, Multi-family, & Landscape								*1*
Tier 1	$1.517	$1.63	$1.64	$1.84	$2.05	*$2.37*	*$2.63*	*2*
Tier 2	$2.657	$2.72	$2.80	$3.03	$3.32	*$3.46*	*$3.81*	*3*
Tier 3	$3.811	$5.39	$5.52	$5.90	$6.29	*$6.94*	*$7.47*	*4*
Tier 4	$8.947	$6.44	$6.44	$6.94	$7.37	*$8.17*	*$8.75*	*5*

	Current	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	*FYE 2028*	*FYE 2029*	*Line*
								6
Commercial, Industrial, Ag, Ag-Dom, & Other								*7*
Tier 1	$2.408	$2.41	$2.48	$2.70	$2.98	*$3.22*	*$3.56*	*8*
Tier 2	$3.811	$5.39	$5.52	$5.90	$6.29	*$6.94*	*$7.47*	*9*
Tier 3	$8.947	$6.44	$6.44	$6.94	$7.37	*$8.17*	*$8.75*	*10*

Table 8.6 Santa Rosa Division Proposed Energy Rates ($/CCF)

	Current	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	*FYE 2028*	*FYE 2029*	*Line*
1305	$0.00000	$0.00	$0.00	$0.00	$0.00	*$0.00*	*$0.00*	*1*
1434	$0.06652	$0.10	$0.10	$0.11	$0.12	*$0.13*	*$0.14*	*2*
1440 (1060, 1160)	$0.06961	$0.11	$0.11	$0.12	$0.13	*$0.14*	*$0.15*	*3*
1500	$0.10055	$0.15	$0.15	$0.17	$0.18	*$0.20*	*$0.22*	*4*
1670	$0.18817	$0.28	$0.28	$0.31	$0.33	*$0.36*	*$0.40*	*5*
1990	$0.35311	$0.53	$0.53	$0.57	$0.61	*$0.68*	*$0.75*	*6*
2160 (2153)	$0.44074	$0.66	$0.66	$0.71	$0.77	*$0.85*	*$0.93*	*7*
2260	$0.49230	$0.73	$0.73	$0.79	$0.85	*$0.94*	*$1.04*	*8*
2550	$0.64178	$0.95	$0.95	$1.03	$1.11	*$1.23*	*$1.35*	*9*
2850	$0.79642	$1.18	$1.18	$1.28	$1.38	*$1.52*	*$1.68*	*10*

8.1.3 Recycled Water

Table 8.7 Districtwide Proposed Recycled Variable Rates ($/AF)

	Current	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	*FYE 2028*	*FYE 2029*	*Line*
All Recycled Water Sales	$493.27	$493.27	$493.27	$522.87	$554.24	*$587.50*	*$622.75*	*1*

Table 8.8 Districtwide Proposed Recycled Fixed Charges ($/CCF)

	Current	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	*FYE 2028*	*FYE 2029*	*Line*
3/4"	$16.17	$14.21	$14.21	$17.84	$21.30	*$25.13*	*$29.26*	*1*
1”	$17.33	$16.85	$16.85	$22.40	$27.86	*$33.81*	*$40.24*	*2*
1-1/2”	$19.65	$22.95	$22.95	$33.25	$43.62	*$54.85*	*$66.91*	*3*
2”	$21.96	$29.91	$29.91	$45.89	$62.18	*$79.75*	*$98.58*	*4*
2" Turbine or Ultrasonic	$22.42	$41.98	$41.98	$71.03	$100.99	*$133.15*	*$167.55*	*5*

	Current	FYE 2025 July 1	FYE 2025 Jan. 1	FYE 2026	FYE 2027	*FYE 2028*	*FYE 2029*	*Line*
3"	$26.58	$62.17	$62.17	$110.04	$159.63	*$212.76*	*$269.56*	*6*
4"	$31.21	$107.75	$107.75	$202.38	$300.81	*$406.12*	*$518.60*	*7*
6"	$40.45	$165.58	$165.58	$316.51	$473.69	*$641.79*	*$821.29*	*8*
6" turbo/F2 Compound[1]	$40.45	$198.97	$198.97	$387.17	$583.34	*$793.06*	*$1,016.97*	*9*
8" and Above[(1)]	$49.70	$265.15	$265.15	$518.95	$783.62	*$1,066.52*	*$1,368.55*	*10*

8.1.4 Customer Bill Impacts

8.1.4.1 Rancho Division

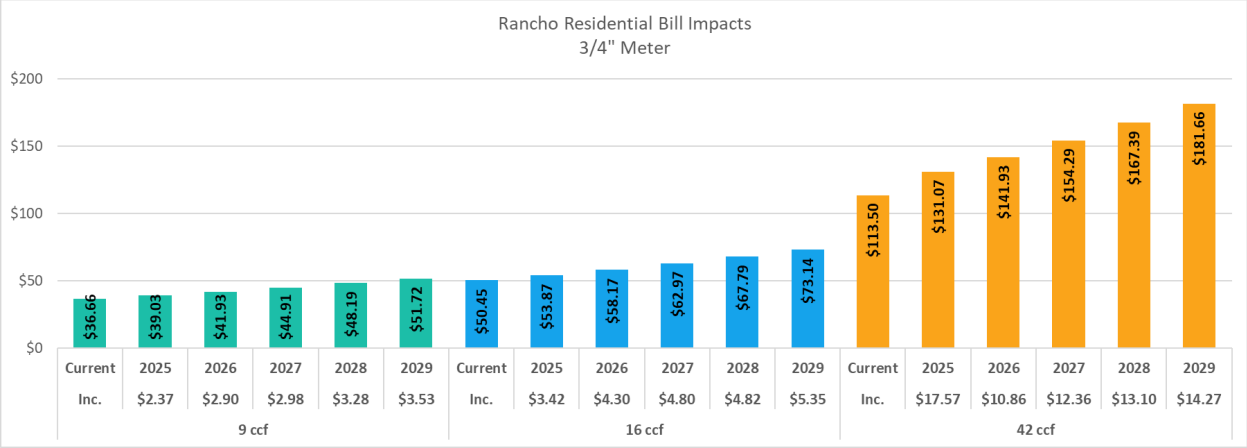


Figure 8.1 Rancho Residential Bill Impact – 3/4" Meter

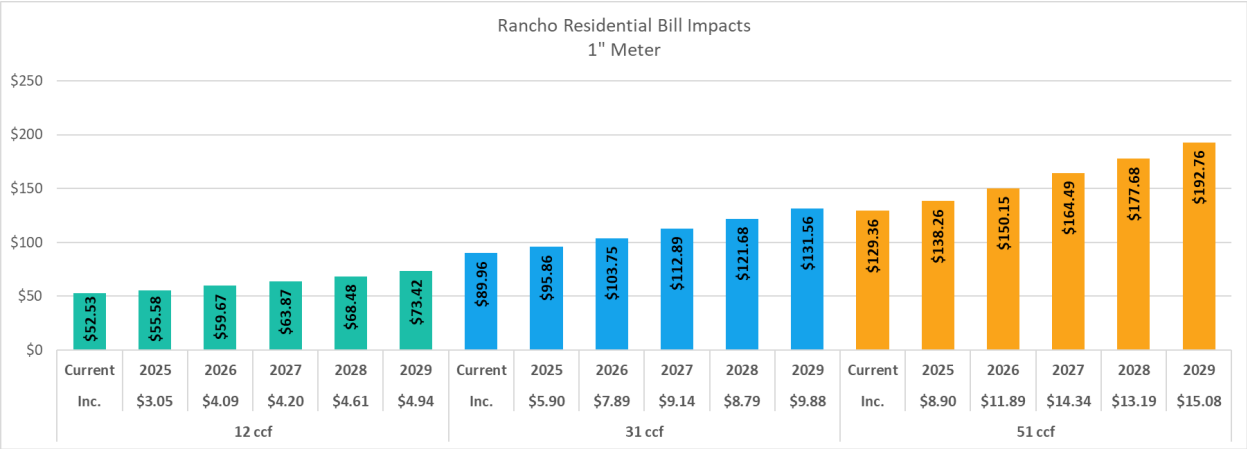


Figure 8.2 Rancho Residential Bill Impact – 1" Meter

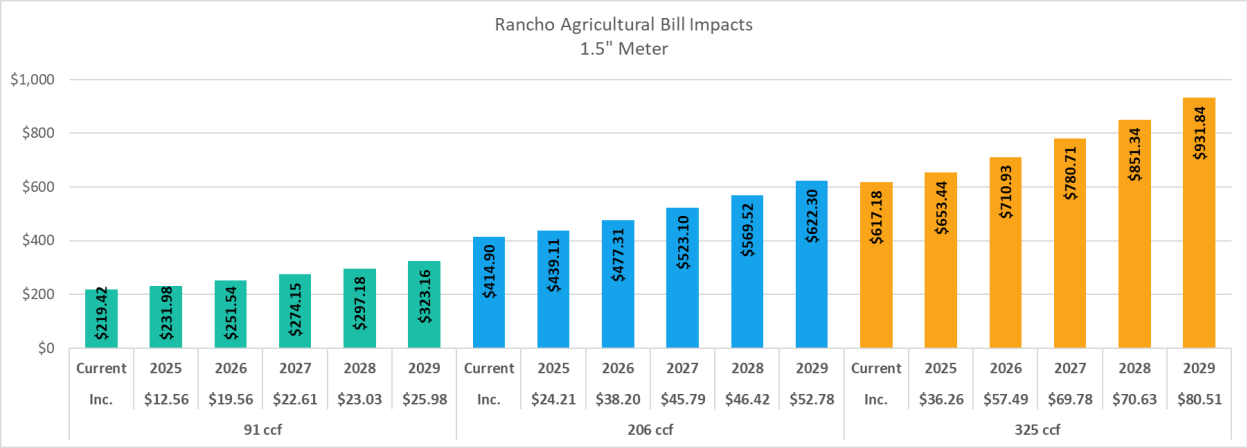


Figure 8.3 Rancho Agricultural Bill Impact – 1.5" Meter

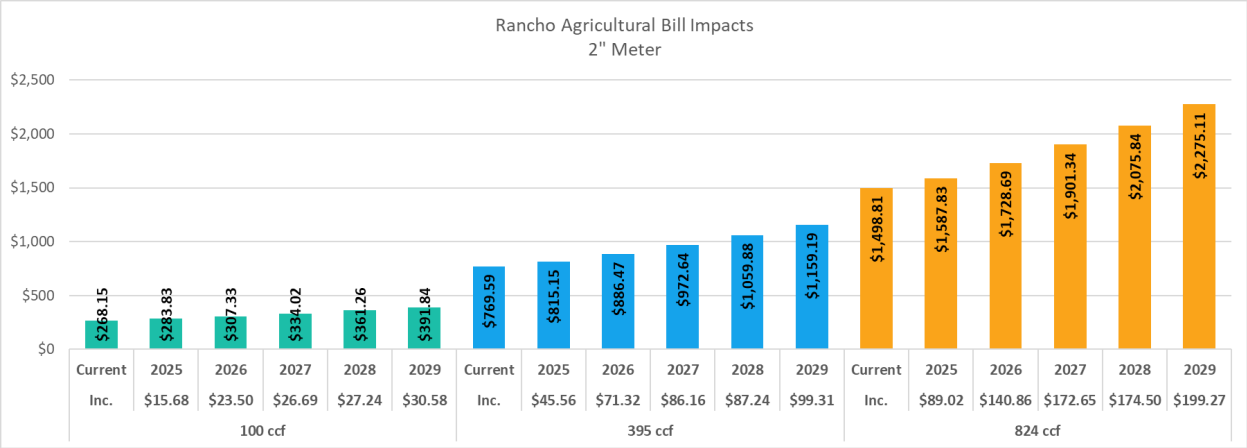


Figure 8.4 Rancho Agricultural Bill Impact – 2" Meter

8.1.4.2 Santa Rosa Division

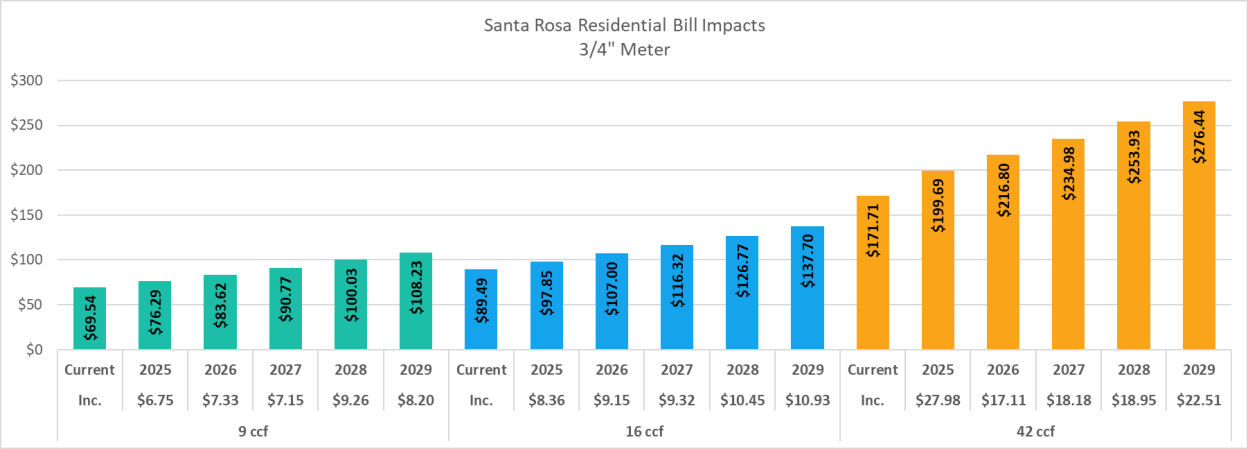


Figure 8.5 Santa Rosa Residential Bill Impact – 3/4" Meter

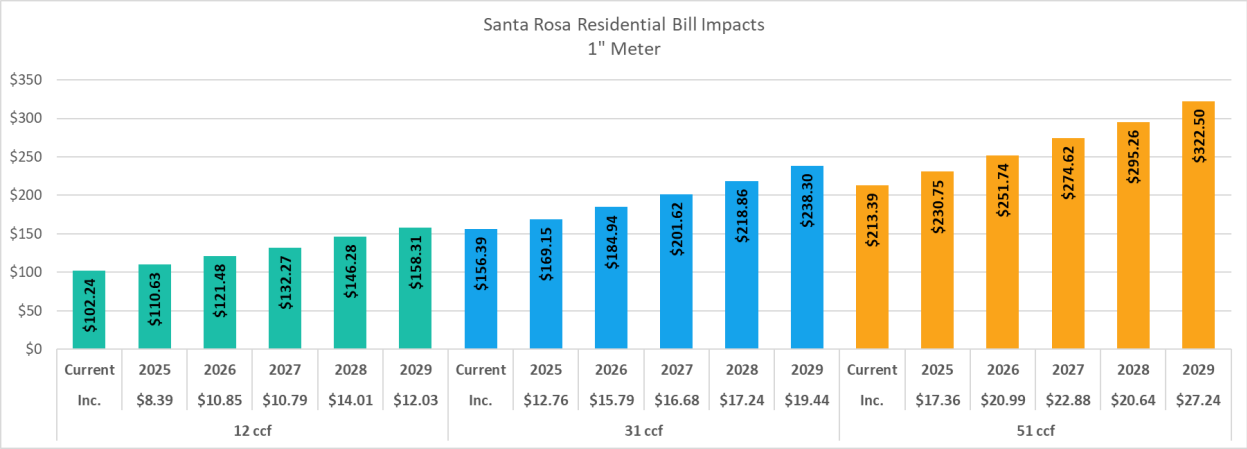


Figure 8.6 Santa Rosa Residential Bill Impact – 1" Meter

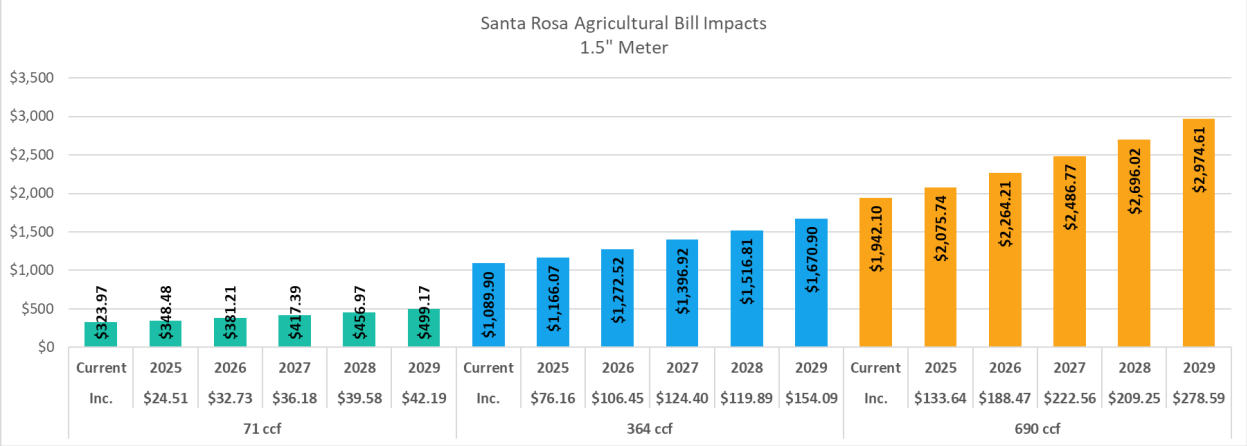


Figure 8.7 Santa Rosa Agricultural Bill Impact – 1.5" Meter

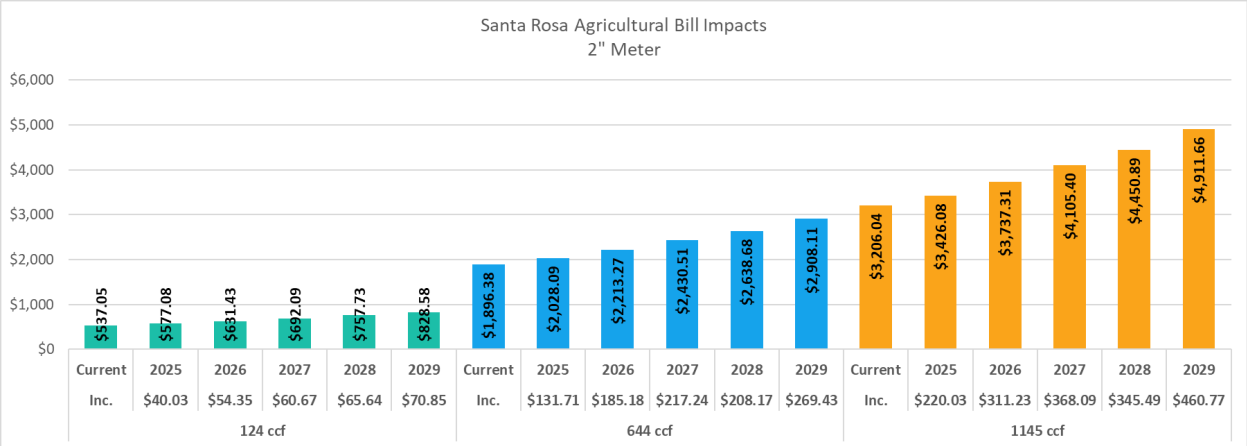


Figure 8.8 Santa Rosa Agricultural Bill Impact – 2" Meter

SECTION 9 WASTEWATER REVENUE REQUIREMENTS

9.1 Introduction

The revenue requirements analysis for the Wastewater Division follows the same steps as the analysis discussed previously for the water divisions. It reviews the utility's revenues, expenses, debts, and reserve policies, assessing the viability of each metric going forward. Where cash flows and balances are insufficient, the revenue requirement analysis determines the additional cash flows needed to meet all funding goals.

The revenue requirement forecast is derived from the District's financial budget, including major cost components, production costs, personnel costs, other operations and maintenance (O&M), and rate supported debt service requirements and capital outlays. Policy requirements are also considered and used to assess revenue sufficiency.

The District provided budgeted revenues and expenditures for FYE 2024 and FY 2025 along with actual revenues and expenditures for FYE 2023. Other financial information included detailed cost projections and allocations for general and administrative and support costs, actual and projected fund balances, and other pertinent financial information.

9.2 Projected Revenues

9.2.1 Revenues from Current Rates

The projection of rate revenues under current rates sets the basis of the revenue requirements analysis. These revenues, less offsets, are compared to requirements to determine necessary rate increases. Based on the customer account projection, total rate revenues under current rates are projected to increase slightly year-to-year based on the assumed customer growth increases.

Table 9.1 shows the projected rate revenues under current rates for the Wastewater Division. FYE 2025 revenues were calculated by applying the projected EDUs (Appendix B) to the existing rates presented in Table 1.8.

Table 9.1 Projected Baseline Rate Revenues – Rancho Division ($ thousands)

	Note	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Projected EDUs		8,480	8,505	8,531	8,557	8,582	*1*
Current Rate per EDU		$46.00					*2*
Wastewater Service Charges ($1,000s)	1	**$4,681**	**$4,695**	**$4,709**	**$4,723**	**$4,737**	*3*

Notes:
(1) Totals may be off due to rounding.

9.2.2 Offsetting Revenues

The rate revenue needs are defined as the amount of revenues that must be recovered through water rates to cover expenditures, less any offsetting revenues. In addition to rate revenues, the District also collects offsetting revenues from other sources, including:

- Reclassification of revenues from non-operating to operating - projected based on the District's long range financial plan.
- Interest earnings on operating reserves – calculated based on the FYE beginning fund balance with earnings of 4.0-percent for FYE 2025, 3.0-percent for FYE 2026, 3.2-percent for FYE 2027 and 3.0-percent thereafter.

Table 9.2 identifies the projected offsetting revenues for the upcoming five years for the Wastewater Division. Over the course of the study, Wastewater Division offsetting revenues are expected to increase from approximately $630 thousand in FYE 2025 to approximately $811 thousand in FYE 2029. This increase is primarily driven by the reclassification of non-operating revenues to operating.

Table 9.2 Projected Offsetting Revenues – Wastewater Division ($ thousands)

	Note	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Reclass From/(To) Non-Operating		$521	$545	$596	$635	$737	*1*
Interest Earnings on Operating Fund		109	86	90	80	75	*2*
Wastewater Non-Rate Revenues		**$631**	**$631**	**$685**	**$715**	**$811**	*3*

Notes:
(1) Totals may be off due to rounding.

9.3 Projected Expenses

The projected expenses for the Wastewater Division include operating and maintenance costs and rate supported capital costs. The projections developed for this study build on information provided by the District including the FYE 2025 proposed budget, expected cost escalation factors, staffing plans, the District expected share of SRRRA operations costs, and other information.

9.3.1 Operating and Maintenance Costs

O&M costs are expenditures that the District incurs in the day-to-day operations of its water system - e.g., employee salaries and benefits, fuel, chemicals, power, supplies, and corrective maintenance. For the water divisions, O&M costs are budgeted and tracked in the budget categories described below.

Customer Service

The customer service category includes the costs for customer billing, resource customer support, and other minor activities. Approximately half of the costs in this category are for meter service maintenance and repairs.

Wastewater Expense

The wastewater expense the costs for wastewater collections and treatment O&M. The treatment O&M reflect the District's 40-percent share of SRRRA costs. Collections costs include labor and benefits, materials and supplies, utilities and outside services to operate and maintain the collection system.

Engineering

The engineering category includes the costs for engineering services performed by the District to the benefit of operations and maintenance activities. Most of the services are budgeted at the District level then allocated to the divisions in the Resource Engineering cost item.

Support

The support category includes costs incurred at the District level for activities that support other functions and programs. Support costs include finance, board administration, records management, headquarters O&M, procurement, warehouse, planning fringe overhead, and other costs. Support costs and budgeted and tracked in several subcategories and each is allocated among the divisions in proportion to the division's needs and /or the factors that drive the costs.

9.3.1.2 Projected O&M

Table 9.3 shows the projected O&M costs for the Wastewater Division. Over the study period, O&M costs are expected to increase from approximately $2.9 million in FYE 2025 to $3.5 million in FYE 2029 driven by inflationary increases in staff, operating, and maintenance costs. A detailed table of the O&M forecast with costs by division, O&M category, and cost type (labor, utilities, materials and supplies, etc.) is included as Appendix C.

Table 9.3 Projected O&M – Wastewater ($ thousands)

Category	Note	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Customer Service		$180	$185	$190	$194	$199	*1*
Wastewater Expense		1,593	1,674	1,751	1,829	1,910	*2*
Engineering		8	8	8	8	9	*3*
Support		1,115	1,204	1,258	1,315	1,374	*4*
Total Wastewater O&M Costs		**$2,895**	**$3,071**	**$3,207**	**$3,346**	**$3,492**	*5*

Notes:
(1) Totals may be off due to rounding.

9.3.2 Capital Costs Supported by Rates

Along with operating costs, the District's wastewater rates support a limited amount of capital costs and debt service via surcharges included in the rates. The debt service surcharge is set to recover the debt service payments on the portion of the state revolving fund loans for the primary and secondary treatment facilities as well as the debt service on the SRRRA 2017 AB bonds. The projected capital replacement component is from the District's long-term financial plan. The debt service and capital surcharges total approximately $2.4 million per year in FYE 2025 and increase to approximately $2.9 million by FYE 2029, as shown in Table 9.4.

Table 9.4 Wastewater Debt Service and Capital Replacement

	Note	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Debt Service Supported by Surcharge		$1,923	$1,898	$1,860	$1,850	$1,843	*1*
Capital Replacement Supported by Surcharge		500	650	800	950	1,100	*2*
Total Capital Charge		**$2,423**	**$2,548**	**$2,660**	**$2,800**	**$2,943**	*3*

9.4 Reserve Requirements

The District has recently updated its reserve policy to define component reserve targets tied to each division's operations and the specific revenue, cost, and operational risks that they face. The operating reserve portion of the policy is supported by rate revenues and consists of the three components described in Table 9.5.

Table 9.5 Wastewater Operating Reserve Metrics

Component and Description	Target
Working Capital: maintain sufficient resources to pay budgeted operating and maintenance expenses recognizing the timing differences between payment of expenditures and receipt of revenues.	120 Days of O&M Costs
Rate Stabilization: provides broad protection against unexpected costs or loss of revenues and acts as the primary reserve, when considering mitigating rate increases.	60 Days of O&M Costs

The target for each component is set based on a specific metric(s) related to the purpose of the component, and the targeted reserve levels vary in each year based on the expenditures or revenues used to calculate each component. Table 9.6 shows the projected target minimum and maximum reserve levels for each year of the five-year rate projection.

Table 9.6 Projected Reserve Targets – Wastewater Division ($ thousands)

	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29
Working Capital	$952	$1,010	$1,054	$1,100	$1,148
Rate Stabilization	476	505	527	550	574
Rancho Total Operating Reserve Target	**$1,428**	**$1,514**	**$1,582**	**$1,650**	**$1,722**
Minimum For Rev. Req. Forecast Working Capital Component Only	***$952***	***$1,010***	***$1,054***	***$1,100***	***$1,148***

9.5 Revenue Requirement Forecast – Wastewater Division

Table 9.7 on the next page presents the calculation and results of the Wastewater Division revenue requirements analysis and forecast. Based on the projections, rate revenue increases of 2.0-percent per year will be required for each year of the study period (FYE 2025 through FYE 2029), implemented on July 1 of each year.

Rate Increase Drivers

The necessary rate increases for the Wastewater Division are driven primarily by the need to maintain positive annual operating cash flow and keep up with inflationary cost increases. With the proposed 3.0-percent annual increases, cash flows can be held to a neutral level as shown in line 16 of Table 9.7. The modest positive cash flows projected for each year will allow the days of O&M held in the operating reserve to remain relatively constant over the study period (Table 9.7, line 20.)

Table 9.7 Revenue Requirements Results – Wastewater Division ($ thousands)

	Note	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Rate Revenue Under Current Rates		$4,681	$4,695	$4,709	$4,723	$4,737	*1*
Revenue From Prior Years' Increases			141	287	438	595	*2*
Total Rate Revenue Prior to FY Increase		**$4,681**	**$4,836**	**$4,996**	**$5,161**	**$5,332**	*3*
Non-Rate Revenue		$631	$631	$685	$715	$811	*4*
Total Revenue Prior to FY Increase		**$5,312**	**$5,467**	**$5,681**	**$5,877**	**$6,143**	*5*
Expenditures							
O&M Costs		($2,895)	($3,071)	($3,207)	($3,346)	($3,492)	*6*
Capital Charge		($500)	($650)	($800)	($950)	($1,100)	*7*
Debt Service Charge		($1,923)	($1,898)	($1,860)	($1,850)	($1,843)	*8*
Operating Cash Flow Prior to FY Increase		**($6)**	**($152)**	**($186)**	**($269)**	**($292)**	*9*
Rate Revenue Increase		**3.00%**	**3.00%**	**3.00%**	**3.00%**	**3.00%**	*10*
Cumulative Increase		*3.00%*	*6.09%*	*9.27%*	*12.55%*	*15.93%*	*11*
Implementation Month		July	January	January	January	January	*12*
Revenues from Full Year Increase		$140	$145	$150	$155	$160	*13*
Less Rate Increase Delay		$0	($73)	($75)	($77)	($80)	*14*
Revenues from FY Increase		**$140**	**$73**	**$75**	**$77**	**$80**	*15*
Operating Cash Flow with FY Increase		**$134**	**($79)**	**($111)**	**($192)**	**($212)**	*16*
Operating Reserve							
Beginning Balance		$2,737	$2,871	$2,792	$2,681	$2,490	*17*
Operating Cash Flow with FY Increase		134	(79)	(111)	(192)	(212)	*18*
Ending Balance		**$2,871**	**$2,792**	**$2,681**	**$2,490**	**$2,278**	*19*
Days Cash		362 Days	332 Days	305 Days	272 Days	238 Days	*20*

Notes:
(1) Totals may be off due to rounding.

SECTION 10 SEWER COST OF SERVICE ANALYSIS AND RATE DESIGN

The District's wastewater customers are billed monthly based on the number of EDUs associated with their connection to the wastewater system. Thus, monthly rates are calculated by dividing the Wastewater Division rate revenue requirements by the total number of EDUs served.

10.1 Equivalent Dwelling Units

EDUs are assigned to each sewer connection based on assumptions set forth in the District's Administrative Code (Part III, Chapter 1, Section 3).

Each single family dwelling is assigned 1.0 EDU and multi-family customers are assigned EDUs based on the number of dwelling units served and an assumed number of EDUs per dwelling unit specific to the type of multi-family complex.

Commercial and Industrial EDUs are calculated based on the type of business or facility served, the assigned unit of usage, and the number of EDUs per unit. The units of usage and number of EDUs per unit vary for each type of account and reflect measurable attributes that indicate potential wastewater discharges from each type of customer. For example, EDUs are assigned to hotels based on the number of beds available and to restaurants based on the number of seats, many categories are assigned on a square-footage basis.

Institutional users include churches and schools. EDUs for churches are assigned on a square footage basis and EDUs for schools are assigned based on the facilities present at each school (i.e., cafeteria and showers) and the number of students.

Table 10.1 shows the projected MEUs for FYE 2025 through 2029. The project was completed by applying the assumed customer growth factors discussed previously to the current number of EDUs in the District's billing records.

Table 10.1 Projected EDUs

Customer Type	Note	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
Commercial		1,920	1,926	1,932	1,938	1,944	*1*
Landscape		13	13	13	13	13	*2*
Multi Family		1,383	1,387	1,391	1,395	1,400	*3*
Residential		4,706	4,720	4,734	4,749	4,763	*4*
Schools		458	459	460	462	463	*5*
Total EDUs		**8,480**	**8,505**	**8,531**	**8,557**	**8,582**	*6*

10.2 EDU Rate Calculation

Monthly rates per EDU are calculated in three components that reflect the major elements of the Wastewater Division's revenue requirements. The charges per EDU are calculated by dividing the rate revenue requirements by the total EDUs from Table 10.1, and dividing by 12 to convert to a monthly value.

The O&M component rate revenue requirements are the sum of the O&M costs, cash flows, and adjustment for rate delay less offsetting non-rate revenues (all from Table 9.7). The Capital and Debt Service surcharge components are calculated directly based on the costs shown in Table 9.4. Table 10.2 shows the calculation of each component charge per EDU.

Table 10.2 Rate Revenue Requirements ($ thousands) and Component Charges per EDU

	Note	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
O&M Component							
O&M Costs		$2,895	$3,071	$3,207	$3,346	$3,492	*1*
Cash Flow with FY Increase		134	(79)	(111)	(192)	(212)	*2*
Adjustment for Rate Increase Delay		0	73	75	77	80	*3*
Less: Non-Rate Revenues		(631)	(631)	(685)	(715)	(811)	*4*
O&M Component Revenue Requirements ($1,000s)		**$2,398**	**$2,433**	**$2,486**	**$2,516**	**$2,549**	*5*
O&M Component (Monthly $/EDU)		$23.56	$23.84	$24.28	$24.51	$24.75	*6*
Capital Surcharge Revenue Requirement ($1,000s)		**$500**	**$650**	**$800**	**$950**	**$1,100**	*8*
Capital Component (Monthly $/EDU)		$4.91	$6.37	$7.81	$9.25	$10.68	*9*
Debt Service Surcharge Revenue Requirement ($1,000s)		**$1,923**	**$1,898**	**$1,860**	**$1,850**	**$1,843**	*10*
Debt Service Component (Monthly $/EDU)		$18.90	$18.60	$18.17	$18.01	$17.89	*11*

Table 10.3 shows the proposed monthly charges per EDU which are the sum of the component charges calculated in Table 10.2.

Table 10.3 Combined Monthly Rates per EDU

Component	Note	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	*Line*
O&M Component ($/EDU)		$23.56	$23.84	$24.28	$24.51	$24.75	*1*
Capital Component ($/EDU)		18.90	18.60	18.17	18.01	17.89	*2*
Debt Service Component ($/EDU)		4.91	6.37	7.81	9.25	10.68	*3*
Monthly Charge per EDU		**$47.38**	**$48.81**	**$50.27**	**$51.78**	**$53.33**	*4*

APPENDIX A

SALES FORECAST

RANCHO CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

Rancho Division Demand Forecast

	2019	2020	2021	2022	2023		2025	2026	2027	2028	2029
Adjustment From Initial Budget Sales Forecast							-2.0%	-2.0%	-2.0%	-2.0%	-2.0%

		FYE 2019	FYE 2020	FYE 2021	FYE 2022	FYE 2023	Percent by Tier	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029
Account Growth								**0.30%**	**0.30%**	**0.30%**	**0.30%**	**0.30%**
Projected Usage by Cusomter Class (HCF)								2025 to 2029 linked to water sales budget.				
AG & Vine								852,068	843,548	835,112	818,410	802,042
AG & Vine Res.								938,727	943,427	948,080	943,205	938,429
Landscape								1,366,042	1,352,381	1,325,334	1,298,827	1,235,284
Residential								7,257,096	7,229,348	7,252,101	7,274,399	7,207,032
Multi-Family								785,901	778,042	762,481	747,231	732,287
Commercial								1,027,093	1,027,093	1,027,093	1,027,093	1,027,093
Golf								-	-	-	-	-
Government								8,111	8,111	8,111	8,111	8,111
School								75,559	75,559	75,559	75,559	75,559
Construction								30,309	30,309	30,309	30,309	30,309
Fire Line								79,828	79,828	79,828	79,828	79,828
Skinner								55,922	55,922	55,922	55,922	55,922
Total Potable	**HCF**							**12,476,656**	**12,423,568**	**12,399,930**	**12,358,895**	**12,191,895**
Total Potable	**AF**							**28,642**	**28,521**	**28,466**	**28,372**	**27,989**
Recycled Water								**1,219,680**	**1,231,877**	**1,244,196**	**1,256,638**	**1,269,204**

	FYE 2019	FYE 2020	FYE 2021	FYE 2022	FYE 2023
Include for Tier Avg % for Potable	Yes	Yes	Yes	Yes	Yes
Include for Type Avg % for Recycled	No	No	Yes	Yes	Yes

Residential, Multi-Family, & Landscape

	FYE 2019	FYE 2020	FYE 2021	FYE 2022	FYE 2023	Percent by Tier	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029
Residential											
Tier 1	2,777,364	2,747,004	2,803,965	2,773,791	2,665,743	36.086%	2,618,796	2,608,783	2,616,994	2,625,040	2,600,730
Tier 2	3,755,346	3,797,191	4,431,543	4,234,445	3,433,977	51.510%	3,738,116	3,723,824	3,735,544	3,747,029	3,712,329
Tier 3	783,447	851,227	1,079,757	851,894	705,091	11.196%	812,469	809,363	811,910	814,406	806,864
Tier 4	77,018	85,764	117,286	103,607	77,469	1.209%	87,715	87,379	87,654	87,924	87,109
Total HCF	**7,393,175**	**7,481,186**	**8,432,551**	**7,963,737**	**6,882,280**	**100.0%**	**7,257,096**	**7,229,348**	**7,252,101**	**7,274,399**	**7,207,032**

RANCHO CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

Rancho Division Demand Forecast

	2019	2020	2021	2022	2023		2025	2026	2027	2028	2029
Adjustment From Initial Budget Sales Forecast							-2.0%	-2.0%	-2.0%	-2.0%	-2.0%

	FYE 2019	FYE 2020	FYE 2021	FYE 2022	FYE 2023	Percent by Tier	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029
Multi-Family											
Tier 1	555,330	552,768	577,276	562,992	474,647	68.3%	536,543	531,177	520,554	510,143	499,940
Tier 2	137,028	130,109	157,708	156,358	116,435	17.5%	137,463	136,088	133,366	130,699	128,085
Tier 3	101,731	82,173	107,425	104,919	115,133	12.8%	100,763	99,755	97,760	95,805	93,889
Tier 4	12,323	10,600	11,728	12,540	9,310	1.4%	11,133	11,022	10,801	10,585	10,373
Total HCF	**806,412**	**775,650**	**854,137**	**836,809**	**715,525**	**100.0%**	**785,901**	**778,042**	**762,481**	**747,231**	**732,287**
Landscape											
Tier 1	578,254	585,282	674,342	681,059	544,410	42.2%	577,042	571,272	559,846	548,649	521,808
Tier 2	569,384	569,955	695,609	631,884	488,884	40.8%	556,768	551,200	540,176	529,372	503,474
Tier 3	170,529	183,526	259,983	189,645	147,725	13.1%	179,217	177,424	173,876	170,398	162,062
Tier 4	39,997	47,867	81,173	60,092	52,315	3.9%	53,016	52,485	51,436	50,407	47,941
Total HCF	**1,358,164**	**1,386,630**	**1,711,107**	**1,562,680**	**1,233,334**	**100.0%**	**1,366,042**	**1,352,381**	**1,325,334**	**1,298,827**	**1,235,284**
Rate Category Total											
Tier 1	3,910,948	3,885,054	4,055,583	4,017,842	3,684,800	39.6%	3,732,381	3,711,232	3,697,393	3,683,832	3,622,477
Tier 2	4,461,758	4,497,255	5,284,860	5,022,687	4,039,296	47.2%	4,432,347	4,411,112	4,409,086	4,407,101	4,343,887
Tier 3	1,055,707	1,116,926	1,447,165	1,146,458	967,949	11.6%	1,092,448	1,086,542	1,083,546	1,080,609	1,062,815
Tier 4	129,338	144,231	210,187	176,239	139,094	1.6%	151,863	150,886	149,891	148,916	145,424
Total HCF	**9,557,751**	**9,643,466**	**10,997,795**	**10,363,226**	**8,831,139**	**100.0%**	**9,409,038**	**9,359,771**	**9,339,916**	**9,320,458**	**9,174,603**
Total Acre-Ft	**21,942**	**22,138**	**25,247**	**23,791**	**20,274**		**21,600**	**21,487**	**21,441**	**21,397**	**21,062**

Commercial, Industrial, Ag, Ag-Dom, & Other

Agricultural						**Ag and Vine Combined**					
Tier 1	425,872	391,298	457,476	427,677	298,900	47.9%	407,800	403,722	399,685	391,691	383,857
Tier 2	9,325	2,301	7,864	9,489	7,952	0.9%	7,526	7,450	7,376	7,228	7,084
Tier 3	5,322	-	1,467	3,381	13,228	0.6%	4,768	4,720	4,673	4,580	4,488
Tier 4	-	-	-	-	-	0.0%	-	-	-	-	-
Total HCF	**440,519**	**393,599**	**466,807**	**440,547**	**320,080**	**49.3%**	**420,094**	**415,893**	**411,734**	**403,499**	**395,429**
Vineyards						**Ag and Vine Combined**					
Tier 1	377,246	402,424	461,537	464,491	399,726	50.4%	429,034	424,743	420,496	412,086	403,844
Tier 2	5,419	-	1,764	3,703	2,236	0.3%	2,674	2,647	2,621	2,568	2,517
Tier 3	130	-	-	-	1,182	0.0%	267	265	262	257	252
Tier 4	-	-	-	-	-	0.0%	-	-	-	-	-
Total HCF	**382,795**	**402,424**	**463,301**	**468,194**	**403,144**	**50.7%**	**431,975**	**427,655**	**423,379**	**414,911**	**406,613**
Ag and Vine Combined						**100.0%**	**852,068**	**843,548**	**835,112**	**818,410**	**802,042**

RANCHO CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

Rancho Division Demand Forecast

	2019	2020	2021	2022	2023		2025	2026	2027	2028	2029
Adjustment From Initial Budget Sales Forecast							-2.0%	-2.0%	-2.0%	-2.0%	-2.0%

	FYE 2019	FYE 2020	FYE 2021	FYE 2022	FYE 2023	Percent by Tier	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029
Agricultural Residential						**Ag Res and Vine Res Combined**					
Tier 1	555,584	565,477	663,769	628,260	478,681	61.4%	576,356	579,241	582,098	579,105	576,173
Tier 2	49,885	35,125	36,438	42,733	17,149	3.8%	36,141	36,322	36,501	36,313	36,129
Tier 3	17,031	12,437	11,635	23,488	34,377	2.1%	19,725	19,824	19,922	19,819	19,719
Tier 4	-	-	-	-	-	0.0%	-	-	-	-	-
Total HCF	**622,500**	**613,039**	**711,842**	**694,481**	**530,207**	**67.3%**	**632,221**	**635,387**	**638,521**	**635,238**	**632,021**
Vine Residential						**Ag Res and Vine Res Combined**					
Tier 1	264,228	272,110	318,121	332,950	270,750	31.0%	290,624	292,079	293,520	292,011	290,532
Tier 2	18,705	13,089	11,202	14,478	8,845	1.4%	13,218	13,284	13,350	13,281	13,214
Tier 3	809	947	2,640	2,989	5,978	0.3%	2,663	2,677	2,690	2,676	2,663
Tier 4	-	-	-	-	-	0.0%	-	-	-	-	-
Total HCF	**283,742**	**286,146**	**331,963**	**350,417**	**285,573**	**32.7%**	**306,505**	**308,040**	**309,559**	**307,968**	**306,408**
Ag and Vine Combined						**100.0%**	**938,727**	**943,427**	**948,080**	**943,205**	**938,429**
Commercial											
Tier 1	1,060,861	935,226	1,016,029	1,033,158	925,369	93.9%	964,360	964,360	964,360	964,360	964,360
Tier 2	71,123	42,436	41,561	49,568	29,725	4.4%	45,479	45,479	45,479	45,479	45,479
Tier 3	16,999	15,391	8,038	18,614	29,889	1.7%	17,254	17,254	17,254	17,254	17,254
Tier 4	-	-	-	-	-	0.0%	-	-	-	-	-
Total HCF	**1,148,983**	**993,053**	**1,065,628**	**1,101,340**	**984,983**	**100.0%**	**1,027,093**	**1,027,093**	**1,027,093**	**1,027,093**	**1,027,093**
Fire Line											
Tier 1	94,701	77,465	76,729	69,091	98,891	100.0%	79,828	79,828	79,828	79,828	79,828
Tier 2	-	-	-	-	-	0.0%	-	-	-	-	-
Tier 3	-	-	-	-	-	0.0%	-	-	-	-	-
Tier 4	-	-	-	-	-	0.0%	-	-	-	-	-
Total HCF	**94,701**	**77,465**	**76,729**	**69,091**	**98,891**	**100.0%**	**79,828**	**79,828**	**79,828**	**79,828**	**79,828**
Golf Course											
Tier 1	140	258	147	198	203	100.0%	-	-	-	-	-
Tier 2	-	-	-	-	-	0.0%	-	-	-	-	-
Tier 3	-	-	-	-	-	0.0%	-	-	-	-	-
Tier 4	-	-	-	-	-	0.0%	-	-	-	-	-
Total HCF	**140**	**258**	**147**	**198**	**203**	**100.0%**	**-**	**-**	**-**	**-**	**-**

RANCHO CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

Rancho Division Demand Forecast

	2019	2020	2021	2022	2023		2025	2026	2027	2028	2029
Adjustment From Initial Budget Sales Forecast							-2.0%	-2.0%	-2.0%	-2.0%	-2.0%

	FYE 2019	FYE 2020	FYE 2021	FYE 2022	FYE 2023	Percent by Tier	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029
Government											
Tier 1	8,201	8,838	9,146	9,126	6,913	100.0%	8,111	8,111	8,111	8,111	8,111
Tier 2	-	-	-	-	-	0.0%	-	-	-	-	-
Tier 3	-	-	-	-	-	0.0%	-	-	-	-	-
Tier 4	-	-	-	-	-	0.0%	-	-	-	-	-
Total HCF	**8,201**	**8,838**	**9,146**	**9,126**	**6,913**	**100.0%**	**8,111**	**8,111**	**8,111**	**8,111**	**8,111**
Lake Skinner											
Tier 1	54,478	54,433	69,806	52,593	48,243	100.0%	55,922	55,922	55,922	55,922	55,922
Tier 2	-	-	-	-	-	0.0%	-	-	-	-	-
Tier 3	-	-	-	-	-	0.0%	-	-	-	-	-
Tier 4	-	-	-	-	-	0.0%	-	-	-	-	-
Total HCF	**54,478**	**54,433**	**69,806**	**52,593**	**48,243**	**100.0%**	**55,922**	**55,922**	**55,922**	**55,922**	**55,922**
School											
Tier 1	97,331	95,678	87,986	87,397	54,187	98.7%	74,605	74,605	74,605	74,605	74,605
Tier 2	1,605	1,951	1,742	-	-	1.2%	935	935	935	935	935
Tier 3	109	-	-	-	-	0.0%	19	19	19	19	19
Tier 4	-	-	-	-	-	0.0%	-	-	-	-	-
Total HCF	**99,045**	**97,629**	**89,728**	**87,397**	**54,187**	**100.0%**	**75,559**	**75,559**	**75,559**	**75,559**	**75,559**
Unmetered											
Tier 1	362	164	134	16	-	100.0%	-	-	-	-	-
Tier 2	-	-	-	-	-	0.0%	-	-	-	-	-
Tier 3	-	-	-	-	-	0.0%	-	-	-	-	-
Tier 4	-	-	-	-	-	0.0%	-	-	-	-	-
Total HCF	**362**	**164**	**134**	**16**	**-**	**100.0%**	**-**	**-**	**-**	**-**	**-**
Rate Category Total											
Tier 1	2,939,004	2,803,371	3,160,880	3,104,957	2,581,863	95.0%	2,886,639	2,882,612	2,878,624	2,857,719	2,837,232
Tier 2	156,062	94,902	100,571	119,971	65,907	3.5%	105,972	106,117	106,261	105,805	105,358
Tier 3	40,400	28,775	23,780	48,472	84,654	1.5%	44,697	44,758	44,820	44,605	44,394
Tier 4	-	-	-	-	-	0.0%	-	-	-	-	-
Total HCF	**3,135,466**	**2,927,048**	**3,285,231**	**3,273,400**	**2,732,424**	**100.0%**	**3,037,308**	**3,033,487**	**3,029,705**	**3,008,128**	**2,986,983**
Total Acre-Ft	**7,198**	**6,720**	**7,542**	**7,515**	**6,273**		**6,973**	**6,964**	**6,955**	**6,906**	**6,857**

RANCHO CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

Rancho Division Demand Forecast

	2019	2020	2021	2022	2023		2025	2026	2027	2028	2029
Adjustment From Initial Budget Sales Forecast							-2.0%	-2.0%	-2.0%	-2.0%	-2.0%

	FYE 2019	FYE 2020	FYE 2021	FYE 2022	FYE 2023	Percent by Tier	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029
Potabtle Retail Customers Total											
BBTR Tier 1	3,910,948	3,885,054	4,055,583	4,017,842	3,684,800		3,732,381	3,711,232	3,697,393	3,683,832	3,622,477
BBTR Tier 2	4,461,758	4,497,255	5,284,860	5,022,687	4,039,296		4,432,347	4,411,112	4,409,086	4,407,101	4,343,887
CII&Ag Tier 1	2,939,004	2,803,371	3,160,880	3,104,957	2,581,863		2,886,639	2,882,612	2,878,624	2,857,719	2,837,232
BBTR Tier 3 & CII&Ag Tier 2	1,211,769	1,211,828	1,547,736	1,266,429	1,033,856		1,198,420	1,192,659	1,189,807	1,186,414	1,168,172
BBTR Tier 4 & CII&Ag Tier 3	169,738	173,006	233,967	224,711	223,748		196,560	195,645	194,711	193,520	189,818
Construction											
Construction Meter						**Non-Floating and Floating Combined**					
Tier 1	29,376	27,297	28,604	33,362	16,966	86.5%	26,204	26,204	26,204	26,204	26,204
Tier 2	-	-	-	-	-	0.0%	-	-	-	-	-
Tier 3	-	-	-	-	-	0.0%	-	-	-	-	-
Tier 4	-	-	-	-	-	0.0%	-	-	-	-	-
Total HCF	**29,376**	**27,297**	**28,604**	**33,362**	**16,966**	**86.5%**	**26,204**	**26,204**	**26,204**	**26,204**	**26,204**
Floating Construction Meter						**Non-Floating and Floating Combined**					
Tier 1	2,779	4,474	5,154	5,002	3,835	13.5%	4,105	4,105	4,105	4,105	4,105
Tier 2	-	-	-	-	-	0.0%	-	-	-	-	-
Tier 3	-	-	-	-	-	0.0%	-	-	-	-	-
Tier 4	-	-	-	-	-	0.0%	-	-	-	-	-
Total HCF	**2,779**	**4,474**	**5,154**	**5,002**	**3,835**	**13.5%**	**4,105**	**4,105**	**4,105**	**4,105**	**4,105**
Non-Floating and Floating Combined						**100.0%**	**30,309**	**30,309**	**30,309**	**30,309**	**30,309**
Rate Category Total											
Tier 1	32,155	31,771	33,758	38,364	20,801	100.0%	30,309	30,309	30,309	30,309	30,309
Tier 2	-	-	-	-	-	0.0%	-	-	-	-	-
Tier 3	-	-	-	-	-	0.0%	-	-	-	-	-
Tier 4	-	-	-	-	-	0.0%	-	-	-	-	-
Total HCF	**32,155**	**31,771**	**33,758**	**38,364**	**20,801**	**100.0%**	**30,309**	**30,309**	**30,309**	**30,309**	**30,309**
Total Acre-Ft	**74**	**73**	**77**	**88**	**48**		**70**	**70**	**70**	**70**	**70**

RANCHO CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

Rancho Division Demand Forecast

	2019	2020	2021	2022	2023		2025	2026	2027	2028	2029
Adjustment From Initial Budget Sales Forecast							-2.0%	-2.0%	-2.0%	-2.0%	-2.0%

	FYE 2019	FYE 2020	FYE 2021	FYE 2022	FYE 2023	Percent by Tier	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029
Recycled Water											
Reclaimed Const Meter	4,666	1,403	-	-	-	0.0%	-	-	-	-	-
Reclaimed Golf Course	584,071	638,179	731,641	794,392	633,007	57.9%	705,813	712,871	719,999	727,199	734,471
Reclaimed Landscape	411,612	452,132	527,829	486,047	398,107	37.8%	461,592	466,208	470,870	475,579	480,335
Reclaimed Residential	-	709	725	1,252	793	0.1%	906	915	924	933	942
Reclaimed Sod	36,586	75,006	36,167	64,927	54,392	4.2%	50,830	51,338	51,852	52,370	52,894
Retro Reclaimed Landscape	-	-	-	-	1,651	0.0%	540	545	551	556	562
Total HCF	**1,036,935**	**1,167,429**	**1,296,362**	**1,346,618**	**1,087,950**	**100.0%**	**1,219,680**	**1,231,877**	**1,244,196**	**1,256,638**	**1,269,204**
Total Acre-Ft	**2,380**	**2,680**	**2,976**	**3,091**	**2,498**		**2,800**	**2,828**	**2,856**	**2,885**	**2,914**
Summary - All Categories											
Residential, Multi-Family, & I	9,557,751	9,643,466	10,997,795	10,363,226	8,831,139		9,409,038	9,359,771	9,339,916	9,320,458	9,174,603
Commercial, Industrial, Ag, A	3,135,466	2,927,048	3,285,231	3,273,400	2,732,424		3,037,308	3,033,487	3,029,705	3,008,128	2,986,983
Construction Meter	32,155	31,771	33,758	38,364	20,801		30,309	30,309	30,309	30,309	30,309
Recycled Water	1,036,935	1,167,429	1,296,362	1,346,618	1,087,950		1,219,680	1,231,877	1,244,196	1,256,638	1,269,204
Total HCF	**13,762,307**	**13,769,715**	**15,613,145**	**15,021,608**	**12,672,314**		**13,696,336**	**13,655,445**	**13,644,126**	**13,615,533**	**13,461,099**
Total Acre-Ft	**31,594**	**31,611**	**35,843**	**34,485**	**29,092**		**31,442**	**31,349**	**31,323**	**31,257**	**30,902**
Potable HCF	**12,725,372**	**12,602,286**	**14,316,784**	**13,674,990**	**11,584,364**		**12,476,656**	**12,423,568**	**12,399,930**	**12,358,895**	**12,191,895**
Potable Acre-Ft	**29,213**	**28,931**	**32,867**	**31,393**	**26,594**		**28,642**	**28,521**	**28,466**	**28,372**	**27,989**
Sales Forecast							**28,642**	**28,521**	**28,466**	**28,372**	**27,989**
	2,380	2,680	2,976	3,091	2,498						
			#DIV/0!	#DIV/0!	#DIV/0!						

RANCHO CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

Rancho Division Demand Forecast

	2019	2020	2021	2022	2023		2025	2026	2027	2028	2029
Adjustment From Initial Budget Sales Forecast		-2.0%	-2.0%	-2.0%	-2.0%		-2.0%	-2.0%	-2.0%	-2.0%	-2.0%

		FYE 2019	FYE 2020	FYE 2021	FYE 2022	FYE 2023	Percent by Tier	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029
Demand By Energy Zone												
Potable Water												
1305	1305		2,712,200	3,039,354	2,906,486	2,530,133	21.5%	2,685,299	2,673,873	2,668,786	2,659,954	2,624,011
1380	1380		3,005,834	3,389,201	3,274,271	2,789,719	24.0%	2,994,895	2,982,151	2,976,477	2,966,627	2,926,541
1485	1485		3,786,701	4,302,777	4,032,613	3,402,019	29.8%	3,718,565	3,702,742	3,695,697	3,683,467	3,633,694
1550	1550		342,082	391,641	359,576	312,582	2.7%	337,025	335,591	334,953	333,844	329,333
1610	1610		1,193,916	1,356,448	1,328,986	1,148,064	9.7%	1,214,502	1,209,335	1,207,034	1,203,039	1,186,783
1790	1790		846,681	1,013,857	983,539	759,488	7.0%	873,417	869,701	868,046	865,173	853,483
1880	1880		73,137	85,277	84,472	70,249	0.6%	76,034	75,711	75,567	75,317	74,299
2070	2070		516,532	585,887	558,043	452,218	4.1%	505,681	503,529	502,571	500,908	494,139
2350	2350		70,096	77,971	78,099	68,663	0.6%	71,198	70,895	70,761	70,526	69,573
1305	S1500		-	-	-	118	0.0%	37	37	37	37	37
1305	NA		-	5	-	-	0.0%	2	2	2	2	2
							0.0%	-	-	-	-	-
							0.0%	-	-	-	-	-
							0.0%	-	-	-	-	-
Total HCF		**-**	**12,547,179**	**14,242,418**	**13,606,085**	**11,533,253**	**100%**	**12,476,656**	**12,423,568**	**12,399,930**	**12,358,895**	**12,191,895**
Recycled Water												
1305	1305		417,711	463,031	535,249	405,369	37.6%	458,867	463,456	468,091	472,772	477,499
1380	1380		310,520	308,802	316,176	257,977	23.7%	288,647	291,534	294,449	297,394	300,367
1485	1485		439,198	524,529	495,193	424,604	38.7%	472,165	476,887	481,656	486,472	491,337
1550	1550		-	-	-	-	0.0%	-	-	-	-	-
1610	1610		-	-	-	-	0.0%	-	-	-	-	-
1790	1790		-	-	-	-	0.0%	-	-	-	-	-
1880	1880		-	-	-	-	0.0%	-	-	-	-	-
2070	2070		-	-	-	-	0.0%	-	-	-	-	-
2350	2350		-	-	-	-	0.0%	-	-	-	-	-
1305	S1500		-	-	-	-	0.0%	-	-	-	-	-
1305	NA		-	-	-	-	0.0%	-	-	-	-	-
			-	-	-	-	0.0%	-	-	-	-	-
			-	-	-	-	0.0%	-	-	-	-	-
			-	-	-	-	0.0%	-	-	-	-	-
			-	-	-	-	0.0%					
Total HCF		**-**	**1,167,429**	**1,296,362**	**1,346,618**	**1,087,950**	**100%**	**1,219,680**	**1,231,877**	**1,244,196**	**1,256,638**	**1,269,204**

RANCHO CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

Rancho Division Demand Forecast

	2019	2020	2021	2022	2023		2025	2026	2027	2028	2029
Adjustment From Initial Budget Sales Forecast							-2.0%	-2.0%	-2.0%	-2.0%	-2.0%

		FYE 2019	FYE 2020	FYE 2021	FYE 2022	FYE 2023	Percent by Tier	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029
Total Water Sales												
1305	1305		3,129,911	3,502,385	3,441,735	2,935,502	22.9%	3,138,626	3,129,256	3,126,662	3,120,110	3,084,720
1380	1380		3,316,354	3,698,003	3,590,447	3,047,696	24.0%	3,283,658	3,273,855	3,271,141	3,264,286	3,227,261
1485	1485		4,225,899	4,827,306	4,527,806	3,826,623	30.6%	4,187,665	4,175,162	4,171,701	4,162,959	4,115,741
1550	1550		342,082	391,641	359,576	312,582	2.5%	337,955	336,946	336,667	335,961	332,151
1610	1610		1,193,916	1,356,448	1,328,986	1,148,064	8.9%	1,217,852	1,214,216	1,213,210	1,210,667	1,196,935
1790	1790		846,681	1,013,857	983,539	759,488	6.4%	875,826	873,211	872,487	870,659	860,784
1880	1880		73,137	85,277	84,472	70,249	0.6%	76,244	76,016	75,953	75,794	74,935
2070	2070		516,532	585,887	558,043	452,218	3.7%	507,075	505,561	505,142	504,084	498,366
2350	2350		70,096	77,971	78,099	68,663	0.5%	71,395	71,182	71,123	70,974	70,169
1305	S1500		-	-	-	118	0.0%	37	37	37	37	37
1305	NA		-	5	-	-	0.0%	2	2	2	2	2
							0.0%	-	-	-	-	-
							0.0%	-	-	-	-	-
							0.0%	-	-	-	-	-
							0.0%					
Total HCF		**-**	**13,714,609**	**15,538,779**	**14,952,703**	**12,621,203**	**100%**	**13,696,336**	**13,655,445**	**13,644,126**	**13,615,533**	**13,461,099**

RANCHO CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

Santa Rosa Division Demand Forecast

	2019	2020	2021	2022	2023		2025	2026	2027	2028	2029
Adjustment From Initial Budget Sales Forecast							-2%	-2%	-2%	-2%	-2%

		FYE 2019	FYE 2020	FYE 2021	FYE 2022	FYE 2023	Percent by Tier	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029
Account Growth								**0.30%**	**0.30%**	**0.30%**	**0.30%**	**0.30%**
Projected Usage by Cusomter Class (HCF)								2025 to 2029 linked to water sales budget.				
AG & Vine								3,656,723	3,620,155	3,583,954	3,512,275	3,442,029
AG & Vine Res.								1,653,764	1,650,460	1,647,189	1,627,479	1,608,163
Landscape								299,248	296,256	290,331	284,524	273,711
Residential								1,602,111	1,592,951	1,567,953	1,543,455	1,552,227
Multi-Family								112,272	111,149	108,926	106,747	104,612
Commercial								219,847	219,847	219,847	219,847	219,847
Golf								96,904	96,904	96,904	96,904	96,904
Government								-	-	-	-	-
School								11,099	11,099	11,099	11,099	11,099
Construction								7,257	7,257	7,257	7,257	7,257
Fire Line								43,543	43,543	43,543	43,543	43,543
Skinner												
Total Potable	**HCF**							**7,702,767**	**7,649,620**	**7,577,002**	**7,453,129**	**7,359,392**
Total Potable	**AF**							**17,683**	**17,561**	**17,394**	**17,110**	**16,895**
Recycled Water								**435,600**	**439,956**	**444,356**	**448,799**	**453,287**
		7,685,616	7,582,866	8,775,475	8,265,495	6,583,874						
Include for Tier Avg % for Potable		Yes	Yes	Yes	Yes	Yes						
Include for Tier Avg % for Recycled		No	No	Yes	Yes	Yes						
Residential, Multi-Family, & Landscape												
Residential												
Tier 1		482,199	472,688	484,423	479,496	460,989	29.5%	472,560	469,858	462,485	455,259	457,847
Tier 2		868,465	866,283	1,008,835	981,503	786,996	55.9%	895,972	890,850	876,870	863,169	868,075
Tier 3		169,404	177,437	217,644	183,958	145,384	11.1%	177,489	176,474	173,705	170,991	171,963
Tier 4		43,893	50,889	63,349	60,610	63,721	3.5%	56,089	55,768	54,893	54,035	54,343
Total HCF		**1,563,961**	**1,567,297**	**1,774,251**	**1,705,567**	**1,457,090**	**100.0%**	**1,602,111**	**1,592,951**	**1,567,953**	**1,543,455**	**1,552,227**

RANCHO CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

Santa Rosa Division Demand Forecast

	2019	2020	2021	2022	2023		2025	2026	2027	2028	2029
Adjustment From Initial Budget Sales Forecast							-2%	-2%	-2%	-2%	-2%

	FYE 2019	FYE 2020	FYE 2021	FYE 2022	FYE 2023	Percent by Tier	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029
Multi-Family											
Tier 1	85,697	85,383	87,966	83,933	78,431	76.0%	85,286	84,433	82,745	81,090	79,468
Tier 2	12,810	12,979	15,026	16,024	12,994	12.6%	14,133	13,992	13,712	13,438	13,169
Tier 3	9,110	4,881	11,011	17,977	19,983	11.3%	12,742	12,615	12,363	12,115	11,873
Tier 4	-	-	-	196	347	0.1%	110	109	107	104	102
Total HCF	**107,617**	**103,243**	**114,003**	**118,130**	**111,755**	**100.0%**	**112,272**	**111,149**	**108,926**	**106,747**	**104,612**
Landscape											
Tier 1	73,313	71,521	78,716	84,691	70,652	25.9%	77,465	76,690	75,156	73,653	70,854
Tier 2	144,715	149,740	177,787	180,438	134,990	53.8%	161,039	159,429	156,240	153,115	147,296
Tier 3	38,631	42,469	51,334	48,075	32,628	14.6%	43,576	43,140	42,277	41,432	39,857
Tier 4	14,319	16,534	21,899	17,016	14,207	5.7%	17,169	16,997	16,657	16,324	15,704
Total HCF	**270,978**	**280,264**	**329,736**	**330,220**	**252,477**	**100.0%**	**299,248**	**296,256**	**290,331**	**284,524**	**273,711**
Rate Category Total											
Tier 1	641,209	629,592	651,105	648,120	610,072	31.5%	635,311	630,982	620,386	610,002	608,169
Tier 2	1,025,990	1,029,002	1,201,648	1,177,965	934,980	53.2%	1,071,145	1,064,270	1,046,822	1,029,722	1,028,541
Tier 3	217,145	224,787	279,989	250,010	197,995	11.6%	233,807	232,229	228,345	224,538	223,693
Tier 4	58,212	67,423	85,248	77,822	78,275	3.6%	73,368	72,874	71,657	70,464	70,149
Total HCF	**1,942,556**	**1,950,804**	**2,217,990**	**2,153,917**	**1,821,322**	**100.0%**	**2,013,631**	**2,000,355**	**1,967,209**	**1,934,726**	**1,930,551**
Total Acre-Ft	**4,459**	**4,478**	**5,092**	**4,945**	**4,181**		**4,623**	**4,592**	**4,516**	**4,442**	**4,432**

Commercial, Industrial, Ag, Ag-Dom, & Other

Agricultural						**Ag and Vine Combined**					
Tier 1	3,565,081	3,583,679	4,154,673	3,855,274	2,976,780	98.2%	3,591,998	3,556,078	3,520,517	3,450,107	3,381,104
Tier 2	59,911	8,513	33,817	42,033	27,524	0.9%	34,027	33,687	33,350	32,683	32,029
Tier 3	5,960	4,822	7,765	5,750	6,433	0.2%	6,087	6,026	5,965	5,846	5,729
Tier 4	-	-	-	-	-	0.0%	-	-	-	-	-
Total HCF	**3,630,952**	**3,597,014**	**4,196,255**	**3,903,057**	**3,010,737**	**99.3%**	**3,632,111**	**3,595,790**	**3,559,832**	**3,488,636**	**3,418,863**
Vineyards						**Ag and Vine Combined**					
Tier 1	23,382	21,615	29,153	27,029	21,750	0.7%	24,348	24,104	23,863	23,386	22,918
Tier 2	453	-	376	259	242	0.0%	263	261	258	253	248
Tier 3	-	-	-	-	-	0.0%	-	-	-	-	-
Tier 4	-	-	-	-	-	0.0%	-	-	-	-	-
Total HCF	**23,835**	**21,615**	**29,529**	**27,288**	**21,992**	**0.7%**	**24,611**	**24,365**	**24,122**	**23,639**	**23,166**
Ag and Vine Combined						**100.0%**	**3,656,723**	**3,620,155**	**3,583,954**	**3,512,275**	**3,442,029**

RANCHO CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

Santa Rosa Division Demand Forecast

	2019	2020	2021	2022	2023		2025	2026	2027	2028	2029
Adjustment From Initial Budget Sales Forecast							-2%	-2%	-2%	-2%	-2%

	FYE 2019	FYE 2020	FYE 2021	FYE 2022	FYE 2023	Percent by Tier	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029
Agricultural Residential						**Ag Res and Vine Res Combined**					
Tier 1	1,622,796	1,613,150	1,862,914	1,693,658	1,295,575	95.4%	1,577,457	1,574,305	1,571,185	1,552,384	1,533,959
Tier 2	54,079	20,576	30,146	38,341	26,797	2.0%	33,144	33,078	33,012	32,617	32,230
Tier 3	3,664	3,425	3,137	5,811	9,641	0.3%	5,008	4,998	4,988	4,928	4,870
Tier 4	-	-	-	-	-	0.0%	-	-	-	-	-
Total HCF	**1,680,539**	**1,637,151**	**1,896,197**	**1,737,810**	**1,332,013**	**97.7%**	**1,615,609**	**1,612,381**	**1,609,185**	**1,589,930**	**1,571,059**
Vine Residential						**Ag Res and Vine Res Combined**					
Tier 1	32,008	34,475	36,718	39,850	36,300	2.1%	34,980	34,910	34,841	34,424	34,015
Tier 2	5,248	2,408	2,091	2,284	659	0.1%	2,475	2,470	2,465	2,436	2,407
Tier 3	443	271	422	1,610	848	0.0%	701	700	698	690	682
Tier 4	-	-	-	-	-	0.0%	-	-	-	-	-
Total HCF	**37,699**	**37,154**	**39,231**	**43,744**	**37,807**	**2.3%**	**38,156**	**38,079**	**38,004**	**37,549**	**37,103**
Ag and Vine Combined						**100.0%**	**1,653,764**	**1,650,460**	**1,647,189**	**1,627,479**	**1,608,163**
Commercial											
Tier 1	218,087	205,660	223,249	215,093	192,942	95.1%	208,991	208,991	208,991	208,991	208,991
Tier 2	7,835	3,943	8,310	11,680	4,735	3.3%	7,231	7,231	7,231	7,231	7,231
Tier 3	4,180	359	2,859	5,170	5,736	1.6%	3,626	3,626	3,626	3,626	3,626
Tier 4	-	-	-	-	-	0.0%	-	-	-	-	-
Total HCF	**230,102**	**209,962**	**234,418**	**231,943**	**203,413**	**100.0%**	**219,847**	**219,847**	**219,847**	**219,847**	**219,847**
Fire Line											
Tier 1	40,023	32,094	42,479	39,179	52,207	100.0%	43,543	43,543	43,543	43,543	43,543
Tier 2	-	-	-	-	-	0.0%	-	-	-	-	-
Tier 3	-	-	-	-	-	0.0%	-	-	-	-	-
Tier 4	-	-	-	-	-	0.0%	-	-	-	-	-
Total HCF	**40,023**	**32,094**	**42,479**	**39,179**	**52,207**	**100.0%**	**43,543**	**43,543**	**43,543**	**43,543**	**43,543**
Golf Course											
Tier 1	83,004	85,521	104,161	109,881	82,573	100.0%	96,904	96,904	96,904	96,904	96,904
Tier 2	-	-	-	-	-	0.0%	-	-	-	-	-
Tier 3	-	-	-	-	-	0.0%	-	-	-	-	-
Tier 4	-	-	-	-	-	0.0%	-	-	-	-	-
Total HCF	**83,004**	**85,521**	**104,161**	**109,881**	**82,573**	**100.0%**	**96,904**	**96,904**	**96,904**	**96,904**	**96,904**

RANCHO CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

Santa Rosa Division Demand Forecast

	2019	2020	2021	2022	2023		2025	2026	2027	2028	2029
Adjustment From Initial Budget Sales Forecast							-2%	-2%	-2%	-2%	-2%

	FYE 2019	FYE 2020	FYE 2021	FYE 2022	FYE 2023	Percent by Tier	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029
School											
Tier 1	9,159	8,081	7,263	9,236	13,170	92.2%	10,239	10,239	10,239	10,239	10,239
Tier 2	-	-	-	1,511	2,431	7.8%	860	860	860	860	860
Tier 3	-	-	-	-	-	0.0%	-	-	-	-	-
Tier 4	-	-	-	-	-	0.0%	-	-	-	-	-
Total HCF	**9,159**	**8,081**	**7,263**	**10,747**	**15,601**	**100.0%**	**11,099**	**11,099**	**11,099**	**11,099**	**11,099**
Rate Category Total											
Tier 1	5,593,540	5,584,275	6,460,610	5,989,200	4,671,297	98.4%	5,588,457	5,549,072	5,510,081	5,419,976	5,331,673
Tier 2	127,526	35,440	74,740	96,108	62,388	1.4%	78,001	77,587	77,177	76,080	75,005
Tier 3	14,247	8,877	14,183	18,341	22,658	0.3%	15,421	15,349	15,278	15,090	14,907
Tier 4	-	-	-	-	-	0.0%	-	-	-	-	-
Total HCF	**5,735,313**	**5,628,592**	**6,549,533**	**6,103,649**	**4,756,343**	**100.0%**	**5,681,879**	**5,642,008**	**5,602,535**	**5,511,146**	**5,421,584**
Total Acre-Ft	**13,166**	**12,921**	**15,036**	**14,012**	**10,919**		**13,044**	**12,952**	**12,862**	**12,652**	**12,446**
Potabtle Retail Customers Total											
BBTR Tier 1	641,209	629,592	651,105	648,120	610,072		635,311	630,982	620,386	610,002	608,169
BBTR Tier 2	1,025,990	1,029,002	1,201,648	1,177,965	934,980		1,071,145	1,064,270	1,046,822	1,029,722	1,028,541
CII&Ag Tier 1	5,593,540	5,584,275	6,460,610	5,989,200	4,671,297		5,588,457	5,549,072	5,510,081	5,419,976	5,331,673
							78,001	77,587	77,177	76,080	75,005
BBTR Tier 3 & CII&Ag Tier 2	344,671	260,227	354,729	346,118	260,383		311,808	309,816	305,522	300,618	298,698
BBTR Tier 4 & CII&Ag Tier 3	72,459	76,300	99,431	96,163	100,933		88,789	88,223	86,934	85,554	85,055
Construction											
Construction Meter						**Non-Floating and Floating Combined**					
Tier 1	7,250	2,896	7,565	7,272	5,509	91.5%	6,644	6,644	6,644	6,644	6,644
Tier 2	-	-	-	-	-	0.0%	-	-	-	-	-
Tier 3	-	-	-	-	-	0.0%	-	-	-	-	-
Tier 4	-	-	-	-	-	0.0%	-	-	-	-	-
Total HCF	**7,250**	**2,896**	**7,565**	**7,272**	**5,509**	**91.5%**	**6,644**	**6,644**	**6,644**	**6,644**	**6,644**
Floating Construction Meter						**Non-Floating and Floating Combined**					
Tier 1	497	574	387	657	700	8.5%	613	613	613	613	613
Tier 2	-	-	-	-	-	0.0%	-	-	-	-	-
Tier 3	-	-	-	-	-	0.0%	-	-	-	-	-
Tier 4	-	-	-	-	-	0.0%	-	-	-	-	-
Total HCF	**497**	**574**	**387**	**657**	**700**	**8.5%**	**613**	**613**	**613**	**613**	**613**
Non-Floating and Floating Combined						**100.0%**	**7,257**	**7,257**	**7,257**	**7,257**	**7,257**

2019 2020 2021 2022 2023 2025 2026 2027 2028 2029

RANCHO CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

Santa Rosa Division Demand Forecast

Adjustment From Initial Budget Sales Forecast	-2%	-2%	-2%	-2%	-2%

	FYE 2019	FYE 2020	FYE 2021	FYE 2022	FYE 2023	Percent by Tier	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029
Rate Category Total											
Tier 1	7,747	3,470	7,952	7,929	6,209	100.0%	7,257	7,257	7,257	7,257	7,257
Tier 2	-	-	-	-	-	0.0%	-	-	-	-	-
Tier 3	-	-	-	-	-	0.0%	-	-	-	-	-
Tier 4	-	-	-	-	-	0.0%	-	-	-	-	-
Total HCF	**7,747**	**3,470**	**7,952**	**7,929**	**6,209**	**100.0%**	**7,257**	**7,257**	**7,257**	**7,257**	**7,257**
Total Acre-Ft	**18**	**8**	**18**	**18**	**14**		**17**	**17**	**17**	**17**	**17**
Recycled Water											
Reclaimed Const Meter	-	1,613	2	2	14	0.0%	6	6	6	6	6
Reclaimed Golf Course	195,080	266,081	290,240	256,256	198,054	59.2%	257,813	260,391	262,995	265,625	268,281
Reclaimed Landscape	125,573	112,452	124,577	114,173	139,697	30.1%	131,044	132,354	133,678	135,015	136,365
Reclaimed Residential	40,644	42,798	47,881	47,252	39,840	10.7%	46,737	47,204	47,676	48,153	48,634
Reclaimed Sod	-	-	-	-	-	0.0%	-	-	-	-	-
Retro Reclaimed Landscape	-	-	-	-	-	0.0%	-	-	-	-	-
Total HCF	**361,297**	**422,944**	**462,700**	**417,683**	**377,605**	**100.0%**	**435,600**	**439,956**	**444,356**	**448,799**	**453,287**
Total Acre-Ft	**829**	**971**	**1,062**	**959**	**867**		**1,000**	**1,010**	**1,020**	**1,030**	**1,041**
Summary - All Categories											
Residential, Multi-Family, & Landscape	1,942,556	1,950,804	2,217,990	2,153,917	1,821,322		2,013,631	2,000,355	1,967,209	1,934,726	1,930,551
Commercial, Industrial, Ag, Ag-Dom, &	5,735,313	5,628,592	6,549,533	6,103,649	4,756,343		5,681,879	5,642,008	5,602,535	5,511,146	5,421,584
Construction Meter	7,747	3,470	7,952	7,929	6,209		7,257	7,257	7,257	7,257	7,257
Recycled Water	361,297	422,944	462,700	417,683	377,605		435,600	439,956	444,356	448,799	453,287
Total HCF	**8,046,913**	**8,005,810**	**9,238,175**	**8,683,178**	**6,961,479**		**8,138,367**	**8,089,576**	**8,021,357**	**7,901,928**	**7,812,679**
Total Acre-Ft	**18,473**	**18,379**	**21,208**	**19,934**	**15,981**		**18,683**	**18,571**	**18,415**	**18,140**	**17,935**
Potable HCF	**7,685,616**	**7,582,866**	**8,775,475**	**8,265,495**	**6,583,874**		**7,702,767**	**7,649,620**	**7,577,002**	**7,453,129**	**7,359,392**
Potable Acre-Ft	**17,644**	**17,408**	**20,146**	**18,975**	**15,114**		**17,683**	**17,561**	**17,394**	**17,110**	**16,895**
Sales Forecast							**17,683**	**17,561**	**17,394**	**17,110**	**16,895**

RANCHO CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

Santa Rosa Division Demand Forecast

	2019	2020	2021	2022	2023		2025	2026	2027	2028	2029
Adjustment From Initial Budget Sales Forecast		-2%	-2%	-2%	-2%		-2%	-2%	-2%	-2%	-2%

		FYE 2019	FYE 2020	FYE 2021	FYE 2022	FYE 2023	Percent by Tier	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029
Demand By Energy Zone												
Potable Water												
1305	R1305		-	-	-	-	0.0%	-	-	-	-	-
1305	S1060		352	255	184	339	0.0%	254	252	250	246	243
1305	S1160		45,476	68,765	65,210	68,853	0.9%	66,247	65,790	65,165	64,100	63,294
1305	S1305		211,122	251,929	249,159	228,671	3.1%	238,351	236,706	234,459	230,626	227,725
1440	S1440		1,502,369	1,739,585	1,616,318	1,239,809	19.5%	1,501,031	1,490,675	1,476,523	1,452,385	1,434,118
1500	S1500		1,288,788	1,431,501	1,382,982	1,184,805	17.0%	1,306,230	1,297,217	1,284,903	1,263,896	1,248,001
1670	S1670		2,820,882	3,326,188	3,074,041	2,383,864	37.2%	2,869,022	2,849,226	2,822,178	2,776,040	2,741,126
1990	S1990		1,040,560	1,186,282	1,091,091	838,727	13.2%	1,017,767	1,010,745	1,001,150	984,782	972,397
2160	S2153		10,766	13,492	13,409	11,082	0.2%	12,406	12,320	12,203	12,004	11,853
2160	S2160		64,964	73,563	71,795	56,927	0.9%	66,069	65,614	64,991	63,928	63,124
2260	S2260		59,268	70,227	71,528	66,634	0.9%	68,063	67,593	66,952	65,857	65,029
2550	S2550		512,807	581,994	595,732	477,238	7.0%	540,537	536,808	531,712	523,019	516,441
2850	S2850		6,764	8,880	10,195	8,457	0.1%	8,992	8,930	8,846	8,701	8,592
2850	S2862		7,024	7,980	8,968	6,529	0.1%	7,668	7,615	7,543	7,419	7,326
1305	NA		530	398	-	-	0.0%	130	129	128	126	124
Total HCF		**-**	**7,571,672**	**8,761,039**	**8,250,612**	**6,571,935**	**100.0%**	**7,702,767**	**7,649,620**	**7,577,002**	**7,453,129**	**7,359,392**
Recycled Water												
1305	R1305		-	-	-	-	0.0%	-	-	-	-	-
1305	S1060		-	-	-	-	0.0%	-	-	-	-	-
1305	S1160		-	-	-	-	0.0%	-	-	-	-	-
1305	S1305		117,128	131,039	117,796	137,728	30.7%	133,854	135,193	136,545	137,910	139,289
1440	S1440		-	-	-	-	0.0%	-	-	-	-	-
1500	S1500		305,816	331,661	299,887	239,877	69.3%	301,746	304,763	307,811	310,889	313,998
1670	S1670		-	-	-	-	0.0%	-	-	-	-	-
1990	S1990		-	-	-	-	0.0%	-	-	-	-	-
2160	S2153		-	-	-	-	0.0%	-	-	-	-	-
2160	S2160		-	-	-	-	0.0%	-	-	-	-	-
2260	S2260		-	-	-	-	0.0%	-	-	-	-	-
2550	S2550		-	-	-	-	0.0%	-	-	-	-	-
2850	S2850		-	-	-	-	0.0%	-	-	-	-	-
2850	S2862		-	-	-	-	0.0%	-	-	-	-	-
1305	NA		-	-	-	-	0.0%	-	-	-	-	-
Total HCF		**-**	**422,944**	**462,700**	**417,683**	**377,605**	**100.0%**	**435,600**	**439,956**	**444,356**	**448,799**	**453,287**

RANCHO CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

Santa Rosa Division Demand Forecast

	2019	2020	2021	2022	2023		2025	2026	2027	2028	2029
Adjustment From Initial Budget Sales Forecast							-2%	-2%	-2%	-2%	-2%

		FYE 2019	FYE 2020	FYE 2021	FYE 2022	FYE 2023	Percent by Tier	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029
Total Water Sales												
1305	R1305		-	-	-	-	0.0%	-	-	-	-	-
1440	S1060		352	255	184	339	0.0%	255	253	251	247	245
1440	S1160		45,476	68,765	65,210	68,853	0.8%	66,449	66,050	65,493	64,518	63,789
1305	S1305		328,249	382,968	366,955	366,399	4.5%	365,719	363,527	360,461	355,094	351,084
1440	S1440		1,502,369	1,739,585	1,616,318	1,239,809	18.5%	1,505,605	1,496,578	1,483,958	1,461,863	1,445,352
1500	S1500		1,594,604	1,763,162	1,682,869	1,424,682	19.6%	1,595,698	1,586,132	1,572,756	1,549,339	1,531,840
1670	S1670		2,820,882	3,326,188	3,074,041	2,383,864	35.4%	2,877,763	2,860,511	2,836,388	2,794,158	2,762,599
1990	S1990		1,040,560	1,186,282	1,091,091	838,727	12.5%	1,020,868	1,014,748	1,006,190	991,209	980,014
2160	S2153		10,766	13,492	13,409	11,082	0.2%	12,444	12,369	12,265	12,082	11,946
2160	S2160		64,964	73,563	71,795	56,927	0.8%	66,271	65,873	65,318	64,345	63,619
2260	S2260		59,268	70,227	71,528	66,634	0.8%	68,270	67,861	67,289	66,287	65,538
2550	S2550		512,807	581,994	595,732	477,238	6.7%	542,184	538,934	534,389	526,432	520,486
2850	S2850		6,764	8,880	10,195	8,457	0.1%	9,020	8,966	8,890	8,758	8,659
2850	S2862		7,024	7,980	8,968	6,529	0.1%	7,691	7,645	7,581	7,468	7,384
1305	NA		530	398	-	-	0.0%	130	130	129	127	125
Total HCF		**-**	**7,994,615**	**9,223,739**	**8,668,295**	**6,949,540**	**100.0%**	**8,138,367**	**8,089,576**	**8,021,357**	**7,901,928**	**7,812,679**

APPENDIX B

ACCOUNTS FORECAST

2020 2021 2022 2023 2024 2025 2026 2027 2028 2029

RANCHO CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

Capital Funding & Reserves

			FYE 2020	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029
			Billing Records	Billing Records	Billing Records	Billing Records	Projected	Projected	Projected	Projected	Projected	Projected
Rancho Division												
Account Growth						0.84%	0.84%	0.30%	0.30%	0.30%	0.30%	0.30%
Priceout Adjust							-1.694%					
Applied Meter Growth						**0.84%**	**-0.87%**	**0.30%**	**0.30%**	**0.30%**	**0.30%**	**0.30%**
							One-time adjustment in meter counts to match calculated FYE 2023 revenues to those reported in					
Accounts in December > 0							**Rancho Division**					
	Capacity MEU Ratio	**Meter Cost Ratio**										
3/4"	1.00	1.00	31,368	31,353	31,306	31,425	31,152	31,245	31,339	31,433	31,527	31,622
1"	1.67	1.33	2,662	2,705	2,747	2,825	2,800	2,809	2,817	2,825	2,834	2,842
1 1/2"	3.33	2.00	1,034	1,049	1,052	1,097	1,087	1,090	1,094	1,097	1,100	1,103
2"	5.33	2.67	1,029	1,037	1,038	1,104	1,094	1,097	1,100	1,104	1,107	1,110
2" turbine	10.00	2.80	121	119	119	119	118	118	119	119	119	120
3"	16.67	4.00	111	109	101	64	63	64	64	64	64	64
4"	33.33	5.33	64	66	66	68	67	68	68	68	68	68
6"	53.33	8.00	38	39	39	7	7	7	7	7	7	7
6" turbo/F2 C	66.67	8.00				39	39	39	39	39	39	39
8"	90.00	10.67	13	13	13	1	1	1	1	1	1	1
8" Turbo/F2 C	90.00	10.67				13	13	13	13	13	13	13
10"	90.00	10.67	1	1	1	1	1	1	1	1	1	1
12"	90.00	10.67	-	-	-	1	1	1	1	1	1	1
Total Accts			**36,441**	**36,491**	**36,482**	**36,763**	**36,443**	**36,552**	**36,662**	**36,772**	**36,882**	**36,993**
MEUs	**Capacity**		**53,221**	**53,437**	**53,343**	**54,612**	**54,137**	**54,300**	**54,463**	**54,626**	**54,790**	**54,954**
MEUs	**Meter Cost**		**41,301**	**41,400**	**41,385**	**41,812**	**41,448**	**41,572**	**41,697**	**41,822**	**41,948**	**42,074**

2020 2021 2022 2023 2024 2025 2026 2027 2028 2029

RANCHO CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

Capital Funding & Reserves

			FYE 2020	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029
			Billing Records	Billing Records	Billing Records	Billing Records	Projected	Projected	Projected	Projected	Projected	Projected
Accounts in December: Short Term Shutoff - Part of total above							***Rancho Division***					
	Capacity MEU Ratio	**Meter Cost Ratio**	*division accounts matching the half-rate for that year*									
3/4"	*1.00*	*1.00*	*26*	*24*	*24*	*28*	*28*	*28*	*28*	*28*	*28*	*28*
1"	*1.67*	*1.33*	*35*	*37*	*36*	*35*	*35*	*35*	*35*	*35*	*35*	*35*
1 1/2"	*3.33*	*2.00*	*18*	*16*	*17*	*21*	*21*	*21*	*21*	*21*	*21*	*21*
2"	*5.33*	*2.67*	*9*	*9*	*8*	*10*	*10*	*10*	*10*	*10*	*10*	*10*
2" turbine	*10.00*	*2.80*	*3*	*3*	*2*	*2*	*2*	*2*	*2*	*2*	*2*	*2*
3"	*16.67*	*4.00*	*1*	*1*	*1*	*1*	*1*	*1*	*1*	*1*	*1*	*1*
4"	*33.33*	*5.33*					*-*	*-*	*-*	*-*	*-*	*-*
6"	*53.33*	*8.00*	*1*	*1*	*1*	*1*	*1*	*1*	*1*	*1*	*1*	*1*
6" turbo/F2 Con	*66.67*	*8.00*					*-*	*-*	*-*	*-*	*-*	*-*
8"	*90.00*	*10.67*					*-*	*-*	*-*	*-*	*-*	*-*
8" Turbo/F2 Cor	*90.00*	*10.67*					*-*	*-*	*-*	*-*	*-*	*-*
10"	*90.00*	*10.67*					*-*	*-*	*-*	*-*	*-*	*-*
12"	*90.00*	*10.67*					*-*	*-*	*-*	*-*	*-*	*-*
Total Accts			***93***	***91***	***89***	***98***	***97***	***97***	***98***	***98***	***98***	***99***
MEUs	***Capacity***		***292***	***287***	***273***	***300***	***297***	***298***	***299***	***300***	***301***	***302***
MEUs	***Meter Cost***		***153***	***150***	***145***	***161***	***159***	***160***	***160***	***161***	***161***	***162***

2020 2021 2022 2023 2024 2025 2026 2027 2028 2029

RANCHO CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

Capital Funding & Reserves

			FYE 2020	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029
			Billing Records	Billing Records	Billing Records	Billing Records	Projected	Projected	Projected	Projected	Projected	Projected
MFR Part of Total Aboove			***Part of total above***				***Rancho Division***					
	Capacity MEU Ratio	**Meter Cost Ratio**										
3/4"	*1.00*	*1.00*					-	*3*	*3*	*3*	*3*	*3*
1"	*1.67*	*1.33*					-	*35*	*35*	*35*	*35*	*35*
1 1/2"	*3.33*	*2.00*					-	*26*	*26*	*26*	*26*	*26*
2"	*5.33*	*2.67*					-	*73*	*73*	*73*	*74*	*74*
2" turbine	*10.00*	*2.80*					-	*13*	*13*	*13*	*13*	*13*
3"	*16.67*	*4.00*					-	*11*	*11*	*11*	*11*	*11*
4"	*33.33*	*5.33*					-	*22*	*22*	*22*	*22*	*22*
6"	*53.33*	*8.00*					-	-	-	-	-	-
6" turbo/F2 C	*66.67*	*8.00*					-	*26*	*26*	*26*	*26*	*26*
8"	*90.00*	*10.67*					-	-	-	-	-	-
8" Turbo/F2 C	*90.00*	*10.67*					-	*9*	*9*	*9*	*9*	*9*
10"	*90.00*	*10.67*					-	-	-	-	-	-
12"	*90.00*	*10.67*					-	-	-	-	-	-
Total Accts			-	-	-	-	-	***218***	***219***	***219***	***220***	***221***
MEUs	***Capacity***		-	-	-	-	-	***4,127***	***4,139***	***4,152***	***4,164***	***4,177***
MEUs	***Meter Cost***		-	-	-	-	-	***798***	***801***	***803***	***805***	***808***
Dwelling Units								***10,400***	***10,431***	***10,462***	***10,494***	***10,525***
Effective Capacity MEUs								***6,968***	***6,989***	***7,010***	***7,031***	***7,052***

RANCHO CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

Capital Funding & Reserves

			FYE 2020	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029
			Billing Records	Billing Records	Billing Records	Billing Records	Projected	Projected	Projected	Projected	Projected	Projected
Accounts in December: Construction Meter							**Rancho Division**					
	Capacity MEU Ratio	**Meter Cost Ratio**										
3/4"	1.00	1.00					-	-	-	-	-	-
1"	1.67	1.33					-	-	-	-	-	-
1 1/2"	3.33	2.00					-	-	-	-	-	-
2"	5.33	2.67					-	-	-	-	-	-
2" turbine	10.00	2.80					-	-	-	-	-	-
3"	16.67	4.00	57	54	45	47	47	47	47	47	47	47
4"	33.33	5.33					-	-	-	-	-	-
6"	53.33	8.00					-	-	-	-	-	-
6" turbo/F2 C	66.67	8.00					-	-	-	-	-	-
8"	90.00	10.67					-	-	-	-	-	-
8" Turbo/F2 C	90.00	10.67					-	-	-	-	-	-
10"	90.00	10.67					-	-	-	-	-	-
12"	90.00	10.67					-	-	-	-	-	-
Total Accts			**57**	**54**	**45**	**47**	**47**	**47**	**47**	**47**	**47**	**47**
MEUs	**Capacity**		**950**	**900**	**750**	**783**	**777**	**779**	**781**	**784**	**786**	**788**
MEUs	**Meter Cost**		**228**	**216**	**180**	**188**	**186**	**187**	**187**	**188**	**189**	**189**
Rancho Total with Construction - Accounts				**36,545**	**36,527**	**36,810**	**36,490**	**36,599**	**36,709**	**36,819**	**36,930**	**37,040**
Rancho Total with Construction - MEUs Capacity				**54,338**	**54,093**	**55,396**	**54,914**	**55,079**	**55,244**	**55,410**	**55,576**	**55,743**
Rancho Total with Construction - MEUs Meter				**41,616**	**41,565**	**42,000**	**41,634**	**41,759**	**41,885**	**42,010**	**42,136**	**42,263**

RANCHO CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

Capital Funding & Reserves

			FYE 2020	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029
			Billing Records	Billing Records	Billing Records	Billing Records	Projected	Projected	Projected	Projected	Projected	Projected
Accounts in December: Reclaimed							**Rancho Division**					
	Capacity MEU Ratio	**Meter Cost Ratio**										
3/4"	1.00	1.00	16	16	16	18	18	18	18	18	19	19
1"	1.67	1.33	22	24	28	29	29	29	29	29	29	30
1 1/2"	3.33	2.00	29	35	36	36	36	37	37	37	37	37
2"	5.33	2.67	64	65	67	68	69	69	69	69	69	70
2" turbine	10.00	2.80				-	-	-	-	-	-	-
3"	16.67	4.00	8	8	8	8	8	8	8	8	8	8
4"	33.33	5.33	4	3	3	3	3	3	3	3	3	3
6"	53.33	8.00	5	5	5	1	1	1	1	1	1	1
6" turbo/F2 C	66.67	8.00				4	4	4	4	4	4	4
8"	90.00	10.67	1	1	1	-	-	-	-	-	-	-
8" Turbo/F2 C	90.00	10.67				1	1	1	1	1	1	1
10"	90.00	10.67				-	-	-	-	-	-	-
12"	90.00	10.67	1	1	1	1	1	1	1	1	1	1
Total Accts			**150**	**158**	**165**	**169**	**171**	**171**	**172**	**172**	**173**	**173**
MEUs	**Capacity**		**1,204**	**1,199**	**1,220**	**1,283**	**1,293**	**1,297**	**1,301**	**1,305**	**1,309**	**1,313**
MEUs	**Meter Cost**		**389**	**401**	**413**	**420**	**423**	**425**	**426**	**427**	**428**	**430**

2020 2021 2022 2023 2024 2025 2026 2027 2028 2029

RANCHO CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

Capital Funding & Reserves

	FYE 2020	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029
	Billing Records	Billing Records	Billing Records	Billing Records	Projected	Projected	Projected	Projected	Projected	Projected
Santa Rosa Division										
Account Growth				0.84%	0.84%	0.30%	0.30%	0.30%	0.30%	0.30%
Priceout Adjust					-1.694%					
Account Growth				**0.84%**	**-0.87%**	**0.30%**	**0.30%**	**0.30%**	**0.30%**	**0.30%**

Accounts in December > 0 — **Santa Rosa Division**

	Capacity MEU Ratio	Meter Cost Ratio									
3/4"	1.00	1.00	5,378	5,376	5,372	5,377	5,330	5,346	5,362	5,378	5,394	5,410
1"	1.67	1.33	1,447	1,462	1,477	1,580	1,566	1,571	1,576	1,580	1,585	1,590
1 1/2"	3.33	2.00	508	511	517	532	527	529	530	532	533	535
2"	5.33	2.67	396	399	408	423	420	421	422	423	425	426
2" turbine	10.00	2.80	293	293	287	283	280	281	282	283	284	285
3"	16.67	4.00	48	50	53	38	37	38	38	38	38	38
4"	33.33	5.33	4	4	4	6	6	6	6	6	6	6
6"	53.33	8.00	3	3	3	6	6	6	6	6	6	6
6" turbo/F2 C	66.67	8.00				-	-	-	-	-	-	-
8"	90.00	10.67	6	6	6	1	1	1	1	1	1	1
8" Turbo/F2 C	90.00	10.67				5	5	5	5	5	5	5
10"	90.00	10.67	1	1	1	1	1	1	1	1	1	1
12"	90.00	10.67	-	-	-	-	-	-	-	-	-	-
Total Accts			**8,084**	**8,105**	**8,128**	**8,251**	**8,180**	**8,204**	**8,229**	**8,253**	**8,278**	**8,303**
MEUs	**Capacity**		**16,250**	**16,333**	**16,412**	**16,657**	**16,513**	**16,562**	**16,612**	**16,662**	**16,712**	**16,762**
MEUs	**Meter Cost**		**10,508**	**10,548**	**10,595**	**10,770**	**10,677**	**10,709**	**10,741**	**10,773**	**10,805**	**10,838**

RANCHO CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

Capital Funding & Reserves

			FYE 2020	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029
			Billing Records	Billing Records	Billing Records	Billing Records	Projected	Projected	Projected	Projected	Projected	Projected
Accounts in December: Short Term Shutoff			***Part of total above***				***Santa Rosa Division***					
	Capacity MEU Ratio	**Meter Cost Ratio**										
3/4"	*1.00*	*1.00*	*5*	*6*	*4*	*2*	*2*	*2*	*2*	*2*	*2*	*2*
1"	*1.67*	*1.33*	*55*	*53*	*56*	*61*	*60*	*61*	*61*	*61*	*61*	*61*
1 1/2"	*3.33*	*2.00*	*23*	*26*	*26*	*25*	*25*	*25*	*25*	*25*	*25*	*25*
2"	*5.33*	*2.67*	*17*	*18*	*19*	*20*	*20*	*20*	*20*	*20*	*20*	*20*
2" turbine	*10.00*	*2.80*	*17*	*17*	*20*	*16*	*16*	*16*	*16*	*16*	*16*	*16*
3"	*16.67*	*4.00*	*3*	*3*	*3*	*3*	*3*	*3*	*3*	*3*	*3*	*3*
4"	*33.33*	*5.33*					*-*	*-*	*-*	*-*	*-*	*-*
6"	*53.33*	*8.00*					*-*	*-*	*-*	*-*	*-*	*-*
6" turbo/F2 C	*66.67*	*8.00*					*-*	*-*	*-*	*-*	*-*	*-*
8"	*90.00*	*10.67*					*-*	*-*	*-*	*-*	*-*	*-*
8" Turbo/F2 C	*90.00*	*10.67*					*-*	*-*	*-*	*-*	*-*	*-*
10"	*90.00*	*10.67*					*-*	*-*	*-*	*-*	*-*	*-*
12"	*90.00*	*10.67*					*-*	*-*	*-*	*-*	*-*	*-*
Total Accts			***120***	***123***	***128***	***127***	***126***	***126***	***127***	***127***	***127***	***128***
MEUs	***Capacity***		***484***	***497***	***535***	***504***	***499***	***501***	***502***	***504***	***505***	***507***
MEUs	***Meter Cost***		***229***	***236***	***249***	***243***	***241***	***242***	***243***	***243***	***244***	***245***

2020 2021 2022 2023 2024 2025 2026 2027 2028 2029

RANCHO CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

Capital Funding & Reserves

			FYE 2020	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029
			Billing Records	Billing Records	Billing Records	Billing Records	Projected	Projected	Projected	Projected	Projected	Projected
MFR Part of Total Aboove			***Part of total above***				***Santa Rosa Division***					
	Capacity MEU Ratio	**Meter Cost Ratio**										
3/4"	*1.00*	*1.00*					-	-	-	-	-	-
1"	*1.67*	*1.33*					-	-	-	-	-	-
1 1/2"	*3.33*	*2.00*					-	-	-	-	-	-
2"	*5.33*	*2.67*					-	*1*	*1*	*1*	*1*	*1*
2" turbine	*10.00*	*2.80*					-	-	-	-	-	-
3"	*16.67*	*4.00*					-	*2*	*2*	*2*	*2*	*2*
4"	*33.33*	*5.33*					-	-	-	-	-	-
6"	*53.33*	*8.00*					-	*3*	*3*	*3*	*3*	*3*
6" turbo/F2 C	*66.67*	*8.00*					-	-	-	-	-	-
8"	*90.00*	*10.67*					-	*1*	*1*	*1*	*1*	*1*
8" Turbo/F2 C	*90.00*	*10.67*					-	*3*	*3*	*3*	*3*	*3*
10"	*90.00*	*10.67*					-	-	-	-	-	-
12"	*90.00*	*10.67*					-	-	-	-	-	-
Total Accts			-	-	-	-	-	***10***	***10***	***10***	***10***	***10***
MEUs	***Capacity***		-	-	-	-	-	***559***	***560***	***562***	***564***	***565***
MEUs	***Meter Cost***		-	-	-	-	-	***77***	***78***	***78***	***78***	***78***
Dwelling Units								***1,633***	***1,638***	***1,643***	***1,648***	***1,653***
Effective Capacity MEUs								***1,094***	***1,097***	***1,101***	***1,104***	***1,107***

RANCHO CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

Capital Funding & Reserves

			FYE 2020	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029
			Billing Records	Billing Records	Billing Records	Billing Records	Projected	Projected	Projected	Projected	Projected	Projected
Accounts in December: Construction Meter							**Santa Rosa Division**					
	Capacity MEU Ratio	**Meter Cost Ratio**										
3/4"	1.00	1.00	1	1	1	1	1	1	1	1	1	1
1"	1.67	1.33					-	-	-	-	-	-
1 1/2"	3.33	2.00					-	-	-	-	-	-
2"	5.33	2.67					-	-	-	-	-	-
2" turbine	10.00	2.80					-	-	-	-	-	-
3"	16.67	4.00	11	14	18	11	11	11	11	11	11	11
4"	33.33	5.33					-	-	-	-	-	-
6"	53.33	8.00					-	-	-	-	-	-
6" turbo/F2 C	66.67	8.00					-	-	-	-	-	-
8"	90.00	10.67					-	-	-	-	-	-
8" Turbo/F2 C	90.00	10.67					-	-	-	-	-	-
10"	90.00	10.67					-	-	-	-	-	-
12"	90.00	10.67					-	-	-	-	-	-
Total Accts			**12**	**15**	**19**	**12**	**12**	**12**	**12**	**12**	**12**	**12**
MEUs	**Capacity**		**184**	**234**	**301**	**184**	**183**	**183**	**184**	**184**	**185**	**186**
MEUs	**Meter Cost**		**45**	**57**	**73**	**45**	**45**	**45**	**45**	**45**	**45**	**45**
Santa Rosa Total with Construction - Accounts				**8,120**	**8,147**	**8,263**	**8,192**	**8,216**	**8,241**	**8,265**	**8,290**	**8,315**
Santa Rosa Total with Construction - MEUs Capacity				**16,567**	**16,713**	**16,841**	**16,696**	**16,746**	**16,796**	**16,846**	**16,897**	**16,948**
Santa Rosa Total with Construction - MEUs Meter				**10,605**	**10,668**	**10,815**	**10,721**	**10,753**	**10,786**	**10,818**	**10,851**	**10,883**

RANCHO CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

Capital Funding & Reserves

			FYE 2020	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029
			Billing Records	Billing Records	Billing Records	Billing Records	Projected	Projected	Projected	Projected	Projected	Projected
Accounts in December: Reclaimed							**Santa Rosa Division**					
	Capacity MEU Ratio	**Meter Cost Ratio**										
3/4"	1.00	1.00	1	1	1	1	1	1	1	1	1	1
1"	1.67	1.33	66	68	68	68	69	69	69	69	70	70
1 1/2"	3.33	2.00	10	11	11	11	11	11	11	11	11	11
2"	5.33	2.67	12	11	11	12	12	12	12	12	12	12
2" turbine	10.00	2.80				-	-	-	-	-	-	-
3"	16.67	4.00	3	3	4	2	2	2	2	2	2	2
4"	33.33	5.33	1	1	1	1	1	1	1	1	1	1
6"	53.33	8.00	3	3	3	1	1	1	1	1	1	1
6" turbo/F2 C	66.67	8.00				2	2	2	2	2	2	2
8"	90.00	10.67	1	1	1	-	-	-	-	-	-	-
8" Turbo/F2 C	90.00	10.67				1	1	1	1	1	1	1
10"	90.00	10.67					-	-	-	-	-	-
12"	90.00	10.67					-	-	-	-	-	-
Total Accts			**97**	**99**	**100**	**99**	**100**	**100**	**101**	**101**	**101**	**102**
MEUs	**Capacity**		**542**	**543**	**560**	**562**	**566**	**568**	**570**	**571**	**573**	**575**
MEUs	**Meter Cost**		**193**	**195**	**199**	**194**	**196**	**197**	**197**	**198**	**198**	**199**

APPENDIX C

O&M FORECAST

2023 2024 2025 2026 2027 2028 2029

RANCHO CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

RANCHO Division Revenues and O&M Expenditures

	FYE 2023	FYE 2024	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029
ESCALATORS							
General Cost Inflation		6.0%	4.0%	3.0%	2.5%	2.5%	2.5%
Purchased Water Cost Inflation		5.0%	7.0%	6.0%	6.0%	6.0%	6.0%
Energy Cost Inflation		10.0%	10.0%	8.0%	8.0%	7.0%	7.0%
Construction Cost Inflation		6.0%	4.0%	3.0%	2.5%	2.5%	2.5%
Customer Demand Growth1		0.8%	0.3%	0.3%	0.3%	0.3%	0.3%
Rancho Demand Growth		0.0%	1.9%	-0.4%	-0.2%	-0.3%	-1.4%
Santa Rosa Demand Growth		0.0%	-4.4%	-0.7%	-0.9%	-1.6%	-1.3%
Fund Earnings - Operating Funds		4.0%	4.0%	3.0%	3.2%	3.0%	3.0%
Fund Earnings -Non-operating Funds		2.7%	2.7%	3.0%	3.2%	3.0%	3.0%
Labor Cost Inflation		4.5%	6.0%	8.0%	4.5%	4.5%	4.5%
M&I Increase + Cust Demand		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Cust. Growth + Gen. Inflation		6.8%	4.3%	3.3%	2.8%	2.8%	2.8%
No Annual Increases		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
One Time Expenditure		-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%

OPERATIONS & MAINTENANCE		FYE 2023	FYE 2024	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029
		Actual	Budget	Forecast	Forecast	Forecast	Forecast	Forecast
OPERATING REVENUE								
Water Revenue	Rancho Demand Growth	$ 22,378,042	$ 21,670,457	$ 21,599,971	$ 23,164,184	$ 24,900,360	$ 26,728,940	$ 28,398,083
Recycled Water Revenue	Rancho Demand Growth	1,306,812	1,423,801	1,420,128	1,561,381	1,711,811	1,872,982	2,045,614
Monthly Service Charges	Customer Demand Growth1	14,434,888	15,078,107	14,863,731	16,056,264	17,344,474	18,736,038	20,239,249
Unmetered Construction Water	General Cost Inflation	13,871	6,123	6,368	6,559	6,723	6,891	7,063
Energy Charges	Energy Cost Inflation	1,262,258	1,255,419	1,254,177	1,458,809	1,696,828	1,955,408	2,253,392
Wastewater Service Charges	Customer Demand Growth1	-	-	-	-	-	-	-
New Service Connections	Customer Demand Growth1	179,725	186,071	145,853	146,290	146,729	147,169	147,611
Rental/Lease Income	General Cost Inflation	548,019	594,063	611,885	630,242	645,998	662,148	678,702
Other Op Rev-Billing	Customer Demand Growth1	819,706	771,426	912,699	920,042	877,041	831,087	833,580
Other Op Rev-Engineering	General Cost Inflation	215,874	107,780	94,875	97,722	100,165	102,669	105,235
Western IDA/Rock Mountain	General Cost Inflation	-	-	-	-	-	-	-
Reclass From/(To) Non-Operating	General Cost Inflation	6,007,611	7,825,450	9,028,245	9,299,092	9,531,570	9,769,859	10,014,105
Interest Earnings on Operating Fund	***Calculated on Funds***		*623,314*	*1,432,761*	*1,022,788*	*1,001,103*	*832,437*	*726,670*
Total OPERATING REVENUE		**$ 47,166,806**	**$ 49,542,010**	**$ 51,370,693**	**$ 54,363,373**	**$ 57,962,800**	**$ 61,645,627**	**$ 65,449,304**

RANCHO CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

RANCHO Division Revenues and O&M Expenditures

		FYE 2023	FYE 2024	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029
OPERATING EXPENDITURES								
Source of Supply								
Purchase Water M.W.D.	Purchased Water Cost Inflation	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Import Water Fixed Charge	Purchased Water Cost Inflation	-	-	-	-	-	-	-
Purchased Water Premium	Purchased Water Cost Inflation	-	-	-	-	-	-	-
Purchased Water Premium Contra	Purchased Water Cost Inflation	-	-	-	-	-	-	-
Purchase Recharge Water	Purchased Water Cost Inflation	-	-	-	-	-	-	-
Purchase Water Resource	***calculated in 5 YR. PRODUCTION tab***	27,032,391						
Recharge Import	***calculated in 5 YR. PRODUCTION tab***		*6,470,440*	*7,118,088*	*7,669,633*	*8,413,284*	*12,896,710*	*13,940,359*
Cyclic Import	***calculated in 5 YR. PRODUCTION tab***		*101,119*	-	-	-	-	-
Inventoried Water	***calculated in 5 YR. PRODUCTION tab***		*546,847*	-	-	-	-	-
Treated Import	***calculated in 5 YR. PRODUCTION tab***		*10,893,217*	*12,673,075*	*13,446,485*	*14,720,011*	*10,882,003*	*11,104,164*
Vail Release	***calculated in 5 YR. PRODUCTION tab***							
Fixed Import Costs	***calculated in 5 YR. PRODUCTION tab***		*2,639,645*	*2,889,853*	*3,072,227*	*3,425,533*	*3,819,469*	*4,010,442*
Production Costs	***calculated in 5 YR. PRODUCTION tab***		*2,544,077*	*2,447,257*	*2,564,030*	*2,628,131*	*3,240,436*	*3,321,447*
Native Well	***calculated in 5 YR. PRODUCTION tab***		*930,806*	*690,263*	*710,971*	*728,745*	*746,964*	*765,638*
Energy	***calculated in 5 YR. PRODUCTION tab***		*2,183,550*	*2,195,252*	*2,395,576*	*2,587,223*	*3,110,904*	*3,328,667*
Purchase Water Santa Mar.	***calculated in 5 YR. PRODUCTION tab***	2,405,841	*2,599,856*	*2,991,155*	*3,150,771*	*3,471,438*	*3,869,271*	*4,147,420*
Labor	Labor Cost Inflation	-	-	-	-	-	-	-
G&A/Fringe Benefit	Labor Cost Inflation	-	-	-	-	-	-	-
Materials & Supplies	General Cost Inflation	-	-	-	-	-	-	-
Utilities	Energy Cost Inflation	-	-	-	-	-	-	-
Outside Services	General Cost Inflation	-	-	-	-	-	-	-
Vehicle & Equipment	General Cost Inflation	-	-	-	-	-	-	-
Other	General Cost Inflation	-	-	-	-	-	-	-
Corrective Maint. - Labor	Labor Cost Inflation	-	-	-	-	-	-	-
Corrective Maint. - G&A/Fb	Labor Cost Inflation	-	-	-	-	-	-	-
Corrective Maintenance	General Cost Inflation	-	-	-	-	-	-	-
New Positions - Labor	Labor Cost Inflation			-	*18,666*	*19,506*	*131,200*	*213,582*
New Positions - Fringe	Labor Cost Inflation			-	*8,484*	*8,866*	*61,487*	*121,193*
Total Source of Supply		**$ 29,438,232**	**$ 28,909,557**	**$ 31,004,944**	**$ 33,036,844**	**$ 36,002,736**	**$ 38,758,444**	**$ 40,952,913**

RANCHO CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

RANCHO Division Revenues and O&M Expenditures

		FYE 2023	FYE 2024	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029
Booster Pumping								
Labor	Labor Cost Inflation	$ 129,629	$ 125,396	$ 116,176	$ 125,471	$ 131,117	$ 137,017	$ 143,183
G&A/Fringe Benefit	Labor Cost Inflation	296,656	313,316	173,730	187,629	196,072	204,895	214,116
Materials & Supplies	General Cost Inflation	128,720	153,500	133,769	137,782	141,227	144,758	148,377
Utilities	Energy Cost Inflation	1,443,557	1,345,128	1,596,881	1,724,632	1,862,602	1,992,985	2,132,493
Outside Services	General Cost Inflation	106,680	113,946	163,877	168,793	173,013	177,338	181,772
Vehicle & Equipment	General Cost Inflation	12,224	15,800	14,371	14,802	15,172	15,552	15,940
Other	General Cost Inflation	-	-	-	-	-	-	-
Corrective Maint. - Labor	General Cost Inflation	7,490	10,394	10,903	11,230	11,511	11,799	12,094
Corrective Maint. - G&A/FB	General Cost Inflation	17,847	27,279	17,654	18,183	18,638	19,104	19,581
Corrective Maintenance	General Cost Inflation	25,000	21,000	21,000	21,630	22,171	22,725	23,293
New Positions - Labor	Labor Cost Inflation			-	*15,611*	*16,314*	*47,941*	*71,419*
New Positions - Fringe	Labor Cost Inflation			-	*7,096*	*7,415*	*22,307*	*39,184*
Total Booster Pumping		**$ 2,167,803**	**$ 2,125,759**	**$ 2,248,362**	**$ 2,432,859**	**$ 2,595,252**	**$ 2,796,420**	**$ 3,001,452**
Transmission & Distribution								
Labor	Labor Cost Inflation	$ 1,406,823	$ 1,352,314	$ 1,404,569	$ 1,516,935	$ 1,585,197	$ 1,656,531	$ 1,731,075
G&A/Fringe Benefit	Labor Cost Inflation	3,018,688	3,069,097	1,908,593	2,061,281	2,154,038	2,250,970	2,352,264
Materials & Supplies	General Cost Inflation	94,400	90,000	66,416	68,408	70,119	71,872	73,668
Utilities	Energy Cost Inflation	-	-	-	-	-	-	-
Outside Services	General Cost Inflation	208,166	201,000	257,814	265,548	272,187	278,992	285,967
Vehicle & Equipment	General Cost Inflation	124,388	154,769	157,879	162,616	166,681	170,848	175,119
Service Connect. - Labor	Labor Cost Inflation	14,699	15,469	17,378	18,768	19,612	20,495	21,417
Service Connect. - G&A/FB	Labor Cost Inflation	35,026	40,601	28,136	30,387	31,755	33,183	34,677
Service Connection Expense	General Cost Inflation	130,000	130,000	100,000	103,000	105,575	108,214	110,920
Corrective Maint. - Labor	Labor Cost Inflation	319,331	451,104	403,850	436,158	455,786	476,296	497,729
Corrective Maint. - G&A/FB	Labor Cost Inflation	760,903	1,183,968	653,874	706,184	737,962	771,171	805,873
Corrective Maintenance	Construction Cost Inflation	847,500	797,500	853,906	879,523	901,511	924,049	947,150
New Positions - Labor	Labor Cost Inflation			-	*12,977*	*88,465*	*92,446*	*96,606*
New Positions - Fringe	Labor Cost Inflation			-	*5,898*	*39,370*	*41,141*	*42,993*
Total Transmission & Distribution		**$ 6,959,924**	**$ 7,485,823**	**$ 5,852,416**	**$ 6,267,684**	**$ 6,628,258**	**$ 6,896,208**	**$ 7,175,458**

RANCHO CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

RANCHO Division Revenues and O&M Expenditures

		FYE 2023	FYE 2024	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029
Customer Service								
Labor	Labor Cost Inflation	$ 526,363	$ 479,875	$ 535,479	$ 578,317	$ 604,341	$ 631,537	$ 659,956
G&A/Fringe Benefit	Labor Cost Inflation	1,193,325	1,186,536	776,363	838,472	876,204	915,633	956,836
Materials & Supplies	General Cost Inflation	245,486	238,636	204,950	211,099	216,376	221,785	227,330
Utilities	Energy Cost Inflation	-	-	-	-	-	-	-
Outside Services	General Cost Inflation	139,800	18,500	19,300	19,879	20,376	20,885	21,408
Vehicle & Equipment	General Cost Inflation	49,636	60,464	66,239	68,226	69,932	71,680	73,472
Resource Customer Support	General Cost Inflation	1,871,200	2,093,196	1,565,894	1,612,871	1,653,193	1,694,523	1,736,886
Uncollectible Accounts	General Cost Inflation	32,000	32,000	35,000	36,050	36,951	37,875	38,822
New Positions - Labor	Labor Cost Inflation			-	-	-	-	-
New Positions - Fringe	Labor Cost Inflation			-	-	-	-	-
Total Customer Service		**$ 4,057,810**	**$ 4,109,207**	**$ 3,203,225**	**$ 3,364,914**	**$ 3,477,372**	**$ 3,593,917**	**$ 3,714,709**
Recycled Water								
Joint Facility Recycled Water	Purchased Water Cost Inflation	$ 1,241,207	$ 1,409,697	*$ 1,333,608*	*$ 1,413,625*	*$ 1,498,442*	*$ 1,588,349*	*$ 1,683,650*
Purchase Recycled Water	Purchased Water Cost Inflation	-	-	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*
Labor	Labor Cost Inflation	68,739	94,601	*$ 87,048*	*$ 94,012*	*$ 98,242*	*$ 102,663*	*$ 107,283*
G&A/Fringe Benefit	Labor Cost Inflation	157,309	236,370	*$ 130,171*	*$ 140,585*	*$ 146,912*	*$ 153,523*	*$ 160,431*
Materials & Supplies	General Cost Inflation	15,050	86,136	*$ 22,151*	*$ 22,815*	*$ 23,386*	*$ 23,971*	*$ 24,570*
Utilities	Energy Cost Inflation	293,245	337,673	*$ 442,565*	*$ 477,970*	*$ 516,208*	*$ 552,342*	*$ 591,006*
Outside Services	General Cost Inflation	109,000	134,900	*$ 315,442*	*$ 324,905*	*$ 333,028*	*$ 341,354*	*$ 349,888*
Vehicle & Equipment	General Cost Inflation	6,482	11,920	*$ 10,768*	*$ 11,091*	*$ 11,368*	*$ 11,652*	*$ 11,944*
Treatment Reimbursable	General Cost Inflation	-	-	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*
Contract Treatment Expense - Jpa	General Cost Inflation	-	-	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*
Other	General Cost Inflation	-	-	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*
Corrective Maint. - Labor	Labor Cost Inflation	16,189	31,336	*$ 48,673*	*$ 51,970*	*$ 53,685*	*$ 55,450*	*$ 57,264*
Corrective Maint. - G&A/FB	Labor Cost Inflation	38,575	82,244	*$ 78,807*	*$ 84,145*	*$ 86,922*	*$ 89,779*	*$ 92,716*
Corrective Maintenance	General Cost Inflation	41,000	56,000	*$ 76,646*	*$ 78,050*	*$ 79,082*	*$ 80,118*	*$ 81,156*
Corrective Maint - Joint Facility	General Cost Inflation	-	-	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*
New Positions - Labor	Labor Cost Inflation			-	-	-	-	-
New Positions - Fringe	Labor Cost Inflation			-	-	-	-	-
Total Recycled Water		**$ 1,986,797**	**$ 2,480,877**	**$ 2,545,880**	**$ 2,699,169**	**$ 2,847,276**	**$ 2,999,200**	**$ 3,159,907**

RANCHO CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

RANCHO Division Revenues and O&M Expenditures

		FYE 2023	FYE 2024	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029
Engineering								
Labor	Labor Cost Inflation	$ 55,450	$ 60,881	$ 54,572	$ 58,938	$ 61,591	$ 64,362	$ 67,258
G&A/Fringe Benefit	Labor Cost Inflation	108,932	125,256	53,699	57,995	60,605	63,332	66,182
Materials & Supplies	General Cost Inflation	-	-	-	-	-	-	-
Utilities	Energy Cost Inflation	-	-	-	-	-	-	-
Outside Services	General Cost Inflation	5,000	-	-	-	-	-	-
Vehicle & Equipment	General Cost Inflation	5,229	7,671	6,751	6,953	7,127	7,305	7,488
Engineering Oh-Cap. Fee For Serv.	General Cost Inflation	39,652	70,257	42,195	43,461	44,548	45,662	46,803
Engineering Closed Jobs	General Cost Inflation	-	-	-	-	-	-	-
Resource Engineering	General Cost Inflation	912,693	1,109,128	776,069	799,351	819,335	839,819	860,814
New Positions - Labor	Labor Cost Inflation			-	-	-	-	-
New Positions - Fringe	Labor Cost Inflation			-	-	-	-	-
Total Engineering		**$ 1,126,956**	**$ 1,373,192**	**$ 933,287**	**$ 966,699**	**$ 993,206**	**$ 1,020,480**	**$ 1,048,545**
Support								
Labor	Labor Cost Inflation	$ -	$ -	$ -	$ -	$ -	$ -	$ -
G&A/Fringe Benefit	Labor Cost Inflation	-	-	-	-	-	-	-
Materials & Supplies	General Cost Inflation	-	-	-	-	-	-	-
Utilities	Energy Cost Inflation	-	-	-	-	-	-	-
Outside Services	General Cost Inflation	-	-	-	-	-	-	-
Corrective Maintenance	General Cost Inflation	-	-	-	-	-	-	-
Applied Overhead	Labor Cost Inflation	-	-	-	-	-	-	-
Direct Support Allocation	Labor Cost Inflation	1,782,879	1,821,428	8,573,755	9,259,655	9,676,339	10,111,775	10,566,804
Adjust to Remove LTE Water Use Tech	Labor Cost Inflation			-	-	(48,440)	(101,239)	(105,794)
New Positions - Labor	Labor Cost Inflation			-	-	-	-	-
New Positions - Fringe	Labor Cost Inflation			-	-	-	-	-
Total Support		**$ 1,782,879**	**$ 1,821,428**	**$ 8,573,755**	**$ 9,259,655**	**$ 9,627,900**	**$ 10,010,536**	**$ 10,461,010**

2023 2024 2025 2026 2027 2028 2029

RANCHO CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

SANTA ROSA Division Revenues and O&M Expenditures

	FYE 2023	FYE 2024	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029
ESCALATORS							
General Cost Inflation		6.0%	4.0%	3.0%	2.5%	2.5%	2.5%
Purchased Water Cost Inflation		5.0%	7.0%	6.0%	6.0%	6.0%	6.0%
Energy Cost Inflation		10.0%	10.0%	8.0%	8.0%	7.0%	7.0%
Construction Cost Inflation		6.0%	4.0%	3.0%	2.5%	2.5%	2.5%
Customer Demand Growth1		0.8%	0.3%	0.3%	0.3%	0.3%	0.3%
Rancho Demand Growth		0.0%	1.9%	-0.4%	-0.2%	-0.3%	-1.4%
Santa Rosa Demand Growth		0.0%	-4.4%	-0.7%	-0.9%	-1.6%	-1.3%
Fund Earnings - Operating Funds		4.0%	4.0%	3.0%	3.2%	3.0%	3.0%
Fund Earnings -Non-operating Funds		2.7%	2.7%	3.0%	3.2%	3.0%	3.0%
Labor Cost Inflation		4.5%	6.0%	8.0%	4.5%	4.5%	4.5%
M&I Increase + Cust Demand		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Cust. Growth + Gen. Inflation		6.8%	4.3%	3.3%	2.8%	2.8%	2.8%
No Annual Increases		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
One Time Expenditure		-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%

OPERATIONS & MAINTENANCE		FYE 2023	FYE 2024	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029
		Actual	Budget	Forecast	Forecast	Forecast	Forecast	Forecast
OPERATING REVENUE								
Water Revenue	Santa Rosa Demand Growth	$ 20,246,906	$ 20,320,621	$ 19,339,541	$ 20,877,035	$ 22,477,907	$ 24,034,034	$ 25,796,425
Recycled Water Revenue	Santa Rosa Demand Growth	457,754	483,405	510,333	564,310	621,750	683,298	749,227
Monthly Service Charges	Customer Demand Growth1	8,825,111	9,319,814	8,880,876	9,682,473	10,556,423	11,509,256	12,548,093
Unmetered Construction Water	General Cost Inflation	-	-	-	-	-	-	-
Energy Charges	Energy Cost Inflation	1,657,781	1,664,883	1,599,405	1,877,638	2,204,272	2,563,766	2,981,891
Wastewater Service Charges	Customer Demand Growth1	-	-	-	-	-	-	-
New Service Connections	Customer Demand Growth1	61,157	63,672	63,264	63,453	63,644	63,835	64,026
Rental/Lease Income	General Cost Inflation	232,208	264,852	272,797	280,981	288,006	295,206	302,586
Other Op Rev-Billing	Customer Demand Growth1	384,345	460,482	594,345	597,510	585,574	572,755	574,473
Other Op Rev-Engineering	General Cost Inflation	60,403	45,343	40,560	41,777	42,821	43,892	44,989
Western IDA/Rock Mountain	General Cost Inflation	110,074	202,853	157,573	162,300	166,358	170,517	174,780
Reclass From/(To) Non-Operating	***From LRFP***	2,856,963	2,984,746	3,130,490	***2,416,138***	***2,273,954***	***2,112,456***	***2,057,909***
Interest Earnings on Operating Fund	***Calculated on Funds***		***672,378***	***616,249***	***444,927***	***414,916***	***320,899***	***265,336***
Total OPERATING REVENUE		**$ 34,892,703**	**$ 36,483,049**	**$ 35,205,434**	**$ 37,008,543**	**$ 39,695,624**	**$ 42,369,914**	**$ 45,559,735**

2023 2024 2025 2026 2027 2028 2029

RANCHO CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

SANTA ROSA Division Revenues and O&M Expenditures

		FYE 2023	FYE 2024	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029
OPERATING EXPENDITURES								
Source of Supply								
Purchase Water M.W.D.	Purchased Water Cost Inflation	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Import Water Fixed Charge	Purchased Water Cost Inflation	-	-	-	-	-	-	-
Purchased Water Premium	Purchased Water Cost Inflation	-	-	-	-	-	-	-
Purchased Water Premium Contra	Purchased Water Cost Inflation	-	-	-	-	-	-	-
Purchase Recharge Water	Purchased Water Cost Inflation	-	-	-	-	-	-	-
Purchase Water Resource	***calculated in 5 YR. PRODUCTION tab***	22,647,071						
Recharge Import	***calculated in 5 YR. PRODUCTION tab***		*6,470,440*	*7,118,088*	*7,669,633*	*8,413,284*	*12,896,710*	*13,940,359*
Cyclic Import	***calculated in 5 YR. PRODUCTION tab***		*101,119*	-	-	-	-	-
Inventoried Water	***calculated in 5 YR. PRODUCTION tab***		*546,847*	-	-	-	-	-
Treated Import	***calculated in 5 YR. PRODUCTION tab***		*10,814,070*	*10,731,415*	*11,302,063*	*12,169,549*	*7,683,319*	*7,953,434*
Vail Release	***calculated in 5 YR. PRODUCTION tab***							
Fixed Import Costs	***calculated in 5 YR. PRODUCTION tab***		*2,261,647*	*2,511,496*	*2,670,403*	*2,977,499*	*3,319,911*	*3,485,907*
Production Costs	***calculated in 5 YR. PRODUCTION tab***		*1,521,002*	*1,390,732*	*1,475,809*	*1,512,705*	*2,097,124*	*2,149,552*
Native Well	***calculated in 5 YR. PRODUCTION tab***		*227,695*	*178,733*	*184,095*	*188,697*	*193,415*	*198,250*
Energy	***calculated in 5 YR. PRODUCTION tab***		*1,073,168*	*1,078,721*	*1,189,722*	*1,284,900*	*1,717,419*	*1,837,638*
Purchase Water Santa Mar.	***calculated in 5 YR. PRODUCTION tab***	1,031,075	*1,114,224*	*747,789*	*787,693*	*867,860*	*967,318*	*1,036,855*
Labor	Labor Cost Inflation	-	-	-	-	-	-	-
G&A/Fringe Benefit	Labor Cost Inflation	-	-	-	-	-	-	-
Materials & Supplies	General Cost Inflation	-	-	-	-	-	-	-
Utilities	Energy Cost Inflation	-	-	-	-	-	-	-
Outside Services	General Cost Inflation	-	-	-	-	-	-	-
Vehicle & Equipment	General Cost Inflation	-	-	-	-	-	-	-
Other	General Cost Inflation	-	-	-	-	-	-	-
Corrective Maint. - Labor	Labor Cost Inflation	-	-	-	-	-	-	-
Corrective Maint. - G&A/Fb	Labor Cost Inflation	-	-	-	-	-	-	-
Corrective Maintenance	General Cost Inflation	-	-	-	-	-	-	-
New Positions - Labor	Labor Cost Inflation			-	*10,088*	*10,542*	*70,906*	*115,429*
New Positions - Fringe	Labor Cost Inflation			-	*4,585*	*4,792*	*33,230*	*65,498*
Total Source of Supply		**$ 23,678,146**	**$ 24,130,211**	**$ 23,756,974**	**$ 25,294,091**	**$ 27,429,827**	**$ 28,979,352**	**$ 30,782,922**

RANCHO CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

SANTA ROSA Division Revenues and O&M Expenditures

		FYE 2023	FYE 2024	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029
Booster Pumping								
Labor	Labor Cost Inflation	$ 112,802	$ 105,570	$ 101,617	$ 109,747	$ 114,685	$ 119,846	$ 125,239
G&A/Fringe Benefit	Labor Cost Inflation	258,148	263,778	151,959	164,115	171,501	179,218	187,283
Materials & Supplies	General Cost Inflation	114,580	140,000	231,525	238,471	244,433	250,544	256,807
Utilities	Energy Cost Inflation	1,957,563	1,975,986	1,814,299	1,959,443	2,116,198	2,264,332	2,422,836
Outside Services	General Cost Inflation	375,399	378,658	251,126	258,659	265,126	271,754	278,548
Vehicle & Equipment	General Cost Inflation	10,637	13,302	12,570	12,947	13,271	13,603	13,943
Other	General Cost Inflation	-	-	-	-	-	-	-
Corrective Maint. - Labor	General Cost Inflation	7,490	10,394	11,293	11,632	11,923	12,221	12,527
Corrective Maint. - G&A/FB	General Cost Inflation	17,847	27,279	18,285	18,834	19,305	19,787	20,282
Corrective Maintenance	General Cost Inflation	25,000	21,000	21,000	21,630	22,171	22,725	23,293
New Positions - Labor	Labor Cost Inflation			-	***13,143***	***13,734***	***40,361***	***60,127***
New Positions - Fringe	Labor Cost Inflation			-	***5,974***	***6,243***	***18,780***	***32,989***
Total Booster Pumping		**$ 2,879,467**	**$ 2,935,967**	**$ 2,613,675**	**$ 2,814,595**	**$ 2,998,589**	**$ 3,213,172**	**$ 3,433,873**
Transmission & Distribution								
Labor	Labor Cost Inflation	$ 745,007	$ 760,845	$ 924,049	$ 997,973	$ 1,042,882	$ 1,089,812	$ 1,138,853
G&A/Fringe Benefit	Labor Cost Inflation	1,545,872	1,644,159	1,216,588	1,313,915	1,373,041	1,434,828	1,499,395
Materials & Supplies	General Cost Inflation	148,150	141,200	133,347	137,347	140,781	144,301	147,908
Utilities	Energy Cost Inflation	-	-	-	-	-	-	-
Outside Services	General Cost Inflation	178,654	225,782	192,986	198,775	203,745	208,838	214,059
Vehicle & Equipment	General Cost Inflation	63,699	82,912	100,637	103,656	106,247	108,903	111,626
Service Connect. - Labor	Labor Cost Inflation	15,123	14,808	20,337	21,964	22,952	23,985	25,064
Service Connect. - G&A/FB	Labor Cost Inflation	36,035	38,864	32,927	35,561	37,161	38,834	40,581
Service Connection Expense	General Cost Inflation	10,000	10,000	10,000	10,300	10,558	10,821	11,092
Corrective Maint. - Labor	Labor Cost Inflation	243,375	355,077	310,064	334,870	349,939	365,686	382,142
Corrective Maint. - G&A/FB	Labor Cost Inflation	579,913	931,934	502,025	542,187	566,586	592,082	618,726
Corrective Maintenance	Construction Cost Inflation	553,250	607,250	637,771	656,904	673,327	690,160	707,414
New Positions - Labor	Labor Cost Inflation			-	***15,777***	***107,557***	***112,397***	***117,455***
New Positions - Fringe	Labor Cost Inflation			-	***7,171***	***47,866***	***50,020***	***52,271***
Total Transmission & Distribution		**$ 4,119,078**	**$ 4,812,831**	**$ 4,080,731**	**$ 4,376,401**	**$ 4,682,641**	**$ 4,870,667**	**$ 5,066,586**

RANCHO CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

SANTA ROSA Division Revenues and O&M Expenditures

		FYE 2023	FYE 2024	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029
Customer Service								
Labor	Labor Cost Inflation	$ 213,459	$ 213,987	$ 248,059	$ 267,904	$ 279,959	$ 292,557	$ 305,723
G&A/Fringe Benefit	Labor Cost Inflation	480,251	524,400	352,156	380,328	397,443	415,328	434,017
Materials & Supplies	General Cost Inflation	64,814	58,064	52,650	54,230	55,585	56,975	58,399
Utilities	Energy Cost Inflation	-	-	-	-	-	-	-
Outside Services	General Cost Inflation	134,200	11,550	16,514	17,009	17,435	17,871	18,317
Vehicle & Equipment	General Cost Inflation	20,129	26,962	30,685	31,605	32,396	33,205	34,036
Resource Customer Support	General Cost Inflation	457,813	509,753	388,917	400,584	410,599	420,864	431,386
Uncollectible Accounts	General Cost Inflation	8,000	9,000	15,000	15,450	15,836	16,232	16,638
New Positions - Labor	Labor Cost Inflation			-	-	-	-	-
New Positions - Fringe	Labor Cost Inflation			-	-	-	-	-
Total Customer Service		**$ 1,378,667**	**$ 1,353,717**	**$ 1,103,980**	**$ 1,167,110**	**$ 1,209,253**	**$ 1,253,032**	**$ 1,298,516**
Recycled Water								
Joint Facility Recycled Water	Purchased Water Cost Inflation	$ 391,960	$ 445,168	*$ 476,289*	*$ 504,866*	*$ 535,158*	*$ 567,267*	*$ 601,303*
Purchase Recycled Water	Purchased Water Cost Inflation	-	-	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*
Labor	Labor Cost Inflation	57,214	63,549	*$ 31,089*	*$ 33,576*	*$ 35,087*	*$ 36,665*	*$ 38,315*
G&A/Fringe Benefit	Labor Cost Inflation	130,935	158,784	*$ 46,490*	*$ 50,209*	*$ 52,468*	*$ 54,829*	*$ 57,297*
Materials & Supplies	General Cost Inflation	14,450	49,137	*$ 7,911*	*$ 8,148*	*$ 8,352*	*$ 8,561*	*$ 8,775*
Utilities	Energy Cost Inflation	245,775	275,387	*$ 158,059*	*$ 170,704*	*$ 184,360*	*$ 197,265*	*$ 211,074*
Outside Services	General Cost Inflation	49,000	68,700	*$ 112,658*	*$ 116,038*	*$ 118,939*	*$ 121,912*	*$ 124,960*
Vehicle & Equipment	General Cost Inflation	5,395	8,007	*$ 3,846*	*$ 3,961*	*$ 4,060*	*$ 4,162*	*$ 4,266*
Treatment Reimbursable	General Cost Inflation	-	-	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*
Contract Treatment Expense - Jpa	General Cost Inflation	-	-	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*
Other	General Cost Inflation	-	-	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*
Corrective Maint. - Labor	Labor Cost Inflation	11,671	26,826	*$ 18,133*	*$ 20,180*	*$ 21,712*	*$ 23,341*	*$ 25,072*
Corrective Maint. - G&A/FB	Labor Cost Inflation	27,809	70,408	*$ 29,359*	*$ 32,674*	*$ 35,154*	*$ 37,791*	*$ 40,594*
Corrective Maintenance	General Cost Inflation	22,500	22,500	*$ 28,555*	*$ 30,307*	*$ 31,984*	*$ 33,725*	*$ 35,533*
Corrective Maint - Joint Facility	General Cost Inflation	-	-	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*
New Positions - Labor	Labor Cost Inflation			-	-	-	-	-
New Positions - Fringe	Labor Cost Inflation			-	-	-	-	-
Total Recycled Water		**$ 956,710**	**$ 1,188,467**	**$ 912,388**	**$ 970,663**	**$ 1,027,273**	**$ 1,085,519**	**$ 1,147,189**

RANCHO CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

SANTA ROSA Division Revenues and O&M Expenditures

		2023	2024	2025	2026	2027	2028	2029
		FYE 2023	FYE 2024	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029
Engineering								
Labor	Labor Cost Inflation	$ 25,433	$ 29,748	$ 36,538	$ 39,461	$ 41,236	$ 43,092	$ 45,031
G&A/Fringe Benefit	Labor Cost Inflation	49,963	61,204	35,953	38,829	40,576	42,402	44,311
Materials & Supplies	General Cost Inflation	-	-	-	-	-	-	-
Utilities	Energy Cost Inflation	-	-	-	-	-	-	-
Outside Services	General Cost Inflation	3,000	-	-	-	-	-	-
Vehicle & Equipment	General Cost Inflation	2,398	3,748	4,520	4,655	4,772	4,891	5,013
Engineering Oh-Cap. Fee For Serv.	General Cost Inflation	18,187	34,329	28,251	29,098	29,826	30,571	31,336
Engineering Closed Jobs	General Cost Inflation	-	-	-	-	-	-	-
Resource Engineering	General Cost Inflation	253,330	313,964	226,236	233,023	238,848	244,820	250,940
New Positions - Labor	Labor Cost Inflation			-	-	-	-	-
New Positions - Fringe	Labor Cost Inflation			-	-	-	-	-
Total Engineering		**$ 352,312**	**$ 442,993**	**$ 331,497**	**$ 345,066**	**$ 355,259**	**$ 365,776**	**$ 376,631**
Support								
Labor	Labor Cost Inflation	$ -	$ -	$ -	$ -	$ -	$ -	$ -
G&A/Fringe Benefit	Labor Cost Inflation	-	-	-	-	-	-	-
Materials & Supplies	General Cost Inflation	-	-	-	-	-	-	-
Utilities	Energy Cost Inflation	-	-	-	-	-	-	-
Outside Services	General Cost Inflation	-	-	-	-	-	-	-
Corrective Maintenance	General Cost Inflation	-	-	-	-	-	-	-
Applied Overhead	Labor Cost Inflation	-	-	-	-	-	-	-
Direct Support Allocation	Labor Cost Inflation	981,247	1,041,662	2,678,549	2,892,833	3,023,011	3,159,046	3,301,203
Adjust to Remove LTE Water Use Tech	Labor Cost Inflation			-	-	(14,532)	(30,372)	(31,738)
New Positions - Labor	Labor Cost Inflation			-	-	-	-	-
New Positions - Fringe	Labor Cost Inflation			-	-	-	-	-
Total Support		**$ 981,247**	**$ 1,041,662**	**$ 2,678,549**	**$ 2,892,833**	**$ 3,008,479**	**$ 3,128,675**	**$ 3,269,465**
Other Operating Exp								
Expenses Other	General Cost Inflation	$ -	$ -	$ -	$ -	$ -	$ -	$ -
New Positions - Labor	Labor Cost Inflation			-	-	-	-	-
New Positions - Fringe	Labor Cost Inflation			-	-	-	-	-
Total Other Operating Exp		**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
	check	-	-					
Total Operating Expense		**$ 34,345,626**	**$ 35,905,847**	**$ 35,477,793**	**$ 37,860,760**	**$ 40,711,321**	**$ 42,896,192**	**$ 45,375,181**
		$ 34,345,626	**$ 35,905,847**	**$ 35,477,793**	**$ 37,860,760**	**$ 40,711,321**	**$ 42,896,192**	**$ 45,375,181**
	check	$ -	$ -	$ -	$ -	$ -	$ -	$ -

RANCHO CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

Wastewater Division Revenues and O&M Expenditures

	FYE 2023	FYE 2024	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029
ESCALATORS							
General Cost Inflation		6.0%	4.0%	3.0%	2.5%	2.5%	2.5%
Purchased Water Cost Inflation		5.0%	7.0%	6.0%	6.0%	6.0%	6.0%
Energy Cost Inflation		10.0%	10.0%	8.0%	8.0%	7.0%	7.0%
Construction Cost Inflation		6.0%	4.0%	3.0%	2.5%	2.5%	2.5%
Customer Demand Growth1		0.8%	0.3%	0.3%	0.3%	0.3%	0.3%
Fund Earnings - Operating Funds		4.0%	4.0%	3.0%	3.2%	3.0%	3.0%
Fund Earnings -Non-operating Funds		2.7%	2.7%	3.0%	3.2%	3.0%	3.0%
Labor Cost Inflation		4.5%	6.0%	8.0%	4.5%	4.5%	4.5%
M&I Increase + Cust Demand		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Cust. Growth + Gen. Inflation		6.8%	4.3%	3.3%	2.8%	2.8%	2.8%
No Annual Increases		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
One Time Expenditure		-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%

OPERATIONS & MAINTENANCE		FYE 2023	FYE 2024	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029
		Actual	Budget	Forecast	Forecast	Forecast	Forecast	Forecast
OPERATING REVENUE								
Water Revenue	Customer Demand Growth1	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Recycled Water Revenue	Customer Demand Growth1	-	-	-	-	-	-	-
Monthly Service Charges	General Cost Inflation	-	-	-	-	-	-	-
Unmetered Construction Water	General Cost Inflation	-	-	-	-	-	-	-
Energy Charges	General Cost Inflation	-	-	-	-	-	-	-
Wastewater Service Charges	Customer Demand Growth1	2,184,281	2,287,091	2,303,858	2,380,092	2,458,849	2,540,213	2,624,268
New Service Connections	Customer Demand Growth1	-	-	-	-	-	-	-
Rental/Lease Income	General Cost Inflation	-	-	-	-	-	-	-
Other Op Rev-Billing	Customer Demand Growth1	-	-	-	-	-	-	-
Other Op Rev-Engineering	General Cost Inflation	-	-	-	-	-	-	-
Western IDA/Rock Mountain	General Cost Inflation	-	-	-	-	-	-	-
Reclass From/(To) Non-Operating	***From LRFP***	428,662	421,944	521,456	***545,202***	***595,869***	***635,056***	***736,805***
Interest Earnings on Operating Fund	***Calculated on Funds***		***96,347***	***109,495***	***85,854***	***89,626***	***80,442***	***74,685***
Total OPERATING REVENUE		**$ 2,612,943**	**$ 2,805,382**	**$ 2,934,809**	**$ 3,011,148**	**$ 3,144,345**	**$ 3,255,711**	**$ 3,435,759**
SURCHARGE REVENUE								
Capital Replacement Surcharge	Customer Demand Growth1	$ 403,669	$ 404,753	407,042	420,511	434,426	448,801	463,652
Debt Service Surcharge	Customer Demand Growth1	1,953,760	1,959,006	1,970,083	2,035,273	2,102,620	2,172,196	2,244,074
	Customer Demand Growth1			-	-	-	-	-
	Customer Demand Growth1			-	-	-	-	-
Total SURCHARGE REVENUE		**$ 2,357,430**	**$ 2,363,759**	**$ 2,377,125**	**$ 2,455,784**	**$ 2,537,046**	**$ 2,620,997**	**$ 2,707,726**

RANCHO CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

Wastewater Division Revenues and O&M Expenditures

			FYE 2023	FYE 2024	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029
OPERATING EXPENDITURES									
Customer Service									
Labor	Labor Cost Inflation		$ -	$ -	$ -	$ -	$ -	$ -	$ -
G&A/Fringe Benefit	Labor Cost Inflation		-	-	-	-	-	-	-
Materials & Supplies	General Cost Inflation		-	-	-	-	-	-	-
Utilities	Energy Cost Inflation		-	-	-	-	-	-	-
Outside Services	General Cost Inflation		-	-	-	-	-	-	-
Vehicle & Equipment	General Cost Inflation		-	-	-	-	-	-	-
Resource Customer Support	General Cost Inflation		221,200	247,844	179,708	185,099	189,727	194,470	199,332
Uncollectible Accounts	General Cost Inflation		-	-	-	-	-	-	-
New Positions - Labor	Labor Cost Inflation				-	-	-	-	-
New Positions - Fringe	Labor Cost Inflation				-	-	-	-	-
Total Customer Service			**$ 221,200**	**$ 247,844**	**$ 179,708**	**$ 185,099**	**$ 189,727**	**$ 194,470**	**$ 199,332**
Wastewater Expense									
Labor	Labor Cost Inflation		$ 809,433	$ 845,404	$ 908,324	$ 980,990	$ 1,025,135	$ 1,071,266	$ 1,119,473
G&A/Fringe Benefit	Labor Cost Inflation		1,758,612	1,981,518	1,270,241	1,371,860	1,433,594	1,498,105	1,565,520
Materials & Supplies	General Cost Inflation		195,181	178,236	236,149	243,233	249,314	255,547	261,936
Utilities	Energy Cost Inflation		870,114	1,143,845	897,831	969,657	1,047,230	1,120,536	1,198,974
Outside Services	General Cost Inflation		799,355	851,939	1,034,393	1,065,424	1,092,060	1,119,361	1,147,345
Vehicle & Equipment	General Cost Inflation		72,708	100,359	105,822	108,997	111,722	114,515	117,378
Treatment Reimbursable	***Escalated As Weighted Average of Other Costs***		(4,069,248)	(4,456,373)	(4,818,187)	(5,128,864)	(5,365,492)	(5,603,624)	(5,853,660)
40% of Reimburs: Contract Treatment Expense - Jpa	***Percent Input on Assumptions***		1,706,804	1,328,689	1,947,543	2,051,546	2,146,197	2,241,449	2,341,464
Other	General Cost Inflation		-	-	-	-	-	-	-
Uncollectible Accounts	General Cost Inflation		-	-	-	-	-	-	-
Corrective Maint. - Labor	Labor Cost Inflation		465	484	551	596	622	650	680
Corrective Maint. - G&A/FB	Labor Cost Inflation		1,107	1,271	893	964	1,008	1,053	1,100
Corrective Maintenance	General Cost Inflation		26,700	27,100	9,000	9,270	9,502	9,739	9,983
New Positions - Labor	Labor Cost Inflation				-	-	-	-	-
New Positions - Fringe	Labor Cost Inflation				-	-	-	-	-
Total Wastewater Expense			**$ 2,171,231**	**$ 2,002,473**	**$ 1,592,560**	**$ 1,673,674**	**$ 1,750,891**	**$ 1,828,599**	**$ 1,910,192**

RANCHO CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

Wastewater Division Revenues and O&M Expenditures

		2023	2024	2025	2026	2027	2028	2029
		FYE 2023	FYE 2024	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029
Engineering								
Labor	Labor Cost Inflation	$ -	$ -	$ -	$ -	$ -	$ -	$ -
G&A/Fringe Benefit	Labor Cost Inflation	-	-	-	-	-	-	-
Materials & Supplies	General Cost Inflation	-	-	-	-	-	-	-
Utilities	Energy Cost Inflation	-	-	-	-	-	-	-
Outside Services	General Cost Inflation	-	-	-	-	-	-	-
Vehicle & Equipment	General Cost Inflation	-	-	-	-	-	-	-
Engineering Oh-Cap. Fee For Serv.	General Cost Inflation	-	-	-	-	-	-	-
Engineering Closed Jobs	General Cost Inflation	-	-	-	-	-	-	-
Resource Engineering	General Cost Inflation	9,522	11,187	7,676	7,906	8,104	8,306	8,514
New Positions - Labor	Labor Cost Inflation			-	-	-	-	-
New Positions - Fringe	Labor Cost Inflation			-	-	-	-	-
Total Engineering		**$ 9,522**	**$ 11,187**	**$ 7,676**	**$ 7,906**	**$ 8,104**	**$ 8,306**	**$ 8,514**
Support								
Labor	Labor Cost Inflation	$ -	$ -	$ -	$ -	$ -	$ -	$ -
G&A/Fringe Benefit	Labor Cost Inflation	-	-	-	-	-	-	-
Materials & Supplies	General Cost Inflation	-	-	-	-	-	-	-
Utilities	Energy Cost Inflation	-	-	-	-	-	-	-
Outside Services	General Cost Inflation	-	-	-	-	-	-	-
Corrective Maintenance	General Cost Inflation	-	-	-	-	-	-	-
Applied Overhead	Labor Cost Inflation	-	-	-	-	-	-	-
Direct Support Allocation	Labor Cost Inflation	245,536	226,542	1,114,942	1,204,138	1,258,324	1,314,948	1,374,121
Adjust to Remove LTE Water Use Tech	Labor Cost Inflation			-	-	-	-	-
New Positions - Labor	Labor Cost Inflation			-	-	-	-	-
New Positions - Fringe	Labor Cost Inflation			-	-	-	-	-
Total Support		**$ 245,536**	**$ 226,542**	**$ 1,114,942**	**$ 1,204,138**	**$ 1,258,324**	**$ 1,314,948**	**$ 1,374,121**
Total Operating Expense		**$ 2,647,490**	**$ 2,488,047**	**$ 2,894,886**	**$ 3,070,817**	**$ 3,207,046**	**$ 3,346,324**	**$ 3,492,159**
		$ 2,647,490	**$ 2,488,047**	**$ 2,894,886**	**$ 3,070,817**	**$ 3,207,046**	**$ 3,346,324**	**$ 3,492,159**
	check	-	-	-	-	-	-	-

APPENDIX D

O&M FUNCTIONALIZATION

RANCHO CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

FUNCTIONALIZATION of O&M - RANCHO Division

Jump to Revenue Requirement by Division

COST ALLOCATION START YEAR	FYE 2025

	NOTES
ALLOCATION BASIS	
Customer and Meter Service	*Costs associated with providing customer service (billing, call center, etc.) as well as meter maintenance and replacement.*
Customer and Meter Service w/ Conservation	*Used for Resource Customer Support costs, a portion is allcoated to Conservation based on the Conservation costs that are budgeted within the Resource Customer Support area.*
Customer and Meter Service w/ Construction	*Based on inut from District staff, 5-percent of labor and benefits, materials and supplies, and vehicles and equipment costs can resonable be allcoated specifically to the construction meter program.*
Distribution	*Costs for operating and maintaining the transmission and distribution system including staff and benefits, maintenance materials, outside services, equipment, and corrective maintenance.*
Support w/ Conservation	*Allcoates a share of Support costs to Conservation based on the Conservation costs that are budgeted within the Support area.*
Support	*Costs for activities that support other District functions and programs. Support costs include finance, board administration, records management, headquarters O&M, procurement, warehouse, planning fringe overhead, and other costs.*
Recharge Import	*Costs for purchases of untreated imported water for groundwater recharge.*
Treated Import	*Costs for purchases of treated water.*
Fixed Import Costs	*Fixed costs associated with imported water purchases including the MWD RTS and Capacity charges.*
Production Costs w/ Conservation	*Allcoates a share of Production costs to Conservation based on the Conservation costs that are budgeted within the Production area.*
Production	*Costs for operating and maintaining the production facilities including staff and benefits, production energy, maintenance materials, outside services, equipment, and corrective maintenance.*
Native Well	*Costs for operating and maintaining division specific water production facilities including staff and benefits, maintenance materials, outside services, equipment, and corrective maintenance.*
Energy	*Costs for operating and maintaining booster stations including staff and benefits, energy, maintenance materials, outside services, equipment, and corrective maintenance.*
Santa Margarita	*Cost for purchases of untreated imported water from WMWD for groundwater recharge.*
Recycled Water	*Operating costs for the recycled system including recycled water production, staff and benefits, maintenance materials, outside services, and equipment.*
Engineering	*Costs for District engineering services performed for the benefit of system operations and maintenance.*
General	*Costs that provide a general benefit to the system.*
As Weighed Average	*Allocated as weighted average of all other costs.*

RANCHO CALIFORNIA WATER

WATER FINANCIAL ANALYSIS

FUNCTIONALIZATION of O&M - RANCHO Division

COST ALLOCATION START YEAR

	CUSTOMER AND METER SERVICE	RECYCLED SERVICE	SUPPORT	DISTRIBUTION	RECHARGE IMPORT	CYCLIC IMPORT	INVENTORIED WATER	TREATED IMPORT	VAIL RELEASE	FIXED IMPORT COSTS	PRODUCTION COSTS
ALLOCATION BASIS											
Customer and Meter Service	100.0%										
Customer and Meter Service w/ Conservation	98.6%										
Customer and Meter Service w/ Construction	95.0%										
Distribution				100.0%							
Support w/ Conservation			85.7%								
Support			100.0%								
Recharge Import					100.0%						
Treated Import								100.0%			
Fixed Import Costs										100.0%	
Production Costs w/ Conservation											63.9%
Production											100.0%
Native Well											
Energy											
Santa Margarita											
Recycled Water											
Engineering											
General											
As Weighed Average											

RANCHO CALIFORNIA WATER

WATER FINANCIAL ANALYSIS

FUNCTIONALIZATION of O&M - RANCHO Division

COST ALLOCATION START YEAR

	NATIVE WELL	ENERGY	SANTA MARGARITA	CONSERVATION	CONSTRUCITON	ENGINEERING	RECYCLED SUPPLY	RECYCLED WATER	AS ALL OTHERS	TOTAL
ALLOCATION BASIS										
Customer and Meter Service									0%	100%
Customer and Meter Service w/ Conservation				1.4%					0%	100%
Customer and Meter Service w/ Construction					5.0%					
Distribution									0%	100%
Support w/ Conservation				14.3%					0%	100%
Support									0%	100%
Recharge Import									0%	100%
Treated Import									0%	100%
Fixed Import Costs									0%	100%
Production Costs w/ Conservation				36.1%					0%	100%
Production									0%	100%
Native Well	100.0%								0%	100%
Energy		100.0%							0%	100%
Santa Margarita			100.0%						0%	100%
Recycled Water								100.0%	0%	100%
Engineering						100.0%			0%	100%
General							100.0%		0%	100%
As Weighed Average									100%	100%

RANCHO CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

FUNCTIONALIZATION of O&M - RANCHO Division

Jump to Revenue Requirement by Division

COST ALLOCATION START YEAR	FYE 2025

O&M EXPENDITURES	1-Jul-25	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	NOTES
WATER OPERATING EXPENDITURES							
Source of Supply							
Purchase Water Resource	$ -	$ -	$ -	$ -	$ -	$ -	As Weighed Average
Recharge Import	7,083,500	7,118,088	7,669,633	8,413,284	12,896,710	13,940,359	Recharge Import
Treated Import	12,239,541	12,673,075	13,446,485	14,720,011	10,882,003	11,104,164	Treated Import
Fixed Import Costs	2,622,486	2,889,853	3,072,227	3,425,533	3,819,469	4,010,442	Fixed Import Costs
Production Costs	2,447,257	2,447,257	2,564,030	2,628,131	3,240,436	3,321,447	Production Costs w/ Conservation
Native Well	690,263	690,263	710,971	728,745	746,964	765,638	Native Well
Energy	2,195,252	2,195,252	2,395,576	2,587,223	3,110,904	3,328,667	Production
Purchase Water Santa Mar.	2,971,264	2,991,155	3,150,771	3,471,438	3,869,271	4,147,420	Santa Margarita
New Positions - Labor	-	-	18,666	19,506	131,200	213,582	Production
New Positions - Fringe	-	-	8,484	8,866	61,487	121,193	Production
Booster Pumping							
Labor	$ 116,176	$ 116,176	$ 125,471	$ 131,117	$ 137,017	$ 143,183	Energy
G&A/Fringe Benefit	173,730	173,730	187,629	196,072	204,895	214,116	Energy
Materials & Supplies	133,769	133,769	137,782	141,227	144,758	148,377	Energy
Utilities	1,596,881	1,596,881	1,724,632	1,862,602	1,992,985	2,132,493	Energy
Outside Services	163,877	163,877	168,793	173,013	177,338	181,772	Energy
Vehicle & Equipment	14,371	14,371	14,802	15,172	15,552	15,940	Energy
Other	-	-	-	-	-	-	Energy
Corrective Maint. - Labor	10,903	10,903	11,230	11,511	11,799	12,094	Energy
Corrective Maint. - G&A/FB	17,654	17,654	18,183	18,638	19,104	19,581	Energy
Corrective Maintenance	21,000	21,000	21,630	22,171	22,725	23,293	Energy
New Positions - Labor	-	-	15,611	16,314	47,941	71,419	Energy
New Positions - Fringe	-	-	7,096	7,415	22,307	39,184	Energy
Transmission & Distribution							
Labor	$ 1,404,569	$ 1,404,569	$ 1,516,935	$ 1,585,197	$ 1,656,531	$ 1,731,075	Distribution
G&A/Fringe Benefit	1,908,593	1,908,593	2,061,281	2,154,038	2,250,970	2,352,264	Distribution
Materials & Supplies	66,416	66,416	68,408	70,119	71,872	73,668	Distribution
Utilities	-	-	-	-	-	-	Distribution
Outside Services	257,814	257,814	265,548	272,187	278,992	285,967	Distribution
Vehicle & Equipment	157,879	157,879	162,616	166,681	170,848	175,119	Distribution
Service Connect. - Labor	17,378	17,378	18,768	19,612	20,495	21,417	Distribution
Service Connect. - G&A/FB	28,136	28,136	30,387	31,755	33,183	34,677	Distribution
Service Connection Expense	100,000	100,000	103,000	105,575	108,214	110,920	Distribution
Corrective Maint. - Labor	403,850	403,850	436,158	455,786	476,296	497,729	Distribution
Corrective Maint. - G&A/FB	653,874	653,874	706,184	737,962	771,171	805,873	Distribution
Corrective Maintenance	853,906	853,906	879,523	901,511	924,049	947,150	Distribution
New Positions - Labor	-	-	12,977	88,465	92,446	96,606	Distribution
New Positions - Fringe	-	-	5,898	39,370	41,141	42,993	Distribution

RANCHO CALIFORNIA WATER

WATER FINANCIAL ANALYSIS

FUNCTIONALIZATION of O&M - RANCHO Division

COST ALLOCATION START YEAR

O&M EXPENDITURES	CUSTOMER AND METER SERVICE	RECYCLED SERVICE	SUPPORT	DISTRIBUTION	RECHARGE IMPORT	CYCLIC IMPORT	INVENTORIED WATER	TREATED IMPORT	VAIL RELEASE	FIXED IMPORT COSTS	PRODUCTION COSTS
	CUSTOMER AND METER SERVICE	RECYCLED SERVICE	SUPPORT	DISTRIBUTION	RECHARGE IMPORT	CYCLIC IMPORT	INVENTORIED WATER	TREATED IMPORT	VAIL RELEASE	FIXED IMPORT COSTS	PRODUCTION COSTS
WATER OPERATING EXPENDITURES											
Source of Supply											
Purchase Water Resource	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Recharge Import	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Treated Import	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%
Fixed Import Costs	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%
Production Costs	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	63.9%
Native Well	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Energy	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
Purchase Water Santa Mar.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
New Positions - Labor	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
New Positions - Fringe	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
Booster Pumping											
Labor	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
G&A/Fringe Benefit	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Materials & Supplies	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Utilities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Outside Services	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Vehicle & Equipment	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Corrective Maint. - Labor	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Corrective Maint. - G&A/FB	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Corrective Maintenance	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
New Positions - Labor	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
New Positions - Fringe	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Transmission & Distribution											
Labor	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
G&A/Fringe Benefit	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Materials & Supplies	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Utilities	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Outside Services	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Vehicle & Equipment	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Service Connect. - Labor	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Service Connect. - G&A/FB	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Service Connection Expense	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Corrective Maint. - Labor	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Corrective Maint. - G&A/FB	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Corrective Maintenance	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
New Positions - Labor	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
New Positions - Fringe	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

RANCHO CALIFORNIA WATER

WATER FINANCIAL ANALYSIS

FUNCTIONALIZATION of O&M - RANCHO Division

COST ALLOCATION START YEAR

	NATIVE WELL	ENERGY	SANTA MARGARITA	CONSERVATION	CONSTRUCITON	ENGINEERING	RECYCLED SUPPLY	RECYCLED WATER	AS ALL OTHERS	TOTAL
O&M EXPENDITURES	NATIVE WELL	ENERGY	SANTA MARGARITA	CONSERVATION	CONSTRUCITON	ENGINEERING	RECYCLED SUPPLY	RECYCLED WATER	AS ALL OTHERS	TOTAL
WATER OPERATING EXPENDITURES										
Source of Supply										
Purchase Water Resource	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	100%
Recharge Import	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100%
Treated Import	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100%
Fixed Import Costs	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100%
Production Costs	0.0%	0.0%	0.0%	36.1%	0.0%	0.0%	0.0%	0.0%	0.0%	100%
Native Well	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100%
Energy	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100%
Purchase Water Santa Mar.	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100%
New Positions - Labor	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100%
New Positions - Fringe	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100%
Booster Pumping										
Labor	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100%
G&A/Fringe Benefit	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100%
Materials & Supplies	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100%
Utilities	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100%
Outside Services	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100%
Vehicle & Equipment	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100%
Other	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100%
Corrective Maint. - Labor	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100%
Corrective Maint. - G&A/FB	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100%
Corrective Maintenance	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100%
New Positions - Labor	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100%
New Positions - Fringe	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100%
Transmission & Distribution										
Labor	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100%
G&A/Fringe Benefit	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100%
Materials & Supplies	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100%
Utilities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100%
Outside Services	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100%
Vehicle & Equipment	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100%
Service Connect. - Labor	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100%
Service Connect. - G&A/FB	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100%
Service Connection Expense	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100%
Corrective Maint. - Labor	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100%
Corrective Maint. - G&A/FB	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100%
Corrective Maintenance	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100%
New Positions - Labor	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100%
New Positions - Fringe	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100%

RANCHO CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

FUNCTIONALIZATION of O&M - RANCHO Division

Jump to Revenue Requirement by Division

COST ALLOCATION START YEAR	FYE 2025

							NOTES
Customer Service							
Labor	$ 535,479	$ 535,479	$ 578,317	$ 604,341	$ 631,537	$ 659,956	Customer and Meter Service w/ Constructio
G&A/Fringe Benefit	776,363	776,363	838,472	876,204	915,633	956,836	Customer and Meter Service w/ Constructio
Materials & Supplies	204,950	204,950	211,099	216,376	221,785	227,330	Customer and Meter Service w/ Constructio
Utilities	-	-	-	-	-	-	Customer and Meter Service
Outside Services	19,300	19,300	19,879	20,376	20,885	21,408	Customer and Meter Service
Vehicle & Equipment	66,239	66,239	68,226	69,932	71,680	73,472	Customer and Meter Service w/ Constructio
Resource Customer Support	1,565,894	1,565,894	1,612,871	1,653,193	1,694,523	1,736,886	Customer and Meter Service w/ Conservatio
Uncollectible Accounts	35,000	35,000	36,050	36,951	37,875	38,822	Customer and Meter Service
New Positions - Labor	-	-	-	-	-	-	Customer and Meter Service
New Positions - Fringe	-	-	-	-	-	-	Customer and Meter Service
Recycled Water							
Joint Facility Recycled Water	$ 1,333,608	$ 1,333,608	$ 1,413,625	$ 1,498,442	$ 1,588,349	$ 1,683,650	Recycled Water
Purchase Recycled Water	-	-	-	-	-	-	Recycled Water
Labor	87,048	87,048	94,012	98,242	102,663	107,283	Recycled Water
G&A/Fringe Benefit	130,171	130,171	140,585	146,912	153,523	160,431	Recycled Water
Materials & Supplies	22,151	22,151	22,815	23,386	23,971	24,570	Recycled Water
Utilities	442,565	442,565	477,970	516,208	552,342	591,006	Recycled Water
Outside Services	315,442	315,442	324,905	333,028	341,354	349,888	Recycled Water
Vehicle & Equipment	10,768	10,768	11,091	11,368	11,652	11,944	Recycled Water
Treatment Reimbursable	-	-	-	-	-	-	Recycled Water
Contract Treatment Expense - Jpa	-	-	-	-	-	-	Recycled Water
Other	-	-	-	-	-	-	Recycled Water
Corrective Maint. - Labor	48,673	48,673	51,970	53,685	55,450	57,264	Recycled Water
Corrective Maint. - G&A/FB	78,807	78,807	84,145	86,922	89,779	92,716	Recycled Water
Corrective Maintenance	76,646	76,646	78,050	79,082	80,118	81,156	Recycled Water
Corrective Maint - Joint Facility	-	-	-	-	-	-	Recycled Water
New Positions - Labor	-	-	-	-	-	-	Recycled Water
New Positions - Fringe	-	-	-	-	-	-	Recycled Water
Engineering							
Labor	$ 54,572	$ 54,572	$ 58,938	$ 61,591	$ 64,362	$ 67,258	Engineering
G&A/Fringe Benefit	53,699	53,699	57,995	60,605	63,332	66,182	Engineering
Materials & Supplies	-	-	-	-	-	-	Engineering
Utilities	-	-	-	-	-	-	Engineering
Outside Services	-	-	-	-	-	-	Engineering
Vehicle & Equipment	6,751	6,751	6,953	7,127	7,305	7,488	Engineering
Engineering Oh-Cap. Fee For Serv.	42,195	42,195	43,461	44,548	45,662	46,803	Engineering
Engineering Closed Jobs	-	-	-	-	-	-	Engineering
Resource Engineering	776,069	776,069	799,351	819,335	839,819	860,814	Engineering
New Positions - Labor	-	-	-	-	-	-	Engineering
New Positions - Fringe	-	-	-	-	-	-	Engineering

RANCHO CALIFORNIA WATER

WATER FINANCIAL ANALYSIS

FUNCTIONALIZATION of O&M - RANCHO Division

COST ALLOCATION START YEAR

	CUSTOMER AND METER SERVICE	RECYCLED SERVICE	SUPPORT	DISTRIBUTION	RECHARGE IMPORT	CYCLIC IMPORT	INVENTORIED WATER	TREATED IMPORT	VAIL RELEASE	FIXED IMPORT COSTS	PRODUCTION COSTS
Customer Service											
Labor	95.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
G&A/Fringe Benefit	95.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Materials & Supplies	95.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Utilities	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Outside Services	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Vehicle & Equipment	95.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Resource Customer Support	98.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Uncollectible Accounts	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
New Positions - Labor	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
New Positions - Fringe	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Recycled Water											
Joint Facility Recycled Water	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Purchase Recycled Water	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Labor	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
G&A/Fringe Benefit	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Materials & Supplies	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Utilities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Outside Services	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Vehicle & Equipment	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Treatment Reimbursable	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Contract Treatment Expense - Jpa	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Corrective Maint. - Labor	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Corrective Maint. - G&A/FB	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Corrective Maintenance	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Corrective Maint - Joint Facility	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
New Positions - Labor	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
New Positions - Fringe	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Engineering											
Labor	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
G&A/Fringe Benefit	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Materials & Supplies	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Utilities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Outside Services	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Vehicle & Equipment	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Engineering Oh-Cap. Fee For Serv.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Engineering Closed Jobs	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Resource Engineering	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
New Positions - Labor	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
New Positions - Fringe	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

RANCHO CALIFORNIA WATER

WATER FINANCIAL ANALYSIS

FUNCTIONALIZATION of O&M - RANCHO Division

COST ALLOCATION START YEAR

	NATIVE WELL	ENERGY	SANTA MARGARITA	CONSERVATION	CONSTRUCITON	ENGINEERING	RECYCLED SUPPLY	RECYCLED WATER	AS ALL OTHERS	TOTAL
Customer Service										
Labor	0.0%	0.0%	0.0%	0.0%	5.0%	0.0%	0.0%	0.0%	0.0%	100%
G&A/Fringe Benefit	0.0%	0.0%	0.0%	0.0%	5.0%	0.0%	0.0%	0.0%	0.0%	100%
Materials & Supplies	0.0%	0.0%	0.0%	0.0%	5.0%	0.0%	0.0%	0.0%	0.0%	100%
Utilities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100%
Outside Services	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100%
Vehicle & Equipment	0.0%	0.0%	0.0%	0.0%	5.0%	0.0%	0.0%	0.0%	0.0%	100%
Resource Customer Support	0.0%	0.0%	0.0%	1.4%	0.0%	0.0%	0.0%	0.0%	0.0%	100%
Uncollectible Accounts	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100%
New Positions - Labor	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100%
New Positions - Fringe	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100%
Recycled Water										
Joint Facility Recycled Water	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	100%
Purchase Recycled Water	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	100%
Labor	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	100%
G&A/Fringe Benefit	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	100%
Materials & Supplies	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	100%
Utilities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	100%
Outside Services	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	100%
Vehicle & Equipment	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	100%
Treatment Reimbursable	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	100%
Contract Treatment Expense - Jpa	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	100%
Other	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	100%
Corrective Maint. - Labor	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	100%
Corrective Maint. - G&A/FB	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	100%
Corrective Maintenance	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	100%
Corrective Maint - Joint Facility	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	100%
New Positions - Labor	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	100%
New Positions - Fringe	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	100%
Engineering										
Labor	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	100%
G&A/Fringe Benefit	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	100%
Materials & Supplies	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	100%
Utilities	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	100%
Outside Services	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	100%
Vehicle & Equipment	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	100%
Engineering Oh-Cap. Fee For Serv.	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	100%
Engineering Closed Jobs	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	100%
Resource Engineering	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	100%
New Positions - Labor	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	100%
New Positions - Fringe	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	100%

RANCHO CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

FUNCTIONALIZATION of O&M - RANCHO Division

Jump to Revenue Requirement by Division

COST ALLOCATION START YEAR	FYE 2025

							NOTES
Support							
Labor	$ -	$ -	$ -	$ -	$ -	$ -	Support
G&A/Fringe Benefit	-	-	-	-	-	-	Support
Materials & Supplies	-	-	-	-	-	-	Support
Utilities	-	-	-	-	-	-	Support
Outside Services	-	-	-	-	-	-	Support
Corrective Maintenance	-	-	-	-	-	-	Support
Applied Overhead	-	-	-	-	-	-	Support
Direct Support Allocation	8,573,755	8,573,755	9,259,655	9,676,339	10,111,775	10,566,804	Support w/ Conservation
Adjust to Remove LTE Water Use Tech	-	-	-	(48,440)	(101,239)	(105,794)	Support w/ Conservation
New Positions - Labor	-	-	-	-	-	-	Support
New Positions - Fringe	-	-	-	-	-	-	Support
Operating Expenditures Sub Total	**$ 53,606,488**	**$ 54,361,869**	**$ 58,027,824**	**$ 62,171,999**	**$ 66,075,205**	**$ 69,513,995**	

1-Jul-25	Allocated O&M
Allocated Costs	
Reallocation of "As All Others"	
Total Allocation	**$ 53,606,488**
Resulting Allocation	*100.00%*

FYE 2025	Allocated O&M
Allocated Costs	
Reallocation of "As All Others"	
Total Allocation	**$ 54,361,869**
Resulting Allocation	*100.00%*

FYE 2026	Allocated O&M
Allocated Costs	
Reallocation of "As All Others"	
Total Allocation	**$ 58,027,824**
Resulting Allocation	*100.00%*

RANCHO CALIFORNIA WATER

WATER FINANCIAL ANALYSIS

FUNCTIONALIZATION of O&M - RANCHO Division

COST ALLOCATION START YEAR

	CUSTOMER AND METER SERVICE	RECYCLED SERVICE	SUPPORT	DISTRIBUTION	RECHARGE IMPORT	CYCLIC IMPORT	INVENTORIED WATER	TREATED IMPORT	VAIL RELEASE	FIXED IMPORT COSTS	PRODUCTION COSTS
Support											
Labor	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
G&A/Fringe Benefit	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Materials & Supplies	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Utilities	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Outside Services	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Corrective Maintenance	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Applied Overhead	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Direct Support Allocation	0.0%	0.0%	85.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Adjust to Remove LTE Water Use Tech	0.0%	0.0%	85.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
New Positions - Labor	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
New Positions - Fringe	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Operating Expenditures Sub Total											

1-Jul-25	CUSTOMER AND METER SERVICE	RECYCLED SERVICE	SUPPORT	DISTRIBUTION	RECHARGE IMPORT	CYCLIC IMPORT	INVENTORIED WATER	TREATED IMPORT	VAIL RELEASE	FIXED IMPORT COSTS	PRODUCTION COSTS
Allocated Costs	$ 3,102,839	$ -	$ 7,343,877	$ 5,852,416	$ 7,083,500	$ -	$ -	$ 12,239,541	$ -	$ 2,622,486	$ 3,759,639
Reallocation of "As All Others"	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Allocation	$ 3,102,839	$ -	$ 7,343,877	$ 5,852,416	$ 7,083,500	$ -	$ -	$ 12,239,541	$ -	$ 2,622,486	$ 3,759,639
Resulting Allocation	*5.79%*	*0.00%*	*13.70%*	*10.92%*	*13.21%*	*0.00%*	*0.00%*	*22.83%*	*0.00%*	*4.89%*	*7.01%*

FYE 2025	CUSTOMER AND METER SERVICE	RECYCLED SERVICE	SUPPORT	DISTRIBUTION	RECHARGE IMPORT	CYCLIC IMPORT	INVENTORIED WATER	TREATED IMPORT	VAIL RELEASE	FIXED IMPORT COSTS	PRODUCTION COSTS
Allocated Costs	$ 3,102,839	$ -	$ 7,343,877	$ 5,852,416	$ 7,118,088	$ -	$ -	$ 12,673,075	$ -	$ 2,889,853	$ 3,759,639
Reallocation of "As All Others"	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Allocation	$ 3,102,839	$ -	$ 7,343,877	$ 5,852,416	$ 7,118,088	$ -	$ -	$ 12,673,075	$ -	$ 2,889,853	$ 3,759,639
Resulting Allocation	*5.71%*	*0.00%*	*13.51%*	*10.77%*	*13.09%*	*0.00%*	*0.00%*	*23.31%*	*0.00%*	*5.32%*	*6.92%*

FYE 2026	CUSTOMER AND METER SERVICE	RECYCLED SERVICE	SUPPORT	DISTRIBUTION	RECHARGE IMPORT	CYCLIC IMPORT	INVENTORIED WATER	TREATED IMPORT	VAIL RELEASE	FIXED IMPORT COSTS	PRODUCTION COSTS
Allocated Costs	$ 3,258,237	$ -	$ 7,931,388	$ 6,267,684	$ 7,669,633	$ -	$ -	$ 13,446,485	$ -	$ 3,072,227	$ 4,061,760
Reallocation of "As All Others"	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Allocation	$ 3,258,237	$ -	$ 7,931,388	$ 6,267,684	$ 7,669,633	$ -	$ -	$ 13,446,485	$ -	$ 3,072,227	$ 4,061,760
Resulting Allocation	*5.61%*	*0.00%*	*13.67%*	*10.80%*	*13.22%*	*0.00%*	*0.00%*	*23.17%*	*0.00%*	*5.29%*	*7.00%*

RANCHO CALIFORNIA WATER

WATER FINANCIAL ANALYSIS

FUNCTIONALIZATION of O&M - RANCHO Division

COST ALLOCATION START YEAR

	NATIVE WELL	ENERGY	SANTA MARGARITA	CONSERVATION	CONSTRUCITON	ENGINEERING	RECYCLED SUPPLY	RECYCLED WATER	AS ALL OTHERS	TOTAL
Support										
Labor	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100%
G&A/Fringe Benefit	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100%
Materials & Supplies	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100%
Utilities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100%
Outside Services	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100%
Corrective Maintenance	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100%
Applied Overhead	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100%
Direct Support Allocation	0.0%	0.0%	0.0%	14.3%	0.0%	0.0%	0.0%	0.0%	0.0%	100%
Adjust to Remove LTE Water Use Tech	0.0%	0.0%	0.0%	14.3%	0.0%	0.0%	0.0%	0.0%	0.0%	100%
New Positions - Labor	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100%
New Positions - Fringe	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100%
Operating Expenditures Sub Total										

1-Jul-25	NATIVE WELL	ENERGY	SANTA MARGARITA	CONSERVATION	CONSTRUCITON	ENGINEERING	RECYCLED SUPPLY	RECYCLED WATER	AS ALL OTHERS	TOTAL
Allocated Costs	$ 690,263	$ 2,248,362	$ 2,971,264	$ 2,133,981	$ 79,152	$ 933,287	$ -	$ 2,545,880	$ -	$ 53,606,488
Reallocation of "As All Others"	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	
Total Allocation	$ 690,263	$ 2,248,362	$ 2,971,264	$ 2,133,981	$ 79,152	$ 933,287	$ -	$ 2,545,880	$ -	$ 53,606,488
Resulting Allocation	*1.29%*	*4.19%*	*5.54%*	*3.98%*	*0.15%*	*1.74%*	*0.00%*	*4.75%*		

FYE 2025	NATIVE WELL	ENERGY	SANTA MARGARITA	CONSERVATION	CONSTRUCITON	ENGINEERING	RECYCLED SUPPLY	RECYCLED WATER	AS ALL OTHERS	TOTAL
Allocated Costs	$ 690,263	$ 2,248,362	$ 2,991,155	$ 2,133,981	$ 79,152	$ 933,287	$ -	$ 2,545,880	$ -	$ 54,361,869
Reallocation of "As All Others"	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	
Total Allocation	$ 690,263	$ 2,248,362	$ 2,991,155	$ 2,133,981	$ 79,152	$ 933,287	$ -	$ 2,545,880	$ -	$ 54,361,869
Resulting Allocation	*1.27%*	*4.14%*	*5.50%*	*3.93%*	*0.15%*	*1.72%*	*0.00%*	*4.68%*		

FYE 2026	NATIVE WELL	ENERGY	SANTA MARGARITA	CONSERVATION	CONSTRUCITON	ENGINEERING	RECYCLED SUPPLY	RECYCLED WATER	AS ALL OTHERS	TOTAL
Allocated Costs	$ 710,971	$ 2,432,859	$ 3,150,771	$ 2,275,135	$ 84,806	$ 966,699	$ -	$ 2,699,169	$ -	$ 58,027,824
Reallocation of "As All Others"	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	
Total Allocation	$ 710,971	$ 2,432,859	$ 3,150,771	$ 2,275,135	$ 84,806	$ 966,699	$ -	$ 2,699,169	$ -	$ 58,027,824
Resulting Allocation	*1.23%*	*4.19%*	*5.43%*	*3.92%*	*0.15%*	*1.67%*	*0.00%*	*4.65%*		

RANCHO CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

FUNCTIONALIZATION of O&M - RANCHO Division

Jump to Revenue Requirement by Division

COST ALLOCATION START YEAR	FYE 2025

NOTES

FYE 2027	Allocated O&M
Allocated Costs	
Reallocation of "As All Others"	
Total Allocation	**$ 62,171,999**
Resulting Allocation	*100.00%*

FYE 2028	Allocated O&M
Allocated Costs	
Reallocation of "As All Others"	
Total Allocation	**$ 66,075,205**
Resulting Allocation	*100.00%*

FYE 2029	Allocated O&M
Allocated Costs	
Reallocation of "As All Others"	
Total Allocation	**$ 69,513,995**
Resulting Allocation	*100.00%*

CHECK	**FYE 2025**	**FYE 2026**	**FYE 2027**	**FYE 2028**	**FYE 2029**
Opearating Expenses from REV. Req	$ 54,361,869	$ 58,027,824	$ 62,171,999	$ 66,075,205	$ 69,513,995
O&M Total Allocation from Functional Allocation	$ 54,361,869	$ 58,027,824	$ 62,171,999	$ 66,075,205	$ 69,513,995
	$ -	$ -	$ -	$ -	$ -
	OKAY	*OKAY*	*OKAY*	*OKAY*	*OKAY*

RANCHO CALIFORNIA WATER

WATER FINANCIAL ANALYSIS

FUNCTIONALIZATION of O&M - RANCHO Division

COST ALLOCATION START YEAR

	CUSTOMER AND METER SERVICE	RECYCLED SERVICE	SUPPORT	DISTRIBUTION	RECHARGE IMPORT	CYCLIC IMPORT	INVENTORIED WATER	TREATED IMPORT	VAIL RELEASE	FIXED IMPORT COSTS	PRODUCTION COSTS
FYE 2027	CUSTOMER AND METER SERVICE	RECYCLED SERVICE	SUPPORT	DISTRIBUTION	RECHARGE IMPORT	CYCLIC IMPORT	INVENTORIED WATER	TREATED IMPORT	VAIL RELEASE	FIXED IMPORT COSTS	PRODUCTION COSTS
Allocated Costs	$ 3,366,612	$ -	$ 8,246,809	$ 6,628,258	$ 8,413,284	$ -	$ -	$ 14,720,011	$ -	$ 3,425,533	$ 4,295,603
Reallocation of "As All Others"	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Allocation	$ 3,366,612	$ -	$ 8,246,809	$ 6,628,258	$ 8,413,284	$ -	$ -	$ 14,720,011	$ -	$ 3,425,533	$ 4,295,603
Resulting Allocation	*5.41%*	*0.00%*	*13.26%*	*10.66%*	*13.53%*	*0.00%*	*0.00%*	*23.68%*	*0.00%*	*5.51%*	*6.91%*
FYE 2028	CUSTOMER AND METER SERVICE	RECYCLED SERVICE	SUPPORT	DISTRIBUTION	RECHARGE IMPORT	CYCLIC IMPORT	INVENTORIED WATER	TREATED IMPORT	VAIL RELEASE	FIXED IMPORT COSTS	PRODUCTION COSTS
Allocated Costs	$ 3,478,907	$ -	$ 8,574,557	$ 6,896,208	$ 12,896,710	$ -	$ -	$ 10,882,003	$ -	$ 3,819,469	$ 5,375,010
Reallocation of "As All Others"	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Allocation	$ 3,478,907	$ -	$ 8,574,557	$ 6,896,208	$ 12,896,710	$ -	$ -	$ 10,882,003	$ -	$ 3,819,469	$ 5,375,010
Resulting Allocation	*5.27%*	*0.00%*	*12.98%*	*10.44%*	*19.52%*	*0.00%*	*0.00%*	*16.47%*	*0.00%*	*5.78%*	*8.13%*
FYE 2029	CUSTOMER AND METER SERVICE	RECYCLED SERVICE	SUPPORT	DISTRIBUTION	RECHARGE IMPORT	CYCLIC IMPORT	INVENTORIED WATER	TREATED IMPORT	VAIL RELEASE	FIXED IMPORT COSTS	PRODUCTION COSTS
Allocated Costs	$ 3,595,276	$ -	$ 8,960,412	$ 7,175,458	$ 13,940,359	$ -	$ -	$ 11,104,164	$ -	$ 4,010,442	$ 5,786,647
Reallocation of "As All Others"	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Allocation	$ 3,595,276	$ -	$ 8,960,412	$ 7,175,458	$ 13,940,359	$ -	$ -	$ 11,104,164	$ -	$ 4,010,442	$ 5,786,647
Resulting Allocation	*5.17%*	*0.00%*	*12.89%*	*10.32%*	*20.05%*	*0.00%*	*0.00%*	*15.97%*	*0.00%*	*5.77%*	*8.32%*

CHECK

Opearating Expenses from REV. Req

O&M Total Allocation from Functional Allocation

RANCHO CALIFORNIA WATER

WATER FINANCIAL ANALYSIS

FUNCTIONALIZATION of O&M - RANCHO Division

COST ALLOCATION START YEAR

	NATIVE WELL	ENERGY	SANTA MARGARITA	CONSERVATION	CONSTRUCITON	ENGINEERING	RECYCLED SUPPLY	RECYCLED WATER	AS ALL OTHERS	TOTAL
FYE 2027	NATIVE WELL	ENERGY	SANTA MARGARITA	CONSERVATION	CONSTRUCITON	ENGINEERING	RECYCLED SUPPLY	RECYCLED WATER	AS ALL OTHERS	TOTAL
Allocated Costs	$ 728,745	$ 2,595,252	$ 3,471,438	$ 2,351,631	$ 88,343	$ 993,206	$ -	$ 2,847,276	$ -	$ 62,171,999
Reallocation of "As All Others"	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	
Total Allocation	$ 728,745	$ 2,595,252	$ 3,471,438	$ 2,351,631	$ 88,343	$ 993,206	$ -	$ 2,847,276	$ -	$ 62,171,999
Resulting Allocation	*1.17%*	*4.17%*	*5.58%*	*3.78%*	*0.14%*	*1.60%*	*0.00%*	*4.58%*		
FYE 2028	NATIVE WELL	ENERGY	SANTA MARGARITA	CONSERVATION	CONSTRUCITON	ENGINEERING	RECYCLED SUPPLY	RECYCLED WATER	AS ALL OTHERS	TOTAL
Allocated Costs	$ 746,964	$ 2,796,420	$ 3,869,271	$ 2,627,974	$ 92,032	$ 1,020,480	$ -	$ 2,999,200	$ -	$ 66,075,205
Reallocation of "As All Others"	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	
Total Allocation	$ 746,964	$ 2,796,420	$ 3,869,271	$ 2,627,974	$ 92,032	$ 1,020,480	$ -	$ 2,999,200	$ -	$ 66,075,205
Resulting Allocation	*1.13%*	*4.23%*	*5.86%*	*3.98%*	*0.14%*	*1.54%*	*0.00%*	*4.54%*		
FYE 2029	NATIVE WELL	ENERGY	SANTA MARGARITA	CONSERVATION	CONSTRUCITON	ENGINEERING	RECYCLED SUPPLY	RECYCLED WATER	AS ALL OTHERS	TOTAL
Allocated Costs	$ 765,638	$ 3,001,452	$ 4,147,420	$ 2,722,393	$ 95,880	$ 1,048,545	$ -	$ 3,159,907	$ -	$ 69,513,995
Reallocation of "As All Others"	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	
Total Allocation	$ 765,638	$ 3,001,452	$ 4,147,420	$ 2,722,393	$ 95,880	$ 1,048,545	$ -	$ 3,159,907	$ -	$ 69,513,995
Resulting Allocation	*1.10%*	*4.32%*	*5.97%*	*3.92%*	*0.14%*	*1.51%*	*0.00%*	*4.55%*		

CHECK

Opearating Expenses from REV. Req

O&M Total Allocation from Functional Allocation

Santa Rosa CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

FUNCTIONALIZATION of O&M - SANTA ROSA Division

Jump to Revenue Requirement by Division

COST ALLOCATION START YEAR	FYE 2025

ALLOCATION BASIS	NOTES
ALLOCATION BASIS	
Customer Account Service	*Costs associated with providing customer service (billing, call center, etc.) as well as meter maintenance and replacement.*
Customer Account Service w/ Conservation	*Used for Resource Customer Support costs, a portion is allcoated to Conservation based on the Conservation costs that are budgeted within the Resource Customer Support area.*
Customer Account Service w/ Construction	*Based on inut from District staff, 5-percent of labor and benefits, materials and supplies, and vehicles and equipment costs can resonable be allcoated specifically to the construction meter program.*
Distribution	*Costs for operating and maintaining the transmission and distribution system including staff and benefits, maintenance materials, outside services, equipment, and corrective maintenance.*
Support	*Costs for activities that support other District functions and programs. Support costs include finance, board administration, records management, headquarters O&M, procurement, warehouse, planning fringe overhead, and other costs.*
Support w/ Conservation	*Allcoates a share of Support costs to Conservation based on the Conservation costs that are budgeted within the Support area.*
Recharge Import	*Costs for purchases of untreated imported water for groundwater recharge.*
Treated Import	*Costs for purchases of treated water.*
Fixed Import Costs	*Fixed costs associated with imported water purchases including the MWD RTS and Capacity charges.*
Production Costs	*Costs for operating and maintaining the production facilities including staff and benefits, production energy, maintenance materials, outside services, equipment, and corrective maintenance.*
Production Costs w/ Conservation	*Allcoates a share of Production costs to Conservation based on the Conservation costs that are budgeted within the Production area.*
Native Well	*Costs for operating and maintaining division specific water production facilities including staff and benefits, maintenance materials, outside services, equipment, and corrective maintenance.*
Energy	*Costs for operating and maintaining booster stations including staff and benefits, energy, maintenance materials, outside services, equipment, and corrective maintenance.*
Santa Margarita	*Cost for purchases of untreated imported water from WMWD for groundwater recharge.*
Recycled Water	*Operating costs for the recycled system including recycled water production, staff and benefits, maintenance materials, outside services, and equipment.*
Engineering	*Costs for District engineering services performed for the benefit of system operations and maintenance.*
General	*Costs that provide a general benefit to the system.*
As Weighed Average	*Allocated as weighted average of all other costs.*

Santa Rosa CALIFORNI

WATER FINANCIAL ANALYSIS

FUNCTIONALIZATION of O&M - SANT.

COST ALLOCATION START YEAR

ALLOCATION BASIS	CUSTOMER ACCOUNT SERVICE	RECYCLED SERVICE	SUPPORT	DISTRIBUTION	RECHARGE IMPORT	CYCLIC IMPORT	INVENTORIED WATER	TREATED IMPORT	VAIL RELEASE	FIXED IMPORT COSTS	PRODUCTION COSTS
ALLOCATION BASIS											
Customer Account Service	100.0%										
Customer Account Service w/ Conservation	98.8%										
Customer Account Service w/ Construction	95.0%										
Distribution				100.0%							
Support			100.0%								
Support w/ Conservation			85.7%								
Recharge Import					100.0%						
Treated Import								100.0%			
Fixed Import Costs										100.0%	
Production Costs											100.0%
Production Costs w/ Conservation											86.9%
Native Well											
Energy											
Santa Margarita											
Recycled Water											
Engineering											
General											
As Weighed Average											

Santa Rosa CALIFORNI

WATER FINANCIAL ANALYSIS

FUNCTIONALIZATION of O&M - SANT.

COST ALLOCATION START YEAR

ALLOCATION BASIS	NATIVE WELL	ENERGY	SANTA MARGARITA	CONSERVATION	CONSTRUCTION	ENGINEERING	RECYCLED SUPPLY	RECYCLED WATER	AS ALL OTHERS
ALLOCATION BASIS									
Customer Account Service									0%
Customer Account Service w/ Conservation				1.2%					
Customer Account Service w/ Construction					5.0%				
Distribution									0%
Support									0%
Support w/ Conservation				14.3%					
Recharge Import									0%
Treated Import									0%
Fixed Import Costs									0%
Production Costs									0%
Production Costs w/ Conservation				13.1%					
Native Well	100.0%								0%
Energy		100.0%							0%
Santa Margarita			100.0%						0%
Recycled Water								100.0%	0%
Engineering						100.0%			0%
General							100.0%		0%
As Weighed Average									100%

Santa Rosa CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

FUNCTIONALIZATION of O&M - SANTA ROSA Division

Jump to Revenue Requirement by Division

COST ALLOCATION START YEAR	FYE 2025

ALLOCATION BASIS							NOTES
O&M EXPENDITURES	1-Jul-25	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	
WATER OPERATING EXPENDITURES							
Source of Supply							
Purchase Water Resource	$ -	$ -	$ -	$ -	$ -	$ -	As Weighed Average
Recharge Import	7,083,500	7,118,088	7,669,633	8,413,284	12,896,710	13,940,359	Recharge Import
Treated Import	10,364,303	10,731,415	11,302,063	12,169,549	7,683,319	7,953,434	Treated Import
Vail Release	-	-	-	-	-	-	Vail Release
Fixed Import Costs	2,278,806	2,511,496	2,670,403	2,977,499	3,319,911	3,485,907	Fixed Import Costs
Production Costs	1,390,732	1,390,732	1,475,809	1,512,705	2,097,124	2,149,552	Production Costs w/ Conservation
Native Well	178,733	178,733	184,095	188,697	193,415	198,250	Native Well
Energy	1,078,721	1,078,721	1,189,722	1,284,900	1,717,419	1,837,638	Production Costs
Purchase Water Santa Mar.	742,816	747,789	787,693	867,860	967,318	1,036,855	Santa Margarita
New Positions - Labor	-	-	10,088	10,542	70,906	115,429	Production Costs
New Positions - Fringe	-	-	4,585	4,792	33,230	65,498	Production Costs
Booster Pumping							
Labor	$ 101,617	$ 101,617	$ 109,747	$ 114,685	$ 119,846	$ 125,239	Energy
G&A/Fringe Benefit	151,959	151,959	164,115	171,501	179,218	187,283	Energy
Materials & Supplies	231,525	231,525	238,471	244,433	250,544	256,807	Energy
Utilities	1,814,299	1,814,299	1,959,443	2,116,198	2,264,332	2,422,836	Energy
Outside Services	251,126	251,126	258,659	265,126	271,754	278,548	Energy
Vehicle & Equipment	12,570	12,570	12,947	13,271	13,603	13,943	Energy
Other	-	-	-	-	-	-	Energy
Corrective Maint. - Labor	11,293	11,293	11,632	11,923	12,221	12,527	Energy
Corrective Maint. - G&A/FB	18,285	18,285	18,834	19,305	19,787	20,282	Energy
Corrective Maintenance	21,000	21,000	21,630	22,171	22,725	23,293	Energy
New Positions - Labor	-	-	13,143	13,734	40,361	60,127	Energy
New Positions - Fringe	-	-	5,974	6,243	18,780	32,989	Energy
Transmission & Distribution							
Labor	$ 924,049	$ 924,049	$ 997,973	$ 1,042,882	$ 1,089,812	$ 1,138,853	Distribution
G&A/Fringe Benefit	1,216,588	1,216,588	1,313,915	1,373,041	1,434,828	1,499,395	Distribution
Materials & Supplies	133,347	133,347	137,347	140,781	144,301	147,908	Distribution
Utilities	-	-	-	-	-	-	Distribution
Outside Services	192,986	192,986	198,775	203,745	208,838	214,059	Distribution
Vehicle & Equipment	100,637	100,637	103,656	106,247	108,903	111,626	Distribution
Service Connect. - Labor	20,337	20,337	21,964	22,952	23,985	25,064	Distribution
Service Connect. - G&A/FB	32,927	32,927	35,561	37,161	38,834	40,581	Distribution
Service Connection Expense	10,000	10,000	10,300	10,558	10,821	11,092	Distribution
Corrective Maint. - Labor	310,064	310,064	334,870	349,939	365,686	382,142	Distribution
Corrective Maint. - G&A/FB	502,025	502,025	542,187	566,586	592,082	618,726	Distribution
Corrective Maintenance	637,771	637,771	656,904	673,327	690,160	707,414	Distribution
New Positions - Labor	-	-	15,777	107,557	112,397	117,455	Distribution
New Positions - Fringe	-	-	7,171	47,866	50,020	52,271	Distribution

Santa Rosa CALIFORNI

WATER FINANCIAL ANALYSIS

FUNCTIONALIZATION of O&M - SANT.

COST ALLOCATION START YEAR

ALLOCATION BASIS	CUSTOMER ACCOUNT SERVICE	RECYCLED SERVICE	SUPPORT	DISTRIBUTION	RECHARGE IMPORT	CYCLIC IMPORT	INVENTORIED WATER	TREATED IMPORT	VAIL RELEASE	FIXED IMPORT COSTS	PRODUCTION COSTS
O&M EXPENDITURES	CUSTOMER ACCOUNT SERVICE	RECYCLED SERVICE	SUPPORT	DISTRIBUTION	RECHARGE IMPORT	CYCLIC IMPORT	INVENTORIED WATER	TREATED IMPORT	VAIL RELEASE	FIXED IMPORT COSTS	PRODUCTION COSTS
WATER OPERATING EXPENDITURES											
Source of Supply											
Purchase Water Resource	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Recharge Import	0%	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%
Treated Import	0%	0%	0%	0%	0%	0%	0%	100%	0%	0%	0%
Vail Release	0%	0%	0%	0%	0%	0%	0%	0%	100%	0%	0%
Fixed Import Costs	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%	0%
Production Costs	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	87%
Native Well	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Energy	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%
Purchase Water Santa Mar.	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
New Positions - Labor	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%
New Positions - Fringe	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%
Booster Pumping											
Labor	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
G&A/Fringe Benefit	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Materials & Supplies	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Utilities	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Outside Services	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Vehicle & Equipment	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Other	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Corrective Maint. - Labor	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Corrective Maint. - G&A/FB	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Corrective Maintenance	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
New Positions - Labor	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
New Positions - Fringe	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Transmission & Distribution											
Labor	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	0%
G&A/Fringe Benefit	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	0%
Materials & Supplies	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	0%
Utilities	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	0%
Outside Services	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	0%
Vehicle & Equipment	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	0%
Service Connect. - Labor	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	0%
Service Connect. - G&A/FB	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	0%
Service Connection Expense	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	0%
Corrective Maint. - Labor	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	0%
Corrective Maint. - G&A/FB	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	0%
Corrective Maintenance	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	0%
New Positions - Labor	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	0%
New Positions - Fringe	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	0%

Santa Rosa CALIFORNI

WATER FINANCIAL ANALYSIS

FUNCTIONALIZATION of O&M - SANT.

COST ALLOCATION START YEAR

ALLOCATION BASIS	NATIVE WELL	ENERGY	SANTA MARGARITA	CONSERVATION	CONSTRUCTION	ENGINEERING	RECYCLED SUPPLY	RECYCLED WATER	AS ALL OTHERS
O&M EXPENDITURES	NATIVE WELL	ENERGY	SANTA MARGARITA	CONSERVATION	CONSTRUCTION	ENGINEERING	RECYCLED SUPPLY	RECYCLED WATER	AS ALL OTHERS
WATER OPERATING EXPENDITURES									
Source of Supply									
Purchase Water Resource	0%	0%	0%	0%	0%	0%	0%	0%	100%
Recharge Import	0%	0%	0%	0%	0%	0%	0%	0%	0%
Treated Import	0%	0%	0%	0%	0%	0%	0%	0%	0%
Vail Release	0%	0%	0%	0%	0%	0%	0%	0%	0%
Fixed Import Costs	0%	0%	0%	0%	0%	0%	0%	0%	0%
Production Costs	0%	0%	0%	13%	0%	0%	0%	0%	0%
Native Well	100%	0%	0%	0%	0%	0%	0%	0%	0%
Energy	0%	0%	0%	0%	0%	0%	0%	0%	0%
Purchase Water Santa Mar.	0%	0%	100%	0%	0%	0%	0%	0%	0%
New Positions - Labor	0%	0%	0%	0%	0%	0%	0%	0%	0%
New Positions - Fringe	0%	0%	0%	0%	0%	0%	0%	0%	0%
Booster Pumping									
Labor	0%	100%	0%	0%	0%	0%	0%	0%	0%
G&A/Fringe Benefit	0%	100%	0%	0%	0%	0%	0%	0%	0%
Materials & Supplies	0%	100%	0%	0%	0%	0%	0%	0%	0%
Utilities	0%	100%	0%	0%	0%	0%	0%	0%	0%
Outside Services	0%	100%	0%	0%	0%	0%	0%	0%	0%
Vehicle & Equipment	0%	100%	0%	0%	0%	0%	0%	0%	0%
Other	0%	100%	0%	0%	0%	0%	0%	0%	0%
Corrective Maint. - Labor	0%	100%	0%	0%	0%	0%	0%	0%	0%
Corrective Maint. - G&A/FB	0%	100%	0%	0%	0%	0%	0%	0%	0%
Corrective Maintenance	0%	100%	0%	0%	0%	0%	0%	0%	0%
New Positions - Labor	0%	100%	0%	0%	0%	0%	0%	0%	0%
New Positions - Fringe	0%	100%	0%	0%	0%	0%	0%	0%	0%
Transmission & Distribution									
Labor	0%	0%	0%	0%	0%	0%	0%	0%	0%
G&A/Fringe Benefit	0%	0%	0%	0%	0%	0%	0%	0%	0%
Materials & Supplies	0%	0%	0%	0%	0%	0%	0%	0%	0%
Utilities	0%	0%	0%	0%	0%	0%	0%	0%	0%
Outside Services	0%	0%	0%	0%	0%	0%	0%	0%	0%
Vehicle & Equipment	0%	0%	0%	0%	0%	0%	0%	0%	0%
Service Connect. - Labor	0%	0%	0%	0%	0%	0%	0%	0%	0%
Service Connect. - G&A/FB	0%	0%	0%	0%	0%	0%	0%	0%	0%
Service Connection Expense	0%	0%	0%	0%	0%	0%	0%	0%	0%
Corrective Maint. - Labor	0%	0%	0%	0%	0%	0%	0%	0%	0%
Corrective Maint. - G&A/FB	0%	0%	0%	0%	0%	0%	0%	0%	0%
Corrective Maintenance	0%	0%	0%	0%	0%	0%	0%	0%	0%
New Positions - Labor	0%	0%	0%	0%	0%	0%	0%	0%	0%
New Positions - Fringe	0%	0%	0%	0%	0%	0%	0%	0%	0%

Santa Rosa CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

FUNCTIONALIZATION of O&M - SANTA ROSA Division

Jump to Revenue Requirement by Division

COST ALLOCATION START YEAR	FYE 2025

ALLOCATION BASIS							NOTES
Customer Service							
Labor	$ 248,059	$ 248,059	$ 267,904	$ 279,959	$ 292,557	$ 305,723	Customer Account Service w/ Construction
G&A/Fringe Benefit	352,156	352,156	380,328	397,443	415,328	434,017	Customer Account Service w/ Construction
Materials & Supplies	52,650	52,650	54,230	55,585	56,975	58,399	Customer Account Service w/ Construction
Utilities	-	-	-	-	-	-	Customer Account Service
Outside Services	16,514	16,514	17,009	17,435	17,871	18,317	Customer Account Service
Vehicle & Equipment	30,685	30,685	31,605	32,396	33,205	34,036	Customer Account Service w/ Construction
Resource Customer Support	388,917	388,917	400,584	410,599	420,864	431,386	Customer Account Service w/ Conservation
Uncollectible Accounts	15,000	15,000	15,450	15,836	16,232	16,638	Customer Account Service
New Positions - Labor	-	-	-	-	-	-	Customer Account Service
New Positions - Fringe	-	-	-	-	-	-	Customer Account Service
Recycled Water							
Joint Facility Recycled Water	$ 476,289	$ 476,289	$ 504,866	$ 535,158	$ 567,267	$ 601,303	Recycled Water
Purchase Recycled Water	-	-	-	-	-	-	Recycled Water
Labor	31,089	31,089	33,576	35,087	36,665	38,315	Recycled Water
G&A/Fringe Benefit	46,490	46,490	50,209	52,468	54,829	57,297	Recycled Water
Materials & Supplies	7,911	7,911	8,148	8,352	8,561	8,775	Recycled Water
Utilities	158,059	158,059	170,704	184,360	197,265	211,074	Recycled Water
Outside Services	112,658	112,658	116,038	118,939	121,912	124,960	Recycled Water
Vehicle & Equipment	3,846	3,846	3,961	4,060	4,162	4,266	Recycled Water
Treatment Reimbursable	-	-	-	-	-	-	Recycled Water
Contract Treatment Expense - Jpa	-	-	-	-	-	-	Recycled Water
Other	-	-	-	-	-	-	Recycled Water
Corrective Maint. - Labor	18,133	18,133	20,180	21,712	23,341	25,072	Recycled Water
Corrective Maint. - G&A/FB	29,359	29,359	32,674	35,154	37,791	40,594	Recycled Water
Corrective Maintenance	28,555	28,555	30,307	31,984	33,725	35,533	Recycled Water
Corrective Maint - Joint Facility	-	-	-	-	-	-	Recycled Water
New Positions - Labor	-	-	-	-	-	-	Recycled Water
New Positions - Fringe	-	-	-	-	-	-	Recycled Water
Engineering							
Labor	$ 36,538	$ 36,538	$ 39,461	$ 41,236	$ 43,092	$ 45,031	Engineering
G&A/Fringe Benefit	35,953	35,953	38,829	40,576	42,402	44,311	Engineering
Materials & Supplies	-	-	-	-	-	-	Engineering
Utilities	-	-	-	-	-	-	Engineering
Outside Services	-	-	-	-	-	-	Engineering
Vehicle & Equipment	4,520	4,520	4,655	4,772	4,891	5,013	Engineering
Engineering Oh-Cap. Fee For Serv.	28,251	28,251	29,098	29,826	30,571	31,336	Engineering
Engineering Closed Jobs	-	-	-	-	-	-	Engineering
Resource Engineering	226,236	226,236	233,023	238,848	244,820	250,940	Engineering
New Positions - Labor	-	-	-	-	-	-	Engineering
New Positions - Fringe	-	-	-	-	-	-	Engineering

Santa Rosa CALIFORNI

WATER FINANCIAL ANALYSIS

FUNCTIONALIZATION of O&M - SANT.

COST ALLOCATION START YEAR

ALLOCATION BASIS	CUSTOMER ACCOUNT SERVICE	RECYCLED SERVICE	SUPPORT	DISTRIBUTION	RECHARGE IMPORT	CYCLIC IMPORT	INVENTORIED WATER	TREATED IMPORT	VAIL RELEASE	FIXED IMPORT COSTS	PRODUCTION COSTS
Customer Service											
Labor	95%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
G&A/Fringe Benefit	95%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Materials & Supplies	95%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Utilities	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Outside Services	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Vehicle & Equipment	95%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Resource Customer Support	99%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Uncollectible Accounts	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
New Positions - Labor	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
New Positions - Fringe	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Recycled Water											
Joint Facility Recycled Water	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Purchase Recycled Water	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Labor	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
G&A/Fringe Benefit	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Materials & Supplies	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Utilities	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Outside Services	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Vehicle & Equipment	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Treatment Reimbursable	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Contract Treatment Expense - Jpa	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Other	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Corrective Maint. - Labor	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Corrective Maint. - G&A/FB	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Corrective Maintenance	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Corrective Maint - Joint Facility	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
New Positions - Labor	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
New Positions - Fringe	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Engineering											
Labor	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
G&A/Fringe Benefit	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Materials & Supplies	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Utilities	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Outside Services	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Vehicle & Equipment	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Engineering Oh-Cap. Fee For Serv.	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Engineering Closed Jobs	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Resource Engineering	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
New Positions - Labor	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
New Positions - Fringe	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

Santa Rosa CALIFORNI

WATER FINANCIAL ANALYSIS

FUNCTIONALIZATION of O&M - SANT.

COST ALLOCATION START YEAR

ALLOCATION BASIS	NATIVE WELL	ENERGY	SANTA MARGARITA	CONSERVATION	CONSTRUCTION	ENGINEERING	RECYCLED SUPPLY	RECYCLED WATER	AS ALL OTHERS
Customer Service									
Labor	0%	0%	0%	0%	5%	0%	0%	0%	0%
G&A/Fringe Benefit	0%	0%	0%	0%	5%	0%	0%	0%	0%
Materials & Supplies	0%	0%	0%	0%	5%	0%	0%	0%	0%
Utilities	0%	0%	0%	0%	0%	0%	0%	0%	0%
Outside Services	0%	0%	0%	0%	0%	0%	0%	0%	0%
Vehicle & Equipment	0%	0%	0%	0%	5%	0%	0%	0%	0%
Resource Customer Support	0%	0%	0%	1%	0%	0%	0%	0%	0%
Uncollectible Accounts	0%	0%	0%	0%	0%	0%	0%	0%	0%
New Positions - Labor	0%	0%	0%	0%	0%	0%	0%	0%	0%
New Positions - Fringe	0%	0%	0%	0%	0%	0%	0%	0%	0%
Recycled Water									
Joint Facility Recycled Water	0%	0%	0%	0%	0%	0%	0%	100%	0%
Purchase Recycled Water	0%	0%	0%	0%	0%	0%	0%	100%	0%
Labor	0%	0%	0%	0%	0%	0%	0%	100%	0%
G&A/Fringe Benefit	0%	0%	0%	0%	0%	0%	0%	100%	0%
Materials & Supplies	0%	0%	0%	0%	0%	0%	0%	100%	0%
Utilities	0%	0%	0%	0%	0%	0%	0%	100%	0%
Outside Services	0%	0%	0%	0%	0%	0%	0%	100%	0%
Vehicle & Equipment	0%	0%	0%	0%	0%	0%	0%	100%	0%
Treatment Reimbursable	0%	0%	0%	0%	0%	0%	0%	100%	0%
Contract Treatment Expense - Jpa	0%	0%	0%	0%	0%	0%	0%	100%	0%
Other	0%	0%	0%	0%	0%	0%	0%	100%	0%
Corrective Maint. - Labor	0%	0%	0%	0%	0%	0%	0%	100%	0%
Corrective Maint. - G&A/FB	0%	0%	0%	0%	0%	0%	0%	100%	0%
Corrective Maintenance	0%	0%	0%	0%	0%	0%	0%	100%	0%
Corrective Maint - Joint Facility	0%	0%	0%	0%	0%	0%	0%	100%	0%
New Positions - Labor	0%	0%	0%	0%	0%	0%	0%	100%	0%
New Positions - Fringe	0%	0%	0%	0%	0%	0%	0%	100%	0%
Engineering									
Labor	0%	0%	0%	0%	0%	100%	0%	0%	0%
G&A/Fringe Benefit	0%	0%	0%	0%	0%	100%	0%	0%	0%
Materials & Supplies	0%	0%	0%	0%	0%	100%	0%	0%	0%
Utilities	0%	0%	0%	0%	0%	100%	0%	0%	0%
Outside Services	0%	0%	0%	0%	0%	100%	0%	0%	0%
Vehicle & Equipment	0%	0%	0%	0%	0%	100%	0%	0%	0%
Engineering Oh-Cap. Fee For Serv.	0%	0%	0%	0%	0%	100%	0%	0%	0%
Engineering Closed Jobs	0%	0%	0%	0%	0%	100%	0%	0%	0%
Resource Engineering	0%	0%	0%	0%	0%	100%	0%	0%	0%
New Positions - Labor	0%	0%	0%	0%	0%	100%	0%	0%	0%
New Positions - Fringe	0%	0%	0%	0%	0%	100%	0%	0%	0%

Santa Rosa CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

FUNCTIONALIZATION of O&M - SANTA ROSA Division

Jump to Revenue Requirement by Division

COST ALLOCATION START YEAR	FYE 2025

ALLOCATION BASIS							NOTES
Support							
Labor	$ -	$ -	$ -	$ -	$ -	$ -	Support
G&A/Fringe Benefit	-	-	-	-	-	-	Support
Materials & Supplies	-	-	-	-	-	-	Support
Utilities	-	-	-	-	-	-	Support
Outside Services	-	-	-	-	-	-	Support
Corrective Maintenance	-	-	-	-	-	-	Support
Applied Overhead	-	-	-	-	-	-	Support
Direct Support Allocation	2,678,549	2,678,549	2,892,833	3,023,011	3,159,046	3,301,203	Support w/ Conservation
Adjust to Remove LTE Water Use Tech	-	-	-	(14,532)	(30,372)	(31,738)	Support w/ Conservation
New Positions - Labor	-	-	-	-	-	-	Support
New Positions - Fringe	-	-	-	-	-	-	Support
Operating Expenditures Sub Total	**$ 34,838,430**	**$ 35,477,793**	**$ 37,860,760**	**$ 40,711,321**	**$ 42,896,192**	**$ 45,375,181**	

1-Jul-25	Allocated O&M	
Allocated Costs		
Reallocation of "As All Others"		
Total Allocation	**$ 34,838,430**	
Resulting Allocation	*100.00%*	

1,298,515.62 $ 11,217,614.00

FYE 2025	Allocated O&M	
Allocated Costs		
Reallocation of "As All Others"		
Total Allocation	**$ 35,477,793**	
Resulting Allocation	*100.00%*	

FYE 2026	Allocated O&M	
Allocated Costs		
Reallocation of "As All Others"		
Total Allocation	**$ 37,860,760**	
Resulting Allocation	*100.00%*	

Santa Rosa CALIFORNI

WATER FINANCIAL ANALYSIS

FUNCTIONALIZATION of O&M - SANT.

COST ALLOCATION START YEAR

ALLOCATION BASIS	CUSTOMER ACCOUNT SERVICE	RECYCLED SERVICE	SUPPORT	DISTRIBUTION	RECHARGE IMPORT	CYCLIC IMPORT	INVENTORIED WATER	TREATED IMPORT	VAIL RELEASE	FIXED IMPORT COSTS	PRODUCTION COSTS
Support											
Labor	0%	0%	100%	0%	0%	0%	0%	0%	0%	0%	0%
G&A/Fringe Benefit	0%	0%	100%	0%	0%	0%	0%	0%	0%	0%	0%
Materials & Supplies	0%	0%	100%	0%	0%	0%	0%	0%	0%	0%	0%
Utilities	0%	0%	100%	0%	0%	0%	0%	0%	0%	0%	0%
Outside Services	0%	0%	100%	0%	0%	0%	0%	0%	0%	0%	0%
Corrective Maintenance	0%	0%	100%	0%	0%	0%	0%	0%	0%	0%	0%
Applied Overhead	0%	0%	100%	0%	0%	0%	0%	0%	0%	0%	0%
Direct Support Allocation	0%	0%	86%	0%	0%	0%	0%	0%	0%	0%	0%
Adjust to Remove LTE Water Use Tech	0%	0%	86%	0%	0%	0%	0%	0%	0%	0%	0%
New Positions - Labor	0%	0%	100%	0%	0%	0%	0%	0%	0%	0%	0%
New Positions - Fringe	0%	0%	100%	0%	0%	0%	0%	0%	0%	0%	0%
Operating Expenditures Sub Total											

1-Jul-25	CUSTOMER ACCOUNT SERVICE	RECYCLED SERVICE	SUPPORT	DISTRIBUTION	RECHARGE IMPORT	CYCLIC IMPORT	INVENTORIED WATER	TREATED IMPORT	VAIL RELEASE	FIXED IMPORT COSTS	PRODUCTION COSTS
Allocated Costs	$ 1,065,037	$ -	$ 2,294,320	$ 4,080,731	$ 7,083,500	$ -	$ -	$ 10,364,303	$ -	$ 2,278,806	$ 2,286,718
Reallocation of "As All Others"	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Allocation	$ 1,065,037	$ -	$ 2,294,320	$ 4,080,731	$ 7,083,500	$ -	$ -	$ 10,364,303	$ -	$ 2,278,806	$ 2,286,718
Resulting Allocation	*3.06%*	*0.00%*	*6.59%*	*11.71%*	*20.33%*	*0.00%*	*0.00%*	*29.75%*	*0.00%*	*6.54%*	*6.56%*

0.115756846

FYE 2025	CUSTOMER ACCOUNT SERVICE	RECYCLED SERVICE	SUPPORT	DISTRIBUTION	RECHARGE IMPORT	CYCLIC IMPORT	INVENTORIED WATER	TREATED IMPORT	VAIL RELEASE	FIXED IMPORT COSTS	PRODUCTION COSTS
Allocated Costs	$ 1,065,037	$ -	$ 2,294,320	$ 4,080,731	$ 7,118,088	$ -	$ -	$ 10,731,415	$ -	$ 2,511,496	$ 2,286,718
Reallocation of "As All Others"	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Allocation	$ 1,065,037	$ -	$ 2,294,320	$ 4,080,731	$ 7,118,088	$ -	$ -	$ 10,731,415	$ -	$ 2,511,496	$ 2,286,718
Resulting Allocation	*3.00%*	*0.00%*	*6.47%*	*11.50%*	*20.06%*	*0.00%*	*0.00%*	*30.25%*	*0.00%*	*7.08%*	*6.45%*

FYE 2026	CUSTOMER ACCOUNT SERVICE	RECYCLED SERVICE	SUPPORT	DISTRIBUTION	RECHARGE IMPORT	CYCLIC IMPORT	INVENTORIED WATER	TREATED IMPORT	VAIL RELEASE	FIXED IMPORT COSTS	PRODUCTION COSTS
Allocated Costs	$ 1,125,498	$ -	$ 2,477,866	$ 4,376,401	$ 7,669,633	$ -	$ -	$ 11,302,063	$ -	$ 2,670,403	$ 2,486,291
Reallocation of "As All Others"	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Allocation	$ 1,125,498	$ -	$ 2,477,866	$ 4,376,401	$ 7,669,633	$ -	$ -	$ 11,302,063	$ -	$ 2,670,403	$ 2,486,291
Resulting Allocation	*2.97%*	*0.00%*	*6.54%*	*11.56%*	*20.26%*	*0.00%*	*0.00%*	*29.85%*	*0.00%*	*7.05%*	*6.57%*

Santa Rosa CALIFORNI

WATER FINANCIAL ANALYSIS

FUNCTIONALIZATION of O&M - SANT.

COST ALLOCATION START YEAR

ALLOCATION BASIS	NATIVE WELL	ENERGY	SANTA MARGARITA	CONSERVATION	CONSTRUCTION	ENGINEERING	RECYCLED SUPPLY	RECYCLED WATER	AS ALL OTHERS
Support									
Labor	0%	0%	0%	0%	0%	0%	0%	0%	0%
G&A/Fringe Benefit	0%	0%	0%	0%	0%	0%	0%	0%	0%
Materials & Supplies	0%	0%	0%	0%	0%	0%	0%	0%	0%
Utilities	0%	0%	0%	0%	0%	0%	0%	0%	0%
Outside Services	0%	0%	0%	0%	0%	0%	0%	0%	0%
Corrective Maintenance	0%	0%	0%	0%	0%	0%	0%	0%	0%
Applied Overhead	0%	0%	0%	0%	0%	0%	0%	0%	0%
Direct Support Allocation	0%	0%	0%	14%	0%	0%	0%	0%	0%
Adjust to Remove LTE Water Use Tech	0%	0%	0%	14%	0%	0%	0%	0%	0%
New Positions - Labor	0%	0%	0%	0%	0%	0%	0%	0%	0%
New Positions - Fringe	0%	0%	0%	0%	0%	0%	0%	0%	0%
Operating Expenditures Sub Total									

1-Jul-25	NATIVE WELL	ENERGY	SANTA MARGARITA	CONSERVATION	CONSTRUCTION	ENGINEERING	RECYCLED SUPPLY	RECYCLED WATER	AS ALL OTHERS
Allocated Costs	$ 178,733	$ 2,613,675	$ 742,816	$ 571,730	$ 34,177	$ 331,497	$ -	$ 912,388	$ -
Reallocation of "As All Others"	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Allocation	$ 178,733	$ 2,613,675	$ 742,816	$ 571,730	$ 34,177	$ 331,497	$ -	$ 912,388	$ -
Resulting Allocation	*0.51%*	*7.50%*	*2.13%*	*1.64%*	*0.10%*	*0.95%*	*0.00%*	*2.62%*	

FYE 2025	NATIVE WELL	ENERGY	SANTA MARGARITA	CONSERVATION	CONSTRUCTION	ENGINEERING	RECYCLED SUPPLY	RECYCLED WATER	AS ALL OTHERS
Allocated Costs	$ 178,733	$ 2,613,675	$ 747,789	$ 571,730	$ 34,177	$ 331,497	$ -	$ 912,388	$ -
Reallocation of "As All Others"	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Allocation	$ 178,733	$ 2,613,675	$ 747,789	$ 571,730	$ 34,177	$ 331,497	$ -	$ 912,388	$ -
Resulting Allocation	*0.50%*	*7.37%*	*2.11%*	*1.61%*	*0.10%*	*0.93%*	*0.00%*	*2.57%*	

FYE 2026	NATIVE WELL	ENERGY	SANTA MARGARITA	CONSERVATION	CONSTRUCTION	ENGINEERING	RECYCLED SUPPLY	RECYCLED WATER	AS ALL OTHERS
Allocated Costs	$ 184,095	$ 2,814,595	$ 787,693	$ 613,790	$ 36,703	$ 345,066	$ -	$ 970,663	$ -
Reallocation of "As All Others"	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Allocation	$ 184,095	$ 2,814,595	$ 787,693	$ 613,790	$ 36,703	$ 345,066	$ -	$ 970,663	$ -
Resulting Allocation	*0.49%*	*7.43%*	*2.08%*	*1.62%*	*0.10%*	*0.91%*	*0.00%*	*2.56%*	

Santa Rosa CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

FUNCTIONALIZATION of O&M - SANTA ROSA Division

Jump to Revenue Requirement by Division

COST ALLOCATION START YEAR	FYE 2025

ALLOCATION BASIS	NOTES

FYE 2027	Allocated O&M
Allocated Costs	
Reallocation of "As All Others"	
Total Allocation	**$ 40,711,321**
Resulting Allocation	*100.00%*

FYE 2028	Allocated O&M
Allocated Costs	
Reallocation of "As All Others"	
Total Allocation	**$ 42,896,192**
Resulting Allocation	*100.00%*

FYE 2029	Allocated O&M
Allocated Costs	
Reallocation of "As All Others"	
Total Allocation	**$ 45,375,181**
Resulting Allocation	*100.00%*

CHECK	**FYE 2025**	**FYE 2026**	**FYE 2027**	**FYE 2028**	**FYE 2029**
Opearating Expenses from REV. Req	$ 35,477,793	$ 37,860,760	$ 40,711,321	$ 42,896,192	$ 45,375,181
O&M Total Allocation from Functional Allocation	$ 35,477,793	$ 37,860,760	$ 40,711,321	$ 42,896,192	$ 45,375,181
	$ -	*$ -*	*$ -*	*$ -*	*$ -*
	OKAY	***OKAY***	***OKAY***	***OKAY***	***OKAY***

Santa Rosa CALIFORNI

WATER FINANCIAL ANALYSIS

FUNCTIONALIZATION of O&M - SANT.

COST ALLOCATION START YEAR

ALLOCATION BASIS	CUSTOMER ACCOUNT SERVICE	RECYCLED SERVICE	SUPPORT	DISTRIBUTION	RECHARGE IMPORT	CYCLIC IMPORT	INVENTORIED WATER	TREATED IMPORT	VAIL RELEASE	FIXED IMPORT COSTS	PRODUCTION COSTS

FYE 2027	CUSTOMER ACCOUNT SERVICE	RECYCLED SERVICE	SUPPORT	DISTRIBUTION	RECHARGE IMPORT	CYCLIC IMPORT	INVENTORIED WATER	TREATED IMPORT	VAIL RELEASE	FIXED IMPORT COSTS	PRODUCTION COSTS
Allocated Costs	$ 1,165,952	$ -	$ 2,576,922	$ 4,682,641	$ 8,413,284	$ -	$ -	$ 12,169,549	$ -	$ 2,977,499	$ 2,614,176
Reallocation of "As All Others"	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Allocation	$ 1,165,952	$ -	$ 2,576,922	$ 4,682,641	$ 8,413,284	$ -	$ -	$ 12,169,549	$ -	$ 2,977,499	$ 2,614,176
Resulting Allocation	2.86%	0.00%	6.33%	11.50%	20.67%	0.00%	0.00%	29.89%	0.00%	7.31%	6.42%

FYE 2028	CUSTOMER ACCOUNT SERVICE	RECYCLED SERVICE	SUPPORT	DISTRIBUTION	RECHARGE IMPORT	CYCLIC IMPORT	INVENTORIED WATER	TREATED IMPORT	VAIL RELEASE	FIXED IMPORT COSTS	PRODUCTION COSTS
Allocated Costs	$ 1,207,971	$ -	$ 2,679,876	$ 4,870,667	$ 12,896,710	$ -	$ -	$ 7,683,319	$ -	$ 3,319,911	$ 3,643,127
Reallocation of "As All Others"	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Allocation	$ 1,207,971	$ -	$ 2,679,876	$ 4,870,667	$ 12,896,710	$ -	$ -	$ 7,683,319	$ -	$ 3,319,911	$ 3,643,127
Resulting Allocation	2.82%	0.00%	6.25%	11.35%	30.06%	0.00%	0.00%	17.91%	0.00%	7.74%	8.49%

FYE 2029	CUSTOMER ACCOUNT SERVICE	RECYCLED SERVICE	SUPPORT	DISTRIBUTION	RECHARGE IMPORT	CYCLIC IMPORT	INVENTORIED WATER	TREATED IMPORT	VAIL RELEASE	FIXED IMPORT COSTS	PRODUCTION COSTS
Allocated Costs	$ 1,251,620	$ -	$ 2,800,471	$ 5,066,586	$ 13,940,359	$ -	$ -	$ 7,953,434	$ -	$ 3,485,907	$ 3,885,676
Reallocation of "As All Others"	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Allocation	$ 1,251,620	$ -	$ 2,800,471	$ 5,066,586	$ 13,940,359	$ -	$ -	$ 7,953,434	$ -	$ 3,485,907	$ 3,885,676
Resulting Allocation	2.76%	0.00%	6.17%	11.17%	30.72%	0.00%	0.00%	17.53%	0.00%	7.68%	8.56%

CHECK

Opearating Expenses from REV. Req

O&M Total Allocation from Functional Allocation

Santa Rosa CALIFORNI

WATER FINANCIAL ANALYSIS

FUNCTIONALIZATION of O&M - SANT.

COST ALLOCATION START YEAR

ALLOCATION BASIS	NATIVE WELL	ENERGY	SANTA MARGARITA	CONSERVATION	CONSTRUCTION	ENGINEERING	RECYCLED SUPPLY	RECYCLED WATER	AS ALL OTHERS

FYE 2027	NATIVE WELL	ENERGY	SANTA MARGARITA	CONSERVATION	CONSTRUCTION	ENGINEERING	RECYCLED SUPPLY	RECYCLED WATER	AS ALL OTHERS
Allocated Costs	$ 188,697	$ 2,998,589	$ 867,860	$ 635,350	$ 38,269	$ 355,259	$ -	$ 1,027,273	$ -
Reallocation of "As All Others"	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Allocation	$ 188,697	$ 2,998,589	$ 867,860	$ 635,350	$ 38,269	$ 355,259	$ -	$ 1,027,273	$ -
Resulting Allocation	*0.46%*	*7.37%*	*2.13%*	*1.56%*	*0.09%*	*0.87%*	*0.00%*	*2.52%*	

FYE 2028	NATIVE WELL	ENERGY	SANTA MARGARITA	CONSERVATION	CONSTRUCTION	ENGINEERING	RECYCLED SUPPLY	RECYCLED WATER	AS ALL OTHERS
Allocated Costs	$ 193,415	$ 3,213,172	$ 967,318	$ 729,507	$ 39,903	$ 365,776	$ -	$ 1,085,519	$ -
Reallocation of "As All Others"	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Allocation	$ 193,415	$ 3,213,172	$ 967,318	$ 729,507	$ 39,903	$ 365,776	$ -	$ 1,085,519	$ -
Resulting Allocation	*0.45%*	*7.49%*	*2.26%*	*1.70%*	*0.09%*	*0.85%*	*0.00%*	*2.53%*	

FYE 2029	NATIVE WELL	ENERGY	SANTA MARGARITA	CONSERVATION	CONSTRUCTION	ENGINEERING	RECYCLED SUPPLY	RECYCLED WATER	AS ALL OTHERS
Allocated Costs	$ 198,250	$ 3,433,873	$ 1,036,855	$ 756,721	$ 41,609	$ 376,631	$ -	$ 1,147,189	$ -
Reallocation of "As All Others"	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Allocation	$ 198,250	$ 3,433,873	$ 1,036,855	$ 756,721	$ 41,609	$ 376,631	$ -	$ 1,147,189	$ -
Resulting Allocation	*0.44%*	*7.57%*	*2.29%*	*1.67%*	*0.09%*	*0.83%*	*0.00%*	*2.53%*	

CHECK

Opearating Expenses from REV. Req

O&M Total Allocation from Functional Allocation

APPENDIX E

RATE COMPONENT ALLOCATIONS

RANCHO CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

FUNCTIONAL ALLOCATION - RANCHO Division

	NOTES
O&M and Revenue Requirement Allocation Factors	
Customer Only	*Applies to customer service related functions.*
Service Only	*Applies to service related functions.*
Customer and Meter Service	*50% to Customer Functions, 50% related to Meter Size, Approximately half of the O&M costs in the Customer Service accounting unit are in the Meter Service Maintenance and Repairs job title*
Customer and Capacity	*Used to allocate Support costs, based on detailed allocation of Support cost line items shown in Appendix F, the resulting allocation is 38% to Customer and 62% to Capacity.*
Production	*All costs allocated to Produciton.*
Energy	*All costs allocated to Energy.*
Construction	*All costs allocated to Construction*
Recharge Import	*All costs allocated to Recharge Import*
Cyclic Import	*All costs allocated to Cyclic Import*
Inventoried Import	*All costs allocated to Inventoried Import*
Treated Import	*All costs allocated to Treated Import*
Vail Release	*All costs allocated to Vail Release*
Santa Margarita	*All costs allocated to Santa Margarita*
Conservation	*All costs allocated to Conservation*
Recycled Supply	*All costs allocated to Recycled Supply*
Fixed Import	*All costs allocated to Fixed Import*
Supply Capital	*All costs allocated to Supply Capital*
As All Others	*As weighted average of all other costs.*
Additional Allocations - Reveue Requirements Only	
Non-Op Reclass - Interest Earnings	*50 percent of interest earnings allocated to Recharge and Santa Margarita, split based on 5-year average volumes*

O&M EXPENDITURES	1-Jul-25	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029
Functionalized RANCHO O&M						
CUSTOMER AND METER SERVICE	$ 3,102,839	$ 3,102,839	$ 3,258,237	$ 3,366,612	$ 3,478,907	$ 3,595,276
RECYCLED SERVICE	-	-	-	-	-	-
SUPPORT	7,343,877	7,343,877	7,931,388	8,246,809	8,574,557	8,960,412
DISTRIBUTION	5,852,416	5,852,416	6,267,684	6,628,258	6,896,208	7,175,458
RECHARGE IMPORT	7,083,500	7,118,088	7,669,633	8,413,284	12,896,710	13,940,359
CYCLIC IMPORT	-	-	-	-	-	-
INVENTORIED WATER	-	-	-	-	-	-
TREATED IMPORT	12,239,541	12,673,075	13,446,485	14,720,011	10,882,003	11,104,164
VAIL RELEASE	-	-	-	-	-	-
FIXED IMPORT COSTS	2,622,486	2,889,853	3,072,227	3,425,533	3,819,469	4,010,442
PRODUCTION COSTS	3,759,639	3,759,639	4,061,760	4,295,603	5,375,010	5,786,647
NATIVE WELL	690,263	690,263	710,971	728,745	746,964	765,638
ENERGY	2,248,362	2,248,362	2,432,859	2,595,252	2,796,420	3,001,452
SANTA MARGARITA	2,971,264	2,991,155	3,150,771	3,471,438	3,869,271	4,147,420
CONSERVATION	2,133,981	2,133,981	2,275,135	2,351,631	2,627,974	2,722,393
CONSTRUCITON	79,152	79,152	84,806	88,343	92,032	95,880
ENGINEERING	933,287	933,287	966,699	993,206	1,020,480	1,048,545
RECYCLED SUPPLY	-	-	-	-	-	-
RECYCLED WATER	2,545,880	2,545,880	2,699,169	2,847,276	2,999,200	3,159,907
Operating Expenditures Sub Total	**$ 53,606,488**	**$ 54,361,869**	**$ 58,027,824**	**$ 62,171,999**	**$ 66,075,205**	**$ 69,513,995**

RANCHO CALIFORNIA WA

WATER FINANCIAL ANALYSIS

FUNCTIONAL ALLOCATION - RANCHO Divisi

		CUSTOMER	METER	CAPACITY	WELL PRODUCTION	CONSERVATION	SUPPLY CAPITAL
O&M and Revenue Requirement Allocation Factors	**In Use**						
Customer Only	Yes	99.5%					
Service Only	Yes			100.0%			
Customer and Meter Service	Yes	50.0%	50.0%				
Customer and Capacity	Yes	38.0%		62.0%			
Production	Yes				100.0%		
Energy	Yes						
Construction	Yes						
Recharge Import	Yes						
Cyclic Import	Yes						
Inventoried Import	Yes						
Treated Import	Yes						
Vail Release	Yes						
Santa Margarita	Yes						
Conservation	Yes					100.0%	
Recycled Supply	Yes						
Fixed Import	Yes						
Supply Capital	Yes						100.0%
As All Others	Yes						
Additional Allocations - Reveue Requirements Only							
Non-Op Reclass - Interest Earnings	Yes						

O&M EXPENDITURES		CUSTOMER	METER	CAPACITY	WELL PRODUCTION	CONSERVATION	SUPPLY CAPITAL
Functionalized RANCHO O&M							
CUSTOMER AND METER SERVICE	Customer and Meter Service	50.0%	50.0%	0.0%	0.0%	0.0%	0.0%
RECYCLED SERVICE	Recycled Supply	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
SUPPORT	Customer and Capacity	38.0%	0.0%	62.0%	0.0%	0.0%	0.0%
DISTRIBUTION	Service Only	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%
RECHARGE IMPORT	Recharge Import	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
CYCLIC IMPORT	Cyclic Import	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
INVENTORIED WATER	Inventoried Import	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
TREATED IMPORT	Treated Import	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
VAIL RELEASE	Vail Release	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FIXED IMPORT COSTS	Fixed Import	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
PRODUCTION COSTS	Production	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%
NATIVE WELL	Production	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%
ENERGY	Energy	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
SANTA MARGARITA	Santa Margarita	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
CONSERVATION	Conservation	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%
CONSTRUCITON	Construction	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
ENGINEERING	Service Only	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%
RECYCLED SUPPLY	Recycled Supply	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
RECYCLED WATER	Recycled Supply	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Operating Expenditures Sub Total							

RANCHO CALIFORNIA WA

WATER FINANCIAL ANALYSIS

FUNCTIONAL ALLOCATION - RANCHO Divisic

	ENERGY	RECHARGE IMPORT	TREATED IMPORT	SANTA MARGARITA	RECYCLED SUPPLY	FIXED IMPORT	CONSTRUCTIO N	AS ALL OTHERS
O&M and Revenue Requirement Allocation Factors								
Customer Only								0%
Service Only								0%
Customer and Meter Service								0%
Customer and Capacity								0%
Production								0%
Energy	100.0%							0%
Construction							100.0%	0%
Recharge Import		100.0%						0%
Cyclic Import								0%
Inventoried Import								0%
Treated Import			100.0%					0%
Vail Release								0%
Santa Margarita				100.0%				0%
Conservation								0%
Recycled Supply					100.0%			0%
Fixed Import						100.0%		0%
Supply Capital								0%
As All Others								100%
Additional Allocations - Reveue Requirements Only								
Non-Op Reclass - Interest Earnings		36.5%		13.5%				50%

O&M EXPENDITURES	ENERGY	RECHARGE IMPORT	TREATED IMPORT	SANTA MARGARITA	RECYCLED SUPPLY	FIXED IMPORT	CONSTRUCTIO N	AS ALL OTHERS
Functionalized RANCHO O&M								
CUSTOMER AND METER SERVICE	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
RECYCLED SERVICE	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%
SUPPORT	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
DISTRIBUTION	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
RECHARGE IMPORT	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
CYCLIC IMPORT	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
INVENTORIED WATER	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
TREATED IMPORT	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
VAIL RELEASE	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FIXED IMPORT COSTS	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%
PRODUCTION COSTS	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
NATIVE WELL	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
ENERGY	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
SANTA MARGARITA	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%
CONSERVATION	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
CONSTRUCITON	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%
ENGINEERING	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
RECYCLED SUPPLY	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%
RECYCLED WATER	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%
Operating Expenditures Sub Total								

RANCHO CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

FUNCTIONAL ALLOCATION - RANCHO Division

NOTES

1-Jul-25	Allocated O&M
Allocated Costs	
Reallocation of "As All Others"	
Total Allocation	**$ 53,606,488**
Resulting Allocation	*100.00%*

FYE 2025	Allocated O&M
Allocated Costs	
Reallocation of "As All Others"	
Total Allocation	**$ 54,361,869**
Resulting Allocation	*100.00%*

FYE 2026	Allocated O&M
Allocated Costs	
Reallocation of "As All Others"	
Total Allocation	**$ 58,027,824**
Resulting Allocation	*100.00%*

FYE 2027	Allocated O&M
Allocated Costs	
Reallocation of "As All Others"	
Total Allocation	**$ 62,171,999**
Resulting Allocation	*100.00%*

FYE 2028	Allocated O&M
Allocated Costs	
Reallocation of "As All Others"	
Total Allocation	**$ 66,075,205**
Resulting Allocation	*100.00%*

FYE 2029	Allocated O&M
Allocated Costs	
Reallocation of "As All Others"	
Total Allocation	**$ 69,513,995**
Resulting Allocation	*100.00%*

RANCHO CALIFORNIA WA

WATER FINANCIAL ANALYSIS

FUNCTIONAL ALLOCATION - RANCHO Divisic

	CUSTOMER	METER	CAPACITY	WELL PRODUCTION	CONSERVATIO N	SUPPLY CAPITAL

1-Jul-25	CUSTOMER	METER	CAPACITY	WELL PRODUCTION	CONSERVATION	SUPPLY CAPITAL
Allocated Costs	$ 4,339,882	$ 1,551,420	$ 11,341,119	$ 4,449,902	$ 2,133,981	$ -
Reallocation of "As All Others"	$ -	$ -	$ -	$ -	$ -	$ -
Total Allocation	$ 4,339,882	$ 1,551,420	$ 11,341,119	$ 4,449,902	$ 2,133,981	$ -
Resulting Allocation	*8.10%*	*2.89%*	*21.16%*	*8.30%*	*3.98%*	*0.00%*

FYE 2025	CUSTOMER	METER	CAPACITY	WELL PRODUCTION	CONSERVATION	SUPPLY CAPITAL
Allocated Costs	$ 4,339,882	$ 1,551,420	$ 11,341,119	$ 4,449,902	$ 2,133,981	$ -
Reallocation of "As All Others"	$ -	$ -	$ -	$ -	$ -	$ -
Total Allocation	$ 4,339,882	$ 1,551,420	$ 11,341,119	$ 4,449,902	$ 2,133,981	$ -
Resulting Allocation	*7.98%*	*2.85%*	*20.86%*	*8.19%*	*3.93%*	*0.00%*

FYE 2026	CUSTOMER	METER	CAPACITY	WELL PRODUCTION	CONSERVATION	SUPPLY CAPITAL
Allocated Costs	$ 4,640,658	$ 1,629,118	$ 12,154,232	$ 4,772,731	$ 2,275,135	$ -
Reallocation of "As All Others"	$ -	$ -	$ -	$ -	$ -	$ -
Total Allocation	$ 4,640,658	$ 1,629,118	$ 12,154,232	$ 4,772,731	$ 2,275,135	$ -
Resulting Allocation	*8.00%*	*2.81%*	*20.95%*	*8.22%*	*3.92%*	*0.00%*

FYE 2027	CUSTOMER	METER	CAPACITY	WELL PRODUCTION	CONSERVATION	SUPPLY CAPITAL
Allocated Costs	$ 4,814,611	$ 1,683,306	$ 12,736,968	$ 5,024,349	$ 2,351,631	$ -
Reallocation of "As All Others"	$ -	$ -	$ -	$ -	$ -	$ -
Total Allocation	$ 4,814,611	$ 1,683,306	$ 12,736,968	$ 5,024,349	$ 2,351,631	$ -
Resulting Allocation	*7.74%*	*2.71%*	*20.49%*	*8.08%*	*3.78%*	*0.00%*

FYE 2028	CUSTOMER	METER	CAPACITY	WELL PRODUCTION	CONSERVATION	SUPPLY CAPITAL
Allocated Costs	$ 4,995,204	$ 1,739,454	$ 13,235,495	$ 6,121,974	$ 2,627,974	$ -
Reallocation of "As All Others"	$ -	$ -	$ -	$ -	$ -	$ -
Total Allocation	$ 4,995,204	$ 1,739,454	$ 13,235,495	$ 6,121,974	$ 2,627,974	$ -
Resulting Allocation	*7.56%*	*2.63%*	*20.03%*	*9.27%*	*3.98%*	*0.00%*

FYE 2029	CUSTOMER	METER	CAPACITY	WELL PRODUCTION	CONSERVATION	SUPPLY CAPITAL
Allocated Costs	$ 5,199,897	$ 1,797,638	$ 13,782,157	$ 6,552,285	$ 2,722,393	$ -
Reallocation of "As All Others"	$ -	$ -	$ -	$ -	$ -	$ -
Total Allocation	$ 5,199,897	$ 1,797,638	$ 13,782,157	$ 6,552,285	$ 2,722,393	$ -
Resulting Allocation	*7.48%*	*2.59%*	*19.83%*	*9.43%*	*3.92%*	*0.00%*

RANCHO CALIFORNIA WA

WATER FINANCIAL ANALYSIS

FUNCTIONAL ALLOCATION - RANCHO Divisic

	ENERGY	RECHARGE IMPORT	TREATED IMPORT	SANTA MARGARITA	RECYCLED SUPPLY	FIXED IMPORT	CONSTRUCTIO N	AS ALL OTHERS
1-Jul-25	ENERGY	RECHARGE IMPORT	TREATED IMPORT	SANTA MARGARITA	RECYCLED SUPPLY	FIXED IMPORT	CONSTRUCTION	AS ALL OTHERS
Allocated Costs	$ 2,248,362	$ 7,083,500	$ 12,239,541	$ 2,971,264	$ 2,545,880	$ 2,622,486	$ 79,152	$ -
Reallocation of "As All Others"	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Allocation	$ 2,248,362	$ 7,083,500	$ 12,239,541	$ 2,971,264	$ 2,545,880	$ 2,622,486	$ 79,152	
Resulting Allocation	*4.19%*	*13.21%*	*22.83%*	*5.54%*	*4.75%*	*4.89%*	*0.15%*	
FYE 2025	ENERGY	RECHARGE IMPORT	TREATED IMPORT	SANTA MARGARITA	RECYCLED SUPPLY	FIXED IMPORT	CONSTRUCTION	AS ALL OTHERS
Allocated Costs	$ 2,248,362	$ 7,118,088	$ 12,673,075	$ 2,991,155	$ 2,545,880	$ 2,889,853	$ 79,152	$ -
Reallocation of "As All Others"	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Allocation	$ 2,248,362	$ 7,118,088	$ 12,673,075	$ 2,991,155	$ 2,545,880	$ 2,889,853	$ 79,152	
Resulting Allocation	*4.14%*	*13.09%*	*23.31%*	*5.50%*	*4.68%*	*5.32%*	*0.15%*	
FYE 2026	ENERGY	RECHARGE IMPORT	TREATED IMPORT	SANTA MARGARITA	RECYCLED SUPPLY	FIXED IMPORT	CONSTRUCTION	AS ALL OTHERS
Allocated Costs	$ 2,432,859	$ 7,669,633	$ 13,446,485	$ 3,150,771	$ 2,699,169	$ 3,072,227	$ 84,806	$ -
Reallocation of "As All Others"	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Allocation	$ 2,432,859	$ 7,669,633	$ 13,446,485	$ 3,150,771	$ 2,699,169	$ 3,072,227	$ 84,806	
Resulting Allocation	*4.19%*	*13.22%*	*23.17%*	*5.43%*	*4.65%*	*5.29%*	*0.15%*	
FYE 2027	ENERGY	RECHARGE IMPORT	TREATED IMPORT	SANTA MARGARITA	RECYCLED SUPPLY	FIXED IMPORT	CONSTRUCTION	AS ALL OTHERS
Allocated Costs	$ 2,595,252	$ 8,413,284	$ 14,720,011	$ 3,471,438	$ 2,847,276	$ 3,425,533	$ 88,343	$ -
Reallocation of "As All Others"	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Allocation	$ 2,595,252	$ 8,413,284	$ 14,720,011	$ 3,471,438	$ 2,847,276	$ 3,425,533	$ 88,343	
Resulting Allocation	*4.17%*	*13.53%*	*23.68%*	*5.58%*	*4.58%*	*5.51%*	*0.14%*	
FYE 2028	ENERGY	RECHARGE IMPORT	TREATED IMPORT	SANTA MARGARITA	RECYCLED SUPPLY	FIXED IMPORT	CONSTRUCTION	AS ALL OTHERS
Allocated Costs	$ 2,796,420	$ 12,896,710	$ 10,882,003	$ 3,869,271	$ 2,999,200	$ 3,819,469	$ 92,032	$ -
Reallocation of "As All Others"	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Allocation	$ 2,796,420	$ 12,896,710	$ 10,882,003	$ 3,869,271	$ 2,999,200	$ 3,819,469	$ 92,032	
Resulting Allocation	*4.23%*	*19.52%*	*16.47%*	*5.86%*	*4.54%*	*5.78%*	*0.14%*	
FYE 2029	ENERGY	RECHARGE IMPORT	TREATED IMPORT	SANTA MARGARITA	RECYCLED SUPPLY	FIXED IMPORT	CONSTRUCTION	AS ALL OTHERS
Allocated Costs	$ 3,001,452	$ 13,940,359	$ 11,104,164	$ 4,147,420	$ 3,159,907	$ 4,010,442	$ 95,880	$ -
Reallocation of "As All Others"	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Allocation	$ 3,001,452	$ 13,940,359	$ 11,104,164	$ 4,147,420	$ 3,159,907	$ 4,010,442	$ 95,880	
Resulting Allocation	*4.32%*	*20.05%*	*15.97%*	*5.97%*	*4.55%*	*5.77%*	*0.14%*	

RANCHO CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

FUNCTIONAL ALLOCATION - RANCHO Division

							NOTES
1-Jul-25	RATE REVENUE REQUIREMENT	FYE 2025					
	Operating Expenses	$ 53,606,488					
	Rate Funded Capital	0					
	Supply Capital Supported by Rates	921,667					
	Cash Flows (assuming full year revenues for July 1 increase)	(1,460,158)					
LESS: Offsetting Revenues							
	Recycled Water Revenue	(1,420,128)					
	Unmetered Construction Water	(6,368)					
	New Service Connections	(145,853)					
	Rental/Lease Income	(611,885)					
	Other Op Rev-Billing	(912,699)					
	Other Op Rev-Engineering	(94,875)					
	Western IDA/Rock Mountain	-					
	Reclass From/(To) Non-Operating	-					
	2016 Refunding Savings	(564,896)					
	Non_Op Interest	(5,800,235)					
	Vail Lake RV Lease	(313,576)					
	From DSCI	(749,018)					
	CalPERS UAL/OPEB and Other	(1,600,520)					
	Interest Earnings on Operating Fund	(1,432,761)					
	Operating Expenditures Sub Total	**$ 39,415,184**	**$ -**	**$ -**	**$ -**	**$ -**	
	Reallocation of "As All Others"						
	Total Allocation All Cost Types	**$ 39,415,184**					
	Resulting Allocation	*100.00%*					
	Allocation Within Cost Type	**$ 39,415,184**					

	Revenue Requirements for Initial Increase	1-Jul-25
	Allocated Non MWD Costs - FYE 2025	$ 22,826,321
	Allocated MWD Costs - Prior to January Increase	$ 16,912,369
	Adjustment to MWD costs to match Rev Req.	$ (323,505)
	Total Allocation All Cost Types	**$ 39,415,184**
		$ -

CHECK	
Rate Revenues before increase	$ 37,717,880
Operating Revenues w/ Increase from REV. Req	$ 39,415,184
Total Allocation from Functional Allocation Above	$ 39,415,184
	$ -
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RANCHO CALIFORNIA WA

WATER FINANCIAL ANALYSIS

FUNCTIONAL ALLOCATION - RANCHO Divisi

		CUSTOMER	METER	CAPACITY	WELL PRODUCTION	CONSERVATION	SUPPLY CAPITAL
1-Jul-25 RATE REVENUE REQUIREMENT		CUSTOMER	METER	CAPACITY	WELL PRODUCTION	CONSERVATION	SUPPLY CAPITAL
Operating Expenses	*[Resulting O&M Allocation]*	$ 4,339,882	$ 1,551,420	$ 11,341,119	$ 4,449,902	$ 2,133,981	$ -
Rate Funded Capital	Service Only	-	-	0	-	-	-
Supply Capital Supported by Rates	Supply Capital	-	-	-	-	-	921,667
	As All Others	-	-	-	-	-	-
Cash Flows (assuming full year revenues for July 1 increase)	As All Others	-	-	-	-	-	-
LESS: Offsetting Revenues							
Recycled Water Revenue	Recycled Supply	-	-	-	-	-	-
Unmetered Construction Water	As All Others	-	-	-	-	-	-
New Service Connections	As All Others	-	-	-	-	-	-
Rental/Lease Income	As All Others	-	-	-	-	-	-
Other Op Rev-Billing	Customer Only	(908,447)	-	-	-	-	-
Other Op Rev-Engineering	Service Only	-	-	(94,875)	-	-	-
Western IDA/Rock Mountain	As All Others	-	-	-	-	-	-
Reclass From/(To) Non-Operating							
2016 Refunding Savings	As All Others	-	-	-	-	-	-
Non_Op Interest	Non-Op Reclass - Interest Earnings	-	-	-	-	-	-
Vail Lake RV Lease	As All Others	-	-	-	-	-	-
From DSCI	As All Others	-	-	-	-	-	-
CalPERS UAL/OPEB and Other	As All Others	-	-	-	-	-	-
Interest Earnings on Operating Fund	Recharge Import	-	-	-	-	-	-
Operating Expenditures Sub Total		**$ 3,431,435**	**$ 1,551,420**	**$ 11,246,243**	**$ 4,449,902**	**$ 2,133,981**	**$ 921,667**
Reallocation of "As All Others"		*$ (612,064)*	*$ (276,726)*	*$ (2,005,988)*	*$ (793,727)*	*$ (380,637)*	*Not Applied*
Total Allocation All Cost Types		**$ 2,819,372**	**$ 1,274,694**	**$ 9,240,256**	**$ 3,656,175**	**$ 1,753,344**	**$ 921,667**
Resulting Allocation		*7.15%*	*3.23%*	*23.44%*	*9.28%*	*4.45%*	*2.34%*
Allocation Within Cost Type		**$ 2,819,372**	**$ 1,274,694**	**$ 9,240,256**	**$ 3,656,175**	**$ 1,753,344**	**$ 921,667**
		14.34%	*6.48%*	*46.99%*	*18.59%*	*8.92%*	*4.69%*

Revenue Requirements for Initial Increase	CUSTOMER	METER	CAPACITY	WELL PRODUCTION	CONSERVATION	SUPPLY CAPITAL
Allocated Non MWD Costs - FYE 2025	$ 2,861,634	$ 1,293,801	$ 9,378,769	$ 3,710,982	$ 1,779,627	$ 921,667
Allocated MWD Costs - Prior to January Increase						
Adjustment to MWD costs to match Rev Req.						
Total Allocation All Cost Types	**$ 2,861,634**	**$ 1,293,801**	**$ 9,378,769**	**$ 3,710,982**	**$ 1,779,627**	**$ 921,667**
	$ 2,861,634	$ 1,293,801	$ 9,378,769	$ 3,710,982	$ 1,779,627	$ 921,667
	$ -	$ -	$ -	$ -	$ -	$ -

CHECK

Rate Revenues before increase

Operating Revenues w/ Increase from REV. Req

Total Allocation from Functional Allocation Above

RANCHO CALIFORNIA WA

WATER FINANCIAL ANALYSIS

FUNCTIONAL ALLOCATION - RANCHO Divisic

1-Jul-25 RATE REVENUE REQUIREMENT	ENERGY	RECHARGE IMPORT	TREATED IMPORT	SANTA MARGARITA	RECYCLED SUPPLY	FIXED IMPORT	CONSTRUCTION	AS ALL OTHERS
Operating Expenses	$ 2,248,362	$ 7,083,500	$ 12,239,541	$ 2,971,264	$ 2,545,880	$ 2,622,486	$ 79,152	
Rate Funded Capital	-	-	-	-	-	-	-	-
Supply Capital Supported by Rates	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Cash Flows (assuming full year revenues for July 1 increase)	-	-	-	-	-	-	-	(1,460,158)
LESS: Offsetting Revenues								
Recycled Water Revenue	-	-	-	-	(1,420,128)	-	-	-
Unmetered Construction Water	-	-	-	-	-	-	-	(6,368)
New Service Connections	-	-	-	-	-	-	-	(145,853)
Rental/Lease Income	-	-	-	-	-	-	-	(611,885)
Other Op Rev-Billing	-	-	-	-	-	-	-	(4,252)
Other Op Rev-Engineering	-	-	-	-	-	-	-	-
Western IDA/Rock Mountain	-	-	-	-	-	-	-	-
Reclass From/(To) Non-Operating								
2016 Refunding Savings	-	-	-	-	-	-	-	(564,896)
Non_Op Interest	-	(2,114,669)	-	(785,448)	-	-	-	(2,900,117)
Vail Lake RV Lease	-	-	-	-	-	-	-	(313,576)
From DSCI	-	-	-	-	-	-	-	(749,018)
CalPERS UAL/OPEB and Other	-	-	-	-	-	-	-	(1,600,520)
Interest Earnings on Operating Fund	-	(1,432,761)	-	-	-	-	-	-
Operating Expenditures Sub Total	**$ 2,248,362**	**$ 3,536,070**	**$ 12,239,541**	**$ 2,185,816**	**$ 1,125,753**	**$ 2,622,486**	**$ 79,152**	**$ (8,356,643)**
Reallocation of "As All Others"	*$ (401,039)*	*$ (630,727)*	*$ (2,183,162)*	*$ (389,883)*	*$ (200,800)*	*$ (467,772)*	*$ (14,118)*	
Total Allocation All Cost Types	**$ 1,847,323**	**$ 2,905,343**	**$ 10,056,379**	**$ 1,795,933**	**$ 924,953**	**$ 2,154,714**	**$ 65,033**	
Resulting Allocation	*4.69%*	*7.37%*	*25.51%*	*4.56%*	*2.35%*	*5.47%*	*0.16%*	
Allocation Within Cost Type	**$ 1,847,323**	**$ 2,905,343**	**$ 10,056,379**	**$ 1,795,933**	**$ 924,953**	**$ 2,154,714**	**$ 65,033**	
	9.35%	*14.71%*	*50.92%*	*9.09%*	*4.68%*	*10.91%*	*0.33%*	

Revenue Requirements for Initial Increase	ENERGY	RECHARGE IMPORT	TREATED IMPORT	SANTA MARGARITA	RECYCLED SUPPLY	FIXED IMPORT	CONSTRUCTION	AS ALL OTHERS
Allocated Non MWD Costs - FYE 2025	$ 1,875,014				$ 938,818		$ 66,008	
Allocated MWD Costs - Prior to January Increase		$ 2,905,343	$ 10,056,379	$ 1,795,933		$ 2,154,714		
Adjustment to MWD costs to match Rev Req.		$ (55,574)	$ (192,362)	$ (34,353)		$ (41,216)		
Total Allocation All Cost Types	**$ 1,875,014**	**$ 2,849,769**	**$ 9,864,017**	**$ 1,761,579**	**$ 938,818**	**$ 2,113,498**	**$ 66,008**	**$ -**
	$ 1,875,014	$ 2,977,739	$ 10,568,671	$ 1,839,442	$ 938,818	$ 2,409,984	$ 66,008	$ -
	$ -	$ (127,971)	$ (704,653)	$ (77,862)	$ -	$ (296,486)	$ -	$ -

CHECK

Rate Revenues before increase

Operating Revenues w/ Increase from REV. Req

Total Allocation from Functional Allocation Above

RANCHO CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

FUNCTIONAL ALLOCATION - RANCHO Division

						NOTES
FYE 2025	RATE REVENUE REQUIREMENT	FYE 2025				
Operating Expenses		$ 54,361,869				
Rate Funded Capital		0				
Supply Capital Supported by Rates		921,667				
Adjustment for Mid Year Increase		603,486				
Cash Flows		(1,612,053)				
LESS: Offsetting Revenues						
Recycled Water Revenue		(1,420,128)				
Unmetered Construction Water		(6,368)				
New Service Connections		(145,853)				
Rental/Lease Income		(611,885)				
Other Op Rev-Billing		(912,699)				
Other Op Rev-Engineering		(94,875)				
Western IDA/Rock Mountain		-				
Reclass From/(To) Non-Operating						
2016 Refunding Savings		(564,896)				
Non_Op Interest		(5,800,235)				
Vail Lake RV Lease		(313,576)				
From DSCI		(749,018)				
CalPERS UAL/OPEB and Other		(1,600,520)				
Interest Earnings on Operating Fund		(1,432,761)				
Operating Expenditures Sub Total		**$ 40,622,156**	**$ -**	**$ -**	**$ -**	**$ -**
	Reallocation of "As All Others"					
Total Allocation All Cost Types		**$ 40,622,156**				
	Resulting Allocation	*100.00%*				
Allocation Within Cost Type		**$ 40,622,156**				

CHECK	
Operating Revenues w/ Increase from REV. Req	40,622,156
Total Allocation from Functional Allocation Above	$ 40,622,156
	$ -
	OKAY

FYE 2026	RATE REVENUE REQUIREMENT	FYE 2026				
Operating Expenses		$ 58,027,824				
Rate Funded Capital		-				
Supply Capital Supported by Rates		921,667				
Adjustment for Mid Year Increase		1,566,151				
Cash Flows		(3,019,967)				
LESS: Offsetting Revenues						
Recycled Water Revenue		(1,561,381)				
Unmetered Construction Water		(6,559)				
New Service Connections		(146,290)				
Rental/Lease Income		(630,242)				
Other Op Rev-Billing		(920,042)				
Other Op Rev-Engineering		(97,722)				
Western IDA/Rock Mountain		-				
Reclass From/(To) Non-Operating						
2016 Refunding Savings		(423,672)				
Non_Op Interest		(6,349,991)				
Vail Lake RV Lease		(332,201)				
From DSCI		(769,243)				
CalPERS UAL/OPEB and Other		(1,423,985)				
Interest Earnings on Operating Fund		(1,022,788)				
Operating Expenditures Sub Total		**$ -**	**$ 43,811,560**	**$ -**	**$ -**	**$ -**
	Reallocation of "As All Others"					
Total Allocation All Cost Types		**$ 43,811,560**				
	Resulting Allocation	*100.00%*				
Allocation Within Cost Type		**$ 43,811,560**				

CHECK	
Operating Revenues w/ Increase from REV. Req	43,811,560
Total Allocation from Functional Allocation Above	$ 43,811,560
	$ -
	OKAY

RANCHO CALIFORNIA WA

WATER FINANCIAL ANALYSIS

FUNCTIONAL ALLOCATION - RANCHO Divisi

		CUSTOMER	METER	CAPACITY	WELL PRODUCTION	CONSERVATION	SUPPLY CAPITAL
FYE 2025	RATE REVENUE REQUIREMENT	CUSTOMER	METER	CAPACITY	WELL PRODUCTION	CONSERVATION	SUPPLY CAPITAL
Operating Expenses	*[Resulting O&M Allocation]*	$ 4,339,882	$ 1,551,420	$ 11,341,119	$ 4,449,902	$ 2,133,981	$ -
Rate Funded Capital	Service Only	-	-	0	-	-	-
Supply Capital Supported by Rates	Supply Capital	-	-	-	-	-	921,667
Adjustment for Mid Year Increase	As All Others	-	-	-	-	-	-
Cash Flows	As All Others	-	-	-	-	-	-
LESS: Offsetting Revenues							
Recycled Water Revenue	Recycled Supply	-	-	-	-	-	-
Unmetered Construction Water	As All Others	-	-	-	-	-	-
New Service Connections	As All Others	-	-	-	-	-	-
Rental/Lease Income	As All Others	-	-	-	-	-	-
Other Op Rev-Billing	Customer Only	(908,447)	-	-	-	-	-
Other Op Rev-Engineering	Service Only	-	-	(94,875)	-	-	-
Western IDA/Rock Mountain	As All Others	-	-	-	-	-	-
Reclass From/(To) Non-Operating							
2016 Refunding Savings	As All Others	-	-	-	-	-	-
Non_Op Interest	Non-Op Reclass - Interest Earnings	-	-	-	-	-	-
Vail Lake RV Lease	As All Others	-	-	-	-	-	-
From DSCI	As All Others	-	-	-	-	-	-
CalPERS UAL/OPEB and Other	As All Others	-	-	-	-	-	-
Interest Earnings on Operating Fund	Recharge Import	-	-	-	-	-	-
Operating Expenditures Sub Total		**$ 3,431,435**	**$ 1,551,420**	**$ 11,246,243**	**$ 4,449,902**	**$ 2,133,981**	**$ 921,667**
Reallocation of "As All Others"		*$ (569,801)*	*$ (257,618)*	*$ (1,867,475)*	*$ (738,920)*	*$ (354,354)*	*Not Applied*
Total Allocation All Cost Types		**$ 2,861,634**	**$ 1,293,801**	**$ 9,378,769**	**$ 3,710,982**	**$ 1,779,627**	**$ 921,667**
Resulting Allocation		*7.04%*	*3.18%*	*23.09%*	*9.14%*	*4.38%*	*2.27%*
Allocation Within Cost Type		**$ 2,861,634**	**$ 1,293,801**	**$ 9,378,769**	**$ 3,710,982**	**$ 1,779,627**	**$ 921,667**
		14.35%	*6.49%*	*47.02%*	*18.60%*	*8.92%*	*4.62%*

CHECK

Operating Revenues w/ Increase from REV. Req

Total Allocation from Functional Allocation Above

		CUSTOMER	METER	CAPACITY	WELL PRODUCTION	CONSERVATION	SUPPLY CAPITAL
FYE 2026	RATE REVENUE REQUIREMENT	CUSTOMER	METER	CAPACITY	WELL PRODUCTION	CONSERVATION	SUPPLY CAPITAL
Operating Expenses	[Resulting O&M Allocation]	$ 4,640,658	$ 1,629,118	$ 12,154,232	$ 4,772,731	$ 2,275,135	$ -
Rate Funded Capital	Service Only	-	-	-	-	-	-
Supply Capital Supported by Rates	Supply Capital	-	-	-	-	-	921,667
Adjustment for Mid Year Increase	As All Others	-	-	-	-	-	-
Cash Flows	As All Others	-	-	-	-	-	-
LESS: Offsetting Revenues							
Recycled Water Revenue	Recycled Supply	-	-	-	-	-	-
Unmetered Construction Water	As All Others	-	-	-	-	-	-
New Service Connections	As All Others	-	-	-	-	-	-
Rental/Lease Income	As All Others	-	-	-	-	-	-
Other Op Rev-Billing	Customer Only	(915,756)	-	-	-	-	-
Other Op Rev-Engineering	Service Only	-	-	(97,722)	-	-	-
Western IDA/Rock Mountain	As All Others	-	-	-	-	-	-
Reclass From/(To) Non-Operating							
2016 Refunding Savings	As All Others	-	-	-	-	-	-
Non_Op Interest	Non-Op Reclass - Interest Earnings	-	-	-	-	-	-
Vail Lake RV Lease	As All Others	-	-	-	-	-	-
From DSCI	As All Others	-	-	-	-	-	-
CalPERS UAL/OPEB and Other	As All Others	-	-	-	-	-	-
Interest Earnings on Operating Fund	Recharge Import	-	-	-	-	-	-
Operating Expenditures Sub Total		**$ 3,724,902**	**$ 1,629,118**	**$ 12,056,510**	**$ 4,772,731**	**$ 2,275,135**	**$ 921,667**
Reallocation of "As All Others"		*$ (607,936)*	*$ (265,886)*	*$ (1,967,727)*	*$ (778,951)*	*$ (371,322)*	*Not Applied*
Total Allocation All Cost Types		**$ 3,116,966**	**$ 1,363,232**	**$ 10,088,783**	**$ 3,993,780**	**$ 1,903,814**	**$ 921,667**
Resulting Allocation		*7.11%*	*3.11%*	*23.03%*	*9.12%*	*4.35%*	*2.10%*
Allocation Within Cost Type		**$ 3,116,966**	**$ 1,363,232**	**$ 10,088,783**	**$ 3,993,780**	**$ 1,903,814**	**$ 921,667**
		14.57%	*6.37%*	*47.17%*	*18.67%*	*8.90%*	*4.31%*

CHECK

Operating Revenues w/ Increase from REV. Req

Total Allocation from Functional Allocation Above

RANCHO CALIFORNIA WA

WATER FINANCIAL ANALYSIS

FUNCTIONAL ALLOCATION - RANCHO Divisic

	ENERGY	RECHARGE IMPORT	TREATED IMPORT	SANTA MARGARITA	RECYCLED SUPPLY	FIXED IMPORT	CONSTRUCTIO N	AS ALL OTHERS
FYE 2025 RATE REVENUE REQUIREMENT	ENERGY	RECHARGE IMPORT	TREATED IMPORT	SANTA MARGARITA	RECYCLED SUPPLY	FIXED IMPORT	CONSTRUCTIO N	AS ALL OTHERS
Operating Expenses	$ 2,248,362	$ 7,118,088	$ 12,673,075	$ 2,991,155	$ 2,545,880	$ 2,889,853	$ 79,152	
Rate Funded Capital	-	-	-	-	-	-	-	-
Supply Capital Supported by Rates	-	-	-	-	-	-	-	-
Adjustment for Mid Year Increase	-	-	-	-	-	-	-	603,486
Cash Flows	-	-	-	-	-	-	-	(1,612,053)
LESS: Offsetting Revenues								
Recycled Water Revenue	-	-	-	-	(1,420,128)	-	-	-
Unmetered Construction Water	-	-	-	-	-	-	-	(6,368)
New Service Connections	-	-	-	-	-	-	-	(145,853)
Rental/Lease Income	-	-	-	-	-	-	-	(611,885)
Other Op Rev-Billing	-	-	-	-	-	-	-	(4,252)
Other Op Rev-Engineering	-	-	-	-	-	-	-	-
Western IDA/Rock Mountain	-	-	-	-	-	-	-	-
Reclass From/(To) Non-Operating								
2016 Refunding Savings	-	-	-	-	-	-	-	(564,896)
Non_Op Interest	-	(2,114,669)	-	(785,448)	-	-	-	(2,900,117)
Vail Lake RV Lease	-	-	-	-	-	-	-	(313,576)
From DSCI	-	-	-	-	-	-	-	(749,018)
CalPERS UAL/OPEB and Other	-	-	-	-	-	-	-	(1,600,520)
Interest Earnings on Operating Fund	-	(1,432,761)	-	-	-	-	-	-
Operating Expenditures Sub Total	**$ 2,248,362**	**$ 3,570,659**	**$ 12,673,075**	**$ 2,205,706**	**$ 1,125,753**	**$ 2,889,853**	**$ 79,152**	**$ (7,905,052)**
Reallocation of "As All Others"	*$ (373,348)*	*$ (592,919)*	*$ (2,104,405)*	*$ (366,265)*	*$ (186,935)*	*$ (479,869)*	*$ (13,143)*	
Total Allocation All Cost Types	**$ 1,875,014**	**$ 2,977,739**	**$ 10,568,671**	**$ 1,839,442**	**$ 938,818**	**$ 2,409,984**	**$ 66,008**	
Resulting Allocation	*4.62%*	*7.33%*	*26.02%*	*4.53%*	*2.31%*	*5.93%*	*0.16%*	
Allocation Within Cost Type	**$ 1,875,014**	**$ 2,977,739**	**$ 10,568,671**	**$ 1,839,442**	**$ 938,818**	**$ 2,409,984**	**$ 66,008**	
	9.07%	*14.40%*	*51.12%*	*8.90%*	*4.54%*	*11.66%*	*0.32%*	

CHECK

Operating Revenues w/ Increase from REV. Req

Total Allocation from Functional Allocation Above

	ENERGY	RECHARGE IMPORT	TREATED IMPORT	SANTA MARGARITA	RECYCLED SUPPLY	FIXED IMPORT	CONSTRUCTIO N	AS ALL OTHERS
FYE 2026 RATE REVENUE REQUIREMENT	ENERGY	RECHARGE IMPORT	TREATED IMPORT	SANTA MARGARITA	RECYCLED SUPPLY	FIXED IMPORT	CONSTRUCTIO N	AS ALL OTHERS
Operating Expenses	$ 2,432,859	$ 7,669,633	$ 13,446,485	$ 3,150,771	$ 2,699,169	$ 3,072,227	$ 84,806	$ -
Rate Funded Capital	-	-	-	-	-	-	-	-
Supply Capital Supported by Rates	-	-	-	-	-	-	-	-
Adjustment for Mid Year Increase	-	-	-	-	-	-	-	1,566,151
Cash Flows	-	-	-	-	-	-	-	(3,019,967)
LESS: Offsetting Revenues								
Recycled Water Revenue	-	-	-	-	(1,561,381)	-	-	-
Unmetered Construction Water	-	-	-	-	-	-	-	(6,559)
New Service Connections	-	-	-	-	-	-	-	(146,290)
Rental/Lease Income	-	-	-	-	-	-	-	(630,242)
Other Op Rev-Billing	-	-	-	-	-	-	-	(4,286)
Other Op Rev-Engineering	-	-	-	-	-	-	-	-
Western IDA/Rock Mountain	-	-	-	-	-	-	-	-
Reclass From/(To) Non-Operating								
2016 Refunding Savings	-	-	-	-	-	-	-	(423,672)
Non_Op Interest	-	(2,315,101)	-	(859,895)	-	-	-	(3,174,996)
Vail Lake RV Lease	-	-	-	-	-	-	-	(332,201)
From DSCI	-	-	-	-	-	-	-	(769,243)
CalPERS UAL/OPEB and Other	-	-	-	-	-	-	-	(1,423,985)
Interest Earnings on Operating Fund	-	(1,022,788)	-	-	-	-	-	-
Operating Expenditures Sub Total	**$ 2,432,859**	**$ 4,331,744**	**$ 13,446,485**	**$ 2,290,876**	**$ 1,137,788**	**$ 3,072,227**	**$ 84,806**	**$ (8,365,290)**
Reallocation of "As All Others"	*$ (397,064)*	*$ (706,978)*	*$ (2,194,583)*	*$ (373,891)*	*$ (185,697)*	*$ (501,414)*	*$ (13,841)*	
Total Allocation All Cost Types	**$ 2,035,796**	**$ 3,624,766**	**$ 11,251,903**	**$ 1,916,986**	**$ 952,091**	**$ 2,570,813**	**$ 70,965**	
Resulting Allocation	*4.65%*	*8.27%*	*25.68%*	*4.38%*	*2.17%*	*5.87%*	*0.16%*	
Allocation Within Cost Type	**$ 2,035,796**	**$ 3,624,766**	**$ 11,251,903**	**$ 1,916,986**	**$ 952,091**	**$ 2,570,813**	**$ 70,965**	
	9.08%	*16.17%*	*50.18%*	*8.55%*	*4.25%*	*11.46%*	*0.32%*	

CHECK

Operating Revenues w/ Increase from REV. Req

Total Allocation from Functional Allocation Above

RANCHO CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

FUNCTIONAL ALLOCATION - RANCHO Division

			NOTES
FYE 2027	RATE REVENUE REQUIREMENT	FYE 2027	
	Operating Expenses	$ 62,171,999	
	Rate Funded Capital	-	
	Supply Capital Supported by Rates	921,667	
	Adjustment for Mid Year Increase	1,691,754	
	Cash Flows	(3,439,113)	
LESS: Offsetting Revenues			
	Recycled Water Revenue	(1,711,811)	
	Unmetered Construction Water	(6,723)	
	New Service Connections	(146,729)	
	Rental/Lease Income	(645,998)	
	Other Op Rev-Billing	(877,041)	
	Other Op Rev-Engineering	(100,165)	
	Western IDA/Rock Mountain	-	
	Reclass From/(To) Non-Operating		
	2016 Refunding Savings	(282,448)	
	Non_Op Interest	(6,314,251)	
	Vail Lake RV Lease	(354,159)	
	From DSCI	(789,724)	
	CalPERS UAL/OPEB and Other	(1,790,988)	
	Interest Earnings on Operating Fund	(1,001,103)	
	Operating Expenditures Sub Total	**$ 47,325,169**	
	Reallocation of "As All Others"		
	Total Allocation All Cost Types	**$ 47,325,169**	
	Resulting Allocation	*100.00%*	
	Allocation Within Cost Type	**$ 47,325,169**	

CHECK	
Operating Revenues w/ Increase from REV. Req	47,325,169
Total Allocation from Functional Allocation Above	$ 47,325,169
	$ -
	OKAY

FYE 2028	RATE REVENUE REQUIREMENT	FYE 2028	
	Operating Expenses	$ 66,075,205	
	Rate Funded Capital	-	
	Supply Capital Supported by Rates	921,667	
	Adjustment for Mid Year Increase	1,825,685	
	Cash Flows	(3,525,561)	
LESS: Offsetting Revenues			
	Recycled Water Revenue	(1,872,982)	
	Unmetered Construction Water	(6,891)	
	New Service Connections	(147,169)	
	Rental/Lease Income	(662,148)	
	Other Op Rev-Billing	(831,087)	
	Other Op Rev-Engineering	(102,669)	
	Western IDA/Rock Mountain	-	
	Reclass From/(To) Non-Operating		
	2016 Refunding Savings	(141,224)	
	Non_Op Interest	(6,151,850)	
	Vail Lake RV Lease	(377,994)	
	From DSCI	(810,467)	
	CalPERS UAL/OPEB and Other	(2,288,324)	
	Interest Earnings on Operating Fund	(832,437)	
	Operating Expenditures Sub Total	**$ 51,071,756**	
	Reallocation of "As All Others"		
	Total Allocation All Cost Types	**$ 51,071,756**	
	Resulting Allocation	*100.00%*	
	Allocation Within Cost Type	**$ 51,071,756**	

CHECK	
Operating Revenues w/ Increase from REV. Req	51,071,756
Total Allocation from Functional Allocation Above	$ 51,071,756
	$ -
	OKAY

RANCHO CALIFORNIA WA

WATER FINANCIAL ANALYSIS

FUNCTIONAL ALLOCATION - RANCHO Divisi

FYE 2027 RATE REVENUE REQUIREMENT		CUSTOMER	METER	CAPACITY	WELL PRODUCTION	CONSERVATION	SUPPLY CAPITAL
		CUSTOMER	METER	CAPACITY	WELL PRODUCTION	CONSERVATION	SUPPLY CAPITAL
Operating Expenses	[Resulting O&M Allocation]	$ 4,814,611	$ 1,683,306	$ 12,736,968	$ 5,024,349	$ 2,351,631	$ -
Rate Funded Capital	Service Only	-	-	-	-	-	-
Supply Capital Supported by Rates	Supply Capital	-	-	-	-	-	921,667
Adjustment for Mid Year Increase	As All Others	-	-	-	-	-	-
Cash Flows	As All Others	-	-	-	-	-	-
LESS: Offsetting Revenues							
Recycled Water Revenue	Recycled Supply	-	-	-	-	-	-
Unmetered Construction Water	As All Others	-	-	-	-	-	-
New Service Connections	As All Others	-	-	-	-	-	-
Rental/Lease Income	As All Others	-	-	-	-	-	-
Other Op Rev-Billing	Customer Only	(872,955)	-	-	-	-	-
Other Op Rev-Engineering	Service Only	-	-	(100,165)	-	-	-
Western IDA/Rock Mountain	As All Others	-	-	-	-	-	-
Reclass From/(To) Non-Operating							
2016 Refunding Savings	As All Others	-	-	-	-	-	-
Non_Op Interest	Non-Op Reclass - Interest Earnings	-	-	-	-	-	-
Vail Lake RV Lease	As All Others	-	-	-	-	-	-
From DSCI	As All Others	-	-	-	-	-	-
CalPERS UAL/OPEB and Other	As All Others	-	-	-	-	-	-
Interest Earnings on Operating Fund	Recharge Import	-	-	-	-	-	-
Operating Expenditures Sub Total		**$ 3,941,656**	**$ 1,683,306**	**$ 12,636,804**	**$ 5,024,349**	**$ 2,351,631**	**$ 921,667**
Reallocation of "As All Others"		*$ (635,846)*	*$ (271,541)*	*$ (2,038,498)*	*$ (810,500)*	*$ (379,352)*	*Not Applied*
Total Allocation All Cost Types		**$ 3,305,810**	**$ 1,411,764**	**$ 10,598,305**	**$ 4,213,849**	**$ 1,972,279**	**$ 921,667**
Resulting Allocation		*6.99%*	*2.98%*	*22.39%*	*8.90%*	*4.17%*	*1.95%*
Allocation Within Cost Type		**$ 3,305,810**	**$ 1,411,764**	**$ 10,598,305**	**$ 4,213,849**	**$ 1,972,279**	**$ 921,667**
		14.74%	*6.30%*	*47.26%*	*18.79%*	*8.80%*	*4.11%*

CHECK

Operating Revenues w/ Increase from REV. Req

Total Allocation from Functional Allocation Above

FYE 2028 RATE REVENUE REQUIREMENT		CUSTOMER	METER	CAPACITY	WELL PRODUCTION	CONSERVATION	SUPPLY CAPITAL
Operating Expenses	[Resulting O&M Allocation]	$ 4,995,204	$ 1,739,454	$ 13,235,495	$ 6,121,974	$ 2,627,974	$ -
Rate Funded Capital	Service Only	-	-	-	-	-	-
Supply Capital Supported by Rates	Supply Capital	-	-	-	-	-	921,667
Adjustment for Mid Year Increase	As All Others	-	-	-	-	-	-
Cash Flows	As All Others	-	-	-	-	-	-
LESS: Offsetting Revenues							
Recycled Water Revenue	Recycled Supply	-	-	-	-	-	-
Unmetered Construction Water	As All Others	-	-	-	-	-	-
New Service Connections	As All Others	-	-	-	-	-	-
Rental/Lease Income	As All Others	-	-	-	-	-	-
Other Op Rev-Billing	Customer Only	(827,215)	-	-	-	-	-
Other Op Rev-Engineering	Service Only	-	-	(102,669)	-	-	-
Western IDA/Rock Mountain	As All Others	-	-	-	-	-	-
Reclass From/(To) Non-Operating							
2016 Refunding Savings	As All Others	-	-	-	-	-	-
Non_Op Interest	Non-Op Reclass - Interest Earnings	-	-	-	-	-	-
Vail Lake RV Lease	As All Others	-	-	-	-	-	-
From DSCI	As All Others	-	-	-	-	-	-
CalPERS UAL/OPEB and Other	As All Others	-	-	-	-	-	-
Interest Earnings on Operating Fund	Recharge Import	-	-	-	-	-	-
Operating Expenditures Sub Total		**$ 4,167,989**	**$ 1,739,454**	**$ 13,132,826**	**$ 6,121,974**	**$ 2,627,974**	**$ 921,667**
Reallocation of "As All Others"		*$ (646,914)*	*$ (269,981)*	*$ (2,038,347)*	*$ (950,192)*	*$ (407,888)*	*Not Applied*
Total Allocation All Cost Types		**$ 3,521,075**	**$ 1,469,473**	**$ 11,094,479**	**$ 5,171,782**	**$ 2,220,086**	**$ 921,667**
Resulting Allocation		*6.89%*	*2.88%*	*21.72%*	*10.13%*	*4.35%*	*1.80%*
Allocation Within Cost Type		**$ 3,521,075**	**$ 1,469,473**	**$ 11,094,479**	**$ 5,171,782**	**$ 2,220,086**	**$ 921,667**
		14.43%	*6.02%*	*45.47%*	*21.20%*	*9.10%*	*3.78%*

CHECK

Operating Revenues w/ Increase from REV. Req

Total Allocation from Functional Allocation Above

RANCHO CALIFORNIA WA

WATER FINANCIAL ANALYSIS

FUNCTIONAL ALLOCATION - RANCHO Divisic

FYE 2027 RATE REVENUE REQUIREMENT	ENERGY	RECHARGE IMPORT	TREATED IMPORT	SANTA MARGARITA	RECYCLED SUPPLY	FIXED IMPORT	CONSTRUCTION	AS ALL OTHERS
	ENERGY	RECHARGE IMPORT	TREATED IMPORT	SANTA MARGARITA	RECYCLED SUPPLY	FIXED IMPORT	CONSTRUCTION	AS ALL OTHERS
Operating Expenses	$ 2,595,252	$ 8,413,284	$ 14,720,011	$ 3,471,438	$ 2,847,276	$ 3,425,533	$ 88,343	$ -
Rate Funded Capital	-	-	-	-	-	-	-	-
Supply Capital Supported by Rates	-	-	-	-	-	-	-	-
Adjustment for Mid Year Increase	-	-	-	-	-	-	-	1,691,754
Cash Flows	-	-	-	-	-	-	-	(3,439,113)
LESS: Offsetting Revenues								
Recycled Water Revenue	-	-	-	-	(1,711,811)	-	-	-
Unmetered Construction Water	-	-	-	-	-	-	-	(6,723)
New Service Connections	-	-	-	-	-	-	-	(146,729)
Rental/Lease Income	-	-	-	-	-	-	-	(645,998)
Other Op Rev-Billing	-	-	-	-	-	-	-	(4,086)
Other Op Rev-Engineering	-	-	-	-	-	-	-	-
Western IDA/Rock Mountain	-	-	-	-	-	-	-	-
Reclass From/(To) Non-Operating								
2016 Refunding Savings	-	-	-	-	-	-	-	(282,448)
Non_Op Interest	-	(2,302,071)	-	(855,055)	-	-	-	(3,157,125)
Vail Lake RV Lease	-	-	-	-	-	-	-	(354,159)
From DSCI	-	-	-	-	-	-	-	(789,724)
CalPERS UAL/OPEB and Other	-	-	-	-	-	-	-	(1,790,988)
Interest Earnings on Operating Fund	-	(1,001,103)	-	-	-	-	-	-
Operating Expenditures Sub Total	**$ 2,595,252**	**$ 5,110,110**	**$ 14,720,011**	**$ 2,616,384**	**$ 1,135,465**	**$ 3,425,533**	**$ 88,343**	**$ (8,925,339)**
Reallocation of "As All Others"	*$ (418,651)*	*$ (824,334)*	*$ (2,374,550)*	*$ (422,060)*	*$ (183,167)*	*$ (552,588)*	*$ (14,251)*	
Total Allocation All Cost Types	**$ 2,176,600**	**$ 4,285,776**	**$ 12,345,461**	**$ 2,194,323**	**$ 952,298**	**$ 2,872,945**	**$ 74,092**	
Resulting Allocation	*4.60%*	*9.06%*	*26.09%*	*4.64%*	*2.01%*	*6.07%*	*0.16%*	
Allocation Within Cost Type	**$ 2,176,600**	**$ 4,285,776**	**$ 12,345,461**	**$ 2,194,323**	**$ 952,298**	**$ 2,872,945**	**$ 74,092**	
	8.74%	*17.21%*	*49.58%*	*8.81%*	*3.82%*	*11.54%*	*0.30%*	

CHECK

Operating Revenues w/ Increase from REV. Req

Total Allocation from Functional Allocation Above

FYE 2028 RATE REVENUE REQUIREMENT	ENERGY	RECHARGE IMPORT	TREATED IMPORT	SANTA MARGARITA	RECYCLED SUPPLY	FIXED IMPORT	CONSTRUCTION	AS ALL OTHERS
Operating Expenses	$ 2,796,420	$ 12,896,710	$ 10,882,003	$ 3,869,271	$ 2,999,200	$ 3,819,469	$ 92,032	$ -
Rate Funded Capital	-	-	-	-	-	-	-	-
Supply Capital Supported by Rates	-	-	-	-	-	-	-	-
Adjustment for Mid Year Increase	-	-	-	-	-	-	-	1,825,685
Cash Flows	-	-	-	-	-	-	-	(3,525,561)
LESS: Offsetting Revenues								
Recycled Water Revenue	-	-	-	-	(1,872,982)	-	-	-
Unmetered Construction Water	-	-	-	-	-	-	-	(6,891)
New Service Connections	-	-	-	-	-	-	-	(147,169)
Rental/Lease Income	-	-	-	-	-	-	-	(662,148)
Other Op Rev-Billing	-	-	-	-	-	-	-	(3,872)
Other Op Rev-Engineering	-	-	-	-	-	-	-	-
Western IDA/Rock Mountain	-	-	-	-	-	-	-	-
Reclass From/(To) Non-Operating								
2016 Refunding Savings	-	-	-	-	-	-	-	(141,224)
Non_Op Interest	-	(2,242,862)	-	(833,063)	-	-	-	(3,075,925)
Vail Lake RV Lease	-	-	-	-	-	-	-	(377,994)
From DSCI	-	-	-	-	-	-	-	(810,467)
CalPERS UAL/OPEB and Other	-	-	-	-	-	-	-	(2,288,324)
Interest Earnings on Operating Fund	-	(832,437)	-	-	-	-	-	-
Operating Expenditures Sub Total	**$ 2,796,420**	**$ 9,821,412**	**$ 10,882,003**	**$ 3,036,208**	**$ 1,126,218**	**$ 3,819,469**	**$ 92,032**	**$ (9,213,890)**
Reallocation of "As All Others"	*$ (434,033)*	*$ (1,524,382)*	*$ (1,688,997)*	*$ (471,250)*	*$ (174,800)*	*$ (592,820)*	*$ (14,284)*	
Total Allocation All Cost Types	**$ 2,362,387**	**$ 8,297,029**	**$ 9,193,006**	**$ 2,564,958**	**$ 951,418**	**$ 3,226,649**	**$ 77,747**	
Resulting Allocation	*4.63%*	*16.25%*	*18.00%*	*5.02%*	*1.86%*	*6.32%*	*0.15%*	
Allocation Within Cost Type	**$ 2,362,387**	**$ 8,297,029**	**$ 9,193,006**	**$ 2,564,958**	**$ 951,418**	**$ 3,226,649**	**$ 77,747**	
	8.86%	*31.11%*	*34.47%*	*9.62%*	*3.57%*	*12.10%*	*0.29%*	

CHECK

Operating Revenues w/ Increase from REV. Req

Total Allocation from Functional Allocation Above

RANCHO CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

FUNCTIONAL ALLOCATION - RANCHO Division

		NOTES	
FYE 2029	RATE REVENUE REQUIREMENT		FYE 2029
	Operating Expenses		$ 69,513,995
	Rate Funded Capital		-
	Supply Capital Supported by Rates		921,667
	Adjustment for Mid Year Increase		1,959,293
	Cash Flows		(3,027,065)
LESS: Offsetting Revenues			
	Recycled Water Revenue		(2,045,614)
	Unmetered Construction Water		(7,063)
	New Service Connections		(147,611)
	Rental/Lease Income		(678,702)
	Other Op Rev-Billing		(833,580)
	Other Op Rev-Engineering		(105,235)
	Western IDA/Rock Mountain		-
	Reclass From/(To) Non-Operating		
	2016 Refunding Savings		-
	Non_Op Interest		(6,274,482)
	Vail Lake RV Lease		(482,484)
	From DSCI		(831,479)
	CalPERS UAL/OPEB and Other		(2,425,660)
	Interest Earnings on Operating Fund		(726,670)
	Operating Expenditures Sub Total		**$ 54,809,310**
	Reallocation of "As All Others"		
	Total Allocation All Cost Types	**$ 54,809,310**	
	Resulting Allocation	*100.00%*	
	Allocation Within Cost Type	**$ 54,809,310**	

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Operating Revenues w/ Increase from REV. Req	54,809,310
Total Allocation from Functional Allocation Above	$ 54,809,310
	$ -
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RANCHO CALIFORNIA WA

WATER FINANCIAL ANALYSIS

FUNCTIONAL ALLOCATION - RANCHO Divisic

			CUSTOMER	METER	CAPACITY	WELL PRODUCTION	CONSERVATIO N	SUPPLY CAPITAL
FYE 2029	RATE REVENUE REQUIREMENT		CUSTOMER	METER	CAPACITY	WELL PRODUCTION	CONSERVATIO N	SUPPLY CAPITAL
	Operating Expenses	[Resulting O&M Allocation]	$ 5,199,897	$ 1,797,638	$ 13,782,157	$ 6,552,285	$ 2,722,393	$ -
	Rate Funded Capital	Service Only	-	-	-	-	-	-
	Supply Capital Supported by Rates	Supply Capital	-	-	-	-	-	921,667
	Adjustment for Mid Year Increase	As All Others	-	-	-	-	-	-
	Cash Flows	As All Others	-	-	-	-	-	-
LESS: Offsetting Revenues								
	Recycled Water Revenue	Recycled Supply	-	-	-	-	-	-
	Unmetered Construction Water	As All Others	-	-	-	-	-	-
	New Service Connections	As All Others	-	-	-	-	-	-
	Rental/Lease Income	As All Others	-	-	-	-	-	-
	Other Op Rev-Billing	Customer Only	(829,697)	-	-	-	-	-
	Other Op Rev-Engineering	Service Only	-	-	(105,235)	-	-	-
	Western IDA/Rock Mountain	As All Others	-	-	-	-	-	-
	Reclass From/(To) Non-Operating							
	2016 Refunding Savings	As All Others	-	-	-	-	-	-
	Non_Op Interest	Non-Op Reclass - Interest Earnings	-	-	-	-	-	-
	Vail Lake RV Lease	As All Others	-	-	-	-	-	-
	From DSCI	As All Others	-	-	-	-	-	-
	CalPERS UAL/OPEB and Other	As All Others	-	-	-	-	-	-
	Interest Earnings on Operating Fund	Recharge Import	-	-	-	-	-	-
	Operating Expenditures Sub Total		**$ 4,370,201**	**$ 1,797,638**	**$ 13,676,922**	**$ 6,552,285**	**$ 2,722,393**	**$ 921,667**
	Reallocation of "As All Others"		*$ (612,397)*	*$ (251,903)*	*$ (1,916,550)*	*$ (918,173)*	*$ (381,489)*	*Not Applied*
	Total Allocation All Cost Types		**$ 3,757,804**	**$ 1,545,735**	**$ 11,760,372**	**$ 5,634,112**	**$ 2,340,903**	**$ 921,667**
	Resulting Allocation		*6.86%*	*2.82%*	*21.46%*	*10.28%*	*4.27%*	*1.68%*
	Allocation Within Cost Type		**$ 3,757,804**	**$ 1,545,735**	**$ 11,760,372**	**$ 5,634,112**	**$ 2,340,903**	**$ 921,667**
			14.48%	*5.95%*	*45.30%*	*21.70%*	*9.02%*	*3.55%*

CHECK

Operating Revenues w/ Increase from REV. Req

Total Allocation from Functional Allocation Above

RANCHO CALIFORNIA WA

WATER FINANCIAL ANALYSIS

FUNCTIONAL ALLOCATION - RANCHO Divisic

	ENERGY	RECHARGE IMPORT	TREATED IMPORT	SANTA MARGARITA	RECYCLED SUPPLY	FIXED IMPORT	CONSTRUCTIO N	AS ALL OTHERS
FYE 2029 RATE REVENUE REQUIREMENT	ENERGY	RECHARGE IMPORT	TREATED IMPORT	SANTA MARGARITA	RECYCLED SUPPLY	FIXED IMPORT	CONSTRUCTIO N	AS ALL OTHERS
Operating Expenses	$ 3,001,452	$ 13,940,359	$ 11,104,164	$ 4,147,420	$ 3,159,907	$ 4,010,442	$ 95,880	$ -
Rate Funded Capital	-	-	-	-	-	-	-	-
Supply Capital Supported by Rates	-	-	-	-	-	-	-	-
Adjustment for Mid Year Increase	-	-	-	-	-	-	-	1,959,293
Cash Flows	-	-	-	-	-	-	-	(3,027,065)
LESS: Offsetting Revenues								
Recycled Water Revenue	-	-	-	-	(2,045,614)	-	-	-
Unmetered Construction Water	-	-	-	-	-	-	-	(7,063)
New Service Connections	-	-	-	-	-	-	-	(147,611)
Rental/Lease Income	-	-	-	-	-	-	-	(678,702)
Other Op Rev-Billing	-	-	-	-	-	-	-	(3,884)
Other Op Rev-Engineering	-	-	-	-	-	-	-	-
Western IDA/Rock Mountain	-	-	-	-	-	-	-	-
Reclass From/(To) Non-Operating								
2016 Refunding Savings	-	-	-	-	-	-	-	-
Non_Op Interest	-	(2,287,572)	-	(849,669)	-	-	-	(3,137,241)
Vail Lake RV Lease	-	-	-	-	-	-	-	(482,484)
From DSCI	-	-	-	-	-	-	-	(831,479)
CalPERS UAL/OPEB and Other	-	-	-	-	-	-	-	(2,425,660)
Interest Earnings on Operating Fund	-	(726,670)	-	-	-	-	-	-
Operating Expenditures Sub Total	**$ 3,001,452**	**$ 10,926,118**	**$ 11,104,164**	**$ 3,297,750**	**$ 1,114,293**	**$ 4,010,442**	**$ 95,880**	**$ (8,781,896)**
Reallocation of "As All Others"	*$ (420,594)*	*$ (1,531,079)*	*$ (1,556,029)*	*$ (462,114)*	*$ (156,146)*	*$ (561,984)*	*$ (13,436)*	
Total Allocation All Cost Types	**$ 2,580,858**	**$ 9,395,039**	**$ 9,548,135**	**$ 2,835,636**	**$ 958,147**	**$ 3,448,458**	**$ 82,444**	
Resulting Allocation	*4.71%*	*17.14%*	*17.42%*	*5.17%*	*1.75%*	*6.29%*	*0.15%*	
Allocation Within Cost Type	**$ 2,580,858**	**$ 9,395,039**	**$ 9,548,135**	**$ 2,835,636**	**$ 958,147**	**$ 3,448,458**	**$ 82,444**	
	8.95%	*32.57%*	*33.10%*	*9.83%*	*3.32%*	*11.95%*	*0.29%*	

CHECK

Operating Revenues w/ Increase from REV. Req

Total Allocation from Functional Allocation Above

RANCHO CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

FUNCTIONAL ALLOCATION - SANTA ROSA Division

	NOTES
O&M and Revenue Requirement Allocation Factors	
Customer Only	*Applies to customer service related functions.*
Service Only	*Applies to service related functions.*
Customer and Meter Service	*50% to Customer Functions, 50% related to Meter Size, Approximately half of the O&M costs in the Customer Service accounting unit are in the Meter Service Maintenance and Repairs job title*
Meter Service	*Split across customer service and capacity.*
Customer and Capacity	*Used to allocate Support costs, based on detailed allocation of Support cost line items shown in Appendix F, the resulting allocation is 38% to Customer and 62% to Capacity.*
Production	*Allocating a portion of production costs to the fixed components recognizes the smaller amount of groundwater available for Santa Rosa customers (as compared to Rancho) and helps to maintain appropriate pricing for in-budget use in tiers 1 and 2*
Construction	*All costs allocated to Construction*
Energy	*All costs allocated to Energy*
Recharge Import	*All costs allocated to Recharge Import*
Cyclic Import	*All costs allocated to Cyclic Import*
Inventoried Import	*All costs allocated to Inventoried Import*
Treated Import	*All costs allocated to Treated Import*
Vail Release	*All costs allocated to Vail Release*
Santa Margarita	*All costs allocated to Santa Margarita*
Conservation	*All costs allocated to Conservation*
Recycled Water	*All costs allocated to Recycled Water*
Recycled Supply	*All costs allocated to Recycled Supply*
Recycled Service	*All costs allocated to Recycled Service*
Fixed Import	*All costs allocated to Fixed Import*
Supply Capital	*All costs allocated to Supply Capital*
As All Others	*As weighted average of all other costs.*
Additional Allocations - Reveue Requirements Only	
Recharge and Santa Margarita Offsetting Revenue	*Split based on 5-year average volumes*

O&M EXPENDITURES	1-Jul-25	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029
Functionalized RANCHO O&M						
CUSTOMER ACCOUNT SERVICE	$ 1,065,037	$ 1,065,037	$ 1,125,498	$ 1,165,952	$ 1,207,971	$ 1,251,620
RECYCLED SERVICE	$ -	-	-	-	-	-
SUPPORT	$ 2,294,320	2,294,320	2,477,866	2,576,922	2,679,876	2,800,471
DISTRIBUTION	$ 4,080,731	4,080,731	4,376,401	4,682,641	4,870,667	5,066,586
RECHARGE IMPORT	$ 7,083,500	7,118,088	7,669,633	8,413,284	12,896,710	13,940,359
CYCLIC IMPORT	$ -	-	-	-	-	-
INVENTORIED WATER	$ -	-	-	-	-	-
TREATED IMPORT	$ 10,364,303	10,731,415	11,302,063	12,169,549	7,683,319	7,953,434
VAIL RELEASE	$ -	-	-	-	-	-
FIXED IMPORT COSTS	$ 2,278,806	2,511,496	2,670,403	2,977,499	3,319,911	3,485,907
PRODUCTION COSTS	$ 2,286,718	2,286,718	2,486,291	2,614,176	3,643,127	3,885,676
NATIVE WELL	$ 178,733	178,733	184,095	188,697	193,415	198,250
ENERGY	$ 2,613,675	2,613,675	2,814,595	2,998,589	3,213,172	3,433,873
SANTA MARGARITA	$ 742,816	747,789	787,693	867,860	967,318	1,036,855
CONSERVATION	$ 571,730	571,730	613,790	635,350	729,507	756,721
CONSTRUCTION	$ 34,177	34,177	36,703	38,269	39,903	41,609
ENGINEERING	$ 331,497	331,497	345,066	355,259	365,776	376,631
RECYCLED SUPPLY	$ -	-	-	-	-	-
RECYCLED WATER	$ 912,388	912,388	970,663	1,027,273	1,085,519	1,147,189
Operating Expenditures Sub Total	**$ 34,838,430**	**$ 35,477,793**	**$ 37,860,760**	**$ 40,711,321**	**$ 42,896,192**	**$ 45,375,181**

RANCHO CALIFORNIA WATER

WATER FINANCIAL ANALYSIS

FUNCTIONAL ALLOCATION - SANTA ROSA Division

		CUSTOMER	METER	CAPACITY	WELL PRODUCTION	CONSERVATION	SUPPLY CAPITAL
O&M and Revenue Requirement Allocation Factors	**In Use**						
Customer Only	No	99.5%					
Service Only	Yes			100.0%			
Customer and Meter Service	Yes	50.0%	50.0%				
Meter Service	No		100.0%				
Customer and Capacity	Yes	38.0%		62.0%			
Production	Yes			25.0%	75.0%		
Construction	Yes						
Energy	Yes						
Recharge Import	Yes						
Cyclic Import	Yes						
Inventoried Import	Yes						
Treated Import	Yes						
Vail Release	Yes						
Santa Margarita	Yes						
Conservation	Yes					100.0%	
Recycled Water	No						
Recycled Supply	Yes						
Recycled Service	No						
Fixed Import	Yes						
Supply Capital	Yes						100.0%
As All Others	Yes						
Additional Allocations - Reveue Requirements Only							
Recharge and Santa Margarita Offsetting Rever	Yes						

O&M EXPENDITURES		CUSTOMER	METER	CAPACITY	WELL PRODUCTION	CONSERVATION	SUPPLY CAPITAL
Functionalized RANCHO O&M							
CUSTOMER ACCOUNT SERVICE	Customer and Meter Service	50.0%	50.0%	0.0%	0.0%	0.0%	0.0%
RECYCLED SERVICE	Recycled Supply	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
SUPPORT	Customer and Capacity	38.0%	0.0%	62.0%	0.0%	0.0%	0.0%
DISTRIBUTION	Service Only	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%
RECHARGE IMPORT	Recharge Import	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
CYCLIC IMPORT	Cyclic Import	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
INVENTORIED WATER	Inventoried Import	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
TREATED IMPORT	Treated Import	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
VAIL RELEASE	Vail Release	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FIXED IMPORT COSTS	Fixed Import	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
PRODUCTION COSTS	Production	0.0%	0.0%	25.0%	75.0%	0.0%	0.0%
NATIVE WELL	Production	0.0%	0.0%	25.0%	75.0%	0.0%	0.0%
ENERGY	Energy	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
SANTA MARGARITA	Santa Margarita	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
CONSERVATION	Conservation	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%
CONSTRUCTION	Construction	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
ENGINEERING	Service Only	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%
RECYCLED SUPPLY	Recycled Supply	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
RECYCLED WATER	Recycled Supply	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Operating Expenditures Sub Total							

RANCHO CALIFORNIA WATER

WATER FINANCIAL ANALYSIS

FUNCTIONAL ALLOCATION - SANTA ROSA Division

	ENERGY	RECHARGE IMPORT	TREATED IMPORT	SANTA MARGARITA	RECYCLED SUPPLY	FIXED IMPORT	CONSTRUCTION	AS ALL OTHERS	CAPITAL CHARGE	TOTAL
O&M and Revenue Requirement Allocation Factors										
Customer Only								0%		100%
Service Only								0%		100%
Customer and Meter Service								0%		100%
Meter Service								0%		100%
Customer and Capacity								0%		100%
Production								0%		100%
Construction							100.0%			
Energy	100.0%							0%		100%
Recharge Import		100.0%						0%		100%
Cyclic Import								0%		100%
Inventoried Import								0%		100%
Treated Import			100.0%					0%		100%
Vail Release								0%		100%
Santa Margarita				100.0%				0%		100%
Conservation								0%		100%
Recycled Water								0%		100%
Recycled Supply					100.0%			0%		100%
Recycled Service										
Fixed Import						100.0%		0%		100%
Supply Capital								0%		100%
As All Others								100%		100%
Additional Allocations - Reveue Requirements Only										
Recharge and Santa Margarita Offsetting Reve		90.5%		9.5%				0%		100%

O&M EXPENDITURES	ENERGY	RECHARGE IMPORT	TREATED IMPORT	SANTA MARGARITA	RECYCLED SUPPLY	FIXED IMPORT	CONSTRUCTION	AS ALL OTHERS	CAPITAL CHARGE	TOTAL
Functionalized RANCHO O&M										
CUSTOMER ACCOUNT SERVICE	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		100.0%
RECYCLED SERVICE	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%		100.0%
SUPPORT	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		100.0%
DISTRIBUTION	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		100.0%
RECHARGE IMPORT	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		100.0%
CYCLIC IMPORT	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		100.0%
INVENTORIED WATER	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		100.0%
TREATED IMPORT	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%		100.0%
VAIL RELEASE	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		100.0%
FIXED IMPORT COSTS	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%		100.0%
PRODUCTION COSTS	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		100.0%
NATIVE WELL	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		100.0%
ENERGY	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		100.0%
SANTA MARGARITA	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%		100.0%
CONSERVATION	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		100.0%
CONSTRUCTION	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%		100.0%
ENGINEERING	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		100.0%
RECYCLED SUPPLY	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%		100.0%
RECYCLED WATER	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%		100.0%
Operating Expenditures Sub Total										

RANCHO CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

FUNCTIONAL ALLOCATION - SANTA ROSA Division

		NOTES
1-Jul-25	Allocated O&M	
Allocated Costs		
Reallocation of "As All Others"		
Total Allocation	$ 34,838,430	
Resulting Allocation	*100.00%*	
FYE 2025	Allocated O&M	
Allocated Costs		
Reallocation of "As All Others"		
Total Allocation	$ 35,477,793	
Resulting Allocation	*100.00%*	
FYE 2026	Allocated O&M	
Allocated Costs		
Reallocation of "As All Others"		
Total Allocation	$ 37,860,760	
Resulting Allocation	*100.00%*	
FYE 2027	Allocated O&M	
Allocated Costs		
Reallocation of "As All Others"		
Total Allocation	$ 40,711,321	
Resulting Allocation	*100.00%*	
FYE 2028	Allocated O&M	
Allocated Costs		
Reallocation of "As All Others"		
Total Allocation	$ 42,896,192	
Resulting Allocation	*100.00%*	
FYE 2029	Allocated O&M	
Allocated Costs		
Reallocation of "As All Others"		
Total Allocation	$ 45,375,181	
Resulting Allocation	*100.00%*	

RANCHO CALIFORNIA WATER

WATER FINANCIAL ANALYSIS

FUNCTIONAL ALLOCATION - SANTA ROSA Division

	CUSTOMER	METER	CAPACITY	WELL PRODUCTION	CONSERVATION	SUPPLY CAPITAL
1-Jul-25	CUSTOMER	METER	CAPACITY	WELL PRODUCTION	CONSERVATION	SUPPLY CAPITAL
Allocated Costs	$ 1,403,669	$ 532,518	$ 6,451,759	$ 1,849,088	$ 571,730	$ -
Reallocation of "As All Others"	$ -	$ -	$ -	$ -	$ -	$ -
Total Allocation	$ 1,403,669	$ 532,518	$ 6,451,759	$ 1,849,088	$ 571,730	$ -
Resulting Allocation	*4.03%*	*1.53%*	*18.52%*	*5.31%*	*1.64%*	*0.00%*
FYE 2025	CUSTOMER	METER	CAPACITY	WELL PRODUCTION	CONSERVATION	SUPPLY CAPITAL
Allocated Costs	$ 1,403,669	$ 532,518	$ 6,451,759	$ 1,849,088	$ 571,730	$ -
Reallocation of "As All Others"	$ -	$ -	$ -	$ -	$ -	$ -
Total Allocation	$ 1,403,669	$ 532,518	$ 6,451,759	$ 1,849,088	$ 571,730	$ -
Resulting Allocation	*3.96%*	*1.50%*	*18.19%*	*5.21%*	*1.61%*	*0.00%*
FYE 2026	CUSTOMER	METER	CAPACITY	WELL PRODUCTION	CONSERVATION	SUPPLY CAPITAL
Allocated Costs	$ 1,503,592	$ 562,749	$ 6,926,086	$ 2,002,790	$ 613,790	$ -
Reallocation of "As All Others"	$ -	$ -	$ -	$ -	$ -	$ -
Total Allocation	$ 1,503,592	$ 562,749	$ 6,926,086	$ 2,002,790	$ 613,790	$ -
Resulting Allocation	*3.97%*	*1.49%*	*18.29%*	*5.29%*	*1.62%*	*0.00%*
FYE 2027	CUSTOMER	METER	CAPACITY	WELL PRODUCTION	CONSERVATION	SUPPLY CAPITAL
Allocated Costs	$ 1,561,431	$ 582,976	$ 7,337,086	$ 2,102,155	$ 635,350	$ -
Reallocation of "As All Others"	$ -	$ -	$ -	$ -	$ -	$ -
Total Allocation	$ 1,561,431	$ 582,976	$ 7,337,086	$ 2,102,155	$ 635,350	$ -
Resulting Allocation	*3.84%*	*1.43%*	*18.02%*	*5.16%*	*1.56%*	*0.00%*
FYE 2028	CUSTOMER	METER	CAPACITY	WELL PRODUCTION	CONSERVATION	SUPPLY CAPITAL
Allocated Costs	$ 1,621,532	$ 603,986	$ 7,857,909	$ 2,877,407	$ 729,507	$ -
Reallocation of "As All Others"	$ -	$ -	$ -	$ -	$ -	$ -
Total Allocation	$ 1,621,532	$ 603,986	$ 7,857,909	$ 2,877,407	$ 729,507	$ -
Resulting Allocation	*3.78%*	*1.41%*	*18.32%*	*6.71%*	*1.70%*	*0.00%*
FYE 2029	CUSTOMER	METER	CAPACITY	WELL PRODUCTION	CONSERVATION	SUPPLY CAPITAL
Allocated Costs	$ 1,689,146	$ 625,810	$ 8,201,333	$ 3,062,945	$ 756,721	$ -
Reallocation of "As All Others"	$ -	$ -	$ -	$ -	$ -	$ -
Total Allocation	$ 1,689,146	$ 625,810	$ 8,201,333	$ 3,062,945	$ 756,721	$ -
Resulting Allocation	*3.72%*	*1.38%*	*18.07%*	*6.75%*	*1.67%*	*0.00%*

RANCHO CALIFORNIA WATER

WATER FINANCIAL ANALYSIS

FUNCTIONAL ALLOCATION - SANTA ROSA Division

	ENERGY	RECHARGE IMPORT	TREATED IMPORT	SANTA MARGARITA	RECYCLED SUPPLY	FIXED IMPORT	CONSTRUCTION	AS ALL OTHERS	CAPITAL CHARGE	TOTAL
1-Jul-25	ENERGY	RECHARGE IMPORT	TREATED IMPORT	SANTA MARGARITA	RECYCLED SUPPLY	FIXED IMPORT	CONSTRUCTION	AS ALL OTHERS	CAPITAL CHARGE	TOTAL
Allocated Costs	$ 2,613,675	$ 7,083,500	$ 10,364,303	$ 742,816	$ 912,388	$ 2,278,806	$ 34,177	$ -		$ 34,838,430
Reallocation of "As All Others"	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		-
Total Allocation	$ 2,613,675	$ 7,083,500	$ 10,364,303	$ 742,816	$ 912,388	$ 2,278,806	$ 34,177			34,838,430
Resulting Allocation	7.50%	20.33%	29.75%	2.13%	2.62%	6.54%	0.10%			100%
FYE 2025	ENERGY	RECHARGE IMPORT	TREATED IMPORT	SANTA MARGARITA	RECYCLED SUPPLY	FIXED IMPORT	CONSTRUCTION	AS ALL OTHERS	CAPITAL CHARGE	TOTAL
Allocated Costs	$ 2,613,675	$ 7,118,088	$ 10,731,415	$ 747,789	$ 912,388	$ 2,511,496	$ 34,177	$ -		$ 35,477,793
Reallocation of "As All Others"	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		-
Total Allocation	$ 2,613,675	$ 7,118,088	$ 10,731,415	$ 747,789	$ 912,388	$ 2,511,496	$ 34,177			35,477,793
Resulting Allocation	7.37%	20.06%	30.25%	2.11%	2.57%	7.08%	0.10%			100%
FYE 2026	ENERGY	RECHARGE IMPORT	TREATED IMPORT	SANTA MARGARITA	RECYCLED SUPPLY	FIXED IMPORT	CONSTRUCTION	AS ALL OTHERS	CAPITAL CHARGE	TOTAL
Allocated Costs	$ 2,814,595	$ 7,669,633	$ 11,302,063	$ 787,693	$ 970,663	$ 2,670,403	$ 36,703	$ -		$ 37,860,760
Reallocation of "As All Others"	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		-
Total Allocation	$ 2,814,595	$ 7,669,633	$ 11,302,063	$ 787,693	$ 970,663	$ 2,670,403	$ 36,703			37,860,760
Resulting Allocation	7.43%	20.26%	29.85%	2.08%	2.56%	7.05%	0.10%			100%
FYE 2027	ENERGY	RECHARGE IMPORT	TREATED IMPORT	SANTA MARGARITA	RECYCLED SUPPLY	FIXED IMPORT	CONSTRUCTION	AS ALL OTHERS	CAPITAL CHARGE	TOTAL
Allocated Costs	$ 2,998,589	$ 8,413,284	$ 12,169,549	$ 867,860	$ 1,027,273	$ 2,977,499	$ 38,269	$ -		$ 40,711,321
Reallocation of "As All Others"	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		-
Total Allocation	$ 2,998,589	$ 8,413,284	$ 12,169,549	$ 867,860	$ 1,027,273	$ 2,977,499	$ 38,269			40,711,321
Resulting Allocation	7.37%	20.67%	29.89%	2.13%	2.52%	7.31%	0.09%			100%
FYE 2028	ENERGY	RECHARGE IMPORT	TREATED IMPORT	SANTA MARGARITA	RECYCLED SUPPLY	FIXED IMPORT	CONSTRUCTION	AS ALL OTHERS	CAPITAL CHARGE	TOTAL
Allocated Costs	$ 3,213,172	$ 12,896,710	$ 7,683,319	$ 967,318	$ 1,085,519	$ 3,319,911	$ 39,903	$ -		$ 42,896,192
Reallocation of "As All Others"	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		-
Total Allocation	$ 3,213,172	$ 12,896,710	$ 7,683,319	$ 967,318	$ 1,085,519	$ 3,319,911	$ 39,903			42,896,192
Resulting Allocation	7.49%	30.06%	17.91%	2.26%	2.53%	7.74%	0.09%			100%
FYE 2029	ENERGY	RECHARGE IMPORT	TREATED IMPORT	SANTA MARGARITA	RECYCLED SUPPLY	FIXED IMPORT	CONSTRUCTION	AS ALL OTHERS	CAPITAL CHARGE	TOTAL
Allocated Costs	$ 3,433,873	$ 13,940,359	$ 7,953,434	$ 1,036,855	$ 1,147,189	$ 3,485,907	$ 41,609	$ -		$ 45,375,181
Reallocation of "As All Others"	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		-
Total Allocation	$ 3,433,873	$ 13,940,359	$ 7,953,434	$ 1,036,855	$ 1,147,189	$ 3,485,907	$ 41,609			45,375,181
Resulting Allocation	7.57%	30.72%	17.53%	2.29%	2.53%	7.68%	0.09%			100%

RANCHO CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

FUNCTIONAL ALLOCATION - SANTA ROSA Division

			NOTES
1-Jul-25	RATE REVENUE REQUIREMENT	1-Jul-25	
	Operating Expenses	$ 34,838,430	
	Capital Charge	1,783,616	
	Capital Charge - Supply Component	460,834	
	Rate Funded Capital	-	
	Cash Flows (assuming full year revenues for July 1 increase)	(512,588)	
LESS: Offsetting Revenues			
	Unmetered Construction Water	-	
	New Service Connections	(63,264)	
	Rental/Lease Income	(272,797)	
	Other Op Rev-Billing	(594,345)	
	Other Op Rev-Engineering	(40,560)	
	Western IDA/Rock Mountain	(157,573)	
	Reclass From/(To) Non-Operating	-	
	2016 Refunding Savings	(996,260)	
	From DSCI	(719,018)	
	CalPERS UAL/OPEB and Other	(1,415,213)	
	Interest Earnings on Operating Fund	(616,249)	
	Operating Expenditures Sub Total	**$ 31,695,012**	$ - $ - $ - $ -
	Reallocation of "As All Others"		
	Total Allocation All Cost Types	**$ 31,695,012**	
	Resulting Allocation	*100.00%*	
	Allocation Within Cost Type	**$ 31,695,012**	

	Revenue Requirements for Initial Incre	1-Jul-25	
	Allocated Non MWD Costs - FYE 2025	$ 14,789,220	
	Allocated MWD Costs - Prior to January Increase	$ 16,714,263	
	Adjustment to MWD costs to match Rev Req.	$ 191,529	
	Total Allocation All Cost Types	**$ 31,695,012**	
		$ -	

CHECK	
Rate Revenues before increase	30,330,155
Operating Revenues w/ Increase from REV. Req	31,695,012
Total Allocation from Functional Allocation Above	$ 31,695,012
	$ -
	OKAY

RANCHO CALIFORNIA WATER

WATER FINANCIAL ANALYSIS

FUNCTIONAL ALLOCATION - SANTA ROSA Division

			CUSTOMER	METER	CAPACITY	WELL PRODUCTION	CONSERVATION	SUPPLY CAPITAL
1-Jul-25	RATE REVENUE REQUIREMENT		CUSTOMER	METER	CAPACITY	WELL PRODUCTION	CONSERVATION	SUPPLY CAPITAL
	Operating Expenses	*[Resulting O&M Allocation]*	$ 1,403,669	$ 532,518	$ 6,451,759	$ 1,849,088	$ 571,730	$ -
	Capital Charge	*Direct Allocation*						
	Capital Charge - Supply Component	Supply Capital	-	-	-	-	-	460,834
	Rate Funded Capital	Service Only	-	-	-	-	-	-
		As All Others	-	-	-	-	-	-
	Cash Flows (assuming full year revenues for Ju	As All Others	-	-	-	-	-	-
LESS: Offsetting Revenues								
	Unmetered Construction Water	As All Others	-	-	-	-	-	-
	New Service Connections	As All Others	-	-	-	-	-	-
	Rental/Lease Income	As All Others	-	-	-	-	-	-
	Other Op Rev-Billing	As All Others	-	-	-	-	-	-
	Other Op Rev-Engineering	As All Others	-	-	-	-	-	-
	Western IDA/Rock Mountain	As All Others	-	-	-	-	-	-
	Reclass From/(To) Non-Operating							
	2016 Refunding Savings	Recharge and Santa Margarita Offsetting Revenue	-	-	-	-	-	-
	From DSCI	As All Others	-	-	-	-	-	-
	CalPERS UAL/OPEB and Other	As All Others	-	-	-	-	-	-
	Interest Earnings on Operating Fund	Santa Margarita	-	-	-	-	-	-
	Operating Expenditures Sub Total		**$ 1,403,669**	**$ 532,518**	**$ 6,451,759**	**$ 1,849,088**	**$ 571,730**	**$ 460,834**
	Reallocation of "As All Others"		*$ (159,495)*	*$ (60,508)*	*$ (733,093)*	*$ (210,106)*	*$ (64,964)*	*Not Applied*
	Total Allocation All Cost Types		**$ 1,244,175**	**$ 472,010**	**$ 5,718,666**	**$ 1,638,982**	**$ 506,766**	**$ 460,834**
	Resulting Allocation		*3.93%*	*1.49%*	*18.04%*	*5.17%*	*1.60%*	*1.45%*
	Allocation Within Cost Type		**$ 1,244,175**	**$ 472,010**	**$ 5,718,666**	**$ 1,638,982**	**$ 506,766**	**$ 460,834**
			12.39%	*4.70%*	*56.95%*	*16.32%*	*5.05%*	*4.59%*

	Revenue Requirements for Initial Incre		CUSTOMER	METER	CAPACITY	WELL PRODUCTION	CONSERVATION	SUPPLY CAPITAL
	Allocated Non MWD Costs - FYE 2025		$ 1,270,591	$ 482,032	$ 5,840,086	$ 1,673,781	$ 517,526	$ 460,834
	Allocated MWD Costs - Prior to January Increas							
	Adjustment to MWD costs to match Rev Req.							
	Total Allocation All Cost Types		**$ 1,270,591**	**$ 482,032**	**$ 5,840,086**	**$ 1,673,781**	**$ 517,526**	**$ 460,834**
			$ 0	$ 0	$ 1	$ 0	$ 0	$ 0
			$ 1,270,591	$ 482,032	$ 5,840,086	$ 1,673,781	$ 517,526	$ 460,834

CHECK

Rate Revenues before increase

Operating Revenues w/ Increase from REV. Req

Total Allocation from Functional Allocation Abc

RANCHO CALIFORNIA WATER

WATER FINANCIAL ANALYSIS

FUNCTIONAL ALLOCATION - SANTA ROSA Division

		ENERGY	RECHARGE IMPORT	TREATED IMPORT	SANTA MARGARITA	RECYCLED SUPPLY	FIXED IMPORT	CONSTRUCTION	AS ALL OTHERS	CAPITAL CHARGE	TOTAL
1-Jul-25	**RATE REVENUE REQUIREMENT**	**ENERGY**	**RECHARGE IMPORT**	**TREATED IMPORT**	**SANTA MARGARITA**	**RECYCLED SUPPLY**	**FIXED IMPORT**	**CONSTRUCTION**	**AS ALL OTHERS**	**CAPITAL CHARGE**	**TOTAL**
	Operating Expenses	$ 2,613,675	$ 7,083,500	$ 10,364,303	$ 742,816	$ 912,388	$ 2,278,806	$ 34,177			$ 34,838,430
	Capital Charge									1,783,616	1,783,616
	Capital Charge - Supply Component	-	-	-	-	-	-	-	-		460,834
	Rate Funded Capital	-	-	-	-	-	-	-	-		-
											-
		-	-	-	-	-	-	-	-		-
	Cash Flows (assuming full year revenues for Jul	-	-	-	-	-	-	-	(512,588)		(512,588)
											-
LESS: Offsetting Revenues											-
	Unmetered Construction Water	-	-	-	-	-	-	-	-		-
	New Service Connections	-	-	-	-	-	-	-	(63,264)		(63,264)
	Rental/Lease Income	-	-	-	-	-	-	-	(272,797)		(272,797)
	Other Op Rev-Billing	-	-	-	-	-	-	-	(594,345)		(594,345)
	Other Op Rev-Engineering	-	-	-	-	-	-	-	(40,560)		(40,560)
	Western IDA/Rock Mountain	-	-	-	-	-	-	-	(157,573)		(157,573)
	Reclass From/(To) Non-Operating										
	2016 Refunding Savings	-	(901,787)	-	(94,473)	-	-	-	-		(996,260)
	From DSCI	-	-	-	-	-	-	-	(719,018)		(719,018)
	CalPERS UAL/OPEB and Other	-	-	-	-	-	-	-	(1,415,213)		(1,415,213)
	Interest Earnings on Operating Fund	-	-	-	(616,249)	-	-	-	-		(616,249)
	Operating Expenditures Sub Total	**$ 2,613,675**	**$ 6,181,713**	**$ 10,364,303**	**$ 32,094**	**$ 912,388**	**$ 2,278,806**	**$ 34,177**	**$ (3,775,358)**	**$ 1,783,616**	**$ 31,695,012**
	Reallocation of "As All Others"	*$ (296,984)*	*$ (702,409)*	*$ (1,177,663)*	*$ (3,647)*	*$ (103,672)*	*$ (258,934)*	*$ (3,883)*			
	Total Allocation All Cost Types	**$ 2,316,691**	**$ 5,479,305**	**$ 9,186,639**	**$ 28,447**	**$ 808,716**	**$ 2,019,872**	**$ 30,294**		**$ 1,783,616**	
	Resulting Allocation	*7.31%*	*17.29%*	*28.98%*	*0.09%*	*2.55%*	*6.37%*	*0.10%*		*5.63%*	
	Allocation Within Cost Type	**$ 2,316,691**	**$ 5,479,305**	**$ 9,186,639**	**$ 28,447**	**$ 808,716**	**$ 2,019,872**	**$ 30,294**		**$ 1,783,616**	
		11.66%	*27.58%*	*46.23%*	*0.14%*	*4.07%*	*10.17%*	*0.15%*			

	Revenue Requirements for Initial Incre	ENERGY	RECHARGE IMPORT	TREATED IMPORT	SANTA MARGARITA	RECYCLED SUPPLY	FIXED IMPORT	CONSTRUCTION	AS ALL OTHERS	CAPITAL CHARGE	TOTAL
	Allocated Non MWD Costs - FYE 2025	$ 2,365,880				$ 363,937		$ 30,937		$ 1,783,616	$ 14,789,220
	Allocated MWD Costs - Prior to January Increas		$ 5,479,305	$ 9,186,639	$ 28,447		$ 2,019,872				$ 16,714,263
	Adjustment to MWD costs to match Rev Req.		$ 62,788	$ 105,270	$ 326		$ 23,146				$ 191,529
	Total Allocation All Cost Types	**$ 2,365,880**	**$ 5,542,092**	**$ 9,291,909**	**$ 28,773**	**$ 363,937**	**$ 2,043,018**	**$ 30,937**	**$ -**	**$ 1,783,616**	**$ 31,695,012**
		$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ -	$ -	
		$ 2,365,880	$ 5,542,092	$ 9,291,909	$ 28,773	$ 363,937	$ 2,043,018	$ 30,937	$ -	$ 1,783,616	

CHECK

Rate Revenues before increase

Operating Revenues w/ Increase from REV. Req

Total Allocation from Functional Allocation Abc

RANCHO CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

FUNCTIONAL ALLOCATION - SANTA ROSA Division

							NOTES
FYE 2025	RATE REVENUE REQUIREMENT	FYE 2025					
	Operating Expenses	$ 35,477,793					
	Capital Charge	1,783,616					
	Capital Charge - Supply Component	460,834					
	Rate Funded Capital	-					
	Adjustment for Rate Delay	626,216					
	Cash Flows	(525,735)					
LESS: Offsetting Revenues							
	Recycled Water Revenue	(510,333)					
	Unmetered Construction Water	-					
	New Service Connections	(63,264)					
	Rental/Lease Income	(272,797)					
	Other Op Rev-Billing	(594,345)					
	Other Op Rev-Engineering	(40,560)					
	Western IDA/Rock Mountain	(157,573)					
	Reclass From/(To) Non-Operating						
	2016 Refunding Savings	(996,260)					
	From DSCI	(719,018)					
	CalPERS UAL/OPEB and Other	(1,415,213)					
	Interest Earnings on Operating Fund	(616,249)					
	Operating Expenditures Sub Total	**$ 32,437,112**	**$ -**	**$ -**	**$ -**	**$ -**	
	Reallocation of "As All Others"						
	Total Allocation All Cost Types	**$ 32,437,112**					
	Resulting Allocation	*100.00%*					
	Allocation Within Cost Type	**$ 32,437,112**					

CHECK	
Operating Revenues w/ Increase from REV. Req	32,437,112
Total Allocation from Functional Allocation Above	$ 32,437,112
	$ -
	OKAY

FYE 2026	RATE REVENUE REQUIREMENT	FYE 2026					
	Operating Expenses	$ 37,860,760					
	Capital Charge	2,052,725					
	Capital Charge - Supply Component	460,834					
	Rate Funded Capital	-					
	Adjustment for Rate Delay	1,411,016					
	Cash Flows	(1,954,760)					
LESS: Offsetting Revenues							
	Recycled Water Revenue	(564,310)					
	Unmetered Construction Water	-					
	New Service Connections	(63,453)					
	Rental/Lease Income	(280,981)					
	Other Op Rev-Billing	(597,510)					
	Other Op Rev-Engineering	(41,777)					
	Western IDA/Rock Mountain	(162,300)					
	Reclass From/(To) Non-Operating						
	2016 Refunding Savings	(747,195)					
	From DSCI	(739,243)					
	CalPERS UAL/OPEB and Other	(929,700)					
	Interest Earnings on Operating Fund	(444,927)					
	Operating Expenditures Sub Total	**$ -**	**$ 35,259,178**	**$ -**	**$ -**	**$ -**	
	Reallocation of "As All Others"						
	Total Allocation All Cost Types	**$ 35,259,178**					
	Resulting Allocation	*100.00%*					
	Allocation Within Cost Type	**$ 35,259,178**					

CHECK	
Operating Revenues w/ Increase from REV. Req	35,259,178
Total Allocation from Functional Allocation Above	$ 35,259,178
	$ -
	OKAY

RANCHO CALIFORNIA WATER

WATER FINANCIAL ANALYSIS

FUNCTIONAL ALLOCATION - SANTA ROSA Division

		CUSTOMER	METER	CAPACITY	WELL PRODUCTION	CONSERVATION	SUPPLY CAPITAL
FYE 2025	RATE REVENUE REQUIREMENT						
Operating Expenses	[Resulting O&M Allocation]	$ 1,403,669	$ 532,518	$ 6,451,759	$ 1,849,088	$ 571,730	$ -
Capital Charge	Direct Allocation						
Capital Charge - Supply Component	Supply Capital	-	-	-	-	-	460,834
Rate Funded Capital	Service Only	-	-	-	-	-	-
Adjustment for Rate Delay	As All Others	-	-	-	-	-	-
Cash Flows	As All Others	-	-	-	-	-	-
LESS: Offsetting Revenues							
Recycled Water Revenue	Recycled Supply	-	-	-	-	-	-
Unmetered Construction Water	As All Others	-	-	-	-	-	-
New Service Connections	As All Others	-	-	-	-	-	-
Rental/Lease Income	As All Others	-	-	-	-	-	-
Other Op Rev-Billing	As All Others	-	-	-	-	-	-
Other Op Rev-Engineering	As All Others	-	-	-	-	-	-
Western IDA/Rock Mountain	As All Others	-	-	-	-	-	-
Reclass From/(To) Non-Operating							
2016 Refunding Savings	Recharge and Santa Margarita Offsetting Revenue	-	-	-	-	-	-
From DSCI	As All Others	-	-	-	-	-	-
CalPERS UAL/OPEB and Other	As All Others	-	-	-	-	-	-
Interest Earnings on Operating Fund	Santa Margarita	-	-	-	-	-	-
Operating Expenditures Sub Total		**$ 1,403,669**	**$ 532,518**	**$ 6,451,759**	**$ 1,849,088**	**$ 571,730**	**$ 460,834**
Reallocation of "As All Others"		*$ (133,078)*	*$ (50,487)*	*$ (611,673)*	*$ (175,307)*	*$ (54,204)*	*Not Applied*
Total Allocation All Cost Types		**$ 1,270,591**	**$ 482,032**	**$ 5,840,086**	**$ 1,673,781**	**$ 517,526**	**$ 460,834**
Resulting Allocation		*3.92%*	*1.49%*	*18.00%*	*5.16%*	*1.60%*	*1.42%*
Allocation Within Cost Type		**$ 1,270,591**	**$ 482,032**	**$ 5,840,086**	**$ 1,673,781**	**$ 517,526**	**$ 460,834**
		12.40%	*4.71%*	*57.01%*	*16.34%*	*5.05%*	*4.50%*

CHECK

Operating Revenues w/ Increase from REV. Req

Total Allocation from Functional Allocation Abc

		CUSTOMER	METER	CAPACITY	WELL PRODUCTION	CONSERVATION	SUPPLY CAPITAL
FYE 2026	RATE REVENUE REQUIREMENT						
Operating Expenses	[Resulting O&M Allocation]	$ 1,503,592	$ 562,749	$ 6,926,086	$ 2,002,790	$ 613,790	$ -
Capital Charge	Direct Allocation						
Capital Charge - Supply Component	Supply Capital	-	-	-	-	-	460,834
Rate Funded Capital	Service Only	-	-	-	-	-	-
Adjustment for Rate Delay	As All Others	-	-	-	-	-	-
Cash Flows	As All Others	-	-	-	-	-	-
LESS: Offsetting Revenues							
Recycled Water Revenue	Recycled Supply	-	-	-	-	-	-
Unmetered Construction Water	As All Others	-	-	-	-	-	-
New Service Connections	As All Others	-	-	-	-	-	-
Rental/Lease Income	As All Others	-	-	-	-	-	-
Other Op Rev-Billing	As All Others	-	-	-	-	-	-
Other Op Rev-Engineering	As All Others	-	-	-	-	-	-
Western IDA/Rock Mountain	As All Others	-	-	-	-	-	-
Reclass From/(To) Non-Operating							
2016 Refunding Savings	Recharge and Santa Margarita Offsetting Revenue	-	-	-	-	-	-
From DSCI	As All Others	-	-	-	-	-	-
CalPERS UAL/OPEB and Other	As All Others	-	-	-	-	-	-
Interest Earnings on Operating Fund	Santa Margarita	-	-	-	-	-	-
Operating Expenditures Sub Total		**$ 1,503,592**	**$ 562,749**	**$ 6,926,086**	**$ 2,002,790**	**$ 613,790**	**$ 460,834**
Reallocation of "As All Others"		*$ (139,876)*	*$ (52,351)*	*$ (644,319)*	*$ (186,315)*	*$ (57,100)*	*Not Applied*
Total Allocation All Cost Types		**$ 1,363,716**	**$ 510,398**	**$ 6,281,767**	**$ 1,816,474**	**$ 556,691**	**$ 460,834**
Resulting Allocation		*3.87%*	*1.45%*	*17.82%*	*5.15%*	*1.58%*	*1.31%*
Allocation Within Cost Type		**$ 1,363,716**	**$ 510,398**	**$ 6,281,767**	**$ 1,816,474**	**$ 556,691**	**$ 460,834**
		12.41%	*4.64%*	*57.16%*	*16.53%*	*5.07%*	*4.19%*

CHECK

Operating Revenues w/ Increase from REV. Req

Total Allocation from Functional Allocation Abc

RANCHO CALIFORNIA WATER

WATER FINANCIAL ANALYSIS

FUNCTIONAL ALLOCATION - SANTA ROSA Division

	ENERGY	RECHARGE IMPORT	TREATED IMPORT	SANTA MARGARITA	RECYCLED SUPPLY	FIXED IMPORT	CONSTRUCTION	AS ALL OTHERS	CAPITAL CHARGE	TOTAL
FYE 2025 RATE REVENUE REQUIREMENT										
Operating Expenses	$ 2,613,675	$ 7,118,088	$ 10,731,415	$ 747,789	$ 912,388	$ 2,511,496	$ 34,177			$ 35,477,793
Capital Charge									1,783,616	1,783,616
Capital Charge - Supply Component	-	-	-	-	-	-	-	-		460,834
Rate Funded Capital	-	-	-	-	-	-	-	-		-
										-
Adjustment for Rate Delay	-	-	-	-	-	-	-	626,216		626,216
Cash Flows	-	-	-	-	-	-	-	(525,735)		(525,735)
										-
LESS: Offsetting Revenues										-
Recycled Water Revenue	-	-	-	-	(510,333)	-	-	-		(510,333)
Unmetered Construction Water	-	-	-	-	-	-	-	-		-
New Service Connections	-	-	-	-	-	-	-	(63,264)		(63,264)
Rental/Lease Income	-	-	-	-	-	-	-	(272,797)		(272,797)
Other Op Rev-Billing	-	-	-	-	-	-	-	(594,345)		(594,345)
Other Op Rev-Engineering	-	-	-	-	-	-	-	(40,560)		(40,560)
Western IDA/Rock Mountain	-	-	-	-	-	-	-	(157,573)		(157,573)
Reclass From/(To) Non-Operating										
2016 Refunding Savings	-	(901,787)	-	(94,473)	-	-	-	-		(996,260)
From DSCI	-	-	-	-	-	-	-	(719,018)		(719,018)
CalPERS UAL/OPEB and Other	-	-	-	-	-	-	-	(1,415,213)		(1,415,213)
Interest Earnings on Operating Fund	-	-	-	(616,249)	-	-	-	-		(616,249)
Operating Expenditures Sub Total	**$ 2,613,675**	**$ 6,216,302**	**$ 10,731,415**	**$ 37,066**	**$ 402,054**	**$ 2,511,496**	**$ 34,177**	**$ (3,162,288)**	**$ 1,783,616**	**$ 32,437,112**
Reallocation of "As All Others"	*$ (247,795)*	*$ (589,350)*	*$ (1,017,415)*	*$ (3,514)*	*$ (38,118)*	*$ (238,108)*	*$ (3,240)*			
Total Allocation All Cost Types	**$ 2,365,880**	**$ 5,626,952**	**$ 9,714,000**	**$ 33,552**	**$ 363,937**	**$ 2,273,388**	**$ 30,937**		**$ 1,783,616**	
Resulting Allocation	*7.29%*	*17.35%*	*29.95%*	*0.10%*	*1.12%*	*7.01%*	*0.10%*		*5.50%*	
Allocation Within Cost Type	**$ 2,365,880**	**$ 5,626,952**	**$ 9,714,000**	**$ 33,552**	**$ 363,937**	**$ 2,273,388**	**$ 30,937**		**$ 1,783,616**	
	11.59%	*27.57%*	*47.60%*	*0.16%*	*1.78%*	*11.14%*	*0.15%*			

CHECK

Operating Revenues w/ Increase from REV. Req

Total Allocation from Functional Allocation Abc

	ENERGY	RECHARGE IMPORT	TREATED IMPORT	SANTA MARGARITA	RECYCLED SUPPLY	FIXED IMPORT	CONSTRUCTION	AS ALL OTHERS	CAPITAL CHARGE	TOTAL
FYE 2026 RATE REVENUE REQUIREMENT										
Operating Expenses	$ 2,814,595	$ 7,669,633	$ 11,302,063	$ 787,693	$ 970,663	$ 2,670,403	$ 36,703	$ -		$ 37,860,760
Capital Charge									2,052,725	2,052,725
Capital Charge - Supply Component	-	-	-	-	-	-	-	-		460,834
Rate Funded Capital	-	-	-	-	-	-	-	-		-
Adjustment for Rate Delay	-	-	-	-	-	-	-	1,411,016		1,411,016
Cash Flows	-	-	-	-	-	-	-	(1,954,760)		(1,954,760)
										-
LESS: Offsetting Revenues										-
Recycled Water Revenue	-	-	-	-	(564,310)	-	-	-		(564,310)
Unmetered Construction Water	-	-	-	-	-	-	-	-		-
New Service Connections	-	-	-	-	-	-	-	(63,453)		(63,453)
Rental/Lease Income	-	-	-	-	-	-	-	(280,981)		(280,981)
Other Op Rev-Billing	-	-	-	-	-	-	-	(597,510)		(597,510)
Other Op Rev-Engineering	-	-	-	-	-	-	-	(41,777)		(41,777)
Western IDA/Rock Mountain	-	-	-	-	-	-	-	(162,300)		(162,300)
Reclass From/(To) Non-Operating										
2016 Refunding Savings	-	(676,340)	-	(70,855)	-	-	-	-		(747,195)
From DSCI	-	-	-	-	-	-	-	(739,243)		(739,243)
CalPERS UAL/OPEB and Other	-	-	-	-	-	-	-	(929,700)		(929,700)
Interest Earnings on Operating Fund	-	-	-	(444,927)	-	-	-	-		(444,927)
Operating Expenditures Sub Total	**$ 2,814,595**	**$ 6,993,293**	**$ 11,302,063**	**$ 271,911**	**$ 406,353**	**$ 2,670,403**	**$ 36,703**	**$ (3,358,709)**	**$ 2,052,725**	**$ 35,259,178**
Reallocation of "As All Others"	*$ (261,836)*	*$ (650,571)*	*$ (1,051,407)*	*$ (25,295)*	*$ (37,802)*	*$ (248,422)*	*$ (3,414)*			
Total Allocation All Cost Types	**$ 2,552,760**	**$ 6,342,722**	**$ 10,250,656**	**$ 246,616**	**$ 368,551**	**$ 2,421,981**	**$ 33,289**		**$ 2,052,725**	
Resulting Allocation	*7.24%*	*17.99%*	*29.07%*	*0.70%*	*1.05%*	*6.87%*	*0.09%*		*5.82%*	
Allocation Within Cost Type	**$ 2,552,760**	**$ 6,342,722**	**$ 10,250,656**	**$ 246,616**	**$ 368,551**	**$ 2,421,981**	**$ 33,289**		**$ 2,052,725**	
	11.49%	*28.55%*	*46.14%*	*1.11%*	*1.66%*	*10.90%*	*0.15%*			

CHECK

Operating Revenues w/ Increase from REV. Req

Total Allocation from Functional Allocation Abc

RANCHO CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

FUNCTIONAL ALLOCATION - SANTA ROSA Division

			NOTES
FYE 2027	RATE REVENUE REQUIREMENT	FYE 2027	
	Operating Expenses	$ 40,711,321	
	Capital Charge	2,285,470	
	Capital Charge - Supply Component	460,834	
	Rate Funded Capital	-	
	Adjustment for Rate Delay	1,532,879	
	Cash Flows	(2,229,121)	
LESS: Offsetting Revenues			
	Recycled Water Revenue	(621,750)	
	Unmetered Construction Water	-	
	New Service Connections	(63,644)	
	Rental/Lease Income	(288,006)	
	Other Op Rev-Billing	(585,574)	
	Other Op Rev-Engineering	(42,821)	
	Western IDA/Rock Mountain	(166,358)	
	Reclass From/(To) Non-Operating		
	2016 Refunding Savings	(498,130)	
	From DSCI	(759,724)	
	CalPERS UAL/OPEB and Other	(1,016,100)	
	Interest Earnings on Operating Fund	(414,916)	
	Operating Expenditures Sub Total	**$ 38,304,360**	
	Reallocation of "As All Others"		
	Total Allocation All Cost Types	**$ 38,304,360**	
	Resulting Allocation	*100.00%*	
	Allocation Within Cost Type	**$ 38,304,360**	

CHECK	
Operating Revenues w/ Increase from REV. Req	38,304,360
Total Allocation from Functional Allocation Above	$ 38,304,360
	$ -
	OKAY

			NOTES
FYE 2028	RATE REVENUE REQUIREMENT	FYE 2028	
	Operating Expenses	$ 42,896,192	
	Capital Charge	2,522,618	
	Capital Charge - Supply Component	460,834	
	Rate Funded Capital	-	
	Adjustment for Rate Delay	1,657,657	
	Cash Flows	(1,852,073)	
LESS: Offsetting Revenues			
	Recycled Water Revenue	(683,298)	
	Unmetered Construction Water	-	
	New Service Connections	(63,835)	
	Rental/Lease Income	(295,206)	
	Other Op Rev-Billing	(572,755)	
	Other Op Rev-Engineering	(43,892)	
	Western IDA/Rock Mountain	(170,517)	
	Reclass From/(To) Non-Operating		
	2016 Refunding Savings	(249,065)	
	From DSCI	(780,467)	
	CalPERS UAL/OPEB and Other	(1,082,924)	
	Interest Earnings on Operating Fund	(320,899)	
	Operating Expenditures Sub Total	**$ 41,422,371**	
	Reallocation of "As All Others"		
	Total Allocation All Cost Types	**$ 41,422,371**	
	Resulting Allocation	*100.00%*	
	Allocation Within Cost Type	**$ 41,422,371**	

CHECK	
Operating Revenues w/ Increase from REV. Req	41,422,371
Total Allocation from Functional Allocation Above	$ 41,422,371
	$ -
	OKAY

RANCHO CALIFORNIA WATER

WATER FINANCIAL ANALYSIS

FUNCTIONAL ALLOCATION - SANTA ROSA Division

		CUSTOMER	METER	CAPACITY	WELL PRODUCTION	CONSERVATION	SUPPLY CAPITAL
FYE 2027	RATE REVENUE REQUIREMENT	CUSTOMER	METER	CAPACITY	WELL PRODUCTION	CONSERVATION	SUPPLY CAPITAL
Operating Expenses	[Resulting O&M Allocation]	$ 1,561,431	$ 582,976	$ 7,337,086	$ 2,102,155	$ 635,350	$ -
Capital Charge	Direct Allocation						
Capital Charge - Supply Component	Supply Capital	-	-	-	-	-	460,834
Rate Funded Capital	Service Only	-	-	-	-	-	-
Adjustment for Rate Delay	As All Others	-	-	-	-	-	-
Cash Flows	As All Others	-	-	-	-	-	-
LESS: Offsetting Revenues							
Recycled Water Revenue	Recycled Supply	-	-	-	-	-	-
Unmetered Construction Water	As All Others	-	-	-	-	-	-
New Service Connections	As All Others	-	-	-	-	-	-
Rental/Lease Income	As All Others	-	-	-	-	-	-
Other Op Rev-Billing	As All Others	-	-	-	-	-	-
Other Op Rev-Engineering	As All Others	-	-	-	-	-	-
Western IDA/Rock Mountain	As All Others	-	-	-	-	-	-
Reclass From/(To) Non-Operating							
2016 Refunding Savings	Recharge and Santa Margarita Offsetting Revenue	-	-	-	-	-	-
From DSCI	As All Others	-	-	-	-	-	-
CalPERS UAL/OPEB and Other	As All Others	-	-	-	-	-	-
Interest Earnings on Operating Fund	Santa Margarita	-	-	-	-	-	-
Operating Expenditures Sub Total		**$ 1,561,431**	**$ 582,976**	**$ 7,337,086**	**$ 2,102,155**	**$ 635,350**	**$ 460,834**
Reallocation of "As All Others"		*$ (144,219)*	*$ (53,846)*	*$ (677,676)*	*$ (194,162)*	*$ (58,683)*	*Not Applied*
Total Allocation All Cost Types		**$ 1,417,212**	**$ 529,130**	**$ 6,659,409**	**$ 1,907,994**	**$ 576,667**	**$ 460,834**
Resulting Allocation		*3.70%*	*1.38%*	*17.39%*	*4.98%*	*1.51%*	*1.20%*
Allocation Within Cost Type		**$ 1,417,212**	**$ 529,130**	**$ 6,659,409**	**$ 1,907,994**	**$ 576,667**	**$ 460,834**
		12.27%	*4.58%*	*57.65%*	*16.52%*	*4.99%*	*3.99%*

CHECK

Operating Revenues w/ Increase from REV. Req

Total Allocation from Functional Allocation Abc

		CUSTOMER	METER	CAPACITY	WELL PRODUCTION	CONSERVATION	SUPPLY CAPITAL
FYE 2028	RATE REVENUE REQUIREMENT	CUSTOMER	METER	CAPACITY	WELL PRODUCTION	CONSERVATION	SUPPLY CAPITAL
Operating Expenses	[Resulting O&M Allocation]	$ 1,621,532	$ 603,986	$ 7,857,909	$ 2,877,407	$ 729,507	$ -
Capital Charge	Direct Allocation						
Capital Charge - Supply Component	Supply Capital	-	-	-	-	-	460,834
Rate Funded Capital	Service Only	-	-	-	-	-	-
Adjustment for Rate Delay	As All Others	-	-	-	-	-	-
Cash Flows	As All Others	-	-	-	-	-	-
LESS: Offsetting Revenues							
Recycled Water Revenue	Recycled Supply	-	-	-	-	-	-
Unmetered Construction Water	As All Others	-	-	-	-	-	-
New Service Connections	As All Others	-	-	-	-	-	-
Rental/Lease Income	As All Others	-	-	-	-	-	-
Other Op Rev-Billing	As All Others	-	-	-	-	-	-
Other Op Rev-Engineering	As All Others	-	-	-	-	-	-
Western IDA/Rock Mountain	As All Others	-	-	-	-	-	-
Reclass From/(To) Non-Operating							
2016 Refunding Savings	Recharge and Santa Margarita Offsetting Revenue	-	-	-	-	-	-
From DSCI	As All Others	-	-	-	-	-	-
CalPERS UAL/OPEB and Other	As All Others	-	-	-	-	-	-
Interest Earnings on Operating Fund	Santa Margarita	-	-	-	-	-	-
Operating Expenditures Sub Total		**$ 1,621,532**	**$ 603,986**	**$ 7,857,909**	**$ 2,877,407**	**$ 729,507**	**$ 460,834**
Reallocation of "As All Others"		*$ (124,761)*	*$ (46,471)*	*$ (604,588)*	*$ (221,388)*	*$ (56,128)*	*Not Applied*
Total Allocation All Cost Types		**$ 1,496,771**	**$ 557,515**	**$ 7,253,320**	**$ 2,656,019**	**$ 673,379**	**$ 460,834**
Resulting Allocation		*3.61%*	*1.35%*	*17.51%*	*6.41%*	*1.63%*	*1.11%*
Allocation Within Cost Type		**$ 1,496,771**	**$ 557,515**	**$ 7,253,320**	**$ 2,656,019**	**$ 673,379**	**$ 460,834**
		11.43%	*4.26%*	*55.38%*	*20.28%*	*5.14%*	*3.52%*

CHECK

Operating Revenues w/ Increase from REV. Req

Total Allocation from Functional Allocation Abc

RANCHO CALIFORNIA WATER

WATER FINANCIAL ANALYSIS

FUNCTIONAL ALLOCATION - SANTA ROSA Division

	ENERGY	RECHARGE IMPORT	TREATED IMPORT	SANTA MARGARITA	RECYCLED SUPPLY	FIXED IMPORT	CONSTRUCTION	AS ALL OTHERS	CAPITAL CHARGE	TOTAL
FYE 2027 RATE REVENUE REQUIREMENT										
Operating Expenses	$ 2,998,589	$ 8,413,284	$ 12,169,549	$ 867,860	$ 1,027,273	$ 2,977,499	$ 38,269	$ -		$ 40,711,321
Capital Charge									$ 2,285,470	
Capital Charge - Supply Component	-	-	-	-	-	-	-	-		460,834
Rate Funded Capital	-	-	-	-	-	-	-	-		-
Adjustment for Rate Delay	-	-	-	-	-	-	-	1,532,879		1,532,879
Cash Flows	-	-	-	-	-	-	-	(2,229,121)		(2,229,121)
LESS: Offsetting Revenues										
Recycled Water Revenue	-	-	-	-	(621,750)	-	-	-		(621,750)
Unmetered Construction Water	-	-	-	-	-	-	-	-		-
New Service Connections	-	-	-	-	-	-	-	(63,644)		(63,644)
Rental/Lease Income	-	-	-	-	-	-	-	(288,006)		(288,006)
Other Op Rev-Billing	-	-	-	-	-	-	-	(585,574)		(585,574)
Other Op Rev-Engineering	-	-	-	-	-	-	-	(42,821)		(42,821)
Western IDA/Rock Mountain	-	-	-	-	-	-	-	(166,358)		(166,358)
Reclass From/(To) Non-Operating										
2016 Refunding Savings	-	(450,893)	-	(47,236)	-	-	-	-		(498,130)
From DSCI	-	-	-	-	-	-	-	(759,724)		(759,724)
CalPERS UAL/OPEB and Other	-	-	-	-	-	-	-	(1,016,100)		(1,016,100)
Interest Earnings on Operating Fund	-	-	-	(414,916)	-	-	-	-		(414,916)
Operating Expenditures Sub Total	**$ 2,998,589**	**$ 7,962,390**	**$ 12,169,549**	**$ 405,707**	**$ 405,523**	**$ 2,977,499**	**$ 38,269**	**$ (3,618,468)**	**$ 2,285,470**	**$ 36,018,890**
Reallocation of "As All Others"	*$ (276,959)*	*$ (735,432)*	*$ (1,124,018)*	*$ (37,472)*	*$ (37,455)*	*$ (275,011)*	*$ (3,535)*			
Total Allocation All Cost Types	**$ 2,721,630**	**$ 7,226,959**	**$ 11,045,531**	**$ 368,235**	**$ 368,068**	**$ 2,702,488**	**$ 34,734**		**$ 2,285,470**	
Resulting Allocation	*7.11%*	*18.87%*	*28.84%*	*0.96%*	*0.96%*	*7.06%*	*0.09%*		*5.97%*	
Allocation Within Cost Type	**$ 2,721,630**	**$ 7,226,959**	**$ 11,045,531**	**$ 368,235**	**$ 368,068**	**$ 2,702,488**	**$ 34,734**		**$ 2,285,470**	
	11.12%	*29.54%*	*45.14%*	*1.50%*	*1.50%*	*11.05%*	*0.14%*			

CHECK

Operating Revenues w/ Increase from REV. Req

Total Allocation from Functional Allocation Abc

	ENERGY	RECHARGE IMPORT	TREATED IMPORT	SANTA MARGARITA	RECYCLED SUPPLY	FIXED IMPORT	CONSTRUCTION	AS ALL OTHERS	CAPITAL CHARGE	TOTAL
FYE 2028 RATE REVENUE REQUIREMENT										
Operating Expenses	$ 3,213,172	$ 12,896,710	$ 7,683,319	$ 967,318	$ 1,085,519	$ 3,319,911	$ 39,903	$ -		$ 42,896,192
Capital Charge									$ 2,522,618	
Capital Charge - Supply Component	-	-	-	-	-	-	-	-		460,834
Rate Funded Capital	-	-	-	-	-	-	-	-		-
Adjustment for Rate Delay	-	-	-	-	-	-	-	1,657,657		1,657,657
Cash Flows	-	-	-	-	-	-	-	(1,852,073)		(1,852,073)
LESS: Offsetting Revenues										
Recycled Water Revenue	-	-	-	-	(683,298)	-	-	-		(683,298)
Unmetered Construction Water	-	-	-	-	-	-	-	-		-
New Service Connections	-	-	-	-	-	-	-	(63,835)		(63,835)
Rental/Lease Income	-	-	-	-	-	-	-	(295,206)		(295,206)
Other Op Rev-Billing	-	-	-	-	-	-	-	(572,755)		(572,755)
Other Op Rev-Engineering	-	-	-	-	-	-	-	(43,892)		(43,892)
Western IDA/Rock Mountain	-	-	-	-	-	-	-	(170,517)		(170,517)
Reclass From/(To) Non-Operating										
2016 Refunding Savings	-	(225,447)	-	(23,618)	-	-	-	-		(249,065)
From DSCI	-	-	-	-	-	-	-	(780,467)		(780,467)
CalPERS UAL/OPEB and Other	-	-	-	-	-	-	-	(1,082,924)		(1,082,924)
Interest Earnings on Operating Fund	-	-	-	(320,899)	-	-	-	-		(320,899)
Operating Expenditures Sub Total	**$ 3,213,172**	**$ 12,671,264**	**$ 7,683,319**	**$ 622,801**	**$ 402,221**	**$ 3,319,911**	**$ 39,903**	**$ (3,204,012)**	**$ 2,522,618**	**$ 38,899,753**
Reallocation of "As All Others"	*$ (247,222)*	*$ (974,928)*	*$ (591,155)*	*$ (47,918)*	*$ (30,947)*	*$ (255,434)*	*$ (3,070)*			
Total Allocation All Cost Types	**$ 2,965,950**	**$ 11,696,335**	**$ 7,092,164**	**$ 574,883**	**$ 371,274**	**$ 3,064,477**	**$ 36,833**		**$ 2,522,618**	
Resulting Allocation	*7.16%*	*28.24%*	*17.12%*	*1.39%*	*0.90%*	*7.40%*	*0.09%*		*6.09%*	
Allocation Within Cost Type	**$ 2,965,950**	**$ 11,696,335**	**$ 7,092,164**	**$ 574,883**	**$ 371,274**	**$ 3,064,477**	**$ 36,833**		**$ 2,522,618**	
	11.50%	*45.33%*	*27.49%*	*2.23%*	*1.44%*	*11.88%*	*0.14%*			

CHECK

Operating Revenues w/ Increase from REV. Req

Total Allocation from Functional Allocation Abc

RANCHO CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

FUNCTIONAL ALLOCATION - SANTA ROSA Division

			NOTES	
FYE 2029	RATE REVENUE REQUIREMENT			FYE 2029
	Operating Expenses			$ 45,375,181
	Capital Charge			2,721,878
	Capital Charge - Supply Component			460,834
	Rate Funded Capital			-
	Adjustment for Rate Delay			1,797,699
	Cash Flows			(1,200,459)
LESS: Offsetting Revenues				
	Recycled Water Revenue			(749,227)
	Unmetered Construction Water			-
	New Service Connections			(64,026)
	Rental/Lease Income			(302,586)
	Other Op Rev-Billing			(574,473)
	Other Op Rev-Engineering			(44,989)
	Western IDA/Rock Mountain			(174,780)
	Reclass From/(To) Non-Operating			
	2016 Refunding Savings			-
	From DSCI			(801,479)
	CalPERS UAL/OPEB and Other			(1,256,430)
	Interest Earnings on Operating Fund			(265,336)
	Operating Expenditures Sub Total			**$ 44,921,806**
	Reallocation of "As All Others"			
	Total Allocation All Cost Types	**$ 44,921,806**		
	Resulting Allocation	*100.00%*		
	Allocation Within Cost Type	**$ 44,921,806**		

CHECK	
Operating Revenues w/ Increase from REV. Req	44,921,806
Total Allocation from Functional Allocation Above	$ 44,921,806
$	-
	OKAY

RANCHO CALIFORNIA WATER

WATER FINANCIAL ANALYSIS

FUNCTIONAL ALLOCATION - SANTA ROSA Division

FYE 2029	RATE REVENUE REQUIREMENT		CUSTOMER	METER	CAPACITY	WELL PRODUCTION	CONSERVATION	SUPPLY CAPITAL
			CUSTOMER	METER	CAPACITY	WELL PRODUCTION	CONSERVATION	SUPPLY CAPITAL
	Operating Expenses	[Resulting O&M Allocation]	$ 1,689,146	$ 625,810	$ 8,201,333	$ 3,062,945	$ 756,721	$ -
	Capital Charge	Direct Allocation						
	Capital Charge - Supply Component	Supply Capital	-	-	-	-	-	460,834
	Rate Funded Capital	Service Only	-	-	-	-	-	-
	Adjustment for Rate Delay	As All Others	-	-	-	-	-	-
	Cash Flows	As All Others	-	-	-	-	-	-
LESS: Offsetting Revenues								
	Recycled Water Revenue	Recycled Supply	-	-	-	-	-	-
	Unmetered Construction Water	As All Others	-	-	-	-	-	-
	New Service Connections	As All Others	-	-	-	-	-	-
	Rental/Lease Income	As All Others	-	-	-	-	-	-
	Other Op Rev-Billing	As All Others	-	-	-	-	-	-
	Other Op Rev-Engineering	As All Others	-	-	-	-	-	-
	Western IDA/Rock Mountain	As All Others	-	-	-	-	-	-
	Reclass From/(To) Non-Operating							
	2016 Refunding Savings	Recharge and Santa Margarita Offsetting Revenue	-	-	-	-	-	-
	From DSCI	As All Others	-	-	-	-	-	-
	CalPERS UAL/OPEB and Other	As All Others	-	-	-	-	-	-
	Interest Earnings on Operating Fund	Santa Margarita	-	-	-	-	-	-
	Operating Expenditures Sub Total		**$ 1,689,146**	**$ 625,810**	**$ 8,201,333**	**$ 3,062,945**	**$ 756,721**	**$ 460,834**
	Reallocation of "As All Others"		*$ (99,821)*	*$ (36,983)*	*$ (484,664)*	*$ (181,007)*	*$ (44,719)*	*Not Applied*
	Total Allocation All Cost Types		**$ 1,589,325**	**$ 588,828**	**$ 7,716,670**	**$ 2,881,938**	**$ 712,002**	**$ 460,834**
	Resulting Allocation		*3.54%*	*1.31%*	*17.18%*	*6.42%*	*1.58%*	*1.03%*
	Allocation Within Cost Type		**$ 1,589,325**	**$ 588,828**	**$ 7,716,670**	**$ 2,881,938**	**$ 712,002**	**$ 460,834**
			11.39%	*4.22%*	*55.32%*	*20.66%*	*5.10%*	*3.30%*

CHECK

Operating Revenues w/ Increase from REV. Req

Total Allocation from Functional Allocation Abc

RANCHO CALIFORNIA WATER

WATER FINANCIAL ANALYSIS

FUNCTIONAL ALLOCATION - SANTA ROSA Division

		ENERGY	RECHARGE IMPORT	TREATED IMPORT	SANTA MARGARITA	RECYCLED SUPPLY	FIXED IMPORT	CONSTRUCTION	AS ALL OTHERS	CAPITAL CHARGE	TOTAL
FYE 2029	RATE REVENUE REQUIREMENT	ENERGY	RECHARGE IMPORT	TREATED IMPORT	SANTA MARGARITA	RECYCLED SUPPLY	FIXED IMPORT	CONSTRUCTION	AS ALL OTHERS	CAPITAL CHARGE	TOTAL
	Operating Expenses	$ 3,433,873	$ 13,940,359	$ 7,953,434	$ 1,036,855	$ 1,147,189	$ 3,485,907	$ 41,609	$ -		$ 45,375,181
	Capital Charge									$ 2,721,878	
	Capital Charge - Supply Component	-	-	-	-	-	-	-	-		460,834
	Rate Funded Capital	-	-	-	-	-	-	-	-		-
	Adjustment for Rate Delay	-	-	-	-	-	-	-	1,797,699		1,797,699
	Cash Flows	-	-	-	-	-	-	-	(1,200,459)		(1,200,459)
LESS: Offsetting Revenues											
	Recycled Water Revenue	-	-	-	-	(749,227)	-	-	-		(749,227)
	Unmetered Construction Water	-	-	-	-	-	-	-	-		-
	New Service Connections	-	-	-	-	-	-	-	(64,026)		(64,026)
	Rental/Lease Income	-	-	-	-	-	-	-	(302,586)		(302,586)
	Other Op Rev-Billing	-	-	-	-	-	-	-	(574,473)		(574,473)
	Other Op Rev-Engineering	-	-	-	-	-	-	-	(44,989)		(44,989)
	Western IDA/Rock Mountain	-	-	-	-	-	-	-	(174,780)		(174,780)
	Reclass From/(To) Non-Operating										
	2016 Refunding Savings	-	-	-	-	-	-	-	-		-
	From DSCI	-	-	-	-	-	-	-	(801,479)		(801,479)
	CalPERS UAL/OPEB and Other	-	-	-	-	-	-	-	(1,256,430)		(1,256,430)
	Interest Earnings on Operating Fund	-	-	-	(265,336)	-	-	-	-		(265,336)
	Operating Expenditures Sub Total	**$ 3,433,873**	**$ 13,940,359**	**$ 7,953,434**	**$ 771,519**	**$ 397,962**	**$ 3,485,907**	**$ 41,609**	**$ (2,621,523)**	**$ 2,721,878**	**$ 42,199,928**
	Reallocation of "As All Others"	*$ (202,927)*	*$ (823,816)*	*$ (470,014)*	*$ (45,593)*	*$ (23,518)*	*$ (206,002)*	*$ (2,459)*			
	Total Allocation All Cost Types	**$ 3,230,946**	**$ 13,116,543**	**$ 7,483,420**	**$ 725,925**	**$ 374,444**	**$ 3,279,905**	**$ 39,150**		**$ 2,721,878**	
	Resulting Allocation	*7.19%*	*29.20%*	*16.66%*	*1.62%*	*0.83%*	*7.30%*	*0.09%*		*6.06%*	
	Allocation Within Cost Type	**$ 3,230,946**	**$ 13,116,543**	**$ 7,483,420**	**$ 725,925**	**$ 374,444**	**$ 3,279,905**	**$ 39,150**		**$ 2,721,878**	
		11.44%	*46.43%*	*26.49%*	*2.57%*	*1.33%*	*11.61%*	*0.14%*			

CHECK

Operating Revenues w/ Increase from REV. Req

Total Allocation from Functional Allocation Abc

APPENDIX F

SUPPORTING ALLOCATIONS

RANCHO CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

Conservation Program Allocation

SOURCE: Conservation Cost Data for Alex - Updated 3.18.24.xlsx

Government & Public Affairs

Sum of Current FY Total Dollars	COST CODE							
	Labor&Fringe	Labor&Fringe	Materials	Outside Servi	Other	Other	Other	
Job # & Title	10	12	13	15	18	19	20	Grand Total
FAQ-DROUGHT RESPONSE EFFORT			$ 2,000	$ 24,000				$ 26,000
FBD-PUBLIC INFORMATION PROGRAM	$ 173,508	$ 121,386	$ 10,500	$ 186,100				$ 491,494
FBL-WATER EDUCATION PROGRAM	$ 47,397	$ 33,159	$ 18,000	$ 38,500				$ 137,056
FGG-CONFERENCES	$ 11,436	$ 8,001		$ 27,550				$ 46,987
FGI-TRAINING & SEMINARS	$ 3,951	$ 2,764		$ 8,500				$ 15,215
FGK-EMPLOYEE MEETINGS/RCWD HQTRS.	$ 3,525	$ 2,466						$ 5,991
FGL-GENERAL LEGISLATIVE ACTIVITY	$ 257,351	$ 180,043	$ 1,750	$ 224,500				$ 663,644
FGN-MEMBERSHIPS DUES SUBSCRIPTIONS				$ 209,150				$ 209,150
FGO-JURY DUTY - MILITARY LEAVE	$ 2,477							$ 2,477
FGS-SAFETY PROGRAM	$ 3,525	$ 2,466						$ 5,991
HOLLY-HOLIDAY PAY	$ 27,251							$ 27,251
MGTLV-MANAGEMENT LEAVE	$ 3,048							$ 3,048
SICK-SICK LEAVE TAKEN P/R	$ 26,924							$ 26,924
VAC-VACATION LEAVE TAKEN P/R	$ 28,793							$ 28,793
Grand Total	**$ 589,187**	**$ 350,285**	**$ 32,250**	**$ 718,300**				**$ 1,690,022**

RANCHO CALIFOR

WATER FINANCIAL ANA

Conservation Program Alloca

SOURCE: Conservation Cost Data for Alex - Upda

Government & Public Affairs

Sum of Current FY Total Dollars	Conservation / Resiliency / Supply	Net amount for Conservation / Resiliency / Supply							
Job # & Title	**%**	**Labor&Fringe**	**Materials**	**Outside Services**	**Other**	**Total**	**Budget Area**	**Apply to:**	
FAQ-DROUGHT RESPONSE EFFORT	100%	$ -	$ 2,000	$ 24,000	$ -	$ 26,000	Customer Service	Above Budget	Customer Service, Resource Customer Support Line Item
FBD-PUBLIC INFORMATION PROGRAM	90%	$ 265,405	$ 9,450	$ 167,490	$ -	$ 442,345	Support	In-Budget	Support, Resource Direct Support Allocation Line Item
FBL-WATER EDUCATION PROGRAM	90%	$ 72,500	$ 16,200	$ 34,650	$ -	$ 123,350	Support	In-Budget	Support, Resource Direct Support Allocation Line Item
FGG-CONFERENCES	50%	$ 9,719	$ -	$ 13,775	$ -	$ 23,494	Support	Above Budget	Support, Resource Direct Support Allocation Line Item
FGI-TRAINING & SEMINARS	50%	$ 3,358	$ -	$ 4,250	$ -	$ 7,608	Support	Above Budget	Based on labor, applied as G&A OH
FGK-EMPLOYEE MEETINGS/RCWD HQTRS.	0%	$ -	$ -	$ -	$ -	$ -	n/a	n/a	
FGL-GENERAL LEGISLATIVE ACTIVITY	50%	$ 218,697	$ 875	$ 112,250	$ -	$ 331,822	Support	In-Budget	Support, Resource Direct Support Allocation Line Item
FGN-MEMBERSHIPS DUES SUBSCRIPTIONS	10%	$ -	$ -	$ 20,915	$ -	$ 20,915	Support	Above Budget	Support, Resource Direct Support Allocation Line Item
FGO-JURY DUTY - MILITARY LEAVE	0%	$ -	$ -	$ -	$ -	$ -	n/a	n/a	
FGS-SAFETY PROGRAM	0%	$ -	$ -	$ -	$ -	$ -	n/a	n/a	
HOLLY-HOLIDAY PAY	0%	$ -	$ -	$ -	$ -	$ -	n/a	n/a	
MGTLV-MANAGEMENT LEAVE	0%	$ -	$ -	$ -	$ -	$ -	n/a	n/a	
SICK-SICK LEAVE TAKEN P/R	0%	$ -	$ -	$ -	$ -	$ -	n/a	n/a	
VAC-VACATION LEAVE TAKEN P/R	0%	$ -	$ -	$ -	$ -	$ -	n/a	n/a	
Grand Total		**$ 569,678**	**$ 28,525**	**$ 377,330**	**$ -**	**$ 975,533**			

Customer Service	$ 26,000
Source of Supply	$ -
Support	$ 949,533
Total	**$ 975,533**

RANCHO CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

Conservation Program Allocation

Water Use/Efficiency Grants Department

Sum of Current FY Total Dollars	COST CODE							
	Labor&Fringe	Labor&Fringe	Materials	Outside Servi	Other	Other	Other	
Job # & Title	10	12	13	15	18	19	20	Grand Total
FAF-GRANT ADMINISTRATION	$ 99,904	$ 69,893		$ 145,000				$ 314,796
FCP3-CORE CII/HOA WTR CONSERVATION				$ 95,000				$ 95,000
FCP4-CORE AG WTR USE EFFICIENCY	$ 74,231	$ 51,932		$ 50,000	$ 37,962	$ 9,182	$ 21,111	$ 244,418
FCP-CORE WTR CONSERVATION PROJECT	$ 146,992	$ 102,836	$ 6,000	$ 290,200	$ 75,172	$ 18,183	$ 41,805	$ 681,187
FGG-CONFERENCES				$ 3,000				$ 3,000
FGI-TRAINING & SEMINARS				$ 5,000				$ 5,000
FGK-EMPLOYEE MEETINGS/RCWD HQTRS.	$ 3,558	$ 2,489						$ 6,047
FGO-JURY DUTY - MILITARY LEAVE	$ 2,669							$ 2,669
FGS-SAFETY PROGRAM	$ 3,558	$ 2,489						$ 6,047
FPI-RESEARCH PILOTS FOR CII/HOA				$ 10,000				$ 10,000
FPJ-RESEARCH PILOTS FOR AG WATER				$ 25,000				$ 25,000
FPO-EDUCATION & COMMUNITY OUTREACH				$ 81,000				$ 81,000
FPP-WATER USE EFFICIENCY SUPPORT	$ 207,598	$ 145,236						$ 352,833
FPU-RESEARCH PILOTS FOR URBAN WTR				$ 10,000				$ 10,000
HOLLY-HOLIDAY PAY	$ 29,354							$ 29,354
MGTLV-MANAGEMENT LEAVE	$ 1,581							$ 1,581
SICK-SICK LEAVE TAKEN P/R	$ 28,950							$ 28,950
VAC-VACATION LEAVE TAKEN P/R	$ 34,529							$ 34,529
Grand Total	**$ 632,922**	**$ 374,874**	**$ 6,000**	**$ 714,200**	**$ 113,134**	**$ 27,365**	**$ 62,916**	**$ 1,931,411**

RANCHO CALIFOR

WATER FINANCIAL ANA

Conservation Program Alloca

Water Use/Efficiency Grants

Sum of Current FY Total Dollars	Conservation / Resiliency / Supply	Net amount for Conservation / Resiliency / Supply							
Job # & Title	**%**	**Labor&Fringe**	**Materials**	**Outside Services**	**Other**	**Total**	**Budget Area**		
FAF-GRANT ADMINISTRATION	75%	$ 127,347	$ -	$ 108,750	$ -	$ 236,097	Support	Above Budget	Support, Resource Direct Support Allocation Line Item
FCP3-CORE CII/HOA WTR CONSERVATION	100%	$ -	$ -	$ 95,000	$ -	$ 95,000	Source of Supply	Above Budget	Source of Supply, Purchase Water Resource line item
FCP4-CORE AG WTR USE EFFICIENCY	100%	$ 126,163	$ -	$ 50,000	$ 68,255	$ 244,418	Source of Supply	Above Budget	Source of Supply, Purchase Water Resource line item
FCP-CORE WTR CONSERVATION PROJECT	100%	$ 249,828	$ 6,000	$ 290,200	$ 135,159	$ 681,187	Source of Supply	Above Budget	Source of Supply, Purchase Water Resource line item
FGG-CONFERENCES	75%	$ -	$ -	$ 2,250	$ -	$ 2,250	Support	Above Budget	Support, Resource Direct Support Allocation Line Item
FGI-TRAINING & SEMINARS	75%	$ -	$ -	$ 3,750	$ -	$ 3,750	Support	Above Budget	Based on labor, applied as G&A OH
FGK-EMPLOYEE MEETINGS/RCWD HQTRS.	0%	$ -	$ -	$ -	$ -	$ -	n/a	n/a	
FGO-JURY DUTY - MILITARY LEAVE	0%	$ -	$ -	$ -	$ -	$ -	n/a	n/a	
FGS-SAFETY PROGRAM	0%	$ -	$ -	$ -	$ -	$ -	n/a	n/a	
FPI-RESEARCH PILOTS FOR CII/HOA	100%	$ -	$ -	$ 10,000	$ -	$ 10,000	Source of Supply	Above Budget	Source of Supply, Purchase Water Resource line item
FPJ-RESEARCH PILOTS FOR AG WATER	100%	$ -	$ -	$ 25,000	$ -	$ 25,000	Source of Supply	Above Budget	Source of Supply, Purchase Water Resource line item
FPO-EDUCATION & COMMUNITY OUTREACH	100%	$ -	$ -	$ 81,000	$ -	$ 81,000	Support	Above Budget	Support, Resource Direct Support Allocation Line Item
FPP-WATER USE EFFICIENCY SUPPORT	100%	$ 352,833	$ -	$ -	$ -	$ 352,833	Support	Above Budget	Support, Resource Direct Support Allocation Line Item
FPU-RESEARCH PILOTS FOR URBAN WTR	100%	$ -	$ -	$ 10,000	$ -	$ 10,000	Source of Supply	Above Budget	Source of Supply, Purchase Water Resource line item
HOLLY-HOLIDAY PAY	0%	$ -	$ -	$ -	$ -	$ -	n/a	n/a	
MGTLV-MANAGEMENT LEAVE	0%	$ -	$ -	$ -	$ -	$ -	n/a	n/a	
SICK-SICK LEAVE TAKEN P/R	0%	$ -	$ -	$ -	$ -	$ -	n/a	n/a	
VAC-VACATION LEAVE TAKEN P/R	0%	$ -	$ -	$ -	$ -	$ -	n/a	n/a	
Grand Total		**$ 856,171**	**$ 6,000**	**$ 675,950**	**$ 203,415**	**$ 1,741,536**			
				38.8%					

Customer Service	$ -
Source of Supply	$ 1,065,605
Support	$ 675,931
Total	**$ 1,741,536**

RANCHO CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

Conservation Program Allocation

Combined Costs and Divisional Allocation

Divisional Allocations

Well Production - Used for Produciton Costs

Rancho Well Alloc	FYE 2025 to 2029 Average	12,610
Santa Rosa Well Alloc	FYE 2025 to 2029 Average	2,610
Rancho Share		82.9%
Santa Rosa Share		17.1%
Rancho Potable Accounts	FYE 2025 to 2029 Average	36,772
Santa Rosa Potable Accounts	FYE 2025 to 2029 Average	8,254
Rancho Share		81.7%
Santa Rosa Share		18.3%
Rancho Division Direct Support Allocation	FYE 2025 Budget	$ 8,573,755
Santa Rosa Division Direct Support Allocation	FYE 2025 Budget	$ 2,678,549
Rancho Share		76.2%
Santa Rosa Share		23.8%

Cost Summary

			Apply To:	
Budget Line Item	**Total Costs**	**In-Budget**	**Above Budget**	
Customer Service, Resource Customer Support Line Item	$ 26,000	$ -	$ 26,000	
Support, Resource Direct Support Allocation Line Item	$ 1,614,106	$ 897,517	$ 716,589	
Based on labor, applied as G&A OH	$ 11,358	$ -	$ 11,358	
Source of Supply, Purchase Water Resource line item	$ 1,065,605	$ -	$ 1,065,605	
Total	**$ 2,717,069**	**$ 897,517**	**$ 1,819,552**	
		33%	67%	

Rancho Share

Budget Line Item	**Rancho Share %**	**In-Budget**	**Above Budget**	**Rancho Total**	**FYE 2025 Line Item**	**% for Cons and Supply**	
Customer Service, Resource Customer Support Line Item	81.7%	$ -	$ 21,234	$ 21,234	1,565,894	1.36%	Share of "Resource Customer S
Support, Resource Direct Support Allocation Line Item	76.2%	$ 683,868	$ 546,009	$ 1,229,877	8,573,755	14.34%	Share of "Direct Support Allocati
Based on labor, applied as G&A OH							
Source of Supply, Purchase Water Resource line item	82.9%	$ -	$ 882,870	$ 882,870	2,447,257	36.08%	Share of "Production Costs" Line
		$ 683,868	**$ 1,450,113**	**$ 2,133,981**	79%		
		32%	68%				

Santa Rosa Share

Budget Line Item	**Santa Rosa Share %**	**In-Budget**	**Above Budget**	**Santa Rosa Total**	**FYE 2025 Line Item Budget**	**% for Cons and Supply Res.**	
Customer Service, Resource Customer Support Line Item	18.3%	$ -	$ 4,766	$ 4,766	$ 388,917	1.23%	Share of "Resource Customer S
Support, Resource Direct Support Allocation Line Item	23.8%	$ 213,649	$ 170,580	$ 384,229	$ 2,678,549	14.34%	Share of "Direct Support Allocati
Based on labor, applied as G&A OH							
Source of Supply, Purchase Water Resource line item	17.1%	$ -	$ 182,735	$ 182,735	$ 1,390,732	13.14%	Share of "Production Costs" Line
		$ 213,649	**$ 358,081**	**$ 571,730**	21%		
		37%	63%				

RANCHO CALIFORNIA WATER DISTRICT

WATER FINANCIAL ANALYSIS

Support Costs Allocation

SOURCE:

Source: Copy of 2. 24-25 GA OH Direct Allocations - to Alex 3.18.24.xlsx

Tab: 24-25 Direct Allocation

Item		Total	Customer	Capacity	Notes
Cell Ref:					
P63	TOTAL FINANCE	$ 2,005,743	50%	50%	*Time split between functions serving all customers equally (billing, general financial mgmt, etc.) and those related to system capacity (captial planning and implmentation, bonding, etc.)*
P78	TOTAL BOARD ADMINISTRATION	1,410,992	75%	25%	*E&O committee related to capacity, Finance, Panning and Admin, Board Meetings related to Customer.*
P92	TOTAL RECORDS MANAGEMENT	537,637	50%	50%	*Time split between functions serving all customers equally (billing, general financial mgmt, etc.) and those related to system capacity (captial planning and implmentation, bonding, etc.)*
P99	TOTAL HEADQUARTERS MAINTENANCE	506,606	100%		*All allocated to customer, not reated to capacity needs or system sizing.*
P106	TOTAL UTILITIES	255,350	100%		*All allocated to customer, not reated to capacity needs or system sizing.*
P121	TOTAL BUDGET, PROCUREMENT, WRHSE	2,451,489		100%	*All allocated to Capacity, reated to capacity needs or system sizing.*
P137	TOTAL PLANNING SUPPORT	792,199		100%	*All allocated to Capacity, reated to capacity needs or system sizing.*
P147	Fringe Overhead	$ 2,269,857	39%	61%	*As All Above*
P144	Less: Captial Labor	$ (1,215,285)	39%	61%	*As All Above*
P240	Cell License	$8,500	100%		*All allocated to customer, not reated to capacity needs or system sizing.*
P241	Insurance	$863,000		100%	*All allocated to Capacity, reated to capacity needs or system sizing.*
P242	District Security	$174,000		100%	*All allocated to Capacity, reated to capacity needs or system sizing.*
P243	1x Admin Support	$10,000	100%		*All allocated to customer, not reated to capacity needs or system sizing.*
P244	Other-Wtr Only	$489,419	100%		*All allocated to customer, not reated to capacity needs or system sizing.*
P245	Other	$1,807,739	38%	62%	*As All Above*
	Total	**$ 12,367,246**	**$ 4,695,830**	**$ 7,671,416**	
	Resulting Allocation for CoS		**38.0%**	**62.0%**	

5.A

Rancho Water

BOARD INFORMATION

BOARD OF DIRECTORS

May 14, 2026

ITEM 5.A: **Claims Activity Report for the Month of April 2026**

RESPONSIBLE/LEAD STAFF MEMBER(S):

Daniel Lohre, Safety/Risk/Emergency Management Officer

RECOMMENDATIONS:

The Claims Activity Report is submitted for the Board of Director's information.

DISCUSSION:

Following is a summary of claims activity for the aforementioned period:

- Claims Pending:
  - None
- Claims Paid:
  - None
- Claims Rejected:
  - Sipkoi
  - Lugo
- Claims Late:
  - None
- Previously Rejected Claims Now Being Handled by JPIA
  - Information attached to staff report

ALTERNATIVES:

Not applicable

FISCAL ANALYSIS:

Not applicable

ENVIRONMENTAL REQUIREMENTS:

None

EXHIBITS/ATTACHMENTS:

1. Claims Rejected Summary
2. Claim Rejected - Sipkoi_Redacted
3. Claim Rejected - Lugo_Redacted
4. Previously Rejected Claims Summary - JPIA

Claim Summary

For the Month of April 2026

Rejected				
Claimant(s) Name	**Incident**	**Amount**	**Rancho Water Comment**	**Status**
Gustavo Lugo	The claimant alleges that following District service maintenance, the restoration of water service causesd a pressure surge resulting in alleged damage to the claimant's water system.	$469.00	Based on the rules and regulations in the District's Administrative Code, 1.3.3 Water Pressure Regulation - A. Customer Responsibility: The District shall assume no responsibility for water pressure regulation within a customer's service area. The customer shall be responsible for providing adequate safeguard measures for the customer's water system wherever pressure regulation is necessary. and 1.7.6 Customer Responsibility, the District assumes no responsibility for maintenance and operation of customer's water system beyond the customer service valve. The customer assumes all liability and responsibility of every kind to the end that the District shall be kept whole and harmless at all times of any claim resulting from matters involving quantities, quality, time or occasion of delivery, or any other phase of the maintenance, operation and service of the customer's water system.	The claim was rejected and sent to JPIA.
Mandy Sipkoi	The claimant alleges that they were hit by a district vehicle on the road, and suffered minor damage to their vehicle.	Unknown	Per discussion with JPIA about the incident, it was suggested that the District rejects the claim.	The claim was rejected and sent to JPIA.

Claim Form

(A claim shall be presented by the claimant or by a person acting on his behalf.)

NAME OF DISTRICT: Rancho California Water District

1 Claimant name, address (**mailing** address if different), phone number, social security number, e-mail address, and date of birth.

*Effective January 1, 2010, the Medicare Secondary Payer Act (Federal Law) requires the District/Agency to report all claims involving payments for bodily injury and/or medical treatments to Medicare. As such, if you are seeking **medical damages**, we **MUST** have both your Social Security Number and your date of birth.*

Name: mandy sipkol
Phone Number: [redacted] 4461
Address(es): [redacted]
Social Security No.:
[redacted] 92592
Date of Birth: [redacted]
E-mail: [redacted] @ yahoo.com

2 List name, address, and phone number of any witnesses.

Name:
Address:
Phone Number: ( )

3 List the **date, time, place,** and **other circumstances** of the occurrence or transaction, which gave rise to the claim asserted.

Date: 3/9/25 Time: 1:00 Place: [redacted]

Tell What Happened (give complete information):

I was driving and felt a bump hitting my right front of vehicle. The driver was unaware it was an accident. I let him know and he gave me his information only minor damage.

NOTE: Attach any photographs you may have regarding this claim.

4 Give a general description of the indebtedness, obligation, injury, damage, or loss incurred so far as it may be known at the time of presentation of the claim.

minor damage I believe just front bumper only side part, side fender and my front left headlight

5 Give the name or names of the public employee or employees causing the injury, damage, or loss, if known.

6 The amount claimed if it totals less than ten thousand dollars ($10,000) as of the date of presentation of the claim, including the estimated amount of any prospective injury, damage or loss, insofar as it may be known at the time of the presentation of the claim, together with the basis of computation of the amount claimed. If the amount claimed exceeds ten thousand dollars ($10,000), no dollar amount shall be included in the claim. However, it shall indicate whether the claim would be a limited civil case.

I believe under 10K

Date: 3-10-25 Time: 2:30 Signature:

ANSWER ALL QUESTIONS. OMITTING INFORMATION COULD MAKE YOUR CLAIM LEGALLY INSUFFICIENT!

Revised – October 2015

White –JPIA Office Copy / Yellow–District Office Copy / Pink–Claimant Copy




Ford





Rancho Water
WORKING FOR OUR COMMUNITY

March 12, 2026

Mandy Sipkoi
[redacted]
[redacted] 92592

SUBJECT: REJECTION OF CLAIM FILED AGAINST RANCHO CALIFORNIA WATER DISTRICT

To whom it may concern:

NOTICE IS HEREBY given that the claim which you presented to the Rancho California Water District (RCWD/District) on March 10, 2026 was rejected on March 12, 2026.

WARNING

Subject to certain exceptions, you have only six (6) months from the date this notice was personally delivered or deposited in the mail to file a State Court Action on this claim. See Government Code §945.6. Your time for filing an action in federal court may be less than six months.

You may seek the advice of an attorney of your choice in connection with this matter. If you desire to consult an attorney, you should do so immediately.

In providing this notice, or by any other action it has taken on this claim, RCWD does not intend to relinquish or waive any of its legal claims requirements or any rights or defense potentially available to the District or its officers, directors, employees, or agents.

Should you file a lawsuit in this matter which is determined to be in bad faith and without reasonable cause, please be advised that the District will attempt to recover all of its defense costs from you as allowed by the California Code of Civil Procedure §128.5, §128.7, and §1038.

If you have any questions about your claim, or this letter, please contact the Association of California Water Agencies Joint Powers Insurance Authority at (800) 231-5742.

Sincerely,

RANCHO CALIFORNIA WATER DISTRICT

Daniel Lohre
Safety, Risk, & Emergency Management Officer

cc: Krista LaRocchia, Customer and Support Services Manager

008/VD

Board of Directors
Brian J. Brady
President
J. D. Harkey
Senior Vice President
Carol Lee Gonzales-Brady
John E. Hoagland
William E. Plummer
John V. Rossi
Bill J. Wilson

Officers
Jason A. Martin
General Manager
Dan Ruiz
Assistant General Manager – Engineering & Operations
Kathleen M. Naylor
Chief Financial Officer/Treasurer
Jennifer A. Serna
District Secretary
James B. Gilpin
Best Best & Krieger LLP
General Counsel

Rancho California Water District
42135 Winchester Road
Temecula, California
92590-4800
(951) 296-6900
FAX (951) 296-6860
RanchoWater.com

Rancho Water
WORKING FOR OUR COMMUNITY

April 21, 2026

Gustavo Lugo
[redacted]
[redacted]92557

SUBJECT: REJECTION OF CLAIM FILED AGAINST RANCHO CALIFORNIA WATER DISTRICT

Dear Mr. Lugo:

NOTICE IS HEREBY given that the claim which you presented to the Rancho California Water District (RCWD/District) on April 7, 2026, was rejected on April 13, 2026.

WARNING

Subject to certain exceptions, you have only six (6) months from the date this notice was personally delivered or deposited in the mail to file a State Court Action on this claim. See Government Code §945.6. Your time for filing an action in federal court may be less than six months.

You may seek the advice of an attorney of your choice in connection with this matter. If you desire to consult an attorney, you should do so immediately.

In providing this notice, or by any other action it has taken on this claim, RCWD does not intend to relinquish or waive any of its legal claims requirements or any rights or defense potentially available to the District or its officers, directors, employees, or agents.

Should you file a lawsuit in this matter which is determined to be in bad faith and without reasonable cause, please be advised that the District will attempt to recover all of its defense costs from you as allowed by the California Code of Civil Procedure §128.5, §128.7, and §1038.

If you have any questions about your claim, or this letter, please contact the Association of California Water Agencies Joint Powers Insurance Authority at (800) 231-5742.

Sincerely,

RANCHO CALIFORNIA WATER DISTRICT

Daniel Lohre
Safety, Risk, & Emergency Management Officer

cc: Krista LaRocchia, Customer and Support Services Manager

010/VD

Board of Directors
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Chief Financial Officer/Treasurer
Jennifer A. Serna
District Secretary
James B. Gilpin
Best Best & Krieger LLP
General Counsel

Rancho California Water District
42135 Winchester Road
Temecula, California
92590-4800
(951) 296-6900
FAX (951) 296-6860
RanchoWater.com

MEMORANDUM

FIELD SERVICES - CONSTRUCTION
RANCHO CALIFORNIA WATER DISTRICT

DATE: **April 9, 2026**

TO: **Vicente De La Torre, Safety Technician**

FROM: **Justin Weeks, Field Services Manager**

Justin Weeks

Digitally signed by Justin Weeks
DN: CN=Justin Weeks, E=weeksj@ranchowater.com
Reason: I am the author of this document
Location:
Date: 2026.04.09 10:07:17-07'00'
Foxit PDF Editor Version: 2024.1.0

SUBJECT: **CLAIM AGAINST RCWD FROM GUSTAVO LUGO**

On April 7, 2026, from Gustavo Lugo. The claimant alleges that on March 20, 2026, following District service maintenance, the restoration of water service caused a pressure surge resulting in alleged damage to the claimant's system. They are asking for $469.00 for repair costs.

Based on the rules and regulations identified below, there is no liability on the part of the District, resulting in my recommendation to reject this claim as submitted.

1.3.3 Water Pressure Regulation

A. Customer Responsibility. The District shall assume no responsibility for water pressure regulation within a customer's service area. The customer shall be responsible for providing adequate safeguard measures for the customer's water system wherever pressure regulation is necessary.

1.7.6 Customer Responsibility

The District assumes no responsibility for maintenance and operation of customer's water system beyond the customer service valve. The customer assumes all liability and responsibility of every kind to the end that the District shall be kept whole and harmless at all times of any claim resulting from matters involving quantities, quality, time or occasion of delivery, or any other phase of the maintenance, operation and service of the customer's water system.

MEMORANDUM

ADMINISTRATION DIVISION
RANCHO CALIFORNIA WATER DISTRICT

Date: **April 8, 2026**

To: **Justin Weeks, Field Services Manager**

From: **Vicente De La Torre, Safety Technician**

SUBJECT: **CLAIM AGAINST RCWD FROM GUSTAVO LUGO**

Attached for your review is a claim received by the District on April 7, 2026, from Gustavo Lugo. The claimant alleges that on March 20, 2026, following District service maintenance, the restoration of water service caused a pressure surge resulting in alleged damage to the claimant's system. They are asking for $469.00 for repair costs.

In accordance with Government Code §912.4 *"The Board or its designee shall act on a sufficient and timely submitted claim within forty-five (45) days after the claim has been presented."*

In keeping with Government Code §912.4, please attach a memorandum justifying your recommendation of approval or rejection of this claim by April 16, 2026.

If you have any questions regarding this claim, please contact me at extension 6946.

☐ Approved

☒ Rejected

Amount: $_____

Amount: $469.00

Project No.: _____

Justin Weeks

Digitally signed by Justin Weeks
DN: CN=Justin Weeks, E=weeksj@ranchowater.com
Reason: I am the author of this document
Location:
Date: 2026.04.09 10:07:37-07'00'
Foxit PDF Editor Version: 2024.1.0

Director/Manager

4/9/26
Date

Digitally signed by Jason Martin
DN: OU=Admin, O=Rancho Water, CN=Jason Martin, E=martinj@ranchowater.com
Reason: I am approving this document
Location:
Date: 2026.04.13 08:51:35-07'00'
Foxit PDF Editor Version: 2024.2.3

General Manager

4/13/26
Date

Attachment

cc: Claims
Jason Martin

009/vd

Claim Form

(A claim shall be presented by the claimant or by a person acting on his behalf.)

NAME OF DISTRICT: Rancho California Water District

1 Claimant name, address (**mailing** address if different), phone number, social security number, e-mail address, and date of birth.

*Effective January 1, 2010, the Medicare Secondary Payer Act (Federal Law) requires the District/Agency to report all claims involving payments for bodily injury and/or medical treatments to Medicare. As such, if you are seeking **medical damages**, we **MUST** have both your Social Security Number and your date of birth.*

Name: Gustavo Lugo — Phone Number: ([redacted]1983

Address(es): [redacted]92557 — Social Security No.:

Date of Birth:

E-mail [redacted]@yahoo.com

2 List name, address, and phone number of any witnesses.

Name:

Address: [redacted]92591

Phone Number: ([redacted]9473

3 List the **date, time, place,** and **other circumstances** of the occurrence or transaction, which gave rise to the claim asserted.

Date: 3/20/2026 Time: 7:00 a.m. Place: [redacted]

Tell What Happened (give complete information):

On March 20, 2026, Roberto (McDANIEL), who manages the property's irrigation, identified a system failure immediately following a utility service interruption by Rancho Water. The restoration of water service caused a significant pressure surge that ruptured a PVC pipe three feet underground and damaged the internal modules of the [redacted] Backflow Assembly (Serial #[redacted]. The system had previously passed its annual certification in August 2025. These circumstances necessitated emergency repairs and an out-of-cycle inspection to restore the system's integrity.

NOTE: Attach any photographs you may have regarding this claim.

4 Give a general description of the indebtedness, obligation, injury, damage, or loss incurred so far as it may be known at the time of presentation of the claim.

"The loss includes the cost of excavation and PVC repair, as well as professional replacement of the full [redacted] module kit ([redacted]). This incident resulted in a forced financial expenditure to repair and recertify a system that was previously in full working order."

5 Give the name or names of the public employee or employees causing the injury, damage, or loss, if known.

Unknown Rancho Water field personnel. The damage was caused by the restoration of service following the scheduled maintenance announced by Rancho Water via text message on March 19, 2026 (10:00 a.m. – 7:00 p.m. window)

6 The amount claimed if it totals less than ten thousand dollars ($10,000) as of the date of presentation of the claim, including the estimated amount of any prospective injury, damage or loss, insofar as it may be known at the time of the presentation of the claim, together with the basis of computation of the amount claimed. If the amount claimed exceeds ten thousand dollars ($10,000), no dollar amount shall be included in the claim. However, it shall indicate whether the claim would be a limited civil case.

$469.00 based on the 3/31/26 professional invoice for [redacted] module repair and recertification.

Date: 4/7/2026 Time: 5:33 p.m. Signature: [signature]

ANSWER ALL QUESTIONS. OMITTING INFORMATION COULD MAKE YOUR CLAIM LEGALLY INSUFFICIENT!

White --JPIA Office Copy / Yellow--District Office Copy / Pink--Claimant Copy

Revised – October 2015

TEMECULA VALLEY BACKFLOW
TVB

Invoice

[redacted]
[redacted] 92589
Phone [redacted] 4420
Fax [redacted] 8785

WD	Date	Invoice #
RCWD	8/14/2025	[redacted]

Bill To

Gustavo Lugo
[redacted]
[redacted] 92557
PAYMENT LINK
[redacted]@yahoo.com

Job Location

[redacted]

P.O. No.	Terms	Due Date	Attention	Tested	Project
	Net 15	8/29/2025		8/13/2025	

Item	Tech	Description	Qty	Rate	Amount
BFT	L	BACKFLOW ASSEMBLY TEST & CERTIFICATION (UP TO 2')	1	70.00	70.00

Thank you for your business! Make checks payable to Temecula Valley Backflow
OR call [redacted] 4420 and we will send you a credit card payment link.

[redacted]@temeculavalleybackflow.com [redacted].com

Invoice Total	$70.00
Payments/Credits	$0.00
Balance Due	**$70.00**

Rancho California Water District

Name: **Lugo, Gustavo**
Address: [redacted] 92557
Attn: [redacted] 1983 ***Fire Info:***
Subject: **TEST AND MAINTENANCE REPORT – Backflow Prevention Device**

Please be advised that we have made the following periodic test as required by the State of California Administrative Code, Title 17, Chapter V, Sections 7583 to 7622 and report the following findings:

Device name and model: **Wilkins 975XL** Size: **1.5** Serial #: [redacted] Account #: [redacted]

Device Location: [redacted] Meter #: [redacted] Use:
S/ side of [redacted] **E/ of** [redacted] **Right of white sign for** [redacted]
EM [redacted] **emailed for test 8/11/25**

	REDUCED PRESSURE DEVICES			PRESSURE TYPE VACUUM BREAKERS		
	DOUBLE CHECK VALVES		Apparent 8.9 / Actual 8.9			
	CHECK NO. 1	CHECK NO. 2	DIFFERENTIAL PRESSURE RELIEF VALVE	AIR INLET	CHECK VALVE	MAIN PRESSURE 145 PSI
TEST BEFORE REPAIRS	LEAKED ( ) CLOSED TIGHT (X)	LEAKED ( ) CLOSED TIGHT (X)	OPENED AT 2.1 LBS. DIFFERENTIAL	LEAKED ( ) CLOSED TIGHT ( )	LEAKED ( ) CLOSED TIGHT ( )	TESTED BY: ACWP CERT. NO. [redacted] DATE: 8-13-25 PASS/FAIL
NEW MATERIALS AND REPAIRS MADE			Apparent _____ Actual _____			REPAIRED BY: DATE:
TEST AFTER REPAIRS	CLOSED TIGHT ( )	CLOSED TIGHT ( )	OPENED AT _____ LBS. DIFFERENTIAL	OPENED ( )	CLOSED TIGHT ( )	TESTED BY: CERT. NO. DATE: PASS/FAIL

The above data certified to be true by:
Temecula Valley Backflow
[redacted] **92589**

AUG11 [redacted]
Test Month **8 C**

Previous Year: **8/20/2024** 3.2 8.6 8.6 140 **Replaced full mod kit, #2 CK DH (found broken, and #2 CK seat 661**

E-mail: [redacted]**@yahoo.com** [redacted]**@yahoo.com**

TEMECULA VALLEY BACKFLOW TVB

Invoice

[redacted]
[redacted] 92589
Phone [redacted] 4420
Fax [redacted] 8785

WD	Date	Invoice #
RCWD	3/31/2026	[redacted]

Bill To

Gustavo Lugo
[redacted]
[redacted] 92557
PAYMENT LINK
[redacted]@yahoo.com

Job Location

[redacted]
(repair)

P.O. No.	Terms	Due Date	Attention	Tested	Project
	Net 15	4/15/2026		3/31/2026	

Item	Tech	Description	Qty	Rate	Amount
BFR	CC	BACKFLOW ASSEMBLY REPAIR- Serial #[redacted]- Replaced full module kit		150.00	150.00
[redacted]		WILKINS 975XL CK/RV Rubber Kit WITH Modules (CK1, CK2,RV) 1.25-2"	1	319.00	319.00

Thank you for your business! Make checks payable to Temecula Valley Backflow
OR call [redacted] 4420 and we will send you a credit card payment link.

[redacted]@temeculavalleybackflow.com | www.[redacted].com

Invoice Total	$469.00
Payments/Credits	$0.00
Balance Due	**$469.00**



[redacted]

Edit

[redacted]

Add tag

[redacted]5431

9:55 AM, Mar 19

This is a courtesy message from Rancho Water. The District is currently making an emergency repair in the area of [redacted]. Please note that roads in this area will be closed to traffic during the repair. Water service in your area will be interrupted until **7:00 p.m.** For updates, please visit our website at **www.ranchowater.com**.
We appreciate your patience and are working diligently to restore service and reopen the roads as soon as possible. Thank you.

(Reply STOP to opt out)

Previously Rejected Claims Now Being Handled by JPIA

Claimant(s) Name	Incident	Amount	Rancho Water Comment	Status	JPIA Status
Gayane Mutafian	The claimant alleges that they experienced a water leak originating from their upper floor. The claimant alleges this leak cause flooding and damage to their apartment.	Exceeds $10,000.00	Based on the rules and regulations in the District's Administrative Code, 1.7.6 Customer Responsibility, the District assumes no responsibility for maintenance and operation of customer's water system beyond the customer service valve.	The claim was rejected.	JPIA has sent out a denial letter to the claimant. Has assigned legal counsel.
Stacey Glenzer	The claimant alleges that their pipes burst due to a broken District regulator, thus causing high water pressure.	$ 1,673.03	Based on the rules and regulations in the District's Administrative Code, 1.3.3 Water Pressure Regulation, the District shall assume no responsibility for water pressure regulation within a customer's service area. The customer shall be responsible for providing adequate safeguard measures for the customer's water system wherever pressure regulation is necessary. And 1.7.6 Customer Responsibility, the District assumes no responsibility for maintenance and operation of customer's water system beyond the customer service valve. The customer assumes all liability and responsibility of every kind to the end that the District shall be kept whole and harmless at all times of any claim resulting from matters involving quantities, quality, time or occasion of delivery, or any other phase of the maintenance, operation and service of the customer's water system.	The claim was rejected.	JPIA has sent out a denial letter to the claimant.
Jonnie Hanson	The claimant alleges that an unexpected water shut-off, followed by a restoration of service, caused their connection to fail, requiring them to hire a plumber.	$ 950.00	Based on the rules and regulations in the District's Administrative Code, 1.3.3 Water Pressure Regulation, the District shall assume no responsibility for water pressure regulation within a customer's service area. The customer shall be responsible for providing adequate safeguard measures for the customer's water system wherever pressure regulation is necessary. And 1.7.6 Customer Responsibility, the District assumes no responsibility for maintenance and operation of customer's water system beyond the customer service valve. The customer assumes all liability and responsibility of every kind to the end that the District shall be kept whole and harmless at all times of any claim resulting from matters involving quantities, quality, time or occasion of delivery, or any other phase of the maintenance, operation and service of the customer's water system.	The claim was rejected.	JPIA has sent out a denial letter to the claimant
Southern California Edison	The claimant alleges that the District had damaged a streetlight duct and cable that had belonged to Southern California Edison when excavating to repair a mainline.	$ 11,787.46	After a thorough review of the details surrounding this claim, it is the District's recommendation to deny the claim as the line mentioned was not located. (Reference DigAlert ticket #A251080017-00A).	The claim was rejected.	JPIA is monitoring the situation with this claim.

Previously Rejected Claims Now Being Handled by JPIA

Claimant(s) Name	Incident	Amount	Rancho Water Comment	Status	JPIA Status
James Fibiger	The claimant alleges that their water system experienced leads due to ecessive water pressure as a result of a defective pressure regulator.	$ 4,500.00	Based on the ruled and regulations, there is no liability on the part of the District, resulting in a recommendtation to reject this claim. 1.3.3 Water Pressure Regulation - A. Customer Responsibility: The District shall assume no responsibilty for water pressure regulation within a customer's service area. The customer shall be responsible for providing adequate safeguard measures for the customer's water system wherever pressure regulation is necessary. 1.7.6 Customer Responsibility: The District assumes no responsibility for maintenance and operation of customer's water system beyond the customer service valve. The customer assumes all liability and responsibility of every kind to the end that the District shall be kept whole and harmless at all times of any claim resulting from matters involving quantities, quality time or orccasion of delivery, or any other phase of the maintenance, operation and service of the customer's water system.	The claim was rejected.	JPIA has sent out a denial letter to the claimant
Charles La Vorgna	The claimant alleges that he had experienced a leak from his meter and was told by a District employee that the leak was on the District side of the meter.	$ 200.00	Claimant's claim form was submitted, but was insufficient. Claimant was notified about the insufficient claim and did not return a sufficient claim form within the amount of time given.	The claim was rejected.	JPIA has sent out a denial letter to the claimant

5.B

Rancho Water

BOARD INFORMATION

BOARD OF DIRECTORS

May 14, 2026

ITEM 5.B: **Newspaper Articles**

RESPONSIBLE/LEAD STAFF MEMBER(S):

Jason Martin, General Manager

RECOMMENDATIONS:

This is an information item for the Board of Directors (Board).

DISCUSSION:

The attached material is provided for the Board's review and information.

ALTERNATIVES:

Not applicable

FISCAL ANALYSIS:

Not applicable

ENVIRONMENTAL REQUIREMENTS:

None

EXHIBITS/ATTACHMENTS:

1. News Articles

The Press Enterprise, Thursday, April 9, 2026

Heat wipes out Western snowpack, raising the fears of serious drought and wildfires



A baseball fan tries to shield from the sun during the fourth inning of a spring training baseball game between the Chicago White Sox and the Athletics March 17 in Phoenix. AP

BY SCOTT DANCE, SACHI KITAJIMA MULKEY AND MIRA ROJANASAKUL

THE NEW YORK TIMES

After the warmest winter on record for many states and a blistering March heat wave that left almost no snow in parts of the American West, the region is facing a summer of serious wildfire risks and a drought that could force broad water restrictions.

New measurements this month show most of the Mountain West won't be able to rely on melting snow, the region's largest water source, because there's hardly any snowpack there. And while some rain is forecast in the coming weeks, any spring precipitation will likely be too little, too late, scientists said.

Valley News, Friday, April 9, 2o26

EMWD approves purchase agreement for Ridgecrest Road Tank land

By **Joe Naiman** - April 13, 2026

The Eastern Municipal Water District board approved the purchase of land for the future Ridgecrest Road Tank in Winchester.

The board's 5-0 vote on March 18 approved the acquisition of approximately 20 acres for $304,000. The agreement also includes permanent and temporary construction easements. A previous planned site was subsequently deemed unfeasible, and the county supervisors also designated those two parcels to be surplus and returned that land to the Winchester Ridge Community Association.

The Ridgecrest Road Tank will be southeast of the intersection of Domenigoni Parkway and Leon Road. The potable water storage tank will have a capacity of 3.4 million gallons. The project will also include an access road and 4,500 feet of 24-inch diameter transmission pipeline. The tank will provide potable water to the 1719 Winchester Hills Pressure Zone.

In March 2022, Eastern acquired fee title property and easement rights at no cost for the original Ridgecrest Road Tank site. Subsequent due diligence determined that the initially-planned site was not feasible due to environmental and cultural resource impacts. Under the terms of that agreement, Eastern will return property ownership of the land which is not required for the district's current or future needs to the Winchester Ridge Community Association, and the March 18 declaration of surplus allows that to occur.

A study of six tank site alternatives ranked land owned by RHV Valley Glen, LLC, and MV Valley Glen, LLC, which are subsidiaries of Richland Communities, as the desired site. The land is part of the Conestoga subdivision, which will build approximately 400 residential lots on what are now six legal parcels.

Eastern's appraiser valued the desired property at $253,000. Richland Communities declined that offer and obtained their own appraisal, which valued the property at $358,000. EMWD staff declined the counteroffer, extended negotiations were conducted,

and staff and Richland Communities agreed to pursue a third independent appraisal. In March 2025 that appraiser valued the fee title property at $304,000. Eastern and Richland Communities agreed that appraisal to be equitable.

The acquisition area also includes land for a second tank which would be built in the future and for a detention basin. Richland Communities agreed to dedicate two permanent public service easements totaling 4.63 acres, two temporary construction easements totaling 0.44 acres, and a right of entry for secondary construction access at no additional cost. The permanent and temporary easements are necessary for Eastern to install, access, operate, and maintain the 24-inch transmission pipeline and to access the tank property.

Eastern will be financially responsible for escrow and title fees, surveying costs, and any fencing of the new site. Richland Communities will be responsible for any costs to remove any liens and encumbrances affecting the fee title property. The EMWD acquisitions will require revisions to the tract map, and Eastern will reimburse Richland Communities up to $23,340 for the consultant (X Engineering & Consulting, Inc., of Santa Ana) to complete the necessary revisions to the tract map. The tract map revision will cover recording the land Eastern acquired as a separate numbered lot within the tract map.

Valley News, Friday, April 9, 2o26

EMWD authorizes design contract for Sun City pipeline replacements

By **Joe Naiman** - April 12, 2026

The Eastern Municipal Water District issued GHD, Inc., the design contract for the next phases of the Sun City Pipeline Replacement Program.

A 5-0 EMWD board vote April 1 approved a $990,019 contract with GHD, which has an Irvine office. The board approved total appropriations of $1,163,000 which will also cover $58,000 for EMWD engineering labor costs, $8,000 of district expenses for the construction bid advertisement, $25,000 for permitting, $10,000 for environmental expenses, $10,000 for the final preparation and review of plans and specifications, and a $61,000 contingency.

Eastern's routine potable water pipeline replacement program includes identifying key segments which have experienced multiple leaks and line breaks in past years. Several segments in the Sun City area have experienced multiple leaks and breaks. The contract issued to GHD will cover the design for Phase 5 and Phase 6 of the Sun City Pipeline Replacement Program.

Phase 5 will replace approximately 2,200 linear feet of 12-inch diameter cement mortar lined and coated (CML&C) pipeline and 6-inch asbestos concrete pipeline on Chambers Avenue, 2,500 linear feet of 12-inch CML&C pipeline on Sun City Boulevard, 2,100 linear feet of 8-inch CML&C pipeline on Winged Foot Drive, 1,900 linear feet of 8-inch CML&C pipeline on Northwood Drive, 1,500 linear feet of 8-inch CML&C pipeline on Augusta Drive, and 400 linear feet of 16-inch CML&C pipeline on Cherry Hills Boulevard crossing Interstate 215. Phase 6 will replace 3,600 linear feet of 8-inch CML&C pipeline on Portsmouth

Drive, 1,200 linear feet of 6-inch CML&C pipeline on Plum Hollow Drive, 1,700 linear feet of 6-inch CML&C pipeline on Coombe Hill Drive, 1,800 linear feet of 6-inch CML&C pipeline on Middlebury Way, 200 linear feet of 4-inch CML&C pipeline on Hershey Court, 300 linear feet of 4-inch CML&C pipeline on Hoylake Court, 1,600 linear feet of 6-inch CML&C pipeline on Falsterbor Drive, 700 linear feet of 6-inch CML&C on Amersfoot Way, 1,000 linear feet of 6-inch CML&C on Burlington Way, and 1,100 linear feet of 6-inch CML&C pipeline on Fountain Bleu Drive.

EMWD staff issued a request for proposals for preliminary and final design services on November 6. Six firms submitted responses by the December 19 deadline. The California Government Code requires professional services agreements to be awarded based on demonstrated competence and the professional qualifications necessary for the satisfactory performance of the services required rather on the lowest price. A selection panel ranked the proposals based on project understanding and approach, relevant qualifications, availability of the firm to handle aspects of the work, past performance, and consultant fee. GHD was determined to be the preferred firm.

GHD will use subconsultants for three activities which were designated as negotiated optional tasks. Underground Solutions of Escondido will provide potholing services. Converse Consultants, which is based in Redlands, will be responsible for the geotechnical investigation and report. The Prism Group, whose office is in Corona, will handle the surveying and mapping tasks.

The final design is expected to be complete by August 2027.

Joe Naiman can be reached at jnaiman@reedermedia.com.

Union Tribune, Wednesday, April 15, 2026

Unsafe bacteria levels found in water at 3 sites

O'side pier, Buccaneer Beach, Buena Vista Lagoon outlet on county's beach advisory list



Elevated bacteria levels have been detected at Buccaneer Beach, shown in November 2025, in Oceanside. K.C. Alfred / U-T File

BY PHIL DIEHL

UNION-TRIBUNE

OCEANSIDE — Elevated bacteria levels detected by routine testing have placed the waterfront areas around the Oceanside Municipal Pier, Buccaneer Beach, and the Buena Vista Lagoon outlet on San Diego County's beach advisory list.

It was unclear why the levels were up. A contractor has been pumping sand dredged from the channel of the nearby Oceanside Harbor into the surf line near the pier for

about a week. Also, the region has had a few rain showers in recent days, but not enough for significant runoff.

“We don’t always know what causes the levels unless there is a reported issue,” said Donna Durckel, a communications officer for the county, in an email Tuesday.

“Sand replenishment projects can increase bacteria levels,” Durckel said. “The disturbance from moving and placing large amounts of sand can temporarily affect water quality.

“We also received rainfall from Sunday into Monday,” she said. “Oceanside was the only part of the county that recorded approximately 0.2 inches of rain. Even a small amount of rainfall can impact water quality, especially in areas with lagoon or creek influence.”

The advisory means bacteria levels in the water have exceeded state health safety levels, and that people should avoid contact with the water in those areas. The county tests coastal waters regularly, and the advisory could be lifted in a few days if new tests show the bacteria levels have receded

The advisories added Monday were among 14 in effect countywide this week. Also in Oceanside, Harbor Beach has had an advisory in effect since April 6, and one at the San Luis River outlet has been in effect since March 24.

Elsewhere in the county, advisories have been posted at the North Cove of Mission Bay since April 9, at Fanuel Park and the Campland beach at Mission Bay since April 8, Tidelands Park Shoreline of San Diego Bay in Coronado since April 6, the Glorietta Bay Park shoreline of San Diego Bay at Coronado since April 3, Tecolote Shores at Mission Bay and Dog Beach at Ocean Beach since April 2, and the Children’s Pool at La Jolla since September 1997.

Five other beaches in the county were closed Tuesday, all at the southern end near the international border with Mexico, where sewage flows in the Tijuana River are a persistent problem.

Two areas in Coronado, one near a lifeguard tower and another near the end of Avenida Lunar, were added to the closures Friday and Saturday.

The Imperial Beach shoreline from the south end of Seacoast Drive to Imperial Beach Pier and the Silver Strand shoreline from north of Carnation Avenue to south of Avenida Lunar have both been closed since Dec. 24.

The Tijuana Slough shoreline from U.S.-Mexico border, including Border Field State Park and the Tijuana Slough National Wildlife Refuge, have been closed since Oct. 13.

Valley News, Friday, April 24, 2026

EMWD to obtain SDCWA conserved water

By **Joe Naiman** - April 19, 2026

A water transfer agreement for the sale of San Diego County Water Authority supply to the Eastern Municipal Water District was approved by both the EMWD and the SDCWA boards.

The EMWD board approved the agreement on a 5-0 vote April 1. The CWA board unanimously approved the transfer April 9. Eastern will purchase a minimum of 10,000 acre-feet of water annually from the CWA.

"This is a historic agreement for our region. It enhances water supply reliability for Eastern, for our growing community. It's an incredibly effective way to manage water resources for Southern California," said EMWD general manager Joe Mouawad.

"This agreement's fabulous. It just shows we're here to do what's in the best interests of our ratepayers," said EWMD board president Stephen Corona.

Eastern and the CWA are both members of the Metropolitan Water District of Southern California. Both receive wholesale water from MWD while both also have sources of local supply. MWD obtains water from the Colorado River Aqueduct which transports water from Parker to Lake Mathews and from the State Water Project which brings water from Oroville to Lake Skinner. Groundwater wells provide approximately 20 percent of Eastern's potable water supply.

MWD and the CWA began delivering water to San Diego County in 1947. MWD's San Diego Aqueduct conveys water to a delivery point six miles south of the Riverside County line. That allowed MWD and the CWA to provide equal contributions to connect from MWD's Colorado River Aqueduct to the San Vicente Reservoir in Lakeside.

Prior to the 1991 drought approximately 95 percent of the CWA supply was purchased from MWD. The CWA has since worked to diversify its supply. Only 40 percent of the 2018 supply was from MWD.

In 2003 the CWA approved the Quantification Settlement Agreement which brings conserved water from the Imperial Irrigation District to San Diego County and also involved lining the Coachella Canal and the All-American Canal. The agreement with IID is for 75 years and the agreement to obtain water from the lining of the canals is for 110 years. QSA supplies now account for approximately half of the CWA demands. Conserved water transfer provides 200,000 acre-feet annually for the San Diego region through water conservation measures in the Imperial Valley. It is the largest agriculture to urban water transfer in the nation. The agreement also includes a "wheeling" fee to transport water through MWD's aqueducts.

Construction on the Claude "Bud" Lewis Carlsbad Desalination Plant and a ten-mile pipeline began in 2013. The plant began delivery of desalinated water in December 2015. The CWA annually obtains between 48,000 and 56,000 acre-feet from the desalination facility.

The CWA's most recent Urban Water Management Plan was approved by the board in May 2021 and forecasts 555,578 acre-feet of supply in 2025, 578,244 acre-feet for 2030, 598,474 acre-feet in 2035, and 614,235 acre-feet for 2040. The expected 2045 demand is 630,771 acre-feet with desalination and the QSA accounting for 328,000 acre-feet, purchases from MWD providing 49,193 acre-feet, and local supply from CWA member agencies totaling 252,875 acre-feet.

The population growth within the CWA area which increased during the late 20th century has stabilized. The CWA and its member agencies have promoted conservation practices. Due to conservation along with increased efficiency, the per capita demand has decreased by approximately 50 percent since the early 1990s.

The transfer agreement approved by the EMWD and CWA boards won't involve physical transport between the two agencies but rather the MWD aqueduct system delivering water allocated for the CWA to EMWD turnouts. "Metropolitan has created a framework for member agencies," Mouawad said.

A water transfer agreement involving the Western Municipal Water District, the CWA, and MWD was signed March 19 in San Diego. The agreement with Eastern is the second such agreement for the CWA.

"I think it just proves that the first one wasn't a fluke," said CWA general manager Dan Denham.

"Another landmark agreement that's going to benefit ratepayers," said CWA board chair Nick Serrano. "This is not theoretical anymore."

The sale of CWA water to Eastern will provide the CWA with additional revenue to help cover some of the CWA's fixed costs. "We can stabilize rates long-term," Serrano said. "I'm excited to be able to achieve that."

The need for CWA revenues to cover fixed costs made the CWA and Eastern adversaries when the Fallbrook Public Utility District and the Rainbow Municipal Water District sought to detach from the CWA and annex to Eastern. FPUD and Rainbow benefited by lower wholesale rates while the remaining CWA agencies had to cover the fixed costs no longer being funded by FPUD and Rainbow. The reorganization was approved by San Diego County's Local Agency Formation Commission in July 2023, ratified by the FPUD and Rainbow voters in November 2023, and became effective in 2024.

"I know there's some irony," Serrano said.

"We have a bigger picture," Serrano said. "If it benefits the ratepayers that's a win-win in my book."

"It's a feather in the cap for that district," Corona said. "We can work with them."

"What I truly value is the vision and the ability to look forward, to look at opportunities instead of challenges," Mouawad said.

The water to be purchased from the CWA will be used for EMWD retail demand rather than to supply wholesale water to FPUD and Rainbow.

Including wholesale water delivery to FPUD and Rainbow the EMWD service area of 682 square miles has a population of approximately 1,000,000 residents and extends from Moreno Valley to northern San Diego County. Approximately 43 percent of Eastern's land area is built out.

The past issues involving the CWA, Eastern, FPUD, and Rainbow were not responsible for delaying the water transfer agreement. "There was no delay associated with it," Dehnam said. "We just started with Western a little bit earlier, and the Western agreement paved the way for what we have with Eastern."

"We all were negotiating separately," Mouawad said.

"There were some unique aspects to our agreement," Mouawad said. "They both achieve the same outcome."

During Calendar Year 2026 the CWA is charging its member agencies $1,490 per acre-foot for untreated water, and there are also pro-rata shares of CWA fixed charges. Eastern will receive at least 10,000 acre-feet of water over the next 21 years and will also pre-purchase approximately 30,000 acre-feet for future delivery. Eastern will purchase the water for $1,350 per acre-foot (the MWD rates for CWA purchases include wheeling charges which will not occur when the water is delivered directly to Eastern). The agreement will provide $13.5 million annually for the CWA, and including the up-front payments the CWA will obtain approximately $74 million of revenue over the next five years.

The agreement formally ends on December 31, 2047, but it is automatically extended unless Eastern opts not to continue after that date. Those terms match the Quantification Settlement Agreement in which the initial term of the CWA-IID conserved water transfer agreement runs through 2047 while if both parties agree the QSA can be renewed through 2077.

"It is an incredible accomplishment," Mouawad said.

Valley News, Friday, April 17, 2026

EMWD, Rep. Calvert celebrate historic advancement of Quail Valley sewer project

By **Submitted Content** - April 16, 2026



Dignitaries celebrate the groundbreaking of the expansion of sewer service to the Quail Valley community in Menifee. Valley News/Courtesy photo

PERRIS — Eastern Municipal Water District (EMWD) and Congressman Ken Calvert celebrated the groundbreaking of a new project on Wednesday that will expand sewer service in the Quail Valley community of Menifee.

The event marked a long-term effort to advance the Goetz Road Sewer Project, which will help protect public and environmental health in the region. The project will install nearly 4,000 feet of new sewer pipeline on Goetz Road, between Rock Canyon Drive and Avenida Robles. The project should be completed in mid-2027.

"This project will greatly benefit the residents of Quail Valley by protecting public and environmental health," EMWD Board President Stephen Corona said. "We are incredibly appreciative of Congressman Calvert, who provided his full support for this project and was critical to helping to secure the necessary grant funding."

Calvert (CA-41) remains a steadfast advocate for the Quail Valley community, having secured a total of $10 million in federal Community Project Funding to date. He successfully secured $5 million in the FY 2026 Transportation-Housing and Urban Development bill for this project. This builds upon appropriations he secured in both FY 2022 and FY 2023 for $2.5 million each through the United States Environmental Protection Agency's (USEPA) State and Tribal Assistance Grant Program.

"This project highlights the importance of partnerships to construct infrastructure in underserved communities," Calvert said. "EMWD has been an advocate for bringing sewer service to Quail Valley. Together, we are proud to advance this important project that will enhance the economic vitality of the community, and quality of life for so many."

Quail Valley was once a rural enclave that was largely a vacation community. As the region developed and became home to more full-time residents, the septic systems in the area began to fail. When they did, wastewater would leach into the groundwater and surface waters of nearby Canyon Lake, which is a tributary to the Santa Ana River.

For two decades, EMWD has been working to advance a long-term solution to bring sewer service to Quail Valley, which qualifies as an economically disadvantaged community. Because it cannot ask its other ratepayers to subsidize the project, EMWD is dependent on grant funding to construct the necessary infrastructure.

"We at EPA are thrilled to be supporters of this critical infrastructure improvement, which will bring tangible benefits to the residents of Menifee," said EPA Pacific Southwest Deputy Regional Administrator Cheree Peterson. "Progress toward more modern wastewater systems, that protect human health and our vital groundwater resources, is cause for celebration."

The sewer line on Goetz Road is a vital piece of the long-term effort to expand sewer service to additional areas of Quail Valley. In 2019, it completed work on the first phase of sewer service in the community. That project, which was focused on the southern portion of Quail Valley known as Subarea 9, converted 149 homes from septic to sewer and extended sewer access to 66 undeveloped parcels. It was funded through significant grant funding from the State Water Resources Control Board ($8 million), the Santa Ana Watershed Project Authority ($1.93 million), and the Santa Ana Regional Water Quality Control Board ($455,000).

"Today marks a major milestone for the Quail Valley community and for water quality protection in the Santa Ana Watershed – local groundwater, the San Jacinto River, and ultimately Canyon Lake," said Eric Lindberg, Executive Officer of the State Water Resources Control Board.

EMWD is seeking additional grant funding opportunities to bring service to Subarea 4, a densely populated area in the northern portion of Quail Valley that is under a septic moratorium put in place by the Santa Ana Regional Water Quality Control Board preventing the development of vacant parcels with new septic systems.

Valley News, Friday, April 24, 2026

EMWD authorizes design contract for Sun City pipeline replacements

By **Joe Naiman** - April 26, 2026

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Joe Naiman can be reached at jnaiman@reedermedia.com.

Valley News, Friday, April 24, 2026



Valve Vixens give EVMWD first in Hydrant Hysteria section competition

By **Joe Naiman** - April 24, 2026

The American Water Works Association has a Hydrant Hysteria competition in which two-person teams assemble a fire hydrant. The AWWA has sections including the California-Nevada Section, and at the 2026 section conference, April 6-9 in San Diego, the Valve Vixens from the Elsinore Valley Municipal Water District won the women's Hydrant Hysteria competition April 8.

The teams are allowed two runs with the faster assembly being used as the scored time. The Valve Vixens team of Patricia Castellanos and Megan Mitchell had the winning time of 1:48.32. The second-place time of the Triple Threat team from the City of Ontario's water department was 2:11.72.

"We put a lot of work and effort into it, and I'm feeling good that it paid off," Castellanos said.

"I'm proud of my teammates, coach, everyone who helped," Mitchell said.

The teams are allowed a coach. The coach for the women's teams can be either male or female. Ray McCullough coached the Valve Vixens.

"They did fantastic," McCullough said. "All the practice and the hard work that they're doing is paying off."

The 2023 California-Nevada Section conference was in San Diego, and female EVMWD staff members witnessed the Hydrant Hysteria activity. They decided to participate in the 2024 Hydrant Hysteria competition and found four willing female employees. Haley Garland and Lulu Seward comprised the Hydrant Belles team while the 2024 Sprinkle Squad consisted of Jennifer Aguirre and Lenai Hunter.

Actual EVMWD hydrant assembly is performed by the district's meter department, which includes McCullough. None of the Hydrant Belles, Sprinkle Squad, or Valve Vixens members work with hydrants professionally. McCullough and the teams practiced after work hours.

The original four women began practicing at the beginning of February 2024. Initially, their times to assemble a hydrant exceeded eight minutes. The teams increased their practice frequency from three to five days each week. In late February 2024 the two EVMWD teams were part of a demonstration at a fair conducted by the Los Angeles Department of Water and Power. The Sprinkle Squad duo assembled their hydrant in 1:53 while Hydrant Belles completed their task in 2:13.

The 2024 AWWA section conference was held in Burlingame. Hydrant Belles and Sprinkle Squad swept first and second and were 1/100 of a second within each other; Garland and Seward had a time of 1:47.35 and Aguirre and Hunter finished in 1:47.36.

The June 2024 national Annual Conference and Expo was in Anaheim. The host section is allowed to enter two men's teams and two women's teams at the national Hydrant Hysteria competition. Garland and Seward gave Hydrant Belles a winning time of 1:31.25. Sprinkle Squad captured third place with Aguirre and Hunter assembling their hydrant in 1:39.50.

Work commitments forced Aguirre and Hunter to stop competing in Hydrant Hysteria events, and they were replaced by Castellanos and Mitchell. The 2025 section conference was in Sacramento, and Hydrant Belles won while the Valve Vixens debut of Castellanos and Mitchell included the third-place time. Garland and Seward won their second consecutive national championship in Denver, and their time of 1:18.18 set a women's record.

As the defending national champions, Garland and Seward earned automatic entry into the 2026 national competition, which will be held in Washington, DC, in late June. (The AWWA national Annual Conference and Expo will be in San Diego in June 2027.) The automatic qualification means that both Valve Vixens and Hydrant Belles will compete at this year's national competition.

An injury, rather than a pre-planned desire to send two teams, led to Hydrant Belles not competing April 8. Seward was removing dishes from her dishwasher April 3. A glass had broken, and that broken glass cut Seward's right index finger. She required three stitches.

"I'm going to come back stronger by June," Seward said.

"We already get to go, so it's okay," Garland said.

The section conference also had a Pipe Tapping competition April 7 which involves three-person teams who had to tap a ductile iron pipe with a one-inch corporation stop using a manual tapping machine. The Elsinore Valley group decided to try that event. "It seemed like fun," McCullough said.

Garland and Castellanos were joined by City of Ontario employee Aracely Martinez. Although they considered their tapping to be a demonstration and tapped the pipe in 6:34 they were awarded a first-place plaque for the women's competition.

"They had never done it," McCullough said. "It's going to be a work in progress."

The Elsinore Valley ladies had only one Pipe Tapping practice prior to the AWWA competition. "We're not practicing doing it. We're focused on the hydrant," Garland said.

"I found it a little challenging," Castellanos said. "It was very fulfilling to me."

Valve Vixens completed their first Hydrant Hysteria run in 1:54.76, which includes a ten-second penalty. The second run took 1:38.32 while the ten-second penalty for the hydrant not being fully aligned brought their time to 1:48.32.

McCullough and the two teams had practiced two hours daily three or four times a week prior to the section competition. "These ladies are really dedicated," he said.

The competition rules allow each team a five-minute period to examine the hydrant parts prior to the timed competition. The rules also prohibit teams from participating if they are wearing articles of clothing or using equipment which displays offensive language, slogans, or graphics. That prohibition didn't prevent Castellanos, Mitchell, Garland, and Seward from wearing fire hydrant socks they found and purchased on Amazon.

Castellanos, who attended Jurupa Valley High School, works in customer service. She has been with the Elsinore Valley Municipal Water District for 12 years and had not previously worked in the water industry.

Mitchell is originally from Moreno Valley and attended Canyon Springs High School. She worked for Valvoline before joining the EVMWD staff four years ago. Mitchell is an inventory control specialist.

Garland is an inspector in the district's engineering department. She was raised in Lake Elsinore and attended Temescal Canyon High School. Garland made her water industry debut when she became an EVMWD employee ten years ago.

Seward was raised in Orange County. She has worked for the Elsinore Valley district for the past 17 years and is in the water quality department. Seward had not worked in the water industry prior to being with Elsinore Valley.

The Elsinore Water District was consolidated into the Elsinore Valley Municipal Water District in 2011. McCullough had been with the Elsinore Water District for 11 years before joining the consolidated district. He was raised in the City of Riverside and attended Arlington High School.

Joe Naiman can be reached at jnaiman@reedermedia.com.

Union Tribune, Saturday, April 25, 2026

Poway OKs $441,000 payment to resolve bill dispute

San Diego to be paid in yearslong impasse over water charges

BY JULIE GALLANT

U-T COMMUNITY PRESS

POWAY — The Poway City Council unanimously approved a $441,000 payment to the city of San Diego on Tuesday to resolve a yearslong billing dispute and establish an amended water rights agreement with the city.

The payment retroactively replaces water charges made by San Diego to Poway for the calendar years 2017 to 2025, according to a Poway staff report.

The water agreement between the two cities, which dates back to 1968, was intended to resolve a protest related to San Diego's prior downstream water rights at Hodges Dam and to secure permits needed to build the Poway Dam in 1971.

"The 1968 agreement requires the city of Poway to measure surface water diversions and provide replacement water to offset downstream impacts as surface water flows are diverted away from San Diego by the Poway Dam and stored in the Lake Poway reservoir," the staff report stated.

The agreement gave Poway a means of replacing water that flowed into the Lake Poway reservoir, said Poway Utilities Administrator Carlos Cortes. Replacement water was measured with hydrology-based calculations and monetary compensations to San Diego, the staff report said.

"Between 1972 and 1998, these methods resulted in ongoing disputes, technical studies, and unsuccessful attempts to formalize revisions," the staff report states. "Although Poway continued reporting (water) flows, San Diego ceased invoicing after 1992."

By fall 2018, Poway staff discovered there was a lapse in payments and notified San Diego. The following year, the two agencies worked out a system for resolving past obligations. They resolved the issue in January with an amended water rights agreement that establishes updated procedures for measuring water flows and includes a negotiated lump sum payment for 2017-25.

The full amount of the agreement is $534,266 but $92,400 was paid by Poway in fiscal year 2025-26, officials said. The City Council approved the additional $441,866

payment from the water fund on Tuesday.

“The 2026 agreement also re-establishes the city of Poway’s ongoing annual obligation to provide replacement water calculated using updated methods and requires Poway to install a permanent upstream measuring device and associated culvert during a future fiscal year,” the staff report said, which estimated the project will cost about $200,000 to be budgeted in a future fiscal year.

With adoption of the agreement, San Diego will invoice Poway retroactively and will resume standard calendar-year billing cycles, with payments due March 15 each year beginning in 2026.

The payment amounts will depend on the amount of water that is runoff into Lake Poway as it is measured by the metering device yet to be installed, Cortes said. Water use estimates may also be used in the calculation, he said.

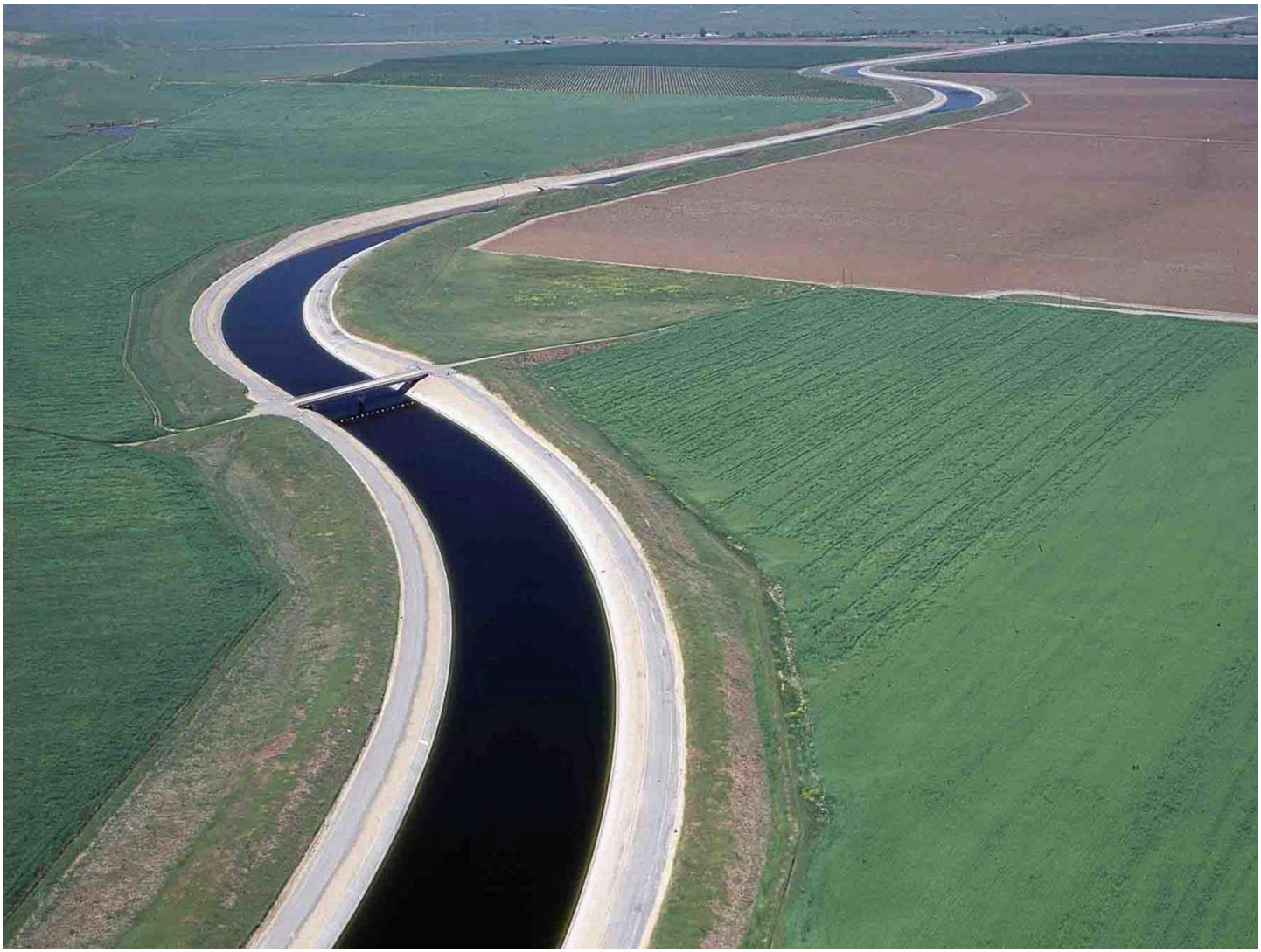
“There will be a credit for water that is released from the Lake Hodges Dam,” he added.

The credits are expected to continue for 10 years or until the dam repairs are completed, said Poway spokesperson Rene Carmichael.

The Press Enterprise, Sunday, April 26, 2026

CALIFORNIA

Drought is over so let's act like it



California needs to rethink its expensive water conservation policies after the U.S. Drought Monitor has been shown to overestimate shortages. California Department of Water Resources via ap

On Jan. 5, for the first time in 25 years, the entire state of California was declared drought-free. The source of this welcome news was the federally funded U.S. Drought Monitor, a collaborative effort involving experts from academia along with the USDA and the National Oceanic and Atmospheric Administration. Once per week, the Drought Monitor produces a national map that shows where drought is occurring, and for most of the last few decades, large swaths of California have been tinted alarming shades of red to denote conditions ranging from "exceptional drought" to "severe drought."

The fact that the monitor has declared California to be totally drought-free carries with it unusually high credibility, as demonstrated by a new study by researchers at the California Policy Center. The

study, commissioned by Mesa Water District (serving Newport Beach and Costa Mesa), took the monitor's historical assessment of drought frequency and severity in California during the last half of the 20th century, and compared that with its reports issued over the past 25 years. It found that the monitor showed areas within the state were experiencing some level of drought 61% of the time over the past 25 years, compared with only 30% of the time in the decades prior to 2000.

But was California twice as dry this century than last century? To answer this question, California Policy Center researchers examined reports from weather stations throughout the state, developing averages by year for rainfall, snowpack, temperature, relative humidity, dew point and vapor pressure deficit. This source data indicated California has not been experiencing a greater frequency or severity of droughts in this century. In fact, the findings for the 21st century were nearly identical to the 20th century's. Rainfall, temperature and humidity were all virtually unchanged between this century and the last century.

The study concluded that Drought Monitor categorizations are statistically inconsistent with long-term climate patterns and not reproducible, because independently sourced climate data showed minimal long-term drying. Moreover, the monitor only measures "dryness," not water availability. Researchers recommended the monitor make its methods more transparent so independent analysis can reproduce the results.

These findings raise serious concerns about the monitor's accuracy and its outsized role in shaping California's water policy. While drought preparedness remains essential, an overreliance on the mislabeled and apparently inflated monitor categorizations has led to unnecessary water restrictions and missed opportunities to invest in long-term water resilience.

And yet even the monitor now reports that California is completely drought-free. It's about time. Including our current season, the state has had above-average rainfall for four consecutive years. Will the state's powerful Water Resources Control Board take into account this abundance and increase farm allocations? Will the Legislature reconsider its "Making Conservation a Way of Life" laws that will limit indoor water use to 40 gallons per person per day?

Along with the narrative that we are experiencing unprecedented droughts, now revealed as a myth, is the narrative that somehow Californians waste water, and "water wasters" have to be controlled. But total water diversions in California have not increased in over 40 years. Urban consumption has remained flat at between 7 million and 8 million acre-feet since the 1980s, even though the state's population has increased from 25 million to nearly 40 million since then. Water diversions for irrigation have also remained stable at between 30 million and 35 million acre feet per year for the last 40 years, even though the value of farm production has roughly doubled.

These facts prove that Californians have already become very good at conserving water. Further restrictions on water use in the state are costly. Implementing the latest regulations on urban water use will cost billions, while eliminating incentives for water agencies to invest in additional water supply infrastructure — desalination, wastewater recycling, runoff harvesting — assets that will be necessary if prolonged droughts ever do challenge supplies. Continuing to cut farm water allocations is on track to fallow a million acres or more of irrigated farmland in the state, causing a devastating loss of jobs and economic productivity.

When even the U.S. Drought Monitor, an organization that is demonstrably biased in favor of declaring droughts, says we are no longer in a drought in California, we should believe it. California's legislators and water agencies should restore historical water allocations to farmers. They should increase pumping to the aqueducts during winter storms to allow farmers and water agencies in the San Joaquin Valley to recharge depleted aquifers, without those allocations coming at the expense of their contracted allocations for farm irrigation. And they should repeal legislation that enforces urban water rationing, at great cost, and instead create incentives for water agencies to invest in projects that will increase and diversify our supplies of fresh water.

There is no reason Californians cannot have abundant water. With better management of the water infrastructure we've already got, and smart investments in new water supply infrastructure, even if droughts eventually do challenge our supplies, we will have more than enough.

Edward Ring is the director of water and energy policy at the California Policy Center.

The Press Enterprise, Sunday, April 26, 2026

L.A. COUNTY

120 billion gallons of rainwater caught in storm season

BY STEVE SCAUZILLO

SSCAUZILLO@SCNG.COM

Think back to those torrential rains that hit Southern California in December, and on Jan. 1 when storms drenched poncho-wearing Rose Parade marchers, float riders and umbrella-hoisting onlookers in Pasadena.

To water supply managers in Los Angeles County, rain is not an inconvenience. It is a windfall.

Since local rain accounts for 40% of the region's drinking water supply, folks from Los Angeles County Public Works were busy making sure it got captured and sunk into reservoirs and groundwater basins as non-rainy day storage. As the storm season ended, they tallied up their wins:

L.A. County captured a whopping 120.3 billion gallons of stormwater for the 2025-2026 storm season that ran from early October through April 15. The rain-gain was oceans more than last year's total of just 11.9 billion gallons, the county announced earlier this week.In fact, it's enough captured stormwater to meet the needs of 3 million people for a year.

"That is great. It is incredibly impressive," said Bruce Reznik, the executive director of L.A. Waterkeeper, a nonprofit that advocates for stormwater capture, water resilience and protection of local waterways. "It speaks to what the county has been doing for decades to capture water."

Of course, Mother Nature deserves a lot of credit.

"This season's rainfall translated into a significant increase in stormwater capture, which reflects the performance of the county's flood control infrastructure, as well as our coordinated stormwater management efforts," said Mark Pestrella, director of L.A. County Public Works.

While the system of 14 major dams and 27 gravely, porous spreading grounds across the county is the human side of the equation, they aren't going to help anyone unless there's wet stuff falling from the sky.

And in the 2025-2026 storm season, downtown Los Angeles recorded 16.9 inches of rainfall, about 110% of its annual average. If you look at the previous storm season, that had only brought 6.6 inches of rain, or less than half the annual average of 15.4 inches.

Stormwater captured in dams, reservoirs and spreading grounds figured out to be an amazing 185% of average for this time of year, the county reported.

"This season brought a significant increase compared to last year, showing the system is working as intended," wrote Elizabeth Vazquez, spokesperson for Public Works in an emailed response.

These eye-popping numbers did not escape county Third District Supervisor Lindsey Horvath, who in November led the way for passage of the OurCounty Sustainability Plan. For an Earth Week moment, sustainability and environmental success came together.

“Capturing more stormwater here in Los Angeles County is one of the most powerful opportunities we have right now to strengthen our local water supply,” she said. “Every gallon we capture reduces our reliance on imported water, protects affordability of future supply and helps build more resilient communities as we adapt to our changing climate.”

Reznik agreed. However, he said more needs to be done to become water independent for 10 million county residents. That’s because about 60% of the county’s yearly water supply is purchased or imported water from the Colorado River Basin and from the snowmelt in the Sierra Nevada.

Imported water is more costly. And local water supplies, properly stored in local reservoirs and in vast underground reservoirs called aquifers, cost less. Local water is also more reliable, even though predicting rain in the Mediterranean climate of Southern California is about as easy as choosing a winning Super Lotto number.

While averages are mathematically calculated, the rainfall totals run from near zero to up to 20 or more inches a year. That drives pocket-protector wearing water engineers a little crazy, because steady outcomes are what these men and women live for. There’s nothing normal about Southern California’s storm season. Retired Caltech/JPL climatologist Bill Patzert used to say “normal” is only a button on a washing |machine.

When climate change is added to the “normal” fluctuations in the rainy seasons, that makes collecting local water more important, said Reznik.

That’s because the Sierra snowpack is all but gone this year due to a fast melt during a hotter March, he said. So the water folks celebrated a year of more local water, but less water available that can be piped from Northern California.

“The great news is there, but there is a potential for a lot more,” he said.

Reznik said while the San Gabriel River system and adjacent spreading grounds, stretching from Irwindale to Long Beach, work exceptionally well, capturing 90% of the local runoff that percolates into underground basins for later use, that’s not true of some other waterways in the county.

“The L.A. River is exactly the opposite,” Reznik said. “About 85% to 90% of that water runs off to the ocean.”

He’d like to see more stormwater capture in the L.A. River. “There is a lot of untapped potential for stormwater capture in the San Fernando Valley,” he said.

The county totals include stormwater captured and spread into existing San Fernando Valley areas, including: Pacoima Spreading Grounds, Hansen Spreading Grounds in Lake View Terrace and Lopez Spreading Grounds in Sylmar. Water spread here soaks into the San Fernando Valley aquifer.

To increase local storage, Reznik wants to see more smaller and mid-size projects in the San Fernando Valley and South LA, such as removing hardscape like blacktop from schools and parks

and creating more green space. This will allow rain to soak down into the aquifers, instead of running off into storm drains and into the ocean.

Replacing residential front lawns with native grasses and soils is another way of increasing more stormwater capture, he suggested.

“You almost want to create a city of sponges,” he said.

On the larger scale, old quarries in the area of the Upper L.A. River can be converted into spreading grounds. “We should do a mix of size of projects,” he said.

With all the rain this past storm season, should Angelenos sit back and do nothing?

“We will always need to conserve water. While this was a good year, we may move back to dry years,” Reznik said.

RCWD approves five-year Capital Improvement Plan

By **Joe Naiman** - May 2, 2026

The Rancho California Water District board approved a five-year Capital Improvement Plan for the district.

A 7-0 vote April 9 approved the five-year plan while also approving an $18,544,000 budget for major and minor capital projects for Fiscal Year 2026-27. The five-year plan calls for $140,521,000 to be spent between July 1, 2026, and June 30, 2031.

The Rancho California Water District now provides potable water service to approximately 99,170 acres. The district was formed in 1965, and the original area became a retail agency of the Eastern Municipal Water District in 1966. The affiliation with Eastern allows Rancho Water to receive Metropolitan Water District of Southern California supply from Eastern, which was also granted wastewater powers for the original district area. The Santa Rosa Ranches Water District was formed in 1968 and utilized the Western Municipal Water District as its wholesaler for MWD supply.

The two districts merged in 1977. The original RCWD area is now the Rancho Division, while the former Santa Rosa Ranches Water District area is now the Santa Rosa Division. The potable water system includes 952 miles of pipeline, 40 reservoirs, 51 production wells, 34 pump stations, 15 pressure reducing stations, and four MWD turnouts. Recycled water is available for 18,666 acres and that infrastructure includes 72 miles of pipeline, seven pump stations, five production wells, four reservoirs, and two groundwater recharge basins. The district's wastewater system includes 52 miles of gravity sewer pipelines, 2.5 miles of sewer force main pipelines, a lift station, and 1,455 manholes. The district's capital assets also include the headquarters building and four photovoltaic energy facilities.

Major capital projects are defined as facility-related, such as construction of a new facility, expansion or replacement of an existing facility, rehabilitation to extend asset life or enhance functionality, and land acquisition. The planning, engineering, and design work for those facilities are also considered a major capital project. Minor capital projects are defined as component-related projects for a larger facility. The five-year capital plan does not include fleet vehicle purchases, information technology upgrades, or the acquisition of materials and equipment. Regular maintenance projects are also not included in the five-year capital plan.

The 2026-27 major capital projects consist of the design and construction of a replacement pipeline for Del Rey Road, the design for a 1380 – 1550 Pressure Zone conversion pipeline, relocating pipeline segments for Well No. 240, feasibility studies to replace Well No. 113 and Well No. 123, updates of the water and wastewater facilities master plans, roof repair at the district headquarters, and abandoning the Winchester Park lift station and force main.

Joe Naiman can be reached at jnaiman@reedermedia.com.

California inks water deal with Arizona, Nevada

BY IAN JAMES

LOS ANGELES TIMES

With the Colorado River's giant reservoirs declining toward critically low levels, negotiators for California, Arizona and Nevada announced Friday that they have agreed on a water-saving plan for the next two years.

Representatives of the three states said in a written statement that their plan aims to "stabilize the Colorado River through 2028." It will require larger cuts in water use than they had offered previously in talks with other states and the federal government.

"We're putting forward additional measurable water contributions for the system," said JB Hamby, the chairman of California's Colorado River Board. "Without that, the system will continue to decline."

The three states' negotiators said their plan identifies more than 3.2 million acre-feet of water cutbacks through 2028, building on their previous proposal. They announced Friday night that they had sent their proposal to the Trump administration.

They have yet to announce details of how the water cuts will be apportioned between the region's farms and cities.

Representatives of the three states negotiated the short-term deal after they deadlocked in talks with four other states on a long-term plan for sharing the river's diminishing water.

Lake Mead, the country's largest reservoir near Las Vegas, is now 31% full.

And upstream on the Arizona-Utah border, Lake Powell is just 24% full. In the coming year, the reservoir could decline to a point where water can no longer pass through intakes to generate hydroelectric power.

The Colorado River provides water for about 35 million people and 5 million acres of farmland, from the Rocky Mountains to northern Mexico. The water was originally divided among the states in 1922 under an agreement called the Colorado River Compact.

The river flow has shrunk dramatically since 2000, and research has shown that climate change is intensifying the dry conditions. This year, record low winter snowfall and record high March temperatures resulted in extremely premature snowpack melt and dismal water runoff volumes.

“It’s going to be a seriously dry summer ahead,” said Nels Bjarke, a research scientist with the Western Water Assessment at the University of Colorado, Boulder.

Scientists in many parts of the West found a snow drought this month unlike any they had seen. Almost the whole region was affected, rather than just isolated pockets, said Noah Molotch, a professor of hydrology at the University of Colorado, Boulder.

At one key snowpack measurement site in California’s Sierra Nevada, scientists last week found only traces of snow. In parts of western Colorado, mountain slopes where researchers have always measured at least 6 inches of snowpack at this time of year were virtually snowless. Across that state, snowpack was less than half of normal.

Those findings were the product of a record-warm winter for many Western states. Through much of the winter, temperatures were simply too warm for it to snow, and precipitation fell as rain instead, unlike in previous low-snow years caused by a general lack of moisture, said Karla Nemeth, director of the California Department of Water Resources. Snowpack, which builds up over the winter and spring, provides a larger, steadier and less ephemeral source of water than rain.

Then, a March heat wave across the West broke monthly temperature records in more than a dozen states — and it wiped out much of the already thin layer of winter snow. Across the upper Colorado River basin, snowpack was about 52% of the median historical amount on March 1, already low. By April 1, it had diminished to 23% of the median, according to the Colorado Basin River Forecast Center, which released new measurements Monday.

That means very little fresh water will flow out of the mountains this spring and summer. Across the Colorado River basin, government scientists are predicting stream and river volumes will be among the smallest ever observed.

The amount of spring and summer runoff forecast to reach Lake Powell, the nation’s second-largest reservoir and a vital store of Colorado River water on the Utah-Arizona border, is forecast to be just 22% of normal, according to the river forecast center.

If dry weather continues, there is a growing chance — about 30% as of April 1 — that water flows into the lake over the next four months will be the smallest on record, surpassing a 2002 drought that helped spur changes in how the Colorado is managed.

Across the West, water utilities have started to call for conservation, though the measures are largely voluntary so far because reservoir storage remains relatively healthy despite the low snow totals.

Denver’s water agency is seeking to cut usage by 20%, asking customers not to turn on automatic lawn sprinklers and other irrigation systems until at least mid- to late May. Salt Lake City is asking residents and businesses to help cut water use by 10 million gallons per day.

In Las Vegas, normal spring watering restrictions are in place, including a 12-minute limit on lawn sprinklers. Phoenix water authorities declared a “stage 1 water alert,” which carries no

requirements to reduce usage but encourages residents and businesses to be mindful of drought conditions and to conserve water.

Across California, water authorities are closely watching their supplies, with snowpack at just 18% of normal for this time of year, Nemeth said. That snow typically provides about a third of California's water in any given year, she said, and virtually all of the state's supply falls in the winter months.

While Denver's reservoir storage is running only slightly below average, at about 80% of capacity, more usage restrictions could be ahead, Denver water officials warned.

"This is not our first drought, and we will get through this challenging time, but we need everyone to help out this summer in case drought conditions persist into next year and beyond," Tyrone Gant, president of the Denver Board of Water Commissioners, said last month.

The Press Enterprise, Monday, May 4, 2026

RANCHO CALIFORNIA WATER DISTRICT
42135 Winchester Road
Temecula, California
(951) 296-6900

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that on: Thursday, May 14, 2026 at 8:30 AM in the Board Room of the District's Administration Building, located at 42135 Winchester Road, Temecula, California, the Board of Directors of the Rancho California Water District a public hearing will be held.

Per Assembly Bill (AB) 2561, local public agencies are required to hold a public hearing to present information regarding vacancies, recruitment, and retention efforts at least once per fiscal year before the adoption of an annual budget.

All persons desiring to speak on the subject are invited to attend the public hearing on the date indicated above.

The Press-Enterprise
Published: 4/27, 5/4/26

5.C

Rancho Water

BOARD INFORMATION

BOARD OF DIRECTORS

May 14, 2026

ITEM 5.C: **Review of Purchasing Reports**

RESPONSIBLE/LEAD STAFF MEMBER(S):

Karrie Swaine, Controller

RECOMMENDATIONS:

These reports are presented for the Board of Directors (Board) review and information.

DISCUSSION:

Attached for the Board's review and information are the Active Service Agreements and Sole-Source Purchases summary reports.

ALTERNATIVES:

Not applicable

FISCAL ANALYSIS:

Not applicable

ENVIRONMENTAL REQUIREMENTS:

Not applicable

EXHIBITS/ATTACHMENTS:

1. Active Service Agreements Report
2. Sole-Source Purchases Report

RANCHO WATER ACTIVE SERVICE AGREEMENTS - OPERATING

Status As Of : April 4, 2026

VENDOR	DESCRIPTION	CURRENT BUDGET	REMAINING BUDGET	AGREEMENT FROM	AGREEMENT TO
ADAME LANDSCAPE INC.	MONTHLY LANDSCAPE SERVICES	$87,580.50	$25,023.03	7/1/2025	6/30/2026
AQUA BEN	CATIONIC POLYMER FOR SLUDGE DEWATERING	$83,903.68	$42,687.68	7/1/2025	6/30/2026
ARDURRA GROUP INC.	SEWER FLOW MONITORING SERVICE - DIAZ ROAD	$25,000.00	$10,000.00	7/1/2025	6/30/2026
ATLAS ELEVATOR COMPANY	ELEVATOR INSPECTION AND PM SERVICES	$2,520.00	$2,032.19	7/1/2025	6/30/2026
AZTEC JANITORIAL SERVICE	JANITORIAL SERVICES - OPTION YEAR 4	$183,828.77	$52,522.01	7/1/2025	6/30/2026
BLAIS & ASSOCIATES	GRANT COMPLIANCE MONITORING SERVICES	$102,411.00	$51,573.50	6/10/2021	12/31/2026
BLUETRITON BRANDS INC.	BOTTLED WATER SERVICE	$2,610.00	$1,694.63	7/1/2025	6/30/2026
BRENNTAG PACIFIC INC.	LIQUID AMMONIUM SULFATE DELIVERIES - VDC	$40,000.00	$40,000.00	7/1/2025	6/30/2026
	LIQUID AMMONIUM SULFATE DELIVERIES - SENGA DOHERTY PS	$13,250.00	$12,046.12	7/1/2025	6/30/2026
	LIQUID AMMONIUM SULFATE DELIVERIES - ACE BOWEN PS	$6,250.00	$3,939.72	7/1/2025	6/30/2026
	LIQUID AMMONIUM SULFATE DELIVERIES - TENAJA PS	$500.00	$500.00	7/1/2025	6/30/2026
	SODIUM BISULFITE 25% DELIVERIES - WR-34	$14,500.00	$5,017.95	7/1/2025	6/30/2026
CAMERON WELDING SUPPLY	MONTHLY RENTAL FEES - WELDING GAS CYLINDERS	$25,175.00	$4,704.87	7/1/2025	6/30/2026

RANCHO WATER ACTIVE SERVICE AGREEMENTS - OPERATING

Status As Of : April 4, 2026

VENDOR	DESCRIPTION	CURRENT BUDGET	REMAINING BUDGET	AGREEMENT FROM	AGREEMENT TO
CENTRAL COMMUNICATIONS	AFTER-HOUR ANSWERING SERVICES	$11,760.00	$849.05	7/1/2025	6/30/2026
CHARTER COMMUNICATIONS	FIBER INTERNET & PHONE SERVICES	$19,200.00	$4,824.13	7/1/2025	6/30/2026
COMPLETE CONTROL PEST MGMT	PEST CONTROL SERVICES	$8,000.00	$1,705.00	7/1/2025	6/30/2026
CR & R INC.	WASTE MANAGEMENT SERVICES	$20,280.00	$11,348.37	7/1/2025	6/30/2026
DISH NETWORK	EOC COMMUNICATION SERVICES	$1,600.00	$346.34	7/1/2025	6/30/2026
DOWNS ENERGY	FLEET FUEL SERVICES	$450,000.00	$344,509.11	7/1/2025	6/30/2026
E.S. BABCOCK AND SONS INC.	LABORATORY TESTING SERVICES SRRRA - TERTIARY	$60,000.00	$10,109.23	7/1/2025	6/30/2026
	LABORATORY TESTING SERVICES SRRRA - PRIMARY & SECONDARY	$83,988.00	$33,440.98	7/1/2025	6/30/2026
	LABORATORY TESTING SERVICES SRRRA - STORM WATER	$914.00	$914.00	7/1/2025	6/30/2026
ECOTECH SERVICES INC.	WATER CONSERVATION PROGRAM ADMINISTRATION SERVICES	$132,200.00	$112,850.00	2/21/2024	9/30/2026
EMISSION COMPLIANT CONTROLS CORP	WAUKESHA GAS ENGINE PM SERVICES - ACE BOWEN PS	$180,000.00	$40,082.01	7/1/2025	6/30/2026
ENS RESOURCES	FEDERAL LEGISLATIVE ADVOCACY SERVICES	$88,000.00	$80,000.00	8/1/2023	8/31/2026
EUROFINS EATON ANALYTICAL LLC	LABORATORY TESTING SERVICES - WATER QUALITY	$157,223.00	$65,797.00	7/1/2025	6/30/2026

RANCHO WATER ACTIVE SERVICE AGREEMENTS - OPERATING

Status As Of : April 4, 2026

VENDOR	DESCRIPTION	CURRENT BUDGET	REMAINING BUDGET	AGREEMENT FROM	AGREEMENT TO
FACTORY LOT SWEEPING SERVICE	PARKING LOT SWEEPING SERVICES	$7,008.00	$1,443.00	7/1/2025	6/30/2026
FEDEX	OVERNIGHT DELIVERY SERVICES - OUTSIDE CA	$2,500.00	$1,634.07	7/1/2025	6/30/2026
FRONTIER	ALARM LINE SERVICES - DIAZ ROAD LEASE	$1,600.00	$247.75	7/1/2025	6/30/2026
	FIOS ISP SERVICES	$4,080.00	$1,631.38	7/1/2025	6/30/2026
	FIOS ISP SERVICES - ADDITIONAL FUNDS NEEDED	$1,150.00	$1,150.00	7/1/2025	6/30/2026
GENERAL LOGISTICS SYSTEMS US	OVERNIGHT DELIVERY SERVICE - WITHIN CA	$1,500.00	$1,090.04	7/1/2025	6/30/2026
	PARCEL DELIVERY SERVICE	$1,500.00	$1,364.51	7/1/2025	6/30/2026
GEOTAB USA INC.	FLEET MANAGEMENT SERVICES	$25,371.00	$1,757.05	7/1/2025	6/30/2026
INFO SEND INC.	BILL PRINT & MAILING SERVICES	$440,000.00	$6,266.45	7/1/2025	6/30/2026
	FINAL NOTICE PRINT & DELIVERY SERVICES	$372,000.00	$263,921.71	7/1/2025	6/30/2026
INTERSTATE SWEEPING SERVICES	STREET SWEEPING SERVICES	$4,000.00	$800.00	7/1/2025	6/30/2026
IVA SOLUTIONS INC.	SECURITY SYSTEM MAINTENANCE SERVICES	$38,464.80	$3,016.80	7/1/2025	6/30/2026
KONECRANES INC.	CRANE REPAIR SERVICES	$16,060.00	$9,570.00	7/1/2025	6/30/2026

RANCHO WATER ACTIVE SERVICE AGREEMENTS - OPERATING

Status As Of : April 4, 2026

VENDOR	DESCRIPTION	CURRENT BUDGET	REMAINING BUDGET	AGREEMENT FROM	AGREEMENT TO
LEFT COAST PEST SOLUTIONS CO.	ADDITIONAL FUNDS FOR ANNUAL SERVICE BEE REMOVAL	$4,000.00	$700.00	7/1/2025	6/30/2026
MARC COHEN TRUCKING, INC.	AS NEEDED AGGREGATE DELIVERIES	$10,000.00	$9,278.25	1/1/2026	6/30/2026
MPS SECURITY	SECURITY SERVICES	$213,151.40	$30,258.86	7/1/2025	6/30/2026
NORTHSTAR CHEMICAL	ALUMINUM SULFATE DELIVERIES	$62,640.00	$18,312.59	7/1/2025	6/30/2026
NPG CORPORATION	EMERGENCY ASPHALT SERVICES	$1,050,000.00	$248,295.89	7/1/2025	6/30/2026
OCCUPATIONAL HEALTH CENTERS	DOT PHYSICAL EXAMS & DRUG SCREENING	$12,000.00	$10,276.00	7/1/2024	6/30/2025
PAPER RECYCLING	PAPER SHREDDING SERVICES	$5,000.00	$3,824.00	7/1/2025	6/30/2026
PEST OPTIONS INC.	WEED ABATEMENT SERVICES - CONTRACT EXTENSION	$72,622.92	$50,341.46	3/1/2026	6/30/2026
PHOENIX NAP LLC	DISASTER RECOVERY STORAGE SERVICES	$8,568.00	$2,142.00	7/1/2025	6/30/2026
PIONEER AMERICAS LLC	SODIUM HYPOCHLORITE DELIVERIES	$308,750.05	$34,218.35	7/1/2025	6/30/2026
PIPELINE PLUMBING & DRAIN SPECIALISTS INC.	LEAK DETECTION ASSISTANCE PROGRAM	$28,500.00	$21,750.00	7/1/2025	6/30/2026
PITNEY BOWES INC.	PITNEY BOWES EQUIPMENT PM SERVICES	$2,500.00	$674.36	7/1/2025	6/30/2026
	PITNEY BOWES METER RENTAL FEES	$1,500.00	$1,150.38	7/1/2025	6/30/2026

RANCHO WATER ACTIVE SERVICE AGREEMENTS - OPERATING

Status As Of : April 4, 2026

VENDOR	DESCRIPTION	CURRENT BUDGET	REMAINING BUDGET	AGREEMENT FROM	AGREEMENT TO
POSTMASTER	POSTAGE PERMIT FEES	$150.00	$150.00	7/1/2025	6/30/2026
	USPS EXPRESS MAIL FEES	$250.00	$250.00	7/1/2025	6/30/2026
PUBLIC POLICY PARTNERSHIP	STATE LEGISLATIVE ADVOCACY SERVICES	$96,000.00	$71,850.00	2/1/2026	1/31/2027
QUINN COMPANY	MONTHLY RENTAL FEES - CATERPILLAR WHEEL LOADER	$75,615.96	$595.98	7/1/2025	6/30/2026
RICHARDSON TECHNOLOGIES INC.	HVAC PM SERVICES	$29,920.00	$2,981.00	7/1/2025	6/30/2026
RIGHTWAY SITE SERVICES INC.	PORTABLE RESTROOM SERVICES	$14,000.00	$548.97	7/1/2025	6/30/2026
	ADDITIONAL SERVICES	$6,000.00	$6,000.00	7/1/2025	6/30/2026
ROBERTSON'S	SLURRY & CONCRETE SERVICES	$150,000.00	$144,160.00	7/1/2025	6/30/2026
ROKA PEST MANAGEMENT	BEE REMOVAL SERVICES	$10,000.00	$7,900.00	7/1/2025	6/30/2026
SMASH MY TRASH SOUTHWEST CALIF	TRASH COMPACTION SERVICES	$752.00	$188.00	7/1/2025	6/30/2026
SOUTH COAST AQMD	ANNUAL AQMD PERMIT FEES	$62,594.00	$8,891.03	7/1/2025	6/30/2026
SOUTH COAST COPY SYSTEMS	COPIER & PRINTER SERVICES	$13,000.00	$1,512.81	7/1/2024	6/30/2025
	COPIER & PRINTER SERVICE	$16,000.00	$12,559.12	7/1/2025	6/30/2026

RANCHO WATER ACTIVE SERVICE AGREEMENTS - OPERATING

Status As Of : April 4, 2026

VENDOR	DESCRIPTION	CURRENT BUDGET	REMAINING BUDGET	AGREEMENT FROM	AGREEMENT TO
SOUTHERN CALIFORNIA MULCH INC.	MULCH VOUCHER PROGRAM	$5,000.00	$4,316.25	7/1/2025	6/30/2026
STEP SAVER CA LLC	BULK SALT DELIVERIES - VDC	$50,475.00	$22,294.67	7/1/2025	6/30/2026
	BULK SALT DELIVERIES - SENGA DOHERTY PS	$17,500.00	$11,340.00	7/1/2025	6/30/2026
	BULK SALT DELIVERIES - WELL 102	$16,825.00	$9,701.02	7/1/2025	6/30/2026
	BULK SALT DELIVERIES - ACE BOWEN PS	$7,500.00	$4,632.50	7/1/2025	6/30/2026
STRONGHOLD ENGINEERING INC.	SOLAR SYSTEM PM SERVICES - HEADQUARTERS	$7,957.82	$2,387.35	8/1/2025	7/31/2026
	SOLAR SYSTEM PM SERVICES - SENGA DOHERTY	$13,561.32	$4,068.40	8/1/2025	7/31/2026
SUNSTRONG COMMERCIAL HOLDINGS LLC	SOLAR POWER - TUA	$66,508.00	$29,247.97	7/1/2025	6/30/2026
	SOLAR POWER - PUA	$166,852.00	$97,820.95	7/1/2025	6/30/2026
SUPERIOR READY MIX CONCRETE L.P.	SLURRY & CONCRETE SERVICES - CM1	$225,000.00	$186.45	7/1/2025	6/30/2026
SYNAGRO TECHNOLOGIES, INC.	BIOSOLIDS MANAGEMENT SERVICES	$326,713.00	$53,068.13	7/1/2025	6/30/2026
TEK - COLLECT CORP.	COLLECTION AGENCY SERVICES	$20,000.00	$20,000.00	7/1/2025	6/30/2026

RANCHO WATER ACTIVE SERVICE AGREEMENTS - OPERATING

Status As Of : April 4, 2026

VENDOR	DESCRIPTION	CURRENT BUDGET	REMAINING BUDGET	AGREEMENT FROM	AGREEMENT TO
UMETECH INC.	MONTHLY FTP SERVICES	$600.00	$100.00	7/1/2025	6/30/2026
	APPLICATION AND INTERFACE SUPPORT SERVICES	$130,000.00	$31,022.50	7/1/2025	6/30/2026
	CUSTOMER PORTAL UPGRADES	$15,000.00	$15,000.00	7/1/2025	6/30/2026
UNDERGROUND SERVICE ALERT	UNDERGROUND ALERT SERVICE	$9,995.00	$314.63	7/1/2025	6/30/2026
UNIFIRST CORPORATION	UNIFORMS, TOWELS, AND MAT RENTAL SERVICES	$28,500.00	$425.71	7/1/2025	6/30/2026
VERIZON WIRELESS	CELLULAR PHONE SERVICES	$90,000.00	$34,647.43	7/1/2025	6/30/2026
WM CORPORATE SERVICES, INC.	WASTE MANAGEMENT SERVICES	$28,200.00	$4,484.64	7/1/2025	6/30/2026
XYLEM WATER SOLUTIONS USA INC.	PM SERVICES - SANITAIRE SYSTEM	$72,580.00	$25,000.00	7/1/2025	6/30/2026
	Total	**$6,268,209.22**	**$2,311,277.33**		

RANCHO WATER SOLE-SOURCE PURCHASES

DATE RANGE INCLUDED ON REPORT: 03/20/26 - 04/20/26

PO NO. / LINE	DATE / LN CHG	VENDOR / LINE DESCRIPTION	PO TOTAL COST	REASON
210465	**3/24/2026**	**DOWNSTREAM SERVICES, INC.**	**$ 10,628.00**	**Approved on SSJ No. 004-2627 - DownStream Services is uniquely qualified based on its prior CCTV inspection of this pipeline, providing familiarity that will expedite work and minimize risk. Timely completion is critical to avoid impacts to the USBR grant-funded Mid-Pauba Project. The proposed cost is reasonable, consistent with industry standards, and justified given the minimal amount above the solicitation threshold and the benefits of continuity and schedule assurance.**
1	3/24/2026	24-INCH VAIL/PAUBA DRAINLINE CCTV INSPECTIONS		
210468	**3/24/2026**	**XYLEM WATER SOLUTIONS USA INC.**	**$ 11,067.00**	**Approved on SSJ No. 005-2627 - Xylem is the sole source as the OEM of the proprietary SBR and OSCAR system, with exclusive access to required software and tools. No third-party vendors can perform this work, and using Xylem ensures proper operation and compliance.**
	3/24/2026	ANNUAL SERVICE OF MIXERS & PUMPS		
210559	**3/30/2026**	**XYLEM WATER SOLUTIONS USA INC.**	**$ 38,819.00**	**Approved on SSJ No. 006-2627 - Xylem is uniquely qualified to provide these services due to its proprietary Flygt equipment and integrated control systems currently installed at SRWRF. Utilizing another vendor would create compatibility risks and potential impacts to system performance and warranties.**
	3/30/2026	ANNUAL SANITAIRE SBR PREVENTATIVE MAINTENANCE		
210905	**4/20/2026**	**HARRIS COMPUTER CORPORATION**	**$ 56,000.00**	**Approved on SSJ No. 007-2627 – Cayenta is the sole source as the owner and developer of its proprietary CIS software and integration framework, with exclusive access to required APIs, system configurations, and technical expertise. The NexGen integration requires direct access beyond standard API use, and no third-party vendors can perform this work. Utilizing Cayenta ensures proper system functionality, data integrity, and seamless integration between Cayenta and NexGen CMMS.**
	4/20/2026	CAYENTA NEXGEN INTEGRATION		

5.D

Rancho Water

BOARD INFORMATION

BOARD OF DIRECTORS

May 14, 2026

ITEM 5.D: **Update on Rancho California Water District Employee Education and Accomplishments**

RESPONSIBLE/LEAD STAFF MEMBER(S):

Bryan Melton, Principal Human Resources Analyst
Eileen Dienzo, Director of Human Resources

RECOMMENDATIONS:

This item is presented for the Board of Directors information.

DISCUSSION:

Rancho California Water District (District) management knows the importance and value of having a highly qualified, talented workforce. Staff would like to recognize the following District employees for their efforts in expanding knowledge and obtaining certifications.

Employee	Accomplishment
Juan Arias	Water Distribution Operator - D4
Bryson Cahill	Water Treatment Operator - T3
Vicente De La Torre	- Certified Ergonomics Assessment Specialist Certification, - Certified Occupational Safety Specialist, - Forklift Train the Trainer Certificate, - Incident Investigation Specialist, - OSHA 30 Certificate
John Jackson	Water Treatment Operator - D2
Daniel Lohre	- ACWA JPIA's Leadership Essentials for the Water Industry, - Certificate for Occupational Safety Management, - Certified Safety Manager Certificate, - Scissor and Aerial Lift Train the Trainer Certificate, - OSHA 30 Certificate
Rick Loya	Water Distribution Operator - D5
Bryan Melton	Certified Labor Relations Professional

ALTERNATIVES:

Not applicable

FISCAL ANALYSIS:

Not applicable

ENVIRONMENTAL REQUIREMENTS:

None

6.A

Rancho Water

BOARD INFORMATION

BOARD OF DIRECTORS

May 14, 2026

ITEM 6.A: **General Counsel's Report**

RESPONSIBLE/LEAD STAFF MEMBER(S):

James Gilpin, General Counsel

RECOMMENDATIONS:

This item is presented for the Board of Directors (Board) information.

DISCUSSION:

A verbal report will be presented to the Board.

ALTERNATIVES:

Not applicable

FISCAL ANALYSIS:

Not applicable

ENVIRONMENTAL REQUIREMENTS:

None

6.B

Rancho Water

BOARD INFORMATION

BOARD OF DIRECTORS

May 14, 2026

ITEM 6.B: **General Manager's Report**

RESPONSIBLE/LEAD STAFF MEMBER(S):

Jason Martin, General Manager

RECOMMENDATIONS:

This item is presented for the Board of Directors (Board) review and information.

DISCUSSION:

Attached for the Board's review and information is an update on efforts related to Rancho California Water District's key Strategic Plan Initiatives.

ALTERNATIVES:

Not applicable

FISCAL ANALYSIS:

Not applicable

ENVIRONMENTAL REQUIREMENTS:

None

EXHIBITS/ATTACHMENTS:

1. May GM Report
2. May 2026 Anniversary List

General Manager's Report
May 2025

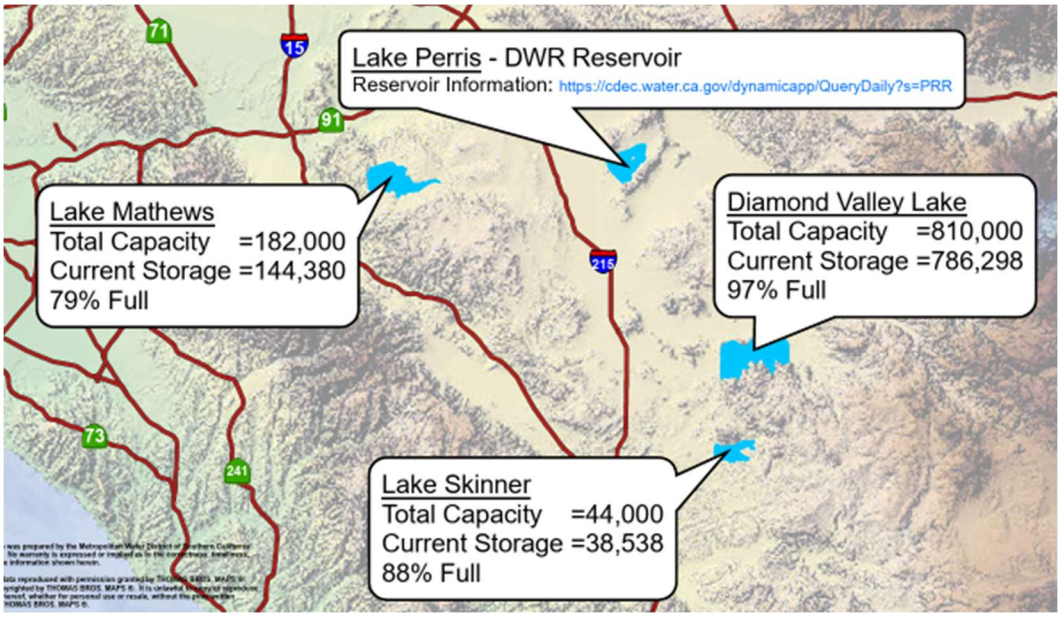
Resource Management – ***Provide a safe, resilient, and sustainable water supply portfolio that achieves an optimum balance of water resources.***

Rancho Water completed their 2026 Annual Water Supply and Demand Assessment, with the conclusion that the District anticipates meeting all water demands with no additional actions required from the Water Shortage Contingency Plan. The Annual Water Supply and Demand Assessment is a near-term reliability analysis that evaluates whether available water supplies can meet projected customer demands under current-year and dry-year conditions. It includes a detailed description and quantification of all water supply sources (e.g., imported, groundwater, recycled), updated demand projections based on recent use data, and a comparison of supply versus demand to identify any anticipated shortages. The assessment also incorporates assumptions about hydrologic and regulatory conditions, relies on methodologies defined in the agency's Urban Water Management Plan and Water Shortage Contingency Plan, and results in identification of potential shortage levels along with planned water shortage response actions (such as demand reduction or supply augmentation measures). Ultimately, the findings are used to inform an Annual Water Shortage Assessment Report submitted to the California Department of Water Resources, supporting ongoing monitoring, drought preparedness, and adaptive management of water supplies.

System Reliability – ***Provide innovative asset management for cost-effective system operations and long-term infrastructure reliability.***

Staff continuously monitors the potable water supply situation locally and across the state. Locally, as of May 4, Diamond Valley Lake (DVL) reservoir's storage sits at approximately 786,000 acre-feet (AF) of water, which equates to 97 percent of its 810,000 AF capacity. Lake Skinner has about 38,500 AF or 88 percent capacity. Lake Perris, owned and operated by the Department of Water Resources (DWR), has a current storage volume of 117,487 AF, approximately 89 percent full. The current blend of SWP supplies in Skinner Plant's effluent is 23 percent with an associated total dissolved solids (TDS) concentration of 530 mg/L.

Rancho California Water District has successfully completed User Acceptance Training (UAT) for its new NexGen Computerized Maintenance Management System (CMMS), confirming that the system meets the operational and functional requirements of the organization. Representatives from all departments participated in the evaluation process, validating workflows, data functionality, reporting capabilities, and overall system usability. Following thorough testing and feedback, each department formally indicated acceptance, confirming that the NexGen CMMS satisfies their respective business needs and is ready to support district-wide maintenance and asset management activities once the system goes live, which is anticipated by July 1, 2026.



Employee Development – ***Attract and retain well-qualified employees and maintain an environment that fosters professional development to meet the current and future needs of the District.***

During the month, several employees celebrated employment anniversaries (see Exhibit A)

Advocacy – ***Achieve and sustain a recognized level of influence through legislative policy and regulator initiatives. Pursue and secure external funding.***

Rancho Water held District specific briefings in Sacramento on Wednesday, April 29 as part of the District's annual legislative day. Jason Martin and government affairs staff met directly with Rancho Water's legislative delegation in both the Assembly and the Senate, and staff also met with representatives from the Assembly Speaker Robert Rivas' water and agriculture policy experts, and a meeting was also held with Assembly Member Soria, the author of the District's co-sponsored legislation. Overall, the day was very successful, and topics included, AB 2739 (Soria); Rancho Water's co-sponsored bill, and CropSWAP, dam safety funding, and support for funding to address subsidence on the State Water Project (SWP) and extension of water rights permit consideration for the SWP.

State Water Resources Control Board (State Board) Vice Chair DeeDee D'Adamo's confirmation hearing was held on Wednesday, April 6 in Senate Rules Committee. Rancho Water was on-hand to provide support for the State Board Member's confirmation. In advance of the hearing, Rancho also issued a letter of support for the Vice Chair D'Adamo's reappointment back to the State Board.

Senators Padilla and Schiff, along with Congressmembers Calvert and Issa issued a joint press release on April 30, 2026, announcing the compromise on the bill language to address the definition of the term 'Reservation' in the Pechanga Settlement Agreement, and to further expand the scope of grants that can be utilized to address contaminants within the groundwater basin. This announcement came after considerable discussion between the Pechanga Tribe and the parties to the original Settlement Agreement.

Community – *Proudly serve our community and customers through clear and timely communication, education, and public engagement.*

The Farm Managers' Meeting held on Tuesday, April 28 saw strong attendance, with more than 40 participants. The event featured thoughtful discussion, with attendees asking insightful questions and actively engaging with thoughts about the presentations. Special appreciation goes to Noosha Razavian from Metropolitan Water District for joining as a guest speaker and contributing valuable perspective. Presentation materials and a recording of the meeting are available at RanchoWater.com/agmeeting.

The upcoming Gardens in Bloom event on May 9 has reached full capacity, with more than 200 registered attendees. Participants will tour a variety of inspiring, water-efficient landscapes, including the regenerative agriculture gardens at Temecula Valley High School, along with two local homes showcasing sustainable, water-wise gardening practices. The sold-out event highlights strong community interest in outdoor water use efficiency and sustainable landscaping. Rancho Water is expanding its education program with new STEAM-based activity kits designed for 5th through 12th grade classrooms. These hands-on kits provide teachers with engaging experiments and activities that enhance water education and support existing curriculum units. Built for flexibility, the kits can be adapted across a range of grade levels and learning environments. Rancho Water is currently piloting the kits with teachers to gather feedback and refine materials for broader curriculum integration.

Rancho Water hosted the Army National Guard at Vail Lake on April 9 for the second annual mutual aid helicopter dip training. This training supports Rancho Water's ongoing efforts to strengthen mutual aid partnerships, build collaborative relationships, and enhance preparedness to protect the community in the event of an emergency.

Upcoming Local and Industry Events

Name of Event	Date	Location
SCWC Quarterly Luncheon	May 15	Wilson Creek Winery, Temecula
Temecula State of the City	May 28	Pechanga Resort Casino, Temecula
Southwest Regional Economic Forecast	June 18	Wilson Creek Winery, Temecula
WRCOG General Assembly	June 18	Pechanga Resort Casino, Temecula

Financial Stewardship – *Maintain financial sustainability through proactive planning, prudent investing, leverage external funding, and risk management.*

At its March 17–18, 2026 Federal Open Market Committee (FOMC) meeting, the Fed kept the federal funds rate unchanged at 3.50%–3.75%, continuing its pause after three rate cuts in 2025 as policymakers evaluate how earlier easing is affecting the economy. The Fed did not hold a meeting in April, and as a result, the federal funds rate remains unchanged. The next FOMC meeting is scheduled for May 5–6, 2026, where policymakers are expected to assess incoming data on inflation, employment, and global economic risks before deciding whether any additional rate cuts are appropriate later in the year. Recent developments, including geopolitical uncertainty and fluctuations in energy prices, have added to the Fed's outlook uncertainty and could influence the timing of future policy adjustments.

In March, the Consumer Price Index (CPI-U) declined 0.1% on a seasonally adjusted basis, while annual inflation decreased to 2.4%, down from 2.8% in February. The monthly decrease was primarily driven by a decline in energy prices, particularly gasoline, which more than offset increases in shelter and food costs. Shelter costs continued to rise modestly, while food prices increased 0.4%. Core inflation (excluding food and energy) showed modest growth over the month. Over the 12-month period, food prices increased moderately, while energy prices declined, indicating continued easing in overall inflation pressures.

In March, the U.S. labor market remained relatively stable, with the unemployment rate at 4.2% and 7.1 million people unemployed, both largely unchanged from the previous month but slightly higher than a year earlier. The number of long-term unemployed remained relatively steady, and the labor force participation rate (62.5%) and employment-population ratio (59.8%) were little changed.

Meanwhile, total nonfarm payroll employment increased by 228,000, though it remains consistent with recent trends.

Grants Update

Rancho Water continues to actively pursue and manage federal, state, and local funding opportunities supporting water reliability, infrastructure modernization, wildfire preparedness, and long-term regional economic stability.

Vail Dam Funding Strategy

The FEMA hazard mitigation grant remains the District's primary funding strategy for the Vail Dam project and continues to represent the only currently identified funding source capable of supporting the project at its full scale. Given ongoing uncertainty surrounding federal funding timelines, staff have also evaluated contingency approaches that would allow portions of the project to be pursued through smaller phased funding opportunities if necessary. This work is intended to preserve flexibility while maintaining the current FEMA strategy as the primary path forward.

FY26 Federal Appropriations Requests

Staff have advanced two FY26 federal appropriations concepts and are coordinating supporting materials and regional partnerships.

Regional CropSWAP Program

The District plans to pursue funding support for CropSWAP as a regional agricultural water efficiency and economic resiliency initiative.

PIPEs Program – Pipeline Infrastructure Protection for Economic Security

Staff also developed a proposed infrastructure modernization initiative focused on proactive pipeline reliability and targeted system upgrades using advanced monitoring and asset management technologies.

Grants Process Improvement

The District recently initiated a grants process improvement effort intended to strengthen coordination between project management, finance, engineering, and grants administration functions. The objective is to improve long-term grant readiness, reimbursement management, and organizational efficiency as grant programs continue to grow in size and complexity.

Other Active Grant Activity

- The District finalized a $500,000 Riverside County grant agreement supporting wildfire response dip tank infrastructure within the De Luz and La Cresta communities.
- Staff continue evaluating environmental cleanup funding opportunities associated with the Sundance property.
- The District is also reviewing newly released federal WaterSMART opportunities related to drought resiliency, operational technology, and infrastructure improvements.

IT Update

Management continues advancing several major information technology initiatives focused on operational resilience, cybersecurity, governance, enterprise systems modernization, and organizational readiness for emerging technologies.

Over the past several months, staff has been focused on implementing recommendations identified through the District's IT Master Plan, including the establishment of a more formal IT governance structure through the IT Guiding Coalition. This group continues refining project prioritization efforts, improving organizational alignment, and helping establish clearer ownership and accountability around major technology initiatives.

One of the District's major enterprise priorities remains the long-term modernization and stabilization of the Cayenta/CIS environment. Staff recently completed a feasibility and configuration assessment in coordination with vendor support and continues improving system performance and usability while preparing for future planning and implementation activities.

The District also continues advancing its Madison AI pilot initiative. The effort has expanded into additional testing and data integration activities and is helping staff better understand potential operational applications of AI technologies. Staff training sessions are scheduled in May to further build organizational familiarity and readiness around AI tools and capabilities.

Cybersecurity and infrastructure resilience remain a significant operational focus. Staff continues addressing findings identified through the recent CISA vulnerability assessment while coordinating with regional and state cybersecurity partners. Recent activities have included system hardening efforts, vulnerability remediation, backup and recovery enhancements, and improvements to disaster recovery and monitoring capabilities. The District also continues participating in regional cybersecurity coordination efforts and maintains its partnership with the California Department of Technology for 24/7 security monitoring services.

Additional efforts are underway to improve enterprise document management, expand GIS and data integrations, modernize legacy data access capabilities, and further improve system reliability and operational efficiency across departments.

Overall, the District continues making steady progress transitioning from historically reactive IT operations toward a more structured, resilient, and strategically aligned technology environment that supports long-term operational reliability, cybersecurity readiness, and organizational effectiveness.



2 Years of Service:
Damien Rangel

10 Years of Service:
Tom Greene

12 Years of Service:
Tony Potts

Rancho Water

BOARD INFORMATION

BOARD OF DIRECTORS

May 14, 2026

ITEM 6.C: **Board Members' Comments and Reports**

RESPONSIBLE/LEAD STAFF MEMBER(S):

Members of the Board of Directors

RECOMMENDATIONS:

This item is presented for the Board of Directors (Board) information.

DISCUSSION:

This item is included on each month's Board meeting agenda to allow the Board members to share comments and provide reports on any events or meetings they attended during the previous month.

ALTERNATIVES:

Not applicable

FISCAL ANALYSIS:

Not applicable

ENVIRONMENTAL REQUIREMENTS:

None

7.A

Rancho Water

CLOSED SESSION

BOARD OF DIRECTORS

May 14, 2026

ITEM 7.A: **A. CONFERENCE WITH REAL PROPERTY NEGOTIATORS (Gov't Code § 54956.8); Property: Water; Negotiator: General Manager Jason Martin; Negotiating Party: San Diego County Water Authority/Western Municipal Water District & San Diego County Water Authority/Eastern Municipal Water District; Under Negotiation: Price & Terms**

RESPONSIBLE/LEAD STAFF MEMBER(S):

Jason Martin, General Manager

RECOMMENDATIONS:

Staff recommends the Board of Directors adjourn to closed session.

DISCUSSION:

A verbal report will be provided on the aforementioned agenda item.

ALTERNATIVES:

Not Applicable

FISCAL ANALYSIS:

Not Applicable

ENVIRONMENTAL REQUIREMENTS:

None