



***Ventura County Waterworks District No. 8
City of Simi Valley***



CITY OF SIMI VALLEY



**PROPOSED WATERWORKS SERVICE RATES
CALENDAR YEARS 2021 thru 2025**

WATERWORKS SERVICE RATES

- ▶ **Waterworks District No. 8 is an enterprise operation – the fees charged pay for expenses**
- ▶ **Operations and Maintenance (O&M) – labor, utilities, supplies, contracts, minor maintenance**
- ▶ **Capital Projects –major repairs, component replacement, improvements**
- ▶ **Water supply import - purchase from Calleguas Municipal Water District**

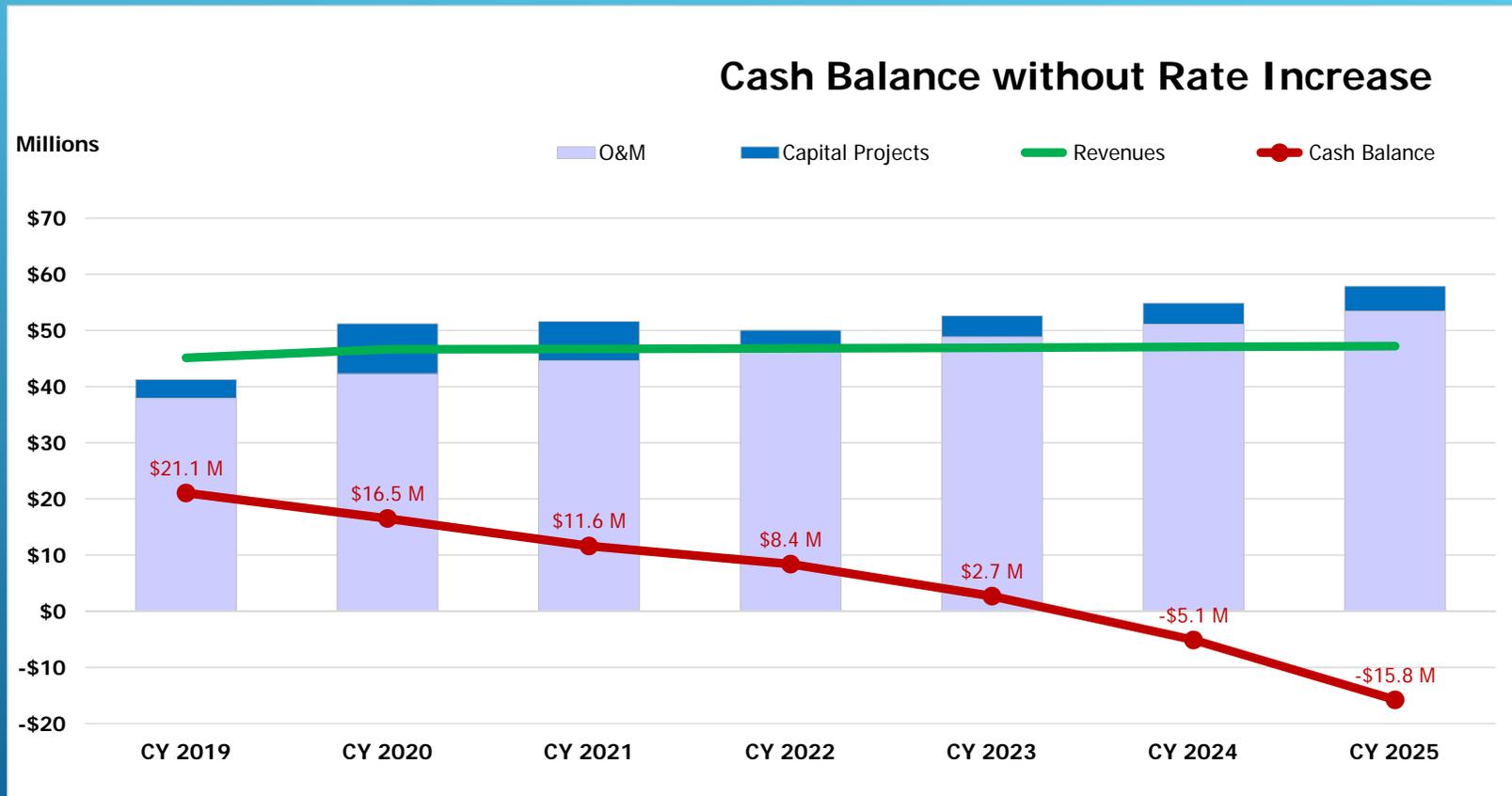


NEED FOR RATES INCREASE

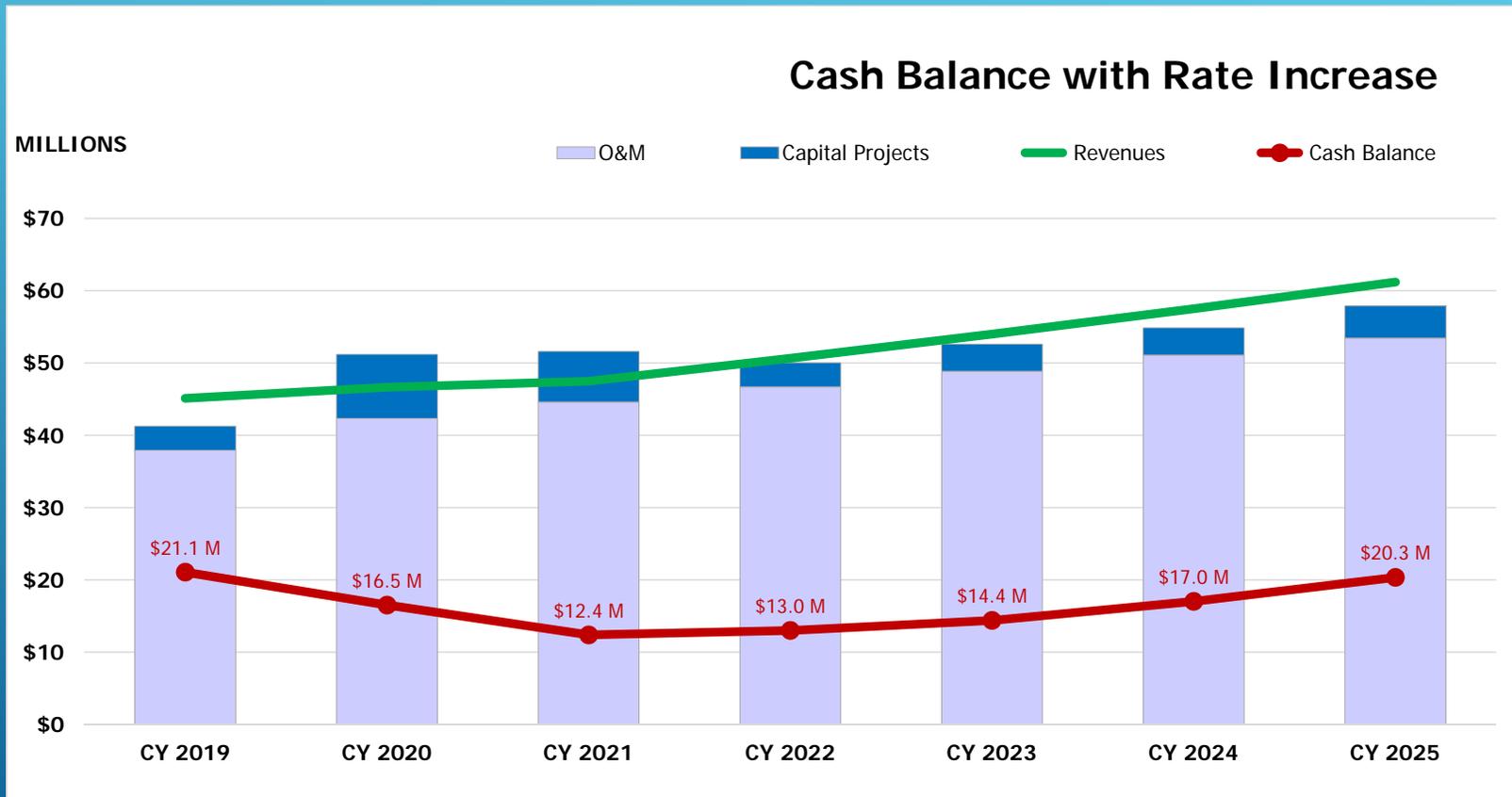
- ▶ **Current FY Waterworks budget - \$400K surplus**
- ▶ **O&M expenses projected to increase 3.5% per year**
- ▶ **Average Capital expense over next 5 years: \$5.2 M**
- ▶ **Target Reserves: 90-day operating, rate stabilization, plus 1 year CIP reserve**



NEED FOR RATE INCREASE



NEED FOR RATES INCREASE



SERVICE AND COMMODITY CHARGES

CUSTOMER	CURRENT 2019	2020 (Approved)	2021	2022	2023	2024	2025
RESIDENTIAL BI-MONTHLY SERVICE CHARGE							
Single Family	\$61.00	\$61.00	\$68.00	\$70.38	\$72.85	\$75.40	\$78.04
Multi-Family	\$42.70	\$48.85	\$42.06	\$43.54	\$45.07	\$46.65	\$48.29

CHARGE CATEGORIES	CURRENT 2019 CHARGES	2020 (Approved)	2021	2022	2023	2024	2025
COMMODITY CHARGE PER BILLING UNIT (100 Cubic Feet, 742 Gallons)							
Single Family	\$3.86	\$3.85	\$4.04	\$4.19	\$4.34	\$4.50	\$4.66

NOTE: Commodity charges for 2021 through 2025 do not include Calleguas pass through costs



COMPARISON TO NEIGHBORING COMMUNITIES

BILLING UNITS	LOCATION AND PURVEYOR								
	SIMI VALLEY VCWWD#8 (CURRENT)	SIMI VALLEY VCWWD#8 (PROPOSED) UNIFORM	Moorpark VCWWD#1	Camarillo	Thousand Oaks American Water	Oxnard	Simi Valley Golden State Water Co.	Thousand Oaks	Oak Park Water District
40	\$215.40	\$229.60	\$212.17	\$242.32	\$259.06	\$285.98	\$286.29	\$302.20	\$395.42
60	\$292.60	\$310.40	\$313.37	\$376.92	\$393.46	\$408.78	\$390.89	\$406.00	\$572.02
80	\$369.80	\$391.20	\$414.57	\$511.52	\$591.46	\$531.58	\$495.49	\$518.20	\$748.62
100	\$447.00	\$472.00	\$515.77	\$646.12	\$731.56	\$654.38	\$600.09	\$630.40	\$925.22

Would remain lowest in the region



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CITY OF SIMI VALLEY

PROCESS FOR RATE SETTING

- ▶ Prop 218 requires protest ballot
- ▶ If a majority of parcels (about 26,000) protest, agency may not raise rate
- ▶ Nexus between cost and expense by customer type, report required
- ▶ Current 5-year rates adopted in November 16, 2015



NOTIFICATION PROCESS

- ▶ Notice must be sent to all property owners describing proposed rate
- ▶ Protests must be in writing or presented at Public Hearing in January 27th 2020
- ▶ Board of Directors may adopt a rate up to (or less than) those shown in the Notice if less than majority protest



PUBLIC OUTREACH

- ▶ Notice on the City's website
- ▶ Notice on Simi Valley Television
- ▶ Neighborhood Councils, CoA
- ▶ Chamber of Commerce
- ▶ Budget Advisory Committee
- ▶ Special public meeting in January 15, 2020





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QUESTIONS



CITY OF SIMI VALLEY

**City of Simi Valley / VC Waterworks District No. 8 - 2019 Draft Waterworks Rate Study
5-Year Rate Schedule - Option #1 UNIFORM RATES**

5-Year Rate Schedule: Fixed Bi-monthly Service Charges

Bi-monthly Service Charges	Current CY 2019	Adopted CY 2020	Proposed CY 2021	Proposed CY 2022	Proposed CY 2023	Proposed CY 2024	Proposed CY 2025
Residential							
Single Family	\$61.00	\$61.00	\$68.00	\$70.38	\$72.85	\$75.40	\$78.04
Multi Family	\$42.70	\$48.85	\$42.06	\$43.54	\$45.07	\$46.65	\$48.29
Commercial/Non-Residential							
3/4-inch	\$85.20	\$93.95	\$68.00	\$70.38	\$72.85	\$75.40	\$78.04
1-inch	\$132.40	\$144.00	\$109.73	\$113.58	\$117.56	\$121.68	\$125.94
1.5-inch	\$250.45	\$269.20	\$214.08	\$221.58	\$229.34	\$237.37	\$245.68
2-inch	\$392.10	\$419.40	\$339.29	\$351.17	\$363.47	\$376.20	\$389.37
3-inch	\$840.60	\$895.15	\$735.80	\$761.56	\$788.22	\$815.81	\$844.37
4-inch	\$1,501.60	\$1,596.20	\$1,320.13	\$1,366.34	\$1,414.17	\$1,463.67	\$1,514.90
6-inch	\$3,319.35	\$3,524.10	\$2,927.03	\$3,029.48	\$3,135.52	\$3,245.27	\$3,358.86
Recycled Water							
3/4-inch	\$37.40	\$37.40	\$68.00	\$70.38	\$72.85	\$75.40	\$78.04
1-inch	\$74.80	\$74.80	\$109.73	\$113.58	\$117.56	\$121.68	\$125.94
1.5-inch	\$149.60	\$149.60	\$214.08	\$221.58	\$229.34	\$237.37	\$245.68
2-inch	\$261.79	\$261.79	\$339.29	\$351.17	\$363.47	\$376.20	\$389.37
3-inch	\$560.99	\$560.99	\$735.80	\$761.56	\$788.22	\$815.81	\$844.37
4-inch	\$1,121.97	\$1,121.97	\$1,320.13	\$1,366.34	\$1,414.17	\$1,463.67	\$1,514.90
6-inch	\$2,243.94	\$2,243.94	\$2,927.03	\$3,029.48	\$3,135.52	\$3,245.27	\$3,358.86
Auto Fire Sprinkler							
2-inch or less	\$25.18	\$25.18	\$11.47	\$11.88	\$12.30	\$12.74	\$13.19
3-inch	\$35.90	\$35.90	\$23.05	\$23.86	\$24.70	\$25.57	\$26.47
4-inch	\$48.35	\$48.35	\$43.02	\$44.53	\$46.09	\$47.71	\$49.38
6-inch	\$72.34	\$72.34	\$114.71	\$118.73	\$122.89	\$127.20	\$131.66
8-inch	\$96.23	\$96.23	\$238.36	\$246.71	\$255.35	\$264.29	\$273.55
10-inch	\$120.25	\$120.25	\$424.35	\$439.21	\$454.59	\$470.51	\$486.98

OPTION #1: Proposed 5-Year Rate Schedule: Commodity Charge Rates (ALL UNIFORM)

Commodity Charge per CCF	Current CY 2019	Adopted* CY 2020	Proposed* CY 2021	Proposed* CY 2022	Proposed* CY 2023	Proposed* CY 2024	Proposed* CY 2025
Residential Single Family	\$3.86	\$3.85	\$4.04	\$4.19	\$4.34	\$4.50	\$4.66
Commercial/Multi-Family/Other	\$3.89	\$4.00	\$3.83	\$3.97	\$4.11	\$4.26	\$4.41
Landscapae/Schools/etc.	\$4.09	\$4.20	\$4.51	\$4.67	\$4.84	\$5.01	\$5.19
Lift Charge (per CCF per Lift)	\$0.12	\$0.13	\$0.13	\$0.14	\$0.15	\$0.16	\$0.17
Recycled Water	\$2.60	\$2.60	\$3.10	\$3.21	\$3.33	\$3.45	\$3.58

*Adopted CY 2020 Rates include estimated pass-through of \$0.09 per CCF; proposed rates do not account for any future pass-through.

