

**NOTICE OF A REGULAR MEETING  
OF THE OLIVENHAIN MUNICIPAL WATER  
DISTRICT'S FINANCE COMMITTEE  
1966 Olivenhain Road, Encinitas, CA 92024  
Tel: (760) 753-6466 • Fax: (760) 753-1578  
VIA TELECONFERENCE AND IN PERSON**

**Pursuant to AB 3035, effective January 1, 2003, any person who requires a disability related modification or accommodation in order to participate in a public meeting shall make such a request in writing to the District for immediate consideration.**

**DATE:** TUESDAY, AUGUST 9, 2022

**TIME:** 2:00 P.M.

**PLACE:** HYBRID REGULAR MEETING VIA TELECONFERENCE AND IN PERSON

Pursuant to the State of California Executive Order, and in the interest of public health, OMWD is temporarily taking actions to mitigate the COVID-19 pandemic by holding Finance Committee meetings electronically or by teleconference. This meeting will be a hybrid of in person and teleconference. Our Boardroom will be open to the public.

**To join this meeting via phone, please dial:**

(669) 900-9128 or (253) 215 8782

Meeting ID: 828 9877 3470 and Password: 233028

*Note: Items On the Agenda May Be Taken Out Of Sequential Order As Their Priority Is Determined By The Committee*

1. CALL TO ORDER
2. ROLL CALL (FINANCE COMMITTEE MEMBERS: TREASURER, BOARD MEMBER, AND STAFF APPOINTED BY THE GENERAL MANAGER)
3. ADOPTION OF THE AGENDA

4. PUBLIC COMMENTS
5. CONSIDER APPROVAL OF THE MINUTES OF THE MAY 9, 2022 REGULAR FINANCE COMMITTEE MEETING
6. CONSIDER QUARTERLY INVESTMENTS AND CASH REPORTS (2<sup>nd</sup> QTR 2022)
7. DISCUSS AND RECOMMEND TREATMENT OF THE THIRD AND FOURTH PAYMENTS RECEIVED FROM SAN DIEGO COUNTY WATER AUTHORITY OF APPROXIMATELY \$499,000 FOR REFUNDS ON ATTORNEY FEES IN THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA LITIGATION
8. CONSIDER AND DISCUSS 2022 WATER CAPACITY FEE UPDATE (VERBAL REPORT)
9. REVIEW AND DISCUSS 2022 WATER RELATED SERVICE FEES
10. CONSIDER FUTURE AGENDA ITEMS
11. ADJOURNMENT

**MINUTES OF A REGULAR MEETING  
OF THE FINANCE COMMITTEE  
OF OLIVENHAIN MUNICIPAL WATER DISTRICT**

**May 9, 2022**

A regular meeting of the Finance Committee of Olivenhain Municipal Water District was held on Monday, May 9th, 2022 at the District office, 1966 Olivenhain Road, Encinitas, California via video conference.

President Watt called the meeting to order at 11:00 a.m. In attendance were Lawrence A. Watt, Board President; Christy Guerin, Board Treasurer; Kimberly Thorner, General Manager; Rainy Selamat, Finance Manager; Leo Mendez, Accounting Supervisor; and Jared Graffam, Financial Analyst II.

1. CALL TO ORDER

2. ROLL CALL (BOARD MEMBERS)

3. ADOPTION OF THE AGENDA

Director Watt moved to adopt the agenda, seconded by Director Guerin and carried unanimously.

4. PUBLIC COMMENTS

There were no public comments.

5. CONSIDER APPROVAL OF THE MINUTES OF THE APRIL 12, 2022, SPECIAL FINANCE COMMITTEE MEETING

Director Guerin moved to approve the April 12, 2022, meeting minutes, seconded by Director Watt and carried unanimously.

6. CONSIDER QUARTERLY INVESTMENTS AND CASH REPORTS (1ST QTR 2022)

Finance Manager Selamat reviewed the investment report as of March 31, 2022, with the committee. Cash and investments were discussed. Finance Manager Selamat reported that yields for short-term maturity securities continue to increase due to 2022 Fed rate hikes to combat higher inflation. Inflation continued to run hot with the consumer price index (CPI) increasing 8.5% over the past year. Given continued upward pressure on Treasury yields, Finance Manager Selamat stated that the District plans to

invest its cash reserves in CAMP and U.S Treasury Bills at higher yields and attractive spreads. Finance Manager Selamat anticipates the District's investments in U.S Agency Securities will be held until maturities.

Finance Manager Selamat reported that the District's investments are in compliance with the investment policy and that the District has sufficient funds to meet its financial obligations for the next 120 days.

7. CONSIDER AND DISCUSS DRAFT OF OLIVENHAIN MUNICIPAL WATER DISTRICT PENSION FUNDING PLAN AND POLICY

Finance Manager Selamat presented the Pension Funding Policy (Policy) to the committee for consideration and approval to present to the full Board at the June meeting. Finance Manager Selamat commented that the Policy would allow the District to implement a Fresh Start that re-amortizes the District's Unfunded Accrued Liability (UAL) over a shorter time, and would also allow the District to make additional discretionary payments (ADPs) annually to CalPERS resulting in a quicker pay-off of its pension obligation, and achieve long-term savings for the District. A 14-year Fresh Start and a \$311,000 ADP each year were included in the Staff's proposed funding plan to meet the District's funding goal for discussion.

Finance Manager Selamat also noted the Policy would allow the District to create a Pension Stabilization Fund. The District will make annual contributions from excess funds available in its Water Operating Fund and Sewer Operating Fund to the District's Pension Stabilization Fund to help stabilize pension costs and achieve the District's funding goal. Finance Manager Selamat added that the Board retains discretion over the funds in the District's Pension Stabilization Fund.

Director Watt asked for clarification on the term Fresh Start and recommended adding a glossary section to the end of the Policy. Finance Manager Selamat responded that Fresh Start is a term used by CalPERS to describe combining multiple amortization bases into a single base and stated that staff will add a glossary of terms section as recommended by Director Watt for consideration and approval by the full Board at the June meeting.

Director Watt inquired about the additional discretionary payments included in the Policy. Finance Manager Selamat stated additional discretionary payments are optional payments that reduce the District's CalPERS Unfunded Accrued Liability and will be subject to approval by the Board as part of the District's budget.

Director Guerin commented that she likes the flexibility of the Policy and that it allows the Board to make the District's pension funding decision annually after staff presents an update of the funding status to the Board in December of each year.

The committee agreed to bring the Policy before the full Board for consideration and approval at the June meeting.

8. CONSIDER AND DISCUSS PROPOSED CHANGES TO DRAFT OPERATING AND CAPITAL BUDGET FOR FISCAL YEARS 2023 AND 2024

Finance Manager Selamat presented the proposed changes to the Draft Operating and Capital Budget for Fiscal Years 2023 and 2024 to committee for consideration and approval to present to the full Board at the May meeting. Finance Manager Selamat reported that the most significant changes to the operating budget were a \$91 thousand reduction in purchased water wholesale costs for potable water based on revised cost estimates provided by the supplier, and a \$99k increase in property insurance based on the actual quote received by the carrier. Finance Manager Selamat further reported that the capital budget revisions include an increase of approximately \$417 thousand in capital project spending over the biennial budget period primarily from the addition of two projects, and a reduction of \$39 thousand in equipment purchases by delaying the purchase of one District vehicle until Fiscal Year 2025.

The committee recommended bringing the revised budget before the full Board for consideration and approval at the May 2022 meeting.

9. CONSIDER AND DISCUSS FISCAL YEAR 2022/23 SEWER RATES AND CHARGES

Finance Manager Selamat presented the agenda item to the committee noting this is an informational item only. Finance Manager Selamat presented the sewer rate ordinance adopted by the Board in May 2021 which establishes sewer rates over the next five years. Finance Manager Selamat stated the District intends to increase sewer rates 3% effective July 1, 2022, per the approved ordinance and commented that annual adjustments to the District's sewer services charges are needed to pay for costs of providing wastewater collection and treatment services in the District's sanitation districts, as well as to pay for costs to construct capital improvements needed to replace and refurbish the aging wastewater collection and treatment facilities. Finance Manager Selamat concluded her report to the Committee by stating that the District's sewer customers will be notified of the sewer rate increase either on their May monthly water bill or by a printed newsletter mailed at the end of May.

The committee had no follow up questions.

10. CONSIDER FUTURE AGENDA ITEMS

There were no future agenda items requested.

11. ADJOURNMENT

The meeting was adjourned at 11:45 a.m.

# Memo

Date: August 9, 2022  
To: Finance Committee  
From: Rainy Selamat, Finance Manager  
Via: Kimberly Thorner, General Manager  
Subject: QUARTERLY REVIEW OF INVESTMENTS AND CASH REPORT (2<sup>nd</sup> QTR 2022)

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## **Purpose**

The purpose of this agenda is to provide a verbal report on the District’s investment activities and cash information to the Finance Committee to comply with the annual investment policy approved by the Board.

## **Recommendation**

It is recommended that the Committee review and receive the attached report as presented.

## **Background**

The attached reports are presented to provide information to the Finance Committee as required by the District's Annual Investment Policy, which was adopted by the Board at the December 2021 board meeting.

The purpose of the District's Investment Policy is to identify policies and procedures that shall govern the investment of all District funds. The ultimate goal of the policy is to enhance the economic position of the District while protecting its funds. These policies have been followed in making all investment decisions on behalf of the District.

The Annual Investment Policy also states that at least once each quarter, the District's Finance Manager shall provide an oral report on the District's investments for review and discussion.

## **Discussion**

Staff will be available for discussion with the Committee during the meeting.

Attachment: DRAFT Monthly Cash and Investment Summary Report as of June 30, 2022.



**Olivenhain Municipal Water District**  
**MONTHLY CASH AND INVESTMENT SUMMARY**  
**As of June 30, 2022**

**Active Deposits**

	<b>Book Value</b>
Checking Accounts	\$ 4,201,302
Cash Restricted for Specific Use	5,169,863
Petty Cash/Disaster Preparedness	1,491
Total Active Deposits	\$ 9,372,656

**Deposits Not Covered by Investment Policy**

Cash with Fiscal Agents	2,057,565
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<b>Investments</b>	<b>Face Value</b>	<b>Market Value</b>	<b>Current Yield</b>	<b>Book Value</b>
LAIF	\$ 23,220,882	22,959,730	0.86%	\$ 23,220,882
CAMP - US Bank	12,546,803	12,546,803	1.14%	12,546,803
Money Market Funds	79,351	79,351	1.26%	79,351
Medium Term Notes	500,000	496,785	2.31%	497,940
Commercial Paper	2,000,000	1,995,010	1.01%	1,991,848
Municipal Bonds	1,000,000	1,052,370	4.75%	1,216,760
U.S. Treasury Securities	11,000,000	10,837,480	1.32%	10,997,069
U.S. Agency Securities	33,426,111	31,328,841	0.71%	33,422,931
Total Investments	\$ 83,773,148	\$ 81,296,370	0.97%	\$ 83,973,586

**Total - All Deposits/Investments**

**\$ 95,403,807**

**Maturity Analysis of Investments**

	<b>Percent</b>	<b>Balance</b>
Demand Deposits	42.7%	\$ 35,847,037
Maturity within the next two months	1.2%	997,288
Maturity within three months and one year	15.5%	12,991,450
Maturity beyond one year	40.7%	34,137,811
<b>Total Investments</b>	<b>100.0%</b>	<b>\$ 83,973,586</b>

**Weighted Average Days to Maturity**

**489**

**Other Required Disclosures:**

Accrued interest receivable as of 06/30/2022 \$ 98,765

The above investments are in accordance with the portfolio limitations in the Investment Policy approved by the Board in December 2021.

The District has sufficient funds on hand to meet the next 30 days' obligations.

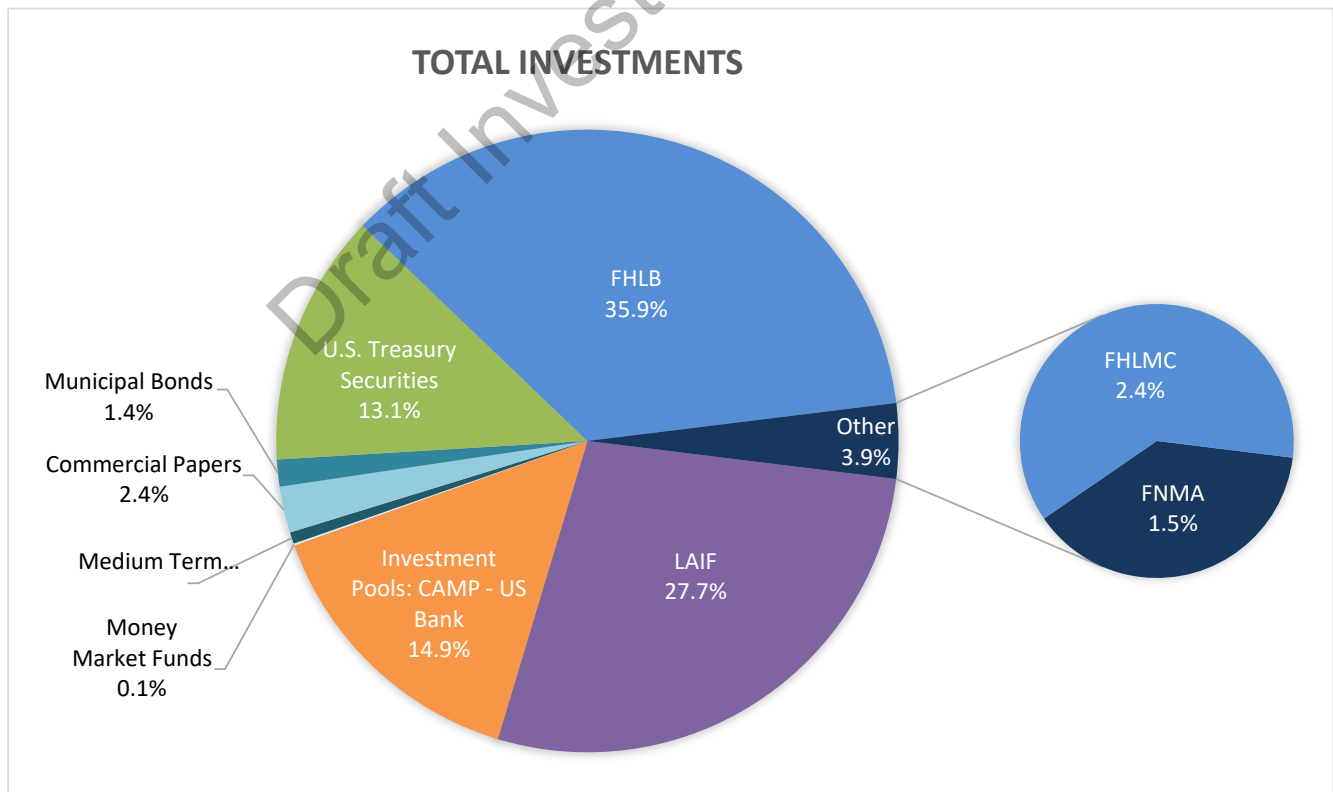
**Olivenhain Municipal Water District  
PORTFOLIO LIMITATIONS ANALYSIS PER INVESTMENT POLICY  
June 30, 2022**

	<b>Book Value</b>	<b>Percent</b>	<b>Permitted Percent</b>	<b>In Compliance?</b>	
LAIF	\$ 23,220,882	27.7%	50.0%	(1)	Yes
Investment Pools: CAMP - US Bank	12,546,803	14.9%	30.0%		Yes
Money Market Funds	79,351	0.1%	20.0%	(2)	Yes
Medium Term Notes	497,940	0.6%	30.0%	(3)	Yes
Commercial Papers	1,991,848	2.4%	20.0%	(3)	Yes
Municipal Bonds	1,216,760	1.4%	30.0%		Yes
U.S. Treasury Securities	10,997,069	13.1%	100.0%	(4)	Yes
U.S. Agency Securities	33,422,931	39.8%	50.0%		Yes
<i>FHLB</i>	<i>Federal Home Loan Bank</i>	30,173,111	35.9%		
<i>FNMA</i>	<i>Fannie Mae</i>	1,250,000	1.5%		
<i>FHLMC</i>	<i>Freddie Mac</i>	1,999,820	2.4%		

**Total Investments** **\$ 83,973,586** **100%**

Note:

- (1) No more than 50% of the total value of all District Investments or \$40 million.
- (2) May not exceed 5% in any money market fund.
- (3) May not exceed 5% per issuer.
- (4) No limit.



\* Total may not add up to 100% due to rounding.



**Olivenhain Municipal Water District  
INVESTMENTS TRANSACTION  
June 30, 2022**

**PURCHASED**

DATE				Investment Description	<i>Stated</i>	<i>Current</i>	Face Value	Book Value
Purchase	Maturity	Call	Step-Up		Coupon	Yield		
06/02/22	12/01/22			U.S.Treasury Bills	1.553%	1.568%	2,000,000	1,984,631
06/23/22	09/22/22			U.S.Treasury Bills	1.585%	1.591%	2,000,000	1,992,128

**MATURED / REDEEMED / CALLED**

DATE				Investment Description	<i>Stated</i>	<i>Current</i>	Face Value	Book Value
Redemption	Maturity	Call	Step-Up		Coupon	Yield		

Draft Investment Report

**Olivenhain Municipal Water District**  
**UNAUDITED CASH POSITION BY FUNDING SOURCES**  
**As of June 30, 2022**

<b><u>Water Funds (Potable &amp; Recycled)</u></b>		<b><u>Balance</u></b>
10050-100	Cash - Petty Cash Fund	1,491
10030-100	Cash - Capital and Equipment Fund	41,024,551
10010-100	Cash - Operating Fund	14,205,322
10060-100	Cash - Deposit Work for Other	60,963
10040-100	Cash - Rate Stabilization	12,150,923
14000-500	Restricted Cash - Capacity Fee Fund	4,947,860
<b>Total Water Funds (Potable &amp; Recycled)</b>		<b><u>72,391,109</u></b>
<b><u>Wastewater Funds</u></b>		
10010-110	Wastewater - Operating Fund	3,998,461
10030-110	Wastewater - Capital Replacement Fund	9,177,310
10040-110	Wastewater - Rate Stabilization Fund	2,609,499
<b>Total Wastewater Funds</b>		<b><u>15,785,270</u></b>
<b><u>Non Fiscal Agent Debt Service Cash</u></b>		
14020-570	Cash non-agent - RAD 96-1	146,461
10070-561	Cash non-agent - Bond 2015A	621
10070-581	Cash non-agent - Bond 2016A	10,580
14020-521	Cash non-agent - Bond 2021A	5,012,202
<b>Total Non Fiscal Agent Debt Service Cash</b>		<b><u>5,169,863</u></b>
<b><u>Debt Service Funds</u></b>		
14030-510	SRF Loan - Fiscal Agent	856,334
14105-570	Redemption fund - RAD 96-1	1,121,439
14110-570	Reserve fund - RAD 96-1	66,126
14100-561	Redemption fund - Bond 2015A	3,782
14100-581	Redemption fund - Bond 2016A	3,160
14100-521	Redemption fund - CB&T 2021A	2,638
14100-522	Redemption fund - CB&T 2021B	4,086
<b>Total Debt Service Funds</b>		<b><u>2,057,565</u></b>
 <b>TOTAL FUND BALANCES</b>		 <b><u>95,403,807</u></b>

# Memo

Date: August 9, 2022  
To: Finance Committee  
From: Rainy Selamat, Finance Manager  
Via: Kimberly Thorner, General Manager  
Subject: **DISCUSS AND RECOMMEND TREATMENT OF THE THIRD AND FOURTH PAYMENTS RECEIVED FROM SAN DIEGO COUNTY WATER AUTHORITY OF APPROXIMATELY \$499,000 FOR REFUNDS ON ATTORNEY FEES IN THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA LITIGATION**

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A copy of staff's presentation is attached for discussion and consideration by the Committee.

Staff will be available at the meeting for discussion and recommend an option for consideration and approval by the Committee.

Attachment: Presentation

# TREATMENT OF REFUND PAYMENTS FROM SDCWA

## Finance Committee

August 9, 2022



# Committee Actions

- Review staff presentation
- Discuss treatment of the attorney fee refunds received from SDCWA of approximately \$499 thousand.
- Review options and make a recommendation for consideration and approval by the Board at the August 17 meeting.



# Background

- The first rebate payment was received on March 5, 2021 in the amount of \$2,039,332.40 for OMWD's share of SDCWA's award of damages from Metropolitan Water District of Southern California (MWD) lawsuit.
- OMWD's share is based on OMWD's purchases of SDCWA's Municipal and Industrial (M&I) water in 2011-2014 as those were payments that included the unlawful Water Stewardship Rate payments (untreated water wholesale cost).
- The second rebate payment in 2021 was \$ 1,622,584.
- OMWD's share is based on OMWD's purchases of SDCWA's Municipal and Industrial (M&I) water in 2015-2017 as those were payments that included in the unlawful Water Stewardship Rate charges (untreated water wholesale cost).
- The Board implemented Rate Reimbursement Credit Program from the first and second rebate payments.
- The third and fourth payments were received in June and August 2022 of approximately \$499,219 for attorney's fees and costs paid by MWD to SDCWA. OMWD's share is 4.6%, which was calculated based on methodology used in the first rebate payment.

# Update on Rate Reimbursement Credit Program

- RRC Program started in March 2022.
- Total amount received from SDCWA rebate payments no.1 and no.2 was \$3,661,916
- Through June 2022, OMWD passed \$139,795 of RRC to potable water customers
  - Average \$ 43,792 per month over the last 3 months
- Through June 30, 2022, \$3,522,121 was available in the program

# Options

- Place the third and fourth refunds from SDCWA in the District's Rate Stabilization Fund and extend the Rate Reimbursement Credit Program at 6.9 cents per unit until rebate payments are fully depleted
  - Refunds from SDCWA for attorney fees paid by its member agencies in the MWD Litigation
  - Consistent with treatment of previous rebate payments from SDCWA
  - More customers are going to get the credit
  - Water pricing competitiveness with other agencies that have their own local water supply
- Place the third and fourth refunds from SDCWA in the District's Water Revenue Fund (Operating Reserves) and bring back to the Board at FY 2023/24 mid-term budget adjustment in June 2023 with Staff's recommendation. Goal: use as an offset to future rate increases in fiscal year 2023/2024
  - SDCPI increase from May 2022 to May 2021: 8.31%
  - Producer Price Index for finished goods increase from January 2022 to January 2021: 12.69%
  - Reduction in projected water sales due to drought
  - Pass-through SDCPI on 2023 water rates and charges based on second half 2021 and second half 2020 (1 year lag): 6.2%



# Questions?

# Memo

Date: August 9, 2022  
To: Finance Committee  
From: Rainy Selamat, Finance Manager  
Via: Kimberly Thorner, General Manager  
Subject: **CONSIDER AND DISCUSS 2022 WATER CAPACITY FEE UPDATE (VERBAL REPORT)**

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On or before October 31<sup>st</sup> of each year, the District reviews and evaluates the need for replacement and betterment of its water capital infrastructure. As a result of the annual update, OMWD Capacity fees are adjusted, if necessary, for anticipated cost increases to the District's project costs using a commonly used construction cost index.

The District has historically used the Engineering News Record Construction Cost Index in Los Angeles (ENR CCI-LA) to keep up with annual inflationary adjustments to the District's capital improvement program. This practice is consistent with the District's Administrative and Ethics Code (Article 13.)

For 2022, staff is proposing an increase to the District's water capacity fees of 3.80%, based on the change in the ENR CCI-LA from May 2021 to June 2022. The same methodology was also used in 2021 in adjusting OMWD capacity fees.

The existing and proposed fees for a ¾" meter are as follows:

<b>Zone of Benefit</b>	<b>2021 Existing Fees (¾" meter)</b>	<b>2022 Proposed Fees (¾" meter)</b>
Zone A	\$ 15,536	\$ 16,126
Zone B	\$ 11,147	\$ 11,570
Zone C	\$ 11,354	\$ 11,785
Zone D	\$ 23,527	\$ 24,421
Zone E	\$ 11,514	\$ 11,951

Staff will be available during the meeting for discussion.

# Memo

Date: August 9, 2022  
To: Finance Committee  
From: Leo Mendez, Accounting Supervisor  
Rainy Selamat, Finance Manager  
Via: Kimberly Thorner, General Manager  
Subject: **REVIEW AND DISCUSS 2022 WATER RELATED SERVICE FEES**

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## **Purpose**

The purpose of this item is to review and discuss District’s 2022 water related service fees, along with staff-recommended increases to cover the current costs of providing these services. A public hearing is not required for water related service fee adjustments because these fees are not subject to Proposition 218. Proposed adjustments to these fees do not exceed the cost of providing service.

## **Recommendation**

Recommended water related service fees adjustments for 2022 will be brought forward to the Board for consideration and adoption at the August board meeting.

## **Alternatives**

The Finance Committee may direct Staff to do otherwise.

## Background

On an annual basis, Staff conducts a review of OMWD's water related service fees to ensure that the District is recovering its costs. Based on this review, Staff discovered the current water related service fees (below) do not cover the costs of providing the service. Therefore, Staff is proposing water related service fee adjustments as outlined below.

### Fire Flow Test:

Per Section 8.6 of the Administrative and Ethics Code, upon request by customer, OMWD will perform fire flow pressure testing to determine residual fire flow pressure data. A fire flow test requested by public agencies of the Insurance Services Office (ISO) shall be performed by OMWD at no charge.

Current Fee: A non-refundable fee of \$435 per test

Proposed Fee: A non-refundable fee of \$470 per test

Last Adjustment: November 18, 2020

Reason: Proposing to update the fire flow test fee based on the current cost to OMWD of providing this service. Costs include staff time and water loss that results from the test. Fire flow tests require two (2) District employees to perform, since two adjacent hydrants are tested simultaneously. The District performed 22 fire flow pressure tests in fiscal year 2022.

### Shutoff notices:

Per Section 8.10 of the Administrative and Ethics Code, customers will incur a fee of \$25.00 whenever the District is required to deliver a shut-off notice to discontinue water service due to non-payment of a water bill.

Current Fee: A \$25 charge per shut-off notice

Proposed Fee : A \$35 charge per shut-off notice



Last Adjustment: March 18, 2015

Reason: The proposed fee covers OMWD Staff's administrative costs in preparing notices for FedEx delivery and responding to customer inquiries and an increase in FedEx delivery charge to OMWD for delivering shut-off notices to affected customers. The District currently sends an estimated 100 shut-off notices per month.

**Re-establishment of service:**

Per Section 8.11 of the Administrative and Ethics Code, re-establishment of service fees shall be charged each time service has to be re-established following discontinuation of water service for any reason. The fees are as follows:

Current Fees: **For District customers:**  
During normal working hours - \$75  
Outside normal working hours - \$120  
Sunday or Holiday - \$150

**For District customers with demonstrated income below 200 percent of the federal poverty line:**  
During normal working hours - \$50  
Outside normal working hours - \$120  
Sunday or Holiday - \$150

Proposed Fees: **For District Customers:**  
During normal working hours - \$140  
Outside normal working hours - \$250

**For District customers with demonstrated income below 200 percent of the federal poverty line:**  
During normal working hours - \$54  
Outside normal working hours - \$129

Last Adjustment: November 4, 2015

Reason: Proposing to adjust the re-establishment of service fees based on an increase in the District's cost of providing turn-off and turn-on service for non-payment accounts. The costs include staff time

processing the re-establishment and driving to/from the customer's address to unlock the meter. Costs of re-establishment of service outside of normal working hours include overtime and duty pay. The District processes about 5 re-establishments of service a month, and most are requested and completed during normal working hours.

For District customers with demonstrated income below the 200 percent of the federal poverty line, staff is proposing an increase based on the San Diego Consumer Price Index change of 8.22% from January 2021 through January 2022, rather than the full cost of providing this service to these customers. This increase is in compliance with SB 998, the Water Protection Shutoff Act.

This District is also proposing that the "Sunday or Holiday" rate be eliminated to simplify the fee. Having two fees, "During normal working hours" and "Outside normal working hours" would also provide some efficiencies in processing these transactions in the District's utility billing system.

**Meter Test:**

Per Section 8.16, a fee of \$150.00 shall be charged to a customer's account when a customer requests the District perform a meter test to determine if a meter is accurate. If the meter is tested and found to be inaccurate, the District refunds the meter testing fee to the customer and a new meter is installed at no cost to the customer.

Current Fee: \$150 per meter test

Proposed Fee: \$200 per meter test

Last Adjustment: July 20, 2016

Reason: The proposed adjustment to the meter test was calculated based on additional costs incurred by the District in providing this service upon customer's request. Costs include staff time, shipping of meter to 3<sup>rd</sup> party for testing, and cost for testing the meter. The District performed 2 meter tests in fiscal year 2022.

### **Fiscal Impact**

If the recommended changes are brought to the board and approved, the District will collect approximately \$16,700 in additional annual revenue that will be used to cover the costs involved in providing the above services.

### **Discussion**

District staff recommend the above increases to ensure the District continues to cover its costs of providing the above services.