

Amador Water Agency

BUDGET AND FINANCE COMMITTEE Special Meeting

(Directors Peters and Livingston)
August 3, 2022 3:00 p.m.
By Zoom

PUBLIC NOTICE: Members of the public will have the opportunity to directly address the committee concerning any item listed on the Agenda below before or during consideration of that item.

Anyone wishing to participate in this meeting remotely may do so by using the information below:

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1. **CALL TO ORDER**
2. **PUBLIC COMMENT**
There is a three-minute time limit per person
3. **Monthly Financial Report**
Receive and discuss the financial report. (Will be posted separately)
4. **Miscellaneous Fees Update**
Recommend that the Board approved the updated Miscellaneous Fees Schedule.
5. **Grants Utilization and Budgeting**
Discussion and possible direction to staff.
6. **ADJOURNMENT**

In compliance with the Americans with Disabilities Act, if you are a disabled person and you need a disability-related modification or accommodation to participate in this meeting, please contact Karen Gish at (209) 223-3018 or (209) 257-5281 (fax). Requests must be made as early as possible and at least two-full business days before the start of the meeting.

STAFF REPORT

MISCELLANEOUS FEES UPDATE

Recommended Action:

Recommend that the Board approve the updated Miscellaneous Fees Schedule.

Background:

The Board adopted an updated Water Code of Regulations as an ordinance in January of 2021. The new Code moved the schedule of miscellaneous fees to an appendix, and the ordinance stated that the fees appendix would be updated in the future independently of the ordinance by Board resolution.

Staff has reviewed the fee schedule and recommends the changes indicated in the attachment. The proposed fee schedule is provided as a clean version and a redlined version. Also attached is a worksheet showing the factors used in computing the recommended fees, and an illustration of the proposed change in when deposit funds can be applied to charges.

Adoption of the updated fees will require a resolution, which will be provided in the Board agenda packet. Specific notice requirements will be adhered to before the Board meeting.

Fiscal Impact:

Current fees are not recovering true costs of providing miscellaneous services. The recommended fee updates will recover actual costs.

Prepared by: Larry McKenney, General Manager

Section 4 Amador Water Agency Miscellaneous Fees

Adopted _____, 2022 per AWA Ordinance 2022-_____.

The following fee schedules shall be applicable to all Amador Water Agency water and wastewater customers and applicants.

UN-1 WATER CONNECTION FEES

The following fees shall be applicable to all Applicants requesting a new water service connection and must be paid prior to any work being done by the Agency:

(a) Install Meter on Existing Service Connection

<u>Meter Size</u>	<u>Fee</u>
5/8 Inch	\$689
3/4 Inch	\$759
1 Inch	\$829
1-1/2 Inch	\$1,201
2 Inch	\$1,347

Larger than 2” - Actual cost of installation, as determined by the Agency.

(b) Install Meter and Service Connection

Applicants whose request a water service connection that requires a mainline tap, installation of a meter box, meter and related appurtenances as determined by the Agency, will pay the actual costs of such installation based on an actual time and materials basis. The Applicant shall pay a deposit prior to any work being done by the Agency. Any amounts remaining after the work has been completed will be refunded to the Applicant. Any amount exceeding the amount of the deposit shall be paid by Applicant prior to water service being initiated.

Time and Materials Deposit \$7,500
(or more, depending on the complexity of the connection)

(c) Special Conditions

1. The service connection, meter boxes, valves and meters shall remain the property of the Agency.
2. A meter must be installed at the same time the service connection is installed, except in the case of accepted subdivisions.
3. In the event that the Applicant does not request the service connection and meter to be installed within one year after applying for and paying the appropriate charges, then the meter installation fee, less 10% for administrative costs, will be returned without interest and the application canceled.

UN-2 CREDIT DEPOSITS

For all residential and commercial services

Water Service Deposit	.....	\$200 per service
Wastewater Service Deposit	.....	\$300 per service
Commercial/Industrial Service Deposit, an amount equal to twice the estimated monthly bill but not less than	.....	\$200 per service, minimum

UN-3 CHARGES FOR OTHER SERVICES

(a) Start/ Stop Service

A water or wastewater service account with AWA may be opened either by calling the Customer Service Department at (209) 223-3018, completing the online application, or by coming in to the Administration Office at 12800 Ridge Rd, Sutter Creek, CA. 95685 during business hours (8 a.m. to 4:30 p.m., Monday through Friday, excluding holidays). The administrative fee below is charged to open new accounts. This fee is charged each time customer’s change addresses within the Agency’s service area. When customers call, apply online or come in to open a new account, the account must be put in that person’s name. A spouse/significant other/trustee may be added to the account if both applicants sign the application. Customers may not establish accounts for another person.

Administrative Fee	\$24
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(b) Late Payment Penalties and Interest

Payments are due and payable upon presentation and become delinquent if not paid within 30 days after the due date. Any charges remaining unpaid shall accrue late payment penalties and interest as follows:

Late Payment Penalty	\$17
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(c) Fire Flow Testing - Requests for fire flow testing will be based on actual time and material basis required to perform such testing. Requester will be required to pay a \$850 deposit prior to any work being done by the Agency. Any amounts remaining after the work has been completed will be refunded to the requester. Any amount exceeding the amount of the deposit shall be paid to the Agency by the requester.

(d) Meter Testing - The following fee will be added to the customer’s account should the customer request their meter be tested for accuracy. Should the meter be found, upon test, to register more than 5% fast under conditions of normal operation, the fee will be returned to the customer. Hydrant meters must be tested no more than three (3) weeks prior to use.

Meter Testing Fee - 5/8", 3/4", or 1"	.....	\$62
Meter Testing Fee - Larger than 1"	.....	Time and Material Costs
Hydrant Meter Testing Fee	.....	\$278

(e) Service Calls - The following fees are applicable to calls for service or verification to determine compliance with Agency rules and regulations for service, verification, special service requests, grease traps, septic tanks, and/or other miscellaneous customer inquiries:

Service Call Fees

Monday-Friday 8:00 a.m. – 4:30 p.m. \$162

On-Call hours; Monday-Friday before 8:00 a.m. or after 4:30 pm,
Saturday, Sunday or Holidays \$184

(f) Site Inspections - The following fee is applicable for calls to inspect, locate, measure or verify pipelines, meter boxes, service lines, curb/meter stops or other devices or sites during regular business hours:

Site Inspection Fee \$205

(g) Service Reconnections – The following fees are applicable if Agency personnel turn service off or on at the customer’s request, or restore service discontinued for cause:

Service Reconnection Fees

Monday-Friday 8:00 a.m. – 4:30 p.m. \$81

On-Call hours Monday-Friday after 4:30 p.m.
and/or Saturday, Sunday or Holiday \$190

Special Conditions

1. The Agency reserves the right to refuse to turn water service off/on between 10:00 pm and 8:00 am unless a bona fide emergency is established.
2. No water service will be turned off/on at the meter by anyone other than Agency Personnel.
3. The service call fee shall be charged to the customer's account, or, at the discretion of the Agency, be required to be paid by the customer prior to service being rendered.

(h) Notification of Intent to Disconnect Service - The following charge shall be added to the customer's account each time the Agency is required to place a door hanger at the customer's service location of the Agency's intent to turn off water service for nonpayment of charges:

Notification Fee \$19

(i) Lock Replacement - A lock replacement fee will be added to an account if a service lock is damaged or removed

Lock Replacement Fee \$66

(j) Returned Checks - The following charge shall be added to the customer's account for each check

tendered as payment that is returned unpaid to the Agency by its financial institution:

Returned Check Fee \$25

(k) Special Conditions - The Agency reserves the right to report any person whose check is returned unpaid to the Amador County District Attorney for disposition. In the event of reoccurrence of returned checks, the Agency reserves the right to refuse checks as the form of payment from said customer.

(l) Obstructed Meter - Subsequent to the Agency's initial notification to a customer to remove any object(s) obstructing the Agency's water meter, the following charge shall be added to the customer's account each time Agency personnel thereafter are dispatched to verify such removal:

Obstructed Meter Fee \$42

(m) Meter Resetting - When service is disconnected for any reason, the following charge shall be added to the customer's account for resetting a meter that was removed after discontinuance of service for cause:

Meter Resetting Fee (M-F 8:00 a.m. – 4:30 p.m.) \$242

(n) Temporary Service through a Fire Hydrant - Temporary or construction water service may be available at a time and location selected by the Agency through a hydrant meter and backflow device. In addition to paying the hydrant meter monthly service fee and for water used and billed under the appropriate rate schedule below, a hydrant meter deposit is required in advance to cover the cost of any damage to or replacement of the meter. A portion of the deposit is non-refundable. Spanner Wrenches are also available and require a deposit (refer to Water Code Section 2.49(e) for use of Spanner Wrench). Devices are inspected by Agency staff upon checkout and return for proper working order. When devices are returned damaged or otherwise not in proper working order the deposit will be charged any time and materials required to repair or replace the device. The deposit is forfeit if the device is lost, stolen, missing, unrepairable or otherwise not useable. Meter reads are to be reported to the Agency by the 20th of each month. If the meter reads are not provided within the specified time frame, a penalty will be assessed to the account.

Hydrant Meter Deposits, Rates and Fees

- Hydrant Meter Deposit, Neptune with check valve \$1,649
- Hydrant Meter Deposit, Zenner with backflow \$2,519
- Hydrant Meter Deposit, non-refundable portion \$75
- Spanner Wrench Deposit \$85
- Monthly Service Fee* (use 5/8" service charge) see current rate schedule
- Commodity Charge, treated or untreated see current rate schedule
- Late Fees for Non-Reporting*
 - First offense \$24
 - Second offense \$53
 - Third offense \$108
 - Per month following the third offense \$108

*The monthly service fee and late fees for non-reporting will continue to be charged every month, or portion thereof, until such time as the hydrant meter and spanner wrench are returned.

(o) Annexation/Detachment Requests - Property Owners wishing to annex or detach from a Water Agency Improvement District shall be financially responsible for costs incurred in processing such a request. The following fee is not refundable:

Annexation/Detachment Fee \$601

(p) Backflow Prevention Device Testing - The following fee shall be charged if the Agency tests or inspects a privately owned backflow prevention device or assembly:

Backflow Prevention Device Test Fees

Up to 2” \$300
 Greater than 2” \$386

(q) Public Records Request Fee Schedule - The following fee shall be charged for Copies of an Identifiable Public Record or Certified Copy of Such Record:

Copy Fees

Black and White 8 ½ x 11 \$0.10/page
 Black and White 11 x 14 \$0.14/page
 Black and White 11 x 17 \$0.20/page
 Color 8 ½ x 11 \$0.45/page
 Color 11 x 14 \$0.70/page
 Color 11 x 17 \$0.99/page
 C, D & E size, black and white only \$10.00/page

Any print larger than listed above or in color will be charged at \$3.00/sqft. Any printing completed by an outside service will be charged actual costs incurred.

Digital Media Fees

Digital copy of documents to CD, DVD, USB drive, or other media storage device. In order to protect the Agency’s network, personal devices will not be used to transfer data requested by a member of the public.

..... current retail cost

Board Meeting Agenda Packets and Minutes

E-mailed only: no charge

(r) Equipment, Materials & Labor – For all installations, projects or developments, the Agency shall endeavor to recover costs incurred. Equipment shall be billed on a time and material basis for all usage and costs incurred at the then prevailing rate per the most current version of the Caltrans approved rate schedule. Materials shall be billed at the then prevailing rate or actual costs incurred, including tax, shipping and handling. Labor shall be fully burdened, including benefits and overhead.

(s) Liens – When a lien against a property is served or recorded, the following charge shall be added to the customer’s account for placing and, when payment is made, releasing the lien. The charge shall be included with the lien and paid in full prior to releasing the lien.

Lien Fee \$92

(t) Water Restriction Device - Subsequent to the Agency's written warning to a customer of violations of the Conservation Plan, a water restriction device may be placed on the customer’s Meter for the duration described in Article 3 – Water Conservation. The following charges shall be added to the customer's account each time Agency personnel install or remove a Water Restriction Device:

Water Restriction Device Installation Fee \$322
 Water Restriction Device Removal Fee \$191

UN-4 CAPACITY FEE EQUIVALENTS

(a) Capacity Fee Ratios

The following ratios will apply, unless otherwise specified, purchased or required, as determined by the Agency:

<u>Meter Size</u>	<u>Max. Instantaneous</u>	<u>Avg. Daily Flow</u>	<u>EDUs</u>	<u>Charge Ratio</u>
5/8 Inch	20 gpm	400 gpd	1 EDU	= 1
3/4 Inch	30 gpm	600 gpd	1.5 EDUs	= 1.5
1 Inch	50 gpm	1,000 gpd	2.5 EDUs	= 2.5
1&1/2 Inch	100 gpm	2,000 gpd	5 EDUs	= 5
2 Inch	160 gpm	3,200 gpd	8 EDUs	= 8
3 Inch	300 gpm	6,400 gpd	16 EDUs	= 16
4 Inch	500 gpm	10,000 gpd	25 EDUs	= 25
6 Inch	1,000 gpm	20,000 gpd	50 EDUs	= 50
8 Inch	1,800 gpm	36,000 gpd	90 EDUs	= 90
10 Inch	2,900 gpm	58,000 gpd	145 EDUs	= 145
12 Inch	4,300 gpm	86,000 gpd	215 EDUs	= 215

Standard residential connections, when increased in size to account solely for sprinkler fire flow accommodations, shall be billed at the 5/8 inch rate, or higher as appropriate.

(b) Multiple Dwelling Units

The Capacity Fee for a condominium, townhouse, apartment or similar type multiple dwelling unit shall be a percentage of the appropriate Capacity Fee applicable to a customer using a single EDU, depending on the number of bedrooms per unit. The percentages are:

<u>Bedrooms Per Unit</u>	<u>Percentage</u>
3 or More	100%

2	90%
1	80%

(c) Manufactured Home Parks

The Capacity Fee for manufactured homes in a manufactured home park shall be a percentage of the appropriate Capacity Fee applicable to a customer using a 5/8 inch meter, depending on the number of manufactured homes per acre. The percentages are:

<u>Dwelling Units per Acre</u>	<u>Percentage</u>
1 - 4	100%
5 - 6	90%
7 - 8	80%
9 or more	70%

(d) ADUs

The Capacity Fee for an ADU shall be a percentage of the appropriate Capacity Fee applicable to a customer, per Section 3, multiplied by the square footage of the ADU divided by 2,200 square feet, being the average size of a new single family residential unit. The ADU Capacity Fee shall be in addition to other required capacity fees and other fees.

UN-5 WASTEWATER APPLICATION FEE

The following fee shall be charged when an Applicant applies for a wastewater (sewer) service or permit. The Applicant shall pay to the Agency an application fee for each unit, connection, tenant space or parcel, each of which require a separate application. The Agency will not accept an application until it receives the application fee. The fee is intended to cover the cost of initial application review, up to two plan reviews, and up to two field inspections for the proposed project. Additional administrative review, plan reviews or inspections will be charged on a time and materials basis per UN-6. AWA may request a deposit to cover additional or expected costs per UN-6.

Wastewater Application Fee: Residential (conventional)	\$434
Wastewater Application Fee: Residential (STEP or STEF)	\$867
Wastewater Application Fee: Commercial/Industrial	\$867

UN-6 ENGINEERING SERVICES AND FEES

(a) Determination of Water or Wastewater Availability

The following fee shall be charged for each application for a Determination of Water or Wastewater Availability. The Agency will not accept an application until it receives the application fee. The fee is intended to cover the cost of initial application review and one response letter for the proposed project. Additional administrative review, plan reviews or inspections will be charged on a time and materials basis per UN-6. AWA may request a deposit to cover additional or expected costs per UN-6.

Determination of Water or Wastewater Availability Fee \$606

(b) Project Deposits

The following deposits may be required when an Applicant (or Developer, in this section) seeks water, wastewater or other services for a residential, industrial, commercial, business, development or other project. The Applicant shall pay to the Agency a deposit for six months of anticipated work, as determined by the Agency, relating to the project which may include plan review, engineering support, construction, project management testing and inspection, among other services. The Applicant will be billed all actual costs incurred by the Agency for work on the Project. Five days from invoice mailing the applicant shall be deemed in receipt of the invoice. Invoices shall be paid by the Applicant within twenty-five days of receipt of invoice. The deposit shall be held in reserve and not used against actual costs incurred by the Agency, unless invoices are delinquent. If invoices are not paid within twenty-five days of receipt of invoice (thirty days from mailing), the invoices are delinquent, interest shall accrue at the then prevailing legal rate and the deposit shall be used to pay all invoices. If any portion of the deposit is used to pay any invoices, all work shall cease on the Project and work shall not resume until all project invoices have been paid in full and the required deposit is replenished in full. Unused deposited funds will be refunded to the Applicant when no further Agency work on the Project is anticipated by the Agency.

Commercial/Industrial/Multi-Unit Deposit	\$1,500 minimum
(single connection & parcel)	
Developer Deposit	\$5,000 minimum

Section 4 Amador Water Agency Miscellaneous Fees

~~Amador Water Agency Miscellaneous Fees~~, adopted January 28, 2021-2022 per (AWA Ordinance ~~2021~~2022- 01).

The following fee schedules shall be applicable to all Amador Water Agency ~~w~~Water and ~~w~~Wastewater ~~c~~Customers and ~~a~~Applicants.

UN-1 WATER CONNECTION FEES

The following fees shall be applicable to all Applicants requesting a new water service connection and must be paid prior to any work being done by the Agency:

(a) Install Meter on Existing Service Connection

<u>Meter Size</u>	<u>Fee</u>
5/8 Inch	\$585 <u>689</u>
3/4 Inch	\$610 <u>759</u>
1 Inch	\$720 <u>829</u>
1-1/2 Inch	\$1250 <u>1,201</u>
2 Inch	\$1650 <u>1,347</u>

Larger than 2" - Actual cost of installation, as determined by the Agency.

(b) Install Meter and Service Connection

Applicants whose request a water service connection that requires a mainline tap, installation of a meter box, meter and related appurtenances as determined by the Agency, will pay the actual costs of such installation based on an actual time and materials basis. The Applicant shall pay a deposit prior to any work being done by the Agency. Any amounts remaining after the work has been completed will be refunded to the Applicant. Any amount exceeding the amount of the deposit shall be paid by Applicant prior to water service being initiated.

Time and Materials Deposit ~~\$5,000~~7,500
(or more, depending on the complexity of the connection)

(c) Special Conditions

1. The service connection, meter boxes, valves and meters shall remain the property of the Agency.
2. A meter must be installed at the same time the service connection is installed, except in the case of accepted subdivisions.
3. In the event that the Applicant does not request the service connection and meter to be installed within ~~two-one~~ one years after applying for and paying the appropriate charges, then the meter installation fee, less 10% for administrative costs, will be returned without interest and the application canceled.

UN-2 CREDIT DEPOSITS

For all residential and commercial services

Water Service Deposit ~~\$100~~200 per service

Wastewater Service Deposit ~~\$100~~300 per service

~~Commercial/For all industrial~~ Service Deposit,— an amount equal to twice the estimated monthly bill but not less than ~~\$100~~200 per service, minimum

UN-3 CHARGES FOR OTHER SERVICES

(a) Start/ Stop Service

A water or wastewater service account with AWA may be opened either by calling the Customer Service Department at (209) 223-3018, completing the online application, or by coming in to the Administration Office at 12800 Ridge Rd, Sutter Creek, CA. 95685 during business hours (8 a.m. to 4:30 p.m., Monday through Friday, excluding holidays). ~~There is a \$25.00~~ administrative fee below is charged to open new accounts. This fee is charged each time customer’s change addresses within the Agency’s service area. When customers call, apply online or come in to open a new account, the account must be put in that person’s name. ~~(A~~ spouse/significant other/trustee may be added to the account if both ~~Applicants~~ applicants sign the application. ~~)~~ eCustomers may not establish accounts for another person.

Administrative Fee ~~\$25~~24

(b) Late Payment Penalties and Interest

Payments are due and payable upon presentation and become delinquent if not paid within 30 days after the due date. Any charges remaining unpaid shall accrue late payment penalties and interest as follows:

Late Payment Penalty ~~\$10~~17

(c) Fire Flow Testing - Requests for fire flow testing will be based on actual time and material basis required to perform such testing. Requester will be required to pay a ~~\$850~~500 deposit prior to any work being done by the Agency. Any amounts remaining after the work has been completed will be refunded to the requester. Any amount exceeding the amount of the deposit shall be paid to the Agency by the requester.

(d) Meter Testing - ~~T~~he following fee will be added to the customer’s account should the customer request their meter be tested for accuracy. Should the meter be found, upon test, to register more than 5% fast under conditions of normal operation, the fee will be returned to the customer. Hydrant meters must be tested no more than three (3) weeks prior to use.

Meter Size ————— Fee

Meter Testing Fee - 5/8", 3/4", or 1" \$4062
Meter Testing Fee - Larger than 1" Time and Material Costs
Customer Owned-Hydrant Meter-Testing Testing Fee
 \$50278
 Must be tested no more than three (3) weeks prior to use

(e) Service Calls - The following fees are applicable to ~~re-inspect calls for service and/or verification~~ to determine compliance with Agency rules and regulations for service, verification, special service requests, special inspections such as, grease traps, septic tanks, and/or other miscellaneous customer inquiries:

Service Call Fees

Monday-Friday 8:00 a.m. – 4:30 p.m. Between 8:00 am and 4:30 pm
Monday through Friday \$75162

On-Call hours; Monday-Friday before 8:00 a.m. or after 4:30 pm,
and/or Saturday, Sunday or Holidays \$140184

(f) Site Inspections - The following fee is applicable for calls to inspect, locate, measure or verify pipelines, meter boxes, service lines, curb/meter stops or other devices or sites during regular business hours:

Site Inspection Fee to verify service \$50205

(g) Service Reconnections-Fee – The following fees are applicable if Agency personnel turn service off or on at the customer’s request, or restore service discontinued for cause:

Service Reconnection Fees
Monday-Friday 8:00 a.m. – 4:30 p.m. \$-5081

On-Call hours Monday-Friday after 4:30 p.m.
 and/or Saturday, Sunday or Holiday \$150190

(g) Special Conditions

1. The Agency reserves the right to refuse to turn water service off/on between 10:00 pm and 8:00 am unless a bona_fide emergency ~~can be~~ established.
2. No water service will be turned off/on at the meter by anyone other than Agency Personnel.
3. The service call fee shall be charged to the customer's account, or, at the discretion of the Agency, be required to be paid by the customer prior to service being rendered.

(h) Notification of Intent to Disconnect Service- - The following charge shall be added to the

customer's account each time the Agency is required to place a door hanger at the customer's service location of the Agency's intent to turn off water service for nonpayment of charges:

Notification Fee \$1519

~~(ih)~~ Lock Replacement Fee -- A lock replacement fee will be added to an account if a service lock is damaged or removed

Lock Replacement Fee \$2566

~~(ji)~~ Returned Checks Fee - The following charge shall be added to the customer's account for each check tendered as payment that is returned unpaid to the Agency by its financial institution:

Returned Check Fee \$25

~~(kj)~~ Special Conditions - The Agency reserves the right to report any person whose check is returned unpaid to the Amador County District Attorney for disposition. In the event of reoccurrence of returned checks, the Agency reserves the right to refuse checks as the form of payment from said customer.

~~(lk)~~ Obstructed Meter- Subsequent to the Agency's initial notification to a customer to remove any object(s) obstructing the Agency's water meter, the following charge shall be added to the customer's account each time Agency personnel thereafter are dispatched to verify such removal:

Obstructed Meter Fee \$2542

~~(ml)~~ Meter Resetting - When service is disconnected for any reason, the following charge shall be added to the customer's account for resetting a meter that was removed after discontinuance of service for cause:

Meter Resetting Fee (M-F 8:00 a.m. – 4:30 p.m.) \$140242

~~(nm)~~ Temporary Service through a Fire Hydrant - Temporary or ~~/~~construction water service may be available at a time and location selected by the Agency through a hydrant meter and backflow device. In addition to paying the hydrant meter monthly service fee and for water used and billed under the appropriate rate schedule below, a hydrant meter deposit is required in advance to cover the cost of any damage to or replacement of the meter. A portion of the deposit is non-refundable. Meters are inspected by Agency staff upon checkout and return for proper working order. Spanner Wrenches are also available and require a deposit (refer to Water Code Section 2.49(e) for use of Spanner Wrench). Devices are inspected by Agency staff upon checkout and return for proper working order. When devices are returned damaged or otherwise not in proper working order the deposit will be charged any time and materials required to repair or replace the device. The deposit is forfeit if the device is lost, stolen, missing, unrepairable or otherwise not useable. \$30.00 of the deposit is not refundable. Spanner Wrenches are also available and require a \$30.00 deposit (Please refer to Water Code Section 2.49(e) for use of Spanner Wrench. Meter rReads are to be reported to the Agency by the 20⁵~~th~~ of each month. If the meter reads are not provided within the

specified time frame, a penalty will be assessed to the ~~construction water~~ account.

Hydrant Meter Deposits, Rates and Fees

- ~~Temporary Hydrant Service Meter Deposit, Neptune with check valve~~
~~\$1,5301,649~~
- ~~Hydrant Meter Deposit, Zenner with backflow \$2,519~~
- ~~Hydrant Meter Deposit, non-refundable portion \$75~~
~~((\$30 non-refundable)~~
- ~~Spanner Wrench Deposit \$3085~~
- ~~Monthly Service Fee* (use 5/8" service charge) see current rate schedule~~
~~\$30.00~~
- ~~Commodity Charge, treated or untreated see current rate schedule~~
- ~~Late Fees for Non-Reporting*~~
 - ~~F-first offense \$2524~~
 - ~~S-.00~~
 - ~~Late Fee for Non-Reporting-second offense~~
~~\$5053~~
 - ~~Third offense \$108~~
 - ~~Per month following the third offense00~~
 - ~~Late Fee for Non-Reporting-third offense-\$100.00~~
 - ~~Reporting Fee -will remain \$100108.00-per month for each month following the third offense~~
- ~~Commodity Charge Treated Water-See Current Rate Schedule~~
- ~~Commodity Charge Untreated Water-See Current Rate Schedule~~

~~*T~~Please note that the \$30.00-monthly service fee and late fees for non-reporting will continue to be charged every month, or portion thereof, until such time as the hydrant meter and spanner wrench are returned.
~~Monthly fees will be prorated if discontinuance occurs during a monthly billing cycle.~~

(on) Annexation/Detachment Requests - Property Owners wishing to annex or detach from a Water Agency Improvement District shall be financially responsible for costs incurred in processing such a request. The following fee is not refundable:

Annexation/Detachment Fee \$450601

(pe) Backflow Prevention Device-Device Inspections-Testing - The following fee shall be charged if the Agency tests or inspects a privately owned backflow prevention device or assembly:

Backflow Prevention Prevention AssemblyDevice Test Fees
Up to 2" ~~\$100.00~~300-up to 2"
Greater than 2" ~~————\$150.00~~386-greater
~~than 2"~~

(qp) Public Records Request Fee Schedule - The following fee shall be charged for Copies of an Identifiable Public Record or Certified Copy of Such Record:

Copy Fees

Black and White 8 ½ x 11 _____	.....	\$0.10/page
Black and White 11 x 14 _____	.....	\$0.14/page
Black and White 11 x 17 _____	.....	\$0.20/page
Color 8 ½ x 11 _____	.....	\$0.45/page
Color 11 x 14 _____	.....	\$0.70/page
Color 11 x 17 _____	.....	\$0.99/page

C, D & E size, black and white only \$10.00/page

Any print larger than listed above or in color will be charged at \$3.00/sqft. Any printing completed by an outside service will be charged actual costs incurred.

Digital Media Fees

Digital copy of documents to CD, DVD, USB drive, or other media storage device. In order to protect the Agency's network, personal devices will not be used to transfer data requested by a member of the public.

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_____ 2.50/each ~~current retail cost~~

Digital copy of documents to DVD: _____ 5.00/each ~~current retail cost~~

Digital copy of documents to USB flash/thumb drive ~~current retail cost~~

~~In order to protect the Agency's network, personal devices will not be used to transfer data requested by a member of the public.~~

Engineering Maps

_____ C, D & E size _____	_____	\$3.00/page
_____ 11 x 17 (B size) _____	_____	0.20/page

~~Any map larger than the above or printed in color will be charged at \$11.00/sq. ft
Any copy or reproduction completed by an outside service will be charged actual costs incurred~~

Agendas:

~~Regular Board Meeting and Special Agendas on Annual Basis:~~

~~Mailed: _____ \$12.00/year~~

~~E-mailed: _____ no charge~~

Minutes:

~~Approved Regular and Special Meeting Minutes (if mailed, will include regular meeting~~

agendas)
 Mailed: \$25.00/year
 E-mailed: no charge

Regular Board Meeting Agenda Packets and Minutes

Annual Basis Packet available at the Office \$100.00/year
 Annual Basis Mailed \$150.00/year
 Individual Board Meeting Basis Packet available at the Office \$ 5.00/packet
 E-mailed only:
no charge

(r) Equipment, Materials & Labor – For all installations, projects or developments, the Agency shall endeavor to recover costs incurred. Equipment shall be billed on a time and material basis for all usage and costs incurred at the then prevailing rate per the most current version of the Caltrans approved rate schedule. Materials shall be billed at the then prevailing rate or actual costs incurred, including tax, shipping and handling. Labor shall be fully burdened, including benefits and overhead.

(s) Liens – When a lien against a property is served or recorded, the following charge shall be added to the customer’s account for placing and, when payment is made, releasing the lien. The charge shall be included with the lien and paid in full prior to releasing the lien.

Lien Fee \$92

(t) Water Restriction Device - Subsequent to the Agency's written warning to a customer of violations of the Conservation Plan, a water restriction device may be placed on the customer’s Meter for the duration described in Article 3 – Water Conservation. The following charges shall be added to the customer's account each time Agency personnel install or remove a Water Restriction Device:

Water Restriction Device Installation Fee \$322
Water Restriction Device Removal Fee \$191

UN-4 CAPACITY FEE EQUIVALENTS

(a) Capacity Fee Ratios

~~The following ratios will apply, unless otherwise specified, purchased or required, as determined by the Agency Water Meters Larger than the basic 5/8 Inch (400 gpd)=1.0:~~

~~The following ratios will apply:~~

<u>Meter Size</u>	<u>Max. Instantaneous</u>	<u>Avg. Daily Flow</u>	<u>EDUs</u>	<u>Charge Ratio to</u>
<u>5/8 Inch</u>	<u>20 gpm</u>	<u>400 gpd</u>	<u>1 EDU</u>	<u>= 1</u>
<u>3/4 Inch</u>	<u>30 gpm</u>	<u>600 gpd</u>	<u>1.5 EDUs</u>	<u>= 1.5</u>
<u>1 Inch</u>	<u>50 gpm</u>	<u>1,000 gpd</u>	<u>2.5 EDUs</u>	<u>= 2.5</u>

1&1/2 Inch	100 gpm	2,000 gpd	5	EDUs =	5
2 Inch	160 gpm	3,200 gpd	8	EDUs =	8
3 Inch	300 gpm	6,400 gpd	16	EDUs =	16
4 Inch	500 gpm	10,000 gpd	25	EDUs =	25
6 Inch	1,000 gpm	20,000 gpd	50	EDUs =	50
8 Inch	1,800 gpm	36,000 gpd	90	EDUs =	90
10 Inch	2,900 gpm	58,000 gpd	145	EDUs =	145
12 Inch	4,300 gpm	86,000 gpd	215	EDUs =	215

Standard residential connections, when increased in size to account solely for sprinkler fire flow accommodations, shall be billed at the 5/8 inch rate, or higher as appropriate.

(b) Multiple Dwelling Units:

The Capacity Fee for a condominium, townhouse, apartment or similar type multiple dwelling unit shall be a percentage of the appropriate Capacity Fee applicable to a customer using a single EDU, depending on the number of bedrooms per unit. The percentages are:

<u>Bedrooms Per Unit</u>	<u>Percentage</u>
3 or More	100%
2	90%
1	80%

(c) Manufactured Home Parks:

The Capacity Fee for manufactured homes in a manufactured home park shall be a percentage of the appropriate Capacity Fee applicable to a customer using a 5/8 inch meter, depending on the number of manufactured homes per acre. The percentages are:

<u>Dwelling Units per Acre</u>	<u>Percentage</u>
1 - 4	100%
5 - 6	90%
7 - 8	80%
9 or more	70%

(d) ADUs

The Capacity Fee for an ADU shall be a percentage of the appropriate Capacity Fee applicable to a customer, per Section 3, multiplied by the square footage of the ADU divided by 2,200 square feet, being the average size of a new single family residential unit. The ADU Capacity Fee shall be in addition to other required capacity fees and other fees.

UN-5 SEWER-WASTEWATER PLAN REVIEW & INSPECTION APPLICATION FEE

The following fee shall be ~~applicable-charged~~ when an Applicant a person applies for a wastewater (sewer) service or a construction permit.—The Applicant shall pay to the Agency an application/~~inspection~~ fee per-for each unit, connection, tenant space or parcel, each of which

~~require a separate application~~ application for wastewater/sewer systems. The Agency ~~shall~~ will not accept an application until it receives the ~~application/~~ application inspection fee. The fee is intended to cover the cost of initial application review, up to two plan reviews, and up to two ~~(2)~~ field inspections for the proposed ~~construction project and all administrative costs incurred in processing the application.~~

Additional administrative review, plan reviews or inspections ~~beyond the amount listed above~~ shall ~~will~~ be charged on a time and materials basis per UN-6. AWA may request a deposit to cover ~~these~~ additional or expected costs per UN-6.

~~Sewer Wastewater Inspection Application~~ Fee: Residential (conventional).
\$350434

Wastewater Application Fee: Residential (STEP or STEF) \$867

~~Sewer Wastewater Application Inspection~~ Fee: Commercial/Industrial. \$750

867

~~Sewer Inspection Fee: STEP or STEF connection~~ \$750

UN-6 ENGINEERING SERVICES AND FEES

(a) Determination of Water or Wastewater Availability

The following fee shall be charged for each application for a Determination of Water or Wastewater Availability. The Agency will not accept an application until it receives the application fee. The fee is intended to cover the cost of initial application review and one response letter for the proposed project. Additional administrative review, plan reviews or inspections will be charged on a time and materials basis per UN-6. AWA may request a deposit to cover additional or expected costs per UN-6.

Determination of Water or Wastewater Availability Fee \$606

(b) Project Deposits

The following deposits ~~shall~~ may be required when an Applicant (or Developer, in this section) seeks water, ~~or~~ wastewater service ~~or a construction~~ other permit services for a residential, industrial, commercial, business, or development or other project. The Applicant shall pay to the Agency a deposit for six months of anticipated work, as determined by the Agency, relating to the project which may include plan review, engineering support, construction, project management, testing and inspections, among other services. The Applicant will be billed all actual costs incurred by the Agency for work on the Project. Five days from invoice mailing the applicant shall be deemed in receipt of the invoice. Invoices, which shall be paid by the Applicant within ~~30~~ twenty-five days of receipt of invoice ~~invoice~~. The deposit shall be held in reserve and not used against actual costs incurred by the Agency, unless unless the Applicant is in arrears on billings in excess of sixty days ~~invoices are delinquent~~. If invoices are not paid within twenty-five days of receipt of invoice (thirty days from mailing), the invoices are delinquent, interest shall accrue at the then prevailing legal rate and the deposit shall be used to pay all invoices. If any portion of the deposit is used to pay the outstanding bills any invoices, all work shall cease on the Project and work shall not resume until the costs all project invoices have been paid in full and the initial required deposit

~~amount~~ is replenished in full. Unused deposited funds will be refunded to the Applicant when no further Agency work on the Project is anticipated by the Agency.

Determination of Water Availability	\$500
Commercial/Industrial/ <u>Multi-Unit</u> Deposit (single connection & parcel)	\$1,500 <u>minimum</u>
.....	
<u>(single connection & parcel)</u>	
Developer Deposit	\$5,000 <u>minimum</u>

Section 4 - Amador Water Agency Miscellaneous Fees (FY23)

	FY 22 Fee	FY23 Fee	Dist. Operator I/II (avg)	Dist. Supervisor	Meter Reader (avg)	Customer Service (avg)	CS Supervisor	Purchasing	Reg. Compliance Sp.	Wastewater (avg)	Engineering (avg)	Vehicle Round Trips (avg)	Materials/Other Fees
			Labor Hours-average total hours per service									Vehicle	Material
UN-1 Water Connection Fees													
(a) Install Meter on Existing Service Connection													
5/8 Inch	\$ 585	\$ 689	2	0.25		0.5	1	0.5				1	\$ 258.60
3/4 Inch	\$ 610	\$ 759	2	0.25		0.5	1	0.5				1	\$ 328.64
1 Inch	\$ 720	\$ 829	2	0.25		0.5	1	0.5				1	\$ 398.68
1-1/2 Inch	\$ 1,250	\$ 1,201	2.5	0.25		0.5	1	0.5				1	\$ 727.31
2 Inch	\$ 1,650	\$ 1,347	2.5	0.25		0.5	1	0.5				1	\$ 873.85
(b) Install Meter and Service Connection													
T&M Deposit	\$ 5,000	\$ 7,500	Deposit only. Estimate per Construction Supervisor on 4/27/22.										
UN-2 CREDIT DEPOSITS													
Water Service Deposit	\$ 100	\$ 200	Deposit only. Two months average billing. Estimate per CS Supervisor on 4/29/22.										
Wastewater Service Deposit	\$ 100	\$ 300	Deposit only. Two months average billing. Estimate per CS Supervisor on 4/29/22.										
Commercial/Industrial Service Deposit	\$ 100	\$ 200	Deposit only. Two months average billing. Estimate per CS Supervisor on 4/29/22.										
UN-3 CHARGES FOR OTHER SERVICES													
(a) Start/ Stop Service													
Administrative Fee	\$ 25	\$ 24				0.333333							
(b) Late Payment Penalties and Interest													
Late Payment Penalty	\$ 10	\$ 17				0.083333	0.083333						\$ 0.89
(c) Fire Flow Testing	\$ 500	\$ 850	2			1					4		
(d) Meter Testing													
Water Meter Testing Fee - 5/8", 3/4", or 1"	\$ 40	\$ 62	0.5			0.25							
Water Meter Testing Fee - Larger than 1"	T&M	T&M											
Hydrant Meter Testing Fee	\$ 50	\$ 278	3			0.25							
(e) Service Calls													
M-F, 8:00am - 4:30pm	\$ 75	\$ 162	1.5			0.25							
On-Call hours	\$ 140	\$ 184	2										
(f) Site Inspections													
Site Inspection Fee	\$ 50	\$ 205	2			0.25							
(g) Service Reconnections													
M-F, 8:00am - 4:30pm	\$ 50	\$ 81	0.5			0.333333							
On-Call hours	\$ 150	\$ 190	2			0.083333							
(h) Notification of Intent to Disconnect Service													
Notification Fee	\$ 15	\$ 19			0.116667	0.083333	0.016667						\$ 0.85
(i) Lock Replacement													
Lock Replacement Fee	\$ 25	\$ 66	0.5					0.1					\$ 11.15
(j) Returned Checks													
Returned Check Fee	\$ 25	\$ 25				0.166667	0.083333						\$ 3.00
(l) Obstructed Meter													
Obstructed Meter Fee	\$ 25	\$ 42			0.333333	0.166667							
(m) Meter Resetting													
Meter Resetting Fee	\$ 140	\$ 242	2			0.25	0.333333						
(n) Temporary Service through a Fire Hydrant													
• Hydrant Meter Deposit, Neptune with check valve	\$ 1,530	\$ 1,649				0.5		1					\$ 1,500.96

• Hydrant Meter Deposit, Zenner with backflow	\$ 1,530	\$ 2,519			0.5		1		\$ 2,371.61
• Hydrant Meter Deposit, non-refundable portion	\$ 30	\$ 75		0.25	0.5				
• Spanner Wrench Deposit	\$ 30	\$ 85			0.25		0.25		\$ 38.64
• Late Fees for Non-Reporting									
First offense	\$ 25	\$ 24			0.333333				
Second offense	\$ 50	\$ 53			0.333333	0.25			
Third offense	\$ 100	\$ 108	0.5		0.5	0.25			
Per month following the third offense	\$ 100	\$ 108	0.5		0.5	0.25			
(o) Annexation/Detachment Requests									
Annexation/Detachment Fee	\$ 450	\$ 601					1	2	\$ 185.28
(p) Backflow Prevention Device Testing									
Up to 2"	\$ 100	\$ 300	2		0.75	0.25		0.25	1
Greater than 2"	\$ 150	\$ 386	3		0.75	0.25		0.25	1
(q) Public Records Request Fee Schedule									
Black and White 8 1/2 x 11	\$ 0.10	\$ 0.10	per page						
Black and White 11 x 14	\$ 0.14	\$ 0.14	per page						
Black and White 11 x 17	\$ 0.20	\$ 0.20	per page						
Color 8 1/2 x 11	\$ 0.45	\$ 0.45	per page						
Color 11 x 14	\$ 0.70	\$ 0.70	per page						
Color 11 x 17	\$ 0.99	\$ 0.99	per page						
C, D & E size, black and white only	\$ 3.00	\$ 10.00	per page					0.041667	\$ 3.40
Larger maps or color	\$ 11.00	\$ 3.00	per square foot					0.008333	\$ 1.10
(s) Liens									
Lien Fee	\$ -	\$ 92					1		\$ 20.00
(t) Water Restriction Device									
Water Restriction Device Installation Fee	\$ -	\$ 322	2	0.25	0.25	0.25			1 \$ 49.99
Water Restriction Device Removal Fee	\$ -	\$ 191	1	0.25	0.25	0.25			1 \$ 5.00
<u>UN-5 WASTEWATER PLAN REVIEW & INSPECTION FEE</u>									
Wastewater Inspection Fee: Residential (conventional)	\$ 350	\$ 434					0.5	2.5	
Wastewater Inspection Fee: Residential (STEP or STEF)	\$ 750	\$ 867					1	5	
Wastewater Inspection Fee: Commercial/Industrial	\$ 750	\$ 867					1	5	
<u>UN-6 ENGINEERING SERVICES AND FEES</u>									
(a) Determination of Water or Wastewater Availability									
Determination of Water/Wastewater Availability Fee	\$ 500	\$ 606						4	
(b) Project Deposits									
Commercial/Industrial/Multi-Unit Deposit	\$ 1,500	\$ 1,500	Deposit only. Estimate per Eng on 4/27/22.						
Developer Deposit	\$ 5,000	\$ 5,000	Deposit only. Estimate per Eng on 4/27/22.						

UN-6 ENGINEERING SERVICES AND FEES

(b) Project Deposits

Average Billing Timeline

	<u>Existing Deposit Policy</u>		<u>Proposed Deposit Policy</u>	
	<u>Days</u>	<u>Date</u>	<u>Days</u>	<u>Proposed Deposit Policy</u>
Date consultant work actually occurs		1/1/2022		1/1/2022
Consultant monthly billing cycle ends	31	2/1/2022	31	2/1/2022
Consultant bills AWA (15-30 days)	20	2/21/2022	20	2/21/2022
AWA pays invoice & bills developer, 7-45 days depending on billing cycle timing	30	3/23/2022	30	3/23/2022
Payment Due	30	4/22/2022	30	4/22/2022
Payment delinquent & deposit used	60	6/21/2022	0	4/22/2022
	171	6 months	111	4 months

STAFF REPORT

GRANTS UTILIZATION AND BUDGETING

Recommended Action:

Discuss and provide any appropriate direction to staff.

Background:

In a previous Board discussion, a question was raised regarding how securing grants should affect expenditures included in the budget and decisions about rates.

The attached Budget Policy embodies the ideas that the Agency will budget to be self-sufficient, to maintain positive net annual income, and to be financially stable. We have implemented this policy by not budgeting revenue from grants unless grants are actually secured, rather than being pursued. Similarly, we have been including no revenue from capacity fees in the budget, since such receipts are uncertain.

If grant revenues or capacity fees are received, and expenses are within budget, the Agency will have fund balances in excess of what is planned in the budget. Section 200.1.2 of the Budget Policy describes how excess fund balances are to be used. The guidance includes an order of priority. To choose between alternatives of equal priority, staff would seek specific direction from the Board, such as choosing between adding infrastructure rehabilitation expenses versus building reserves toward targeted levels. The budget amendment form the Agency is now using creates a record of the decisions implementing the Budget Policy's direction.

Staff believes the Budget Policy's guidance is appropriate and adequate. It provides flexibility to budget conservatively but utilize other revenue effectively. It provides transparency and accountability for the Board and the public.

Fiscal Impact:

None.

Prepared by: Larry McKenney, General Manager

Amador Water Agency

Budget Policy

Reviewed and Adopted

April 14, 2022

100.00 Purpose of the Policy

The Agency's annual budget, as approved by the Board, will serve as the basis for operating the Agency. The budget includes a number of specifically identified projects, their attendant costs, as well as projected costs for operations and maintenance activities.

200.00 Policy

The Agency's Strategic Plan will serve as a guide/tool in the development of the Agency's annual Budget. The Agency will establish and maintain separate operations & maintenance (O&M), operating capital, capital improvement and debt service budgets (collectively – Agency Budget) in order to provide for proper fund management, financial planning and long-term solvency of the Agency.

On a fund by fund basis, the Budget will reflect the following:

- A. Self-Supporting – The Agency will be self-supporting, such that current revenues fully fund current expenses and any fund balance or debt service coverage requirements.
- B. Consistent with the adopted
 - Agency Strategic Plan,
 - Water and Wastewater Master Plans,
 - 5-year Capital Improvement Plan,
 - Water and Wastewater Rate Studies
 - Asset Management Plans
 - Urban Water Management Plan
 - All other Agency planning documents
 - Board prioritization of projects and expenditures within the constraint of expected revenues.
- C. Capital Accounts – Capital revenues from rates, fees, grants, loans and other financing mechanisms will be accounted for separately in capital accounts, such that funds dedicated for capital purposes are expended only for capital purposes.
- D. Adequate Funding to Preserve System Assets – Total operating expenditures will be funded at a level that will preserve the intended life and functional requirements of the Agency's infrastructure.

- E. Evaluation and Monitoring of Costs – Costs will be evaluated and monitored through monthly and annual reporting to ensure that the Agency is operated in a cost effective and economically prudent manner.
- F. Maintenance of Sufficient Reserves – The Agency will maintain reserves in accordance with the Agency’s Reserve Policy.
- G. Positive Annual Net Income - The Agency will strive to achieve positive annual net income (total revenue less O&M expenditures, debt service and capital projects funded from rates) greater than or equal to zero on a cash basis in order to support adequate reserves and minimize rate impacts in the future.
- H. Bond/COP Rate Covenant Requirements – The Agency will budget such that it will exceed the Rate Covenant obligations of its indebtedness and strive to meet the targeted debt service coverage ratio set out in the adopted External Debt Management Policy.
- I. Strive for Budget Stability Through Rate Setting - Budget stability reinforces the concept that costs are being prudently managed. Rates should be set to generate sufficient revenues to meet the service needs of the Agency Rate policies are addressed in detail in AWA PL FIN 009.
 - 1. Needed rate adjustments will attempt to minimize impacts to customers by phasing-in or transitioning large rate adjustments over time.
 - 2. Where possible and deemed appropriate, excess fund balances will be used for approved capital purposes, rehabilitation needs, and to meet the Agency’s targeted reserve levels. After those objectives are met, excess fund balance can be used to offset future rate increases or used on non-recurring expenses such as additional discretionary payments to reduce the Agency’s unfunded actuarial liability beyond contributions budgeted for this purpose.
 - 3. Annual rate reviews will consider a five-year projected period in an attempt to stabilize rates and spread rate adjustments over time. Rates adjust annually in accordance with the board adopted rate study
 - 4. A comprehensive rate study will be conducted at least every five years by an outside party as determined by the Board in order to assess the fairness of the rates to the Agency’s customers and to verify that necessary revenue is available for the Agency’s operating and capital needs.

Rate stability shall be maintained in line with established Agency policies and its mission statement.

300.00 Budget Presentation

Staff will provide the Board with a synopsis of budget drivers, including:

- 1. Key Assumptions – expected water production and source, labor cost projections, and key drivers of capital and operating expenses such as projected power and chemical costs;
- 2. Revenue Projections – forecasted water demand and projected net income;

3. Projected debt service coverage ratio;
4. Reserve Balance Projections; and
5. Trend and/or Comparative Information
6. Five-year Financial Forecast

The proposed budget will include the following components:

1. Operations and Maintenance Budget (O&M):

- a. Planned Agency O&M expenses for operations, programmed maintenance, forecasted materials and supply costs, and contingencies for incident response.
- b. Annual labor budget and its components per the Employee Compensation Policy, including projected unfunded actuarial liabilities for pensions (PERS) and other post-employment benefits (OPEB).
- c. Projected expenses will be shown in total and segregated by department and function.

2. Operating Capital Budget (Fixed Assets):

- a. Information Technology capital projects;
- b. Vehicle and fleet capital costs;
- c. Capitalizable office furniture; and
- d. Capitalizable costs for operations.

Capitalizable costs in the Fixed Asset Budget are distinguished from those in the Capital Improvement Program Budget based, generally, on the shorter expected life of the asset and that the asset is not part of the general water delivery system.

3. Capital Improvement Program Budget (CIP):

- a. Expenses will be planned primarily on the Agency's Asset Replacement Management Plans and the Water/ Wastewater System Master Plans.
- b. The Agency will determine with each budget how to project revenue from anticipated development.
- c. Staff will seek input from the County and cities regarding anticipated timing of planned development.

4. Debt Service Budget:

- a. The budget will plan to meet all contractual obligations for all principal and fixed-rate interest obligations. Adjustable-rate interest obligations will be forecast based on best available market data at budget preparation time.

5. Agency Reserves:

The Agency's Reserve Policy will be reviewed annually during the budget preparation and adoption process.

400.00 Authority

The General Manager has authority to reallocate specific budgeted amounts within a particular budget (O&M, Fixed Asset or CIP) during the year with subsequent reporting to the Board, as long as the overall approved budget is not affected. Amounts to be transferred between budgets (e.g., O&M to CIP) will be approved by the Board prior to the transfer. The General Manager and Financial Services Manager are responsible for adherence to this policy and regular reporting of the Agency's financial status. Board oversight will be accomplished through regular reporting of budget-to-actual expenditures during the year and review of this Policy.

500.00 Policy Review

This policy will be reviewed at least every two years.