I hereby certify that the following agenda was posted at least 72 hours prior to the time of the meeting so noticed below at 24251 Los Alisos Boulevard Lake Forest, California.

DENNIS P. CAFFERTY,
Secretary of the El Toro Water District and the Board of Directors thereof

AGENDA

EL TORO WATER DISTRICT

REGULAR MEETING OF THE BOARD OF DIRECTORS

FINANCE AND INSURANCE COMMITTEE MEETING AND ENGINEERING COMMITTEE MEETING

September 22, 2025

7:30 a.m.

BOARDROOM, DISTRICT OFFICE
24251 LOS ALISOS BLVD., LAKE FOREST, CA 92630

This meeting will be held in person. As a convenience for the public, the meeting may also be accessed by Zoom and will be available by either computer or telephone audio as indicated below. Because this is an in-person meeting and the virtual component is not required, but rather is being offered as a convenience, if there are any technical issues during the meeting, this meeting will continue and will not be suspended.

Members of the public who wish to comment on any item within the jurisdiction of the District or on any item on the agenda, may attend the meeting in person at the District's office or may observe and address the Meeting by joining at this link: https://us02web.zoom.us/j/84468159527 (Meeting ID: 844 6815 9527).

Members of the public who wish only to listen to the telephonic meeting may dial in at the following numbers (669) 900-6833 or (346) 248-7799 with the same Meeting ID noted above. Please be advised the Meeting is being recorded.

CALL TO ORDER – President Gaskins

PLEDGE OF ALLEGIANCE – Director McClean

ROLL CALL (Determination of a Quorum)

ORAL COMMUNICATIONS/PUBLIC COMMENTS

Members of the public may address the Board at this time or they may reserve this opportunity with regard to an item on the agenda until said item is discussed by the Board. Comments on other items will be heard at the times set aside for "COMMENTS REGARDING NON-AGENDA ENGINEERING COMMITTEE ITEMS" or for "COMMENTS REGARDING NON-AGENDA FIC ITEMS." The public may identify themselves when called on and limit their comments to three minutes.

ITEMS RECEIVED TOO LATE TO BE AGENDIZED

Determine need and take action to agendize item(s) which arose subsequent to the posting of the Agenda. (ROLL CALL VOTE: Adoption of this recommendation requires a two-thirds vote of the Board members present, or, if less than two-thirds of the Board members are present, a unanimous vote of those members present.)

1. Consider Board Member's Request for Remote Participation (AB 2449)

FINANCE AND INSURANCE COMMITTEE MEETING

CALL MEETING TO ORDER – Director Monin

2. Consent Calendar (Reference Material Included)

(All matters under the Consent Calendar will be approved by one motion unless a Board member or a member of the public requests separate action or discussion on a specific item)

a. Consider approving the minutes of the August 25, 2025 Finance and Insurance Committee meeting (Minutes included).

Recommended Action: Staff recommend that the Board of Directors approve the above Consent Calendar.

FINANCIAL INFORMATION ITEMS

3. Financial Statements and Report (Reference Material Included)

Staff will review and comment on the Financial Statements and Report for the month ending August 31, 2025.

FINANCIAL ACTION ITEMS

4. **Financial Package - Authorization to Approve Payment of Bills for the Month Ending August 31, 2025** (Reference Material Included)

The Board will consider approving Bills for Consideration dated August 31, 2025

Recommended Action: Staff recommend that the Board approve, ratify and confirm payment of those bills as set forth in the Payment Summary for the month ending August 31, 2025.

5. **Quarterly Audit** (Reference Material Included)

Staff will review and comment on the quarterly audits of the District's financials for the period from April 1, 2025 to June 30, 2025.

Recommended Action: Staff recommend that the Board receive and file the quarterly audit reports for the period from April 1, 2025 to June 30, 2025 as presented by LSL, LLP.

6. **MWDOC Choice Program Invoice** (Reference Material Included)

Staff will review and comment on an invoice recently issued by MWDOC and paid by the District for the District's proportional share of water use efficiency and school program costs through the MWDOC Choice Program for the 2024 calendar year.

Recommended Action: Staff recommend that the Board ratify the General Manager's authorization of the payment of the MWDOC invoice in the amount of $98,534.81 for the District's proportional share of water use efficiency and school program costs for the 2024 calendar year.

7. **2026-27 Cost of Service and Rate Study** (Reference Material Included)

Staff will review and comment on a proposal received from Raftelis Financial Consultants to conduct the water, recycled water and wastewater rate study and cost of service analysis for the 2026-27 fiscal year budget.

Recommended Action: Staff recommend that the Board authorize the General Manager to enter into a consulting contract with Raftelis Financial Consultants in the amount of $91,175 to conduct a water, recycled water and wastewater rate study and cost of service analysis.

8. Administrative Code Update – Capital Facilities Fees
(Reference Material Included)

Staff will review and comment on updates to Sections 7080 and 7090 of the District Administrative Code regarding Accessory Dwelling Units.

Recommended Action: Staff recommend that the Board approve the amendments to Sections 7080 and 7090 of the El Toro Water District Administrative Code.

COMMENTS REGARDING NON-AGENDA FIC ITEMS

CLOSE FINANCE AND INSURANCE COMMITTEE MEETING

ENGINEERING COMMITTEE MEETING

CALL MEETING TO ORDER – Director Freshley

9. Consent Calendar

(All matters under the Consent Calendar will be approved by one motion unless a Board member or a member of the public requests separate action or discussion on a specific item)

a. Consider approving the minutes of the August 25, 2025 Engineering Committee meeting. (Minutes Included).

Recommended Action: Staff recommend that the Board of Directors approve the above consent calendar.

ENGINEERING ACTION ITEMS

10. R-6 Reservoir Southern Slope Repair Temporary Easement Agreement
(Reference Material Included)

Staff will review and comment on the need to enter into a temporary easement agreement with Living Word Lutheran Church for upcoming construction as part of the R-6 Reservoir Southern Slope Repair Project.

Recommended Action:

Staff recommend that the Board of Directors authorize the Board President and the District's General Manager/Secretary to sign the Temporary Easement Agreement with Living Word Lutheran Church.

ENGINEERING INFORMATION ITEMS

11. Aliso Creek Lift Station Improvements Project Presentation
(Reference Material Included)

Staff will present on the Aliso Creek Lift Station Improvements Project in advance of upcoming presentations at the Golden Rain Foundation and United Laguna Woods Mutual Committee and Board meetings.

12. El Toro Water District Operations Report (Reference Material Included)

Staff will review and comment on the El Toro Water District Operations Report.

13. El Toro Water District Capital Project Status Report
(Reference Material Included)

Staff will review and comment on the El Toro Water District Capital Project Status Report

14. Engineering Items Discussed at Various Conferences and Meetings

The Committee will discuss any pertinent Engineering items discussed at Conferences.

COMMENTS REGARDING NON-AGENDA ENGINEERING COMMITTEE ITEMS

CLOSE ENGINEERING COMMITTEE MEETING

ATTORNEY REPORT

REGULAR SESSION REPORT

ADJOURNMENT

The agenda material for this meeting is available to the public at the District's Administrative Office, which is located at 24251 Los Alisos Blvd., Lake Forest, Ca. 92630. If any additional material related to an open session agenda item is distributed to all or a majority of the board of directors after this agenda is posted, such material will be made available for immediate public inspection at the same location.

Request for Disability-Related Modifications or Accommodations
If you require any disability-related accommodation, including auxiliary aids or services, in order to participate in this public meeting, please telephone the District's Recording Secretary, Marisol Melendez at (949) 837-7050, extension 225 at least forty-eight (48) hours prior to said meeting. If you prefer, your request may be submitted in writing to El Toro Water District, P.O. Box 4000, Laguna Hills, California 92654, Attention: Marisol Melendez.

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS
AND THE
FINANCE & INSURANCE COMMITTEE MEETINGS.

August 25, 2025

At approximately 8:22 a.m. Director Havens called the Finance & Insurance Committee meeting to order.

Committee Members MARK MONIN (Zoom), MIKE GASKINS, KAY HAVENS, KATHRYN FRESHLEY (Zoom), and WYATT McCLEAN participated.

Also participating were DENNIS P. CAFFERTY, General Manager, GILBERT J. GRANITO, General Counsel, VISHAV SHARMA, CFO, HANNAH FORD, Director of Engineering, JUDY CIMORELL, Director of Human Resources, SCOTT HOPKINS, Operations Superintendent, MIKE MIAZGA, IT Manager (Zoom), SHERRI SEITZ, Public Affairs Manager (Zoom), VU CHU, Water Resources Supervisor (Zoom), VICKI TANIOUS, Senior Accountant (Zoom), ABEL ESTRADA, Billing & Customer Service Supervisor (Zoom), ROBERT MONTOYA, PFM Asset Management LLC., KEITH STRIBLING, PFM Asset Management LLC., CAROL MOORE, Laguna Woods City Council Member (Zoom), JANET FORDUNSKI, Member of the Public (Zoom), and MARISOL MELENDEZ, Recording Secretary.

Consent Calendar

Director Havens asked for a Motion.

Motion: President Gaskins made a motion, seconded by Director McClean to approve the Consent Calendar.

Roll Call Vote:

Director McClean	aye
Director Havens	aye
Director Monin	aye
Vice President Freshley	aye
President Gaskins	aye

Financial Information Items

California Asset Management Program (CAMP)

Mr. Montoya provided an economic update, noting continued uncertainty regarding tariff impacts. He stated that a 25 basis point rate cut is expected in September, primarily due to rising unemployment. He reported that the District's portfolio remains aligned with its goals, with several maturities reinvested during the past quarter. Since inception, the portfolio has performed well compared to the benchmark and is positioned to meet the District's yield needs.

Director Monin asked about the duration strategy. Mr. Montoya explained that the CAMP term has been able to lock in yields during rate cuts. He added that PFM is working with District staff on strategies to capture yields while maintaining the 4% range.

Quarterly Review of the District's 401 (k) Retirement Savings Plan

Mr. Stribling reported that investment returns performed well over the last quarter, with both the conservative and aggressive portfolios performing near or slightly below the benchmark. He noted that the market has been policy-driven, with inflation concerns keeping the Federal Reserve on hold but two rate cuts are expected later this year.

Mr. Montoya and Mr. Stribling left the meeting at approximately 8:50 a.m.

El Toro Water District Deferred Compensation Plan (457 Plan) Quarterly Performance Report

Mr. Sharma reported that the plan is self-directed by employees with 18 available investment options.

SAS 114 Letter

Mr. Sharma explained that this item fulfills an audit requirement, ensuring auditors communicate their scope and responsibilities to the Board.

Financial Statements and Report

Mr. Sharma reported that as of the end of July, cash and investments totaled $21.9 million. He noted the District's Current ratio is 11, with 229 days of cash on hand, both metrics representing a solid financial position.

Financial Action Items

Financial Package - Authorization to Approve Payment of Bills for the Month Ending July 31, 2025

Director Havens asked for a Motion.

Motion: President Gaskins made a motion, seconded by Director McClean to approve, ratify and confirm payment of those bills as set forth in the Payment Summary for the month ending July 31, 2025.

Roll Call Vote:

Director McClean	aye
Director Havens	aye
Director Monin	aye
Vice President Freshley	aye
President Gaskins	aye

Cash Reserves Policy

Mr. Cafferty stated that, as discussed at the Strategic Plan Workshop, staff is proposing revisions to the District's Cash Reserves policy that include referencing SOCWA and the Moulton Niguel Regional Treatment Plant, increasing the Committed Reserves designated minimum amounts to comply with the language of the Policy and adding a reference to Days of Cash. He noted that total reserves and days of cash are expected to decrease due to capital projects with earmarked funding.

President Gaskins reported attending last week's Urban Water Institute Conference, where a session discussed bond issuance and rating agencies. He noted that the presentation highlighted that a one-step downgrade in rating has minimal impact on final costs, with a broader state of the economy being more influential. The presentation also noted that the target for days of cash on hand should be 200 days.

Director Havens asked for a Motion.

Motion: President Gaskins made a motion, seconded by Director McClean to approve the amended Cash Reserves Policy and authorize staff to update the El Toro Water District Administrative Code accordingly.

Roll Call Vote:

Director McClean	aye
Director Havens	aye
Director Monin	aye
Vice President Freshley	aye
President Gaskins	aye

Comments Regarding Non-Agenda FIC Items

There were no comments.

Adjournment

There being no further business the Finance and Insurance Committee meeting was closed at approximately 9:04 a.m.

Regular Session

Attorney Report

Mr. Granito stated that there were no new claims or litigation since the last Board meeting.

Adjournment

There being no further business to come before the Board, the meeting was adjourned at 9:05 a.m.

Respectfully submitted

_____
MARISOL MELENDEZ
Recording Secretary

APPROVED:

_____
MIKE GASKINS, President
of the El Toro Water District and the
Board of Directors thereof

_____
DENNIS P. CAFFERTY, Secretary
of the El Toro Water District and the
Board of Directors thereof

Agenda Item No. 3

STAFF REPORT

To: **Board of Directors** **Meeting Date: September 22, 2025**

From: **Vishav Sharma, Chief Financial Officer**

Subject: **August 2025 Financial Report and Analysis**

Attached report provides an overview of the District's financial performance for the month of August 2025. It includes a comparison of Statement of Net Position, Statement of Revenues, Expenses, and Changes in Net Position and actual revenues and expenses analysis to the budgeted figures, as well as highlights key financial trends and variances to assist the Board in monitoring the District's financial health and performance.

Assets

- **Current Assets**:
  - The District's total Cash and Investments as of August 31, 2026, is $20,528,226, including $95,063 restricted for capital and Debt service expenditures. This represents a decrease of $2,299,148 in total Cash & Cash equivalents from prior month, reflecting lower liquidity. The main reason for this decrease is the under collection of utility bill payments during the month.
  - The Current ratio is 13, indicating strong ability of the District to meet its short-term obligations. This ratio measures the District's ability to pay short-term obligations that are due within one year.
  - Days Cash on Hand stands at 214 days, showing the District's ability to operate for that period using available cash based on budgeted annual O&M and Debt service expenses excluding depreciation expense.
  - Accounts Receivable increased by $1,736,923, from $5,298,981 in July to $7,035,904 in August. This increase is primarily due to lower collection of utility bills.
  - Material and supplies inventory increased by $6,278 mainly due to the lower consumption of supplies inventories.
  - Prepaid Expenses decreased by $18,334 to a total of $542,588, reflecting amortization of prepayments made for insurance, supplies or services.

  Overall, Current Assets total balance of $30,166,683, reflects a decrease of $574,281 from the previous month.

Non-Current Assets:

- Construction in Progress increased by $310,152, reflecting continued investment in capital projects.
- Accumulated Depreciation increased by $833,408, as expected.

The Non-Current Assets category balance at the end of the month is $110,116,080 reflecting a net decrease of $523,256 primarily from accumulated depreciation and construction in progress activities.

Liabilities

- **Current Liabilities**:
  - Accounts Payable and Accrued Expenses decreased by $474,952 to $1,499,005, reflecting lower short-term obligations and timely payment of bills.
  - Accrued Interest Payable increased by $333.330, reflecting monthly debt service accruals.

  Overall, Current Liabilities decreased by $226,488, Reflecting a decrease in vendor obligations.

- **Non-Current Liabilities**:
  - Loans Payable decreased slightly by $85,343 with a remaining balance of $50,222,538.

The Total Liabilities amounted to $65,676,879, reflecting a decrease of $311,831 compared to prior month.

Summary of Revenues

For the month of August 2025 and year to date, the District's total revenues were $3,707,770 and year to date (YTD) revenue are $6,974,245**,** This represents over 18.2% of the total budgeted revenue for the fiscal year.

Key Revenues Categories:

- Commodity Supply Charges**:**
  This month's revenue was $1,600,026, with a YTD total of $2,913,956 (21.8% of the budget). This category is performing above expectations. Commodity supply charge includes recycled water revenues. This month recycled revenue is 368,822 and year to date revenue is 663,172 or 37.2% of the budget.
- Service Charges**:**
  This month's revenue was $1.353,255, and the YTD total stands at $2,620,261, which is 16.4%. This is in line with expectations.
- Capital Facility Charges**:**
  This month's revenue is $544,374, and the YTD total stands at $978,028, which is 15.6% of the annual budget. The District is on track with respect to capital charge collections.

- Investment Income**:**
  The District received $56,215 this month and YTD $84,219 in investment income, resulting in a 12.0% of the budgeted amount.
- Grants, Rebates, and Reimbursements**:**
  The District received total of $29,950, or 10.9% of budgeted rebates and reimbursements. Mainly from LRP subsidies.
- Miscellaneous Revenue:
  Miscellaneous revenue this month is $29,093, and YTD $89,027 represent 25.5% of the budget. Miscellaneous revenue fluctuates from month to month due to some revenues collected only once a year. This category remains in line with projections.

Summary of Expenses

Total expenses for August 2025 are $2,598,358 and YTD $4,957,981, which is 13% of the annual budget.

Key Expense Categories:

- Salary Expenses:
  Monthly salary-related expenses are $556,281, resulting in a YTD total expanse of 1,036,137 or 13% of the budget. Salary expenses are in line with expectations, Staff is paying a close attention to the overtime cost and analyzing it every pay period.
- Benefit Expenses:
  Benefit expenses for the month totaled $319,945, bringing the YTD total to 522,428 or 17.5% of the budget. Retirement contribution and medical insurance expenses are the main drivers of this category.
- Water Purchased for Resale:
  Water purchase expenses totaled $248,901, with a YTD total of $1,014,265 or 9.4% of the budget.
- Contracted/Purchased Services:
  Total expenses for the month are $691,735, with YTD expenses of $1,013,272 or 14.8% of the budget. The District continues to manage contracts efficiently.
- Other Expenses:
  This category includes costs related to retiree health insurance, depreciation, and debt interest. YTD expenses total $1,173,774 (15.5% of budget). Notably, debt service and depreciation are on track as expected.

Net Position

The District's net position as of August 2025 is $69,253,536. The net position decreased this month by $785,706.

Conclusion

Through August 2025, the District continues to demonstrate stable financial performance. Revenues are exceeding budget targets, driven by water sales, while expenses remain within budget across most categories. The District maintains a solid net position, supporting ongoing operations and capital investments.

Attachment 1

Statement of Net Position for the period ended August 2025

El Toro Water District
Interim Statement of Net Position for the Month of August, 2025

	6/30/2025 Interim	7/31/2025 Revised Interim	8/31/2025 Interim	Change
Assets				
Current Assets				
Cash & Cash Equivalents	15,977,712	16,771,519	14,486,804	(2,284,715)
Investments	6,054,411	6,054,411	6,039,811	(14,600)
Accounts Receivable	5,144,016	5,298,981	7,035,904	1,736,923
Materials & Supply Inventory	2,053,687	2,053,687	2,059,965	6,278
Prepaid Expenses	375,339	560,922	542,588	(18,334)
Restricted - Cash & Investments	1,444	1,444	1,611	167
Current Assets - Sub-total	29,606,609	30,740,964	30,166,683	(574,281)
Non-Current Assets				
Lease Receivable	557,808	557,808	557,808	-
Land & Easements	7,451,585	7,451,585	7,451,585	-
Capacity Rights	228,255	228,255	228,255	-
Capital Assets				
Water System	62,032,584	62,032,584	62,032,584	-
Wastewater System	63,294,850	63,294,850	63,294,850	-
Recycled System	55,554,540	55,554,540	55,554,540	-
Combined Assets	16,201,236	16,201,236	16,201,236	-
Construction in Progress	7,032,381	7,032,381	7,342,533	310,152
Accumulated Depreciation	(101,713,902)	(101,713,902)	(102,547,310)	(833,408)
Non-Current Assets - Sub-total	110,639,336	110,639,336	110,116,080	(523,256)
Total Assets	**140,245,945**	**141,380,300**	**140,282,764**	**(1,097,536)**
Deferred Outflows of Resources				
OPEB Deferred Outflow of Resources	1,917,324	1,917,324	1,917,324	-
Liabilities				
Current Liabilities				
Accounts Payable & Accrued Expenses	3,450,142	1,793,741	1,511,100	(282,641)
Accrued Salaries & Related Payables	191,359	180,216	(12,095)	(192,311)
Customer Deposits	100,567	100,467	15,600	(84,867)
Accrued Interest Payable	150,929	150,929	484,259	333,330
Long Term Liabilities - Due in One Year				-
Compensated Absences	241,796	241,796	241,796	-
Loans Payable	-	-	-	-
Current Liabilities - Sub-total	4,134,793	2,467,149	2,240,661	(226,488)
Non-Current Liabilities				
Compensated Absences	1,562,867	1,562,867	1,562,867	-
Other Post-Employment Benefits Liability	11,650,813	11,650,813	11,650,813	-
Loans Payable	50,307,881	50,307,881	50,222,538	(85,343)
Non-Current Liabilities - Sub-total	63,521,561	63,521,561	63,436,218	(85,343)
Total Liablities	**67,656,354**	**65,988,710**	**65,676,879**	**(311,831)**
Deferred Inflows of Resources				
Deferred Amounts from Leases	789,630	789,630	789,630	(0)
Deferred Amounts from OPEB	6,480,043	6,480,043	6,480,043	-
Total Deferred Inflows of Resources	7,269,673	7,269,673	7,269,673	(0)
Net Position				
Net Investment in Capital Assets	57,425,866	59,949,710	59,893,542	(56,168)
Restricted - Capital Projects	2,895	2,895	2,895	-
Restricted - Debt Service	-	634	1,611	977
Unrestricted	9,808,511	10,086,003	9,355,488	(730,515)
Total Net Position	**67,237,272**	**70,039,242**	**69,253,536**	**(785,706)**

Attachment 2

Statement of Revenues, Expenses, and Changes in Net Position

for August 2025

Statement of Revenues, Expenses, and Changes in Net Position for the Month of August, 2025

	District		Water System		Wastewater System		Recycled System		Capital Improvments	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
Operating Revenues										
Commodity Supply Charges	$ 13,340,717	$ 2,913,956	$ 11,558,372	$ 2,250,785	$ -	$ -	$ 1,782,345	$ 663,172	$ -	$ -
Service Provision Charges	15,993,872	2,620,261	5,459,145	864,371	10,013,671	1,672,667	521,055	83,223	-	-
Capital Facilities Charge	6,259,985	978,028	-	-	-	-	-	-	6,259,985	978,028
Charges for Services	125,000	-	125,000	-	-	-	-	-	-	-
Miscellaneous Operating Income	45,900	36,870	31,000	10,341	14,900	26,529	-	-	-	-
Grants, Rebates, Reimbursements	281,125	46,424	-	750	5,300	974	275,825	44,700	-	-
Total Operating Revenues	36,046,599	6,595,539	17,173,517	3,126,246	10,033,871	1,700,170	2,579,225	791,095	6,259,985	978,028
Operating Expenses										
General & Administrative	5,927,115	749,148	2,462,542	317,727	3,003,516	374,431	461,057	56,990	-	-
Operations & Maintenance	24,384,796	3,000,981	15,007,224	1,557,778	7,746,199	1,205,369	1,631,374	237,835	-	-
Operating Capital Expenses	262,000	34,078	-	-	-	-	-	-	262,000	34,078
Other Operating Expenses	407,000	92,378	162,800	36,951	211,640	48,037	32,560	7,390	-	-
Depreciation & Amortization	5,140,000	833,408	-	-	-	-	-	-	5,140,000	833,408
Total Operating Expenses	36,120,911	4,709,993	17,632,566	1,912,455	10,961,355	1,627,837	2,124,991	302,215	5,402,000	867,486
Operating Income/(Loss)	(74,312)	1,885,546	(459,048)	1,213,790	(927,483)	72,334	454,234	488,880	857,985	110,542
Non-operating Revenues										
Property Taxes	1,300,000	216,667	520,000	86,667	676,000	112,667	104,000	17,333	-	-
Investment Earnings	700,000	84,219	350,000	38,588	350,000	45,465	-	-	-	167
Miscellaneous Revenue	298,400	52,158	288,000	41,031	10,400	104	-	11,022	-	-
Interest Expense	(2,006,335)	(247,988)	-	-	-	-	-	-	(2,006,335)	(247,988)
Net Non-Operating Revenues	292,065	105,055	1,158,000	166,285	1,036,400	158,236	104,000	28,356	(2,006,335)	(247,821)
Income/(Loss) before Contributions & Transfers	217,753	1,990,601	698,952	1,380,076	108,917	230,569	558,234	517,235	(1,148,350)	(137,279)
Transfers										
Transfers In	1,879,100	346,583	-	-	-	-	-	-	1,879,100	346,583
Transfers Out	(1,809,100)	(346,583)	(881,880)	(137,257)	-	-	(927,220)	(209,327)	-	-
Net Transfers	70,000	-	(881,880)	(137,257)	-	-	(927,220)	(209,327)	1,879,100	346,583
Capital Contributions										
Donations & Contributions	-	25,663	-	-	-	-	-	-	-	25,663
Total Capital Contributions	-	25,663	-	-	-	-	-	-	-	25,663
Change in Net Position	287,753	2,016,264	(182,928)	1,242,819	108,917	230,569	(368,986)	307,909	730,750	234,967
Beginning Net Position	67,237,272	67,237,272								
Ending Net Position	$ 67,525,025	$ 69,253,536								

Attachment 3

Summary of Revenues and Expenses for the period ended August 2025

Summary of Revenues and Expenses for the Month of August, 2025

Account - Description	Month Actual	YTD Actual	2025-2026 Budgeted	Budget Remaining	% of Budget Earned/Spent
Summary of Total District Revenues					
District Totals					
Commodity Supply Charges	1,600,026	2,913,956	13,340,717	10,426,761	21.8%
Service Charges	1,353,255	2,620,261	15,993,872	13,373,611	16.4%
Capital Facility Charges	544,374	978,028	6,259,985	5,281,957	15.6%
Charges for Services	-	-	125,000	125,000	0.0%
Miscellaneous Revenue	29,093	89,027	349,600	260,573	25.5%
Grants, Rebates, Reimbursements	16,474	46,424	275,825	229,401	16.8%
Property Taxes	108,333	216,667	1,300,000	1,083,333	16.7%
Investment Income	56,215	84,219	700,000	615,781	12.0%
Donations & Capital Contributions	-	25,663	-	(25,663)	N/A
Total Revenue	3,707,770	6,974,245	38,344,999	31,370,754	18.2%
Summary of Total District Expenses					
Salary Expenses					
Directors Fees	11,322	23,367	144,616	121,249	16.2%
Exempt Salaries	120,989	213,702	1,583,800	1,370,098	13.5%
Non-exempt Salaries	393,559	744,745	5,366,100	4,621,355	13.9%
Other Salary Payments	-	-	250,400	250,400	0.0%
Overtime	19,399	32,753	405,437	372,684	8.1%
Overtime - On-call	6,720	11,424	81,900	70,476	13.9%
Stipends/Allowances	4,292	7,297	106,980	99,683	6.8%
Employee Service Awards	-	2,850	800	(2,050)	356.3%
Salary Expenses Sub-total	556,281	1,036,137	7,940,033	6,903,896	13.0%
Benefit Expenses					
Medical Insurance	189,260	283,890	1,215,016	931,126	23.4%
HSA Contributions	-	-	28,100	28,100	0.0%
Dental Insurance	15,922	23,883	98,200	74,317	24.3%
Vision Insurance	2,168	3,253	12,300	9,047	26.4%
Life Insurance	3,527	7,053	41,300	34,247	17.1%
Disability Insurance	4,506	9,012	41,400	32,388	21.8%
Long-term Care Insurance	929	1,687	21,600	19,913	7.8%
Workers Compensation Insurance	12,072	24,144	167,800	143,656	14.4%
State Unemployment Insurance	-	-	3,000	3,000	0.0%
401k Retirement Contributions	51,148	94,945	681,500	586,555	13.9%
401k Matching Contributions	33,486	62,629	287,700	225,071	21.8%
457b Matching Contributions	6,035	10,827	275,800	264,973	3.9%
Medicare Insurance	8,067	15,019	115,159	100,140	13.0%
FICA	203	616	4,300	3,684	14.3%
Capitalized Benefits	(7,378)	(14,530)	-	14,530	N/A
Benefit Expenses Sub-total	319,945	522,428	2,993,175	2,470,747	17.5%
Commodity Purchased for Resale					
Water Purchases - MWDOC	31,398	382,662	4,992,965	4,610,303	7.7%
Water Purchases - MWDOC Fixed	3,643	83,147	1,026,274	943,127	8.1%
Water Purchases - AMP/SAC	57	3,302	41,832	38,529	7.9%
Regional Water Supply Expenses	-	-	-	-	N/A
Water Purchases - Baker WTP	5,581	325,237	3,365,400	3,040,163	9.7%
Water Purchases - Baker O&M	196,111	196,111	1,171,500	975,389	16.7%
Water Purch - Other Agencies	-	-	-	-	N/A
MWDOC Service Connect Charge	12,111	23,805	145,000	121,195	16.4%
Commodity Purchased for Resale Sub-total	248,901	1,014,265	10,742,971	9,728,705	9.4%

Summary of Revenues and Expenses for the Month of August, 2025

Account - Description	Month Actual	YTD Actual	2025-2026 Budgeted	Budget Remaining	% of Budget Earned/Spent
Contracted/Purchased Services					
Consultants	7,717	7,717	152,790	145,073	5.1%
Engineering Services	-	(3,966)	40,390	44,356	-9.8%
Audit & Accounting Services	-	-	54,150	54,150	0.0%
Technology Consultants	6,419	7,431	36,000	28,569	20.6%
SOCWA Contract	348,815	396,969	1,200,000	803,031	33.1%
Contractors	16,916	28,167	282,572	254,405	10.0%
Contracted Employees	-	-	10,000	10,000	0.0%
Legal Svcs - General Counsel	9,086	9,086	100,000	90,914	9.1%
Legal Svcs - Specialty Counsel	213	213	21,600	21,387	1.0%
Other Legal Services	4,235	4,235	1,000	(3,235)	423.5%
Employee Recruitmnt/Compliance	557	1,065	5,500	4,435	19.4%
Employee Health & Wellness	402	2,784	3,800	1,016	73.3%
Employee Relations Expenses	-	-	10,000	10,000	0.0%
Professional Services	-	-	-	-	N/A
Landscaping Services	11,707	12,116	171,341	159,225	7.1%
Janitorial Contracts	5,004	5,004	60,048	55,044	8.3%
Equipment Rental	1,991	1,991	37,000	35,009	5.4%
Uniform Rental	1,777	2,422	16,800	14,378	14.4%
Laboratory Services	555	555	25,500	24,945	2.2%
Disposal Services	11,470	12,853	91,500	78,647	14.0%
Security Services	4,326	4,326	50,340	46,014	8.6%
Insurance	38,652	77,145	452,500	375,355	17.0%
Financial Service Fees	5,763	10,981	53,500	42,519	20.5%
Printing & Reproduction	162	162	45,700	45,538	0.4%
Advertising & Publicity Svcs	14	14	9,020	9,006	0.2%
Postage	(29)	(29)	19,700	19,729	-0.1%
Public Relations/Education	-	350	54,400	54,050	0.6%
Water Efficiency Services	299	299	45,000	44,701	0.7%
Licenses & Permits	7,030	29,245	264,290	235,045	11.1%
Software Maintenance/Licenses	16,396	23,558	327,470	303,912	7.2%
Electrical Power	145,339	327,296	2,262,300	1,935,004	14.5%
Natural Gas	205	205	2,000	1,795	10.3%
Cable Service	337	501	10,000	9,499	5.0%
Telecommunications	2,810	3,136	25,000	21,864	12.5%
Mobile Telecommunications	-	-	48,000	48,000	0.0%
Data Access	4,466	7,700	65,000	57,300	11.8%
Equipment Maintenance & Repair	4,584	4,584	196,100	191,516	2.3%
Pump Maintenance & Repair	9,549	9,549	54,500	44,951	17.5%
Motor Maintenance & Repair	14,543	14,543	132,500	117,957	11.0%
Electrical Maintenance/Repair	3,726	3,726	143,000	139,274	2.6%
Meter Maintenance & Repair	-	-	51,000	51,000	0.0%
Structure Maintenance & Repair	2,687	3,327	41,600	38,273	8.0%
Asphalt Maintenance & Repair	4,012	4,012	172,000	167,988	2.3%
Contracted/Purchased Services Sub-total	691,735	1,013,272	6,844,911	5,831,639	14.8%
Commodities					
Repair Parts & Materials	18,663	24,921	472,700	447,779	5.3%
Tools & Small Equipment	2,917	2,917	81,100	78,183	3.6%
Safety Equipment	-	-	27,200	27,200	0.0%
Employee Tools/Safety Equip	-	1,133	19,900	18,767	5.7%
Laboratory Tools & Small Equip	-	-	20,000	20,000	0.0%
Technology Tools/Small Equip	5,896	5,896	40,000	34,104	14.7%
Chemicals	72,161	72,161	375,200	303,039	19.2%
Laboratory Chemicals	12,565	12,565	41,000	28,435	30.6%
Gasoline & Oil	11,126	11,126	140,000	128,874	7.9%
Operating Supplies/Accessories	1,576	3,339	35,200	31,861	9.5%
Office Supplies & Accessories	-	-	24,700	24,700	0.0%
Technology Supplies/Components	1,136	1,136	30,000	28,864	3.8%
Lab Supplies & Accessories	52	52	20,500	20,448	0.3%
Meeting/Event Supplies & Food	777	834	48,300	47,466	1.7%
Water Use Efficiency Supplies	4,213	4,213	15,000	10,787	28.1%
Commodities Sub-total	131,083	140,293	1,390,800	1,250,507	10.1%

Summary of Revenues and Expenses for the Month of August, 2025

Account - Description	Month Actual	YTD Actual	2025-2026 Budgeted	Budget Remaining	% of Budget Earned/Spent
Professional Development					
Education & Training	280	280	95,480	95,200	0.3%
Education/Training - Directors	-	-	-	-	N/A
Licenses & Certifications	-	129	4,142	4,013	3.1%
Dues & Memberships	12,447	20,801	125,900	105,099	16.5%
Dues & Memberships - Directors	-	-	-	-	N/A
Meetings & Conferences	-	-	38,100	38,100	0.0%
Meetings/Conferences-Directors	-	-	13,500	13,500	0.0%
Travel Reimbursement	973	973	36,900	35,927	2.6%
Travel Reimbursement-Directors	1,550	1,550	35,000	33,450	4.4%
Publications & Subscriptions	-	-	3,200	3,200	0.0%
Professional Development Sub-total	15,250	23,733	352,222	328,489	6.7%
Miscellaneous Expenses					
Employee Appreciation Expenses	-	-	500	500	0.0%
Internal/External Event Expenses	-	-	1,500	1,500	0.0%
Election Expense	-	-	20,000	20,000	0.0%
Reimbursable Repair Expense	-	-	-	-	N/A
Property Taxes	-	-	3,000	3,000	0.0%
Uncollectible Accounts	-	-	19,500	19,500	0.0%
NSFs & Miscellaneous Fees	-	-	100	100	0.0%
Refund Overcharges	-	-	2,624	2,624	0.0%
Damage/Repair Reimbursements	-	-	576	576	0.0%
Misc Exp	-	-	-	-	N/A
Miscellaneous Sub-total	-	-	47,800	47,800	0.0%
Sub Total - General and O&M Expanses	1,963,194	3,750,129	30,311,911	26,561,783	12.4%
Capital Improvement Expenses					
Water System Projects					
Supply/Storage Projects	4,933	4,933	-	(4,933)	N/A
Pumping Projects	-	-	67,000	67,000	0.0%
Main/Service Line Projects	-	-	-	-	N/A
Wastewater System Projects	-	-		-	N/A
Pumping Projects	-	-	35,000	35,000	0.0%
Wastewater Treatment Projects	23,404	23,404	-	(23,404)	N/A
Main/Service Line Projects	-	-	-	-	N/A
Recycled System Projects	-			-	N/A
Pumping Projects	-	-	-	-	N/A
Tertiary Treatment Projects	-	-	-	-	N/A
Main/Service Line Projects	-	-	-	-	N/A
General Projects		-		-	N/A
Operating Equipment Purchases	-	-	-	-	N/A
Vehicle & Related Equipment Purchases	-	-	-	-	N/A
Technology Projects & Purchases	500	1,279	44,000	42,721	2.9%
Building & Structure Improvements	-	-	-	-	N/A
General Capital Projects	4,317	4,462	116,000	111,538	3.8%
Construction in Progress	-		-	-	N/A
Capital Improvement Expenses Sub-total	33,155	34,078	262,000	227,922	13.0%
Other Expenses					
Retiree Health Insurance	61,311	92,378	407,000	314,622	22.7%
Depreciation	416,704	833,408	5,140,000	4,306,592	16.2%
Debt Interest Expense	123,994	247,988	2,006,335	1,758,347	12.4%
Other Expenses Sub-total	602,009	1,173,774	7,553,335	6,379,561	15.5%
Total Expenses	2,598,358	4,957,981	38,127,246	33,169,265	13.0%
Change in Net Position	1,109,412	2,016,264	217,753		

Attachment 4

Check Register August 2025

El Toro Water District
Check Register for the Month of August 2025

Check Number	Vendor	Date	Amount
13409	LISA BRENNAN	08/01/2025	106.21
13410	FUMIKO BUTLER	08/01/2025	420.10
13411	SUE BUTLER	08/01/2025	210.80
13412	TINA CHEN	08/01/2025	3.00
13413	IANN CHENG	08/01/2025	126.14
13414	CIRQUE DU SOLEIL AMERICA NEWCO INC-ECHO	08/01/2025	829.57
13415	EDITH FLORES	08/01/2025	27.97
13416	SAGAR KAIRAMKONDA	08/01/2025	130.76
13417	XIAOZHEN LI	08/01/2025	5.90
13418	KAREN NICHOLS	08/01/2025	43.56
13419	JOYCE PANG	08/01/2025	96.43
13420	ANTHONY PORTILLO	08/01/2025	11.55
13421	ROBIN SCIRICA	08/01/2025	3.58
13422	INOCENTE SERRANO	08/01/2025	23.04
13423	CHRIS SHEPARD	08/01/2025	125.69
13424	Carollo Engineers, Inc	08/05/2025	17,851.34
13425	Cole-Parmer Instrument Company LLC	08/05/2025	1,891.71
13426	County of Orange - OC Waste & Recycling	08/05/2025	3,588.14
13427	Fisher Scientific Company, LLC	08/05/2025	616.95
13428	Halcyon Electric, Inc	08/05/2025	52,302.69
13429	Harrington Industrial Plastics, LLC	08/05/2025	1,135.56
13430	Hazen and Sawyer, DPC	08/05/2025	8,660.00
13431	Infosend, Inc	08/05/2025	3,051.74
13432	Moulton Niguel Water District	08/05/2025	66,746.70
13433	Nieves Landscape, Inc	08/05/2025	6,896.58
13434	Norman Industrial Materials, Inc.	08/05/2025	628.49
13435	Paulus Engineering, Inc	08/05/2025	34,427.00
13436	Pavewest, Inc	08/05/2025	84,721.00
13437	Sherri Seitz	08/05/2025	86.94
13438	Springbrook Holdings Company, LLC	08/05/2025	716.00
13439	W.W. Grainger, Inc	08/05/2025	917.38
13440	West Coast Safety Supply, Inc	08/05/2025	1,036.25
13441	Wiper Central USA, Inc.	08/05/2025	1,667.76
13442	Xylem Water Solutions USA, Inc.	08/05/2025	674.38
13443	CalPERS	08/06/2025	3,395.97
13444	Johnson Controls US Holdings LLC	08/06/2025	10,801.11
13445	Municipal Water District of Orange County	08/06/2025	721,292.45
13446	Richard Brady & Associates, Inc	08/06/2025	542.00
13447	South Coast Family Medical Center, Inc	08/06/2025	85.00
13448	Verizon Communications Inc.	08/06/2025	5,120.54
13449	ACWA JPIA	08/07/2025	131,574.55
13450	AM Conservation Group, Inc	08/07/2025	4,213.03
13451	Aramark Services, Inc	08/07/2025	245.30
13452	Best Best & Krieger, LLP	08/07/2025	212.65
13453	ClientFirst Consulting Group LLC	08/07/2025	500.00
13454	Colantuono, Highsmith & Whatley, PC	08/07/2025	4,235.00
13455	Delaram Mehrrostami	08/07/2025	800.00
13456	Delta Motor Co. Inc	08/07/2025	25,930.04
13457	DG Investment Intermediate Holdings 2 Inc	08/07/2025	4,251.30
13458	Energage, LLC	08/07/2025	4,594.61
13459	Ferguson US Holdings, Inc	08/07/2025	1,328.82
13460	Hach Company	08/07/2025	131.46
13461	Harrington Industrial Plastics, LLC	08/07/2025	559.59
13462	HASA Inc	08/07/2025	1,986.75
13463	HEBT West Los Angeles 1, LLC	08/07/2025	1,590.00
13464	IDEXX Distribution, Inc	08/07/2025	1,142.62
13465	Infosend, Inc	08/07/2025	1,542.26
13466	Johnson Controls US Holdings LLC	08/07/2025	1,539.79
13467	McMaster-Carr Supply Company	08/07/2025	158.66
13468	Onesource Distributors, LLC.	08/07/2025	8,447.17
13469	Pearson Food Company, Inc	08/07/2025	3,739.68
13470	Powerflo Products Inc.	08/07/2025	969.75
13471	Precise Weighing Systems, Inc	08/07/2025	225.00
13472	Sims-Orange Welding Supply, Inc	08/07/2025	291.60

Check Number	Vendor	Date	Amount
13473	Sulzer Pumps Solutions, Inc.	08/07/2025	12,000.00
13474	The Lincoln National Life Insurance Company	08/07/2025	8,032.93
13475	Tosibox, Inc	08/07/2025	1,228.50
13476	UNUM Life Insurance - EAP	08/07/2025	101.90
13477	Vestis Group, Inc.	08/07/2025	940.68
13478	W.W. Grainger, Inc	08/07/2025	652.02
13479	Walters Wholesale Electric Company	08/07/2025	1,305.11
13480	Waxie's Enterprises,LLC	08/07/2025	1,283.95
13481	Western A/V	08/07/2025	2,971.00
13483	AM Conservation Group, Inc	08/12/2025	5,223.72
13484	Fisher Scientific Company, LLC	08/12/2025	246.78
13485	Franklin Miller, Inc.	08/12/2025	9,668.20
13486	Harrington Industrial Plastics, LLC	08/12/2025	24,513.20
13487	Ignatius Holdings, Inc	08/12/2025	400.00
13488	Moulton Niguel Water District	08/12/2025	96,642.38
13489	Site One Landscape Supply	08/12/2025	45.56
13490	Tetra Tech, Inc	08/12/2025	3,472.00
13491	ACWA JPIA	08/13/2025	145,486.01
13492	Angel Z Lopez	08/13/2025	5,003.56
13493	ATS Communications	08/13/2025	3,010.00
13494	Autozone Investment Corp	08/13/2025	193.49
13495	Cox Communications Inc	08/13/2025	1,022.31
13496	Eversoft Inc	08/13/2025	396.22
13497	Flo-Systems, Inc	08/13/2025	14,542.94
13498	Plumbers Depot Inc	08/13/2025	818.81
13499	Redwine and Sherrill, LLP	08/13/2025	9,086.00
13500	Rincon Truck Center, Inc	08/13/2025	431.61
13501	South Coast Air Quality Management District	08/13/2025	341.88
13502	Alicia Air Conditioning & Heating, Inc.	08/14/2025	349.00
13503	ALL AMERICAN ASPHALT	08/14/2025	1,589.37
13504	Animal Pest Management Services, Inc	08/14/2025	1,522.00
13505	Arakelian Enterprises, Inc.	08/14/2025	3,871.40
13506	SONIA CISNEROS	08/14/2025	9.78
13508	Edward G. Means III	08/14/2025	6,155.80
13509	Employee Relations, Inc	08/14/2025	49.40
13510	Fireresq, Incorporated	08/14/2025	467.65
13511	FLATIRON CONSTRUCTION	08/14/2025	188.55
13512	MARK HALEBSKY	08/14/2025	12.63
13513	Hill Brothers Chemical Co	08/14/2025	7,411.01
13514	LEONIDA BUILDERS	08/14/2025	487.55
13515	Mingoia's Faxworld, Inc	08/14/2025	1,395.44
13516	RapidScale, Inc	08/14/2025	2,017.62
13517	SC Commercial LLC	08/14/2025	11,125.98
13518	Southern California Edison Company	08/14/2025	182,300.02
13519	Sully-Miller Contracting Co.	08/14/2025	1,508.23
13520	Thirkettle Corporation	08/14/2025	597.83
13521	Underground Service Alert of SO CA	08/14/2025	986.26
13522	Vigilant LLC	08/14/2025	1,897.00
13523	Waste Management, Inc of California	08/14/2025	1,804.37
13524	Citibank N.A.	08/15/2025	1,450.76
13525	Josh Perez	08/15/2025	2,819.10
13526	South Coast Air Quality Management District	08/15/2025	8,754.49
13527	Vestis Group, Inc.	08/15/2025	160.80
13528	Wienhoff & Associates, Inc	08/15/2025	5.00
13529	Aramark Services, Inc	08/19/2025	532.17
13530	County of Orange - OC Waste & Recycling	08/19/2025	4,060.47
13531	Cox Communications Inc	08/19/2025	1,706.40
13532	DANIELLE JACKSON	08/19/2025	72.58
13533	Johnson Controls US Holdings LLC	08/19/2025	1,402.04
13534	Kathryn Freshley	08/19/2025	1,015.89
13535	REBECCA LARGE	08/19/2025	497.88
13536	Mark Monin	08/19/2025	107.80
13537	McClean Wyatt	08/19/2025	239.91
13538	Michael Gaskins	08/19/2025	186.41

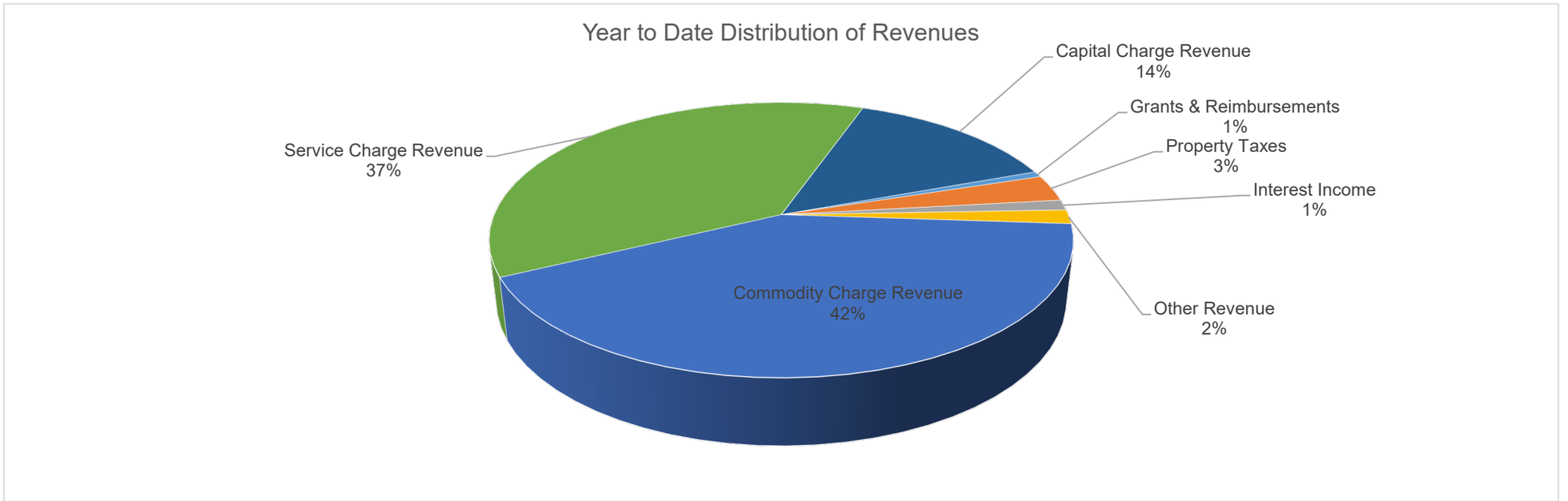
Check Number	Vendor	Date	Amount
13539	Nancy Ann Laursen	08/19/2025	600.00
13540	Onesource Distributors, LLC.	08/19/2025	67.74
13541	SHANNON SHAW	08/19/2025	198.78
13542	GUILLERMO VELASCO	08/19/2025	102.95
13543	Vu Chu	08/19/2025	280.00
13544	KOSEI WATANABE	08/19/2025	95.83
13545	Federal Express Corporation	08/19/2025	40.15
13546	Ferguson US Holdings, Inc	08/19/2025	3,256.06
13547	Fisher Scientific Company, LLC	08/19/2025	51.83
13548	Harrington Industrial Plastics, LLC	08/19/2025	221.42
13549	Life Insurance Company of North America	08/19/2025	166.65
13550	Michelle H. Moses	08/19/2025	176.24
13551	Municipal Water District of Orange County	08/19/2025	299.00
13552	Parkhouse Tire Service Inc	08/19/2025	1,942.13
13553	PD Transport	08/19/2025	750.00
13554	Sierra Analytical Labs, Inc	08/19/2025	555.00
13555	Southern California Gas Company	08/19/2025	205.06
13556	USA Blue Book	08/19/2025	958.97
13557	W.W. Grainger, Inc	08/19/2025	112.85
13558	West Coast Safety Supply, Inc	08/19/2025	285.64
13559	Xylem Water Solutions USA, Inc.	08/19/2025	2,428.36
13560	Accessorie Air Compressor Systems, Inc	08/21/2025	520.00
13561	ACWA JPIA	08/21/2025	10,052.00
13562	Amberwick Corporation	08/21/2025	4,720.00
13563	AMS.NET, Inc.	08/21/2025	6,286.62
13564	Carollo Engineers, Inc	08/21/2025	8,648.50
13565	CR&R Incorporated	08/21/2025	1,715.85
13566	Eversoft Inc	08/21/2025	422.78
13567	Ferguson US Holdings, Inc	08/21/2025	915.09
13568	Hach Company	08/21/2025	53.83
13569	IDEXX Distribution, Inc	08/21/2025	10,756.51
13570	JCI Jones Chemicals, Inc	08/21/2025	48,912.68
13571	McMaster-Carr Supply Company	08/21/2025	622.51
13572	Miles Chemicals Company, Inc.	08/21/2025	10,110.98
13573	Norman Industrial Materials, Inc.	08/21/2025	769.80
13574	Parkhouse Tire Service Inc	08/21/2025	1,989.78
13575	Powerflo Products Inc.	08/21/2025	11,855.74
13576	Quadient Leasing USA, Inc.	08/21/2025	595.77
13577	Santa Margarita Ford	08/21/2025	516.05
13578	South Orange County Wastewater Authority	08/21/2025	307,085.72
13579	Southland Water Technologies, LLC	08/21/2025	9,133.91
13580	The Hose Guys	08/21/2025	96.86
13581	Vestis Group, Inc.	08/21/2025	278.61
13582	Yo Fire	08/21/2025	3,351.37
13583	Eversoft Inc	08/26/2025	130.46
13584	West Yost & Associates, Inc	08/26/2025	924.00
13585	Citibank N.A.	08/14/2025	3,943.06
13586	Allen Tire Company	08/27/2025	337.71
13587	AT&T Corp	08/27/2025	251.45
13588	Baker Electric & Renewables LLC	08/27/2025	27,759.00
13589	Corodata Records Management, Inc	08/27/2025	133.53
13590	Johnson Controls US Holdings LLC	08/27/2025	1,402.04
13591	MCR Technologies, Inc	08/27/2025	806.60
13592	Nieves Landscape, Inc	08/27/2025	11,706.57
13593	TerraVerde Energy LLC	08/27/2025	4,332.81
13594	American Family Life Assurance Company of Columbus	08/28/2025	1,392.40
13595	AMS.NET, Inc.	08/28/2025	907.65

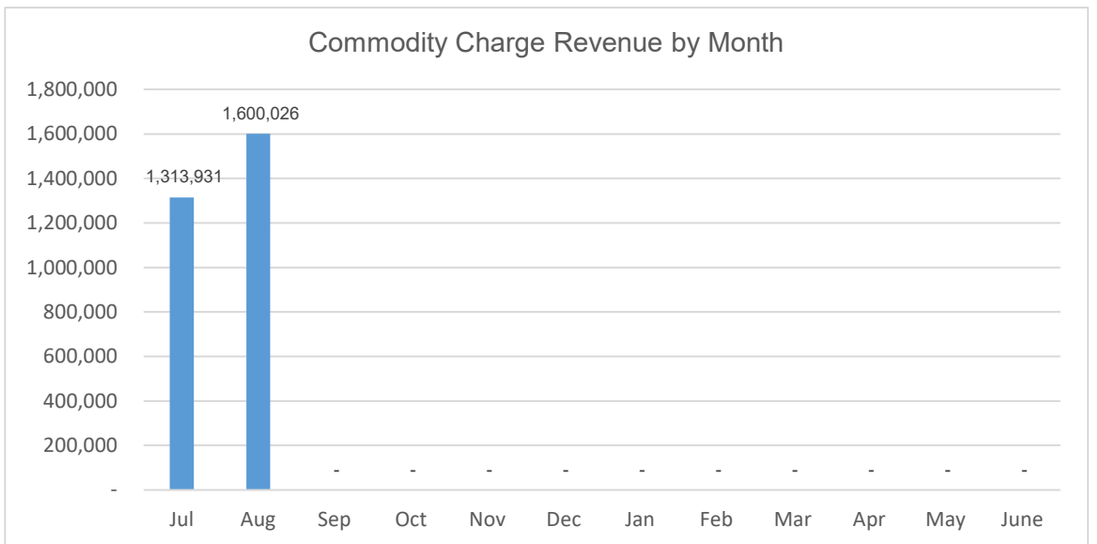
Check Number	Vendor	Date	Amount
13596	AT&T	08/28/2025	2,615.52
13597	Carollo Engineers, Inc	08/28/2025	1,561.00
13598	CC Property Investments, LLC	08/28/2025	1,019.30
13599	Dell Marketing LP	08/28/2025	5,896.25
13600	Hach Company	08/28/2025	480.98
13601	HEBT West Los Angeles 1, LLC	08/28/2025	1,590.00
13602	Irvine Ranch Water District	08/28/2025	201,044.20
13603	Moulton Niguel Water District	08/28/2025	357,853.97
13604	Rincon Truck Center, Inc	08/28/2025	850.43
13605	Saddleback Golf Cars	08/28/2025	300.00
13606	UNUM Life Insurance - LTC	08/28/2025	1,050.95
13607	Vestis Group, Inc.	08/28/2025	278.61
13608	ACWA JPIA	08/29/2025	146,278.97
13609	CDCE, Inc.	08/29/2025	1,136.18
13610	Don Peterson Contracting, Inc.	08/29/2025	23,063.81
13611	Garth Botha	08/29/2025	140.98
13612	Infosend, Inc	08/29/2025	3,222.98
13613	Jake Knoke	08/29/2025	468.73
13614	Moulton Niguel Water District	08/29/2025	79.65
13615	Rick Brown	08/29/2025	114.62
13616	Robert Hazzard	08/29/2025	248.74
13617	Vestis Group, Inc.	08/29/2025	278.61
13618	West Coast Sand and Gravel, Inc	08/29/2025	2,503.94
13619	Western Switches & Controls, Inc.	08/29/2025	96,371.85
	Total Checks issued from General and Payroll Accounts:		3,183,730.13

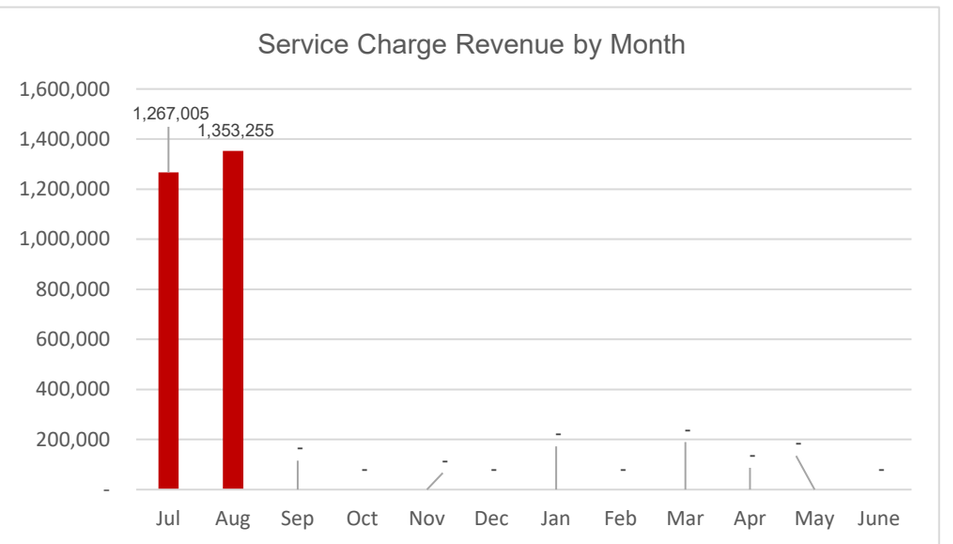
Attachment 5

Revenue and Expense Charts for August 2025

Revenue Charts -August Financial Report







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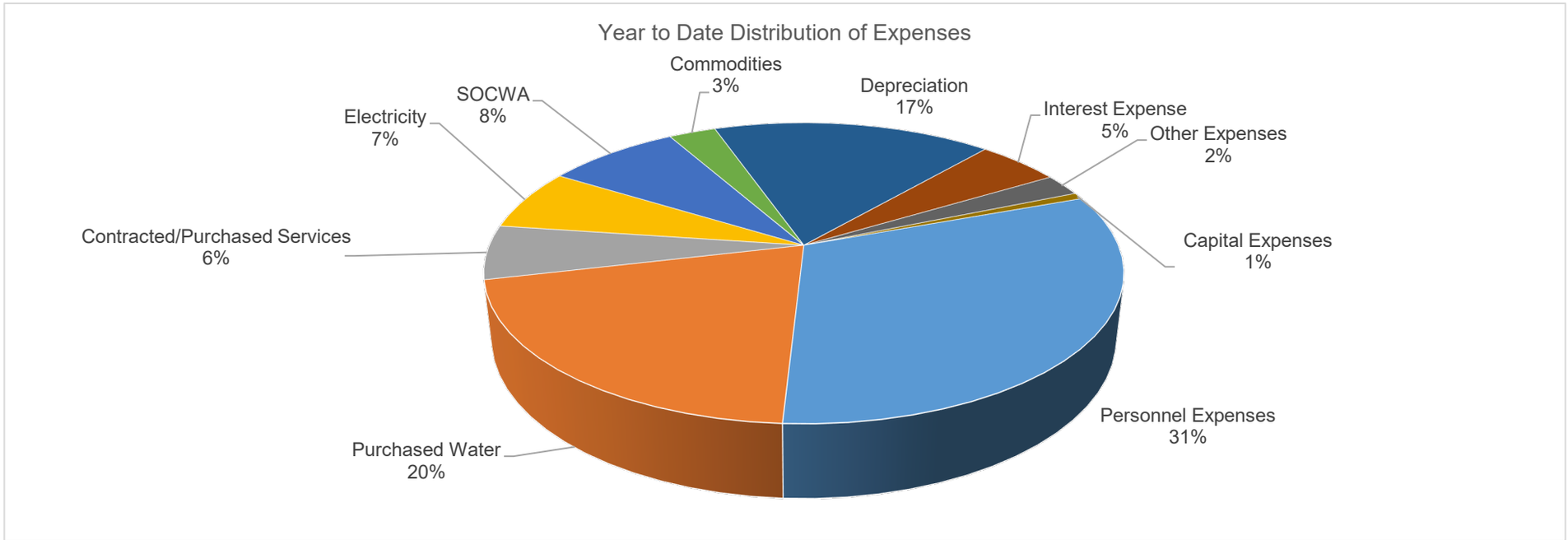
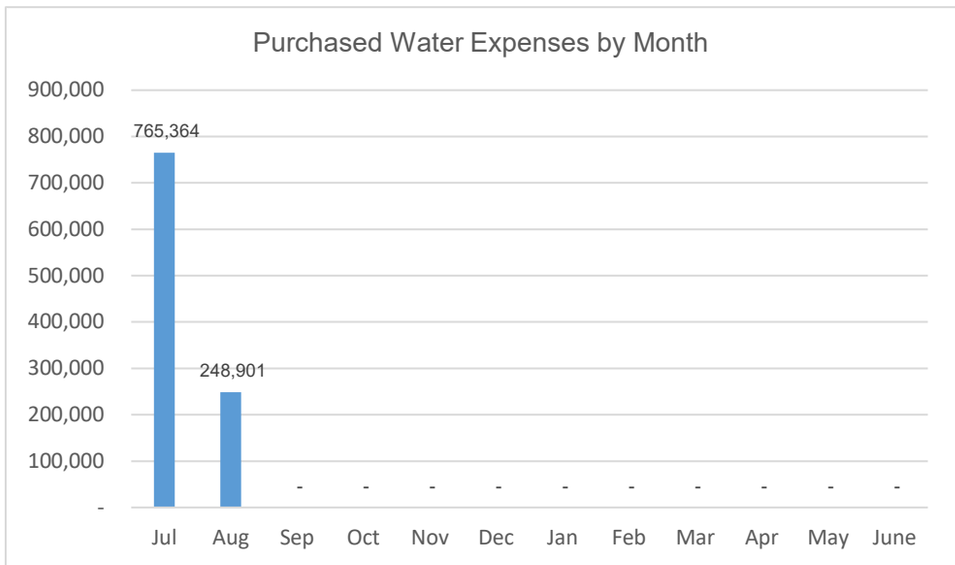
Expense Chart -August Financial Report





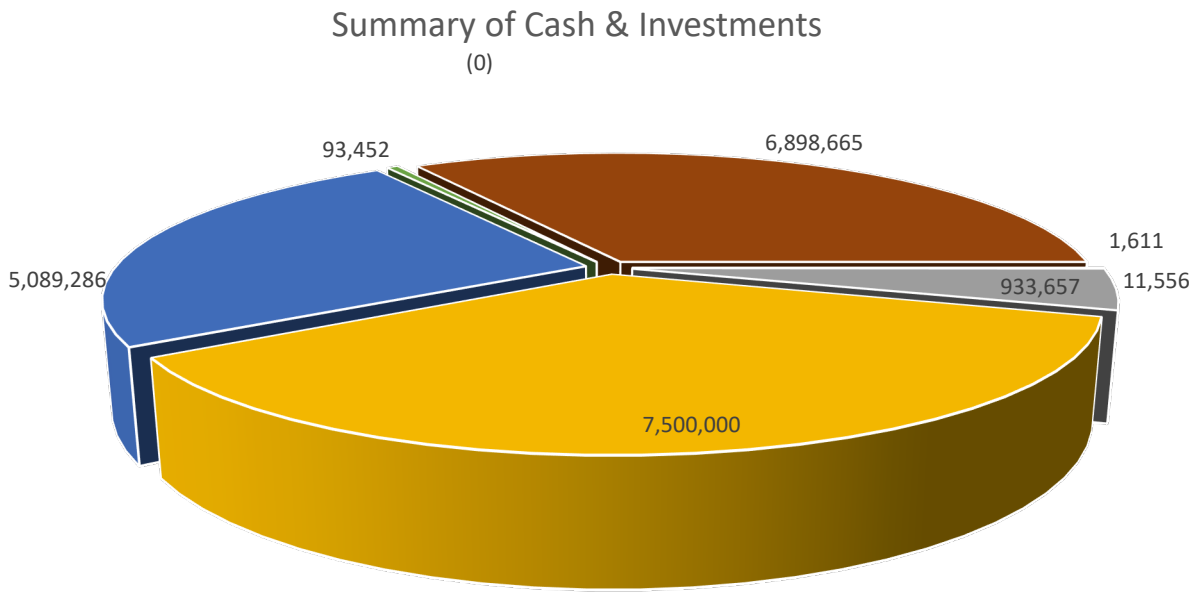
Attachment 6

Summary of Cash & Investments at the end of August 2025

Summary of Cash & Investments

as of August 31, 2025

Summary of Cash & Investments	
Cash & Equivalents	
Unrestricted - Cash & Equivalents	6,898,665
Unrestricted - Cash & Equivalents USB	(0)
Restricted - Cash & Equivalents	93,452
Investments	
Government Securities	5,089,286
CAMP -Term	7,500,000
Corporates Bonds/Notes	933,657
Asset Backed Securities	11,556
2022 Bond Money Market	1,611
Total Cash & Investments	20,528,226
Operating Cash & Investments	**20,433,163**
2022 Bond Proceeds Cash & Investments	**1,611**
Restricted - Cash & Equivalents	**93,452**



Cash & Equivalents

	Account Balance	Current Yield
Cash & Equivalents		
Demand Deposit Accounts		
US Bank - Checking Account	(0)	
US - Bank Capital Facilities Fee	93,452	
US Bank - 2022 Bond Proceeds/Interest/Principal	1,611	
Petty Cash	700	
Money Market Accounts		
US Bank - Money Market Account		#######
CAMP Money Market	2,072,456	
LAIF Money Market	4,825,509	
Total Cash & Equivalents	6,993,728	

Investments

	Purchase Cost	Par Amount	Premium/ (Discount)	Market Value	Unrealized Gain/(Loss)	Coupon Rate	Yield to Maturity	Purchase Date	Maturity Date
Governmental Securities									
United States Treasury Bond									
US Treasury N/B - AA+	1,045,201	1,050,000	(4,799)	1,053,717	8,516	4.625%	4.90%	6/12/2024	3/15/2026
US Treasury N/B - AA+	1,026,744	1,050,000	(23,256)	1,047,659	20,914	3.625%	4.84%	6/12/2024	5/15/2026
US Treasury N/B - AA+	466,543	500,000	(33,457)	493,262	26,719	2.125%	4.20%	11/30/2022	5/31/2026
US Treasury N/B - AA+	464,531	500,000	(35,469)	489,590	25,059	2.250%	4.10%	11/30/2022	2/15/2027
US Treasury N/B - AA+	480,273	500,000	(19,727)	496,426	16,153	3.250%	4.25%	2/22/2023	6/30/2027
US Treasury N/B - AA+	502,500	500,000	2,500	504,922	2,422	4.125%	4.01%	11/30/2022	9/30/2027
US Treasury N/B - AA+	497,930	500,000	(2,070)	504,922	6,992	4.125%	4.22%	2/22/2023	9/30/2027
US Treasury N/B - AA+	485,332	500,000	(14,668)	498,789	13,457	3.500%	4.16%	2/22/2023	1/31/2028
United States Treasury Bond - Totals	4,969,055	5,100,000	(130,945)	5,089,286	120,231				

Investments (Continue)

	Purchase Cost	Par Amount	Premium/ (Discount)	Market Value	Unrealized Gain/(Loss)	Coupon Rate	Yield to Maturity	Purchase Date	Maturity Date
Supra-National Agency Bond / Note									
Supra-National Agency Bond / Note Totals	-	-	-	-	-				
Municipal Bond / Note									
			-		-				
Municipal Bond / Note Totals	-	-	-	-	-				
Federal Agency Commercial Mortgage-Backed Security									
			-		-				
Federal Mortgage-Backed Security Totals	-	-	-	-	-				
Governmental Securities - Total Balances	4,969,055	5,100,000	(130,945)	5,089,286	120,231				
Corporate Notes									
Morgan Stanley Corp Notes	126,939	130,000	(3,062)	129,723	2,784	3.875%	5.41%	6/12/2024	1/27/2026
Goldman Sachs Group Inc Corp Note Call	126,585	130,000	(3,415)	129,630	3,045	3.750%	5.38%	6/12/2024	2/25/2026
Caterpillar Finl Service Corp Notes	99,911	100,000	(89)	100,381	470	5.050%	5.11%	6/11/2024	2/27/2026
United Healthcare Group Inc Corp Notes	125,597	130,000	(4,403)	129,130	3,533	3.100%	5.14%	6/12/2024	3/15/2026
JPMorgan Chase & Co (Callable)	145,148	150,000	(4,853)	149,173	4,026	3.300%	5.20%	6/12/2024	4/1/2026
Bank of America Corp Notes	125,806	130,000	(4,194)	129,507	3,700	3.500%	5.35%	6/12/2024	4/19/2026
Toyota Motor Credit Corp Notes	130,074	130,000	74	130,939	865	5.200%	5.17%	6/12/2024	5/15/2026
American Express Co (Callable)	34,952	35,000	(48)	35,175	223	4.351%	4.39%	7/25/2025	7/20/2029
Corporate Bonds - Total Balances	915,011	935,000	(19,989)	933,657	18,646				

Investments (continued)

	Purchase Cost	Par Amount	Premium/ (Discount)	Market Value	Unrealized Gain/(Loss)	Coupon Rate	Yield to Maturity	Purchase Date	Maturity Date
Asset Backed Securities									
BMWOT 2022 - AAA	537	537	(0)	536	(1)	3.210%	3.21%	5/10/2022	8/25/2026
FordO 2022 - Aaa	230	230	(0)	229	(0)	3.740%	3.74%	6/22/2022	9/15/2026
TAOT 2022 - AAA	2,111	2,111	(0)	2,108	(3)	2.930%	2.93%	4/7/2022	9/15/2026
Allya 2022 - AAA	1,949	1,950	(0)	1,949	(1)	3.310%	3.31%	5/10/2022	11/15/2026
HDMOT 2022 - AAA	90	90	(0)	90	(0)	3.060%	3.06%	4/12/2022	2/15/2027
GMCar 2022 - AAA	3,099	3,100	(1)	3,094	(5)	3.100%	3.10%	4/5/2022	2/16/2027
Carmx 2022 - AAA	3,554	3,554	(1)	3,550	(4)	3.490%	3.49%	4/21/2028	2/16/2027
Corporate Bonds - Total Balances	11,570	11,572	(2)	11,556	(14)				

Attachment 7

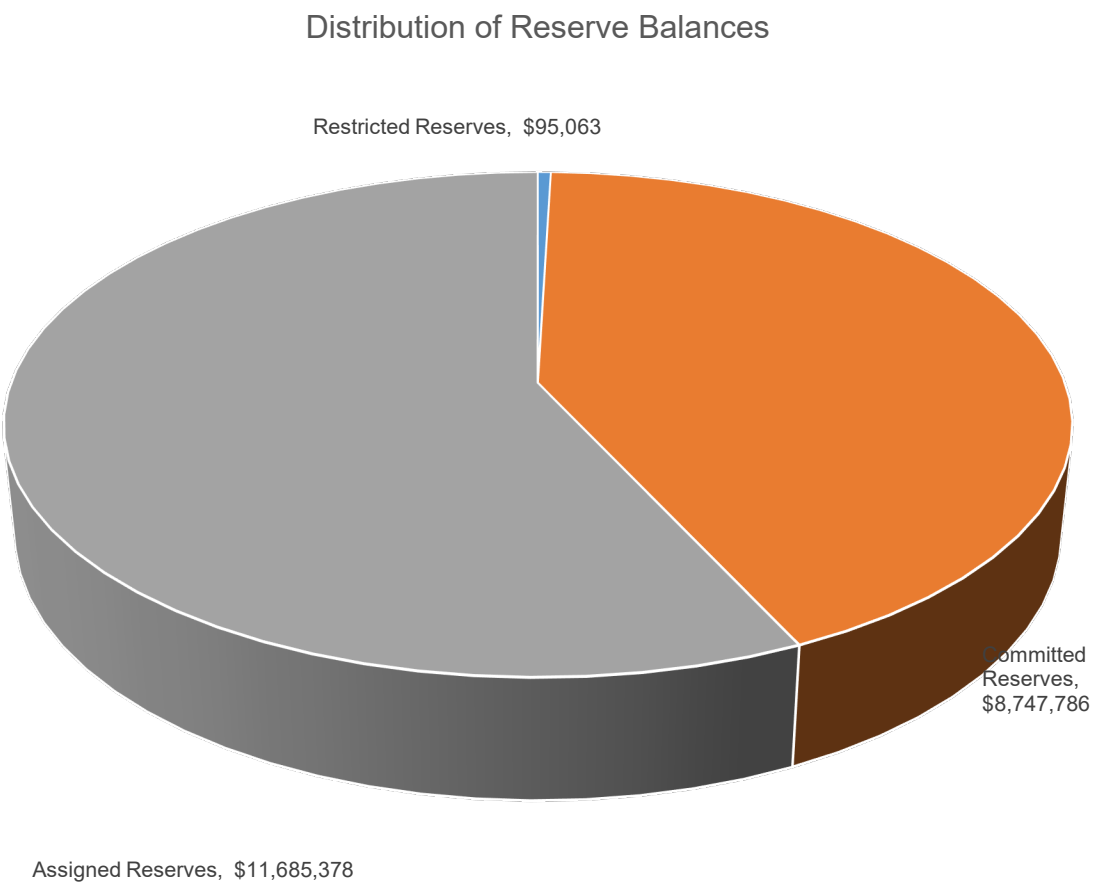
Cash Reserve Balances for August 2025

El Toro Water District
Preliminary Cash Reserve Status Report
as of August 31, 2025

	Cash Reserve Balances	Reserve Targets
Reconciled Cash Balance	**$ 20,528,227**	
Restricted Reserves		
2022 Revenue Bonds Fund	1,611	-
Capital Facilities Charge Reserve	93,452	-
Sub Total Restricted Reserve	**95,063**	**-**
Committed Reserves		
Capital Construction Reserve	3,000,000	3,000,000
Rate Stabilization Reserve	2,400,000	2,400,000
Operational Continuity Reserve	2,400,000	2,400,000
Working Capital Reserve (1)	947,786	2,400,000
Sub Total Committed Reserves	**8,747,786**	**10,200,000**
Assigned Reserves		
CIP Reserves		
Capital Carryover	3,232,145	-
Accumulated Capital Reserve	241,686	-
CIP - Revenue Bond Unrestricted Reserve	6,148,460	-
SOCWA Capital Projects	3,619,476	-
Recycled Water Capital / Debt Service	174,538	
Capital Plan Working Capital Reserve	2,705,249	
Sub Total CIP Reserves	**16,121,554**	**-**
Water Supply Program Reserves		
Tiered Conservation Fund	(3,180,176)	-
Reverse Cyclic Water Purchase Program	(1,256,000)	
Sub Total Assigned Reserves	**11,685,378**	
Total Cash Reserves	**20,528,227**	
Adjusted Cash Reserves[(2)]	**20,433,164**	**10,200,000**

(1) Working Capital reserve amount is net of outstanding checks

(2) The Adjusted Cash Reserves excludes Capital Facilities Charge Reserve and 2022 Revenue Bond fund.



* The District Investment portfolio is in compliance with the District's Invesment policy.
* The District has the ability to meet its expenditure requirements for the next six months.

Attachment 8

Capital Project Expense Report through August 2025

2025-2026 Capital Program Budget Information

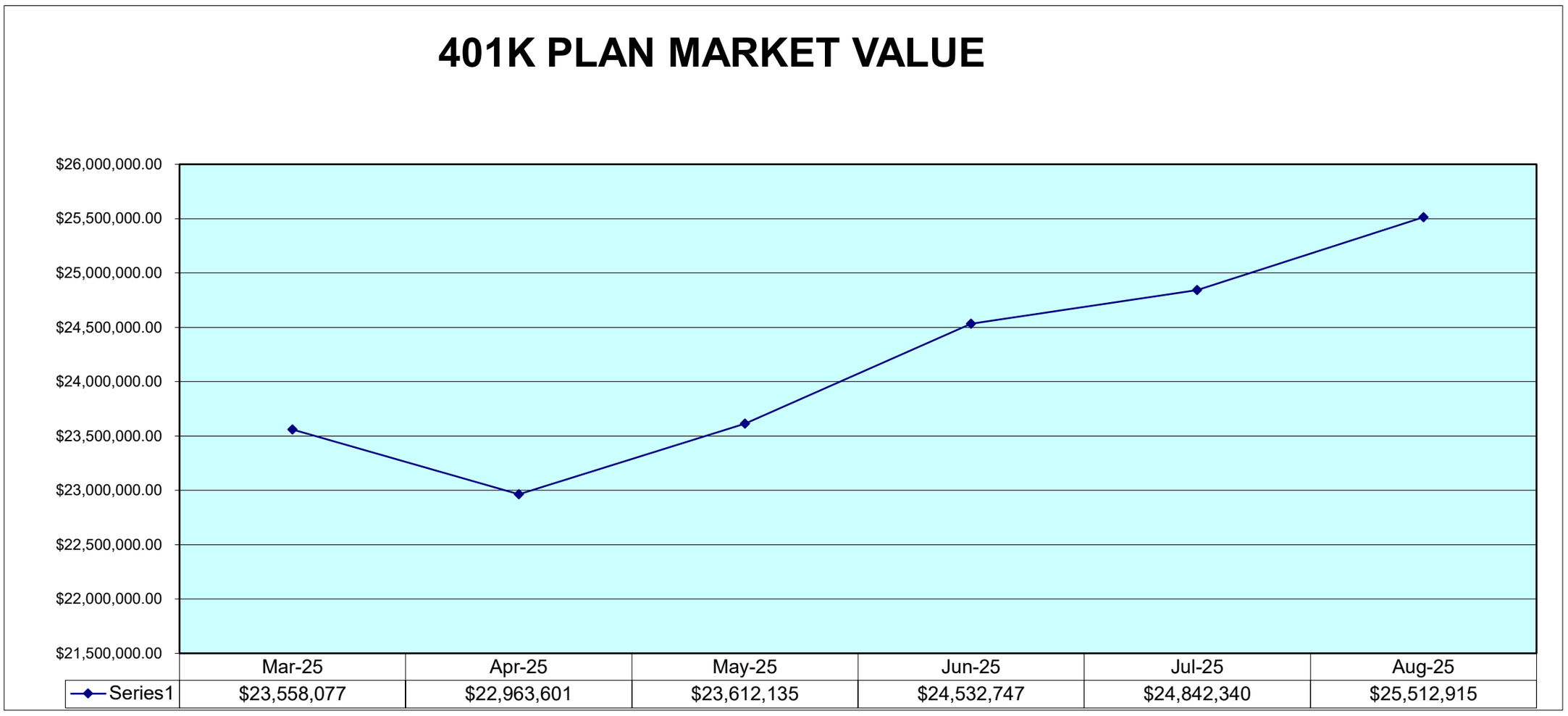
PM Task Code	Account	Total Budget	Prior Year Ending Balance	2025 - 2026 Expenses Jul	Aug	Sep	Oct	Nov	Dec	YTD Total
CAP-0014 Scum Station/Clarifiers 3 & 4	40-000-15020	80,000.00	-							-
CAP-0050 Alscot PLC Upgrade/Water	40-000-15010	31,000.00	47,449.24		1,324.54					1,324.54
CAP-0052 Water Station HMI Rplmnt	40-720-66120	10,000.00	9,431.52							-
CAP-0053 Sewer Station HMI Rplmnt	40-750-66230	10,000.00	24,817.29							-
RCE-0113 JRWSS Capital Budget	40-710-66120	24,435.00			4,932.74					4,932.74
RCE-0114 Baker Water Treatment Plant Capital Fund	40-710-66120	56,200.00								-
RCE-0015 SOCWA Capital Expenses	40-000-15020	170,571.00			36,646.32					36,646.32
RES-0016 Moulton/El Toro Cathodic Protection Repair	40-000-15010	218,000.00	38,060.00							-
RES-0021 R-6 Reservoir Southern Slope Stabilization	40-000-15010	500,000.00	7,905.73							-
RES-0022 R-5 Reservoir Rehabilitation	40-000-15010	194,000.00								-
SLS-0121 Westline Main Switchboard Replacement	40-000-15020	113,000.00	-							-
SLS-0123 4920 Lift Station Pump Replace	40-000-15020	25,000.00								-
SPS-0050 Asset Management Study 31-050	40-840-55110	86,000.00	260,093.98							-
SPS-0062 Radio Communications Conversion from Cellular	40-000-15040	70,000.00								-
TBD General Studies Fund	TBD	30,000.00								-
TCP-0009 WEROC Radios	40-000-15040	24,000.00								-
TCP-0010 Satellite Phones	40-820-66120	5,000.00								-
TCP-0011 Cyber Security Imrovements	40-820-55100	15,000.00								-
VEH-TBD Vehicle Purchases	TBD	64,000.00								-
VEH-0014 Solids Hauling Trailer	40-000-15020	307,000.00								-
WPS-0099 P-1 Battery Project	40-000-15010	900,000.00	54,702.84		2,166.41					2,166.41
WPS-0100 Shenandoah BS Pump & Motor	40-000-15010	198,000.00								-
WPS-0101 P-3 Motor Replacement	40-000-15010	15,000.00								-
WPS-0102 P-1 Chlorine Tank Replacement	40-000-15010	22,000.00	24,513.20							-
WRP-0137 Tertiary Disinfection Optimization Project	40-000-15030	148,000.00	66,069.16							-
WRP-0142 Headworks and Secondary Clarifier No. 1 Rehabilitation	40-000-15020	4,785,000.00	824,836.10		8,648.50					8,648.50
WRP-0154 OOPS Battery Project	40-000-15020	482,500.00	38,469.83		2,166.40					2,166.40
	Gross project cost excludes labor	8,583,706.00	7,384,802.25	0.00	257,426.21	0.00	0.00	0.00	0.00	257,426.21
	Carryover Project Fund	821,215.00		-	14,905.78					14,905.78
	2025-26 CIP Budget	3,653,232.00		-	-					-
	Bond CIP Unrestricted Funds	2,042,688.00		-	-					-
	Recycle Capital Projects	148,000.00		-	-					-
	MNWD Payout	1,000,000.00		-	-					-
	SOCWA	170,571.00		-	36,646.32					36,646.32
	Accumulated Capital/Grants	900,000.00		-	2,166.41					2,166.41
	Accumulated Capital Funds	-		-	203,707.70					203,707.70
		8,735,706.00	-	-	257,426.21	-	-	-	-	257,426.21

Attachment 9

Interim Report on 401k Plan Holdings
As of August 2025

EL TORO WATER DISTRICT

401K PLAN SUMMARY



MARKET VALUE SUMMARY

	Under 41 yrs. Old	41 to 48 yrs. Old	49 to 55 yrs. Old	56 to 58 yrs. Old	59 to 62 yrs. Old	63 to 65 yrs. Old	Over 65 yrs. Old
Balance at June 30, 2025	$2,779,712.25	$3,692,847.59	$2,903,472.36	$3,904,515.38	$5,874,750.66	$1,558,231.69	$3,819,217.18
	Under 41 yrs. Old	**41 to 48 yrs. Old**	**49 to 55 yrs. Old**	**56 to 58 yrs. Old**	**59 to 62 yrs. Old**	**63 to 65 yrs. Old**	**Over 65 yrs. Old**
Balance at August 31, 2025	$2,965,149.69	$3,875,914.19	$3,015,045.72	$3,907,779.92	$6,210,023.92	$1,289,787.61	$4,249,214.07

Disrict Staff is working with Highmark and Empower to design a new 401k report. Once the data for the portfolios is being generated by Empower, the District portfolio information by age group will be updated.

Investments	Beginning Balance	Contributions	Withdrawals	Interest, Dividends and Appreciation Net of Fees & Charges	Ending Balance
American Beacon AHL Mgd Futs Strat A	700,718.66	3,431.61	0.00	21,783.09	725,933.36
Cohen & Steers Instl Realty Shares	869,149.76	4,658.68	0.00	33,461.94	907,270.38
Columbia Contrarian Core Instl 3	2,004,765.63	12,009.36	0.00	(13,633.25)	2,003,141.74
DFA Large Cap International I	1,251,485.86	7,788.55	0.00	63,039.58	1,322,313.99
Dodge & Cox Income - I	3,454,364.10	16,565.36	0.00	71,184.80	3,542,114.26
Dodge & Cox International Stock - I	293,782.98	2,027.25	0.00	11,416.07	307,226.30
Dodge & Cox Stock - I	1,032,508.66	6,469.84	0.00	50,095.00	1,089,073.50
DoubleLine Core Fixed Income R6	3,452,360.50	16,570.68	0.00	79,524.89	3,548,456.07
Emerald Growth Institutional	452,337.95	3,021.56	0.00	13,866.80	469,226.31
Guaranteed Income Fund	758,831.41	3,614.16	0.00	14,455.20	776,900.77
Harbor Capital Appreciation Retirement	979,916.39	6,430.16	0.00	(14,144.34)	972,202.21
Lazard Global Listed Infras Port Inst	497,536.15	2,943.34	0.00	4,004.38	504,483.87
Macquarie Small Cap Core R6	693,771.30	3,927.27	0.00	41,210.58	738,909.15
MFS International Growth R6	286,370.82	1,871.28	0.00	8,859.42	297,101.52
PGIM Total Return Bond R6	1,769,474.33	8,453.58	0.00	39,577.96	1,817,505.87
PIMCO Income Instl	349,828.71	1,821.57	0.00	7,974.96	359,625.24
PIMCO RAE US Instl	1,043,817.26	6,469.84	0.00	52,337.49	1,102,624.59
Undiscovered Mgrs Behavioral Value R6	416,951.65	2,854.76	0.00	25,303.43	445,109.84
Vanguard Emerging Mkts Stock Idx Adm	556,848.75	3,991.83	0.00	13,906.53	574,747.11
Vanguard Growth & Income Adm	1,990,861.86	12,333.15	0.00	5,143.91	2,008,338.92
Vanguard Growth Index Adm	854,697.65	6,133.76	0.00	(10,633.23)	850,198.18
Vanguard Long-Term Investment-Grade Adm	874,626.54	4,725.93	0.00	8,572.55	887,925.02
Vanguard Mid Cap Index Fund - Admiral	257,332.91	1,909.80	0.00	3,244.21	262,486.92
Grand Total	**24,842,339.83**	**140,023.32**	**0.00**	**530,551.97**	**25,512,915.12**

Agenda Item No. 4

STAFF REPORT

To:	**Board of Directors**	**Meeting Date: September 22, 2025**
From:	**Vishav Sharma, Chief Financial Officer**	
Subject:	**August 2025 bills for Approval**	

Attached for Board approval is the payment summary report for the month of August, 2025 which presents checks that were paid during the month that exceeded $75,000 in value.

Presented below for your consideration are the payments of bills for the months of August 2025:

1. The total disbursement including payroll expanse for the month of August 2025 is $3,848,855.50
2. These disbursements include eleven checks greater than $75,000, with the total equal to $2,470,651.12. Staff recommends the Board approve these checks.
3. District employees were reimbursed $3,879.11 for travel, education, meals, supplies and certification related expenses; and Directors were reimbursed $1,310.10 for travel expenses.
4. Payroll expenses of $660,497.41 occurred during the month. This cost includes the cost of employee and Director's payroll, pension and benefits.

Recommended Action: Staff recommend that the Board approve, ratify and confirm payment of those bills as set forth in the Payment Summary for the month ending August, 2025

EL TORO WATER DISTRICT
Payment Summary
For the month ending August 31, 2025

CHECK NUMBER	PAYMENT DATE	VENDOR NAME		PAYMENT AMOUNT
13445	08/06/2025	Municipal Water District of Orange County		721,292.45
13603	08/28/2025	Moulton Niguel Water District		357,853.97
13578	08/21/2025	South Orange County Wastewater Authority		307,085.72
13602	08/28/2025	Irvine Ranch Water District		201,044.20
13518	08/14/2025	Southern California Edison Company		182,300.02
13608	08/29/2025	ACWA JPIA		146,278.97
13491	08/13/2025	ACWA JPIA		145,486.01
13449	08/07/2025	ACWA JPIA		131,574.55
13488	08/12/2025	Moulton Niguel Water District		96,642.38
13619	08/29/2025	Western Switches & Controls, Inc.		96,371.85
13436	08/05/2025	Pavewest, Inc		84,721.00
		CHECKS OVER $75,000	**$**	**2,470,651.12**
		CHECKS UNDER $75,000	**$**	**713,079.01**
		TOTAL CHECKS PAID	**$**	**3,183,730.13**

REIMBURSEMENTS TO ETWD EMPLOYEES

CHECK NUMBER	PAYMENT DATE	PAYEE (DESCRIPTION)		PAYMENT AMOUNT
13525	08/15/2025	Josh Perez (Educational Reimbursement)		2,819.10
13613	08/29/2025	Jake Knoke (Travel Expense)		468.73
13616	08/29/2025	Robert Hazzard (Travel Expense)		248.74
13611	08/29/2025	Garth Botha (Travel Expense)		140.98
13615	08/29/2025	Rick Brown (Travel Expense)		114.62
13437	08/05/2025	Sherri Seitz (Holiday Luncheon Expense)		86.94
		TOTAL CHECKS TO EMPLOYEES	**$**	**3,879.11**

REINBURSEMENTS TO ETWD DIRECTORS

CHECK NUMBER	PAYMENT DATE	PAYEE (DESCRIPTION)		PAYMENT AMOUNT
13534	08/19/2025	Kathryn Freshley (Travel Expense)		1,015.89
13538	08/19/2025	Michael Gaskins (Travel Expense)		186.41
13536	08/19/2025	Marc Monin (Travel Expense)		107.80
		TOTAL CHECKS TO DIRECTORS	**$**	**1,310.10**
DEBIT TRANSFERS				
	08/08/2025	PAYROLL DIRECT DEPOSIT		174,728.82
	08/08/2025	FEDERAL DEPOSIT LIABILITY		38,481.26
	08/08/2025	SDI & STATE TAX		16,500.21
	08/08/2025	EMPOWER (401K)		69,188.33
	08/08/2025	EMPOWER (457)		20,403.39
	08/08/2025	HEALTH SAVINGS ACCOUNT		207.70
	08/08/2025	MEDICAL FLEXIBLE SPENDING ACCOUNT		830.82
	08/08/2025	DEPENDANT CARE FLEXIBLE SPENDING ACCOUNT		384.31
	08/15/2025	PAYROLL BOARD OF DIRECTOR		7,268.98
	08/15/2025	SS, MEDICARE, SDI & STATE TAX		1,208.71
	08/15/2025	EMPOWER (457)		2,705.28
	08/15/2025	HEALTH SAVINGS ACCOUNT		400.00
	08/15/2025	MEDICAL FLEXIBLE SPENDING ACCOUNT		125.00
	08/22/2025	PAYROLL DIRECT DEPOSIT		179,873.79
	08/22/2025	FEDERAL DEPOSIT LIABILITY		39,327.04
	08/22/2025	SDI & STATE TAX		16,893.05
	08/22/2025	EMPOWER (401K)		70,834.99
	08/22/2025	EMPOWER (457)		19,712.90
	08/22/2025	HEALTH SAVINGS ACCOUNT		207.70
	08/22/2025	MEDICAL FLEXIBLE SPENDING ACCOUNT		830.82
	08/22/2025	DEPENDANT CARE FLEXIBLE SPENDING ACCOUNT		384.31
		Total Payroll Expense		660,497.41
		Total Other Expense		-
	07/31/2025	BANK FEES		4,627.96
		TOTAL INTERBANK WIRES / DEBIT TRANSFERS	**$**	**665,125.37**
		TOTAL DISBURSEMENTS	**$**	**3,848,855.50**

Agenda Item No. 5

STAFF REPORT

To: BOARD OF DIRECTORS **Meeting Date: September 22, 2025**

From: Vishav Sharma, Chief Financial Officer

Subject: Quarterly audit reports for the periods ended June 30, 2025

Attached to this memo please find the quarterly audit (Agreed-Upon Procedures (AUP)) Report for the El Toro Water District for the quarter ended June 30, 2025.

The Districts current auditors LSL, LLP are hired to perform this special audit on quarterly basis. As part of this procedure the auditor obtained an understanding of the District's internal control and tested transactions related to cash receipts, cash disbursements, investments, payroll, purchasing, accounts payable, water and sewer billing. The Finance Staff is pleased to report that the audit found no exceptions.

Recommended Action: Staff recommends that the Board receive and file the quarterly audit report for the periods April 1, 2025 to June 30, 2025, as presented by LSL, LLP.

Attachments

Attachment 1 – Agreed-Upon Procedures for the quarter Ended June 30, 2025

INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES

Board of Directors
El Toro Water District
Lake Forest, CA 92630

We have performed the procedures enumerated below on El Toro Water District's (the "District") adherence to cash receipts, cash disbursements, purchasing and accounts payable, payroll, water and sewer billings and receivables, and investments procedures (the "procedures") for the quarter ended June 30, 2025. The District's management is responsible for adherence with the procedures.

The District has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of determining the District's adherence with the procedures. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

1. We obtained an understanding of the District's approved internal control procedures over cash receipts, cash disbursements, purchasing and accounts payable, payroll, water and sewer billings and receivables, and investments, through discussions with management.

   Results: We performed procedures 2 to 6 based on our understanding of the District's adherence with procedures for cash receipts, cash disbursements, purchasing and accounts payable, payroll, water and sewer billings and receivables, and investments.

2. We tested adherence to approved cash receipt procedures by selecting three days' receipts. Each selected days' receipts were totaled for arithmetic accuracy and then traced to the general ledger for accurate account distribution. The days' total deposit was agreed to the monthly bank statement. A total of forty water billing receivable receipts were traced and agreed to the subsidiary ledger detail.

   Results: No exceptions were noted.

3. We tested adherence to approved water and sewer billing and receivable procedures by selecting ten customer billings. For each billing selected, we traced the billing rates to approved Board of Directors actions and verified the mathematical accuracy of the billing. We also verified that the billing was correctly posted to the customer record and verified subsequent receipt.

   Results: No exceptions were noted.

4. We tested adherence to approved cash disbursements, purchasing and accounts payable procedures by selecting fifteen voucher packages. For each voucher package selected, we inspected the cancelled check for endorsement and signature. We agreed the date, amount and payee to the cash disbursement journal. We also agreed the amount and payee to supporting invoices or other supporting documents, noting that the invoice was approved by an authorized employee and that the invoice was cancelled to prevent possible resubmission. We verified the account distribution and traced the account distribution to the cash disbursements journal.
   Results: No exceptions were noted.
5. We tested adherence to approved payroll procedures by selecting five payroll disbursements. We examined supporting time cards for approval by supervisors, agreed hours worked as noted on the time cards to the payroll register, agreed the hourly or salary rate to an authorized pay schedule and recalculated computations of gross and net pay. We verified the posting of the amounts from the payroll register to the general ledger accounts.
   Results: No exceptions were noted.
6. We tested adherence to the investment policy by selecting the Treasurer's report for the month ended June 30, 2025. For the investments held at month end we reviewed the investment type and verified that the investments were in compliance with the District's policy. We traced investments listed on the Treasurer's report to the trustees' statements and the general ledger.
   Results: No exceptions were noted.

We were engaged by the District to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the District's adherence with the procedures. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of El Toro Water District's management, and is not intended to be and should not be used by anyone other than those specified parties.

LSL, LLP

Irvine, California
September 5, 2025

STAFF REPORT

To: Board of Directors **Meeting Date: September 22, 2025**

From: Sherri Seitz, Public Affairs Manager

Subject: Metropolitan Water District of Orange County (MWDOC) Choice Program 2025-26 (FY 2024)

Summary:

The MWDOC member agency Choice Program is funded by the MWDOC general fund, distributed equitably amongst the member agencies. The Choice program allows agencies to opt in or out of specific choice programs offered by MWDOC.

The two choice programs that ETWD participates in are the Water Use Efficiency (WUE) Program and the School Program.

MWDOC WUE Choice Program:

The WUE Choice program supports residential and commercial water use efficiency efforts from MWDOC and Metropolitan Water District of Southern California (MWDSC). The program costs are allocated among participating agencies based on the program benefits received. The program benefits are determined by how much an agency uses various water use efficiency programs. The programs consist of residential and commercial regional rebates and incentives including CFLT classes, Inspections, Landscape Design Assistance Program (LDAP), Inspections, Home Surveys, Custom Member Agency Administered Programs (MAA), Water Loss Program, and the Pressure Regulator Valve Program. Ultimately, charges to an agency can vary significantly from year to year depending on how heavily the programs are used.

MWDOC School Choice Program:

ETWD participates in the MWDOC School Choice Program in which MWDOC contracts with the Shows That Teach and the Orange County Department of Education Inside the Outdoors to provide the water school program to students in Kindergarten through High School. Shows That Teach offer in person sessions to K – 2nd grade and the Orange County

Department of Education Inside the Outdoors offers in person and virtual sessions to 3rd – 12th grades. Costs are based on the number of sessions that ETWD's public and private schools book with the vendors. ETWD budgeted $10,000 for the 2025-2026 MWDOC Choice School Program. The total cost is estimated at $5,365.99. Due to school program participation, ETWD has a credit from the prior school year FY 24-25 of ($9,334.01) for a total of $5,365.99. Staff is working with MWDOC to boost the participation numbers.

WUE Choice Program Costs:

ETWD budgets for the WUE Choice Program based on an average of prior years' costs. In FY 2025-26, ETWD budgeted $24,000 and the actual cost came in at $96,335,23 with a credit of ($3,166.41) from the prior year for a final total of $93,168.82. This increase was due to higher activity levels in the Commercial (CII) Turf Removal and Smart Timer programs. In FY 2021-22, ETWD had also experienced a significant increase in the WUE program due to higher activity levels in the Recycled Water On-Site Retrofit Program and the Turf Removal Program.

The CII turf removal rebate participation increased significantly providing customers, mostly in Laguna Woods Village, $130,175 in MWDSC and MWDOC incentives which made up 29% or $20,580.51 of the WUE Choice Program invoice.

The CII smart timer rebate participation increased significantly providing customers, mostly in Laguna Woods Village, $294,060 in MWDSC and MWDOC incentives which made up 66% of the WUE program costs.

The remaining 5% includes rebate participation in Residential Turf Replacement, Smartimers, Drip Irrigation, Clothes Washers, Rain Barrels, Faucet Aerators, Low-flow Showerheads, CFLT Classes, Landscape Design Assistance Program (LDAP) incentive programs and rebate participation in the Commercial Rotating Nozzles and Tree Installation programs.

ETWD customers received $445,589 in outside funding which included $396,811 in MWDSC incentives, $18,919 in MWDOC grants and $29,859 in vendor fees (Water Wise Consultant inspection fees). ETWD customers receive nearly $4.50 for every $1 ETWD pays to participate in the MWDOC WUE Choice Program.

ETWD's total outside funding increased from 2.48% to 8.14% on MWDOC's WUE Choice Program Allocation FY 2025/2026. The invoice and a spreadsheet detailing the costs across the member agencies is attached.

WUE Choice Program:	$96,335.23
	($3,166.41)
School Choice Program:	$14,700.00
	($9,334.01)
Choice Programs Total	$98,534.81

Recommended Action at the September 25, 2025 Board Meeting:

Staff recommends that the Board of Directors authorize the District's General Manager to pay MWDOC's Invoice #17845 in the amount of $98,534.81 for the MWDOC WUE and School Choice Programs.

MWDOC Water Use Efficiency Choice Allocation for FY 2025/26

Based on Outside Funding in January 1, 2024 - December 31, 2024

By Retail Agency	Metropolitan Incentives [1]	MWDOC Grants [2]	Vendor Fees [3]	Total Outside Funding	Percentage Share	Initial Choice Allocation	Prior Year Percentage Share [4]	Ajustment for Prior year [5]	Current Year Invoice Amount
Brea	$88,678	$15,498	$4,925	$109,101	1.99%	$23,587.33	2.41%	($3,072.03)	$20,515.30
Buena Park	$75,092	$11,127	$2,540	$88,758	1.62%	$19,189.34	2.37%	($3,029.85)	$16,159.49
East Orange County Water District	$644	$282	$83	$1,010	0.02%	$218.33	0.78%	($990.22)	($771.89)
El Toro Water District	$396,811	$18,919	$29,859	$445,589	8.14%	$96,335.23	2.48%	($3,166.41)	$93,168.82
Fountain Valley	$50,888	$17,670	$578	$69,136	1.26%	$14,947.09	1.12%	($1,433.55)	$13,513.54
Garden Grove	$133,480	$12,120	$6,773	$152,373	2.78%	$32,942.74	1.28%	($1,632.98)	$31,309.76
Golden State Water Company	$31,737	$11,883	$1,617	$45,238	0.83%	$9,780.24	0.73%	($933.15)	$8,847.09
Huntington Beach	$253,705	$40,052	$11,058	$304,815	5.57%	$65,900.21	6.73%	($8,589.77)	$57,310.44
Irvine Ranch Water District	$828,500	$289,101	$11,806	$1,129,407	20.63%	$244,174.92	26.53%	($33,869.18)	$210,305.74
La Habra	$170,151	$18,217	$1,688	$190,056	3.47%	$41,089.57	1.39%	($1,776.71)	$39,312.86
La Palma	$6,918	$50	$319	$7,287	0.13%	$1,575.43	0.03%	($41.06)	$1,534.37
Laguna Beach County Water District	$5,582	$2,499	$219	$8,301	0.15%	$1,794.61	0.28%	($355.02)	$1,439.59
Mesa Water District	$193,438	$14,110	$1,195	$208,743	3.81%	$45,129.64	4.72%	($6,029.05)	$39,100.59
Moulton Niguel Water District	$812,200	$79,400	$14,717	$906,316	16.56%	$195,943.20	13.63%	($17,398.38)	$178,544.82
Newport Beach	$57,398	$7,882	$612	$65,892	1.20%	$14,245.61	2.26%	($2,890.17)	$11,355.44
Orange	$216,530	$51,350	$4,992	$272,872	4.99%	$58,994.28	7.33%	($9,355.75)	$49,638.53
San Clemente	$75,965	$30,862	$1,221	$108,048	1.97%	$23,359.70	2.55%	($3,257.71)	$20,101.99
Santa Margarita Water District	$357,364	$157,294	$6,959	$521,617	9.53%	$112,772.21	9.02%	($11,516.43)	$101,255.78
Seal Beach	$25,855	$5,535	$124	$31,514	0.58%	$6,813.20	0.68%	($862.90)	$5,950.30
Serrano Water District	$898	$251	$107	$1,256	0.02%	$271.50	0.02%	($29.73)	$241.77
South Coast Water District	$232,302	$22,787	$1,526	$256,616	4.69%	$55,479.70	3.87%	($4,940.38)	$50,539.32
Trabuco Canyon Water District	$110,975	$4,013	$245	$115,232	2.11%	$24,912.92	1.65%	($2,112.38)	$22,800.54
Tustin	$56,639	$14,777	$2,831	$74,246	1.36%	$16,051.87	2.68%	($3,425.81)	$12,626.06
Westminster	$83,343	$44,576	$2,261	$130,179	2.38%	$28,144.41	0.93%	($1,193.09)	$26,951.32
Yorba Linda Water District	$195,012	$25,901	$1,517	$222,429	4.06%	$48,088.66	3.69%	($4,713.53)	$43,375.13
Anaheim	$0	$4,230	$0	$4,230	0.08%	$914.52	0.42%	($530.53)	$383.99
Fullerton	$0	$2,439	$0	$2,439	0.04%	$527.39	0.21%	($272.93)	$254.46
Santa Ana	$0	$917	$0	$917	0.02%	$198.15	0.18%	($234.08)	($35.93)
Orange County Total	$4,460,105	$903,742	$109,771	$5,473,617	100%	$1,183,382.00	100.00%	($127,652.78)	$1,055,729.22

[1] Incentive amounts funded though Metropolitan's Conservation Credits Program. Programs include Commercial, Industrial, Institutional, Residential, Landscape, Recycled Water Conversion.

[2] Outside funding through grants awarded to MWDOC by the California Department of Water Resources and US Bureau of Reclamation. Excludes member agency administrative and supplemental contributions.

[3] Vendor fees are administrative processing costs paid for by Metropolitan or through MWDOC grants.

[4] Prior year percentage share is rounded to the nearest hundredth of a percent.

[5] Prior year adustment to benefits per audit.

18700 Ward Street, Unit B
Fountain Valley, CA 92708
Phone: (714)963-3058
Fax: (714)964-9389

Invoice No. 17845

INVOICE

Customer

Name	El Toro Water District				
Street	P.O. Box 4000				
City	Laguna Hills	State	CA	ZIP	92654
Attn:	Accounts Payable				

Date	8/14/2025
Due Date	9/13/2025

Description	Amount
FY 2025-26 Choice Programs Billing	
Water Use Efficiency FY 25-26	$ 96,335.23
WUE Adjustment for prior year FY 24-25	$ (3,166.41)
School Program FY 25-26	$ 14,700.00
School Program Adjustment for prior year FY 24-25	$ (9,334.01)
Total Amount Due	**$ 98,534.81**

Payment Details

Cust #:	ELTORO
GLA #:	4215-2000-62
GLA #:	2320-2000-62
GLA #:	4215-2000-63
GLA #:	2320-2000-63

Please direct your inquiries to the Accounting Department.

Agenda Item No. 7

STAFF REPORT

To: Board of Directors **Meeting Date: September 22, 2025**

From: Dennis Cafferty, General Manager

Subject: 2026-27 Fiscal Year Cost of Service and Rate Study

In 2023, as part of the 2023-24 budget process, the District issued a Proposition 218 Notice that notified customers of potential rate increases for each of the 2023-24, 2024-25 and 2025-26 fiscal years. The three-year period covered by that Notice has expired and, should the District determine to raise rates for the 2026-27 fiscal year, a new Proposition 218 Notice will be required for each of the District rates subject to an increase. The following are the rates that will be considered for potential increases during the upcoming budget process.

- Potable Water Usage Rates
  - Tiered Rates
- Potable Water Operations & Maintenance (O&M) Rates
  - Rates per Meter Size
- Private Fire O&M Rate
  - Rates Per Fire Line Size
- Recycled Water Usage Rate
- Recycled Water O&M Rate
  - Rates Per Meter Size
- Wastewater O&M Rate
  - Residential Rates Based on Residential Type & Associated Occupancy
  - Commercial Rates Based on Wastewater Strength and Flow
- Potable Water Capital Charge Rates
  - Rates per Meter Size
- Recycled Water Capital Charge Rates
  - Rates per Meter Size
- Wastewater Water Capital Charge Rates
  - Residential Rates Based on Residential Type & Associated Occupancy
  - Commercial Rates Based on Wastewater Strength and Flow

On November 5, 1996, California voters approved Proposition 218, the so-called “Right to Vote on Taxes Act.” Proposition 218 amended the California Constitution affecting the ability of special districts and other local governments to levy and collect existing and future fees and charges. Article XIII D, added to the California Constitution through Proposition 218,

established a new category of fees and charges, referred to as “property related fees and charges.” In order for a special district to adopt rate increases to its water or wastewater service fees, it must comply with the substantive requirements of Article XIII D. Of particular note are the requirements that said fees and charges must not exceed the reasonable cost of providing the service and the amount of a fee imposed upon any parcel or person as an incident of property ownership must not exceed the proportional cost of the service attributable to the parcel.

It is critical that the District rates be clearly defined and supported by a financial evaluation to make certain that the proposed rates and charges meet the constitutional “Cost of Service” requirements. This evaluation must be clearly explained in a report that provides an administrative record of the rate setting process and methodology.

Staff solicited a proposal from Raftelis Financial Consultants to perform the 2026-27 “Water, Recycled Water, and Wastewater Rate Study”. Staff worked with Raftelis to determine the appropriate scope of work for the new Rate Study that will necessarily address all of the District billing rates. The proposed effort will determine the appropriate rates for the 2026-27 fiscal year as well as establish rates for each of the following four years.

The proposed study will also consider options to “pass through” cost increases for certain external costs, most specifically including the purchased water cost associated with the Metropolitan Water District rates. These “pass-through” costs will be defined in the Proposition 218 Notice allowing rate increases to support increases in the defined “pass through’ costs without requiring a subsequent rate study or Proposition 218 Notice. This approach will remove significant uncertainty in the projection of rates through the proposed five-year period.

Raftelis Financial Consultants have provided the necessary rate studies to the District since the establishment of the District’s tiered rates in 2010. Raftelis is intimately familiar with the District’s rate structure and budgeting practices and are experts on California regulatory requirements relative to rate setting. Sudhir Pardiwala, who will lead the project, has been involved in the District rate studies since 2010. Raftelis is uniquely positioned to efficiently and economically perform the necessary Rate Study.

Staff have developed a preliminary schedule for the 2026-27 budget process that is contemplated and accommodated by Raftelis’ proposed schedule for the determination of rates and generation of the final Rate Study Report.

The Raftelis proposal is attached.

Recommended Action:

Staff recommend that the Board authorize the General Manager to enter into a consulting contract with Raftelis Financial Consultants in the amount of $91,175 to conduct a water, recycled water and wastewater rate study and cost of service analysis.

RAFTELIS

El Toro Water District

Water, Recycled Water, and Wastewater Rate Study

PROPOSAL / SEPTEMBER 10, 2025

RAFTELIS

September 10, 2025

Dennis Cafferty
General Manager
El Toro Water District
24251 Los Alisos Boulevard
Lake Forest, CA 92630

Subject: Proposal for Water, Recycled Water, and Wastewater Rate Study

Dear Mr. Cafferty:

Raftelis Financial Consultants, Inc. (Raftelis) is pleased to present this proposal to the El Toro Water District (District) to conduct the water, recycled water and wastewater rate study. We will conduct the study developing new models using the current models, which are now dated, to minimize costs.

Raftelis has been providing services to the District for over 20 years and we are very familiar with the District and its systems. We also have good working relations with District staff over the years and look forward to nurturing that relationship and assisting the District with its financial goals.

Raftelis has a reputation for providing top quality services. The District is assured that our proposed project team will produce quality results on time and within budget. We appreciate the opportunity to submit this proposal and look forward to assisting the District on this important project. If you have any questions or need additional information, please contact me at 626.583.1894 or spardiwala@raftelis.com.

Sincerely,

Sudhir Pardiwala, PE (CA)
Senior Principal

RAFTELIS CHARITABLE GIFT FUND

Giving back

The Raftelis Charitable Gift Fund seeks to make a difference on issues that matter to our clients and employees by helping build sustainable, inclusive communities locally and worldwide. We do this by allocating company profits and employee contributions of time and money. We support organizations that:

- Promote efficient, sustainable resource use
- Advance diversity, equity, and inclusion within the public sector
- Invest in access to clean water and sanitation
- Help vulnerable communities by addressing affordability issues

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REGISTERED MUNICIPAL ADVISOR

Raftelis is registered with the U.S. Securities and Exchange Commission (SEC) and the Municipal Securities Rulemaking Board (MSRB) as a Municipal Advisor.

Registration as a Municipal Advisor is a requirement under the Dodd-Frank Wall Street Reform and Consumer Protection Act. All firms that provide financial forecasts that include assumptions about the size, timing, and terms for possible future debt issues, as well as debt issuance support services for specific proposed bond issues, including bond feasibility studies and coverage forecasts, must be registered with the SEC and MSRB to legally provide financial opinions and advice. Raftelis' registration as a Municipal Advisor means our clients can be confident that Raftelis is fully qualified and capable of providing financial advice related to all aspects of financial planning in compliance with the applicable regulations of the SEC and the MSRB.

Table of Contents

FIRM OVERVIEW

Who is Raftelis

HELPING LOCAL GOVERNMENTS AND UTILITIES THRIVE

Local government and utility leaders partner with Raftelis to transform their organizations by enhancing performance, planning for the future, identifying top talent, improving their financial condition, and telling their story. We've helped more than 700 organizations in the last year alone.

We believe that Raftelis is the *right fit* for this project. We provide several key factors that will benefit the District and help to make this project a success.

RESOURCES & EXPERTISE: Specialized and highly experienced utility rate consultants that all stakeholders can have confidence in. With more than 190 consultants, Raftelis has the largest water-industry financial and rate consulting practice in the nation. Our depth of resources will allow us to provide the District with the technical expertise necessary to meet your objectives. In addition to having many of the industry's leading rate consultants, we also have experts in key related areas, like stakeholder engagement and data analytics, to provide additional insights as needed.

DEFENSIBLE RECOMMENDATIONS: Industry knowledge to ensure methodologies reflect best practices. Our senior staff is involved in shaping industry standards by chairing various committees within the American Water Works Association (AWWA) and the Water Environment Federation (WEF). Raftelis' staff members have also co-authored many industry-standard books regarding utility finance and rate setting. Being so actively involved in the industry will allow us to keep the District informed of emerging trends and issues and to be confident that our recommendations are insightful and founded on sound industry principles. In addition, with Raftelis' registration as a Municipal Advisor, you can be confident that we are fully qualified and capable of providing financial advice related to all aspects of utility financial planning in compliance with federal regulations.

HISTORY OF SIMILAR SUCCESSES: A long history of project experience to ensure successful execution. Raftelis staff has assisted 1,700+ utilities throughout the U.S. with financial and rate consulting services with wide-ranging needs and objectives, which includes over 350 utilities and local governments in California. Our extensive experience will allow us to provide innovative and insightful recommendations to the District and will provide validation for our proposed methodology ensuring that industry best practices are incorporated.

USER-FRIENDLY MODELING: Powerful and easy-to-use tools for ongoing financial management success. Raftelis has developed some of the most sophisticated yet user-friendly financial/rate models available in the industry. Our models are tools that allow us to examine different policy options and cost allocations and their financial/customer impacts in real time. Our models are non-proprietary and are developed with the expectation that they will be used by the client as a financial planning tool long after the project is complete.

EXPERTS ON CALIFORNIA REGULATORY REQUIREMENTS: This expertise will allow the District to be confident that our recommendations take into account all of these regulatory requirements. The regulatory environment in California has become more stringent due to Proposition 220. Besides developing well-thought-out financial plans, Raftelis staff members are very knowledgeable about these regulations and have made presentations on this subject at various industry conferences. In addition, we are frequently called on to be expert witnesses regarding these regulatory matters

32 years serving the public sector

How we stack up

OUR TEAM INCLUDES

190+ consultants focused on finance/management/communication/technology for the public sector

2 chairs & **16** members of AWWA and WEF utility finance and management committees and subcommittees

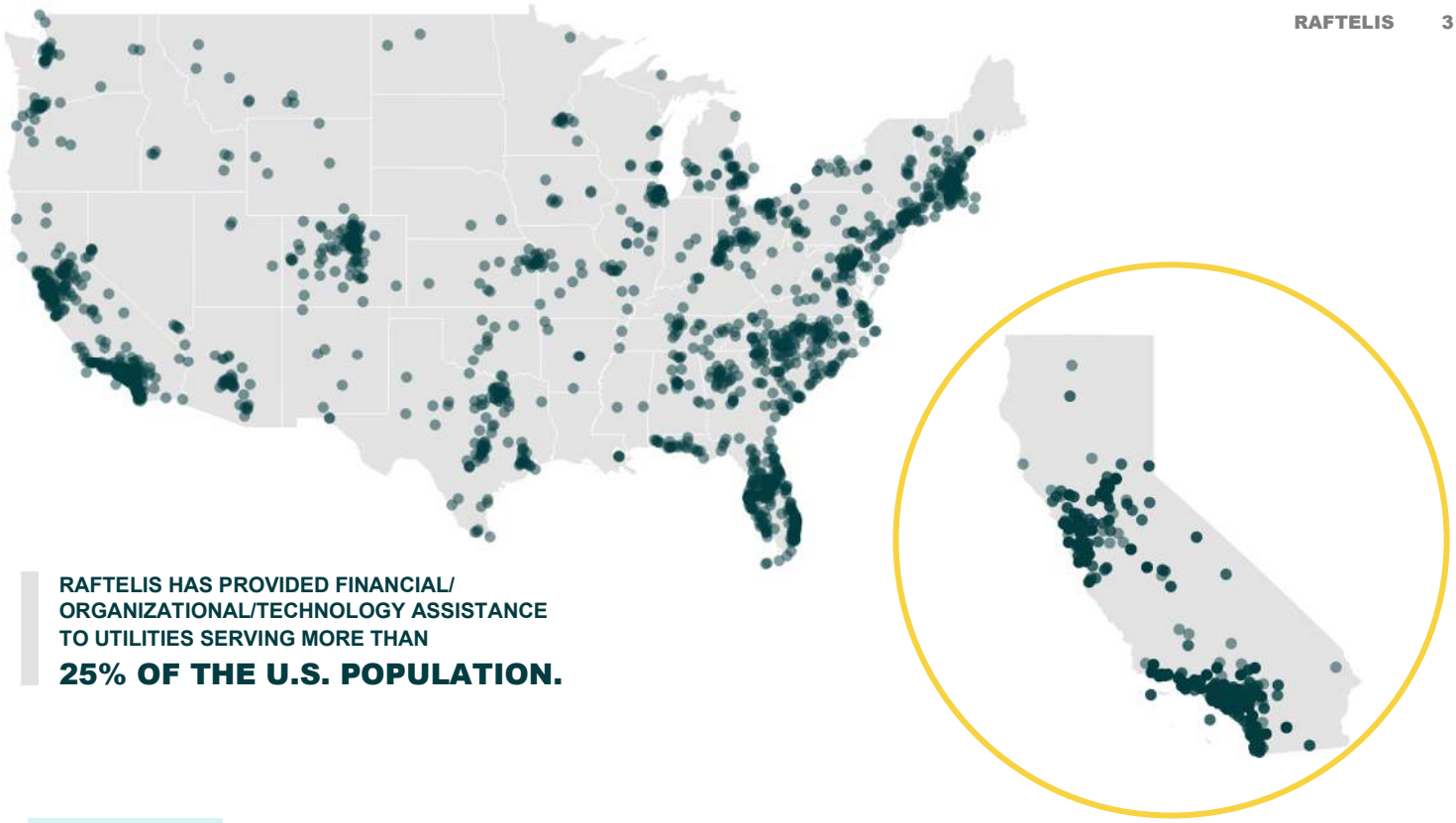
RAFTELIS HAS PROVIDED ASSISTANCE FOR

1,700+ public agencies and utilities

that serve more than **25%** of the U.S. population

including the agencies serving **41** of the nation's 50 largest cities

in the past year alone, we worked on **1,300+** projects for **700+** agencies in **47** states



RAFTELIS HAS PROVIDED FINANCIAL/ ORGANIZATIONAL/TECHNOLOGY ASSISTANCE TO UTILITIES SERVING MORE THAN

25% OF THE U.S. POPULATION.

EXPERIENCE

Experience

RAFTELIS HAS THE MOST EXPERIENCED PUBLIC UTILITY FINANCIAL AND MANAGEMENT CONSULTING PRACTICE IN THE NATION.

Our staff has assisted more than 1,700 public agencies and utilities across the U.S., including some of the largest and most complex agencies in the nation. In the past year alone, Raftelis worked on more than 1,300 financial, organizational, and/or technology consulting projects for over 700 agencies in 47 states, the District of Columbia, and Canada. In addition, we have assisted over 350 utilities and local governments in California. Below, we have provided descriptions of projects that we have worked on that are similar in scope to the District's project. We have included references for each of these clients and urge you to contact them to better understand our capabilities and the quality of service that we provide.

City of Redlands CA

Reference: John Harris, Director, Municipal Utilities and Engineering Department
35 Cajon Street, Suite 15, Redland, CA 92373 / P: 909.798.7658 / E: jharris@cityofredlands.org

Chris Diggs, Water Resources Director at City of Pomona (Former Utility Director at City of Redlands)
PO Box 660, Pomona, CA 91769 / P: 909.557.4963 / E: chris_diggs@ci.pomona.ca.us

Raftelis has been assisting the City of Redlands (City) with its water and wastewater rates since 2004. We update their rates regularly since then. The most recent rate study was conducted in 2024 using the models developed earlier. The City charges separate fees for water source acquisition and facilities. The water source acquisition fees

are based on the costs of purchasing water rights. Raftelis assisted the City with the development of the water acquisition fees and facilities fees. The capacity fee calculation involved a review of the existing assets and future CIP that would benefit both existing and future customers. The calculated fee was based on a hybrid methodology including existing and future facilities. Water source acquisition fees to provide water supply were computed separately. Fees for the non-potable system, including recycled water, were calculated to recover costs and provide incentives to users. Raftelis completed a water and wastewater rate study for the City to review their rate structure in light of Proposition 218 requirements. The goal was to develop rates that adhere to cost of service and pay for necessary capital improvements. The study included a comprehensive review of the City's revenue requirements and allocation methodology, review of the City's user classification, a cost-of-service analysis, and rate design for City users. We assisted the City with a review of their billing system to compile data needed for this study. The study was conducted with input from a 12-member Utility Advisory Committee. Over a dozen workshops with the Committee were conducted to explain concepts, gather feedback from Committee members, and to discuss the overall findings of the study. Raftelis surveyed neighboring utilities to benchmark rates.

Raftelis has a history of working for Redlands. We have been working with the City to update rates every two years since 2004. We did their most recent update in 2024.

Central Contra Costa Sanitary District CA

Reference: Roger Bailey, General Manager
5019 Imhoff Place, Martinez, CA 94553 / P: 925.229.7386 / E: rbailey@centralsan.org

"Central San was fortunate to have Raftelis, a firm of the highest caliber, conduct the District's first comprehensive Staffing Assessment and Cost-of-service Study. Their vast experience, sensitivity to our elected officials and customers concerns regarding the ever-increasing cost of providing sewer service, and their understanding of what it takes to operate a complex system made them the obvious choice. Throughout the assessment process, they were very thorough, engaging, and responsive to the many issues that surfaced. We are excited about continuing of relationship with Raftelis." ***- Roger S. Bailey, General Manager***

Raftelis conducted both an organizational assessment project and a cost-of-service study for Central Contra Costa Sanitary District (District). The District provides secondary wastewater treatment to approximately 467,500 residents and approximately 3,000 businesses in central Contra Costa County from a service area of approximately 144 square miles. Along with the treatment of 35 million gallons per day, the District maintains a collection system of 1,500 miles of pipeline and 19 pumping stations. The study included the following activities:

- Understanding of the District's strategic goals and cultural values and how that impacts staffing and alignment of resources
- Reviewing the operations and staff allocation for Central San's wastewater collection system and operations staff
- Reviewing the capital projects management and engineering section for effective practices and workforce allocation to proactively address asset management
- Examining the future staffing needs of the District with respect to increased capital investment, a more stringent regulatory environment, and expanded distribution of recycled water to the service area
- Ensuring staffing levels allow for proper succession planning to minimize the loss of institutional knowledge with the retirement of key personnel
- Assessing practices and policies for workforce staffing, assignments, and management

- Conducting an employee survey to determine workplace strengths, areas for improvement, and to provide an opportunity for anonymous feedback
- Gauging appropriate staffing levels by conducting an external benchmarking analysis with industry peers
- Conducting off-site workshops with the Board and Executive staff to garner feedback on the progress of the Staffing Plan and Cost-of-service Study

Raftelis conducted over 60 one-on-one and group interviews with all 287 employees to define areas of opportunity for the organization to improve. Throughout the project, Raftelis worked closely with the General Manager, Executive Staff, and the Board to ensure complete transparency and to receive on-going input.

The final report recommended several changes to the organizational structure supported by District management. Using the currently budgeted full-time equivalent employees (no additional staffing), the final recommended organizational changes resulted in:

- Better alignment of common functions
- Improved workforce flexibility
- Enhanced support for supervisor span of control
- Ensured that desired service levels would be met
- Supported succession planning efforts
- Positioned the District for future needs

In addition, several recommendations covering such topics as hiring practices, meeting efficiency, use of technology in the workplace, and observation of the District/Board governance model were also included.

Cost-of-service Study

Raftelis assisted the District in conducting a comprehensive wastewater cost-of-service study. As part of the study, Raftelis thoroughly examined the District's customer classification, cost structure, analyzed wastewater flow and strength data, and evaluated alternative rate structures to develop an equitable rate structure that meets Proposition 218 requirements and the District's goals and objectives. The District's Board of Directors was engaged throughout the study process via workshop presentations.

While the proposed wastewater rates retain the current fixed annual charge per dwelling unit for residential customers, single-family and multi-family customers are separated with different charges to reflect the residential density of each customer class. Non-residential customers will continue to be charged a variable flow charge per hcf based on customer classification. However, upon review of the different customer classifications, two new customer classes: hotels/motels with dining facilities and service stations, are separated from the Standard Commercial class since their loading factors are significantly higher. In addition, loading factors for several customer classes, such as supermarkets, schools, etc., were revised to reflect industry standard strength factors.

Additionally, Raftelis reviewed recycled water rates and developed a wholesale rate for sales to the local water district.

Raftelis assisted the District with an update of the rates for FY18 and is currently assisting the district understand the impacts of the development of the Naval Base and negotiations with the City of Concord about providing wastewater service to that development.

City of Orange CA

Reference: *Water*
Sonny Tran, Assistant Water Manager
300 East Chapman Avenue, Orange, CA 92866 / P: 714.288.2497 / E: stran@cityoforange.org

Wastewater
Frank Sun, Deputy Director Public Works
300 East Chapman Avenue, Orange, CA 92866 / P: 714.744.5529 / E: fsun@cityoforange.org

Water
Steve Gagnon developed a 10-year financial plan and four different rate structure alternatives for the City of Orange (City) to evaluate. The City chose a 3-tier volumetric rate based on the costs to serve water in each tier and a uniform rate for non-residential classes. The City also chose to discontinue the outside city rates, continue a pumping zone charge for higher elevation customers, and incorporate a fixed and volumetric capital charge to clearly identify the rate impacts of capital projects. Raftelis worked with City staff to convey the pros and cons of each billing rate structure.

Wastewater
Steve prepared a 10-year financial plan and rates for the wastewater enterprise. The rates included a capital component to convey the need for capital funding. The rates were also redesigned to reflect estimated sewer discharge as opposed to water use to truly reflect customer use of the sewer collection system.

CALIFORNIA EXPERIENCE

This table lists the California utilities that Raftelis has assisted over the past five years on financial, rate, and/or management consulting projects.

Client	Affordability Analysis & Program Development	Debt Issuance Support	Dispute Resolution	Financial & Capital Improvements Planning	Rate Case Support	Rate Design	Risk Analysis	Cost of Service	Development/Impact Fees	Stormwater Utility Development	Organizational Optimization	Water/Wastewater Utility Valuation
Alameda County Water District		●		●		●	●	●	●			
Anaheim, City of				●		●	●	●				
Arroyo Grande, City of				●		●	●	●				
Atwater, City of				●	●	●		●				
Bakersfield, City of		●		●		●		●				
Benicia, City of									●			
Beverly Hills, City of		●		●		●	●	●	●		●	
Borrego Water District			●	●		●						
Brea, City of				●		●		●				
Brentwood (CA), City of				●		●	●	●				
CAL FIRE/San Luis Obispo								●				
Calleguas Municipal Water District		●		●		●	●	●				
Camarillo, City of		●		●		●		●	●			
Carlsbad Municipal Water District		●		●		●	●	●				
Casitas Municipal Water District				●		●		●				
Castaic Lake Water Agency			●	●		●	●	●	●			
Central Basin Municipal Water District		●		●			●	●				
Central Contra Costa Sanitary District				●		●		●				
Channel Islands Beach Community Services District				●		●		●				
Chino Hills, City of				●		●		●				
Chino, City of				●		●		●				
Chowchilla, City of				●		●	●	●				
Corona, City of						●			●			
County of San Diego				●				●		●		
Crescenta Valley Water District				●		●		●				
Cucamonga Valley Water District				●		●						
Del Mar Union School District		●										
Delta Diablo Sanitation District											●	
East Bay Municipal Utility District				●				●	●			
East Orange County Water District				●		●		●	●			
East Valley Water District				●		●	●	●				
Eastern Municipal Water District				●								
El Toro Water District				●		●		●				
Elk Grove Water District	●			●		●	●	●	●			
Elsinore Valley Municipal Water District				●		●			●			
Escondido, City of		●		●		●	●	●	●			
Galt, City of		●		●		●		●	●			
Glendora, City of						●						
Goleta Water District				●		●	●	●				
Goleta West Sanitary District			●	●		●	●	●	●			
Helix Water District				●		●		●				
Henderson, City of				●		●		●	●			
Hollister, City of				●		●		●	●			
Holtville, City of				●				●				
Huntington Beach, City of				●		●	●	●				
Imperial County				●		●		●				
Inland Empire Utilities Agency				●								

Client	Affordability Analysis & Program Development	Debt Issuance Support	Dispute Resolution	Financial & Capital Improvements Planning	Rate Case Support	Rate Design	Risk Analysis	Cost of Service	Development/Impact Fees	Stormwater Utility Development	Organizational Optimization	Water/Wastewater Utility Valuation
Irvine Unified School District		●										
Jurupa Community Services District				●		●	●	●				
Kern County Water Agency					●							
La Canada Irrigation District				●		●		●				
La Habra Heights County Water District				●		●	●	●	●			
Laguna Beach, City of				●								
Lake Valley Fire Protection District				●			●	●				
Las Virgenes Municipal Water District				●		●		●				
Leucadia Wastewater District				●		●						
Livermore, City of				●		●		●	●			
Long Beach City of	●	●		●		●		●				
Los Alamos Community Services District		●		●		●		●	●			
Los Angeles Department of Water and Power						●		●				
Los Angeles, City of Bureau of Sanitation					●							
Madera, City of		●		●								
Mammoth Community Water District				●		●		●				
Marin Municipal Water District					●							
Merced, City of				●		●		●	●			
Mesa Water District				●				●				
Metropolitan Water District of Southern California			●									
Modesto Irrigation District						●		●				
Mojave Water Agency				●		●	●					
Monterey County Water Resources Agency				●		●		●				
Monterey, City of		●		●		●	●					
Moulton Niguel Water District									●			
Municipal Water District of Orange County					●			●				
Napa Sanitation District				●		●		●				
Ojai Valley Sanitary District				●		●		●				
Olivenhain Municipal Water District				●		●	●					
Ontario Municipal Utilities Company								●				
Ontario, City of				●		●	●	●				
Orange, City of				●		●		●				
Palo Alto, City of				●		●	●	●				
Phelan Pinon Hills Community Services District	●			●		●		●	●			
Placer County Water Agency					●			●				
Pleasant Hill Recreation & Park District				●				●				
Pomona, City of				●		●		●	●			
Rainbow Municipal Water District				●		●	●	●				
Ramona Municipal Water District				●		●		●				
Rancho California Water District						●	●	●	●			
Redlands, City of				●		●	●	●	●			
Rincon del Diablo Municipal Water District				●		●		●				
Riverside Public Utilities				●		●	●	●	●			
Roseville, City of		●		●					●			
Sacramento Regional County Sanitation District						●						
Sacramento, City of				●		●		●				

Client	Affordability Analysis & Program Development	Debt Issuance Support	Dispute Resolution	Financial & Capital Improvements Planning	Rate Case Support	Rate Design	Risk Analysis	Cost of Service	Development/Impact Fees	Stormwater Utility Development	Organizational Optimization	Water/Wastewater Utility Valuation
Salton Community Services District				●				●				
San Bernardino Valley Municipal Water District						●						
San Bernardino, County of				●		●		●	●			
San Clemente, City of				●		●	●	●				
San Diego, City of Public Utilities Department		●	●	●		●	●	●	●			
San Dieguito Water District				●		●		●				
San Elijo Joint Powers Authority				●	●	●	●	●	●			
San Gabriel County Water District				●		●		●				
San Gabriel, City of				●		●		●				
San Jose, City of								●				
San Juan Capistrano, City of				●		●	●	●	●			
Santa Ana, City of								●				
Santa Barbara, City of				●		●	●	●	●			
Santa Clara Valley Water District			●	●	●							
Santa Clarita Water District		●		●		●	●	●	●			
Santa Cruz, City of				●		●	●	●				
Santa Fe Irrigation District				●		●	●	●	●			
Santa Fe Springs, City of				●		●		●				
Santa Margarita Water District				●		●	●	●				
Santa Rosa, City Attorney's Office									●			
Scotts Valley Water District		●		●		●	●	●	●			
Shafter, City of				●		●		●				
Shasta Lake, City of				●		●	●	●				
Sierra Madre, City of	●			●		●		●				
Signal Hill, City of				●		●		●				
Simi Valley, City of				●		●	●	●	●			
Sonoma, City of				●		●		●				
South Mesa Water Company				●		●	●	●				
South Pasadena, City of				●		●		●				
South San Francisco, City of				●				●				
Sunnyslope County Water District				●		●	●	●	●			
Sweetwater Authority				●		●		●				
Temescal Valley Water District				●		●		●	●			
Thousand Oaks, City of				●		●	●	●	●			
Torrance, City of				●		●		●				
Trabuco Canyon Water District				●		●		●				
Triunfo Sanitation District				●		●		●				
Tustin, City of				●		●		●				
Union Sanitary District				●		●	●	●	●			
Ventura Regional Sanitation District				●		●		●				
Ventura, City of	●	●	●	●	●	●	●	●	●			
Vista, City of				●		●			●			
Walnut Valley Water District				●		●		●				
Watsonville, City of	●			●		●	●	●				
West Basin Municipal Water District				●		●	●	●				
Western Municipal Water District				●		●		●	●			
Yorba Linda Water District				●		●		●				
Zone 7 Water Agency				●		●		●				

PROJECT APPROACH

Project Understanding

El Toro Water District (District) has been updating its water, wastewater and recycled water rates regularly for many years. To minimize costs and make the process more efficient the District is planning to set rates for multiple years. With water costs increasing at a more rapid pace it is difficult to set multi-year rates predicting future costs for water. The District is therefore planning to pass through costs of water and power and wholesale wastewater treatment costs to ensure adequate cost recovery. To ensure that the financial plan and rates can be appropriately set, Raftelis is proposing to develop a new model incorporating these features so that rates can be more easily adopted in future years. The District will issue its Proposition 218 notice including features that allow the pass-through of costs over which the District has no control. The rates will be effective July 2026.

Project Approach

Based on our understanding and discussion with District staff, we propose the following tasks to address the District's needs.

Task 1 – Project Management

This project component includes general project coordination, staff direction, and administrative activities throughout the course of the project. Specific subtasks are:

1.1 Coordinate project activities among Raftelis staff and District staff. Provide direction to staff as required to meet project objectives and deadlines. Ensure adequate levels of staff and resources throughout the course of the project. Review all study-related work and provide overall quality assurance.

1.2 Perform general administrative duties, including client correspondence, billing, and project documentation.

Task 2 – Project Initiation Meeting and Data Collection

This project component will provide opportunity to establish lines of communication; review project missions, goals, and objectives; review project schedule and major milestones; collect pertinent data for the study, and discuss any relevant background information. The session will also facilitate discussions of the overall approach and strategies that will be used by the District and Raftelis during the course of the project. Specific subtasks are:

2.1 Prepare an initial request for billing, financial and operational data and other pertinent information needed prior to the first meeting with District staff. A list of typical data required for the study will be provided before the first meeting.

2.2 Obtain and review the data and determine completeness and accuracy.

2.3 Review the District’s current practices and policy objectives, identify major interests and concerns, and review District billing information.

2.4 Conduct a kick-off meeting with District staff to establish goals and objectives, to identify major interest, concerns, and District’s expectations. The session will also facilitate a review of the overall study approach, schedule, and deliverables.

CAPITAL IMPROVEMENT PROGRAM FINANCING

Task 3 - Capital Financial Plan

Raftelis will review the capital improvement projects (CIP) including annual replacements, additions and improvements to the water, recycled water, and wastewater systems. Separate rates for capital costs to be charged for water, wastewater and recycled water based on current methodology will be developed for multiple years based on the CIP and estimated cost inflation.

DETERMINATION OF REVENUE REQUIREMENTS

The financial planning model will be designed to accommodate the District's budget and include the purchased water worksheet and dashboard to conduct scenario analysis. To minimize costs we will use the models already developed previously for the District to build the new models.

Task 4 – Revenue Requirement Projections

The objective of this task is to project the District's revenue needs for the study period of ten years. This major task requires: an assessment of revenues based on the existing rates and fee schedules; an estimation of future revenue requirements; the District's ability to meet projected revenue requirements; and the determination of the level of revenue adjustments and additional financing requirements. The following subtasks will be completed:

4.1 Estimate water, recycled water, and wastewater revenues based on current rates, water purchase costs, incorporating the projected number of customers and service requirements. Recent studies of population trends and growth will be reviewed and used in making projections of customers and associated usage.

4.2 Review and project revenues from miscellaneous sources such as interest earnings, miscellaneous service fees, fire line revenues, or other sources.

4.3 Develop annual revenue requirements for the water, recycled water, and wastewater operations of the District taking into consideration the following factors:

- Historical data and current year's budgets
- Current operation and maintenance expenses
- Water purchase costs for CY 2026 and future years, if available
- Future system service requirements and system growth
- Expected operational changes and inflation
- Debt service on existing and any proposed new financing methods including appropriate reserves
- Other cash obligations

4.4 Develop future cash flow analyses for the water, recycled water and wastewater operations for a ten-year study period showing application of revenue under existing rate levels. On the basis of the cash flow analyses, develop revenue level adjustments needed to meet projected revenue requirements. The ten -year plan provides a preview of the potential future adjustments, even though only five years maximum can be implemented with pass-throughs

4.5 Evaluate and recommend operating and capital reserve balances that meet the District's policy for water and wastewater funds.

COST OF SERVICE AND RATE DESIGN

We will design the new cost-of-service rate design model to include the rate calculations and bill impacts. We will update the cost-of-service allocations previously developed in the rate model to reflect cost-causative concepts in accordance with generally accepted utility practices, generate unit costs, and develop rates.

Task 5 – Cost-of-service Analysis

Raftelis will allocate cost of service to current customer classifications. Specific subtasks include the following:

5.1 Based on current rates, we will update the relative responsibility of each customer class for each of the functional cost elements. Elements will be based on billing summary data, and other locally available data which may be applicable.

5.2 Update the allocations of the cost of service to the various cost components which constitute a cost classification of the different types of service the District provides. Cost causation components for water will include base or volume-related costs, extra capacity costs, fire protection costs, and customer costs. Cost causation components for wastewater will include volume, strength (BOD and TSS), infiltration and Inflow (I&I), and customer costs. These will represent the revenue requirements to be met from water and wastewater charges and fees over the study period.

5.3 Distribute the cost causation components to the various customer classifications identified above based on each class's relative responsibility for the service provided. Costs will be allocated based on the determination of units of service for each customer classification and the application of unit costs of service to the respective units.

5.4 Compare existing revenue under existing rates by each customer class with the allocated cost of service to determine:

- the adequacy of present revenue levels for each class
- the indicated adjustment in rates required to equitably distribute costs to the respective classes of customers

5.5 Throughout the cost allocation process, Raftelis will comply with District policy considerations, procedures, and all currently known federal, state, and local rules, regulations, and guidelines applicable to charges for water and wastewater services.

Task 6 – Review and Design of Rates

The water, recycled water, and wastewater revenue requirements from each customer class will be recovered through the existing rate structure. The current data on water budgets will be utilized to design the water rates. All rates will be developed for five years. The following subtasks will be performed:

6.1 Prepare comparisons of typical water bills for each customer class under existing and proposed rates for typical levels of usage.

Task 7 – Meetings and Draft Report

Throughout the course of the study, Raftelis will participate in meetings, presentations and prepare project reports as follows:

7.1 Raftelis will conduct mid-course meetings to discuss the course of the study, establish goals, review and evaluate major items of concern, identify impacts, and seek direction. We will review calculated rates and discuss impacts on selected customer groups to allow staff to preview the results and provide direction.

7.2 Prepare the water and wastewater draft report, which will include findings and recommendations along with various graphics and tables for the District's review.

7.3 Deliver to the District an updated Excel-based rate model used to develop the proposed rates and rate schedules.

Task 8 – Assist with Proposition 218 Notice

Raftelis will review the Proposition 218 notice prepared by the District to ensure that pass-through language and other regulatory provisions, such as the 120-day challenge and objections to the rates by the customers to preclude challenges, are properly included to minimize potential issues.

Task 9 –Final Report

Raftelis will prepare a final report encompassing all study findings, input, and recommendations at the conclusion of the project and present findings to District staff and at a public hearing. Specific subtasks include:

9.1 Incorporate the District's and legal comments of the draft report into the final report.

9.2 Present the final report and recommendations to the District Board.

Task 10 – Prepare Bill Calculator

Raftelis will design a bill calculator to be installed on the District's web site to show the water and wastewater bills for customers.

Schedule and Deliverables

Raftelis has a strong track record of meeting client schedules and believe our experience and ample resources will enable us to meet the District's goals in a timely and efficient manner. We expect the study to be completed in time for implementation in June 2026 , assuming the Board approves the proposal on September 22.

Some of the critical data to receive data and provide preliminary results and deliverables are:

- Receive Water Budget data – October 16
- Receive Capital Budget Data / Revenue Requirement – October 30
- Receive preliminary Expense data in the final format – November 30 and final Expense Budget Data – January 22
- Provide Preliminary Rates – February 19
- Provide Draft Rate Study Report – March 18
- Provide Final Rate Study Report – April 1
- Public Hearing – June 11

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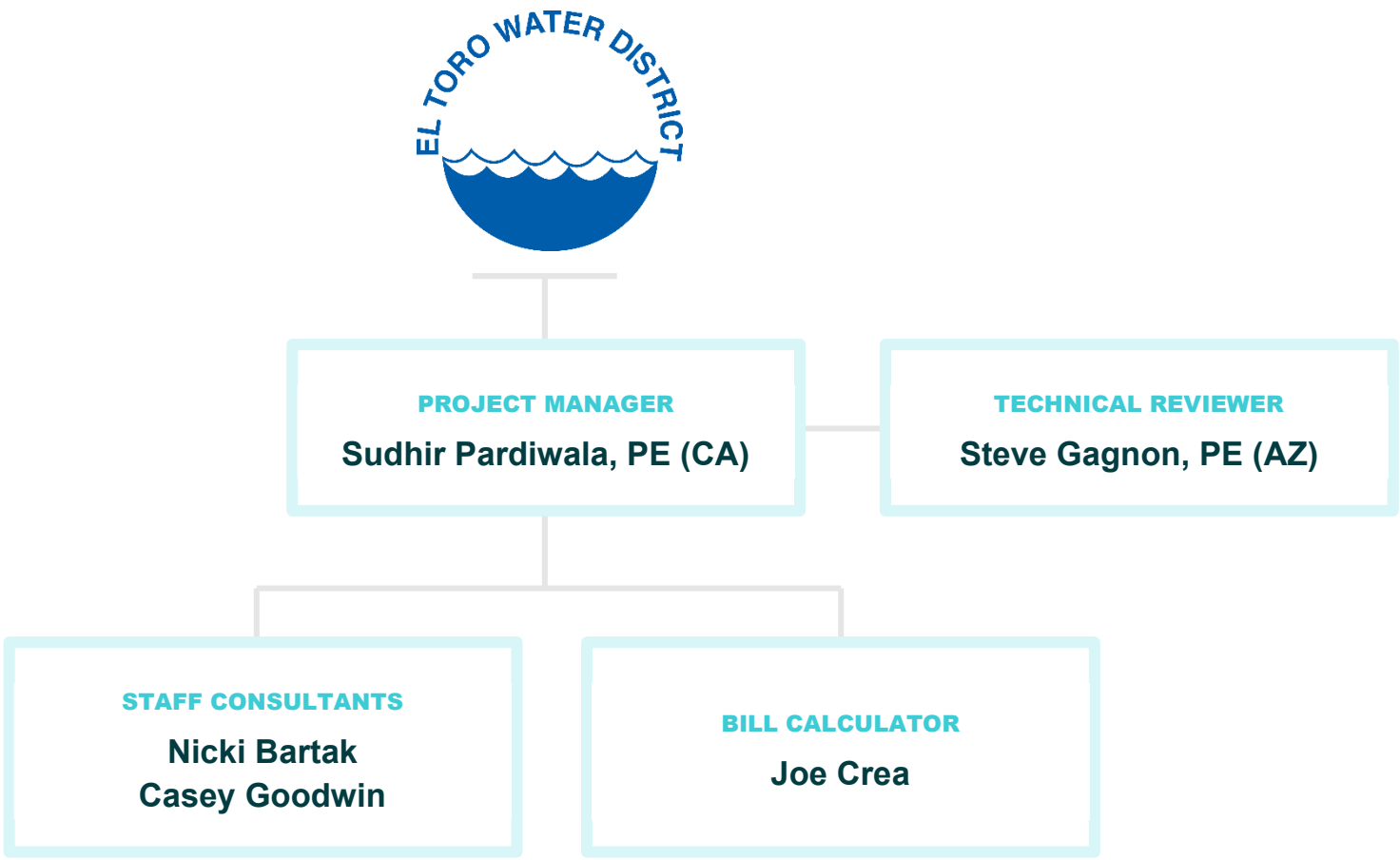
PROJECT TEAM

Project Team

WE HAVE DEVELOPED A TEAM OF CONSULTANTS WHO SPECIALIZE IN THE SPECIFIC ELEMENTS THAT WILL BE CRITICAL TO THE SUCCESS OF THE DISTRICT'S PROJECT.

Our team includes senior-level professionals to provide experienced project leadership with support from talented consultant staff. This close-knit group has frequently collaborated on similar successful projects, providing the District with confidence in our capabilities.

Here, we have included an organizational chart showing the structure of our project team. In the Appendix, we have included resumes for each of our team members as well as a description of their role on the project.



COST

Cost

The following table provides a breakdown of our proposed fee for this project. This table includes the estimated level of effort required for completing each task. As we have in the past, Raftelis will accomplish tasks efficiently to minimize expenses and may not use all the budget shown.Expenses include costs associated with travel and a $10 per hour technology charge covering computers, networks, telephones, postage, etc.

Our scope of work includes the number of in-person and/or virtual meetings shown in the table below. Should the District require additional meetings or presentations to stakeholders, these can be arranged upon request at an added cost, which will be determined based on the scope and content of the meeting and/or presentation requested.

	Meetings		Hours						
Tasks	Virtual	In Person	Sudhir Pardiwala	Steve Gagnon	Joe Crea	Senior Consultant	Admin	Total Hours	Total Fees & Expenses
1. Project Management			2	8		2	2	14	$4,710
2. Project Initiation Meeting and Data Collection	1		2			10		12	$3,570
3. Capital Financial Plan	1		4			12		16	$4,980
4. Revenue Requirement Projections	3		10			60		70	$20,550
5. Cost-of-service Analysis			10			40		50	$15,150
6. Review and Design of Rates	2		8			32		40	$12,120
7. Meetings and Draft Report	2	2	10			55		65	$20,500
8. Assist with Proposition 218 Notice	1		4			2		6	$2,280
9. Final Report			2			8		10	$3,030
10. Prepare Bill Calculator			1		10			11	$4,285
	10	2	53	8	10	221	2	294	
	–	–	$425	$375	$375	$260	$100	–	
	–	–	$22,525	$3,000	$3,750	$57,460	$200	$86,935	$86,935
							Travel Expenses		$1,300
							Technology Fee		$2,940
							Total Expenses		$4,240
							Total Fees & Expenses		$91,175

Hourly rates for our staff are shown below:

Position	Billing Rate
Senior Principal/Executive Vice President	$425
Vice President	$375
Senior Manager	$340
Manager	$295
Senior Consultant	$260
Consultant	$230
Associate Consultant	$195
Administration	$100
Technology/Communications Charge**	$10

This proposal may be used to form an agreement by signing below and returning a copy for our records. We look forward to working with you and appreciate the opportunity to you on this study. Please call me if you have any questions.

Sincerely,

Raftelis Financial Consultants, Inc

By:_____

Sudhir Pardiwala, PE
Senior Principal

El Toro Water District

By:_____

APPENDIX: RESUMES

Appendix: Resumes

Sudhir Pardiwala PE (CA)

PROJECT MANAGER
Senior Principal

Specialties
- Cost-of-service rate studies
- Conservation & drought management studies
- Economic analyses
- Water & wastewater utility cost accounting
- Valuation
- Financial & revenue planning
- Assessment engineering
- Reviewing/obtaining capital improvement funding
- Computer modeling

Professional History
- Raftelis: Senior Principal (2025-present); Executive Vice President (2013-present); Vice President (2004-2013)
- Black & Veatch: Principal Consultant
- (1997-2004)
- MWH: Principal Engineer (1985-1997)
- CF Braun: Senior Engineer (1979-1985)
- PFR Engineering Systems: Research Engineer (1977-1979)

Education
- Master of Business Administration - University of California, Los Angeles (1982)
- Master of Science in Chemical Engineering - Arizona State University (1976)
- Bachelor of Science in Chemical Engineering - Indian Institute of Technology, Bombay (1974)

Certifications
- Series 50 Municipal Advisor Representative

Professional Registrations
- Registered Professional Engineer, California: Civil (1988); Chemical (1981)

Professional Memberships
- AWWA
- WEF
- California Municipal Finance Officers Association

ROLE

Sudhir will manage the day-to-day aspects of the project ensuring it is within budget, on schedule, and effectively meets the District's objectives. He will also lead the consulting staff in conducting analyses and preparing deliverables for the project. Sudhir will serve as the District's main point of contact for the project.

PROFILE

Sudhir has 45 years of experience in financial studies and engineering. He has extensive expertise in water and wastewater utility financial and revenue planning, valuation, and assessment engineering. He has conducted numerous water, wastewater, stormwater, and reclaimed water rate studies involving conservation, drought management, risk analysis, as well as system development fee studies, and has developed computerized models for these financial evaluations. Sudhir has assisted public agencies in reviewing and obtaining alternate sources of funding for capital improvements, including low-interest state and federal loans and grants. He has assisted several utilities with State Revolving Fund and Water Reclamation Bond loans. Sudhir authored the chapter on reclaimed water rates in the *Manual of Practice No. 27, Financing and Charges for Wastewater Systems*, published by the Water Environment Federation (WEF). He also authored a chapter entitled, "Recycled Water Rates," for the Fourth Edition of the industry guidebook, *Water and Wastewater Finance and Pricing: The Changing Landscape*. Sudhir was vice-chairman of the California-Nevada AWWA Business Management Division and Chairman of the Financial Management Committee.

KEY PROJECT EXPERIENCE

City of Redlands (CA): Impact Fee Study, Non-Potable Water Fee Study, Rocky MWC, Valuation and Lease Study, Bi-Annual Rate Updates, Reclaimed Water Funding, Water and Wastewater Rate Study

Sudhir has managed several financial projects for the City of Redlands (City) including water, wastewater and reclaimed water projects. The studies were conducted with extensive stakeholder input and multiple meetings with a Utilities Advisory Commission composed of local residents, businesses, and other interested parties. The first rate studies involved significant rate adjustments as well as rate structure adjustments to ensure financial stability, meet debt coverage and regulatory requirements. The analysis included calculation of outside-City charges and impact fees. The City received user-friendly working rate models for future updates. Sudhir assisted the City with State Revolving Fund loans for reclaimed water and potable water. He helped

them find grants for the reclaimed water project and water treatment plant upgrade. He has been assisting the City biennially with their water, wastewater and recycled water rates.

City of Vallejo (CA): Water Financial Plan and Rate Study

The City of Vallejo (City) engaged Raftelis to develop a financial plan for the water utility to ensure that the City would not be in technical default of its bond covenants after another consultant had completed a rate study. In short order, Raftelis prepared a Financial Plan to help the City tide over the immediate crisis and assisted with developing a Proposition 218 notice and with mailing it to over 42,000 customers and properties. Subsequently, the City again engaged Raftelis in a competitive proposal process to conduct a cost-of-service and rate study. The City has multiple service areas and financial plan and rates were determined for each area. Raftelis redefined the tiers based on the water usage patterns in the City single family class and developed uniform rates by customer class for multi-family, non-residential, raw water and construction classes. Raftelis made several presentations to a Utility Advisory Committee and supported staff in workshops with City Council. The City Council accepted our report and Raftelis assisted in drafting the Proposition 218 notice and mailing it. Raftelis also calculated rates for contract customers American Canyon and Travis Air Force Base schools.

City of Brentwood (CA): Water and Wastewater Rate Study

Sudhir served as project manager for a water and wastewater rate study for the City of Brentwood (City) that involved a comprehensive review of the City's financial plan and rate structure. The City has a total of over 17,500 water and wastewater accounts. Water is supplied through two main sources: local groundwater, from the City's groundwater wells, and surface water that originates from rivers within the Sierra mountain range and flow into the Delta. Surface water is treated at the City of Brentwood Water Treatment Plant (Brentwood TP) and the Randall Bold Water Treatment Plant (RBWTP). Wastewater services are provided by the City's Wastewater Treatment Plant with a capacity to treat 5.0 million gallons of wastewater per day (MGD). The study included a comprehensive review of the City's revenue requirements and allocation methodology, a review of City's user classification, a cost-of-service analysis, and rate design for City users. The resulting rates were fair and equitable and met the fiscal needs of the City's utilities in the context of the City's overall policy objectives and were designed for simplicity of administration, cost effective implementation and ease of communication to customers. The study also included drought surcharges that vary based on the water shortage level that the City can implement as necessary to recover the revenue shortfall that occurs as a result of demand reduction during water shortage situations. Raftelis developed a user friendly model so that various scenarios could be evaluated on the fly. The City appreciated the flexibility of using this model during the course of the study. Raftelis calculated wastewater rates based on flow and strength for differ classes of customers. Raftelis assisted with the Proposition 218 notice and the public hearing. Raftelis has been retained for two rate cycles for the City.

City of Los Angeles (CA): Solid Waste and Wastewater

Sudhir was project manager on studies to develop rates and rate models for solid waste and wastewater utilities. The City wanted to have a planning tool in-house to evaluate what if scenarios, impacts and determine rates for various customers. The model incorporated many user-friendly features to assist the City update rates and prepare financial plans on an annual basis. Solid waste rates included non-residential customers based on size of containers and frequency of collection. Wastewater rates to the 27 subscribing agencies discharging to the City's wastewater treatment facilities were also determined. This involved complex calculations and allocations to wastewater loadings, conveyance distance, etc. Connection or impact fees were also included in the model. User training, model documentation, regular updates and ongoing service were also included in this project.

City of Pasadena (CA): Solid Waste Roll-out Rate Study

Sudhir was project manager for a study for the City to determine roll-out charges for solid waste services provided by the City. Certain customers in the City needed assistance with rolling out their containers and replacing them again. Sudhir analyzed the costs associated with this service and set up a charge for it.

City of Ontario (CA): Water, Wastewater and Solid Waste Rate Study

Sudhir served as project manager on multiple water, wastewater and solid waste rate studies. The study included a comprehensive review of the City of Ontario's (City) revenue requirements and allocation methodology, review of user classifications, a cost-of-service analysis, and rate design for City users.

Raftelis designed tiered water rates, recycled rates and wastewater rates considering Inland Empire Utilities Agency (IEUA) rates. Solid waste rates were designed to recover costs. Raftelis provided the City with a model that is used for planning purposes by the City. The City has engaged Raftelis multiple times to update these rates, optimize water sources to minimize costs.

City of Palo Alto (CA): Water Rate Study

Sudhir was project manager for a study for the City of Palo Alto (City) to determine the cost-of-service rates consistent with Proposition 218. The study involved review of fire service charges, booster pumping rates, strict adherence to cost-of-service principles. The study was conducted with the participation of a citizens' advisory committee. Raftelis developed a user-friendly rate model, provided City staff training on use of the model. The proposed rates were implemented July 1, 2012. Raftelis assisted The City with an update developing conservation rates with the State mandated reductions in usage.

City of Santa Barbara (CA): Water and Wastewater Rate Study

Sudhir has assisted the City of Santa Barbara (City) with their water, wastewater and recycled water financial plans and cost-of-service rates studies involving rates for different customer classes including agriculture, outside City, tiered residential, commercial etc. Wastewater rates were developed for various funding sources including grants and SRF loans. The City is facing severe water supply shortages and water rates included evaluation of multiple drought stages, the rates and impacts on customers as well as funding desalination to provide adequate supplies for the City's customers. Raftelis also evaluated system capacity fees for new water and wastewater customers.

Olivenhain Municipal Water District (CA): Water and Wastewater Financial Planning Studies and Recycled Water Rate Study and Capacity Fee Studies

Sudhir assisted the Olivenhain Municipal Water District (District) in conducting a water financial plan study and a recycled water rate study to determine the recycled water rates charged to customers. The water financial planning model was developed to assist the District in evaluating different financing alternatives to minimize rate impacts and ensure financial stability. The water model was effectively used in Board meetings and presentations to evaluate the impacts of various scenarios. Additionally, Raftelis calculated drought/conservation rates for different stages of cutbacks. The recycled water rate study was conducted to determine the recycled water rates charged to customers given that the District obtains recycled water from four different sources: the City of San Diego, Vallecitos Water District, Rancho Santa Fe Community Services District, and the 4S Regional Recycled Water System. The existing agreements defined the costs of different sources of recycled water to the District. To address all of those issues and concerns, Raftelis developed a recycled water financial and rate model to determine the costs of providing service and the required revenue to be collected from customers. In addition, the model is built to evaluate when the District is able to take over the 4S Regional Recycled Water System, as stated in the agreement with the developer.

City of Sacramento (CA): Wastewater Rate Study

Sudhir managed a wastewater rate study to examine the charges associated with different types of residential and non-residential customers. The study included a comprehensive review of the City's revenue requirements and allocation methodology, review of City's user classification, a cost-of-service analysis, and rate design for City users. Sacramento is one of the few large Cities in the State that does not meter residential and a significant number of non-residential customers. The strength and flow allocation to these customers was revised. The resultant rates were fair and equitable and met the fiscal needs of the City's wastewater utility in the context of the City's overall policy objectives and were designed for simplicity of administration, cost effective implementation and ease of communication to customers. Subsequently, Sudhir also completed water, wastewater and stormwater rate structuring studies for the City.

City of San Diego (CA): Water, Wastewater and Reclaimed Water Rate Studies

Sudhir conducted numerous studies for the City of San Diego (City), including a water, wastewater and reclaimed water rate study. The entire wastewater rate study was conducted with extensive stakeholder group involvement because of the changes required in the wastewater rate structure to meet regulatory requirements. In addition, Sudhir served as project manager for the City's reclaimed water rate study, impact fee studies for both water and wastewater, and a transportation charges study for agencies contributing to the City's regional wastewater facility. Sudhir also managed a water demand study which involved statistical analysis of historical water consumption to model projections based on weather, economic activity, population, inflation, etc. Sudhir evaluated the feasibility of a water budget rate structure for the City. He assisted the City with the Proposition 218 noticing and public outreach.

City of Beverly Hills (CA): Water and Wastewater Rate Studies and Capacity Fees

Sudhir served as project manager for Raftelis' engagement with the City of Beverly Hills (City) water and wastewater rate studies. Raftelis was engaged by the City to develop a rate and financial planning model that would be used to evaluate alternative rate structures and to provide more detailed forecasts to assist in the preparation of updating rates in future years. Raftelis modeled numerous alternative rate structures and reviewed customer and revenue impacts before recommending that the City modify its current three tiered rate structure to include a fourth tier that targets large irrigation usage. In addition, Raftelis recommended that the costs of service based on flow and strength. Raftelis continues to provide biennial updates to the City model so that rates may be projected in future years.

Ventura County Water and Sanitation Department (CA): Water Cost-of-Service and Rate Study

Ventura County Water and Sanitation District engaged Raftelis to conduct a comprehensive water cost-of-service and rate study for four of the County's Water Districts. Sudhir directed a comprehensive review of each District's revenue requirements and customer classifications and led the development of a rate model containing a cost-of-service analysis and rate design. Sudhir and hist team helped identify a rate structure and rates which were simplified, ensured sufficient revenue for operational and capital expenses and reserve requirements for each District and were defensible under California's rate setting regulations, such as Proposition 218. Sudhir ensured the results met each District's objectives and included the feedback of the District Citizens Advisory Committee. Sudhir helped coordinate the development of online bill calculators to help customers estimate the impacts of proposed changes. Sudhir also directed a thorough review of the District's connection fees, miscellaneous fees, and rules and regulations and provided recommendations for improvements to meet best practices and improve operations.

City of Ventura (CA): Water, Wastewater, and Recycled Water Cost-of-Service and Rate Study

Sudhir served as project manager for a water, wastewater, and recycled water cost-of-service and rate study for the City of Ventura (City). The City had not updated its rate structure in 20 years. Additionally, the City was under a

cease-and-desist order that required the City to carry out improvements estimated at more than $55 million, and which the City wanted to start funding to mitigate impacts. The goal of the study was to develop conservation-oriented rates consistent with cost-of-service to recover adequate revenues to pay for necessary capital improvements, meet debt service coverage requirements, as well as maintaining sufficient reserve requirements. The study included a comprehensive review of the City's revenue requirements and allocation methodology, review of the City's user classification, usage patterns, a cost-of-service analysis, and rate design for City users. Raftelis developed long-range financial plans so that the water and wastewater utilities could be financially stable and save costs in the long run. We also assisted the City with developing different water and wastewater rate alternatives with various scenarios as well as calculating outside-city rates. The study was conducted with several meetings and input from stakeholders comprised of customers within the City. Raftelis educated the Citizen Advisory Committee on the basics of rates, cost allocations, and rate design to obtain their buy-in through the use of the dashboards in the rate models we developed for them to demonstrate the impacts of various revenue adjustments on the long-term financial stability of the enterprises. Raftelis also developed a schedule for funding a major wastewater program required by environmental groups. Recommended rates were implemented for two years in July 2012. Raftelis updated rates for the City in 2014 and provided water drought rates.

Goleta West Sanitary District (CA): Financial Planning Study, Rate Study, Annexation/Connection/Miscellaneous Fee Study, Reserves Policy Development

Sudhir has been Goleta West Sanitary District's (District) financial consultant for over more than 15 years. During that time he has assisted the District with financial planning, development and financing their replacement and refurbishment program, developing a rate structure, annexation fees, connection fees, miscellaneous fees, reserves policy development, and other financial issues. The District charges customers on the tax roll. Raftelis developed the data to be included on the tax roll and the District now manages it.

Clark County Water Reclamation District (NV): Cost-of-Service Study

Sudhir was project manager for a cost-of-service study for the Clark County Water Reclamation District (District) to help evaluate the current system of rates and charges to ensure that users were being charged appropriately. The District has not updated its rate structure system for many years and the current system based on fixture units is believed to need restructuring. Raftelis managed the sampling and wastewater flow monitoring from different types of users to determine the definition of an equivalent dwelling unit and the flows from different types of users. There are multiple outreach meetings with member agencies and interested stakeholders to educate them on the process and to obtain buy-in.

Vallejo Flood and Wastewater District (CA): Wastewater Rate and Connection Fee Study

Raftelis assisted the Vallejo Flood and Wastewater District (District) with a comprehensive wastewater rate and connection fee study (Study). The District an independent special district that collects, treats, and disposes of wastewater for 38,000 accounts in the City of Vallejo with a service area that covers 36 square miles and includes one wastewater treatment plant and 36 wastewater pump stations. The existing sewer rate structure comprised of flat rates for all residential customers, including single and multi-family residences. For commercial customers, rates were based on both flow and sewage strength. The District was moving over to a service charge to be levied on the property tax roll. Raftelis was called in to assist with this study after another consultant's study was found to be unacceptable to the District. As part of the study, Raftelis thoroughly examined the District's revenue streams, cost structure, analyzed customer data, and developed an equitable rate structure that met both Proposition 218 requirements and the District's goals and objectives. An important part of the study was the evaluation of the commercial customer classifications to ensure that customers were accurately categorized by strength and assessed the appropriate rates. Raftelis also created a user-friendly model so that various scenarios could be evaluated on the fly. Additionally, Raftelis also reviewed and updated the District's connection fees. Upon completion of the rates

calculation, Raftelis assisted the District in a comprehensive public outreach campaign to obtain customers buy-in, which was crucial in the successful implementation of the proposed rates for fiscal year 2019.

City and County of San Francisco (CA): Water, Wastewater Rate Study and Stormwater Incentives For Low Impact Development

The City and County of San Francisco (City) conducts water, wastewater and stormwater studies every five years to ensure that charges are consistent with cost-of-service and conforms with the City's Propositions. Sudhir served as project manager for two cycles of rate studies for the City. The City has a combined wastewater and stormwater system and costs for stormwater are integrated with wastewater. The City was engaging in a multi-billion dollar capital improvement program that would have significant impact on rates. The City has unique microclimates and Raftelis analyzed the water usage characteristics of single family and multi-family users to develop a rate structure that would provide incentives for conservation. Raftelis evaluated incentives to encourage low impact development, reviewed stormwater practices to provide credits for best management practices to reduce stormwater generation. Raftelis performed an overhead cost allocation study consistent with federal requirements of OMB Circular A-87 to assign costs appropriately to different departments in order to obtain federal reimbursement for projects that are eligible for federal assistance.

Napa Sanitation District (CA): Recycled Water Rate Study

Sudhir was project manager for a recycled water rate study for the District. The District was required to restrict summer discharge of its wastewater into the river. The District had made improvements to its treatment plant to produce recycled water and provided incentives to recycled water customers to use the water. Agreements with customers were to end within a couple of years and the District wanted to enlarge the recycled water facilities and enroll new customers into the recycled water program. The District wanted to review the economics of the improvements and determine the impacts resulting from implementing new recycled water rates. Raftelis developed a financial and rate model that considered the new customers and revised rates and the impact of providing discounted rates on wastewater customers. The District held meeting with the recycled water users and obtained input on issues of concern to them. Raftelis provided support to the District and evaluated the results of the surveys conducted to define the rates.

City of Henderson (NV): Water and Wastewater Financial Assessment

Sudhir served as project manager for the engagement with the City of Henderson (City). In Phase I, Raftelis assisted the City in conducting a water and wastewater financial assessment. Raftelis developed a financial vision which will ultimately shape the utilities for the next 10 years. As part of our conceptual design process, Raftelis recommended several alternative rate philosophies to be evaluated as part of Phase II. The Model was also developed to evaluate certain rate philosophies and user charge structure modifications focused on improving the equitable recovery of costs from different user classes, legal defensibility of the rates and system development charges, revenue predictability, and conservation incentives. Raftelis developed an allocation or budget for different meter sizes to ensure that the tiered rates set up would fairly collect revenues from customers. Raftelis updated the City's financial plan by participating in the City's rate implementation process. This included presentations of final findings and recommendations to City Council and the Citizen's Advisory Committee.

City of North Las Vegas (NV): Water and Wastewater Rates Study

Sudhir was the project manager for the water and sewer financial planning and rate study conducted for the City of North Las Vegas (City). At the time, the City had experienced rapid growth and had a significant amount of capital projects including construction of their own treatment plant. The City faced many financial challenges at a time when there were signs of a slowing economy. Raftelis conducted a multi-year financial plan that examined various customer growth, capital funding, and rate revenue assumptions. Raftelis prepared rate models for both water and

wastewater and trained City staff on their use. The models provided dashboards for ease of use and decision making.

City of Portland (OR): Retail and Wholesale Water Rates Model

The City of Portland (City) wanted a financial planning and rate model to determine rates for its wholesale and retail customers. Sudhir served as project manager for this study. The City provided wholesale water to 19 agencies under old agreements that were expiring soon. The City was finalizing long-term agreements with explicit terms on rate setting. The City wanted to develop rates consistent with the new agreement for the wholesale agencies, review rate structure alternatives for its retail customers, review impacts and provide flexibility for planning for the next 20 years.

The City's existing retail rate structure consisted of an increasing 3-tier rate structure for all customers with fixed tiers for single family customers and tiers based on the average usage in the preceding 12-month period for the remaining customers. The current retail rates applied to all classes and did not take into account peaking which factors can vary significantly from class to class. Raftelis developed alternative rate structure options for retail customers and explore the creation of more classes to increase equity and fairness and encourage conservation. Alternative rate structures included uniform volume rates, seasonal rates, increasing and "V" or "U" shaped block rates, and a range of individualized block rates with cutoffs based on average account usage, seasonal usage, or customer characteristics. Raftelis provided the City with the computer model and provided training and a manual in the user of the model.

In 2012, Sudhir managed a bond feasibility study for the City's Bureau of Environmental Services. The City needed to issue bonds for several hundred million dollars to meet regulatory requirements related to its wastewater and stormwater systems. Raftelis met with City staff and reviewed the CIP, business processes, rates and rate setting procedures, and provided a certificate of parity showing that the City could meet its coverage requirements under the current rates so that the City could sell bonds with a good rating.

City of Tacoma (WA): 2008 Business Planning Assistance and Financial Model

Sudhir was project manager for a study to develop financial plans and rate models for the City of Tacoma's (City) Environmental Services including wastewater, surface water and solid waste utilities. The study involved development of user friendly financial and rate planning models that would allow the City to update rates on an annual basis, quickly make changes, and review rates. The model also provided capability to compare the status of the CIP, and actual revenues and expenses against budgets on a month-by-month basis. To make this process easy, the model was integrated with the City's SAP and E Builder system. The financial plan and rates were reviewed with input from the City's Environmental Services Commission. Raftelis turned over the models to the City, provided training and computer manuals in the use of the models.

Sudhir also provided financial planning models to the City's water utility, which included user-friendly features and benchmarking tools to maximize improvements in operations and management.

City of Los Angeles (CA): Water, Wastewater Rate Studies and Wheeling Charge Review

Sudhir was project manager on studies to develop rates and rate models for solid waste, water and wastewater utilities. The City of Los Angeles (City) wanted to have a planning tool in-house to evaluate what if scenarios, impacts and determine rates for various customers. The model incorporated many user-friendly features to assist the City update rates and prepare financial plans on an annual basis. Solid waste rates included non-residential customers based on size of containers and frequency of collection. Wastewater rates to the 27 subscribing agencies discharging to the City's wastewater treatment facilities were also determined. This involved complex calculations

and allocations to wastewater loadings, conveyance distance, etc. Connection or impact fees were also included in the model. User training, model documentation, regular updates and ongoing service were also included in this project.

Sudhir also served as project manager on a wheeling charges study for the Los Angeles Department of Water and Power. The City was interested in determining the appropriate charges to be levied on various customers that may wish to use the extra capacity in the City's system from the Los Angeles Aqueduct to the distribution network-to transfer water.

City of Pasadena (CA): Water and Wastewater Rate Study

Sudhir was project manager for a study for the City of Pasadena (City) to determine roll-out charges for solid waste services provided by the City. Certain customers in the City needed assistance with rolling out their containers and replacing them again. Sudhir analyzed the costs associated with this service and set up a charge for it.

PROJECT LIST

- City of Anaheim (CA) - Water rate study
- City of Atwater (CA) - Water and wastewater rate study
- City of Banning (CA) - Recycled water revenue program
- Beaumont Cherry Valley Water District (CA) - Water rate and connection fee study
- Carpinteria Sanitary District - Wastewater rate study
- Casitas Municipal Water District - Water rate study
- Castroville Water District (CA) - Water and wastewater rate study
- City of Beverly Hills (CA) - Asset replacement study, connection fee study, conservation rate study, valuation and development of replacement program and asset inventory, and water rate study and update
- City of Brea (CA) - Water rate study, connection fees and related fees and charges study
- City of Brentwood (CA) - Water and wastewater rate study
- City of Buenaventura (CA) - Water and wastewater rate study
- City of Burbank (CA) - Bond feasibility study, reclaimed water study, and water and wastewater rate study
- City of Carlsbad (CA) - Asset replacement study and water, wastewater and reclaimed water revenue program
- City of Chino (CA) - Valuation study and water rate study
- City of Chowchilla (CA) - Water and wastewater rates study
- Clark County Water Reclamation District (NV) - Cost-of-service study
- City of Cloverdale (CA) - Water and wastewater connection fees and rate study
- City of Corona (CA) - Water and wastewater rate study
- El Toro Water District (CA) - Water budget and wastewater rate studies and connection fees
- City of Encinitas (CA) - Water and wastewater rate study
- City of Escondido (CA) - Valuation study, water and wastewater rate study
- City of Glendora (CA) - Water and wastewater financial planning and rate study
- Goleta Water District (CA) - Water and wastewater rates and connection fees studies, asset management, and financing plan
- City of Henderson (NV) - Water and wastewater rate study
- La Canada Irrigation District - Water rate study
- La Crescenta Water District - Water and wastewater rate study
- City of Livingston (CA) - Water, wastewater and solid waste rates study and litigation support
- City of Los Angeles (CA) - Wheeling charge review
- Los Angeles Department of Water and Power (CA) - Water rate study and wheeling charge review
- City of Madera (CA) - Water and wastewater rate study

- Mammoth Community Water District (CA) - Water and wastewater rate study
- Metropolitan Wastewater Joint Powers Authority (CA) - Wastewater valuation study and capacity valuation study
- Napa Valley Sanitation District (CA) - State revolving fund loan assistance
- City of North Las Vegas (NV) - Water and wastewater rates study and model
- Ojai Valley Sanitary District - Wastewater rate study
- Olivenhain Municipal Water District (CA) - Water and wastewater financial planning studies and recycled water rate study
- City of Ontario (CA) - Water, wastewater and solid waste rate study
- Palmdale Water District (CA) - Water budget rate study
- City of Palo Alto (CA) - Water rate study
- Portland Water Bureau (OR) - Retail and wholesale water rates model
- City of Poway (CA) - Wastewater rate structure analysis
- Ramona Municipal Water District (CA) - Water rate study
- Rainbow Municipal Water District (CA) - Water, wastewater rate and capacity fee studies
- City of Redlands (CA) - Impact fee study, non-potable water fee study, rocky mwc, valuation and lease study, bi-annual rate updates, reclaimed water funding, and water and wastewater rate study
- City of Rialto (CA) - SRF funding and water and wastewater rate study
- County of San Bernardino (CA) - Water and wastewater rate study and connection fees
- City of San Diego (CA) - Recycled water rate study, valuation study, and water and wastewater financial plan, rate and connection fees study, litigation support
- San Diego County Water Authority (CA) - Capacity valuation, rate analysis, valuation study, and wheeling charge study
- City of San Fernando (CA) - Water and wastewater rates study
- City of San Francisco (CA) - Water, wastewater rate study and stormwater incentives for low impact development
- San Gorgonio Pass Water Agency (CA) - Financing plan
- City of San Jose (CA) - Sewer service related fees and charges
- City of San Luis Obispo (CA) - Stormwater financial feasibility study
- City of Santa Barbara (CA) - Water and wastewater rate study
- City of Santa Fe springs - Water rate study
- Santa Fe Irrigation District (CA) - Wastewater treatment plant cost evaluation, water connection fees study, and water rate study and update
- City of Santa Monica (CA) - Wastewater rate study
- City of Scottsdale (AZ) - Impact fee study
- City of South Pasadena (CA) - Water and wastewater rate study
- City of Springfield (OR) - Wastewater rates model
- Sweetwater Authority (CA) - Water rate study
- Tacoma Public Utilities (WA) - 2008 Business planning assistance and financial model
- City of Upland (CA) - Valuation study
- City of Vallejo (CA) - Water financial plan
- Valley County Water District (CA) - Water rate study
- Ventura County Water and Sanitation Department (CA) - Water Cost-of-Service and Rate Study
- Town of Windsor (CA) - Impact fee review, state revolving fund loan application assistance, water and wastewater connection fees and rates study, and water and water reclamation rate studies

Steve Gagnon PE (AZ)

TECHNICAL REVIEWER
Vice President

ROLE

Steve will provide oversight for the project ensuring it meets both Raftelis and industry standards.

PROFILE

Steve has 25 years of experience in financial analysis and environmental engineering. For the past 15 years Steve has provided financial planning and rate setting services to agencies all over California. He has also helped utilities make major investment decisions such as whether to invest in food waste to energy projects. He has also managed the construction and installation of water treatment equipment and oversaw Superfund remediation for the U.S. Army.

KEY PROJECT EXPERIENCE

City of Redlands (CA): Water and Wastewater Rates and Development Impact Fees Study

Steve updated the City of Redland's (City) water and wastewater rates and development impact fees. The rate study process included workshops with the City's Utility Advisory Committee in which he presented the basics of rate setting and the financial environment of the utilities. The interactive workshops solicited input from committee members and staff regarding revenue adjustments and rates.

City of Orange (CA): Water and Wastewater Rate Study

Steve helped the City of Orange (City) update its water rates and rate structure to ensure that rates are based on cost-of-service principles. The study included a financial plan to fully fund operational and capital expenses and reserves. Steve also helped the City establish wastewater rates for its sanitation enterprise. The rates were revised to reflect sewer whereas they were previously based on water use.

City of Oxnard (CA): Water Rate Study

In early 2023, Raftelis assisted the City of Oxnard to develop a financial plan and set rates for their water and utility. The City of Oxnard has a very vocal and involved customer base. We simplified their rate structure and helped assess capital spending. We held a series of open houses that discussed the basics of rate setting. We also presented to council; the first meeting was a rate-setting basics workshop and the second presented the draft rates. During the public hearing, Raftelis and Staff fielded questions from the public. The rates were implemented by Council in the Spring of 2023. Steve served as the Project Manager.

Specialties

- Utility cost-of-service & rate structure studies
- Conservation rate studies
- Economic feasibility studies
- Capital budgeting studies
- Wastewater rate studies
- Capital recovery/capacity fee studies
- Survey research of water & wastewater utility characteristics & rates

Professional History

- Raftelis: Vice President (2023-present); Senior Manager (2020-2022); Manager (2017-2019); Senior Consultant (2014-2016)
- APTwater, Inc. (Now Ultura): project manager (2011-2014)
- PBS&J (now ATKINS): project manager - Utility Finance (2005-2011)
- Earth Tech (now AECOM): Senior project manager (2004-2005)
- Malcolm Pirnie, Inc. (now ARCADIS): Consultant (2002-2003)
- National Parks Conservation Association - Business Plan Initiative: Business Plan Consultant (2000)
- U.S. Army Corps of Engineers - New England Division: project manager (1995-1999)
- Geophex, Limited: Graduate Research Assistant (1994)

Education

- Master of Business Administration - University of Southern California (2001)
- Master of Science in Environmental Engineering - University of Massachusetts (1995)
- Bachelor of Science in Civil Engineering - University of Massachusetts (1994)

Certifications

- Registered Professional Environmental Engineer in Arizona
- Series 50 Municipal Advisor Representative

Professional Memberships

- AWWA

Burbank Water and Power (CA): Water Rate Study

Raftelis assisted Burbank Water and Power with a professional water rate study. Raftelis helped staff select a rate structure from three structures including Budget Based Tiered Rates and performed a cost-of-service study to allocate costs to the customer classes. Burbank currently has a seasonal rate for commercial classes and has decided to go with a traditional tiered rate structure for single-family customers and a uniform rate for non-residential classes. Steve served as the Project Manager.

City of Pasadena (CA): Water and Wastewater Rate Study

Raftelis assisted Pasadena Water and Power in preparing its first professional water rate study, and Steve is serving as the Project Manager. Raftelis helped the City select a rate structure by discussing the pros and cons of different rate structures. We prepared a financial plan to ensure rate revenue recovers all costs and will complete a cost-of-service study to allocate costs to each customer class, followed by a rate design to collect costs from each class based on the cost of service. Raftelis is conducting a wastewater rate study.

City of San Francisco Public Utilities Commission (CA): Water and Wastewater Rate Study

In early 2023, Raftelis assisted the City of San Francisco Public Utilities Commission to develop a financial plan and set rates for their water and wastewater utilities. The City has one of the lowest per capita water use in the state at 4 hundred cubic feet per single-family home per month. The City operates a very large water system that serves the city and many surrounding wholesale agencies. Raftelis worked with City Staff to functionalize their operating costs and develop a two-tiered rate for residential customers. Raftelis supported staff during rate committee presentations. The rates were adopted in the Spring of 2023. Steve served as the Project Manager for the water rate study.

City of Manhattan Beach (CA): Water Financial Plan and Rate Study

Steve helped the City of Manhattan Beach to create a water financial plan and set rates. The City had two major concerns; 1) wells were impaired in the near term and the city would have to purchase more imported water and 2) the City was unsure about tiered rates given recent litigation. Steve worked with city staff to discuss the pros and cons of tiered rates. After reviewing these pros and cons with the city attorney and manager, staff recommended cost based tiered rates as of this writing. Steve presented the financial need and rate study results to city council and the public.

Otay Water District (CA): Wate Rate Study

Steve led a recent water rate study for the District in the Spring of 2022. Working with the District he updated their cost-of-service study, rate structure which included tier breakpoints. The District decided to use the Commodity Demand method and only base (commodity) and max day cost components as opposed to max day and max hour components. Based on discussions with District operations staff, the project team decided to allocate water purchase costs to what is termed base costs, reducing the water rate for tiers 1 and 2.

City of Tracy (CA): Wastewater Rate Study

In 2019, the City of Tracy (City) engaged Raftelis to perform a wastewater rate study. Raftelis is currently working with City staff to best plan for expenses to minimize customer impacts, and Steve is serving as Project Manager.

City of San Diego (CA): Renewable Energy Project

The City of San Diego (City) is considering a renewable energy project to take landfill gas and create electricity. Steve prepared a financial model evaluating three alternatives: 1) do nothing and purchase electricity from a regional provider, 2) enter into a contract with a private entity to run and the renewable energy facility and sell

electricity to the City at an agreed upon rate, 3) to purchase the facility and run it with City staff. The analysis gives the City a range of acceptable electricity rates for negotiating with a private party for option 2.

Delta Diablo Sanitary District (CA): Food Waste to Energy Financial Analysis Project

Steve, as a sub-consultant to HDR, prepared the financial analysis for a potential food waste to energy project in which the Delta Diablo Sanitary District (District) would take food waste slurry, convert it to biogas and sell electricity. There were many unknowns in the project including exact operations and maintenance costs and the tipping fee from the nearby landfill. Steve performed a Monte Carlo simulation to help the District visualize the probability of a financially viable project given all the unknowns.

Running Springs Water District (CA): Water and Wastewater Rate Study

Steve assisted the Running Springs Water District (District) establish water and wastewater rates and evaluate the financial health of the Fire and Ambulance Department. The District is unique in that many residents are absentee owners of vacation homes. As such, the District is maintaining a higher than average level of fixed charges for both water and sewer to equitably distribute costs among full-time and part time residents. Steve also prepared a 10-year financial plan for the Fire and Ambulance Department showing its financial health under different property tax, other revenue and expenses assumptions, including fire engine replacement.

Encina Wastewater Authority (CA): Net Present Value Analysis

Steve helped the Encina Wastewater Authority (Authority) analyze the Net Present Value of three large capital investments: 1) their co-generation facility, 2) the heat dryer and 3) the fats, oils and greases (FOG) receiving facility that supports Encina's co-digestion facility operation. For the co-gen facility, the analysis involved calculating the Net Present Value of electricity purchase costs with and without the co-gen facility. The heat dryer analysis involved calculating the equivalent annual cost of operating solely the centrifuge (with the associated disposal cost of sludge) versus operating the heat dryer and its reduced sludge disposal costs. Lastly, he helped the Authority analyze its options for alternative digester fuels for co-digestion to enhance digester gas production - FOG versus beer waste - based on the tipping fees and associated maintenance costs of each.

Hi-Desert Water District (CA): Water Rate Study

Steve helped the Hi-Desert Water District (District) establish defensible and affordable water rates for a District with a high number of low-income residents. The study included an update of their miscellaneous fees. The District has one main source of water, which limits the rate differentiation between tiers. The study included an extensive outreach program to educate customers as to the need for rate adjustments.

City of Port Hueneme (CA): Cost-of-service Rate Study

The City of Port Hueneme (City) has some of the highest water rates in the area due to the amount of capital reinvestment needed to maintain the system. Steve is helping City Council and Staff assess the impacts of their decisions, including capital reinvestment, loan refinancing and fixed charge pricing on customer bills. The study included a rate workshop with City Council to show the Council the effects of their decisions.

Mesa Water District (CA): Water and Recycled Water Rate Study

Mesa Water District (District) prides itself on the fact that it is no longer dependent on imported water. Steve helped the District revise their water and recycled water rates in a few months during a fast-paced rate study. The study included over 10 financial plan options for the Board to select from.

City of Pomona (CA): Water, Recycled Water, and Wastewater Rate Study

Steve helped the City of Pomona (City) establish water, recycled water and wastewater rates. He established defensible tiered rates based on the City's multiple sources of water and use characteristics. He also established pumping charges based on the costs associated with serving water to high elevation customers. The engagement included working with rate committee members, staff and council members to ascertain their rate setting goals. It also included a 10-year financial plan and modeling rates under industry standard reserve targets.

City of Lakewood (CA): Water Rate Study

Steve helped the City of Lakewood (City) develop cost-of-service based tiered water rates. Of note, Steve recommended revising the current practice of providing free water for the first four units of water in single family first tier. To ease the impacts of this change, the City decided to transition the rates over a 5-year period. The study included a full five-year financial plan and a review and recommendations on reserve levels.

Channel Islands Beach Community Services District (CA): Water and Wastewater Rate Study

Steve helped the Channel Islands Beach Community Services District (District) establish equitable water and wastewater rates. Particularly noteworthy in this study was a class of customers that required the District to reserve capacity in the water treatment plant for possible future growth. Steve explained the cost causation-based rate for this customer class at Board meetings and the Public Hearing. Steve also held special web-based workshops with this customer class to explain cost-of-service principles and the basis for the rates.

City of Shasta Lake (CA): Water Financial Planning Study

The City of Shasta Lake's (City) water revenue dropped significantly during the recent drought - while their water costs increased due to emergency water purchases from expensive sources. In addition, the City's infrastructure was over 80 years old which necessitated significant capital expenditures. Steve worked with City staff to develop a water financial plan that fully funded their capital program, reserves and operational expenses. The financial plan called for a 30% revenue increase in one year. Steve presented the basis for revenue adjustments and rate development at a well-attended public hearing at City Hall.

Santa Fe Irrigation District (CA): Water Cost-of-Service Study

Santa Fe Irrigation District (District) has one of the largest per capita water use rates in the State due to its large lots, many of which have orchards and other agriculture requiring irrigation. Steve worked with City Staff and Board members to establish water cost-of-service based rates which included a complete restructuring of their fixed charges so that the District could pass through their fixed wholesaler charges. The consumption rates were based on the peaking characteristics of each class. Steve presented at a contentious Public Hearing, in which the rates were adopted, to answer Board and the Public's questions.

City of Encinitas (San Dieguito Water District, CA): Water Cost-of-Service and Rate Study

Steve helped the City of Encinitas (City) establish water rates that are based on cost-of-service principles. Cost-of-service based rates create large bill impacts for the agricultural class. Steve worked with City staff and the Council rate setting committee to evaluate rates and explain rate setting basics to the committee and public in a Proposition 218 public hearing.

Trabuco Canyon Water District (CA) Water, Recycled Water, and Wastewater Rate Study

Steve helped the Trabuco Canyon Water District (District) establish water, wastewater and recycled water rates. The Trabuco Canyon Water District's revenue plummeted significantly during the recent drought. Steve helped the District established rates, including drought rates, that fully funded operations, capital expenses and reserves. The District previously had a 7-tier rate structure. Steve helped the district establish a 4-tier rate structure in which the

rates were based on the supply costs and peaking costs to serve water in each tier - as required by Proposition 218. The study started with a pricing objectives exercise so that the Board could communicate its most important rate setting goals. Steve presented financial plan options and rate study results and a public hearing.

Sweetwater Authority (CA): Water Rate Study

Steve evaluated water rates, including drought rates, for the Sweetwater Authority in light of recent legal concerns over their current rate structure. The evaluation includes a cost-of-service study to clearly demonstrate the nexus between the rate for each single-family tier and the associated costs to serve that tier. The study started by soliciting input from Board members regarding their water pricing objectives so that rates could be designed accordingly. Steve concluded the study with presentations to the District Board of Directors and the Public.

Moulton Niguel Water District (CA): Water and Wastewater Capacity Fees and Miscellaneous Fees Study

Steve prepared water and wastewater capacity fees and miscellaneous fees in June of 2016. The water and wastewater capacity fees were calculated using the buy-in methodology and varied by meter size. The Moulton Niguel Water District (District) also decided to implement a water demand offset fee for new water connections based on the premise that the recycled water system offsets potable water use and benefits potable water users. Steve attended Board meetings to help staff explain the rationale and basis for the capacity fees.

Steve also helped calculate miscellaneous fees by interviewing staff to assess the time and effort involved with the fees, benefit burden rates and material charges to properly calculate over three dozen fees for the water and wastewater systems. The deliverable included an excel model with which the District could update the miscellaneous fees in the future.

City of Henderson (NV): Water and Wastewater Financial Planning and Rate Study

Steve created water and wastewater rate and financial planning models for the City of Henderson as well as updating their water and sewer system development charges. The models were used over the next 5 to 10 years not only to calculate water and wastewater rates but also to create yearly financial statements.

PROJECT LIST

- City of Anaheim (CA) - Wastewater rate study
- Boxelder County (CO) - Stormwater funding research
- Blue Plains Wastewater Treatment Plant (DC) - Valuation study
- Confidential Fortune 500 Aerospace Corporation (CA) - Strategic remediation financial planning and analysis
- City of Coronado (CA) - Wastewater rate study
- Earth Tech (CA) - Operation excellence plan
- Fallbrook Public Utility District (CA) - Water conservation-based sewer rates
- City of Fullerton (CA) - Sewer fee assessment
- Helix Water District (CA) - Conservation based water rates; capacity fee study
- Julian and Pine Valley Sanitation Districts (CA) - Wastewater rate study
- Keweenaw National Historical Park, National Park Service (MI) - Business plan
- City of La Habra (CA) - Sewer rate study and long-range financial plan
- La Habra Heights County Water District (CA) - Water user rate study and long-range financial plan
- City of Lemon Grove (CA) - Wastewater rate study
- Marine Corps Base Camp Pendleton (CA) - Utility privatization
- Metro Wastewater Joint Powers Authority (CA) - Valuation of treatment capacity
- City of Norman (OK) - Stormwater rate study

- Olivenhain Municipal Water District (CA) - Drought water rates; wastewater rate update; capacity and annexation fee update; long-term water planning financial model; water supply cost benefit analysis
- Otay Water District (CA) - Capacity fees update; water rate structure update and drought phasing plan; performance metrics
- Town of Parker (AZ) - Water rate study; benchmarking and efficiency analysis
- City of Pico Rivera (CA) - Valuation of groundwater
- pumping rights
- City of Poway (CA) - Water and wastewater rate models
- Town of Quartzsite (AZ) - Third party rate review
- Rainbow Municipal Water District (CA) - Water conservation-based sewer rates
- Rowland Water District (CA) - Water rate study
- San Antonio Water System (TX) - Sewer impact fee study
- County of San Diego (CA) - Sewer utility rate study
- Sweetwater Authority (CA) - Water rate study
- U.S. Army Sudbury Annex Superfund Site (MA) - Base realignment and closure
- Walnut Valley Water District (CA) - Water rate study
- City of Webster (TX) - Stormwater rate study
- Western Municipal Water District (CA) - Long-range financial plan

Joe Crea

BILL CALCULATOR
Vice President

ROLE

Joe will develop the web application for the rate calculator. He has developed the calculator for the previous few times for the District.

PROFILE

Joe has spent more than 17 years working with water and wastewater utilities and has developed a thorough understanding of, and solutions to, the challenges they face. Joe leads Raftelis' Cincinnati Office. He works with municipal water and wastewater agencies across the country to develop rate and financial planning studies, cost-of-service studies, interjurisdictional agreements, bond feasibility engagements, and customer affordability analyses. He works with staff, leadership, and governing bodies for municipal utilities to find solutions to financial and managerial issues that can arise in providing sustainable and effective service delivery. Joe has published several articles on customer affordability and customer assistance programs, as well as on maintaining a financially resilient utility. He is actively involved in AWWA and WEF, serving on the AWWA's Rates and Charges Committee and presenting at numerous national conferences. Joe created and is Chair for the Ohio Section of AWWA's Utility Management Committee. He also authored a chapter entitled, "Identification of Revenue Requirements," for the Fourth Edition of the industry guidebook, *Water and Wastewater Finance and Pricing: The Changing Landscape*. Joe graduated from Clemson University in 2005 with a Bachelor of Science in Mathematical Sciences.

Specialties
- Utility cost-of-service & rate structure studies
- System Development Fee studies
- Financial planning studies
- Bond feasibility & forecast studies
- Capital Financing Plan studies
- Customer affordability studies
- Financial capability assessments
- Wholesale rate studies
- Customer demand studies
- Solid waste rate studies
- Financial & management KPI dashboards
- Data visualization & integration
- Interjurisdictional agreements
- Interjurisdictional negotiation

Professional History
- Raftelis: Vice President (2021-present); Senior Manager (2018-2020); Manager (2015-2017); Senior Consultant (2012-2014); Consultant (2007-2012)
- Bryco Funding, Inc.: Mortgage Banking Specialist (2007)

Education
- Bachelor of Science in Mathematical Sciences - Clemson University (2005)

Professional Memberships
- AWWA: Ohio, Indiana, & Kentucky/Tennessee Sections
- WEF: Ohio Section

KEY PROJECT EXPERIENCE

Delaware County (OH): Master Planning Financial Support and On-call Financial Support, General Fund Financial Planning

Raftelis was part of a team lead by HDR to develop a comprehensive master plan for the Delaware County (County) Regional Sewer District in 2015. In this role, Raftelis developed a comprehensive financial plan that considered the potential impact of alternative capital programs on customer rates and the County's financial performance. The model was a key deliverable for the master plan and became a resource that was used by the County to justify a multi-year plan of rate increases that were approved in 2016. Subsequent to this engagement, Raftelis has been retained by the County as an on call financial expert.

Southwest Licking Community Water & Sewer District (OH): Comprehensive Financial Plan and Evaluate System Development Fees

Raftelis was engaged by the Southwest Licking Community Water & Sewer District (District) to develop a comprehensive Financial Plan and evaluate system development fees. The District is a fast-growing service provider and has substantial capital improvement needs on the horizon. Joe was project manager for Raftelis' team that

enhanced a long-term financial planning and rate model that can be used by the District as future capital projects are evaluated. Additionally, Raftelis evaluated the capacity and tap fees charged by the District to confirm their reasonableness based on common industry guidelines.

Montgomery County Environmental Services (OH): Solid Waste Rate Study, Development of Key Performance Indicators, Water and Sewer Capital and Charge Study, Interjurisdictional Negotiation, and Ongoing Financial Support

Joe has served as project manager and lead consultant for several engagements with the Montgomery County Environmental Services Department (MCES) since 2015. Joe served as a lead consultant on a Solid Waste Rate study in 2015 in which Raftelis developed a long-range financial planning and rate model for the solid waste utility. The model incorporated historical budget and tonnage data, along with projected capital needs and customer growth rates to develop a forecast of revenue and expenditures. The model identifies the level of adjustment needed in tipping fees or annual property charges that will provide revenues consistent with the utilities financial policies and objectives. The engagement also involved analysis of the solid waste customer database and identification of inconsistencies between actual levels of service and what was being used as a basis for billing.

Joe was lead consultant on an engagement to develop Key Performance Indicators (KPIs) for MCES. The KPIs were developed in concert with MCES staff so that they can be monitored and tracked be the executive leadership as a decision-making support tool. Joe is developing the MS Excel-based tool that will allow the utility to track and easily identify which of the KPIs are being met and which have room for improvement.

Joe was the project manager for a Water and Sewer Capital and Charge study. The project involved a comprehensive evaluation of the financial performance of the water and wastewater funds and included developing comprehensive financial policies, a financial planning model, calculation of cost-of-service based rates and charges, financing of future capital needs, and public outreach. This project was completed and resulted in the approval of a five-year program of rate adjustments by the Board of County Commissioners.

Raftelis was engaged by MCES to provide support to the County related to the negotiation of a long-term water supply contract with the City of Dayton (City). Joe led the Raftelis team in their review of proposed cost-of-service rate models presented by the City and made recommendations for adjustments to the model that would limit the current and long-term costs of the County. In addition, Raftelis assisted the County with financial analysis of alternative water delivery options that could limit the County's reliance on the City for water production. A new long-term service agreement was signed in 2018.

City of Lakewood (OH): Water and Wastewater Rate Study and Integrated Planning and Customer Affordability Study, Impervious fee Implementation

Raftelis was engaged by the City of Lakewood (City) to develop a comprehensive Financial Plan and Affordability Assessment as part of the City's Integrated Planning Framework development. Raftelis developed a long-term financial planning model that was used by City staff to identify the needed rate and revenue adjustments to support the current and future capital needs associated with maintaining compliance with regulations. The financial planning model was able to easily compare multiple capital planning scenarios and quickly evaluate the customer affordability impacts associated with various compliance terms. Raftelis continues to support the development of the IPF and discussions with State and Federal regulators.

In 2009, Joe served as lead consultant on a project with the City. The City was in negotiations with the EPA regarding a consent decree to address its Long-Term Combined Sewer Overflow Control Plan (LTCSO Plan). As part of the study, Joe developed a long-range rate and financial planning model to calculate revenue requirements

for the water and wastewater utilities. The model has also been used by Raftelis to calculate necessary rate adjustments to ensure revenue sufficiency and adequate debt service coverage.

Franklin County (OH): Financial Planning and Rate Study, Operational Assessment, and Regional Partnership Opportunity Review

Joe is currently serving as lead consultant for an engagement to assist the Franklin County (County) Department of Sanitary Engineering (FCSE) with a utility structure, operations, cost-of-service, and water and wastewater rate analysis. As a result of an expansive geographic service area and limited economies of scale, FCSE is facing a number of challenges in limiting the cost of providing utility services. FCSE is also faced with significant capital investment needs over the next 10 years to ensure continued and reliable services. Raftelis is working with FCSE to develop a 10-year financial plan and recommended rates that are consistent with industry pricing standards and fully support system operations and maintenance, asset repair and replacement, debt service, and debt service coverage requirements. Raftelis is also conducting an operational assessment to evaluate the efficiency and effectiveness of the organization, as well as an evaluation of the current strengths and weaknesses of the existing utility structure and alternative options for consideration.

Clark County Sanitary Engineers Department (OH): Comprehensive Water and Sewer Financial Planning and Rate Evaluation

Raftelis performed a comprehensive water and sewer financial planning and rate evaluation for the Clark County (County) Sanitary Engineers Department in 2015. The County's rate structure included varying rates for customers based on service area, and one of the primary objectives of the study was to review these existing rates to ensure fair and equitable recovery of revenue from customers. Joe served as lead consultant for this engagement as Raftelis assessed the cost recovery of the existing rates and made recommendations to provide enhanced customer equity while simplifying the rates as much as possible. Raftelis developed a long-term financial planning model that the County is using to support its financial decision-making. Raftelis also developed a capital investment analysis tool that allows the County to determine whether building a new plant to serve a particular service area would make more economic sense than continuing to pay for wholesale service.

Cincinnati Water Works (OH): Cost-of-service Rate Review and Litigation Support

Raftelis was engaged by the Greater Cincinnati Water Works (GCWW) in 2017 to review a comprehensive cost-of-service and rate study developed by Black and Veatch. Joe was the project manager for the Raftelis team. Raftelis helped support the Black and Veatch recommendations and concluded that their analysis was consistent with commonly accepted industry practice. We also helped work with Staff and the GCWW attorneys to prepare litigation materials.

Louisville Water Company (KY): Biennial Inspection (2017, 2019, 2021), Comprehensive Cost-of-service and Rate Study, Wholesale Rate Evaluation, System Development Fee Study, Billing Services Cost Allocation Study, Utility-wide Strategic Operational Review

Joe has served as project manager for several engagements with the Louisville Water Company (LWC) as a part of the Hazen and Sawyer engineer of record project team. Raftelis supported the 2017 Biennial Inspection Report that is required by the LWC Master Bond Resolution and involved a comprehensive review of system financial and customer data. Joe also led the Raftelis analysis of wholesale rates for a potential connection to a nearby provider, Hardin County Water District #2.

In 2017, Raftelis began a comprehensive cost-of-service and rate study with LWC. The first phase of this study involved working with LWC Staff through multiple workshops to enhance the cost-of-service analysis that had traditionally been maintained internally. To support this effort, Joe managed the Raftelis team in developing a new,

Microsoft Excel-based computer model that performed cost allocations consistent with AWWA standards. Joe presented the recommendations of the first phase to the LWC Board of Directors in December 2017.

The second phase of the study began in 2018 and involved a complete evaluation of the existing water rate structure to verify consistency with the cost-of-service results from phase one. Joe facilitated multiple workshops with LWC Executive Leadership Team to discuss rate structure priorities, financial policies and system objectives. Raftelis worked with the LWC financial advisors, Raymond James, to update the financial policies. These updated policies were built into a newly developed financial planning and rate model. The rate model included an interactive rate structure evaluation dashboard that provides real-time feedback on how rate alternatives would impact various customers. The recommendations from this second phase were presented to the Board in late 2018 and implemented along with the 2019 budget approval.

Seattle Public Utilities (WA): Customer Affordability Assessment and Financial Planning Study; Water, Wastewater, and Solid Waste Rate Model Development, Long-term Demand Forecasting Study

In 2018, Raftelis was engaged by the City of Seattle (City) Public Utilities Department (SPU) to develop a comprehensive Financial Plan and Affordability Assessment as part of the City's Integrated Planning Framework development. Joe is the Raftelis project manager leading a team that is developing a long-term financial planning model to be used by City staff to identify the needed rate and revenue adjustments to support the current and future capital needs associated with maintaining compliance with regulations.

One of the key components of the study is to evaluate the City's financial capability and affordability to support negotiations with regulators. Joe is coordinating multiple efforts by the Raftelis team and three subconsultants to develop this analysis consistent with the traditional, 1997 Guidance developed by the EPA. The Raftelis Team is also developing affordability assessments consistent with the 2018 Framework that was published as a joint effort of NACWA, AWWA, and WEF. This analysis was built into a Customer Affordability Dashboard that is fully integrated into the financial planning model. This Dashboard reacts to capital plan scenarios and provides SPU leadership with the key metrics that support conversations with regulators.

Raftelis continues to work with SPU on the evolving customer affordability discussion and is developing a customer equity assessment to test how well SPU's capital investment has been spread across all socio-economic and demographic segments of the City.

City of Baltimore (MD): Financial planning, Rate design and Implementation Integrated Planning, Customer Affordability Analysis, Bond Issuance Support, Customer Information System Implementation, and High Strength Surcharges

Joe serves as lead consultant and assistant project manager on a multi-year cost-of-service, financial, and management consulting contract for the City of Baltimore (City). Joe serves as the lead consultant for all fiscal tasks undertaken as part of this contract. Primary responsibilities include providing support for comprehensive cost-of-service and rate design services for the water, wastewater and stormwater utilities. This engagement also includes assistance with long-term fiscal planning and development of capital financing plans for the utility capital programs, including support of long-term debt issuances and scenario management. The City has submitted an integrated planning framework with the EPA related to their sanitary sewer overflow consent decree and Joe provided the financial and customer affordability analysis that was a major component to the filing. The City provides wholesale and retail utility service for surrounding counties, and as such, the engagement includes interjurisdictional contract negotiation support and wholesale rate setting. Other fiscal tasks include determination of high strength surcharges, benchmarking, budget management, and customer billing systems support.

City of Raleigh (NC): Comprehensive Financial Plan and Rate Study, Bond feasibility, Cost-of-service Study, Merger Agreement Review, Capital Facilities Fee Study, Affordability Assessment, and Ongoing Financial Management Support

Joe has served as the lead consultant for Raftelis' engagement with the City of Raleigh (City) since 2008. The City engaged Raftelis to develop conservation-based rates that would enable the City to meet its capital planning needs while minimizing the impact to customers. Joe developed a model that was able to test the effects of implementing a conservation-based water rate structure and analyze the impacts of a new rate structure on customers of the system. Joe has worked to develop and implement new charges specifically designed to recover the long-term cost of capital replacement in the system. Raftelis continues to assist the City in annual rate updates, budgeting, capital and debt planning, and interjurisdictional contract administration.

Joe also served as lead consultant on the financial feasibility evaluation for the City's proposed issuance of $110 million of revenue bonds in 2011 and $75 million in 2013. The City was seeking capital market funds for various capital improvements to its water and wastewater system. Our analysis included a forecast of revenues, expenses, and debt service over a five-year period, to ensure compliance with all bond covenants and debt service coverage requirements, and a comprehensive report.

Joe was lead consultant for an engagement to develop a set of fixed charges to recover the costs of meeting asset management needs for buried infrastructure. The project developed charges for both water and sewer customers that varied based on customer meter size. The charges are designed to fund the annual asset management needs of the utility while providing stability and predictability to the capital program.

Columbus Water Works (GA): Financial Management and Performance Review, Cost-of-service Analysis and Rate Analysis, Rate Design, and Financial Reporting System Review

Joe is the project manager on several projects with Columbus Water Works (CWW) involving financial management systems evaluation, cost-of-service analysis, block rate design, contract rate analysis, and financial reporting system review. Raftelis has helped CWW develop and refine equitable yet understandable cost-based rate structures for both inside city and contract customers. Raftelis works with CWW on an on-going basis to support the financial and rate aspects of the utility through the maintenance of a financial planning and rate model that incorporates long-term capital planning needs, debt funding assumptions, operating cost projections, and demand projections. Joe regularly presents to the Water Works Board and City Council on rate and financial management performance.

Mount Pleasant Waterworks (SC): Financial Management Systems Evaluation, Cost-of-Service Analysis, Rate Design, Contract Rate Analysis, and System Development Charge Calculations

Joe is the project manager on several projects with the Mount Pleasant Waterworks (MPW) involving financial management systems evaluation, cost-of-service analysis, rate design, contract rate analysis, and system development charge calculations. Mount Pleasant is one of the fastest growing areas in South Carolina and MPW has been challenged to provide water services in a region with challenging environmental conditions such as water shortages and highly regulated receiving waters. Raftelis has helped MPW develop and refine equitable yet understandable cost-based rate structures for both inside-city and outside-city customers that encourage efficient water usage. Raftelis works with MPW on an on-going basis to support the financial and rate aspects of the utility through the maintenance of a financial planning and rate model that incorporates long-term capital planning needs, debt funding assumptions, operating cost projections, and demand projections. Joe regularly presents to the MPW Board on rate and financial management performance.

Bowling Green Municipal Utilities (KY): Financial Plan and Rate Study

In 2009, Joe served as the lead consultant on a project with Bowling Green Municipal Utilities (BGMU). BGMU had not increased water or sewer rates for thirteen years and needed to expand their wastewater treatment plant to meet customer demand. As part of the study, Joe developed a comprehensive model that was able to analyze different funding options for the plant and project the scenario that was most consistent with BGMU's pricing objectives. BGMU was able to pass a three-year rate plan that allowed for expansion of the wastewater plant.

Raftelis was re-engaged by BGMU in 2014 to update the financial planning and rate model and provide rate recommendations for the next five years. BGMU had experienced significant reductions in customer consumption and revenue was not meeting expectations. Raftelis worked with BGMU staff to realign the financial projections and developed a series of rate adjustments that would increase revenue from fixed charges to minimize reliance on annual water sales. This study resulted in the approval of a five-year rate plan by the City Council.

In 2018, Raftelis was engaged by BGMU to update the financial planning model in advance of a revenue bond issue to fund the expansion of the water treatment plant. Raftelis updated the financial projections and confirmed that BGMU could support the debt requirements of a $50 million bond issue.

City of Akron (OH): Sewer Cost-of-service, Rate Design, and Financial Planning Study

In 2013, the City of Akron (City) engaged Raftelis to perform a comprehensive cost-of-service, rate design, and financial planning study to assist them in managing the costs related to their combined sewer overflow (CSO) consent decree. Joe is the lead consultant for this engagement and prepared the financial and rate model used to project the City's operating and capital financing requirements over a 30-year horizon. This engagement included detailed analysis of customer bill impacts arising from various rate structure alternatives and capital financing scenarios. The City has recently opened a dialogue with the EPA to utilize integrated planning in meeting regulatory requirements and Raftelis will continue to provide financial support throughout this process.

City of Sanford (NC): Water and Wastewater Rate Study, FY 2010 Rate Update, Bond Feasibility Study (2010 and 2019), and System Development Charge Study

Joe served as the project manager multiple projects with the City of Sanford (City). In 2008, Raftelis was engaged to develop a water and sewer rate and financial planning model. As part of the study, Joe developed a rate and financial planning model to calculate revenue requirements using the City's budget and capital improvements plan. The model was developed with the ability to analyze the impact of phasing out a declining block rate structure into a uniform rate over several years and monitor the impacts on financial performance and customer bill impacts. Raftelis continues to assist the City with annual updates on the rate and financial planning model.

Joe also served as lead consultant on the financial feasibility evaluation for the City's proposed issuance of $76 million of revenue bonds in 2010. The City was seeking capital market funds to expand and upgrade its Big Buffalo Wastewater Treatment Plant and refund certain debt issues. Our analysis included a forecast of revenues, expenses, and debt service over a five-year period, to ensure compliance with all bond covenants and debt service coverage requirements, and a comprehensive report.

In 2016, Raftelis developed water and wastewater capital recovery charges for the City of Sanford. These costs were designed to recover the existing investments made by the City from new customers through the system buy-in approach.

In 2019, Joe managed the Raftelis team that performed a financial feasibility evaluation for the City's $38 million revenue bond issuance. The City refunded a portion of the Series 2010 Bonds, issued new capital financing funds to support system expansion, and rewrote their general indenture. Raftelis updated the financial planning model to

reflect the new bonds and indenture requirements and prepared a financial feasibility report that was included in the Official Statement of the Series 2019 Bonds.

Metropolitan St. Louis Sewer District (MO): Cost-of-service, Rate Design, and Financial Services

Raftelis was engaged by the Metropolitan St. Louis Sewer District (MSD) on a multi-year cost-of-service, rate design, and financial services project in 2012. Joe serves as lead consultant responsible for developing, managing, and updated the financial and rate model for this engagement. The model provides an interactive tool for key MSD personnel to see critical financial metrics and projects easily and through custom-built dashboards and reporting. Staff support and training in use of the model has been a focus of this engagement. Raftelis has prepared revenue bond feasibility reports for the last three bond issuances for the MSD.

Birmingham Water Works Board (AL): Bond Feasibility Studies and Financial Planning and Rate Management

Joe has served as lead consultant for a financial and management consulting engagement for the Birmingham Water Works Board (Board) since 2008. Raftelis developed a rate stabilization and equalization process whereby rates are adjusted annually based on the budget and specific coverage ratios. Joe's work with the Board has included comprehensive cost-of-service analysis, financial planning and rate modeling, miscellaneous charge calculations, bond feasibility studies, and other financial services.

City of Chicopee (MA): Financial Capability Assessment and Consent Decree Negotiation

Raftelis partnered with Tighe & Bond to develop an Integrated Management Plan (IMP) related to the City of Checopee's (City) negotiation of a long-term compliance schedule for addressing combined sewer overflows. Like many utilities across the country, the City was faced with significant investment requirements to meet the proposed compliance limits. These costs would leave the City with little to no additional capability to ensure its water and wastewater systems were maintained with proactive rehabilitation and renewal as well as drive customer rates to untenable levels. Joe managed Raftelis' efforts as part of the project team as they identified an optimal blend of traditional and sustainable ("green and grey") projects to achieve similar reductions in overflows and improvements in stream quality. Raftelis supported the evaluation of alternative capital scenarios to identify and optimize the impact to the utilities financial plan, rates, and customer bills. This included the development of an enhanced financial capability analysis that calculated the EPA's affordability result as well as supplement that with additional information. This effort included innovative Affordability Index Matrices, system heat maps, census and demographic data analysis, and customer information analysis. The results were presented to regulators in late 2016 and the City is finalizing a revised submittal to the agencies that represent a significant deferral of some compliance requirements and recognition of the benefits of the City's Integrated Management Plan.

Geauga County (OH): Water and Sewer Rate study

Joe was the project manager for a Water and Sewer Rate study for the Geauga County Department of Water Resources (GCDWR) to address current financial challenges and to establish water and sewer rates that are equitable and provide revenues to support the Department's current and long-term operational and capital needs. The major objectives of the study included establishing guidelines and policies to ensure long-tern financial stability of GCDWR; developing equitable rates that are resilient to pressures external to the GCDWR; help the Department manage the future operational, capital, and service delivery needs. Raftelis developed multi-year rate recommendations that were approved by the County Commissioners and dramatically reduced the number of customer rate classes. Raftelis developed a comprehensive financial planning model which was one of the key deliverables of the study and is used by GCDWR staff to facilitate annual budgeting and financial management.

City of Griffin (GA): Water and Sewer Rate Study and Wholesale Rate Study

Joe serves as project manager and lead consultant for a multi-year financial management consulting services engagement with the City of Griffin (City). Raftelis has developed a multi-year financial planning model that the City uses to evaluate future operating and capital expenditure needs and how current rates and revenues would need to change in order to meet the projected needs. The model considers the impact of the City's wholesale relationships as well as critical financial metrics. Joe also led the development of a wholesale customer rate model that is used to annually perform the rate calculation for the City's wholesale customers and provide forecasting estimates of how rates will change in the future.

Newport News Waterworks (VA): Customer Demand Projection Financial Planning Review; Cost-of-service Study

Joe served as the lead consultant in two studies for Newport News Waterworks (Waterworks). Currently, Joe is involved in a review and update of customer demand projections and the financial planning model. Joe served as the lead consultant on a comprehensive cost-of-service study for Waterworks was completed in 2011. This study concluded in April 2011 and resulted in Waterworks receiving approval of its proposed FY 2012 water rates. The study involved a comprehensive cost-of-service analysis that resulted in modifications to the rate structure. These modifications included increasing the base charge to improve revenue stability for Waterworks, eliminating the summer surcharge, adding a third block to the residential rate structure, and developing separate general class and industrial class rate structures that included a decreasing block for very large industrial customers. Joe developed the cost-of-service model and worked closely with Waterworks staff to develop recommendations that best met the objectives of the utility and the City of Newport News. He also assisted Waterworks staff with the preparation of materials, such as a presentation and Executive Summary, for City Council.

Charlotte-Mecklenburg Utilities (NC): Conservation Rate Study, FY 2009 and FY 2010 rate Assistance and Update, and WAM Assistance

Joe has assisted on a financial services engagement for Charlotte-Mecklenburg Utilities (Utilities). Raftelis is currently assisting Utilities in developing stronger conservation-based water rates, while trying to maintain revenue sufficiency and stability. Joe developed a demand forecasting tool which analyzes historical data in parallel with rainfall statistics to project future demand estimates. This tool is used in the annual update of Utilities' rates and charges.

City of Asheville (NC): Water Rate Study

Joe has served as the lead consultant for Raftelis' engagement with the City of Asheville (City). The City engaged Raftelis to develop a financial planning model that would enable the City to meet its capital planning needs while developing equitable rates and minimizing the impact to customers. Joe developed a model that was able to test the effects of implementing multiple water rate structures and analyze the impacts of a new rate structure on customers of the system.

City of Burlington (NC): Bond Feasibility Study

Joe served as lead consultant on the financial feasibility evaluation for the City of Burlington (City) related to the proposed issuance of $21.8 million of revenue bonds in 2010. The City was seeking capital market funds for upgrades and improvements to the City's wastewater treatment plant and make repairs to the Lake Cammack and Stony Creek dams. Our analysis included a forecast of revenues, expenses, and debt service over a five-year period, to ensure compliance with all bond covenants and debt service coverage requirements, and a comprehensive report.

Town of Belmont (MA): Financial Planning and Cost-of-service Studies

Joe served as the lead consultant on a project with the Town of Belmont (Town) in 2010 to develop a water and sewer rate and financial planning model. As part of the study, Joe developed a rate and financial planning model to

calculate revenue requirements using the Town's budget and capital improvements plan. The model was developed with the ability to analyze the impact of implementing the appropriate rates and rate structure to recover these costs. The study examined the implementation of an increasing block rate structure and separate irrigation rate for the water system. In addition, the study looked at changing the flat customer charge (water) to an increasing customer charge similar to the sewer customer charge. Raftelis continues to assist the Town with annual updates on the rate and financial planning model, as well as other miscellaneous tasks.

PROJECT LIST

- City of Akron (OH) - Sewer cost-of-service, rate design, and financial planning study
- City of Asheville (NC) - Water rate study
- City of Auburndale (FL) - Bill frequency analysis and rate structure review and water and sewer rate study
- Avon Lake Regional Water (OH) – Financial planning and rate study, financial policies
- City of Baltimore (MD) - Financial planning, rate design and implementation integrated planning, customer affordability analysis, bond issuance support, customer information system implementation, and high strength surcharges
- Baltimore County (MD) – Financial planning, rate design, interjurisdictional agreement support
- Birmingham Water Works Board (AL) - Bond feasibility studies and financial planning and rate management
- Town of Belmont (MA) - Financial planning and cost-of-service studies
- Bowling Green Municipal District (KY) - Water and sewer rate study and bond issuance feasibility evaluation
- City of Burlington (NC) - Bond feasibility study
- City of Canton (GA) - Water and sewer rate study
- Town of Cary (NC) - Bond feasibility study and financial planning model
- Charlotte-Mecklenburg Utilities (NC) - Conservation rate study, FY 2009 and FY 2010 rate assistance and update, and WAM assistance
- City of Chicopee (MA) - Financial capability assessment and consent decree negotiation
- Cincinnati Water Works (OH) - Cost-of-service rate review and litigation support
- Clark County (OH) - Financial planning, cost-of-service, and rate study
- Columbus Water Works (GA) - Financial management and performance review, cost-of-service analysis and rate analysis, rate design, and financial reporting system review
- Columbus (OH)
- CONFIDENTIAL CLIENT - Litigation support
- City of Conway (SC) - Water rate study
- Delaware City (OH) – System development fee study, litigation support
- Delaware County (OH) - Master planning financial support and on-call financial support, General fund financial planning
- City of Grandville (MI) - Wholesale rate study and water and sewer rate study
- City of Griffin (GA) - Water and sewer rate study and wholesale rate study
- Franklin County (OH) - Financial planning and rate study, operational assessment, and regional partnership opportunity review
- Hallsdale Powell Utility District (TN) - Implementation and analysis of affordability program
- City of Hubbard (OH) – Water rate study
- Town of Hillsborough (NC) - Capacity fee update
- City of Lakewood (OH) - Water and wastewater rate study and integrated planning and customer affordability study, impervious fee implementation,
- JobsOhio – Economic development support services
- King County Wastewater Treatment Division – Wastewater and stormwater rate model development, affordability assessment and consent decree negotiation, capacity fee study

- City of Marysville (OH) – System development fee study
- Lincoln County (NC) - Water and wastewater rate study
- City of Lincolnton (NC) - Water and wastewater rate study
- City of Livingston (CA) - Rate review
- Louisville Water Company (KY) - Biennial inspection (2017, 2019, 2021), comprehensive cost-of-service and rate study, wholesale rate evaluation, system development fee study, billing services cost allocation study, utility-wide strategic operational review
- Metropolitan Government of Nashville and Davidson County Water Services (TN) - Miscellaneous fee analysis and rate survey analysis and FY 2010 rate update
- Mobile Area Water and Sewer System - Rates and financial planning study
- Montgomery County Environmental Services (OH) - Solid waste rate study, development of key performance indicators, water and sewer capital and charge study, interjurisdictional negotiation, and ongoing financial support
- Mt. Pleasant Waterworks (SC) - Financial planning study, cost-of-service study, impact fee study, and litigation support
- National Association of Clean Water Agencies (NACWA) – Infrastructure Funding Whitepaper
- City of Newport News (VA) - Water rate study and bond feasibility study
- City of North Royalton (OH) - Water and sewer rate study
- North Texas Municipal Water District (TX) - Key performance indicators dashboard
- Northeast Ohio Regional Sewer District – Stormwater cost allocation study
- Northwestern Water and Sewer District (OH) - Regional water service evaluation and financial planning and rate study
- City of Norton (OH) - System development charge study
- Ohio Department of Natural Resources – Capital project visioning study, capital project prioritization database
- Town of Peterborough (NH) - Water and wastewater rate study
- City of Phoenix (AZ) - Price elasticity study and environmental fee study
- Pima County (AZ) - Water reclamation facility procurement
- City of Pompano Beach (FL) - Connection fee study
- City of Raleigh (NC) - Comprehensive financial plan and rate study, bond feasibility, cost-of-service study, merger agreement review, capital facilities fee study, affordability assessment, and ongoing financial management support
- City of Richmond (VA) - Comprehensive financial plan and rate study
- City of Roanoke Rapids (NC) - Water and sewer rate study and FY 2010 rate update
- City of Sanford (NC) - Water and wastewater rate study, FY 2010 rate update, bond feasibility study (2010 and 2019), and system development charge study
- Seattle Public Utilities (WA) - Customer affordability assessment and financial planning study; water, wastewater, and solid waste rate model development, long-term demand forecasting study
- Sewanee Utility District (TN) - FY 2010 and FY 2011 rate update
- South Island Public Service District (SC) - Water and sewer rate study
- Southwest Licking Community Water and Sewer District (OH) – Water and sewer rate study, system development fee study
- St. Louis Metropolitan Sewer District - Bond feasibility study, financial planning, and cost-of-service model
- City of Tiffin (OH) – Water and sewer rate study
- City of Tucson (AZ) - One water master plan, cost-of-service study, and customer assistance program evaluation
- United States Navy, Beaufort (SC) - Privatization procurement
- United States Navy, Key West (FL) - Privatization procurement
- United States Navy, Cherry Point (NC) and Quantico (VA) - Privatization procurement
- United States Navy, MidLant - Utility bill review

- Water Infrastructure Finance Authority (AZ) - Water and wastewater system survey
- Waukesha Water Utility - Great lakes water supply program financial management
- White House Utility District (TN) - Line extension feasibility analysis
- Winston Salem (NC) - Bond feasibility review, fixed charge study, and financial planning study
- City of Wyoming (MI) - Wholesale rate study

PUBLICATIONS

- "Affordability of Wastewater Service, 2nd Edition", Water Environment Federation, 2022
- "Thinking Outside the Bill: A New Guide to Affordability and Customer Assistance", American Water Works Association, 2022
- "Realistically Planning to Spend Federal Infrastructure Money," Water Finance and Management, April 2022
- "Affordability and Equity Considerations for Rate-Setting," Journal AWWA, September 2021
- "Is a Customer Assistance Program Right for Your Utility," Water Finance News, Utility Infrastructure Management, 2016
- "Adapting to Financially Challenging Times," Journal AWWA, 2016
- "Is Our Water Affordable," Journal AWWA, 2014
- "Identification of Revenue Requirements," a chapter included in Water and Wastewater Finance and Pricing: A Comprehensive Guide, Fourth Edition, 2014

PRESENTATIONS

- "Infrastructure Funding – Applying and Utilizing Funds", Ohio One Water Government Affairs Workshop, 2022
- "Ready to be Rescued: How utilities and their customers are accessing LIHWAP funds", Utility Management Conference, 2022
- "Innovative Rate Structuring to Target Affordability Challenges," Water Finance Conference, 2019
- "Fixing Affordability Challenges Requires a Full Toolbox," Ohio American Water Works Association Annual Conference, 2019
- "A Beginner's Guide to Rates," Ohio American Water Works Association Annual Conference, 2018
- "A Brief History of Water Pricing," Energy Exchange, Better Buildings Summit, 2018
- "Utility Financial Planning & Rate Setting," County Sanitary Engineers Association of Ohio, 2015
- "Where Did All That Free Water Go?" Ohio Joint Management Conference, 2015
- "Addressing Affordability Challenges," Water Infrastructure Finance Conference, 2015
- "The Rate Structure Balancing Act," International Water Association' International Conference, 2015
- "Communicating Your Utility's Financial Position," Georgia Association for Water Professionals Annual Conference, 2014
- Communicating Your Utility's Financial Position," Ohio One Water Conference, 2014
- "The Stream Ran Dry but the Revenue Did Not," Utility Management Conference, 2014
- "Affordability Evolution: Using Customer Impacts to Drive Decision-Making and Design Affordability Programs," WEFTEC Conference, 2013
- "Redefining Affordability: How Baltimore City Redefined Affordability and Identified Metrics of Local Affordability," Utility Management Conference, 2013

Nicki Bartak

STAFF CONSULTANT
Senior Consultant

Specialties
- Financial modeling
- Water rights & pricing
- GIS analysis

Professional History
- Raftelis: Senior Consultant (2025-present); Consultant (2023- 2024)
- San Francisco Public Utilities Commission: Senior Administrative Analyst (2019- 2022)
- Water Asset Management: Associate (2018- 2019); Investment Analyst (2016- 2018)

Education
- Bachelor of Science in Environmental Economics & Policy - University of California, Berkeley (2016)
- Bachelor of Arts in Geography - University of California, Berkeley (2016)

Professional Memberships
- AWWA: Rocky Mountain Section

ROLE

Nicki will work at the direction of Sudhir in conducting analyses and preparing deliverables for the project.

PROFILE

Nicki has 6 years of experience in the water and utility industry in both the private and public sectors. She joined Raftelis after three years with the San Francisco Public Utilities Commission, where she focused on understanding utility needs and problem-solving processes. As a real estate analyst, she facilitated Project Review, working to streamline review processes with internal and external stakeholders. In addition, she developed a proactive research tool for wastewater engineers to determine maintenance and access rights, researching and mapping sewer easements in a spatial database. Prior to that, she was an investment analyst at a boutique private equity firm specializing in water resources. Through modeling water rights transactions across the western United States, Nicki gained an in-depth understanding of water valuation and resource planning. In addition to building models and writing documents used to underwrite transactions, she evaluated municipal supply portfolios vulnerable to shortage and developed an internship program. Her professional interests are centered around using data to drive decisions, especially from the perspective of municipal water supply.

KEY PROJECT EXPERIENCE

El Toro Water District (CA): Financial Plan, Cost of Service and Rate Update

Nicki was the staff consultant on a financial plan, cost of service, and rate update for El Toro Water District's Water, Wastewater, and Recycled Water enterprises. Nicki worked closely with Staff to ensure that Raftelis's modeling matched the District's internal modeling to provide defensible rate updates and a technical memorandum detailing methodology on a tight timeline.

City of Ventura (CA): Financial Plan Update and Connection Fee Study

Nicki is the staff consultant on a financial plan update and connection fee study for the City of Ventura. The City is evaluating various financing options to construct a large water reuse project, however construction delays and inflation have resulted in costs doubling from initial estimates. Raftelis was retained to evaluate the recommended rate increases from a prior rate study in this escalating cost environment and to provide support for financing applications. In addition, Raftelis is providing support on an overhaul of connection fees, which have not been updated since 2009. Raftelis is working closely with City staff to develop connection fees with different structures, tailored to better fit the unique demands of development in the City.

City of Big Bear Lake (CA): Department of Water and Power

Nicki was the staff consultant for a capacity, administrative, and service installation fee update for the City of Big Bear Lake, Department of Water and Power (DWP). DWP had most recently updated capacity fees in 2009, and

engaged Raftelis to conduct a study to examine the existing approach against alternatives that may better reflect current community conditions, system characteristics, and policy objectives. Raftelis worked collaboratively with DWP staff with DWP leading analyses internally and Raftelis providing high level insight, analyses review, proposing alternatives for evaluation, and vetting recommended fees.

City of Prescott (AZ): Impact Fee and Rate Study

Nicki served as the staff consultant developing non-utility impact fees for the City of Prescott's Police, Fire, and Streets enterprises. We worked with the City to develop a Land Use Assumption (LUA), Infrastructure Improvements Plan (IIP), and Development Impact Fee (DIF) study to update the City's non- development impact fees for compliance with Arizona Revised Statutes (ARS §9-463.05).

City of Thornton (CO): Water and Wastewater Financial Plan, Cost of Service, and Rate Study

Nicki is the staff consultant for a comprehensive water and wastewater utility financial planning, connection fee and rate study for the City of Thornton. The water utility study is evaluating the revenue needs to support the construction and upgrades to new and existing water treatment plants, infrastructure to support anticipated growth and meet PFAS treatment requirements, and anticipated system repair and replacement requirements. Raftelis developed a long-range financial plan completing multiple capital funding scenario in support of anticipated debt issuances to fund capital expansions and improvements. In addition, Raftelis developed water system, water resource, and wastewater system connection fees to support the expansion and construction of these new facilities.

Town of Erie (CO): Water, Wastewater, and Stormwater Financial Plan, Cost-of-Service, Rate Design, and Tap Fee Study

Nicki is the staff consultant for an ongoing water, wastewater, and stormwater financial plan, cost of service, rate design, and tap fee study for the Town of Erie. The Town retained Raftelis to update comprehensive financial plans, cost-of-service analyses, rate designs, and tap fees for its water, wastewater, and stormwater utilities. Raftelis is updating the separate financial plans for each utility as part of the 2024 study. Subfunds were created for each utility to monitor activities associated with ongoing operations and growth-related activities. This separation of funds allowed the Town Council to see how growth revenues were able to fund projects and whether rate revenue was required to make up deficiencies.

Fort Collins-Loveland Water District (CO): Financial Plan, Cost of Service and Rate Study

Nicki was the lead consultant for a water financial plan, cost of service, and rate study that also includes a tap fee update for Fort Collins-Loveland Water District (FCLWD). The District retained Raftelis to evaluate rate increases to fund deferred maintenance and an aggressive growth-related CIP totaling over $1B throughout the study period. Raftelis developed several financial planning options to meet Board pricing objectives and a variety of financing scenarios, working closely with Staff. In addition, Raftelis updated the tap fee schedule with changing raw water prices and scaled by actual customer billing data and use trends.

Town of Firestone (CO): Water Financial Plan, Cost of Service and Rate Study

Nicki was the staff consultant for a water financial plan, cost of service and rate study for the Town of Firestone. Like many northern Colorado communities, Firestone is experiencing significant growth and rising expenses. In particular, Firestone's wholesale treated water provider raised rates 18%, with additional increases forecasted in following years. Firestone retained Raftelis to evaluate the efficacy of its rate structure to meet these rising costs and pay for its CIP that included the construction of a new water treatment plant. Raftelis provided guidance on O&M costs based on AWWA benchmarks, as well as assisting in the development of a pass-through rate structure for the Town's water purchases. Raftelis's financial plan tracked growth-related capital spending separately from operations

to assuage Board concerns about current ratepayers subsidizing growth. After working closely with Staff and the Board, Raftelis provided six rate alternatives, one of which was adopted at the end of 2023.

RELEVANT PROFESSIONAL EXPERIENCE

San Francisco Public Utilities Commission: Senior Administrative Analyst (2019-2020)

Nicki joined SFPUC to gain exposure to the municipal perspective as a stakeholder in water supply issues and understand large utility operations. As a Senior Administrative Analyst for the Real Estate Services Division of SFPUC, Nicki worked closely with Wastewater Enterprise engineers to determine access rights and maintenance responsibilities. She progressively mapped her research in GIS to create a proactive, user-friendly tool for staff. In addition, she facilitated the In-City Project Review Committee, which worked with internal enterprises (Water, Power, Sewer, and overhead/support services) to review projects affecting SFPUC land or infrastructure. She also performed a spatial analysis using data from multiple departments to identify where inter-departmental agreements were needed on City property. During the City's COVID-19 emergency response, she developed an inventory tracking system and managed the distribution of Personal Protective Equipment to congregate living sites.

Water Asset Management: Associate (2016-2019)

Water Asset Management is a boutique private equity firm specializing in water resource investments throughout the western United States. As the only analyst for the team, Nicki developed and maintained financial models for water rights transactions throughout Arizona, California, Colorado, Nevada, New Mexico, and Texas. Her work included crop economic analyses, comparable evaluation, competitor identification, and data-driven analytics. In addition, she performed GIS analyses to identify and prioritize key attributes of water rights to target potential investment regions. She also developed high-level summary documents and presentations for external stakeholders and policymakers unfamiliar with water rights development.

PUBLICATIONS

- "Water scarcity and fish imperilment driven by beef production," Nature Sustainability, 2020

PROJECT LIST

- Town of Firestone (CO) – Financial Plan, Water Rate, and Cost of Service Study
- Town of Dacono (CO) – Financial Plan and Water Rate Study
- Town of Eaton (CO) – Water, Wastewater, and Irrigation Financial Plan, Cost of Service, and Rate Study; Tap Fee Update
- City of Thornton (CO) – Water and Wastewater Financial Plan, Cost of Service, and Rate Study
- Fort Collins-Loveland Water District (CO) – Water Financial Plan, Cost of Service, and Rate Study
- Big Bear Lake Department of Water and Power (CA) – Capacity and Miscellaneous Fees
- City of Ventura (CA) – Financial Plan Update and Connection Fees
- El Toro Water District (CA) – Rate Study Update, Water, Sewer and Recycled Water
- Imperial Irrigation District (CA) – Water Cost of Service Study
- City of Prescott (AZ) – Impact Fee and Rate Study

Casey Goodwin

STAFF CONSULTANT
Consultant

Specialties
- Financial modeling
- Cost of service
- Water, sewer, and stormwater rate design
- Green infrastructure
- Data analysis
- Affordability analysis

Recent Professional History
- Raftelis: Consultant (2024-present); Associate Consultant (2023)
- Harvard Extension School: Teaching Assistant (2022-2023)
- Massachusetts Rivers Alliance: Stormwater Technical Assistant Program Intern (May-Nov 2022)
- Stockholm Environment Institute: Equitable Transitions Intern (Summer 2022)

Education
- Master of Science in Sustainable Water Management – Tufts University (2022)
- Bachelor of Arts in Politics, Religious Studies – Pomona College (2019)

Publications
- "No Meter, No Benefits: How Renters Were Left Behind in the Move Toward Conservation and Customer Assistance Programs" – New England Water Wayfinder Issue 2 - 2024

ROLE

Casey will work at the direction of Sudhir in conducting analyses and preparing deliverables for the project.

PROFILE

Casey Goodwin joined Raftelis after graduating from Tufts University with an MS in Sustainable Water Management. Since joining Raftelis in January 2023, he has contributed to water and sewer rate studies, private utility rate filings, cost-of-service studies, and financial planning studies. He has also worked on customer assistance program design, affordability analyses, and authored an article on the unintended impacts of conservation-oriented rate design and traditional affordability programs on renters. Prior to Raftelis, he worked for the Massachusetts Rivers Alliance, the Stockholm Environment Institute, and as a teaching assistant for the Harvard Extension School. At Mass Rivers, he co-developed a stormwater Technical Assistance Program and researched ways to finance green infrastructure and stormwater utilities. At the Harvard Extension School, he has helped prepare classes, developed and graded assignments, recruited guest speakers, and guided students through term projects. As a researcher at the Stockholm Environment Institute, he co-wrote manuscripts for projects related to olive oil processing in Morocco and the future of the agricultural sector in Jamaica.

KEY PROJECT EXPERIENCE

City of Ontario (CA): Financial Plan, Cost of Service and Rate Update

Casey is the staff consultant on a financial plan, cost of service, and rate update for Ontario Water District's Water, Wastewater, and Recycled Water enterprises. The City is constructing additional reservoirs, embarking on a major upgrade of water mains, and navigating the relocation of its municipal service center. Casey has worked closely with Staff to ensure that the financial plan meets Ontario's planned capital spending while rates are kept defensible and accessible for customers. Casey also authored the project report.

City of Westminster (CA): Financial Plan, Cost of Service and Rate Update

Casey is the staff consultant on a financial plan, cost of service, and rate update for the City of Westminster's Water enterprise. Casey is working closely with Staff to ensure data integrity, develop a financial plan that meets the City's needs, and provide defensible rates.

City of Covina (CA): Financial Plan, Cost of Service and Rate Update

Casey is the staff consultant on a financial plan, cost of service, and rate update for the City of Covina's Water enterprise. Casey is working closely with Staff to develop a financial plan that meets the City's needs and provides

defensible rates that are accessible to customers, while maintaining financial sufficiency in the face of rising capital expenses and elevated water purchase costs.

City of St. Helena (CA): Financial Plan, Cost of Service and Rate Update

Casey was the staff consultant on a financial plan review for the City of St. Helena's Water and Wastewater enterprise. The City faces high water and wastewater costs due to its small size and low density, high contractor fees, and elevated water purchase costs with high minimum fees. The City hired Raftelis to review its financial plan and evaluate the feasibility of deferring rate increases or decreasing rates in order to provide relief to customers. Casey worked closely with City staff on an accelerated timeline to evaluate a variety of capital and operations scenarios. He also worked to support City staff in their effort to communicate the consequences of foregoing previously planned capital projects. Ultimately, the Council voted to adhere to the previously adopted rate schedule.

City of Berkeley (CA): Financial Plan, Cost of Service, and Rate Update

Casey is the staff consultant on a financial plan, cost of service, and rate update for the City's Wastewater enterprise. The City is currently implementing a consent decree, alongside other nearby communities, aimed at lowering the nutrient load in the San Francisco Bay. Casey is helping the City navigate the implications of contracts with some larger customers while designing defensible rates that meet the City's capital needs and revenue stability goals.

Pittsburgh Water and Sewer Authority (PA): Financial Planning, Cost of Service, and Rate Filing

Casey collaborated with the Pittsburgh Water and Sewer Authority (PWSA) to update their financial planning and cost of service model as part of their 2023 and 2025 rate filings with the Pennsylvania Public Utility Commission (PUC). He co-led the development of the cost of service model and analyzed water and sewer billing data, current and historical budget data, and future and historical debt amortization schedules. He also prepared filing schedules, responded to discovery questions from intervenors, analyzed intervenor testimony, co-led the development of a rebuttal model, and prepared filing and rebuttal testimony. He also compiled depreciation data, performed quality testing, and helped PWSA with asset valuation.

KEY PROJECT LIST

- Pittsburgh Water and Sewer Authority (PA) – Financial planning analysis and cost-of-service rate study, rate filing, financial capacity assessment
- Lehigh County Authority (PA) – Financial planning analysis
- Columbia Water Company (PA) – Cost of service and rate design, rate filing
- City of Middleborough (MA) – Financial planning analysis and rate design, connection charge analysis
- Town of Rockport, (MA) – Financial planning analysis and rate design
- City of Salem, (MA) – Financial planning analysis and rate design
- Town of Plymouth, (MA) – Financial planning analysis and rate design
- Town of Londonderry, (NH) – Economic feasibility analysis
- Town of Canton, (MA) – Financial planning analysis, rate design, affordability analysis, miscellaneous fees
- Erie County Water Authority, (NY) – Financial planning analysis, affordability analysis
- Kennebunkport, Kennebunk, and Wells Water District, (ME) – Cost of service
- Town of Mansfield, (MA) – Financial planning analysis
- Whitinsville Water Company, (MA) – Rate filing support, testimony review
- Town of Rochester, (NH) – Stormwater feasibility study
- Town of Rollinsford, (NH) – Financial planning analysis
- City of Burlington, (VT) – Affordability program research
- City of Somerville, (MA) – Affordability program design, rate design, public communication support

- Town of Belmont, (MA) – Financial planning analysis
- Palm Beach County, (FL) – Peaking factor analysis, AMI data analysis
- Town of Seabrook, (NH) – Financial planning analysis
- Bay Area Clean Water Agency (CA) – Financial impacts analysis
- Towns of Rutland & West Boylston (MA) – Litigation support and financial analysis
- State of Maine (ME) – Affordability study and affordability program design
- City of Ontario (CA) – Financial planning analysis and cost of service
- City of Berkeley (CA) – Financial planning analysis and cost of service
- City of Westminster (CA) – Financial planning analysis and cost of service
- City of Covina (CA) – Financial planning analysis and cost of service
- City of St. Helena (CA) – Financial planning analysis
- Bear Valley Water District (CA) – Water system acquisition – financial analysis

Agenda Item No. 8

STAFF REPORT

To: Board of Directors **Meeting Date: September 22, 2025**

From: Dennis Cafferty, General Manager

Subject: Administrative Code Update
Capital Facilities Fees (Section 7080 / Section 7090)

At the September Board meeting the Board approved amendments to Administrative Code Sections 7080 and 7090 addressing the assessment of Capital Facilities Fees (CFFs) for Accessory Dwelling Units (ADUs). The assessment of Capital Facilities Fees would be only be applied to ADUs in which a new water or wastewater service was constructed and connected to the District system. Staff noted that new service connections would not typically be required by the District but would be constructed if requested by the owner, at the owner's expense. During the discussion Vice President Freshley raised the issue of an ADU developed on an individual lot that could be separately sold without benefit of an individual service connection to the District water or wastewater system.

While the District has not yet experienced such a scenario it remains possible and warrants attention in the policy. Staff have encountered ADU developments in which the ADU has a separate address but continues to occupy the same lot as the primary dwelling.

Staff are proposing updates to both the Water and Wastewater Capital Facilities Administrative Code Sections (Sections 7080 and 7090 respectively) to provide a requirement to construct a new service connection in the event the ADU is constructed on a separate lot or in the event the District determines the separate connection is necessary due to capacity or system integrity requirements.

The revisions to each code section are identified in the attached redline documents.

Recommended Action:

Staff recommend that the Board approve the amendments to Sections 7080 and 7090 of the El Toro Water District Administrative Code.

§7080 WATER CAPITAL FACILITIES FEE

1. APPLICABILITY

Applicable to residential and non-residential customers desiring new and/or increased capacity in the El Toro Water District water system.

2. WATER CAPITAL FACILITIES FEE

A. The Water Capital Facilities Fee for each new residential and/or non-residential customer shall consist of two components.

1. The Water Capital Facilities Fee – Meter Component, based on capacity in the water distribution system, shall be an amount based on the meter size as follows:

Meter Size	Water Capital Facilities Fee Meter Charge
5/8”	$2,145
3/4”	$2,145
1”	$3,582
1-1/2”	$8,708
2”	$21,856

2. The Water Capital Facilities Fee – Water Supply Charge Component (WSC), designed to offset the cost of supply to serve the project, shall be an amount based on the estimated new demand in acre-feet per year (afy) at a rate of $8,900/afy as follows:

WSC ($) = Project Demand (afy) x $8,900/afy

a.) The volume of acre-feet per year (“Project Demand”) will be calculated using the estimated daily volume of sewage determined by the District’s engineer. The calculation will assume 95% of domestic water use is returned to the sewer. The Project Demand (afy) will be determined by dividing the calculated volume of sewage generation by 95% as follows:

$$\text{Project Demand (afy)} = \frac{\text{Sewer Vol (gpd) x 365 d/y x (af/325,851 gal)}}{0.95}$$

b.) As defined in Section 7090, the estimated daily volume of sewage will be determined as follows:

Prior to service being rendered to establishments in the development, the District’s engineer shall determine an estimated daily volume of sewage using characteristic

sewage generation factors established by the City of Los Angeles/Los Angeles County Sanitation Districts for various non-residential user classifications as identified in Exhibit 'A'.

The average percentages of 63% and 44% will be applied to the City of Los Angeles/Los Angeles County Sanitation Districts flow data to determine the estimated daily sewage volume for restaurants and non-restaurant commercials, respectively.

c.) At the request of the developer, the District will validate the Project Demand using domestic water meter readings after one full year of operation. If the water use totalized over a single one-year period indicates the Project Demand during the single one-year period is different than the Project Demand previously established by the District's engineer, the developer's Capital Facilities Fee would be adjusted accordingly. The one-year period referred to above shall be a period of full operation of the establishment, at full occupancy, as determined by the District.

d.) The District requires from any prospective commercial or industrial developer, prior to commencement of service to the development, a statement as to the quantity and quality of sewage to be discharged into its system and a statement as to the anticipated water demand. At the option of the District, these statements may be used to any degree in determining the Project Demand.

B. Accessory Dwelling Units ("ADU")

1. A new water service connection will be constructed at the owner's expense under the following conditions:

   i. If a new water service connection is requested by the owner.

   ii. If a lot line adjustment is made in which a separate lot is created and occupied by the ADU, the District will require a new water service connection be constructed to serve the ADU.

   iii. If, in the District's sole discretion, a new water service connection to serve the ADU is necessary to ensure service reliability, operational efficiency, or system integrity.

~~1.~~2. If a new water service connection is required or requested for an ADU constructed after the primary dwelling, the Water Capital Facilities Fee, including both the Meter Component and the Water Supply Charge Component, shall be calculated proportionally. The proportional amount shall be determined using the current fee, as

described herein, for the existing primary dwelling multiplied by a ratio of the square footage of the ADU to the square footage of the existing primary dwelling.

~~2.~~3. If the ADU is constructed concurrently with a new primary dwelling, the full Water Capital Facilities Fee, including both the Meter Component and the Water Supply Charge Component, shall be calculated by the standard methodology described in the above Sections 2.A.1 and 2.A.2 and shall not be calculated proportionally.

~~3.~~4. ADUs constructed after the primary dwelling for which a new service connection is neither required nor requested shall not be subject to the Water Capital Facilities Fee.

C. When customers change their usage and/or when redevelopment occurs, the property will be provided credit for the existing capacity applied to the property. There will not be a charge or credit for downsizing capacity to serve the property. Further, no refunds will be provided when service to the property is terminated and/or removed.

D. Unless otherwise mutually agreed upon between the District and the customer, the Capital Facilities Fee shall be paid prior to service being provided to the property.

R 12-8-1 08/23/2012; R 17-10-1 10/24/17; R 24-11-2 11/26/24; R 25-2-2 02/27/25; 08/28/25; 09/22/25

§7090 WASTEWATER CAPITAL FACILITIES FEE

1. RESIDENTIAL DEVELOPMENTS

Applicable to Residential Dwelling Units ("RDU") desiring new and/or increased capacity in the El Toro Water District water system.

A. The basic Wastewater Capital Facilities Fee for each type of residential customer shall be an amount equal to the number of gallons of wastewater to be discharged into the District's system each day times $10.66. The number of gallons of wastewater to be discharged into the District's system each day will be calculated using characteristic wastewater generation factors established by the City of Los Angeles/Los Angeles County Sanitation Districts for various residential user classifications as identified in Exhibit 'A' attached hereto and made a part hereof.

B. Accessory Dwelling Units ("ADU")

1. A new wastewater service connection will be constructed at the owner's expense under the following conditions:

   i. If a new wastewater service connection is requested by the owner.

   ii. If a lot line adjustment is made in which a separate lot is created and occupied by the ADU, the District will require a new wastewater service connection be constructed to serve the ADU.

   iii. If, in the District's sole discretion, a new wastewater service connection to serve the ADU is necessary to ensure service reliability, operational efficiency, or system integrity.

~~1.~~2. If a new water or wastewater service connection is required or requested for an ADU constructed after the primary dwelling, the Wastewater Capital Facilities Fee shall be calculated proportionally. The proportional amount shall be calculated using the current fee for the existing primary dwelling, as described herein, multiplied by a ratio of the square footage of the ADU to the square footage of the existing primary dwelling.

~~2.~~3. If the ADU is constructed concurrently with a new primary dwelling, the full Wastewater Capital Facilities Fee shall be calculated by the standard methodology described in the above Section 1.A and shall not be calculated proportionally.

~~3.~~4. ADUs constructed after the primary dwelling for which a new water or wastewater service connection is neither required nor requested shall not be subject to the Wastewater Capital Facilities Fee.

C. Unless otherwise mutually agreed upon between the District and the customer, the Wastewater Capital Facilities Fee shall be paid prior to service being provided to the property.

D. If the wastewater discharge by an RDU or ADU does not conform to the definition, as established by the District as to the quantity or quality of wastewater, the above fee shall be increased accordingly, either before service is rendered or any time thereafter. Immediately upon notification to a customer of such an increase, it shall be due and payable, and failure to pay shall be grounds for discontinuation of service to the customer.

E. The District may require from any prospective residential developer and prior to commencement of service to the development, a statement as to the quantity and quality of wastewater to be discharged into its system. At the option of District, the statement may be used to check if the Wastewater Capital Facilities Fee should be based on residential or commercial rates, if it does not meet the characteristics of ordinary domestic wastewater as to quantity and quality.

F. When customers change their usage and/or when redevelopment occurs, the property will be provided credit for the existing capacity applied to the property. There will not be a charge or credit for downsizing capacity to serve the property. Further, no refunds will be provided when service to the property is terminated and/or removed.

2. COMMERCIAL AND INDUSTRIAL DEVELOPMENTS AND PUBLIC AUTHORITY PROJECTS

Applicable to Commercial and Industrial Developments and Public Authority Projects desiring new and/or increased capacity in the El Toro Water District wastewater system.

A. The Wastewater Capital Facilities Fee for any commercial or industrial development establishment shall be based on the daily volume of wastewater to be discharged into the District's system by each establishment within a development.

B. The basic Wastewater Capital Facilities Fee for each establishment within a development shall be an amount equal to the number of gallons of wastewater to be discharged into the District's system each day times $10.66 per gallon.

Prior to service being rendered to establishments in the development, the District’s engineer, shall determine an estimated daily volume of wastewater using characteristic wastewater generation factors established by the City of Los Angeles/Los Angeles County Sanitation Districts for various non-residential user classifications as identified in Exhibit ‘A’ attached hereto and made a part hereof.

The average percentages of 63% and 44% will be applied to the City of Los Angeles/Los Angeles County Sanitation Districts flow data to determine the Capital Facilities Fee for restaurants and non-restaurant commercials, respectively.

C. At the option of the developer, a flow meter approved by the District may be installed in the customer's service pipe to measure the actual volume of wastewater discharged by the establishment. The meter shall be installed and operated at the developer's expense, but under the supervision of District. In the alternative, the District may use the dedicated domestic water meter readings to estimate flow. If the flow totalized over a single one-year period indicates that the average daily volume of wastewater contributed by the customer during the single one-year period is different from the daily volume previously established by the District's engineer, the developer's Wastewater Capital Facilities Fee would be adjusted accordingly. The one-year period referred to above shall be a period of full operation of the establishment as determined by the District.

D. Unless otherwise mutually agreed between the District and the developer, the Wastewater Capital Facilities Fee will be paid before wastewater service is provided to the development.

E. The District requires from any prospective commercial or industrial developer prior to commencement of service to the development, a statement as to the quantity and quality of wastewater to be discharged into its system. At the option of District, the statement may be used to any degree in determining the Wastewater Capital Facilities Fee to be paid by the developer.

F. When customers change their usage and/or when redevelopment occurs, the property will be provided credit for the existing capacity applied to the property. There will not be a charge or credit for downsizing capacity to serve the property. Further, no refunds will be provided when service to the property is terminated and/or removed.

G. The District may deviate from any of the foregoing rules in special circumstances and cases to be conclusively determined by the District.

R 12-8-1 08/23/2012; R 24-12-4 12/19/24; 08/28/25; 09/22/25

MINUTES OF THE REGULAR MEETING
& OF THE
ENGINEERING COMMITTEE MEETING

August 25, 2025

At approximately 7:30 a.m. President Gaskins called the regular meeting to order.

Director Havens led the Pledge of Allegiance to the flag.

Committee Members MARK MONIN (Zoom), MIKE GASKINS, KAY HAVENS, KATHRYN FRESHLEY (Zoom), and WYATT McCLEAN participated.

Also participating were DENNIS P. CAFFERTY, General Manager, GILBERT J. GRANITO, General Counsel, VISHAV SHARMA, CFO, HANNAH FORD, Director of Engineering, JUDY CIMORELL, Director of Human Resources, SCOTT HOPKINS, Operations Superintendent, MIKE MIAZGA, IT Manager (Zoom), SHERRI SEITZ, Public Affairs Manager (Zoom, 7:42 a.m.), VU CHU, Water Resources Supervisor (Zoom), RORY HARNISCH, Senior Engineer (7:41 a.m.), VICKI TANIOUS, Senior Accountant (Zoom), ABEL ESTRADA, Billing & Customer Service Supervisor (Zoom, 7:41 a.m.), ROBERT MONTOYA, PFM Asset Management LLC., KEITH STRIBLING, PFM Asset Management LLC., CAROL MOORE, Laguna Woods City Council Member (Zoom), JANET FORDUNSKI, Member of the Public (Zoom), and MARISOL MELENDEZ, Recording Secretary.

Determination of a Quorum

Roll Call:

Director McClean	Present
Director Havens	Present
Director Monin	Present
Vice President Freshley	Present
President Gaskins	Present

Vice President Freshley and Director Monin participated in the meeting via teleconferencing as noted in today's agenda and the remaining Board Members were present. Therefore, a Quorum was determined.

Oral Communications/Public Comment

There were no comments.

Items Too Late to be Agendized

President Gaskins asked if there were any items received too late to be agendized. Mr. Cafferty replied no.

Engineering Committee Meeting

At approximately 7:32 a.m. Director McClean called the Engineering Committee meeting to order.

Consent Calendar

Director McClean asked for a Motion.

Motion: Director Havens made a Motion, seconded by President Gaskins to approve the Consent Calendar.

Roll Call:

Director McClean	aye
Director Havens	aye
Director Monin	aye
Vice President Freshley	aye
President Gaskins	aye

Engineering Action Items

Resolution No. 25-8-1 El Toro Water District Aliso Creek Lift Station – Utility and Infrastructure Protection Project FEMA Hazard Mitigation Grant Program Application Match Commitment Documentation

Ms. Ford stated that the sub application is due next month. She explained that the Resolution commits the District to the required 25% project match. The project is

already budgeted in the 10-year plan without grant funding and the match commitment is within the budgeted amount but it is scheduled for a couple of years out, which aligns with the anticipated timing of FEMA funding.

Director McClean asked for a Motion.

Motion: Director Havens made a Motion, seconded by President Gaskins to adopt Resolution No. 25-8-1, documenting the District's commitment to the matching funds requirement for the FEMA Hazard Mitigation Grant Program application for the Aliso Creek Lift Station Utility and Infrastructure Protection Project.

Roll Call:

Director McClean	aye
Director Havens	aye
Director Monin	aye
Vice President Freshley	aye
President Gaskins	aye

Shenandoah Booster Station Pump and Motor Replacement

Ms. Ford stated that last month, the Board authorized award of a contract to PowerFlo. However, PowerFlo cannot supply pumps to municipal buyers. The pump manufacturer, Aurora, authorizes sales through PowerFlo only to the industrial sector. Brax Company, which had also submitted a quote, is authorized to supply pumps to municipalities and was able to lower the cost from their original quote. This item ratifies the General Manager's approval to reflect the manufacturer change from the Board's prior action.

Director McClean asked for a Motion.

Motion: Director Havens made a Motion, seconded by President Gaskins to (1) rescind the action from July authorizing a purchase order to Powerflo Products, Inc. in the amount of $132,236.19 to furnish new pumps and motors for the Shenandoah Booster Pump Station; and (2) ratify the purchase of new pumps and motors for the

Shenandoah Booster Pump Station from Brax Company, Inc. in the amount of $132,042.44 and to authorize the General Manager to fund the project costs from the District's Capital Reserves as recommended by staff in accordance with the District's adopted Capital Reserve Policy.

Freeway Electrical Equipment Replacement Project

Ms. Ford reported that the final component of the previously purchased electrical equipment has been received. Staff developed an in-house design and solicited contractor quotes for installation, recommending award to the lowest bidder, Baker Electric. Construction is expected to begin in November and will be sequenced with the Westline project.

Director McClean asked for a Motion.

Motion: President Gaskins made a Motion, seconded by Director Havens to authorize the District's General Manage to enter into a contract with Baker Electric, Inc. in the amount of $85,215.00 for electrical installation services in connection with the Freeway Electrical Equipment Replacement Project and to authorize the General Manager to fund the project costs from the District's Capital Reserves as recommended by staff in accordance with the District's adopted Capital Reserve Policy.

Roll Call:

Director McClean	aye
Director Havens	aye
Director Monin	aye
Vice President Freshley	aye
President Gaskins	aye

City of Laguna Hills Pavement Rehabilitation Project

Mr. Harnisch stated that the City of Laguna Hills recently conducted a pavement project on Paseo De Valencia between Alicia Parkway and Avenida De Carlota. He explained that this project required the adjustment of 32 manholes and 32 water valve

cans to grade, for which the District is financially responsible since the facilities are located in the public right of way.

Director Havens inquired about the $1,250 per adjustment, asking what the work involves and whether the cost is negotiable. Mr. Harnisch outlined the scope of work and Mr. Cafferty explained that the price is non-negotiable as it is included as a line item in the contractor's bid. He added that staff will continue exploring cost-effective approaches for similar future projects and may consider budgeting for them.

Director McClean asked for a Motion.

Motion: Director Havens made a Motion, seconded by President Gaskins to authorize the District's General Manage to approve payment of a City of Laguna Hills invoice in the amount of $80,000.

Roll Call:

Director McClean	aye
Director Havens	aye
Director Monin	aye
Vice President Freshley	aye
President Gaskins	aye

Engineering Information Items

El Toro Water District Operations Report

Director Havens asked about this month's potable augmentation. Mr. Cafferty explained that demand drove the need to augment the recycled water system with potable, and the potable supplement is intended to address these types of issues. It has only been required twice this year, and staff continues efforts to minimize its use.

Mr. Cafferty reported that STEM reviewed last month's battery system error and confirmed that staff will issue an invoice to STEM for a credit of $11,365.

El Toro Water District Capital Project Status Report

DAF No. 1 MCC Replacement

Ms. Ford reported that the equipment purchased last year has been received. An in-house design was completed, resulting in significant savings. She added that the MCC was relocated away from the DAF unit to address corrosion issues caused by its previous placement.

Secondary Clarifier No. 4 Drive Replacement Project

Ms. Ford reported that work on Secondary Clarifier No. 3 was completed in response to an emergency failure, while Secondary Clarifier No. 4 is a preventative project. Following dewatering, the bridge was inspected and found to be in worse condition than that of Secondary Clarifier No. 3. As a result, Don Peterson's contract will be amended by approximately $28,000.00 to refabricate the bridge adapter piece and complete the project.

Moulton/El Toro Cathodic Protection Repair

Ms. Ford reported that implementation includes placement of two 49" deep anode beds adjacent to six test stations along El Toro Road and Moulton Parkway to restore the impressed current Cathodic Protection System on the District's water distribution main. Staff held a pre-bid meeting and will present a recommendation for award in October.

Westline Lift Station Main Switchboard Replacement

Mr. Harnisch reported that staff held a preconstruction meeting last week and the contractor is prepared to begin work. Construction will begin immediately upon SCE approval, and nearby residents will be notified in advance.

Main Office Warehouse Drainage Improvement Project

Mr. Harnisch reported that construction has begun, with most of the precast structure installed. The project is expected to be completed by mid-September, including minor asphalt work on the opposite side of the building to ensure proper water flow and prevent recurrence of last year's incident.

R-6 Reservoir Southern Slope Stabilization Project

Ms. Ford reported that staff has received the 90% design and is currently reviewing it. The plans will be submitted to the City of Mission Viejo for approval, and the project is planned for bidding in October. Staff continue to coordinate with the church to develop a construction agreement for site access.

Aliso Creek Lift Station Improvements Project

Ms. Ford reported that the 90% design is expected by the end of this month. Staff plans to present the materials at upcoming Golden Rain Foundation and United Board meetings.

Tertiary Disinfection Optimization Project

Ms. Ford reported that staff has ordered the equipment and supporting components. The mechanical installation will be completed by District WRP staff using the in-house design followed by the electrical installation. An electrical installation contract for $13,215 will be awarded to Baker Electric.

Headworks and Secondary Clarifier No. 1 Rehabilitation Project

Ms. Ford stated that Filanc anticipates site mobilization at the end of the year, and the project remains in the submittal phase.

Ocean Outfall Pump Station (OOPS) MCC and Valve Rehabilitation Project

Ms. Ford reported that the final electrical equipment was received this month. Staff will develop an in-house design and solicit bids for the installation.

Battery and Solar Projects

Ms. Ford reported a virtual webinar was conducted with 15 respondents in attendance, and 20 notices of interest were received for the upcoming mandatory site walk. Proposals are expected next month, followed by interviews and a recommendation. In response to Vice President Freshley's inquiry about payback timeframes, Ms. Ford explained that Terra Verde provided estimates, noting that each project has different funding scenarios and varying payback periods.

Mr. Harnisch left the meeting at approximately 8:14 a.m.

Energy Efficiency Update

Ms. Ford reported that a recent change at the R-6 Reservoir Site includes the addition of a rainwater removal system that led to increased power usage from pumping. SCE informed staff that converting the site to a pumping rate schedule would save approximately $1,700 annually. Staff will proceed with the conversion to the new pumping rate schedule.

Asset Management

Ms. Ford stated that a workshop will be held next month to review scoring for consequence and probability of failure.

Comments Regarding Non-Agenda Engineering Committee Items

There were no comments.

Adjournment

There being no further business, the Engineering Committee meeting was adjourned at approximately 8:21 a.m.

Respectfully submitted,

MARISOL MELENDEZ
Recording Secretary

APPROVED:

MIKE GASKINS, President
of the El Toro Water District and the
Board of Directors thereof

DENNIS P. CAFFERTY, Secretary
of the El Toro Water District and the
Board of Directors thereof

Agenda Item No. 10

STAFF REPORT

To:	**Board of Directors**	**Meeting Date: September 22, 2025**
From:	**Hannah Ford, Director of Engineering**	
Subject:	**R-6 Reservoir Southern Slope Repair Temporary Easement Agreement**	

BACKGROUND

The R-6 Reservoir site in Mission Viejo has experienced ongoing erosion along its Southern boundary adjacent to the Living Word Lutheran Church and Laguna Preschool. District staff initially implemented temporary measures using in-house equipment. However, storms in early 2025 significantly worsened the erosion, raising concerns about slope stability and public safety, particularly in relation to the playground area on the church property at the top of the slope.

Recognizing the urgency of the issue, the District engaged Dudek in Spring 2025 under a $72,115 contract to design a permanent stabilization solution. The design is complete, with an estimated construction cost of $546,200. Including engineering services during construction and geotechnical inspection support, total project costs are anticipated to exceed $600,000. The City of Mission Viejo and Division of Safety of Dams have reviewed and approved the proposed improvements.

The project was advertised for bids on September 8, 2025, and District staff conducted a mandatory pre-bid meeting on September 15. Bids are due October 13, 2025, and staff anticipate bringing a recommendation for contract award to the Board at the October 20, 2025 Engineering Committee meeting. Construction is expected to begin in November, with the majority of work taking place December 2025–January 2026.

TEMPORARY CONSTRUCTION AGREEMENT

A portion of the project work area extends onto the property of the Living Word Lutheran Church. District staff have closely coordinated this Project with Living Word Luteran Church and Laguna Preschool, including several on site meetings to review the design and address their concerns. In order to provide contractor access, the District has negotiated a Temporary Construction Agreement with the Church. The Agreement grants the District a limited right of access onto portions of the Living Word Lutheran Church property to complete the R-6 Reservoir Slope Stabilization project, with the District responsible for restoring the site after construction. Attachment A includes the agreement, signed by Living Word

Lutheran Church. Staff recommends that the Board approve execution of the Agreement to ensure that project construction may proceed without delay.

RECOMMENDATION

Recommended Action:

Staff recommend that the Board of Directors authorize the Board President and the District's General Manager/Secretary to sign the Temporary Easement Agreement with Living Word Lutheran Church.

El Toro Water District
"A District of Distinction"
Serving the Public – Respecting the Environment

TEMPORARY EASEMENT AGREEMENT

Recitals

This Agreement is entered into by and between Living Word Lutheran Church, hereinafter referred to as "Grantor," and El Toro Water District, a public agency, hereinafter referred to as "Grantee."

A. Grantor is the owner of certain real property situated in the City of Mission Viejo, California (hereinafter referred to as "Parcels 2 and 5"), and more particularly depicted in Exhibit A, which is attached to this Agreement and hereby incorporated by reference.

B. Grantor is the owner of certain real property, which is adjacent to Parcels 2 and 5 (hereinafter referred to as "Parcel 8").

C. Grantee desires to acquire a temporary right of access to and from that part of Parcels 2 and 5 more particularly depicted in Exhibit A (hereinafter referred to as "Easement Area").

Incorporation of Recitals

Section 1. The above Recitals are incorporated herein and made a part of this Agreement.

Grant of Easement

Section 2. Grantor grants to Grantee and Grantee's agents and employees a temporary easement, on the terms and conditions set forth in this Agreement.

Description of Easement

Section 3. The easement granted in this Agreement is a temporary right of access to and from the Easement Area in connection with the performance of certain "Construction Work" on Parcel 2 by Grantor.

Construction Work

Section 4. The construction work referred to in Section 1 of this Agreement consists of stabilizing the slope along the southern boundary of the R-6 Reservoir to address erosion that poses an imminent public safety risk. Efforts include excavation, fill, compaction, and construction of a brow ditch to re-route drainage away from the slope.

Duty to Repair, Restore, or Replace

Section 5. Within 90 days following completion of the Construction Work, Grantee shall restore the Easement Area to the condition it was in on the date and at the time of execution of this Agreement ("Restoration Work"). That work shall specifically include the repair or replacement of any landscaping or other improvements to the Easement Area.

Term

Section 6. The temporary easement granted in this Agreement shall terminate upon the completion of the Restoration Work.

Nonexclusive Easement

Section 7. The easement granted in this Agreement is nonexclusive. Grantor retains the right to make any use of Parcels 2 and 5, including the right to grant concurrent easements to Parcels 2 and 5 to third parties, that do not interfere unreasonably with Grantee's free use and enjoyment of this temporary easement.

Agreement Nonassignable

Section 8. This Agreement shall not be assigned. Any purported assignment of this Agreement or of any interest in this Agreement shall be void and of no effect.

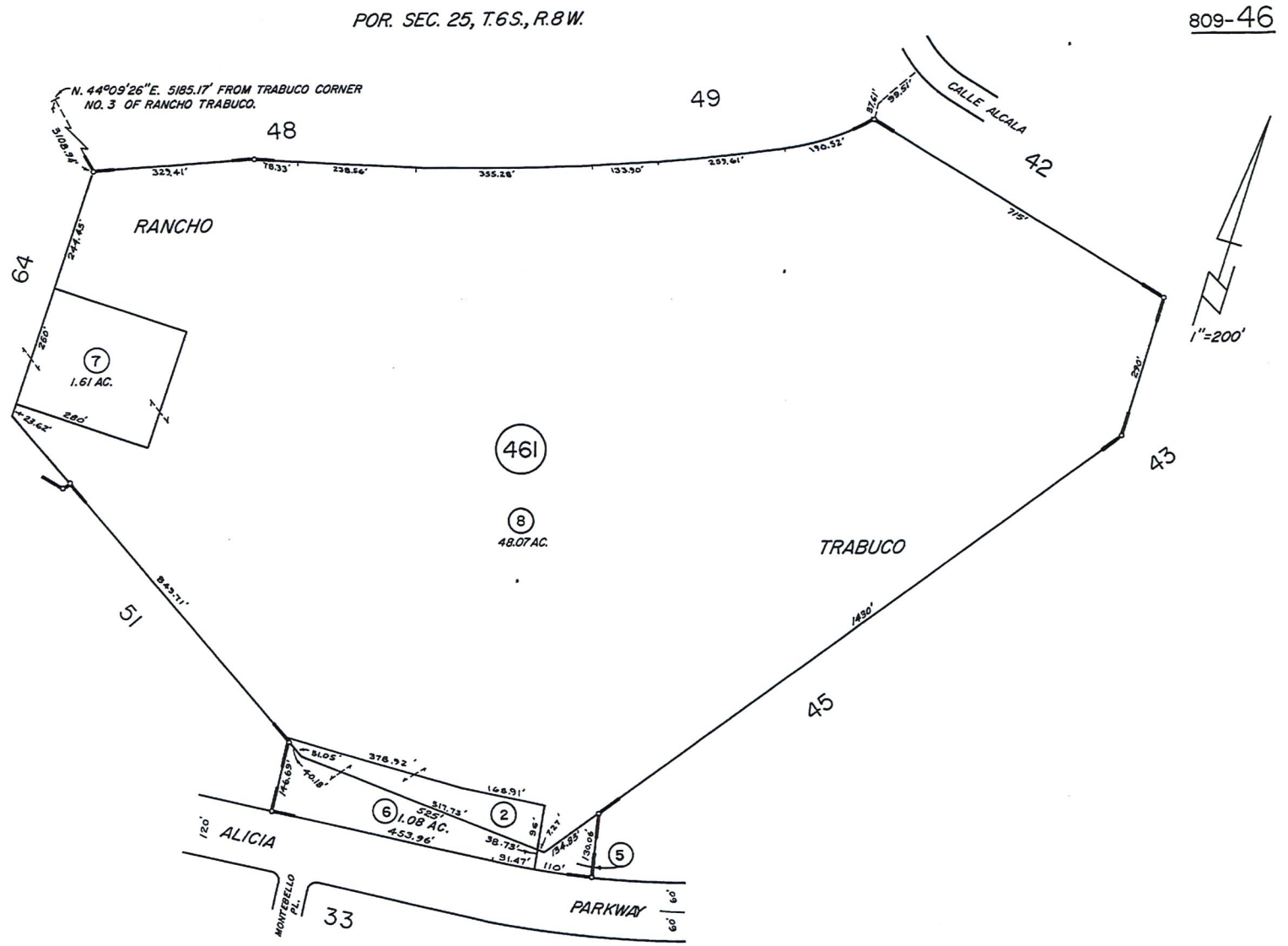
Entire Agreement

Section 9. This Agreement constitutes the entire agreement between Grantor and Grantee relating to the above easement. Any prior agreements, promises, negotiations, or representations not expressly set forth in this Agreement are of no force and effect. Any amendment to this Agreement shall be of no force and effect unless it is in writing and signed by Grantor and Grantee.

Binding Effect

Section 10. This Agreement shall be binding on and shall insure the benefits of the heirs, executors, administrators, successors, and assigns of Grantor and Grantee, except as otherwise provided in this Agreement.

Exhibit A



MARCH 1973 RANCHO TRABUCO R.S. 8-34 TO 46 & 9-15 TO 22 INC.

NOTE - ASSESSOR'S BLOCK & PARCEL NUMBERS SHOWN IN CIRCLES

ASSESSOR'S MAP
BOOK 809 PAGE 46
COUNTY OF ORANGE

El Toro Water District

Executed on _____, 2025.

GRANTOR:

Living Word Lutheran Church

By: _____

Date: 9/3/2025

GRANTEE:

EL TORO WATER DISTRICT, a public agency

By: _____
President, Board of Directors

By: _____
General Manager/Secretary

Date: _____

El Toro Water District

A Notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA }
}
COUNTY OF ORANGE }

On September 3, 2025, before me, Marisol Melendez, Notary Public

personally appeared William C. Russell

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal,

Signature MMelendez

MARISOL MELENDEZ
Notary Public - California
Orange County
Commission # 2496627
My Comm. Expires Aug 5, 2028

Agenda Item No. 11

STAFF REPORT

To: Board of Directors **Meeting Date: September 22, 2025**

From: Hannah Ford, Director of Engineering

Subject: Aliso Creek Lift Station Improvements Project

District staff is currently reviewing the 90 percent design submittal for the Aliso Creek Lift Station (ACLS) Improvements Project prepared by Tetra Tech. To finalize the design, input is needed from Village Management Services (VMS), as well as the Golden Rain Foundation (GRF) and United Mutual (United) Boards. The ACLS is located behind Gate 3 within United Mutual, and GRF owns the surrounding streets and the Upper Aliso Creek Trail.

District staff initiated coordination with VMS staff, and the next steps are a series of presentations to GRF and United Committees and Boards beginning in October and continuing through December. The purpose of these meetings is to memorialize GRF and United input and to establish temporary construction agreements allowing the District's contractor access to GRF and United property during construction. The attached presentation will be used for these meetings.

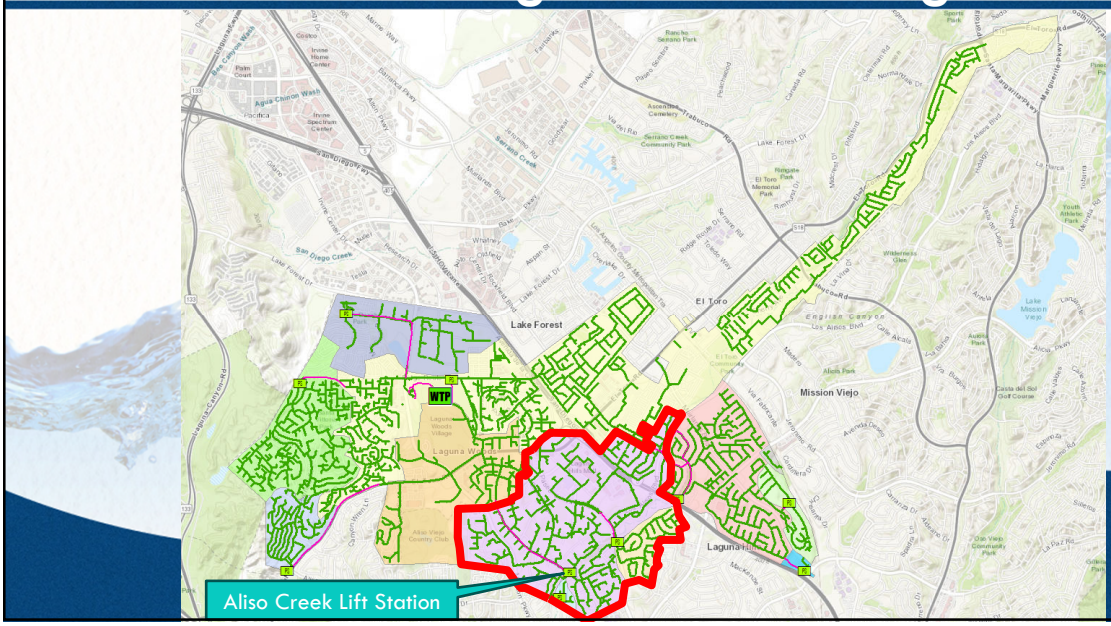
In parallel, District staff submitted a subapplication for the FEMA Hazard Mitigation Grant Program (HMGP) to help fund the ACLS project. Working with the District's consultant, West Yost, the benefit-cost analysis (BCA) completed for the application demonstrated a benefit-cost ratio of 2.37. This favorable ratio reflects that the proposed ACLS improvements will eliminate the high probability of sewage overflows during 10- and 25-year storm events, protecting service for nearly 15,000 residents and avoiding millions of dollars in potential environmental, public health, and infrastructure damages. The California Office of Emergency Services (Cal OES) is currently reviewing the subapplication and will issue Requests for Information (RFIs) over the coming months. If approved, Cal OES will include the project in the State's application to FEMA for final review and potential grant award.

Aliso Creek Lift Station Improvements Project

GRF Maintenance and Construction Committee
October 2025

1

The Aliso Creek Lift Station serves the majority of United Mutual in Laguna Woods Village.



2

Built in 1966, the Aliso Creek Lift Station is a below ground structure with aging equipment and capacity limitations.

3

The proposed Project will construct a new lift station and supporting infrastructure within the existing site footprint.

4

This Project will improve visual impact of the lift station from the trail.

Before

After

5

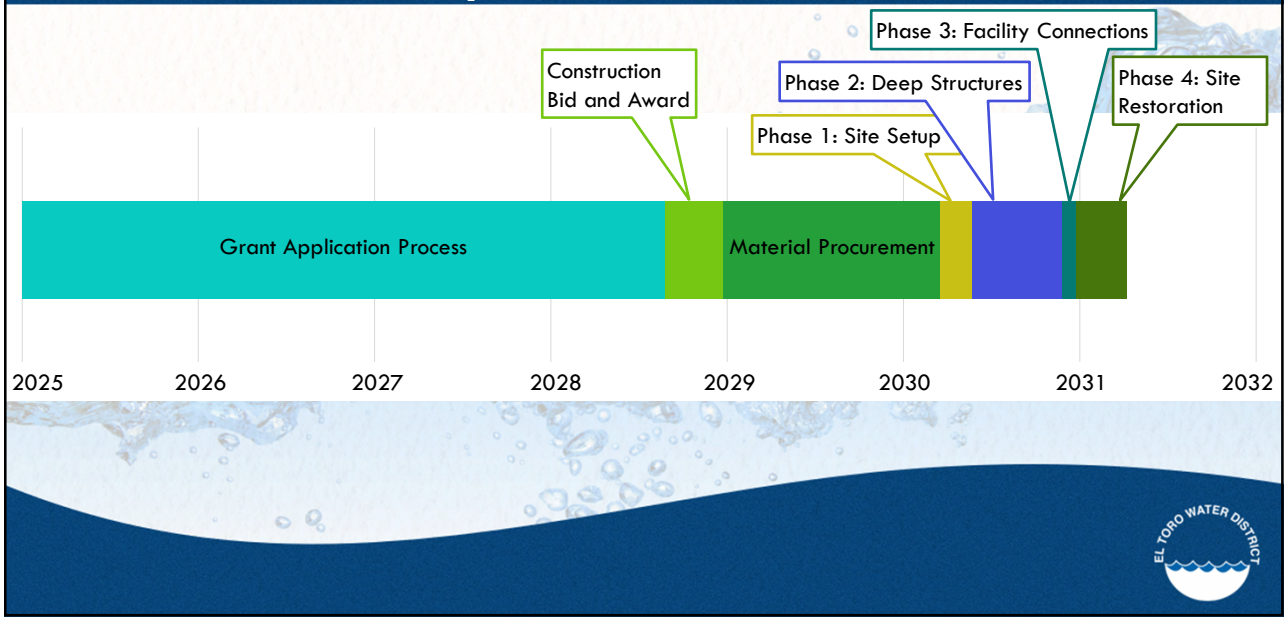
This Project will improve visual impact of the lift station from the street.

Before

After

6

Most of the on-site construction will take place from 2030 to early 2031.

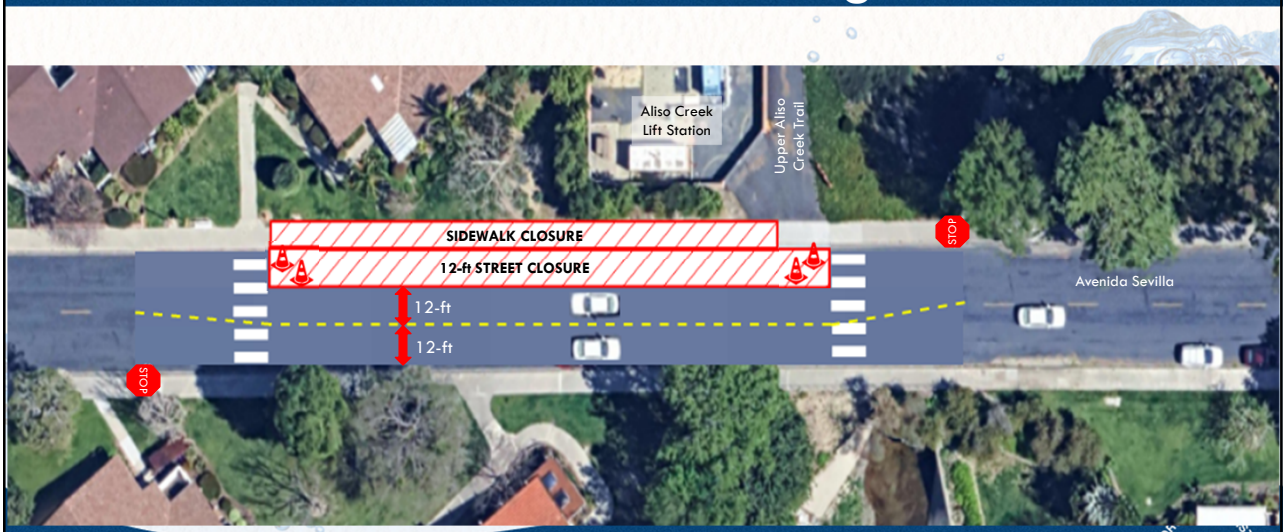


7

ETWD proposes closing the sidewalk and re-routing pedestrian traffic for the duration of construction.

8

Consider closing the parking lanes to allow 12-ft access into Avenida Sevilla during construction.



9

ETWD proposes trail closures during working hours, leaving access open after hours and weekends.

10

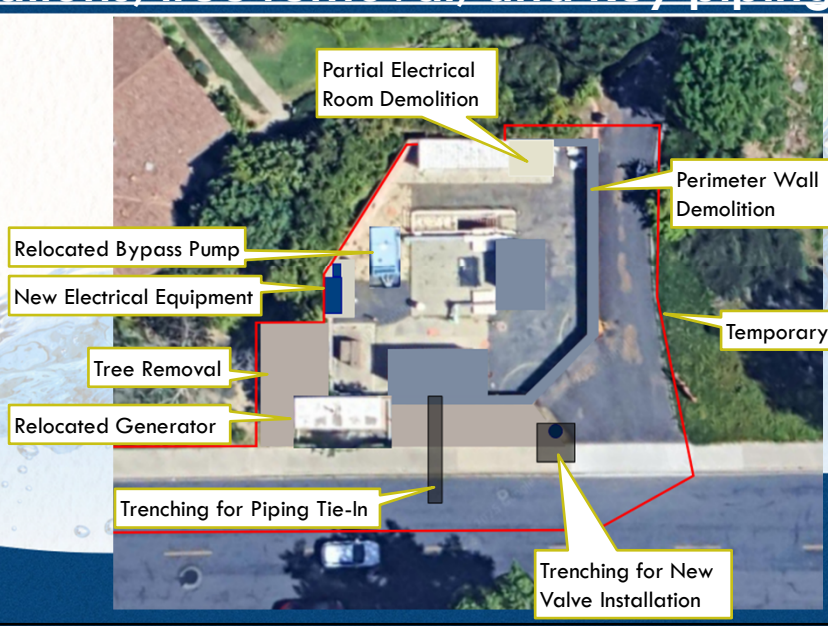
ETWD would provide detour signage and notices for closures in advance.

11

Pedestrians can shortcut through the neighborhood during the detour.

12

Phase 1 sets up the site with equipment relocations, tree removal, and key piping tie-ins.



13

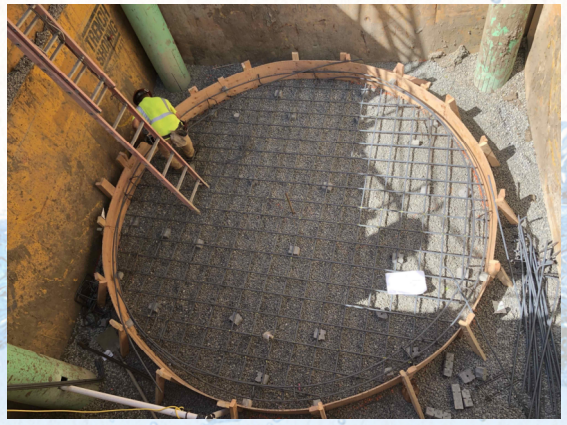
Major construction activity includes relocating the generator and trenching for piping tie-ins.

14

Phase 2 constructs the deep structures, including a new wet well, piping vault, and electrical building.

15

The new wet well will require a 24-ft x 18-ft pit along with shoring and dewatering to install.



16

Electrical Building will require construction use of additional space for foundation and roofing.

17

Heavy equipment required for excavation, placement, and backfill around precast vault.

18

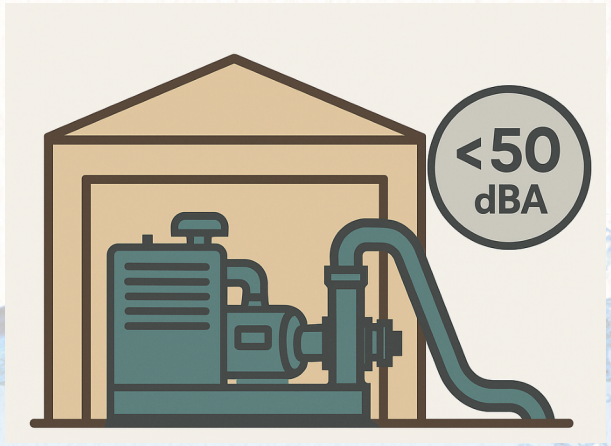
Facility Connections (Phase 3) will last ~1 month and require ~1 week of bypass pumping.

19

Site Restoration (Phase 4) will last ~3-4 months and require ~3 weeks of bypass pumping.

20

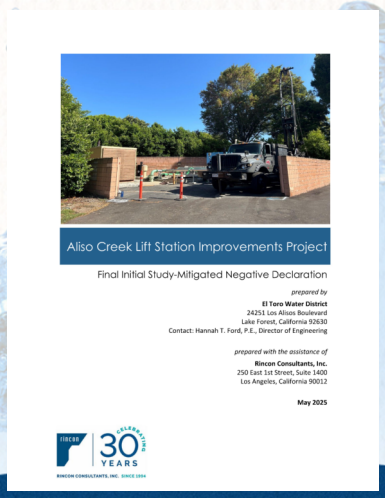
ETWD will issue construction alerts and limit noise to 50 dBA or less at all times.



21

Q&A and Next Steps

- IS-MND: Adopted May 19, 2025
- Memorandum of Understanding and Construction Easements with VMS
- Design Completion: December 2025
- Notice of Award from FEMA: Fall 2028



22

Questions?

Aliso Creek Lift Station Improvements Project

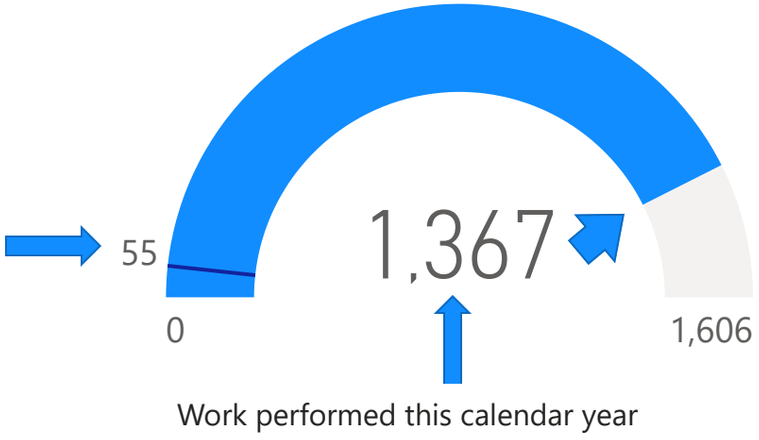
23

Operations Report

August 2025

How to read the graphics in this report:

Work performed this month

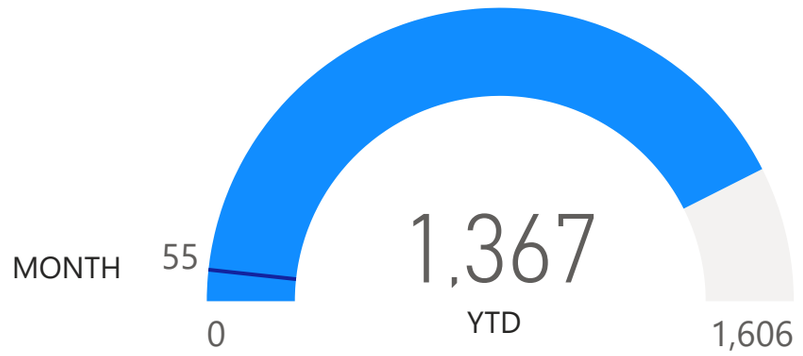


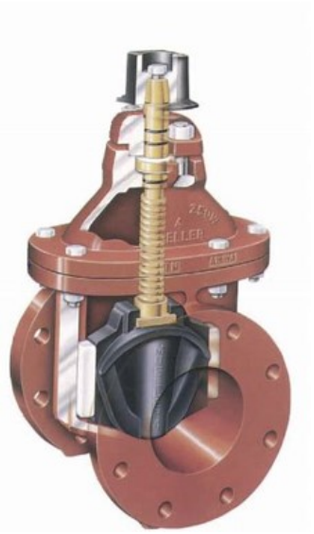
Goal for this calendar year

Work performed this calendar year

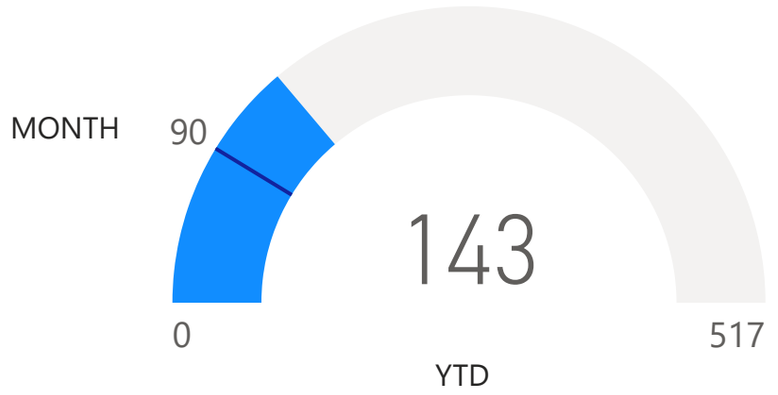
Valves

Distribution Valves Operated
Mainline

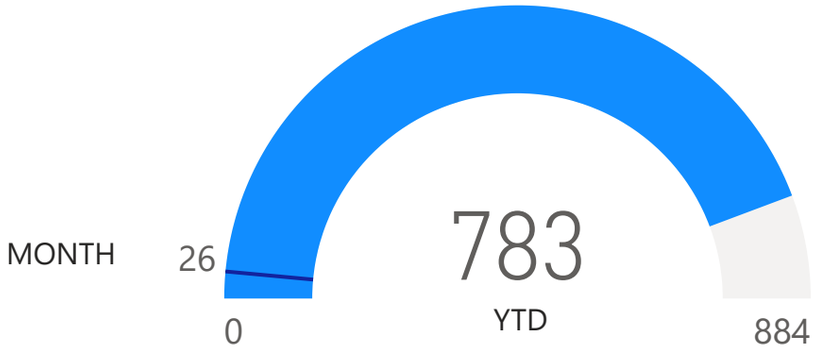




Arterial Valves Operated
Mainline

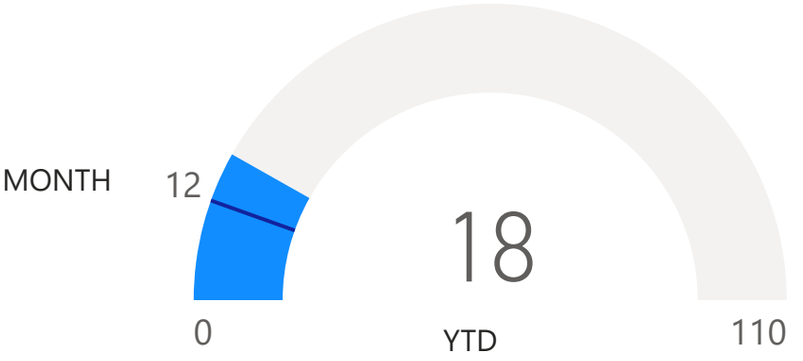


Distribution Valves Operated
Fire Hydrant



Asset	Month	YTD
Potable Valves Repaired	1	14
Potable Valves Replaced	1	19
Valve Cans Adjusted/Replaced	2	39
Valve Cans Cleaned	184	1,915
Total	**188**	**1,987**

Arterial Valves Operated
Fire Hydrant



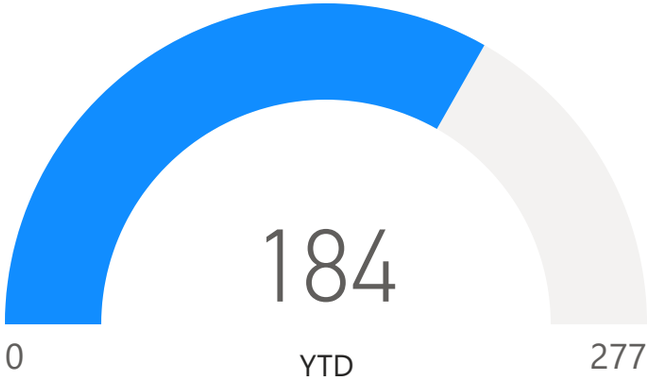
Note:

1. The distribution valve operation program strives to operate all distribution valves (mainline and fire) every two years. Goals shown on this page represent that for the calendar year (i.e., total number of distribution valves divided by two).
2. The arterial valve operation program strives to operate all arterial valves (mainline and fire) every year. Normally scheduled at the end of the year.

Cross Connection Program

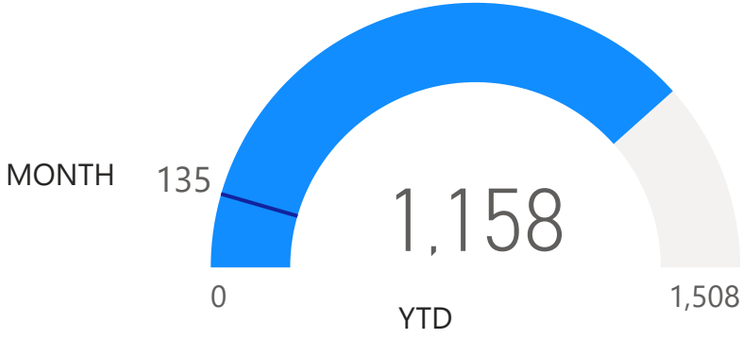
Backflow Assemblies Tested

Recycled Water Inspections



Other Facility Maintenance

Generator Inspections



Underground Service Alerts Marked

206

Month

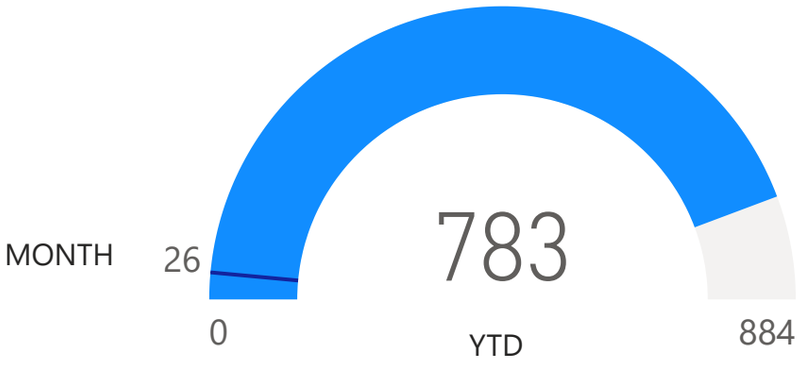
Underground Service Alerts Marked

1,484

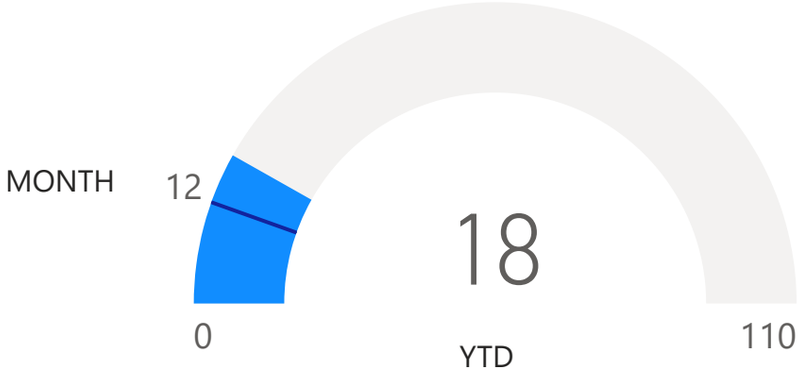
YTD

Fire Hydrants

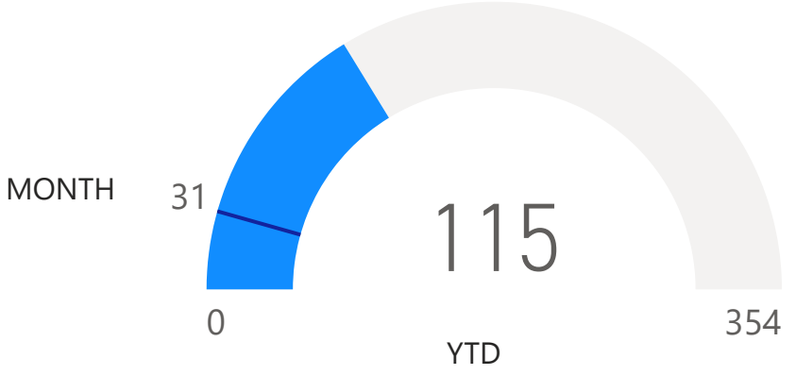
Distribution Hydrants Maintained



Arterial Hydrants Maintained

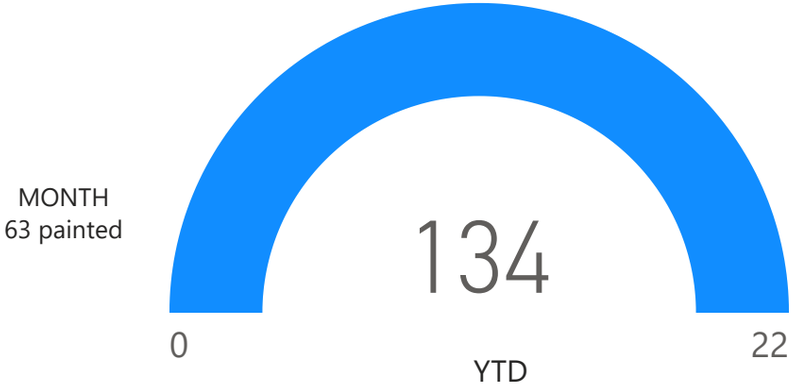


Distribution Hydrants Painted



Asset	Month	YTD
Hydrants Repaired	2	9
Hydrants Replaced	0	7
Total	**2**	**16**

Arterial Hydrants Painted

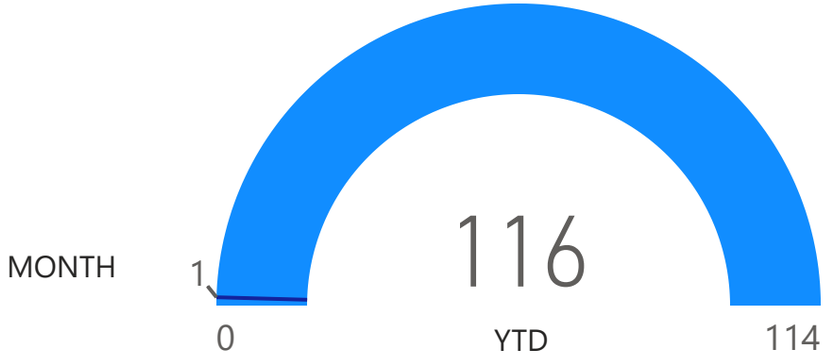


Note:

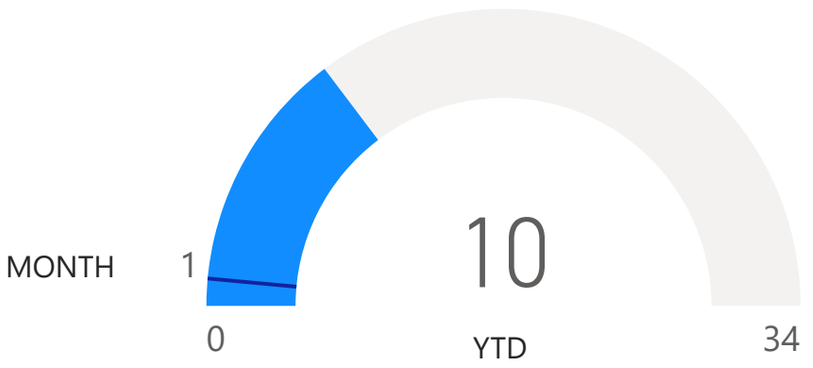
1. The hydrant program strives to maintain all distribution hydrants every two years and arterial hydrants every year. Goals shown on this page represent that for the calendar year (i.e., total number of distribution hydrants divided by two).
2. The hydrant program strives to paint all hydrants every five years. Goals shown on this page represent that for the calendar year (i.e., total number of hydrants divided by five).

Water Appurtenances

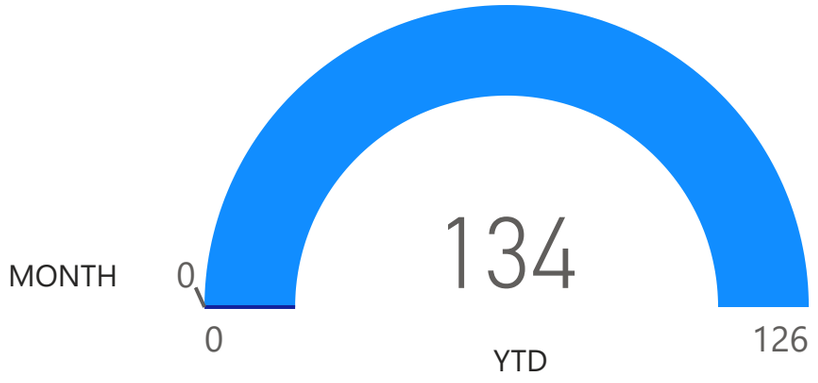
Air Vacs Maintained



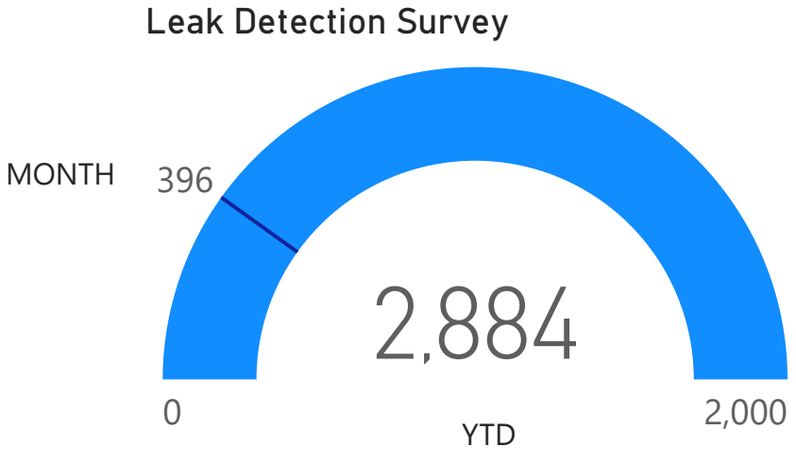
PRVs Maintained



Blow Offs Flushed



Water Distribution System



System Flushing
gallons

61K
Month

Asset	Month	YTD
Main Line Repairs	0	5
Service Line Repairs	1	9
Service Line Replacement	4	23
Water Pump Motor Services	0	8
Water Pump Services	0	8
Water Reservoir and Pump Station Inspections	105	788

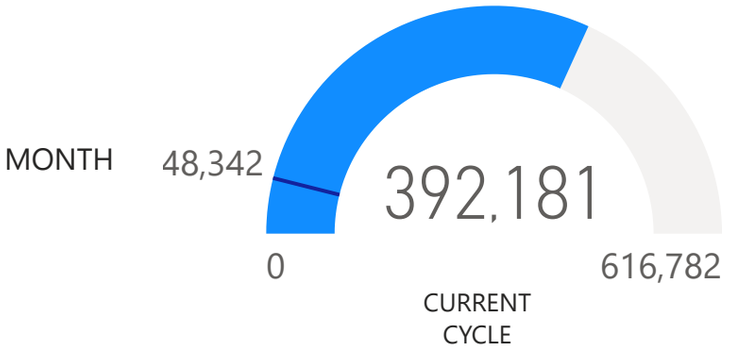
System Flushing
gallons

374K
YTD

Collection System

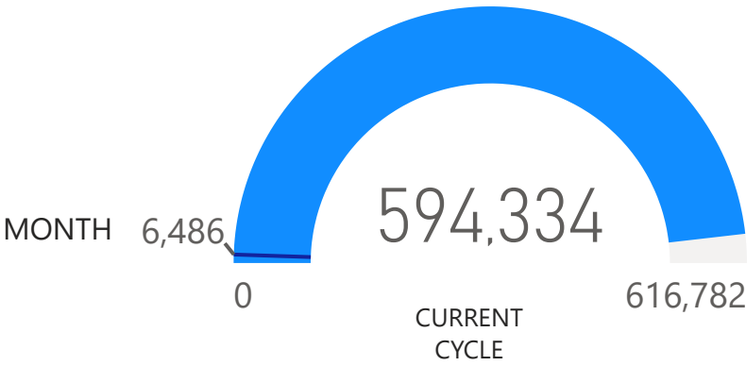
Line Cleaning

feet of pipe

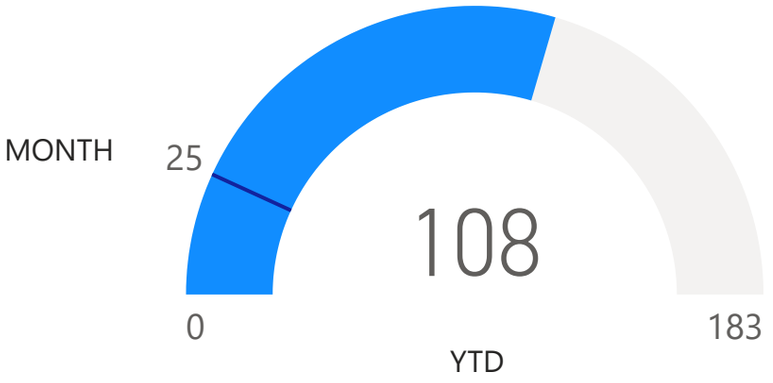


TV Inspection

feet of pipe



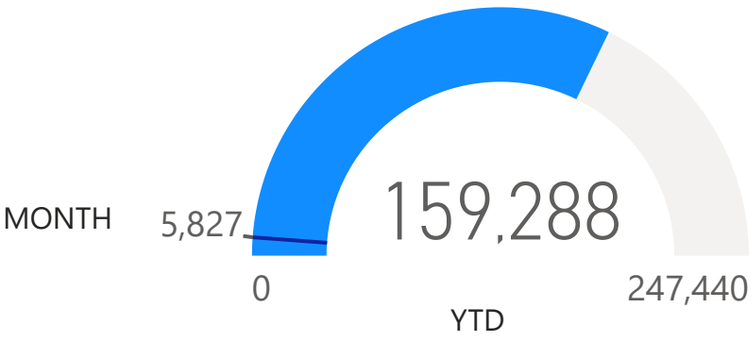
FOG Inspections



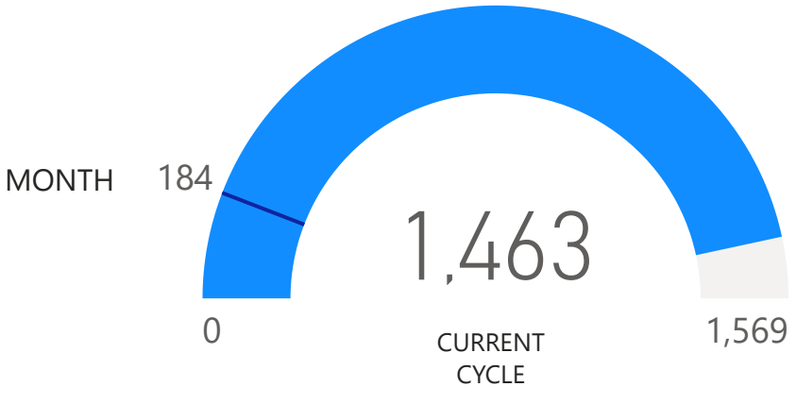
Asset	Month	YTD
Industrial Waste Inspections	0	41
Lift Station Inspections	81	726
Manhole Repairs	0	5
Odor Complaints	0	0
Root Cutting, feet of pipe	0	47
Root Foaming, feet of pipe	177	177
Sewer Mainline Repairs	0	0
Sewer Pump/Motor Maintenance	1	29
Sewer Service Line Repairs	0	1
Wet Well Cleaning	3	25

Hotspots

feet of pipe



Manhole Inspections



Note:

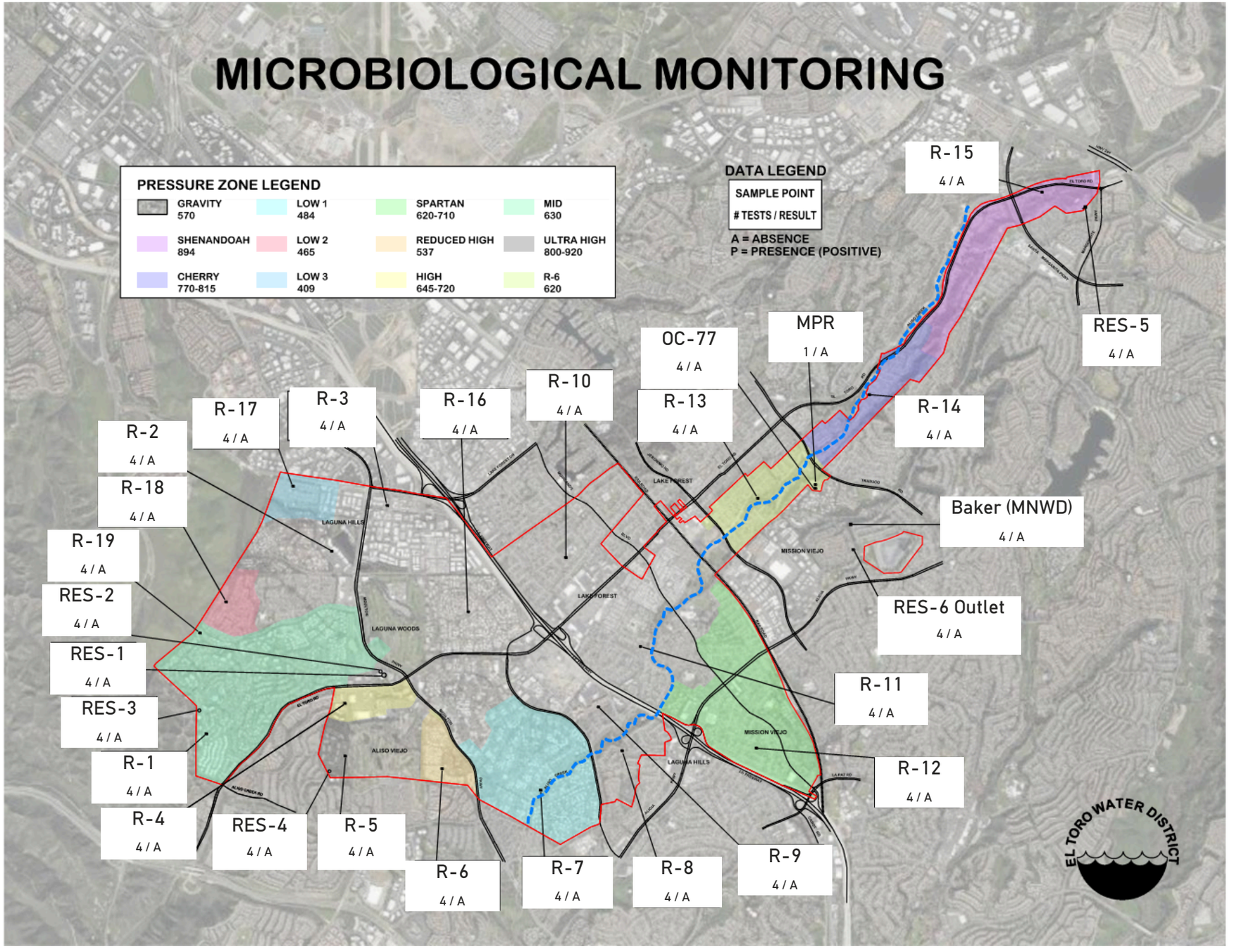
1. The line cleaning objective is a two year cycle to clean the entire system. The current cycle began on 7/1/2024.
2. The TV inspection objective is a five year cycle to inspect the entire system. The current cycle began on 1/25/2021.

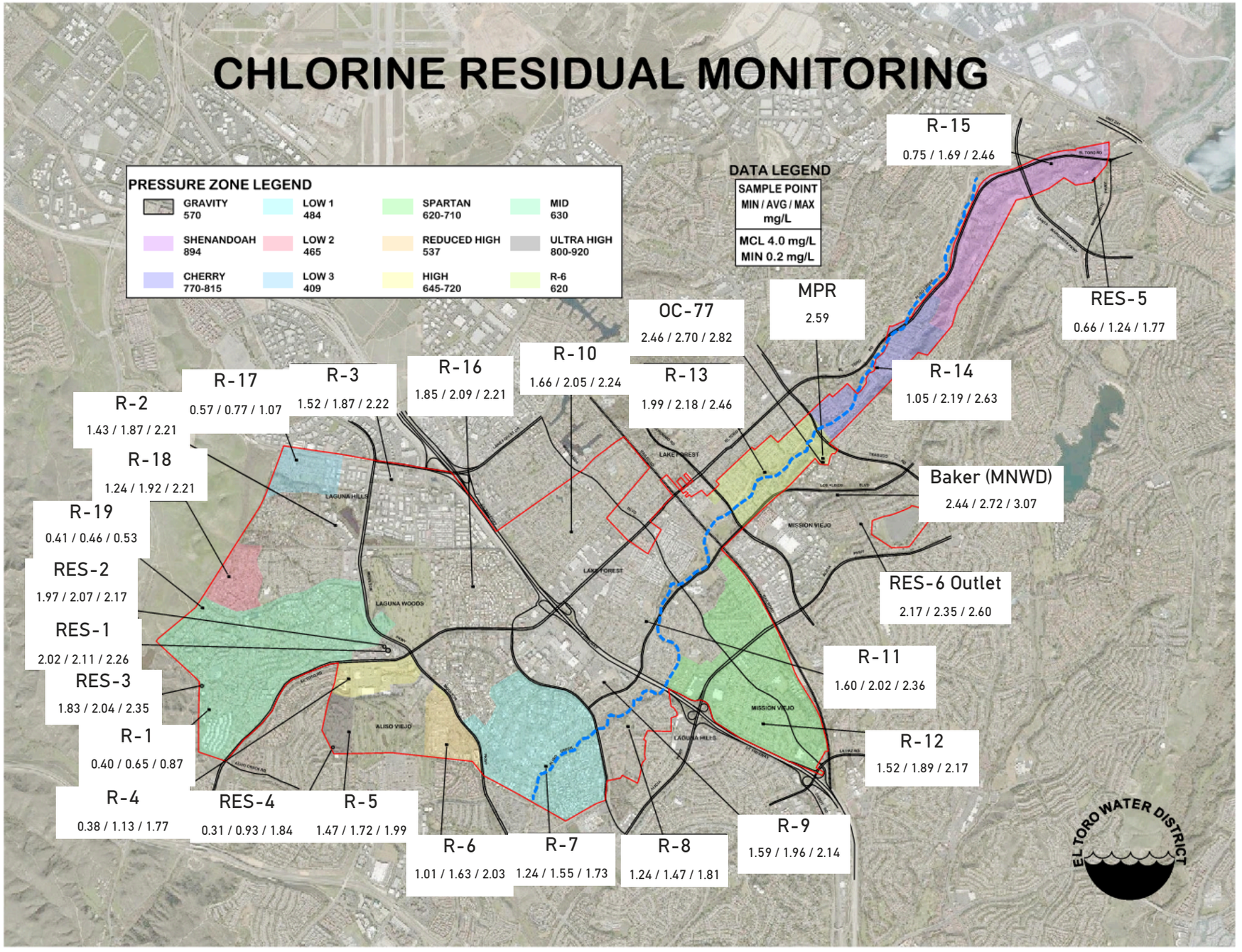
EL TORO WATER DISTRICT
UNAUTHORIZED DISCHARGE SUMMARY
YEAR OF 2025

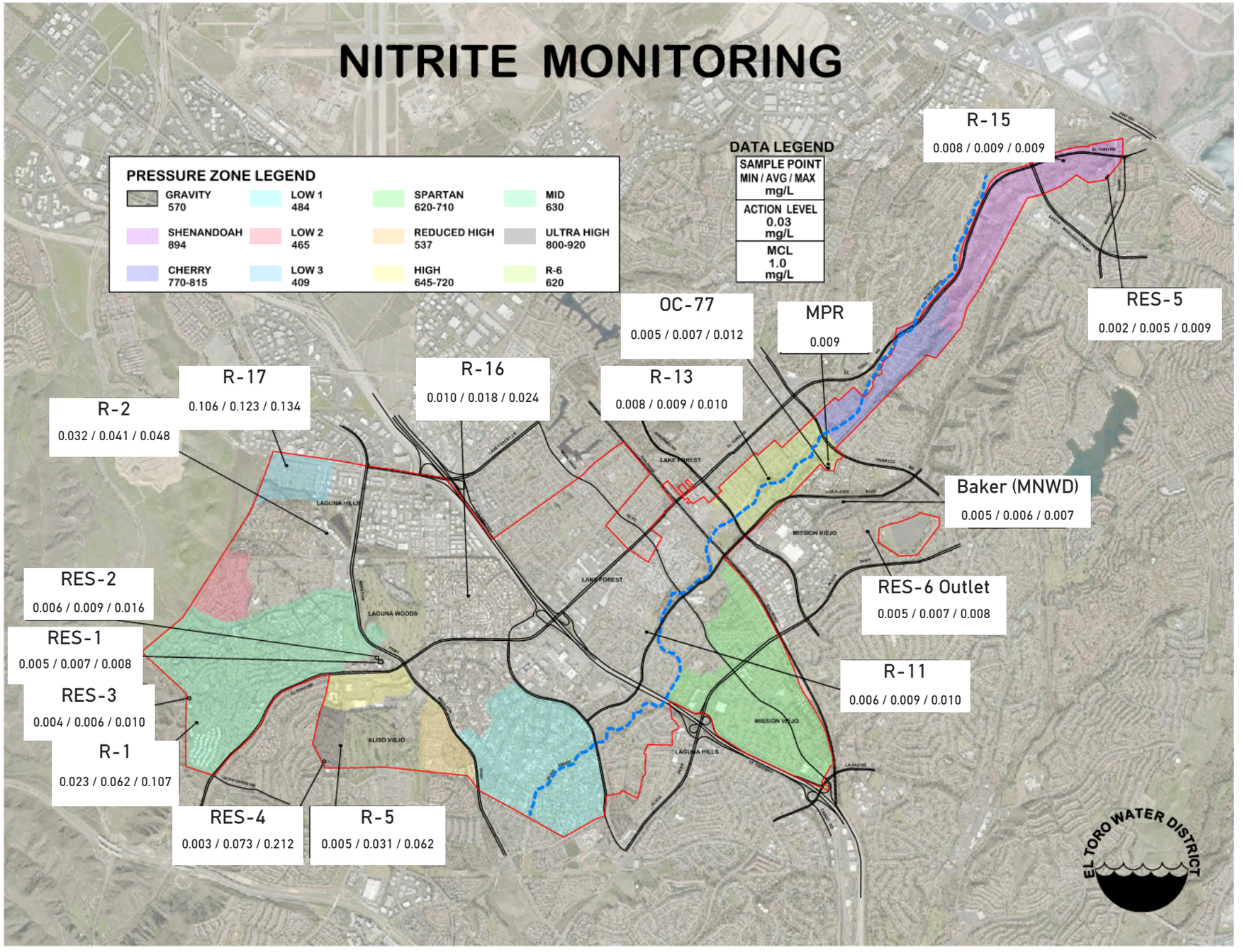
DATE	PUBLIC / PRIVATE	SPILL TYPE	LOCATION	REASON	IMMEDIATE CORRECTIVE MEASURES	POST-INCIDENT PREVENTIVE MEASURES	RWQCB	DISCHARGED TO	SPILL VOLUME (PUBLIC) Gallons		SPILL VOLUME (PRIVATE) Gallons		REGULATORY NOTIFICATION AND RESPONSE
									CONTAINED	SPILLED	CONTAINED	SPILLED	
January	No Spill												
February	No Spill												
March	No Spill												
April	No Spill												
May	No Spill												
June	No Spill												
July	No Spill												
August	No Spill												
September													
October													
November													
December													
LEGEND									0	0	0	0	

S.DC = San Diego Creek	RES. = Residential	R.S. = Rocks
S.D. = Storm Drain	C. = Commercial	C.W.D. = Calcium Water Deposits
A.C. = Aliso Creek	S.B. = Siphon	B.P, = Broken Pipe
G.B. = Grease Blockage	P.F. = Power Failure	U.W. = Untreated Water
S. = Sticks	P. = Paper	R. = Roots

MICROBIOLOGICAL MONITORING




CHLORINE RESIDUAL MONITORING
PRESSURE ZONE LEGEND
GRAVITY 570
LOW 1 484
SPARTAN 620-710
MID 630
SHENANDOAH 894
LOW 2 465
REDUCED HIGH 537
ULTRA HIGH 800-920
CHERRY 770-815
LOW 3 409
HIGH 645-720
R-6 620
DATA LEGEND
SAMPLE POINT MIN / AVG / MAX mg/L
MCL 4.0 mg/L
MIN 0.2 mg/L
R-15 0.75 / 1.69 / 2.46
RES-5 0.66 / 1.24 / 1.77
MPR 2.59
OC-77 2.46 / 2.70 / 2.82
R-10 1.66 / 2.05 / 2.24
R-13 1.99 / 2.18 / 2.46
R-16 1.85 / 2.09 / 2.21
R-3 1.52 / 1.87 / 2.22
R-17 0.57 / 0.77 / 1.07
R-2 1.43 / 1.87 / 2.21
R-18 1.24 / 1.92 / 2.21
R-19 0.41 / 0.46 / 0.53
RES-2 1.97 / 2.07 / 2.17
RES-1 2.02 / 2.11 / 2.26
RES-3 1.83 / 2.04 / 2.35
R-1 0.40 / 0.65 / 0.87
R-4 0.38 / 1.13 / 1.77
RES-4 0.31 / 0.93 / 1.84
R-5 1.47 / 1.72 / 1.99
R-6 1.01 / 1.63 / 2.03
R-7 1.24 / 1.55 / 1.73
R-8 1.24 / 1.47 / 1.81
R-9 1.59 / 1.96 / 2.14
R-12 1.52 / 1.89 / 2.17
R-11 1.60 / 2.02 / 2.36
RES-6 Outlet 2.17 / 2.35 / 2.60
Baker (MNWD) 2.44 / 2.72 / 3.07
R-14 1.05 / 2.19 / 2.63
LAGUNA HILLS
LAGUNA WOODS
LAKE FOREST
ALISO VIEJO
MISSION VIEJO
EL TORO WATER DISTRICT


NITRITE MONITORING
PRESSURE ZONE LEGEND
GRAVITY 570
LOW 1 484
SPARTAN 620-710
MID 630
SHENANDOAH 894
LOW 2 465
REDUCED HIGH 537
ULTRA HIGH 800-920
CHERRY 770-815
LOW 3 409
HIGH 645-720
R-6 620
DATA LEGEND
SAMPLE POINT MIN / AVG / MAX mg/L
ACTION LEVEL 0.03 mg/L
MCL 1.0 mg/L
R-15
0.008 / 0.009 / 0.009
RES-5
0.002 / 0.005 / 0.009
OC-77
0.005 / 0.007 / 0.012
MPR
0.009
R-16
0.010 / 0.018 / 0.024
R-13
0.008 / 0.009 / 0.010
R-17
0.106 / 0.123 / 0.134
R-2
0.032 / 0.041 / 0.048
Baker (MNWD)
0.005 / 0.006 / 0.007
RES-2
0.006 / 0.009 / 0.016
RES-6 Outlet
0.005 / 0.007 / 0.008
RES-1
0.005 / 0.007 / 0.008
R-11
0.006 / 0.009 / 0.010
RES-3
0.004 / 0.006 / 0.010
R-1
0.023 / 0.062 / 0.107
RES-4
0.003 / 0.073 / 0.212
R-5
0.005 / 0.031 / 0.062
LAGUNA HILLS
LAKE FOREST
MISSION VIEJO
LAGUNA WOODS
ALISO VIEJO
EL TORO WATER DISTRICT

EL TORO WATER DISTRICT
MONTHLY POTABLE WATER QUALITY REPORT

The quality and safety of drinking water in the U.S. is regulated by the federal government through the U.S. Environmental Protection agency (USEPA). In California, those standards are enforced by the California Department of Public Health (CDPH). Water Quality parameters must meet both primary and secondary water quality standards as established by the CDPH.

PRIMARY STANDARDS - are intended to protect public health against substances in the water that may be harmful to humans if consumed for long periods of time.

SECONDARY STANDARDS - are to ensure esthetic qualities of water such as taste, odor or clarity. Rather than its healthfulness, these standards govern substances that may influence consumer acceptance of water.

Given that 100% of ETWD's potable water resource is fully treated and delivered by Metropolitan Water District of southern California (MWDSC) through an enclosed and protected conveyance system, the majority of the State and federal primary and secondary source water quality monitoring requirements are performed by MWDSC. The District's physical responsibility for water quality monitoring is associated with the distribution system. To monitor the distribution system water quality the District utilizes both in house and outside lab services. Routine distribution analysis conforming to CDPH requirements is conducted for the following constituents:

1) Microbiological - The number of microbiological samples and the frequency of analysis during the month is based on the population and/or service connections served. Utilizing a population of 50,000, the CDPH requires that 20 "representative" samples be collected and analyzed for coliform bacteria. The objective is to maintain water quality that is absent of coliform bacteria which is a general indicator for the existence of fecal coliform.

2) Chlorine Residual - The chlorine residual monitoring is performed in conjunction with the microbiological monitoring. The CDPH requirement for treated surface water mandates that the distribution system maintain a "detectable" residual. The number of and frequency of sampling is determined utilizing the same formula applied to microbiological requirements. At a minimum, we are obligated to collect and analyze for chlorine residual each time we collect the representative microbiological samples. Per EPA Disinfectants & Disinfection Byproduct Rule (D/DBP), which was effective January 2002, requires quarterly reporting for all sampling.

3) TTHM & HAA5 Stage 2 DBPR Compliance The U.S. Environmental Protection Agency (EPA) published the Stage 2 Disinfectants and Disinfection Byproducts Rule (Stage 2 DBPR) on January 4, 2006. The Stage 2 DBPR builds on existing regulations by requiring water systems to meet disinfection byproduct (DBP)* maximum contaminant levels (MCLs) at each monitoring site in the distribution system to better protect public health. The Stage 2 DBP rule is intended to reduce potential cancer and reproductive and developmental health risks from disinfection byproducts (DBPs) in drinking water, which form when disinfectants are used to control microbial pathogens.
This final rule strengthens public health protection for customers of systems that deliver disinfected water by requiring such systems to meet maximum contaminant levels as an average at each compliance monitoring location (instead of as a system-wide average as in previous rules) for two groups of DBPs, trihalomethanes (TTHM) and five haloacetic acids (HAA5). The rule targets systems with the greatest risk and builds incrementally on existing rules.
This regulation will reduce DBP exposure and related potential health risks and provide more equitable public health protection. The Stage 2 DBPR is being released simultaneously with the Long Term 2 Enhanced Surface Water Treatment Rule to address concerns about risk tradeoffs between pathogens and DBPs.

The mandatory requirement under the Stage 2 DBP rule, known as an Initial Distribution System Evaluation (IDSE) was completed by ETWD in 2008 and a Stage 2 monitoring plan has been approved by CDPH. Full Stage 2 compliance begins in 2012. The IDSE identified the locations with high disinfection byproduct concentrations. These locations will then be used by the District as the 8 sampling sites for Stage 2 DBP rule compliance monitoring. Compliance with the maximum contaminant levels for two groups of disinfection byproducts (TTHM and HAA5) will be calculated for each monitoring location in the distribution system. This approach, referred to as the locational running annual average (LRAA), differs from current requirements, which determine compliance by calculating the running annual average of samples from all monitoring locations across the system. The Stage 2 DBP rule also requires each system to determine if they have exceeded an operational evaluation level, which is identified using their compliance monitoring results. The operational evaluation level provides an early warning of possible future MCL violations, which allows the system to take proactive steps to remain in compliance. A system that exceeds an operational evaluation level is required to review their operational practices and submit a report to the state that identifies actions that may be taken to mitigate future high DBP levels, particularly those that may jeopardize their compliance with the DBP MCLs.

4) Physical Quality - **Physical Quality analysis is associated with the esthetic qualities of the finished water. Primarily, we are performing analysis for taste, odor and Turbidity (Clarity). In accordance with CDPH requirements, the District collects a minimum of 15 samples per month.**

5) Nitrites - **Although the chloramine disinfection process has been effective in controlling TTHM levels, it requires increased monitoring and adjustment as a result of its susceptibility to the Nitrification process. Nitrification is a biological process caused by naturally occurring ammonia oxidizing bacteria. Nitrification in chloraminated drinking water can have various adverse impacts on water quality, the most serious of which is the loss of total chlorine residual which is required by the CDPH and the subsequent potential to increase bacteria-iological activity within the finished or treated water system. MWD has developed an effective nitrification monitoring and prevention program which ETWD staff have adopted and incorporated into the District's daily water quality monitoring and action plan. The number and frequency of this type of monitoring is not currently regulated by CDPH. Staff monitor the level of nitrites in source water, reservoirs and the distribution system daily and weekly in conjunction with the microbiological and chlorine sampling program. A nitrite level of between 0.015 and 0.030 would signal an alert. > 0.030 would require action such as the addition of chlorine to produce a chloramine residual.**

EL TORO WATER DISTRICT
MONTHLY POTABLE WATER QUALITY ANALYSIS
MONTH: August YEAR : 2025

CONSTITUENT		INSIDE LAB		OUTSIDE LAB	
ANALYSIS	MCL	NO.	RESULTS	NO.	RESULTS
1 Microbiological	Pres/Absence	113	Absence		Average
2 Chlorine (ppm) In Field	Detectable Resid	174	*Average = 1.68 ppm		
3 TTHM (ppb) (Stage 2)	80 ppb				
3 HAA5 (ppb) (Stage 2)	60 ppb				
4 Physical Quality:			RANGE		
Turbidity (ppm)	5 NTU	20	0.05 to 0.11 Res.		
Odor	3 Units	20	ND<1		
Color	15 Units	20	ND<5		
Temperature	No standard	20	70°F To 85°F		
5 Nitrite (Alert/Action level) ppm	0.015 to 0.030 ppm	151	0.001 to 0.212		

To ensure water quality compliance, the District annually performs approximately 8,750 water quality analytical evaluations of the samples collected from the distribution system.

Abbreviations:

***Average**	**Monthly sample point CL2 average (R1-R19 & MPR)**
RES	**Indicates that the nitrification was isolated to a reservoir and treated**
ND	**None detected**
Pres/Absence	**Presence (P) or Absence (A) related to a positive or negative bacteriological result**
MCL	**Maximum Contaminant Level**
NTU	**Nephelometric Turbidity Units, a measure of the suspended material in the water**
ppm	**Parts per million**
ppb	**Parts per billion**
Total Coliform	**No more than 5% of the monthly samples may be total coliform-positive**
N/A	**Not available**

3rd Quarter 2025 Compliance Reports

August's Monthly Reports		
July's Surface Water Treatment (Bactis)	Due August 10th Submitted August 7th	Sent to Region 8, Dennis Cafferty and Scott Hopkins
July's Revised Total Coliform Monitoring (Bactis)	Due August 10th Submitted August 7th	Sent to Region 8, Dennis Cafferty and Scott Hopkins
SSMP Update (Every 6 Years) Submitted the Draft	Due August 2nd Submitted August 4th	Uploaded to CIWQS Website
July's Self Monitoring Report for Planned Discharges	Due August 30th Submitted August 7th	Sent to Region 8, Dennis Cafferty and Scott Hopkins
July's Self Monitoring Report for Recycled Water	Due August 30th Submitted August 21st	Sent to Region 8, Dennis Cafferty and Scott Hopkins
September's Monthly Reports		
August's Surface Water Treatment (Bactis)	Due September 10th Submitted September 9th	Sent to Region 8, Dennis Cafferty and Scott Hopkins
August's Revised Total Coliform Monitoring (Bactis)	Due September 10th Submitted September 9th	Sent to Region 8, Dennis Cafferty and Scott Hopkins
SPCC Plan Update (Every 5 Year's)	Update by end of August or beginning of September Submitted September 4th	Updated on CERS Website
August's Self Monitoring Report for Planned Discharges	Due September 30th Submitted September 9th	Sent to Region 8, Dennis Cafferty and Scott Hopkins
August's Self Monitoring Report for Recycled Water	Due September 30th	Sent to Region 8, Dennis Cafferty and Scott Hopkins

Staff Training Log 2025

First Quarter

Training Topic	Duration/Hrs	Assigned Hrs	Completed Hrs.	Frequency	Modality	Participants
Safety Tailgate Meeting	0.5	189.5	189.5	Weekly	In Person	Field Staff
Defensive Driver	1	41	39	Every 4 Years	In Person	Completed
Distracted Driving	1	58	52	Every 4 Years	Online	All Staff/Assigned
Bloodborne Pathogens	1	58	50	Annual	Online	All Staff/Assigned
Crane Training	24	240	240	Every 5 Years	In Person	Completed
Crane-Rigging/Signalman	4	40	40	Every 2 Years	In Person	Completed
		Total- 626.5	**Total- 610.5**			

Second Quarter

Training Topic	Duration/Hrs	Assigned Hrs	Completed Hrs.	Frequency	Modality	Participants
Safety Tailgate Meeting	0.5	195.5	195.5	Weekly	In Person	Field Staff
Fire Prevention	1	58	51	Annual	Online	All Staff/Assigned
Fire Extinguisher	1	58	50	Annual	Online	All Staff/Assigned
SPCC Training	1	41	36	Annual	Online	Field Staff/Assigned
WVPP	1	58	50	Annual	In Person	Need to Schedule
Fit Testing	1	33	29	Annual	In Person	In Process
Ergonomics	3	174	165	2 Years	In Person	Completed
		Total- 617.5	**Total- 576.5**			

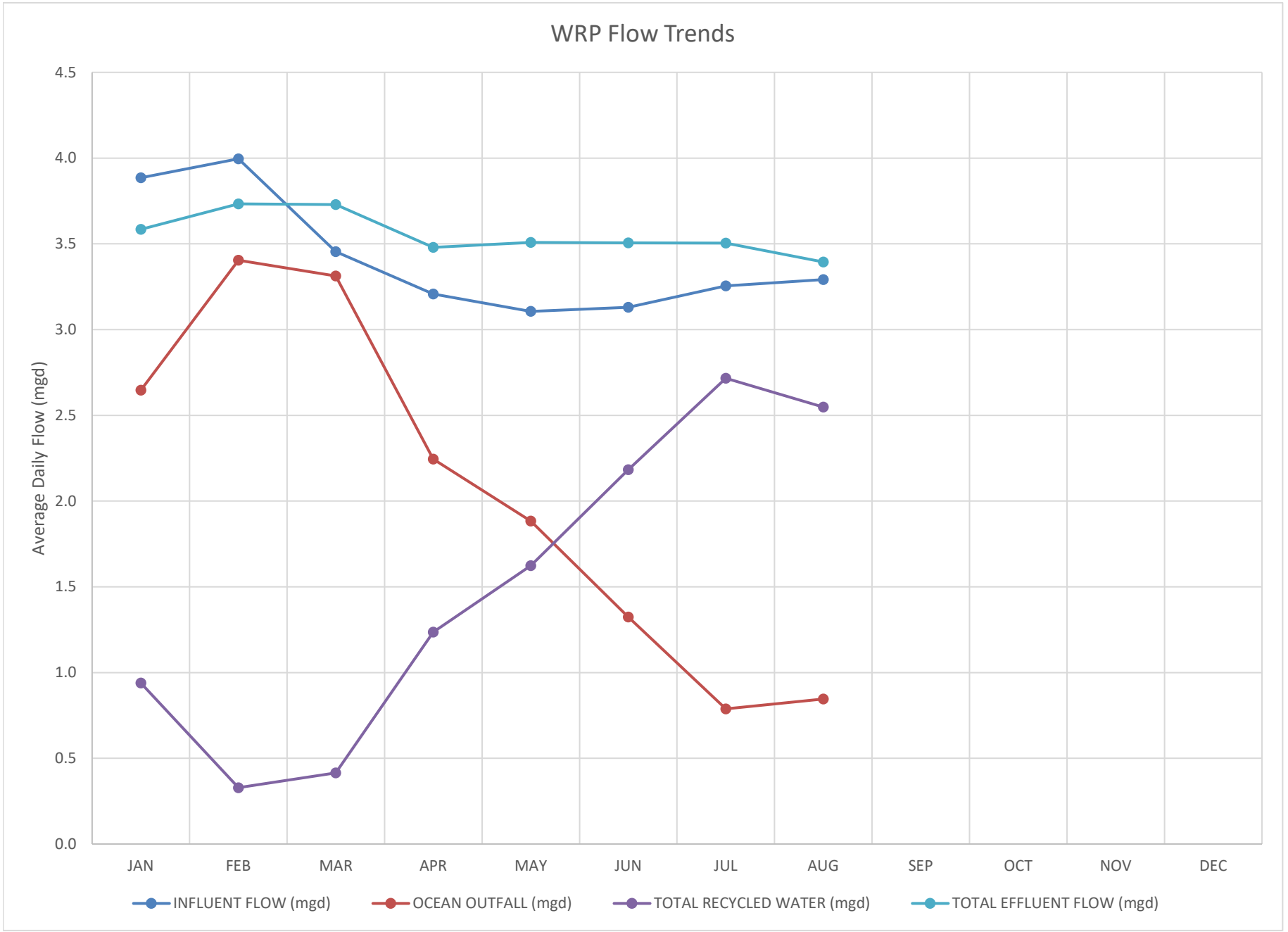
Third Quarter

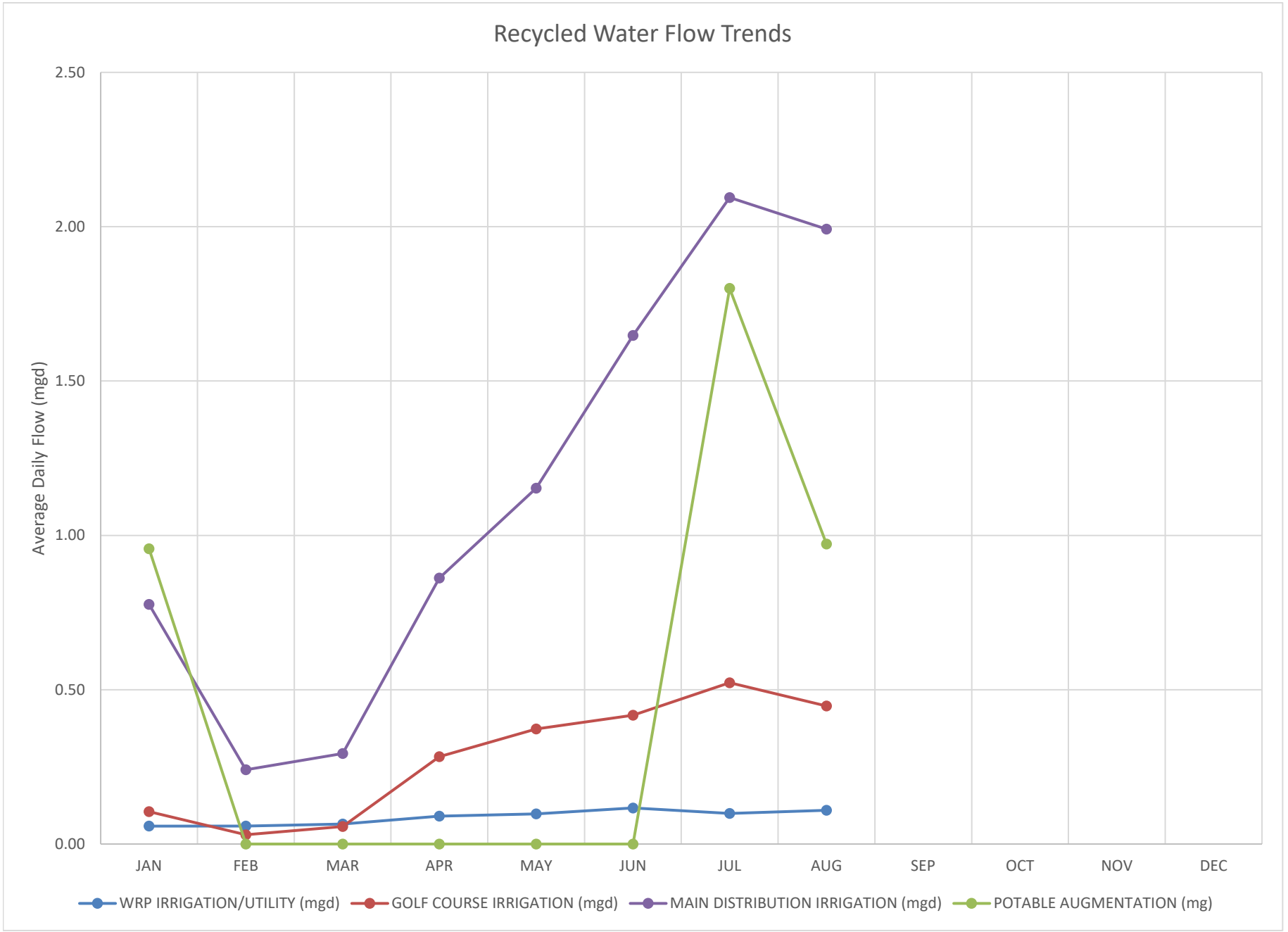
Training Topic	Duration/Hrs	Assigned Hrs	Completed Hrs.	Frequency	Modality	Participants
Safety Tailgate Meeting	0.5	173	173	Weekly	In Person	Field Staff
Hearing	1	58	33	Annual	Online	All Staff/Assigned
Low Voltage Electrical Safety	1	58	30	Annual	Online	All Staff/Assigned
Asbestos/Silica	3	66	0	Annual	In Person	Scheduled - 7/24
HAZWOPER	8	312	0	Annual	In Person	Scheduled - 8/29-30
DOT/Respirator Physicals	3	76	58	Annual	In Person	Field Staff/In Process
		Total- 743	**Total- 294**			

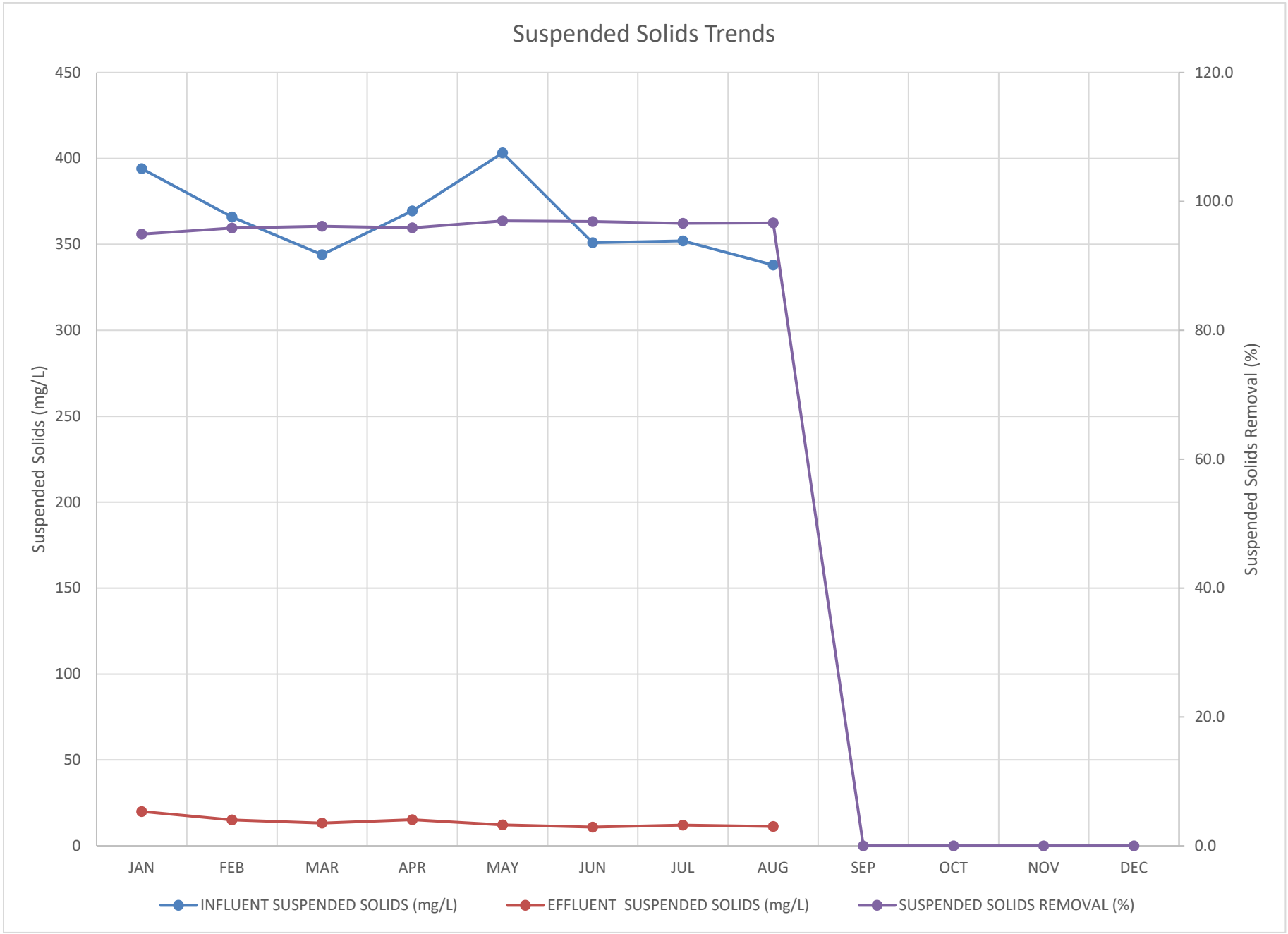
EL TORO WATER DISTRICT

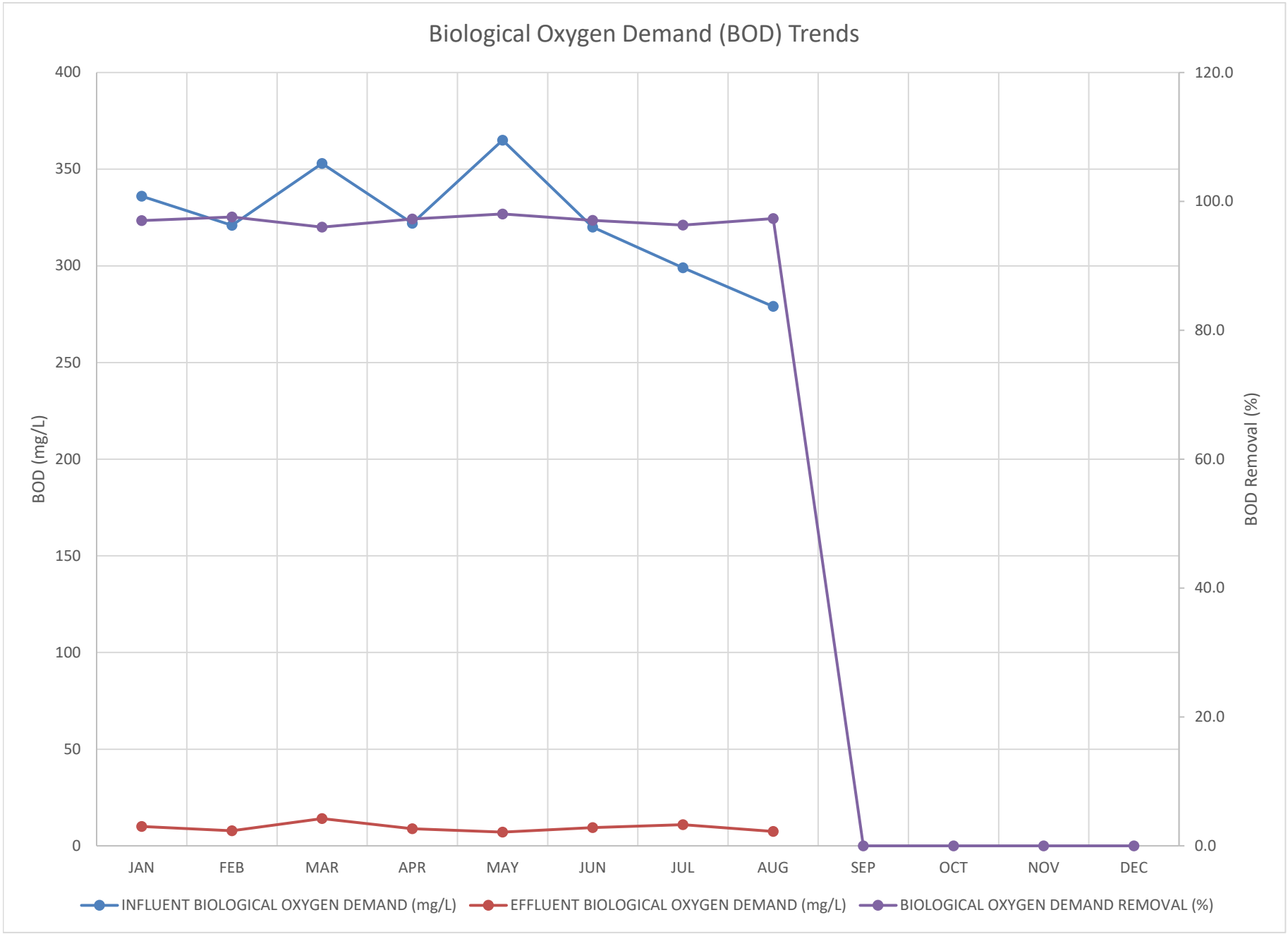
OPERATIONAL DATA FROM WATER RECYCLING PLANT

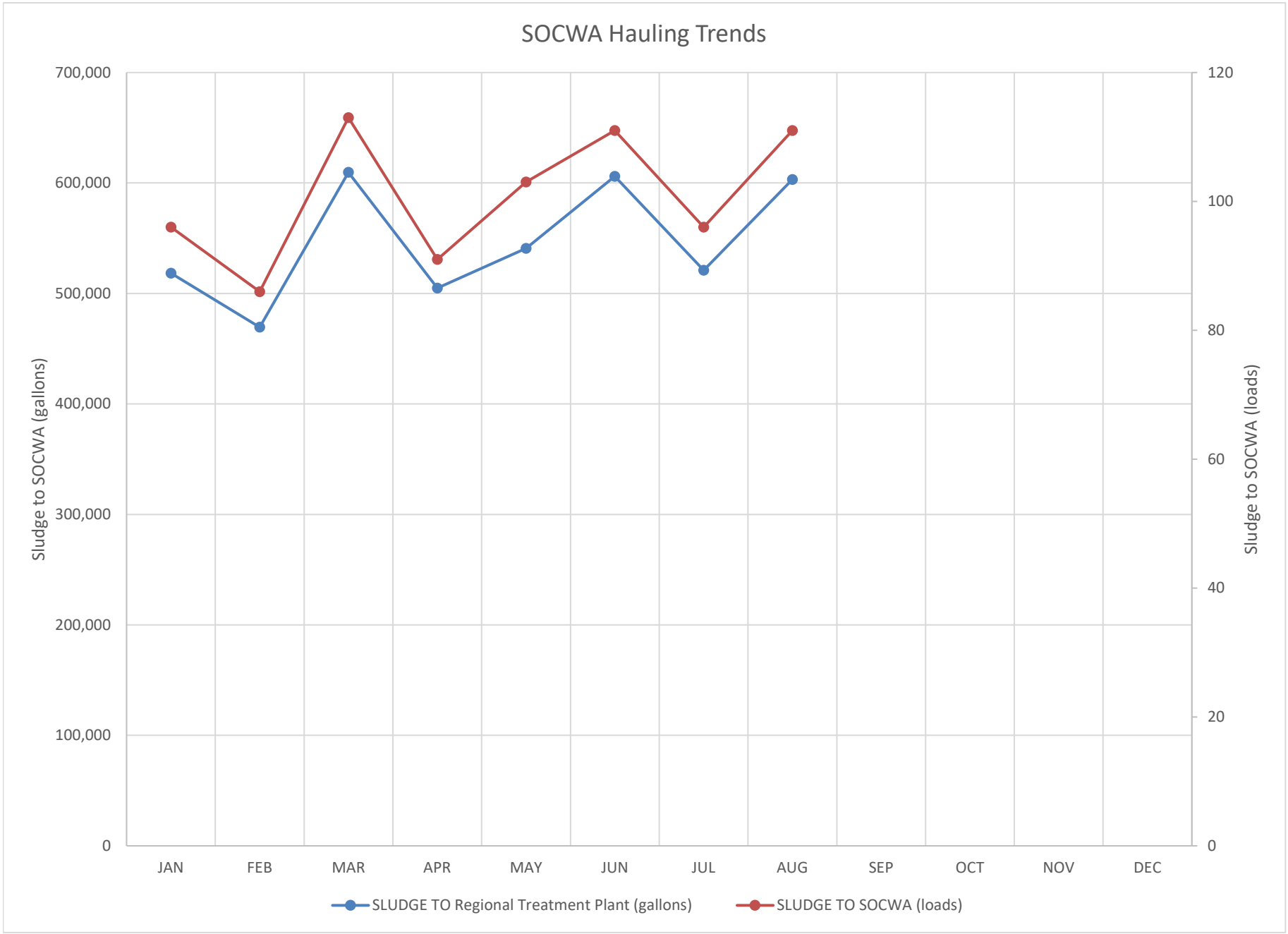
2025	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD Average
INFLUENT FLOW (mgd)	3.886	3.996	3.454	3.207	3.106	3.130	3.255	3.292					3.416
OCEAN OUTFALL (mgd)	2.646	3.404	3.313	2.244	1.884	1.324	0.788	0.846					2.056
WRP IRRIGATION/UTILITY (mgd)	0.058	0.058	0.065	0.091	0.098	0.117	0.099	0.109					0.087
GOLF COURSE IRRIGATION (mgd)	0.105	0.030	0.057	0.283	0.373	0.418	0.523	0.447					0.279
MAIN DISTRIBUTION IRRIGATION (mgd)	0.776	0.241	0.293	0.862	1.153	1.648	2.095	1.992					1.132
POTABLE AUGMENTATION (mg)	0.957	0.000	0.000	0.000	0.000	0.000	1.80	0.972					0.466
TOTAL RECYCLED WATER (mgd)	0.939	0.329	0.415	1.236	1.624	2.182	2.716	2.548					1.499
TOTAL EFFLUENT FLOW (mgd)	3.585	3.733	3.728	3.480	3.508	3.506	3.504	3.394					3.555
INFLUENT SUSPENDED SOLIDS (mg/L)	394	366	344	369	403	351	352	338					365
EFFLUENT SUSPENDED SOLIDS (mg/L)	20	15	13	15	12	11	12	11					14
SUSPENDED SOLIDS REMOVAL (%)	95	96	96	96	97	97	97	97					96
INFLUENT BIOLOGICAL OXYGEN DEMAND (mg/L)	336	321	353	322	365	320	299	279					324
EFFLUENT BIOLOGICAL OXYGEN DEMAND (mg/L)	10	8	14	9	7	9	11	7					9
BIOLOGICAL OXYGEN DEMAND REMOVAL (%)	97	98	96	97	98	97	96	97					97
SLUDGE TO Regional Treatment Plant (gallons)	518,283	469,463	609,601	504,923	540,803	605,956	520,950	603,129					546,639
SOLIDS (dry lb/day)	6,294	5,712	6,329	5,740	5,560	6,050	5,121	5,257					5,758
TOTAL SOLIDS (%)	4.4	4.1	3.9	4.1	3.7	3.6	3.7	3.2					3.8
SLUDGE TO SOCWA (loads)	96	86	113	91	103	111	96	111					101
TRUCKED BY ETWD (loads)	96	86	113	91	103	111	96	111					101
TRUCKED BY OTHERS (loads)	0	0	0	0	0	0	0	0					0
TOTAL RAIN FALL (inches)	0.70	3.41	2.42	0.27	0.00	0.00	0.00	0.00					0.85
				.									

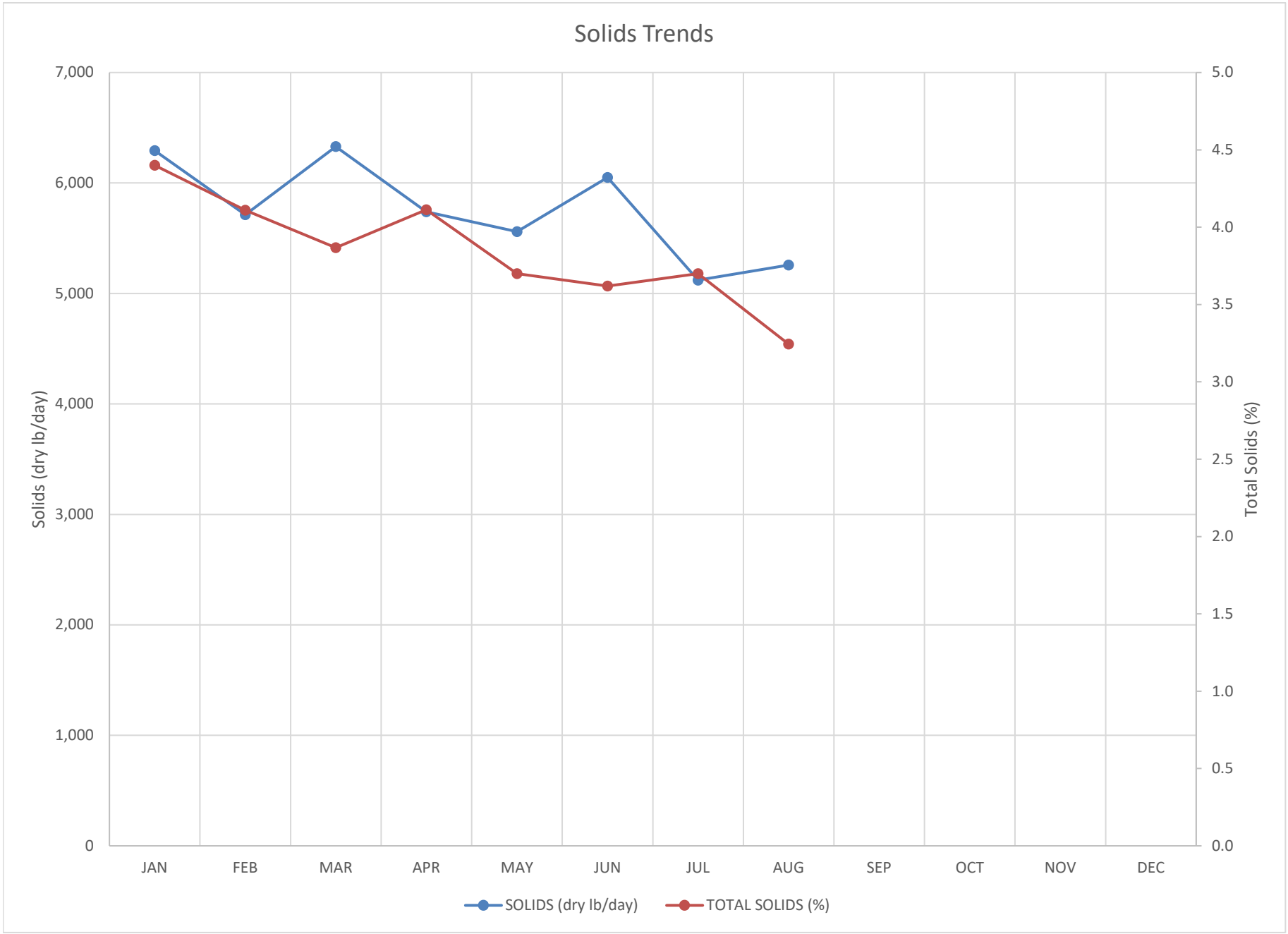

WRP Flow Trends
Average Daily Flow (mgd)
4.5
4.0
3.5
3.0
2.5
2.0
1.5
1.0
0.5
0.0
JAN
FEB
MAR
APR
MAY
JUN
JUL
AUG
SEP
OCT
NOV
DEC
INFLUENT FLOW (mgd)
OCEAN OUTFALL (mgd)
TOTAL RECYCLED WATER (mgd)
TOTAL EFFLUENT FLOW (mgd)


Recycled Water Flow Trends
Average Daily Flow (mgd)
2.50
2.00
1.50
1.00
0.50
0.00
JAN
FEB
MAR
APR
MAY
JUN
JUL
AUG
SEP
OCT
NOV
DEC
WRP IRRIGATION/UTILITY (mgd)
GOLF COURSE IRRIGATION (mgd)
MAIN DISTRIBUTION IRRIGATION (mgd)
POTABLE AUGMENTATION (mg)


Suspended Solids Trends
Suspended Solids (mg/L)
Suspended Solids Removal (%)
450
400
350
300
250
200
150
100
50
0
120.0
100.0
80.0
60.0
40.0
20.0
0.0
JAN
FEB
MAR
APR
MAY
JUN
JUL
AUG
SEP
OCT
NOV
DEC
INFLUENT SUSPENDED SOLIDS (mg/L)
EFFLUENT SUSPENDED SOLIDS (mg/L)
SUSPENDED SOLIDS REMOVAL (%)


Biological Oxygen Demand (BOD) Trends
BOD (mg/L)
BOD Removal (%)
400
350
300
250
200
150
100
50
0
120.0
100.0
80.0
60.0
40.0
20.0
0.0
JAN
FEB
MAR
APR
MAY
JUN
JUL
AUG
SEP
OCT
NOV
DEC
INFLUENT BIOLOGICAL OXYGEN DEMAND (mg/L)
EFFLUENT BIOLOGICAL OXYGEN DEMAND (mg/L)
BIOLOGICAL OXYGEN DEMAND REMOVAL (%)


SOCWA Hauling Trends
700,000
600,000
500,000
400,000
300,000
200,000
100,000
0
Sludge to SOCWA (gallons)
120
100
80
60
40
20
0
Sludge to SOCWA (loads)
JAN
FEB
MAR
APR
MAY
JUN
JUL
AUG
SEP
OCT
NOV
DEC
SLUDGE TO Regional Treatment Plant (gallons)
SLUDGE TO SOCWA (loads)


Solids Trends
7,000
6,000
5,000
4,000
3,000
2,000
1,000
0
Solids (dry lb/day)
5.0
4.5
4.0
3.5
3.0
2.5
2.0
1.5
1.0
0.5
0.0
Total Solids (%)
JAN
FEB
MAR
APR
MAY
JUN
JUL
AUG
SEP
OCT
NOV
DEC
SOLIDS (dry lb/day)
TOTAL SOLIDS (%)

WRP BATTERY STORAGE SYSTEM
MONTHLY REPORT

AUGUST 2025

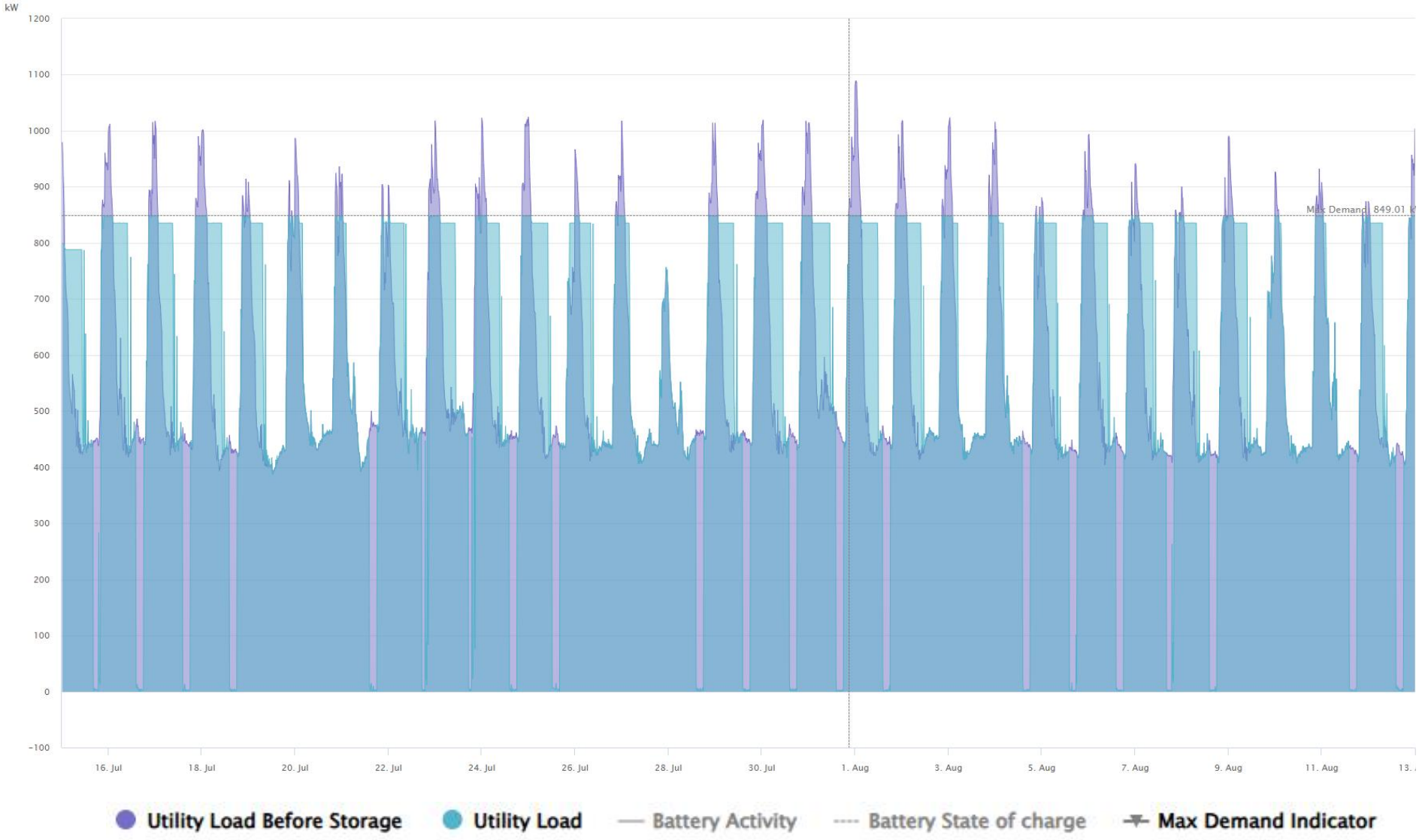
YEAR	BILLING PERIOD	BILL SAVINGS ($)	NET SAVINGS ($)	YEAR TOTAL ($)
1	08/13/19 - 09/12/19	(917.75)	(2,507.75)	
	09/12/19 - 10/11/19	3,265.76	1,675.76	
	10/11/19 - 11/13/19	(483.66)	(2,073.66)	
	11/13/19 - 12/13/19	232.10	(1,357.90)	
	12/13/19 - 01/14/20	(2,223.61)	(3,813.61)	
	01/14/20 - 02/12/20	1,004.27	(585.73)	
	02/12/20 - 03/13/20	432.82	(1,157.18)	
	03/13/20 - 04/13/20	(2,953.81)	(4,543.81)	
	04/13/20 - 05/13/20	414.86	(1,175.14)	
	05/13/20 - 06/12/20	3,464.46	1,874.46	
	06/12/20 - 07/15/20	898.72	(691.28)	
	07/15/20 - 08/13/20	497.61	(1,092.39)	(15,448.23)
2	08/13/20 - 09/14/20	1,727.18	137.18	
	09/14/20 - 10/14/20	1,142.91	(447.09)	
	10/14/20 - 11/13/20	993.16	(596.84)	
	11/13/20 - 12/15/21	1,814.40	224.40	
	12/15/20 - 01/14/21	252.77	(1,337.23)	
	01/14/21 - 02/12/21	2,598.74	1,008.74	
	02/12/21 - 03/16/21	2,545.66	955.66	
	03/16/21 - 04/14/21	442.16	(1,147.84)	
	04/14/21 - 05/13/21	4,658.68	3,068.68	
	05/13/21 - 06/14/21	5,828.63	4,238.63	
	06/14/21 - 07/14/21	7,090.27	5,500.27	
	07/14/21 - 08/12/21	11,656.05	10,066.05	21,670.61
3	08/12/21 - 09/13/21	3,251.24	1,661.24	
	09/13/21 - 10/13/22	4,854.74	3,264.74	
	10/13/21 - 11/12/21	1,835.55	245.55	
	11/12/21 - 12/14/21	1,953.12	363.12	
	12/14/21 - 01/13/22	(624.65)	(2,214.65)	
	01/13/22 - 02/11/22	40.42	(1,549.58)	
	02/11/22 - 03/15/22	647.37	(942.63)	
	03/15/22 - 04/13/22	2,556.61	966.61	
	04/13/22 - 05/13/22	92.84	(1,497.16)	
	05/13/22 - 06/14/22	8,377.93	6,787.93	
	06/14/22 - 07/14/22	20,486.96	18,896.96	
	07/14/22 - 08/12/22	6,915.19	5,325.19	31,307.32

WRP BATTERY STORAGE SYSTEM
MONTHLY REPORT

AUGUST 2025

YEAR	BILLING PERIOD	BILL SAVINGS ($)	NET SAVINGS ($)	YEAR TOTAL ($)
4	08/12/22 - 09/13/22	8,171.50	6,581.50	
	09/13/22 - 10/13/22	2,943.86	1,353.86	
	10/13/22 - 11/14/22	2,083.92	493.92	
	11/14/22 - 12/14/22	1,960.66	370.66	
	12/14/22 - 01/12/23	(3,571.97)	(5,161.97)	
	01/12/23 - 02/11/23	311.28	(1,278.72)	
	02/11/23 - 03/14/23	2,755.08	1,165.08	
	03/14/23 - 04/12/23	1,994.90	404.90	
	04/12/23 - 05/11/23	(558.88)	(2,148.88)	
	05/11/23 - 06/12/23	6,377.33	4,787.33	
	06/12/23 - 07/13/23	21,318.66	19,728.66	
	07/13/23 - 08/11/23	3,262.26	1,672.26	
	Performance Bonus	(148.00)	(148.00)	27,820.60
5	08/11/23 - 09/12/23	1,749.86	159.86	
	09/12/23 - 10/11/23	16,350.56	14,760.56	
	10/11/23 - 11/09/23	4,659.23	3,069.23	
	11/09/23 - 12/12/23	9,302.30	7,712.30	
	12/12/23 - 01/11/24	5,204.44	3,614.44	
	01/11/24 - 02/12/24	(828.52)	(2,418.52)	
	02/14/24 - 03/13/24	(2,433.90)	(4,023.90)	
	03/13/24 - 04/12/24	2,204.14	614.14	
	04/12/24 - 05/13/24	(37.79)	(1,627.79)	
	05/13/24 - 6/12/24	6,965.53	5,375.53	
	06/12/24 - 7/15/24	7,871.04	6,281.04	
	07/16/24 - 8/13/24	(308.78)	(1,898.78)	
	Performance Bonus	(1,973.00)	(1,973.00)	29,645.11
6	8/13/24-9/12/24	5,410.44	3,820.44	
	9/12/24-10/11/24	8,270.47	6,680.47	
	10/11/24-11/12/24	3,470.89	1,880.89	
	11/12/24-12/11/24	2,864.46	1,274.46	
	12/11/24-01/11/25	5,471.53	3,881.53	
	01/11/25-02/11/25	3,099.11	1,509.11	
	02/11/25-03/13/25	513.45	(1,076.55)	
	03/13/25-04/11/25	3,793.31	2,203.31	
	04/11/25-05/13/25	7,880.66	6,290.66	
	05/13/25-06/12/25	(4,962.65)	(6,552.65)	
	STEM Credit	11,365.00	11,365.00	
	06/12/25-07/15/25	11,961.11	10,371.11	
	07/12/25-08/13/25	8,326.07	6,736.07	
	Performance Bonus	(10,355.00)	(10,355.00)	38,028.85
	TOTAL	**247,504.26**		**133,024.26**

WRP BATTERY STORAGE SYSTEM
MONTHLY REPORT
07/12/24 - 08/13/2025



Sewerage Treatment Plant

POWERED BY GENABILITY

stem

23542 Moulton Pkwy, Laguna Woods, CA 92637

Savings Report - 2025-08 **Jul 15, 2025 - Aug 13, 2025**

SCE TOU 8 Option D (< 2kV)

Demand Charges	Before Storage		After Storage		Savings	
Facilities Related - Distribution	1,089kW	$21,883.27	849kW	$17,056.55	240kW	$4,826.73
Facilities Related - Transmission	1,089kW	$5,740.41	849kW	$4,474.27	240kW	$1,266.14
Time Related - Distribution - Summer On-Peak	905kW	$18,413.72	849kW	$17,268.80	56kW	$1,144.92
Time Related - Utility Retained Generation - Summer On-Peak	905kW	$15,770.26	849kW	$14,789.70	56kW	$980.56
Sub-total		$61,807.66		$53,589.32		$8,218.35

Energy Charges	Before Storage		After Storage		Savings	
Competition Transition Charge	403,633kWh	$(165.49)	409,726kWh	$(167.99)	(6,094)kWh	$2.50
Competition Transition Charge (URG Component)	403,633kWh	$165.49	409,726kWh	$167.99	(6,094)kWh	$(2.50)
Distribution - Summer Mid-Peak	21,129kWh	$296.65	21,038kWh	$295.37	91kWh	$1.28
Distribution - Summer Off-Peak	326,739kWh	$4,489.40	353,694kWh	$4,859.75	(26,954)kWh	$(370.35)
Distribution - Summer On-Peak	55,764kWh	$861.00	34,995kWh	$540.32	20,769kWh	$320.68
Fixed Recovery Charge	403,633kWh	$460.14	409,726kWh	$467.09	(6,094)kWh	$(6.95)
New System Generation Charge	403,633kWh	$2,583.25	409,726kWh	$2,622.25	(6,094)kWh	$(39.00)
Nuclear Decommissioning Charge	403,633kWh	$(4.04)	409,726kWh	$(4.10)	(6,094)kWh	$0.06
Public Purpose Programs Charge	403,633kWh	$10,502.52	409,726kWh	$10,661.08	(6,094)kWh	$(158.56)
PUC Reimbursement Fee	403,633kWh	$322.91	409,726kWh	$327.78	(6,094)kWh	$(4.88)
State Tax	403,633kWh	$121.09	409,726kWh	$122.92	(6,094)kWh	$(1.83)
Transmission	403,633kWh	$16.15	409,726kWh	$16.39	(6,094)kWh	$(0.24)
Utility Retained Generation - Summer Mid-Peak	21,129kWh	$1,851.12	21,038kWh	$1,843.12	91kWh	$8.00
Utility Retained Generation - Summer Off-Peak	326,739kWh	$19,391.98	353,694kWh	$20,991.72	(26,954)kWh	$(1,599.74)
Utility Retained Generation - Summer On-Peak	55,764kWh	$5,357.82	34,995kWh	$3,362.32	20,769kWh	$1,995.51
Wildfire Fund Non-Bypassable Charge	403,633kWh	$2,401.61	409,726kWh	$2,437.87	(6,094)kWh	$(36.26)
Sub-total		$48,651.61		$48,543.88		$107.73

Other Monthly Charges	Before Storage		After Storage		Savings	
Customer Charge		$447.44		$447.44		$ -
Sub-total		$447.44		$447.44		$ -

Total	Before Storage		After Storage		Savings	
		$110,906.71		$102,580.64		$8,326.07

Note: The above data is calculated by Genability using utility meter data. If there were any gaps in the utility data, they were filled with Stem meter data. Your actual utility bill may look different from the data displayed above due to either issues in the utility data we were provided or in the Stem meter data collected. Some discrepancies are normal and to be expected. For this reason, Stem completes a thorough review of all data and reconciles discrepancies by comparing the Genability calculations of the energy storage system cost savings and total bill values with your utility bills. Any discrepancies identified are adjusted for outstanding differences and reflected in your performance guarantee true up term statement.

Agenda Item No. 13

STAFF REPORT

To: Board of Directors **Meeting Date: September 22, 2025**

From: Hannah Ford, Director of Engineering
Rory Harnisch, Senior Engineer

Subject: Capital Project Status Report

I. Moulton/El Toro Cathodic Protection Repair

The District is bidding a project to repair the impressed current cathodic protection system by addressing stray current interference for the reinforced concrete cylinder pipelines along El Toro Road and Moulton Parkway. Work includes installing new anode beds, replacing test stations, and installing reference electrodes with electrical resistance probes. Based on the design developed by Corrpro, District staff advertised the Project for bids, conducted a mandatory pre-bid meeting last month, and issued an addendum this month. District staff plan to recommend award of a construction contract to the Board next month.

II. Battery and Solar Projects

District staff worked with TerraVerde Energy (TerraVerde) to release a request for proposals (RFP) for potential solar and battery energy efficiency projects at the WRP and P-1 Pump Station. District staff conducted a mandatory site walk, and 20 vendors attended. Proposals are due at the end of this month, and District staff plan to conduct interviews and recommend award next month – ahead of schedule due to recent changes in the availability of federal funding for solar and battery projects.

The recent passage of Public Law 119-21 (informally referred to as the One Big Beautiful Bill) impacts funding availability for solar and battery projects. The law requires the phasing out of Investment Tax Credit (ITC)/Inflation Reduction Act (IRA) incentives for solar after July 2026 and imposes Foreign Entity of Concern (FEOC) restrictions beginning January 1, 2026. District staff, in coordination with TerraVerde, reviewed recent IRS/Treasury guidance to evaluate safe harboring strategies for the District's potential projects. Key takeaways include:

1. Solar projects must begin construction by July 2026 (one year after enactment of Public Law 119-21) and be placed into service by December 31, 2027.
2. Battery projects must begin construction by 2035 to qualify, with tiered funding: 30% ITC/IRA if started by 2033, 22.5% if by 2034, and 15% if by 2035. Once begun, battery projects have four years to be placed in service.

3. Safe harbor can be established by either (a) incurring at least 5% of project costs and demonstrating continuous effort (e.g., permitting, design, or contract execution), or (b) commencing "physical work of a significant nature."
4. Projects exceeding a yet-to-be-defined threshold of FEOC content (foreign-sourced components) will not be eligible for ITC/IRA incentives. This is expected to be particularly challenging for battery systems due to reliance on international supply chains, but solar modules and inverters may also be impacted.

To mitigate these risks, District staff will evaluate the proposals from vendors at the end of this month and may recommend award with contract structures that accomplish the "start of construction" goal by the end of the year.

III. Main Office Warehouse Drainage Improvement Project

The District's contractor, GCI, mobilized to the site and commenced construction activities in late August. To date, GCI completed excavation and installation of the precast manhole, pumps, and associated electrical components. Final work items—including installation of the concrete trench drain, shown on Figures 1 and 2, and miscellaneous asphalt repairs—are anticipated to be completed by the end of September. During trench drain excavation two communication conduit conflicts were discovered and re-aligned by GCI. The District agreed to a $6,828.69 change order to account for this change in scope.

Figure 1 – Trench Drain Formwork

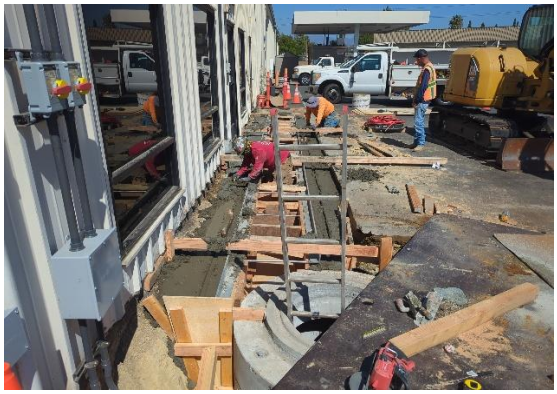


Figure 2 – Trench Drain Concrete Placement

IV. Headworks and Secondary Clarifier No. 1 Rehabilitation Project

District staff held a preconstruction meeting with Filanc Construction (Filanc) in August, and staff are currently working with Filanc through the submittal phase. The District is reviewing initial submittals, including the overall project schedule. Filanc is currently scheduled to mobilize to the site in November to start construction activities.

V. Westline Lift Station Main Switchboard Replacement

District staff previously issued the Notice of Award and Notice to Proceed to Baker Electric & Renewables (Baker) and held a preconstruction meeting in late August. The project remains on hold pending final drawing approval from Southern California Edison (SCE). Construction is expected to begin promptly once approval is received. Baker continues to estimate project completion within six to eight weeks upon mobilization; however, the overall schedule remains dependent on SCE's approval and coordination timeline. In the meantime, District

staff are also working with Laguna Woods Village to coordinate public notice in preparation for construction activities.

VI. Freeway Electrical Equipment Replacement

District staff awarded a contract to Baker to complete the electrical installation required as part of this Project. Due to District resource constraints (staff time and availability of the temporary meter), Notice to Proceed has been delayed until the Westline Lift Station Main Switchboard Replacement is complete.

VII. Ocean Outfall Pump Station (OOPS) MCC and Valve Rehabilitation Project

District staff are developing the contract documents in-house in order to request costs from three electrical contractors. Staff will recommend contract award at the November Board meeting. Construction remains scheduled to begin shortly thereafter.

VIII. Secondary Clarifier No. 4 Drive Replacement Project

After receiving and installing the new Secondary Clarifier No. 4 drive last month, District staff amended the contract with Don Peterson by an additional $56,335 to repair the corroded bridge-gearbox adapter frame as well as bridge support beams, as shown in Figures 3 and 4. The total cost for the Secondary Clarifier No. 4 drive replacement is $148,79.05. Don Peterson is fabricating the new gearbox platform and bridge offsite and plans to deliver to the WRP for District staff to coat prior to install at the end of this month.

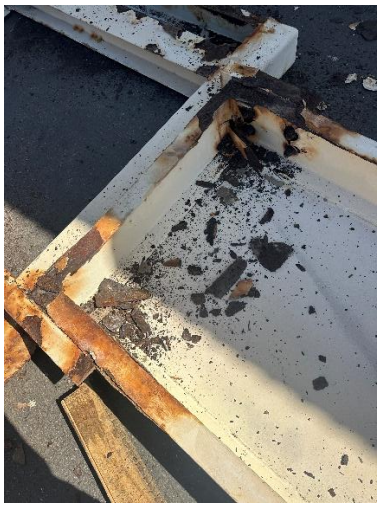


Figure 3 – Corroded Bridge Support Beams

Figure 4 – Corroded Bridge Adaptor

IX. Tertiary Disinfection Optimization Project

After receiving the three new free chlorine analyzers, District staff are installing them onto the sample panel near the Chlorine Contact Tank. Leveraging in-house design drawings, District staff also solicited a quotation for electrical installation and plan to award a contract to Baker in the amount of $13,215 for this work to take place next month. District staff are also developing an Operations Plan for submission to the Division of Drinking Water.

X. Asset Management

District staff met with the consultant, Hazen and Sawyer (Hazen), to establish likelihood and consequence of failure assignments as part of the linear asset management plan. Next, Hazen will identify and develop recommendations to address high risk areas in the distribution system. In parallel, District staff continue to determine the best computerized maintenance management software (CMMS) to maintain real-time validity of the asset management inventory data.

F.Y. 2025/26 CAPITAL IMPROVEMENT PROGRAM BUDGET ITEMS > $75,000
BOARD APPROVAL SCHEDULE

Category	Project Description	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	CIP Budget	Board Approved Cost
2025/26 Capital Projects															
	R-5 Reservoir Rehabilitation						E	E	E	B	A	C	C	$194,000	
	R-6 Reservoir Southern Slope Stabilization	E	E	A / B	A	C	C	C	C	C				$500,000	
	Asset Management	E	E	E	E	E	E	BP						$86,000	$84,630
2025/26 Capital Equipment															
	Shenandoah Booster Station Pump & Motor Replacement	A	A				R							$198,000	$132,042
	P-1 Battery Project	E	B	B	A	C	C	C	C	C	C	C	C	$900,000	
	OOPS Battery Project	E	B	B	A	C	C	C	C	C	C	C	C	$0	
	Main PR Hydro Turbine	Deferred unless alternative funding becomes available												$603,000	
	Headworks and Secondary Clarifier No. 1 Rehabilitation	C	C	C	C	C	C	C	C	C	C	C	C	$11,962,000	$13,060,285
	Solids Hauling Trailer			R										$307,000	$199,635
Previous Fiscal Year Carryover															
	Moulton/El Toro Cathodic Protection Study	E	B	B	A	C	C							$218,000	
	Aliso Creek Pump Station Rehabilitation Project	E	A / E	BP / E	E	E	E							$600,000	$484,000
	OOPS MCC and Valve Replacement Project	R	E	E	B	A	C	C						$191,000	
	Secondary Clarifier No. 3 and 4 Drive Replacement Project		R	C										$0	$206,083
	Westline Main Switchboard Replacement	A	C	C	C									$113,000	$164,778
	Freeway Electrical Equipment Replacement	E	A			C	C							$263,362	$277,385
	Tertiary Disinfection Optimization Project	B	O	R	C									$132,000	
	Westline Generator Unit 213 Replacement	E	E	E	B	A	O				E	E	E	$267,000	
													Total	$14,788,000	$13,875,962

Key:
- Water
- Wastewater
- Recycled Water
- Split between All Departments
- Board Involvement

Abbreviations:

A = Approve by Board
B = Bid
BP = Board Presentation
C = Construction
E = Engineering/Study
ET = Evaluate
L = Legal
N = Negotiate
O = Order
P = Permit
RFP = Request for Proposal
R = Receive

EL TORO WATER DISTRICT

Glossary of Water Terms

Accumulated overdraft: The amount of water necessary to be replaced in the intake area of the groundwater basin to prevent the landward movement of ocean water into the fresh groundwater body.

Acre-foot, AF: A common water industry unit of measurement. An acre-foot is 325,851 gallons, or the amount of water needed to cover one acre with water one foot deep. An acre-foot serves annual needs of two typical California families.

ACWA: Association of California Water Agencies. A statewide group based in Sacramento that actively lobbies State and Federal Government on water issues.

Advanced treatment: Additional treatment processes used to clean wastewater even further following primary and secondary treatment. Also known as tertiary treatment.

AFY: Acre-foot per year.

Alluvium: A stratified bed of sand, gravel, silt, and clay deposited by flowing water.

AMP: Allen McCulloch pipeline. Major pipeline transporting treated water to water districts between Yorba Linda, where it starts to El Toro Water District reservoir, where it terminates.

Annexation: The inclusion of land within a government agency's jurisdiction.

Annual overdraft: The quantity by which the production of water from the groundwater supplies during the water year exceeds the natural replenishment of such groundwater supplies during the same water year.

Aqueduct: A man-made canal or pipeline used to transport water.

Aquifer: An underground geologic formation of rock, soil or sediment that is naturally saturated with water; an aquifer stores groundwater.

Arid: Dry; deserts are arid places. Semi-arid places are almost as dry as a desert.

Artesian: An aquifer in which the water is under sufficient pressure to cause it to rise above the bottom of the overlying confining bed, if the opportunity is provided.

Artificial recharge: The addition of surface water to a groundwater reservoir by human activity, such as putting surface water into recharge basins. (See also: groundwater recharge and recharge basin.)

AWWA: American Water Works Association. Nationwide group of public and private water purveyors and related industrial suppliers.

Base flow: The portion of river surface flow which remains after deduction of storm flow and/or purchased imported water.

Bay-Delta: The Sacramento-San Joaquin Bay-Delta is a unique natural resource of local, state and national significance. The Delta is home to more then 500,000 people; contains 500,000 acres of agriculture; provides habitat for 700 native plant and animal species; provides water for more then 25 million Californians and 3 million acres of agriculture; is traversed by energy, communications and transportation facilities vital to the economic health of California; and supports a $400 billion economy.

BIA: Building Industry Association

Biofouling: The formation of bacteria film (biofilm) on fragile reverse osmosis membrane surfaces.

Biosolids: Solid organic matter recovered from a sewage treatment process and used especially as fertilizer.

BMP: Best Management Practice. An engineered structure or management activity, or combination of these, that eliminates or reduces adverse environmental effects.

Brackish water: A mixture of freshwater and saltwater

Brown Act: Ralph M. Brown Act enacted by the State legislature governing all meetings of legislative bodies. Also known as Open Meeting Requirements.

Canal: A ditch used to move water from one location to another.

CASA: California Association of Sanitation Agencies. The sanitation equivalent of ACWA concerned solely with issues affecting the treatment and disposal of solid waste and wastewater.

CEQA: California Environmental Quality Act.

CERCLA: Comprehensive Environmental Response, Compensation and Liability Act. This federal law establishes the Superfund program for hazardous waste sites. It provides the legal basis for the United States EPA to regulate and clean up hazardous waste sites, and if appropriate, to seek financial compensation from entities responsible for the site.

CFS: Cubic feet per second.

Chloramines: A mixture of ammonia and chlorine use to purify water.

Clarify: To make clear or pure by separation and elimination of suspended solid material.

Coagulation: The clumping together of solids so they can more easily be settled out of filtered out of water. A chemical called aluminum sulfate (alum) is generally used to aid coagulation in water treatment and reclamation.

Coastkeepers: A non-profit organization dedicated to the protection and preservation of the marine habitats and watersheds of Orange County through programs of education, restoration, enforcement and advocacy.

Colored Water: Groundwater extracted from the basin that is unsuitable for domestic use without treatment due to high color and odor exceeding drinking water standards.

Condensation: The process of water vapor (gas) changing into liquid water. An example of condensation can be seen in the tiny water droplets that form on the outside of a glass of iced tea as warmer air touches the cooler glass.

Confined aquifer: An aquifer that is bound above and below by dense layers of rock and contains water under pressure.

Conjunctive use: Storing imported water in a local aquifer, in conjunction with groundwater, for later retrieval and use.

Contaminate: To make unclean or impure by the addition of harmful substances.

CPCFA: California Pollution Control Financing Authority. State agency providing funds for wastewater reclamation projects.

Crisis:

1. A: The turning point for better or worse B. a paroxysmal attack of pain, distress, or disordered function C. an emotionally significant event or radical change of status in a person's life < a midlife crisis>
2. The decisive moment (as in a literary plot)
3. A: An unstable or crucial time or state of affairs in which a decisive change is impending; especially one with the distinct possibility of a highly undesirable outcome < a financial crisis> B. a situation that has reached a critical phase

CTP: Coastal Treatment Plant

CWPCA: California Water Pollution Control Association. A 7000-member non-profit educational organization dedicated to water pollution control.

Dam: A barrier built across a river or stream to hold water.

Decompose: To separate into simpler compounds, substances or elements.

Deep percolation: The percolation of surface water through the ground beyond the lower limit of the root zone of plants into a groundwater aquifer.

Degraded water: Water within the groundwater basin that, in one characteristic or another, does not meet primary drinking water standards.

Delta: Where the rivers empty; an outlet from land to ocean, also where the rivers deposit sediment they carry forming landforms.

Delta Vision: Delta Vision is intended to identify a strategy for managing the Sacramento- San Joaquin Delta as a sustainable ecosystem that would continue to support environmental and economic functions that are critical to the people of California.
Demineralize: To reduce the concentrations of minerals from water by ion exchange, distillation, electro-dialysis, or reverse osmosis.

De-nitrification: The physical process of removing nitrate from water through reverse osmosis, microfiltration, or other means.

Desalting (or desalination): Removing salts from salt water by evaporation or distillation. Specific treatment process, such as reverse osmosis or multi-stage flash distillation, to demineralize seawater or brackish (saline) waters for reuse. Also, sometimes used in wastewater treatment to remove salts other pollutants.

Desilting: The physical process of removing suspended particles from water.

Dilute: To lessen the amount of a substance in water by adding more water

Disinfection: Water treatment which destroys potentially harmful bacteria.

Drainage basin: The area of land from which water drains into a river, for example, the Sacramento River Basin, in which all land area drains into the Sacramento River. Also called catchment area, watershed, or river basin.

Drought: A prolonged period of below- average precipitation.

DPHS: California Department of Pubic Health Services. Regulates public water systems; oversees water recycling projects; permits water treatment devices; certifies drinking water treatment and distribution operators; supports and promotes water system security; provides support for small water systems and for improving technical, managerial, and financial (TMF) capacity; provides funding opportunities for water system improvements.

DVL: Diamond Valley Lake. Metropolitan's major reservoir near Hemet, in southwestern Riverside County.

DWR: California Department of Water Resources. Guides development/management of California's water resources; owns/operates State Water Project and other water facilities.

Endangered Species: A species of animal or plant threatened with extinction.

Endangered Species Act of 1973 (ESA): The most wide-ranging of the dozens of United States environmental laws passed in the 1970's. As stated in section 2 of the act, it was designed to protect critically imperiled species from extinction as a "consequence of economic growth and development untendered by adequate concern and conservation.

Ecosystem: Where living and non-living things interact (coexist) in order to survive.

Effluent: Wastewater or other liquid, partially or completely treated or in its natural state, flowing from a treatment plant.

Evaporation: The process that changes water (liquid) into water vapor (gas).
Estuary: Where fresh water meets salt water.

Evapotranspiration: The quantity of water transpired (given off), retained in plant tissues, and evaporated from plant tissues and surrounding soil surface. Quantitively, it is expressed in terms of depth of water per unit area during a specified period of time.

FCH: Federal Clearing House – Environmental Review/Processing

FEMA: Federal Emergency Management Agency

Filtration: The process of allowing water to pass through layers of a porous material such as sand, gravel or charcoal to trap solid particles. Filtration occurs in nature when rain water soaks into the ground and it passes through hundreds of feet of sand and gravel. This same natural process of filtration is duplicated in water and wastewater treatment plants, generally using sand and coal as the filter media.

Flocculation: A chemical process involving addition of a coagulant to assist in the removal of turbidity in water.

Forebay: A reservoir or pond situated at the intake of a pumping plant or power plant to stabilize water level; also, a portion of a groundwater basin where large quantities of surface water can recharge the basin through infiltration.

Gray water reuse: Reuse, generally without treatment, of domestic type wastewater for toilet flushing, garden irrigation and other non-potable uses. Excludes water from toilets, kitchen sinks, dishwashers, or water used for washing diapers.

Green Acres Project (GAP): A 7.5 million gallons per day (MGD) water reclamation project that serves tertiary treated recycled water to irrigation and industrial users in Costa Mesa, Fountain Valley, Huntington Beach, Newport Beach, and Satna Ana.

God Squad: A seven-member committee that is officially called the “Endangered Species Committee”. Members consist of Secretary of the Interior, the Secretary of Agriculture, the Secretary of the Army, the Chairman of the Council of Economic Advisers, the Administrator of the National Oceanic and Atmospheric Administration and one individual from the affected state. The squad was established in 1978 by an amendment to the 1973 Endangered Species Act (ESA). It has only been called into action three times to deal with proposed federal agency actions that have been determined to cause “jeopardy” to any listed species.

Groundwater: Water that has percolated into natural, underground aquifers; water in the ground, not water puddled on the ground.

Groundwater basin: A groundwater reservoir defined by the overlying land surface and the underlying aquifers that contain water stored in the reservoir. Boundaries of success-ively deeper aquifers may differ and make it difficult to define the limits of the basin.

Groundwater mining: The withdrawal of water from an aquifer in excess of recharge over a period of time. If continued, the underground supply would eventually be exhausted or the water table could drop below economically feasible pumping lifts.
Groundwater overdraft: The condition of a groundwater basin in which the amount of water withdrawn by pumping exceeds the amount of water that recharges the basin over a period of years during which water supply conditions approximate average.

Groundwater recharge: The action of increasing groundwater storage by natural conditions or by human activity. See also: Artificial recharge.

Ground water replenishment system (GWRS): A joint project of the Orange County Water District and the Orange County Sanitation District that will provide up to 1000,000 acre-feet of reclaimed water annually. The high-quality water will be used to expand an existing underground seawater intrusion barrier and to replenish the groundwater basin underlying north and central Orange County.

Groundwater table: The upper surface of the zone of saturation (all pores of subsoil filled with water), except where the surface if formed by an impermeable body.

GPM: Gallons per minute.

Ground Water Replenishment System (GWRS): Orange County Water District's state of the art, highly advanced, waste-water treatment facility.

Hydrologic balance: An accounting of all water inflow to, water outflow from, and changes in water storage within a hydrologic unit over a specified period.

Hydrologic cycle: The process of water constantly circulating from the ocean, to the atmosphere, to the earth in a form of precipitation, and finally returning to the ocean.

Imported water: Water that has originated from one hydrologic region and is transferred to another hydrologic region.

Inflatable rubber dams: Designed to replace temporary sand levees that wash out during heavy storm flow, the dams hold back high-volume river flows and divert the water into the off-river system for percolation.

Influent: Water or wastewater entering a treatment plant, or a particular stage of the treatment process.

Irrigation: Applying water to crops, lawns or other plants using pumps, pipes, hoses, sprinklers, etc.

JPIA: Joint Powers Insurance Authority. A group of water agencies providing self-insurance to member of the ACWA.

LAIF: Local Agency Investment Fund. Statewide pool of surplus public agency money managed by state treasurer.

Leach: to remove components from the soil by the action of water trickling through.

MAF: Million-acre feet.

MCL: Maximum contaminant level set by EPA for a regulated substance in drinking water. According to health agencies, the maximum amount of a substance that can be present in water that's safe to drink and which looks, tastes and smells good.

MET: Metropolitan Water District of Southern California.

MGD: Million gallons per day.

Microfiltration: A physical separation process where tiny, hollow filaments members separate particles from water.

Microorganism: An animal or plant of microscopic size.

MWD: Metropolitan Water District of Southern California.

MWDOC: Municipal Water District of Orange County. Intermediate wholesaler between MWD and 27-member agencies including ETWD.

Non-point source pollution: Pollution that is so general or covers such a wide area that no single, localized source of the pollution can be identified.

NPDES: National Pollution Discharge Elimination System

OCBD: Orange County Business Council

OCEMA: Orange County Environmental Management Agency

OCWD: Orange County Water District

Opportunity:
1. A favorable juncture of circumstances
2. A good chance for advancement or progress

Organism: Any individual form of life, such as a plant, animal or bacterium

PCM: Professional Community Management, Inc. Property Management company providing services to Laguna Woods Village and other homeowners associations.

Perched groundwater: Groundwater supported by a zone of material of low permeability located above an underlying main body of groundwater with which it is not hydrostatically connected.

Percolation: The downward movement of water through the soil of alluvium to the groundwater table

Permeability: The capability of soil or other geologic formations to transmit water

Point source: A specific site from which waste or polluted water is discharged into a water body, the source of which is identified. See also: non-point source.

Potable water: Suitable and safe for drinking

PPB: Parts per billion

Precipitation: Water from the atmosphere that falls to the ground as a liquid (rain) or a solid (snow, sleet, hail).

Primary treated water: First major treatment in a wastewater treatment facility, usually sedimentation but not biological oxidation.

Primary treatment: Removing solids and floating matter from wastewater using screening, skimming and sedimentation (settling by gravity).

Prior appropriation doctrine: Allocates water rights to the first party who diverts water from its natural source and applies the water to beneficial use. If at some point the first appropriator fails to use the water beneficially, another person may appropriate the water and gain rights to the water. The central principle is beneficial use, not land ownership.

Pumping Plant: A facility that lifts water up and over hills.

Recharge: The physical process where water naturally percolates or sinks into a groundwater basin.

Recharge basin: A surface facility, often a large pond, used to increase the infiltration of surface water into a groundwater basin.

Reclaimed wastewater: Wastewater that becomes suitable for a specific beneficial use as a result of treatment. See also: wastewater reclamation.

Reclamation project: A project where water is obtained from a sanitary district or system and which undergoes additional treatment for a variety of uses, including landscape irrigation, industrial uses, and groundwater recharge.

Recycling: A type of reuse, usually involving running a supply of water through a closed system again and again. Legislation in 1991 legally equates the term “recycled water” to reclaimed water.

Reservoir: A place where water is stored until it is needed. A reservoir can be an open lake or an enclosed storage tank.

Reverse osmosis: (RO) A method of removing salts or other ions from water by forcing water through a semi-permeable membrane.

RFP: Request for Proposal

Riparian: Of or on the banks of a stream, river, or other body of water.

RO: Reverse osmosis. See the listing under “reverse osmosis.”

R-O-W: Right-of-way

Runoff: Liquid water that travels over the surface of the Earth, moving downward due to gravity. Runoff is one way in which water that falls as precipitation returns to the ocean.

RWQCB: Regional Water Quality Control Board. State agency regulating discharge and use of recycled water.

Safe Drinking Water Act (SDWA): The Safe Drinking Water Act (SDWA) was originally passed by Congress in 1974 to protect public health by regulating the nation's public drinking water supply. The law was amended in 1986 and 1996 and requires many actions to protect drinking water and its sources: rivers, lakes reservoirs, springs, and ground water wells. (SDWA does not regulate private wells which serve fewer than 25 individuals.) SDWA authorizes the United States Environmental Protection Agency (US EPA) to set national health-based standards for drinking water to protect against both naturally-occurring and man-made contaminants that may be found in drinking water. US EPA, states, and water systems work together to make sure that these standards are met.

Safe yield: The maximum quantity of water that can be withdrawn from a groundwater basin over a long period of time without developing a condition of overdraft, sometimes referred to as sustained yield.

SAFRA: Santa Ana River Flood Protection Agency

Salinity: Generally, the concentration of mineral salts dissolved in water. Salinity may be measured by weight (total dissolved solids – TDS), electrical conductivity, or osmotic pressure. Where seawater is known to be the major source of salt, salinity is often used to refer to the concentration of chlorides in the water.

SAWPA: Santa Ana Watershed Project Authority.

SCADA: Supervisory Control and Data Acquisition

SCAP: Southern California Alliance of Publicity. Newly formed group of public agencies seeking reasonable regulation of sewer industry.

SCH: State Clearing House – Environmental Review/Processing

Seasonal Storage: A three-part program offered by Metropolitan Water District of Southern California:

> STSS (Short Term Seasonal Storage): financially encourages agencies with local groundwater production capabilities to produce a higher percentage of their demand in the summer from their local groundwater supplies, thus shifting a portion of their demand on the MWD system from the summer to winter;
>
> LTSS (Long Term Seasonal Storage): Financially encourages retail agencies to take and store additional amounts of MWD water above their normal annual demands for later use; Replenishment Water provides less expensive interruptible water that is generally available and used to increase the operating yield of groundwater basins.

Seawater intrusion: The movement of salt water into a body of fresh water. It can occur in either surface water or groundwater basins.

Seawater barrier: A physical facility or method of operation designed to prevent the intrusion of salt water into a body of freshwater.

Secondary treatment: The biological portion of wastewater treatment which uses the activated sludge process to further clean wastewater after primary treatment. Generally, a level of treatment that produces 85 percent removal efficiencies for biological oxygen demand and suspended solids. Usually carried out through the use of trickling filters or by the activated sludge process.

Sedimentation: The settling of solids in a body of water using gravity.

Settle: To clarify water by causing impurities/solid material to sink to a container's bottom.

Sewer: The system of pipes that carries wastewater from homes and businesses to a treatment plant or reclamation plant. Sewers are separate from storm drains, which is a system of drains and pipes that carry rain water from urban streets back to the ocean. Overwatering your yard can also cause water to run into the streets and into storm drains. Storm drain water is not treated before it is discharged.

SigAlert: Any unplanned event that causes the closing of one lane of traffic for 30 minutes or more, as opposed to a planned event, like the road construction, which is planned.

SJBA: San Juan Basin Authority

Sludge: The solids that remain after wastewater treatment. This material is separated from the cleaned water, treated and composted into fertilizer. Also called biosolids.

SOCWA: South Orange County Wastewater Authority. Regional Joint Powers Authority form for collection and treatment of sewerage (previously known as AWMA/SERRA/SOCRA). SOCWA member agencies:

CSC – City of San Clemente
CSJC – City of San Juan Capistrano
CLB – City of Laguna Beach
ETWD – El Toro Water District
EBSD – Emerald Bay Service District
IRWD – Irvine Ranch Water District
MNWD – Moulton Niguel Water District
SCWD – South Coast Water District
SMWD – Santa Margarita Water District
TCWD – Trabuco Canyon Water District

SRF: State Revolving Fund

Storm Drain: The system of pipes that carries rain water from urban streets back to the ocean. Overwatering your yard can also cause water to run into the streets and into storm drains. Storm drain water is not treated before it is discharged. Storm drains are separate from sewers, which is a separate system of pipes to carry wastewater from homes and businesses to a treatment plant or reclamation plant for cleaning.

Storm flow: Surface flow originating from precipitation and run-off which has not percolated to an underground basin.

SWP: State Water Project. An aqueduct system that delivers water from Northern California to central and Southern California.

SWRCB: State Water Resources Control Board

TDS: Total dissolved solids. A quantitative measure of the residual minerals dissolved in water that remain after evaporation of a solution. Usually expressed in milligrams per liter.

Tertiary treatment: The treatment of wastewater beyond the secondary or biological stage. Normally implies the removal of nutrients, such as phosphorous and nitrogen, and a high percentage of suspended solids.

THM: Trihalomethanes. Any of several synthetic organic compounds formed when chlorine or bromine combine with organic materials in water.

TMA: Too many acronyms.

TMDL: Total maximum daily load; a quantitative assessment of water quality problems, contributing sources, and load reductions or control actions needed to restore and protect bodies of water.

Transpiration: The process in which plant tissues give off water vapor to the atmosphere as an essential physiological process.

Turbidity: Thick of opaque with matter in suspension; muddy water

Ultraviolet light disinfection: A disinfection method for water that has received either secondary or tertiary treatment used as an alternative to chlorination.

VE: Value Engineering

VOC: Volatile organic compound; a chemical compound that evaporates readily at room temperature and contains carbon.

Wastewater: Water that has been previously used by a municipality, industry or agriculture and has suffered a loss of quality as a result.

Water Cycle: The continuous process of surface water (puddles, lakes, oceans) evaporating from the sun's heat to become water vapor (gas) in the atmosphere. Water condenses into clouds and then falls back to earth as rain or snow (precipitation). Some precipitation soaks into the ground (percolation) to replenish groundwater supplies in underground aquifers.

Water rights: A legally protected right to take possession of water occurring in a natural waterway and to divert that water for beneficial use.

Water-use Efficiency: The water requirements of a particular device, fixture, appliance, process, piece of equipment, or activity.

Water year (USGS): The period between October 1st of one calendar year to September 30th of the following calendar year.

Watermaster: A court appointed person(s) that has specific responsibilities to carry out court decisions pertaining to a river system or watershed.

Water Reclamation: The treatment of wastewater to make it suitable for a beneficial reuse, such as landscape irrigation. Also called water recycling.

Watershed: The total land area that from which water drains or flows to a river, stream, lake or other body of water.

Water table: The top level of water stored underground.

WEF: Water Environment Federation. Formerly – Water Pollution Control Federation (WPCF). International trade group advising members of sewage treatment techniques and their effect on the environment.

Weir box: A device to measure/control surface water flows in streams or between ponds.

Wellhead treatment: Water quality treatment of water being produced at the well site.

Wetland: Any area in which the water table stands near, at, or above the land surface for a portion of the year. Wetlands are characterized by plants adapted to wet soil conditions.

Xeriscape: Landscaping that requires minimal water.