

CRESCENTA VALLEY WATER DISTRICT

**2700 FOOTHILL BOULEVARD
LA CRESCENTA, CALIFORNIA**

**To be held on
June 17, 2021 at 1:30 PM**

**Agenda for the Meeting of the Finance Committee
of the Crescenta Valley Water District**

Posted June 16, 2021 at 1:30 PM

TELECONFERENCING NOTICE

[This meeting will be held by teleconference only.]

Pursuant to the provisions of Executive Order N-08-21 issued by Governor Gavin Newsom on June 11, 2021, a local legislative body is authorized to hold public meetings via teleconference.

Any member of the public may participate using a touchtone phone. You may select any of the following phone numbers (there are more than one for increased reliability during this time of increased phone traffic)

(669) 900-6833

(346) 248-7799

(929) 205-6099

(253) 215-8782

(301) 715-8592

(312) 626-6799

Then, enter Access Code: 892 8631 3152

[Pursuant to the above Executive Order, the public may not attend the meeting in person]

Those members of the public who are able to and would like to additionally participate with a computer through videoconference may access the Zoom videoconferencing tool available at the following link – <https://us02web.zoom.us/j/82287409775>

Any person may make a request for a disability-related modification or accommodation needed for that person to be able to participate in the public meeting by contacting the District by phone or in writing at customerservice@cvwd.com. Requests must specify the nature of the disability and the type of accommodation requested. A telephone number or other contact information should be included so that District staff may discuss appropriate arrangements. Persons requesting a disability-related accommodation should make the request with adequate time before the meeting for the District to provide the requested accommodation.

Call to Order

Adoption of Agenda

Public Comment:

At this time, members of the public shall have an opportunity to address the Committee on items of interest that are within the subject matter jurisdiction of this Committee. This opportunity is non-transferable, and speakers are limited to three (3) minutes each. Under the provisions of the Brown Act, the Board is prohibited from taking action on items not listed on the agenda, except under certain circumstances.

Action Items(s)

The public shall have an opportunity to comment on any action item as each item is considered by the Committee. This opportunity is non-transferrable and speakers are limited to one two-minute (2) comment each.

1. Wastewater Fund Multi-Year Rates
2. Cost of Service Study Update

Committee Members' Request for Future Agenda Items

Adjournment

Crescenta Valley Water District

Finance Committee

Wastewater Fund Multi-Year Rates

June 17, 2021

The District has made a number of decisions based on a long-term planning mindset. For the Water Fund, the primary driver is deferred pipeline and other infrastructure. A multi-year rate schedule supports the District's long-term Roadmap plan. This plan projects several initial years of Water Fund reserves below target levels, as the District anticipates ramping up its reserves in parallel with ramping up its CIP. This can be achieved through PayGo funding, a more cost-efficient alternative to bonds. The 10-year plan as presented and voted on during the April 27th Board meeting, beginning with 8 percent increases for each of the next three years, is enclosed for reference. (*Attachment 2*)

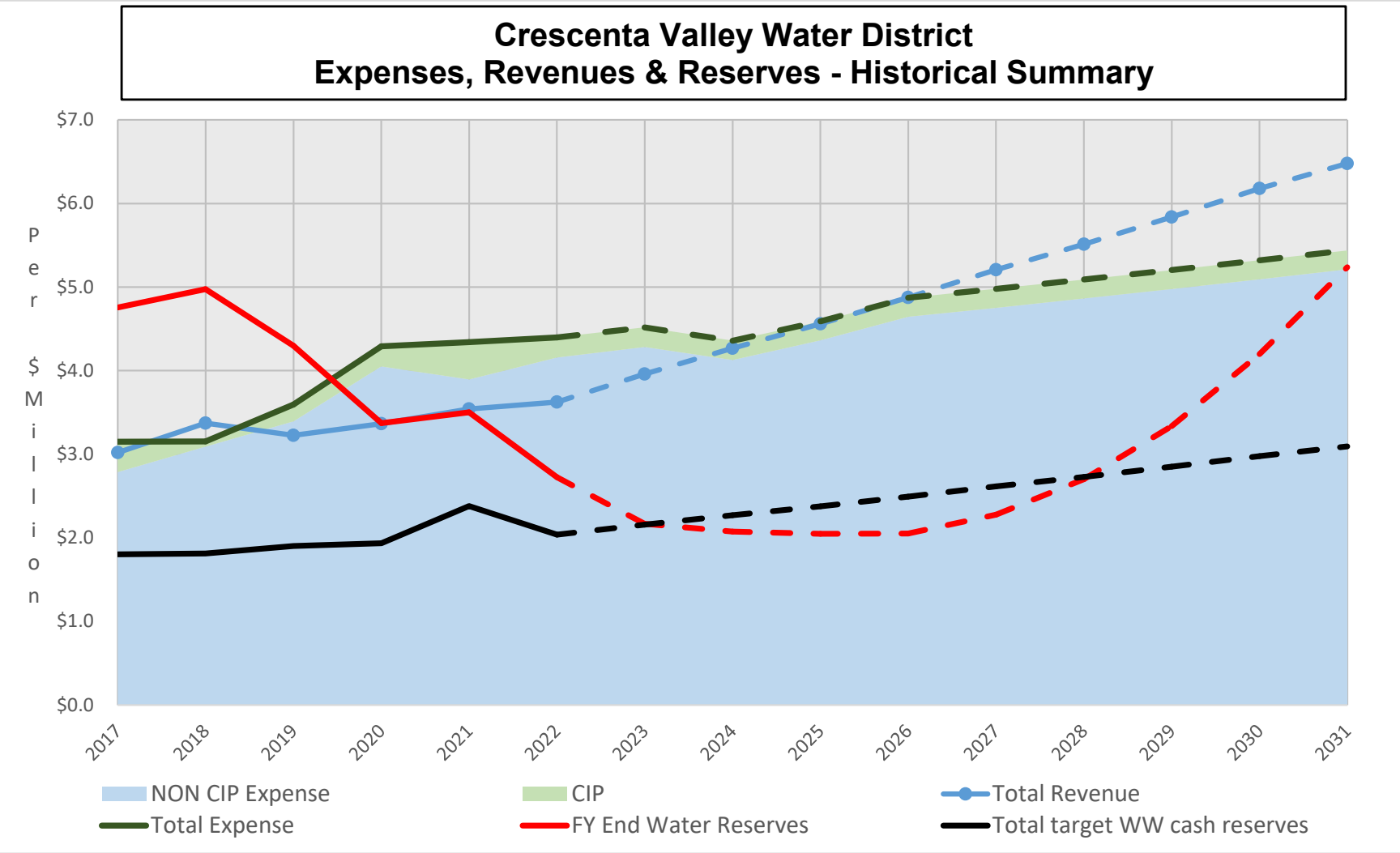
The Wastewater Fund's primary driver is the cost of treatment and disposal that the City of LA charges the District, as this cost represents almost half of the overall operating costs and has increased more than 60 percent over the last two years. In addition, wastewater rates have not been raised for seven of the last 10 years. The treatment cost may increase or stay level, or the District may be able to move toward other treatment alternatives. In the interim, it is important to sustain the ability to provide wastewater collections, treatment, and disposal.

During the June 8th Board meeting, staff indicated that based on the District's interactive decision-making tool, mirroring the Water Fund's 10-year plan in terms of rates would sustain the fund. The Board directed staff to present the results at the June 22nd Board meeting. The plan would support LA City's recent increases, and if the District were to move forward on alternatives to treating and disposing of its own effluent, it would have the financial profile needed to raise the capital funding that building a treatment facility would require. This long-term plan projects several initial years of reserves going under target levels and recovering within approximately five years. The Wastewater Plan's 10-year plan is enclosed. (*Attachment 1*)

Language for the Prop 218 notice will also be presented during the June 22nd meeting, and it will need to be approved for mail delivery by the July 13th meeting.

Wastewater Fund 10-year Plan

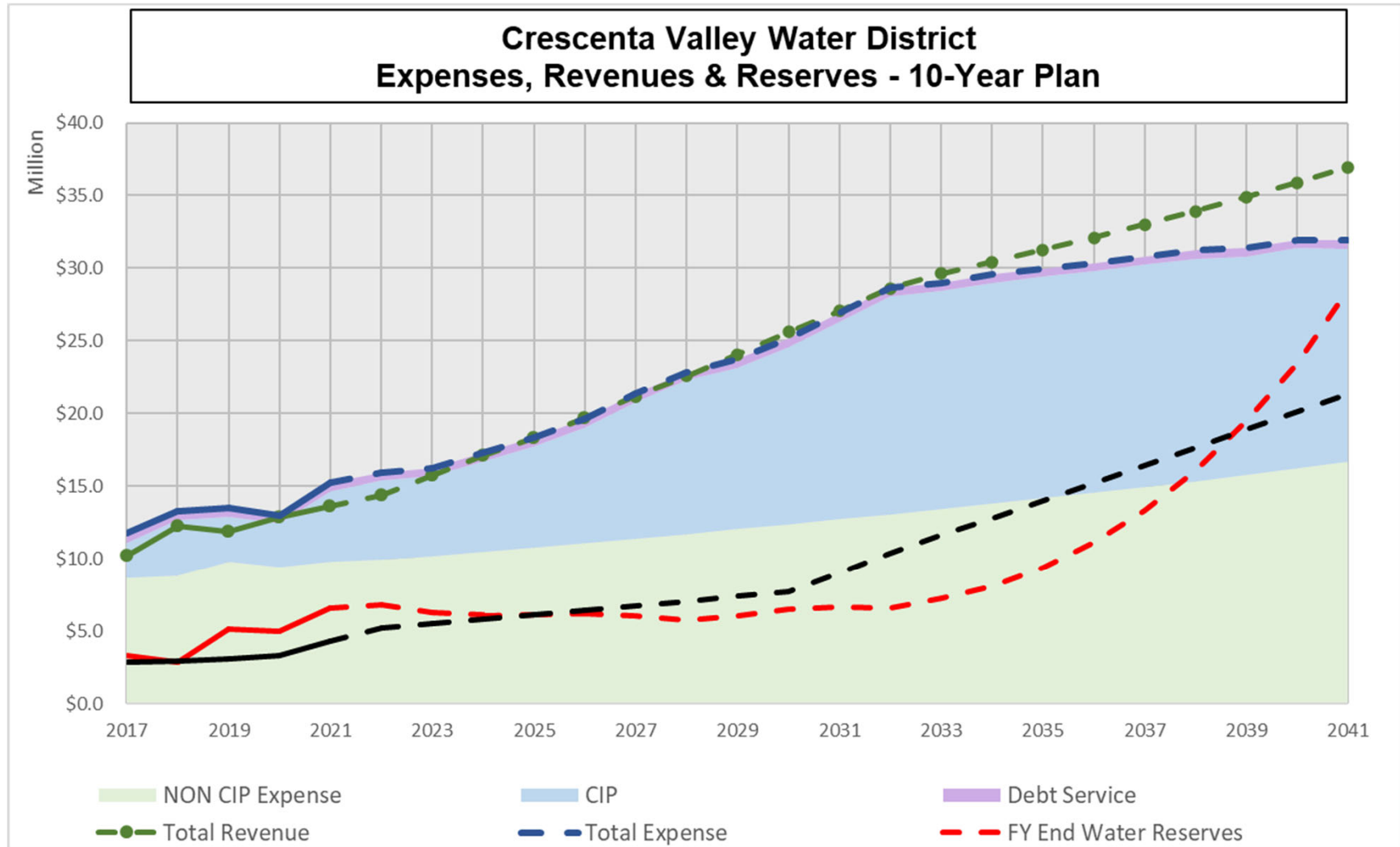
	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Revenue Adjustment	8.0%	8.0%	8.0%	7.0%	7.0%	7.0%	6.0%	6.0%	6.0%	5.0%
October										



Attachment 2 (Water Fund Plan from April 27, 2021)

PayGo (“Ramp-Up” Plan)

	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Revenue Adjustment	8.0%	8.0%	8.0%	7.0%	7.0%	7.0%	6.0%	6.0%	6.0%	5.0%
September										



April 27, 2021