

MINUTES OF THE
FISCAL POLICY COMMITTEE OF
VISTA IRRIGATION DISTRICT

October 3, 2016

A Meeting of the Fiscal Policy Committee was held on Monday, October 3, 2016, at the offices of the District, 1391 Engineer Street, Vista, California.

1. CALL TO ORDER

Chair Vásquez called the meeting to order at 9:00 a.m.

2. ROLL CALL

Directors present: Chair Vásquez and Director Miller.

Staff present: Eldon Boone, General Manager; Marian Schmidt, Assistant Secretary of the Board; Brett Hodgkiss, Assistant General Manager; Marlene Kelleher, Finance Manager; Farrokh Shahamiri, Finance Associate; Al Ducusin, Engineering Services Manager; and Frank Wolinski, Operations and Field Services Manager.

3. APPROVAL OF AGENDA

The agenda was approved as presented.

4. PUBLIC COMMENT TIME

There were no members of the public present.

5. DISTRICT FEES AND CHARGES OTHER THAN WATER RATES

See staff report attached hereto.

Mr. Eldon Boone provided a brief summary of the proposed revisions to the District's fees and charges. Mr. Boone reported to the Committee that the purpose of the fees and charges is to cover costs associated with the services provided by the District. Mr. Boone further stated that the revisions to the fees and charges are necessary to properly account for changes in the cost of materials, labor and outsourced services.

Mr. Farrokh Shahamiri reviewed the fee changes with the Committee, noting that they were primarily due to increases and decreases in the cost of parts. He commented that the first two pages of the Proposed Fee Summary cover developer related fees and the last page covers ratepayer related fees. Mr. Shahamiri further explained that the proposed decrease in the Annexation Fee was related to an accounting pronouncement that required a change in the way District liabilities are reported.

After a brief discussion, the Committee approved the proposed revisions and directed staff to place an item on the October 19, 2016 Board meeting agenda to conduct a public hearing for the purpose of receiving comments on revisions to the District's Rules and Regulations relative to fees and charges other than water rates.

6. COMMENTS BY COMMITTEE MEMBERS

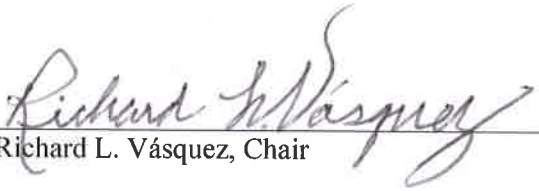
None were presented.

7. COMMENTS BY GENERAL MANAGER


None were presented.

8. ADJOURNMENT

There being no further business to come before the Committee, at 9:25 a.m. Chair Vásquez adjourned the meeting.


Richard L. Vásquez, Chair

ATTEST:


Marian Schmidt, Assistant Secretary
Board of Directors
VISTA IRRIGATION DISTRICT



**FISCAL POLICY COMMITTEE
STAFF REPORT**

Agenda Item: 5

Meeting Date: October 3, 2016
Prepared By: Marlene Kelleher
Reviewed By: Brett Hodgkiss
Approved: Eldon Boone

SUBJECT: DISTRICT FEES AND CHARGES OTHER THAN WATER RATES

RECOMMENDATION: Review the proposed revisions to the District's fees and charges and recommend that the Board of Directors conduct a public hearing for the purpose of receiving comments on revisions to the District's Rules and Regulations relative to fees and charges other than water rates.

PRIOR BOARD ACTION:

10/7/15 Conducted a public hearing. There were no public comments, written or oral, presented. Adopted Resolution No. 15-35 revising Rules and Regulations of the District relative to fees and charges other than water rates.

FISCAL IMPACT: The revenue produced by these fees and charges is designed to recover the costs associated with the services provided by the District. Adoption of the new miscellaneous fees and charges will increase revenue to the District if the number and type of transactions remain similar to those in the past. In FY 2016, the District collected approximately \$1.9 million in revenues from miscellaneous fees and charges. Staff estimates an increase in annual fee revenues of approximately \$50,000.

SUMMARY: Every year, the District performs a nexus study to ensure that its fees and charges accurately reflect the actual costs of providing services and only those costs. As a result, the District's fees and charges need revision to properly account for changes in the cost of labor, materials, and outside services for the coming year. The fee summary schedule attached is a comprehensive list of fees and charges other than water rates. The proposed modifications to the fee summary result from changes in material costs, updated process analyses, changes in labor costs and costs of outside services.

The District's fees and charges are being presented to the Fiscal Policy Committee for review and comment prior to consideration by the full Board. After the Committee's review and recommendation, the Board will conduct a public hearing to receive comments prior to considering adoption of the revised fees and charges. The fees would become effective January 1, 2017.

DETAILED REPORT: Staff has performed detailed costs studies on all fees and charges. The proposed changes are necessary due to inflationary factors and the updated results of the very detailed analysis of the cost make-up of each fee. The proposed fees are calculated using current costs for labor, materials and outside services. A majority of the changes in this fee study are related to either an increase or a decrease in the cost of parts. Staff will present the changes of individual fees at the Committee meeting. The proposed fees reflect the estimated cost of providing services in calendar year 2017.

ATTACHMENT: Proposed Fee Summary

Vista Irrigation District

PROPOSED FEE SUMMARY

Effective: January 1, 2017

	Current Fee	Proposed Fee	\$ Change	% Change
Construction Fees:				
5/8" Meter Full Install *	\$ 4,630	\$ 4,729	\$ 99	2.1%
5/8" Meter Hook On	821	845	24	2.9%
5/8" Service Outlet *	3,809	3,884	75	2.0%
3/4" Meter Full Install *	4,622	4,717	95	2.1%
3/4" Meter Hook On	813	833	20	2.5%
3/4" Service Outlet *	3,809	3,884	75	2.0%
1" Meter Full Install *	4,722	4,828	106	2.2%
1" Meter Hook On	913	944	31	3.4%
1" Service Outlet *	3,809	3,884	75	2.0%
1 1/2" Meter Full Install *	6,136	6,181	45	0.7%
1 1/2" Meter Hook On	1,317	1,367	50	3.8%
1 1/2" Service Outlet *	4,819	4,822	3	0.1%
2" Meter Full Install *	6,898	6,716	(182)	2.6%
2" Meter Hook On	1,714	1,767	53	3.1%
2" Service Outlet *	5,184	4,949	(235)	(4.5%)
Fire Hydrant Full Install *	12,610	12,952	342	2.7%
Fire Hydrant Upgrade *	5,485	5,805	320	5.8%
4" Fire Service Connection *	8,518	8,521	3	0.0%
6" Fire Service Connection *	8,961	9,003	42	0.5%
8" Fire Service Connection *	9,917	9,836	(81)	(0.8%)
10" Fire Service Connection *	12,481	10,540	(1,941)	(15.6%)
Air Vent, Blow Off, and Gate Valve for Fire Service	4,262	3,942	(320)	(7.5%)
Commercial Irrigation Service Conversion Fee	1,686	1,676	(10)	(0.6%)
Backflow Device Set-up	232	236	4	1.7%
Reset Pressure Valve	174	177	3	1.7%
1" Construction Meter Deposit With Backflow Device	709	631	(78)	(11.0%)
Refundable Amount	311	241	(70)	(22.5%)
1" Construction Meter Deposit With Spanner and Backflow Device	737	659	(78)	(10.6%)
Refundable Amount	334	264	(70)	(21.0%)
3" Construction Meter Deposit With Backflow Device	2,910	2,922	12	0.4%
Refundable Amount	1,868	1,868	-	0.0%
Unauthorized Taking of District Water	2,354	2,512	158	6.7%
Relocate Construction Meter	145	148	3	2.1%
Unauthorized Construction Meter and Backflow Device Move Penalty	297	303	6	2.0%
Subdivision Construction Meter Deposit	8,416	8,986	570	6.8%
Refundable Amount	6,463	6,921	458	7.1%
Meter Service Lateral Termination	1,833	1,946	113	6.2%
Temporary Offsite Meter	6,881	7,014	133	1.9%
Plus: Per Foot Frontage Charge	58	63	5	8.6%
Temporary Service Agreement Conversion	7,454	7,632	178	2.4%
Plus: Per Foot Frontage Charge	58	63	5	8.6%
Temporary Service Agreement Conversion Excluding Tieback and Permit	5,834	6,012	178	3.1%
Plus: Per Foot Frontage Charge	58	63	5	8.6%
Cancellation of Meter Application	242	246	4	1.7%
Meter Downsize from 3/4"	561	570	9	1.6%
Meter Downsize from 1"	561	570	9	1.6%
Meter Downsize from 1 1/2"	917	947	30	3.3%
Meter Downsize from 2"	1,081	1,109	28	2.6%

* The cost of permit associated with this fee will be determined at the time of application. The cost of permit is dependent upon its jurisdiction.

Vista Irrigation District

PROPOSED FEE SUMMARY

Effective: January 1, 2017

	Current Fee	Proposed Fee	\$ Change	% Change	
Engineering Fees:					
Hydraulic Analysis with Schematic Layout	\$ 542	\$ 551	\$ 9	1.7%	
Statement of Cost	368	374	6	1.6%	
Update Statement of Cost	194	197	3	1.5%	
Specifications Book Cost	64	66	2	3.1%	
Plan Check (per Sheet)	445	452	7	1.6%	
As-Built Deposit (per Sheet)	544	553	9	1.7%	
Refundable Amount (per Sheet)	544	553	9	1.7%	
Construction Contract	1,532	1,558	26	1.7%	
Water Availability Letter	239	243	4	1.7%	
Water Availability Letter Update	126	129	3	2.4%	
Private Ownership Agreement	782	795	13	1.7%	
Grant of Right of Way (to Public)	554	563	9	1.6%	
Restoration of Water Rights	348	353	5	1.4%	
Assignment of Water Rights	406	412	6	1.5%	
Imported Water Entitlement	406	412	6	1.5%	
Quitclaim/Cancellation of Recorded Documents	609	619	10	1.6%	
Fire Flow Analysis (Only)	203	207	4	2.0%	
Annexation Fee (per Acre)	6,851	5,807	(1,044)	(15.2%)	
Annexation/Administration - VID Not Conducting Agency	2,089	2,126	37	1.8%	
Annexation/Administration - VID Conducting Agency	2,089	2,126	37	1.8%	
Annexation/Administration - VID Conducting Reorganization	2,089	2,126	37	1.8%	
Detachment Fee (per Acre)	-	-	-	-	
Detachment/Administration - VID Conducting Agency	2,089	2,126	37	1.8%	
Detachment/Administration - VID Not Conducting Agency	2,089	2,126	37	1.8%	
5/8" Capacity Fee	<i>Current # of meters:</i> 6,824	3,547	3,585	38	1.1%
3/4" Capacity Fee	<i>Current # of meters:</i> 16,658	5,320	5,378	58	1.1%
1" Capacity Fee	<i>Current # of meters:</i> 2,699	8,867	8,963	96	1.1%
1 1/2" Capacity Fee	<i>Current # of meters:</i> 1,306	17,734	17,926	192	1.1%
2" Capacity Fee	<i>Current # of meters:</i> 869	28,375	28,681	306	1.1%
3" Capacity Fee	<i>Current # of meters:</i> 75	56,750	57,362	612	1.1%
4" Capacity Fee	<i>Current # of meters:</i> 19	88,672	89,628	956	1.1%
6" Capacity Fee	<i>Current # of meters:</i> 15	177,344	179,256	1,912	1.1%
8" Capacity Fee	<i>Current # of meters:</i> 3	283,750	286,809	3,059	1.1%
10" Capacity Fee	<i>Current # of meters:</i> 1	407,891	412,288	4,397	1.1%
12" Capacity Fee	<i>Current # of meters:</i> 0	762,579	770,800	8,221	1.1%
Meter Service Lateral Inspection	561	570	9	1.6%	
RPDA Inspection	503	511	8	1.6%	
RPDA and Lateral Inspection Without Shutdown	1,199	1,219	20	1.7%	
RPDA and Lateral Inspection With Shutdown	2,011	2,045	34	1.7%	
Fire Hydrant Inspection	851	865	14	1.6%	
Fire Hydrant and Lateral Inspection without Shutdown	1,547	1,573	26	1.7%	
Fire Hydrant and Lateral Inspection with Shutdown	1,895	1,927	32	1.7%	

Vista Irrigation District
PROPOSED FEE SUMMARY
Effective: January 1, 2017

	<u>Current Fee</u>	<u>Proposed Fee</u>	<u>\$ Change</u>	<u>% Change</u>
Customer Service Fees:				
Late Payment	\$ 12	\$ 12	\$ -	-
Door Hanger	50	51	1	2.0%
Non-Payment Lock	135	137	2	1.5%
After Hours Lock or Unlock	152	156	4	2.6%
Broken Lock	152	156	4	2.6%
Pulled Meter	152	156	4	2.6%
Tax Roll	58	59	1	1.7%
Returned Check	35	35	-	0.0%
Voluntary Lock or Unlock	58	59	1	1.7%
Meter Bench Test	300	305	5	1.7%
Water Conservation Fees:				
Second Water Citation within 12 Months	\$ 204	\$ 207	\$ 3	1.5%
Third Water Citation within 12 Months	434	445	11	2.5%
Four or More Water Citations within 12 Months	664	682	18	2.7%
1" and Smaller Flow Restrictor Installation & Removal	272	277	5	1.8%
1½" and 2" Flow Restrictor Installation & Removal	517	525	8	1.5%