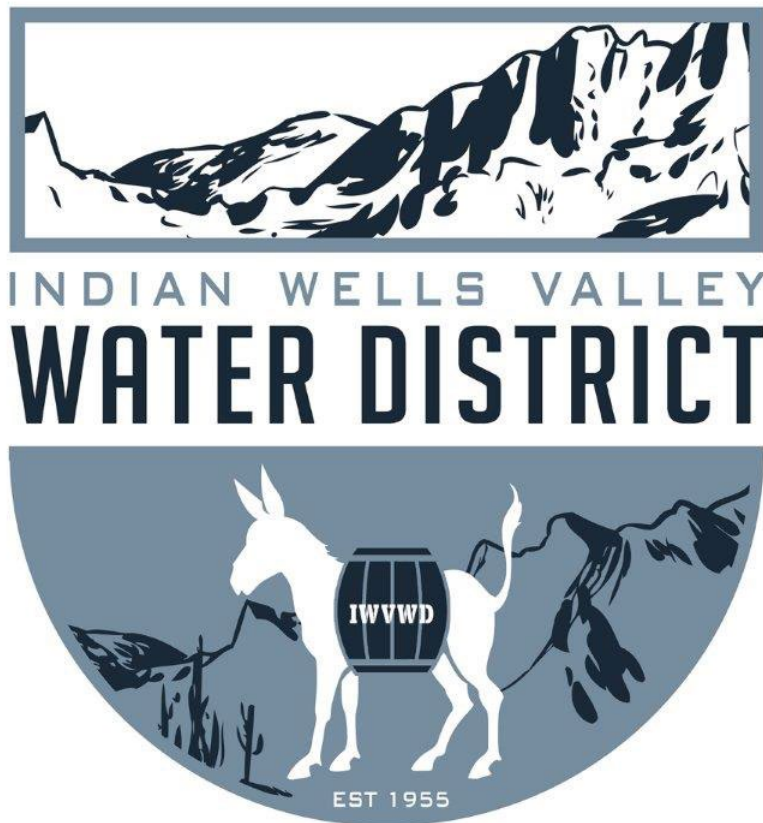


# INDIAN WELLS VALLEY WATER DISTRICT

Board of Directors Meeting



**November 14, 2022**



# INDIAN WELLS VALLEY WATER DISTRICT



## BOARD OF DIRECTORS

David C. H. Saint-Amand, President  
Mallory J. Boyd, Vice President  
Charles D. Griffin  
Stanley G. Rajtora  
Ronald R. Kicinski

Donald M. Zdeba  
*General Manager*  
Krieger & Stewart, Incorporated  
*Engineers*  
McMurtrey, Hartssock & Worth  
*Attorneys-at-Law*

## 2022 COMMITTEE ASSIGNMENTS

### ADMINISTRATION/EXECUTIVE COMMITTEE (BOYD/SAINT-AMAND)

Personnel, Legal Matters, General Plan, Community Relations, Board Meeting Agendas, Ordinances, Rules, Regulations, Policies, Procedures, Customer Service, Variances, Director’s Manual, etc.

### FINANCE COMMITTEE (BOYD/RAJTORA)

Rates, Cost-of-Service, Budget, Audits, Cost Allocation, Investments, Financial Services, Insurance, Loans/Grants, Water Sales & Service Policy Manual, Accounting, Assessment Districts, Billing, etc.

### PLANT & EQUIPMENT COMMITTEE (KICINSKI/GRIFFIN)

Transmission/Distribution System, Vehicles & Equipment, Wells, Reservoirs, Real Property Management, Telemetry, etc.

### WATER MANAGEMENT (GRIFFIN/RAJTORA)

Groundwater Sustainability Act, Indian Wells Valley Groundwater Authority, Water Management, Water Policy, Water Quality, Conservation, Urban Water Management Plan, California Urban Water Conservation Council, Title 22 Compliance, Alternative sources for water supply including Blending, Importation, Reuse, etc.

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Committee Meetings are generally scheduled on a regular day and time.  
Committee Meetings are subject to change.

**Administration/Executive**  
**Finance**  
**Plant & Equipment**  
**Water Management**

Wednesday before the Board Meeting at 3:00 p.m.  
Tuesday before the Board Meeting at 2:30 p.m.  
Tuesday before the Board Meeting at 2:00 p.m.  
Last Thursday of the month at 2:00 p.m.

BOARD OF DIRECTORS  
INDIAN WELLS VALLEY WATER DISTRICT

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SPECIAL BOARD MEETING

AGENDA

MONDAY, NOVEMBER 14, 2022

**CLOSED SESSION: 3:00 P.M.**

**OPEN SESSION: 6:00 P.M.**

BOARD OF DIRECTORS' HEARING ROOM  
500 W. RIDGECREST BLVD., RIDGECREST

➤ **Watch meetings on-line:**

All District meetings are streamed live on the District's YouTube channel at:

<https://www.youtube.com/channel/UCz6pnsZsIFy9yTFVmGH2Trg>

Recordings will be available for viewing after the meeting on the District's YouTube page.

➤ **Call in for public comments:**

To make a public comment, please call: (760) 375-7548.

Callers will be placed in a queue and answered in the order they were received. If a member of the public wishes to comment on multiple items, they will need to call in as each item is presented to the Board.

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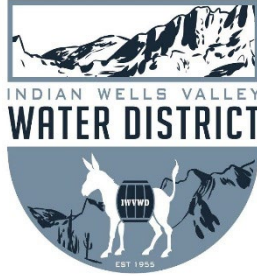
*(In compliance with the Americans with Disabilities Act, if you are a disabled person and you need a disability-related modification or accommodation to participate in this meeting, please contact Lauren Smith at (760) 384-5502. Requests must be made as early as possible and at least one full business day before the start of the meeting. Pursuant to Government Code section 54957.5, any materials relating to an open session item on this agenda, distributed to the Board of Directors after the distribution of the agenda packet, will be made available for public inspection at the time of distribution at the following location: Indian Wells Valley Water District, 500 W. Ridgecrest Blvd., Ridgecrest, CA.*

1. Call to Order
2. Pledge of Allegiance
3. Roll Call
4. Posting of Agenda Declaration
5. Conflict of Interest Declaration
6. Public Questions and Comments on Closed Session
7. Closed Session
  - A. Potential Litigation  
Conference with Legal Counsel  
2 Matters  
(Pursuant to Government Code Section 54956.9(d)(2))


- B. Existing Litigation  
Conference with Legal Counsel  
*Mojave Pistachios, LLC v Indian Wells Valley Water District, et al.*  
Orange County Superior Court Case No. 30-2021-01187275-CU-OR-CJC  
(Pursuant to Government Code Section 54956.9(d)(1))
  
- C. Existing Litigation  
Conference with Legal Counsel  
*Mojave Pistachios, LLC v Indian Wells Valley Groundwater Authority, et al.*  
Orange County Superior Court Case No. 30-2021-01187589-CU-WM-CXC  
(Pursuant to Government Code Section 54956.9(d)(1))
  
- D. Existing Litigation  
Conference with Legal Counsel  
*Searles Valley Minerals Inc., v Indian Wells Valley Groundwater Authority, et al.*  
Orange County Superior Court Case No. 30-2021-01188089-CU-WM-CXC  
(Pursuant to Government Code Section 54956.9(d)(1))
  
- E. Real Property Negotiations  
Property Located in Inyo County, California (240± acres)  
APN: 033-110-12  
APN: 033-110-19  
District Negotiator: Don Zdeba  
Negotiating with: John Summers  
(Pursuant to Government Code Section 54956.8)
  
- F. Real Property Negotiations  
Property located in Inyo County, California. Walker Creek Road, west of  
Highway 395, Olancho  
APN: 033-490-02  
District Negotiator: Don Zdeba  
Negotiating with: Bender Rosenthal Incorporated (Retained by Inyo County)  
(Pursuant to Government Code Section 54956.8)
  
- G. Personnel Matter  
One Position: General Manager  
(To consider the employment of a Public Employee)  
(Pursuant to Government Code Section 54957)
  
- 8. Open Session
  - A. Report on Closed Session
  
- 9. Public Questions and Comments  
*(This portion of the meeting is reserved for persons desiring to address the Board on any matter not on the agenda and over which the Board has jurisdiction. However, no action may be taken by the Board of Directors on any item not appearing on the agenda. Non-agenda speakers are asked to limit their presentation to five minutes. Public questions and comments on items listed on the agenda will be accepted at any time the item is brought forth for consideration by the Board. When you are recognized by the chairperson, please state your name and address for the record).*

10. Presentations:
  - A. Rate Study Update  
**Description:** Presentation to Board on update to the District's Rate Study by Mark Hildebrand of Hildebrand Consulting. Board to review and discuss update on Rate Study.
  
11. Current Business/Committee Reports
  - A. Consent Calendar  
**Description:** Approval of Board Meeting Minutes and Accounts Payable Disbursements.
    1. Approval of Minutes:
      - i. October 11, 2022, Special Board Meeting
    2. Approval of Accounts Payable Disbursements
    3. Resolution No. 22-14: AB 361 Finding
  
  - B. Plant & Equipment Committee
    1. Variance Request: APN 343-200-26 (Monte Vista/Lumill) Smith Family Trust  
**Description:** Property owner requesting variance to the requirement to construct a pipeline across the entire frontage of their property.  
**Committee Recommends the Following:** Board grant the variance.
  
  - C. Indian Wells Valley Groundwater Authority  
**Description:** Report and discussion regarding the October 12, 2022, and November 9, 2022, meetings of the Indian Wells Valley Groundwater Authority (IWVGA). Including, Board discussion and consideration of issues of importance requiring action by the IWVGA. Next meeting is scheduled for December 14, 2022.
  
  - D. Comprehensive Adjudication  
**Description:** Report and discussion regarding the status of the Comprehensive Adjudication.
  
  - E. General Manager and Staff Update (The Board will consider and may act on the following items):
    1. Water Production, New Services, and Personnel Safety Record  
**Description:** Water produced from all District wells, report of the new services installed in the District, and personnel safety record for the preceding month.
  
    2. Public Outreach  
**Description:** Public Outreach Report.
  
    3. Junior Associate Board (JAB) Member Pilot Program  
**Description:** Update on the JAB Member Pilot Program.
  
    4. Employee Potluck  
**Description:** Closure of the District office for one hour for the Employee Thanksgiving Potluck scheduled for 11:30 a.m., Friday, November 18<sup>th</sup>.

5.     Booster Stations and Tanks Projects  
      **Description:** Update on these Capital Projects.
6.     Financial Status  
      **Description:** Report on the District's current financial status.
7.     Solar Production  
      **Description:** Update on solar production for the preceding month.
8.     Conservation  
      **Description:** Update on the Conservation Program and discussion on water conservation related items.
9.     Arsenic Treatment Facilities  
      **Description:** Update on maintenance issues and production.
10.    Operations  
      **Description:** Report on the District's operations.
  
12.    Board Comments/Future Agenda Items
13.    Adjournment




# 10.A. Presentation



**Indian Wells Valley Water District  
2022 Rate Study**

**Rate Design Study Preliminary  
Recommendation**

Board Meeting  
November 14, 2022



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# Agenda

1. Scope of Work and Objectives
2. Financial Plan Findings
3. Cost of Service Results
4. Rate Design Options
5. Project Schedule

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## Rate Setting Objectives

- Propose rate increases and a financial strategy that will meet District revenue requirements, reserve targets, and other financial metrics
- Update the District Cost of Service Analysis which is the basis of the District's rate structure
- Evaluate various rate structures to meet the District's objectives

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## Legal Requirements for Setting Water Rates In California

Proposition 218 (Article XIII D, Section 6 of California Constitution)

- Revenues shall not exceed funds required to provide service; nor used for another purpose
- Amount shall not exceed the proportional cost of the service attributable to the parcel
- Service must be actually used or immediately available
- Approval process includes 45-day notice, public hearing, and written majority protest. Does not require a voting process (unlike taxes).

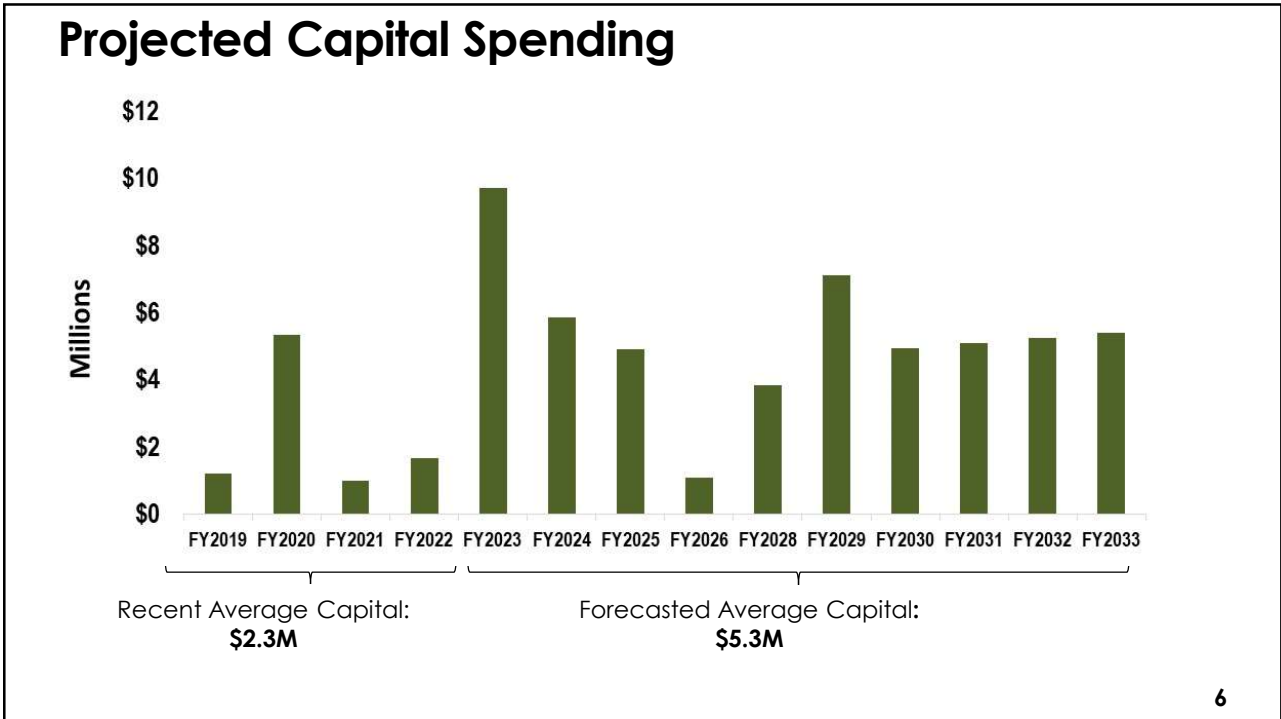
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# Financial Plan

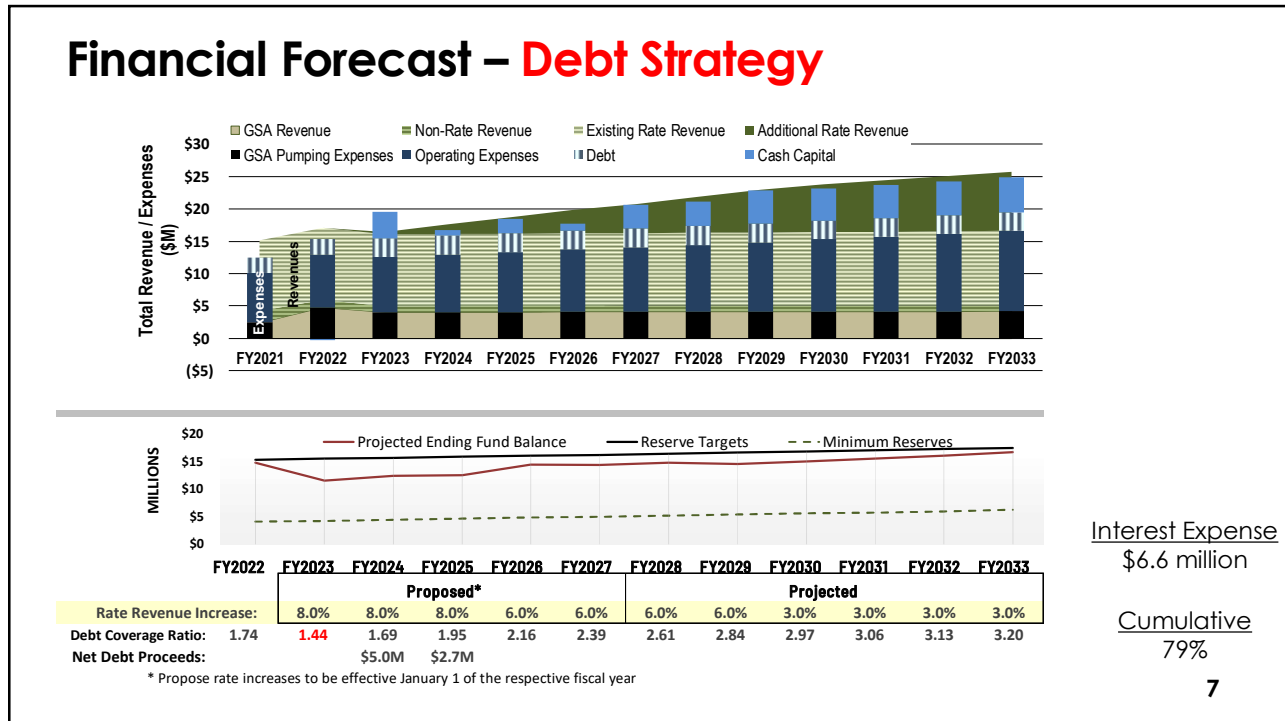
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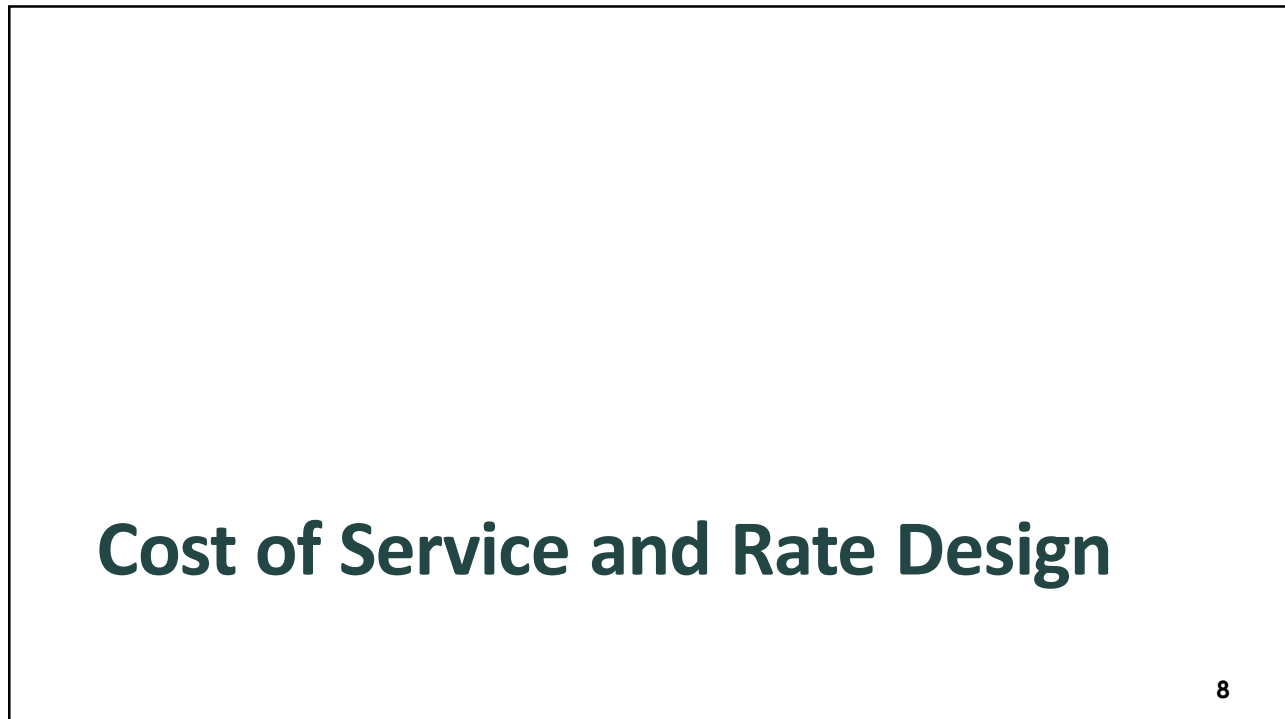


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## Rate Design Goals

- Conform to accepted industry practice and **legal requirements** (Prop 218, Prop 26);
- **Fairly and equitably** recover the cost of providing service to customers;
  - Recognize that high water users create a disproportionate financial burden on the District;
- Develop a rate structure that provides **fiscal stability**; and
- Improve **affordability** to the extent possible.

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## Current Rate Design

### Fixed Charges:

- Account Charge (per account)
- Ready-to-Serve Charge (RTS) – based on meter size
- Arsenic Compliance Charge – based on meter size

Current Fixed Revenue = **62.3%** of rate revenue

### Commodity Charges

#### 4 Tiers

- Prices based on peaking costs and cost of conservation program
- Water allocation based on water needs, and then scaled based on meter size (except for single family residential)

#### GSA Fees

- Uniform rate charged for all water usage based on the revenue requirements created by the GSA Replenishment Fee and GSP expense

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## Proposed Changes to Rate Design

### Update Cost of Service Analysis

- Notable changes since 2018 include:
  - There has been a decrease in conservation program spending
  - There has been a decrease in water usage since 2018, particularly in Tiers 3 and 4

### Evaluate a Two-Tier Structure

The two-tier structure would be based on:

- A uniform rate to recover all District operating and capital expenses (including GSA Pumping costs)
- A Tier 2 "surcharge" to recover all GSA Replenishment costs
  - Tier 1 allocation would be based on the amount of water allowed by the GSA

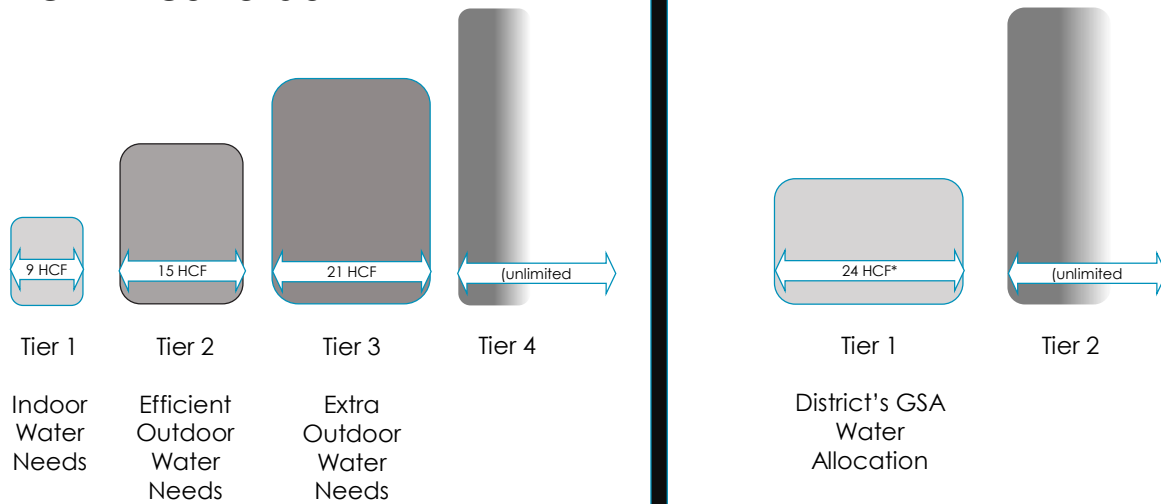
### Evaluate Lowering the Amount of Fixed Revenue

- This will increase revenue volatility but decrease bills for the lowest water users

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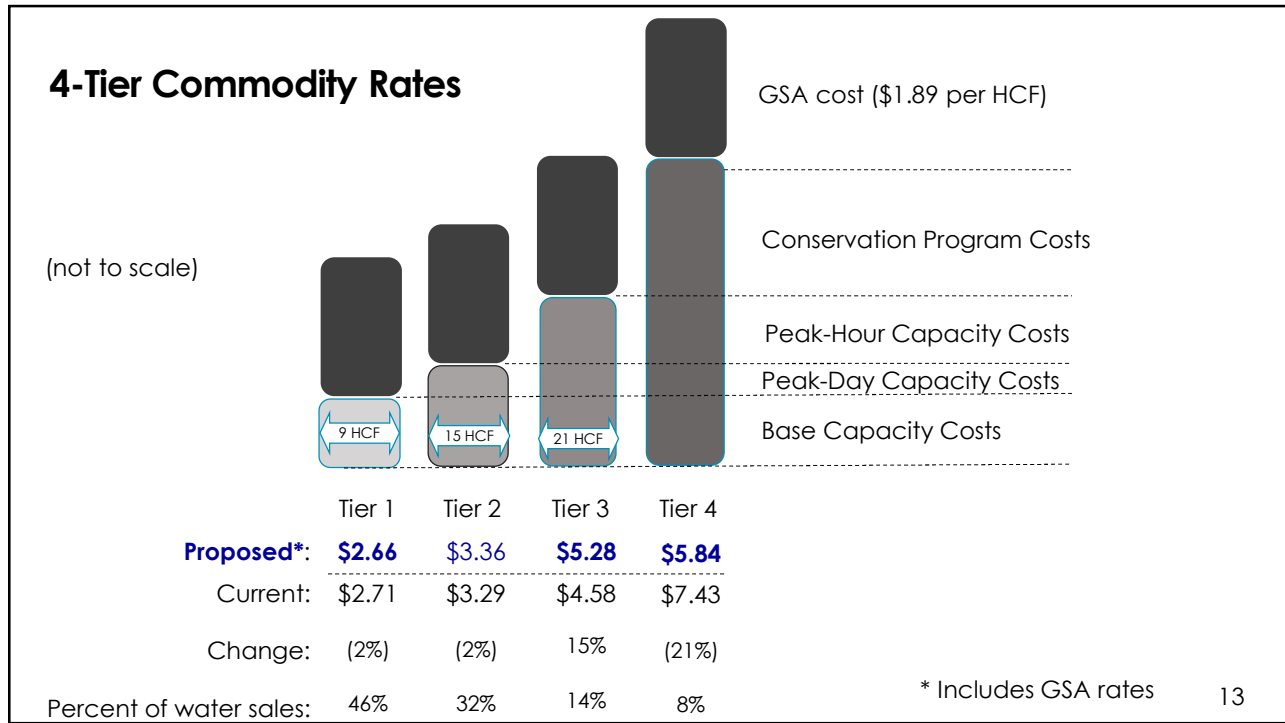
## Tier Thresholds



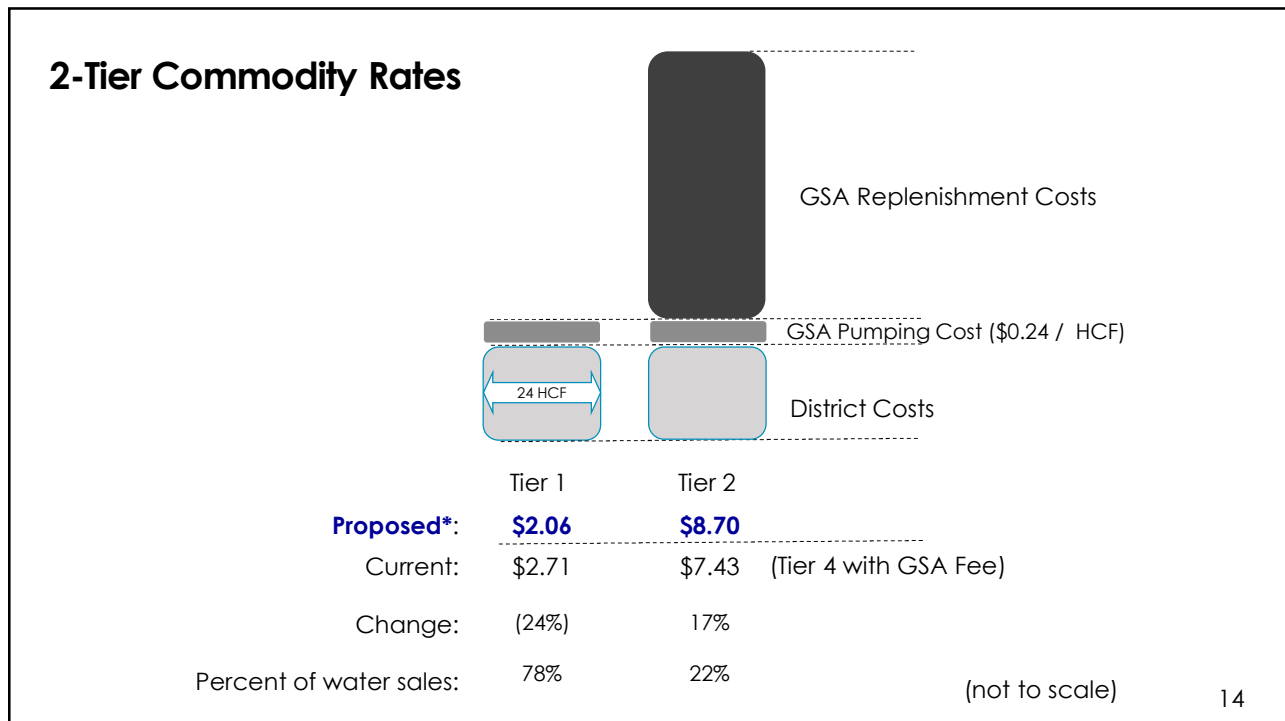
\* By coincidence, this is equal to Tier 1 + Tier 2

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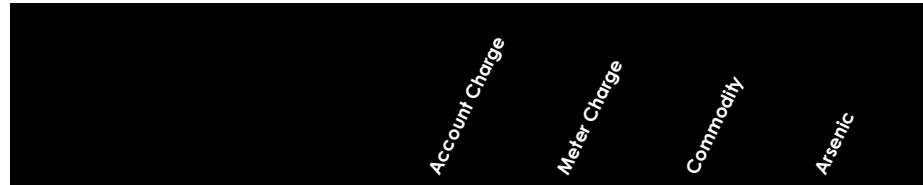
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## Allocation of Costs to Rate Components

**Fixed Revenue:  
61.3%**



	Account Charge	Meter Charge	Commodity	Arsenic
Customer Service & Meters	50%	50%		
Transmission and Distribution		50%	50%	
Storage		50%	50%	
Treatment			100%	
Source of Supply			100%	
Conservation / Alternate Water Supply			100%	
Arsenic				100%
Supply & Transmission		50%	50%	
Field Services	50%	50%		
Legal Services			100%	
Capital and Debt (based on Asset Register)	5%	50%	17%	28%

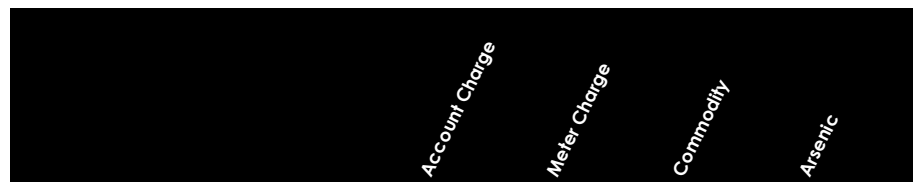
**NOTE:** The District's actual variable costs (costs that change based on actual water sales) is 22%. Or 3.6% if we exclude the GSA Replenishment Fee.

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## Allocation of Costs to Rate Components

**Fixed Revenue:  
40.3%**



	Account Charge	Meter Charge	Commodity	Arsenic
Customer Service & Meters	50%		50%	
Transmission and Distribution			100%	
Storage			100%	
Treatment			100%	
Source of Supply			100%	
Conservation / Alternate Water Supply			100%	
Arsenic				100%
Supply & Transmission			100%	
Field Services			100%	
Legal Services			100%	
Capital and Debt (based on Asset Register)	5%	50%	17%	28%

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## Fixed Monthly Charge

### Ready-to-Serve & Arsenic Charge

**61%  
Fixed**

**Existing Rates**

Meter Size	Ready-to-Serve	Arsenic Charge	Total
3/4"	\$31.17	\$11.69	\$42.86
1"	\$48.67	\$19.53	\$68.20
1 1/2"	\$92.05	\$38.94	\$130.99
2"	\$144.32	\$62.33	\$206.65
3"	\$283.89	\$124.78	\$408.67
4"	\$440.69	\$194.94	\$635.63
6"	\$876.08	\$389.76	\$1,265.84
8"	\$1,398.76	\$623.64	\$2,022.40
10"	\$2,008.61	\$896.51	\$2,905.12

**Proposed CY 2023**

Ready-to-Serve	Arsenic Charge	Total	Change
\$35.41	\$10.57	\$45.98	7.3%
\$54.39	\$17.62	\$72.01	5.6%
\$101.84	\$35.23	\$137.07	4.6%
\$158.78	\$56.37	\$215.15	4.1%
\$310.62	\$112.75	\$423.37	3.6%
\$481.44	\$176.17	\$657.61	3.5%
\$955.94	\$352.33	\$1,308.27	3.4%
\$1,525.34	\$563.73	\$2,089.07	3.3%
\$2,189.64	\$810.37	\$3,000.01	3.3%

**40%  
Fixed**

Meter Size	Ready-to-Serve	Arsenic Charge	Total
3/4"	\$31.17	\$11.69	\$42.86
1"	\$48.67	\$19.53	\$68.20
1 1/2"	\$92.05	\$38.94	\$130.99
2"	\$144.32	\$62.33	\$206.65
3"	\$283.89	\$124.78	\$408.67
4"	\$440.69	\$194.94	\$635.63
6"	\$876.08	\$389.76	\$1,265.84
8"	\$1,398.76	\$623.64	\$2,022.40
10"	\$2,008.61	\$896.51	\$2,905.12

Ready-to-Serve	Arsenic Charge	Total	Change
\$19.58	\$10.57	\$30.15	-29.7%
\$29.86	\$17.62	\$47.48	-30.4%
\$55.56	\$35.23	\$90.79	-30.7%
\$86.40	\$56.37	\$142.77	-30.9%
\$168.64	\$112.75	\$281.39	-31.1%
\$261.16	\$176.17	\$437.33	-31.2%
\$518.16	\$352.33	\$870.49	-31.2%
\$826.56	\$563.73	\$1,390.29	-31.3%
\$1,186.36	\$810.37	\$1,996.73	-31.3%

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## Bill Impacts – 4 Tiers and 61% Fixed Revenue\*

	Meter Size	Water Use (HCF)	Existing		Proposed (2023)		Change (total)	
			Fixed	Consumption	Fixed	Consumption	\$	%
<b>SINGLE FAMILY</b>								
Low Use	3/4"	5	\$42.86	\$13.55	\$45.98	\$13.29	\$2.86	5.1%
Median Use	3/4"	10	\$42.86	\$27.68	\$45.98	\$27.27	\$2.71	3.8%
Average Use	3/4"	14	\$42.86	\$40.84	\$45.98	\$40.70	\$2.98	3.6%
High Use	3/4"	45	\$42.86	\$169.92	\$45.98	\$185.11	\$18.31	8.6%
Very High Use	3/4"	80	\$42.86	\$429.97	\$45.98	\$389.42	-\$37.43	-7.9%
<b>Master Meter</b>								
Duplex, average use	3/4"	16	\$42.86	\$47.42	\$45.98	\$47.42	\$3.12	3.5%
Small Apartment, average use	1"	26	\$68.20	\$76.84	\$72.01	\$76.79	\$3.76	2.6%
Medium Apartment, average use	2"	148	\$206.65	\$484.88	\$215.15	\$501.70	\$25.32	3.7%
Large Apartment, average use	6"	614	\$1,265.84	\$1,846.06	\$1,308.27	\$1,851.48	\$47.85	1.5%
<b>Commercial</b>								
Commercial (small)	3/4"	13	\$42.86	\$37.55	\$45.98	\$37.35	\$2.92	3.6%
Commercial (medium)	1"	34	\$68.20	\$103.16	\$72.01	\$103.65	\$4.30	2.5%
Commercial (medium)	1.5"	69	\$130.99	\$209.61	\$137.07	\$210.66	\$7.13	2.1%
Commercial (medium / large)	2"	128	\$206.65	\$393.28	\$215.15	\$396.16	\$11.38	1.9%
Commercial (large)	3"	188	\$408.67	\$562.84	\$423.37	\$564.00	\$15.86	1.6%
<b>Public</b>								
Public (small)	1"	35	\$68.20	\$106.45	\$72.01	\$107.01	\$4.37	2.5%
Public (medium)	2"	161	\$206.65	\$544.42	\$215.15	\$570.31	\$34.39	4.6%
Public (medium / large)	4"	654	\$635.63	\$2,392.32	\$657.61	\$2,578.46	\$208.12	6.9%
Public (large)	6"	263	\$1,265.84	\$712.73	\$1,308.27	\$698.91	\$28.61	1.4%

\* Rates correspond to Year 1 8% rate revenue increase. Changes are generally below 8% because of anticipated decrease in GSA Replenishment Rate.

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## Bill Impacts – 2 Tiers and 61% Fixed Revenue

	Meter Size	Water Use (HCF)	Existing		Proposed (2023)		Change (total)	
			Fixed	Consumption	Fixed	Consumption	\$	%
<b>SINGLE FAMILY</b>								
Low Use	3/4"	5	\$42.86	\$13.55	\$45.98	\$10.30	-\$0.13	-0.2%
Median Use	3/4"	10	\$42.86	\$27.68	\$45.98	\$20.60	-\$3.96	-5.6%
Average Use	3/4"	14	\$42.86	\$40.84	\$45.98	\$28.84	-\$8.88	-10.6%
High Use	3/4"	45	\$42.86	\$169.92	\$45.98	\$232.05	\$65.25	30.7%
Very High Use	3/4"	80	\$42.86	\$429.97	\$45.98	\$536.40	\$109.55	23.2%
<b>Master Meter</b>								
Duplex, average use	3/4"	16	\$42.86	\$47.42	\$45.98	\$32.96	-\$11.34	-12.6%
Small Apartment, average use	1"	26	\$68.20	\$76.84	\$72.01	\$53.56	-\$19.47	-13.4%
Medium Apartment, average use	2"	148	\$206.65	\$484.88	\$215.15	\$437.60	-\$38.78	-5.6%
Large Apartment, average use	6"	614	\$1,265.84	\$1,846.06	\$1,308.27	\$1,264.84	-\$538.79	-17.3%
<b>Commercial</b>								
Commercial (small)	3/4"	13	\$42.86	\$37.55	\$45.98	\$26.78	-\$7.65	-9.5%
Commercial (medium)	1"	34	\$68.20	\$103.16	\$72.01	\$70.04	-\$29.31	-17.1%
Commercial (medium)	1.5"	69	\$130.99	\$209.61	\$137.07	\$142.14	-\$61.39	-18.0%
Commercial (medium / large)	2"	128	\$206.65	\$393.28	\$215.15	\$263.68	-\$121.10	-20.2%
Commercial (large)	3"	188	\$408.67	\$562.84	\$423.37	\$387.28	-\$160.86	-16.6%
<b>Public</b>								
Public (small)	1"	35	\$68.20	\$106.45	\$72.01	\$72.10	-\$30.54	-17.5%
Public (medium)	2"	161	\$206.65	\$544.42	\$215.15	\$550.64	\$14.72	2.0%
Public (medium / large)	4"	654	\$635.63	\$2,392.32	\$657.61	\$3,032.72	\$662.38	21.9%
Public (large)	6"	263	\$1,265.84	\$712.73	\$1,308.27	\$541.78	-\$128.52	-6.5%

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## Bill Impacts – 2 Tiers and 40% Fixed Revenue

	Meter Size	Water Use (HCF)	Existing		Proposed (2023)		Change (total)	
			Fixed	Consumption	Fixed	Consumption	\$	%
<b>SINGLE FAMILY</b>								
Low Use	3/4"	5	\$42.86	\$13.55	\$30.15	\$15.50	-\$10.76	-19.1%
Median Use	3/4"	10	\$42.86	\$27.68	\$30.15	\$31.00	-\$9.39	-13.3%
Average Use	3/4"	14	\$42.86	\$40.84	\$30.15	\$43.40	-\$10.15	-12.1%
High Use	3/4"	45	\$42.86	\$169.92	\$30.15	\$278.85	\$96.22	45.2%
Very High Use	3/4"	80	\$42.86	\$429.97	\$30.15	\$619.60	\$176.92	37.4%
<b>Master Meter</b>								
Duplex, average use	3/4"	16	\$42.86	\$47.42	\$30.15	\$49.60	-\$10.53	-11.7%
Small Apartment, average use	1"	26	\$68.20	\$76.84	\$47.48	\$80.60	-\$16.96	-11.7%
Medium Apartment, average use	2"	148	\$206.65	\$484.88	\$142.77	\$591.52	\$42.76	6.2%
Large Apartment, average use	6"	614	\$1,265.84	\$1,846.06	\$870.49	\$1,903.40	-\$338.01	-10.9%
<b>Commercial</b>								
Commercial (small)	3/4"	13	\$42.86	\$37.55	\$30.15	\$40.30	-\$9.96	-12.4%
Commercial (medium)	1"	34	\$68.20	\$103.16	\$47.48	\$105.40	-\$18.48	-10.8%
Commercial (medium)	1.5"	69	\$130.99	\$209.61	\$90.79	\$213.90	-\$35.91	-10.5%
Commercial (medium / large)	2"	128	\$206.65	\$393.28	\$142.77	\$396.80	-\$60.36	-10.1%
Commercial (large)	3"	188	\$408.67	\$562.84	\$281.39	\$582.80	-\$107.32	-11.0%
<b>Public</b>								
Public (small)	1"	35	\$68.20	\$106.45	\$47.48	\$108.50	-\$18.67	-10.7%
Public (medium)	2"	161	\$206.65	\$544.42	\$142.77	\$718.08	\$109.78	14.6%
Public (medium / large)	4"	654	\$635.63	\$2,392.32	\$437.33	\$3,712.88	\$1,122.26	37.1%
Public (large)	6"	263	\$1,265.84	\$712.73	\$870.49	\$815.30	-\$292.78	-14.8%

20

20

## Recommended Rate Schedule

(2 Tiers and 61% Fixed Revenue)

### CURRENT

Commodity Charges (per HCF)

	District Rates	GSA Replenishment	GSA Pumping
Tier 1	\$0.82	\$1.65	\$0.24
Tier 2	\$1.40	\$1.65	\$0.24
Tier 3	\$2.69	\$1.65	\$0.24
Tier 4	\$5.54	\$1.65	\$0.24

Fixed Monthly Charges

Meter Size	Ready-to-Serve	Arsenic Charge	Total
3/4"	\$31.17	\$11.69	\$42.86
1"	\$48.67	\$19.53	\$68.20
1 1/2"	\$92.05	\$38.94	\$130.99
2"	\$144.32	\$62.33	\$206.65
3"	\$283.89	\$124.78	\$408.67
4"	\$440.69	\$194.94	\$635.63
6"	\$876.08	\$389.76	\$1,265.84
8"	\$1,398.76	\$623.64	\$2,022.40
10"	\$2,008.61	\$896.51	\$2,905.12

### Effective March 1, 2023

Commodity Charges (per HCF)

	District Rates	GSA Replenishment *	GSA Pumping*
Tier 1	\$1.82	\$0.00	\$0.24
Tier 2	\$1.82	\$0.00	\$0.24
Tier 3	\$1.82	\$6.64	\$0.24
Tier 4	\$1.82	\$6.64	\$0.24

Fixed Monthly Charges

Meter Size	Ready-to-Serve	Arsenic Charge	Total
3/4"	\$35.41	\$10.57	\$45.98
1"	\$54.39	\$17.62	\$72.01
1 1/2"	\$101.84	\$35.23	\$137.07
2"	\$158.78	\$56.37	\$215.15
3"	\$310.62	\$112.75	\$423.37
4"	\$481.44	\$176.17	\$657.61
6"	\$955.94	\$352.33	\$1,308.27
8"	\$1,525.34	\$563.73	\$2,089.07
10"	\$2,189.64	\$810.37	\$3,000.01

\* Treated as a pass-through charge

21

21

## GSA Costs as a Pass-Through Charge

**GSA-related costs are subject to significant change from one year to the next**

- GSA Augmentation/Replenishment Rate may change (currently at \$2,130 / AF)
- GSA water allocation may change (currently set at 4,390 AF per year)
- GW Extraction Fee may change (currently \$105 / AF)

**Gov't Code § 53756 (AB 3030) allows for rates that pass-through certain costs**

- Applicable when outside agencies are able to impose cost increases to water utilities on short notice... making it impossible to predict the future costs in a multi-year rate study.
  - The safest route can be to conservatively (over-) estimate the future costs (which yields inflated rates).
- The pass-through provision allows the District to dynamically change the GSA-related rates and avoid over-charging customers.

22

22

## Zone Charge, Construction Meters, Private Fire & Bulk Water Rates

- Will increase with rate increases
- No structural changes

23

23

## Schedule

1. Present preliminary recommendations to Finance Committee – [November 8](#) ✓
2. Present preliminary recommendations to Board – [November 14](#) ✓
3. Present final recommendations to Board – [December 12](#)
4. Deadline to mail Prop 218 Notices – [December 22](#)
5. Hold Public Hearing – [February 13](#)
6. Implement Rates – [March 1, 2023](#)

24

24

## Questions & comments

25

25

## Tier Width Calculation

**9 HCF** – Indoor water needs for a single family home assuming:

- 70 gallons per person per day
- 3 denizens per account

**15 HCF** – Outdoor water needs for a single family home assuming:

- Desert-adapted landscape
- Average lot size of 17,000 sq. ft. with 54% of outdoor spacing being irrigated
- Irrigation efficiency of 70%

**21 HCF** – Additional outdoor water needs for a single family home assuming:

- Turf lawn
- Irrigation efficiency of 68%

26

## Schedule of Tier Widths by Meter Size

### FOUR TIERS

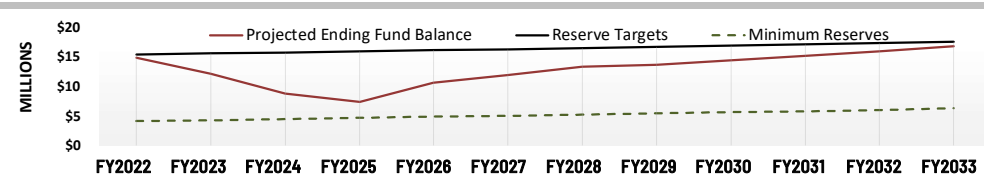
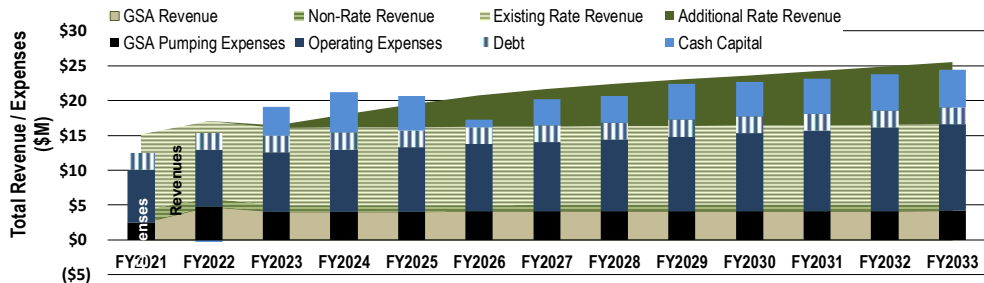
Meter Size	Tier 1	Tier 2	Tier 3	Tier 4
3/4"	9	24	45	> 45
1"	15	40	75	> 75
1 1/2"	30	80	150	> 150
2"	48	128	240	> 240
3"	96	256	480	> 480
4"	150	400	750	> 750
6"	300	800	1500	> 1500
8"	480	1280	2400	> 2400
10"	690	1840	3450	> 3450

### TWO TIERS

Meter Size	Tier 1	Tier 2
3/4"	24	> 24
1"	40	> 40
1 1/2"	80	> 80
2"	128	> 128
3"	256	> 256
4"	400	> 400
6"	800	> 800
8"	1280	> 1280
10"	1840	> 1840

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## Financial Forecast – PayGo Strategy



	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033
Rate Revenue Increase:		10.0%	10.0%	10.0%	6.0%	5.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Debt Coverage Ratio:	1.74	1.73	2.19	2.63	2.96	3.22	3.36	3.44	3.48	3.59	3.67	3.75

\* Propose rate increases to be effective January 1 of the respective fiscal year

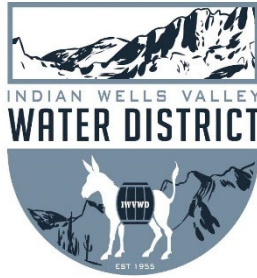
Cumulative 77%

28

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## Bill Impacts – 4 Tiers and 41% Fixed Revenue

	Meter Size	Water Use (HCF)	Existing		Proposed (2023)		Change (total)	
			Fixed	Consumption	Fixed	Consumption	\$	%
<b>SINGLE FAMILY</b>								
Low Use	3/4"	5	\$42.86	\$13.55	\$30.15	\$16.64	-\$9.62	-17.1%
Median Use	3/4"	10	\$42.86	\$27.68	\$30.15	\$34.67	-\$5.72	-8.1%
Average Use	3/4"	14	\$42.86	\$40.84	\$30.15	\$53.58	\$0.03	0.0%
High Use	3/4"	45	\$42.86	\$169.92	\$30.15	\$240.67	\$58.04	27.3%
Very High Use	3/4"	80	\$42.86	\$429.97	\$30.15	\$492.93	\$50.25	10.6%
<b>Master Meter</b>								
Duplex, average use	3/4"	16	\$42.86	\$47.42	\$30.15	\$63.04	\$2.91	3.2%
Small Apartment, average use	1"	26	\$68.20	\$76.84	\$47.48	\$101.91	\$4.35	3.0%
Medium Apartment, average use	2"	148	\$206.65	\$484.88	\$142.77	\$671.06	\$122.30	17.7%
Large Apartment, average use	6"	614	\$1,265.84	\$1,846.06	\$870.49	\$2,482.66	\$241.25	7.8%
<b>Commercial</b>								
Commercial (small)	3/4"	13	\$42.86	\$37.55	\$30.15	\$48.86	-\$1.40	-1.7%
Commercial (medium)	1"	34	\$68.20	\$103.16	\$47.48	\$139.73	\$15.85	9.3%
Commercial (medium)	1.5"	69	\$130.99	\$209.61	\$90.79	\$284.19	\$34.38	10.1%
Commercial (medium / large)	2"	128	\$206.65	\$393.28	\$142.77	\$537.92	\$80.76	13.5%
Commercial (large)	3"	188	\$408.67	\$562.84	\$281.39	\$754.36	\$64.24	6.6%
<b>Public</b>								
Public (small)	1"	35	\$68.20	\$106.45	\$47.48	\$144.46	\$17.29	9.9%
Public (medium)	2"	161	\$206.65	\$544.42	\$142.77	\$757.61	\$149.31	19.9%
Public (medium / large)	4"	654	\$635.63	\$2,392.32	\$437.33	\$3,371.98	\$781.36	25.8%
Public (large)	6"	263	\$1,265.84	\$712.73	\$870.49	\$875.12	-\$232.96	-11.8%



# Committee Reports

BOARD OF DIRECTORS  
INDIAN WELLS VALLEY WATER DISTRICT

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WATER MANAGEMENT COMMITTEE  
REGULAR MEETING MINUTES

THURSDAY, OCTOBER 27, 2022 – 2:00 P.M.

BOARD ROOM  
500 W. RIDGECREST BLVD., RIDGECREST

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Attendees: Ron Kicinski, Stan Rajtora, Jason Lillion, and Renée Morquecho

**1. Call to Order**

The meeting was called to order at 2:00 p.m.

**2. Committee/Public Comments**

None.

**3. Indian Wells Valley Groundwater Authority**

Director Rajtora reported on the October 12, 2022, Indian Wells Valley Groundwater Authority (IWVGA) Regular Board meeting and actions taken:

- Imported Water Project – the purchase of the 750-acre feet of Table A entitlement is going slower than anticipated. A new, modified letter of intent has been sent to the seller. The IWVGA is continuing to look for a loan agent.
- The Pipeline Alignment Study, which is being paid for by the \$7.6 million state grant, is ongoing, The IWVWD is working with the IWVGA’s contractor Provost and Pritchard regarding the study.
- Recycled Water Project – the original Recycled Water Project Study is complete and the draft report is due out by the end of this year.
- Stetson was authorized to prepare a water recycling Title 16 Feasibility Study for the Bureau of Reclamation grant. The report should be complete by the end of the year.
- The Rose Valley Sub-flow Monitoring Effort, funded by the Navy-Coso Royalty, is scheduled to start this fall or winter. Next year’s Navy-Coso Royalty Program will not have funding for any of the IWVGA projects.
- Capital Core Group, the IWVGA’s lobbyist, is discussing Phase 2 of the Sustainable Groundwater Management Act (SGMA) grant opportunities with the IWVGA staff. Department of Water Resources (DWR) expects to have \$202 million in grant money available for the various Groundwater Authorities (GA’s). The last grant, received by the IWVGA, was applied solely to the implementation projects as opposed to using part of it for the GSP updates (which is allowed). Therefore, money will need to be borrowed from the replenishment fee for the GSP updates.
- The Policy Advisory Committee (PAC) provided their proposed implementation phase modifications on the Communications & Engagement Plan to the IWVGA. Modifications needed to be made for the GSP updates.
- The IWVGA’s new financial system has yet to be implemented. The General Manager has stated that there are a few hold ups: the audit is more complex and



therefore more time is being put into it and the audit team has new people so there is also a lot of training happening. The financial system update will resume after the audit is completed.

- The IWVGA adopted the FY 2023 budget, the directors were only given 3 days to review the entire budget and Director Rajtora voted against approving it for this reason.
- The fall well data collection has been completed for the first time in three years.
- Stetson has provided a schedule for updating the aquifer model, which is a critical aspect of the 2023 GSP update.
- Stetson is still having problems with the ability to measure the change to ground water and storage. This measurement is a fundamental SGMA criteria.
- The draft 2022 annual report is due for release to the IWVGA board and the Technical Advisory Committee (TAC) on November 15<sup>th</sup>. The final report is due in April 2023.
- There are 19 corrective actions that need to be addressed by the 2025 GSP update, however there is no schedule and no updates being given for correcting these 19 discrepancies.
- The next IWVGA Regular Board meeting is scheduled for November 9, 2022.

#### **4. Brackish Water Study**

The Brackish Study Group's last meeting was January 27, 2022. Progress since that time has been slow. Tim Parker and Ramboll completed their work incorporating the re-interpreted seismic data along with the SkyTEM data. The information has been shared with Wade Major, with aquilogic. Wade continues his review of the material to see if there are locational characteristics that might make for a better, and perhaps feasible, brackish project. His review includes generating some cross-sections of the project area from GeoScene 3D.

Wade and Don had a video meeting 2 weeks ago with Jennifer Pulido at DWR to update her on the project status. Because little progress has been made since January the quarterly reports required by the grant had not been submitted. Jennifer requested the reports be submitted along with an invoice with any costs incurred during this time. Wade is drafting the invoice and reports to submit to DWR. Work will then resume on getting the draft, revisions, and final Feasibility Study done for DWR. The completion deadline for the Feasibility Study is March 30, 2023.

#### **5. Alternate Water Sources**

##### **a. Exploration of sub-basins within the valley**

At the January 19<sup>th</sup> workshop, the Board approved up to \$200,000 to obtain and reprocess additional remote sensing/seismic data collected during the 1980's within the El Paso sub-basin area and update the Hydrological Conceptual Framework.

John Jansen, with Collier Geophysical, provided a draft report on his interpretation of the 104 miles of seismic data to Ramboll for review and comment. Ramboll has completed their review and provided a few minor edits.

John intended to schedule one more call with Tim Parker before finalizing the report last week.

The total projected cost remains below the budgetary figure.

**6. Future Agenda Items**

None.

**7. Adjournment**

Meeting was adjourned at 2:37 pm

BOARD OF DIRECTORS  
INDIAN WELLS VALLEY WATER DISTRICT

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PLANT AND EQUIPMENT COMMITTEE  
REGULAR MEETING

REPORT

TUESDAY, NOVEMBER 8, 2022 – 2:00 PM  
BOARD ROOM  
500 W. RIDGECREST BLVD., RIDGECREST

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Attendees: Chuck Griffin, Ron Kicinski, Ty Staheli, Jason Lillion, Renée Morquecho, and Don Zdeba.

**1. Call to Order**

The meeting was called to order at 2:00 pm.

**2. Committee/Public Comments**

None.

**3. Variance Request: APN 343-200-26 (Monte Vista/Lumill) Smith Family Trust**

Staff presented a variance request by the parcel owner of APN 343-200-26. This is a 20-acre parcel off Lumill Street between Monte Vista Ave. to the south and Kendall Ave. to the north. They propose a pipeline extension off the corner of Monte Vista and Summit Street running east to their parcel (approximately 667 ft) and then north 20 ft. At this point, the parcels to the north and south are vacant and the parcels on the west receive water off Summit Street. If granted, a Covenant Running With the Land will be required by the District requiring the property owner to continue construction of the mainline across the frontage of their property to the north. After discussion, the Committee recommended granting the variance.

**4. Well 31 Rehabilitation: Project Update**

Layne pulled all the equipment from the well and has finished brushing. Inspection of the equipment indicates that all will need to be replaced. The last time this well was rehabilitated was 2008. Staff is working on designing the new pump and will submit the specifications to Layne next week. Layne indicated it will take 4-6 weeks to receive the new equipment.

**5. Booster Station and Tanks Project: Update**

Canyon Springs Enterprises (CSE) is currently working on the construction of the booster building. The walls are complete and they are installing shoring to begin work on the roof. Gateway Tank construction is complete as is the coating. Work now is on the inlet/outlet piping. The C-zone tank is

being erected and Paso Robles Tank is welding on the knuckle/roof section. Grading has begun at the College tank site and tortoise fencing should be installed next week.

**6. Arsenic Treatment Facilities: Update**

Plant No. 2 is offline and staff is winterizing it this month. All the media has been excavated from the filter vessels at Plant No. 1. During this process, staff noticed several areas of media upset that would have caused the finer filter media to breakthrough and enter the finished water. Due to this discovery, the installation of the new underdrains has been delayed and staff is working with Pureflow to design a mesh to be installed with the stainless-steel underdrains that will greatly reduce the amount of fine filter media that can break through the support media and enter the finished water.

**7. Solar Production: Report**

The Committee reviewed the report provided by ENGIE Services for July 2022 through October 2022. For October, the actual savings was \$50,581.52 and the guaranteed savings was \$44,224.95. Since we just started a new fiscal year, the total savings this fiscal year is \$202,334.59. At the Well 35 site, actual savings for October was \$2,101.51 and the guaranteed savings was \$1,798.50. The total savings since the Well 35 site went online January of this year was \$21,274.54

**8. Future Agenda Items**

None

**9. Adjournment**

The meeting was adjourned at 2:12 pm.

BOARD OF DIRECTORS  
INDIAN WELLS VALLEY WATER DISTRICT

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FINANCE COMMITTEE  
REGULAR MEETING

REPORT

TUESDAY NOVEMBER 8, 2022 – 2:30 PM  
BOARD ROOM  
500 W. RIDGECREST BLVD., RIDGECREST

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ATTENDEES: Mallory Boyd, Stan Rajtora, Don Zdeba, Ty Staheli, Jason Lillion, and Renee Morquecho

**1. Call to Order**

The Finance Committee Meeting was called to order at 2:30 pm.

**2. Committee/Public Comments**

None.

**3. Fraud Risk Discussion**

Description: Discuss potential or actual fraud risks within the organization.

None to report.

**4. Rate Study**

Description: Committee to receive presentation on the District's rate study.

Committee received a presentation on rate options from Mark Hildebrand of Hildebrand Consulting. Rate options included 4-tier and 2-tier rate structures, as well as, 60/40 and 40/60 fixed/consumption ratios for each tier option.

Committee members asked questions for further clarification of the rate options.

Director Rajtora asked for additional information for his analysis.

PowerPoint presentation is attached.

The presentation, with minor edits, is schedule to be presented to the Board at the November 14<sup>th</sup> meeting.

**5. Financial Statements October 31, 2022 (preliminary)**

Description: Presentation to Committee financial reports and graphs depicting current revenue and expense trends compared to budget and previous fiscal year actuals.

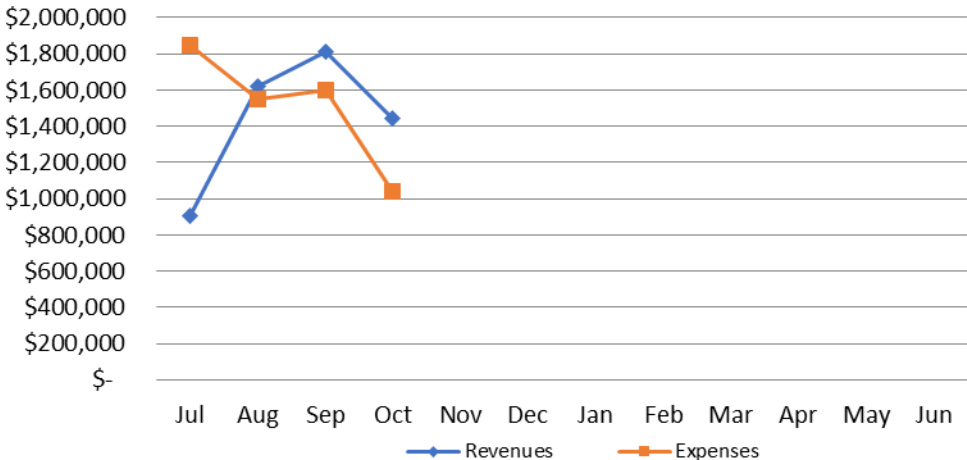
Estimated year-to-date revenues as of October 31, 2022, are \$5,774,301 and expenses are \$6,036,768, therefore expenditures exceeded revenues by \$262,467, which is less than budget by \$170,784.

Staff presented the following spreadsheet, which compares October year-to-date actual to budgeted revenues and expenses by category:

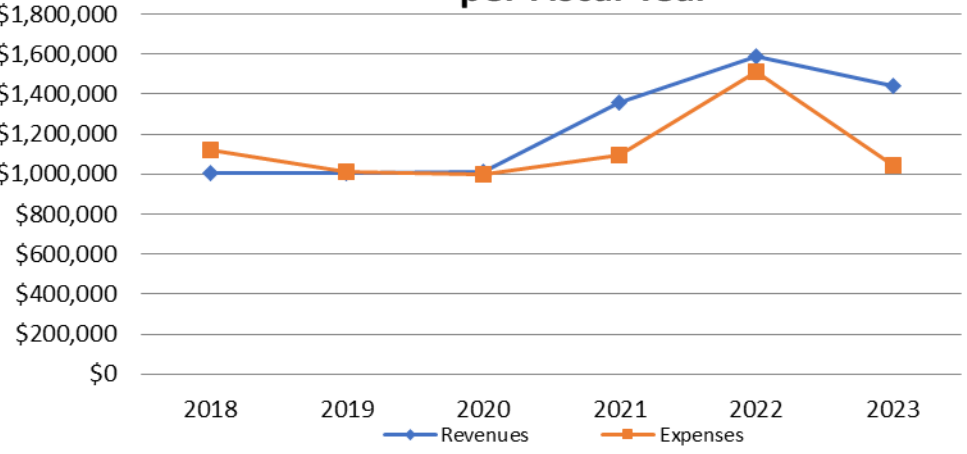
**Indian Wells Valley Water District**  
**Revenues vs. Expense**  
**Actuals & Budget through October 2022 (Preliminary)**

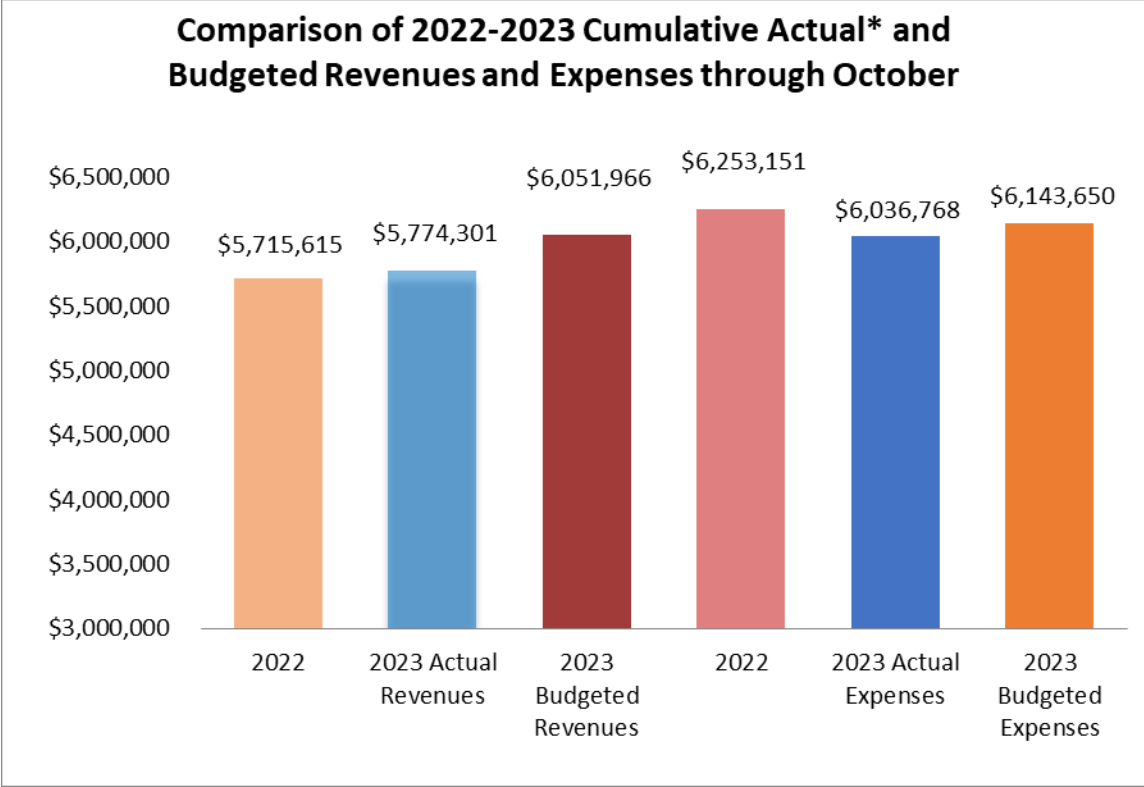
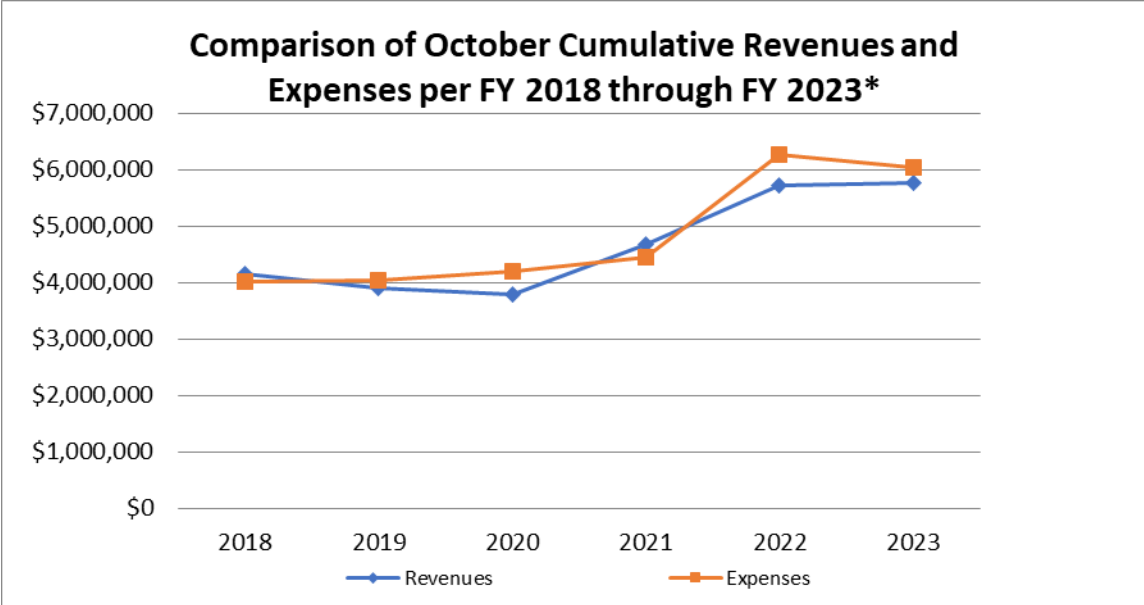
	Budget	Actuals	Δ
<b>Revenues</b>			
Total Water Sales	4,030,751	3,593,451	-437,300
GSA Fees	1,596,000	1,643,378	47,378
Total Water Service Revenue	131,565	137,314	5,749
Total Non-Operating Income	54,075	56,740	2,665
Capital Contributions	239,575	343,417	103,842
<b>Total Revenues</b>	<b>6,051,966</b>	<b>5,774,301</b>	<b>-277,665</b>
<b>Expenses</b>			
Water Supply	413,622	432,567	18,945
Arsenic Treatment Plants	86,341	63,202	-23,139
Transmission & Distribution	657,755	531,978	-125,777
Engineering	144,637	155,654	11,018
Customer Service	168,586	72,052	-96,535
Field Services	177,264	162,682	-14,582
General & Administration	1,164,408	1,276,567	112,159
Legislative	40,055	30,348	-9,707
Depreciation	1,166,667	1,166,667	0
Non-Operating, Interest	473,632	412,265	-61,366
Non-Operating, Miscellaneous	88,337	186,400	98,063
GSA Fees	1,520,000	1,521,485	1,485
Non-Operating, Conservation	11,871	11,162	-708
Non-Operating, Alternate Water	30,475	13,739	-16,736
<b>Total Expenses</b>	<b>6,143,650</b>	<b>6,036,768</b>	<b>-106,882</b>
<b>Net Revenue Increase (Decrease)</b>	<b>-91,684</b>	<b>-262,467</b>	<b>-170,784</b>
<b>Capital Expenditures</b>		<b>1,776,502</b>	
- COP Funded		1,286,088	
<b>Debt Service Principle</b>		<b>370,554</b>	

### Comparison of FY 2021-2022 Revenues and Expenses by Month



### Comparison of October Revenues and Expenses per Fiscal Year





\*Actual Revenues and Expenses are Estimated



**6. Accounts Payable Disbursements**

Description: Presentation to Committee of Accounts Payable Disbursements reports for Board approval.

The Committee recommended approval of accounts payable disbursements totaling \$1,414,141.83 as follows:

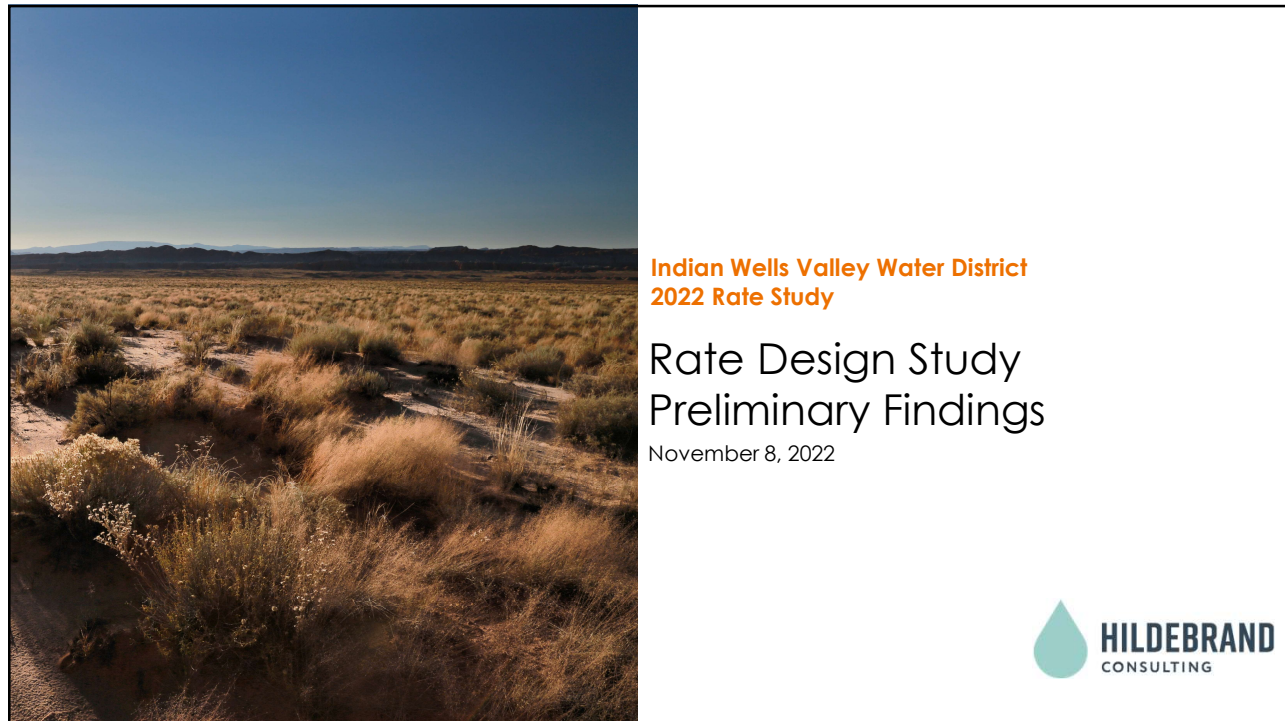
Checks through:	<u>10/12/22</u>	<u>10/24/22</u>
Prepaid	\$ 567,387.48	\$ 46,953.09
Current	<u>374,751.85</u>	<u>425,049.41</u>
Total	<u>\$ 942,139.33</u>	<u>\$ 472,002.50</u>

**7. Future Agenda Items**

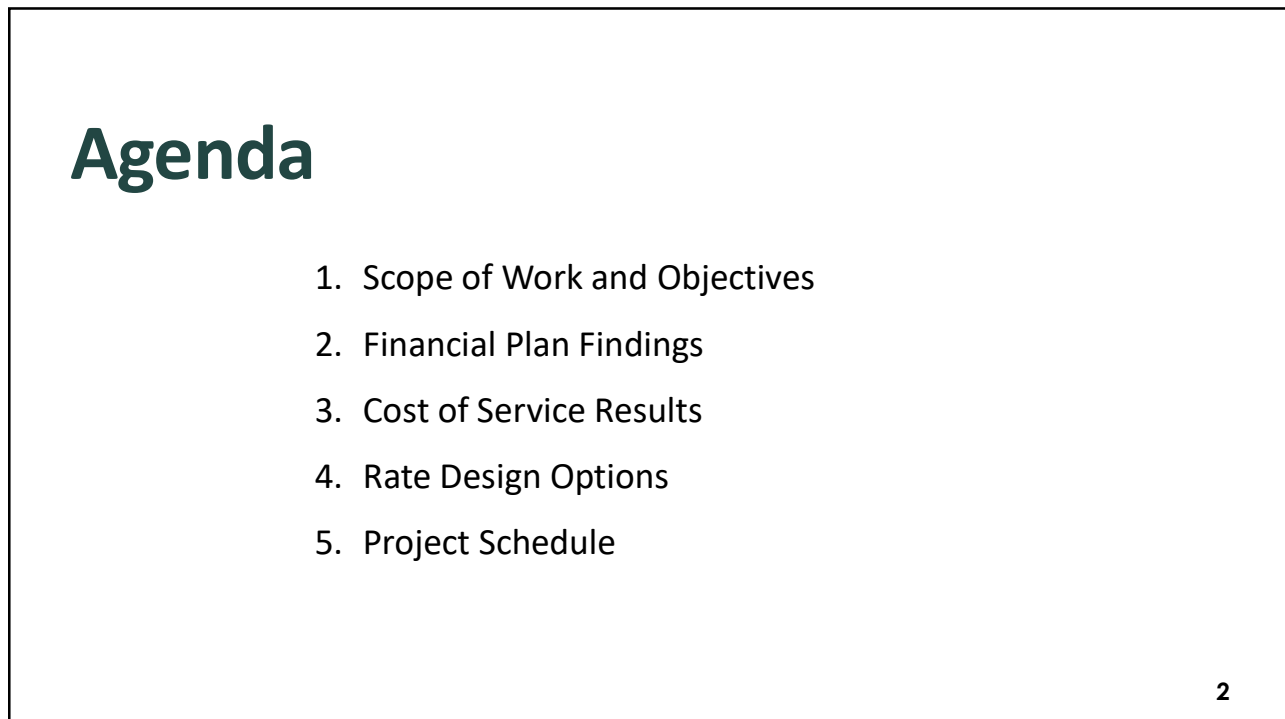
None

**8. Adjournment**

The Committee adjourned at 4:25pm.



1



2

## Rate Setting Objectives

- Propose rate increases and a financial strategy that will meet District revenue requirements, reserve targets, and other financial metrics
- Update the District Cost of Service Analysis which is the basis of the District's rate structure
- Evaluate various rate structures to meet the District's objectives

3

3

## Legal Requirements for Setting Water Rates In California

Proposition 218 (Article XIII D, Section 6 of California Constitution)

- Revenues shall not exceed funds required to provide service; nor used for another purpose
- Amount shall not exceed the proportional cost of the service attributable to the parcel
- Service must be actually used or immediately available
- Approval process includes 45-day notice, public hearing, and written majority protest. Does not require a voting process (unlike taxes).

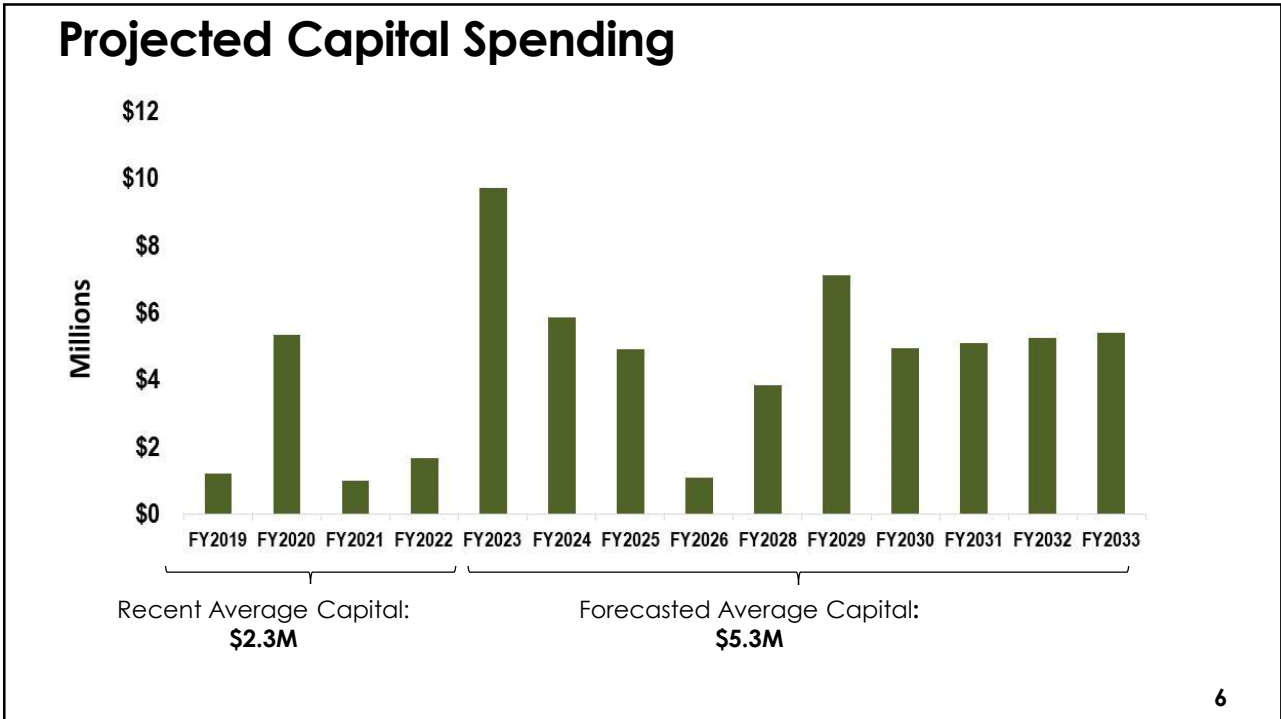
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# Financial Plan

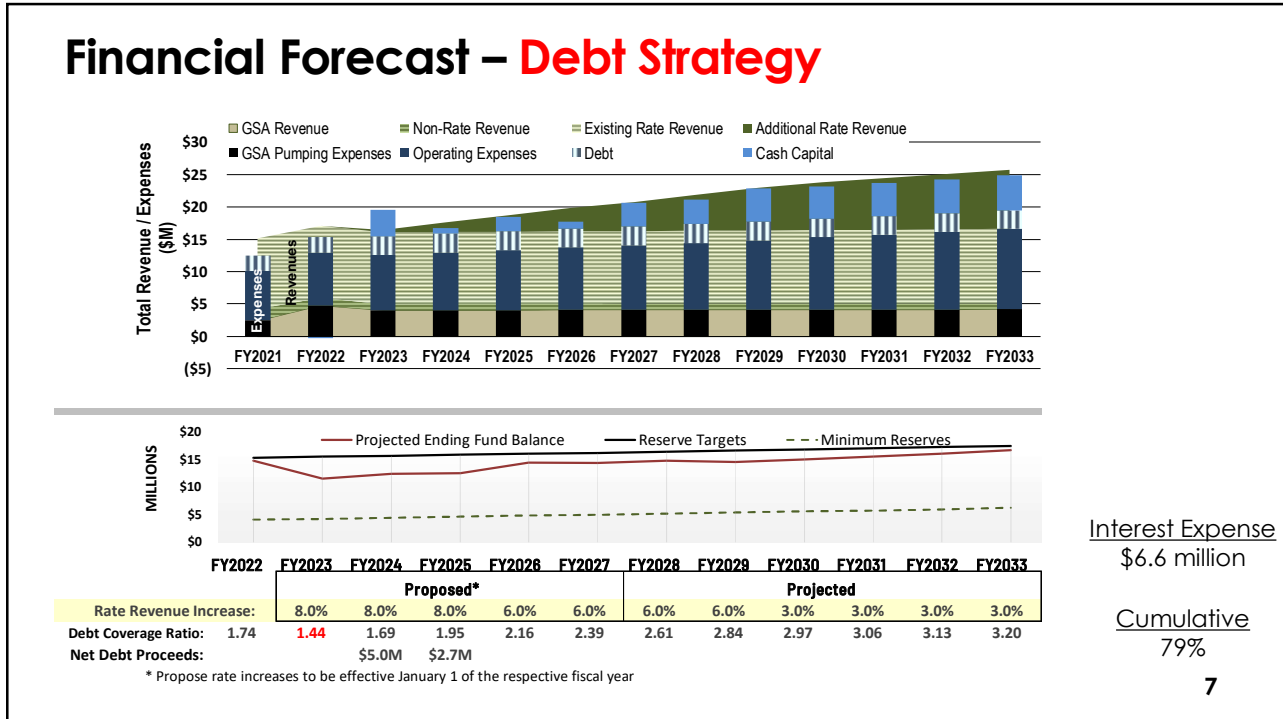
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7

# Cost of Service and Rate Design

**8**

8

## Rate Design Goals

- Conform to accepted industry practice and **legal requirements** (Prop 218, Prop 26);
- **Fairly and equitably** recover the cost of providing service to customers;
  - Recognize that high water users create a disproportionate financial burden on the District;
- Develop a rate structure that provides **fiscal stability**; and
- Improve **affordability** to the extent possible.

9

## Current Rate Design

### Fixed Charges:

- Account Charge (per account)
- Ready-to-Serve Charge (RTS) – based on meter size
- Arsenic Compliance Charge – based on meter size

Current Fixed Revenue = **62.3%** of rate revenue

### Commodity Charges

#### 4 Tiers

- Prices based on peaking costs and cost of conservation program
- Water allocation based on water needs, and then scaled based on meter size (except for single family residential)

#### GSA Fees

- Uniform rate charged for all water usage based on the revenue requirements created by the GSA Replenishment Fee and GSP expense

10

10

## Proposed Changes to Rate Design

### Update Cost of Service Analysis

- Notable changes since 2018 include:
  - There has been a decrease in conservation program spending
  - There has been a decrease in water usage since 2018, particularly in Tiers 3 and 4

### Evaluate a Two-Tier Structure

The two-tier structure would be based on:

- A uniform rate to recover all District operating and capital expenses (including GSA Pumping costs)
- A Tier 2 “surcharge” to recover all GSA Replenishment costs
  - Tier 1 allocation would be based on the amount of water allowed by the GSA

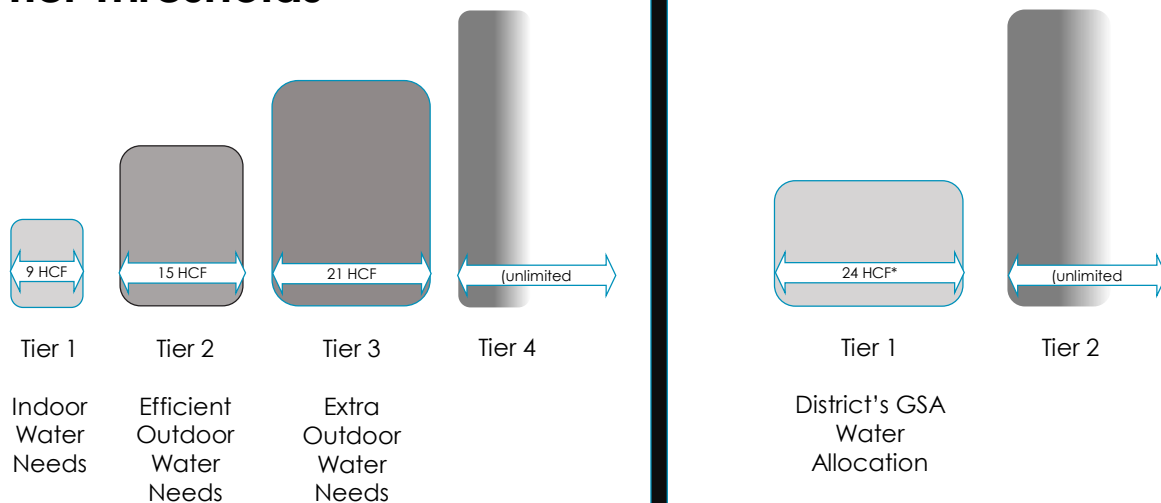
### Evaluate Lowering the Amount of Fixed Revenue

- This will increase revenue volatility but decrease bills for the lowest water users

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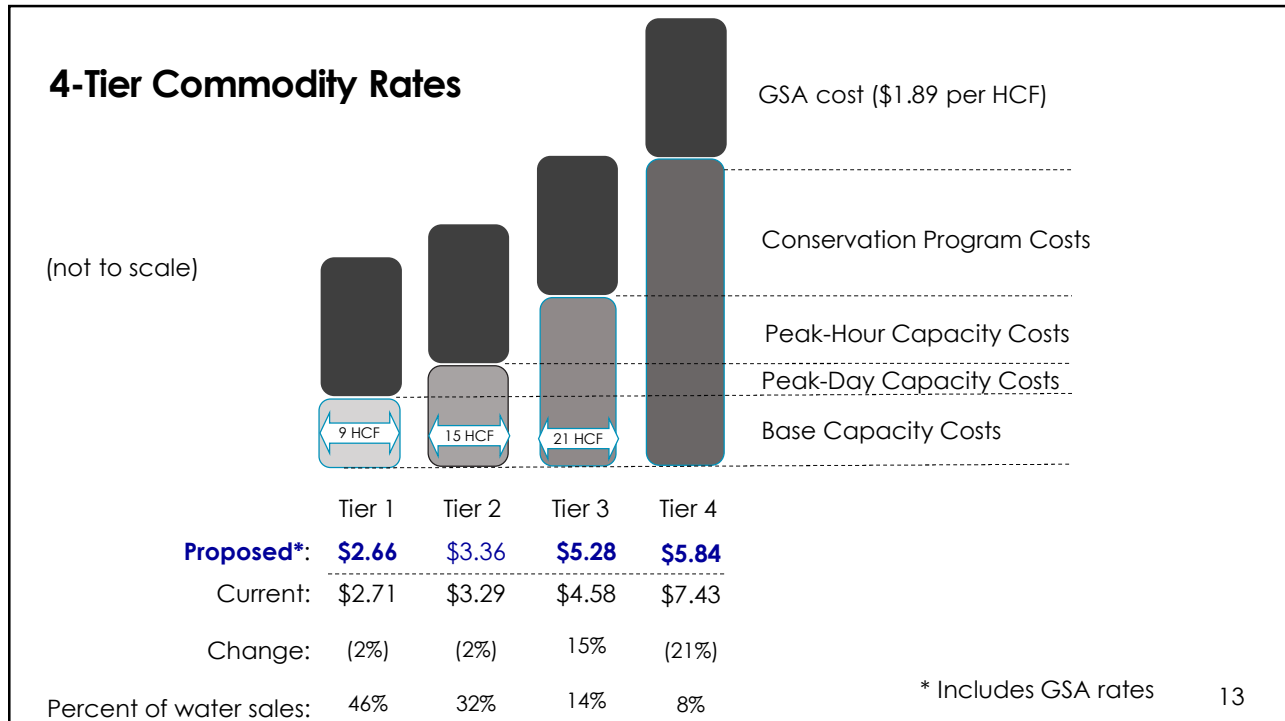
## Tier Thresholds



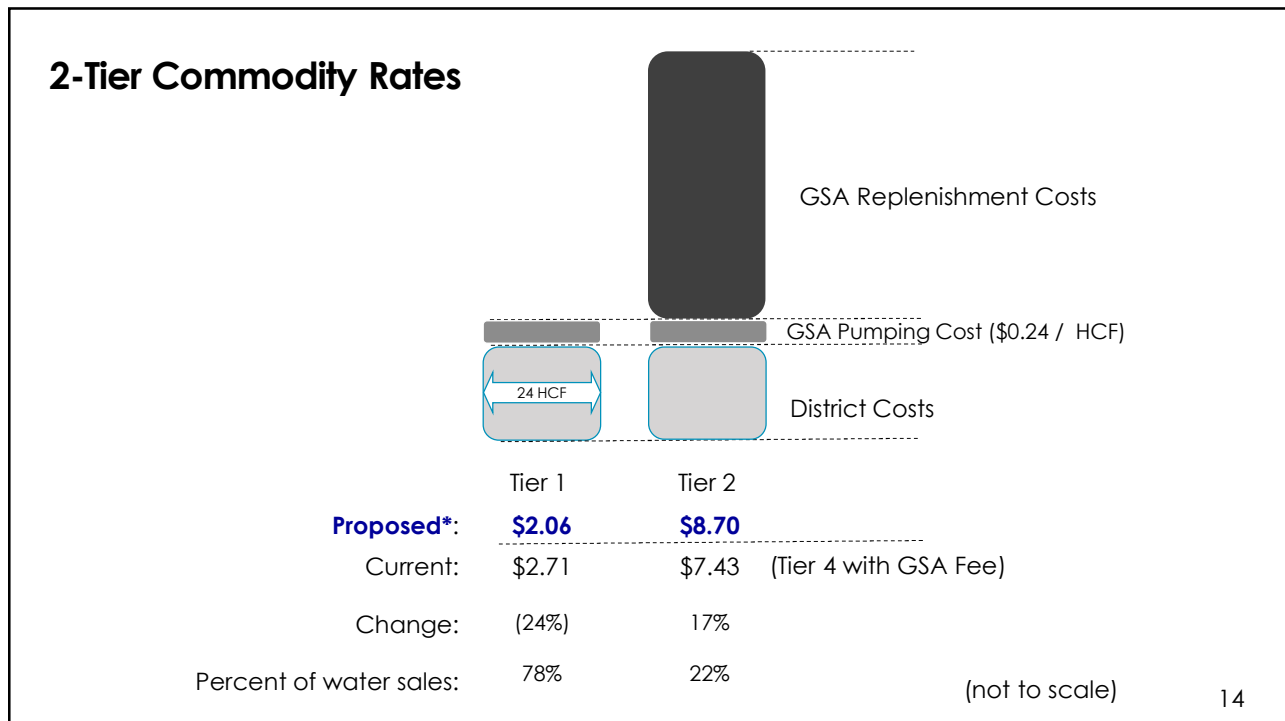
\* By coincidence, this is equal to Tier 1 + Tier 2

12

12



13

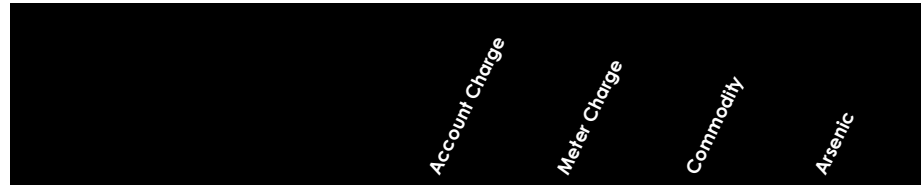


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## Allocation of Costs to Rate Components

**Fixed Revenue:  
61.4%**



	Account Charge	Meter Charge	Commodity	Arsenic
Customer Service & Meters	50%	50%		
Transmission and Distribution		50%	50%	
Storage		50%	50%	
Treatment			100%	
Source of Supply			100%	
Conservation / Alternate Water Supply			100%	
Arsenic				100%
Supply & Transmission		50%	50%	
Field Services	50%	50%		
Legal Services			100%	
Capital and Debt (based on Asset Register)	5%	50%	17%	28%

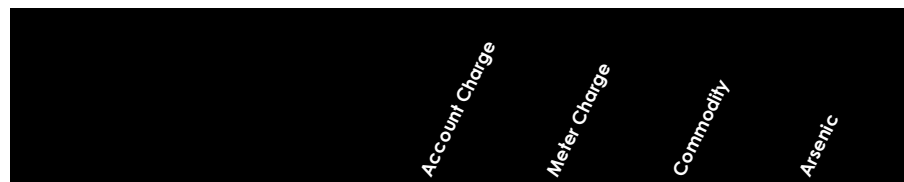
**NOTE:** The District's actual variable costs (costs that change based on actual water sales) is 22%. Or 3.6% if we exclude the GSA Replenishment Fee.

15

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## Allocation of Costs to Rate Components

**Fixed Revenue:  
40.3%**



	Account Charge	Meter Charge	Commodity	Arsenic
Customer Service & Meters	50%		50%	
Transmission and Distribution			100%	
Storage			100%	
Treatment			100%	
Source of Supply			100%	
Conservation / Alternate Water Supply			100%	
Arsenic				100%
Supply & Transmission			100%	
Field Services			100%	
Legal Services			100%	
Capital and Debt (based on Asset Register)	5%	50%	17%	28%

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### Fixed Monthly Charge Ready-to-Serve & Arsenic Charge

	Existing Rates				Proposed CY 2023			
	Meter Size	Ready-to-Serve	Arsenic Charge	Total	Ready-to-Serve	Arsenic Charge	Total	Change
<b>61% Fixed</b>	3/4"	\$31.17	\$11.69	\$42.86	\$34.74	\$10.28	\$45.02	5.0%
	1"	\$48.67	\$19.53	\$68.20	\$53.21	\$17.13	\$70.34	3.1%
	1 1/2"	\$92.05	\$38.94	\$130.99	\$99.40	\$34.27	\$133.67	2.0%
	2"	\$144.32	\$62.33	\$206.65	\$154.82	\$54.83	\$209.65	1.5%
	3"	\$283.89	\$124.78	\$408.67	\$302.60	\$109.65	\$412.25	0.9%
	4"	\$440.69	\$194.94	\$635.63	\$468.86	\$171.33	\$640.19	0.7%
	6"	\$876.08	\$389.76	\$1,265.84	\$930.70	\$342.67	\$1,273.37	0.6%
	8"	\$1,398.76	\$623.64	\$2,022.40	\$1,484.90	\$548.27	\$2,033.17	0.5%
	10"	\$2,008.61	\$896.51	\$2,905.12	\$2,131.46	\$788.13	\$2,919.59	0.5%
	<b>40% Fixed</b>	3/4"	\$31.17	\$11.69	\$42.86	\$19.22	\$10.28	\$29.50
1"		\$48.67	\$19.53	\$68.20	\$29.22	\$17.13	\$46.35	-32.0%
1 1/2"		\$92.05	\$38.94	\$130.99	\$54.22	\$34.27	\$88.49	-32.4%
2"		\$144.32	\$62.33	\$206.65	\$84.22	\$54.83	\$139.05	-32.7%
3"		\$283.89	\$124.78	\$408.67	\$164.22	\$109.65	\$273.87	-33.0%
4"		\$440.69	\$194.94	\$635.63	\$254.22	\$171.33	\$425.55	-33.1%
6"		\$876.08	\$389.76	\$1,265.84	\$504.22	\$342.67	\$846.89	-33.1%
8"		\$1,398.76	\$623.64	\$2,022.40	\$804.22	\$548.27	\$1,352.49	-33.1%
10"		\$2,008.61	\$896.51	\$2,905.12	\$1,154.22	\$788.13	\$1,942.35	-33.1%

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### Bill Impacts – 4 Tiers and 62% Fixed Revenue

	Meter Size	Water Use (HCF)	Existing 2022 Bill	Proposed 2023 Bill	Change	
					\$	%
<b>SINGLE FAMILY</b>						
Low Use	3/4"	2	\$48.28	\$50.33	\$2.05	4.3%
Median Use	3/4"	10	\$70.54	\$72.29	\$1.75	2.5%
Average Use	3/4"	14	\$83.70	\$85.72	\$2.02	2.4%
High Use	3/4"	45	\$212.78	\$230.13	\$17.35	8.2%
<b>Master Meter</b>						
Duplex, average use	3/4"	16	\$90.28	\$92.44	\$2.16	2.4%
Small Apartment, average use	1"	26	\$145.04	\$147.13	\$2.09	1.4%
Medium Apartment, average use	2"	148	\$691.53	\$711.35	\$19.82	2.9%
Large Apartment, average use	6"	614	\$3,111.90	\$3,124.85	\$12.95	0.4%
<b>Commercial</b>						
Commercial (small)	3/4"	13	\$80.41	\$82.37	\$1.96	2.4%
Commercial (medium)	1"	34	\$171.36	\$173.99	\$2.63	1.5%
Commercial (medium)	1.5"	69	\$340.60	\$344.33	\$3.73	1.1%
Commercial (medium / large)	2"	128	\$599.93	\$605.81	\$5.88	1.0%
Commercial (large)	3"	188	\$971.51	\$976.25	\$4.74	0.5%
<b>Public</b>						
Public (small)	1"	35	\$174.65	\$177.35	\$2.70	1.5%
Public (medium)	2"	161	\$751.07	\$779.96	\$28.89	3.8%
Public (medium / large)	4"	654	\$3,027.95	\$3,218.65	\$190.70	6.3%
Public (large)	6"	263	\$1,978.57	\$1,972.28	-\$6.29	-0.3%

18

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## Bill Impacts – 2 Tiers and 62% Fixed Revenue

	Meter Size	Water Use (HCF)	Existing		Proposed		Change	
			2022 Bill	2023 Bill	2023 Bill	2023 Bill	\$	%
<b>SINGLE FAMILY</b>								
Low Use	3/4"	2	\$48.28	\$49.14	\$49.14	\$49.14	\$0.86	1.8%
Median Use	3/4"	10	\$70.54	\$65.62	\$65.62	\$65.62	-\$4.92	-7.0%
Average Use	3/4"	14	\$83.70	\$73.86	\$73.86	\$73.86	-\$9.84	-11.8%
High Use	3/4"	45	\$212.78	\$277.07	\$277.07	\$277.07	\$64.29	30.2%
<b>Master Meter</b>								
Duplex, average use	3/4"	16	\$90.28	\$77.98	\$77.98	\$77.98	-\$12.30	-13.6%
Small Apartment, average use	1"	26	\$145.04	\$123.90	\$123.90	\$123.90	-\$21.14	-14.6%
Medium Apartment, average use	2"	148	\$691.53	\$647.25	\$647.25	\$647.25	-\$44.28	-6.4%
Large Apartment, average use	6"	614	\$3,111.90	\$2,538.21	\$2,538.21	\$2,538.21	-\$573.69	-18.4%
<b>Commercial</b>								
Commercial (small)	3/4"	13	\$80.41	\$71.80	\$71.80	\$71.80	-\$8.61	-10.7%
Commercial (medium)	1"	34	\$171.36	\$140.38	\$140.38	\$140.38	-\$30.98	-18.1%
Commercial (medium)	1.5"	69	\$340.60	\$275.81	\$275.81	\$275.81	-\$64.79	-19.0%
Commercial (medium / large)	2"	128	\$599.93	\$473.33	\$473.33	\$473.33	-\$126.60	-21.1%
Commercial (large)	3"	188	\$971.51	\$799.53	\$799.53	\$799.53	-\$171.98	-17.7%
<b>Public</b>								
Public (small)	1"	35	\$174.65	\$142.44	\$142.44	\$142.44	-\$32.21	-18.4%
Public (medium)	2"	161	\$751.07	\$760.29	\$760.29	\$760.29	\$9.22	1.2%
Public (medium / large)	4"	654	\$3,027.95	\$3,672.91	\$3,672.91	\$3,672.91	\$644.96	21.3%
Public (large)	6"	263	\$1,978.57	\$1,815.15	\$1,815.15	\$1,815.15	-\$163.42	-8.3%

19

19

## Bill Impacts – 2 Tiers and 41% Fixed Revenue

	Meter Size	Water Use (HCF)	Existing		Proposed		Change	
			2022 Bill	2023 Bill	2023 Bill	2023 Bill	\$	%
<b>SINGLE FAMILY</b>								
Low Use	3/4"	2	\$48.28	\$35.70	\$35.70	\$35.70	-\$12.58	-26.1%
Median Use	3/4"	10	\$70.54	\$60.50	\$60.50	\$60.50	-\$10.04	-14.2%
Average Use	3/4"	14	\$83.70	\$72.90	\$72.90	\$72.90	-\$10.80	-12.9%
High Use	3/4"	45	\$212.78	\$308.35	\$308.35	\$308.35	\$95.57	44.9%
<b>Master Meter</b>								
Duplex, average use	3/4"	16	\$90.28	\$79.10	\$79.10	\$79.10	-\$11.18	-12.4%
Small Apartment, average use	1"	26	\$145.04	\$126.95	\$126.95	\$126.95	-\$18.09	-12.5%
Medium Apartment, average use	2"	148	\$691.53	\$730.57	\$730.57	\$730.57	\$39.04	5.6%
Large Apartment, average use	6"	614	\$3,111.90	\$2,750.29	\$2,750.29	\$2,750.29	-\$361.61	-11.6%
<b>Commercial</b>								
Commercial (small)	3/4"	13	\$80.41	\$69.80	\$69.80	\$69.80	-\$10.61	-13.2%
Commercial (medium)	1"	34	\$171.36	\$151.75	\$151.75	\$151.75	-\$19.61	-11.4%
Commercial (medium)	1.5"	69	\$340.60	\$302.39	\$302.39	\$302.39	-\$38.21	-11.2%
Commercial (medium / large)	2"	128	\$599.93	\$535.85	\$535.85	\$535.85	-\$64.08	-10.7%
Commercial (large)	3"	188	\$971.51	\$856.67	\$856.67	\$856.67	-\$114.84	-11.8%
<b>Public</b>								
Public (small)	1"	35	\$174.65	\$154.85	\$154.85	\$154.85	-\$19.80	-11.3%
Public (medium)	2"	161	\$751.07	\$857.13	\$857.13	\$857.13	\$106.06	14.1%
Public (medium / large)	4"	654	\$3,027.95	\$4,138.43	\$4,138.43	\$4,138.43	\$1,110.48	36.7%
Public (large)	6"	263	\$1,978.57	\$1,662.19	\$1,662.19	\$1,662.19	-\$316.38	-16.0%

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## **Zone Charge, Construction Meters, Private Fire & Bulk Water Rates**

- Will increase with rate increases
- No structural changes

21

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## **Schedule**

1. Present preliminary recommendations to Finance Committee – [November 8](#)
2. Present preliminary recommendations to Board – [November 14](#)
3. Present final recommendations to Board – [December 12](#)
4. Deadline to mail Prop 218 Notices – [December 22](#)
5. Hold Public Hearing – [February 13](#)
6. Implement Rates – [March 1, 2023](#)

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## Questions & comments

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## Tier Width Calculation

**24 HCF** – Indoor water needs for a single family home assuming:

- 70 gallons per person per day
- 3 denizens per account

**15 HCF** – Outdoor water needs for a single family home assuming:

- Desert-adapted landscape
- Average lot size of 17,000 sq. ft. with 54% of outdoor spacing being irrigated
- Irrigation efficiency of 70%

**21 HCF** – Additional outdoor water needs for a single family home assuming:

- Turf lawn
- Irrigation efficiency of 68%

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## Schedule of Tier Widths by Meter Size

### FOUR TIERS

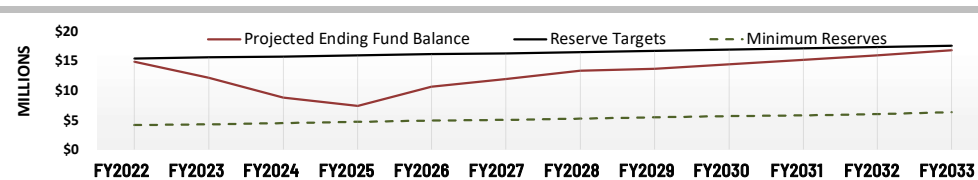
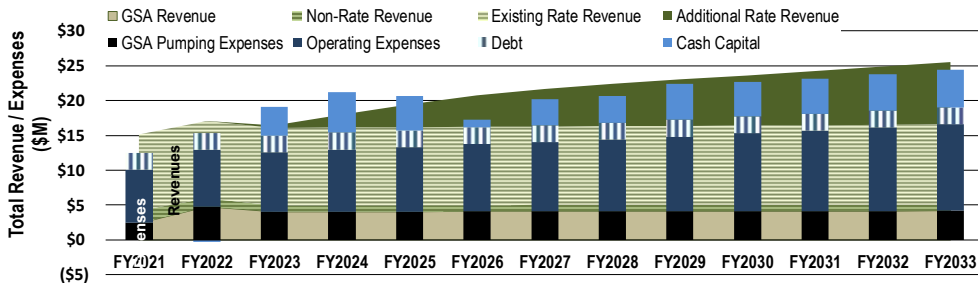
Meter Size	Tier 1	Tier 2	Tier 3	Tier 4
3/4"	9	24	45	> 45
1"	15	40	75	> 75
1 1/2"	30	80	150	> 150
2"	48	128	240	> 240
3"	96	256	480	> 480
4"	150	400	750	> 750
6"	300	800	1500	> 1500
8"	480	1280	2400	> 2400
10"	690	1840	3450	> 3450

### TWO TIERS

Meter Size	Tier 1	Tier 2
3/4"	24	> 24
1"	40	> 40
1 1/2"	80	> 80
2"	128	> 128
3"	256	> 256
4"	400	> 400
6"	800	> 800
8"	1280	> 1280
10"	1840	> 1840

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## Financial Forecast – PayGo Strategy



	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033
Rate Revenue Increase:		10.0%	10.0%	10.0%	6.0%	5.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Debt Coverage Ratio:	1.74	1.73	2.19	2.63	2.96	3.22	3.36	3.44	3.48	3.59	3.67	3.75

\* Propose rate increases to be effective January 1 of the respective fiscal year

Cumulative 77%

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## Bill Impacts – 4 Tiers and 41% Fixed Revenue

	Meter Size	Water Use (HCF)	Existing 2022 Bill	Proposed 2023 Bill	Change	
					\$	%
<b>SINGLE FAMILY</b>						
Low Use	3/4"	2	\$48.28	\$35.53	-\$12.75	-26.4%
Median Use	3/4"	10	\$70.54	\$61.07	-\$9.47	-13.4%
Average Use	3/4"	14	\$83.70	\$78.74	-\$4.96	-5.9%
High Use	3/4"	45	\$212.78	\$256.22	\$43.44	20.4%
<b>Master Meter</b>						
Duplex, average use	3/4"	16	\$90.28	\$87.58	-\$2.70	-3.0%
Small Apartment, average use	1"	26	\$145.04	\$140.20	-\$4.84	-3.3%
Medium Apartment, average use	2"	148	\$691.53	\$764.23	\$72.70	10.5%
Large Apartment, average use	6"	614	\$3,111.90	\$3,139.21	\$27.31	0.9%
<b>Commercial</b>						
Commercial (small)	3/4"	13	\$80.41	\$74.33	-\$6.08	-7.6%
Commercial (medium)	1"	34	\$171.36	\$175.54	\$4.18	2.4%
Commercial (medium)	1.5"	69	\$340.60	\$351.29	\$10.69	3.1%
Commercial (medium / large)	2"	128	\$599.93	\$637.29	\$37.36	6.2%
Commercial (large)	3"	188	\$971.51	\$969.95	-\$1.56	-0.2%
<b>Public</b>						
Public (small)	1"	35	\$174.65	\$179.96	\$5.31	3.0%
Public (medium)	2"	161	\$751.07	\$846.75	\$95.68	12.7%
Public (medium / large)	4"	654	\$3,027.95	\$3,594.79	\$566.84	18.7%
Public (large)	6"	263	\$1,978.57	\$1,640.48	-\$338.09	-17.1%

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BOARD OF DIRECTORS  
INDIAN WELLS VALLEY WATER DISTRICT

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ADMINISTRATION/EXECUTIVE COMMITTEE  
MEETING MINUTES

WEDNESDAY, NOVEMBER 9, 2022 – 3:00 P.M.

BOARD ROOM  
500 W. RIDGECREST BLVD., RIDGECREST

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Attendees: Mallory Boyd, David Saint-Amand, Don Zdeba, Jason Lillion, and Ty Staheli

**1. Call to Order**

The meeting was called to order at 3:00 p.m.

**2. Committee/Public Comments**

None.

**3. Discussion on Senate Bill (SB) 606 and Assembly Bill (AB) 1668**

The Outdoor Water Use Efficiency Standards were scheduled to be established by July 2022.

Don Zdeba reported that on October 28<sup>th</sup>, the Department of Water Resources (DWR) transmitted the full recommendation package of 21 reports including technical appendices for urban water use efficiency to the State Water Resources Control Board (SWRCB) as required by legislation enacted in 2018 (SB 606 [Hertzberg] and AB 1668 [Friedman]). The reports and technical appendices provide details on DWR's process including conducting the necessary studies and investigations, data analyses, development of the recommendations, and guidelines and methodologies for urban water suppliers for calculating the annual water use objective. The SWRCB will evaluate DWR's recommendations through a formal rulemaking process to adopt water use objectives for urban retail suppliers, which will include additional analysis, engagement, and opportunity for public comment.

The water use objectives are expected go into effect by January 1, 2024. Association of California Water Agencies (ACWA) is reviewing the reports and determining next steps and will continue to engage on the State's related efforts through the Water Use Efficiency Subcommittee of the Water Management Committee. ACWA expects to convene its water use efficiency working groups beginning the first full week of December.

**4. Draft Agenda for the Special Board Meeting of November 14, 2022**

The Committee reviewed the agenda. President Saint-Amand requested an agenda item to discuss the cost associated with the Indian Wells Valley Groundwater Authority's (IWVGA) Imported Water Project. Staff will confer with legal.

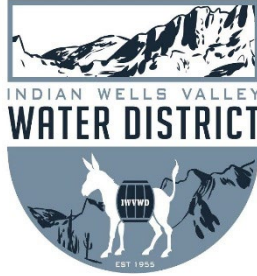
**5. Future Agenda Items**

None.

**6. Adjournment**

The meeting adjourned at 3:09 p.m.





# Approval of Minutes

7MINUTES OF THE SPECIAL BOARD MEETING

BOARD OF DIRECTORS  
INDIAN WELLS VALLEY WATER DISTRICT

OCTOBER 11, 2022

The Special Meeting of the Board of Directors of the Indian Wells Valley Water District was called to order by President Saint-Amand at 6:00 p.m. in the Board of Directors Hearing Room, 500 West Ridgecrest Boulevard, Ridgecrest, California. **CALL TO ORDER**

The Pledge of Allegiance was led by Mallory Boyd **PLEDGE**

**DIRECTORS PRESENT:** President David C.H. Saint-Amand  
Director Charles D. Griffin  
Director Stan G. Rajtora  
Vice President Mallory J. Boyd **ROLL CALL**

**DIRECTORS ABSENT:** None.

**STAFF PRESENT:** Don Zdeba, General Manager  
Jim Worth, Attorney  
Ty Staheli, Chief Financial Officer  
Jason Lillion, Operations Manager  
Justin Thompson, Associate Engineer  
Lauren Smith, Recording Secretary

**AGENDA DECLARATION**

Recording Secretary, Lauren Smith, reported that the agenda for tonight's Special Board Meeting was posted on Friday, October 7, 2022. **AGENDA DECLARATION**

**CONFLICT OF INTEREST DECLARATION**

President Saint-Amand stated his opinions shared during this meeting are his own and do not necessarily reflect the opinions of his employer, nor the Board. **CONFLICT OF INTEREST**

**PUBLIC QUESTIONS AND COMMENTS**

The Board heard public comment from Mike Neel, Mike Sinnott, and Travis Reed. **PUBLIC COMMENTS**

**BOARD VACANCY**

One application was received to fill the Board vacancy. The applicant is previous Board member, Ron Kicinski. The selected candidate will fulfill the remaining time of the current term, ending in November 2024. Mr. Kicinski's application and supporting documents were included in the Board packet. **BOARD VACANCY**

**MOTION:** was made by Director Griffin and seconded by Director Rajtora appointing Ronald R. Kicinski as Director to fill the Board vacancy. Motion was carried, unanimously, by the following roll call vote:

President Saint-Amand:	Aye
Director Griffin:	Aye
Director Rajtora:	Aye
Vice President Boyd:	Aye

Don Zdeba administered the Oath of Office to Ron Kicinski. Mr. Kicinski attended the rest of meeting as a Director.

**CONSENT CALENDAR**

**CONSENT CALENDAR**

MOTION: was made by Director Rajtora and seconded by Vice President Boyd approving the Minutes of the September 12, 2022, Regular Board Meeting, Minutes of the payment of Accounts Payable totaling \$1,624,213.65, and Resolution No. 22-13: AB 361 Finding. Motion was carried, unanimously, by the following roll call vote:

President Saint-Amand:	Aye
Director Griffin:	Aye
Director Rajtora:	Aye
Director Kicinski	Aye
Vice President Boyd:	Aye

**PLANT & EQUIPMENT COMMITTEE**

**P&E: SURPLUS LIST**

Staff presented a list of surplus vehicles and other equipment/supplies. These will be advertised locally and on the District's website once approved by the Board. The vehicles will have a reserve price.

MOTION: was made by Director Griffin and seconded by Vice President Boyd approving the Surplus List as presented. Motion was carried, unanimously, by the following roll call vote:

President Saint-Amand:	Aye
Director Griffin:	Aye
Director Rajtora:	Aye
Director Kicinski	Aye
Vice President Boyd:	Aye

**INDIAN WELLS VALLEY GROUNDWATER AUTHORITY (IWVGA)**

**IWVGA**

Director Rajtora commented on the September 14, 2022, Board meeting of the IWVGA including:

- Next IWVGA Board meeting is scheduled for October 12, 2022
- The purchase 750 acre-feet of Table A water is progressing slower than anticipated. The due diligence period is being extended for an unforeseen amount of time. The down payment is also being postponed for the time being
- Imported Water Pipeline Alignment Study is still in progress and being conducted by Provost & Pritchard Consulting Group
- Future agenda items include: a lease agreement with the State of California for monitoring well access, an agreement with Antelope Valley East Kern (AVEK) Water Agency for pipeline alignment study support and deposit, approval of letter to AVEK regarding imported water connection
- Recycled Water Study is essentially completed, and the report is due by the end of the year
- Rose Valley sub-flow monitoring effort is scheduled to begin fall/winter 2022

- Board authorized the Water Resources Manager, Stetson Engineers, to prepare a Water Recycling Feasibility Study for the United States Bureau of Reclamation
- Capital Core Group (CCG) indicated DWR will begin grant proceedings for funding for Phase 2 of Sustainable Groundwater Management Act (SMGA) implementation
- IWVGA's transition to a new financial system is still in progress with no firm completion date

The Board heard public comment from Judie Decker, Mike Sinnott, and Mike Neel.

Jim Worth reported on recent actions regarding the Comprehensive Adjudication, including:

**COMPREHENSIVE  
ADJUDICATION**

- Judge granted a stay of discovery in the adjudication matters for 180 days
- Staff is reviewing members of the public in the valley who did not receive the mailer to serve them one more time to fulfill the requirement
- A Case Management Conference has been scheduled for December 2, 2022; 1:30 p.m.
- The second public meeting regarding the Department of Water Resources (DWR) Facilitation process was held on October 4<sup>th</sup>. The next steps are for Stantec to reach out to the Planning Committee and to discuss potential further tasks.

**GENERAL MANAGER AND STAFF UPDATE**

**GENERAL  
MANAGER AND  
STAFF UPDATE  
SAFETY,  
PRODUCTION &  
NEW SERVICES**

Don Zdeba updated the safety record to 538 consecutive days without a recordable injury.

Metered water production at the wells for the month of September was 190,147,300 gallons (583.5 acre-feet). The number the State Water Resources Control Board (SWRCB) is using for comparison is metered water through the distribution system, or consumption, and non-revenue water, which is water lost to leaks, flushing activities, blow-offs, etc. For the month of September, the number is 232,024,000 gallons (712.1 acre-feet).

Since June there has been a requirement from the State Board to submit a preliminary report with consumption, population, and R-gpcd by the third business day of the month. The preliminary report was submitted October 3<sup>rd</sup>. The full report is still required by the 28<sup>th</sup> of the month. District's full report was submitted on October 6<sup>th</sup>.

The conservation results for September show consumption down 22.3% compared to September 2013. The 20% conservation target established by the Board of Directors took effect June 2016. Since that time, the cumulative result is 23.4% on the strength of four consecutive months exceeding 30%.

In response to Governor Newsom's request for a voluntary 15% reduction to address current drought conditions, SWRCB is also comparing current water consumption to the same month in 2020. Comparing September 2020 to September 2022, there is an 1.3% reduction in consumption.

Comparing the September conservation results in recent years, 2021 was 24.2% lower than the 2013 baseline year, 2020 was 21.0% lower, 2019

was 16.1% lower, and 2018 was 10.7% lower. The residential gallons for capita per day (R-gpcd) for the month of September was 183.2. This includes both indoor and outdoor usage.

There was one new connection added during the month of September, contributing \$5,086 in Capital Facility Fees. There have been four new connections this fiscal year which began July 1<sup>st</sup>, contributing \$16,962 in Capital Facility Fees.

Mr. Zdeba commented he did attend the Community Collaborative meeting at City Hall on October 4<sup>th</sup>. He announced the Public Workshop for the Department of Water Resources (DWR) Facilitation process would be held that evening during which results from the stakeholder assessment interviews, as well as the responses from the online survey would be shared. He also mentioned the Board is seeking to fill the vacancy resulting from the passing of Director Cordell and that the District is still seeking candidates for the Junior Associate Board (JAB) Member pilot program. PUBLIC OUTREACH

Regarding the JAB Member pilot program, Sierra Sands Unified School District (SSUSD), Cerro Coso Community College, and the Chamber of Commerce are assisting with publicizing the program. Only one application has been received. Applications are due by Wednesday, November 9<sup>th</sup>.

Staff continues to work with Providence Strategic Consulting to promote WaterSmart. As of this morning, there are 1,545 active accounts accounting for 11.9% of customers. This is up from the 11.8% reported last month. There were 1,709 customer alerts issued in September and there have been 12,240 in the past 12 months.

Justin Thompson reported the footing was poured last week. Both the supply and discharge lines have been pressure tested. Backfill of the floor of the building has been completed and pouring of the floor is scheduled for next week. Construction on the C-zone tanks began this week. BOOSTER STATIONS AND TANKS PROJECT

Ty Staheli reported that the estimated year-to-date revenues as of September 30, 2022, are \$4,661,408 and expenses are \$4,437,822. Revenues exceeded expenditures by \$223,586, which is less than budget by \$28,786. FINANCIAL STATUS

Mr. Staheli reviewed the report provided by ENGIE Services for July 2022 through September 2022 with the Board. For September, the actual savings was \$50,066.93 and the guaranteed savings \$45,969.77. Since we just started a new fiscal year, the total savings thus far is \$151,753.07. At the Well 35 site, the actual savings for September was \$2,123.47 and guaranteed was \$1,906.73. The total savings since the Well 35 site went online January 2022 was \$19,173.03. SOLAR PRODUCTION

Mr. Staheli reported on the following conservation items: CONSERVATION  
State Water Resources Control Board (SWRCB) Water Waster Report - So far in 2022, there have been a total of 82 water waste reports received with 82 contacts made. There have been five formal Second Notices and zero penalties issued.

Jason Lillion reported that 16,955,000 gallons were produced from Arsenic Plant 2. Water Supply is currently prepping for removal of ARSENIC TREATMENT

current media at Arsenic Plant 1 in preparation for Pureflow to be onsite November 7<sup>th</sup> to install the underdrains and reinstall the media.

Mr. Lillion reported for the month of September, 18 services were replaced. The NO-DES made nine runs. Since inception, the NO-DES truck has filtered 8,594,235 gallons. 9 valves were exercised, 690 year-to-date. OPERATIONS

**BOARD COMMENTS/FUTURE AGENDA ITEMS**

The Board welcomed Director Kicinski back to the IWVWD Board of Directors. **BOARD  
COMMENTS**

Vice President Boyd and President Saint-Amand also congratulated and welcomed the next General Manager of the District, Travis Reed.

With no further Board or Public comments, President Saint-Amand recessed the meeting and adjourned to Closed Session at 7:22 p.m.

**CLOSED SESSION**

The meeting was reconvened in Closed Session at 7:32 p.m. **CLOSED  
SESSION**

Closed Session was adjourned at 8:47 p.m.

The meeting was reconvened to Open Session at 8:52 p.m.

No action was taken which would require disclosure under the Brown Act.

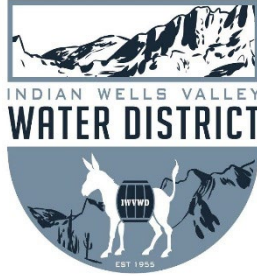
**ADJOURNMENT**

With no further business to come before the Board, the meeting was adjourned at 8:52 p.m. **ADJOURNMENT**

Respectfully submitted,

Lauren Smith  
Recording Secretary

**APPROVED:** \_\_\_\_\_



**11.A.3.**

**RESOLUTION NO. 22-14**

**RESOLUTION OF THE INDIAN WELLS VALLEY WATER DISTRICT, KERN AND SAN BERNARDINO COUNTIES, CALIFORNIA, AUTHORIZING REMOTE TELECONFERENCE MEETINGS FOR THE PERIOD OF November 14, 2022 - December 14, 2022, PURSUANT TO AB 361**

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**WHEREAS**, on March 4, 2020, Governor Newsom issued a Proclamation of State of Emergency in response to the COVID-19 pandemic, which Proclamation remains in effect; and

**WHEREAS**, on March 17, 2020, Governor Newsom issued Executive Order N-29-20, modifying the teleconferencing rules set forth in the California Open Meeting law, Government Code section 54950 et seq. (the "Brown Act"), subject to compliance with certain requirements; and

**WHEREAS**, on June 11, 2021, Governor Newsom issued Executive Order N-08-21, providing that the modifications would remain in place through September 30, 2021; and

**WHEREAS**, on September 16, 2021, Governor Newsom signed AB 361, providing that a legislative body subject to the Brown Act may continue to meet under modified teleconferencing rules if the meeting occurs during a proclaimed state of emergency and the legislative body holds a meeting during a proclaimed state of emergency for the purpose of determining, by majority vote, whether as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees; and

**WHEREAS** the rates of transmission of COVID-19 and variants in Kern County continue to pose imminent risks for health of attendees at indoor gatherings involving individuals from outside the same household; and

**WHEREAS**, to help protect against the spread of COVID-19 and variants, and to protect the health and safety of the public, the Indian Wells Valley Water District wishes to take the actions necessary to comply with the Brown Act, as amended and to continue to hold its meetings remotely via teleconference.

**NOW THEREFORE, BE IT RESOLVED** that the Board of Directors of the Indian Wells Valley Water District hereby find that pursuant to the Governor's State of Emergency Declaration, issued on March 4, 2020, there is a proclaimed State of Emergency in the State of California; and

**BE IT FURTHER RESOLVED** that the Board of Directors of the Indian Wells Valley Water District finds that meeting in person in the next 30 days would pose imminent health and safety risks to attendees; and



**BE IT FURTHER RESOLVED** that the Board of Directors of the Indian Wells Valley Water District approves meeting via teleconference for all Regular, Special, and Committee Meetings of the Board for the 30 days following this resolution, in accordance with Government Code section 59453(e) and other applicable provisions of the Brown Act.

All the foregoing being on the motion of Director and seconded by Director , and authorized by the following vote, namely:

AYES:

NOES:           None.

ABSENT:       None.

ABSTAIN:      None.

**I HEREBY CERTIFY** that the foregoing resolution is the resolution of Indian Wells Valley Water District as duly passed and adopted by said Board of Directors at a legally convened meeting held on the 14<sup>th</sup> day of November 2022.

**WITNESS** my hand and the official seal of said Board of Directors this 14<sup>th</sup> day of November 2022.

**ADOPTED AND APPROVED** this 14<sup>th</sup> day of November 2022.

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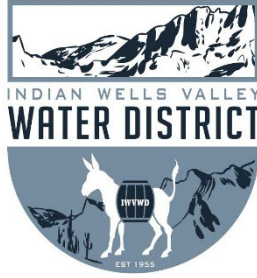
David C.H. Saint-Amand  
President, Board of Directors  
INDIAN WELLS VALLEY WATER DISTRICT

ATTEST:

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Donald M. Zdeba  
Secretary, Board of Directors  
INDIAN WELLS VALLEY WATER DISTRICT

(SEAL)



**11.B.1.**

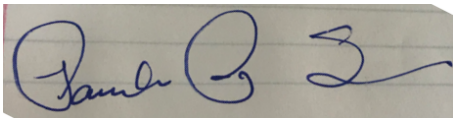
Pam Smith  
1186 S. Sunland St.  
Ridgecrest, CA. 93555

10/17/22  
APN: 343-200-26

**Formal Request for Variance**

IWVED Engineering Department,

I would like to make a request for a Variance on Lumill Ave. Currently, my engineer has submitted plans for a mainline extension on Monta Vista St. and Lumill Ave. I am requesting a variance from the requirement of running a pipeline across the full frontage of my property due to there not being a need. As the land sits and based on my understanding, and my engineers understanding all the APN's north of the subject property some 1/4 mile already have established service from the district. The APN's are as follows: 343-131-02, 343-131-01, 343-132-08, & 343-132-07. Due to this fact I feel it is unnecessary and would only create a larger flushing burden on district personnel. Secondly, if a property further north than those previously mentioned required service from the district it would be more cost effective, and frankly make more sense to connect and extend from other locations. Thank you for considering this request, if at any time you need anything else please feel free to contact me.



Pam Smith

(760) 608-9155



E FAR VISTA AV

LUMILL ST

E KENDALL AV

E KENDALL AV

LUMILL ST

Smith Parcel

MATURANGO ST

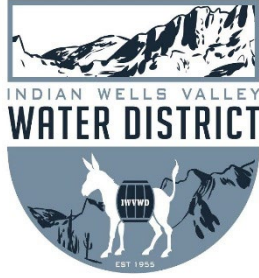
RICHMOND ST

E MONTE VISTA AV

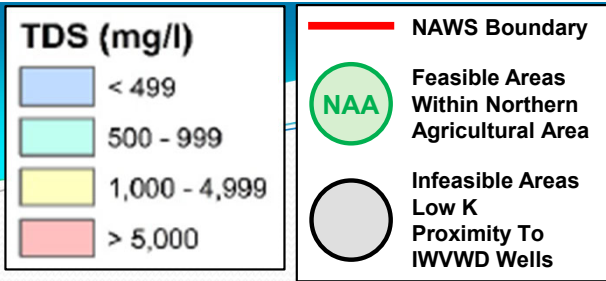
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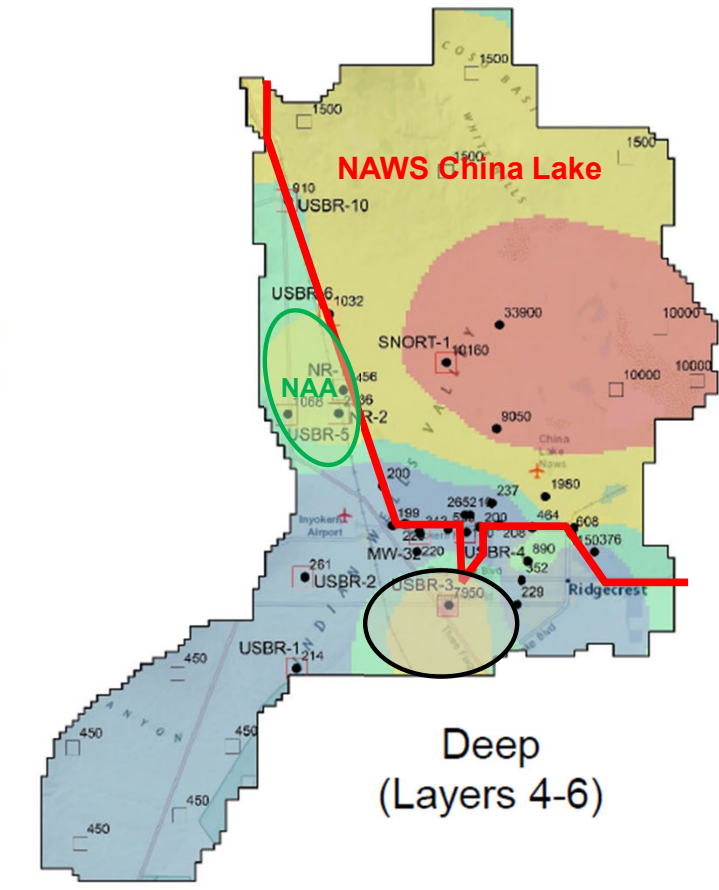
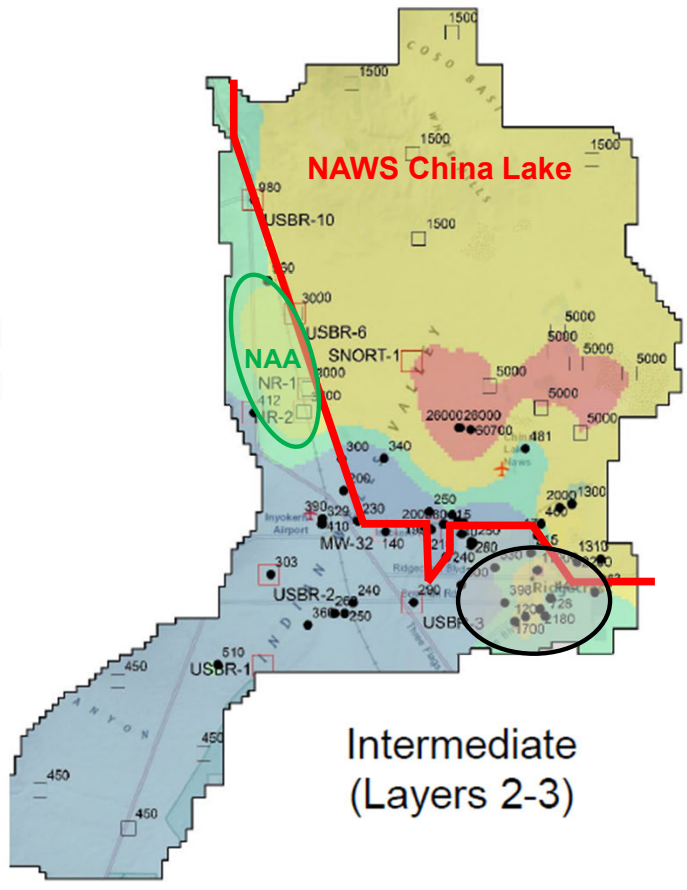
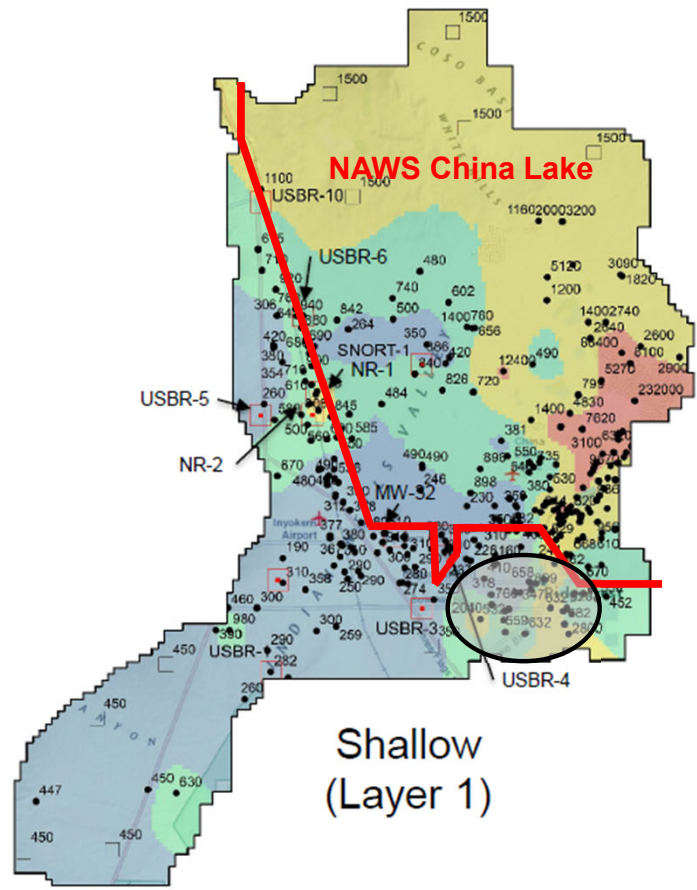
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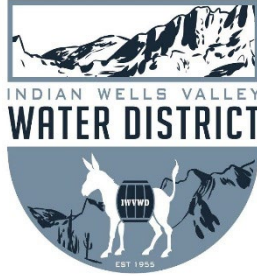


**11.C.**



# Brackish Groundwater Resources Largely Inaccessible





**11.E.2.**



Bringing  
Water  
Together

Oct. 31, 2022

Don Zdeba  
General Manager  
Indian Wells Valley Water District

Dear Mr. Zdeba:

Congratulations! Your district is one of the top ACWA 2022 Outreach winners in your region. Your outstanding efforts as part of the Outreach Program have helped ACWA accomplish its legislative goals this year.

Here is a list of the winning districts in each region for the 2022 Outreach Recognition Awards.

- Region 1: Hidden Valley Lake Community Services District**
- Region 2: Western Canal Water District**
- Region 3: City of Roseville and Amador Water Agency**
- Region 4: San Juan Water District**
- Region 5: Coastside County Water District**
- Region 6: Kings River Conservation District**
- Region 7: Indian Wells Valley Water District**
- Region 8: Three Valleys Municipal Water District**
- Region 9: Cucamonga Valley Water District**
- Region 10: Mesa Water**

ACWA will acknowledge your district and the other regional winners at the ACWA 2022 Fall Conference & Exhibition in Indian Wells, Wednesday, Nov. 30 at the Opening Breakfast. The overall winner will be announced at the breakfast. Note that the regional winners will be asked to stay after the Opening Breakfast to collect the awards and for photos.

Thank you for all of your hard work this year on helping advance ACWA's legislative goals!

Sincerely,

A handwritten signature in black ink, appearing to read "Dave Eggerton", is written over a light blue horizontal line.

Dave Eggerton  
ACWA Executive Director





# MEMORANDUM

November 7, 2022

To: Don Zdeba  
From: Lauren Smith  
Subject: 2022 Petroglyph Festival Report

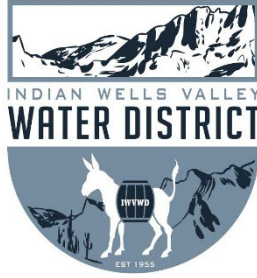
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There was an amazing turnout at the Petroglyph Festival this year; both days had great public attendance. Estimated conservation items distributed are as follows:

	<b>Low-Flow Hose Nozzles</b>	<b>Low- Flow Showerheads</b>	<b>Moisture Meters</b>	<b>Water Bottles/Cups</b>	<b>Reusable Bags</b>	<b>Miscellaneous</b>
<b>2021</b>	600	700	250	456	360	150 – At Home Water Audit Kit  250 – Calendars  500 – Chip Clips
<b>2022</b>	635	650	430	650	450	150 – At Home Water Audit Kit  200 – Calendars  550 – Chip Clips

Special thanks and appreciation to employees Robert Renfroe and John Svika for loading and unloading all the supplies for the event; Diana Nguyen, Isabel Tejada, Ana Chavez, Amber Chapin, Don Zdeba, and Lauren Smith for working the weekend. It wouldn't have been a success without them!

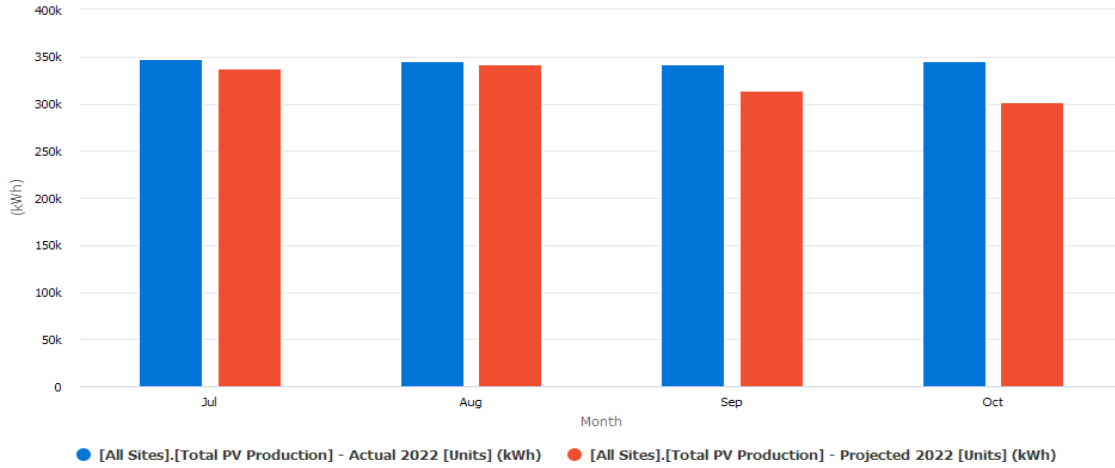
cc: Board of Directors  
Personnel Files



**11.E.7.**

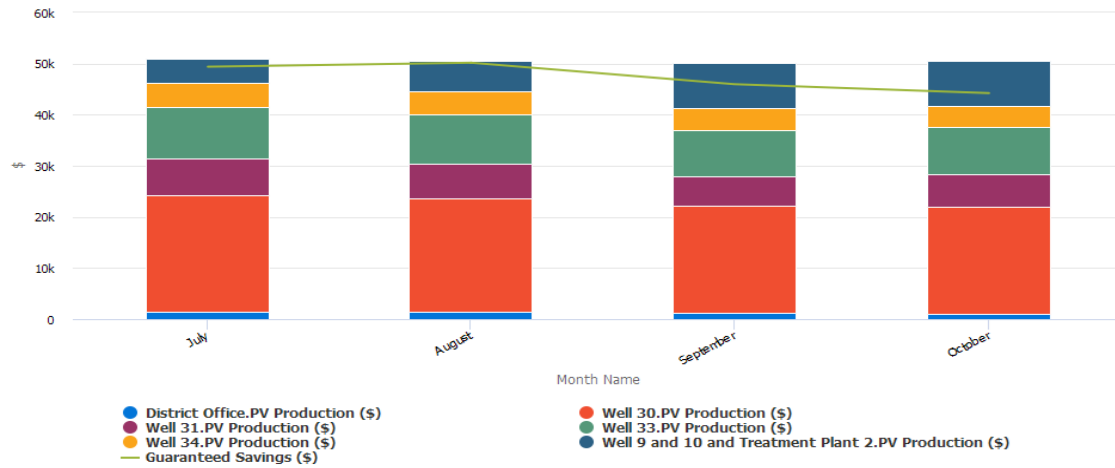
Monthly Photovoltaic Production and Energy Savings Report

### Year to Date Actual Production Compared to Projected Production



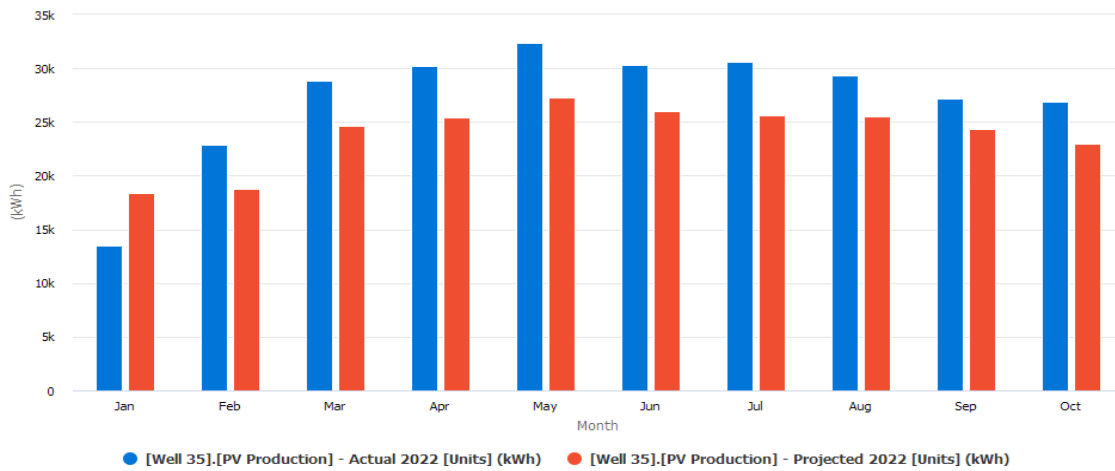
Month	Total PV Production Actual (kWh)	Total PV Production Actual (Cumulative)	Total PV Production Projected (kWh)	Total PV Production Projected (Cumulative)	Gross Variance	Relative Variance (%)	Cumulative Gross Variance	Cumulative Relative Variance (%)
Jul	347,895.00	347,895.00	337,011.00	337,011.00	10,884.00	3.23	10,884.00	3.23
Aug	345,453.00	693,348.00	342,322.00	679,333.00	3,131.00	0.91	14,015.00	2.06
Sep	341,397.00	1,034,745.00	313,653.00	992,986.00	27,744.00	8.85	41,759.00	4.21
Oct	345,038.00	1,379,783.00	301,748.00	1,294,734.00	43,290.00	14.35	85,049.00	6.57

### Performance Against Guarantee



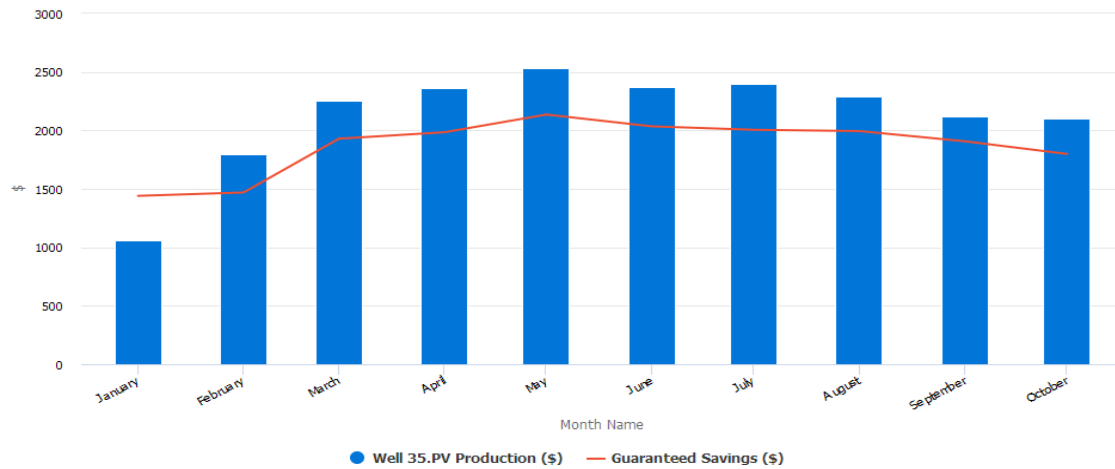
From	District Office	Well 30	Well 31	Well 33	Well 34	Wells 9A & 10	Guaranteed
7/1/22	1,525.46	22,793.83	7,057.20	10,064.88	4,720.96	4,873.94	49,393.18
8/1/22	1,354.46	22,244.20	6,864.58	9,652.70	4,494.66	6,039.27	50,171.57
9/1/22	1,170.60	21,020.99	5,812.05	9,073.10	4,147.64	8,842.55	45,969.77
10/1/22	989.96	21,019.21	6,416.02	9,197.21	4,156.20	8,802.92	44,224.95
						<b>Actual October</b>	<b>\$50,581.52</b>
						<b>Guarantee</b>	<b>\$44,224.95</b>
						<b>Savings this Fiscal Year</b>	<b>\$202,334.59</b>

## Year to Date Actual Production Compared to Projected Production

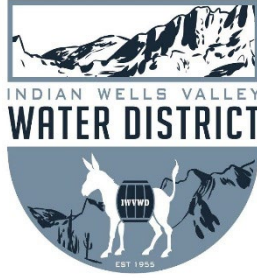


Month	Well 35 Production Actual (kWh)	Well 35 Production Actual Cummulative (kWh)	Well 35 Production (kWh) - Projected 2022	Well 35 Production Projected Cummulative (kWh)	Gross Variance	Relative Variance (%)	Cumulative Gross Variance	Cumulative Relative Variance (%)
Jan	13,496.48	13,496.48	18,415.00	18,415.00	-4,918.52	-26.71	-4,918.52	-26.71
Feb	22,916.40	36,412.88	18,787.00	37,202.00	4,129.40	21.98	-789.12	-2.12
Mar	28,828.46	65,241.34	24,669.00	61,871.00	4,159.46	16.86	3,370.34	5.45
Apr	30,221.42	95,462.76	25,373.00	87,244.00	4,848.42	19.11	8,218.76	9.42
May	32,372.71	127,835.47	27,308.00	114,552.00	5,064.71	18.55	13,283.47	11.60
Jun	30,274.37	158,109.84	26,018.00	140,570.00	4,256.37	16.36	17,539.84	12.48
Jul	30,613.00	188,722.84	25,642.00	166,212.00	4,971.00	19.39	22,510.84	13.54
Aug	29,302.03	218,024.87	25,500.00	191,712.00	3,802.03	14.91	26,312.87	13.73
Sep	27,154.35	245,179.22	24,383.00	216,095.00	2,771.35	11.37	29,084.22	13.46
Oct	26,873.56	272,052.78	22,999.00	239,094.00	3,874.56	16.85	32,958.78	13.78

## Performance Against Guarantee



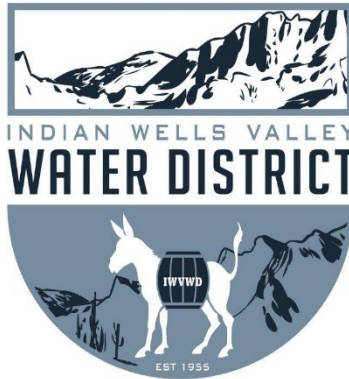
From	Well 35 Production (\$)	Guaranteed Savings (\$)
1/1/22	\$1,055.42	\$1,440.03
2/1/22	\$1,792.06	\$1,469.12
3/1/22	\$2,254.39	\$1,929.09
4/1/22	\$2,363.32	\$1,984.14
5/1/22	\$2,531.55	\$2,135.46
6/1/22	\$2,367.46	\$2,034.58
7/1/22	\$2,393.94	\$2,005.18
8/1/22	\$2,291.42	\$1,994.07
9/1/22	\$2,123.47	\$1,906.73
10/1/22	\$2,101.51	\$1,798.50
	<b>\$21,274.54</b>	<b>\$18,696.90</b>



**11.E.8.**

### SWRCB Water Waster Report

	# of water waste reports received	# of contacts made (written or verbal)	# of formal warning actions	# of penalties issued
Jan-22	5	5	0	0
Feb-22	3	3	1	0
Mar-22	2	2	2	0
Apr-22	8	8	0	0
May-22	15	15	1	0
Jun-22	7	7	0	0
Jul-22	4	4	1	0
Aug-22	22	22	0	0
Sep-22	16	16	0	0
Oct-22	8	8	0	0
Nov-22				
Dec-22				
SUBTOTAL 2015	378	376	40	10
SUBTOTAL 2016	406	399	28	3
SUBTOTAL 2017	70	68	10	4
SUBTOTAL 2018	60	58	7	4
SUBTOTAL 2019	56	56	8	1
SUBTOTAL 2020	42	42	8	2
SUBTOTAL 2021	131	131	12	4
SUBTOTAL 2022	90	90	5	0
<b>TOTAL</b>	<b>1233</b>	<b>1220</b>	<b>118</b>	<b>28</b>
TOTAL PENALTIES BILLED				\$2,950
TOTAL PENALTIES COLLECTED				\$2,550



The Mission of the

## **Indian Wells Valley Water District**

is to deliver the highest quality water at the best possible price while continuing to serve as respectful stewards of the environment.

The Vision of the

## **Indian Wells Valley Water District**

is to provide for self-sustaining water resources now and for generations to come.

**Board of Directors**