

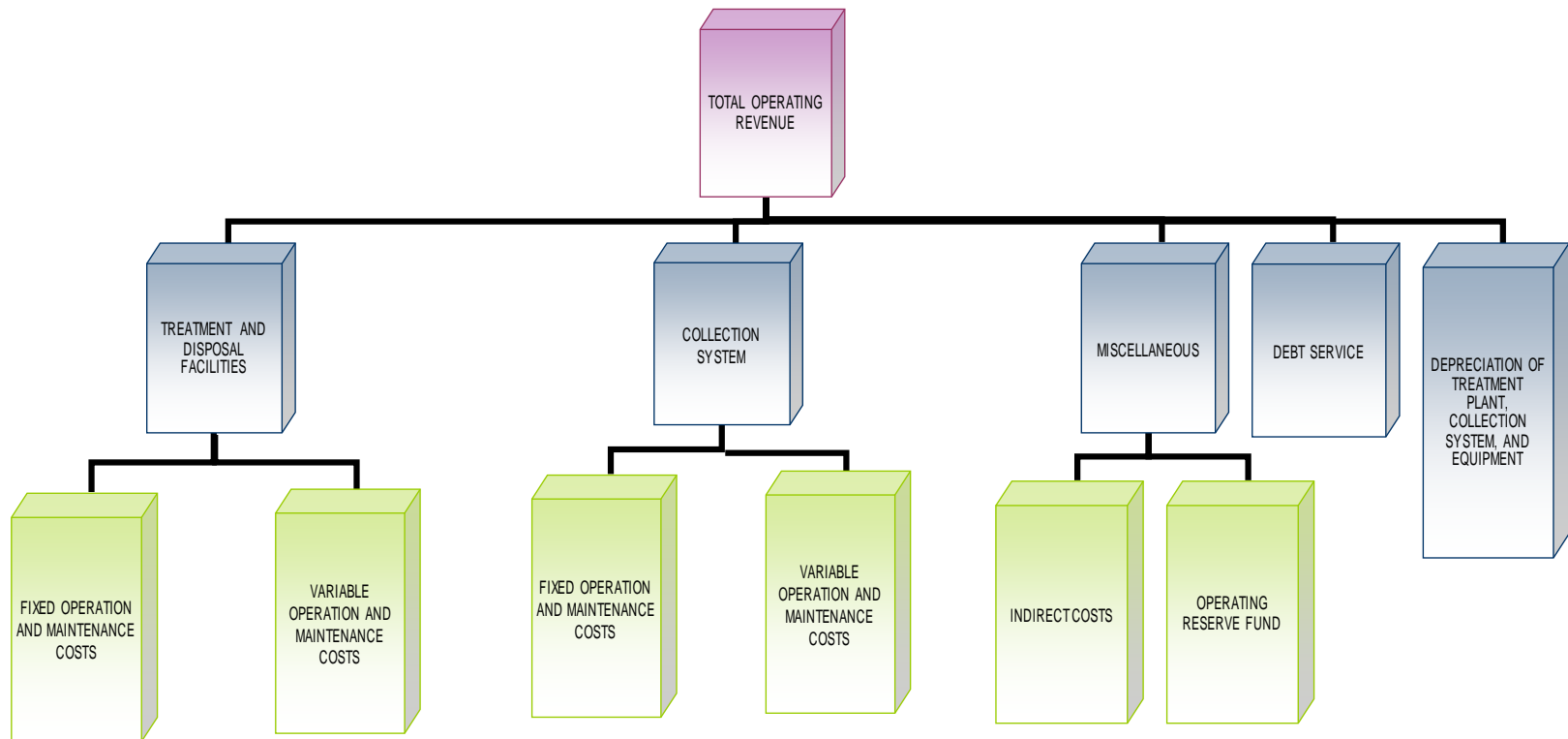
BEAR VALLY WATER DISTRICT

ENGINEERS REPORT 2013 RATE STUDY



Prepared by Weber, Ghio and Associates, Inc.

BEAR VALLEY WATER DISTRICT WASTEWATER SYSTEM EXPENDITURE BREAKDOWN



DEFINITION OF COSTS

Fixed Operation and Maintenance Costs	Costs which do not vary directly with wastewater flows (i.e. labor, testing, etc.)
Variable Operation and Maintenance Costs	Costs which vary directly with wastewater flows (i.e. chemicals, utility costs, etc.)
Depreciation of Treatment Plant, Distribution System and Equipment	Costs of depreciation of District facilities.
Debt Service	Expenditures required to service District debt.
Indirect Costs	Expenditures directly attributable to wastewater system administration, including billing/collection, state fees, and other indirect costs.
Operating Reserve Fund	Expenditures to cover unexpected events, unanticipated price increases, additional chemical usage, etc. Agencies normally operate with reserve being in the 20 to 40 percent range of total budget.

WHY DOES THE DISTRICT NEED A RATE MODIFICATION?

<u>Revenues:</u>	BUDGETED 2013/2014	BUDGETED 2014/2015	BUDGETED 2015/2016	THREE YEAR AVERAGE
Residential	\$574,637	\$574,637	\$574,637	\$574,637
Commercial	\$174,065	\$140,000	\$140,000	\$151,355
County Tax	\$0	\$0	\$0	\$0
Other Income	\$15,000	\$15,000	\$15,000	\$15,000
Fees USFS	\$8,471	\$8,000	\$8,000	\$8,157
Fees Lake Alpine	\$0	\$0	\$0	\$0
Non-Operating	\$0	\$0	\$0	\$0
Interest on Laif	\$500	\$500	\$500	\$500
Total	\$772,673	\$738,137	\$738,137	\$749,649
Budget Expenditures	\$775,068	\$969,107	\$786,528	\$843,568
Budget Revenues	\$772,673	\$738,137	\$738,137	\$749,649
Short Fall	(\$2,395)	(\$230,970)	(\$48,391)	(\$93,919)

INITIAL RATE STUDY + \$250K RESERVES 2014/2015

DESCRIPTION	BUDGETED 2013/2014	BUDGETED 2014/2015	BUDGETED 2015/2016	THREE YEAR AVERAGE
Collection, Fixed O&M	\$68,421	\$63,521	\$64,684	\$65,542
Collection, Variable O&M	\$3,000	\$3,090	\$3,183	\$3,091
Treatment Plant, Fixed O&M	\$217,575	\$435,578	\$238,903	\$297,352
Treatment Plant, Variable O&M	\$54,880	\$64,017	\$65,487	\$61,461
Depreciation ¹	\$100,000	\$100,000	\$100,000	\$100,000
Debt Service	\$56,343	\$56,338	\$56,337	\$56,339
Indirect	\$274,849	\$246,563	\$257,934	\$259,782
	Sub-Total:	\$775,068	\$969,107	\$786,528
	Reserves used:	\$0	\$250,000	\$0
	Misc. Income: ²	\$23,971	\$23,500	\$23,500
	Funds required:	\$751,097	\$695,607	\$763,028

¹ Depreciation collected (\$100,000) intended to pay for replacement projects and short term replacement items.

² County tax, other income, Fees USFS, Fees Lake Alpine, Non-operating, Interest on Laif

Commercial Revenue:	\$146,640	\$146,640	\$146,640	\$146,640
Total Fixed Costs:	\$693,217	\$628,500	\$694,358	\$672,025
Total Variable Costs:	\$57,880	\$67,107	\$68,670	\$64,552

DESCRIPTION	BUDGETED 2013/2014	BUDGETED 2014/2015	BUDGETED 2015/2016	THREE YEAR AVERAGE
Rates based upon all residential being considered equal and commercial based upon usage with a minimum charge:				
Monthly cost/Resid. Connection	\$92.59	\$84.09	\$94.42	\$90.37
% Increase over current \$76.50:	21%	10%	23%	18%
Monthly fixed cost rate per Residential/Commercial Connection	\$83.73	\$73.81	\$83.90	\$80.48

	# USERS
Residential ³	544
Commercial	20
Total:	564

³ Includes: 299 - New Sub, 45 - Old Sub, 22 - LA permittees, 178 - Condos

INITIAL RATE STUDY + 250K RESERVES IN 2014/2015

TOTAL INFLUENT FLOW (MG)	2012 CONSTITUENT FLOWS TO BVWD SYSTEM			OLD SUB. (45 HOUSES) (ESTIMATED) (MG)	CALCULATED INFILTRATION (MG)
	LAKE ALPINE BASIN TOTAL EXPORTED (MG)	BEAR VALLEY MOUNTAIN RESORT (MG)	LA WATER CO. METERS ALL (MG)		
17.198	1.476	0.459	8.716	0.799	5.748

DRY WEATHER FLOW: (MG)

11.45

YEAR:	COST PER GALLON			
	13-14	14-15	15-16	AVERAGE
FUNDS REQUIRED:	\$751,097	\$695,607	\$763,028	\$736,577
COST PER GALLON:	\$0.066	\$0.061	\$0.067	\$0.064

Name	12 MOS - GALS FY 12-13	AVERAGE COST PER GALLON	PROPOSED BILLING ¹	FY13-14 Billing ³
Bear Valley School	0	\$0.064	\$965.78	\$918.00
Community Center (Perry Walther)	12,380.23	\$0.064	\$965.78	\$959.48
Fire & Sheriff	56,378.28	\$0.064	\$3,626.81	\$4,369.38
Library (County Svcs Bldg)	3,194.92	\$0.064	\$965.78	\$918.00
Bear Valley Village II, LLC - Commercial Center East	308,435.98	\$0.064	\$19,841.65	\$23,904.11
BV Warehouse & Residence	2,795.46	\$0.064	\$965.78	\$918.00
BV Condo Management & Laundromat	39,614.48	\$0.064	\$965.78	\$918.00
Bear Valley Village II, LLC - Commercial Center West	586,770.42	\$0.064	\$37,746.88	\$45,475.33
Bear Valley Village II, LLC - Pool Complex	141,800.36	\$0.064	\$965.78	\$918.00
Bear Valley Cross Co (Service Station)	53,122.02	\$0.064	\$3,417.33	\$4,117.01
Bear Valley Cross Co (Warming Hut)	11,585.05	\$0.064	\$965.78	\$918.00
BV Transportation Center	6,284.37	\$0.064	\$965.78	\$918.00
BV Water District	24,610.85	\$0.064	\$0.00	\$0.00
BaseCamp	11,519.97	\$0.064	\$965.78	\$918.00
AT&T	0	\$0.064	\$965.78	\$918.00
LAWC Services	1,962.88	\$0.064	\$965.78	\$918.00
Lake Alpine Resort	179,910.00	\$0.064	\$11,573.59	\$13,943.21
USFS	342,424.00	\$0.064	\$22,028.10	\$26,538.22
Bear Valley Mountain Resort - Day Lodge	572,300.00	\$0.064	\$36,816.00	\$44,353.85
Bear Valley Mountain Resort - Maint Station	0	\$0.064	\$965.78	\$1,224.00

MIN²
MIN²

TOTALS: 2,355,089.27 **\$146,639.75** **\$174,064.60**

¹ If usage > average residential usage then yearly Commercial rate = cost per gallon x usage
 If usage < average residential usage then yearly Commercial rate = minimum charge based upon monthly fixed cost rate per Commercial Connection x 12

² Set to monthly fixed cost rate per Commercial Connection x 12 due to inaccurate usage data

³ Yearly/monthly billings to be based upon prior years 12 months water meter readings.

		%	SHARE OF THREE YEAR AVERAGE FUNDS REQUIRED
	%	OF TOTAL	
2012-2013 DRY WEATHER FLOW:	11,450,000		
2012-2013 Commercial flows: (Gal):	2,355,089	21%	\$151,503
2012-2013 Residential flow total: (Gal)	9,094,911	79%	\$585,075
Average flow per residence per year: (Gal)	16,719		
Average flow per commercial per year: (Gal)	117,754		

**BEAR VALLEY WATER DISTRICT
2013 RATE STUDY
PROPOSED RATES⁽¹⁾**

Residential Rate	Residential Fixed Cost Rate	Cost per Gallon
\$90.37	\$80.48	\$0.064

(1) PROPOSED RATES EFFECTIVE FOR 2014/2015 AND 2015/2016 FISCAL YEARS COMMENCING IN FISCAL YEAR 2016/2017, THE ABOVE RATES MAY BE ADJUSTED ANNUALLY UP TO THE PERCENTAGE INCREASE, IF ANY, OF THE UNITED STATES DEPARTMENT OF LABOR ALL ITEM CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS (CPI-U) - (1982-84 BASE 100) DURING THE TWELVE MONTHS ENDING IN THE PRECEEDING MARCH 1 OF THE PRIOR FISCAL YEAR.