

MINUTES OF THE  
FISCAL POLICY COMMITTEE OF  
VISTA IRRIGATION DISTRICT

February 3, 2014

A Meeting of the Fiscal Policy Committee was held on Monday, February 3, 2014, at the offices of the District, 1391 Engineer Street, Vista, California.

**1. CALL TO ORDER**

Chair Dorey called the meeting to order at 1:20 p.m.

**2. ROLL CALL**

Directors present: Chair Dorey and Director MacKenzie.

Staff present: Roy Coox, General Manager; Lisa Soto, Secretary of the Board; Eldon Boone, Assistant General Manager; Marlene Kelleher, Finance Manager; Farrokh Shahamiri, Finance Associate; Al Ducusin, Engineering Manager; Don Smith, Director of Water Resources; and Dan Dambach, Field Services Manager.

**3. APPROVAL OF AGENDA**

The agenda was approved as presented.

**4. PUBLIC COMMENT TIME**

There were no members of the public present.

**5. DISTRICT FEES AND CHARGES OTHER THAN WATER RATES**

See staff report attached hereto.

General Manager Roy Coox confirmed that the meeting agenda and staff report for Item 5 was sent to the Building Industry Association (BIA) per the BIA's request. Finance Associate Farrokh Shahamiri presented an overview of the proposed revisions to the District's fees and charges. Mr. Shahamiri stated that there have been a few revisions to Page 1 of the Fee Summary, and he handed out a new Page 1 showing the revisions (attached hereto as Exhibit A). Mr. Shahamiri explained that the first two revisions were to correct a couple of "rounding to the nearest dollar" errors. He also noted that some additional line items were added towards the bottom of the page relative to Temporary Offsite Meters and Temporary Service Agreements. He explained that these "per foot charges" are already existent fees which have merely been itemized on the list for clarity.

Mr. Shahamiri stated that most of the proposed fee increases can be attributed primarily to the cost of parts associated with that fee. He noted that in the cases of fees which don't involve the purchase of parts, most have remained unchanged or have only changed slightly. Mr. Shahamiri noted that all of the capacity fees are proposed to be decreased. He explained that this can be attributed to the Board's decision to repair the flume rather than replace it. Chair Dorey recalled that a few years ago there was a column included on the Fee Summary showing the fee changes by percentages. Chair Dorey asked that such a column be added to the Fee Summary before it is presented to the full Board. Director MacKenzie

noted that a 3" construction meter would use a backflow device and she asked that the words "with backflow device" be added to that item in the Fee Summary.

Mr. Boone described the process for the detailed cost studies performed in order to provide a nexus and justification for all fees and charges imposed. The Committee further discussed and approved the proposed revisions to the District's fees and charges. The Committee stated its recommendation that the Board of Directors call for a public hearing at the next Board of Directors meeting on February 19, 2014. The purpose of the public hearing will be to receive comments on the revisions to the District's Rules and Regulations relative to fees and charges other than water rates.

**6. 2015 BUDGET PLANNING**

See staff report attached hereto.

Staff discussed with the Committee the upcoming Fiscal Year 2015 Budget preparations. Mr. Coox indicated that as in the past, the goal will be to continue holding costs down. He stated that the budget process is just getting started, and he hopes to have a draft budget to present to the Fiscal Policy Committee by the end of April. He estimated that the Budget would be ready to present to the full Board in May or June. There was a discussion about the cut list which is typically presented along with the Budget. Director MacKenzie asked that staff prioritize the cut list to provide context for the items and projects on the list. There was a brief discussion about the District's legal fees.

**6. COMMENTS BY COMMITTEE MEMBERS**

None were presented.

**7. COMMENTS BY GENERAL MANAGER**

None were presented.

**8. ADJOURNMENT**

There being no further business to come before the Committee, at 2:00 p.m. Chair Dorey adjourned the meeting.

  
Paul E. Dorey, Chair

ATTEST:

  
Lisa R. Soto, Secretary  
Board of Directors  
VISTA IRRIGATION DISTRICT



**FISCAL POLICY COMMITTEE  
STAFF REPORT**

**Agenda Item: 5**

**Meeting Date:**  
**Prepared By:**  
**Reviewed By:**  
**Approved:**

**February 3, 2014**  
**Marlene Kelleher**  
**Eldon Boone**  
**Roy Coox**

**SUBJECT:** DISTRICT FEES AND CHARGES OTHER THAN WATER RATES

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

**PRIOR BOARD ACTION:**

- 2/20/13 Called for a public hearing to be held on March 20, 2013 to receive comments on revisions to the District's Rules and Regulations relative to fees and charges other than water rates.
- 3/20/13 Conducted a public hearing. There were no public comments, written or oral, presented. Adopted Resolution No. 13-7 revising Rules and Regulations of the District relative to fees and charges other than water rates.

**FISCAL IMPACT:** The revenue produced by these fees and charges is designed to recover the costs associated with the services provided by the District. Adoption of the new miscellaneous fees and charges will increase revenue to the District based on the number and type of transactions that take place. In FY 2013, the District collected approximately \$1.1 million in revenues from miscellaneous fees and charges. Staff estimates an increase in annual fee revenues of approximately \$30,000.

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

A new fee for the Temporary Offsite Meter was developed which allows the customer to hire a plumber and obtain the permit needed for the tieback. Fees relating to Residential Fire Service Conversion were eliminated due to the fee no longer being applicable.

The District's fees and charges are being presented to the Fiscal Policy Committee for review and discussion prior to consideration by the full Board. After the Committee's review and recommendation, the Board will be asked to call for and conduct a public hearing prior to adopting the revised fees and charges.

**DETAILED REPORT:** Staff has performed detailed costs studies on all fees and charges. This year, approximately 500 pages of detailed data and calculations were reviewed and analyzed as part of the study. The proposed changes are necessary due to inflationary factors and the updated results of the very detailed analysis of the cost make-up of each fee. The proposed fees are calculated using current costs for labor, materials and outside services.

**ATTACHMENTS:** Proposed Fee Summary

**Vista Irrigation District**  
**FEE SUMMARY**  
**Effective: \_\_\_\_\_, \_\_\_\_\_, 2014**

<b>Construction Fees:</b>	<b>Current Fee</b>	<b>Increase/ (Decrease)</b>	<b>Proposed Fee</b>
5/8" Meter Full Install	\$ 4,589	\$ 238	\$ 4,827
5/8" Meter Hook On	690	105	795
5/8" Service Outlet	3,899	132	4,031
3/4" Meter Full Install	4,614	204	4,818
3/4" Meter Hook On	724	62	786
3/4" Service Outlet	3,890	141	4,031
1" Meter Full Install	4,667	194	4,861
1" Meter Hook On	777	53	830
1" Service Outlet	3,890	141	4,031
1 1/2" Meter Full Install	5,961	233	6,194
1 1/2" Meter Hook On	1,113	164	1,277
1 1/2" Service Outlet	4,848	69	4,917
2" Meter Full Install	6,729	237	6,966
2" Meter Hook On	1,452	175	1,627
2" Service Outlet	5,277	62	5,339
Fire Hydrant Full Install	12,215	540	12,755
Fire Hydrant Upgrade	6,166	(115)	6,051
4" Fire Service Connection	8,634	514	9,148
6" Fire Service Connection	9,072	620	9,692
8" Fire Service Connection	9,926	743	10,669
10" Fire Service Connection	11,200	1,206	12,406
Air Vent, Blow Off, and Gate Valve for Fire Service	3,493	(132)	3,361
<del>Residential Fire Service Conversion Fee</del>	<del>777</del>	<del>-</del>	<del>777</del>
Commercial Irrigation Service Conversion Fee	2,149	(329)	1,820
Backflow Device Set-up	222	2	224
Reset Pressure Valve	167	1	168
1" Construction Meter Deposit	475	14	489
Refundable Amount	114	-	114
1" Construction Meter Deposit With Spanner	503	13	516
Refundable Amount	137	-	137
3" Construction Meter Deposit	1,407	1,236	2,643
Refundable Amount	710	884	1,594
Unauthorized Taking of District Water	2,237	106	2,343
Relocate Construction Meter	139	1	140
Unauthorized Construction Meter Move Penalty	285	3	288
Subdivision Construction Meter Deposit	5,319	92	5,411
Refundable Amount	3,959	56	4,015
Meter Service Lateral Termination	1,689	52	1,741
Temporary Offsite Meter	13,508	(340)	13,168
Temporary Offsite Meter Excluding Plumber Tie Back and Permit*	-	11,563	11,563
Permanent Water Service Pursuant to a Temporary Service Agreement	14,182	(324)	13,858
Cancellation of Meter Application	219	4	223
Meter Downsize from 3/4"	629	(88)	541
Meter Downsize from 1"	629	(88)	541
Meter Downsize from 1 1/2"	933	(97)	836
Meter Downsize from 2"	921	136	1,057

\* New Fee

# Vista Irrigation District

## FEE SUMMARY

Effective: \_\_\_\_\_, \_\_\_\_\_, 2014

	<u>Current Fee</u>	<u>Increase/ (Decrease)</u>	<u>Proposed Fee</u>
<b>Engineering Fees:</b>			
Hydraulic Analysis with Schematic Layout	\$ 519	\$ 4	\$ 523
Statement of Cost	352	3	355
Update Statement of Cost	186	1	187
Specifications Book Cost	72	4	76
Plan Check (per Sheet)	444	4	448
Construction Contract	883	8	891
Water Availability Letter	228	2	230
Water Availability Letter Update	121	1	122
Private Ownership Agreement	794	8	802
Grant of Right of Way (to Public)	566	15	581
Restoration of Water Rights	251	131	382
Assignment of Water Rights	480	(42)	438
Imported Water Entitlement	417	21	438
Quitclaim/Cancellation of Recorded Documents	674	16	690
Fire Flow Analysis (Only)	194	2	196
Annexation Fee (per Acre)	5,779	335	6,113
Annexation/Administration - VID Not Conducting Agency	1,999	18	2,017
Annexation/Administration - VID Conducting Agency	1,999	18	2,017
Annexation/Administration - VID Conducting Reorganization	1,999	18	2,017
Detachment Fee (per Acre)	-	-	-
Detachment/Administration - VID Conducting Agency	1,999	18	2,017
Detachment/Administration - VID Not Conducting Agency	1,999	18	2,017
5/8" Capacity Fee	<i>Current # of meters:</i> 6,814	3,328	(24)
3/4" Capacity Fee	<i>Current # of meters:</i> 16,478	4,993	(37)
1" Capacity Fee	<i>Current # of meters:</i> 2,645	8,321	(61)
1 1/2" Capacity Fee	<i>Current # of meters:</i> 1,293	16,642	(123)
2" Capacity Fee	<i>Current # of meters:</i> 869	26,627	(197)
3" Capacity Fee	<i>Current # of meters:</i> 70	53,254	(393)
4" Capacity Fee	<i>Current # of meters:</i> 14	83,209	(614)
6" Capacity Fee	<i>Current # of meters:</i> 13	166,418	(1,227)
8" Capacity Fee	<i>Current # of meters:</i> 3	266,269	(1,964)
10" Capacity Fee	<i>Current # of meters:</i> 1	382,762	(2,824)
12" Capacity Fee	<i>Current # of meters:</i> 0	715,598	(5,279)
Meter Service Lateral Inspection	537	4	541
RPDA Inspection	814	7	821
RPDA and Lateral Inspection Without Shutdown	1,480	13	1,493
RPDA and Lateral Inspection With Shutdown	1,813	16	1,829
Fire Hydrant Inspection	814	7	821
Fire Hydrant and Lateral Inspection without Shutdown	1,480	13	1,493
Fire Hydrant and Lateral Inspection with Shutdown	1,813	16	1,829

**Vista Irrigation District**  
**FEE SUMMARY**  
**Effective: \_\_\_\_\_, \_\_\_\_\_, 2014**

	<u>Current Fee</u>	<u>Increase/ (Decrease)</u>	<u>Proposed Fee</u>
<b><u>Customer Service Fees:</u></b>			
Late Payment	\$ 12	\$ -	\$ 12
Door Hanger	48	-	48
Non-Payment Lock	129	1	130
After Hours Lock or Unlock	147	1	148
Broken Lock	147	1	148
Pulled Meter	147	1	148
Tax Roll	67	(11)	56
Returned Check	33	1	34
Voluntary Lock or Unlock	56	-	56
Meter Bench Test	287	2	289
<b><u>Water Conservation Fees:</u></b>			
Second Water Citation within 12 Months	\$ 195	\$ 2	\$ 197
Third Water Citation within 12 Months	389	4	393
Four or More Water Citations within 12 Months	583	6	589
1" and Smaller Flow Restrictor Installation & Removal	260	1	261
1½" and 2" Flow Restrictor Installation & Removal	494	1	495
<b><u>Miscellaneous Charges:</u></b>			
Parts and/or Materials Overhead Factor	25 %	-	25 %
Contractual Administration	7 %	-	7 %

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\* New Fee



**FISCAL POLICY COMMITTEE  
STAFF REPORT**

**Agenda Item: 6**

**Meeting Date:**  
**Prepared By:**  
**Reviewed By:**  
**Approved:**

**February 3, 2014**  
**Marlene Kelleher**  
**Eldon Boone**  
**Roy Coox**

SUBJECT: FISCAL YEAR 2015 BUDGET PLANNING

RECOMMENDATION: For information only.

PRIOR BOARD ACTION: None.

FISCAL IMPACT: None.

SUMMARY: Staff would like to meet with the Fiscal Policy Committee to plan the upcoming Fiscal Year 2015 Budget and obtain the Committee's suggestions and input. The budget process begins around this time each year and staff spends March and April compiling the detailed budget document. Staff plans to present a draft of the 2015 Budget to the Fiscal Policy Committee towards the end of April.