

MINUTES OF THE REGULAR MEETING OF THE
FISCAL POLICY COMMITTEE OF
VISTA IRRIGATION DISTRICT

February 9, 2010

A Regular Meeting of the Fiscal Policy Committee was held on Tuesday, February 9, 2010, at the offices of the District, 1391 Engineer Street, Vista, California.

1. CALL TO ORDER

Chair MacKenzie called the meeting to order at 2:04 p.m.

2. ROLL CALL

Directors present: Chair MacKenzie and Director Williams.

Staff present: Roy Coox, General Manager; Eldon Boone, Assistant General Manager/Treasurer; Brian Smith, Director of Engineering; Farrokh Shahamiri, Finance Associate; Marlene Kelleher, Finance Manager; and Marian Schmidt, Administrative Assistant.

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

The Committee reviewed the proposed revisions to the District's fees and charges. Staff reported to the Committee that the purpose of these fees and charges is to cover costs associated with the services provided by the District. Staff further reported that these revisions to the fees and charges are necessary to properly account for increased material costs, updated process analyses, increased labor costs, increased costs of outside services, and additional regulatory compliance.

It was further discussed that staff performs detailed cost studies each year, in order to provide a nexus and justification for all fees and charges imposed. Changes are necessary due to inflationary factors and updated results of the detailed analysis of the cost make-up of each fee, which includes calculations based on current costs for labor, materials and outside services.

The Committee further discussed these proposed revisions with staff and will recommend to the Board of Directors to 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 at the next Board of Directors meeting on February 17, 2010.

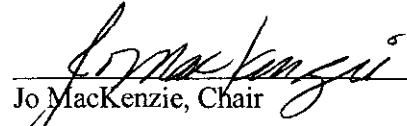
6. FISCAL YEAR 2011 BUDGET PLANNING

Staff discussed with the Committee the upcoming Fiscal Year 2011 Budget preparations. General Manager Coox indicated that the goal will continue to be holding costs down, particularly in light of the ongoing recession, but that maintenance and other costs that have been deferred for the past two years will need to be addressed. He stated that the budget process will be a balancing act between necessary


expenses, existing water rates, and anticipated revenues based on water sales. Staff plans to present a draft of the 2011 budget to the Committee in April and will present the budget to the Board in May.

7. ADJOURNMENT

There being no further business to come before the committee, Chair MacKenzie adjourned the meeting at 3:16 p.m.


Jo MacKenzie, Chair

ATTEST:


Marian Schmidt, Assistant Secretary
Board of Directors
VISTA IRRIGATION DISTRICT



**VISTA
IRRIGATION
DISTRICT**
FISCAL POLICY COMMITTEE
STAFF REPORT

Agenda Item: 5

Board Meeting Date: February 9, 2010
Prepared By: Marlene Kelleher
Reviewed By: Eldon Boone
Approved By: 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:

- 2/4/09 Called for a public hearing on February 18, 2009 to receive comments on revisions to the District's Rules and Regulations relative to fees and charges other than water rates.
- 2/18/09 Conducted a public hearing. There were no public comments, written or oral, presented. Adopted Resolution No. 09-05 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 cover 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 types of transactions that take place. In FY 2009, the District collected approximately \$950,000 in revenues from miscellaneous fees and charges. Staff estimates an increase in annual fee revenues of approximately \$50,000.

SUMMARY: The District's fees and charges need revision to properly account for changes in the cost of labor, materials, and outside services. 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 analysis, increased labor costs, increased costs of outside services and the development of new cost studies to support certain fees.

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. Once the Committee decides to recommend revisions to the District's fee schedule, the Board will be asked to call for and conduct a public hearing to adopt the revised fees and charges.

DETAILED REPORT: Staff has performed detailed cost studies on all fees and charges. The proposed changes are necessary due to inflationary factors and the updated results of the very detailed analysis of the cost make-up of each fee. The proposed fees are calculated using current costs for labor, materials and outside services.

The hourly rate used in the proposed fees is \$101 per hour. This is a 4.1% increase from the \$97 per hour rate currently used. It should be noted that the hourly rate of \$101 includes labor, supervision, fringe benefits, the use of equipment, and overhead costs.

Fees for meter installations and certain engineering services increased over the prior year primarily due to updated time and motion studies and the increased cost of materials.

ATTACHMENT: Fee Summary

Vista Irrigation District FEE SUMMARY

	Current Fee	Increase/ (Decrease)	Proposed Fee
Construction Fees:			
¾" X 1" Meter Full Install	\$ 2,539	\$ 1,321	\$ 3,860
¾" X 1" Meter Hook On	486	160	646
¾" X 1" Service Outlet	2,247	967	3,214
1" Meter Full Install	2,591	1,330	3,921
1" Meter Hook On	538	169	707
1" Service Outlet	2,247	967	3,214
1½" Meter Full Install	3,815	1,028	4,843
1½" Meter Hook On	841	175	1,016
1½" Service Outlet	3,168	659	3,827
2" Meter Full Install	4,472	1,264	5,736
2" Meter Hook On	1,103	182	1,285
2" Service Outlet	3,563	888	4,451
Fire Hydrant Full Install	10,771	437	11,208
Fire Hydrant Upgrade	4,971	247	5,218
4" Fire Service Connection	7,679	343	8,022
6" Fire Service Connection	8,046	423	8,469
8" Fire Service Connection	8,447	399	8,846
10" Fire Service Connection	9,052	1,101	10,153
Air Vent, Blow Off, and Gate Valve for Fire Service	2,614	223	2,837
Residential Fire Service Conversion Fee *	-	726	726
Commercial Irrigation Service Conversion Fee *	-	1,805	1,805
Backflow Device Set-up	194	8	202
Reset Pressure Valve	162	(10)	152
¾" X 1" Jumper Deposit	102	3	105
Refundable Amount	80	4	84
1" Jumper Deposit	143	25	168
Refundable Amount	118	23	141
1½" Jumper Deposit	244	15	259
Refundable Amount	208	15	223
2" Jumper Deposit	338	27	365
Refundable Amount	293	25	318
1" Construction Meter Deposit	489	48	537
Refundable Amount	114	-	114
1" Construction Meter Deposit With Spanner	516	49	565
Refundable Amount	137	-	137
3" Construction Meter Deposit	1,296	52	1,348
Refundable Amount	710	-	710
Unauthorized Taking of District Water	1,454	1,021	2,475
Relocate Construction Meter	97	26	123
Unauthorized Construction Meter Move Penalty	233	1	234
Subdivision Construction Meter Deposit	4,673	141	4,814
Refundable Amount	3,519	83	3,602
Subdivision Construction Meter Individually Billed Deposit	4,689	43	4,732
Refundable Amount	3,519	3	3,522
Service Lateral Termination	1,564	76	1,640
Temporary Offsite Meter	11,641	948	12,589
Permanent Water Service Pursuant to a Temporary Service Agreement*	-	12,589	12,589
Cancellation of Meter Application	184	8	192

* New Fee

These fees supersede any previously adopted fees.

Proposed Effective Date:
_____, 2010

Vista Irrigation District FEE SUMMARY

	<u>Current Fee</u>	<u>Increase/ (Decrease)</u>	<u>Proposed Fee</u>
Engineering Fees:			
Hydraulic/Schematic/Statement of Cost	\$ 502	\$ (502)	\$ -
Hydraulic Analysis with Schematic Layout*	-	422	422
Statement of Cost*	-	270	270
Update Statement of Cost	130	14	144
Specifications Book Cost	82	2	84
Plan Check (per Sheet)	340	47	387
Construction Contract	631	127	758
Water Availability Letter	103	54	157
Water Availability Letter Update	49	36	85
Private Ownership Agreement	605	49	654
Grant of Right of Way (to Public)	413	41	454
Restoration of Water Rights	121	31	152
Assignment of Water Rights	121	187	308
Imported Water Entitlement	121	187	308
Quitclaim of Easement	386	91	477
Quitclaim of Mineral Rights	386	91	477
Quitclaim of Right to Enter	386	91	477
Fire Flow Analysis (Only)	97	55	152
Annexation Fee (per Acre)	5,635	270	5,905
Annexation/Administration - VID Not Conducting Agency	1,456	161	1,617
Annexation/Administration - VID Conducting Agency	1,456	161	1,617
Annexation/Administration - VID Conducting Reorganization	1,553	64	1,617
Detachment Fee (per Acre)	-	-	-
Detachment/Administration - VID Conducting Agency	1,456	161	1,617
Detachment/Administration - VID Not Conducting Agency	1,456	161	1,617
¾" Capacity Fee	<i>Current # of meters:</i> 23,001	3,819	183
1" Capacity Fee	<i>Current # of meters:</i> 2,593	6,365	306
1½" Capacity Fee	<i>Current # of meters:</i> 1,277	12,729	611
2" Capacity Fee	<i>Current # of meters:</i> 877	20,367	978
3" Capacity Fee	<i>Current # of meters:</i> 87	40,734	1,955
4" Capacity Fee	<i>Current # of meters:</i> 14	63,647	3,055
6" Capacity Fee	<i>Current # of meters:</i> 17	127,294	6,110
8" Capacity Fee	<i>Current # of meters:</i> 4	203,670	9,776
10" Capacity Fee	<i>Current # of meters:</i> 1	292,776	14,053
12" Capacity Fee	<i>Current # of meters:</i> 0	547,364	26,273
Service Lateral Inspection	445	43	488
RPDA Inspection	687	54	741
RPDA and Lateral Inspection Without Shutdown	1,269	78	1,347
RPDA and Lateral Inspection With Shutdown	1,560	90	1,650

* New Fee

Vista Irrigation District FEE SUMMARY

	<u>Current Fee</u>	<u>Increase/ (Decrease)</u>	<u>Proposed Fee</u>
<u>Customer Service Fees:</u>			
Late Payment	\$ 10	\$ -	\$ 10
Door Hanger	42	1	43
Non-Payment Lock	113	5	118
Broken Lock	136	(3)	133
Pulled Meter	136	(3)	133
Tax Roll	59	2	61
Returned Check	30	1	31
Voluntary Lock or Unlock	49	2	51
After Hours Lock or Unlock	136	(3)	133
Meter Bench Test	234	27	261
<u>Water Conservation Fees:</u>			
Second Water Citation within 12 Months	\$ 195	\$ 8	\$ 203
Third Water Citation within 12 Months	351	21	372
Four or More Water Citations within 12 Months	506	35	541
1" and Smaller Flow Restrictor Installation & Removal	227	9	236
1½" and 2" Flow Restrictor Installation & Removal	431	17	448
<u>Miscellaneous Charges:</u>			
Parts and/or Materials Overhead Factor	25 %	-	25 %
Contractual Administration*	-	7 %	7 %

* New Charge



**VISTA
IRRIGATION
DISTRICT**

**FISCAL POLICY COMMITTEE
STAFF REPORT**

Agenda Item: 6

Board Meeting Date:
Prepared By:
Reviewed By:
Approved By:

February 9, 2010
Marlene Kelleher
Eldon Boone
Roy Coox

SUBJECT: FISCAL YEAR 2011 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 2011 Budget and obtain the Committee's suggestions and input. Staff plans to present a draft of the 2011 Budget to the Fiscal Policy Committee in the beginning of May.