

**FLDDBROOK GLENDALE
COMMUNITY SERVICES DISTRICT
REGULAR MEETING OF THE BOARD OF DIRECTORS**

September 25, 2018
Fieldbrook Fire Hall, 7:30 PM
AGENDA

1. Roll Call

2. Agenda Modifications

3. Public Comments

Individuals wishing to speak on matters not listed on the agenda are asked to clearly state their name and address. No action will be taken on items not listed on the Agenda.

4. Reports

4.1 Sewer Report

4.1.1 – Monthly report

4.1.2 –

4.2 Safety Report

4.3 Fire Chief Report

4.3.1 – Call/incident report.

4.3.2 –

4.4 District Engineer Report –

4.4.1 – Sewer rate study. Report/Discussion.

4.4.2 –

4.5 General Manager Report

4.5.1 –

4.6 Reports by members of the Board.

4.6.1 –

5. Consent Agenda

The Board will approve all of the following items by a single vote unless any member of the Board or the public asks that an item be removed and considered separately.

5.1 Approval of minutes

5.1.1 Regular Board Meeting, August 28, 2018.

5.1.2 Special Board Meeting, September 18, 2018.

5.2 Correspondence/Information Items

5.2.1 – SDRMA re: President's special acknowledgement award.

5.3 Approval to pay bills, issue payroll, county warrants, and bank transfers.

5.3.1 Interfund Transfers \$38,137.70

5.3.2 Checks (5581-5609) \$37,910.16

5.3.3 Payroll \$3,483.63

5.3.4 General Journal Entries 383 & 384

5.3.5 General Manager reimbursement \$99.99 (Microsoft office 365 subscription)

6. Action/Discussion Items

6.1 – Accept final sewer rate study and adopt an alternative rate structure. Action.

6.2 – Set public hearing date for sewer rate adoption. Action.

7. Future Agenda Items

7.1 - Draft Management, Discussion & Analysis (audit 2018). October.

7.2 – Quarterly financial report and budget adjustments. October.

7.3 – Annual dry weather sewer flow report. October.

7.4 – Public Hearing – Sewer rate adoption. November 13, 2018 (tentative)

7.5 – Organizational meeting, December 18, 2018.

8. Executive Session/Closed Session

The Board may choose to consider items of an urgent nature that have arisen after this agenda was posted. The Board may also choose to adjourn to closed session to discuss legal or personnel matters.

9. Adjournment/Announcements

9.1 - Next regular meeting October 23, 2018

**FIELDBROOK GLENDALE
COMMUNITY SERVICES DISTRICT
REGULAR MEETING OF THE BOARD OF DIRECTORS**

August 28, 2018
Fieldbrook Fire Hall, 7:30 PM
MINUTES

1. Roll Call

President Roy Sheppard called the meeting to order at 7:35 PM. Board members present were, Director Richard Grissom, Director Jason Garlick and Director Janet Miller. Vice-President Starr Kilian was absent. Fire Chief Jack Sheppard, Sewer Technician Grant Weaver, District Engineer Rebecca Crow, GHD Engineer Alex Crowe, GHD Engineer Neal Carnam and General Manager Richard Hanger were present.

2. Agenda Modifications

3. Public Comments

Individuals wishing to speak on matters not listed on the agenda are asked to clearly state their name and address. No action will be taken on items not listed on the Agenda.

4. Reports

4.1 Sewer Report

4.1.1 – Monthly report

Sewer Technician Grant Weaver reviewed his written report (attached). Highlights included inspections and pending repairs to air release valves.

4.2 Safety Report – *received and filed.*

4.3 Fire Chief Report

4.3.1 – Call/incident report.

Fire Chief Jack Sheppard reported 5 mutual aid calls and 1 medical call. The communication upgrade project continues to evolve. The Blue Lake Volunteer Fire Department has agreed to move their repeater to our proposed location on Tip-Top ridge. The HC Fire Chiefs Association will pay for the FCC licensing. A storage container for the site has been secured.

The asphalt in front of the firehouse is needing repair. A bid is being secured.

4.4 District Engineer Report –

4.4.1 – Sewer rate study. Report/Discussion.

GHD Engineers Neal Carnam, Alex Crowe and Rebecca Crow reviewed the Sewer Rate study memorandum dated August 28th with the board. Table 5-Summary of Alternative Rate Structures and Monthly Customer Billing was discussed in depth. The General Manager was directed to schedule and notice an informational meeting in the Glendale area. A tentative date of September 18, 7:00 PM, at E&O Lanes was proposed.

4.5 General Manager Report

4.5.1 – *No report*

4.6 Reports by members of the Board.

4.6.1 – *President Roy Sheppard shared his perspective of the City of Arcata's sewer rate structure and notification process.*

5. Consent Agenda

The Board will approve all of the following items by a single vote unless any member of the Board or the public asks that an item be removed and considered separately.

5.1 Approval of minutes

5.1.1 Regular Board Meeting, July 24, 2018.

5.2 Correspondence/Information Items

5.2.1 – HBMWD- Wholesale water charges 2019.

5.2.2 – Humboldt County – Prop 172 revenue share 2019.

5.3 Approval to pay bills, issue payroll, county warrants, and bank transfers.

5.3.1 Interfund Transfers \$51,100.89

5.3.2 Checks (5557-5580) \$50,888.55

5.3.3 Payroll \$2,979.18

5.3.4 General Journal Entries 377-382 (Year End)

5.3.5 General Manager reimbursement \$258.67 (City of Arcata & Office Supplies)

**FLDDBROOK GLENDALE
COMMUNITY SERVICES DISTRICT
REGULAR MEETING OF THE BOARD OF DIRECTORS**

- 5.3.6 Bad Debt \$1,541.40 (049000c,045000d,183000L,036000E) 4-accounts.
- 5.3.7 Sewer Connection, Merilee Owen 671 Fieldbrook Rd.

Richard Grissom moved to approve the consent agenda as presented. Jason Garlick seconded the motion. The motion carried, Ayes 4, Nays 0, Abstain 0, Absent 1.

6. Action/Discussion Items

6.1 – Resolution 2018-05 – Designation of Applicant’s Agent Hazard Mitigation Grant Program. Action.

General Manager Richard Hanger and District Engineer Rebecca Crow presented Resolution 2018-05. This resolution authorizes the General Manager to execute agreements on behalf of the district.

Jason Garlick moved to approve resolution 2018-05 as presented. Janet Miller seconded the motion. The motion carried, Ayes 4, Nays 0, Abstain 0, Absent 1.

6.2 – Final budget adoption. Action.

President Roy Sheppard opened the public hearing and asked for the staff report. General Manager Richard Hanger reviewed the staff report. President Roy Sheppard asked for public comments. No public comments were provided. The public hearing was closed, and the item returned to the board for consideration.

Richard Grissom moved to approve the final budget for fiscal year 2018-2019 as presented. Jason Garlick seconded the motion. The motion carried, Ayes 4, Nays 0, Abstain 0, Absent 1.

7. Future Agenda Items

- 7.1 - Draft Management, Discussion & Analysis (audit 2018). September. *Tabled to October.*
- 7.2 – *Tentative Informational meeting in Glendale, September 18.*
- 7.3 – *Adopt proposed sewer rate structure for Prop 218 process – September 25.*

8. Executive Session/Closed Session

The Board may choose to consider items of an urgent nature that have arisen after this agenda was posted. The Board may also choose to adjourn to closed session to discuss legal or personnel matters.

9. Adjournment/Announcements

9.1 Next regular meeting September 25, 2018.

Meeting adjourned at 9:28 PM.

Respectfully submitted,

*Richard Hanger
Secretary to the Board*

*Starr Kilian
Vice-President*

Attachments
*CCCU fund transfer
Initialed disbursement register*

FGCSD

Sewer Technician notes 2018

8/28/2018

8/18 Hooven/inspect #1 ASR at PG&E for leaks and plan to replace, when replacement is in.

8/9-10 Inspected ARV's (#9,10,11,12) on West End Rd. Standing water in all vaults. Not wastewater.
#11 is missing. Bill Sheppard removing leaking ARV plugged with Hose bib nine years ago.
All vaults need to be cleaned and tested. The piping has corrosion. Cleaning scheduled for next week.

8/28/18 located ARV #8 that is black topped over. By Wes Green. GW\KW
GW spoke with Yolynn from Kernen Construction. Inspected their 'grease & oil separator.

Pending Hooven to repair Cumming/Cummings I&I. 2nd attempt.
Hooven to expose and inspect Wes Green #8 ARV
✕ Flyers for residents. Do not flush rags.
✕ GW is checking with Quom (Minnesota Camera crew working in Arcata and Eureka this summer) To camera approximately 1000' Line 1, and 1000' Line 2.
GW is working on list of contacts for emergency call out.

**FLDDBROOK GLENDALE
COMMUNITY SERVICES DISTRICT
REGULAR MEETING OF THE BOARD OF DIRECTORS**

September 18, 2018
E & O Lanes - Glendale, 7:00 PM
Special Meeting
MINUTES

1. Roll Call

President Roy Sheppard called the meeting to order at 7:10 PM. Board member present were Vice-President Starr Kilian, Director Richard Grissom, Director Jason Garlick and Director Janet Miller. General Manager Richard Hanger, District Engineer Rebecca Crow and GHD Engineer Alex Crow were present. Approximately ten community members were present.

2. Agenda Modifications None.

3. Public Comments None.

Individuals wishing to speak on matters not listed on the agenda are asked to clearly state their name and address. No action will be taken on items not listed on the Agenda.

4. Introductions

4.1 President Roy Sheppard

President Roy Sheppard introduced members of the board and staff.

5. Presentation

5.1 GHD Engineers Rebecca Crow and Alex Crowe

District Engineers Rebecca Crow and Alex Crowe provided a power point presentation.

6. Public Comments related to presentation

Members of the public were invited to comment and ask questions during the presentation.

7. Adjournment/Announcements

9.1 Next regular board meeting September 25, 2018.

Meeting adjourned at 8:58 PM.

Respectfully submitted,

*Richard Hanger
Secretary to the Board*

*Starr Kilian
Vice-President*

September 13, 2018

Mr. Roy Sheppard
President
Fieldbrook Glendale Community Services District
Post Office Box 2715
McKinleyville, California 95519

Re: President's Special Acknowledgement Award - Workers' Compensation Program

Dear Mr. Sheppard:

This letter and enclosed certificate are to formally acknowledge the dedicated efforts of the Fieldbrook Glendale Community Services District's Governing Body, management and staff towards proactive loss prevention and workplace safety for earning the President's Special Acknowledgement Award! The Award is to recognize members with no "paid" claims during the prior **five consecutive program years** in the Workers' Compensation Program.

A "paid" claim for the purposes of this recognition represents the first payment on an open claim during the prior program year. Your agency's efforts have resulted in no "paid" workers' compensation claims for the prior 5 consecutive program years including 2017-18. This is an outstanding accomplishment that serves as an example for all SDRMA members!

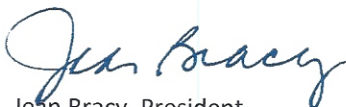
It is through the efforts of members such as Fieldbrook Glendale Community Services District that SDRMA has been able to continue providing affordable workers' compensation coverage to over 442 public agencies throughout California. While 281 members or 64% in the workers' compensation program had no "paid" claims in program year 2017-18, 133 members or 30% had no paid claims for the prior 5 consecutive years.

In addition to this annual recognition, members with no "paid" claims during 2017-18 earned 2 credit incentive points (CIPs) reducing their annual contribution amount and members with no "paid" claims for the prior 5 consecutive program years earned 3 additional bonus CIPs. Also, members without claims receive a lower "experience modification factor" (EMOD) which also reduces their annual contribution amount.

Included with this letter and certificate is your press release template so your agency may showcase this important accomplishment.

On behalf of the SDRMA Board of Directors and staff, it is my privilege to congratulate your Governing Body, management and staff for your commitment to proactive loss prevention and safety in the workplace.

Sincerely,
Special District Risk Management Authority



Jean Bracy, President
Board of Directors

September 13, 2018

Mr. Roy Sheppard
President
Fieldbrook Glendale Community Services District
Post Office Box 2715
McKinleyville, California 95519

Re: President's Special Acknowledgement Award – Property/Liability Program

Dear Mr. Sheppard:

This letter and enclosed certificate are to formally acknowledge the dedicated efforts of the Fieldbrook Glendale Community Services District's Governing Body, management and staff towards proactive risk management and loss prevention training for earning the President's Special Acknowledgement Award! The Award is to recognize members with no "paid" claims during the prior **five consecutive program years** in the Property/Liability Program.

A "paid" claim for the purposes of this recognition represents the first payment on an open claim during the prior program year and excludes property claims. Your agency's efforts have resulted in no "paid" property/liability claims for the prior 5 consecutive program years including 2017-18. This is an outstanding accomplishment that serves as an example for all SDRMA members!

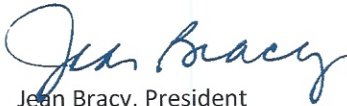
It is through the efforts of members such as Fieldbrook Glendale Community Services District that SDRMA has been able to continue providing affordable property/liability coverage to over 505 public agencies throughout California. While 428 members or 85% in the property/liability program had no "paid" claims in program year 2017-18, 261 members or 52% had no paid claims for the prior 5 consecutive years.

In addition to this annual recognition, members with no "paid" claims during 2017-18 earned 2 credit incentive points (CIPs) reducing their annual contribution amount and members with no "paid" claims for the prior 5 consecutive program years earned 3 additional bonus CIPs. Also, members with no "paid" claims for at least 3 consecutive program years may receive a lower "risk factor" which also helps to reduce the annual contribution amount.

Included with this letter and certificate is your press release template so your agency may showcase this important accomplishment.

On behalf of the SDRMA Board of Directors and staff, it is my honor to congratulate your Governing Body, management and staff for your commitment to proactive risk management and loss prevention training.

Sincerely,
Special District Risk Management Authority



Jean Bracy, President
Board of Directors

**FLDDBROOK GLENDALE
COMMUNITY SERVICES DISTRICT
REGULAR MEETING OF THE BOARD OF DIRECTORS**

September 25, 2018



Please confirm transfer verbally to Richard Hanger 
Via email to rhanger50@gmail.com

Coast Central Credit Union
2650 Harrison Avenue
Eureka, CA 95501-3259

Please transfer the following



From: S70 Business Liquid Asset Account \$ 38,137.70
To: S61 Water Checking \$ 38,137.70

Sept. Reconciliation

Check Register	\$	37,910.16
#5581-5609	\$	37,910.16

Transfer Totals	\$	(38,137.70)
Fire	\$	1,984.84
Sewer	\$	18,603.84
Water	\$	17,549.02

Gross Pay	\$	3,483.63
<Net Pay>	\$	(2,728.46)
Empr. Taxes	\$	279.98

Adjustments		
IRS	\$	(849.62)
Verizon	\$	38.01
Intuit QB	\$	4.00

Reconciliation	\$	(37,910.16)
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Balance	\$	-
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Fieldbrook Glendale Community Services District
Customer Balance Detail
As of September 25, 2018

Type	Date	Num	Name	Account	Class	Amount	Balance
Interfund Expenses/Fire							
Bill	08/29/2018	082...	Interf...	5390 · Office Ex...	Fire Dep...	50.00	89.40
Paycheck	08/29/2018	5583	Interf...	6560 · Payroll E...	Fire Dep...	240.00	139.40
Paycheck	08/29/2018	5583	Interf...	6560 · Payroll E...	Fire Dep...	180.00	379.40
Paycheck	08/29/2018	5583	Interf...	6560 · Payroll E...	Fire Dep...	180.00	559.40
Paycheck	08/29/2018	5583	Interf...	6560 · Payroll E...	Fire Dep...	0.00	739.40
Paycheck	08/29/2018	5583	Interf...	6560 · Payroll E...	Fire Dep...	0.60	740.00
Paycheck	08/29/2018	5583	Interf...	6560 · Payroll E...	Fire Dep...	37.20	777.20
Paycheck	08/29/2018	5583	Interf...	6560 · Payroll E...	Fire Dep...	8.70	785.90
Bill	08/30/2018	981...	Interf...	5310 · Telephon...	Fire Dep...	10.20	796.10
Bill	08/31/2018	156...	Interf...	5320 · Electric (...)	Fire Dep...	119.36	834.11
Bill	08/31/2018	Audi...	Interf...	5210 · Legal Se...	Fire Dep...	50.00	953.47
Bill	08/31/2018	Aug...	Interf...	5335 · Water (...)	Fire Dep...	51.66	1,003.47
Bill	08/31/2018	660...	Interf...	5365 · Fuel Exp...	Fire Dep...	111.11	1,055.13
Bill	09/01/2018	Sept...	Interf...	5345 · Internet ...	Fire Dep...	129.84	1,166.24
Bill	09/01/2018	438...	Interf...	5346 · Security ...	Fire Dep...	76.50	1,296.08
Bill	09/05/2018	707-...	Interf...	5310 · Telephon...	Fire Dep...	257.10	1,372.58
Bill	09/15/2018	Sept...	Interf...	5075 · Chief Ex...	Fire Dep...	50.00	1,629.68
Bill	09/15/2018	MSo...	Interf...	5390 · Office Ex...	Fire Dep...	33.33	1,679.68
Check	09/20/2018	E-Pay	Interf...	5390 · Office Ex...	Fire Dep...	3.00	1,713.01
Paycheck	09/22/2018	5607	Interf...	6560 · Payroll E...	Fire Dep...	120.00	1,716.01
Paycheck	09/22/2018	5607	Interf...	6560 · Payroll E...	Fire Dep...	0.00	1,836.01
Paycheck	09/22/2018	5607	Interf...	6560 · Payroll E...	Fire Dep...	0.12	1,836.13
Paycheck	09/22/2018	5607	Interf...	6560 · Payroll E...	Fire Dep...	7.44	1,843.57
Paycheck	09/22/2018	5607	Interf...	6560 · Payroll E...	Fire Dep...	1.74	1,845.31
Paycheck	09/22/2018	5607	Interf...	6560 · Payroll E...	Fire Dep...	2.04	1,847.35
Paycheck	09/22/2018	5609	Interf...	6560 · Payroll E...	Fire Dep...	127.72	1,975.07
Paycheck	09/22/2018	5609	Interf...	6560 · Payroll E...	Fire Dep...	0.00	1,975.07
Paycheck	09/22/2018	5609	Interf...	6560 · Payroll E...	Fire Dep...	7.92	1,982.99
Paycheck	09/22/2018	5609	Interf...	6560 · Payroll E...	Fire Dep...	1.85	1,984.84
Paycheck	09/22/2018	5609	Interf...	6560 · Payroll E...	Fire Dep...	0.00	1,984.84
Total Interfund Expenses/Fire						1,895.44	1,984.84
Interfund Expenses/Sewer							
Bill	08/29/2018	082...	Interf...	5390 · Office Ex...	Enterpris...	50.00	4,603.50
Bill	08/31/2018	021...	Interf...	5320 · Electric (...)	Enterpris...	73.96	4,653.50
Bill	08/31/2018	091...	Interf...	5320 · Electric (...)	Enterpris...	419.98	4,727.46
Bill	08/31/2018	Audi...	Interf...	5210 · Legal Se...	Enterpris...	50.00	5,147.44
Bill	08/31/2018	000...	Interf...	5020 · Purchase...	Enterpris...	11,055.03	5,197.44
Bill	09/01/2018	Sept...	Interf...	5310 · Telephon...	Enterpris...	9.95	16,252.47
Bill	09/01/2018	707-...	Interf...	5310 · Telephon...	Enterpris...	171.95	16,262.42
Bill	09/01/2018	707-...	Interf...	5310 · Telephon...	Enterpris...	197.20	16,434.37
Bill	09/08/2018	Hen...	Interf...	5420 · Building ...	Enterpris...	50.30	16,631.57
Bill	09/12/2018	837...	Interf...	5420 · Building ...	Enterpris...	10.00	16,681.87
Bill	09/15/2018	MSo...	Interf...	5390 · Office Ex...	Enterpris...	33.33	16,691.87
Check	09/20/2018	E-Pay	Interf...	5390 · Office Ex...	Enterpris...	3.00	16,725.20
Paycheck	09/22/2018	5606	Interf...	6560 · Payroll E...	Enterpris...	819.09	16,728.20
Paycheck	09/22/2018	5606	Interf...	6560 · Payroll E...	Enterpris...	0.00	17,547.29
Paycheck	09/22/2018	5606	Interf...	6560 · Payroll E...	Enterpris...	0.00	17,547.29
Paycheck	09/22/2018	5606	Interf...	6560 · Payroll E...	Enterpris...	50.78	17,598.07
Paycheck	09/22/2018	5606	Interf...	6560 · Payroll E...	Enterpris...	11.88	17,609.95
Paycheck	09/22/2018	5606	Interf...	6560 · Payroll E...	Enterpris...	0.00	17,609.95
Paycheck	09/22/2018	5608	Interf...	6560 · Payroll E...	Enterpris...	28.74	17,638.69
Paycheck	09/22/2018	5608	Interf...	6560 · Payroll E...	Enterpris...	0.00	17,638.69
Paycheck	09/22/2018	5608	Interf...	6560 · Payroll E...	Enterpris...	0.03	17,638.72
Paycheck	09/22/2018	5608	Interf...	6560 · Payroll E...	Enterpris...	1.78	17,640.50
Paycheck	09/22/2018	5608	Interf...	6560 · Payroll E...	Enterpris...	0.42	17,640.92
Paycheck	09/22/2018	5608	Interf...	6560 · Payroll E...	Enterpris...	0.49	17,641.41
Paycheck	09/22/2018	5609	Interf...	6560 · Payroll E...	Enterpris...	894.04	18,535.45
Paycheck	09/22/2018	5609	Interf...	6560 · Payroll E...	Enterpris...	0.00	18,535.45
Paycheck	09/22/2018	5609	Interf...	6560 · Payroll E...	Enterpris...	55.43	18,590.88
Paycheck	09/22/2018	5609	Interf...	6560 · Payroll E...	Enterpris...	12.96	18,603.84
Paycheck	09/22/2018	5609	Interf...	6560 · Payroll E...	Enterpris...	0.00	18,603.84
Total Interfund Expenses/Sewer						14,000.34	18,603.84

Fieldbrook Glendale Community Services District
Customer Balance Detail
As of September 25, 2018

Type	Date	Num	Name	Account	Class	Amount	Balance
Interfund Expenses/Water							144.25
Bill	08/29/2018	082...	Interf...	5390 · Office Ex...	Enterpris...	50.00	194.25
Bill	08/31/2018	992...	Interf...	5320 · Electric (...)	Enterpris...	44.04	238.29
Bill	08/31/2018	799...	Interf...	5320 · Electric (...)	Enterpris...	1,203.41	1,441.70
Bill	08/31/2018	009...	Interf...	5320 · Electric (...)	Enterpris...	19.02	1,460.72
Bill	08/31/2018	Aug ...	Interf...	5010 · Purchase...	Enterpris...	914.83	2,375.55
Bill	08/31/2018	Aug ...	Interf...	5010 · Purchase...	Enterpris...	11,913.04	14,288.59
Bill	08/31/2018	Aug ...	Interf...	5010 · Purchase...	Enterpris...	1,145.61	15,434.20
Bill	08/31/2018	Aug ...	Interf...	5010 · Purchase...	Enterpris...	720.71	16,154.91
Bill	08/31/2018	Audi...	Interf...	5010 · Purchase...	Enterpris...	-62.97	16,091.94
Bill	08/31/2018	Audi...	Interf...	5210 · Legal Se...	Enterpris...	50.00	16,141.94
Bill	09/01/2018	707-...	Interf...	5310 · Telephon...	Enterpris...	67.77	16,209.71
Bill	09/01/2018	234-...	Interf...	5310 · Telephon...	Enterpris...	91.54	16,301.25
Bill	09/15/2018	Sept...	Interf...	5070 · Directors'...	Enterpris...	50.00	16,351.25
Bill	09/15/2018	Sept...	Interf...	5070 · Directors'...	Enterpris...	50.00	16,401.25
Bill	09/15/2018	Sept...	Interf...	5070 · Directors'...	Enterpris...	50.00	16,451.25
Bill	09/15/2018	Sept...	Interf...	5070 · Directors'...	Enterpris...	50.00	16,501.25
Bill	09/15/2018	Sept...	Interf...	5070 · Directors'...	Enterpris...	50.00	16,551.25
Bill	09/15/2018	MSo...	Interf...	5390 · Office Ex...	Enterpris...	33.33	16,584.58
Check	09/20/2018	E-Pay	Interf...	5390 · Office Ex...	Enterpris...	2.00	16,586.58
Paycheck	09/22/2018	5609	Interf...	6560 · Payroll E...	Enterpris...	894.04	17,480.62
Paycheck	09/22/2018	5609	Interf...	6560 · Payroll E...	Enterpris...	0.00	17,480.62
Paycheck	09/22/2018	5609	Interf...	6560 · Payroll E...	Enterpris...	0.00	17,480.62
Paycheck	09/22/2018	5609	Interf...	6560 · Payroll E...	Enterpris...	55.43	17,536.05
Paycheck	09/22/2018	5609	Interf...	6560 · Payroll E...	Enterpris...	12.97	17,549.02
Paycheck	09/22/2018	5609	Interf...	6560 · Payroll E...	Enterpris...	0.00	17,549.02
Total Interfund Expenses/Water						17,404.77	17,549.02
TOTAL						33,300.55	38,137.70

Fieldbrook Glendale Community Services District
Check Register for this Month
August 29 through September 25, 2018

Type	Date	Num	Name	Amount
1000 · Coast Central Credit Un.				
1012 · General Fund Checking (All Funds)				
1015 · Water Dept Checking (Water Dept Checking)				
Bill Pmt -Check	08/29/2018	5582	US Postal Service	-150.00
Paycheck	08/29/2018	5583	Christopher C Ap...	-548.10
Liability Check	09/04/2018	E-pay	United States Tre...	-849.62
Bill Pmt -Check	09/15/2018	5584	Advanced Securit...	-76.50
Bill Pmt -Check	09/15/2018	5585	AT&T	-436.92
Bill Pmt -Check	09/15/2018	5586	Fieldbrook Glend...	-51.66
Bill Pmt -Check	09/15/2018	5587	Lawrence Eitzen, ...	-150.00
Bill Pmt -Check	09/15/2018	5588	PG&E	-1,879.77
Bill Pmt -Check	09/15/2018	5589	Renner Petroleum	-111.11
Bill Pmt -Check	09/15/2018	5590	Starpape	-9.95
Bill Pmt -Check	09/15/2018	5591	Sudden Link	-129.84
Bill Pmt -Check	09/15/2018	5592	AT&T	-91.54
Bill Pmt -Check	09/15/2018	5593	Cascade Fire Equ...	-88.40
Check	09/20/2018	E-Pay	Intuit Quick Books	-8.00
Paycheck	09/22/2018	5606	Grant Weaver	-748.24
Paycheck	09/22/2018	5607	Joshua L Miller	-109.62
Paycheck	09/22/2018	5608	Kim D Watson	-26.26
Paycheck	09/22/2018	5609	Richard A Hanger	-1,296.24
Bill Pmt -Check	09/22/2018	5594	AT&T	-257.10
Bill Pmt -Check	09/22/2018	5595	City of Arcata	-11,055.03
Bill Pmt -Check	09/22/2018	5596	GHD, Inc	-4,744.75
Bill Pmt -Check	09/22/2018	5597	Grant Weaver.	-60.30
Bill Pmt -Check	09/22/2018	5598	Humboldt Bay Mu...	-14,631.22
Bill Pmt -Check	09/22/2018	5599	Jack Sheppard	-50.00
Bill Pmt -Check	09/22/2018	5600	Janet Miller	-50.00
Bill Pmt -Check	09/22/2018	5601	Jason Garlick	-50.00
Bill Pmt -Check	09/22/2018	5602	Rich Grissom	-50.00
Bill Pmt -Check	09/22/2018	5603	Richard A. Hanger	-99.99
Bill Pmt -Check	09/22/2018	5604	Roy Sheppard	-50.00
Bill Pmt -Check	09/22/2018	5605	Starr Kilian	-50.00
Total 1015 · Water Dept Checking (Water Dept Checking)				-37,910.16
Total 1012 · General Fund Checking (All Funds)				-37,910.16
Total 1000 · Coast Central Credit Un.				-37,910.16
TOTAL				-37,910.16

**Fieldbrook Glendale Community Services District
Payroll Summary**

August 28 through September 26, 2018

Employee Name	Christopher C Appleton			Grant Weaver			Joshua L Miller			Ken D Watson			Richard A Hunger			TOTAL	
	Rate	Aug 28 - Sep 26, 18	Ho...	Rate	Aug 28 - Sep 26, 18	Ho...	Rate	Aug 28 - Sep 26, 18	Ho...	Rate	Aug 28 - Sep 26, 18	Ho...	Rate	Aug 28 - Sep 26, 18	Hours	Rate	Aug 28 - Sep 26, 18
Employee Wages, Taxes and Adjustments																	
Gross Pay																	
Fire Double Time Pay	60.00	180.00					60.00	0.00							3.00		180.00
Fire Overtime Pay	45.00	180.00				30.00	0.00								3.00		180.00
Hourly Sick	30.00	240.00	28.5	28.74	819.09	4	30.00	0.00							101.50		3,115.89
Total Gross Pay		600.00	28.5		819.09	4		120.00	1		28.74	60		31.53	108.50		3,483.63
Adjusted Gross Pay		600.00	28.5		819.09	4		120.00	1		28.74	60		31.53	108.50		3,483.63
Taxes Withheld		0.00			0.00			0.00									-302.00
Federal Withholding		-2.71			-1.68			-4.44									-27.78
Medicare Employee		-37.20			-50.78			-1.74									-60.52
Social Security Employee		0.00			-50.78			-7.44									-215.88
CA - Disability Employee		-8.00			-8.19			0.00									-151.84
Medicare Employee Advt Tax		0.00			0.00			0.00									-34.63
Total Taxes Withheld		-51.90			-70.85			-10.38									0.00
Net Pay		548.10	28.5		748.24	4		109.62	1		28.26	60		31.53	108.50		2,793.18
Employer Taxes and Contributions		8.70			11.88			1.74			0.42						-753.17
Medicare Company		37.70			50.78			7.44			1.78						50.52
Social Security Company		10.20			0.00			2.04			0.48						215.88
CA - Unemployment Company		0.80			0.00			0.12			0.03						12.73
CA - Employment Training Tax																	0.00
Total Employer Taxes and Contributions		58.70			62.68			11.34			2.72						0.00

8:04 AM

Fieldbrook Glendale Community Services District

09/22/18

General Journal Transaction

Accrual Basis

August 25, 2018

Num	Name	Memo	Account	Class	Debit	Credit
383		Interfund tran...	1029 · Fire Asset Ac...	Fire Depa...		31.96
		Interfund tran...	1027 · Water Assets...	Enterpris...	31.96	
		Interfund tran...	1028 · Sewer Asset ...	Enterpris...		6.05
		Interfund tran...	1027 · Water Assets...	Enterpris...	6.05	
					38.01	38.01
TOTAL					38.01	38.01

9:39 AM

Fieldbrook Glendale Community Services District

09/15/18

General Journal Transaction

Accrual Basis

August 31, 2018

Num	Name	Memo	Account	Class	Debit	Credit
384		Hoge Bad Debt	5610 · Uncollectable...	Enterpris...	405.00	
		Temme Bad ...	5610 · Uncollectable...	Enterpris...	848.11	
		Lunsford Bad ...	5610 · Uncollectable...	Enterpris...	132.45	
		Fanger Bad D...	5610 · Uncollectable...	Enterpris...	155.84	
	Fieldbrook Custome...	August 2018 ...	1210 · A/R Water (A...	Enterpris...		1,541.40
					1,541.40	1,541.40
TOTAL					1,541.40	1,541.40

rhanger50@outlook.com

From: billing@microsoft.com
Sent: Thursday, September 6, 2018 8:29 PM
To: rhanger50@outlook.com
Subject: Office 365 Home renewal confirmation



Office

Hello Richard Hanger,

We're sending you this message to confirm that you have successfully renewed your Office 365 Home subscription on Friday, September 07, 2018. Please retain a copy of this message for your records. Here is a description of the service:

This purchase entitles you to an Office 365 Home yearly subscription at a cost of \$99.99 (USD) (plus any applicable taxes). Your subscription will renew automatically each year and you will be charged at the then current price. You can manage the details of your subscription or cancel anytime by visiting <http://www.office.com/myaccount>. With Office 365 Home experience Office when and where you need it. Sign in to get your applications, documents, and settings on the devices you love. Save your documents to the cloud in OneDrive to access anywhere.

To manage your subscriptions online, visit <https://account.microsoft.com/services/>.

To check your order details, including applicable taxes, go to <https://account.microsoft.com/orders> To find out about the benefits of Office 365 or to install Office, visit <https://office.com/myaccount/>.

Thank you!

Microsoft Office Team

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Fieldbrook Glendale
Community Services District
Agenda Background

Agenda Item: 6.1

Agenda Title: Accept final sewer rate study and set rate for public hearing.

Meeting Date: 09/25/2018

Presented by: Richard Hanger

Type of Item: Action Discussion Information

**Type of Action
Required:** No Action Voice Vote Roll Call Vote

Background:

Discussion of initiating a sewer rate study occurred at our regular board meeting on March 27, 2018. The board directed staff to secure a proposal from GHD.

April 24, 2018 – Board approval for a sewer rate study

June 26, 2018 – Board received initial outline of study

July 24, 2018 – Board received draft sewer report

August 28, 2018 – Board received draft sewer report with revisions and directed staff to organize an informational meeting in the Glendale area.

September 18, 2018 – Informational meeting held in the Glendale area.

The sewer rate study summarizes rate alternatives one through four. The board has held an informational meeting and heard public comment. The board will need to determine a rate structure to move forward with the Proposition 218 public notice requirements.

Recommendation:

Alternative one – provides the greatest budget security to the district; however, the base rate would increase 85% and would not address customers who use less than the consumption allowance of 800 CF.

Alternative two – leaves the base rate at the current level. The budget remains vulnerable to variations in water use and cash flow becomes a critical issue in the winter months. There is a minor benefit (\$1.64 a month) between alternative four and two for customers consuming 300 CF per month. Customers using 500 CF per month would pay \$8.03 more per month under this alternative vs. alternative four.

Alternative three – provides a greater level of budget security to the district; however only about 11% of the customer base would benefit from the 200 CF per month allowance. There is a minor benefit (\$.64 cents) per month between this alternative and alternative four. Customers using 500 CF per month would pay \$6.98 more per month under this alternative vs. alternative four.

Alternative four – provides budget security, a balanced cash flow, addresses the 34% customers who use than 400 CF per month, and the monthly costs for customers using 500 CF or 800 CF is less than the other alternatives.

Based on public comment and board input from the meetings noted above, staff is recommending the board consider alternative four.



Memorandum

August 28, 2018

To:	Rick Hanger, General Manager	Ref. No.:	11159235
From:	Alex Crowe	Tel:	707.443.8326
CC:	Rebecca Crow, PE; Neal Carnam, PE		

Subject: FGCS D Rate Study – Rate Structure Options for Consideration

INTRODUCTION

The Fieldbrook Glendale Community Services District (FGCS D or District) contracted with GHD to conduct an assessment and evaluation of the District's existing sewer rates and to develop alternative rate structures to meet system revenue requirements. The District's current sewer rate structure and rate increase schedule was implemented in 2018 (under Resolution 2018-01). There currently exists a large deficit between Sewer system expenses and revenues, thus the District requires an alternative rate structure in order to adequately fund sewer utility operations and projected capital costs. An ideal rate structure covers all operational expenses through changes that are fair and equitable for the customers. In order to do this, an accurate projection of future operational expenses is required, and various practical options are assessed for consideration.

FGCS D operates and maintains a wastewater collection system and discharges to the City of Arcata for wastewater treatment and disposal. The System was constructed in 1989 – 1990 and includes approximately 4 miles of sewer force mains and 4.8 miles of gravity sewer mains and two pump stations. Over the past few years the District has experienced a significant increase in operational expenses. The main source for this is the increased cost for sewer treatment and disposal paid to the City of Arcata.

The District is billed by the City of Arcata as an individual customer for sewage service. There is a small base rate, but the majority of the cost is based on flow volumes discharged to be treated. Recently, the District recognized a significant increase in this expense and began investigating the cause. It was found was that the City of Arcata significantly increased their sewer rates to address problems within their system and the District was not notified of the increase. Once the District realized the increase in rates for sewerage service, this study was commissioned.

As the wastewater charges are based on flow, one area that was investigated was to determine if sewer flows had increased. This is a common occurrence for aging sewer systems, and it is typically due to increased inflow and infiltration (I/I). Inflow is stormwater entering a sewer system at points of direct connection. These sources are typically improper and/or illegal connections to the sewer system, such as roof drains. Infiltration is groundwater entering a sewer system through cracks and/or leaks in the sewer pipes. These can occur over time due to ground settlement or movements caused by earthquakes. Several I/I issues were discovered during these investigations, and the issues are currently being addressed by the



District through various capital improvement projects and ongoing system evaluations. I/I is something that needs to be addressed regularly.

These investigations also found that the sewer system has a problem with nonbiodegradable items, such as baby wipes and plastics, including sanitary products that should be disposed of with solid waste at the landfill instead of into the sewer system. The issue caused by nonbiodegradable items is that they will clog up pumps and other mechanical equipment, resulting in higher maintenance costs.

While there has been a slight increase in wastewater flow volumes, the main reason for the increases in expenses is due to the increasing sewer rates, adopted by the City of Arcata in 2014. The City has been increasing sewer rates by approximately 10% annually, while FGCS D has only been increasing rates by approximately 2% annually, the amount equivalent to the Consumer Price Index (CPI), per District Ordinance 2000-02. This has created a large revenue gap between the amount District customers are charged for the sewer utility, and the amount the District pays the City of Arcata for the service.

REVENUE REQUIREMENT

At the June Board meeting, FGCS D Board of Directors reviewed a draft of the five year budget projection for the District's Sewer fund. This budget was updated based on board comments and updated annual budget totals for FY 2017-18. The updated budget projection is shown in Table 1. This projection was developed through a review of the expenses outlined in the 2015, 2016, and 2017 audited financial reports, as well as information provided by the City of Arcata on the District's monthly sewer flows to the City. Figure 1 and Table 2 show a breakdown of the various cost components, along with the revenues with the current and proposed rates.

The District's near-term capital improvement needs are shown in Table 3. Recently, the District has incurred capital improvement expenses due to investigation and mitigation of the I/I issue as well as the replacement of one of the District's main pumps (costing approx. \$30,000). In addressing the I/I issue, the District expects to see some reduction in the flow volume for treatment.

In order to budget for future capital improvement projects, an estimated annual capital improvement expense has been set at 33% of the system's depreciation value. Depreciation is an accounting value that takes into account the cost and expected life of the various components of the system. If you were to collect 100% of the depreciation amount every year, you would accumulate enough funds to replace the entire system when it has reached the end of its "life". The majority of the system's value is in the sewer pipes and manholes. These have depreciation lives estimated at 40 years, even though they will actually last much longer. What generally happens as a practical matter is that if money is spent to maintain these components they can last 100 years or more. Other components that need to be replaced, like pumps and valves, are included in the future capital improvement projects. For this system the current annual depreciation value is \$93,819 so an annual capital improvement expense of \$30,960 is recommended and included in the annual budget for this rate study.

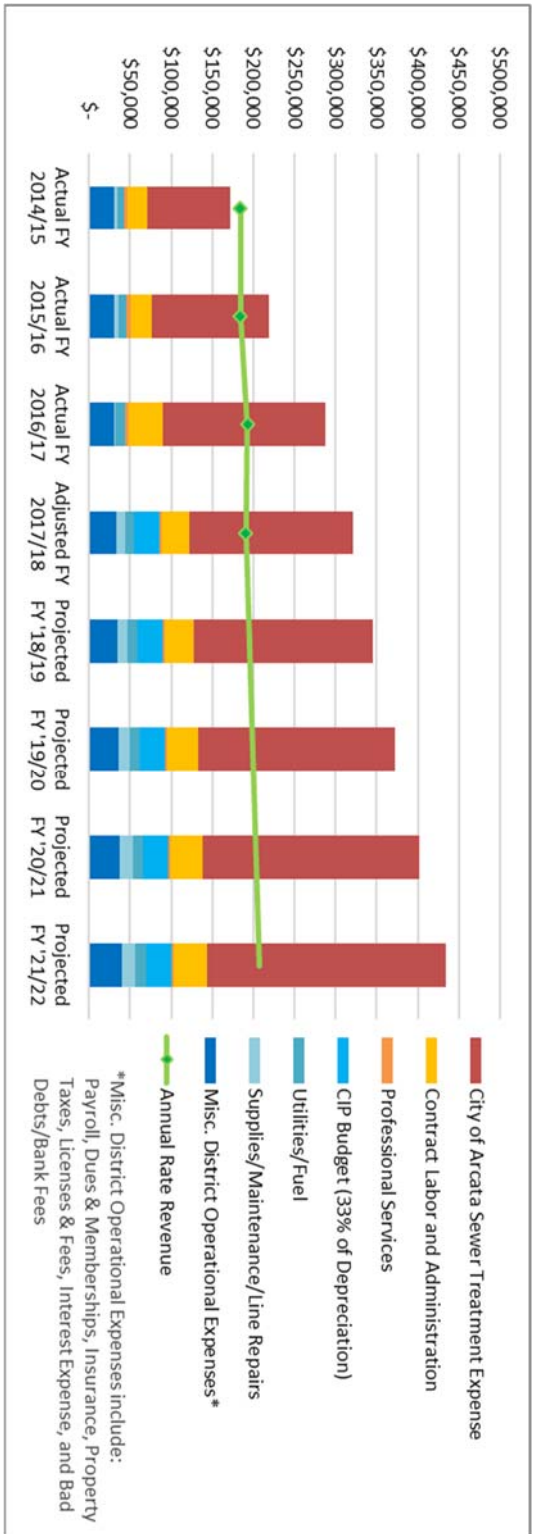


Table 1. 5 Year Budget Projection (8.20.2018 update)

LINE ITEM	Fixed %	Variable %	Projected Annual Change	(July 2018) Adjusted FY 2017/18	Projected FY 2018/19	Projected FY 2019/20	Projected FY 2020/21	Projected FY 2021/22
Payroll	100	0	5.0%	\$ 23,590	\$ 24,770	\$ 26,008	\$ 27,308	\$ 28,674
Sewer Treatment	20	80	10.0%	\$ 198,239	\$ 218,063	\$ 239,869	\$ 263,856	\$ 290,242
Contract Labor and Administration	100	0	5.0%	\$ 33,661	\$ 35,344	\$ 37,111	\$ 38,967	\$ 40,915
Professional Services	100	0	0%	\$ 2,402	\$ 2,402	\$ 2,402	\$ 2,402	\$ 2,402
Dues and Memberships	100	0	7.0%	\$ 4,880	\$ 5,222	\$ 5,587	\$ 5,978	\$ 6,397
Insurance	100	0	2.0%	\$ 571	\$ 582	\$ 594	\$ 606	\$ 618
Utilities	0	100	6.0%	\$ 10,973	\$ 11,631	\$ 12,329	\$ 13,069	\$ 13,853
Fuel	0	100	2.0%	\$ -	\$ -	\$ -	\$ -	\$ -
Property Taxes	100	0	0%	\$ 324	\$ 324	\$ 324	\$ 324	\$ 324
Supplies	50	50	0%	\$ 1,270	\$ 1,270	\$ 1,270	\$ 1,270	\$ 1,270
Maintenance/Line Repairs	50	50	10.0%	\$ 10,486	\$ 11,535	\$ 12,688	\$ 13,957	\$ 15,353
Bad Debts/Bank Fees	100	0	0%	\$ 192	\$ 192	\$ 192	\$ 192	\$ 192
Interest Expense	100	0	0%	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses & Fees	100	0	0%	\$ 3,067	\$ 3,067	\$ 3,067	\$ 3,067	\$ 3,067
33% of Depreciation	100	0	0%	\$ 30,960	\$ 30,960	\$ 30,960	\$ 30,960	\$ 30,960
Other Expenses	100	0	0%	\$ -	\$ -	\$ -	\$ -	\$ -
Non-operating Revenue (Capital Investment)	100	0	0%	\$ -	\$ -	\$ -	\$ -	\$ -
Other Revenues (Fees, Grants, etc.)	100	0	0%	\$ -	\$ -	\$ -	\$ -	\$ -
Annual Operating Budget	50%	50%		\$ 320,615	\$ 345,362	\$ 372,402	\$ 401,957	\$ 434,266



Table 2 & Figure 1. District Sewer Utility Operational Expenses and Rate Revenues



LINE ITEM	Actual FY 2014/15	Actual FY 2015/16	Actual FY 2016/17	Adjusted FY 2017/18	Projected FY 18/19	Projected FY 19/20	Projected FY '20/21	Projected FY '21/22
Misc. District Operational Expenses*	\$ 30,451	\$ 30,895	\$ 30,960	\$ 32,624	\$ 34,157	\$ 35,772	\$ 37,476	\$ 39,272
Utilities/Fuel	\$ 7,045	\$ 9,597	\$ 11,157	\$ 10,973	\$ 11,631	\$ 12,329	\$ 13,069	\$ 13,853
Supplies/Maintenance/Line Repairs	\$ 4,622	\$ 5,391	\$ 1,236	\$ 11,756	\$ 12,805	\$ 13,958	\$ 15,227	\$ 16,623
CIP Budget (33% of Depreciation)	\$ -	\$ -	\$ -	\$ 30,960	\$ 30,960	\$ 30,960	\$ 30,960	\$ 30,960
City of Arcata Sewer Treatment Expense	\$ 101,176	\$ 142,692	\$ 198,228	\$ 198,239	\$ 218,063	\$ 239,869	\$ 263,856	\$ 290,242
Contract Labor and Administration	\$ 23,884	\$ 26,048	\$ 40,910	\$ 33,661	\$ 35,344	\$ 37,111	\$ 38,967	\$ 40,915
Professional Services	\$ 4,312	\$ 4,323	\$ 4,937	\$ 2,402	\$ 2,402	\$ 2,402	\$ 2,402	\$ 2,402
Annual Operating Budget	\$ 171,490	\$ 218,946	\$ 287,428	\$ 320,615	\$ 345,362	\$ 372,402	\$ 401,957	\$ 434,266
Annual Rate Revenue (Projections assume 2% annual increases)	\$ 183,971	\$ 184,595	\$ 192,744	\$ 191,124	\$ 194,946	\$ 198,845	\$ 202,822	\$ 206,879
Annual Operating Deficit	\$12,481	(\$34,351)	(\$94,684)	(\$129,491)	(\$150,415)	(\$173,557)	(\$199,134)	(\$227,388)

*Misc. District Operational Expenses include: Payroll, Dues and Memberships, Insurance, Property Taxes, Bad Debts/Bank Fees, Interest Expense, Licenses & Fees



Table 2. Future Capital Improvement Projects (to be addressed within the next 5 years)

Location	Equipment	Condition	Needs	2017 Est. Cost	Timeframe
Pump Station #1	Generator	Good	Generator Building	—	—
	Pump 1	Good	Replaced 2016	—	—
	Pump 2	30 years old	Refurbish? Send to factory TBD	\$15,000	1-5 years
	Backup Pump	Refurbished 30 year old Pump #1	Finalize refurbish (or not) ?		
Pump Station #2	Pump 1	Good	Replaced 2013	—	—
	Pump 2	30 years old	Replace	\$10,000	1-5 years
	Generator	Mobile backup generator available at Fire House. This generator will need to be replaced to meet current Air Board Standards.	Not considered critical, as this Pump Station's wet well and inflow line have the capacity to hold flows until temporary generator can be purchased.		Long-term
Both Lift stations	Wet wells	Partially filled with sediment/grease	Need to be pumped out and cleaned of sediment and grease. Coordinate with City of Arcata.	TBD	Next 2 years
	Telemetry System	Not working, if any	<ul style="list-style-type: none"> Minimum: add light to signal if there is an issue, or other alert/messaging system. 	\$2,000	1-2 years
			<ul style="list-style-type: none"> Alternate upgrade telemetry for pump tail/high water level alarms. 	TBD	TBD
Sewer System Lines	Multiple locations (approx. 6)	TBD	Hydro & Camera sewer lines to determine their condition.	TBD	Summer 18
Air Relief Valves	12 Air Relief Valves from Glendale to Arcata	Annual maintenance has not been regularly performed. Sewer technician is starting the process and, as of May 2018, one unit was found working and a second unit was found to be leaking. The condition of the remaining Air Relief Valves should be evaluated and a regular maintenance schedule set up.	Inspect, clean, and replace Air Relief Valves if needed. Equipment from City of Arcata would be needed.	TBD	Next 2 years
			Obtain one backup Air Relief Valves new to have on hand.	approx. \$1,200 ea.	Next 2 years



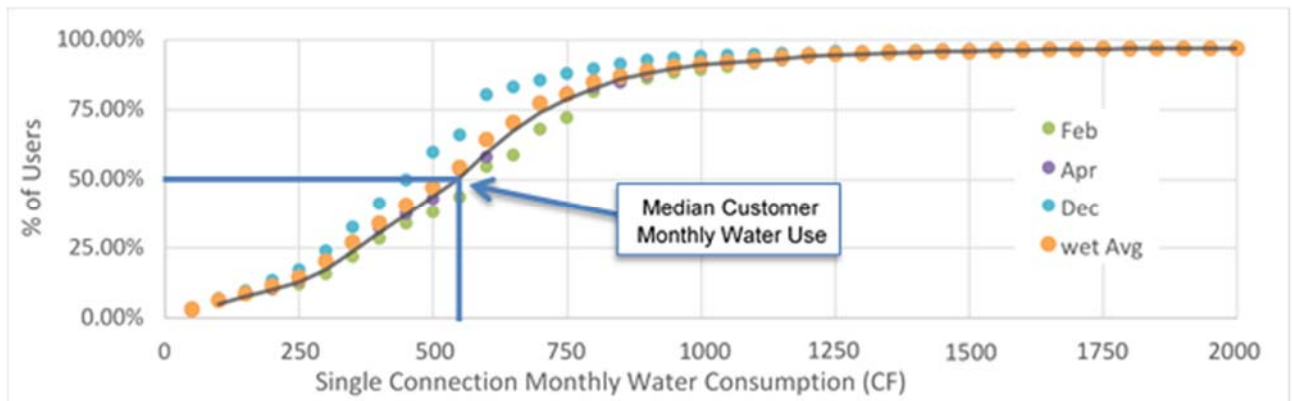
RATE ANALYSIS

The primary objective in designing a new rate structure is to increase District income to meet the revenue requirement; this can be done in various ways. The secondary objective in designing a new rate structure is to create a structure that is fair and equitable. This rate analysis examines the various customer classes utilizing the service to determine a fair structure that equitably allocates the revenue requirement across customer classes.

The budget projected for FY 2018/2019 is approximately \$344,000. Using this as the revenue requirement, or target income to achieve from District sewer rate revenue, four alternative rate structures were developed. Several rate structures incorporate a volumetric charge for sewer service based on water use which is described further below.

Figure 2 shows the distribution of customers by level of consumption. From this we can see that the median customer water use is approximately 500 CF per month. A low water use customer consumes approximately 300 CF per month, a high water use customer consumes approximately 800 CF per month, and a very high use customer consumes 1500 CF per month (only approximately 5% of customers are above this). These customer benchmarks are used to evaluate the effects of different rate structures on different customer types.

Figure 2. Wet Month Cumulative Frequency Chart



Note that the analysis presented in Figure 2 uses only measurements taken in wet months (November through April). This is because water consumption measurements during these months more accurately reflect customer sewer flows.

Table 4 and Figure 3 show District sewer utility customers' monthly water use information, including the percent difference between wet and dry flows. Figures 4 and 5 show District flow data from 2014 through 2018. In reviewing the seasonal variations, it is recommended the District include a 15% summer water use allowance. This would mean that District customers will be billed based on 85% of their actual water consumption during the dry season from May 1 - October 31. This adjustment has been made in the current set of rate models.



Table 3. Seasonal Comparison of Individual District Customer 2-Month Metered Water Use 2015-2017

	Wet Month (Nov-Apr) Average Water Use	Dry Month (May-Oct) Average Water Use	% Difference
3-yr. All Customers:	1273 CF	1827 CF	18%
3-yr. Domestic only:	1258 CF	1769 CF	17%
2017 (Domestic)	1098 CF	1690 CF	21%
2016 (Domestic)	1295 CF	1752 CF	15%
2015 (Domestic)	1381 CF	1864 CF	15%

Figure 3. District Customer Bi-Monthly Metered Water Use for 2015, 2016, & 2017

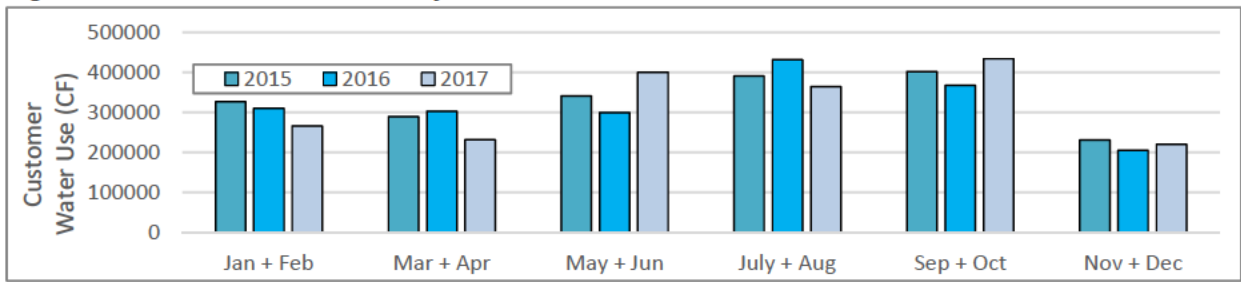


Figure 4. Total District 2-Monthly Treated Wastewater Flows (2014 - June 2018)

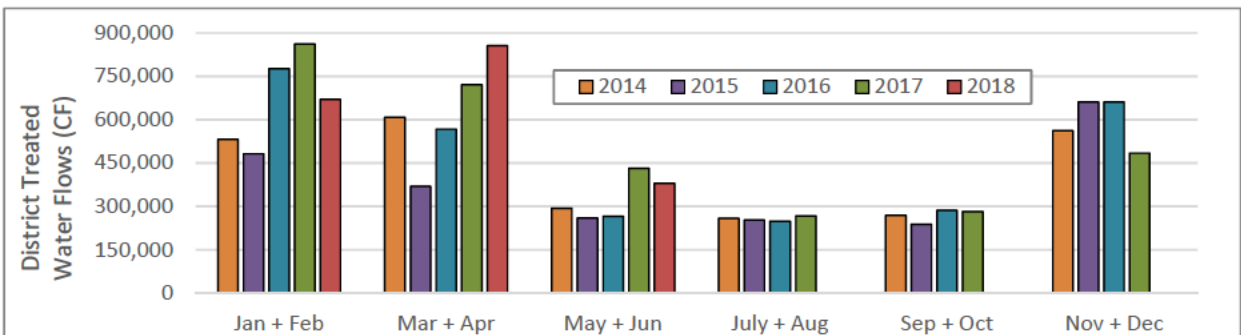
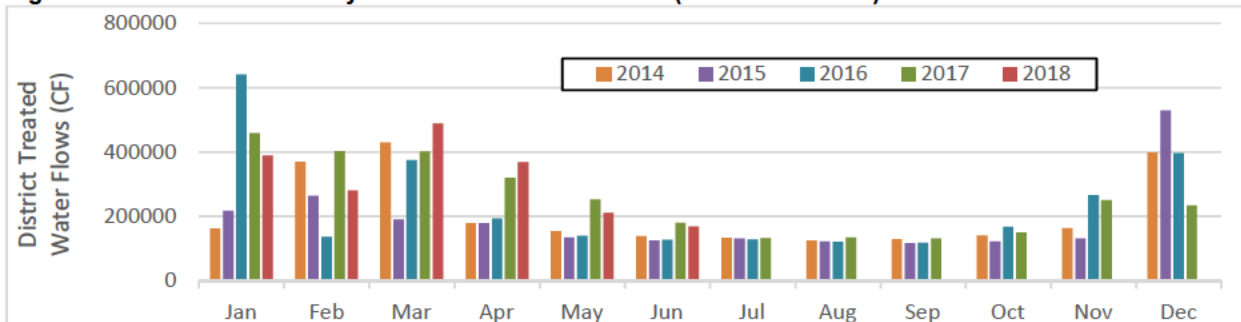


Figure 5. Total District Monthly Treated Wastewater Flows (2014 - June 2018)





In order to most accurately examine and predict the impact of each alternative rate structure, annual scenarios were modeled using actual FGCSO sewer customers' metered water consumption measurements from 2017, with a 15% allowance for summer water use. Given that each model is set to achieve the same amount in revenue, the value of the **average** bill for an individual customer will be approximately the same amount for each alternative; however, several variables in how the rates are structured will determine how District revenues are distributed to individual customers. The following sections describe the existing rates and four alternative rate structures.

Existing FGCSO Sewer Rate Structure

The current rate structure has one base rate for all customers, and business customers pay a base rate up to 1600 CF, with an additional fee per 100 CF of excess water consumed (per 2-month metering cycle). This rate analysis assumes that the District will revert to monthly billings based on actual meter readings.

Table 4. Current FGCSO Rate Structure (FY 2017 / '18)

Customer Type	Base Rate per Service Connection	Consumption included with Base per 2-month cycle (CF)	Excess Fee (per 100 CF)
Domestic:	\$70.36	-	-
Business:	\$70.36	1600	\$6.86

Calculated Annual Revenue	Revenue Source Breakdown	
\$189,987	from base:	\$181,529 96%
	from variable:	\$8,458 4%

Table 5 summarizes the various alternative rate models developed, and provides examples of customer bills for each tier of water use.

Alternative 1- Current flat rate structure, mainly increasing base rates.

Base Rate: \$130.17 (85% Increase)

Excess fee: \$7.00 (2% Increase)

This alternative examines the scenario of making no changes to the current rate structure. This alternative would retain the flat rate for all customers, with an excess fee applied to business customers exceeding 800 CF per month. This alternative includes the current typical annual increase to the excess fee of 2% (only applied to business customers), but would require a base rate increase of 85% to meet the revenue goal. Although not included as an alternative here, the option of extending the current business rate structure across all customer types was also investigated. That scenario was found to require a base rate increase of 70% (to \$119.61).



Alternative 2- All consumption billed (0 Consumption included in Base Rate).

Base Rate: \$70.36 (0% Increase)
 Excess fee: \$9.54 (39% Increase)

Alternative 2 maintains the current base rate and does not include any water use allocation in the base rate. This structure would encourage water conservation and the lowest water users would have the lowest monthly bills.

Alternative 3- Base rate includes 200 CF of customer water consumption.

Base Rate: \$91.47 (30% Increase)
 Excess fee: \$8.51 (24% Increase)

This alternative provides a rate scenario with a small amount of consumption included in the base rate. Approximately 11% of current District customers use less than 200 CF of water per month.

Alternative 4- Base rate includes 400 CF of customer water consumption (same as City of Arcata).

Base Rate: \$100.61 (43% Increase)
 Excess fee: \$9.40 (23% Increase)

This alternative examines implementing a rate structure with 400 CF of monthly consumption included in the base rate. Approximately 34% of current District customers use less than 400 CF of water per month.

Table 5. Summary of Alternative Rates Structures and Monthly Customer Billing

	-	85%	0%	30%	43%
Base Rate Increase	-	85%	0%	30%	43%
Excess Rate Increase	-	2%	39%	24%	37%
Rate Structure Options:	Existing	Alternative 1	Alternative 2	Alternative 3	Alternative 4
Monthly Base Rate	\$70.36	\$130.17	\$70.36	\$91.47	\$100.61
Usage Rate (per 100 cubic feet)	\$6.86*	\$7.00*	\$9.54	\$8.51	\$9.40
Consumption Included in Base Rate (CF)	800*	800*	0	200	400
Base Rate Revenue (Fixed):	96%	97%	53%	69%	75%
Excess Fee Revenue (Variable):	4%	3%	47%	31%	25%
Low User Monthly Bill (user @ 300 CF/month)	\$70.36	\$130.17	\$98.97	\$99.97	\$100.61
Median User Monthly Bill (user @ 500 CF/month)	\$70.36	\$130.17	\$118.04	\$116.99	\$110.01
High User Monthly Bill (user @ 800 CF/month)	\$70.36	\$130.17	\$146.64	\$142.51	\$138.21
Very High User Monthly Bill (user @ 1500 CF/month)	\$135.53*	\$179.15*	\$213.39	\$202.05	\$204.00
Calculated Annual Revenue	\$189,987	\$344,456	\$344,473	\$344,169	\$344,488
Customers with Monthly Use under the Base Consumption amount	98%	98%	0%	11%	34%

*only applied to business connections



Once GHD receives feedback from the District on this draft of rate models, a final presentation will be created outlining the most viable rate scenarios. Following District review and public discussion, a new rate structure can be selected for inclusion in a new rate ordinance. The new ordinance should also include a “pass through” provision for increases in charges adopted by the City of Arcata and an annual increase due to increases in the CPI.

Please review the information provided and let us know of any changes you would like to see.

Fieldbrook Glendale
Community Services District
Agenda Background

Agenda Item: 6.2

Agenda Title: Set public hearing date for sewer rate adoption.

Meeting Date: 09/25/2018

Presented by: Richard Hanger

Type of Item: Action Discussion Information

**Type of Action
Required:** No Action Voice Vote Roll Call Vote

Background:

Proposition requires the board to notice a public hearing and majority protest. The public hearing must be conducted on the date and time stated in the notice, but in any event shall not be less than forty-five days after the notice of the proposed fees or charges and public hearing is mailed.

Recommendation:

Set the public hearing and majority protest for November 13, 2018.