



BEAUMONT-CHERRY VALLEY WATER DISTRICT
560 Magnolia Avenue, Beaumont, CA 92223

**NOTICE AND AGENDA
REGULAR MEETING OF THE BOARD OF DIRECTORS
ENGINEERING WORKSHOP**

*This meeting is hereby noticed pursuant to
California Government Code Section 54950 et. seq.*

Thursday, April 24, 2025 - 6:00 p.m.
560 Magnolia Avenue, Beaumont, CA 92223

TELECONFERENCE NOTICE

*The BCVWD Board of Directors will attend in person at the BCVWD Administrative Office
and/or via Zoom video teleconference pursuant to Government Code 54953 et. seq.*

To access the Zoom conference, use the link below:

<https://us02web.zoom.us/j/84318559070?pwd=SXlzMkZCMGh0YTFlL2tnUGlpU3h0UT09>

*To telephone in, please dial: **(669) 900-9128***

*Enter Meeting ID: **843 1855 9070** | Enter Passcode: **113552***

*For Public Comment, use the “**Raise Hand**” feature on the video call when
prompted. If dialing in, **dial *9 to “Raise Hand”** when prompted*

BCVWD provides remote attendance options primarily as a matter of convenience to the public. Unless a Board member is attending remotely pursuant to provisions of GC 54953 et. seq., BCVWD will not stop or suspend its in-person public meeting should a technological interruption occur with respect to the Zoom teleconference or call-in line listed on the agenda. Members of the public are encouraged to attend BCVWD meetings in person at the above address, or remotely using the options listed. Members of the Public are not required to provide identifying information in order to attend public meetings. Through the link above, the Zoom platform requests entry of a name and email address, and BCVWD is unable to modify this requirement.

Meeting materials are available on the BCVWD’s website:

<https://bcvwd.gov/document-category/regular-board-agendas/>

BCVWD ENGINEERING WORKSHOP – APRIL 24, 2025

Call to Order: President Slawson

Pledge of Allegiance: Director Williams

Invocation: Director Ramirez

Announcement and Verification of Remote Meeting Participation (if any) Pursuant to AB 2449 or GC 54953(b)

Roll Call - Board of Directors

	President Daniel Slawson
	Vice President Lona Williams
	Secretary Andy Ramirez
	Treasurer David Hoffman
	Member John Covington

**Roll Call
and Introduction of Staff Members Present**

Public Comment

PUBLIC COMMENT: RAISE HAND OR PRESS *9 to request to speak when prompted. If you are present in the Board Room, please fill out a Request to Speak card and deliver it to the Recording Secretary.

At this time, any person may address the Board of Directors on matters within its jurisdiction. However, state law prohibits the Board from discussing or taking action on any item not listed on the agenda. Any non-agenda matters that require action will be referred to Staff for a report and possible action at a subsequent meeting.

Please limit your comments to three minutes. Sharing or passing time to another speaker is not permitted.

ACTION ITEMS

Action may be taken on any item on the agenda. Information on the following items is included in the full Agenda Packet.

- 1. Adjustments to the Agenda:** In accordance with Government Code Section 54954.2, additions to the agenda require a 2/3 vote of the legislative body, or if less than 2/3 of the members are present, a unanimous vote of those members present, which makes the determination that there is a need to take action, and the need to take action arose after the posting of the agenda.
 - a. Item(s) to be removed or continued from the Agenda
 - b. Emergency Item(s) to be added to the Agenda
 - c. Changes to the order of the agenda

2. PUBLIC HEARING (pages 5 - 152)

- a. **Resolution 2025-__ Rejecting AB 2257 Challenges or Objections to the Proposition 218 Process and Proposed Rates**
- b. **Resolution 2025-__: Amending Part 5 of the District's Rules and Regulations Governing Water Service Rates, Fees and Charges and Establishing Water Rates and Consumption Charges and Superseding Resolution 2020-04 Effective May 1, 2025**

3. Acknowledge Receipt of the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association for BCVWD's 2023 Annual Comprehensive Financial Report (pages 153 - 155)

4. Amendment to the BCVWD Fiscal Year 2025 Operating Budget for 01-10-110-550012 Election Expenses (pages 156 - 159)

5. Topic List for Future Meetings

	Item requested	Date of request	Requester
A	Report on alternative energy sources and storage (Agendize in August per Dan Jagers 2/27/25)	1/23/25 and 2/12/25	Ramirez

6. Announcements

Check the meeting agenda for location and/or teleconference information:

- Finance & Audit Committee meeting: Thursday, May 1 at 3 p.m.
- Collaborative Agencies meeting: Wednesday, May 7 at 5 p.m.
- Regular Board Meeting: Wednesday, May 14 at 6 p.m.
- Personnel Committee: Tuesday, May 20 at 4:30 p.m.
- Engineering Workshop: Thursday, May 22 at 6 p.m.
- San Geronio Pass Regional Water Alliance: Wednesday, May 28 at 5 p.m.
- Beaumont Basin Watermaster Committee: Wednesday, Jun. 4 at 11 a.m.

7. Adjournment

NOTICES

AVAILABILITY OF AGENDA MATERIALS - Agenda exhibits and other writings that are disclosable public records distributed to all or a majority of the members of the Beaumont-Cherry Valley Water District Board of Directors in connection with a matter subject to discussion or consideration at an open meeting of the Board of Directors are available for public inspection in the District's office, at 560 Magnolia Avenue, Beaumont, California ("District Office") during business hours, Monday through Thursday from 7:30 a.m. to

5 p.m. If such writings are distributed to members of the Board less than 72 hours prior to the meeting, they will be available from the District Office at the same time or within 24 hours' time as they are distributed to Board Members, except that if such writings are distributed one hour prior to, or during the meeting, they can be made available in the Board Room at the District Office. Materials may also be available on the District's website: <https://bcvwd.gov/>. (GC 54957.5)

REVISIONS TO THE AGENDA - In accordance with §54954.2(a) of the Government Code (Brown Act), revisions to this Agenda may be made up to 72 hours before the Board Meeting, if necessary, after mailings are completed. Interested persons wishing to receive a copy of the set Agenda may pick one up at the District's Main Office, located at 560 Magnolia Avenue, Beaumont, California, up to 72 hours prior to the Board Regular Meeting.

REQUIREMENTS RE: DISABLED ACCESS - In accordance with Government Code §54954.2(a), and the Americans with Disabilities Act (ADA), requests for a disability related modification or accommodation, including auxiliary aids or services, in order to attend or participate in a meeting, should be made to the District Office. Notification of at least 48 hours in advance of the meeting will generally enable staff to make reasonable arrangements to ensure accessibility. The Office may be contacted by telephone at (951) 845-9581, email at info@bcvwd.gov or in writing at the Beaumont-Cherry Valley Water District, 560 Magnolia Avenue, Beaumont, California 92223.

CERTIFICATION OF POSTING

A copy of the foregoing notice was posted near the regular meeting place of the Board of Directors of Beaumont-Cherry Valley Water District and to its website at least 72 hours in advance of the meeting (Government Code §54954.2(a)).



**Beaumont-Cherry Valley Water District
Regular Board Meeting
April 24, 2025**

Item 2

STAFF REPORT

TO: Board of Directors

FROM: Dan Jagers, General Manager

SUBJECT: PUBLIC HEARING

- 1. Resolution 2025-__ Rejecting AB 2257 Challenges or Objections to the Proposition 218 Process and Proposed Rates**
- 2. Resolution 2025-__: Amending Part 5 of the District's Rules and Regulations Governing Water Service Rates, Fees and Charges and Establishing Water Rates and Consumption Charges and Superseding Resolution 2020-04 Effective May 1, 2025**

Staff Recommendation

Conduct a Public Hearing in compliance with Proposition 218 to accept public testimony on the proposed water rates and charges, review AB 2257 Objections submitted, and:

- 1. Adopt Resolution 2025-__ Rejecting AB 2257 Challenges or Objections to the Proposition 218 Process and Proposed Rates**

and

- 2. Adopt Resolution 2025-__: Amending Part 5 of the District's Rules and Regulations Governing Water Service Rates, Fees and Charges and Establishing Water Rates and Consumption Charges and Superseding Resolution 2020-04 Effective May 1, 2025**

Executive Summary

Over the past eight months, Water Resources Economics, LLC (WRE) has worked to prepare a Cost of Service study based on the District's necessary expenditures and projected future revenue needs. During the study period, several significant impacts to the future budget were identified, including unfunded State mandates, District facilities needs, and other large expenses that are not yet quantifiable. WRE recommended splitting the study into two parts, with the rate adjustment now before the Board as Part I, and Part II following upon further determination of upcoming costs.

In order to establish a fair and equitable distribution of current costs to consumers, the cost of service study presents findings for Board consideration. The proposed water rates will provide the funding necessary for day-to-day operations and planned capital improvements for the long term sustainability of the District's water system.

With the passage of AB 2257 in 2024, the District was presented with the opportunity to publish a Supplemental Notice of the water rate action and accept properly defined Proposition 218 Objections to the proposed rates. The deadline for this process was April 9, and staff has prepared a recommended Resolution responding to the challenge(s) for Board consideration.



Background

BCVWD owns and operates a potable water system and non-potable water system serving an area of 28 square miles, providing water service to a population of more than 60,200. The primary source of water supply is the Beaumont Groundwater Basin, with additional supply from wells in Edgar Canyon. The Basin has been adjudicated, is managed by the Beaumont Basin Watermaster (BBWM), and is required to be replenished with imported water from the San Geronio Pass Water Agency (SGPWA) via the State Water Project and other sources.

2024 Water Cost-of-Service Study

At its meeting of April 10, 2024, the Board approved a professional services agreement with WRE for the preparation of a 2024 Water Rate Study Report (rate study) to determine adequate rates to cover the rising costs. During the discussion, the Board acknowledged upcoming financial challenges faced by the District. Details and cost implications of these challenges, many of which are mandated by the State, remain largely unknown.

Due to several unfunded State mandates and projects that could significantly impact the District's financial stability, at its meeting of August 14, 2024, the Board accepted the WRE recommendation to split the cost of service study project into two phases. The first phase would focus on developing a financial plan that ensures immediate financial stability through an across-the-board rate increase for up to five years to maintain operations. If adopted, the rates set a maximum threshold for increases, which cannot be exceeded without additional procedures, but can be implemented at a lower amount should the Board make such a determination. The second phase will involve a detailed cost-of-service analysis and potential rate structure updates to address long-term financial challenges and strategic objectives due to unfunded state mandates and projects that may be required due to state requirements within the next five years.

The Board concurred with the emphasis on accuracy over time frame for completion, and the two phases of the outcome approved by the Board were:

1. Implementation of an initial financial plan to ensure short-term financial stability
2. Conduct of a comprehensive cost-of-service analysis and rate structure update in the subsequent phase

At its meeting of February 12, 2025, the Board reviewed the draft 2024 Water Rate Study Report prepared by WRE with proposed adjustments to water rates and charges and adopted Resolution 2025-03: A Resolution of Intent to Increase Water Rates and Charges for the Users of the District's Water Services and Systems and set the date for a Public Hearing on April 24, 2025. Mr. Sanjay Guar, principal of WRE, presented several financial scenarios for the Beaumont-Cherry Valley Water District to address its financial and infrastructure needs. He emphasized that the District faces challenges due to aging infrastructure, increased regulatory requirements, and declining water demand, which have raised costs while revenues remain insufficient. The Board directed staff to proceed with a five-year scenario of not-to-exceed 15 percent annual rate increases.

The Board and staff have thoroughly reviewed the comprehensive 2024 Water Rate Study Report, discussed the findings over two Board meetings, and held one public town hall meeting on April 10, 2025.



AB 2257 Proposition 218 Challenges / Objections

A Supplemental Notice as required by the new provisions of AB 2257 (Attachment 9) was mailed on February 20, 2025 (60 days prior to the Public Hearing), and included a link to the draft 2024 Water Rate Study Report as posted on the District website. A deadline of April 9, 2025 was set for receipt of written objections to the rate setting process. Fourteen (14) such objections were received. The response to the issues indicated in the objections is herewith as Attachment 1.

Proposition 218 Public Hearing Notice

A Notice in compliance with Proposition 218 was mailed 45 days prior to the public hearing to all billing addresses and record owners on Monday, March 10, 2025 (Attachment 8).

Discussion

BCVWD's water rates and rate structure were last updated in 2020. The revision of rates is necessary to account for increased costs necessary to maintain District operations, as clearly shown in the adopted 2025 fiscal year budget. Per Water Code 31007, the District must fix, prescribe, revise and collect fees and charges so as to yield an amount sufficient to pay the operating expenses of the District, provide for repairs and depreciation of works owned and / or operated by the District, pay the interest on any bonded debt, and provide a fund for payment of the principal of the bonded debt as it becomes due. All of these are necessary in order to provide the District's customers with a reliable, high quality water supply.

The analysis and justification for the proposed rate and fee increases have been documented in the WRE 2024 Water Rate Study Report described above. The proposed water rates and charges can be found on pages 40 - 42 of the Study (Attachment 3).

With the provisions of AB 2257 effective January 1, 2025, the rate setting action runs two processes concurrently, as described below.

AB 2257 Proposition 218 Challenges / Objections

AB 2257, passed by the California Legislature in 2024, provides a process by which a person or entity may submit a written objection to a proposed fee or assessment that specifies the grounds for alleging noncompliance with Article XIII D of the California Constitution.

Fourteen (14) written objections were received by the April 9 deadline (See Attachment 2). The objections focus on:

- Financial impact of rate increases on residents, given the rising costs of living and economic challenges
- Rates are excessive, exceed inflation, and must be limited to actual costs
- Inadequate transparency
- Insufficient or no justification for the adjustments
- How the adjustments will directly improve water services
- Requests to consider alternative solutions
- Disproportionate burden on residents
- Personal need for higher water use (medical, gardening, irrigation)
- Increases in labor costs over the last two to three years



Some, but not all, of these objections qualify as allegations of noncompliance with Proposition 218 rate adoption procedures as outlined in the Constitution. Staff has prepared a written response as required for Board consideration (See Attachment 1).

Staff recommends that the Board adopt the resolution rejecting all AB 2257 objections, as all provisions of Proposition 218 have been fulfilled.

Proposition 218 Protests

A Public Hearing Notice was mailed to all customers of record on March 10, 2025. Correspondence that did not allege noncompliance with Article XIII D of the California Constitution (an AB 2257 Objection) was considered a Protest. Pursuant to the California Constitution, if written protests against the proposed fee or charge are presented by a majority of owners of the affected parcels, the agency shall not impose the fee or charge. As of the date of posting of this agenda packet, a majority protest did not exist. (All protests will be tallied at the close of the public hearing.)

Staff recommends that the Board adopt the revisions to District Rules and Regulations Part 5, which include the rate structure as prescribed by the 2024 Water Rate Study Report, and that said water rate structure take effect as of May 1, 2025.

Fiscal Impact

The recommended rate action is to increase water rates in the following steps. It should be noted that these amounts are compounded annually:

TABLE 1 – Proposed Water Revenue Adjustments

May 2025	January 2026	January 2027	January 2028	January 2029
15.0%	15.0%	15.0%	15.0%	15.0%

These adjustments apply only to the District's own rate revenue and do not include potential increases in revenue due to increases in imported water and electrical pass-through rates. However, it should be noted that in the first year (CY 2025) the total effective revenue adjustment, including increases in imported water and power rates that are passed through to customers, is approximately 17.5%.

The proposed Table 1 water revenue adjustments result in the estimated revenue plan below:

TABLE 2 – Revenue Adjustment Results

FY 2025	FY 2026	FY2027	FY 2028	FY 2029
\$1,213,847	\$4,070,753	\$6,669,633	\$9,753,228	\$13,330,993

Due to increases in the cost of electricity and of imported water, the following increases to pass-through rates are recommended:



TABLE 3 – Proposed Pass-Through Surcharges

Pass-Through Charges (\$/ccf)	Effective May 1, 2025	January 1, 2026	January 1, 2027	January 1, 2028	January 1, 2029
SCE Power Charges	\$ 0.56	\$ 0.60	\$ 0.64	\$ 0.68	\$ 0.72
SGPWA Importation Charges	\$ 0.81	\$ 0.86	\$ 0.92	\$ 0.98	\$ 1.04

SCE POWER CHARGE: This is the cost of electricity to pump and deliver water to the consumer. It includes all Southern California Edison (SCE) power charges for operation of pumps and wells in the water system. BCVWD strives to operate during SCE Time of Use (off-peak and mid-peak) in order to maintain lower rates for the consumer.

IMPORTED WATER CHARGE: The pass-through charges for imported water may be adjusted as necessary by the District by an amount equal to any adjustments for the cost of water purchased from the San Geronio Pass Water Agency (SGPWA) or other water supplier upon 30 days' notice. Adjustments shall not be made in an amount that exceeds the cost of that water.

The WRE 2024 Water Rate Study Report including the proposed rate and fee increases described herein above is herewith as Attachment 3.

Attachments

1. Written response to AB 2257 Objections
2. Copies of AB 2257 Objections received timely
3. WRE 2024 Water Rate Study Report dated April 2025
4. Proposed Resolution 2025-___ Rejecting AB 2257 Challenges or Objections to the Proposition 218 Process and Proposed Rates
5. Proposed Resolution 2025-___ Amending Part 5 of the District's Rules and Regulations Governing Water Service Rates, Fees and Charges and Establishing Water Rates and Consumption Charges and Superseding Resolution 2020-04, and Adjusting Pass-Through Surcharges Effective May 1, 2025
 - a. Exhibit A – Amended BCVWD Rules and Regulations, Part 5
6. Rules and Regulations Part 5 Redline
7. Current Resolution 2020-04 (to be superseded)
8. Proposition 218 Legal Notice with rate tables
9. AB 2557 Supplemental Notice

Staff Report prepared by Sylvia Molina, Director of Finance and Administration; William Clayton, Finance Manager; Sandra Delgadillo, Customer Service Supervisor; and Lynda Kerney, Executive Assistant



BEAUMONT-CHERRY VALLEY WATER DISTRICT

DATE: April 24, 2025

SUBJECT: Response to AB 2257 Objections / Challenges

Section 1: Introduction

AB 2257 was codified into Government Code Section 53759.1 and 53759.2 and allows for a process for Legal Actions Challenging Revenue Measures for Water or Sewer Service. If the District complies with the specified procedures, then in any judicial action or proceeding to review, invalidate, challenge, set aside, rescind, void, or annul the fee or assessment for failure to comply with the procedural and substantive requirements of specified constitutional provisions in the fee or assessment setting process, the court's review is limited to a record of proceedings containing specified documents. The AB 2257 Supplemental Notice mailed to customers and owners of record clearly and prominently stated:

Failure to submit a written challenge before the April 9 deadline, or to submit a protest before the close of the public hearing may result in the forfeiture of your right to legally challenge the proposed rate adjustments.

A total of fourteen (14) AB 2257 objections (or "challenges") were received by the April 9, 2025 deadline. Staff has reviewed and analyzed all objections in consultation with legal counsel. Most of the information related to the specific objections raised is contained in the 2024 Water Rate Study Report prepared by Water Resources Economics, Inc. (WRE), but more detailed analysis is presented herein to satisfy the specific written objections received.

Responsibilities of the Challenger

AB 2257 provides the ratepayers with a procedure for alleging noncompliance with the provisions of Article XIII D of the California Constitution for any new, increased, or extended fee or assessment via a timely submitted written objection to that fee or assessment that specifies the grounds for alleging noncompliance. Ratepayers may bring an objection regarding a proposed property-related water fee or charge, or any special assessment, to the local public agency governing body's attention prior to the deadline established by the local public agency as part of the rate or assessment consideration process (April 9, 2025).

Responsibilities of the District

The purpose of each response is to address the issues raised by each objection. Some objections received did not meet the burden of AB 2257, i.e., did not contain specific allegations of noncompliance with Article XIII D. To assure that each constituent's concerns were acknowledged, these letters were instead considered as Protest Letters rather than objections.

All requirements of the District for compliance with this legislation have been completed and / or are represented by this good faith, reasoned written response and Board deliberation and consideration. Per GC 53739.1(c)(5), the Board shall consider and respond to challenges in writing including the substantive basis for retaining or altering the proposed fee or assessment.



The Board must consider and determine:

- (1) Whether the written objections and the District's response warrant clarifications to the proposed fee or assessment.
- (2) Whether to reduce the proposed fee or assessment.
- (3) Whether to further review before making a determination on whether clarification or reduction is needed.
- (4) Whether to proceed with the protest hearing or ballot tabulation hearing required under Section 4 or 6 of Article XIII D of the California Constitution

Proposition 218 established Article XIII D of the California Constitution

With AB 2257, the Legislature provided a process to limit judicial action or proceeding alleging noncompliance with Article XIII D of the California Constitution for any new, increased, or extended fee or assessment, unless that person or entity has timely submitted to the local agency a written objection to that fee or assessment that specifies the grounds for alleging noncompliance.

Article XIII D requires specific procedures for increasing property-related fees or charges, such as water rates.

Table 1 – Requirements of Proposition 218 (Article XIII D of the California Constitution)

Procedural requirements of Proposition 218		
1	The parcels upon which a fee or charge is proposed for imposition shall be identified.	Parcels within the service area boundaries of BCVWD were identified
2	The amount of the fee or charge proposed to be imposed upon each parcel shall be calculated.	This was calculated by WRE and incorporated into the 2024 Water Rate Study
3	The agency shall provide written notice by mail of the proposed fee or charge to the record owner of each identified parcel upon which the fee or charge is proposed for imposition, the amount of the fee or charge proposed to be imposed upon each, the basis upon which the amount of the proposed fee or charge was calculated, the reason for the fee or charge, together with the date, time, and location of a public hearing on the proposed fee or charge	This was accomplished with the mailing of the Proposition 218 Notice on March 10, 2025 to all customers and owners of record
4	The agency shall conduct a public hearing upon the proposed fee or charge not less than 45 days after mailing the notice of the proposed fee or charge to the record owners of each identified parcel upon which the fee or charge is proposed for imposition.	The Notice mailed included the information on the Public Hearing scheduled for April 24, 2025 at 6 p.m.
5	At the public hearing, the agency shall consider all protests against the proposed fee or charge.	This step will take place at the regular meeting of the Board of Directors on April 24, 2025
6	If written protests against the proposed fee or charge are presented by a majority of owners of the identified parcels, the agency shall not impose the fee or charge.	A majority protest (50% +1) = 10,897. Protests will be tallied at the public hearing



Rate increase requirements of Prop. 218		
7	Revenues derived from the fee or charge shall not exceed the funds required to provide the property related service.	The comprehensive Water Rate Study performed by WRE has calculated the District's needs and the proposed rates are based on the recommended financial plan
8	Revenues derived from the fee or charge shall not be used for any purpose other than that for which the fee or charge was imposed.	BCVWD imposes only the rates necessary to satisfy the requirements of Water Code 31007: the District must fix, prescribe, revise and collect fees and charges so as to yield an amount sufficient to pay the operating expenses of the District, provide for repairs and depreciation of works owned and / or operated by the District, pay the interest on any bonded debt, and provide a fund for payment of the principal of the bonded debt as it becomes due
9	The amount of a fee or charge imposed upon any parcel or person as an incident of property ownership shall not exceed the proportional cost of the service attributable to the parcel.	Proposed water rates are based on formulas that incorporate study of the costs to provide the service. WRE has performed this analysis and made recommendations accordingly.
10	No fee or charge may be imposed for a service unless that service is actually used by, or immediately available to, the owner of the property in question. Fees or charges based on potential or future use of a service are not permitted.	BCVWD does not impose standby charges or rates based on potential or future use. All meter charges are based on service being immediately available to the owner of the property in question and volumetric charges are based on actual use.
11	No fee or charge may be imposed for general governmental services including, but not limited to, police, fire, ambulance or library services, where the service is available to the public at large in substantially the same manner as it is to property owners.	No such fee or charge is proposed.

Section 2 Analysis and Response

Staff analyzed the content of correspondence received from ratepayers based on its receipt date prior to the deadline of April 9, its content, and whether it was clearly labeled as a protest (as opposed to an AB 2257 challenge).

See Table 2, on the next page, for a List of Objections Received.



Table 2 – List of Objections Received

No.	Customer		
C01	Barbara Hart	1576 Lindsey Peak	Beaumont, CA 92223
C02	(no name)	40451 Lincoln	Cherry Valley, CA 92223
C03	Monica Lombardo	37114 Winged Foot	Beaumont, CA 92223
C04	Renee Morales	685 Palo Alto	Beaumont, CA 92223
C05	Dolores Armstrong	1431 Weldon St	Beaumont, CA 92223
C06	Trisha Perkins	502 Roy Ct	Beaumont, CA 92223
C07	Angie Lam	34146 O'Grady Ct	Beaumont, CA 92223
C08	Christine McIntyre	9285 Rancho Dr	Cherry Valley, CA 92223
C09	Delilah Smiljanic	35941 Dylan Ct	Beaumont, CA 92223
C10	Maria Paulson	11616 Omeara Wy	Beaumont, CA 92223
C11	Larry Patterson	1116 Silverleaf Cyn Rd	Beaumont, CA 92223
C12	Vincent Hernandez	1299 Orange Ave	Beaumont, CA 92223
C13	Carol Garcia	452 Everest Peak	Beaumont, CA 92223
C14	Thomas H. Addis III	1115 Silverleaf Canyon Rd	Beaumont CA 92223

The objection letters mix allegations of noncompliance with points and opinions that are not related to the provisions of Proposition 218. These points and opinions are acknowledged, but only the AB 2257 allegations (as delineated in Table 1) are discussed herein. The response “comment noted” is used in cases where the comment does not raise a substantive issue related to the AB 2257 challenge or is not a legal defect. Instead, these points may be considered as part of the Protest Hearing.

Staff noted two slightly varied but distinct form letters being received, and similar verbiage and themes in many letters.

Many challenges noted only the financial hardship or “undue burden” to residents, especially seniors. While this is not a legal argument, the District acknowledges the financial impact of rising costs, and has prepared a financial plan that minimizes and spreads increases across a five-year period.

Many of the written objections contain repeated topics. In the case of recurring comments, staff has prepared a series of “global responses” (GR-1 through GR-6). The global responses follow the list of Detailed Issues, as Section 3 of this report.

Detailed issues raised by objections

C01 Barbara Hart

	Issue raised	Response
1A	Rate increase unaffordable due to medical necessity	Comment noted



C02 (no name)

	Issue raised	Response
2A	Financial impact on residents	Comment noted
2B	Request for further transparency	GR-1 Transparency and Public Engagement
2C	Explore alternative solutions	GR-3 Alternatives
2D	Disproportionate burden on residents	GR-5 Proportionate rates

C03 Monica Lombardo

	Issue raised	Response
3A	Financial impact on residents	Comment noted
3B	Lack of justification for rate hike	GR-2 Why are Rate Adjustments Needed?
3C	Increased water supply should reduce costs	<p>Unfortunately, this is not the case. In 2004, the Beaumont Basin was adjudicated, and the Court established the Beaumont Basin Watermaster (BBWM), consisting of five agencies that pump from the basin. The BBWM monitors pumping to assure the Basin's safe yield, and mandates replenishment of the groundwater pumped. This replenishment water is obtained via the San Geronio Pass Water Agency (SGPWA), the area's State Water Contractor, and comes from the State Water Project and other distant sources. The costs to pump this water to Beaumont and percolate it back into the groundwater basin are part of the rates that customers pay for water service, as a separate pass-through charge. In wet years, although there is more ample supply, it is no less costly to pump water to the area. At the same time, during wet years, BCVWD alters its pumping operations to pump more local water from wells in Edgar Canyon, which does not have to be replenished. Note: The water itself costs nothing. The charges represent solely the costs to provide it to the tap.</p>
3D	District should evaluate its budget for wasteful spending, excessive administrative costs, or other inefficiencies	
3E	Transparency and public engagement insufficient	

C04 Renee Morales

	Issue raised	Response
4A	Proposed rates exceed inflation	<p>The proposed increase is 15% annually over five years. For a typical single-family household using 30 CCF (hundred cubic feet) of water, the bi-monthly bill will increase from \$93.17 to \$109.14 in 2025 — an increase of about \$16 per bill, or roughly \$8 per month. Although these figures likely exceed inflation, they are based on sound and thorough analysis of the costs of operation of the water system and the District.</p> <p>Unfortunately, inflation alone does not capture BCVWD's full cost picture. Since 2020:</p> <ul style="list-style-type: none"> • Insurance costs rose 359% • Electricity for pumping rose 94% • State water imports remain a significant cost • Critical well and pipeline replacements are overdue • Several unfunded state mandates are upon us, and must be accounted for <p>These are non-discretionary, fixed costs. The Water Rate Study documents and justifies these increases through a detailed cost-of-service analysis that complies with Proposition 218.</p>



C05 Dolores Armstrong

	Issue raised	Response
5A	Financial hardship	Comment noted

C06 Trisha Perkins

	Issue raised	Response
6A	Financial impact on residents	Comment noted
6B	Impact of new development straining water resources	Comment noted
6C	Transparency and public engagement insufficient	GR-1 Transparency and Public Engagement
6D	Consider alternatives such as limiting new development	See also GR-3 Alternatives
<p>The District is not a land use agency and has little control over the entitling of new development. Although it is necessary to continue to import supplemental State Water Project water supplies to avoid overdrafting the groundwater basin, BCVWD works collaboratively with the SGPWA to plan accordingly and minimize costs while ensuring a reliable water supply for existing homes as well as new residential and commercial development.</p> <p>New infrastructure needs are funded by the project developers through capacity charges and other fees. Existing customers do not pay for these impacts of new development.</p>		
6E	Seek more equitable ways to manage costs	GR-4 Efforts to Reduce the Burden on Residents GR-3 Alternatives
6F	Disproportionate burden on residents	GR-5 Proportionate rates

C07 Angie Lam

	Issue raised	Response
7A	Financial impact on residents	Comment noted
7B	Disproportionate burden on residents	GR-5 Proportionate rates
7C	Instead: reduce operational inefficiencies, invest in sustainable water management practices, reassess budget priorities	GR-2 Why are Rate Adjustments Needed?
7D	Transparency and public engagement insufficient	GR-1 Transparency and Public Engagement
7E	Request for a more comprehensive review of cost-saving alternatives	See also GR-3 Alternatives
<p>A comprehensive water rate study was performed by consultants WRE. The water system's financial performance is driven by the ability of the current water rates to meet the District's funding needs. To maintain financial sufficiency, water rates must fully fund operations and maintenance (O&M) costs, capital improvement plan (CIP) expenditures, and any relevant financial policies, which typically include target reserve balances and debt coverage. The District continually seeks cost-saving alternatives in all operations.</p>		



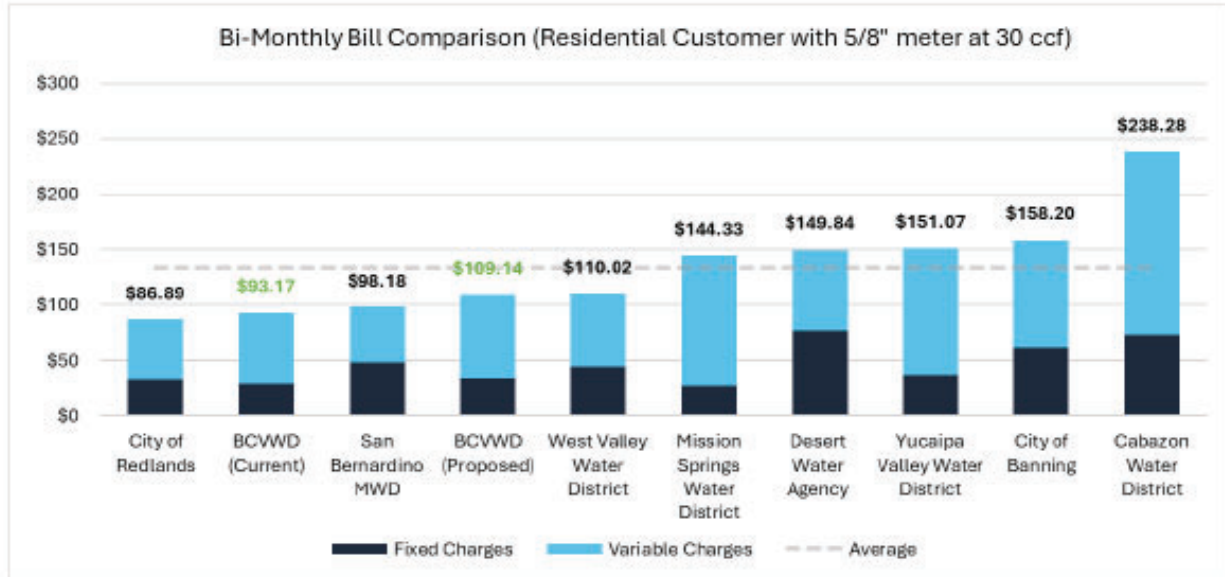
C08 Christine McIntyre

	Issue raised	Response
8A	Further scrutiny and justification required	GR-2 Why are Rate Adjustments Needed?
<p>A comprehensive water rate study was performed by WRE. The District's financial performance is driven by the ability of the current water rates to meet funding needs. To maintain financial sufficiency, water rates must fully fund operations and maintenance (O&M) costs, capital improvement plan (CIP) expenditures, and any relevant financial policies, which typically include target reserve balances and debt coverage. The District continually seeks cost-saving alternatives in all operations.</p>		
8B	Disproportionate burden on residents	GR-5 Proportionate rates
8C	Poor customer service from the District	Comment noted
8D	Transparency requested: <ul style="list-style-type: none"> a. Specific operational costs b. Administrative salary and overhead as a percentage of budget c. Alternative funding options considered d. Conservation efforts e. Efficiency improvements implemented to reduce costs f. Comparison of proposed rates with neighboring districts 	See also GR-1 Transparency and Public Engagement and GR-4 Efforts to Reduce the Burden on Residents
<p>BCVWD remains committed to transparency and fiscal responsibility. The full 2024 Water Rate Study has been available on the District's website since February 5, 2025. The FY 2025 Budget was adopted at the December 11, 2024 regular public meeting and is posted on the website. It shows the total salary and benefits as 35.7 percent of the budget, which is lower than comparable districts. The budget can also be referenced for specific operational costs. It can be found here: https://bcvwd.gov/documents/annual-operating-budgets/</p> <p>The District has actively sought grant opportunities and has been successful at procuring grant funding for infrastructure projects including pipeline replacements and conversion to an automated meter read system, totaling \$4.1 million in the past three years. However, grants cannot replace the revenue needed for basic operations and urgent repairs, replacements, and improvements.</p> <p>Conservation efforts, although necessary, are an unfunded mandate from the State. BCVWD has actively encouraged conservation and in 2020, implemented a tiered rate system to better proportion costs of operations and maintenance to those customers putting the greatest demands on the system, encouraging conservation. However, conservation is a fiscal drain to water districts, which must urge their customers to buy less water, resulting in less revenue to maintain the same operations and maintenance needs and increasing costs of ensuring a sufficient, reliable, and high quality water supply. More stringent conservation mandates from the state must be implemented by January 1, 2027, which will result in added costs to the District along with a concurrent decrease in water sales revenue. See: https://www.waterboards.ca.gov/conservation/regs/water_efficiency_legislation.html</p> <p>The proposed rates remain below the average water rates of neighboring districts and with one CCF equivalent to 748 gallons, maintains a cost of \$0.0048 for one gallon of water.</p> <p>The WRE study provided a comparison of BCVWD rates raised 15 percent with nearby agencies. See below Figure 3-1.</p>		



Beaumont-Cherry Valley Water District 2024 Water Rate Study

Figure 3-1: Residential Bi-Monthly Bill Comparison



C08	Christine McIntyre, continued	
8E	Suggestions: Implement a phased approach with smaller incremental increases Establish tiered pricing that incentivizes conservation Explore grant opportunities Conduct an audit of operational efficiencies	GR-3 Alternatives
The 2024 Water Rate Study prepared by consultants WRE examines all operations of the District and any inefficiencies would have been discovered during this process. BCVWD runs lean, but even so, if rates are not raised, a structural deficit looms in 2026.		

C09 Delilah Smiljanic

	Issue raised	Response
9A	Financial impact on residents (hardship)	Comment noted
9B	Transparency	GR-1 Transparency and Public Engagement

C10 Maria Paulson

	Issue raised	Response
10A	Financial impact on residents (hardship)	Comment noted



C11 Larry E. Patterson

	Issue raised	Response
11A	Financial impact on residents (hardship)	Comment noted
11B	Proposed rates are excessive	
The proposed increase is 15% annually over five years. For a typical single-family household using 30 CCF (hundred cubic feet) of water, the bi-monthly bill will increase from \$93.17 to \$109.14 in 2025 — an increase of about \$16 per bill, or roughly \$8 per month. Although these figures likely exceed inflation, they are based on sound and thorough analysis of the costs of operation of the water system and the District.		

C12 Vincent Hernandez

	Issue raised	Response
12A	District cannot charge more than the actual cost of providing the service	See also GR-2 Why are Rate Adjustments Needed?
The 2024 Water Rate Study found that the net operating revenue is negative for all years following CY 2025, meaning that the District's current revenues are not sufficient to fund its operating expenses and indicate an operating deficit. Additionally, the net cash flow in the status quo scenario is negative for all years, meaning that the District's current revenues are also not sufficient to fund its annual Capital Improvement Program (CIP). The District is not charging more than the actual cost of the service, and in fact must increase rates to cover its operating needs.		

C13 Carol Garcia (Form Letter #1)

	Issue raised	Response
13A	Prior rate increases of 15 to 20 percent	Comment noted
13B	Salary raises from 40 to 60 percent without public input / Reassess salary raises for Board of Directors and management	GR-6 Labor Costs
13C	Disproportionate burden on residents	GR-5 Proportionate rates
13D	Financial impact on residents (hardship)	Comment noted
13E	Perform a thorough review and justification process	GR-2 Why are Rate Adjustments Needed?
13F	Transparency and public engagement	GR-1 Transparency and Public Engagement

C14 Thomas H. Addis III (Form Letter #1)

	Issue raised	Response
14A	Prior rate increases of 15 to 20 percent	Comment noted
14B	Salary raises from 40 to 60 percent without public input / Reassess salary raises for Board of Directors and management	GR-6 Labor Costs
14C	Disproportionate burden on residents	GR-5 Proportionate rates
14D	Financial impact on residents (hardship)	Comment noted
14E	Perform a thorough review and justification process	GR-2 Why are Rate Adjustments Needed?
14F	Transparency and public engagement	GR-1 Transparency and Public Engagement



Section 3 Global Responses

GR-1 Transparency and Public Engagement

BCVWD remains committed to transparency and fiscal responsibility. The full 2024 Water Rate Study has been available on the District's website since February 5, 2025. The Board of Directors has discussed the subject at three public meetings, and an informational Town Hall meeting for residents was held on April 10. Written notices were mailed to all customers and posted in several places, exceeding the legal posting requirements (see Attachments 7 and 8). Legal Notices were published in the Record-Gazette on April 11 and April 18. All letters received before April 3 were responded to individually with an invitation to attend the April 10 Town Hall meeting. Further transparency is being provided via this public hearing.

GR-2 Why Are Rate Adjustments Needed?

Rising costs

Many of the challenge letters pointed out the significant inflation and increases in basic costs of living. These inflationary changes affect BCVWD's operating costs also. BCVWD, like other water providers, is facing rising costs in essential operations and infrastructure maintenance. Some key factors include:

- **Increasing Operating Costs:** The cost of electricity for pumping water, chemicals for water treatment, labor, and regulatory compliance continues to rise at an average of 5.7% per year due to inflation and higher service demands.
- **BCVWD anticipates a 17.5 percent revenue impact in 2025 alone due to pass-through cost increases from electricity and imported water providers (SCE and SGPWA).** Electricity costs for groundwater pumping have increased 94 percent to a budgeted \$3.1 million in 2025.
- **Aging Infrastructure:** Many components of the water system, including pipelines, wells, and storage facilities, require upgrades or replacement to ensure continued reliability and prevent costly emergency repairs.
- **Capital Improvement Projects (CIP):** Over the next five years, \$125 million in necessary infrastructure projects are planned to prevent failures and maintain service reliability. These projects include water supply improvements, pipeline replacements, and facility upgrades. These investments ensure that the water system continues to provide reliable, high quality water to customers. Without them, BCVWD risks deteriorating infrastructure and service interruptions.
- **Insurance costs increased 359 percent to \$378,000 in 2025**
- **No Rate Adjustments = Financial Instability:** If rates remain unchanged, BCVWD will run a deficit by 2026, leading to service disruptions, deferred maintenance, and potentially larger rate increases in the future.

In addition, BCVWD faces a series of unfunded state and federal mandates that will significantly impact costs:

1. **Chromium-6 Compliance:** Some BCVWD wells exceed new state limits and may require



costly treatment.

2. PFAS Regulations: If detected in future groundwater, BCVWD may need to install advanced filtration systems.
3. Water Conservation Requirements (SB 606 & AB 1668): The state is enforcing stricter conservation measures that may require new rate structures.
4. State-Mandated Electric Fleet Transition: Compliance with California Air Resources Board regulations will require expensive fleet upgrades and charging infrastructure

The District must also respond to the needs of the City of Beaumont, which is working on infrastructure improvements to enhance the residents' convenience and quality of life. These include:

- Pipeline Relocations for City Projects: BCVWD must adjust infrastructure for the Pennsylvania Grade Separation and Widening project and other city-led construction.

These rate adjustments are critical to ensuring a safe, reliable, and high-quality water supply for the community.

BCVWD's proposed rate increases are:

- Legally required
- Financially justified
- Transparent and publicly vetted
- Designed to fund essential infrastructure and avoid service cuts

BCVWD must support operations

BCVWD imposes only the rates necessary to satisfy the requirements of Water Code 31007: the District must fix, prescribe, revise and collect fees and charges so as to yield an amount sufficient to pay the operating expenses of the District, provide for repairs and depreciation of works owned and / or operated by the District, pay the interest on any bonded debt, and provide a fund for payment of the principal of the bonded debt as it becomes due.

Concern was expressed that the rate increases exceed the rate of inflation. Unfortunately, inflation alone does not capture BCVWD's full cost picture. Since 2020:

- Insurance costs rose 359%
- Electricity for pumping rose 94%
- Imported State Water Project and other imported water supplies remain a significant cost
- Critical well and pipeline replacements are overdue

These are non-discretionary, fixed costs. The Water Rate Study documents and justifies these increases through a detailed cost-of-service analysis that complies with Proposition 218.



Requirements to serve customers

The proposed rate increases will directly improve water services for BCVWD customers by ensuring system reliability, infrastructure sustainability, and long-term financial stability. Here are the key ways customers will benefit:

1. Preventing Service Disruptions and Water Quality Issues

- Many pipelines, wells, and other critical components of the water system are aging and require replacement or upgrades. Without proactive investment, the risk of water main breaks, service outages, and emergency repairs increases. Upgrades to pumping and storage systems also support operational flexibility, which becomes critical during emergencies such as wildfires or power outages.
- The rate increases will fund necessary pipeline replacements and well rehabilitation projects, reducing the risk of system failures and ensuring customers receive consistent and high-quality water service.

2. Enhancing System Capacity and Efficiency

- Investments in storage facilities, pumping stations, and groundwater recharge projects will help ensure sufficient water supply during peak demand periods and emergencies such as droughts or system failures.
- Upgrading system infrastructure also improves energy efficiency, lowering long-term operating costs.
- New developments do not burden existing customers. Developers pay capacity charges to fund infrastructure expansion. Ratepayers fund only maintenance and replacement of the existing system.

3. Funding Essential Capital Improvement Projects (CIP)

- Over the next five years, \$125 million in capital improvement projects is planned to maintain and upgrade water infrastructure.
- You can view the most recent update on BCVWD's capital improvement program by accessing the Feb. 27, 2025 Board meeting agenda packet, here: <https://bcvwd.gov/wp-content/uploads/2025/02/2025-02-27-Regular-Meeting-Agenda.pdf>

The report begins on page 5.

4. Maintaining Affordability Over Time

- Delaying investments leads to higher costs in the future due to inflation and emergency repairs. Just like delaying an oil change increases the chances of damaging a car engine resulting in a much more costly repair.
- A proactive approach helps spread costs gradually rather than imposing sudden, drastic rate increases when system failures occur.

5. Meeting Regulatory and Water Quality Standards

- Compliance with state and federal water quality regulations is critical to ensuring customers receive safe drinking water.
- The rate increases will help fund treatment system improvements and water testing programs to maintain high water quality standards.



6. Service Quality and Budget Efficiency

The District contracted with Water Resources Economics, LLC, a professional third-party firm, to independently evaluate and validate the financial need for increased rates. The study found:

- BCVWD operates with no existing debt
- Staff salaries and overhead are consistent with public agency standards
- A five-year Capital Improvement Plan was developed with cost-benefit priorities

Additionally, BCVWD plans to stagger debt issuance, fund infrastructure gradually, and has limited its State-mandated fleet electrification costs until 2028 to avoid near-term pressure.

Bottom Line for Customers

- **More reliable service** with fewer disruptions.
- **Improved water quality** through better infrastructure and treatment.
- **Stronger system capacity** to meet future demand.
- **Reduced risk of costly emergency repairs** that could lead to even higher rate increases down the line.
- **The proposed plan is phased, adaptive, and conservative, balancing urgency with flexibility.**

These investments are essential to providing **safe, reliable, and cost-effective water service** for current and future customers.

GR-3 - Alternatives

Alternatives to rate increases were considered during the financial planning process, but each presented significant limitations or risks that would negatively impact water service reliability, infrastructure sustainability, or long-term financial stability. Although alternatives were explored, with some measures (like debt financing and grant applications) incorporated, they were not enough to fully cover rising costs.

The 15 percent annual rate increases were determined to be the most balanced, proactive approach to ensuring financial stability, system reliability, and water quality compliance while avoiding drastic emergency increases in the future.

Alternatives considered were:

1. Considered: Reducing or postponing infrastructure investments to limit the need for rate increases.

Why It Was Not Chosen:

- BCVWD's infrastructure requires urgent upgrades to prevent costly breakdowns, emergency repairs, and potential service disruptions.
- Deferring projects leads to higher repair costs due to inflation, increasing expenses in the long run.



- Some projects, such as pipeline replacements and well rehabilitation, are critical to ensuring a reliable water supply for customers.

2. Considered: Using existing financial reserves instead of raising rates.

Why It Was Not Chosen:

- BCVWD's reserves are already projected to drop below safe levels by 2026 if rates remain unchanged.
- Depleting reserves would leave the District financially vulnerable to unforeseen emergencies, such as major pipeline failures, drought conditions, or economic downturns.
- Maintaining healthy reserve levels is critical for keeping borrowing costs low when financing major projects.

3. Considered: Seeking additional state or federal grants and low-interest loans instead of increasing rates.

Partially Implemented:

- BCVWD is actively pursuing grant funding to help offset costs, but grants are competitive, often have restrictions on how they can be used, and have an ending period, meaning they would be a short-term solution.
- \$55 million in debt financing is already included in the financial plan to avoid placing the entire burden on ratepayers at once.
- Although the District may pursue loans, loans must be repaid, and repayment requires stable revenue sources — hence the need for rate adjustments.

4. Considered: Cutting expenses in administration, staffing, and maintenance.

Why It Was Not Chosen:

- The District has already implemented cost-control measures, and further cuts could compromise service quality.
- Staffing levels are at a minimum to meet regulatory requirements and customer service needs. There are fewer than 50 employees servicing almost 22,000 service connections throughout Beaumont and Cherry Valley.
- Reducing maintenance spending could lead to more system failures, increasing long-term costs and potential emergency rate hikes.

5. Restructuring rates to shift more of the cost burden to high-volume users or certain customer classes.

Partially Implemented:

- The rate study ensures compliance with Proposition 218, meaning rates must be tied to the actual cost of providing service.



- Adjustments were made to ensure fair and equitable distribution of costs across all customers, but a complete restructuring would not eliminate the need for additional revenue.
- Rates must be fully equitable – one customer cannot be subsidizing another. Each customer pays for their own use.

GR-4 Efforts to Reduce the Burden on Residents

BCVWD recognizes that affordability is a concern, and is taking the following steps to mitigate the impact:

- **Phased Approach:** Instead of implementing a large one-time increase, adjustments are spread over multiple years to allow customers time to adjust. Additionally, the Board retains the flexibility to implement smaller adjustments if it is prudent to do so.
- **No Extra Charges Beyond Cost-of-Service:** Rates are calculated strictly based on the actual cost of providing water, as required by Proposition 218.
- **Funding Alternatives:** The district is also securing financing through \$55 million in planned debt issuances to avoid placing the entire financial burden on ratepayers at once.
- **Financial Assistance Programs:** It is not lawful for BCVWD to offer a formal rate assistance program, but residents experiencing financial hardship are encouraged to explore local, county, and statewide utility assistance programs and water conservation programs to reduce bills.

GR-5 Proportionate rates

Staff is uncertain what the letter writers mean in reference to “disproportionate” effect of rate increases on ratepayers. Painstaking work went into the financial analysis to ensure all costs are proportionate to the service provided, as required by law. Each class of customers is assigned its proportionate share of the utility’s total cost of service. BCVWD receives no ad valorem tax revenue, and functions solely as an enterprise operation. All operating and capital costs are borne by the users of the water system.

Alternatively, the writers could be communicating that they feel the rate increases are regressive, e.g., being applied uniformly without regard to income levels. BCVWD is sympathetic to these concerns. However, the District cannot legally set rates based on income — Proposition 218 requires that all customers pay in proportion to the cost of the service they receive. To apply rates based on income levels rather than use would run afoul of Article XIII D, Section 6(b) which states no customer may be charged more than their proportional share of the cost of service, i.e., higher income customers may not subsidize lower income customers. BCVWD must follow the law.



GR-6 Labor Costs

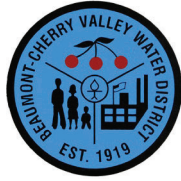
Several letters expressed concern about management salary raises of 40 to 60 percent in recent years. The budget for labor costs has indeed increased, however the figure does not represent solely salary increases.

- Due to District growth and workload, and restructuring of the organization, BCVWD has increased from 38 full time employees in 2020 to 46 current full-time employees. Although this may seem to be a large increase, BCVWD transitioned from a costly model of cycling through temporary employees to instead hiring regular employees to reduce redundant training needs and costs of constant recruitment. Additionally, BCVWD still runs with a lean staff in comparison to other agencies of its size:
 - Ratio of 1 staffer to 21,700 connections (BCVWD = 1:471)
 - Other nearby comparable agencies run between 1:177 to 1:387
- A classification and compensation study was conducted by a professional consultant in 2021, which found that the District base salaries were 22.4% below the market median and total compensation was 14.7% below the market. BCVWD was training, then losing new hires to other agencies with more benefits and higher wages. This costly cycle has stopped.
- Per agreement with the employee group, an informal compensation study was conducted in 2024 by a third party and in-house staff. Findings were that most, but not all, the District base salaries were below the market median due to inflation (average was 11.25 percent below market). Why did this happen?
 - Agencies base their annual cost of living increases on the Cost of Living Index (COLI) from the Bureau of Labor Statistics. In the period of high inflation from 2023-2024, BCVWD's employee agreements capped increases at 5 percent, when other agencies were providing increases of 8 to 9+ percent based on the COLI. For more than two years, BCVWD employees were working at lower rates of pay than their peers at other agencies, which provided BCVWD ratepayers with a great savings, but led to further employee turnover. The affected salaries were adjusted upward in 2025 to maintain the industry median, but none were near the range of 40 to 60 percent.
- A new negotiated class for incentive pay added \$26,000 to the budget (but only \$3,500 was spent in 2024)
- The budget for Health Insurance has increased by \$207,148
- The CalPERS retirement contributions have increased by 21.3 percent (\$149,000) due to increased rates, staffing, and the salaries on which it is based

The combination of these costs may provide the appearance of 40 to 60 percent salary increases when comparing budget bottom lines.

Section 4 Conclusion

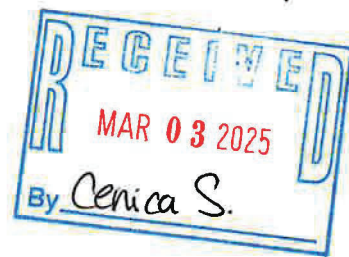
The Board welcomes continued public engagement and appreciates the time residents have taken to share their concerns. All objections and protests will be entered into the record and considered prior to final adoption.



BEAUMONT-CHERRY VALLEY WATER DISTRICT

2025 Rate Action

Written Challenges received timely



Beaumont-Cherry Valley Water District
Attn: Executive Assistant
560 Magnolia Avenue
Beaumont, CA 92223

Dear Beaumont-Cherry Valley Water District:

Regarding: Statement of the grounds for challenge to the proposed rate adjustments

Please consider not raising our water bill due to my husband's medical conditions. He is currently bedridden and on Hospice care due to Heart Failure. He has caregivers that gives him bed baths 4-5 times per week and we use extra water to accommodate these procedures. We also use extra water because of the laundry that needs to be done for the changing of his bed, towels, and gowns.

Thanks in advance for taking these concerns in consideration.

Barbara Hart
1576 Lindsey Peak
Beaumont, CA 92223

Dear Beaumont-Cherry Valley Water District

I am submitting this written challenge in opposition to the proposed rate adjustments. As a property owner, I am concerned about the financial impact the increases will have on residents, particularly given the rising costs of living and economic challenges facing our community. Additionally, I request further transparency on the justification for these adjustments and how they will directly improve water services.

I urge the Board to reconsider these increases and explore alternative solutions that do not disproportionately burden residents.

Sincerely,

Homeowner at 40451 Lincoln St.



Monica Lombardo
37114 Winged Foot Rd
Beaumont, CA 92223
February 27 2025



Attn: Executive Assistant
Beaumont-Cherry Valley Water District
560 Magnolia Avenue
Beaumont, CA 92223

Subject: Formal Objection to Proposed Water Rate Increases

Dear Board Members,

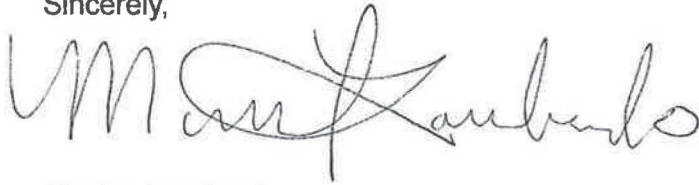
I am writing to formally object to the proposed water rate increases for the Beaumont-Cherry Valley Water District. As a concerned resident, I believe these rate adjustments are unnecessary and will place an unfair burden on our community, especially given the following concerns:

1. Financial Burden on Residents – Many households in our district are already struggling with rising living costs. Increasing water rates will make it even harder for families to afford basic necessities.
2. Lack of Justification for the Rate Hike – Before raising rates, the district must provide a transparent, detailed breakdown of why the increase is necessary and what alternatives have been considered.
3. Increased Water Supply Should Reduce Costs – With recent policy changes restoring water access in California, the availability of resources should improve. Instead of increasing rates, residents should benefit from lower costs due to the increased supply.
4. Potential Budget Inefficiencies – Rather than placing the burden on residents, the district should evaluate its budget for wasteful spending, excessive administrative costs, or other inefficiencies before resorting to higher rates.
5. Lack of Public Input and Transparency – A single hearing is not sufficient public engagement for such a critical decision. Residents deserve more opportunities to review, question, and challenge the proposal.

For these reasons, I strongly urge the district to reject the proposed rate increase and seek alternative solutions that do not place additional financial strain on residents.

Thank you for your time and consideration. I look forward to your response.

Sincerely,

A handwritten signature in black ink, appearing to read "Monica Lombardo". The signature is fluid and cursive, with the first name "Monica" written in a larger, more prominent script than the last name "Lombardo".

Monica Lombardo

909.222.0252

Monicaislas333@yahoo.com

March 2, 2025

Board of Directors

Beaumont- Cherry Valley Water District

560 Magnolia Ave.

Beaumont, CA 92223

Dear Board of Directors (BCVWD):

This protest letter is in response to the recent proposition 218 letter I received. The proposed rates dramatically exceed reasonable expectations for inflation and should be reconsidered.

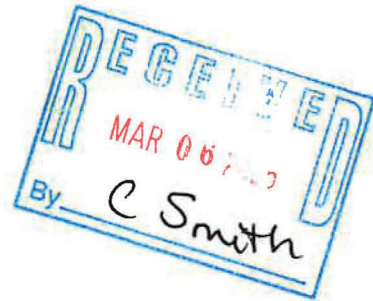
Sincerely,

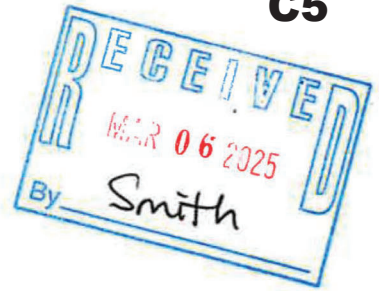


Renee Morales

685 Palo Alto Ave

Beaumont, CA 92223





February 28, 2025

BEAUMONT-CHERRY VALLEY WATER DISTRICT
560 MAGNOLIA AVENUE
BEAUMONT, CA 92223
ATTN: EXECUTIVE ASSISTANT

RE: WATER SERVICE PROPOSED RATE
ADJUSTMENTS

DEAR READER:

I AM WRITING TO EXPRESS MY
CONCERNS REGARDING ANY HIGHER
PROPOSED RATES FOR WATER SERVICE.

I AM A SENIOR CITIZEN, ON A
FIXED INCOME AND A RAISE IN RATES
FOR WATER USAGE WOULD DEFINITELY
PRESENT A HANDSHIP FOR ME.

I DEEPLY APPRECIATE AND THANK
YOU FOR YOUR CONSIDERATION OF MY
CONCERN. AGAIN, THANK YOU.

SINCERELY,

A handwritten signature in black ink, appearing to read "Robert Smith".

Trisha Perkins
502 Roy Ct
Beaumont, CA 92223
March 2, 2025



Beaumont-Cherry Valley Water District
560 Magnolia Avenue
Beaumont, CA 92223

Subject: Opposition to Proposed Water Rate Increases and Community Concerns

To Whom It May Concern,

I am writing to formally express my strong opposition to the proposed water rate increases set to be discussed at the upcoming public hearing on April 24, 2025. The financial burden imposed by these rate adjustments is already being felt by many residents in my neighborhood, and further increases will only exacerbate the hardship faced by homeowners and tenants alike.

Many residents have been forced to cut back on their water usage to the detriment of their properties. Lawns are turning brown, and trees are dying due to insufficient irrigation. In an area prone to high winds, dead or weakened trees pose a significant hazard, increasing the likelihood of property damage. This raises concerns about homeowners' insurance, as more claims could lead to higher premiums or even policy cancellations—placing even more financial strain on residents who are simply trying to maintain their homes.

Additionally, in a time when grocery prices have skyrocketed, many families have turned to growing their own food as a means of survival. Increased water costs make it even more difficult for residents to sustain their home gardens, adding yet another hardship to already stretched household budgets. It is unfair that the very people funding the district's operations through their utility bills are now being forced to choose between basic needs.

Another growing concern is the continued rapid pace of new construction. While existing residents are being asked to shoulder higher costs, new developments continue to expand, placing additional strain on water resources. Slowing down construction would be a more sustainable approach, allowing for better resource management rather than continually increasing rates on current homeowners who are struggling to keep up.

While I acknowledge that BCVWD operates as a not-for-profit agency and must ensure the continued delivery of reliable water services, there is growing concern that the public has little to no real influence over these rate adjustments. Many feel that decisions are made before these hearings even take place, with public input serving as little more than a procedural formality. This lack of transparency and true public engagement has contributed to a broader loss of confidence in both local and larger government entities.

Water is an essential resource, and its affordability should not be compromised without thorough consideration of alternative solutions. I urge BCVWD to reconsider these increases, slow down

new developments that further strain resources, and seek more equitable ways to manage costs without disproportionately burdening the very residents who financially support this utility. The community deserves a fair process—one in which public concerns are genuinely considered and addressed before any final decisions are made.

I look forward to seeing a response that acknowledges the voices of the people directly affected by these proposed changes.

Sincerely,
Trisha Perkins

Angie Lam
34146 O'Grady Ct
Beaumont Ca 92223
anglam99@gmail.com
02-28-2025



Beaumont-Cherry Valley Water District
560 Magnolia Ave
Beaumont, CA 92223

Subject: Formal Protest Against Proposed Water Rate Increase

To Whom It May Concern,

I am submitting this written protest pursuant to Proposition 218 in opposition to the proposed water rate increase set forth by Beaumont-Cherry Valley Water District. As a property owner and affected ratepayer at 34146 O'Grady Ct, Beaumont Ca 92223, I strongly object to the rate adjustments due to the following reasons:

1. Disproportionate Financial Burden on Ratepayers

The rate hike imposes a significant financial burden on property owners and residents, many of whom are already struggling with rising living costs. The increase appears to be excessive and disproportionate when compared to inflation and historical trends in water usage and utility expenses.

2. Need for Alternative Cost-Reduction Measures

Rather than increasing rates, I urge the utility provider to explore alternative solutions such as reducing operational inefficiencies, investing in sustainable water management practices, and reassessing budget priorities to minimize unnecessary expenditures.

3. Public Engagement and Transparency Concerns

The notification process regarding the proposed increase has not been sufficiently accessible to the public, limiting the opportunity for meaningful participation. Many ratepayers remain unaware of the proposal, the justification behind it, and their right to protest under Proposition 218.

Conclusion

In light of the concerns outlined above, I formally object to the proposed water rate increase and request that the Beaumont-Cherry Valley Water District reconsider this adjustment. I also request a more comprehensive review of cost-saving alternatives before implementing any further financial burden on the community.

Please ensure that this written protest is included in the official record for the upcoming public hearing on April 24, 2024. I appreciate your attention to this matter and look forward to a response addressing these concerns.

Sincerely,
Angie Lam

A handwritten signature in black ink, appearing to be 'AL' or similar initials, written in a cursive style.

34146 O' Grady Ct, Beaumont Ca 92223
951-961-6009

February 26, 2025

Beaumont-Cherry Valley Water District
Attn: Executive Assistant
560 Magnolia Avenue
Beaumont, CA 92223



Re: Proposed Changes to Water, Fire and Non-Potable Water Rates and Service Charges
Proposition 218 Challenge to Rate Adjustment
9285 Rancho Drive
Cherry Valley, CA 92223
Account #044808-002

I am writing to express my concerns regarding the recently proposed water rate increase for BCVWD customers. As a resident and ratepayer in the district since 2006, I believe this increase requires further scrutiny and justification before implementation.

Rate Increase Concerns

While I understand the district faces rising operational costs, this burden should not fall disproportionately on residents, especially during challenging economic times for many households. I also have concerns regarding the poor service reviews received from neighbors in the district. While I understand that it is challenging as a utility company to please all of your customers, there appears to be some work needed in your customer service department.

Request for Transparency

I request detailed information regarding:

- Specific operational costs driving this increase
- Administrative salary and overhead expenses as a percentage of the budget
- Alternative funding options considered
- Conservation efforts and efficiency improvements implemented to reduce costs
- Comparison of proposed rates with neighboring water districts

Suggested Alternatives

I respectfully suggest the board consider these alternatives:

1. Implementing a phased approach with smaller, incremental increases
2. Establishing tiered pricing that incentivizes conservation while maintaining affordable baseline rates
3. Exploring grant opportunities and state/federal infrastructure funding
4. Conducting an independent audit of operational efficiencies

I appreciate your attention to these concerns and look forward to your response. I request to be notified of any future public hearings or board meetings where this matter will be discussed.

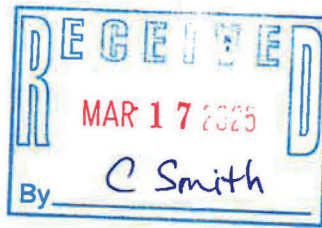
Sincerely,


Christine McIntyre

MARCH 15, 2025

C9

Hi, my name is:
DELILAH SMILJANIC
35941 DYLAN CT.
BEAUMONT CA 92223



THIS IS IN RESPONSE TO THE LETTER WE RECEIVED
ON THE PROPOSED ADJUSTMENT TO OUR
WATER SERVICE CHARGES.

I CAN UNDERSTAND THE NEED FOR SUPPLEMENTAL
INCREASE TO SUSTAIN QUALITY OF THE WATER WE
CONSUME.

BUT, WE ARE SENIOR CITIZENS LIVING IN A
FIXED INCOME. ALTHOUGH IT'S NOT MENTION
AS OF HOW MUCH RATE ADJUSTMENTS ARE GOING
TO BE, EVERY PENNY COUNTS IN OUR HOUSEHOLD
PLEASE BE KIND TO SENIORS.

THANK YOU
D. Smiljanic

March. 12 - 2025

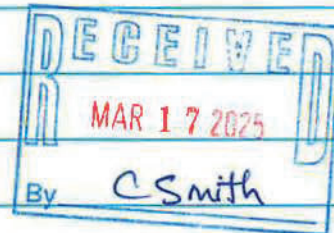
to Whom it may concern.

I am a Senior living of Social Security.
it is going to be hard for me to pay more
for the water.

I know that I am not the only Senior with
this issue. We are living check to check.

Thank you

Marna Paulson



Larry E Patterson
1116 Silverleaf Cyn. Rd.
Beaumont Ca. 92223



Subject: Challenge to proposed water rate increase.

I feel the proposed rate increases are somewhat excessive and hope that the board will reconsider the new rate structure. This is a huge increase over the last five year rate structure, especially for the fixed rate charge. I understand that costs increase and fully understand the need for rate increases, but the proposed new rate structure is excessive. This will really hurt low income residents and seniors on fixed incomes who are already struggling to pay utilities. Please take a hard look at modifying the proposed new water rates.
Thank you for your consideration.




Vincent Hernandez
1299 Orange Ave
Beaumont, CA 92223
March 19, 2025

Beaumont-Cherry valley water District
Attn: Executive Assistant
560 Magnolia Ave
Beaumont, CA 92223

Subject: Proposed rate adjustment

I, Vincent Hernandez, am the property owner from the address listed above. I am writing this letter to challenge the Beaumont cherry valley water district (BCVWD). I object to this increase, in accordance to the state law, BCVWD cannot charge more than actual cost for providing water service since BCVWD is not legally allowed to make a profit. I believe that the cost of this service is high enough and fair enough as is.

Kind regards,


Vincent Hernandez

March 21, 2025
Carol Garcia
452 Everest Peak, Beaumont, CA 92223



Beaumont-Cherry Valley Water District
560 Magnolia Ave, Beaumont, CA 92223

Dear Members of the Board,

Subject: Protest Against Recent Water Rate Increases and Management Salary Hikes

I am writing to express my deep concern regarding the Beaumont-Cherry Valley Water District's recent increases in water rates and meter service charges by 15% to 20% over the past couple of years. Additionally, it has come to the attention of residents that approximately two years ago, the Board of Directors and management approved salary raises ranging from 40% to 60% without seeking input or consensus from the community you serve.

The burden of these decisions falls disproportionately on city residents who are already grappling with high property taxes, escalating city sewer fees, waste management costs, and the relentless impact of inflation. These additional increases in utility expenses make it exceedingly difficult for families and individuals to manage their financial obligations.

Transparency, accountability, and community engagement are fundamental principles that public service entities must adhere to. It is deeply troubling that substantial salary increases for the Board of Directors and management were authorized without sufficient consideration of their financial impact on residents. Moreover, implementing successive rate hikes within a short timeframe exacerbates the financial strain on the very people your organization is tasked with serving.

I respectfully urge the Beaumont-Cherry Valley Water District to take immediate steps to:

1. Halt further increases in water rate and meter service charges until a thorough review and justification process, involving public consultations is conducted.
2. Reassess the recent salary raises for the Board of Directors and management to ensure they align with the district's financial position and community expectations.
3. Prioritize transparent communication with residents to rebuild trust and foster a collaborative approach to addressing the district's governance and to mitigate the undue financial burden currently imposed on residents.

I kindly request a prompt response regarding the steps the district plans to take in light of these concerns.

Thank you for your attention to this matter.

Sincerely,


Carol Garcia

April 1, 2025

Thomas H. Addis III
1115 Silverleaf Canyon Road
Beaumont, CA 92223



Beaumont-Cherry Valley Water District
560 Magnolia Avenue
Beaumont, CA 92223

Subject: Community concerns for recent Water Rate Increases and Management Salary Hikes

Dear Members of the BCVWD Board,

I am writing to express my concern regarding the Beaumont-Cherry Valley Water District's recent increases in water rates and meter service charges by 15% to 20%.

Additionally, it has come to the attention of Beaumont residents that also in recent years the Board of Directors and management approved individual salary raises ranging from 40% to 60% without seeking input or consensus from the community you serve.

The burden of these decisions falls disproportionately on city residents who are already grappling with high property taxes, escalating city sewer fees, waste management costs, and the relentless impact of inflation. These additional increases in utility expenses make it exceedingly difficult for Beaumont residents to manage their financial obligations.

Transparency, accountability, and community engagement are fundamental principles that public service entities and representatives must adhere to. It is deeply troubling that substantial salary increases for the Board of Directors and District management were authorized without sufficient consideration of their financial impact on residents and the overall community economy. Moreover, implementing successive rate hikes within a short timeframe exacerbates the financial strain on the very people your organization is tasked with serving.

I respectfully urge the Beaumont-Cherry Valley Water District to take immediate steps to:

1. Halt further increases in water rates and meter service charges for the BCVWD until a thorough review and justification process, involving public consultations, is conducted.

2. Reassess the recent salary raises for the BCVWD Board of Directors and District management to ensure they align with the district's financial position and community expectations.
3. Prioritize transparent communication with Beaumont residents to foster a collaborative approach to addressing the district's financial challenges, if any.

As a concerned citizen of Beaumont, I believe these measures are essential to continue confidence with the BCVWD governance and to mitigate the undue financial burden continually imposed on our residents.

I kindly request a prompt response regarding the steps the BCVWD plans to take in light of these concerns expressed herein.

Thank you for your immediate attention to this community matter.

Sincerely,



Thomas H. Addis III

Beaumont- Cherry Valley Water District

2024 Water Rate Study
Final Report – April 2025

Prepared by: Water Resources Economics, LLC



**Water Resources
Economics**

PROMOTING THE VALUE AND PRICE OF
WATER SERVICE

April 3, 2025

Daniel Jagers
General Manager
Beaumont-Cherry Valley Water District
560 Magnolia Ave
Beaumont, CA 92223

Subject: Beaumont-Cherry Valley Water District Water Rate Study Report

Dear Mr. Jagers,

Water Resources Economics, LLC (WRE) is pleased to submit this 2024 Water Rate Study Report to the Beaumont-Cherry Valley Water District (District). This report documents the results and recommendations of the District's water rate study update. The goal of the study was to develop an updated five-year schedule of water rates that will sufficiently fund the District's water system expenses and allow the District to meet its financial goals within the study period.

Our project team has a proven track record of developing fair and equitable water rates for numerous public water agencies in California over the past 25 years. We are confident in our ability to develop sound water rates that satisfy the requirements of Proposition 218.

It has been a pleasure assisting the District, and we appreciate the support provided by yourself, the Board of Directors, Ms. Sylvia Molina, Mr. Bill Clayton, and other District staff during this study.

Sincerely,



Sanjay Gaur
Founder / President



Nancy Phan
Principal Consultant

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LIST OF ABBREVIATIONS

- BCVWD: Beaumont-Cherry Valley Water District
- AEOC: Administration, Engineering, and Operations Center
- CCF: 100 cubic feet
- CIP: Capital improvement plan
- COB: City of Beaumont
- CY: Calendar year (January 1st – December 31st)
- FY: Fiscal Year (January 1st – December 31st)
- O&M: Operations and maintenance
- SGPWA: San Geronio Pass Water Agency
- WRE: Water Resources Economics, LLC

1. EXECUTIVE SUMMARY

1.1 SYSTEM OVERVIEW

The Beaumont-Cherry Valley Water District (District or BCVWD) provides potable and non-potable water service to over 21,000 metered connections, including Single Family Residential, Multi Family Residential, Commercial/ Industrial, Landscape Irrigation, Schedule Irrigation, Construction, and Non-Potable customer classes. The District's service area stretches between the City of Beaumont, Cherry Valley in Riverside, and San Bernardino Counties in Southern California, and is approximately 28 square miles. The District's water supply sources include the Beaumont Basin Storage Unit, Edgar Canyon, and water from the State Water Project purchased from San Geronio Pass Water Agency (SGPWA).

1.2 RATE STUDY OVERVIEW

Public retail water agencies in California typically conduct a rate study every five years to ensure that customers are appropriately charged for water service. The District's existing rate structure was developed in 2019 in a cost-of-service water rate study. Since 2019, the District has updated water rates every year based on this structure. Calendar Year (CY) 2024 is the final year of the five-year implementation plan from the 2019 rate study.

The District engaged Water Resources Economics, LLC (WRE) in 2024 to conduct a comprehensive water rate study, with the following objectives:

- Develop a five-year water rate schedule for CY 2025 through CY 2027 and CY 2029
- Evaluate a five-year financial plan scenario to meet financial targets and fund operating costs and capital projects for CY 2025 to CY 2029
- Conduct a comparative survey of rates charged by other neighboring Riverside and San Bernardino County water agencies

1.3 LEGAL REQUIREMENTS

Legal considerations relating to retail water rates in California focus heavily on Proposition 218, which was enacted in 1996 and is now reflected in Article XIII C and Article XIII D of the California Constitution. Proposition 218 states that "property related fees and charges" (which include retail water rates) may not exceed the proportional cost of providing the service to the customer and may not be used for any purpose other than providing said service. The practical implication is that public retail water agencies in California must demonstrate a sufficient nexus between the costs incurred by the agency to provide water service and the rates charged to customers.

Proposition 218 also affects the rate adoption process by requiring agencies to hold a public hearing to adopt rates. The agency must mail public hearing notices to all customers no fewer than 45 days prior to the public hearing. The public hearing notices must clearly show all proposed rate changes, provide information on the public hearing date/time/location, and

Beaumont-Cherry Valley Water District 2024 Water Rate Study

provide instructions on how customers may protest the proposed rate changes. If a majority of customers submit a protest, the proposed rate changes cannot be adopted.

1.4 RATE-SETTING METHODOLOGY

This study was conducted using industry-standard methodology outlined by the American Water Works Association (AWWA) in its *Manual of Water Supply Practices M1: Principles of Water Rates, Fees and Charges, Seventh Edition* (M1 Manual). The rate study process includes the following steps:

1. **Financial Plan:** Annual revenues and expenses are projected over the rate-setting period to determine the magnitude of rate increases needed to maintain financial sufficiency. Financial policies, such as reserve targets, are also evaluated and updated if necessary.
2. **Rate Design:** A multi-year proposed rate schedule is calculated directly from the results of the financial plan.
3. **Rate Study Documentation:** A rate study report is developed to document the proposed rate development process. This provides transparency and enhances legal defensibility in light of Proposition 218 requirements. This document serves as the report for this rate study.

1.5 ADDITIONAL INFORMATION AND DISCLAIMERS

This report summarizes the data, analyses, processes, and results of the District's water rate study. Some important information to keep in mind when reading the report includes the following:

- All study projections are based on the best available data as of December 2024.
- All table values are rounded to the nearest digit shown unless stated otherwise. However, all calculations are based on precise values. Attempting to manually recreate the calculations described in this report from the values displayed in tables may therefore produce slightly different results.
- All current and proposed rates and charges in this report are shown on a bi-monthly basis.

1.6 CURRENT WATER RATES

CURRENT WATER RATES

The District's current water rate structure includes fixed bi-monthly meter service charges by meter size, fixed bi-monthly private fire service charges by fire line diameter (charged to private fire customers only), quantitative use charges by water usage measured in hundred cubic feet (ccf) for each customer class, and pass-through surcharges for SGPWA imported water and Southern California Edison (SCE) electrical costs, charged based on ccf of water use for all customers. Single Family Residential customers' quantitative use charges have three tiers; all other customers have a uniform quantity charge. Select large volume commercial, industrial,

Beaumont-Cherry Valley Water District 2024 Water Rate Study

construction, landscape, and fire service customers are billed monthly instead of bi-monthly, however their charges are shown on a bi-monthly basis, consistent with the billing of all other customers. Actual billing reflects the proportionate amount of each bi-monthly charge

Table 1-1, Table 1-2, Table 1-3, and Table 1-4 show the current bi-monthly meter service charges, bi-monthly private fire service charges, quantitative use charges, and pass-through surcharges adopted over the past two calendar years.

Table 1-1: Current Bi-Monthly Meter Service Charges

Line	Bi-Monthly Meter Service Charge	As of 1/1/23	As of 1/1/24
1	5/8" meter	\$27.69	\$29.63
2	3/4" meter	\$38.15	\$40.83
3	1" meter	\$59.11	\$63.25
4	1-1/2" meter	\$111.51	\$119.32
5	2" meter	\$174.38	\$186.59
6	3" meter	\$373.46	\$399.61
7	4" meter	\$666.86	\$713.55
8	6" meter	\$1,368.92	\$1,464.75
9	8" meter	\$2,940.69	\$3,146.54
10	10" meter	\$4,407.66	\$4,716.20
11	12" meter	\$5,560.28	\$5,949.50

Table 1-2: Current Bi-Monthly Private Fire Service Charges

Line	Bi-Monthly Private Fire Service Charges	As of 1/1/23	As of 1/1/24
1	4" meter	\$54.22	\$58.02
2	6" meter	\$144.71	\$154.84
3	8" meter	\$300.78	\$321.84
4	10" meter	\$535.57	\$573.06
5	12" meter	\$860.95	\$921.22

Table 1-3: Current Quantitative Use Charges

Line	Quantitative Use Charge (\$/ccf)	As of 1/1/23	As of 1/1/24
1	Single Family		
2	Tier 1 (0-16 units)	\$0.82	\$0.88
3	Tier 2 (17-34 units)	\$1.01	\$1.09
4	Tier 3 (35+ units)	\$1.68	\$1.80
5	Multi-Family	\$1.26	\$1.35
6	Commercial / Industrial	\$1.18	\$1.27
7	Landscape Irrigation	\$1.31	\$1.41
8	Schedule Irrigation	\$1.31	\$1.41
9	Construction	\$1.45	\$1.56
10	Non-Potable	\$1.06	\$1.07
11	Fire Service	\$1.45	\$1.56

Table 1-4: Current Pass-Through Surcharges

Line	Pass-Through Surcharges (\$/ccf)	As of 1/1/23	As of 1/1/24
1	SGPWA Importation Charges	\$0.72	\$0.72
2	SCE Power Charges	\$0.42	\$0.42

1.7 FINANCIAL PLAN

WRE worked closely with District staff and the District’s Board of Directors to determine the financial plan scenario that best suits the District’s needs. The results and recommendations of the water rate study are driven by the District’s financial performance, input from District staff, and feedback and direction from the Board.

FACTORS AFFECTING FINANCIAL PERFORMANCE

The water system’s financial performance is driven by the ability of the current water rates to meet the District’s funding needs. To maintain financial sufficiency, water rates must fully fund operations and maintenance (O&M) costs, capital improvement plan (CIP) expenditures, and any relevant financial policies, which typically include target reserve balances and debt coverage.

The key factors affecting financial performance include:

- **Substantial capital needs:** The cost of planned capital projects over the next five years (CY 2025 through CY 2029) is approximately \$192.3 million. Of this planned expenditure, the District expects to reasonably execute 65% each year, bringing expected CIP costs to approximately \$125 million. Significant projects include fulfilling the Administration, Engineering and Operations Center (AEOC) staffing and space requirements, and conducting well replacements.
- **Projected O&M cost increases:** O&M expenses are projected to increase by 5.7% annually on average over the next five years due to inflationary pressures. That does not factor in the potential of added costs, unknown as of yet, for recycled water implementation and operation. In addition, the District expects additional staffing costs starting in CY 2026, adding an additional \$2.5 million to current O&M expenses over the five-year study period. Based on current revenues, prior to any revenue adjustments, O&M expenses exceed revenues in CY 2025, indicating an operating deficit. Rate adjustments are necessary to ensure sufficient recovery of O&M expenses.
- **Reserve policy targets:** The District’s current reserve policy, shown in **Table 1-5**, includes targets for operating, capital replacement, and emergency reserves. The reserve policies in place allow the District to maintain cash on hand to meet short-term cash flow requirements, execute CIP projects, and prepare for emergency situations where unanticipated expenses may arise. The fund balances for CY 2025 prior to any revenue adjustments do not meet the combined reserve target.

Table 1-5: Reserve Policy Targets

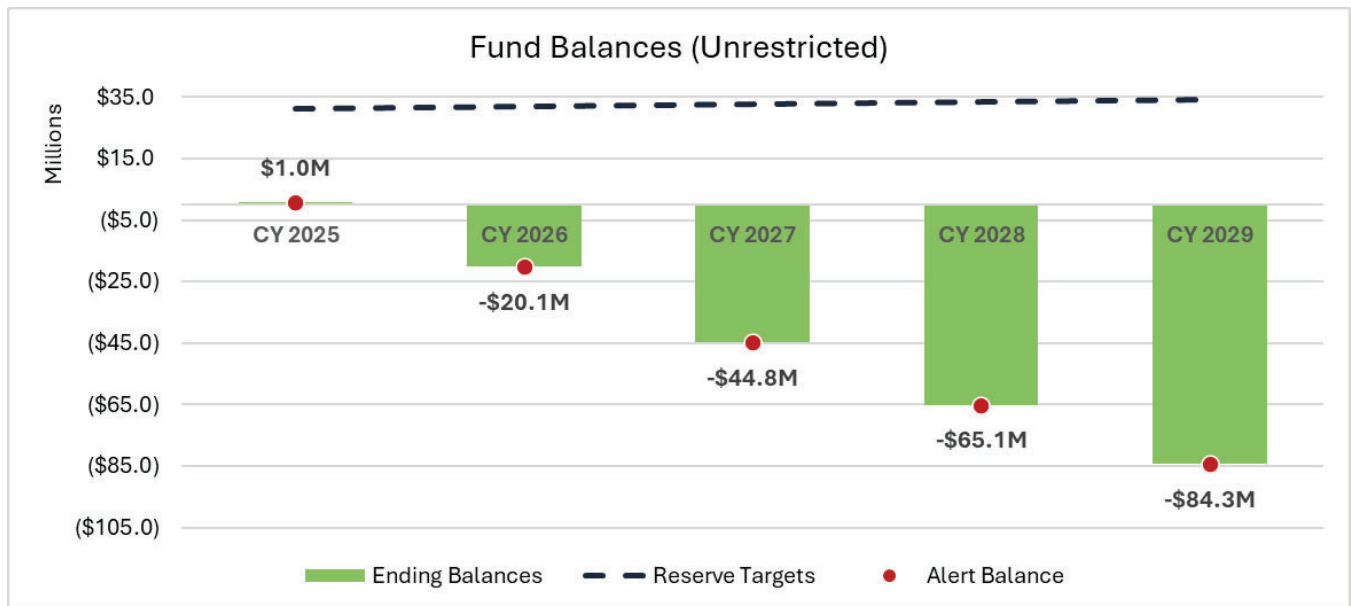
Line	Reserve Policy	Policy Targets	CY 2025
1	Operating	33% of operating expenses	\$7,230,148
2	Capital Replacement	100% of 5-year average CIP	\$20,810,276
3	Emergency	15% of operating expenses	\$3,298,755
4	Combined Target		\$31,339,179
5			
6	Projected Ending Fund Balances (Before Increases)		\$960,729

STATUS QUO FINANCIAL PLAN

The first step in evaluating the District’s financial performance is to develop a “status quo financial plan,” which is the scenario in which the District does not increase its water rate revenues or issue new debt to fund CIP. This exercise is to determine whether the District’s current water rates are sufficient to meet key financial performance metrics. The District has no existing debt, therefore only the projected fund balances are shown below.

Figure 1-1 shows the projected unrestricted fund balances under the status quo scenario. Unrestricted funds are funds that can be freely spent without any legal or other requirements designating them for a specific purpose. The green bars represent the ending funding balances, the dashed line represents the combined reserve policy targets, and the red circles represent balances that fall under reserve policy targets starting in CY 2025. In this scenario, the District will not meet its reserve targets starting in CY 2025 through the study period, and projected fund balances will be negative starting in CY 2026.

Figure 1-1: Projected Unrestricted Fund Balances (Status Quo Financial Plan)



PROPOSED REVENUE ADJUSTMENTS AND DEBT ISSUANCES

Overall annual increases in water rate revenues resulting from rate increases are referred to as “revenue adjustments.” WRE worked with the Board of Directors and District staff to determine the most appropriate financial plan scenario, shown in **Table 1-6**. Adjustments for CY 2028 and CY 2029 are subject to change based on updated cost assessments to meet impending regulatory requirements, however the financial plan scenario includes revenue adjustments for five years to evaluate the District’s financial performance over a longer planning horizon.

The proposed financial plan scenario includes five years of revenue adjustments, which are required to maintain financial sufficiency and resiliency, and debt issuances in each year to fund \$55 million worth of CIP projects. The proposed scenario allows the District to meet its reserve targets and debt coverage requirements in all years of the study period.

Table 1-6: Proposed Financial Plan Scenario

Line	Calendar Year	Revenue Adjustment	Debt Issuance	Debt Proceeds for CIP
1	CY 2025	15.0%	\$15,306,122	\$15,000,000
2	CY 2026	15.0%	\$10,204,082	\$10,000,000
3	CY 2027	15.0%	\$15,306,122	\$15,000,000
4	CY 2028	15.0%	\$10,204,082	\$10,000,000
5	CY 2029	15.0%	\$5,102,041	\$5,000,000

PROPOSED FINANCIAL PLAN

The proposed financial plan applies the revenue adjustments and debt issuances, shown in **Table 1-6**, to reevaluate financial performance based on fund balances and debt coverage of the proposed debt issuances.

Figure 1-2 shows the projected fund balances under the proposed scenario. In this scenario, the District will meet its reserve targets for all years of the study period.

Figure 1-2: Projected Fund Balances (Proposed Financial Plan)

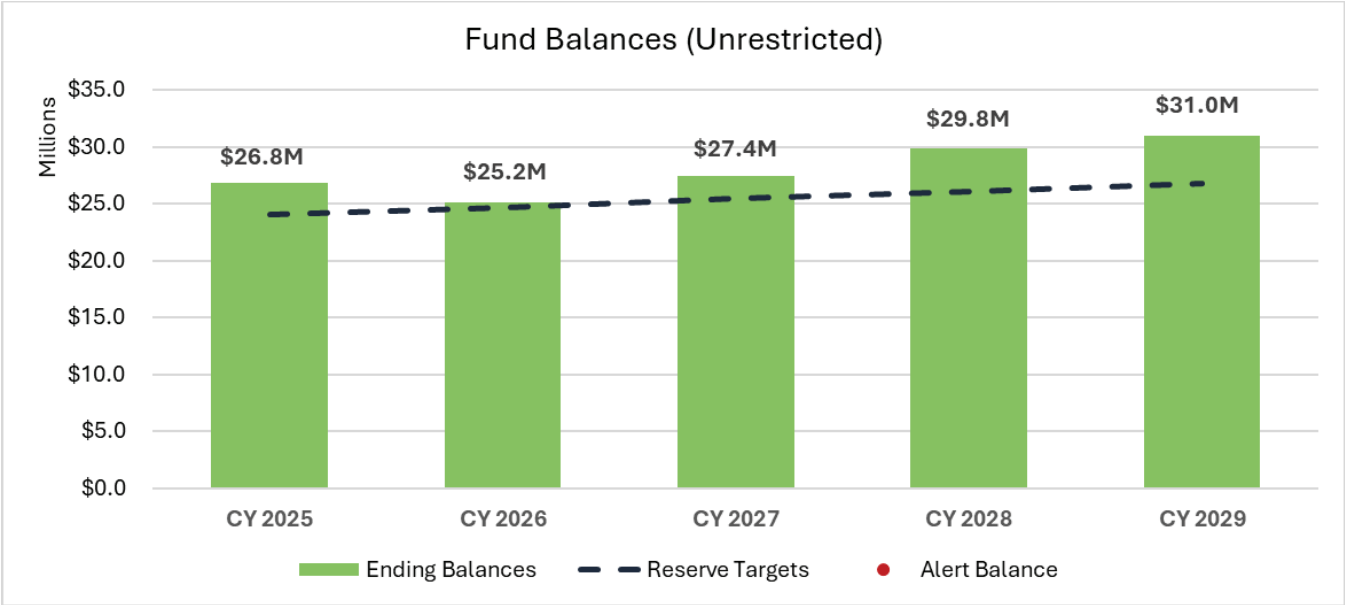
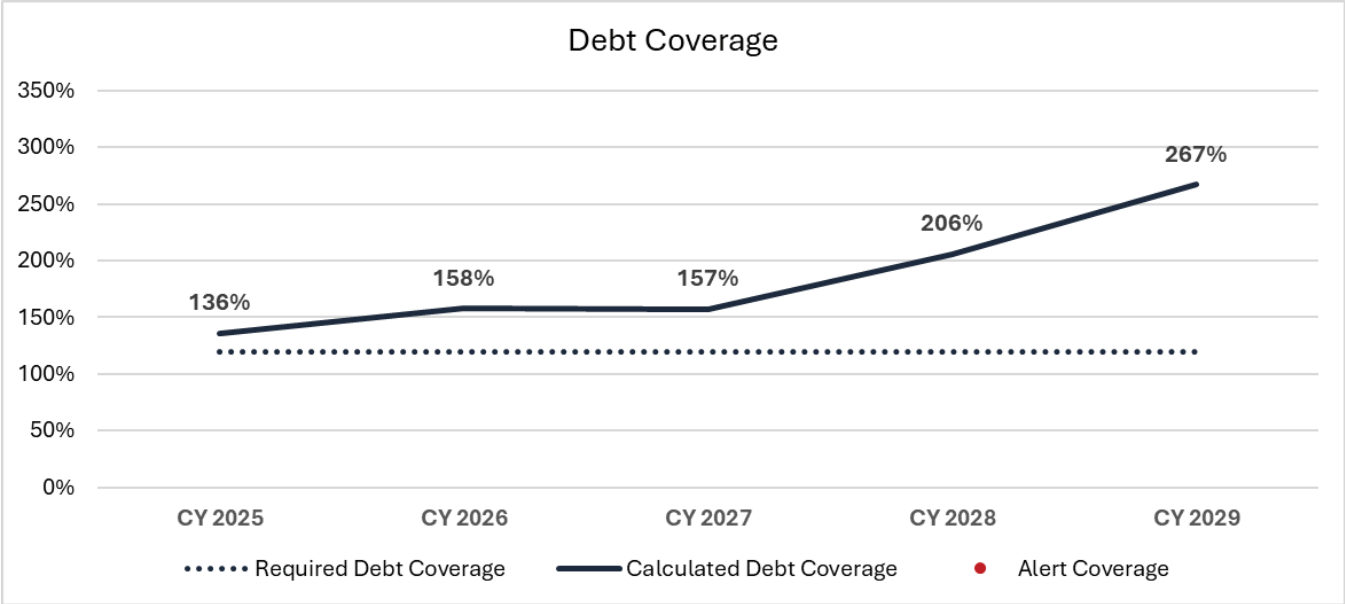


Figure 1-3 shows the projected debt coverage under the proposed scenario. Although this scenario includes approximately \$56 million in debt issuances, the District will meet coverage requirements for all years (assuming a debt coverage ratio of 120%).

Figure 1-3: Projected Debt Coverage (Proposed Financial Plan)



1.8 PROPOSED WATER RATES

The proposed rate schedules in this section are based on the proposed revenue adjustments for the five-year study period. However, rates for CY 2028 and CY 2029 are subject to change based on updated cost assessments to meet impending regulatory requirements. If this is the case,

Beaumont-Cherry Valley Water District 2024 Water Rate Study

then the District and the Board of Directors must revisit the rate study and rate adoption process. The first year of water rates will be effective starting May 2025. After 2025, the proposed water rates are to be implemented in January of each year thereafter.

Table 1-7, Table 1-8, Table 1-9, and Table 1-10 show the proposed bi-monthly meter service charges, bi-monthly private fire service charges, quantitative use charges, and pass-through surcharges, respectively.

Table 1-7: Proposed Bi-Monthly Meter Service Charges

Line	Bi-Monthly Meter Service Charge	Effective 5/1/2025	Effective 1/1/2026	Effective 1/1/2027	Effective 1/1/2028	Effective 1/1/2029
1	5/8" meter	\$34.08	\$39.20	\$45.08	\$51.85	\$59.63
2	3/4" meter	\$46.96	\$54.01	\$62.12	\$71.44	\$82.16
3	1" meter	\$72.74	\$83.66	\$96.21	\$110.65	\$127.25
4	1-1/2" meter	\$137.22	\$157.81	\$181.49	\$208.72	\$240.03
5	2" meter	\$214.58	\$246.77	\$283.79	\$326.36	\$375.32
6	3" meter	\$459.56	\$528.50	\$607.78	\$698.95	\$803.80
7	4" meter	\$820.59	\$943.68	\$1,085.24	\$1,248.03	\$1,435.24
8	6" meter	\$1,684.47	\$1,937.15	\$2,227.73	\$2,561.89	\$2,946.18
9	8" meter	\$3,618.53	\$4,161.31	\$4,785.51	\$5,503.34	\$6,328.85
10	10" meter	\$5,423.63	\$6,237.18	\$7,172.76	\$8,248.68	\$9,485.99
11	12" meter	\$6,841.93	\$7,868.22	\$9,048.46	\$10,405.73	\$11,966.59

Table 1-8: Proposed Bi-Monthly Private Fire Service Charges

Line	Bi-Monthly Private Fire Service Charges	Effective 5/1/2025	Effective 1/1/2026	Effective 1/1/2027	Effective 1/1/2028	Effective 1/1/2029
1	4" meter	\$66.73	\$76.74	\$88.26	\$101.50	\$116.73
2	6" meter	\$178.07	\$204.79	\$235.51	\$270.84	\$311.47
3	8" meter	\$370.12	\$425.64	\$489.49	\$562.92	\$647.36
4	10" meter	\$659.02	\$757.88	\$871.57	\$1,002.31	\$1,152.66
5	12" meter	\$1,059.41	\$1,218.33	\$1,401.08	\$1,611.25	\$1,852.94

Table 1-9: Proposed Quantitative Use Charges

Line	Quantitative Use Charge (\$/ccf)	Effective 5/1/2025	Effective 1/1/2026	Effective 1/1/2027	Effective 1/1/2028	Effective 1/1/2029
1	Single Family					
2	Tier 1 (0-16 units)	\$1.02	\$1.18	\$1.36	\$1.57	\$1.81
3	Tier 2 (17-34 units)	\$1.26	\$1.45	\$1.67	\$1.93	\$2.22
4	Tier 3 (35+ units)	\$2.07	\$2.39	\$2.75	\$3.17	\$3.65
5	Multi-Family	\$1.56	\$1.80	\$2.07	\$2.39	\$2.75
6	Commercial / Industrial	\$1.47	\$1.70	\$1.96	\$2.26	\$2.60
7	Landscape Irrigation	\$1.63	\$1.88	\$2.17	\$2.50	\$2.88
8	Schedule Irrigation	\$1.63	\$1.88	\$2.17	\$2.50	\$2.88
9	Construction	\$1.80	\$2.07	\$2.39	\$2.75	\$3.17
10	Non-Potable	\$1.24	\$1.43	\$1.65	\$1.90	\$2.19
11	Fire Service	\$1.80	\$2.07	\$2.39	\$2.75	\$3.17

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Table 1-10: Proposed Pass-Through Surcharges¹

Line	Pass-Thru Surcharges (\$/ccf)	Effective 5/1/2025	Effective 1/1/2026	Effective 1/1/2027	Effective 1/1/2028	Effective 1/1/2029
1	SGPWA Importation Charges	\$0.81	\$0.86	\$0.92	\$0.98	\$1.04
2	SCE Power Charges	\$0.56	\$0.60	\$0.64	\$0.68	\$0.72

CUSTOMER IMPACTS

WRE evaluated the impacts to the Single Family Residential customer class, which represents approximately 94% of the District’s potable and non-potable metered connections, and the Commercial customer class based on the proposed water rates for CY 2025.

Table 1-11 shows the proposed impacts for a Single Family Residential customer with a 5/8” meter (the most common meter size for this customer class, representing approximately 65% of customers) at 30 ccf for their bi-monthly usage. This was estimated from the average bi-monthly residential consumption from CY 2023, assuming slightly higher consumption in CY 2025. The proposed rates present the impact of the 15% revenue adjustment applied to CY 2025.

Table 1-11: Proposed Single Family Residential Customer Impacts

Line	Residential Customer Impacts	Current Bill	Proposed 2025 Bill	Difference (\$)	Difference (%)
1	Bi-Monthly Meter Service Charge (5/8" meter)	\$29.63	\$34.08	\$4.45	15.0%
2	Quantitative Use Charge (30 ccf)	\$29.34	\$33.96	\$4.62	15.7%
3	Pass-Thru Surcharges	\$34.20	\$41.10	\$6.90	20.2%
4	Total Charge	\$93.17	\$109.14	\$15.97	17.1%

Figure 1-4 shows a bi-monthly bill comparison for a Single Family Residential customer with a 5/8” meter at 30 ccf for their bi-monthly usage. The black sections of each bar represent the portion of each bill funded by fixed charges and the blue sections of each bar represent the portion of each bill funded by variable charges. Relative to the current residential bills of eight other neighboring water agencies, the proposed bill still falls under the area’s average residential bill (shown by the gray dashed line).

¹ Pass-through surcharges are calculated annually based on actual cost changes from SGPWA and SCE. The surcharges shown in this report for January 2026 and later are estimated based on best available data but are subject to change based on pass-through provisions.

Figure 1-4: Residential Bi-Monthly Bill Comparison

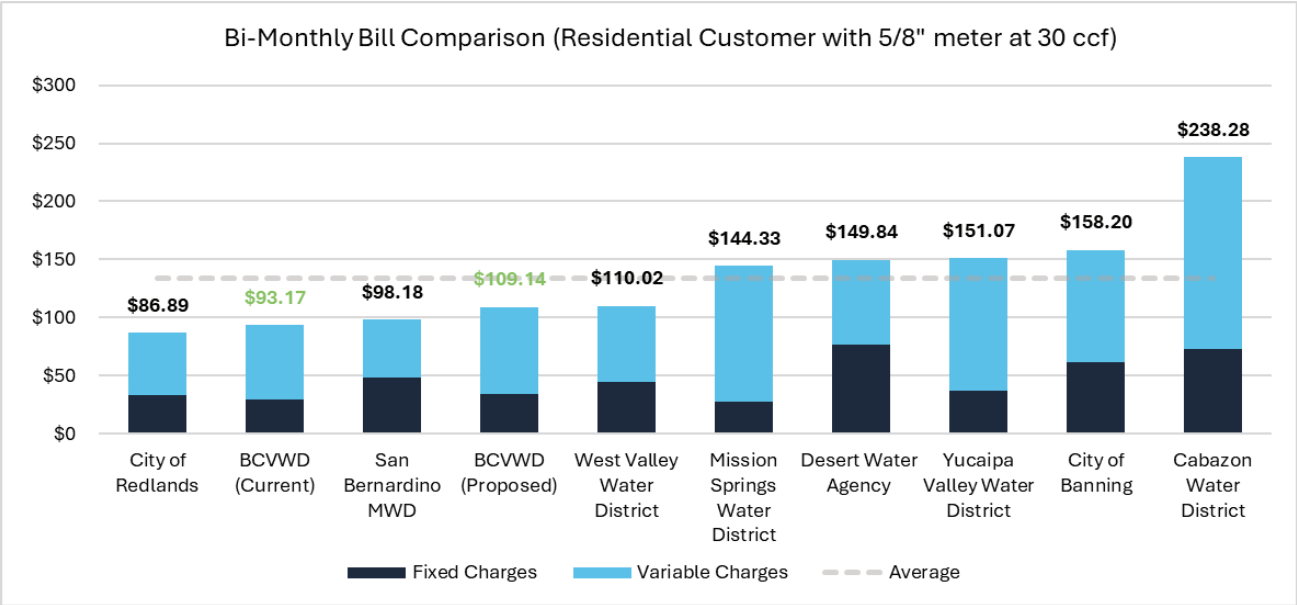


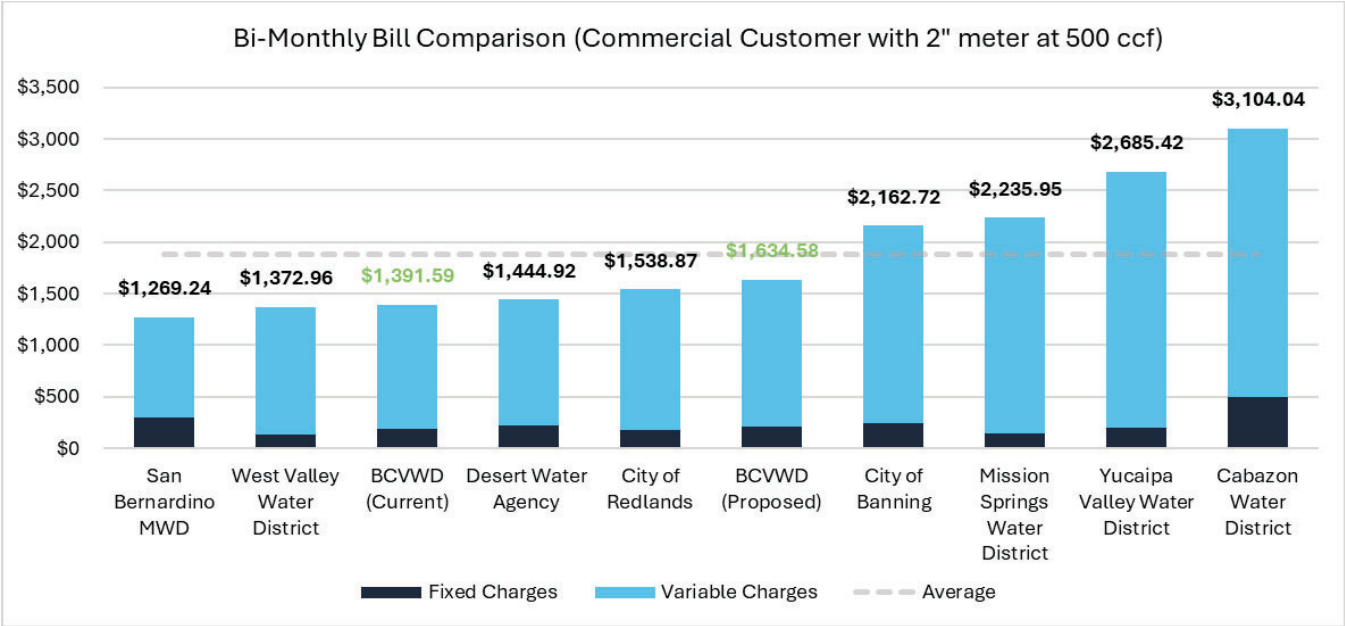
Table 1-12 shows the proposed impacts for a Commercial customer with a 2” meter billed bi-monthly at 500 ccf. Large volume commercial, industrial, construction, and landscape accounts are billed monthly, but for consistency of presentation, this table and all other report tables are represented as a bi-monthly amount. Actual billing reflects the proportionate amount of said bi-monthly charges. These inputs were determined from discussions with District staff and input from the Board of Directors. The proposed rates represent the impact of the 15% revenue adjustment applied to CY 2025.

Table 1-12: Proposed Commercial Customer Impacts

Line	Commercial Customer Impacts	Current Bill	Proposed 2025 Bill	Difference (\$)	Difference (%)
1	Bi-Monthly Meter Service Charge (2" meter)	\$186.59	\$214.58	\$27.99	15.0%
2	Quantitative Use Charge (500 ccf)	\$635.00	\$735.00	\$100.00	15.7%
3	Pass-Thru Surcharges	\$570.00	\$685.00	\$115.00	20.2%
4	Total Charge	\$1,391.59	\$1,634.58	\$242.99	17.5%

Figure 1-5 shows a bi-monthly bill comparison for a Commercial customer with a 2” meter billed bi-monthly at 500 ccf. Large volume commercial, industrial, construction, and landscape accounts are billed monthly, but for consistency of presentation, this Table and all other Tables are represented as a bi-monthly amount. Actual billing reflects the proportionate amount of said bi-monthly charges. The black sections of each bar represent the portion of each bill funded by fixed charges and the blue sections of each bar represent the portion of each bill funded by variable charges. Relative to the current commercial bills of eight other neighboring water agencies, the proposed bill still falls under the area’s average commercial bill (shown by the gray dashed line).

Figure 1-5: Commercial Bi-Monthly Bill Comparison



2. FINANCIAL PLAN

2.1 FINANCIAL PLAN METHODOLOGY

The purpose of a financial plan is to project revenues, expenses, cash flows, reserve balances, and debt coverage over a multi-year period to assess financial sufficiency and performance and to determine the amount of required rate revenue. For this study, the planning period is from CY 2025 through CY 2029; data for CY 2024 is shown when needed to represent budgeted and/or actual data inputs. The key steps in developing a financial plan for a water enterprise are below:

- **Revenue projections:** Annual revenues from rates and other miscellaneous sources are projected over the planning period. Rate revenues are projected based on current rates to establish baseline revenues from which the need for additional rate increases can be evaluated.
- **Expense projections:** Annual expenses are projected over the study period, including O&M expenses, debt service, and CIP costs. CIP funding options (grants, debt, etc.) are evaluated.
- **Financial policy evaluation:** Key financial policies include debt coverage requirements and reserve targets. Debt coverage requirements are typically explicitly stated in official agreements on outstanding debt issuances. Reserve targets are typically set by an agency's elected officials and may need to be periodically evaluated and updated.
- **Status quo financial plan projections:** Cash flow, reserve balances, and debt coverage are projected over the study period in the absence of additional rate increases (this scenario is called the "status quo"). Projected reserve balances and debt coverage are then compared to the agency's financial policy requirements and targets. The status quo financial plan provides a baseline to evaluate the need for rate increases.
- **Proposed financial plan projections:** The magnitude and timing of annual proposed revenue increases over the study period are evaluated and determined based on the agency's financial policies, financial performance, and policy objectives. Proposed rate increases (referred to as "revenue adjustments") should generate sufficient revenue to recover the agency's expenses, maintain adequate reserves, and meet all debt coverage requirements. The proposed financial plan determines the total annual rate revenue requirement over the study period.

2.2 REVENUES

CURRENT WATER RATES

The District's current water rate structure includes fixed bi-monthly meter service charges by meter size, fixed bi-monthly private fire service charges by fire line diameter (charged to private fire customers only), quantitative use charges by water usage measured in ccf for each customer class, and pass-through surcharges for SGPWA imported water and SCE electrical costs, charged based on ccf of water use for all customers. Single Family Residential customers' quantitative use charges have three tiers; all other customers have a uniform quantity charge. Select large volume commercial, industrial, construction, landscape, and fire

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service customers are billed monthly instead of bi-monthly, however their charges are shown on a bi-monthly basis, consistent with the billing of all other customers. Actual billing reflects the proportionate amount of each bi-monthly charge.

Table 2-1, Table 2-2, Table 2-3, and Table 2-4 show the current bi-monthly meter service charges, bi-monthly private fire service charges, quantitative use charges, and pass-through surcharges, respectively. The current rates are based on the District's most recent water rate study and were implemented on January 1, 2023 (for CY 2023) and January 1, 2024 (for CY 2024).

Table 2-1: Current Bi-Monthly Meter Service Charges

Line	Bi-Monthly Meter Service Charge	As of 1/1/23	As of 1/1/24
1	5/8" meter	\$27.69	\$29.63
2	3/4" meter	\$38.15	\$40.83
3	1" meter	\$59.11	\$63.25
4	1-1/2" meter	\$111.51	\$119.32
5	2" meter	\$174.38	\$186.59
6	3" meter	\$373.46	\$399.61
7	4" meter	\$666.86	\$713.55
8	6" meter	\$1,368.92	\$1,464.75
9	8" meter	\$2,940.69	\$3,146.54
10	10" meter	\$4,407.66	\$4,716.20
11	12" meter	\$5,560.28	\$5,949.50

Table 2-2: Current Bi-Monthly Private Fire Service Charges

Line	Bi-Monthly Private Fire Service Charges	As of 1/1/23	As of 1/1/24
1	4" meter	\$54.22	\$58.02
2	6" meter	\$144.71	\$154.84
3	8" meter	\$300.78	\$321.84
4	10" meter	\$535.57	\$573.06
5	12" meter	\$860.95	\$921.22

Table 2-3: Current Quantitative Use Charges

Line	Quantitative Use Charge (\$/ccf)	As of 1/1/23	As of 1/1/24
1	Single Family		
2	Tier 1 (0-16 units)	\$0.82	\$0.88
3	Tier 2 (17-34 units)	\$1.01	\$1.09
4	Tier 3 (35+ units)	\$1.68	\$1.80
5	Multi-Family	\$1.26	\$1.35
6	Commercial / Industrial	\$1.18	\$1.27
7	Landscape Irrigation	\$1.31	\$1.41
8	Schedule Irrigation	\$1.31	\$1.41
9	Construction	\$1.45	\$1.56
10	Non-Potable	\$1.06	\$1.07
11	Fire Service	\$1.45	\$1.56

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Table 2-4: Current Pass-Through Surcharges

Line	Pass-Through Surcharges (\$/ccf)	As of 1/1/23	As of 1/1/24
1	SGPWA Importation Charges	\$0.72	\$0.72
2	SCE Power Charges	\$0.42	\$0.42

CUSTOMER ACCOUNTS AND USAGE

This section details the customer accounts and water usage for all years of the study, which are referred to as the units of service. Units of service represent the quantity of billing units that are subject to the District's water rates and charges.

Table 2-5 shows the projected number of meters for each customer class for the study period, based on actual CY 2023 data and adjustments based on customer growth and demand assumptions provided by District staff. The study assumes growth in single family, multi-family, commercial/industrial and landscape irrigation meters, on average 1.4% over the five-year study period. The study assumes no growth in schedule irrigation, construction, and non-potable meters. The number of metered connections is the unit of service for the District's bi-monthly meter service charges.

Table 2-5: Projected Customer Accounts (Meters)

Line	Customer Accounts (Meters)	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
1	Single Family						
2	5/8" meter	13,135	13,282	13,427	13,645	13,905	14,096
3	3/4" meter	367	371	375	381	388	394
4	1" meter	6,429	6,501	6,572	6,679	6,806	6,900
5	1-1/2" meter	18	18	19	19	19	19
6	2" meter	2	2	2	2	2	2
7	3" meter	0	0	0	0	0	0
8	4" meter	0	0	0	0	0	0
9	6" meter	0	0	0	0	0	0
10	8" meter	0	0	0	0	0	0
11	10" meter	0	0	0	0	0	0
12	12" meter	0	0	0	0	0	0
13	Subtotal	19,952	20,175	20,395	20,726	21,120	21,411
14							
15	Multi-Family						
16	5/8" meter	89	90	91	92	94	95
17	3/4" meter	4	4	4	4	4	4
18	1" meter	57	58	59	60	61	62
19	1-1/2" meter	13	13	13	14	14	14
20	2" meter	11	11	11	12	12	12
21	3" meter	0	0	0	0	0	0
22	4" meter	0	0	0	0	0	0
23	6" meter	0	0	0	0	0	0
24	8" meter	0	0	0	0	0	0
25	10" meter	0	0	0	0	0	0

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Line	Customer Accounts (Meters)	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
26	12" meter	0	0	0	0	0	0
27	Subtotal	174	176	178	181	185	187
28							
29	Commercial / Industrial						
30	5/8" meter	174	176	178	181	185	187
31	3/4" meter	22	22	23	23	23	24
32	1" meter	174	176	178	181	185	187
33	1-1/2" meter	46	47	47	48	49	50
34	2" meter	124	125	127	129	131	133
35	3" meter	1	1	1	1	1	1
36	4" meter	3	3	3	3	3	3
37	6" meter	2	2	2	2	2	2
38	8" meter	0	0	0	0	0	0
39	10" meter	0	0	0	0	0	0
40	12" meter	0	0	0	0	0	0
41	Subtotal	547	553	560	569	579	587
42							
43	Landscape Irrigation						
44	5/8" meter	3	3	3	3	3	3
45	3/4" meter	0	0	0	0	0	0
46	1" meter	24	24	25	25	26	26
47	1-1/2" meter	5	5	5	5	5	5
48	2" meter	22	22	23	23	23	24
49	3" meter	0	0	0	0	0	0
50	4" meter	1	1	1	1	1	1
51	6" meter	0	0	0	0	0	0
52	8" meter	0	0	0	0	0	0
53	10" meter	0	0	0	0	0	0
54	12" meter	0	0	0	0	0	0
55	Subtotal	55	56	57	58	59	59
56							
57	Schedule Irrigation						
58	5/8" meter	1	1	1	1	1	1
59	3/4" meter	0	0	0	0	0	0
60	1" meter	14	14	14	14	14	14
61	1-1/2" meter	9	9	9	9	9	9
62	2" meter	15	15	15	15	15	15
63	3" meter	0	0	0	0	0	0
64	4" meter	0	0	0	0	0	0
65	6" meter	0	0	0	0	0	0
66	8" meter	0	0	0	0	0	0
67	10" meter	0	0	0	0	0	0
68	12" meter	0	0	0	0	0	0
69	Subtotal	39	39	39	39	39	39
70							
71	Construction						
72	5/8" meter	57	57	57	57	57	57
73	3/4" meter	0	0	0	0	0	0

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Line	Customer Accounts (Meters)	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
74	1" meter	0	0	0	0	0	0
75	1-1/2" meter	0	0	0	0	0	0
76	2" meter	0	0	0	0	0	0
77	3" meter	41	41	41	41	41	41
78	4" meter	0	0	0	0	0	0
79	6" meter	0	0	0	0	0	0
80	8" meter	0	0	0	0	0	0
81	10" meter	0	0	0	0	0	0
82	12" meter	0	0	0	0	0	0
83	Subtotal	98	98	98	98	98	98
84							
85	Non-Potable						
86	5/8" meter	1	1	1	1	1	1
87	3/4" meter	1	1	1	1	1	1
88	1" meter	53	53	53	53	53	53
89	1-1/2" meter	93	93	93	93	93	93
90	2" meter	178	178	178	178	178	178
91	3" meter	0	0	0	0	0	0
92	4" meter	1	1	1	1	1	1
93	6" meter	0	0	0	0	0	0
94	8" meter	0	0	0	0	0	0
95	10" meter	0	0	0	0	0	0
96	12" meter	0	0	0	0	0	0
97	Subtotal	327	327	327	327	327	327
98							
99	Total	21,193	21,425	21,653	21,997	22,407	22,709

Table 2-6 shows the projected number of private fire lines for the study period. District staff provided data for CY 2023 and CY 2024; this study assumes no growth in private fire connections for the period. The number of private fire lines is the unit of service for the District's bi-monthly private fire service charges.

Table 2-6: Projected Customer Accounts (Fire Service)

Line	Customer Accounts (Fire)	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
1	Fire Service						
2	4" meter	78	78	78	78	78	78
3	6" meter	16	16	16	16	16	16
4	8" meter	49	49	49	49	49	49
5	10" meter	22	22	22	22	22	22
6	12" meter	13	13	13	13	13	13
7	Total	178	178	178	178	178	178

Table 2-7 shows the demand growth assumptions for each customer class. WRE worked with District staff to determine the most appropriate estimates for annual water usage based on historical trends and an expected water usage rebound from CY 2024 for single family, multi-family, commercial/ industrial, and landscape irrigation customer classes. Following CY 2025,

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the study assumes on average 1.5% growth in demand over a four-year period. The study assumes no growth for schedule irrigation, construction, and non-potable customer classes.

Table 2-7: Demand Growth Assumptions

Line	Water Demand Growth	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
1	Single Family	8.1%	1.1%	1.6%	1.9%	1.4%
2	Multi-Family	8.1%	1.1%	1.6%	1.9%	1.4%
3	Commercial / Industrial	8.1%	1.1%	1.6%	1.9%	1.4%
4	Landscape Irrigation	8.1%	1.1%	1.6%	1.9%	1.4%
5	Schedule Irrigation	0.0%	0.0%	0.0%	0.0%	0.0%
6	Construction	0.0%	0.0%	0.0%	0.0%	0.0%
7	Non-Potable	0.0%	0.0%	0.0%	0.0%	0.0%

Table 2-8 shows the projected water usage for each customer class and tier. District staff provided actual data for CY 2023 (not shown), which is then projected forward based on the demand growth assumptions (**Table 2-7**).

Table 2-8: Projected Water Usage (ccf)

Line	Water Usage (ccf)	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
1	Single Family						
2	Tier 1 (0-16 units)	1,654,711	1,788,424	1,807,918	1,837,290	1,872,259	1,898,012
3	Tier 2 (17-34 units)	976,369	1,055,267	1,066,770	1,084,101	1,104,734	1,119,930
4	Tier 3 (35+ units)	923,941	998,603	1,009,487	1,025,888	1,045,413	1,059,793
5	Multi-Family	153,056	165,424	167,227	169,944	173,178	175,560
6	Commercial / Industrial	622,452	672,751	680,084	691,133	704,287	713,974
7	Landscape Irrigation	94,025	101,623	102,730	104,399	106,386	107,850
8	Schedule Irrigation	14,370	14,370	14,370	14,370	14,370	14,370
9	Construction	42,569	42,569	42,569	42,569	42,569	42,569
10	Non-Potable	698,696	698,696	698,696	698,696	698,696	698,696
11	Total (ccf)	5,180,188	5,537,727	5,589,851	5,668,390	5,761,893	5,830,755

REVENUES FROM CURRENT RATES

Table 2-9 shows the calculated water rate revenues for the study period based on the current effective water rates and the projected units of service.

The bi-monthly meter service charge revenues (Lines 1-9) are calculated by multiplying the effective bi-monthly meter service charges (**Table 2-1**) by the projected meter connections (**Table 2-5**) for six bi-monthly billing periods. The bi-monthly private fire service charge revenues (Lines 11-13) are calculated by multiplying the effective bi-monthly private fire service charges (**Table 2-2**) by the projected private fire connections (**Table 2-6**) for six bi-monthly billing periods. Select large volume commercial, industrial, construction, landscape, and fire service customers are billed monthly instead of bi-monthly, however their charges are shown on a bi-monthly basis, consistent with the billing of all other customers. Actual billing reflects the proportionate amount of each bi-monthly charge.

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The quantity charge revenues (Lines 15-23) are calculated by multiplying the effective quantitative use charges (**Table 2-3**) by the projected water usage (**Table 2-8**) in each year. The pass-through surcharge revenues (Lines 12-28) are calculated by multiplying the effective pass-through surcharges (**Table 2-4**) by the total projected water usage for each year (**Table 2-8**, Line 11).

Table 2-9: Calculated Rate Revenues at Current Rates

Line	Calculated Rate Revenues	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
1	Bi-Monthly Meter Service Charge						
2	Single Family	\$4,880,289	\$4,934,815	\$4,988,604	\$5,069,652	\$5,166,141	\$5,237,203
3	Multi-Family	\$60,361	\$61,036	\$61,701	\$62,703	\$63,897	\$64,776
4	Commercial / Industrial	\$307,717	\$311,155	\$314,546	\$319,656	\$325,740	\$330,221
5	Landscape Irrigation	\$42,472	\$42,947	\$43,415	\$44,120	\$44,960	\$45,578
6	Schedule Irrigation	\$0	\$0	\$0	\$0	\$0	\$0
7	Construction	\$0	\$0	\$0	\$0	\$0	\$0
8	Non-Potable	\$290,676	\$290,676	\$290,676	\$290,676	\$290,676	\$290,676
9	Subtotal	\$5,581,515	\$5,640,629	\$5,698,942	\$5,786,808	\$5,891,414	\$5,968,454
10							
11	Bi-Monthly Private Fire Service Charges						
12	Fire Service	\$284,138	\$284,138	\$284,138	\$284,138	\$284,138	\$284,138
13	Subtotal	\$284,138	\$284,138	\$284,138	\$284,138	\$284,138	\$284,138
14							
15	Quantitative Use Charge (\$/ccf)						
16	Single Family	\$4,183,481	\$4,521,540	\$4,570,824	\$4,645,084	\$4,733,492	\$4,798,603
17	Multi-Family	\$206,625	\$223,322	\$225,756	\$229,424	\$233,790	\$237,006
18	Commercial / Industrial	\$790,514	\$854,393	\$863,706	\$877,739	\$894,444	\$906,747
19	Landscape Irrigation	\$132,575	\$143,288	\$144,850	\$147,203	\$150,005	\$152,068
20	Schedule Irrigation	\$20,262	\$20,262	\$20,262	\$20,262	\$20,262	\$20,262
21	Construction	\$66,408	\$66,408	\$66,408	\$66,408	\$66,408	\$66,408
22	Non-Potable	\$747,605	\$747,605	\$747,605	\$747,605	\$747,605	\$747,605
23	Subtotal	\$6,147,469	\$6,576,817	\$6,639,410	\$6,733,724	\$6,846,006	\$6,928,699
24							
25	Pass-Thru Surcharges						
26	SGPWA Importation Charges	\$3,729,735	\$3,987,163	\$4,024,692	\$4,081,241	\$4,148,563	\$4,198,144
27	SCE Power Charges	\$2,175,679	\$2,325,845	\$2,347,737	\$2,380,724	\$2,419,995	\$2,448,917
28	Subtotal	\$5,905,414	\$6,313,008	\$6,372,430	\$6,461,965	\$6,568,558	\$6,647,061
29							
30	Total	\$17,918,536	\$18,814,592	\$18,994,920	\$19,266,635	\$19,590,115	\$19,828,352

REVENUE SUMMARY

Table 2-10 shows the summary of projected revenues for the study period. District staff provided the budgeted revenues for CY 2024 and projected revenues for CY 2025; all other years

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are projected based on the relevant assumptions or calculations. A comprehensive breakdown of the revenues that fall into each category is available in the **Appendix (Table 4-1)**.

Water sales (Line 1) include all rate revenue except for pass-through surcharges (Line 2). Water sales (Line 1) plus pass-through surcharges (Line 2) for CY 2026 through CY 2029 are equal to the calculated rate revenues at current rates (**Table 2-9**, Line 30). Notice and reinstatement revenues are inflated based on a 5% growth rate in Other Charges for Service (Line 3). Other revenues in Other Charges for Service are either inflated by a 1% growth rate or not inflated. In District Housing Charges (Line 4), utilities are inflated based on an 8% growth rate while other revenues are not inflated. Capacity Charges (Line 5) are inflated based on a 3% growth rate, and Interest Earned (Line 6) is calculated based on ending fund balances and a 1% interest rate.

Table 2-10: Revenue Summary

Line	Revenues	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
1	Water Sales	\$11,823,000	\$12,138,465	\$12,622,490	\$12,804,670	\$13,021,558	\$13,181,291
2	Pass-Thru Surcharges	\$5,990,000	\$6,676,127	\$6,372,430	\$6,461,965	\$6,568,558	\$6,647,061
3	Other Charges for Service	\$645,000	\$561,915	\$575,505	\$589,710	\$604,562	\$620,092
4	District Housing Charges	\$42,000	\$45,100	\$46,716	\$48,461	\$50,346	\$52,382
5	Capacity Charges	\$2,053,000	\$2,128,915	\$2,186,398	\$2,245,550	\$2,306,418	\$2,369,055
6	Interest Earned	\$1,751,500	\$1,816,100	\$1,816,100	\$497,451	\$500,504	\$523,694
7	Total	\$22,304,500	\$23,366,622	\$23,619,639	\$22,647,808	\$23,051,947	\$23,393,576

2.3 OPERATING EXPENSES

INFLATIONARY ASSUMPTIONS

WRE worked with District staff to determine the annual inflationary assumptions to apply to the District's O&M expense budget. District staff provided actual expenses for CY 2023, budgeted expenses for CY 2024, and projected expenses for CY 2025. All other years are projected based on the inflationary assumptions shown in **Table 2-11** (Lines 1-5). There are additional staffing expenses starting in CY 2026 and CY 2027. For these expenses, District staff provided estimated expenses for CY 2026 and CY 2027; all other years are projected based on the inflationary assumptions shown in **Table 2-11** (Lines 6-7). It should be noted that no additional staff are provided for recycled water system implementation and/or operation due to the uncertainty of timing, quantity, and cost of recycled water from the City of Beaumont.

Table 2-11: Expense Inflationary Assumptions

Line	Inflationary Assumptions	CY 2026	CY 2027	CY 2028	CY 2029
1	General	3.0%	3.0%	3.0%	3.0%
2	Labor	5.0%	5.0%	5.0%	5.0%
3	Benefits	5.0%	5.0%	5.0%	5.0%
4	Water Supply	5.0%	5.0%	5.0%	5.0%
5	Utilities	5.0%	5.0%	5.0%	5.0%
6	COLA		2.5%	2.5%	2.5%
7	Merit		5.0%	5.0%	5.0%

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OPERATING EXPENSE SUMMARY

Table 2-12 shows the summary of O&M expenses for the study period. All expenses are inflated based on the assumptions in **Table 2-11**. Detailed operating expense projections are included in the **Appendix (Table 4-2)**.

Table 2-12: Operating Expense Summary

Line	Expenses	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
1	Staffing and Administration	\$5,323,700	\$5,583,100	\$5,771,420	\$6,091,370	\$6,303,507	\$6,648,417
2	Information Technology	\$1,003,500	\$1,133,400	\$1,177,038	\$1,222,467	\$1,269,765	\$1,319,012
3	Source of Supply	\$1,541,000	\$1,635,700	\$1,714,668	\$1,799,223	\$1,889,057	\$1,981,792
4	SGPWA Water Purchases	\$4,469,000	\$4,468,800	\$4,736,406	\$5,043,102	\$5,382,605	\$5,719,281
5	SCE Electricity for Wells	\$2,750,000	\$3,100,000	\$3,285,638	\$3,498,393	\$3,733,905	\$3,967,457
6	Operations and Maintenance	\$5,508,700	\$6,070,700	\$6,334,611	\$6,610,537	\$6,899,044	\$7,200,725
7	Additional Staffing ²	\$0	\$0	\$198,000	\$714,048	\$768,494	\$827,091
8	Total	\$20,595,900	\$21,991,700	\$23,217,781	\$24,979,140	\$26,246,376	\$27,663,775

2.4 DEBT SERVICE

PROPOSED DEBT SERVICE

Table 2-13 shows the District's proposed annual debt service for the study period. The District has no existing debt. The proposed financial plan scenario includes new debt for each year of the study period (assuming a 5% interest rate, a 30-year term, and 2.0% issuance cost) (Line 1). This results in new annual debt service payments each year (Lines 2-8). This debt issuance results in \$55 million of proceeds used to fund CIP.

Table 2-13: Proposed Debt Service

Line	Debt Service	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
1	Proposed Debt Issuance	\$0	\$15,306,122	\$10,204,082	\$15,306,122	\$10,204,082	\$5,102,041
2	Proposed Debt Service						
3	CY 2025 Issuance		\$995,685	\$995,685	\$995,685	\$995,685	\$995,685
4	CY 2026 Issuance			\$663,790	\$663,790	\$663,790	\$663,790
5	CY 2027 Issuance				\$995,685	\$995,685	\$995,685
6	CY 2028 Issuance					\$663,790	\$663,790
7	CY 2029 Issuance						\$331,895
8	Total	\$0	\$995,685	\$1,659,475	\$2,655,161	\$3,318,951	\$3,650,846

2.5 CAPITAL IMPROVEMENT PLAN

CAPITAL IMPROVEMENT PROJECTS

Table 2-14 shows the District's six-year CIP. District staff provided inflated project costs based on their estimates (Lines 1-9). Project costs are then broken down by their fund sources (Lines 11-16). Projects to be funded by grants, capacity charges, and developer fees are identified and the total cost of these projects by source is represented below (Lines 11-14). A breakdown of

² Additional staffing expenses account for potential adjustments in role allocation based on District needs, such as replacing IT positions with operating positions

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projects funded by capacity charges, developer fees, and grants is included in the **Appendix (Table 4-3)**. It is assumed that the remainder of projects not funded by grants, capacity charges, or developer fees will be funded by rates, reserves, or new debt (Line 15). Total project costs (Line 9) are equal to total funding sources (Line 16) for each year. The capital execution rate (Line 18) is then applied to the total CIP (Line 9 and Line 16) to determine the total CIP executed each year (Line 19). The execution rate was determined from discussions with District staff. Detailed CIP costs are included in the **Appendix (Table 4-3)**.

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Table 2-14: Capital Project Costs, Funding Sources, and Execution Rate

Line	Capital Improvement Projects	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
1	Potable Infrastructure Projects	\$1,811,227	\$27,244,900	\$21,498,200	\$24,582,700	\$13,152,700	\$18,801,500
2	Potable Pipeline Replacements	\$113,824	\$10,917,100	\$5,496,600	\$8,253,900	\$8,940,300	\$8,694,000
3	IT Network Infrastructure Projects	\$0	\$109,900	\$113,400	\$308,700	\$120,800	\$124,500
4	IT SCADA/AMR Infrastructure Projects	\$0	\$2,974,700	\$869,300	\$688,000	\$694,700	\$701,600
5	IT/Field Operations/Administration Projects	\$0	\$160,100	\$42,000	\$54,100	\$52,300	\$0
6	Vehicles & Equipment	\$45,236	\$881,900	\$422,400	\$834,800	\$555,900	\$0
7	Non-Potable Infrastructure Projects	\$0	\$506,800	\$5,184,600	\$4,588,900	\$2,390,700	\$1,561,200
8	Non-Potable Pipeline Projects	\$0	\$3,074,500	\$3,680,900	\$3,794,600	\$5,301,400	\$4,908,200
9	Total - Capital Improvement Projects	\$1,970,287	\$45,869,900	\$37,307,400	\$43,105,700	\$31,208,800	\$34,791,000
10							
11	CIP by Funding Source						
12	Cap. Charge	\$1,785,036	\$11,137,068	\$16,543,244	\$19,126,915	\$13,662,640	\$17,055,170
13	Developer	\$0	\$2,897,175	\$1,384,850	\$2,028,600	\$475,500	\$2,437,100
14	Grant	\$11,799	\$1,483,159	\$0	\$0	\$0	\$0
15	Rates / Reserves / New Debt	\$173,452	\$30,352,498	\$19,379,306	\$21,950,185	\$17,070,660	\$15,298,730
16	Total - CIP by Funding Source	\$1,970,287	\$45,869,900	\$37,307,400	\$43,105,700	\$31,208,800	\$34,791,000
17							
18	Capital Execution Rate	100%	65%	65%	65%	65%	65%
19	Total - Executed Projects	\$1,970,287	\$29,815,435	\$24,249,810	\$28,018,705	\$20,285,720	\$22,614,150

CAPITAL EXPENSE SUMMARY

Table 2-15 shows the capital expense summary and funding sources. The proposed debt issuance will provide \$55 million in debt proceeds, which will fund capital projects in each year of the study period. All other project costs will be funded by capacity charges (Line 1), developer fees (Line 2), grants (Line 3), and water rates or reserves (Line 5). Unfunded CIP (Line 6) is equal to the difference between total capital projects (**Table 2-14**, Line 9 and Line 16) and executed capital projects (**Table 2-14**, Line 19).

Table 2-15: Capital Expense Summary

Line	Capital Financing Plan	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
1	Cap. Charge Funded	\$1,785,036	\$7,239,094	\$10,753,109	\$12,432,495	\$8,880,716	\$11,085,860
2	Developer Funded	\$0	\$1,883,164	\$900,153	\$1,318,590	\$309,075	\$1,584,115
3	Grant Funded	\$11,799	\$964,053	\$0	\$0	\$0	\$0
4	Debt Funded	\$0	\$15,000,000	\$10,000,000	\$14,267,620	\$10,732,380	\$5,000,000
5	Rate Funded	\$173,452	\$4,729,124	\$2,596,549	\$0	\$363,550	\$4,944,175
6	Unfunded	\$0	\$16,054,465	\$13,057,590	\$15,086,995	\$10,923,080	\$12,176,850
7	Total	\$1,970,287	\$45,869,900	\$37,307,400	\$43,105,700	\$31,208,800	\$34,791,000

2.6 FINANCIAL POLICIES

RESERVE POLICY

The District's reserve policy maintains cash on hand to meet short-term cash flow requirements, execute CIP projects, and prepare for emergency situations where unanticipated expenses may arise. The reserve target for the study period ranges from approximately \$24.1 million to \$26.8 million in the District's reserve funds.

The District currently has an adopted reserve policy that consists of the following components:

- Operating reserve target: 33% of annual O&M expenses
- Capital replacement reserve target: 100% of average 5-year CIP
- Emergency reserve target: 15% of annual O&M expenses

DEBT COVERAGE REQUIREMENT

The District has no existing debt or coverage requirements. A typical debt coverage requirement is 120% of annual debt service. To meet coverage requirements, net revenues (revenues less O&M expenses) must be at least 120% greater than annual debt service.

2.7 STATUS QUO FINANCIAL PLAN

STATUS QUO FINANCIAL PLAN SCENARIO

Table 2-16 shows the status quo financial plan scenario, which assumes no revenue adjustments and no proposed debt issuances. This scenario is used to evaluate the ability of the current water rates to meet the District's financial targets and to determine the need for revenue adjustments.

Table 2-16: Status Quo Financial Plan Scenario

Line	Calendar Year	Revenue Adjustment	Debt Issuance	Debt Proceeds for CIP
1	CY 2025	0.0%	\$0	\$0
2	CY 2026	0.0%	\$0	\$0
3	CY 2027	0.0%	\$0	\$0
4	CY 2028	0.0%	\$0	\$0
5	CY 2029	0.0%	\$0	\$0

STATUS QUO CASH FLOW PROJECTIONS

Table 2-17 shows the cash flow projections for the status quo financial plan. Revenues³ (Lines 1-8) are from **Table 2-10**. Operating expenses (Lines 10-18) are from **Table 2-12**. Net operating revenue (Line 20) is equal to the difference between total revenues (Line 8) and total expenses (Line 18). The District has no existing debt (Line 23). Net revenue less debt (Line 27) is equal to the difference between net operating revenue (Line 20) and total debt service (Line 25). Rate funded CIP (Line 30) is from **Table 2-15**. The status quo scenario assumes no new debt; all CIP is expected to be rate funded. Net cash flow (Line 33) is equal to the net operating revenue (Line 20) less debt service (Line 25) and rate funded CIP (Line 31). Developer fee proceeds, grant proceeds, debt proceeds, and the portions of each used to fund CIP are not included in the cash flow projections since they are cost neutral (expenses equal to funding sources over the five-year period). Capacity charge revenues and capacity charged funded CIP are also not included because capacity charge revenue is designated for specific capital projects.

The net operating revenue (Line 20) in this scenario is negative for all years following CY 2025, meaning that the District's current revenues are not sufficient to fund its operating expenses and indicate an operating deficit. Additionally, the net cash flow (Line 33) in the status quo scenario is negative for all years, meaning that the District's current revenues are also not sufficient to fund its annual CIP.

³ Interest earned (Line 7) is different in the status quo financial plan scenario because it is based on projected fund balances. The status quo scenario results in lower fund balances; therefore, the District has less interest earned. **Table 2-10** shows the interest earned for the proposed financial plan scenario.

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Table 2-17: Projected Cash Flows (Status Quo Financial Plan)

Line	Cash Flow Projections	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
1	Revenues						
2	Rate Revenues at Existing Rates	\$11,823,000	\$12,138,465	\$12,622,490	\$12,804,670	\$13,021,558	\$13,181,291
3	Revenue Adjustments	\$0	\$0	\$0	\$0	\$0	\$0
4	Pass-Thru Surcharges	\$5,990,000	\$7,568,800	\$8,022,044	\$8,541,495	\$9,116,510	\$9,686,738
5	Other Charges for Service	\$645,000	\$561,915	\$575,505	\$589,710	\$604,562	\$620,092
6	District Housing Charges	\$42,000	\$45,100	\$46,716	\$48,461	\$50,346	\$52,382
7	Interest Earned	\$1,751,500	\$1,816,100	\$240,000	\$240,000	\$240,000	\$240,000
8	Subtotal	\$20,251,500	\$22,130,380	\$21,506,755	\$22,224,337	\$23,032,976	\$23,780,502
9							
10	Expenses						
11	Staffing and Administration	\$5,323,700	\$5,583,100	\$5,771,420	\$6,091,370	\$6,303,507	\$6,648,417
12	Information Technology	\$1,003,500	\$1,133,400	\$1,177,038	\$1,222,467	\$1,269,765	\$1,319,012
13	Source of Supply	\$1,541,000	\$1,635,700	\$1,714,668	\$1,799,223	\$1,889,057	\$1,981,792
14	SGPWA Water Purchases	\$4,469,000	\$4,468,800	\$4,736,406	\$5,043,102	\$5,382,605	\$5,719,281
15	SCE Electricity for Wells	\$2,750,000	\$3,100,000	\$3,285,638	\$3,498,393	\$3,733,905	\$3,967,457
16	Operations and Maintenance	\$5,508,700	\$6,070,700	\$6,334,611	\$6,610,537	\$6,899,044	\$7,200,725
17	Additional Staffing	\$0	\$0	\$198,000	\$714,048	\$768,494	\$827,091
18	Subtotal	\$20,595,900	\$21,991,700	\$23,217,781	\$24,979,140	\$26,246,376	\$27,663,775
19							
20	Net Operating Revenue	(\$344,400)	\$138,680	(\$1,711,026)	(\$2,754,803)	(\$3,213,401)	(\$3,883,273)
21							
22	Debt Service						
23	Existing Debt Service	\$0	\$0	\$0	\$0	\$0	\$0
24	Proposed Debt Service	\$0	\$0	\$0	\$0	\$0	\$0
25	Subtotal	\$0	\$0	\$0	\$0	\$0	\$0
26							
27	Net Revenue Less Debt	(\$344,400)	\$138,680	(\$1,711,026)	(\$2,754,803)	(\$3,213,401)	(\$3,883,273)
28							
29	Capital Projects						
30	Rate Funded	\$173,452	\$30,352,498	\$19,379,306	\$21,950,185	\$17,070,660	\$15,298,730
31	Subtotal	\$173,452	\$30,352,498	\$19,379,306	\$21,950,185	\$17,070,660	\$15,298,730
32							
33	Net Cash Flow	(\$517,852)	(\$30,213,818)	(\$21,090,332)	(\$24,704,988)	(\$20,284,061)	(\$19,182,003)

STATUS QUO FUND BALANCE PROJECTIONS

Table 2-18 shows the unrestricted fund balance projections for the status quo financial plan. Based on the sources (revenues) and uses (operating expenses, debt service, and CIP) of funds, the District’s unrestricted fund balances will be negative by the end of CY 2026. At the end of the study period, the District’s fund balances will be approximately negative \$84.3 million in CY 2029, from a starting balance of approximately \$31.7 million in CY 2024. This represents a net loss of approximately \$116.0 million over six years.

Table 2-19 shows the restricted fund balance projections for the status quo financial plan. Capacity charge revenue is in a restricted fund designated for capacity charge funded capital projects. Based on the sources (capacity charges) and uses (capacity charge funded CIP), the District’s restricted fund balances will be negative by the end of CY 2028. Restricted fund balances are not used to meet reserve targets because these funds cannot be freely spent.

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Table 2-18: Projected Unrestricted Fund Balances (Status Quo Financial Plan)

Line	Unrestricted Fund Balance Projections	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
1	Beginning Balance	\$31,703,400	\$31,185,547	\$971,729	(\$20,118,603)	(\$44,823,591)	(\$65,107,652)
2							
3	Sources of Funds						
4	Rate Revenues at Existing Rates	\$11,823,000	\$12,138,465	\$12,622,490	\$12,804,670	\$13,021,558	\$13,181,291
5	Revenue Adjustments	\$0	\$0	\$0	\$0	\$0	\$0
6	Pass-Thru Surcharges	\$5,990,000	\$7,568,800	\$8,022,044	\$8,541,495	\$9,116,510	\$9,686,738
7	Other Charges for Service	\$645,000	\$561,915	\$575,505	\$589,710	\$604,562	\$620,092
8	District Housing Charges	\$42,000	\$45,100	\$46,716	\$48,461	\$50,346	\$52,382
9	Interest Income	\$1,473,500	\$1,576,100	\$0	\$0	\$0	\$0
10	Interest Earned	\$278,000	\$240,000	\$240,000	\$240,000	\$240,000	\$240,000
11	Developer Funds	\$0	\$2,897,175	\$1,384,850	\$2,028,600	\$475,500	\$2,437,100
12	Grant Funds	\$11,799	\$1,483,159	\$0	\$0	\$0	\$0
13	Proposed Debt Proceeds	\$0	\$0	\$0	\$0	\$0	\$0
14	Subtotal	\$20,263,299	\$26,510,714	\$22,891,605	\$24,252,937	\$23,508,476	\$26,217,602
15							
16	Uses of Funds						
17	Operating Expenses	\$20,595,900	\$21,991,700	\$23,217,781	\$24,979,140	\$26,246,376	\$27,663,775
18	Debt Service	\$0	\$0	\$0	\$0	\$0	\$0
19	Developer Funded CIP	\$0	\$2,897,175	\$1,384,850	\$2,028,600	\$475,500	\$2,437,100
20	Grant Funded CIP	\$11,799	\$1,483,159	\$0	\$0	\$0	\$0
21	Debt Funded CIP	\$0	\$0	\$0	\$0	\$0	\$0
22	Rate Funded CIP	\$173,452	\$30,352,498	\$19,379,306	\$21,950,185	\$17,070,660	\$15,298,730
23	Subtotal	\$20,781,151	\$56,724,532	\$43,981,937	\$48,957,925	\$43,792,537	\$45,399,606
24							
25	Ending Balance	\$31,185,547	\$971,729	(\$20,118,603)	(\$44,823,591)	(\$65,107,652)	(\$84,289,655)

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Table 2-19: Projected Restricted Fund Balances (Status Quo Financial Plan)

Line	Restricted Fund Balance Projections	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
1	Beginning Balance	\$49,869,475	\$50,137,439	\$41,129,286	\$26,772,440	\$9,891,075	(\$1,465,146)
2							
3	Sources of Funds						
4	Capacity Charges	\$2,053,000	\$2,128,915	\$2,186,398	\$2,245,550	\$2,306,418	\$2,369,055
5	Total - Sources of Funds	\$2,053,000	\$2,128,915	\$2,186,398	\$2,245,550	\$2,306,418	\$2,369,055
6							
7	Uses of Funds						
8	Cap. Charge Funded CIP	\$1,785,036	\$11,137,068	\$16,543,244	\$19,126,915	\$13,662,640	\$17,055,170
9	Total - Uses of Funds	\$1,785,036	\$11,137,068	\$16,543,244	\$19,126,915	\$13,662,640	\$17,055,170
10							
11	Ending Balance	\$50,137,439	\$41,129,286	\$26,772,440	\$9,891,075	(\$1,465,146)	(\$16,151,260)

STATUS QUO FINANCIAL PERFORMANCE

The District's financial performance is evaluated based on the reserve targets, as shown in **Table 2-20**. Under the status quo financial plan, the District will not meet its reserve targets from CY 2025 to CY 2029. Fund balances are the District's constraining factor during the study period.

Table 2-20: Forecasted Financial Performance (Status Quo Financial Plan)

Line	Financial Performance	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
1	Reserve Policy						
2	Operating	\$6,771,255	\$7,230,148	\$7,633,243	\$8,212,320	\$8,628,946	\$9,094,940
3	Capital Replacement	\$17,785,220	\$20,810,276	\$20,810,276	\$20,810,276	\$20,810,276	\$20,810,276
4	Emergency	\$3,089,385	\$3,298,755	\$3,482,667	\$3,746,871	\$3,936,956	\$4,149,566
5	Combined Target	\$27,645,860	\$31,339,179	\$31,926,186	\$32,769,467	\$33,376,178	\$34,054,782
6	Combined Reserves	\$31,185,547	\$971,729	(\$20,118,603)	(\$44,823,591)	(\$65,107,652)	(\$84,289,655)
7	Meets Target?	Yes	No	No	No	No	No
8							
9	Debt Coverage						
10	Required Coverage	120%	120%	120%	120%	120%	120%
11	Calculated Coverage	No Debt	No Debt	No Debt	No Debt	No Debt	No Debt
12	Meets Target?	No Debt	No Debt	No Debt	No Debt	No Debt	No Debt
12	Meets Target?	No Debt	No Debt	No Debt	No Debt	No Debt	No Debt

Figure 2-1 shows the comparison of revenues and the revenue requirement for the status quo scenario. The stacked bars represent the revenue requirements, or costs: dark blue for O&M expenses, and light blue for rate funded CIP. The District will not be adding to its reserves (grey bars) in this scenario. The current revenue, shown as a solid line, is lower than the revenue requirements, meaning that revenues are insufficient to fund necessary costs. The red circle represents an operating deficit where revenues are insufficient to fund O&M expenses starting in CY 2026.

Figure 2-1: Revenue Requirements vs. Revenues (Status Quo Financial Plan)

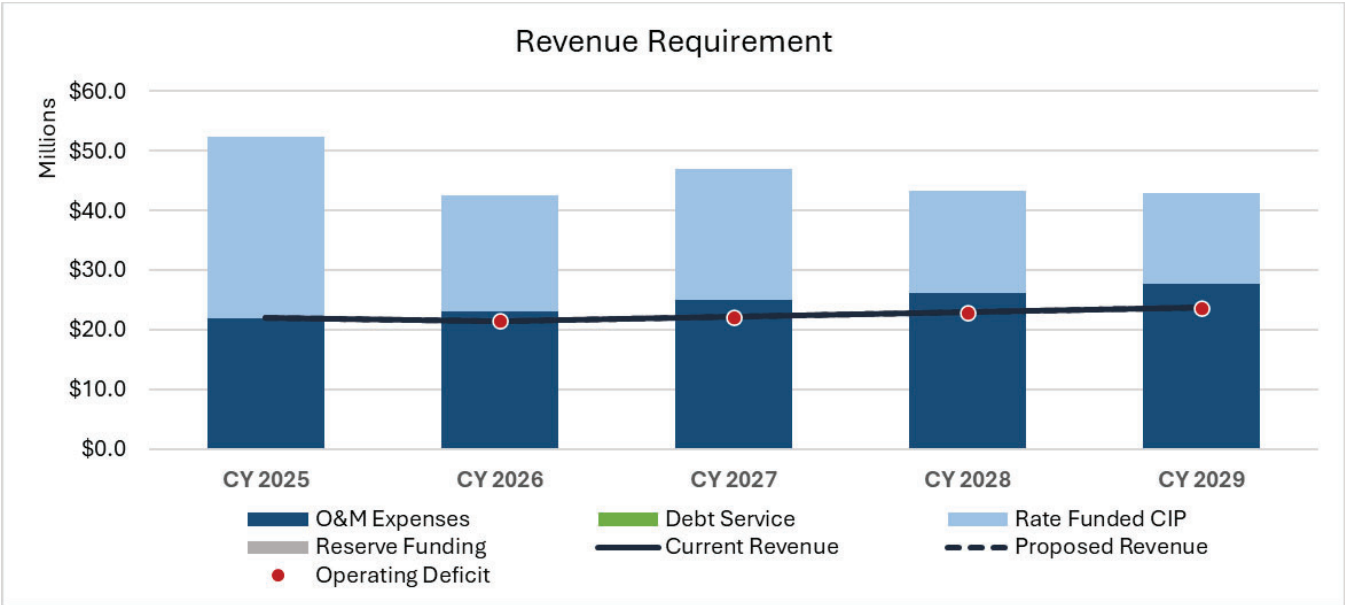
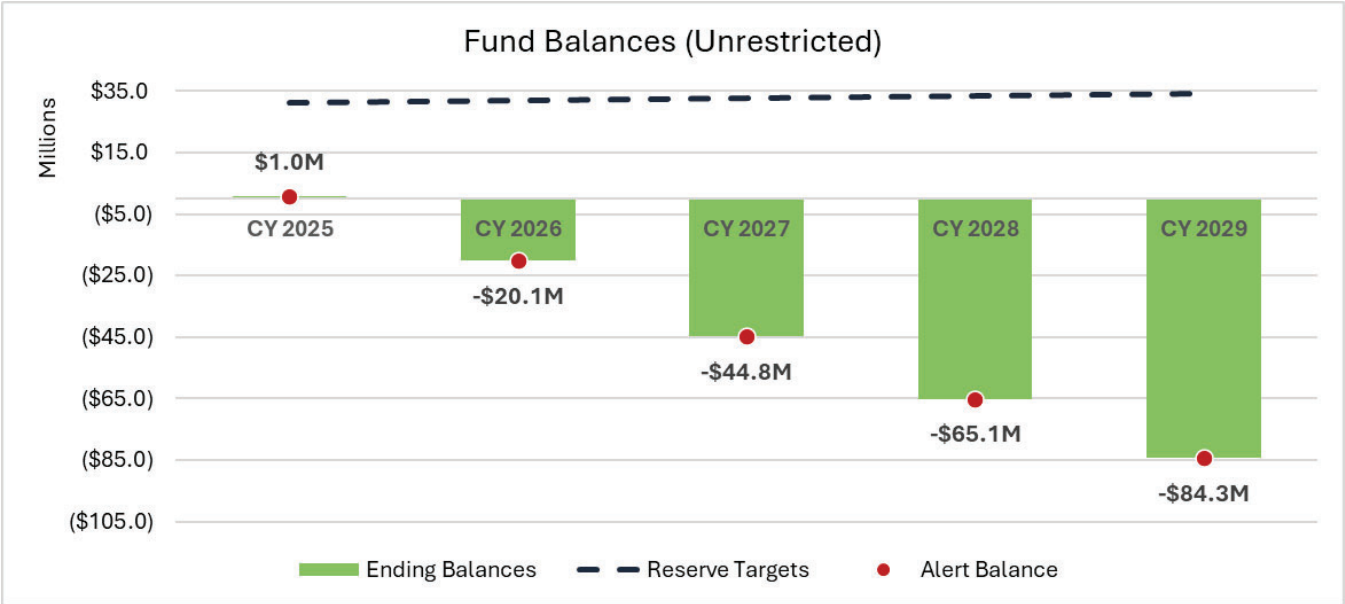


Figure 2-2 shows the fund balance projections in the status quo financial plan. The District’s ending balance (green bars) will not meet the reserve targets (dashed line) from CY 2025 through CY 2029. The District’s fund balances will be negative starting in CY 2026.

Figure 2-2: Projected Fund Balances (Status Quo Financial Plan)



2.8 PROPOSED FINANCIAL PLAN

PROPOSED FINANCIAL PLAN SCENARIO

The proposed financial plan includes five years of revenue adjustments and debt issuances, shown in **Table 2-21**. These adjustments are needed to maintain the District's financial sufficiency and were developed based on direction from the District's Board of Directors.

Table 2-21: Proposed Financial Plan Scenario

Line	Calendar Year	Revenue Adjustment	Debt Issuance	Debt Proceeds for CIP
1	CY 2025	15.0%	\$15,306,122	\$15,000,000
2	CY 2026	15.0%	\$10,204,082	\$10,000,000
3	CY 2027	15.0%	\$15,306,122	\$15,000,000
4	CY 2028	15.0%	\$10,204,082	\$10,000,000
5	CY 2029	15.0%	\$5,102,041	\$5,000,000

PROPOSED CASH FLOW PROJECTIONS

Table 2-22 shows the cash flow projections for the proposed financial plan. Revenues (Lines 1-8) are from **Table 2-10**. Revenue adjustments (Line 3) are based on the proposed revenue adjustments in **Table 2-21**. Operating expenses (Lines 10-18) are from **Table 2-12**. Net operating revenue (Line 20) is equal to the difference between total revenues (Line 8) and total expenses (Line 18). Debt service (Lines 22-25) is from **Table 2-13**. Net revenue less debt (Line 27) is equal to the difference between net operating revenue (Line 20) and total debt service (Line 25). Rate funded CIP (Line 30) is from **Table 2-15**.

Net cash flow (Line 33) is equal to the net operating revenue (Line 20) less debt service (Line 25) and rate funded CIP (Line 31). Grant proceeds, debt proceeds, developer fee proceeds, and portions of each used to fund CIP are not included in the cash flow projections, since they are cost neutral (expenses equal to funding sources over the five-year period). Capacity charge revenues and capacity charge funded CIP are also not included because capacity charge revenue is designated for specific capital projects.

Beaumont-Cherry Valley Water District 2024 Water Rate Study

Table 2-22: Projected Cash Flows (Proposed Financial Plan)

Line	Cash Flow Projections	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
1	Revenues						
2	Rate Revenues at Existing Rates	\$11,823,000	\$12,138,465	\$12,622,490	\$12,804,670	\$13,021,558	\$13,181,291
3	Revenue Adjustments	\$0	\$1,213,847	\$4,070,753	\$6,669,633	\$9,753,228	\$13,330,993
4	Pass-Thru Surcharges	\$5,990,000	\$7,568,800	\$8,022,044	\$8,541,495	\$9,116,510	\$9,686,738
5	Other Charges for Service	\$645,000	\$561,915	\$575,505	\$589,710	\$604,562	\$620,092
6	District Housing Charges	\$42,000	\$45,100	\$46,716	\$48,461	\$50,346	\$52,382
7	Interest Earned	\$1,751,500	\$1,816,100	\$497,451	\$500,504	\$523,694	\$541,420
8	Subtotal	\$20,251,500	\$23,344,227	\$25,834,959	\$29,154,474	\$33,069,898	\$37,412,915
9							
10	Expenses						
11	Staffing and Administration	\$5,323,700	\$5,583,100	\$5,771,420	\$6,091,370	\$6,303,507	\$6,648,417
12	Information Technology	\$1,003,500	\$1,133,400	\$1,177,038	\$1,222,467	\$1,269,765	\$1,319,012
13	Source of Supply	\$1,541,000	\$1,635,700	\$1,714,668	\$1,799,223	\$1,889,057	\$1,981,792
14	SGPWA Water Purchases	\$4,469,000	\$4,468,800	\$4,736,406	\$5,043,102	\$5,382,605	\$5,719,281
15	SCE Electricity for Wells	\$2,750,000	\$3,100,000	\$3,285,638	\$3,498,393	\$3,733,905	\$3,967,457
16	Operations and Maintenance	\$5,508,700	\$6,070,700	\$6,334,611	\$6,610,537	\$6,899,044	\$7,200,725
17	Additional Staffing	\$0	\$0	\$198,000	\$714,048	\$768,494	\$827,091
18	Subtotal	\$20,595,900	\$21,991,700	\$23,217,781	\$24,979,140	\$26,246,376	\$27,663,775
19							
20	Net Operating Revenue	(\$344,400)	\$1,352,527	\$2,617,178	\$4,175,334	\$6,823,522	\$9,749,140
21							
22	Debt Service						
23	Existing Debt Service	\$0	\$0	\$0	\$0	\$0	\$0
24	Proposed Debt Service	\$0	\$995,685	\$1,659,475	\$2,655,161	\$3,318,951	\$3,650,846
25	Subtotal	\$0	\$995,685	\$1,659,475	\$2,655,161	\$3,318,951	\$3,650,846
26							
27	Net Revenue Less Debt	(\$344,400)	\$356,842	\$957,703	\$1,520,174	\$3,504,571	\$6,098,294
28							
29	Capital Projects						
30	Rate Funded	\$173,452	\$4,729,124	\$2,596,549	\$0	\$363,550	\$4,944,175
31	Subtotal	\$173,452	\$4,729,124	\$2,596,549	\$0	\$363,550	\$4,944,175
32							
33	Net Cash Flow	(\$517,852)	(\$4,372,282)	(\$1,638,846)	\$1,520,174	\$3,141,021	\$1,154,119

PROPOSED FUND BALANCE PROJECTIONS

Table 2-23 shows the unrestricted fund balance projections for the proposed financial plan. Based on the sources (revenues, revenue adjustments, debt proceeds) and uses (operating expenses, debt service, and CIP) of funds, the District’s fund balances will be approximately \$40.0 million at the end of the study.

Table 2-24 shows the restricted fund balance projections for the proposed financial plan. Capacity charge revenue is in a restricted fund designated for capacity charge funded capital projects. Based on the sources (capacity charges) and uses (capacity charge funded CIP), the District’s restricted fund balances will be approximately \$11.0 million at the end of the study. Restricted fund balances are not used to meet reserve targets because these funds cannot be freely spent.

Beaumont-Cherry Valley Water District 2024 Water Rate Study

Table 2-23: Projected Unrestricted Fund Balances (Proposed Financial Plan)

Line	Unrestricted Fund Balance Projections	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
1	Beginning Balance	\$31,703,400	\$31,185,547	\$26,813,265	\$25,174,419	\$27,426,972	\$29,835,614
2							
3	Sources of Funds						
4	Rate Revenues at Existing Rates	\$11,823,000	\$12,138,465	\$12,622,490	\$12,804,670	\$13,021,558	\$13,181,291
5	Revenue Adjustments	\$0	\$1,213,847	\$4,070,753	\$6,669,633	\$9,753,228	\$13,330,993
6	Pass-Thru Surcharges	\$5,990,000	\$7,568,800	\$8,022,044	\$8,541,495	\$9,116,510	\$9,686,738
7	Other Charges for Service	\$645,000	\$561,915	\$575,505	\$589,710	\$604,562	\$620,092
8	District Housing Charges	\$42,000	\$45,100	\$46,716	\$48,461	\$50,346	\$52,382
9	Interest Income	\$1,473,500	\$1,576,100	\$257,451	\$260,504	\$283,694	\$301,420
10	Interest Earned	\$278,000	\$240,000	\$240,000	\$240,000	\$240,000	\$240,000
11	Developer Funds	\$0	\$1,883,164	\$900,153	\$1,318,590	\$309,075	\$1,584,115
12	Grant Funds	\$11,799	\$964,053	\$0	\$0	\$0	\$0
13	Proposed Debt Proceeds	\$0	\$15,000,000	\$10,000,000	\$15,000,000	\$10,000,000	\$5,000,000
14	Subtotal	\$20,263,299	\$41,191,444	\$36,735,111	\$45,473,064	\$43,378,973	\$43,997,030
15							
16	Uses of Funds						
17	Operating Expenses	\$20,595,900	\$21,991,700	\$23,217,781	\$24,979,140	\$26,246,376	\$27,663,775
18	Debt Service	\$0	\$995,685	\$1,659,475	\$2,655,161	\$3,318,951	\$3,650,846
19	Developer Funded CIP	\$0	\$1,883,164	\$900,153	\$1,318,590	\$309,075	\$1,584,115
20	Grant Funded CIP	\$11,799	\$964,053	\$0	\$0	\$0	\$0
21	Debt Funded CIP	\$0	\$15,000,000	\$10,000,000	\$14,267,620	\$10,732,380	\$5,000,000
22	Rate Funded CIP	\$173,452	\$4,729,124	\$2,596,549	\$0	\$363,550	\$4,944,175
23	Subtotal	\$20,781,151	\$45,563,726	\$38,373,958	\$43,220,511	\$40,970,331	\$42,842,911
24							
25	Ending Balance	\$31,185,547	\$26,813,265	\$25,174,419	\$27,426,972	\$29,835,614	\$30,989,733

Beaumont-Cherry Valley Water District 2024 Water Rate Study

Table 2-24: Projected Restricted Fund Balances (Proposed Financial Plan)

Line	Restricted Fund Balance Projections	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
1	Beginning Balance	\$49,869,475	\$50,137,439	\$45,027,260	\$36,460,550	\$26,273,605	\$19,699,307
2							
3	Sources of Funds						
4	Capacity Charges	\$2,053,000	\$2,128,915	\$2,186,398	\$2,245,550	\$2,306,418	\$2,369,055
5	Total - Sources of Funds	\$2,053,000	\$2,128,915	\$2,186,398	\$2,245,550	\$2,306,418	\$2,369,055
6							
7	Uses of Funds						
8	Cap. Charge Funded CIP	\$1,785,036	\$7,239,094	\$10,753,109	\$12,432,495	\$8,880,716	\$11,085,860
9	Total - Uses of Funds	\$1,785,036	\$7,239,094	\$10,753,109	\$12,432,495	\$8,880,716	\$11,085,860
10							
11	Ending Balance	\$50,137,439	\$45,027,260	\$36,460,550	\$26,273,605	\$19,699,307	\$10,982,503

PROPOSED FINANCIAL PERFORMANCE

Table 2-25 shows the forecasted financial performance for the proposed financial plan. Under this plan, the District will meet its reserve targets and debt coverage requirements in all years of the study.

Table 2-25: Forecasted Financial Performance (Proposed Financial Plan)

Line	Financial Performance	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
1	Reserve Policy						
2	Operating	\$6,771,255	\$7,230,148	\$7,633,243	\$8,212,320	\$8,628,946	\$9,094,940
3	Capital Replacement	\$11,572,535	\$13,526,679	\$13,526,679	\$13,526,679	\$13,526,679	\$13,526,679
4	Emergency	\$3,089,385	\$3,298,755	\$3,482,667	\$3,746,871	\$3,936,956	\$4,149,566
5	Combined Target	\$21,433,175	\$24,055,582	\$24,642,590	\$25,485,870	\$26,092,582	\$26,771,186
6	Combined Reserves	\$31,185,547	\$26,813,265	\$25,174,419	\$27,426,972	\$29,835,614	\$30,989,733
7	Meets Target?	Yes	Yes	Yes	Yes	Yes	Yes
8							
9	Debt Coverage						
10	Required Coverage	120%	120%	120%	120%	120%	120%
11	Calculated Coverage	No Debt	136%	158%	157%	206%	267%
12	Meets Target?	No Debt	Yes	Yes	Yes	Yes	Yes

Figure 2-3 shows the comparison of revenues and the revenue requirement for the proposed scenario. The stacked bars represent the revenue requirements, or costs. The current revenue, shown as a solid line, is lower than the revenue requirements. The proposed revenue, shown as a dotted line, is greater than the revenue requirements (except for CY 2025, CY 2026, and CY 2029), meaning that the District's revenues are able to sufficiently fund its expenses. During CY 2025 and CY 2026, the District will be drawing from reserves. The District will start rebuilding reserves in CY 2027 and CY 2028 to fund capital projects in CY 2029.

Figure 2-3: Revenue Requirements vs. Revenues (Proposed Financial Plan)

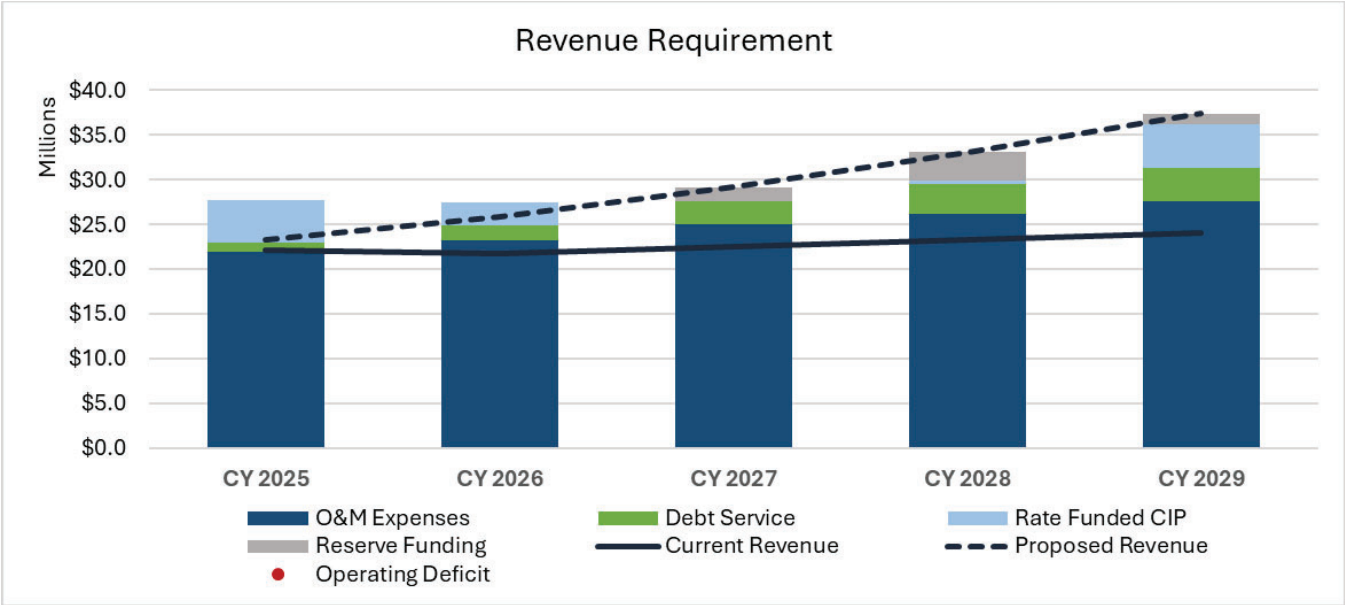


Figure 2-4 shows the debt coverage projections in the proposed financial plan. The required debt coverage (solid black line) is equal to 120%. The District is expected to meet its debt coverage requirements for all years of this scenario.

Figure 2-4: Projected Debt Coverage (Proposed Financial Plan)

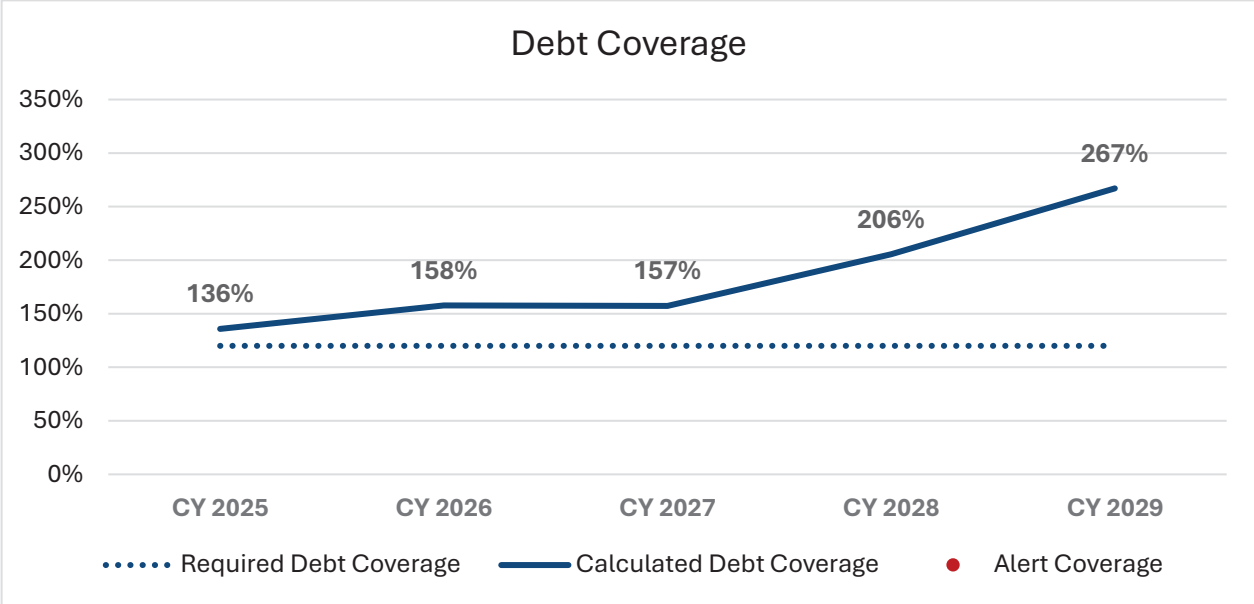
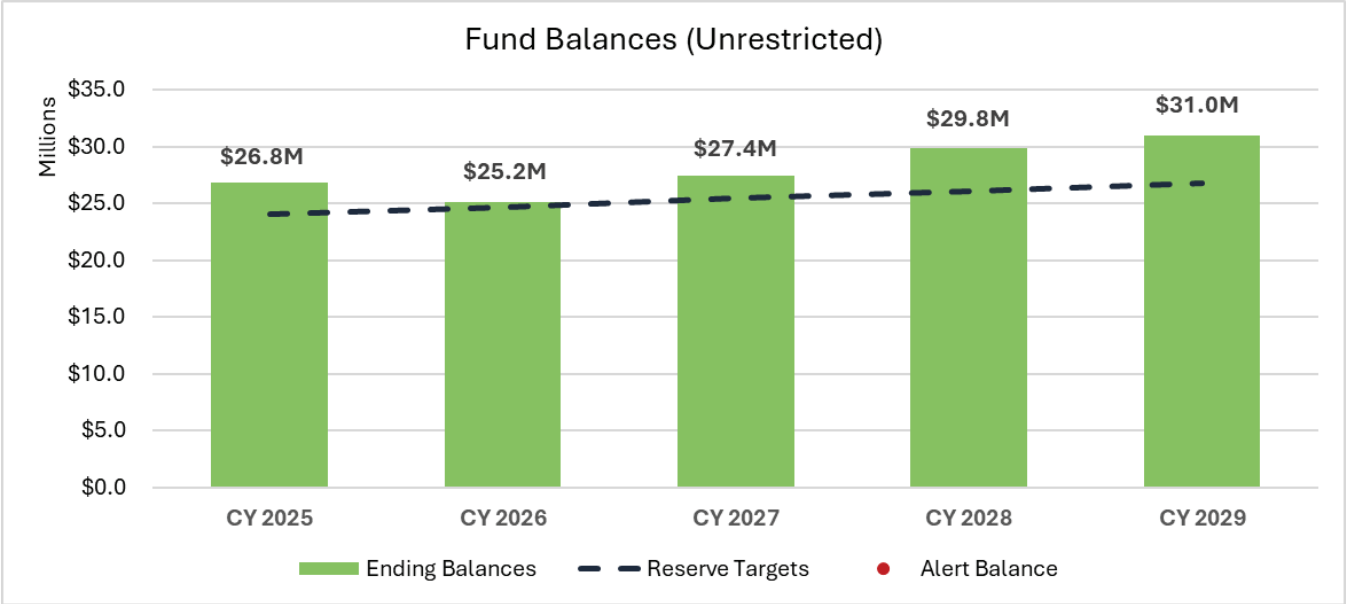


Figure 2-5 shows the fund balance projections in the proposed financial plan. The District’s ending balance (green bars) will meet the reserve targets (dashed line) from CY 2025 through CY 2029.

Figure 2-5: Projected Fund Balances (Proposed Financial Plan)



3. WATER RATES

3.1 RATE DESIGN METHODOLOGY

A five-year proposed water rate schedule was developed based on the results of the proposed financial plan. However, adjustments for CY 2028 and CY 2029 are subject to change based on updated cost assessments to meet impending regulatory requirements. If this is the case, then the District and the Board of Directors must revisit the rate study and rate adoption process. Proposed rates for the study period are calculated by increasing the current rates by the proposed annual revenue adjustment percentages from the proposed financial plan.

3.2 PROPOSED WATER RATE SCHEDULE
PROPOSED REVENUE ADJUSTMENTS

Table 3-1 shows the revenue adjustments for the five-year period and their effective date based on the proposed financial plan (**Table 2-21**).

Table 3-1: Proposed Revenue Adjustments

Line	Fiscal Year	Revenue Adjustments	Effective Date
1	CY 2025	15.0%	5/1/2025
2	CY 2026	15.0%	1/1/2026
3	CY 2027	15.0%	1/1/2027
4	CY 2028	15.0%	1/1/2028
5	CY 2029	15.0%	1/1/2029

PROPOSED WATER RATE SCHEDULE

The proposed water rate schedules are based on the proposed revenue adjustments (**Table 3-1**). The proposed rates for CY 2025 through CY 2029 were calculated by increasing the current rates by the revenue adjustments, rounded up to the nearest cent.

The estimated pass-through surcharges are calculated by dividing the cost of SGPWA imported water and SCE electrical costs by the total water usage per year. However, pass-through surcharges are calculated annually based on cost changes from SGPWA and SCE.

Table 3-2, Table 3-3, Table 3-4, and **Table 3-5** show the proposed bi-monthly meter service charges, bi-monthly private fire service charges, quantitative use charges, and pass-through surcharges respectively.

Beaumont-Cherry Valley Water District 2024 Water Rate Study

Table 3-2: Proposed Bi-Monthly Meter Service Charges

Line	Bi-Monthly Meter Service Charge	Effective 5/1/2025	Effective 1/1/2026	Effective 1/1/2027	Effective 1/1/2028	Effective 1/1/2029
1	5/8" meter	\$34.08	\$39.20	\$45.08	\$51.85	\$59.63
2	3/4" meter	\$46.96	\$54.01	\$62.12	\$71.44	\$82.16
3	1" meter	\$72.74	\$83.66	\$96.21	\$110.65	\$127.25
4	1-1/2" meter	\$137.22	\$157.81	\$181.49	\$208.72	\$240.03
5	2" meter	\$214.58	\$246.77	\$283.79	\$326.36	\$375.32
6	3" meter	\$459.56	\$528.50	\$607.78	\$698.95	\$803.80
7	4" meter	\$820.59	\$943.68	\$1,085.24	\$1,248.03	\$1,435.24
8	6" meter	\$1,684.47	\$1,937.15	\$2,227.73	\$2,561.89	\$2,946.18
9	8" meter	\$3,618.53	\$4,161.31	\$4,785.51	\$5,503.34	\$6,328.85
10	10" meter	\$5,423.63	\$6,237.18	\$7,172.76	\$8,248.68	\$9,485.99
11	12" meter	\$6,841.93	\$7,868.22	\$9,048.46	\$10,405.73	\$11,966.59

Table 3-3: Proposed Bi-Monthly Private Fire Service Charges

Line	Bi-Monthly Private Fire Service Charges	Effective 5/1/2025	Effective 1/1/2026	Effective 1/1/2027	Effective 1/1/2028	Effective 1/1/2029
1	4" meter	\$66.73	\$76.74	\$88.26	\$101.50	\$116.73
2	6" meter	\$178.07	\$204.79	\$235.51	\$270.84	\$311.47
3	8" meter	\$370.12	\$425.64	\$489.49	\$562.92	\$647.36
4	10" meter	\$659.02	\$757.88	\$871.57	\$1,002.31	\$1,152.66
5	12" meter	\$1,059.41	\$1,218.33	\$1,401.08	\$1,611.25	\$1,852.94

Table 3-4: Proposed Quantitative Use Charges

Line	Quantitative Use Charge (\$/ccf)	Effective 5/1/2025	Effective 1/1/2026	Effective 1/1/2027	Effective 1/1/2028	Effective 1/1/2029
1	Single Family					
2	Tier 1 (0-16 units)	\$1.02	\$1.18	\$1.36	\$1.57	\$1.81
3	Tier 2 (17-34 units)	\$1.26	\$1.45	\$1.67	\$1.93	\$2.22
4	Tier 3 (35+ units)	\$2.07	\$2.39	\$2.75	\$3.17	\$3.65
5	Multi-Family	\$1.56	\$1.80	\$2.07	\$2.39	\$2.75
6	Commercial / Industrial	\$1.47	\$1.70	\$1.96	\$2.26	\$2.60
7	Landscape Irrigation	\$1.63	\$1.88	\$2.17	\$2.50	\$2.88
8	Schedule Irrigation	\$1.63	\$1.88	\$2.17	\$2.50	\$2.88
9	Construction	\$1.80	\$2.07	\$2.39	\$2.75	\$3.17
10	Non-Potable	\$1.24	\$1.43	\$1.65	\$1.90	\$2.19
11	Fire Service	\$1.80	\$2.07	\$2.39	\$2.75	\$3.17

Table 3-5: Proposed Pass-Through Surcharges⁴

Line	Pass-Thru Surcharges (\$/ccf)	Effective 5/1/2025	Effective 1/1/2026	Effective 1/1/2027	Effective 1/1/2028	Effective 1/1/2029
1	SGPWA Importation Charges	\$0.81	\$0.86	\$0.92	\$0.98	\$1.04
2	SCE Power Charges	\$0.56	\$0.60	\$0.64	\$0.68	\$0.72

3.3 CUSTOMER IMPACTS

Table 3-6 shows the proposed impacts for a Single Family Residential customer with a 5/8” meter (the most common meter size for this customer class, representing approximately 65% of customers) at 30 ccf for their bi-monthly usage. This was estimated from the average bi-monthly residential consumption from CY 2023, assuming slightly higher consumption in CY 2025. The proposed rates present the impact of the 15% revenue adjustment applied to CY 2025.

Table 3-6: Proposed Single Family Residential Customer Impacts

Line	Residential Customer Impacts	Current Bill	Proposed Bill	Difference (\$)	Difference (%)
1	Bi-Monthly Meter Service Charge (5/8" meter)	\$29.63	\$34.08	\$4.45	15.0%
2	Quantitative Use Charge (30 ccf)	\$29.34	\$33.96	\$4.62	15.7%
3	Pass-Thru Surcharges	\$34.20	\$41.10	\$6.90	20.2%
4	Total Charge	\$93.17	\$109.14	\$15.97	17.1%

Figure 3-1 shows a bi-monthly bill comparison for a Single Family Residential customer with a 5/8” meter at 30 ccf for their bi-monthly usage. The black sections of each bar represent the portion of each bill funded by fixed charges and the blue sections of each bar represent the portion of each bill funded by variable charges. Relative to the current residential bills of eight other neighboring water agencies, the proposed bill still falls under the area’s average residential bill (shown by the gray dashed line).

⁴ Pass-through surcharges are calculated annually based on actual costs incurred by the District each year from SGPWA and SCE. The surcharges shown in this report for January 2026 and later are estimated based on best available data but are subject to change based on pass-through provisions.

Figure 3-1: Residential Bi-Monthly Bill Comparison

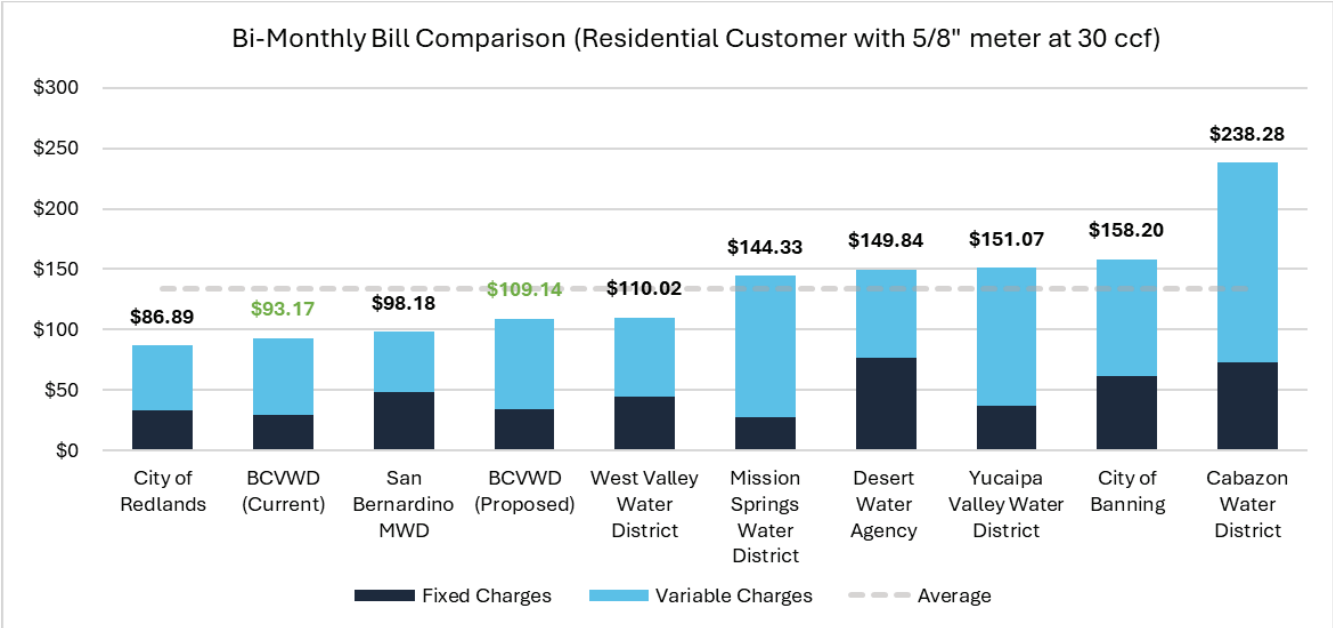


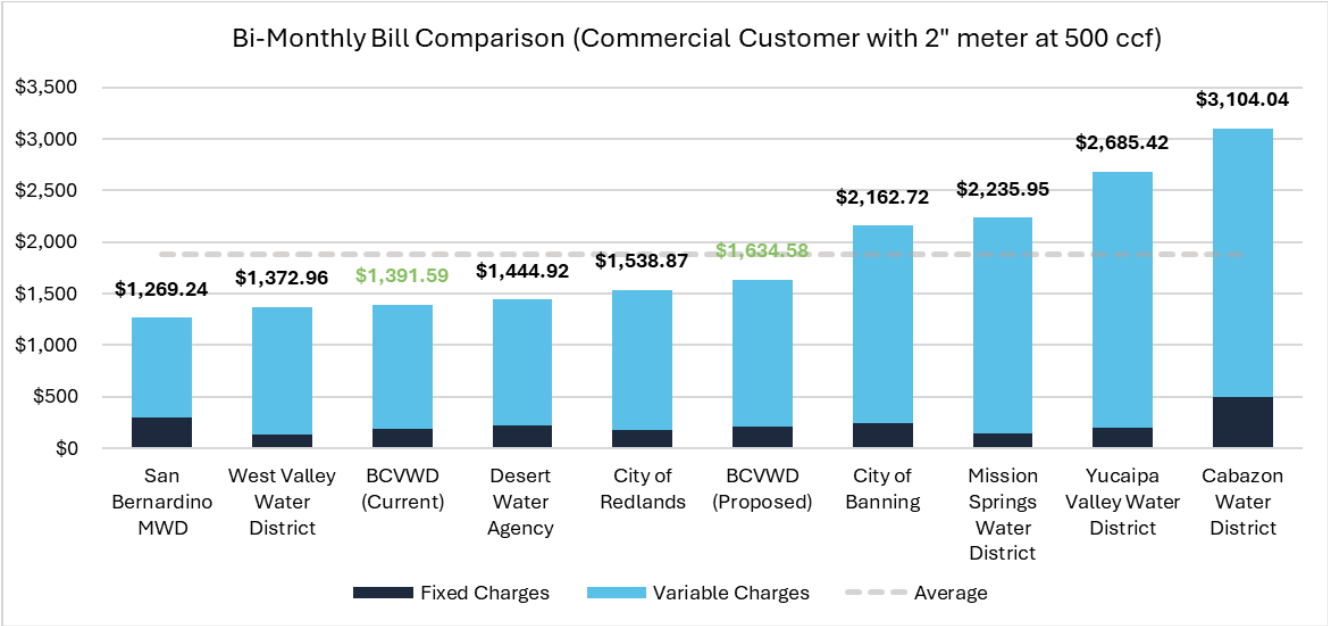
Table 3-7 shows the proposed impacts for a Commercial customer with a 2” meter at 500 ccf. Large volume commercial, industrial, construction, and landscape accounts are billed monthly, but for consistency of presentation, this table and all other report tables are represented as a bi-monthly amount. Actual billing reflects the proportionate amount of said bi-monthly charges. These inputs were determined from discussions with District staff and input from the Board of Directors. The proposed rates represent the impact of the 15% revenue adjustment applied to CY 2025.

Table 3-7: Proposed Commercial Customer Impacts

Line	Commercial Customer Impacts	Current Bill	Proposed Bill	Difference (\$)	Difference (%)
1	Bi-Monthly Meter Service Charge (2" meter)	\$186.59	\$214.58	\$27.99	15.0%
2	Quantitative Use Charge (500 ccf)	\$635.00	\$735.00	\$100.00	15.7%
3	Pass-Thru Surcharges	\$570.00	\$685.00	\$115.00	20.2%
4	Total Charge	\$1,391.59	\$1,634.58	\$242.99	17.5%

Figure 3-2 shows a bi-monthly bill comparison for a Commercial customer with a 2” meter at 500 ccf for their bi-monthly usage. Large volume commercial, industrial, construction, and landscape accounts are billed monthly, but for consistency of presentation, this Table and all other Tables are represented as a bi-monthly amount. Actual billing reflects the proportionate amount of said bi-monthly charges. The black sections of each bar represent the portion of each bill funded by fixed charges and the blue sections of each bar represent the portion of each bill funded by variable charges. Relative to the current commercial bills of eight other neighboring water agencies, the proposed bill still falls under the area’s average commercial bill (shown by the gray dashed line).

Figure 3-2: Commercial Bi-Monthly Bill Comparison



4. APPENDICES

4.1 FINANCIAL PLAN APPENDICES

Table 4-1: Revenues (Detail)⁵

Line	Revenue	Budget Number	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
1	Water Sales							
2	Sales	01-50-510-410100	\$6,072,000	\$6,132,800	\$6,552,741	\$6,647,055	\$6,759,336	\$6,842,029
3	Agricultural Irrigation Sales	01-50-510-410151	\$27,000	\$18,317	\$20,262	\$20,262	\$20,262	\$20,262
4	Construction Sales	01-50-510-410171	\$93,500	\$64,372	\$66,408	\$66,408	\$66,408	\$66,408
5	Fixed Meter Charges	01-50-510-413011	\$5,630,500	\$5,922,977	\$5,983,080	\$6,070,946	\$6,175,552	\$6,252,592
6	Pass-Thru Surcharges							
7	SGPWA Importation Charges	01-50-510-415001	\$3,783,000	\$4,216,501	\$4,024,692	\$4,081,241	\$4,148,563	\$4,198,144
8	SCE Power Charges	01-50-510-415011	\$2,207,000	\$2,459,626	\$2,347,737	\$2,380,724	\$2,419,995	\$2,448,917
9	Other Charges for Service							
10	Backflow Administration Charges	01-50-510-413001	\$69,500	\$90,180	\$91,082	\$91,993	\$92,913	\$93,842
11	2nd Notice Charges	01-50-510-417001	\$82,000	\$86,100	\$90,405	\$94,925	\$99,672	\$104,655
12	3rd Notice Charges	01-50-510-417011	\$104,500	\$113,085	\$118,739	\$124,676	\$130,910	\$137,456
13	Account Reinstatement Fees	01-50-510-417021	\$39,000	\$40,950	\$42,998	\$45,147	\$47,405	\$49,775
14	Lien Processing Fees	01-50-510-417031	\$12,000	\$12,000	\$12,120	\$12,241	\$12,364	\$12,487
15	Credit Check Processing Fees	01-50-510-417041	\$18,500	\$20,000	\$20,200	\$20,402	\$20,606	\$20,812
16	Return Check Fees	01-50-510-417051	\$5,500	\$5,700	\$5,757	\$5,815	\$5,873	\$5,931
17	Customer Damages/Upgrade Charges	01-50-510-417061	\$22,500	\$26,000	\$26,260	\$26,523	\$26,788	\$27,056
18	After-Hours Call Out Charges	01-50-510-417071	\$3,000	\$4,400	\$4,444	\$4,488	\$4,533	\$4,579
19	Bench Test Fees (Credits)	01-50-510-417081	\$500	\$500	\$500	\$500	\$500	\$500
20	Credit Card Processing Fees	01-50-510-417091	\$125,000	\$0	\$0	\$0	\$0	\$0
21	Well Maintenance Reimbursement	01-50-510-419031	\$162,000	\$162,000	\$162,000	\$162,000	\$162,000	\$162,000
22	Miscellaneous Income	01-50-510-419061	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
23	District Housing Charges							
24	Maintenance Fees - 13695 Oak Glen Rd	01-50-510-471011	\$8,000	\$8,300	\$8,300	\$8,300	\$8,300	\$8,300
25	Maintenance Fees - 13697 Oak Glen Rd	01-50-510-471021	\$9,000	\$9,300	\$9,300	\$9,300	\$9,300	\$9,300
26	Maintenance Fees - 9781 Avenida Miravilla	01-50-510-471031	\$7,000	\$7,300	\$7,300	\$7,300	\$7,300	\$7,300
27	Utilities - 13695 Oak Glen Rd	01-50-510-471111	\$6,000	\$6,900	\$7,452	\$8,048	\$8,692	\$9,387
28	Utilities - 13697 Oak Glen Rd	01-50-510-471121	\$7,000	\$7,900	\$8,532	\$9,215	\$9,952	\$10,748
29	Utilities - 9781 Avenida Miravilla	01-50-510-471131	\$5,000	\$5,400	\$5,832	\$6,299	\$6,802	\$7,347
30	Capacity Charges							
31	Capacity Charges-Wells	01-50-510-481001	\$388,000	\$420,100	\$432,703	\$445,684	\$459,055	\$472,826
32	Capacity Charges-Water Rights (SWP)	01-50-510-481006	\$245,000	\$214,921	\$221,369	\$228,010	\$234,850	\$241,895
33	Capacity Charges-Water Treatment Plant	01-50-510-481012	\$185,000	\$200,400	\$206,412	\$212,604	\$218,982	\$225,552
34	Capacity Charges-Local Water Resources	01-50-510-481018	\$97,000	\$85,094	\$87,647	\$90,276	\$92,985	\$95,774
35	Capacity Charges-Recycled Water Facilities	01-50-510-481024	\$281,000	\$283,200	\$286,032	\$288,892	\$291,781	\$294,699

⁵ Revenues are based on the current budget, projected forward from CY 2026 to CY 2029, and do not include revenue adjustments

Beaumont-Cherry Valley Water District 2024 Water Rate Study

Line	Revenue	Budget Number	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
36	Capacity Charges-Transmission (16")	01-50-510-481030	\$314,000	\$340,000	\$350,200	\$360,706	\$371,527	\$382,673
37	Capacity Charges-Storage	01-50-510-481036	\$402,000	\$435,300	\$448,359	\$461,810	\$475,664	\$489,934
38	Capacity Charges-Booster	01-50-510-481042	\$28,000	\$30,400	\$31,312	\$32,251	\$33,219	\$34,215
39	Capacity Charges-Pressure Reducing Stations	01-50-510-481048	\$15,000	\$16,300	\$16,789	\$17,293	\$17,811	\$18,346
40	Capacity Charges-Miscellaneous Projects	01-50-510-481054	\$13,000	\$14,100	\$14,523	\$14,959	\$15,407	\$15,870
41	Capacity Charges-Financing Costs	01-50-510-481060	\$61,000	\$65,100	\$67,053	\$69,065	\$71,137	\$73,271
42	Front Footage Fees	01-50-510-485001	\$24,000	\$24,000	\$24,000	\$24,000	\$24,000	\$24,000
43	Interest Earned							
44	Interest Income	01-50-510-490001	\$1,473,500	\$1,576,100	\$1,576,100	\$257,451	\$260,504	\$283,694
45	Net Amort/Accret on Investment	01-50-510-490051	\$278,000	\$240,000	\$240,000	\$240,000	\$240,000	\$240,000
46	Total		\$22,304,500	\$23,366,622	\$23,619,639	\$22,647,808	\$23,051,947	\$23,393,576

Table 4-2: O&M Expenses (Detail)

Line	Expenses	Budget Number	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
1	Board of Directors							
2	Board of Directors Fees	01-10-110-500101	\$124,500	\$128,000	\$134,400	\$141,120	\$148,176	\$155,585
3	Social Security	01-10-110-500115	\$8,000	\$8,000	\$8,400	\$8,820	\$9,261	\$9,724
4	Medicare	01-10-110-500120	\$2,000	\$2,000	\$2,100	\$2,205	\$2,315	\$2,431
5	Health Insurance	01-10-110-500125	\$81,500	\$94,500	\$99,225	\$104,186	\$109,396	\$114,865
6	Life Insurance	01-10-110-500140	\$2,500	\$2,500	\$2,625	\$2,756	\$2,894	\$3,039
7	EAP Program	01-10-110-500143	\$500	\$500	\$525	\$551	\$579	\$608
8	Workers' Compensation	01-10-110-500145	\$1,000	\$1,000	\$1,050	\$1,103	\$1,158	\$1,216
9	Training/Education/Mtgs/Travel	01-10-110-500175	\$47,000	\$55,000	\$57,750	\$60,638	\$63,669	\$66,853
10	Election Expenses	01-10-110-550012	\$1,000	\$65,000	\$5,000	\$65,000	\$5,000	\$65,000
11	Supplies-Other	01-10-110-550043	\$1,000	\$1,700	\$1,751	\$1,804	\$1,858	\$1,913
12	Advertising/Legal Notices	01-10-110-550051	\$2,500	\$2,000	\$2,060	\$2,122	\$2,185	\$2,251
13	Engineering							
14	Labor	01-20-210-500105	\$516,000	\$539,500	\$566,475	\$594,799	\$624,539	\$655,766
15	Incentive Pay	01-20-210-500114	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
16	Social Security	01-20-210-500115	\$39,000	\$42,000	\$44,100	\$46,305	\$48,620	\$51,051
17	Medicare	01-20-210-500120	\$9,500	\$10,000	\$10,500	\$11,025	\$11,576	\$12,155
18	Health Insurance	01-20-210-500125	\$89,500	\$97,000	\$101,850	\$106,943	\$112,290	\$117,904
19	Life Insurance	01-20-210-500140	\$1,000	\$1,000	\$1,050	\$1,103	\$1,158	\$1,216
20	EAP Program	01-20-210-500143	\$500	\$500	\$525	\$551	\$579	\$608
21	Workers' Compensation	01-20-210-500145	\$5,000	\$5,500	\$5,775	\$6,064	\$6,367	\$6,685
22	Unemployment Insurance	01-20-210-500150	\$7,500	\$8,000	\$8,400	\$8,820	\$9,261	\$9,724
23	Retirement/CalPERS	01-20-210-500155	\$54,500	\$55,500	\$58,275	\$61,189	\$64,248	\$67,461
24	Uniforms & Employee Benefits	01-20-210-500165	\$500	\$500	\$525	\$551	\$579	\$608
25	Training/Education/Mtgs/Travel	01-20-210-500175	\$8,000	\$8,000	\$8,400	\$8,820	\$9,261	\$9,724
26	Accrued Sick Leave Expense	01-20-210-500180	\$30,000	\$35,500	\$37,275	\$39,139	\$41,096	\$43,150
27	Accrued Vacation Leave Expense	01-20-210-500185	\$25,000	\$31,500	\$33,075	\$34,729	\$36,465	\$38,288
28	Accrual Leave Payments	01-20-210-500187	\$18,500	\$27,500	\$28,875	\$30,319	\$31,835	\$33,426

Beaumont-Cherry Valley Water District 2024 Water Rate Study

Line	Expenses	Budget Number	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
29	Temporary Labor	01-20-210-500190	\$45,000	\$21,100	\$22,155	\$23,263	\$24,426	\$25,647
30	CIP Related Labor	01-20-210-500195	(\$225,000)	(\$225,000)	(\$236,250)	(\$248,063)	(\$260,466)	(\$273,489)
31	Membership Dues	01-20-210-550030	\$2,000	\$2,100	\$2,163	\$2,228	\$2,295	\$2,364
32	Administrative Expenses	01-20-210-550029	\$5,000	\$11,000	\$11,330	\$11,670	\$12,020	\$12,381
33	Office Equipment	01-20-210-550046	\$6,000	\$6,000	\$6,180	\$6,365	\$6,556	\$6,753
34	Advertising/Legal Notices	01-20-210-550051	\$5,000	\$5,000	\$5,150	\$5,305	\$5,464	\$5,628
35	Development Services							
36	Labor	01-20-220-500105	\$73,000	\$77,000	\$80,850	\$84,893	\$89,137	\$93,594
37	Social Security	01-20-220-500115	\$5,500	\$5,000	\$5,250	\$5,513	\$5,788	\$6,078
38	Medicare	01-20-220-500120	\$1,500	\$1,500	\$1,575	\$1,654	\$1,736	\$1,823
39	Health Insurance	01-20-220-500125	\$19,000	\$19,500	\$20,475	\$21,499	\$22,574	\$23,702
40	Life Insurance	01-20-220-500140	\$500	\$500	\$525	\$551	\$579	\$608
41	EAP Program	01-20-220-500143	\$500	\$500	\$525	\$551	\$579	\$608
42	Workers' Compensation	01-20-220-500145	\$1,000	\$1,000	\$1,050	\$1,103	\$1,158	\$1,216
43	Unemployment Insurance	01-20-220-500150	\$1,500	\$1,500	\$1,575	\$1,654	\$1,736	\$1,823
44	Retirement/CalPERS	01-20-220-500155	\$6,500	\$7,000	\$7,350	\$7,718	\$8,103	\$8,509
45	Accrued Sick Leave Expense	01-20-220-500180	\$4,500	\$0	\$0	\$0	\$0	\$0
46	Accrued Vacation Leave Expense	01-20-220-500185	\$5,000	\$0	\$0	\$0	\$0	\$0
47	Professional Services							
48	Development Reimbursable GIS	01-20-210-540014	\$50,000	\$0	\$0	\$0	\$0	\$0
49	Permits, Fees & Licensing	01-20-210-540048	\$3,000	\$3,000	\$3,090	\$3,183	\$3,278	\$3,377
50	Outside Engineering	01-20-210-580031	\$120,000	\$120,000	\$123,600	\$127,308	\$131,127	\$135,061
51	Media Outreach	01-30-310-550061	\$10,000	\$5,000	\$5,150	\$5,305	\$5,464	\$5,628
52	Accounting and Audit	01-30-310-580001	\$46,000	\$48,400	\$49,852	\$51,348	\$52,888	\$54,475
53	General Legal	01-30-310-580011	\$79,000	\$83,500	\$86,005	\$88,585	\$91,243	\$93,980
54	Other Professional Services	01-30-310-580036	\$341,000	\$200,000	\$206,000	\$212,180	\$218,545	\$225,102
55	Beaumont Basin Watermaster	01-50-510-550096	\$127,000	\$135,000	\$139,050	\$143,222	\$147,518	\$151,944
56	SAWPA Basin Monitoring Program	01-50-510-550097	\$30,000	\$30,000	\$30,900	\$31,827	\$32,782	\$33,765
57	Finance and Administration							
58	Labor	01-30-310-500105	\$1,055,000	\$1,114,000	\$1,169,700	\$1,228,185	\$1,289,594	\$1,354,074
59	FSLA Overtime	01-30-310-500109	\$500	\$500	\$525	\$551	\$579	\$608
60	Overtime	01-30-310-500110	\$3,000	\$3,500	\$3,675	\$3,859	\$4,052	\$4,254
61	Double Time	01-30-310-500111	\$2,500	\$2,500	\$2,625	\$2,756	\$2,894	\$3,039
62	Incentive Pay	01-30-310-500114	\$4,000	\$4,500	\$4,725	\$4,961	\$5,209	\$5,470
63	Social Security	01-30-310-500115	\$82,500	\$89,000	\$93,450	\$98,123	\$103,029	\$108,180
64	Medicare	01-30-310-500120	\$19,500	\$21,000	\$22,050	\$23,153	\$24,310	\$25,526
65	Health Insurance	01-30-310-500125	\$216,500	\$190,500	\$200,025	\$210,026	\$220,528	\$231,554
66	CalPERS Health Administration Costs	01-30-310-500130	\$3,000	\$3,000	\$3,150	\$3,308	\$3,473	\$3,647
67	Life Insurance	01-30-310-500140	\$2,000	\$2,000	\$2,100	\$2,205	\$2,315	\$2,431
68	EAP Program	01-30-310-500143	\$500	\$500	\$525	\$551	\$579	\$608
69	Workers' Compensation	01-30-310-500145	\$9,000	\$9,500	\$9,975	\$10,474	\$10,997	\$11,547
70	Unemployment Insurance	01-30-310-500150	\$15,500	\$16,500	\$17,325	\$18,191	\$19,101	\$20,056
71	Retirement/CalPERS	01-30-310-500155	\$222,000	\$236,000	\$247,800	\$260,190	\$273,200	\$286,859
72	Estimated Current Year OPEB Expense	01-30-310-500161	\$104,000	\$111,300	\$116,865	\$122,708	\$128,844	\$135,286
73	Uniforms & Employee Benefits	01-30-310-500165	\$1,000	\$1,000	\$1,050	\$1,103	\$1,158	\$1,216

Water Resources Economics

Beaumont-Cherry Valley Water District 2024 Water Rate Study

Line	Expenses	Budget Number	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
74	Training/Education/Mtgs/Travel	01-30-310-500175	\$37,000	\$35,000	\$36,750	\$38,588	\$40,517	\$42,543
75	Accrued Sick Leave Expense	01-30-310-500180	\$60,000	\$63,500	\$66,675	\$70,009	\$73,509	\$77,185
76	Accrued Vacation Leave Expense	01-30-310-500185	\$98,000	\$100,500	\$105,525	\$110,801	\$116,341	\$122,158
77	Accrual Leave Payments	01-30-310-500187	\$101,500	\$138,000	\$144,900	\$152,145	\$159,752	\$167,740
78	CIP Related Labor	01-30-310-500195	(\$8,000)	\$0	\$0	\$0	\$0	\$0
79	Bank/Financial Service Fees	01-30-310-550001	\$4,000	\$4,000	\$4,120	\$4,244	\$4,371	\$4,502
80	Membership Dues	01-30-310-550030	\$43,000	\$46,200	\$47,586	\$49,014	\$50,484	\$51,999
81	Office Supplies	01-30-310-550042	\$11,000	\$11,200	\$11,536	\$11,882	\$12,239	\$12,606
82	Office Equipment	01-30-310-550046	\$5,500	\$5,500	\$5,665	\$5,835	\$6,010	\$6,190
83	Postage	01-30-310-550048	\$60,000	\$62,200	\$64,066	\$65,988	\$67,968	\$70,007
84	Advertising/Legal Notices	01-30-310-550051	\$5,000	\$1,500	\$1,545	\$1,591	\$1,639	\$1,688
85	Property, Auto & General Liability Insurance	01-30-310-550054	\$170,000	\$378,000	\$389,340	\$401,020	\$413,051	\$425,442
86	Subscriptions	01-30-310-550066	\$500	\$500	\$515	\$530	\$546	\$563
87	Miscellaneous Operating Expenses	01-30-310-550072	\$500	\$500	\$515	\$530	\$546	\$563
88	Bad Debt Expense	01-30-310-550078	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
89	Human Resources and Risk Management							
90	Labor	01-30-320-500105	\$101,000	\$119,000	\$124,950	\$131,198	\$137,757	\$144,645
91	Incentive Pay	01-30-320-500114	\$1,000	\$1,000	\$1,050	\$1,103	\$1,158	\$1,216
92	Social Security	01-30-320-500115	\$7,000	\$8,500	\$8,925	\$9,371	\$9,840	\$10,332
93	Medicare	01-30-320-500120	\$2,000	\$2,000	\$2,100	\$2,205	\$2,315	\$2,431
94	Health Insurance	01-30-320-500125	\$27,500	\$30,500	\$32,025	\$33,626	\$35,308	\$37,073
95	Life Insurance	01-30-320-500140	\$500	\$500	\$525	\$551	\$579	\$608
96	EAP Program	01-30-320-500143	\$500	\$500	\$525	\$551	\$579	\$608
97	Workers' Compensation	01-30-320-500145	\$1,000	\$1,000	\$1,050	\$1,103	\$1,158	\$1,216
98	Unemployment Insurance	01-30-320-500150	\$1,500	\$2,000	\$2,100	\$2,205	\$2,315	\$2,431
99	Retirement/CalPERS	01-30-320-500155	\$9,000	\$11,000	\$11,550	\$12,128	\$12,734	\$13,371
100	Uniforms & Employee Benefits	01-30-320-500165	\$100	\$300	\$315	\$331	\$347	\$365
101	Training/Education/Mtgs/Travel	01-30-320-500175	\$7,000	\$3,800	\$3,990	\$4,190	\$4,399	\$4,619
102	District Professional Development	01-30-320-500176	\$26,000	\$18,800	\$19,740	\$20,727	\$21,763	\$22,852
103	General Safety Training & Supplies	01-30-320-500177	\$27,000	\$24,200	\$25,410	\$26,681	\$28,015	\$29,415
104	Accrued Sick Leave Expense	01-30-320-500180	\$6,000	\$7,500	\$7,875	\$8,269	\$8,682	\$9,116
105	Accrued Vacation Leave Expense	01-30-320-500185	\$5,500	\$6,500	\$6,825	\$7,166	\$7,525	\$7,901
106	Employment Testing	01-30-320-550024	\$4,500	\$4,500	\$4,725	\$4,961	\$5,209	\$5,470
107	Employee Retention	01-30-320-550025	\$6,000	\$6,000	\$6,300	\$6,615	\$6,946	\$7,293
108	Recruitment Expense	01-30-320-550026	\$12,500	\$9,000	\$9,450	\$9,923	\$10,419	\$10,940
109	District Certification	01-30-320-550028	\$6,000	\$4,500	\$4,635	\$4,774	\$4,917	\$5,065
110	Membership Dues	01-30-320-550030	\$2,000	\$1,100	\$1,133	\$1,167	\$1,202	\$1,238
111	Office Supplies	01-30-320-550042	\$2,000	\$1,400	\$1,442	\$1,485	\$1,530	\$1,576
112	Advertising/Legal Notices	01-30-320-550051	\$2,000	\$1,600	\$1,648	\$1,697	\$1,748	\$1,801
113	Other Professional Services	01-30-320-580036	\$11,000	\$7,000	\$7,210	\$7,426	\$7,649	\$7,879
114	Customer Service							
115	Labor	01-30-330-500105	\$327,500	\$397,500	\$417,375	\$438,244	\$460,156	\$483,164
116	FSLA Overtime	01-30-330-500109	\$500	\$500	\$525	\$551	\$579	\$608
117	Overtime	01-30-330-500110	\$8,000	\$3,000	\$3,150	\$3,308	\$3,473	\$3,647
118	Double Time	01-30-330-500111	\$1,000	\$0	\$0	\$0	\$0	\$0

Water Resources Economics

Beaumont-Cherry Valley Water District 2024 Water Rate Study

Line	Expenses	Budget Number	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
119	Incentive Pay	01-30-330-500114	\$3,000	\$3,000	\$3,150	\$3,308	\$3,473	\$3,647
120	Social Security	01-30-330-500115	\$24,500	\$29,000	\$30,450	\$31,973	\$33,571	\$35,250
121	Medicare	01-30-330-500120	\$6,000	\$7,000	\$7,350	\$7,718	\$8,103	\$8,509
122	Health Insurance	01-30-330-500125	\$135,500	\$133,000	\$139,650	\$146,633	\$153,964	\$161,662
123	Life Insurance	01-30-330-500140	\$1,000	\$1,000	\$1,050	\$1,103	\$1,158	\$1,216
124	EAP Program	01-30-330-500143	\$500	\$500	\$525	\$551	\$579	\$608
125	Workers' Compensation	01-30-330-500145	\$3,000	\$3,500	\$3,675	\$3,859	\$4,052	\$4,254
126	Unemployment Insurance	01-30-330-500150	\$5,000	\$6,000	\$6,300	\$6,615	\$6,946	\$7,293
127	Retirement/CalPERS	01-30-330-500155	\$37,500	\$46,500	\$48,825	\$51,266	\$53,830	\$56,521
128	Uniforms & Employee Benefits	01-30-330-500165	\$500	\$500	\$525	\$551	\$579	\$608
129	Training/Education/Mtgs/Travel	01-30-330-500175	\$8,500	\$8,000	\$8,400	\$8,820	\$9,261	\$9,724
130	Accrued Sick Leave Expense	01-30-330-500180	\$15,500	\$18,500	\$19,425	\$20,396	\$21,416	\$22,487
131	Accrued Vacation Leave Expense	01-30-330-500185	\$21,000	\$25,500	\$26,775	\$28,114	\$29,519	\$30,995
132	Accrual Leave Payments	01-30-330-500187	\$20,500	\$19,500	\$20,475	\$21,499	\$22,574	\$23,702
133	Temporary Labor	01-30-330-500190	\$14,500	\$15,600	\$16,380	\$17,199	\$18,059	\$18,962
134	Cashiering Shortages/Overages	01-30-330-550006	\$100	\$100	\$103	\$106	\$109	\$113
135	Transaction/Return Fees	01-30-330-550008	\$1,500	\$1,500	\$1,545	\$1,591	\$1,639	\$1,688
136	Transaction/Credit Card Fees	01-30-330-550010	\$125,000	\$0	\$0	\$0	\$0	\$0
137	Credit Check Fees	01-30-330-550014	\$6,500	\$6,500	\$6,695	\$6,896	\$7,103	\$7,316
138	Membership Dues	01-30-330-550030	\$1,500	\$1,100	\$1,133	\$1,167	\$1,202	\$1,238
139	Notary & Lien Fees	01-30-330-550036	\$2,500	\$2,500	\$2,575	\$2,652	\$2,732	\$2,814
140	Utility Billing Service	01-30-330-550050	\$90,000	\$120,000	\$123,600	\$127,308	\$131,127	\$135,061
141	Advertising/Legal Notices	01-30-330-550051	\$0	\$900	\$927	\$955	\$983	\$1,013
142	Information Technology							
143	Labor	01-35-315-500105	\$169,000	\$196,000	\$205,800	\$216,090	\$226,895	\$238,239
144	Incentive Pay	01-35-315-500114	\$1,000	\$1,000	\$1,050	\$1,103	\$1,158	\$1,216
145	Social Security	01-35-315-500115	\$14,000	\$16,500	\$17,325	\$18,191	\$19,101	\$20,056
146	Medicare	01-35-315-500120	\$3,500	\$4,000	\$4,200	\$4,410	\$4,631	\$4,862
147	Health Insurance	01-35-315-500125	\$27,500	\$26,000	\$27,300	\$28,665	\$30,098	\$31,603
148	Life Insurance	01-35-315-500140	\$500	\$500	\$525	\$551	\$579	\$608
149	EAP Program	01-35-315-500143	\$500	\$500	\$525	\$551	\$579	\$608
150	Workers' Compensation	01-35-315-500145	\$1,500	\$2,000	\$2,100	\$2,205	\$2,315	\$2,431
151	Unemployment Insurance	01-35-315-500150	\$2,500	\$3,000	\$3,150	\$3,308	\$3,473	\$3,647
152	Retirement/CalPERS	01-35-315-500155	\$15,000	\$34,500	\$36,225	\$38,036	\$39,938	\$41,935
153	Training/Education/Mtgs/Travel	01-35-315-500175	\$5,000	\$5,300	\$5,565	\$5,843	\$6,135	\$6,442
154	Accrued Sick Leave Expense	01-35-315-500180	\$10,000	\$11,500	\$12,075	\$12,679	\$13,313	\$13,978
155	Accrued Vacation Leave Expense	01-35-315-500185	\$18,500	\$21,500	\$22,575	\$23,704	\$24,889	\$26,133
156	Accrual Leave Payments	01-35-315-500187	\$20,500	\$32,500	\$34,125	\$35,831	\$37,623	\$39,504
157	CIP Related Labor	01-35-315-500195	(\$33,000)	\$0	\$0	\$0	\$0	\$0
158	Telephone/Internet Service	01-35-315-501511	\$73,000	\$93,000	\$97,650	\$102,533	\$107,659	\$113,042
159	Building Alarms and Security	01-35-315-501521	\$34,000	\$34,000	\$35,700	\$37,485	\$39,359	\$41,327
160	GIS Maintenance and Updates	01-35-315-540014	\$10,000	\$10,000	\$10,300	\$10,609	\$10,927	\$11,255
161	Membership Dues	01-35-315-550030	\$3,000	\$3,000	\$3,090	\$3,183	\$3,278	\$3,377
162	Printing/Toner & Maintenance	01-35-315-550044	\$30,000	\$30,000	\$30,900	\$31,827	\$32,782	\$33,765
163	Cyber Security Liability Insurance	01-35-315-550058	\$7,500	\$7,500	\$7,725	\$7,957	\$8,195	\$8,441

Water Resources Economics

Beaumont-Cherry Valley Water District 2024 Water Rate Study

Line	Expenses	Budget Number	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
164	Computer Hardware	01-35-315-580016	\$30,000	\$30,000	\$30,900	\$31,827	\$32,782	\$33,765
165	IT/Software Support	01-35-315-580021	\$8,000	\$8,000	\$8,240	\$8,487	\$8,742	\$9,004
166	License/Maintenance/Support	01-35-315-580026	\$321,000	\$321,000	\$330,630	\$340,549	\$350,765	\$361,288
167	AMR/AMI Annual Support	01-35-315-580027	\$163,000	\$171,200	\$176,336	\$181,626	\$187,075	\$192,687
168	Cybersecurity Software/Hardware	01-35-315-580028	\$58,000	\$60,900	\$62,727	\$64,609	\$66,547	\$68,543
169	Repair/Purchase Radio Comm Equip	01-35-315-580030	\$10,000	\$10,000	\$10,300	\$10,609	\$10,927	\$11,255
170	Source of Supply							
171	Labor	01-40-410-500105	\$441,500	\$520,500	\$546,525	\$573,851	\$602,544	\$632,671
172	FSLA Overtime	01-40-410-500109	\$500	\$500	\$525	\$551	\$579	\$608
173	Overtime	01-40-410-500110	\$20,500	\$25,500	\$26,775	\$28,114	\$29,519	\$30,995
174	Double Time	01-40-410-500111	\$7,500	\$12,000	\$12,600	\$13,230	\$13,892	\$14,586
175	Standby/On-Call	01-40-410-500113	\$11,000	\$11,000	\$11,550	\$12,128	\$12,734	\$13,371
176	Incentive Pay	01-40-410-500114	\$3,000	\$3,000	\$3,150	\$3,308	\$3,473	\$3,647
177	Social Security	01-40-410-500115	\$35,500	\$41,500	\$43,575	\$45,754	\$48,041	\$50,444
178	Medicare	01-40-410-500120	\$8,500	\$10,000	\$10,500	\$11,025	\$11,576	\$12,155
179	Health Insurance	01-40-410-500125	\$135,500	\$128,500	\$134,925	\$141,671	\$148,755	\$156,193
180	Life Insurance	01-40-410-500140	\$1,000	\$1,000	\$1,050	\$1,103	\$1,158	\$1,216
181	EAP Program	01-40-410-500143	\$500	\$500	\$525	\$551	\$579	\$608
182	Workers' Compensation	01-40-410-500145	\$18,500	\$22,000	\$23,100	\$24,255	\$25,468	\$26,741
183	Unemployment Insurance	01-40-410-500150	\$31,000	\$36,500	\$38,325	\$40,241	\$42,253	\$44,366
184	Retirement/CalPERS	01-40-410-500155	\$140,500	\$125,500	\$131,775	\$138,364	\$145,282	\$152,546
185	Uniforms & Employee Benefits	01-40-410-500165	\$4,000	\$3,500	\$3,675	\$3,859	\$4,052	\$4,254
186	Training/Education/Mtgs/Travel	01-40-410-500175	\$4,500	\$3,000	\$3,150	\$3,308	\$3,473	\$3,647
187	Accrued Sick Leave Expense	01-40-410-500180	\$20,500	\$24,000	\$25,200	\$26,460	\$27,783	\$29,172
188	Accrued Vacation Leave Expense	01-40-410-500185	\$37,000	\$42,000	\$44,100	\$46,305	\$48,620	\$51,051
189	Accrual Leave Payments	01-40-410-500187	\$27,500	\$30,000	\$31,500	\$33,075	\$34,729	\$36,465
190	CIP Related Labor	01-40-410-500195	(\$20,000)	(\$22,800)	(\$23,940)	(\$25,137)	(\$26,394)	(\$27,714)
191	State Project Water Purchases	01-40-410-500501	\$4,469,000	\$4,468,800	\$4,736,406	\$5,043,102	\$5,382,605	\$5,719,281
192	Electricity - Wells	01-40-410-501101	\$2,750,000	\$3,100,000	\$3,285,638	\$3,498,393	\$3,733,905	\$3,967,457
193	Gas - Wells	01-40-410-501201	\$1,000	\$500	\$530	\$564	\$602	\$640
194	Treatment & Chemicals	01-40-410-510011	\$170,000	\$221,000	\$234,234	\$249,402	\$266,191	\$282,841
195	Lab Testing	01-40-410-510021	\$80,000	\$94,500	\$100,159	\$106,645	\$113,824	\$120,943
196	Small Tools, Parts & Maintenance	01-40-410-510031	\$5,000	\$7,000	\$7,210	\$7,426	\$7,649	\$7,879
197	Maintenance & Repair-Telemetry Equipment	01-40-410-520021	\$5,000	\$5,000	\$5,150	\$5,305	\$5,464	\$5,628
198	Maintenance & Repair-Pumping Equipment	01-40-410-520061	\$200,000	\$118,000	\$121,540	\$125,186	\$128,942	\$132,810
199	Minor Capital Acquisitions	01-40-410-530001	\$0	\$10,000	\$10,400	\$10,816	\$11,249	\$11,699
200	Regulations Mandates & Tariffs	01-40-410-540084	\$150,000	\$160,000	\$164,800	\$169,744	\$174,836	\$180,081
201	Subscriptions	01-40-410-550066	\$1,500	\$2,000	\$2,060	\$2,122	\$2,185	\$2,251
202	Cross Connections/Non-Potable Water							
203	Labor	01-40-430-500105	\$103,500	\$111,000	\$116,550	\$122,378	\$128,496	\$134,921
204	FSLA Overtime	01-40-430-500109	\$500	\$500	\$525	\$551	\$579	\$608
205	Overtime	01-40-430-500110	\$6,000	\$6,500	\$6,825	\$7,166	\$7,525	\$7,901
206	Double Time	01-40-430-500111	\$1,000	\$1,000	\$1,050	\$1,103	\$1,158	\$1,216
207	Incentive Pay	01-40-430-500114	\$1,000	\$1,000	\$1,050	\$1,103	\$1,158	\$1,216
208	Social Security	01-40-430-500115	\$8,500	\$9,000	\$9,450	\$9,923	\$10,419	\$10,940

Water Resources Economics

Beaumont-Cherry Valley Water District 2024 Water Rate Study

Line	Expenses	Budget Number	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
209	Medicare	01-40-430-500120	\$2,000	\$2,500	\$2,625	\$2,756	\$2,894	\$3,039
210	Health Insurance	01-40-430-500125	\$27,500	\$26,000	\$27,300	\$28,665	\$30,098	\$31,603
211	Life Insurance	01-40-430-500140	\$500	\$500	\$525	\$551	\$579	\$608
212	EAP Program	01-40-430-500143	\$500	\$500	\$525	\$551	\$579	\$608
213	Workers' Compensation	01-40-430-500145	\$4,500	\$5,000	\$5,250	\$5,513	\$5,788	\$6,078
214	Unemployment Insurance	01-40-430-500150	\$1,500	\$2,000	\$2,100	\$2,205	\$2,315	\$2,431
215	Retirement/CalPERS	01-40-430-500155	\$18,500	\$37,500	\$39,375	\$41,344	\$43,411	\$45,581
216	Uniforms & Employee Benefits	01-40-430-500165	\$1,000	\$1,000	\$1,050	\$1,103	\$1,158	\$1,216
217	Training/Education/Mtgs/Travel	01-40-430-500175	\$1,500	\$3,500	\$3,675	\$3,859	\$4,052	\$4,254
218	Accrued Sick Leave Expense	01-40-430-500180	\$5,000	\$5,500	\$5,775	\$6,064	\$6,367	\$6,685
219	Accrued Vacation Leave Expense	01-40-430-500185	\$7,500	\$8,000	\$8,400	\$8,820	\$9,261	\$9,724
220	Accrual Leave Payments	01-40-430-500187	\$7,000	\$8,000	\$8,400	\$8,820	\$9,261	\$9,724
221	Small Tools, Parts & Maintenance	01-40-430-510031	\$2,000	\$3,000	\$3,090	\$3,183	\$3,278	\$3,377
222	Backflow Maintenance	01-40-430-540001	\$13,000	\$15,000	\$15,450	\$15,914	\$16,391	\$16,883
223	Advertising/Legal Notices	01-40-430-550051	\$500	\$500	\$515	\$530	\$546	\$563
224	Subscriptions	01-40-430-550066	\$2,000	\$3,700	\$3,700	\$3,700	\$3,700	\$3,700
225	Transmission and Distribution							
226	Labor	01-40-440-500105	\$1,248,500	\$1,424,500	\$1,495,725	\$1,570,511	\$1,649,037	\$1,731,489
227	FSLA Overtime	01-40-440-500109	\$1,000	\$1,000	\$1,050	\$1,103	\$1,158	\$1,216
228	Overtime	01-40-440-500110	\$56,000	\$63,500	\$66,675	\$70,009	\$73,509	\$77,185
229	Double Time	01-40-440-500111	\$26,500	\$27,000	\$28,350	\$29,768	\$31,256	\$32,819
230	Standby/On-Call	01-40-440-500113	\$23,000	\$23,000	\$24,150	\$25,358	\$26,625	\$27,957
231	Incentive Pay	01-40-440-500114	\$7,000	\$7,000	\$7,350	\$7,718	\$8,103	\$8,509
232	Social Security	01-40-440-500115	\$99,000	\$112,000	\$117,600	\$123,480	\$129,654	\$136,137
233	Medicare	01-40-440-500120	\$23,500	\$26,500	\$27,825	\$29,216	\$30,677	\$32,211
234	Health Insurance	01-40-440-500125	\$427,000	\$349,500	\$366,975	\$385,324	\$404,590	\$424,819
235	Life Insurance	01-40-440-500140	\$2,500	\$2,500	\$2,625	\$2,756	\$2,894	\$3,039
236	EAP Program	01-40-440-500143	\$1,000	\$1,000	\$1,050	\$1,103	\$1,158	\$1,216
237	Workers' Compensation	01-40-440-500145	\$42,500	\$48,500	\$50,925	\$53,471	\$56,145	\$58,952
238	Retirement/CalPERS	01-40-440-500155	\$225,500	\$282,500	\$296,625	\$311,456	\$327,029	\$343,381
239	Uniforms & Employee Benefits	01-40-440-500165	\$16,000	\$18,600	\$19,530	\$20,507	\$21,532	\$22,608
240	Training/Education/Mtgs/Travel	01-40-440-500175	\$22,000	\$20,000	\$21,000	\$22,050	\$23,153	\$24,310
241	General Safety Supplies	01-40-440-500178	\$13,000	\$12,000	\$12,600	\$13,230	\$13,892	\$14,586
242	Accrued Sick Leave Expense	01-40-440-500180	\$65,500	\$74,000	\$77,700	\$81,585	\$85,664	\$89,947
243	Accrued Vacation Leave Expense	01-40-440-500185	\$92,000	\$100,000	\$105,000	\$110,250	\$115,763	\$121,551
244	Accrual Leave Payments	01-40-440-500187	\$79,000	\$80,500	\$84,525	\$88,751	\$93,189	\$97,848
245	Temporary Labor	01-40-440-500190	\$0	\$63,300	\$66,465	\$69,788	\$73,278	\$76,942
246	CIP Related Labor	01-40-440-500195	(\$40,000)	(\$40,000)	(\$42,000)	(\$44,100)	(\$46,305)	(\$48,620)
247	Small Tools, Parts & Maintenance	01-40-440-510031	\$22,000	\$18,000	\$18,540	\$19,096	\$19,669	\$20,259
248	Maintenance and Repair- Pipeline & Hydrants	01-40-440-520071	\$145,000	\$145,000	\$149,350	\$153,831	\$158,445	\$163,199
249	Maintenance and Repair- Hydraulic Valves	01-40-440-520081	\$35,000	\$42,000	\$43,260	\$44,558	\$45,895	\$47,271
250	Minor Capital Acquisitions	01-40-440-530001	\$30,000	\$5,000	\$5,150	\$5,305	\$5,464	\$5,628
251	Inventory Adjustments	01-40-440-540024	\$64,000	\$50,000	\$51,500	\$53,045	\$54,636	\$56,275
252	Line Locates	01-40-440-540036	\$4,000	\$3,800	\$3,914	\$4,031	\$4,152	\$4,277
253	Meters Maintenance & Services	01-40-440-540042	\$170,000	\$200,000	\$206,000	\$212,180	\$218,545	\$225,102

Water Resources Economics

Beaumont-Cherry Valley Water District 2024 Water Rate Study

Line	Expenses	Budget Number	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
254	Reservoirs Maintenance	01-40-440-540078	\$52,000	\$65,000	\$66,950	\$68,959	\$71,027	\$73,158
255	Advertising/Legal Notices	01-40-440-550051	\$5,000	\$5,000	\$5,150	\$5,305	\$5,464	\$5,628
256	Inspections							
257	Labor	01-40-450-500105	\$71,000	\$74,000	\$77,700	\$81,585	\$85,664	\$89,947
258	Overtime	01-40-450-500110	\$12,000	\$12,000	\$12,600	\$13,230	\$13,892	\$14,586
259	Double Time	01-40-450-500111	\$4,500	\$4,500	\$4,725	\$4,961	\$5,209	\$5,470
260	Standby/On-Call	01-40-450-500113	\$3,000	\$3,000	\$3,150	\$3,308	\$3,473	\$3,647
261	Social Security	01-40-450-500115	\$6,000	\$6,000	\$6,300	\$6,615	\$6,946	\$7,293
262	Medicare	01-40-450-500120	\$1,500	\$1,500	\$1,575	\$1,654	\$1,736	\$1,823
263	Health Insurance	01-40-450-500125	\$23,500	\$19,000	\$19,950	\$20,948	\$21,995	\$23,095
264	Life Insurance	01-40-450-500140	\$500	\$500	\$525	\$551	\$579	\$608
265	EAP Program	01-40-450-500143	\$500	\$500	\$525	\$551	\$579	\$608
266	Workers' Compensation	01-40-450-500145	\$3,000	\$3,500	\$3,675	\$3,859	\$4,052	\$4,254
267	Retirement/CalPERS	01-40-450-500155	\$13,000	\$10,000	\$10,500	\$11,025	\$11,576	\$12,155
268	Customer Service and Meter Reading							
269	Labor	01-40-460-500105	\$157,500	\$242,000	\$254,100	\$266,805	\$280,145	\$294,153
270	FSLA Overtime	01-40-460-500109	\$500	\$500	\$525	\$551	\$579	\$608
271	Overtime	01-40-460-500110	\$1,000	\$6,000	\$6,300	\$6,615	\$6,946	\$7,293
272	Double Time	01-40-460-500111	\$500	\$2,000	\$2,100	\$2,205	\$2,315	\$2,431
273	Standby/On-Call	01-40-460-500113	\$4,000	\$6,500	\$6,825	\$7,166	\$7,525	\$7,901
274	Incentive Pay	01-40-460-500114	\$1,500	\$1,500	\$1,575	\$1,654	\$1,736	\$1,823
275	Social Security	01-40-460-500115	\$12,500	\$19,000	\$19,950	\$20,948	\$21,995	\$23,095
276	Medicare	01-40-460-500120	\$3,000	\$4,500	\$4,725	\$4,961	\$5,209	\$5,470
277	Health Insurance	01-40-460-500125	\$54,500	\$65,500	\$68,775	\$72,214	\$75,824	\$79,616
278	Life Insurance	01-40-460-500140	\$500	\$500	\$525	\$551	\$579	\$608
279	EAP Program	01-40-460-500143	\$500	\$500	\$525	\$551	\$579	\$608
280	Workers' Compensation	01-40-460-500145	\$7,000	\$10,500	\$11,025	\$11,576	\$12,155	\$12,763
281	Retirement/CalPERS	01-40-460-500155	\$51,500	\$75,000	\$78,750	\$82,688	\$86,822	\$91,163
282	Uniforms & Employee Benefits	01-40-460-500165	\$3,000	\$2,500	\$2,625	\$2,756	\$2,894	\$3,039
283	Training/Education/Mtgs/Travel	01-40-460-500175	\$1,000	\$2,000	\$2,100	\$2,205	\$2,315	\$2,431
284	Accrued Sick Leave Expense	01-40-460-500180	\$7,500	\$9,000	\$9,450	\$9,923	\$10,419	\$10,940
285	Accrued Vacation Leave Expense	01-40-460-500185	\$11,500	\$17,000	\$17,850	\$18,743	\$19,680	\$20,664
286	Accrual Leave Payments	01-40-460-500187	\$15,000	\$14,500	\$15,225	\$15,986	\$16,786	\$17,625
287	CIP Related Labor	01-40-460-500195	(\$41,000)	(\$41,000)	(\$43,050)	(\$45,203)	(\$47,463)	(\$49,836)
288	Maintenance and General Plant							
289	Labor	01-40-470-500105	\$163,000	\$184,000	\$193,200	\$202,860	\$213,003	\$223,653
290	FSLA Overtime	01-40-470-500109	\$500	\$500	\$525	\$551	\$579	\$608
291	Overtime	01-40-470-500110	\$3,000	\$4,000	\$4,200	\$4,410	\$4,631	\$4,862
292	Double Time	01-40-470-500111	\$1,000	\$1,000	\$1,050	\$1,103	\$1,158	\$1,216
293	Standby/On-Call	01-40-470-500113	\$3,000	\$3,000	\$3,150	\$3,308	\$3,473	\$3,647
294	Incentive Pay	01-40-470-500114	\$1,500	\$1,500	\$1,575	\$1,654	\$1,736	\$1,823
295	Social Security	01-40-470-500115	\$12,000	\$13,500	\$14,175	\$14,884	\$15,628	\$16,409
296	Medicare	01-40-470-500120	\$3,000	\$3,500	\$3,675	\$3,859	\$4,052	\$4,254
297	Health Insurance	01-40-470-500125	\$63,500	\$47,000	\$49,350	\$51,818	\$54,408	\$57,129
298	Life Insurance	01-40-470-500140	\$500	\$500	\$525	\$551	\$579	\$608

Beaumont-Cherry Valley Water District 2024 Water Rate Study

Line	Expenses	Budget Number	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
299	EAP Program	01-40-470-500143	\$500	\$500	\$525	\$551	\$579	\$608
300	Workers' Compensation	01-40-470-500145	\$7,000	\$8,000	\$8,400	\$8,820	\$9,261	\$9,724
301	Retirement/CalPERS	01-40-470-500155	\$15,000	\$17,500	\$18,375	\$19,294	\$20,258	\$21,271
302	Uniforms & Employee Benefits	01-40-470-500165	\$1,000	\$2,000	\$2,100	\$2,205	\$2,315	\$2,431
303	Training/Education/Mtgs/Travel	01-40-470-500175	\$2,000	\$2,000	\$2,100	\$2,205	\$2,315	\$2,431
304	Accrued Sick Leave Expenses	01-40-470-500180	\$7,000	\$7,000	\$7,350	\$7,718	\$8,103	\$8,509
305	Accrued Vacation Expenses	01-40-470-500185	\$7,500	\$8,000	\$8,400	\$8,820	\$9,261	\$9,724
306	Accrual Leave Payments	01-40-470-500187	\$4,500	\$3,500	\$3,675	\$3,859	\$4,052	\$4,254
307	Electricity - 560 Magnolia Ave	01-40-470-501111	\$40,000	\$44,000	\$46,200	\$48,510	\$50,936	\$53,482
308	Electricity - 12303 Oak Glen Rd	01-40-470-501121	\$5,400	\$4,000	\$4,200	\$4,410	\$4,631	\$4,862
309	Electricity - 13695 Oak Glen Rd	01-40-470-501131	\$3,250	\$3,600	\$3,780	\$3,969	\$4,167	\$4,376
310	Electricity - 13697 Oak Glen Rd	01-40-470-501141	\$3,250	\$3,600	\$3,780	\$3,969	\$4,167	\$4,376
311	Electricity - 9781 Avenida Miravilla	01-40-470-501151	\$2,200	\$2,500	\$2,625	\$2,756	\$2,894	\$3,039
312	Electricity - 815 E. 12th St	01-40-470-501161	\$14,000	\$15,400	\$16,170	\$16,979	\$17,827	\$18,719
313	Electricity - 851 E. 6th St	01-40-470-501171	\$5,400	\$5,400	\$5,670	\$5,954	\$6,251	\$6,564
314	Propane - 12303 Oak Glen Rd	01-40-470-501321	\$2,000	\$2,000	\$2,100	\$2,205	\$2,315	\$2,431
315	Propane - 13695 Oak Glen Rd	01-40-470-501331	\$3,000	\$4,000	\$4,200	\$4,410	\$4,631	\$4,862
316	Propane - 13697 Oak Glen Rd	01-40-470-501341	\$4,000	\$5,500	\$5,775	\$6,064	\$6,367	\$6,685
317	Propane-9781 Avenida Miravilla	01-40-470-501351	\$2,000	\$2,300	\$2,415	\$2,536	\$2,663	\$2,796
318	Sanitation - 560 Magnolia Ave	01-40-470-501411	\$5,500	\$7,500	\$7,875	\$8,269	\$8,682	\$9,116
319	Sanitation - 815 E. 12th St	01-40-470-501461	\$7,700	\$6,500	\$6,825	\$7,166	\$7,525	\$7,901
320	Sanitation - 11083 Cherry Ave	01-40-470-501471	\$8,500	\$7,000	\$7,350	\$7,718	\$8,103	\$8,509
321	Sanitation - 39500 Brookside	01-40-470-501481	\$8,000	\$8,000	\$8,400	\$8,820	\$9,261	\$9,724
322	Property Maintenance & Repairs	01-40-470-501600	\$5,000	\$4,000	\$4,120	\$4,244	\$4,371	\$4,502
323	Maintenance & Repair- 560 Magnolia Ave	01-40-470-501611	\$66,000	\$83,600	\$86,108	\$88,691	\$91,352	\$94,093
324	Maintenance & Repair- 12303 Oak Glen Rd	01-40-470-501621	\$30,000	\$31,000	\$31,930	\$32,888	\$33,875	\$34,891
325	Maintenance & Repair- 13695 Oak Glen Rd	01-40-470-501631	\$6,000	\$6,000	\$6,180	\$6,365	\$6,556	\$6,753
326	Maintenance & Repair- 13697 Oak Glen Rd	01-40-470-501641	\$7,000	\$7,000	\$7,210	\$7,426	\$7,649	\$7,879
327	Maintenance & Repair- 9781 Avenida Miravilla	01-40-470-501651	\$7,000	\$4,500	\$4,635	\$4,774	\$4,917	\$5,065
328	Maintenance & Repair- 815 E. 12th St	01-40-470-501661	\$44,000	\$83,000	\$85,490	\$88,055	\$90,696	\$93,417
329	Maintenance & Repair- 851 E. 6th St	01-40-470-501671	\$5,000	\$4,200	\$4,326	\$4,456	\$4,589	\$4,727
330	Maintenance & Repair- 39500 Brookside	01-40-470-501681	\$5,000	\$5,000	\$5,150	\$5,305	\$5,464	\$5,628
331	Maintenance & Repair- Buildings (General)	01-40-470-501691	\$80,000	\$80,000	\$82,400	\$84,872	\$87,418	\$90,041
332	Auto/Fuel	01-40-470-510001	\$160,000	\$179,300	\$188,265	\$197,678	\$207,562	\$217,940
333	CIP Related Fuel	01-40-470-510002	(\$10,000)	(\$10,000)	(\$10,500)	(\$11,025)	(\$11,576)	(\$12,155)
334	Maintenance & Repair-Safety Equipment	01-40-470-520011	\$18,000	\$20,000	\$20,600	\$21,218	\$21,855	\$22,510
335	Maintenance & Repair-General Equipment	01-40-470-520031	\$60,000	\$80,000	\$82,400	\$84,872	\$87,418	\$90,041
336	Maintenance & Repair-Fleet	01-40-470-520041	\$80,000	\$80,000	\$82,400	\$84,872	\$87,418	\$90,041
337	Maintenance & Repair-Paving	01-40-470-520051	\$120,000	\$120,000	\$123,600	\$127,308	\$131,127	\$135,061
338	Maintenance & Repair-Paving (City of Beaumont)	01-40-470-520053	\$400,000	\$300,000	\$309,000	\$318,270	\$327,818	\$337,653
339	Minor Capital Acquisitions	01-40-470-530001	\$0	\$5,000	\$5,200	\$5,408	\$5,624	\$5,849
340	Landscape Maintenance	01-40-470-540030	\$82,000	\$82,000	\$84,460	\$86,994	\$89,604	\$92,292
341	Encroachment Permits	01-40-470-540052	\$40,000	\$20,000	\$20,600	\$21,218	\$21,855	\$22,510
342	Recharge Facility, Canyon & Pond Maintenance	01-40-470-540072	\$185,000	\$260,300	\$268,109	\$276,152	\$284,437	\$292,970

Water Resources Economics

Beaumont-Cherry Valley Water District 2024 Water Rate Study

Line	Expenses	Budget Number	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
343	Stipend-Association Mtg Attend	01-50-510-500112	\$1,000	\$1,300	\$1,300	\$1,300	\$1,300	\$1,300
344	Rents/Leases	01-50-510-502001	\$35,000	\$35,000	\$36,050	\$37,132	\$38,245	\$39,393
345	Small Tools, Parts & Maintenance	01-50-510-510031	\$1,000	\$1,000	\$1,030	\$1,061	\$1,093	\$1,126
346	Property Damage & Theft	01-50-510-540066	\$27,000	\$60,000	\$61,800	\$63,654	\$65,564	\$67,531
347	General Supplies	01-50-510-550040	\$18,000	\$19,800	\$20,394	\$21,006	\$21,636	\$22,285
348	Public Education/Community Outreach	01-50-510-550060	\$12,500	\$14,000	\$14,420	\$14,853	\$15,298	\$15,757
349	Miscellaneous Operating Expenses	01-50-510-550072	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
350	Disaster Preparedness Ongoing Expenses	01-50-510-550074	\$11,000	\$11,000	\$11,330	\$11,670	\$12,020	\$12,381
351	Additional Staffing Expenses⁶							
352	Assistant General Manager		\$0	\$0	\$0	\$298,000	\$320,723	\$345,178
353	Full-Time IT Specialist #1		\$0	\$0	\$198,000	\$213,098	\$229,346	\$246,834
354	Full-Time IT Specialist #2		\$0	\$0	\$0	\$202,950	\$218,425	\$235,080
355	Total		\$20,595,900	\$21,991,700	\$23,217,781	\$24,979,140	\$26,246,376	\$27,663,775

Table 4-3: Capital Projects (Detail)

Line	Capital Improvement Projects (Inflated)	Project Number	Capacity Charge Funded	Developer Fee Funded	Grant Funded	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
1	Potable Infrastructure Projects										
2	BCVWD EOC Staffing and Space Requirements	EOC-001	13%	0%	0%	\$0	\$9,223,300	\$4,394,500	\$6,439,600	\$6,439,600	\$6,439,600
3	Disaster Preparedness Equipment	DPX-001	0%	0%	0%	\$0	\$308,900	\$241,500	\$191,300	\$615,700	\$0
4	Investment in Sites Reservoir Project	WR-SITES-Reser	100%	0%	0%	\$0	\$519,600	\$866,100	\$1,039,300	\$1,385,700	\$1,732,100
5	Climate Control for High Horsepower Electrical Buildings		0%	0%	0%	\$0	\$60,300	\$0	\$0	\$0	\$0
6	Arc Flash Study & Improvement Project		0%	0%	0%	\$0	\$70,800	\$0	\$0	\$0	\$0
7	Chlorination Retrofit At Misc. Wells (6 Well Sites)	M-0000-0002	0%	0%	0%	\$0	\$51,900	\$13,800	\$44,800	\$0	\$0
8	2650 to 2520 Zone Pressure Regulator (Legacy Highlands)	PR-2650-0002	0%	0%	0%	\$0	\$0	\$0	\$0	\$0	\$257,600
9	New 2650 Zone Well_0001	W-2650-0001	100%	0%	0%	\$0	\$0	\$0	\$2,604,500	\$895,800	\$5,742,200
10	2750 Zone to 2850 Zone Booster Pump Station	BP-2750-0001	0%	0%	0%	\$0	\$843,900	\$3,509,700	\$0	\$0	\$0
11	2850/2750 Pressure Reducing Station & Piping (Cherry Reservoir)	M-2750-0001	0%	0%	0%	\$0	\$65,100	\$0	\$0	\$0	\$0
12	Cherry Reservoir 1 & 2 Exterior Recoat and Retrofit	TM-2750-0001	0%	0%	0%	\$0	\$1,074,400	\$0	\$0	\$0	\$0

⁶ No additional staff is allocated for the recycled water system implementation and operation due to uncertainty regarding timing, availability, and cost of recycled water from the City of Beaumont

Beaumont-Cherry Valley Water District 2024 Water Rate Study

Line	Capital Improvement Projects (Inflated)	Project Number	Capacity Charge Funded	Developer Fee Funded	Grant Funded	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
13	Replacement for Well 2	W-2750-0001	0%	0%	0%	\$8,105	\$1,352,900	\$2,809,200	\$3,030,900	\$0	\$0
14	2750 Zone Well in Noble Creek Regional Park	W-2750-0002	100%	0%	0%	\$0	\$1,500,000	\$3,445,600	\$3,712,400	\$0	\$0
15	Replace 2750 Zone Well 1	W-2750-0005	25%	0%	0%	\$8,082	\$736,600	\$2,031,300	\$2,183,900	\$0	\$0
16	Well 3 Landscape Improvements and Block Wall	W-2750-0008	0%	0%	0%	\$0	\$0	\$100,000	\$0	\$0	\$0
17	Cherry Yard Landscape Improvements and Block Wall	W-2750-0009	0%	0%	0%	\$0	\$0	\$200,000	\$0	\$0	\$0
18	2850 Zone to 3040 Zone Booster Pump Station_0001	BP-2850-0001	0%	0%	0%	\$4,301	\$4,569,300	\$0	\$0	\$0	\$0
19	Vineland 1 Exterior Recoat and Retrofit	TM-2850-0001	0%	0%	0%	\$0	\$0	\$106,100	\$331,700	\$0	\$0
20	New Beaumont Basin Well on Pardee Sundance Site	W-2850-0001	100%	0%	0%	\$0	\$2,033,400	\$3,179,400	\$3,446,200	\$0	\$0
21	New Beaumont Basin Well Near Brookside Elementary School	W-2850-0002	100%	0%	0%	\$0	\$0	\$0	\$0	\$0	\$2,772,700
22	Well Head Treatment Plant Well 25 Cr VI	WT-2850-0001	0%	0%	0%	\$0	\$0	\$0	\$0	\$0	\$659,100
23	3040 to 3330 Booster Pump Station at Noble Tank_0001	BP-3040-0001	50%	0%	0%	\$0	\$0	\$0	\$0	\$2,854,400	\$0
24	2 MG 3040 Zone Tank_0001	T-3040-0001 Tank	100%	0%	0%	\$240	\$4,250,500	\$0	\$0	\$0	\$0
25	Pressure Zone Pipeline	T-3040-0001 PZ Pipeline	31%	0%	69%	\$11,174	\$584,000	\$0	\$0	\$0	\$0
26	Highland Springs Reservoir Recoat & Retrofit	TM-3040-0001	0%	0%	0%	\$0	\$0	\$119,700	\$374,200	\$0	\$0
27	Lower Edgar Reservoir Recoat & Retrofit	TM-3330-0001	0%	0%	0%	\$0	\$0	\$281,900	\$881,400	\$0	\$0
28	3620 Zone to 3900 Zone Booster Pump Station	BP-3620-0001	0%	0%	0%	\$0	\$0	\$0	\$0	\$0	\$85,000
29	3620 to 3330 Fisher Pressure Regulator_0001	PR-3620-0001	0%	0%	0%	\$0	\$0	\$199,400	\$0	\$0	\$0
30	3620 to 3330 Fisher Pressure Regulator_0002	PR-3620-0002	0%	0%	0%	\$0	\$0	\$0	\$0	\$0	\$77,400
31	Add 3rd Booster Pump and Fire Pump at HS Hydropneumatic	BP-HS-0001	0%	0%	0%	\$0	\$0	\$0	\$302,500	\$0	\$0
32	Improvements to Eighth St., Cherry and Starlight Basins	WR	100%	0%	0%	\$0	\$0	\$0	\$0	\$761,700	\$810,100
33	Marshall Creek Stormwater Capture	WR	100%	0%	0%	\$0	\$0	\$0	\$0	\$99,900	\$106,200
34	Beaumont Ave and Brookside Ave Stormwater Metering	WR	100%	0%	0%	\$0	\$0	\$0	\$0	\$99,900	\$119,500
35	Grand Avenue Storm Drain (MDP Line 16)	WR	100%	0%	0%	\$1,779,325	\$0	\$0	\$0	\$0	\$0
36	Potable Pipeline Replacements										

Beaumont-Cherry Valley Water District 2024 Water Rate Study

Line	Capital Improvement Projects (Inflated)	Project Number	Capacity Charge Funded	Developer Fee Funded	Grant Funded	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
37	Elm Ave. - 8th to 12th - Replace Existing 10" Distribution Main	P-2750-0013	0%	0%	0%	\$0	\$0	\$0	\$0	\$0	\$235,800
38	Olive, 4th to s/o 3rd. Replacing existing 4" Steel Waterline	P-2750-0024	0%	0%	0%	\$0	\$0	\$67,000	\$268,100	\$0	\$0
39	Maple Ave., 1st St to 3rd St	P-2750-0025	0%	0%	0%	\$0	\$79,700	\$319,000	\$0	\$0	\$0
40	Maple Ave., 6th to 7th; 7th, Maple Ave. to Palm Ave.	P-2750-0037	0%	0%	0%	\$0	\$0	\$0	\$74,000	\$295,800	\$0
41	Maple Ave., 5th to 6th. Includes reconnecting services to new waterline	P-2750-0038	0%	0%	0%	\$0	\$0	\$0	\$45,900	\$183,400	\$0
42	5th St. & Michigan Ave.- Manifold Line to Serve Home Cluster at 490 Michigan.	P-2750-0039	0%	0%	0%	\$0	\$0	\$43,500	\$174,200	\$0	\$0
43	Euclid Ave., 6th to 8th. Tie over existing services in alleys	P-2750-0041	0%	0%	0%	\$0	\$105,200	\$420,900	\$0	\$0	\$0
44	Edgar Ave., 5th to 6th. Tie over existing services in alleys	P-2750-0042	0%	0%	0%	\$0	\$0	\$38,900	\$155,600	\$0	\$0
45	Edgar Ave., 6th to 8th. Tie in existing services in alleys	P-2750-0043	0%	0%	0%	\$0	\$0	\$107,600	\$430,500	\$0	\$0
46	Alley North of 6th St., from California Ave. to Exist. 10" at Alley w/o Beaumont Ave.	P-2750-0044	0%	0%	0%	\$0	\$0	\$0	\$0	\$98,200	\$393,000
47	7th St., California Ave. to Beaumont Ave.	P-2750-0045	0%	0%	0%	\$0	\$0	\$0	\$0	\$78,000	\$311,800
48	9th St, Elm Ave. to Euclid Ave.	P-2750-0046	0%	0%	0%	\$0	\$0	\$78,400	\$313,700	\$0	\$0
49	9th St., Beaumont Ave. to Palm Ave.	P-2750-0047	0%	0%	0%	\$0	\$0	\$78,400	\$313,700	\$0	\$0
50	9th St., Palm Ave. to Pennsylvania Ave.	P-2750-0048	0%	0%	0%	\$0	\$0	\$78,400	\$313,700	\$0	\$0
51	10th St., Palm Ave. to Michigan Ave.	P-2750-0049	0%	0%	0%	\$0	\$0	\$0	\$0	\$0	\$52,000
52	Orange Ave., 8th St to 10th st.	P-2750-0050	0%	0%	0%	\$0	\$0	\$0	\$0	\$82,000	\$328,200
53	Orange Ave., 10th St. to 11th St.	P-2750-0051	0%	0%	0%	\$0	\$0	\$0	\$0	\$33,100	\$132,400
54	Magnolia Ave., 10th St. to 11th St.	P-2750-0052	0%	0%	0%	\$0	\$0	\$0	\$0	\$48,600	\$194,200
55	Euclid Ave., 10th St. to 11th St.	P-2750-0053	0%	0%	0%	\$0	\$0	\$56,300	\$225,200	\$0	\$0
56	Edgar Ave., 8th St. to 10th St.	P-2750-0054	0%	0%	0%	\$0	\$0	\$0	\$107,200	\$428,600	\$0
57	Edgar Ave, 10th St. to 11th St.	P-2750-0055	0%	0%	0%	\$0	\$0	\$0	\$54,400	\$217,400	\$0
58	11th Street, Beaumont Avenue to Elm Avenue	P-2750-0056	0%	0%	0%	\$20,620	\$1,854,300	\$0	\$0	\$0	\$0
59	Magnolia Ave., 7th to 8th (end of existing 6" in Magnolia Ave to 8th St).	P-2750-0057	0%	0%	0%	\$0	\$0	\$0	\$0	\$0	\$45,600
60	Wellwood Ave., B St north to end. Replacing existing 2" steel waterline	P-2750-0058	0%	0%	0%	\$0	\$0	\$12,200	\$48,700	\$0	\$0
61	Wellwood Ave., 10th to 12th.	P-2750-0059	0%	0%	0%	\$0	\$0	\$0	\$175,600	\$702,400	\$0

Beaumont-Cherry Valley Water District 2024 Water Rate Study

Line	Capital Improvement Projects (Inflated)	Project Number	Capacity Charge Funded	Developer Fee Funded	Grant Funded	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
62	Edgar Ave, 11th to 12th, and Merry Ln from Edgar to end of cul-de-sac	P-2750-0060	0%	0%	0%	\$0	\$0	\$0	\$123,700	\$494,700	\$0
63	Orange Ave., 11th to Oak Valley Pkwy	P-2750-0061	0%	0%	0%	\$0	\$0	\$0	\$0	\$0	\$394,700
64	Egan Ave.-Wellwood Ave. Alley, 5th to 8th St	P-2750-0066	0%	0%	0%	\$0	\$561,000	\$0	\$0	\$0	\$0
65	Elm Ave.-Wellwood Ave. Alley, 7th St. to 5th St.	P-2750-0067	0%	0%	0%	\$0	\$228,800	\$0	\$0	\$0	\$0
66	Elm Ave., 6th to 7th	P-2750-0068	0%	0%	0%	\$0	\$132,800	\$0	\$0	\$0	\$0
67	Egan Ave-California Ave. Alley, 5th to 7th	P-2750-0069	0%	0%	0%	\$0	\$341,400	\$0	\$0	\$0	\$0
68	Twelfth St., Michigan Ave. to Pennsylvania Ave.	P-2750-0070	0%	0%	0%	\$0	\$0	\$82,600	\$330,500	\$0	\$0
69	Oak Valley Pkwy, Elm Ave. to Michigan Ave.	P-2750-0071	50%	0%	0%	\$0	\$0	\$0	\$0	\$187,000	\$748,000
70	Elm Avenue, s/o 4th St to south end	P-2750-0091	0%	0%	0%	\$72,205	\$251,300	\$0	\$0	\$0	\$0
71	American Avenue, 6th Street to 8th Street	P-2750-0095	0%	0%	0%	\$12,628	\$460,400	\$0	\$0	\$0	\$0
72	2023-2024 Service Lateral Replacement Project	P-2750-0098	0%	0%	0%	\$1,345	\$0	\$97,500	\$389,900	\$0	\$0
73	Orange Avenue, 6th Street to 8th Street	P-2570-0099	0%	0%	0%	\$0	\$766,100	\$0	\$0	\$0	\$0
74	Service Replacements - Elm Alley & Wellwood Alley - 8th Street to 10th Street	S-2750-0001	0%	0%	0%	\$0	\$299,700	\$0	\$0	\$0	\$0
75	Service Replacements - California & Edgar Alley - 8th to 9th and 10th to 11th	S-2750-0002	0%	0%	0%	\$0	\$0	\$309,400	\$0	\$0	\$0
76	Service Replacements - Euclid Avenue - 8th Street to 10th Street	S-2750-0003	0%	0%	0%	\$0	\$0	\$222,400	\$0	\$0	\$0
77	Michigan St., 6th to 8th, Not Replacing Existing 8" AC.	S-2750-0004	0%	0%	0%	\$0	\$0	\$309,200	\$0	\$0	\$0
78	Brookside Ave., Nancy Ave. to end of existing 16-in. Replacing existing 8" ACP	P-2850-0009	0%	0%	0%	\$0	\$0	\$0	\$0	\$0	\$81,100
79	From Vineland St, south along Acadia Ln, west to 38834 CVB, south to CVB	P-3040-0004	0%	0%	0%	\$0	\$0	\$0	\$0	\$27,100	\$108,200
80	From CVB, Ralph Rd to end of Cul-de-sac., east to APN 405-060-013, north	P-3040-0005	0%	0%	0%	\$0	\$0	\$0	\$0	\$0	\$24,500
81	Lincoln St. Noble St. to Cherry Ave	P-3040-0006	0%	0%	0%	\$0	\$0	\$0	\$91,300	\$365,000	\$0
82	Lincoln St. Cherry Ave to Jonathan Ave	P-3040-0007	0%	0%	0%	\$0	\$0	\$0	\$93,700	\$374,800	\$0

Water Resources Economics

Beaumont-Cherry Valley Water District 2024 Water Rate Study

Line	Capital Improvement Projects (Inflated)	Project Number	Capacity Charge Funded	Developer Fee Funded	Grant Funded	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
83	Lincoln St. Jonathan Ave to Winesap Ave	P-3040-0008	0%	0%	0%	\$0	\$0	\$0	\$0	\$81,600	\$326,400
84	Jonathan Ave., Brookside Ave. to Dutton St.	P-3040-0010	0%	0%	0%	\$0	\$0	\$363,100	\$1,452,600	\$0	\$0
85	Winesap Ave, Brookside Ave. to High St	P-3040-0011	50%	0%	0%	\$0	\$0	\$0	\$172,500	\$689,900	\$0
86	Winesap Ave., High St. to Dutton St. Replace existing 6" steel waterline	P-3040-0012	0%	0%	0%	\$0	\$0	\$0	\$107,200	\$429,000	\$0
87	Bellflower Ave., Brookside St. to High St	P-3040-0013	0%	0%	0%	\$0	\$0	\$0	\$0	\$244,300	\$977,300
88	Martin Ln, Lincoln St. to Grand Ave.	P-3040-0020	0%	0%	0%	\$0	\$0	\$0	\$0	\$0	\$65,500
89	Lincoln St., Noble St to West end	P-3040-0021	0%	0%	0%	\$0	\$449,400	\$0	\$0	\$0	\$0
90	Friendship Dr., Vineland St. to End of unpaved road	P-3040-0022	0%	0%	0%	\$0	\$0	\$0	\$0	\$0	\$36,600
91	Bing Pl	P-3040-0023	0%	0%	0%	\$0	\$158,900	\$0	\$0	\$0	\$0
92	Lambert Pl	P-3040-0024	0%	0%	0%	\$0	\$158,900	\$0	\$0	\$0	\$0
93	Star Ln, Sky Ln, and View Dr to end of cul-de-sac	P-3040-0025	0%	0%	0%	\$0	\$712,700	\$0	\$0	\$0	\$0
94	Utica Way, Vineland St to View Dr.	P-3040-0026	0%	0%	0%	\$0	\$505,700	\$0	\$0	\$0	\$0
95	Lincoln Ave, from Winesap to Bellflower Ave	P-3040-0028	0%	0%	0%	\$0	\$0	\$0	\$0	\$0	\$75,800
96	Dutton St., Cherry Ave. to Bellflower Ave. Replace existing steel waterlines.	P-3150-0005	0%	0%	0%	\$0	\$0	\$0	\$0	\$0	\$283,100
97	South of line from Bridges to Dutton, along Intl Park Rd	P-3150-0006	0%	0%	0%	\$0	\$0	\$0	\$0	\$0	\$36,200
98	In Cherry Ave, from Dutton south to 10252 Cherry Ave (dead-end)	P-3150-0008	0%	0%	0%	\$0	\$0	\$0	\$0	\$0	\$42,000
99	From 3620/3330 Regulator site east to "Wagon Wheel" at Ave. San Timoteo	P-3330-0001	0%	0%	0%	\$0	\$0	\$0	\$263,200	\$1,052,600	\$0
100	In Ave San Timoteo, from end of 12-in (approx 9490 Ave San Timoteo) south	P-3330-0002	0%	0%	0%	\$0	\$0	\$0	\$0	\$323,100	\$1,292,500
101	In Ave. Sonrisa, Ave San Timoteo to Ave. Miravilla. Replacing 6" and 4" waterlines	P-3330-0003	0%	0%	0%	\$0	\$1,252,000	\$0	\$0	\$0	\$0
102	Ave. Miravilla, from Lilac Ln 8-in (connect to P-3330-0001) south	P-3330-0005	0%	0%	0%	\$0	\$0	\$0	\$0	\$0	\$177,900
103	From Avenida Sonrisa, north to Avenida Miravilla through Alley	P-3330-0007	0%	0%	0%	\$0	\$519,300	\$0	\$0	\$0	\$0
104	From south end of P-3330-0005, south to 9584 Avenida Miravilla	P-3330-0008	0%	0%	0%	\$0	\$0	\$165,000	\$660,000	\$0	\$0
105	"B" Line Upper Edgar to upper end of 20" DIP and from lower end 20" DIP	P-3620-0001	0%	0%	58%	\$7,026	\$1,254,300	\$0	\$0	\$0	\$0

Beaumont-Cherry Valley Water District 2024 Water Rate Study

Line	Capital Improvement Projects (Inflated)	Project Number	Capacity Charge Funded	Developer Fee Funded	Grant Funded	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
106	"A" Line split north of Apple Tree Lane Tract (At or near Aprn 401-030-003)	P-3620-0002	0%	0%	0%	\$0	\$541,000	\$2,164,100	\$0	\$0	\$0
107	"A" Line - Lower Edgar to split north of Apple Tree Lane Tract	P-3620-0003	0%	0%	0%	\$0	\$0	\$345,700	\$1,382,600	\$0	\$0
108	Oak Glen Rd., from Appletree Lane south to 4" at creek crossing	P-3620-0004	0%	0%	0%	\$0	\$0	\$0	\$226,900	\$907,600	\$0
109	Crossing of Little San Gorgonio Cr at south end of P-3620-0004 to Lower Edgar	P-3620-0005	0%	0%	0%	\$0	\$0	\$0	\$0	\$236,400	\$945,600
110	Ave. Miravilla, End of proposed 12-in (P-3620-0008) south to end of existing blowoff	P-3620-0009	30%	0%	0%	\$0	\$250,000	\$0	\$0	\$0	\$0
111	In Whispering Pines from northern end of P-3620-0012 south to Avenida Miravilla.	P-3620-0010	30%	0%	0%	\$0	\$0	\$0	\$0	\$0	\$95,600
112	Ave. Miravilla, from Whispering Pines (approx. at 9150 Whispering Pines)	P-3620-0011	0%	0%	0%	\$0	\$0	\$0	\$0	\$196,000	\$784,200
113	Replace existing 4" line within parcel (Hoffman Property)	P-3620-0016	0%	0%	0%	\$0	\$34,200	\$137,000	\$0	\$0	\$0
114	Edgar Canyon Pipeline Well 14 to Wedding Chapel	P-UEC-0001	0%	0%	0%	\$0	\$0	\$0	\$0	\$126,400	\$505,800
115	Edgar Canyon Pipeline Wedding Chapel to Upper Edgar	P-UEC-0002	0%	0%	0%	\$0	\$0	\$0	\$259,300	\$1,037,300	\$0
116	IT Network Infrastructure Projects										
117	Workstation Replacement project	IT-NETW-0006	0%	0%	0%	\$0	\$30,400	\$31,300	\$32,300	\$33,400	\$34,400
118	Server Room Uninterrupted Power Source	IT-NETW-0011	0%	0%	0%	\$0	\$0	\$0	\$71,800	\$0	\$0
119	Servers and Related Equipment (4 per year, 3 year life, \$15K per server)	IT-NETW-0013	0%	0%	0%	\$0	\$79,500	\$82,100	\$84,700	\$87,400	\$90,100
120	Network Infrastructure and Equipment (Network Switches, Firewall Appliances,	IT-NETW-0014	0%	0%	0%	\$0	\$0	\$0	\$119,900	\$0	\$0
121	IT SCADA/AMR Infrastructure Projects										
122	SCADA Improvement Project	IT-SCAD-0001	0%	0%	0%	\$0	\$849,200	\$0	\$0	\$0	\$0
123	Back- End SCADA Software and Equipment	IT-SCAD-0007	0%	0%	0%	\$0	\$30,000	\$270,000	\$84,700	\$87,400	\$90,100
124	Current / Retro Telemetry CIP	IT-SCAD-0008	0%	0%	0%	\$0	\$120,000	\$123,800	\$127,800	\$131,800	\$136,000
125	AMR / AMI Deployment Project	IT-AMR-0001	0%	0%	23%	\$0	\$1,500,000	\$0	\$0	\$0	\$0
126	New Development Meters	IT-AMR-0002	0%	100%	0%	\$0	\$475,500	\$475,500	\$475,500	\$475,500	\$475,500

Beaumont-Cherry Valley Water District 2024 Water Rate Study

Line	Capital Improvement Projects (Inflated)	Project Number	Capacity Charge Funded	Developer Fee Funded	Grant Funded	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
127	IT/Field Operations/Administration Projects										
128	Digitized File Room Project	IT-ADMN-0001	0%	0%	0%	\$0	\$88,100	\$0	\$0	\$0	\$0
129	560 Magnolia AC/Heating System Replacements	IT-ADMN-0002	0%	0%	0%	\$0	\$72,000	\$42,000	\$54,100	\$52,300	\$0
130	Vehicles & Equipment										
131	2018 Ford F150 Reg Cab (Oct, 2017) Unit #34 Replacement	VE-TRUK-0002	0%	0%	0%	\$0	\$28,100	\$0	\$0	\$0	\$0
132	2018 Ford F-150 Reg Cab (Sept, 2018) Unit #35 Replacement	VE-TRUK-0003	0%	0%	0%	\$0	\$0	\$33,400	\$0	\$0	\$0
133	2018 Ford F250 Reg Cab 4 X 4 (Aug, 2017) Unit #33 Replacement	VE-TRUK-0004	0%	0%	0%	\$0	\$42,600	\$0	\$0	\$0	\$0
134	2018 Ford F250 Reg Cab 4 X 4 (Aug, 2017) Unit #32 Replacement	VE-TRUK-0005	0%	0%	0%	\$0	\$49,100	\$0	\$0	\$0	\$0
135	2018 Ford F-150 Reg Cab (Sept, 2018) Unit #36 Replacement	VE-TRUK-0006	0%	0%	0%	\$0	\$0	\$33,400	\$0	\$0	\$0
136	2018 Ford F-150 Reg Cab (Sept, 2018) Unit #37 Replacement	VE-TRUK-0007	0%	0%	0%	\$0	\$0	\$33,400	\$0	\$0	\$0
137	2019 Ford F-250 Super Duty (Dec, 2019) Unit #41 Replacement	VE-TRUK-0008	0%	0%	0%	\$0	\$0	\$0	\$41,600	\$0	\$0
138	2019 Ford F-250 Super Duty (Dec, 2019) Unit #42 Replacement	VE-TRUK-0009	0%	0%	0%	\$0	\$0	\$0	\$41,400	\$0	\$0
139	2018 Ford F-250 Super Cab XL 4x4 (Oct, 2018) Unit #38 Replacement	VE-TRUK-0010	0%	0%	0%	\$0	\$0	\$56,000	\$0	\$0	\$0
140	2019 Ford F-150 Super Duty (Dec, 2019) Unit #40 Replacement	VE-TRUK-0011	0%	0%	0%	\$0	\$0	\$0	\$56,100	\$0	\$0
141	GIS / Muck Truck (Freightliner Diesel) (May, 2004) Unit #8 Replacement	VE-TRUK-0015	0%	0%	0%	\$0	\$207,300	\$0	\$0	\$0	\$0
142	2010 Ford Explorer (Jan, 2011) Unit #1 Replacement	VE-TRUK-0019	0%	0%	0%	\$0	\$0	\$0	\$47,700	\$0	\$0
143	NEW 3/4 Ton Utility Truck	VE-TRUK-0021	0%	0%	0%	\$0	\$80,000	\$0	\$0	\$0	\$0
144	NEW 3/4 Ton Utility Truck	VE-TRUK-0022	0%	0%	0%	\$0	\$80,000	\$0	\$0	\$0	\$0
145	NEW 3/4 Ton Utility Truck	VE-TRUK-0023	0%	0%	0%	\$0	\$80,000	\$0	\$0	\$0	\$0
146	NEW 3/4 Ton Utility Truck	VE-TRUK-0024	0%	0%	0%	\$0	\$80,000	\$0	\$0	\$0	\$0
147	NEW 3/4 Ton Utility Truck	VE-TRUK-0025	0%	0%	0%	\$0	\$80,000	\$0	\$0	\$0	\$0
148	Loader 938G	VE-HEAV-0003	0%	0%	0%	\$0	\$0	\$0	\$400,900	\$0	\$0
149	Skip Loader with Box Gannon attachment	VE-HEAV-0004	0%	0%	0%	\$0	\$0	\$0	\$219,700	\$0	\$0
150	Water Truck	VE-HEAV-0005	0%	0%	0%	\$0	\$154,800	\$0	\$0	\$0	\$0
151	Skid Steer tractor with attachments	VE-HEAV-0006	0%	0%	0%	\$0	\$0	\$266,200	\$0	\$0	\$0
152	D-5 Dozer Dual Slope	VE-HEAV-0007	0%	0%	0%	\$0	\$0	\$0	\$0	\$547,400	\$0

Beaumont-Cherry Valley Water District 2024 Water Rate Study

Line	Capital Improvement Projects (Inflated)	Project Number	Capacity Charge Funded	Developer Fee Funded	Grant Funded	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
153	Ingersoll Rand Air Compressor (Dec, 2008)	VE-EQIP-0002	0%	0%	0%	\$30,369	\$0	\$0	\$0	\$0	\$0
154	Water Buffalo (Feb, 2018)	VE-EQIP-0003	0%	0%	0%	\$0	\$0	\$0	\$0	\$8,500	\$0
155	400W Light Tower w/Generator (Dec, 2017)	VE-EQIP-0004	0%	0%	0%	\$0	\$0	\$0	\$27,400	\$0	\$0
156	NEW 400W Light Tower w/Generator	VE-EQIP-0005	0%	0%	0%	\$14,867	\$0	\$0	\$0	\$0	\$0
157	Non-Potable Infrastructure Projects										
158	Recycled Water Conversion and Implementation	NEO-0000-0001	100%	0%	0%	\$0	\$0	\$759,900	\$0	\$0	\$0
159	San Timoteo Creek Non-Potable Water Extraction Well	NW-2400-0001	100%	0%	0%	\$0	\$0	\$0	\$0	\$0	\$1,178,900
160	100,000 Gallon 2400 PZ Non-Potable Tank	NT-2400-0001	100%	0%	0%	\$0	\$60,000	\$59,100	\$186,900	\$0	\$0
161	2600 Zone Non-Potable Regulation and Metering Station_0001	NR-2600-0001	100%	0%	0%	\$0	\$0	\$0	\$0	\$0	\$132,300
162	2600 Zone Non-Potable Regulation and Metering Station_0002	NR-2600-0002	100%	0%	0%	\$0	\$116,800	\$284,800	\$0	\$0	\$0
163	Non-Potable Booster Pump Station at CoB Wastewater Treatment Plant	NBP-2600-0001	100%	0%	0%	\$0	\$0	\$1,022,300	\$2,493,600	\$0	\$0
164	Non-Potable Booster Pump Station at CoB Wastewater Treatment Plant Expansion	NBP-2600-0002	100%	0%	0%	\$0	\$0	\$188,900	\$460,900	\$0	\$0
165	2800 Zone Non-Potable Regulation and Metering Station_0001	NR-2800-0001	100%	0%	0%	\$0	\$40,000	\$426,300	\$454,600	\$0	\$0
166	2800 Zone Non-Potable Regulation and Metering Station_0002	NR-2800-0002	100%	0%	0%	\$0	\$40,000	\$426,300	\$454,600	\$0	\$0
167	2 MG 2800 PZ Non-Potable Tank	NT-2800-0001	100%	0%	0%	\$0	\$250,000	\$2,017,000	\$538,300	\$1,755,500	\$0
168	2800 Zone Non-potable Booster Pump Station at the Noble Creek Recharge Facilities	NBP-2800-0001	100%	0%	0%	\$0	\$0	\$0	\$0	\$635,200	\$250,000
169	Non-Potable Pipeline Projects										
170	Oak Valley Parkway, from westerly end of existing 24" waterline,	NP-2600-0001	25%	75%	0%	\$0	\$840,900	\$0	\$0	\$0	\$0
171	Oak Valley Parkway, from the west end of NP-2600-0001,	NP-2600-0002	25%	75%	0%	\$0	\$1,770,400	\$0	\$0	\$0	\$0
172	In-Tract within a future Planning Area of the Fairway Canyon Development.	NP-2600-0004	0%	100%	0%	\$0	\$463,200	\$0	\$493,200	\$0	\$0
173	From the NR-2800-0004, along Cherry Valley Blvd west to I-10 freeway.	NP-2600-0005	100%	0%	0%	\$0	\$0	\$0	\$0	\$3,169,700	\$0

Beaumont-Cherry Valley Water District 2024 Water Rate Study

Line	Capital Improvement Projects (Inflated)	Project Number	Capacity Charge Funded	Developer Fee Funded	Grant Funded	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028	CY 2029
174	From the end of NP-2600-0005, west across the bridge along Cherry Valley Blvd	NP-2600-0006	100%	0%	0%	\$0	\$0	\$0	\$0	\$0	\$1,962,300
175	Along the future alignment of Potrero Blvd, from 4th Street south to NP-2600-0008.	NP-2600-0009	25%	75%	0%	\$0	\$0	\$0	\$1,413,200	\$0	\$0
176	In Beaumont Summit Station (Formerly Sunny Cal Egg Ranch),	NP-2800-0001	50%	50%	0%	\$0	\$0	\$1,818,700	\$0	\$0	\$0
177	California Ave., 1st Street south to Hwy 79	NP-2800-0002	0%	100%	0%	\$0	\$0	\$0	\$0	\$0	\$1,566,400
178	In CoB WWTP site, from 2600 to 2800 Zone Booster Pump (NPB 2600- 0001) to 4th St.	NP-2800-0006	100%	0%	0%	\$0	\$0	\$648,300	\$0	\$0	\$0
179	1st St, from Commerce Way east to Highland Springs Ave	NP-2800-0007	100%	0%	0%	\$0	\$0	\$827,000	\$0	\$0	\$0
180	Highland Springs Ave, 2nd St to 1st St.	NP-2800-0008	100%	0%	0%	\$0	\$0	\$386,900	\$0	\$0	\$0
181	Within Palm Ave, Crossing 6th Street to connect existing waterlines	NP-2800-0009	100%	0%	0%	\$0	\$0	\$0	\$0	\$0	\$151,100
182	Noble Cr. Meadows, Cougar Way to Oak Valley Pkwy	NP-2800-0010	0%	100%	0%	\$0	\$0	\$0	\$0	\$0	\$395,200
183	Oak Valley Pkwy, from Oak View Dr. east to 750 ft w/o Elm Ave.	NP-2800-0012	100%	0%	0%	\$0	\$0	\$0	\$0	\$0	\$833,200
184	7th Street from Veile Ave southwest to California Ave	NP-2800-0016	100%	0%	0%	\$0	\$0	\$0	\$532,100	\$0	\$0
185	Along Oak Valley Pkwy from Palm Ave to Cherry Ave	NP-2800-0017	100%	0%	0%	\$0	\$0	\$0	\$720,000	\$0	\$0
186	Along 4th Street from Veile Ave to Rangel Park	NP-2800-0020	100%	0%	0%	\$0	\$0	\$0	\$307,400	\$0	\$0
187	At the NCRF Phase II Site, from NT- 2800-0001 south to Lincoln Street.	NP-3000-0001	100%	0%	0%	\$0	\$0	\$0	\$328,700	\$0	\$0
188	In Lincoln Street, from NCRF Phase II Site east to Bellflower Avenue.	NP-3000-0002	100%	0%	0%	\$0	\$0	\$0	\$0	\$2,131,700	\$0
189	Total - Capital Improvement Program					\$1,970,287	\$45,869,900	\$37,307,400	\$43,105,700	\$31,208,800	\$34,791,000

RESOLUTION 2025-__

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
BEAUMONT - CHERRY VALLEY WATER DISTRICT
REJECTING AB 2257 CHALLENGES OR OBJECTIONS
TO THE PROPOSITION 218 PROCESS AND PROPOSED
RATES**

WHEREAS, the Beaumont-Cherry Valley Water District (BCVWD) proposes to implement increases to the District's water rates, fees and charges per Resolution 2025-03 Notice of Intent to Increase Water Rates and Charges for the Users of the District's Water Services and Systems; and

WHEREAS, Resolution 2025-03 set out Protest Procedures for filing Proposition 218 Protests and AB 2257 Challenges and a public notice was posted at the BCVWD administrative office and mailed to all customers on February 20, 2025; and

WHEREAS, BCVWD has responded in writing to the AB 2257 challenges received timely (prior to the April 9, 2025 deadline) via a staff report and attachments in conjunction with the Public Hearing on April 24, 2025; and

WHEREAS, the Board has reviewed and considered the AB 2257 challenges presented and the weight of the evidence supporting the District's compliance with the substantive limitations on fees and assessments imposed by the California Constitution along with the District's written response,

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of the Beaumont-Cherry Valley Water District that:

1. The Board of Directors finds and determines:
 - a. The agency's written response is adequate and does not warrant clarification
 - b. The written objections received do not warrant reduction of the proposed increases in water rates and charges
 - c. It is not necessary to consider reduction of the proposed water rates and charges
2. The scheduled Public Hearing may proceed.

ADOPTED this _____ day of _____, _____, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

Director Daniel Slawson, President of the
Board of Directors of the
Beaumont-Cherry Valley Water District

Director Andy Ramirez, Secretary to the
Board of Directors of the
Beaumont-Cherry Valley Water District

RESOLUTION 2025-____

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE BEAUMONT-CHERRY VALLEY WATER DISTRICT AMENDING PART 5 OF THE DISTRICT'S RULES AND REGULATIONS GOVERNING WATER SERVICE RATES, FEES AND CHARGES AND ESTABLISHING WATER RATES AND CONSUMPTION CHARGES EFFECTIVE MAY 1, 2025 AND SUPERSEDING RESOLUTION 2020-04

WHEREAS, the Beaumont-Cherry Valley Water District (District) is authorized, pursuant to California Water Code 31007, to fix, prescribe, revise and collect fees and charges so as to yield an amount sufficient to pay the operating expenses of the District, provide for repairs and depreciation of works owned and / or operated by the District, pay the interest on any bonded debt, and provide a fund for payment of the principal of the bonded debt as it becomes due; and

WHEREAS, on April 24, 2025 the Board of Directors of the Beaumont-Cherry Valley Water District held a public hearing for the purpose of considering the adoption of increased rates, fees and charges; and

WHEREAS, the Board of Directors has carefully reviewed the 2024 Water Rate Study prepared and submitted by Water Resources Economics consultants dated April 2025; and

WHEREAS, the Board of Directors of the Beaumont-Cherry Valley Water District has carefully reviewed and considered the proposed rate increases as set forth in the proposed amendments to the Beaumont-Cherry Valley Water District's Rules and Regulations Part 5, attached herewith as "Exhibit A"; and

WHEREAS, the Board of Directors and staff of the Beaumont-Cherry Valley Water District have determined that written protests submitted do not constitute a majority of affected Customers and Property Owners within the District per California Proposition 218,

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of the Beaumont-Cherry Valley Water District that:

1. The Board of Directors finds and determines that the water rate changes and increases are necessary in order for the District to continue providing water services; to remain financially solvent and in compliance with State law. The Board further finds and determines that the water rate changes and increases are in the best interest of the District and its customers and inhabitants, and complies with current laws, including, but not limited to, Water Code Section 31007 and Proposition 218.
2. The recommendations set forth in the 2024 Water Rate Study prepared and submitted by Water Resources Economics (WRE) dated April 2025, which is hereby incorporated by reference, are hereby accepted, approved and adopted by the Board of Directors; and
3. Beaumont-Cherry Valley Water District's Rules and Regulations Part 5 as set forth in Exhibit "A", which is attached hereto and made a part of this Resolution and the rates, fees and charges set forth therein are hereby adopted effective May 1, 2025; and

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4. Resolution 2020-04 is superseded in its entirety as of May 1, 2025.

ADOPTED this 24th day of April, 2025 by the following roll call vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST:

Director Daniel Slawson, President of the
Board of Directors of the
Beaumont-Cherry Valley Water District

Director Andy Ramirez, Secretary to the
Board of Directors of the
Beaumont-Cherry Valley Water District

APPROVED AS TO FORM:

James Markman, Legal Counsel
To the Beaumont-Cherry Valley Water District

Attachments:

Exhibit A – Amended BCVWD Rules and Regulations, Part 5

PART 5 CHARGES

The rates, fees, and charges for water service and related fees are set forth in Part 5 Appendix A: Water Service Charges, Deposits, and Miscellaneous Fees which is attached to the Regulations and incorporated herein by reference. The Board of Directors reserves the right to change the schedule of charges and fees periodically or at any time.

5-1 SERVICE CHARGE

The basis for bi-monthly service charges will be as follows:

5-1.1.1 DOMESTIC. For all metered domestic water service connections located within or outside of the boundaries of the District, a bi-monthly charge for water service will consist of a fixed meter charge (base rate or minimum bill) plus a charge for water used (commodity rate).

5-1.1.2 SCHEDULED IRRIGATION. A charge for distribution of scheduled irrigation water through permanently set meters, shall be adjusted from time to time on a schedule prepared by the Board. Scheduled irrigation is further defined in Part 13 of these regulations.

5-1.1.3 DOMESTIC IRRIGATION. A charge for distribution of domestic irrigation water will be determined as set forth in Part 13 of these regulations.

5-1.1.4 MULTIPLE RESIDENTIAL – Where a premises containing multiple residential housing units is served by one (1) meter or service connection, the bi-monthly service charge will be assessed based on the size of the meter that services the property, regardless of the number of dwellings. The charges for water used differs from the tiered single family residential rate due to the additional living (dwelling) units on site and the increased demand on the meter or service connection.

5-1.1.5 MULTIPLE COMMERCIAL – Where a premises containing multiple commercial units is served by one (1) meter or service connection, the bi-monthly service charge will be assessed based on the size of the meter that services the property regardless of the number of dwellings. The charges for water used differs from the single commercial rate due to the additional commercial units on site and the increased demand on the meter or service connection.

**Beaumont-Cherry Valley Water District
REGULATIONS GOVERNING WATER SERVICE**

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5-1.2 FIXED METER CHARGE

NOTE: Accounts that are billed on a monthly basis will be pro-rated at one-half (1/2) of the bi-monthly fixed water charge.

5-1.2.1 BI-MONTHLY POTABLE AND NON-POTABLE METER SERVICE CHARGES:

Applicable to Domestic and Commercial services

Meter Size	Effective May 1, 2025	January 1, 2026	January 1, 2027	January 1, 2028	January 1, 2029
5/8"	\$ 34.08	\$ 39.20	\$ 45.08	\$ 51.85	\$ 59.63
3/4"	\$ 46.96	\$ 54.01	\$ 62.12	\$ 71.44	\$ 82.16
1"	\$ 72.74	\$ 83.66	\$ 96.21	\$ 110.65	\$ 127.25
1- 1/2"	\$ 137.22	\$ 157.81	\$ 181.49	\$ 208.72	\$ 240.03
2"	\$ 214.58	\$ 246.77	\$ 283.79	\$ 326.36	\$ 375.32
3"	\$ 459.56	\$ 528.50	\$ 607.78	\$ 698.95	\$ 803.80
4"	\$ 820.59	\$ 943.68	\$ 1,085.24	\$ 1,248.03	\$ 1,435.24
6"	\$ 1,684.47	\$ 1,937.15	\$ 2,227.73	\$ 2,561.89	\$ 2,946.18
8"	\$ 3,618.53	\$ 4,161.31	\$ 4,785.51	\$ 5,503.34	\$ 6,328.85
10"	\$ 5,423.63	\$ 6,237.18	\$ 7,172.76	\$ 8,248.68	\$ 9,485.99
12"	\$ 6,841.93	\$ 7,868.22	\$ 9,048.46	\$ 10,405.73	\$ 11,966.59

5-1.2.2 BI-MONTHLY PRIVATE FIRE SERVICE CHARGES:

Meter Size	Effective May 1, 2025	January 1, 2026	January 1, 2027	January 1, 2028	January 1, 2029
4"	\$ 66.73	\$ 76.74	\$ 88.26	\$ 101.50	\$ 116.73
6"	\$ 178.07	\$ 204.79	\$ 235.51	\$ 270.84	\$ 311.47
8"	\$ 370.12	\$ 425.64	\$ 489.49	\$ 562.92	\$ 647.36
10"	\$ 659.02	\$ 757.88	\$ 871.57	\$ 1,002.31	\$ 1,152.66
12"	\$ 1,059.41	\$ 1,218.33	\$ 1,401.08	\$ 1,611.25	\$ 1,852.94

**Beaumont-Cherry Valley Water District
REGULATIONS GOVERNING WATER SERVICE**

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5-1.2.3 GENERAL PROVISIONS. When service is started or discontinued during the month, the charge will be determined as follows:

1. Permanent Service Connection:
 - a. For service connections started after the 1st day of the billing period, the service charge will be pro-rated for said billing period.
 - b. For service connections discontinued within the billing period, the service charge will be pro-rated based on the final disconnection date. The account holder is responsible for scheduling the final disconnection date with District staff at least 24 hours in advanced.
2. Temporary Service Connection:

The charge will be pro-rated.

5-1.3 CHARGE FOR WATER USED (Quantitative Use):

Commodity charges are billed on a per unit basis for water consumption registered by the water service meter. One unit is 100 cubic feet (hcf or ccf) of water, which is equal to 748 gallons.

Customer Class	May 2025	January 2026	January 2027	January 2028	January 2029
Single Family					
Tier 1 (0 - 16)	\$ 1.02	\$ 1.18	\$ 1.36	\$ 1.57	\$ 1.81
Tier 2 (17-34)	\$ 1.26	\$ 1.45	\$ 1.67	\$ 1.93	\$ 2.22
Tier 3 (35+)	\$ 2.07	\$ 2.39	\$ 2.75	\$ 3.17	\$ 3.65
Multi-Family	\$ 1.56	\$ 1.80	\$ 2.07	\$ 2.39	\$ 2.75
Commercial / Industrial	\$ 1.47	\$ 1.70	\$ 1.96	\$ 2.26	\$ 2.60
Landscape Irrigation	\$ 1.63	\$ 1.88	\$ 2.17	\$ 2.50	\$ 2.88
Scheduled Irrigation	\$ 1.63	\$ 1.88	\$ 2.17	\$ 2.50	\$ 2.88
Construction	\$ 1.80	\$ 2.07	\$ 2.39	\$ 2.75	\$ 3.17
Non-Potable	\$ 1.24	\$ 1.43	\$ 1.65	\$ 1.90	\$ 2.19
Fire Service	\$ 1.80	\$ 2.07	\$ 2.39	\$ 2.75	\$ 3.17

*Units shown are based on bi-monthly billing cycle for single-family customer class

**Beaumont-Cherry Valley Water District
REGULATIONS GOVERNING WATER SERVICE**

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5-1.4 PASS-THROUGH CHARGES

SCE POWER CHARGE: To account for fluctuations in District costs to provide water service, the consumption based pass-through service charge may be adjusted as necessary by the District by an amount equal to any incremental adjustments imposed on the District for the cost of energy purchased from Southern California Edison (SCE) upon 30 days' notice. This is the cost of electricity to pump and deliver water to the consumer. It includes all SCE power charges for operation of pumps and wells in the water system. Beaumont-Cherry Valley Water District strives to operate during SCE Time of Use (off-peak and mid-peak) in order to maintain lower rates for the consumer.

IMPORTED WATER CHARGE: The pass-through charges for imported water may be adjusted as necessary by the District by an amount equal to any adjustments for the cost of water purchased from the San Geronio Pass Water Agency (SGPWA) or other water supplier upon 30 days' notice. Adjustments shall not be made in an amount that exceeds the cost of that water.

Pass-Through Charges (\$/ccf)	Effective June 1, 2025	January 1, 2026	January 1, 2027	January 1, 2028	January 1, 2029
SCE Power Charges	\$ 0.56	\$ 0.60	\$ 0.64	\$ 0.68	\$ 0.72
SGPWA Importation Charges	\$ 0.81	\$ 0.86	\$ 0.92	\$ 0.98	\$ 1.04

5-1.5 DROUGHT SURCHARGES

In the event that the District activates its Water Shortage Contingency Plan (WSCP), water supply drought rates may be applied as approved by the Board of Directors. Customers will be notified in advance of the below surcharges. Drought rates are generally triggered by the declaration of a specific water shortage by the California Department of Water Resources, or alternatively by the District's Board of Directors.

The Surcharge Rate below is additive to the current Commodity Charge, per unit of water, at the date of adoption. The Surcharge Rate in effect is dependent on the drought stage declared.

	Stage 1	Stage 2	Stage 3	Stage 4
Reduction in Use	10%	20%	30%	40%
Surcharge	\$0.17	\$0.36	\$0.60	\$0.92

5-1.6 ESTIMATING WATER USAGE. Where a meter is damaged or is not operational, and the District is unable to read the meter, the water usage will be determined on the basis of past meter readings, or it will be estimated as described below:

1. An estimate of water delivered based on the prior use during the same season of the year for the property or upon a reasonable comparison with the use of other consumers receiving the same class of service during the same period and under similar circumstances and conditions; or
2. The average meter reading for the four (4) preceding months adjusted for seasonal variation, if prior year reads for the same season are available.

5-1.7 MINIMUM CLOSING BILL. The closing bill will be based upon charges applicable on the date service is discontinued. The service charge will be pro-rated within the billing period based on the final date of service, along with all consumption related charges.

5-2 CAPACITY CHARGES (FACILITIES FEES)

5-2.1 The Capacity Charge is the charge for the type and size of water service connection desired. Such regular charge shall be paid in advance by the applicant. Where there is no regular charge, the District reserves the right to require the applicant to deposit an amount equal to the estimated cost of such service connection.

5-2.2 Capacity Charges are due and payable upon execution of the mainline extension agreement.

5-2.3 Where fire flow exceeds the 1,000 gallons-per-minute (gpm) for a two-hour duration (120,000 gallons), the applicant will pay its pro-rata share for additional fire protection storage for the volumetric differential above 120,000 gallons at a rate of \$0.05 per gallon. Where a development proposes multiple buildings or structures, the building or structure with the greatest volumetric demand shall be considered the project standard.

5-2.4 Capacity Charges Schedules. Capacity Charges for the properties enumerated below are located in the Part 5 Appendix A – Water Service Charges, Deposits, and Miscellaneous Fees.

5-2.5.1 SINGLE FAMILY RESIDENTIAL. Includes detached residential dwelling units served by meters up to 2-inches.

5-2.5.2 MULTIPLE FAMILY RESIDENTIAL PROPERTY. The Capacity Charge is based on an equivalent dwelling unit (EDU) and includes apartments, duplexes, attached (multiple unit) townhouses, condominiums, mobile home parks, and other developments

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with multiple residential units served by one (1) meter and separate irrigation meters (where applicable) as designated by the District.

5-2.5.3 COMMERCIAL PROPERTY. Capacity Charges for commercial property shall be calculated on a case-by-case basis, comparing the projected water use of the commercial center, motel, and/or hotel to that of an equivalent dwelling unit (EDU) (580 gallons per day per EDU).

5-2.5.4 INDUSTRIAL PROPERTY. Capacity Charges for industrial facilities will be based on a case-by-case basis, comparing the projected water use by the industrial facility to that of an equivalent dwelling unit (EDU) (580 gallons per day per EDU).

5-2.5.5 INSTITUTIONAL PROPERTY. Capacity Charges for institutional facilities will be based on a case-by-case basis, comparing the projected water use by the institutional facility to that of an equivalent dwelling unit (EDU) (580 gallons per day per EDU).

5-3 WATER SERVICE INSTALLATION CHARGES (METER INSTALL)

The charges for the installation of a service connection at all locations are determined from time to time by the Board of Directors and a schedule of those charges is located in Part 5 Appendix A – Water Service Charges, Deposits, and Miscellaneous Fees.

5-3.1 Service installation charges for service connections with larger than 2" meters will be billed on a time and materials basis.

5-3.2 Service installation charges are lower in-tract, as water service connections (service laterals) will have previously been installed / established by the developer.

5-3.3 The non-tract charge is for physical installation of meter, meter box, service lateral, and appurtenances (including pavement repair) and is adjusted from time to time by the Board of Directors.

5-3.4 Encroachment Permit Fee (City of Beaumont). This encroachment permit fee reflects the average cost of the permit from the City of Beaumont, for streets that are not subject to the City's paving moratorium and is not assessed on service installation activities outside the City of Beaumont.

5-3.5 Encroachment Permit Fee (County of Riverside). This encroachment permit fee reflects the average cost of the permit from the County of Riverside and is not assessed on service installation activities outside the County of Riverside.

5-3.6 Encroachment Permit Fee (City of Calimesa). This encroachment permit fee reflects the average cost of the permit from the City of Calimesa and is not assessed on service installation activities outside the City of Calimesa.

5-3.7 Encroachment Permit Fee (City of Beaumont – Moratorium Streets). This encroachment permit fee reflects the average cost of the permit from the City of Beaumont for streets that are subject to the City’s paving moratorium and is not assessed on service installation activities outside the City of Beaumont.

5-4 FRONT FOOTAGE FEES

5-4.1 Front Footage Fees / Reimbursement Agreement. Where a Reimbursement Agreement (or an agreement of like or similar kind) exists, the applicant shall pay the District the amount specified in the Reimbursement Agreement or as required in section 5-6.2 and the Part 5 Appendix A – Water Service Charges, Deposits, and Miscellaneous Fees.

5-4.2 Residential Service – No Reimbursement Agreement. Where there is no Reimbursement Agreement the applicant shall pay to the District the per linear foot amount located in the Part 5 Appendix A – Water Service Charges, Deposits, and Miscellaneous Fees for the pipeline crossing the frontage.

5-4.3 Commercial Service – No Reimbursement Agreement. Where there is no Reimbursement Agreement the applicant shall pay to the District the per linear foot amount located in the Part 5 Appendix A – Water Service Charges, Deposits, and Miscellaneous Fees for the pipeline crossing the frontage.

5-4.4 Front Footage Fees, Corner Lot. Where a corner lot requesting water is not subject to a Reimbursement Agreement, the fees will be equal to those set forth in the preceding subsection for all frontages.

5-5 CONSTRUCTION METER CHARGES AND DEPOSITS

Each applicant for a construction meter shall pay a deposit as set forth in Part 5 Appendix A – Water Service Charges, Deposits, and Miscellaneous Fees. When an applicant requires a meter that is larger than what the District supplies, the applicant shall provide said meter, with a backflow device, and certification as to the accuracy of the applicant-provided meter and provide the District with access to read said meter daily.

There will be a new account charge for construction meters. The charges and deposits for construction water meter service are located in the Part 5 Appendix A – Water Service Charges, Deposits, and Miscellaneous Fees.

Repairs to damaged District construction meters and backflow devices will be charged at prevailing time and material rates to repair the meter.

5-6 DEPOSITS: ENGINEERING PLAN REVIEW, SUPPORT, AND PROCESSING / INSPECTIONS

5-6.1 Calculation. Plan checking, engineering, and other engineering-related deposits shall be paid prior to commencement of work or initiation of service (where applicable) as shown in the Part 5 Appendix A – Water Service Charges, Deposits, and Miscellaneous Fees.

5-6.2 Payment of Deposit. The applicant shall deposit the estimated cost of the engineering and inspection services prior to commencement of work and/or as part of the Water Main Extension and Facilities Construction Agreement. When the engineering and/or inspection charges exceed 75 percent of the deposit, the applicant shall make additional deposits as required by the District Engineer prior to any additional engineering services and/or inspection.

5-6.3 Refund. The District will refund any excess funds following the dedication of the facilities from the developer to the District and the acceptance of the facilities by the District.

5-7 FIRE PROTECTION SERVICE

Deposits may be adjusted from time to time by the District Engineer.

5-7.1 Fire Hydrant Installation Deposit. A hydrant to be installed by the District will require a deposit for the work. Deposit amounts are listed in the Part 5 Appendix A – Water Service Charges, Deposits, and Miscellaneous Fees. Such deposits shall be paid in advance by the applicant.

5-7.2 Fire Service Installation. Should an applicant request a fire service installation, an estimate (materials, labor, administrative, and other costs) will be provided by District staff in accordance with the estimated deposits listed in the Part 5 Appendix A – Water Service Charges, Deposits, and Miscellaneous Fees.

5-7.3 Fire flow requirements for each project are determined by the Riverside County Fire Department, or Cal Fire.

5-7.3.1 Fire service connection shall be completed by the property owner or developer.

5-7.3.2 Should the property owner request the installation be performed by the District, District staff will perform a field inspection to determine site specific construction

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conditions and requirements and make a determination of the District's availability to perform the installation of the service.

5-7.3.3 All relevant work by the District pertaining to fire service installation shall be charged to the project owner on a time and material basis. Additional billing and/or credits will be issued following installation and acceptance of the installation by the Fire Department. Installation charges will be estimated by the District based on availability of District staff to complete the work.

5-8 CUSTOMER ACCOUNT-RELATED USER FEES

Refer to Part 5 Appendix A: Water Service Charges, Deposits, and Miscellaneous Fees for itemized amounts associated with all of the following:

5-8.1 Service Initiation Charge: There is no charge to turn on a service connection for which proper application has been made and approved if the turn-on can be made during Water Service Business Hours: between 8:00 a.m. and 5:00 p.m. Monday through Thursday. The charge for any authorized turn-on made outside of these hours will be the After Hours Call Out Charge as described in 5-8.3.

5-8.2 Service Reconnect Charge (After Water Service Business Hours SB 998). This charge covers the reasonable District costs for disconnection and reconnection during all times outside of Water Service Business Hours, of service connections which are in violation of the provisions contained herein. In accordance with SB 998, the maximum charge is \$100 per occurrence.

5-8.3 Service Reconnect Charge (After Water Service Business Hours Call Out). This charge covers the reasonable District costs for service evaluation during all times outside of Water Service Business Hours.

5-8.4 Credit Card Processing Fees. Fees that are based on charges the District is assessed by banks to process card payments. The fee for cards used to make water utility billing payments is different from that for cards used to make all other types of payments.

5-8.5 Credit Check Fees. Fees that are based on the costs incurred to investigate a customer's creditworthiness, including labor, equipment, and services.

5-8.6 Meter Testing. Charges for outside contractor (third-party) or in-house testing of meters are found in Part 5 Appendix A – Water Service Charges, Deposits, and Miscellaneous Fees.

5-8.7 Backflow Prevention Devices

5-8.7.1 Administrative Charge. A charge shall be applied to each service connection with a backflow preventive device installed as indicated on the Part 5 Appendix A – Water Service Charges, Deposits, and Miscellaneous Fees. The charge is for the administrative portion of the program only. The owner of the backflow device is responsible for the maintenance and annual testing of the backflow preventive device as set forth in Part 11.

5-8.7.2 Installation Fee. Installation of new backflow prevention assemblies completed by the District will be billed to the customer at actual cost.

5-9 CUSTOMER ACCOUNT-RELATED DEPOSITS

5-9.1 Determination. Based on the results of the credit check, customers are charged a deposit pursuant to Rule 4-1.5.1.

5-10 CUSTOMER ACCOUNT-RELATED PENALTIES

Refer to Part 5 Appendix A: Water Service Charges, Deposits, and Miscellaneous Fees for itemized amounts associated with all of the following:

5-10.1 Late Charges. Rates and charges which are not paid on or before the due dates shall be subject to various late fee charges, including but not limited to a Second Notice Charge and a Third Notice Charge, if applicable.

5-10.2 Account Reinstatement Charge. The reinstatement charge is the charge which covers reasonable District when water service is subject to impending termination.

5-10.3 Lien Processing Fee. A fee is charged to recover the costs associated with recording a lien on an account, including but not limited to, staff time, notary services, filing of required documents with the County Recorder. and mileage to and from the County Recorder's office.

5-10.4 Return Payment Fee. A return payment fee is a charge which covers the reasonable administrative cost and banking charges for processing a returned payment.

5-11 ENGINEERING-RELATED PENALTIES

5-11.1 Water Theft Prevention – Illegal Jumper. This charge shall be charged to any person, organization, or agency for each unauthorized use of District water or for tampering in any manner with any meter belonging to the District where this tampering shall affect the accuracy of such meter. The unauthorized use of water charge is hereby established at the rate set forth in in Part 5 Appendix A – Water Service Charges, Deposits, and Miscellaneous Fees for a first occurrence and each subsequent occurrence. In severe cases, the water meter may be removed, and additional charges will be incurred. All damages will be charged to the property owner at current labor, time, and material rates.

5-11.2 Water Theft Prevention (Broken or Stolen Lock). This charge shall be charged to any person, organization, or agency for breaking, stealing, or otherwise tampering with the District's locking device on a meter and is based on the cost to replace a lock broken off or stolen from the meter.

5-12 MISCELLANEOUS CHANGES, UPGRADES, DOWNGRADES, AND ADDITIONAL UNITS

5-12.1 Scheduled Irrigation Meter Exchange. Where a property or lot has been previously served by a schedule irrigation meter, as defined in Part 13 of these Regulations, the property owner may exchange his or her 1" or 1 ½" or 2" Scheduled irrigation meter for a 1" domestic meter. The exchange shall occur without additional capacity charge requirements.

5-12.1.1 Installation and retirement costs: The applicant shall be responsible for water service installation charges per Section 5-3. Additionally, the applicant shall reimburse the District for labor and equipment costs associated with the retirement of the scheduled irrigation meter.

5-12.1.2 Additionally, applicant shall pay all costs for installation of 1" Domestic Meter and Service pursuant to Section 5-3: Water Service Installation Charge.

5-12.2 Downgrades. Where a meter is exchanged for a smaller meter, while still meeting State and/or Fire requirements, no capacity charge will be imposed, and no refund or credit will be made or given.

5-12.3 Addition of Dwelling / Commercial Units. Where additional dwelling or commercial units are created by the addition to or division or remodeling of any existing, free standing single family or multiple family residential structure or any existing, free standing commercial or multiple commercial structure, a capacity charge or pro rata share

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thereof shall be imposed on each such unit as per the schedules set forth above and in the Part 5 Appendix A – Water Service Charges, Deposits, and Miscellaneous Fees as appropriate.

5-12.4 Multiple Family Residential Rate. The multiple family residential rate shall apply to the multiple dwelling units in each free standing multiple residential structure on a property; each additional free standing multiple family residential structure on that same property will require a separate meter and a capacity charge will be imposed on each dwelling unit therein per subsection 5-2 above and as enumerated in the Part 5 Appendix A – Water Service Charges, Deposits, and Miscellaneous Fees.

5-12.5 Multiple Commercial Property Rate. The multiple commercial property rate shall apply to the commercial units in each free-standing commercial structure on a property; each additional free standing multiple commercial structure on that same property will require a separate meter, and a capacity charge will be imposed on each commercial unit therein per subsection 5-2 above and as enumerated in the Part 5 Appendix A – Water Service Charges, Deposits, and Miscellaneous Fees.

5-13 OTHER SERVICES

Whenever the District performs a service not specifically listed in these rules and regulations or covered by a charge or fee described herein, the person for whom the service is being performed shall pay a reasonable fee. A deposit toward the fee shall be established by the corresponding department and shall be paid prior to work being performed. The fee shall be calculated on a time and material basis.

5-14 RELOCATION

The consideration and charge for the relocation of facilities other than a meter or permanent service connection is determined by the Board of Directors.

5-15 DEPOSIT AND CHARGES FOR RECYCLING / RECLAMATION STUDY

The applicant for new commercial / industrial / institutional service shall make a deposit for an engineering study to determine the feasibility of onsite recycling / reclamation as determined by the General Manager. If the actual cost of such study as performed is more or less than said deposit, the applicant shall pay the difference upon receipt of an invoice therefore by the District or shall be given a credit against other charges, as appropriate.

5-16 PAYMENT

Any deposits, fees, or charges, as may be required, shall be paid prior to the District issuing a financial arrangements letter to any public or private agency, State of California, or prior to the District providing service, whichever comes first.

PART 5 CHARGES

The rates, fees, and charges for water service and related fees are set forth in Part 5 Appendix A: Water Service Charges, Deposits, and Miscellaneous Fees which is attached to the Regulations and incorporated herein by reference. The Board of Directors reserves the right to change the schedule of charges and fees periodically or at any time.

5-1 SERVICE CHARGE

The basis for bi-monthly service charges will be as follows:

5-1.1.1 DOMESTIC. For all metered domestic water service connections located within or outside of the boundaries of the District, a bi-monthly charge for water service will consist of a fixed meter charge (base rate or minimum bill) plus a charge for water used (commodity rate).

5-1.1.2 SCHEDULED IRRIGATION. A charge for distribution of scheduled irrigation water through permanently set meters, shall be adjusted from time to time on a schedule prepared by the Board. Scheduled irrigation is further defined in Part 13 of these regulations.

5-1.1.3 DOMESTIC IRRIGATION. A charge for distribution of domestic irrigation water will be determined as set forth in Part 13 of these regulations.

5-1.1.4 MULTIPLE RESIDENTIAL – Where a premises containing multiple residential housing units is served by one (1) meter or service connection, the bi-monthly service charge will be assessed based on the size of the meter that services the property, regardless of the number of dwellings. The charges for water used differs from the tiered single family residential rate due to the additional living (dwelling) units on site and the increased demand on the meter or service connection.

5-1.1.5 MULTIPLE COMMERCIAL – Where a premises containing multiple commercial units is served by one (1) meter or service connection, the bi-monthly service charge will be assessed based on the size of the meter that services the property regardless of the number of dwellings. The charges for water used differs from the single commercial rate due to the additional commercial units on site and the increased demand on the meter or service connection.

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5-1.2 FIXED METER CHARGE

NOTE: ~~Non-residential a~~Accounts that are billed on a monthly basis will be pro-rated at one-half (1/2) of the bi-monthly fixed water charge.

5-1.2.1 BI-MONTHLY POTABLE AND NON-POTABLE METER SERVICE CHARGES:

Applicable to Domestic and Commercial services

<u>Meter Size</u>	<u>Effective May 1, 2025</u>	<u>January 1, 2026</u>	<u>January 1, 2027</u>	<u>January 1, 2028</u>	<u>January 1, 2029</u>
<u>5/8"</u>	<u>\$ 34.08</u>	<u>\$ 39.20</u>	<u>\$ 45.08</u>	<u>\$ 51.85</u>	<u>\$ 59.63</u>
<u>3/4"</u>	<u>\$ 46.96</u>	<u>\$ 54.01</u>	<u>\$ 62.12</u>	<u>\$ 71.44</u>	<u>\$ 82.16</u>
<u>1"</u>	<u>\$ 72.74</u>	<u>\$ 83.66</u>	<u>\$ 96.21</u>	<u>\$ 110.65</u>	<u>\$ 127.25</u>
<u>1- 1/2"</u>	<u>\$ 137.22</u>	<u>\$ 157.81</u>	<u>\$ 181.49</u>	<u>\$ 208.72</u>	<u>\$ 240.03</u>
<u>2"</u>	<u>\$ 214.58</u>	<u>\$ 246.77</u>	<u>\$ 283.79</u>	<u>\$ 326.36</u>	<u>\$ 375.32</u>
<u>3"</u>	<u>\$ 459.56</u>	<u>\$ 528.50</u>	<u>\$ 607.78</u>	<u>\$ 698.95</u>	<u>\$ 803.80</u>
<u>4"</u>	<u>\$ 820.59</u>	<u>\$ 943.68</u>	<u>\$ 1,085.24</u>	<u>\$ 1,248.03</u>	<u>\$ 1,435.24</u>
<u>6"</u>	<u>\$ 1,684.47</u>	<u>\$ 1,937.15</u>	<u>\$ 2,227.73</u>	<u>\$ 2,561.89</u>	<u>\$ 2,946.18</u>
<u>8"</u>	<u>\$ 3,618.53</u>	<u>\$ 4,161.31</u>	<u>\$ 4,785.51</u>	<u>\$ 5,503.34</u>	<u>\$ 6,328.85</u>
<u>10"</u>	<u>\$ 5,423.63</u>	<u>\$ 6,237.18</u>	<u>\$ 7,172.76</u>	<u>\$ 8,248.68</u>	<u>\$ 9,485.99</u>
<u>12"</u>	<u>\$ 6,841.93</u>	<u>\$ 7,868.22</u>	<u>\$ 9,048.46</u>	<u>\$ 10,405.73</u>	<u>\$ 11,966.59</u>

Meter Size	Effective March 2020	January 2021	January 2022	January 2023	January 2024
5/8"	\$ 22.58	\$ 24.17	\$ 25.87	\$ 27.69	\$ 29.63
3/4"	\$ 31.13	\$ 33.31	\$ 35.65	\$ 38.15	\$ 40.83
1"	\$ 48.24	\$ 51.62	\$ 55.24	\$ 59.11	\$ 63.25
1-1/2"	\$ 91.01	\$ 97.39	\$ 104.21	\$ 111.51	\$ 119.32
2"	\$ 142.33	\$ 152.30	\$ 162.97	\$ 174.38	\$ 186.59
3"	\$ 304.84	\$ 326.18	\$ 349.02	\$ 373.46	\$ 399.61

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4"	\$ 544.34	\$ 582.45	\$ 623.23	\$ 666.86	\$ 713.55
6"	\$ 1,117.43	\$ 1,195.66	\$ 1,279.36	\$ 1,368.92	\$ 1,464.75
8"	\$ 2,400.46	\$ 2,568.50	\$ 2,748.30	\$ 2,940.69	\$ 3,146.54
10"	\$ 3,597.95	\$ 3,849.81	\$ 4,119.30	\$ 4,407.66	\$ 4,716.20
12"	\$ 4,538.84	\$ 4,856.56	\$ 5,196.52	\$ 5,560.28	\$ 5,949.50

5-1.2.2 BI-MONTHLY PRIVATE FIRE SERVICE CHARGES:

<u>Meter Size</u>	<u>Effective May 1, 2025</u>	<u>January 1, 2026</u>	<u>January 1, 2027</u>	<u>January 1, 2028</u>	<u>January 1, 2029</u>
<u>4"</u>	\$ 66.73	\$ 76.74	\$ 88.26	\$ 101.50	\$ 116.73
<u>6"</u>	\$ 178.07	\$ 204.79	\$ 235.51	\$ 270.84	\$ 311.47
<u>8"</u>	\$ 370.12	\$ 425.64	\$ 489.49	\$ 562.92	\$ 647.36
<u>10"</u>	\$ 659.02	\$ 757.88	\$ 871.57	\$ 1,002.31	\$ 1,152.66
<u>12"</u>	\$ 1,059.41	\$ 1,218.33	\$ 1,401.08	\$ 1,611.25	\$ 1,852.94

Service Size 8

Meter Size	Effective March 2020	January 2021	January 2022	January 2023	January 2024
4"	\$ 44.25	\$ 47.35	\$ 50.67	\$ 54.22	\$ 58.02
6"	\$ 118.12	\$ 126.39	\$ 135.24	\$ 144.71	\$ 154.84
8"	\$ 245.52	\$ 262.71	\$ 281.10	\$ 300.78	\$ 321.84
10"	\$ 437.17	\$ 467.78	\$ 500.53	\$ 535.57	\$ 573.06
12"	\$ 702.78	\$ 751.98	\$ 804.62	\$ 860.95	\$ 921.22

5-1.2.3 GENERAL PROVISIONS. When service is started or discontinued during the month, the charge will be determined as follows:

1. Permanent Service Connection:

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- a. For service connections started after the 1st day of the billing period, the service charge will be pro-rated for said billing period.
- b. For service connections discontinued within the billing period, the service charge will be ~~based on the full billing periods of active service~~pro-rated based on the final disconnection date. The account holder is responsible for scheduling the final disconnection date with District staff at least 24 hours in advanced.

2. Temporary Service Connection:
The charge will be pro-rated.

5-1.3 CHARGE FOR WATER USED (Quantitative Use):

Commodity charges are billed on a per unit basis for water consumption registered by the water service meter. One unit is 100 cubic feet (hcf or ccf) of water, which is equal to 748 gallons.

<u>Customer Class</u>	<u>May 2025</u>	<u>January 2026</u>	<u>January 2027</u>	<u>January 2028</u>	<u>January 2029</u>
<u>Single Family</u>	-	-	-	-	-
<u>Tier 1 (0 - 16)</u>	<u>\$ 1.02</u>	<u>\$ 1.18</u>	<u>\$ 1.36</u>	<u>\$ 1.57</u>	<u>\$ 1.81</u>
<u>Tier 2 (17-34)</u>	<u>\$ 1.26</u>	<u>\$ 1.45</u>	<u>\$ 1.67</u>	<u>\$ 1.93</u>	<u>\$ 2.22</u>
<u>Tier 3 (35+)</u>	<u>\$ 2.07</u>	<u>\$ 2.39</u>	<u>\$ 2.75</u>	<u>\$ 3.17</u>	<u>\$ 3.65</u>
<u>Multi-Family</u>	<u>\$ 1.56</u>	<u>\$ 1.80</u>	<u>\$ 2.07</u>	<u>\$ 2.39</u>	<u>\$ 2.75</u>
<u>Commercial / Industrial</u>	<u>\$ 1.47</u>	<u>\$ 1.70</u>	<u>\$ 1.96</u>	<u>\$ 2.26</u>	<u>\$ 2.60</u>
<u>Landscape Irrigation</u>	<u>\$ 1.63</u>	<u>\$ 1.88</u>	<u>\$ 2.17</u>	<u>\$ 2.50</u>	<u>\$ 2.88</u>
<u>Scheduled Irrigation</u>	<u>\$ 1.63</u>	<u>\$ 1.88</u>	<u>\$ 2.17</u>	<u>\$ 2.50</u>	<u>\$ 2.88</u>
<u>Construction</u>	<u>\$ 1.80</u>	<u>\$ 2.07</u>	<u>\$ 2.39</u>	<u>\$ 2.75</u>	<u>\$ 3.17</u>
<u>Non-Potable</u>	<u>\$ 1.24</u>	<u>\$ 1.43</u>	<u>\$ 1.65</u>	<u>\$ 1.90</u>	<u>\$ 2.19</u>
<u>Fire Service</u>	<u>\$ 1.80</u>	<u>\$ 2.07</u>	<u>\$ 2.39</u>	<u>\$ 2.75</u>	<u>\$ 3.17</u>

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Customer Class	Units* (ccf)	March 2020	January 2021	January 2022	January 2023	January 2024
Single Family						
Tier 1	16	\$ 0.66	\$ 0.71	\$ 0.76	\$ 0.82	\$ 0.88
Tier 2	34	\$ 0.81	\$ 0.87	\$ 0.94	\$ 1.01	\$ 1.09
Tier 3	34+	\$ 1.36	\$ 1.46	\$ 1.57	\$ 1.68	\$ 1.80
Multi-Family	Uniform	\$ 1.01	\$ 1.09	\$ 1.17	\$ 1.26	\$ 1.35
Commercial / Industrial	Uniform	\$ 0.95	\$ 1.02	\$ 1.10	\$ 1.18	\$ 1.27
Fire Service	Uniform	\$ 1.17	\$ 1.26	\$ 1.35	\$ 1.45	\$ 1.56
Landscape Irrigation	Uniform	\$ 1.06	\$ 1.14	\$ 1.22	\$ 1.31	\$ 1.41
Schedule Irrigation	Uniform	\$ 1.06	\$ 1.14	\$ 1.22	\$ 1.31	\$ 1.41
Construction	Uniform	\$ 1.17	\$ 1.26	\$ 1.35	\$ 1.45	\$ 1.56
Non-Potable	Uniform	\$ 0.72	\$ 1.02	\$ 1.04	\$ 1.06	\$ 1.07

*Units shown are based on bi-monthly billing cycle for single-family customer class

5-1.4 ~~ADJUSTMENT OF~~ PASS-THROUGH CHARGES

SCE POWER CHARGE: To account for fluctuations in District costs to provide water service, the consumption based pass-through service charge may be adjusted as necessary by the District by an amount equal to any incremental adjustments imposed on the District for the cost of energy purchased from Southern California Edison (SCE) upon 30 days' notice. This is the cost of electricity to pump and deliver water to the consumer. It includes all SCE power charges for operation of pumps and wells in the water system. Beaumont-Cherry Valley Water District strives to operate during SCE Time of Use (off-peak and mid-peak) in order to maintain lower rates for the consumer.

IMPORTED WATER CHARGE: The pass-through charges for imported water may be adjusted as necessary by the District by an amount equal to any adjustments for the cost of water purchased from the San Geronio Pass Water Agency (SGPWA) or other water supplier upon 30 days' notice. Adjustments shall not be made in an amount that exceeds the cost of that water.

<u>Pass-Through Charges (\$/ccf)</u>	<u>Effective June 1, 2025</u>	<u>January 1, 2026</u>	<u>January 1, 2027</u>	<u>January 1, 2028</u>	<u>January 1, 2029</u>
SCE Power Charges	\$ 0.56	\$ 0.60	\$ 0.64	\$ 0.68	\$ 0.72
SGPWA Importation Charges	\$ 0.81	\$ 0.86	\$ 0.92	\$ 0.98	\$ 1.04

5-1.5 DROUGHT SURCHARGES

In the event that the District activates its Water Shortage Contingency Plan (WSCP), water supply drought rates may be applied as approved by the Board of Directors. Customers will be notified in advance of the below surcharges. Drought rates are generally triggered by the declaration of a specific water shortage by the California Department of Water Resources, or alternatively by the District's Board of Directors.

The Surcharge Rate below is additive to the current Commodity Charge, per unit of water, at the date of adoption. The Surcharge Rate in effect is dependent on the drought stage declared.

	Stage 1	Stage 2	Stage 3	Stage 4
Reduction in Use	10%	20%	30%	40%
Surcharge	\$0.17 <u>\$0.17</u>	\$0.36	\$0.60	\$0.92

5-1.6 ESTIMATING WATER USAGE. Where a meter is damaged or is not operational, and the District is unable to read the meter, the water usage will be determined on the basis of past meter readings, or it will be estimated as described below:

1. An estimate of water delivered based on the prior use during the same season of the year for the property or upon a reasonable comparison with the use of other consumers receiving the same class of service during the same period and under similar circumstances and conditions; or
2. The average meter reading for the four (4) preceding months adjusted for seasonal variation, if prior year reads for the same season are available.

5-1.7 MINIMUM CLOSING BILL. The closing bill will be based upon charges applicable on the date service is discontinued. The service charge will be pro-rated within the billing period based on the final date of service, along with all consumption related charges.

5-2 CAPACITY CHARGES (FACILITIES FEES)

5-2.1 The Capacity Charge is the charge for the type and size of water service connection desired. Such regular charge shall be paid in advance by the applicant. Where

**Beaumont-Cherry Valley Water District
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there is no regular charge, the District reserves the right to require the applicant to deposit an amount equal to the estimated cost of such service connection.

5-2.2 Capacity Charges are due and payable upon execution of the mainline extension agreement.

5-2.3 Where fire flow exceeds the 1,000 gallons-per-minute (gpm) for a two-hour duration (120,000 gallons), the applicant will pay its pro-rata share for additional fire protection storage for the volumetric differential above 120,000 gallons at a rate of \$0.05 per gallon. Where a development proposes multiple buildings or structures, the building or structure with the greatest volumetric demand shall be considered the project standard.

5-2.4 Capacity Charges Schedules. Capacity Charges for the properties enumerated below are located in the Part 5 Appendix A – Water Service Charges, Deposits, and Miscellaneous Fees.

5-2.5.1 SINGLE FAMILY RESIDENTIAL. Includes detached residential dwelling units served by meters up to ~~42~~-inches.

5-2.5.2 MULTIPLE FAMILY RESIDENTIAL PROPERTY. The Capacity Charge is based on an equivalent dwelling unit (EDU) and includes apartments, duplexes, attached (multiple unit) townhouses, condominiums, mobile home parks, and other developments with multiple residential units served by one (1) meter and separate irrigation meters (where applicable) as designated by the District.

5-2.5.3 COMMERCIAL PROPERTY. Capacity Charges for commercial property shall be calculated on a case-by-case basis, comparing the projected water use of the commercial center, motel, and/or hotel to that of an equivalent dwelling unit (EDU) (580 gallons per day per EDU).

5-2.5.4 INDUSTRIAL PROPERTY. Capacity Charges for industrial facilities will be based on a case-by-case basis, comparing the projected water use by the industrial facility to that of an equivalent dwelling unit (EDU) (580 gallons per day per EDU).

5-2.5.5 INSTITUTIONAL PROPERTY. Capacity Charges for institutional facilities will be based on a case-by-case basis, comparing the projected water use by the institutional facility to that of an equivalent dwelling unit (EDU) (580 gallons per day per EDU).

5-3 WATER SERVICE INSTALLATION CHARGES (METER INSTALL)

The charges for the installation of a service connection at all locations are determined from time to time by the Board of Directors and a schedule of those charges is located in Part 5 Appendix A – Water Service Charges, Deposits, and Miscellaneous Fees.

5-3.1 Service installation charges for service connections with larger than 2" meters will be billed on a time and materials basis.

5-3.2 Service installation charges are lower in-tract, as water service connections (service laterals) will have previously been installed / established by the developer.

5-3.3 The non-tract charge is for physical installation of meter, meter box, service lateral, and appurtenances (including pavement repair) and is adjusted from time to time by the Board of Directors.

5-3.4 Encroachment Permit Fee (City of Beaumont). This encroachment permit fee reflects the average cost of the permit from the City of Beaumont, for streets that are not subject to the City's paving moratorium and is not assessed on service installation activities outside the City of Beaumont.

5-3.5 Encroachment Permit Fee (County of Riverside). This encroachment permit fee reflects the average cost of the permit from the County of Riverside and is not assessed on service installation activities outside the County of Riverside.

5-3.6 Encroachment Permit Fee (City of Calimesa). This encroachment permit fee reflects the average cost of the permit from the City of Calimesa and is not assessed on service installation activities outside the City of Calimesa.

5-3.7 Encroachment Permit Fee (City of Beaumont – Moratorium Streets). This encroachment permit fee reflects the average cost of the permit from the City of Beaumont for streets that are subject to the City's paving moratorium and is not assessed on service installation activities outside the City of Beaumont.

5-4 FRONT FOOTAGE FEES

5-4.1 Front Footage Fees / Reimbursement Agreement. Where a Reimbursement Agreement (or an agreement of like or similar kind) exists, the applicant shall pay the District the amount specified in the Reimbursement Agreement or as required in section 5-6.2 and the Part 5 Appendix A – Water Service Charges, Deposits, and Miscellaneous Fees.

5-4.2 Residential Service – No Reimbursement Agreement. Where there is no Reimbursement Agreement the applicant shall pay to the District the per linear foot amount located in the Part 5 Appendix A – Water Service Charges, Deposits, and Miscellaneous Fees for the pipeline crossing the frontage.

5-4.3 Commercial Service – No Reimbursement Agreement. Where there is no Reimbursement Agreement the applicant shall pay to the District the per linear foot amount located in the Part 5 Appendix A – Water Service Charges, Deposits, and Miscellaneous Fees for the pipeline crossing the frontage.

5-4.4 Front Footage Fees, Corner Lot. Where a corner lot requesting water is not subject to a Reimbursement Agreement, the fees will be equal to those set forth in the preceding subsection for all frontages.

5-5 CONSTRUCTION METER CHARGES AND DEPOSITS

Each applicant for a construction meter shall pay a deposit as set forth in Part 5 Appendix A – Water Service Charges, Deposits, and Miscellaneous Fees. When an applicant requires a meter that is larger than what the District supplies, the applicant shall provide said meter, with a backflow device, and certification as to the accuracy of the applicant-provided meter and provide the District with access to read said meter daily.

There will be a new account charge for construction meters. The charges and deposits for construction water meter service are located in the Part 5 Appendix A – Water Service Charges, Deposits, and Miscellaneous Fees.

Repairs to damaged District construction meters and backflow devices will be charged at prevailing time and material rates to repair the meter.

5-6 DEPOSITS: ENGINEERING PLAN REVIEW, SUPPORT, AND PROCESSING / INSPECTIONS

5-6.1 Calculation. Plan checking, engineering, and other engineering-related deposits shall be paid prior to commencement of work or initiation of service (where applicable) as shown in the Part 5 Appendix A – Water Service Charges, Deposits, and Miscellaneous Fees.

5-6.2 Payment of Deposit. The applicant shall deposit the estimated cost of the engineering and inspection services prior to commencement of work and/or as part of the Water Main Extension and Facilities Construction Agreement. When the engineering and/or inspection charges exceed 75 percent of the deposit, the applicant shall make additional deposits as required by the District Engineer prior to any additional engineering services and/or inspection.

5-6.3 Refund. The District will refund any excess funds following the dedication of the facilities from the developer to the District and the acceptance of the facilities by the District.

5-7 FIRE PROTECTION SERVICE

Deposits may be adjusted from time to time by the District Engineer.

5-7.1 Fire Hydrant Installation Deposit. A hydrant to be installed by the District will require a deposit for the work. Deposit amounts are listed in the Part 5 Appendix A – Water Service Charges, Deposits, and Miscellaneous Fees. Such deposits shall be paid in advance by the applicant.

5-7.2 Fire Service Installation. Should an applicant request a fire service installation, an estimate (materials, labor, administrative, and other costs) will be provided by District staff in accordance with the estimated deposits listed in the Part 5 Appendix A – Water Service Charges, Deposits, and Miscellaneous Fees.

5-7.3 Fire flow requirements for each project are determined by the Riverside County Fire Department, or Cal Fire.

5-7.3.1 Fire service connection shall be completed by the property owner or developer.

5-7.3.2 Should the property owner request the installation be performed by the District, District staff will perform a field inspection to determine site specific construction conditions and requirements and make a determination of the District's availability to perform the installation of the service.

5-7.3.3 All relevant work by the District pertaining to fire service installation shall be charged to the project owner on a time and material basis. Additional billing and/or credits will be issued following installation and acceptance of the installation by the Fire Department. Installation charges will be estimated by the District based on availability of District staff to complete the work.

5-8 CUSTOMER ACCOUNT-RELATED USER FEES

Refer to Part 5 Appendix A: Water Service Charges, Deposits, and Miscellaneous Fees for itemized amounts associated with all of the following:

5-8.1 Service Initiation Charge: There is no charge to turn on a service connection for which proper application has been made and approved if the turn-on can be made during Water Service Business Hours: between 8:00 a.m. and 5:00 p.m. Monday through Thursday. The charge for any authorized turn-on made outside of these hours will be the After Hours Call Out Charge as described in 5-8.3.

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5-8.2 Service Reconnect Charge (After Water Service Business Hours SB 998).

This charge covers the reasonable District costs for disconnection and reconnection during all times outside of Water Service Business Hours, of service connections which are in violation of the provisions contained herein. In accordance with SB 998, the maximum charge is \$100 per occurrence.

5-8.3 Service Reconnect Charge (After Water Service Business Hours Call Out).

This charge covers the reasonable District costs for service evaluation during all times outside of Water Service Business Hours.

5-8.4 Credit Card Processing Fees. Fees that are based on charges the District is assessed by banks to process card payments. The fee for cards used to make water utility billing payments is different from that for cards used to make all other types of payments.

5-8.5 Credit Check Fees. Fees that are based on the costs incurred to investigate a customer's creditworthiness, including labor, equipment, and services.

5-8.6 Meter Testing. Charges for outside contractor (third-party) or in-house testing of meters are found in Part 5 Appendix A – Water Service Charges, Deposits, and Miscellaneous Fees.

5-8.7 Backflow Prevention Devices

5-8.7.1 Administrative Charge. A charge shall be applied to each service connection with a backflow preventive device installed as indicated on the Part 5 Appendix A – Water Service Charges, Deposits, and Miscellaneous Fees. The charge is for the administrative portion of the program only. The owner of the backflow device is responsible for the maintenance and annual testing of the backflow preventive device as set forth in Part 11.

5-8.7.2 Installation Fee. Installation of new backflow prevention assemblies completed by the District will be billed to the customer at actual cost.

5-9 CUSTOMER ACCOUNT-RELATED DEPOSITS

5-9.1 Determination. Based on the results of the credit check, customers are charged a deposit pursuant to Rule 4-1.5.1.

5-10 CUSTOMER ACCOUNT-RELATED PENALTIES

Refer to Part 5 Appendix A: Water Service Charges, Deposits, and Miscellaneous Fees for itemized amounts associated with all of the following:

5-10.1 Late Charges. Rates and charges which are not paid on or before the due dates shall be subject to various late fee charges, including but not limited to a Second Notice Charge and a Third Notice Charge, if applicable.

5-10.2 Account Reinstatement Charge. The reinstatement charge is the charge which covers reasonable District when water service is subject to impending termination.

5-10.3 Lien Processing Fee. A fee is charged to recover the costs associated with recording a lien on an account, including but not limited to, staff time, notary services, filing of required documents with the County Recorder. and mileage to and from the County Recorder's office.

5-10.4 Return Payment Fee. A return payment fee is a charge which covers the reasonable administrative cost and banking charges for processing a returned payment.

5-11 ENGINEERING-RELATED PENALTIES

5-11.1 Water Theft Prevention – Illegal Jumper. This charge shall be charged to any person, organization, or agency for each unauthorized use of District water or for tampering in any manner with any meter belonging to the District where this tampering shall affect the accuracy of such meter. The unauthorized use of water charge is hereby established at the rate set forth in in Part 5 Appendix A – Water Service Charges, Deposits, and Miscellaneous Fees for a first occurrence and each subsequent occurrence. In severe cases, the water meter may be removed, and additional charges will be incurred. All damages will be charged to the property owner at current labor, time, and material rates.

5-11.2 Water Theft Prevention (Broken or Stolen Lock). This charge shall be charged to any person, organization, or agency for breaking, stealing, or otherwise tampering with the District's locking device on a meter and is based on the cost to replace a lock broken off or stolen from the meter.

5-12 MISCELLANEOUS CHANGES, UPGRADES, DOWNGRADES, AND ADDITIONAL UNITS

5-12.1 Scheduled Irrigation Meter Exchange. Where a property or lot has been previously served by a schedule irrigation meter, as defined in Part 13 of these Regulations, the property owner may exchange his or her 1" or 1 ½" or 2" Scheduled

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irrigation meter for a 1" domestic meter. The exchange shall occur without additional capacity charge requirements.

5-12.1.1 Installation and retirement costs: The applicant shall be responsible for water service installation charges per Section 5-3. Additionally, the applicant shall reimburse the District for labor and equipment costs associated with the retirement of the scheduled irrigation meter.

5-12.1.2 Additionally, applicant shall pay all costs for installation of 1" Domestic Meter and Service pursuant to Section 5-3: Water Service Installation Charge.

5-12.2 Downgrades. Where a meter is exchanged for a smaller meter, while still meeting State and/or Fire requirements, no capacity charge will be imposed, and no refund or credit will be made or given.

5-12.3 Addition of Dwelling / Commercial Units. Where additional dwelling or commercial units are created by the addition to or division or remodeling of any existing, free standing single family or multiple family residential structure or any existing, free standing commercial or multiple commercial structure, a capacity charge or pro rata share thereof shall be imposed on each such unit as per the schedules set forth above and in the Part 5 Appendix A – Water Service Charges, Deposits, and Miscellaneous Fees as appropriate.

5-12.4 Multiple Family Residential Rate. The multiple family residential rate shall apply to the multiple dwelling units in each free standing multiple residential structure on a property; each additional free standing multiple family residential structure on that same property will require a separate meter and a capacity charge will be imposed on each dwelling unit therein per subsection 5-2 above and as enumerated in the Part 5 Appendix A – Water Service Charges, Deposits, and Miscellaneous Fees.

5-12.5 Multiple Commercial Property Rate. The multiple commercial property rate shall apply to the commercial units in each free-standing commercial structure on a property; each additional free standing multiple commercial structure on that same property will require a separate meter, and a capacity charge will be imposed on each commercial unit therein per subsection 5-2 above and as enumerated in the Part 5 Appendix A – Water Service Charges, Deposits, and Miscellaneous Fees.

5-13 OTHER SERVICES

Whenever the District performs a service not specifically listed in these rules and regulations or covered by a charge or fee described herein, the person for whom the service is being performed shall pay a reasonable fee. A deposit toward the fee shall be established by the corresponding department and shall be paid prior to work being performed. The fee shall be calculated on a time and material basis.

5-14 RELOCATION

The consideration and charge for the relocation of facilities other than a meter or permanent service connection is determined by the Board of Directors.

5-15 DEPOSIT AND CHARGES FOR RECYCLING / RECLAMATION STUDY

The applicant for new commercial / industrial / institutional service shall make a deposit for an engineering study to determine the feasibility of onsite recycling / reclamation as determined by the General Manager. If the actual cost of such study as performed is more or less than said deposit, the applicant shall pay the difference upon receipt of an invoice therefore by the District or shall be given a credit against other charges, as appropriate.

5-16 PAYMENT

Any deposits, fees, or charges, as may be required, shall be paid prior to the District issuing a financial arrangements letter to any public or private agency, State of California, or prior to the District providing service, whichever comes first.

Attachment 7 to be superseded

RESOLUTION 2020-04

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE BEAUMONT-CHERRY VALLEY WATER DISTRICT AMENDING PART 5 OF THE DISTRICT'S RULES AND REGULATIONS GOVERNING WATER SERVICE RATES, FEES AND CHARGES AND ESTABLISHING A NEW WATER RATE STRUCTURE AND WATER RATES AND CONSUMPTION CHARGES EFFECTIVE MARCH 1, 2020 AND RESCINDING RESOLUTION 2010-09

WHEREAS, the Beaumont-Cherry Valley Water District (District) is authorized, pursuant to California Water Code 31007, to fix, prescribe, revise and collect fees and charges so as to yield an amount sufficient to pay the operating expenses of the District, provide for repairs and depreciation of works owned and / or operated by the District, pay the interest on any bonded debt, and provide a fund for payment of the principal of the bonded debt as it becomes due; and

WHEREAS, on February 27, 2020 the Board of Directors of the Beaumont-Cherry Valley Water District held a public hearing for the purpose of considering the adoption of increased rates, fees and charges; and

WHEREAS, the Board of Directors has carefully reviewed the 2019 Water Financial Plan and Utility Rate Study prepared and submitted by Raffelis Financial Consultants dated December 31, 2019 which is attached hereto marked Exhibit "A"; and

WHEREAS, the Board of Directors of the Beaumont-Cherry Valley Water District has carefully reviewed and considered the proposed rate increases as set forth in the proposed amendments to the Beaumont-Cherry Valley Water District's Rules and Regulations Part 5, which are set forth in the attachment hereto marked Exhibit "B"; and

WHEREAS, the Board of Directors and staff of the Beaumont-Cherry Valley Water District have determined that written protests submitted do not constitute a majority of affected Customers and Property Owners within the District per California Proposition 218,

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of the Beaumont-Cherry Valley Water District that:

1. The Board of Directors finds and determines that the water rate changes and increases are necessary in order for the District to continue providing water services; to remain financially solvent and in compliance with State law. The Board further finds and determines that the water rate changes and increases are in the best interest of the District and its customers and inhabitants, and complies with current laws, including but not limited to, Water Code Section 31007 and Proposition 218.
2. The recommendations set forth in the 2019 Water Financial Plan and Utility Rate Study prepared and submitted by Raffelis Financial Consultants dated December 31, 2019 which is attached hereto and marked as Exhibit "A" and made a part of this Resolution are hereby accepted, approved and adopted by the Board of Directors; and
3. Beaumont-Cherry Valley Water District's Rules and Regulations Part 5 as set forth in Exhibit "B" which is attached hereto and made a part of this Resolution and the rates, fees and charges set forth therein are hereby adopted effective March 1, 2020; and
4. Resolution 2010-09 is rescinded in its entirety as of 11:59 p.m. on February 29, 2020.

ADOPTED this 27th day of February, 2020 by the following roll call vote:

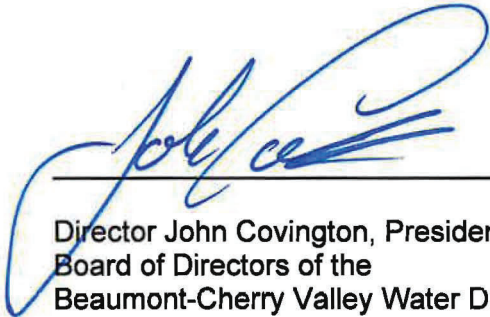
AYES: Covington, Hoffman, Slawson, Williams

NOES:


ABSTAIN: Ramirez

ABSENT:

ATTEST:

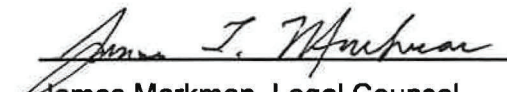


Director John Covington, President of the
Board of Directors of the
Beaumont-Cherry Valley Water District



Director Lona Williams, Secretary to the
Board of Directors of the
Beaumont-Cherry Valley Water District

APPROVED AS TO FORM:



James Markman, Legal Counsel
To the Beaumont-Cherry Valley Water District

Attachments:

Exhibit A – Raftelis Financial Consultants 2019 Water Financial Plan and Utility Rate Study

Exhibit B – Amended BCVWD Rules and Regulations, Part 5

Exhibit A

BEAUMONT-CHERRY VALLEY WATER DISTRICT

Water Financial Plan and Utility Rate Study

Final Report / December 31, 2019





NOTICE of PUBLIC HEARING

Thursday, April 24, 2025 | 6 p.m.

Beaumont-Cherry Valley Water District, 560 Magnolia Avenue, Beaumont, CA 92223

Si gustaría obtener esta información en español, por favor visite www.bcvwd.gov

Concerning proposed changes to water rates and service charges

NOTICE IS HEREBY GIVEN that the Beaumont-Cherry Valley Water District (BCVWD) is considering a water rate and service charge increase. You are receiving this Notice because our records indicate that you are a water customer and/or owner of a property within the Beaumont-Cherry Valley Water District. This Notice describes the proposed increase and explains how you can participate in the rate-setting process.

If adopted, the increased rates will become effective on all rates and charges on any bill where the billing period ends after May 1st 2025, and annually thereafter on January 1, for a period of five years effective 2025-2029.

The public hearing will be conducted per California Constitution Article XIII D, Section 6 (also known as "Proposition 218"). This notice is being sent to all owners and customers of record whose parcels receive water service from Beaumont-Cherry Valley Water District, who would be subject to the proposed rates and charges.

The term "Property Owner", and/or "Customer", as used in this Notice, includes any affected person or entity that has a right to lawful possession and/or occupancy of property and who is responsible for payment of water service charges.

At the date, time, and location specified above, the Board of Directors will conduct a Public Hearing to consider proposed increases to water rates and service charges. The proposed adjustments will be applicable to all parcels that receive water service from BCVWD. The Public Hearing will be for hearing public testimony and receiving written protests on the proposed rate increase. Only one protest per parcel is permitted. The Board may continue the hearing without further written notice.

Please refer to the "How Can I Participate?" section of this document for instructions on submitting a formal written protest against the proposed action. You may also appear at the public hearing at the date and time specified above.





BCVWD At-A-Glance

.....

BCVWD ensures the long-term health and sustainability of water sources, plans for future growth and maintains assets such as pipes and pumps.



Service Population **65,000**



Service Area **28 square miles**



Pipelines, Pressure Zones, Wells and Reservoirs

BCVWD serves its rate payers from **24 wells** and **14 reservoirs** through a multitude of pipelines ranging from **4 to 24 inches** in diameter located within **11 pressure zones**



Sources Of Supply

- » State Water Project
- » Local Sources such as the Little San Geronio Creek (Edgar Canyon)
- » Expanding to add recycled water (partnering with City of Beaumont)



Active Service Connections **22,156**



BCVWD has increased water storage capacity from **7 million to 25 million gallons**

Why am I receiving this notice?

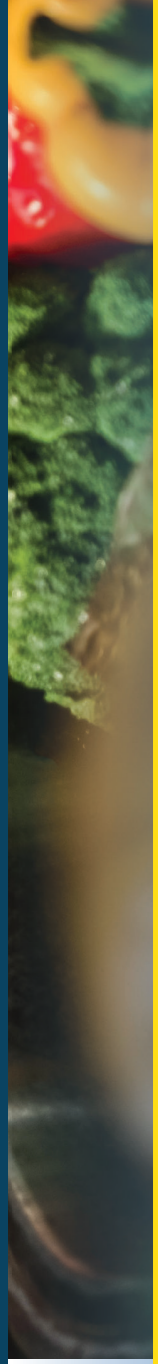
BCVWD is proposing a 5-year rate adjustment sufficient to pay for the increased cost of imported water and electricity, water supply and delivery system improvements, and to maintain appropriate debt service coverage levels necessary for anticipated bonds and credit standing, fairly and equitably allocated across all Property Owners and/or Customers.

BCVWD's most recent 5-year rate increase plan was implemented in 2020, making BCVWD due for another rate and fee analysis. A new analysis was conducted by an independent financial expert over the last 11 months (since April 2024). Upon request, a copy of the Beaumont-Cherry Valley Water District 2024 Water Rate Study may be obtained at the BCVWD District Office located at **560 Magnolia Avenue, Beaumont, CA 92223** or by visiting BCVWD's website at **bcvwd.gov**



What would change?

The proposed rate changes would increase the fixed bi-monthly service charge and volumetric commodity rates. Information detailing the increases can be found in the BCVWD Notice of Public Hearing or online at **bcvwd.gov**.



Why are rate increases necessary?

As a result of a detailed budget analysis, the Beaumont-Cherry Valley Water District 2024 Water Rate Study revealed the need for new rates based on the following factors:



District system repairs and upgrades such as well replacements, booster pump stations, and pipeline replacements



Rising electricity and operations costs



Increase in materials and maintenance costs



Should the actual cost of many of these components (excluding the pass-through charges) be less than their projected cost over the five years, the excess revenues will be allocated to the Capital Replacement Reserves for projects as shown in the BCVWD Capital Improvement Plan.

BCVWD is dedicated to providing safe and reliable water services in a cost-effective manner, while protecting water resources and the public's health. The proposed changes would ensure sufficient funds for the ongoing operation, repairs and maintenance of BCVWD's facilities, and an adequate long-term water supply for the region.

Key System Repairs and Upgrades

BCVWD has been fulfilling its 10-Year Capital Improvement Plan (CIP) since it was adopted by the Board of Directors in 2017. This plan includes constructing new District facilities, enhancing existing infrastructure, and ensuring long-term water resilience for the Beaumont-Cherry Valley region.

Some ongoing projects that will continue into 2025 include bolstering the District's emergency preparedness, drilling new wells, constructing and enhancing booster pump stations, replacing aging pipelines, and replacing outdated technology for monitoring system devices.

While many of these repairs and upgrades are costly, they are essential to allow the District to continue delivering high-quality water to its customers year-round. BCVWD's routine infrastructure maintenance and improvements ensure that there are no service interruptions, especially during possible emergencies, including wildfires.



Did you know?

According to state law, BCVWD cannot charge more than the actual cost of providing water service. As a not-for-profit government agency, BCVWD is not legally allowed to make a profit.

Proposed New Water Rates

Understanding your water bill

Your water bill is calculated based on a rate structure that includes a fixed bi-monthly service charge based on the size of the customer's meter and a volumetric commodity charge based on the amount of water used by the customer.

The bi-monthly service charge on your bill is used to pay for the costs of services that don't fluctuate, like pipe and system maintenance, capital projects, distribution, meters, and service.

Your bill also contains pass-through charges for the cost of imported water and the cost of energy to pump water. BCVWD bills most accounts on a bi-monthly basis. This means each bill customers receive includes charges for two months of service.



The **volumetric charge** is used to pay for the amount of water each customer actually uses.



For **single-family customers**, there are three tiers of use within the volumetric charge and the cost of water increases based on how much you consume.



The **pass-through charges** reflect the true cost of imported water and the energy it takes to provide water to your home or business.

Bi-Monthly Meter Service Charge

These are the fixed rates charged on each bi-monthly bill based on meter size

Meter Size	Current Charge	Proposed 2025	Proposed 2026	Proposed 2027	Proposed 2028	Proposed 2029
5/8"	\$29.63	\$34.08	\$39.20	\$45.08	\$51.85	\$59.63
3/4"	\$40.83	\$46.96	\$54.01	\$62.12	\$71.44	\$82.16
1"	\$63.25	\$72.74	\$83.66	\$96.21	\$110.65	\$127.25
1 1/2"	\$119.32	\$137.22	\$157.81	\$181.49	\$208.72	\$240.03
2"	\$186.59	\$214.58	\$246.77	\$283.79	\$326.36	\$375.32
3"	\$399.61	\$459.56	\$528.50	\$607.78	\$698.95	\$803.80
4"	\$713.55	\$820.59	\$943.68	\$1,085.24	\$1,248.03	\$1,435.24
6"	\$1,464.75	\$1,684.47	\$1,937.15	\$2,227.73	\$2,561.89	\$2,946.18
8"	\$3,146.54	\$3,618.53	\$4,161.31	\$4,785.51	\$5,503.34	\$6,328.85
10"	\$4,716.20	\$5,423.63	\$6,237.18	\$7,172.76	\$8,248.68	\$9,485.99
12"	\$5,949.50	\$6,841.93	\$7,868.22	\$9,048.46	\$10,405.73	\$11,966.59

Pass-Thru Surcharges

SGPWA Importation Charges	\$0.72	\$0.81	\$0.86	\$0.92	\$0.98	\$1.04
SCE Power Charges	\$0.42	\$0.56	\$0.60	\$0.64	\$0.68	\$0.72



Proposed New Water Rates

Proposed Potable and Non-Potable Commodity Rates

(\$ per ccf – hundred cubic feet, or 748 gallons)

These are the rates for water consumption based on tiers of use. The current and proposed rate structure for the Potable Commodity Rate for Single-Family Residential Customers has three tiers which impose higher rates as the level of consumption increases. The tiers are designed to recover the incremental costs to BCVWD of serving more water to those who place higher demands and greater burdens on BCVWD's water system and resources.

Due to the varying consumption needs among all other customers, the Potable and Non-Potable Commodity Rate is a uniform rate per ccf of water delivered during a billing period.

Bi-Monthly Private Fire Service Charges (based on meter size)

Fire Meter Size	Current Charge	Proposed 2025	Proposed 2026	Proposed 2027	Proposed 2028	Proposed 2029
4"	\$58.02	\$66.73	\$76.74	\$88.26	\$101.50	\$116.73
6"	\$154.84	\$178.07	\$204.79	\$235.51	\$270.84	\$311.47
8"	\$321.84	\$370.12	\$425.64	\$489.49	\$562.92	\$647.36
10"	\$573.06	\$659.02	\$757.88	\$871.57	\$1,002.31	\$1,152.66
12"	\$921.22	\$1,059.41	\$1,218.33	\$1,401.08	\$1,611.25	\$1,852.94



Quantitative Use Charge (\$/hcf)

Customer Class	Tiers	Bi-Monthly Tiers & Rates (ccf)		Proposed Tiers	Proposed 2025	Proposed 2026	Proposed 2027	Proposed 2028	Proposed 2029
		Current Tiers	Current Rates						
Single Family	Tier 1	0-16	\$0.88	0-16	\$1.02	\$1.18	\$1.36	\$1.57	\$1.81
	Tier 2	17-34	\$1.09	17-34	\$1.26	\$1.45	\$1.67	\$1.93	\$2.22
	Tier 3	35+	\$1.80	35+	\$2.07	\$2.39	\$2.75	\$3.17	\$3.65
Multi-Family	Uniform	Uniform	\$1.35	Uniform	\$1.56	\$1.80	\$2.07	\$2.39	\$2.75
Commercial / Industrial	Uniform	Uniform	\$1.27	Uniform	\$1.47	\$1.70	\$1.96	\$2.26	\$2.60
Landscape Irrigation	Uniform	Uniform	\$1.41	Uniform	\$1.63	\$1.88	\$2.17	\$2.50	\$2.88
Schedule Irrigation	Uniform	Uniform	\$1.41	Uniform	\$1.63	\$1.88	\$2.17	\$2.50	\$2.88
Construction	Uniform	Uniform	\$1.56	Uniform	\$1.80	\$2.07	\$2.39	\$2.75	\$3.17
Non-Potable	Uniform	Uniform	\$1.07	Uniform	\$1.24	\$1.43	\$1.65	\$1.90	\$2.19
Fire Service	Uniform	Uniform	\$1.56	Uniform	\$1.80	\$2.07	\$2.39	\$2.75	\$3.17

Adjustments to Pass-Through Charges

Provided that any such rates shall not increase by an amount that exceeds the cost of providing water service:

State Project Water (purchased through the SGPWA): BCVWD purchases a great deal of its water replenishment supply from the San Geronio Pass Water Agency (SGPWA). The pass-through charges for State Water Project water may be increased as necessary by BCVWD by an amount equal to any increases for the cost of water purchased from the SGPWA upon 30 days' notice.

SCE Power Charge: To account for energy increases in BCVWD costs in providing water service, the bi-monthly pass-through service charge may be increased as necessary by BCVWD by an amount equal to any incremental increase imposed on BCVWD for the cost of energy purchased from Southern California Edison upon 30 days' notice.



How will the new rates impact my bill?

If approved, a water bill for a typical single-family residence with a 5/8-inch meter using 30 units of water (22,440 gallons) during a bi-monthly billing period will increase by approximately \$15.97.

For an estimate of how this would impact you specifically, visit the BCVWD bill estimator tool online at www.bcvwd.gov. Customers can also call **951-845-9581** or email info@bcvwd.gov with questions.

Typical Bill Calculation (30 ccf Bi-monthly)		
Description	Existing Bill	Proposed 2025
Single-Family with 5/8" meter	\$93.17	\$109.14



How can I participate?

Written protests will be accepted in person or by regular mail at the BCVWD District Office, **560 Magnolia Avenue, Beaumont, CA 92223** during office hours of 8 a.m. to 5 p.m., Monday through Thursday. Emailed or faxed protests will NOT be accepted.

The content of the written protest should include:

1. **Printed name of protester**
2. **Clear indication that the document is a protest**
3. **Residence or business address or parcel number (APN) within the BCVWD's service area**
4. **Signature of protester**

Any Property Owner and/or Customer may appear at the Public Hearing and orally protest the proposed rate increases, or submit to BCVWD, at any time before the end of the Public Hearing, a written protest against the proposed rate increases. Oral protests will not qualify as a protest unless accompanied by a written protest, but the Board of Directors welcomes input from the community during the Public Hearing.

Any Property Owner and/or Customer may submit a protest. Only one protest per address/parcel will be accepted. Protests received prior to the Public Hearing will be opened and tallied. Copies of protests received prior to close of business on **Wednesday, April 9, 2025**, will be available at the Public Hearing. For further information or to withdraw a protest, contact the Executive Assistant at **951-845-9581**.

To be counted, any written protest must be received by BCVWD no later than the end of the Public Hearing. Protest tabulation will be finalized at the close of the Public Hearing on **Thursday, April 24, 2025**, or on a date specified by the Board of Directors following the Public Hearing.

Community Meeting

An informational Community Meeting will take place at **6 p.m. on Thursday, April 10**, at the BCVWD District Office, located at **560 Magnolia Avenue, Beaumont, CA 92223**.

Objections: Pursuant to Assembly Bill 2257, if BCVWD complies with the new requirements in Government Code section 53759.1, then any property owner or ratepayer desiring to bring a judicial action or proceeding to review, invalidate, challenge, set aside, rescind, void, or annul the water rates must submit an objection regarding the proposed water rates to the Board of Directors' attention prior to the deadline established by the Board. Any judicial action or proceeding shall be subject to the requirements set forth in Government Code section 53759.2.

If you wish to file an objection, please submit a letter addressed to Beaumont-Cherry Valley Water District Attn: Executive Assistant, 560 Magnolia Avenue, Beaumont, CA 92223.

Requirements for a Valid, Written Objection: (i) A clear statement that it is an objection to the proposed water rates. Objections must be filed separately from protests. (ii) The name of the record owner or customer of record and the assessor's parcel number or service address associated with the objector's parcel that is subject to the proposed water rate increase. (iii) The specific subsections of California Constitution Article XIII D, Section 6(b) or any other applicable law that the objector believes would be violated by the approval of the proposed water rates. (iv) A detailed explanation, with references to the Water Rate Study, legal authority, and any additional data or evidence that the objector chooses to present, that would enable BCVWD to understand the grounds for the objector's claim that the proposed rates do not comply with Proposition 218 or any other applicable law. An objection may also include expert analysis in support of the objection. However, if such analysis is included, the objector must also include the expert's contact information and a statement of their qualifications. (v) The objector's original signature.

To be valid, all written objections must include the information identified above and be received by the Executive Assistant by 5:00 p.m. on April 9, 2025. Failure to timely object in writing bars any right to challenge the proposed water rates through a legal proceeding and any such action may be limited to issues identified in the challenger's objection.

If any of the requirements for a valid, written objection are not met, then the objection will be deemed invalid and will not be considered by BCVWD. Objections must be submitted separately from protests and any written submission labeled as both a protest and an objection shall be deemed invalid. Before or during the Public Hearing, the Board of Directors shall consider and BCVWD shall respond in writing to, any timely, valid written objections. BCVWD's responses shall explain the substantive basis for retaining or altering the proposed water rates in response to written objections, and, if applicable, the grounds for not making any amendments in response to a valid, written objection.

In exercising its legislative discretion, the Board of Directors shall determine whether: a. The written objections and the BCVWD's response warrant clarification to the proposed water rates. b. To reduce the proposed water rates. c. To further review the proposed water rates before determining whether clarification or reduction is needed. d. To proceed with the protest hearing and consider adopting the rates, to continue it, or to abandon the proposal.



Beaumont-Cherry Valley Water District

560 Magnolia Avenue
Beaumont, CA 92223

Important Information About Your Rates and Service Charges

Hours of Operation and Contact

Monday – Thursday, 8 a.m. to 5 p.m. *(Closed on Fridays)*

Phone: 951-845-9581 **Email:** info@bcvwd.gov

Online: www.bcvwd.gov

Si gustaría obtener esta información en español, por favor visite
bcvwd.gov

This information will be made available in alternative formats upon request, as required by the Americans with Disabilities Act, by contacting the Administrative Assistant at **951-845-9581**. Requests for disability-related modifications or accommodations required to facilitate meeting participation, including requests for auxiliary aids, services or interpreters require different lead times, ranging from five business days to two weeks. Please provide as much advance notice as possible in order to assure availability.



Beaumont-Cherry Valley Water District

560 Magnolia Avenue · Beaumont, CA 92223 · (951) 845-9581 · <https://bcvwd.gov>
SUPPLEMENTAL NOTICE OF PUBLIC HEARING – Apr. 24, 2025 at 6 P.M.

February 21, 2025

SUPPLEMENTAL NOTICE

CONCERNING PROPOSED CHANGES TO WATER, FIRE and NON-POTABLE (RECYCLED) WATER RATES AND SERVICE CHARGES

Public Hearing: Thursday, April 24, 2025 at 6:00 p.m.

Beaumont-Cherry Valley Water District • 560 Magnolia Avenue, Beaumont, CA 92223

TO: Property Owner or Tenant:

In accordance with Assembly Bill 2257 (AB 2257) and Proposition 218, the Beaumont-Cherry Valley Water District (BCVWD) is considering adjustments to water service rates. This supplemental notice provides information about the proposed changes, your rights, and the procedures for submitting objections.

Proposed Rate Adjustments:

BCVWD proposes to adjust water service rates to ensure the continued delivery of reliable and high-quality water services. Detailed information regarding the proposed rates, including the basis for calculation and reasons for the adjustments, is available in the Public Hearing Notice on our website at <https://bcvwd.gov> and in the Cost of Service Study available at <https://bcvwd.gov/water-rate-study/>

Public Hearing Details:

A public hearing will be held to discuss and, possibly, adopt the proposed rate adjustments:

- **Date:** April 24, 2025
- **Time:** 6:00 PM
- **Location:** BCVWD Board Room, 560 Magnolia Avenue, Beaumont, CA 92223

The Board of Directors will conduct a Public Hearing to consider, and, possibly, adopt proposed increases to water rates and service charges. The proposed adjustments will be applicable to all parcels that receive water service from BCVWD. The Board may continue the hearing without further written notice.

Accessing the Rate Study:

The draft comprehensive rate study supporting the proposed adjustments is available for review on our website at <https://bcvwd.gov>. Physical copies will also be available for review at the BCVWD office during regular business hours: Monday – Thursday from 8 a.m. to 5 p.m.

Did you know?

According to state law, BCVWD cannot charge more than the actual cost of providing water service. As a not-for-profit government agency, BCVWD is not legally allowed to make a profit.



Beaumont-Cherry Valley Water District

560 Magnolia Avenue · Beaumont, CA 92223 · (951) 845-9581 · <https://bcvwd.gov>
SUPPLEMENTAL NOTICE OF PUBLIC HEARING – Apr. 24, 2025 at 6 P.M.

Submitting Written Challenges:

Property owners and tenants may submit written Proposition 218 challenges to the proposed rate adjustments. To be considered, objections must:

- 1. Be submitted in writing before 5 p.m. on April 9, 2025.**
- 2. Include your name, property address, and a clear statement of the grounds for your challenge to the proposed rate adjustments.**

Please mail or hand-deliver written challenges to:

Beaumont-Cherry Valley Water District

Attn: Executive Assistant

560 Magnolia Avenue

Beaumont, CA 92223

Faxed or emailed challenges will not be accepted.

Timely objections will be presented to the Board of Directors for consideration prior to or during the Public Hearing.

Important Note:

Failure to submit a written challenge before the April 9 deadline, or to submit a protest before the close of the public hearing may result in the forfeiture of your right to legally challenge the proposed rate adjustments.

Contact Information:

For questions or additional information, please contact the BCVWD office at (951) 845-9581 or visit our website at <https://bcvwd.gov>. We encourage your participation in this important process to ensure the continued provision of quality water services to our community.



**Beaumont-Cherry Valley Water District
Regular Board Meeting
April 24, 2025**

Item 3

STAFF REPORT

TO: Board of Directors

FROM: Dan Jagers, General Manager

SUBJECT: Acknowledge Receipt of the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association for BCVWD's 2023 Annual Comprehensive Financial Report

Staff Recommendation

Receive and file the Beaumont-Cherry Valley Water District's (District) receipt of the Certificate of Achievement for Excellence in Financial Reporting (Certificate) from the Government Finance Officers Association of the United States and Canada (GFOA) for the 2023 Annual Comprehensive Financial Report.

Executive Summary

The GFOA established the Certificate of Achievement for Excellence in Financial Reporting Program (Program) to encourage state and local governments to go beyond the minimum requirements of generally accepted accounting principles to prepare comprehensive annual financial reports that demonstrate transparency and full disclosure. The award recognizes agencies that meet these high standards, and this is the seventh consecutive year that BCVWD has received the honor. This was acknowledged by the Finance and Audit Committee at the regular meeting held on April 3, 2025 to be moved to the full Board.

Background

At the July 25, 2024 Regular Board meeting, the Board of Directors received and filed the independent auditors' unmodified (clean) opinion on the Beaumont-Cherry Valley Water District's (District) financial statements for the year ended December 31, 2023, included in the December 31, 2023 Annual Comprehensive Financial Report (ACFR), which is prepared by the Finance staff of BCVWD. The document was submitted to the GFOA for review and award consideration, and in March 2025, staff was informed that BCVWD had been awarded the Certificate of Achievement for Excellence in Financial Reporting.

The GFOA established the Certificate of Achievement for Excellence in Financial Reporting Program (Program) in 1945 to encourage and assist state and local governments to go beyond the minimum requirements of generally accepted accounting principles to prepare comprehensive annual financial reports that evidence the spirit of transparency and full disclosure and then to recognize individual governments that succeed in achieving that goal. The Certificate is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

Reports submitted to the Program are reviewed by selected members of the GFOA professional staff and the GFOA Special Review Committee, which is comprised of individuals with expertise in public sector financial reporting and includes financial statement preparers, independent auditors, academics, and other finance professionals.



The award represents the continued commitment to following best practices in financial reporting. Attainment of the Certificate of Achievement for Excellence in Financial Reporting represents a significant accomplishment by BCVWD and its management.

This is the seventh straight year that the District has received this distinction and, as a collaborative effort between all the departments and divisions, reflects the dedication and commitment to fiscal responsibility and transparency by District staff and the Finance and Audit Committee.

Fiscal Impact

No fiscal impact.

Attachments

1. Certificate of Achievement for Excellence in Financial Reporting for the Fiscal Year Ended December 31, 2023

Staff Report prepared by William Clayton, Finance Manager



**The Government Finance Officers Association of
the United States and Canada**

presents this

AWARD OF FINANCIAL REPORTING ACHIEVEMENT

to

Finance and Administration Department

Beaumont Cherry Valley Water District, California



The Award of Financial Reporting Achievement is presented by the Government Finance Officers Association to the department or individual designated as instrumental in the government unit achieving a Certificate of Achievement for Excellence in Financial Reporting. A Certificate of Achievement is presented to those government units whose annual financial reports are judged to adhere to program standards and represents the highest award in government financial reporting.

Executive Director

Christopher P. Morill

Date: 3/6/2025



**Beaumont-Cherry Valley Water District
Regular Board Meeting
April 24, 2025**

Item 4

STAFF REPORT

TO: Board of Directors

FROM: William Clayton, Finance Manager

SUBJECT: Amendment to the BCVWD Fiscal Year 2025 Operating Budget for 01-10-110-550012 Election Expenses

Staff Recommendation

Adopt Resolution 2025-__ authorizing a mid-year adjustment to the Fiscal Year 2025 Operating Budget for 01-10-110-550012 Election Expenses, in an amount not to exceed \$78,000.

Executive Summary

The District budgeted for 2024 election services using historical cost data and anticipated modest increases; however, the actual invoice was significantly higher than expected. The cost increase, driven primarily by a sharp rise in the County's per-voter rate, was not anticipated. Staff recommends a budget amendment to account for this unplanned expense in an amount not to exceed \$78,000. This was reviewed and approved by the Finance and Audit Committee at the regular meeting held on April 3, 2025.

Background

Under District policy, the General Manager may exercise discretion in administering the approved budget to respond to changed circumstances for any transaction under \$50,000. Any modification of more than \$50,000 shall require approval by the Board of Directors.

District staff has historically budgeted the cost of election services upon the prior election year expense plus or minus any anticipated or known rate increase from the Registrar. Because the invoices are not generated and sent until five to six months after the election, the expenses associated with said elections are budgeted in the year following the election(s).

On March 10, 2025 District staff received an invoice for 2024 General Election Services from the Riverside County Registrar's Office (Registrar) totaling \$142,412.00, \$77,412 (119 percent) higher than the \$65,000 budgeted to be paid in 2025 for said services. The invoice received lacked sufficient details for District staff to be able to garner an understanding of what services caused such a drastic increase in the expenses pertaining to the 2024 elections. District staff contacted the Registrar's office and received additional details underlying the cost calculations and was able to ascertain the basis for the discrepancy.

Analysis

District staff has prepared an analysis of historical expenses for 2024, 2022, 2020, 2016, and 2014 Board of Directors election years, set forth in Table 1, Historical Analysis of Election Expenses. The Board of Directors Divisions 1 and 2 were eligible for re-election in 2024, with Director Ramirez being re-elected as the Division 1 Director and Director Williams being appointed as Division 2 Director in lieu of election. District staff based the 2025 budget for election expenses on years with similar election outcomes. Table 1 identifies 2020 and 2016 as years with one Director being elected and one being appointed in lieu of election and based on the expenses for those years of \$57,809.50 and \$52,225.00, respectively, \$65,000 was deemed to be adequate



to cover expenses for the same type of outcome in 2024, even when factoring in a 5-10% increase due to inflation.

The calculation provided by the County of Riverside involves a per voter cost that is multiplied by the number of registered voters in the District's jurisdiction. As evidenced by Table 1, both the multiplier and number of registered voters have grown over time. Comparing the two similar election scenarios for 2020 and 2024, although there is a 19.7% increase in the number of registered voters, the biggest increase comes from the multiplier, which jumped from \$1.75 to \$3.60 (105.7%). The District did not anticipate such a large increase based on the historical averages.

Table 1 – Historical Analysis of Election Expenses

Election Year	Number of Seats	Cost	Registered Voters	Per Voter Multiplier	Comments
2024	2	\$142,412.40	39,559	\$3.60	Div 1 Div 2 (Off Ballot)
2022	3	\$3,632.90	N/A	N/A	Div 3 (Off Ballot) Div 4 (Off Ballot) Div 5 (Off Ballot)
2020	2	\$57,809.50	33,034	\$1.75	Div 1 Div 2 (Off Ballot)
2018	4	\$6,090.92	N/A	N/A	Div 2 (Off Ballot) Div 3 (Off Ballot) Div 4 (Off Ballot) Div 5 (Off Ballot)
2016	2	\$52,225.00	23,619	\$2.21	Div 1 Div 2 (Off Ballot)
2014	3	\$37,318.00	19,331	\$1.93	Div 3 (Off Ballot) Div 4 Div 5 (Off Ballot)

Fiscal Impact

The fiscal impact is \$78,000 to 01-10-110-550012 Election Expenses. The District is continuing its outreach to the County of Riverside in order to have a reasonable expectation of expenses for the 2027 budget, based on the 2026 election cycle.

Attachments

1. Resolution 2025-__: Authorizing an Amendment to the BCVWD Fiscal Year 2025 Operating Budget
2. Resolution 2024-22: A Resolution of the Board of Directors of the Beaumont-Cherry-Valley Water District Adopting the Fiscal Year 2025 Operating Budget and 2025-2029 Capital Improvement Budget for the Fiscal Year Ending December 31, 2025

Staff Report prepared by William Clayton, Finance Manager

RESOLUTION 2025-__

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
THE BEAUMONT-CHERRY VALLEY WATER DISTRICT
AUTHORIZING AN AMENDMENT TO THE FISCAL
YEAR 2025 OPERATING BUDGET**

WHEREAS, at its meeting on December 11, 2024, the Board of Directors of the Beaumont-Cherry Valley Water District approved Resolution 2024-22 Adopting the Fiscal Year 2025 Operating Budget and 2025-2029 Capital Improvement Budget for the Fiscal Year Ending December 31, 2025; and

WHEREAS, the Board of Directors has carefully reviewed the proposed amendment and finds it necessary and appropriate to balance and amend the 2025 approved District operating budget as designated below; and

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of the Beaumont-Cherry Valley Water District:

1. That \$78,000 is moved from the District's Capital Replacement Reserve to the Operating Budget for Elections Expenses, 01-10-110-550012
2. That the 2025 Fiscal Year Budget amendment described above in Item 1 is hereby incorporated into the adopted Fiscal Year 2025 budget as adopted on December 11, 2024 by Resolution 2024-22 of the Beaumont-Cherry Valley Water District.
3. The District's General Manager is authorized to take all necessary actions to implement the provisions of the amended FY 2025 Budget as adopted by this Resolution without further Board action.
4. The General Manager is directed to implement the intent of this Resolution as soon as reasonable following applicable procedures. The expenditure amounts designated as amended for FY 2025 are hereby appropriated and may be expended by the departments or funds for which they are designated.

ADOPTED this _____ day of _____, 2025 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

Director Daniel Slawson, President of the
Board of Directors of the
Beaumont-Cherry Valley Water District

Director Andy Ramirez, Secretary to the
Board of Directors of the
Beaumont-Cherry Valley Water District

RESOLUTION 2024-22

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
THE BEAUMONT-CHERRY VALLEY WATER DISTRICT
ADOPTING THE FISCAL YEAR 2025 OPERATING
BUDGET AND 2025-2029 CAPITAL IMPROVEMENT
BUDGET FOR THE FISCAL YEAR ENDING DECEMBER
31, 2025**

WHEREAS, the Board of Directors of the Beaumont-Cherry Valley Water District has reviewed the staff report, draft budget, and associated materials distributed for the December 11, 2024, Regular Meeting of the Board of Directors; and

WHEREAS, the Board of Directors has determined that it is necessary for the efficient management of the District that certain sums of revenue be appropriated to the activities as set forth in said budget,

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Beaumont-Cherry Valley Water District:

1. In all aspects, the recitals stated above are true and correct.
2. The Budget Staff Report and Presentation and all associated documents are incorporated herein by reference, approved, and adopted as findings.
3. The Board of Directors determines and adopts the proposed organizational structure outlined in the staff report, budget, and associated documents.
4. The Board of Directors hereby approves and adopts the Fiscal Year 2025 Operating Budget and 2025-2029 Capital Improvement Budget.
5. The District's General Manager is authorized to take all necessary actions to implement the provisions of the Fiscal Year 2025 Budget as adopted by this Resolution, including recruiting and appointing positions within the limits of said Budget and Plan without further Board action.
6. The General Manager is directed to implement the intent of this Resolution as soon as reasonable following applicable procedures. The expenditure amounts designated for Fiscal Year 2025 are hereby appropriated and may be expended by the departments or funds for which they are designated.

ADOPTED this 11th day of December, by the following vote:

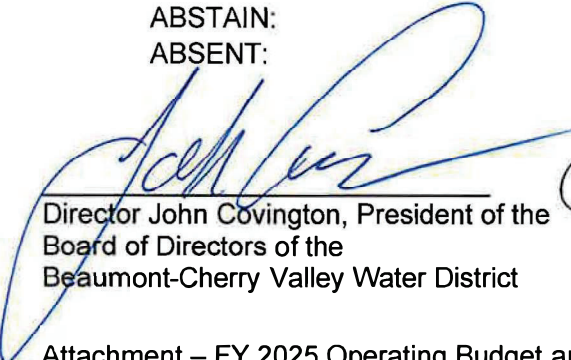
AYES: Covington, Slawson, Williams, Ramirez, Hoffman

NOES:

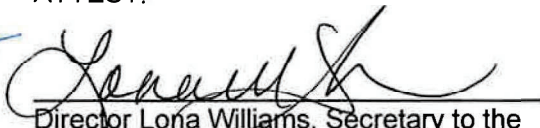
ABSTAIN:

ABSENT:

ATTEST:



Director John Covington, President of the
Board of Directors of the
Beaumont-Cherry Valley Water District



Director Lona Williams, Secretary to the
Board of Directors of the
Beaumont-Cherry Valley Water District

Attachment – FY 2025 Operating Budget and 2025-2029 Capital Improvement Budget