



Item No.

ACTION ITEM

April 12, 2023

TO: Board of Directors

FROM: **Administration & Finance Committee**
(Directors Dick, Thomas, Crane)

Harvey De La Torre
Interim General Manager

Staff Contact: Melissa Baum-Haley
Alex Heide

SUBJECT: **Proposed MWDOC Water Rate Resolution for Fiscal Year 2023-24**

STAFF RECOMMENDATION

It is recommended that the Board of Directors:

1. **increase** the MWDOC Retail Meter Charge from \$13.75 to \$14.25 per meter, and **increase** the Groundwater Customer Charge from \$368,501 to \$382,397 effective July 1, 2023; and
2. Adopt the Water Rate Resolution setting forth rates and charges to be effective July 1, 2023 and January 1, 2024 as identified in the Water Rate Resolution for Fiscal Year 2023-24.

COMMITTEE RECOMMENDATION

Committee recommends (To be determined at Committee Meeting)

REPORT

MWDOC adopts a water rate resolution annually to reflect water rates and charges required to collect revenue to support MWDOC’s annual budget and to recover the costs of providing imported water. Attachment A is the proposed MWDOC Water Rate Resolution for Fiscal Year 2023-24 with redline changes.

Below is a summary of the draft proposed Rates and Charges for FY 2023-24:

Budgeted (Y/N): NA	Budgeted amount: NA	Core <u>X</u>	Choice <u>_</u>
Action item amount: NA			
Fiscal Impact (explain if unbudgeted): Not applicable			

Proposed Rates & Charges	Proposed Rates July 1, 2023	Proposed Rates January 1, 2024
MWDOC Retail Meter Charge	\$13.75/meter	\$14.25/meter
MWDOC Groundwater Customer Charge*	\$368,501	\$382,397
System Access Rate	\$368	\$389
System Power Rate	\$166	\$182
MWDOC Melded Supply Rate	\$321	\$332
Treatment Surcharge	\$354	\$353
Treated Full Service Rate	\$1,209	\$1,256
Untreated Full Service Rate	\$855	\$903

[*] This is a fixed annual charge to OCWD

Of note, the proposed rates and charges starting on January 1, 2024 are subject to change based on MET Board approval of the Readiness-to-Serve Charge and Capacity Charge on April 11, 2023. Pending MET Board approval of these items, MWDOC's rates and charges will subsequently be updated to reflect the Metropolitan board action.

BOARD OPTIONS

Option #1

- **Increase** the MWDOC Retail Meter Charge from \$13.75 to \$14.25 per meter, and **increase** the Groundwater Customer Charge from \$368,501 to \$382,397 effective July 1, 2023; and
- Adopt the Water Rate Resolution setting forth rates and charges to be effective July 1, 2023 and January 1, 2024 as identified in the Water Rate Resolution for Fiscal Year 2023-24.

Fiscal Impact: Adopting the proposed rates and rate resolution will generate the projected revenue needed to meet the District's expenses for Fiscal Year 2023-24.

Business Analysis: Adopting the proposed rates and rate resolution will meet the budgetary schedule outlined by the Board and aid member agencies' adoption of their budget for this fiscal year.

Option #2

- Not adopt the proposed Water Rates and Water Rate Resolution at this time, and present revisions to the Board in either May or June of 2023.

Fiscal Impact: The fiscal impacts of any revisions to the rates or rate resolution will need to be evaluated.

Business Analysis: By not adopting the proposed rates and rate resolution will delay the budgetary process outlined by the Board, and may cause delays in the member agency's adoption of their budget this fiscal year.

Staff Recommendation

Option #1

Attachment A – Proposed MWDOC Water Rate Resolution for Fiscal Year 2023-24 (Redline)

Attachment B – Proposed MWDOC Water Rate Resolution for Fiscal Year 2023-24 (clean version with Exhibits)

RESOLUTION NO.
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
ESTABLISHING WATER RATES

WHEREAS, pursuant to Water Code sections 71610, 71614 and 71616, the Municipal Water District of Orange County (MWDOC) is authorized to establish water rates and charges for water which will result in revenues sufficient to meet the operating expenses of the District to provide for repairs and depreciation of works, provide a reasonable surplus for improvements, extensions and enlargements, and cover principal and interest payments and costs associated with bonded debt; and,

WHEREAS, the District currently imports water from the Metropolitan Water District of Southern California (Metropolitan). Metropolitan adopted rates for water service consisting of a two-tiered water supply rate, and separate unbundled rates for system access, system power, water treatment, and fixed charges for the Capacity Charge and Readiness-to-Serve, which are imposed on MWDOC as a condition of receiving water deliveries from Metropolitan; and,

WHEREAS, pursuant to Section 1117 of the MWDOC Administrative Code, the MWDOC Board of Directors adopted Ordinance No. 55 establishing classes of water service, and terms and conditions of such service, and intends to adopt this Resolution fixing the rates and charges for said classes of water service (including Choice services in Section 6); and,

WHEREAS, the Board of Directors has reviewed the cost of water, including its current water supply costs and other charges imposed on MWDOC by Metropolitan, and with respect to the projected MWDOC operating expenses and financial needs, and has determined that it is necessary and appropriate to establish new rates and charges for water service and

programs provided by MWDOC; and,

WHEREAS, the Board of Directors has reviewed the water supply, water demand and replenishment conditions in the Orange County Water District (OCWD) Basin and the impact these conditions will have on MWDOC's imported water purchases from Metropolitan; and,

WHEREAS, MWDOC's Administration and Finance Committee and Board reviewed the issue of tiered or melded water rates for Tier-1 and Tier-2 purchases from Metropolitan in November 2004, and retained the establishment of a melded rate, with a provision for further review should the OCWD's basin pumping percentage fall below 60% in the future; and,

WHEREAS, Metropolitan continues to levy its Standby Charge within the MWDOC service area, which will be credited against Metropolitan's Readiness-to-Serve Charge and will provide an equivalent offset on the Metropolitan charges imposed on MWDOC; and,

WHEREAS, Metropolitan assesses a Capacity Charge to MWDOC based on MWDOC's highest cumulative peak day delivery rate in cubic feet per second (CFS) between May 1 and September 30 in the three preceding calendar years, ending on the year prior to the year of the charge being imposed; and,

WHEREAS, MWDOC engaged Raftelis Financial Consultants, Inc. to prepare a cost of service allocation and rate study (Rate Study) for MWDOC's rates and charges in 2016 and 2021; and,

WHEREAS, the 2021 Core Service Allocation Study affirmed MWDOC's Retail Meter Charge, and modified the Groundwater Customer Charge effective with the fiscal year 2021-22 rates and charges; and,

WHEREAS, beginning with the budget year commencing July 1, 2011 through June 30, 2012, the MWDOC Board approved changing the format of the budget and how certain "Choice" services are to be funded by those MWDOC member agencies and the cities of

Anaheim, Fullerton and Santa Ana (3 Cities) electing to receive such services; and,

WHEREAS, the MWDOC Board has approved the “Choice” services, the associated budgets, and the methods for allocating such costs to the member agencies and 3 Cities, and has directed staff to bill for those costs pursuant to Section 10 of this Resolution as part of MWDOC’s water rates and charges; and,

WHEREAS, there is a need to charge for costs associated with the transfer or wheeling of water into the MWDOC service area by any member agency as is provided for in this Resolution.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Municipal Water District of Orange County that, subject to the terms and conditions set forth herein, the rates and charges for the classes of water service provided by MWDOC to MWDOC’s member agencies shall be as follows:

SECTION 1. RATES FOR CLASSES OF WATER SERVICE.

The rates per acre-foot of water sold or delivered by MWDOC to its member agencies shall be as follows:

- (a) For Full Service, including water delivered for domestic, municipal, and agricultural purposes, including seawater barrier and groundwater replenishment.

Rate Component	July 1 through December 31, 2022 2023	<u>Beginning</u> <u>January 1, 2024</u>
Untreated Full Service	\$799.00 <u>\$855.00</u>	<u>\$903.00</u>
Treated Full Service	\$1,143.00 <u>\$1,209.00</u>	<u>\$1,256.00</u>
Unbundled Rate By Component:		
System Access Rate	\$389.00 <u>\$368.00</u>	<u>\$389.00</u>
System Power Rate	\$167.00 <u>\$166.00</u>	<u>\$182.00</u>
MWDOC Melded Supply Rate	\$243.00 <u>\$321.00</u>	<u>\$332.00</u>
Subtotal Untreated Full Service:	\$799.00 <u>\$855.00</u>	<u>\$903.00</u>
Treatment Surcharge	\$344.00 <u>\$354.00</u>	<u>\$353.00</u>
Total Treated Full Service:	\$1,143.00 <u>\$1,209.00</u>	<u>\$1,256.00</u>

* In November of 2021 the Metropolitan Board directed staff to recover demand management costs via the supply rate,

(b) MWDOC Drought Allocation Surcharge

Rates for a Drought Allocation Surcharge are established by Board action in accordance with the MWDOC Water Supply Allocation Plan (WSAP), as required.

(c) MWDOC Melded Supply Rate

The MWDOC Melded Supply Rate is established by Board action to recover Metropolitan's Tier 1 supply rate plus any additional water costs, fees, charges, and rates that benefit the District's service area, such as funding the MWDOC

Tier 2 Contingency Fund. At this time, the MWDOC Merged Supply Rate is equal to Metropolitan's Tier 1 Supply Rate.

SECTION 2. MWDOC READINESS-TO-SERVE CHARGE.

(a) Amount Due to Metropolitan from MWDOC

Metropolitan has notified MWDOC that for fiscal year 202~~32~~-2~~43~~ Metropolitan estimates that the amount of Metropolitan's Readiness-to-Serve (RTS) Charge applicable to MWDOC, which exceeds the standby charges collected in MWDOC's service area (Net RTS) is ~~\$14,526,146~~~~\$13,154,577~~. The Net RTS Charge will be allocated among the MWDOC member agencies, as provided herein and invoiced as a fixed charge to each MWDOC member agency. Metropolitan will bill MWDOC for the Net RTS Charge on a monthly installment basis. The MWDOC Net RTS Charge will be invoiced to each MWDOC member agencies on a monthly basis.

(b) Apportionment of Net Metropolitan RTS Charge to MWDOC's Member Agencies

The MWDOC method of apportioning the Net RTS Charge to the MWDOC member agencies uses the most recently completed four-year rolling average of fiscal year full service purchases of water ending one year prior to the year of the charge being imposed (i.e., for fiscal year 202~~32~~-2~~43~~ charges, the four-year average shall be based on fiscal years 201~~87~~-1~~98~~ through 202~~19~~-2~~24~~). The Net RTS Charge to MWDOC shall be apportioned to the MWDOC member agencies based on the four-year average of full service sales, which would include all cyclic, wheeled and transferred water.

(c) Fiscal Year 202~~32~~-2~~43~~ MWDOC RTS Charge

For fiscal year 202~~32~~-2~~43~~, MWDOC will charge the MWDOC member agencies total Net RTS Charges of ~~\$14,526,146~~~~\$13,154,577~~. The amount of the Net RTS Charge to be

apportioned to each of the MWDOC member agencies is set forth in **Exhibit A**, attached hereto and by this reference incorporated herein made an operative part hereof.

(d) Adjustment of RTS Charge

Metropolitan determines its Net RTS Charge to each member agency based on the estimated revenue derived from the Metropolitan Standby Charge within each member agency (less delinquencies and administrative costs). The projected Net Standby Charge revenue for MWDOC in fiscal year 202~~32~~-2~~43~~ is set forth in **Exhibit A**. Once the actual Net Standby Charge revenue is known, Metropolitan may adjust the amount of the Net RTS Charge for the prior year through an additional charge or credit. Any adjustment necessary to reconcile the estimated Net RTS Charge with the actual Net RTS Charge will be charged or credited to each MWDOC member agency in the next regularly scheduled water billing following the preparation of the reconciliation report by Metropolitan.

SECTION 3. MWDOC CAPACITY CHARGE

(a) Amount due to Metropolitan from MWDOC

Metropolitan has notified MWDOC that for calendar year 202~~43~~, the amount of the Metropolitan Capacity Charge to be imposed on MWDOC will be ~~\$3,766,560~~~~\$3,409,560~~. The Metropolitan Capacity Charge will be allocated among the MWDOC member agencies as provided herein and invoiced as a fixed charge to each member agency. Metropolitan will bill MWDOC for the Capacity Charge on a monthly installment basis. The MWDOC Capacity Charge will be invoiced to the MWDOC member agencies on a monthly basis.

(b) Apportionment of Metropolitan's Capacity Charge to MWDOC's Member Agencies

The MWDOC method of apportioning the Capacity Charge to the MWDOC member agencies uses each member agency's highest peak day flow for delivery of full service water,

which includes wheeled and transferred water, during the period of May 1 through September 30 of each year for the three-year period ending one year prior to the year of the charge being imposed (i.e., for calendar year 202~~43~~ charges, the highest peak day flow shall be based on May 1 through September 30, 20~~2019~~, 20~~2120~~ and 20~~2224~~). The peak day flow for each MWDOC member agency is used to apportion the Capacity Charge based upon the ratio of each agency's highest peak day flow to the sum of all member agencies' highest peak day flows. The amount of the 202~~43~~ Capacity Charge apportioned to each member agency is set forth in **Exhibit B**, attached hereto and by this reference incorporated herein and made an operative part hereof.

SECTION 4. MWDOC'S RETAIL METER CHARGE.

The annual charge to be imposed by MWDOC on each member agency except for Orange County Water District (OCWD) for each retail water meter served by such MWDOC member agency which is in service as of January 1 of each year (MWDOC's Retail Meter Charge) shall be \$~~13.75~~14.25. MWDOC's Retail Meter Charge shall be collected in accordance with Section 10 of this Resolution. Annually, or at such time as determined to be necessary, MWDOC will request supporting documentation from each member agency to verify the number of retail meters within their service area, and such documentation shall be signed by a representative of the member agency. MWDOC is also authorized to conduct random on-site visits with the member agencies to verify the data on the number of retail meters.

SECTION 5. MWDOC GROUNDWATER CUSTOMER CHARGE

The annual charge to be imposed on OCWD for Core services provided by MWDOC

for fiscal year 202~~32~~-2~~43~~ shall be ~~\$368,501~~382,397. MWDOC's Groundwater Customer Charge to be imposed on OCWD shall be collected in accordance with Section 10 of this Resolution.

The Groundwater Customer Charge is calculated based on OCWD's proportionate share of all of MWDOC's cost centers of MWDOC's fiscal year 202~~32~~-2~~43~~ general fund core budget; excluding the WEROC cost center. OCWD's proportionate share is calculated as one twenty-sixth of all cost centers except for WEROC.

SECTION 6. CHOICE SERVICES TO THE MWDOC MEMBER AGENCIES 202~~32~~-2~~43~~

The Choice services to the member agencies shall be provided and charged for as follows for Fiscal Year 202~~32~~-2~~43~~. Each Choice service is voluntary and provided at the option of the member agency, and the costs for such Choice services are not "imposed" for purposes of article XIII C, section 1(e) of the California constitution:

- (a) Water Use Efficiency Program – The cost of MWDOC's Water Use Efficiency Program shall be allocated to those agencies electing to participate in the program. The costs shall be apportioned to the participants in proportion to the benefits received from Metropolitan and/or any other outside sources of funding in calendar year 202~~2~~4. There may be other costs allocated over and above these costs for participation in certain water use efficiency program efforts in various parts of Orange County that are separate from this basic program. Anything beyond the basic program will be implemented separately by agreement or memorandum of understanding with each participating agency. The costs to be charged shall reflect any carry-over or deficit funds from the preceding fiscal year.

- (b) The MWDOC Elementary School Program provides comprehensive water education for Orange County elementary school students in Grades K-6. Through this program, each participating agency may set a target number of students to reach in their service area. In grades K-2, the MWDOC Elementary School Program charges participating agencies per school assembly, at a cost based on the size of the school assembly. In grades 3-6, the MWDOC Elementary School Program charges each participating agency at a cost per student based on the actual number of students to which the program is provided.
- (c) The MWDOC Middle School Program provides comprehensive water education for Orange County middle school students in Grades 7-8. Through this program, each participating agency may set a target number of students to reach in their service area. The MWDOC Middle School Program charges each participating agency at a cost per student based on the actual number of students to which the program is provided.
- (d) The MWDOC High School Program provides comprehensive water education for Orange County high school students in Grades 9-12. Through this program, each participating agency may set a target number of high schools to reach in their service area. The MWDOC High School Program charges each participating agency at a cost per high school to which the program is provided.
- (e) Blank
- (f) The Water Loss Control Program provides a complement of technical assistance and shared service through consultants and in-house operations to retail agencies in Orange County. The costs for the program varies per agency

according to the level of professional and technical service selected by each participating agency. The costs to be charged shall reflect any carry-over or deficit funds from the preceding fiscal year.

The details on these Choice options and charges to each agency are included in Section 10 and are set forth in **Exhibit C**, attached hereto and by this reference incorporated herein and made an operative part hereof.

SECTION 7. RATES AND CHARGES FOR WHEELED, EXCHANGED OR TRANSFERRED

WATER

Unless otherwise specified by written agreement with MWDOC, MWDOC shall charge the member agencies for water wheeled, exchanged or transferred through exchanges with Metropolitan into the MWDOC service area in accordance with the provisions below.

Wheeled, exchanged or transferred water will also be assessed, unless otherwise specified by written agreement, at the then-applicable rates for wheeling services set by Metropolitan's Board of Directors from time to time pursuant to its Administrative Code for the use of Metropolitan's facilities to transport water not owned or controlled by Metropolitan to Metropolitan's member agencies. Metropolitan's rates for "wheeling service" are defined in the Metropolitan Administrative Code. Metropolitan's rate for wheeling service does not include power utilized for delivery, which the wheeling party must provide or pay directly at its own cost (if power can be scheduled by Metropolitan) or pay to Metropolitan at Metropolitan's actual (not system average) cost.

In addition to these charges, MWDOC shall assess the following charges related to costs, pursuant to applicable law:

- (a) A one-time administrative charge, based on actual time spent to account for the staff time and legal counsel required for preparation of an

agreement or agreements to establish the legal and administrative framework for water to be wheeled or transferred through exchanges with Metropolitan.

- (b) Unless otherwise specified by written agreement with MWDOC, an annual charge will be assessed, based on actual time spent in any year in which water is wheeled or transferred through exchanges with Metropolitan, to cover staff time to account for and bill for the water.
- (c) Other charges established by written agreement between MWDOC and a member agency that reflect additional costs of wheeling water.

SECTION 8. MWDOC WATER SUPPLY ALLOCATION PLAN (WSAP)

In the event that a regional water shortage is declared, the MWDOC Board can implement, adjust, or adopt an updated Water Supply Allocation Plan (Plan). This Plan, as adopted in 2009, updated in 2014 and 2016, and as amended from time to time, established procedures allowing MWDOC to assess an allocation surcharge to its member agencies in the event MWDOC is assessed an allocation surcharge under Metropolitan's own "Water Supply Allocation Plan." Under MWDOC's Plan, surcharges may be assessed according to a particular member agency's prorated share of its over usage relative to the MWDOC surcharge amount assessed by Metropolitan. However, the rates set forth in this Resolution do not include or otherwise account for potential surcharges that may be assessed by MWDOC under its Water Supply Allocation Plan, and nothing contained herein is intended to preclude MWDOC from charging such surcharges as authorized in the Water Supply Allocation Plan.

SECTION 9. EFFECTIVE DATE.

The rates set forth in this Resolution shall become effective as of July 1, 2023~~2~~ or thereafter as specified and shall remain in effect until changed by subsequent Resolution of the Board of Directors.

SECTION 10. BILLING AND PAYMENT.

Billing Schedule. MWDOC member agencies shall be billed for water delivered and for other charges as follows:

- (a) MWDOC's cost of acquisition of the water shall be billed in the month following delivery of the water;
- (b) MWDOC's Retail Meter Charge shall be billed once annually on or after July 1st of each year, for each retail water service meter within each member agency's service area;
- (c) the MWDOC Readiness-to-Serve Charge shall be billed in monthly installments on the water billing in accordance with **Exhibit A**, the MWDOC Capacity Charge shall be billed in monthly installments on the water billing in accordance with **Exhibit B**; and
- (d) the MWDOC Choice services shall be billed once annually on or after July 1st of each year or as otherwise during the fiscal year in accordance with **Exhibit C** and/or as may be adjusted during the fiscal year in discussions with and as agreed to by the Choice Program participants.
- (e) The fixed annual Groundwater Customer Charge to OCWD, as set forth in MWDOC's Water Rate Ordinance No. 55 and referred to in Section 5 hereof, shall be billed to OCWD annually at the beginning of the fiscal

year on July 1.

All such billings shall be due on receipt by the member agency and shall be delinquent if payment is not received by MWDOC by the 15th day of the month following the mailing of the billing or within 30 days of mailing of such billing, whichever date is later.

SECTION 11. EXEMPTION FROM CEQA.

The Board of Directors finds that the adoption of the rates and charges as set forth in this Resolution are exempt from the California Environmental Quality Act under Section 21080(b)(8) of the Public Resources Code in that the water rates established herein are for the purpose of meeting operating expenses of MWDOC, including employee wages and fringe benefits, purchasing or leasing of supplies, equipment and materials, meeting financial reserve needs and requirements and obtaining funds for capital projects necessary to maintain service within existing service areas.

SECTION 12. REASONABLE COST.

The Board of Directors finds that the water rates established herein are in accordance with the adopted fiscal year 202~~32~~-2~~43~~ budget, and that said rates do not exceed the reasonable cost of providing water service and other services and regulatory functions for which they are charged.

SECTION 13. SUPERSEDES PRIOR RESOLUTIONS.

All resolutions, ordinance or administrative actions by the Board or parts thereof that are inconsistent with any provision of this Resolution are hereby superseded only to the extent of such inconsistency.

SECTION 14. RATES SUBJECT TO ORDINANCE.

The rates for water service established herein are subject to Ordinance No. 55 as it

may be amended from time to time.

SECTION 15. **IMPLEMENTATION.**

The General Manager is directed to establish procedures to implement this Resolution.

BE IT FURTHER RESOLVED that a copy of this Resolution be sent to each of MWDOC's member agencies.

Said Resolution No. was adopted on April _____, 202~~32~~ by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

MARIBETH GOLDSBY, District Secretary

Municipal Water District of Orange County

RESOLUTION NO.
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
ESTABLISHING WATER RATES

WHEREAS, pursuant to Water Code sections 71610, 71614 and 71616, the Municipal Water District of Orange County (MWDOC) is authorized to establish water rates and charges for water which will result in revenues sufficient to meet the operating expenses of the District to provide for repairs and depreciation of works, provide a reasonable surplus for improvements, extensions and enlargements, and cover principal and interest payments and costs associated with bonded debt; and,

WHEREAS, the District currently imports water from the Metropolitan Water District of Southern California (Metropolitan). Metropolitan adopted rates for water service consisting of a two-tiered water supply rate, and separate unbundled rates for system access, system power, water treatment, and fixed charges for the Capacity Charge and Readiness-to-Serve, which are imposed on MWDOC as a condition of receiving water deliveries from Metropolitan; and,

WHEREAS, pursuant to Section 1117 of the MWDOC Administrative Code, the MWDOC Board of Directors adopted Ordinance No. 55 establishing classes of water service, and terms and conditions of such service, and intends to adopt this Resolution fixing the rates and charges for said classes of water service (including Choice services in Section 6); and,

WHEREAS, the Board of Directors has reviewed the cost of water, including its current water supply costs and other charges imposed on MWDOC by Metropolitan, and with respect to the projected MWDOC operating expenses and financial needs, and has determined that it is necessary and appropriate to establish new rates and charges for water service and

programs provided by MWDOC; and,

WHEREAS, the Board of Directors has reviewed the water supply, water demand and replenishment conditions in the Orange County Water District (OCWD) Basin and the impact these conditions will have on MWDOC's imported water purchases from Metropolitan; and,

WHEREAS, MWDOC's Administration and Finance Committee and Board reviewed the issue of tiered or melded water rates for Tier-1 and Tier-2 purchases from Metropolitan in November 2004, and retained the establishment of a melded rate, with a provision for further review should the OCWD's basin pumping percentage fall below 60% in the future; and,

WHEREAS, Metropolitan continues to levy its Standby Charge within the MWDOC service area, which will be credited against Metropolitan's Readiness-to-Serve Charge and will provide an equivalent offset on the Metropolitan charges imposed on MWDOC; and,

WHEREAS, Metropolitan assesses a Capacity Charge to MWDOC based on MWDOC's highest cumulative peak day delivery rate in cubic feet per second (CFS) between May 1 and September 30 in the three preceding calendar years, ending on the year prior to the year of the charge being imposed; and,

WHEREAS, MWDOC engaged Raftelis Financial Consultants, Inc. to prepare a cost of service allocation and rate study (Rate Study) for MWDOC's rates and charges in 2016 and 2021; and,

WHEREAS, the 2021 Core Service Allocation Study affirmed MWDOC's Retail Meter Charge, and modified the Groundwater Customer Charge effective with the fiscal year 2021-22 rates and charges; and,

WHEREAS, beginning with the budget year commencing July 1, 2011 through June 30, 2012, the MWDOC Board approved changing the format of the budget and how certain "Choice" services are to be funded by those MWDOC member agencies and the cities of

Anaheim, Fullerton and Santa Ana (3 Cities) electing to receive such services; and,

WHEREAS, the MWDOC Board has approved the “Choice” services, the associated budgets, and the methods for allocating such costs to the member agencies and 3 Cities, and has directed staff to bill for those costs pursuant to Section 10 of this Resolution as part of MWDOC’s water rates and charges; and,

WHEREAS, there is a need to charge for costs associated with the transfer or wheeling of water into the MWDOC service area by any member agency as is provided for in this Resolution.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Municipal Water District of Orange County that, subject to the terms and conditions set forth herein, the rates and charges for the classes of water service provided by MWDOC to MWDOC’s member agencies shall be as follows:

SECTION 1. RATES FOR CLASSES OF WATER SERVICE.

The rates per acre-foot of water sold or delivered by MWDOC to its member agencies shall be as follows:

- (a) For Full Service, including water delivered for domestic, municipal, and agricultural purposes, including seawater barrier and groundwater replenishment.

Rate Component	July 1 through December 31, 2023	Beginning January 1, 2024
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Treated Full Service	\$1,209.00	\$1,256.00
Unbundled Rate By Component:		
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Subtotal Untreated Full Service:	\$855.00	\$903.00
Treatment Surcharge	\$354.00	\$353.00
Total Treated Full Service:	\$1,209.00	\$1,256.00

* In November of 2021 the Metropolitan Board directed staff to recover demand management costs via the supply rate,

(b) MWDOC Drought Allocation Surcharge

Rates for a Drought Allocation Surcharge are established by Board action in accordance with the MWDOC Water Supply Allocation Plan (WSAP), as required.

(c) MWDOC Melded Supply Rate

The MWDOC Melded Supply Rate is established by Board action to recover Metropolitan's Tier 1 supply rate plus any additional water costs, fees, charges, and rates that benefit the District's service area, such as funding the MWDOC

Tier 2 Contingency Fund. At this time, the MWDOC Merged Supply Rate is equal to Metropolitan's Tier 1 Supply Rate.

SECTION 2. MWDOC READINESS-TO-SERVE CHARGE.

(a) Amount Due to Metropolitan from MWDOC

Metropolitan has notified MWDOC that for fiscal year 2023-24 Metropolitan estimates that the amount of Metropolitan's Readiness-to-Serve (RTS) Charge applicable to MWDOC, which exceeds the standby charges collected in MWDOC's service area (Net RTS) is \$14,526,146. The Net RTS Charge will be allocated among the MWDOC member agencies, as provided herein and invoiced as a fixed charge to each MWDOC member agency. Metropolitan will bill MWDOC for the Net RTS Charge on a monthly installment basis. The MWDOC Net RTS Charge will be invoiced to each MWDOC member agencies on a monthly basis.

(b) Apportionment of Net Metropolitan RTS Charge to MWDOC's Member Agencies

The MWDOC method of apportioning the Net RTS Charge to the MWDOC member agencies uses the most recently completed four-year rolling average of fiscal year full service purchases of water ending one year prior to the year of the charge being imposed (i.e., for fiscal year 2023-24 charges, the four-year average shall be based on fiscal years 2018-19 through 2021-22). The Net RTS Charge to MWDOC shall be apportioned to the MWDOC member agencies based on the four-year average of full service sales, which would include all cyclic, wheeled and transferred water.

(c) Fiscal Year 2023-24 MWDOC RTS Charge

For fiscal year 2023-24, MWDOC will charge the MWDOC member agencies total Net RTS Charges of \$14,526,146. The amount of the Net RTS Charge to be apportioned to each

of the MWDOC member agencies is set forth in **Exhibit A**, attached hereto and by this reference incorporated herein made an operative part hereof.

(d) Adjustment of RTS Charge

Metropolitan determines its Net RTS Charge to each member agency based on the estimated revenue derived from the Metropolitan Standby Charge within each member agency (less delinquencies and administrative costs). The projected Net Standby Charge revenue for MWDOC in fiscal year 2023-24 is set forth in **Exhibit A**. Once the actual Net Standby Charge revenue is known, Metropolitan may adjust the amount of the Net RTS Charge for the prior year through an additional charge or credit. Any adjustment necessary to reconcile the estimated Net RTS Charge with the actual Net RTS Charge will be charged or credited to each MWDOC member agency in the next regularly scheduled water billing following the preparation of the reconciliation report by Metropolitan.

SECTION 3. MWDOC CAPACITY CHARGE

(a) Amount due to Metropolitan from MWDOC

Metropolitan has notified MWDOC that for calendar year 2024, the amount of the Metropolitan Capacity Charge to be imposed on MWDOC will be \$3,766,560. The Metropolitan Capacity Charge will be allocated among the MWDOC member agencies as provided herein and invoiced as a fixed charge to each member agency. Metropolitan will bill MWDOC for the Capacity Charge on a monthly installment basis. The MWDOC Capacity Charge will be invoiced to the MWDOC member agencies on a monthly basis.

(b) Apportionment of Metropolitan's Capacity Charge to MWDOC's Member Agencies

The MWDOC method of apportioning the Capacity Charge to the MWDOC member agencies uses each member agency's highest peak day flow for delivery of full service water,

which includes wheeled and transferred water, during the period of May 1 through September 30 of each year for the three-year period ending one year prior to the year of the charge being imposed (i.e., for calendar year 2024 charges, the highest peak day flow shall be based on May 1 through September 30, 2020, 2021 and 2022). The peak day flow for each MWDOC member agency is used to apportion the Capacity Charge based upon the ratio of each agency's highest peak day flow to the sum of all member agencies' highest peak day flows. The amount of the 2024 Capacity Charge apportioned to each member agency is set forth in **Exhibit B**, attached hereto and by this reference incorporated herein and made an operative part hereof.

SECTION 4. MWDOC'S RETAIL METER CHARGE.

The annual charge to be imposed by MWDOC on each member agency except for Orange County Water District (OCWD) for each retail water meter served by such MWDOC member agency which is in service as of January 1 of each year (MWDOC's Retail Meter Charge) shall be **\$14.25**. MWDOC's Retail Meter Charge shall be collected in accordance with Section 10 of this Resolution. Annually, or at such time as determined to be necessary, MWDOC will request supporting documentation from each member agency to verify the number of retail meters within their service area, and such documentation shall be signed by a representative of the member agency. MWDOC is also authorized to conduct random on-site visits with the member agencies to verify the data on the number of retail meters.

SECTION 5. MWDOC GROUNDWATER CUSTOMER CHARGE

The annual charge to be imposed on OCWD for Core services provided by MWDOC for fiscal year 2023-24 shall be **\$382,397**. MWDOC's Groundwater Customer Charge to be

imposed on OCWD shall be collected in accordance with Section 10 of this Resolution.

The Groundwater Customer Charge is calculated based on OCWD's proportionate share of all of MWDOC's cost centers of MWDOC's fiscal year 2023-24 general fund core budget; excluding the WEROC cost center. OCWD's proportionate share is calculated as one twenty-sixth of all cost centers except for WEROC.

SECTION 6. CHOICE SERVICES TO THE MWDOC MEMBER AGENCIES 2023-24

The Choice services to the member agencies shall be provided and charged for as follows for Fiscal Year 2023-24. Each Choice service is voluntary and provided at the option of the member agency, and the costs for such Choice services are not "imposed" for purposes of article XIII C, section 1(e) of the California constitution:

- (a) Water Use Efficiency Program – The cost of MWDOC's Water Use Efficiency Program shall be allocated to those agencies electing to participate in the program. The costs shall be apportioned to the participants in proportion to the benefits received from Metropolitan and/or any other outside sources of funding in calendar year 2022. There may be other costs allocated over and above these costs for participation in certain water use efficiency program efforts in various parts of Orange County that are separate from this basic program. Anything beyond the basic program will be implemented separately by agreement or memorandum of understanding with each participating agency. The costs to be charged shall reflect any carry-over or deficit funds from the preceding fiscal year.
- (b) The MWDOC Elementary School Program provides comprehensive water education for Orange County elementary school students in Grades K-6.

Through this program, each participating agency may set a target number of students to reach in their service area. In grades K-2, the MWDOC Elementary School Program charges participating agencies per school assembly, at a cost based on the size of the school assembly. In grades 3-6, the MWDOC Elementary School Program charges each participating agency at a cost per student based on the actual number of students to which the program is provided.

- (c) The MWDOC Middle School Program provides comprehensive water education for Orange County middle school students in Grades 7-8. Through this program, each participating agency may set a target number of students to reach in their service area. The MWDOC Middle School Program charges each participating agency at a cost per student based on the actual number of students to which the program is provided.
- (d) The MWDOC High School Program provides comprehensive water education for Orange County high school students in Grades 9-12. Through this program, each participating agency may set a target number of high schools to reach in their service area. The MWDOC High School Program charges each participating agency at a cost per high school to which the program is provided.
- (e) Blank
- (f) The Water Loss Control Program provides a complement of technical assistance and shared service through consultants and in-house operations to retail agencies in Orange County. The costs for the program varies per agency according to the level of professional and technical service selected by each participating agency. The costs to be charged shall reflect any carry-over or

deficit funds from the preceding fiscal year.

The details on these Choice options and charges to each agency are included in Section 10 and are set forth in **Exhibit C**, attached hereto and by this reference incorporated herein and made an operative part hereof.

SECTION 7. RATES AND CHARGES FOR WHEELED, EXCHANGED OR TRANSFERRED

WATER

Unless otherwise specified by written agreement with MWDOC, MWDOC shall charge the member agencies for water wheeled, exchanged or transferred through exchanges with Metropolitan into the MWDOC service area in accordance with the provisions below.

Wheeled, exchanged or transferred water will also be assessed, unless otherwise specified by written agreement, at the then-applicable rates for wheeling services set by Metropolitan's Board of Directors from time to time pursuant to its Administrative Code for the use of Metropolitan's facilities to transport water not owned or controlled by Metropolitan to Metropolitan's member agencies. Metropolitan's rates for "wheeling service" are defined in the Metropolitan Administrative Code. Metropolitan's rate for wheeling service does not include power utilized for delivery, which the wheeling party must provide or pay directly at its own cost (if power can be scheduled by Metropolitan) or pay to Metropolitan at Metropolitan's actual (not system average) cost.

In addition to these charges, MWDOC shall assess the following charges related to costs, pursuant to applicable law:

- (a) A one-time administrative charge, based on actual time spent to account for the staff time and legal counsel required for preparation of an agreement or agreements to establish the legal and administrative

framework for water to be wheeled or transferred through exchanges with Metropolitan.

- (b) Unless otherwise specified by written agreement with MWDOC, an annual charge will be assessed, based on actual time spent in any year in which water is wheeled or transferred through exchanges with Metropolitan, to cover staff time to account for and bill for the water.
- (c) Other charges established by written agreement between MWDOC and a member agency that reflect additional costs of wheeling water.

SECTION 8. MWDOC WATER SUPPLY ALLOCATION PLAN (WSAP)

In the event that a regional water shortage is declared, the MWDOC Board can implement, adjust, or adopt an updated Water Supply Allocation Plan (Plan). This Plan, as adopted in 2009, updated in 2014 and 2016, and as amended from time to time, established procedures allowing MWDOC to assess an allocation surcharge to its member agencies in the event MWDOC is assessed an allocation surcharge under Metropolitan's own "Water Supply Allocation Plan." Under MWDOC's Plan, surcharges may be assessed according to a particular member agency's prorated share of its over usage relative to the MWDOC surcharge amount assessed by Metropolitan. However, the rates set forth in this Resolution do not include or otherwise account for potential surcharges that may be assessed by MWDOC under its Water Supply Allocation Plan, and nothing contained herein is intended to preclude MWDOC from charging such surcharges as authorized in the Water Supply Allocation Plan.

SECTION 9. EFFECTIVE DATE.

The rates set forth in this Resolution shall become effective as of July 1, 2023 or thereafter as specified and shall remain in effect until changed by subsequent Resolution of the Board of Directors.

SECTION 10. **BILLING AND PAYMENT.**

Billing Schedule. MWDOC member agencies shall be billed for water delivered and for other charges as follows:

- (a) MWDOC's cost of acquisition of the water shall be billed in the month following delivery of the water;
- (b) MWDOC's Retail Meter Charge shall be billed once annually on or after July 1st of each year, for each retail water service meter within each member agency's service area;
- (c) the MWDOC Readiness-to-Serve Charge shall be billed in monthly installments on the water billing in accordance with **Exhibit A**, the MWDOC Capacity Charge shall be billed in monthly installments on the water billing in accordance with **Exhibit B**; and
- (d) the MWDOC Choice services shall be billed once annually on or after July 1st of each year or as otherwise during the fiscal year in accordance with **Exhibit C** and/or as may be adjusted during the fiscal year in discussions with and as agreed to by the Choice Program participants.
- (e) The fixed annual Groundwater Customer Charge to OCWD, as set forth in MWDOC's Water Rate Ordinance No. 55 and referred to in Section 5 hereof, shall be billed to OCWD annually at the beginning of the fiscal year on July 1.

All such billings shall be due on receipt by the member agency and shall be delinquent if payment is not received by MWDOC by the 15th day of the month following the mailing of the billing or within 30 days of mailing of such billing, whichever date is later.

SECTION 11. **EXEMPTION FROM CEQA.**

The Board of Directors finds that the adoption of the rates and charges as set forth in this Resolution are exempt from the California Environmental Quality Act under Section 21080(b)(8) of the Public Resources Code in that the water rates established herein are for the purpose of meeting operating expenses of MWDOC, including employee wages and fringe benefits, purchasing or leasing of supplies, equipment and materials, meeting financial reserve needs and requirements and obtaining funds for capital projects necessary to maintain service within existing service areas.

SECTION 12. **REASONABLE COST.**

The Board of Directors finds that the water rates established herein are in accordance with the adopted fiscal year 2023-24 budget, and that said rates do not exceed the reasonable cost of providing water service and other services and regulatory functions for which they are charged.

SECTION 13. **SUPERSEDES PRIOR RESOLUTIONS.**

All resolutions, ordinance or administrative actions by the Board or parts thereof that are inconsistent with any provision of this Resolution are hereby superseded only to the extent of such inconsistency.

SECTION 14. **RATES SUBJECT TO ORDINANCE.**

The rates for water service established herein are subject to Ordinance No. 55 as it may be amended from time to time.

SECTION 15. **IMPLEMENTATION.**

The General Manager is directed to establish procedures to implement this Resolution.

BE IT FURTHER RESOLVED that a copy of this Resolution be sent to each of MWDOC's member agencies.

Said Resolution No. was adopted on April _____, 2023 by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

MARIBETH GOLDSBY, District Secretary
Municipal Water District of Orange County

EXHIBIT A

Readiness-to-serve Charge for MWDOC Client Agencies for FY 2023-24

Metropolitan Readiness-to-Serve (RTS) Charge to MWDOC for FY 2023/24 = \$	22,056,389
Expected Standby Revenue Less Metropolitan Administrative Charge Plus Delinquencies & Uncollectables FY 2023/24 = \$	(7,530,243)
Net MWD RTS Charge = \$	14,526,146

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Agency						AF Share	Net RTS	RTS Adjustment	Net RTS	Monthly Charge July - December	Monthly Charge January - June
	2018-19	2019-20	2020-21	2021-22	4-Yr Ave	(%)					
Brea	878	0	34	254	292	0.18%	\$ 26,146.21	\$ -	\$ 26,146.21	\$ 2,047.38	\$ 2,310.33
Buena Park	3,470	2,657	1,475	1,650	2,313	1.43%	\$ 207,409.11	\$ -	\$ 207,409.11	\$ 16,241.14	\$ 18,327.04
East Orange County Water District	1,428	993	3,014	5,713	2,787	1.72%	\$ 249,905.03	\$ -	\$ 249,905.03	\$ 19,568.78	\$ 22,082.06
El Toro Water District	6,789	6,913	7,392	7,244	7,085	4.37%	\$ 635,302.83	\$ -	\$ 635,302.83	\$ 49,747.30	\$ 56,136.50
Fountain Valley	1,885	0	0	0	471	0.29%	\$ 42,256.79	\$ -	\$ 42,256.79	\$ 3,308.91	\$ 3,733.89
Garden Grove	5,434	10,952	5,318	5,297	6,750	4.17%	\$ 605,304.71	\$ -	\$ 605,304.71	\$ 47,398.30	\$ 53,485.81
Golden State Water Company	5,421	4,743	7,451	8,709	6,581	4.06%	\$ 590,148.99	\$ -	\$ 590,148.99	\$ 46,211.54	\$ 52,146.63
Huntington Beach	5,276	4,264	4,040	4,841	4,605	2.84%	\$ 412,972.66	\$ -	\$ 412,972.66	\$ 32,337.77	\$ 36,491.01
Irvine Ranch Water District	13,921	13,018	17,134	25,245	17,330	10.70%	\$ 1,554,024.18	\$ -	\$ 1,554,024.18	\$ 121,687.66	\$ 137,316.38
La Habra	75	101	562	565	326	0.20%	\$ 29,227.18	\$ -	\$ 29,227.18	\$ 2,288.63	\$ 2,582.57
La Palma	426	0	0	120	137	0.08%	\$ 12,251.05	\$ -	\$ 12,251.05	\$ 959.32	\$ 1,082.52
Laguna Beach County Water District	1,462	1,614	3,054	3,350	2,370	1.46%	\$ 212,512.99	\$ -	\$ 212,512.99	\$ 16,640.80	\$ 18,778.03
Mesa Water District	0	0	67	3	17	0.01%	\$ 1,553.61	\$ -	\$ 1,553.61	\$ 121.66	\$ 137.28
Moulton Niguel Water District	23,443	22,185	24,785	24,305	23,679	14.62%	\$ 2,123,433.79	\$ -	\$ 2,123,433.79	\$ 166,275.20	\$ 187,630.43
Newport Beach	3,229	4,255	677	3,747	2,977	1.84%	\$ 266,972.34	\$ -	\$ 266,972.34	\$ 20,905.23	\$ 23,590.16
Orange	5,187	4,946	6,707	11,796	7,159	4.42%	\$ 641,955.44	\$ -	\$ 641,955.44	\$ 50,268.23	\$ 56,724.34
Orange County Water District	56,198	9,592	9	22,996	22,199	13.70%	\$ 1,990,658.41	\$ -	\$ 1,990,658.41	\$ 155,878.24	\$ 175,898.16
San Clemente	6,521	6,680	7,671	7,535	7,102	4.38%	\$ 636,830.31	\$ -	\$ 636,830.31	\$ 49,866.91	\$ 56,271.47
San Juan Capistrano	5,108	4,790	6,063	5,679	5,410	3.34%	\$ 485,130.34	\$ -	\$ 485,130.34	\$ 37,988.07	\$ 42,866.99
Santa Margarita Water District	20,179	22,275	25,314	24,303	23,018	14.21%	\$ 2,064,117.17	\$ -	\$ 2,064,117.17	\$ 161,630.42	\$ 182,389.11
Seal Beach	928	1,132	1,102	606	942	0.58%	\$ 84,475.67	\$ -	\$ 84,475.67	\$ 6,614.86	\$ 7,464.42
Serrano Water District	1,072	0	1,394	1,109	894	0.55%	\$ 80,135.42	\$ -	\$ 80,135.42	\$ 6,274.99	\$ 7,080.91
South Coast Water District	5,039	4,481	5,000	4,812	4,833	2.98%	\$ 433,392.84	\$ -	\$ 433,392.84	\$ 33,936.77	\$ 38,295.37
Trabuco Canyon Water District	2,177	2,034	2,421	2,901	2,383	1.47%	\$ 213,725.39	\$ -	\$ 213,725.39	\$ 16,735.74	\$ 18,885.16
Westminster	2,454	2,450	0	1	1,226	0.76%	\$ 109,958.93	\$ -	\$ 109,958.93	\$ 8,610.32	\$ 9,716.17
Yorba Linda Water District	4,787	9,084	9,727	12,815	9,103	5.62%	\$ 816,344.60	\$ -	\$ 816,344.60	\$ 63,923.75	\$ 72,133.68
Sum of MWDOC Agencies	182,786	139,158	140,411	185,594	161,987	100%	\$ 14,526,146.00	\$ -	\$ 14,526,146.00	\$ 1,137,467.92	\$ 1,283,556.42

*totals may not foot due to rounding

EXHIBIT B
DRAFT Capacity Charge for MWDOC Member Agencies for CY 2024

DRAFT 4/6/23

	2020	2021	2022	Peak
MWDOC's Peak to MWD (cfs)	272.2	336.3	282.0	336.3
Date	6/10/2020	7/22/2021	8/15/2022	7/22/2021

Metropolitan Capacity Charge to MWDOC for CY 2024 **\$ 3,766,560***

Agency	Capacity Charge Eligible Flows (CFS)				CFS Share (%)	Annual Capacity Charge	Monthly Capacity Charge
	2020	2021	2022	3-Yr Peak			
City of Brea	0.0	6.8	1.3	6.8	1.55%	\$ 58,370	\$ 4,864
City of Buena Park	5.5	9.3	4.3	9.3	2.12%	\$ 79,829	6,652
East Orange County Water District	12.0	22.1	18.2	22.1	5.04%	\$ 189,701	15,808
El Toro Water District	16.2	16.0	17.1	17.1	3.90%	\$ 146,783	12,232
City of Fountain Valley	0.0	0.0	0.0	0.0	0.00%	\$ -	-
City of Garden Grove	26.0	14.7	22.3	26.0	5.93%	\$ 223,178	18,598
Golden State Water Company	11.9	15.2	12.5	15.2	3.46%	\$ 130,473	10,873
City of Huntington Beach	16.7	15.1	21.9	21.9	4.99%	\$ 187,985	15,665
Irvine Ranch Water District	42.0	50.4	55.4	55.4	12.63%	\$ 475,541	39,628
City of La Habra	3.4	6.0	4.1	6.0	1.37%	\$ 51,503	4,292
City of La Palma	0.0	0.0	0.7	0.7	0.16%	\$ 6,009	501
Laguna Beach County Water District	7.0	6.7	7.5	7.5	1.71%	\$ 64,378	5,365
Mesa Water District	0.0	0.0	0.0	0.0	0.00%	\$ -	-
Moulton Niguel Water District	50.2	44.7	43.1	50.2	11.44%	\$ 430,905	35,909
City of Newport Beach	5.6	7.7	8.1	8.1	1.85%	\$ 69,529	5,794
Orange County Water District	0.0	0.1	0.0	0.1	0.02%	\$ 858	72
City of Orange	20.9	25.9	21.0	25.9	5.90%	\$ 222,320	18,527
City of San Clemente	21.9	18.9	22.0	22.0	5.01%	\$ 188,843	15,737
Santa Margarita Water District (ID9)	16.1	12.5	13.0	16.1	3.67%	\$ 138,199	11,517
Santa Margarita Water District	59.9	59.3	55.0	59.9	13.65%	\$ 514,168	42,847
City of Seal Beach	6.8	7.0	7.5	7.5	1.71%	\$ 64,378	5,365
Serrano Water District	0.0	4.0	0.0	4.0	0.91%	\$ 34,335	2,861
South Coast Water District	9.0	8.5	8.4	9.0	2.05%	\$ 77,254	6,438
Trabuco Canyon Water District	5.8	6.0	4.6	6.0	1.37%	\$ 51,503	4,292
City of Westminster	2.1	0.0	0.3	2.1	0.48%	\$ 18,026	1,502
Yorba Linda Water District	36.6	39.9	9.9	39.9	9.09%	\$ 342,493	28,541
Total				438.8	100%	\$ 3,766,560	\$ 313,880
MWDOC Capacity Charge Per CFS:						\$ 8,584	

* Based on MWDOC's aggregate peak flow of 336.3 cfs on 7/22/2021 charge at MET's 2024 rate of \$11,200 per cfs

Exhibit C
MWDOC Member Agency Choice Services Program Summary
Cost Allocations by Agencies for FY 2023-24

DRAFT
As of 4/5/2023

Retail Agency	Water Use Efficiency [1]	School Education (K-2)[2]	School Education (3-5)[2]	School Education (6-8)[2]	School Education (9-12)[2]	Water Loss Control Program [3]	Total Choice Allocation
Brea	\$ 11,207	\$ 4,000	\$ 10,500	\$ 10,500	\$ 2,500		\$ 38,707
Buena Park	\$ 7,098	\$ 5,250	\$ 5,389	\$ 3,087	\$ 2,058	Pending	\$ 22,881
East Orange County WD	\$ 1,802	\$ -	\$ -	\$ -	\$ 2,058		\$ 3,860
El Toro WD	\$ 18,029	\$ 7,000	\$ 7,000	\$ 5,000	\$ 1,500	Pending	\$ 38,529
Fountain Valley	\$ 7,260	\$ -	\$ -	\$ -	\$ -		\$ 7,260
Garden Grove	\$ 6,782	\$ 2,009	\$ 3,515	\$ 6,544	\$ 1,091	Pending	\$ 19,941
Golden State Water Company	\$ 11,999	\$ 7,880	\$ 10,150	\$ -	\$ -		\$ 30,029
Huntington Beach	\$ 68,775	\$ -	\$ -	\$ -	\$ -	Pending	\$ 68,775
Irvine Ranch WD	\$ 118,686	\$ 14,214	\$ 15,818	\$ 6,544	\$ 8,725		\$ 163,987
La Habra	\$ 8,996	\$ -	\$ -	\$ -	\$ -	Pending	\$ 8,996
La Palma	\$ 190	\$ 2,000	\$ 3,000	\$ 2,500	\$ -		\$ 7,690
Laguna Beach County WD	\$ 4,049	\$ 876	\$ 1,355	\$ -	\$ -	Pending	\$ 6,280
Mesa Water	\$ 39,950	\$ 2,700	\$ 1,350	\$ -	\$ -		\$ 44,000
Moulton Niguel WD	\$ 227,125	\$ -	\$ -	\$ -	\$ -	Pending	\$ 227,125
Newport Beach	\$ 55,844	\$ 11,500	\$ 9,000	\$ 2,200	\$ 2,200		\$ 80,744
Orange	\$ 50,429	\$ -	\$ -	\$ -	\$ -	Pending	\$ 50,429
Orange County WD	\$ 93,260	\$ 5,408	\$ 1,758	\$ -	\$ -		\$ 100,425
San Clemente	\$ -	\$ -	\$ -	\$ -	\$ -	Pending	\$ -
San Juan Capistrano	\$ 118,442	\$ 2,000	\$ 2,000	\$ 4,000	\$ 6,000		\$ 132,442
Santa Margarita WD	\$ 1,627	\$ 8,822	\$ 10,363	\$ 9,261	\$ 8,232	Pending	\$ 38,304
Seal Beach	\$ 3,547	\$ 1,315	\$ 1,320	\$ -	\$ -		\$ 6,182
Serrano WD	\$ 79,423	\$ -	\$ 1,406	\$ -	\$ -	Pending	\$ 80,828
South Coast WD	\$ 47,660	\$ 3,500	\$ 3,500	\$ -	\$ 2,500		\$ 57,160
Trabuco Canyon WD	\$ 21,783	\$ 1,545	\$ 439	\$ 1,091	\$ -	Pending	\$ 24,858
Tustin	\$ 11,502	\$ 8,000	\$ 9,680	\$ 7,635	\$ 6,544		\$ 43,361
Westminster	\$ 23,717	\$ 5,000	\$ 7,000	\$ 12,000	\$ 8,000	Pending	\$ 55,717
Yorba Linda WD	\$ 628	\$ -	\$ -	\$ -	\$ -		\$ 628
Anaheim	\$ 414	\$ 9,500	\$ 9,500	\$ 9,500	\$ 9,500	Pending	\$ 38,414
Fullerton	\$ 132	\$ 2,000	\$ 10,000	\$ -	\$ -		\$ 12,132
Santa Ana	\$ 98	\$ 23,000	\$ 35,000	\$ 10,000	\$ 9,000	Pending	\$ 77,098
Orange County Total	\$ 1,040,453	\$ 127,518	\$ 159,043	\$ 89,861	\$ 69,908	\$ -	\$ 1,486,783

** These numbers are draft and subject to change

[1] Preliminary Cost Allocation for the Choice Water Use Efficiency Program for FY 2023-24

[2] FY 2023-24 costs dependent upon selection of vendor and each agency's level of participation.

[3] For FY 2023-24 the Water Loss Control Program includes Technical Assistance (Year VII) and the Water Loss Control Shared Services (Year IV). Agency costs will vary based on the selection of technical assistance and shared services.