Wynola Water District

2026 Rate Study Follow Up

Abigail Seaman, Utility Financial Consultant III
Jaime Styer, Small Utility Project Manager I

1

Introductions

JAIME STYER
RCAC | ENVIRONMENTAL & COMMUNITY SERVICES
Small Utility Project Manager
jaime.styer@rcac.org
(720) 926-7041

ABIGAIL SEAMAN
RCAC | ENVIRONMENTAL & COMMUNITY SERVICES
Utility Finance Consultant III
abigail.seaman@rcac.org
(541) 519-3204

2

3

Our Mission

RCAC partners with underserved rural and Indigenous communities to achieve their vision and well being through technical assistance, training, financial resources and advocacy.

RCAC www.rcac.org

4

Wynola Water District 2026 TA Projects

Asset Management Plan → Rate Study

FY 2027 -2031

(TBD) FY 2029 -2033

RCAC www.rcac.org

5

Funder Acknowledgement

Funding for this project is provided at no cost to the District from the U.S. Environmental Protection Agency. Work products have not been formally reviewed by EPA. The views expressed in this document are solely those of the RCAP, Inc. and EPA does not endorse any products or commercial services mentioned in this publication.

EPA

RCAC www.rcac.org

6

Asset Management Plan

Inventory all water system assets	• Purchase Price • Purchase Date • Useful Life
Estimate replacement cost as assets expire	• Est. remaining useful life • Current value ($ 2026) • Replacement value ($ at end of useful life)

RCAC www.rcac.org

7

Rate Study Process

Gather Information

- Operating Budget
- Customer Data
- Current Fund Balance
- Asset Replacement Plan

Financial Plan

- How much money is needed to cover all expenses?

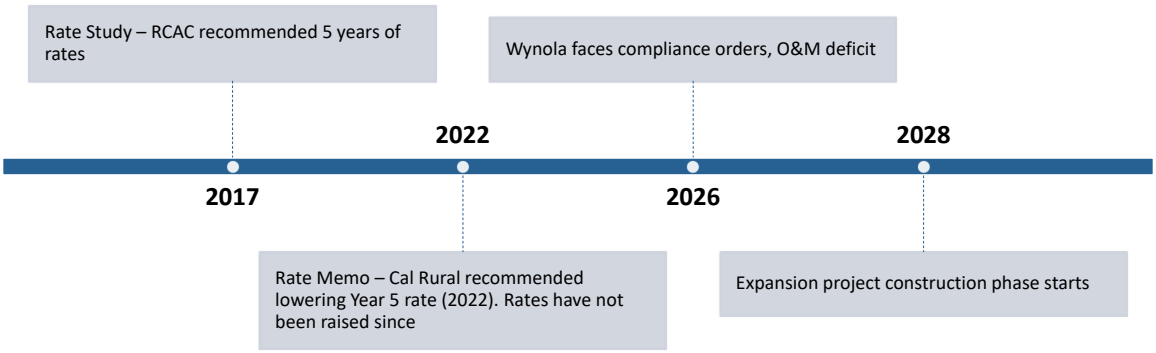
Cost of Service Analysis

- How can we divide costs fairly between customers?

RCAC www.rcac.org

8

Rate Study Background



RCAC www.rcac.org

9

Current Rate Schedule

Quarterly Water Service Charges

Fixed Charges

Charge	Rate	per
All water users	$190.57	*quarter*
Standby Service	$40.00	

Volumetric Charges

Charge	Rate	Unit
All water use	$13.03	*per 100 cf (cubic foot)*

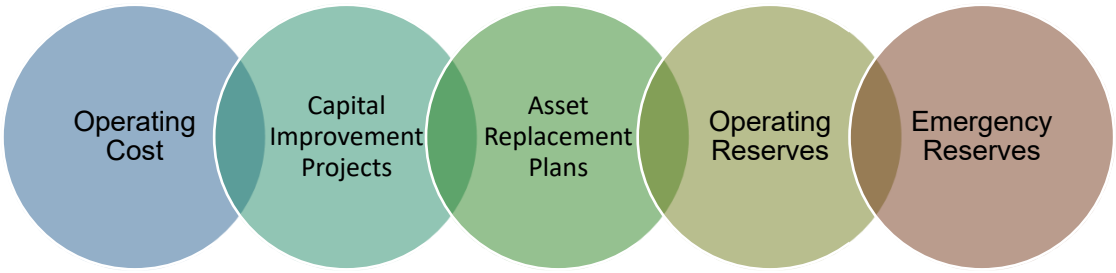
Notes

1 unit = 100 cf = 748 gallons

RCAC www.rcac.org

10

The True Costs of Service



RCAC www.rcac.org

11

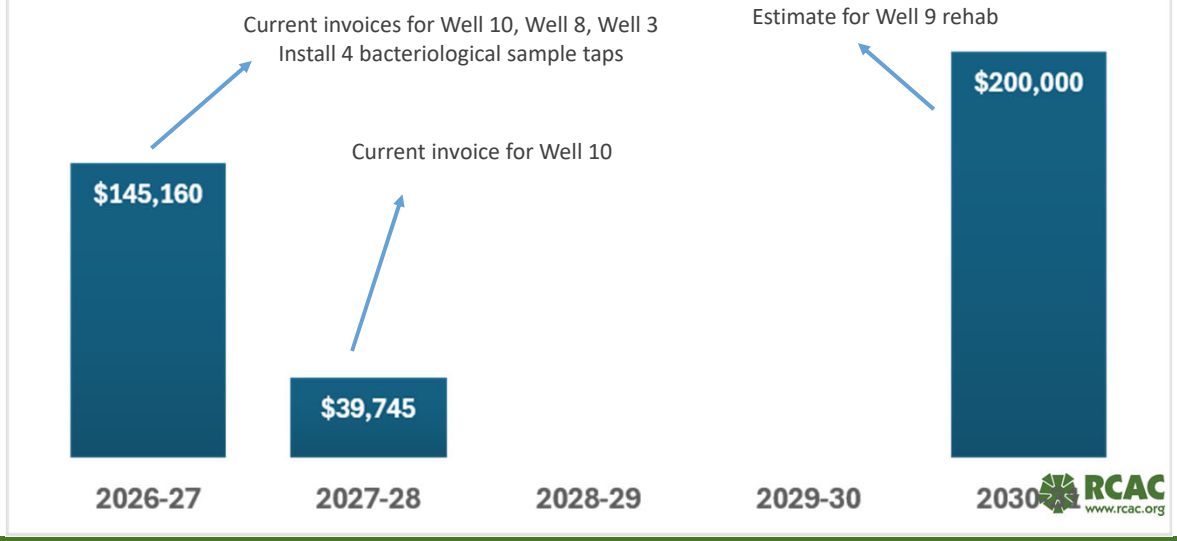
Operating Deficit

	2017	2022	2026
Total Revenues	$91,197	$154,153	$206,607
Operating Cost	$38,641	$82,456	$277,605
CIP	$197,191	$121,298	$127,160

RCAC www.rcac.org

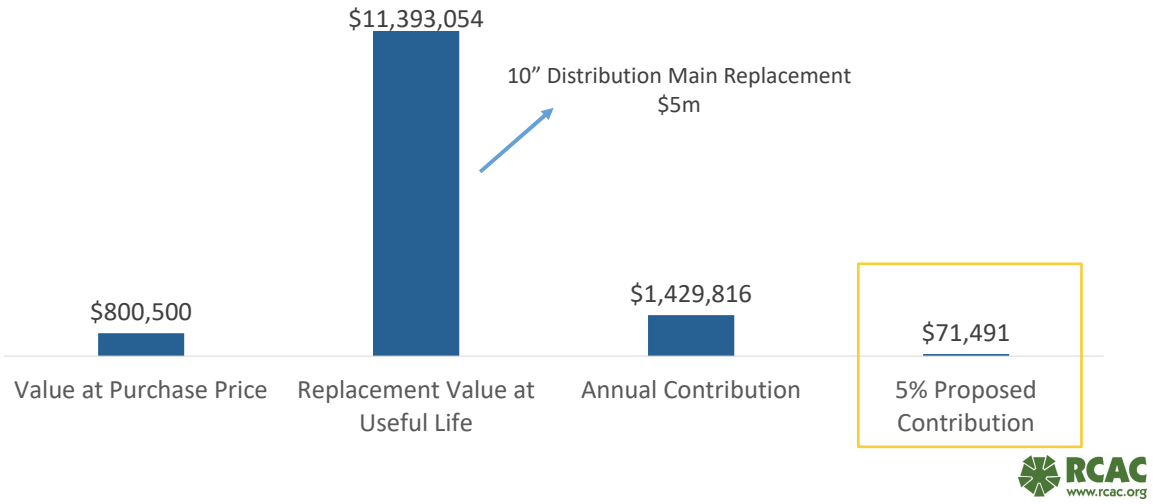
12

Capital Improvement Project Costs (Revised)



13

Asset Replacement Cost



14

Current & Minimum Fund Balance

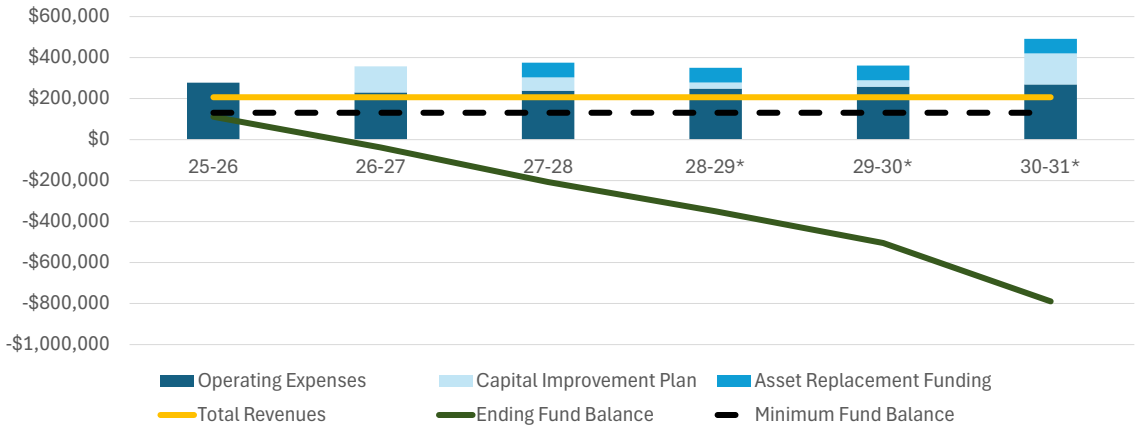
6/30/26 Total Cash Fund Balance	$182,342

Operating Reserve	At least 90 days O&M	$57,381
Emergency Reserve	1% Current Asset Value	$73,644
Total Minimum Reserve Recommendation		**$131,025**

RCAC www.rcac.org

15

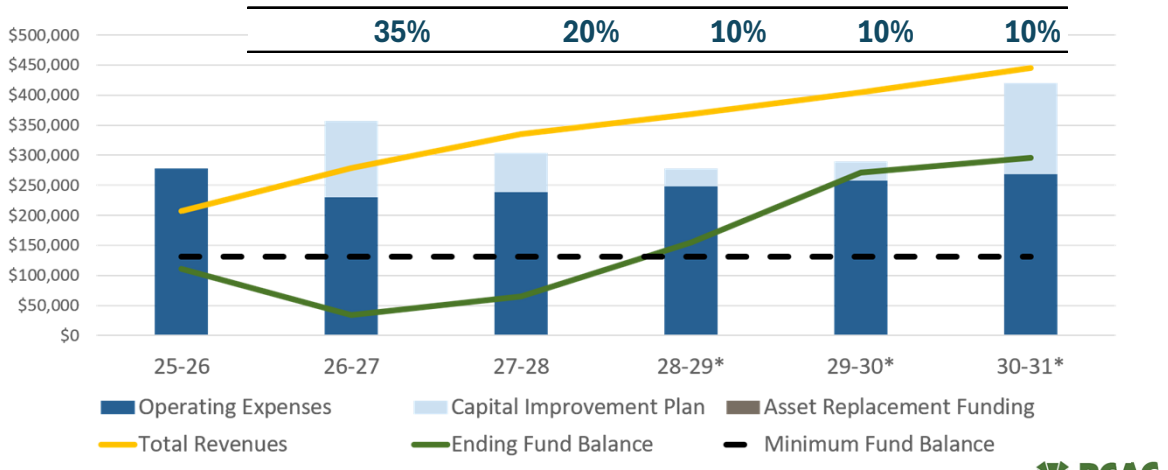
Five Year Projection Without Rate Increases



RCAC www.rcac.org

16

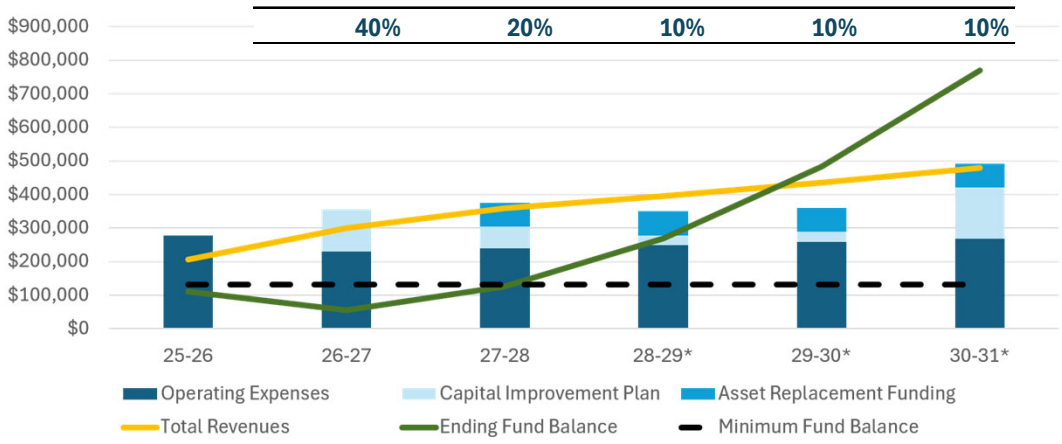
Option 1 – O&M and CIP only



RCAC www.rcac.org

17

Option 2 – O&M, CIP and Asset Replacement

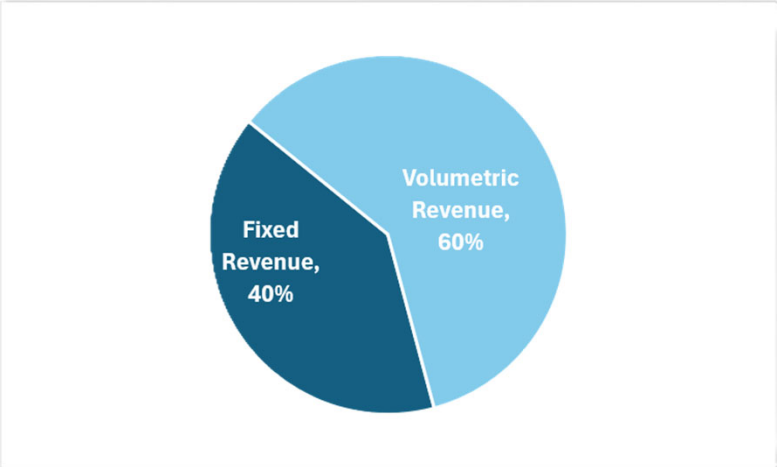


Re-evaluate rates when expansion project O&M estimates are available in Fall 2027

RCAC www.rcac.org

18

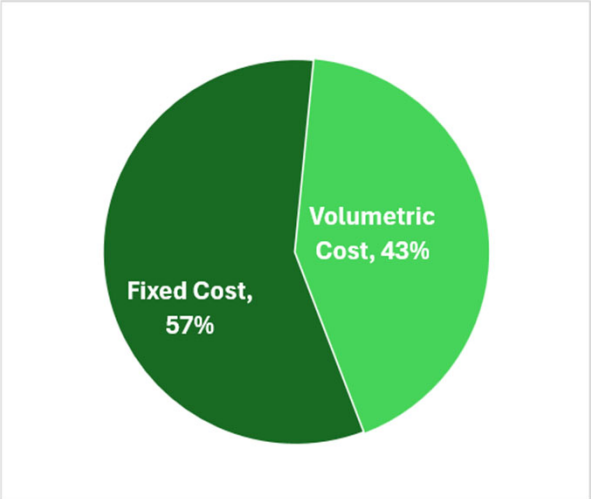
Rate Design – Fixed and Volumetric Rate Revenues



RCAC www.rcac.org

19

Fixed and Volumetric Costs



RCAC www.rcac.org

20

Proposed Rates - Fixed by Customer

Proposed Rate Summary - Fixed Charges by Customer						
	25-26	**26-27**	**27-28**	**28-29**	**29-30**	**30-31**
Proposed Revenue Increase		**40.0%**	**20.0%**	**10.0%**	**10.0%**	**10.0%**
	Current	Restructured				
Fixed Charge (Monthly)						
All Customers	$63.52	$126.73	$152.08	$167.28	$184.01	$202.41
Volumetric Rate ($/ccf)	$13.03	$12.26	$14.71	$16.18	$17.80	$19.58
Typical Single Family Monthly Bill (5 ccf)	$128.67	$188.01	$225.62	$248.18	$273.00	$300.30
Affordability	**2.26%**	**3.30%**	**3.96%**	**4.36%**	**4.80%**	**5.27%**

RCAC www.rcac.org

21

Include Maintenance Fee Customers?

Fixed Rate Calculation	
Fixed Cost Allocation (from Table 7)	$115,578
Number of Customers (from Table 2)	86
Proposed Fixed Rate (Monthly)	**$111.99**

RCAC www.rcac.org

22

Proposed Rates – Including Maintenance Fee Customers

Five Year Schedule of Proposed Rates

	Current	1/1/2027 Restructured	1/1/2028	1/1/2029	1/1/2030	1/1/2031
Fixed Charge (Monthly)						
All Customers	$63.52	$111.99	$134.39	$147.83	$162.62	$178.88
Volumetric Rate ($/ccf)	$13.03	$12.26	$14.71	$16.18	$17.80	$19.58

RCAC www.rcac.org

23

Proposed Rates – Annual Charge?

- District Staff are considering moving some charges to an annual charge on the property tax bill
  - Would alleviate monthly impact, may be a tax incentive
- Waiting for County Counsel Review – may appear in the 2027 rate study

RCAC www.rcac.org

24

Proposed Rates – Low Income Rate Assistance?

- Must be funded by Other Revenues – cell tower lease revenue, interest income
- Board could adopt a policy based on SNAP, PG&E Cares qualification
- This is separate from the Prop 218 process

RCAC www.rcac.org

25

Billing Examples

Customer Type	Quarterly Usage (CCF)	Quarterly Usage (Gallons)	Current Quarterly Bill	Proposed Monthly Bill	Proposed Quarterly Bill Equivalent	Difference
Very Low Use	3	2,244	$229.66	$138.99	$416.97	+$187.31
Low Use	6	4,488	$268.75	$151.25	$453.75	+$185.00
Average Use	10	7,480	$320.87	$167.60	$502.80	+$181.93
Higher Use	15	11,220	$386.02	$188.03	$564.09	+$178.07
Heavy Use	25	18,700	$516.32	$228.90	$686.70	+$170.38

RCAC www.rcac.org

26

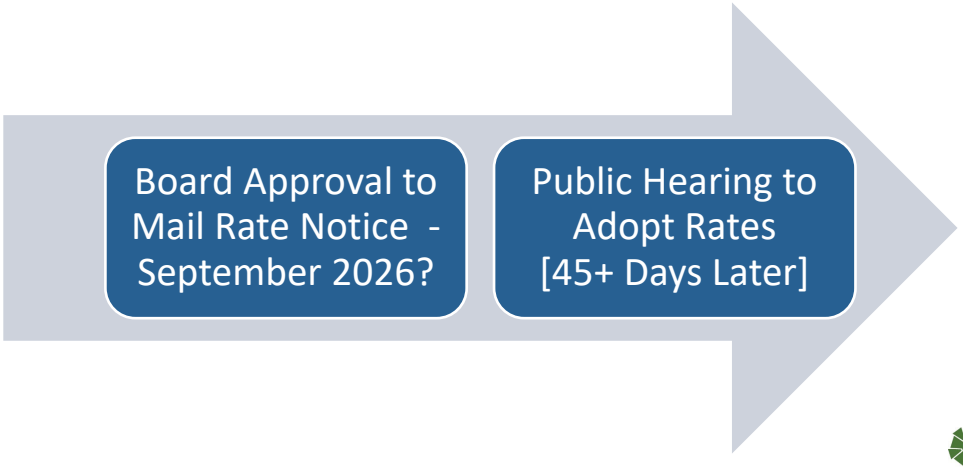
Proposition 218 Overview

- Any time rates are increased, mail a notice to all ratepayers with details on the proposed rates
- Hold a public hearing at least 45 days after mailing the notice
- If 50% + 1 customers submit a written protest, the rates cannot be adopted
- Adopted rates are the maximum that the Board can adopt in any year

RCAC www.rcac.org

27

Timeline and Next Steps



RCAC www.rcac.org

28

Questions? Feedback?

RCAC
www.rcac.org

29