

Resolution No.

**A RESOLUTION FIXING TIME AND PLACE FOR HEARING ON PROPOSED
SEWER SERVICE CHARGE AND RESIDENTIAL RECYCLING AND GREEN
WASTE CHARGE INCREASES FOR FIVE FISCAL YEARS:
FY 2021/2022 THROUGH FY 2025/2026**

WHEREAS, the Sanitary Board of Oro Loma Sanitary District (the "Board") adopted the current sewer service charges as established in Resolution No. 3627 adopted May 17, 2016; and,

WHEREAS, the Board evaluated the current sewer service charges and recycling and green waste charges on February 16, 2021; and,

WHEREAS, the Board determined that, based on a fiscal analysis and projection of costs for the next five years, and using inflationary projections of 3% per year on the cost to collect, transport and treat wastewater within the District, the proposed increase would enable the District to accelerate the pace of repairing and replacing its 270 miles of underground pipes, many of which are over 70 years old; and,

WHEREAS, the Board determined that additional funding is needed to meet the requirements of SB 1383 as they apply to solid waste cart colors and labels; and,

WHEREAS, the Board will consider an increase in sewer service charges of 7.5% per year (rounded to the nearest dollar) for the next five fiscal years (approximately \$2 per month for a single-family customer) and a \$1.00 per month increase to residential recycling and green waste charges in 2021, followed by \$0.50 per month increase for the each of the following four fiscal years, with the first increases going into effect July 1, 2021; and,

WHEREAS, the proposed sewer service charges for all classes of customers and the proposed residential recycling and green waste charges are attached hereto as Attachment A, and made part of this resolution; and,

WHEREAS, pursuant to the provisions of Proposition 218, the District is required to provide all property owners within the District with notice of the proposed sewer service charge changes; said notice was mailed on April 15, 2021, and a copy is attached hereto and made a part of this resolution, as Attachment B; and,

WHEREAS, the Board desires to set a public hearing to allow for written or verbal public protests to be received prior or during the Board's consideration of the increase in sewer service charges and residential recycling and green waste charges; and,

WHEREAS, protests against the sewer service charge increase and/or the residential recycling and green waste charge increase must be submitted in writing (by mail or email), must identify the owner(s) and the property or properties for which the protest is entered, and must be received from 50% + 1 of the properties located within the boundaries of Oro Loma Sanitary District to defeat the proposed increase.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Sanitary Board of Oro Loma Sanitary District that Tuesday, the 1st of June 2021, at the hour of 6:00 p.m., being a regular meeting of this Board, is hereby fixed as the time for a hearing on increases to sewer service charges, and that the Secretary shall cause to be posted a notice of said hearing, at which verbal or written protests will be considered. The public could access the hearing by going to Zoom.com/join and entering Meeting ID: 488 254 2320. Alternatively, the public could call 1-669-900-6833 and enter Meeting ID: 488 254 2320.

All actions by the Secretary in causing the Notice to be published are hereby ratified and approved.

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I certify that the foregoing is a full, true and correct copy of a resolution duly and regularly adopted by the Sanitary Board of Oro Loma Sanitary District, Alameda County, California, at a meeting thereof held on the 4th day of May 2021, by the following vote of the members thereof:

AYES, Members:

NOES, Members:

ABSENT,

Members:

Rita Duncan, President

Countersigned:

Fred Simon, Vice President

SEWER SERVICE CHARGES FOR ALL CLASSES OF CUSTOMERS AND RESIDENTIAL RECYCLING AND GREEN WASTE CHARGES FOR FIVE FISCAL YEARS, FY 2021/2022 – FY 2025/2026

GENERAL

All sewer service charges shall be developed using the unit costs listed in Table A-1, as regulated by Ordinance No. 37. Any sewer service charges not specifically identified in this Resolution will be prepared using the unit costs of Table A-1 and the appropriate parameter from the Table.

**TABLE A-1
Sewer Service Charge Unit Costs**

	Effective 07/01/21	Effective 07/01/22	Effective 07/01/23	Effective 07/01/24	Effective 07/01/25
Flow, per 100 cubic feet (ccf) water	3.079	3.310	3.558	3.825	4.112
Biochemical Oxygen Demand (BOD), per pound	0.599	0.644	0.692	0.744	0.800
Suspended Solids (SS), per pound	0.684	0.735	0.790	0.849	0.913

Minimum Charge: The District requires that all customers connected to the District's sewer system pay a minimum annual sewer service charge of no less than the lowest annual residential rate currently in effect. Annual minimum sewer service charge shall be \$259 (2021), \$278 (2022), \$299 (2023), \$321 (2024), \$345 (2025).

RESIDENTIAL CUSTOMERS

Annual sewer service charges for this class of customer shall be charged based on the customer class and multiplied by the number of dwelling units as follows:

<u>Customer Class</u>	<u>Effective 07/01/2021</u>	<u>Effective 07/01/2022</u>	<u>Effective 07/01/2023</u>	<u>Effective 07/01/2024</u>	<u>Effective 07/01/2025</u>
Single Family Dwelling	\$318	\$342	\$368	\$396	\$426
Multiple Family Dwelling	\$318	\$342	\$368	\$396	\$426
Mobile Homes/House Trailers	\$259	\$278	\$299	\$321	\$345

COMMERCIAL/LIGHT INDUSTRIAL/INSTITUTIONAL/INTERMEDIATE /MINOR USERS

Sewer service charges for this class of customer is \$4.699 (2021), \$5.051 (2022), \$5.430 (2023), \$5.837 (2024), \$6.275 (2025) per actual water use, measured in hundred cubic feet (ccf), with a minimum annual charge of \$259 (2021), \$278 (2022), \$299 (2023), \$321 (2024), \$345 (2025).

SCHOOL CUSTOMERS

Sewer service charges for this class of customer is \$3.454 (2021), \$3.713 (2022), \$3.991 (2023), \$4.290 (2024), \$4.612 (2020) per actual water use, measured in hundred cubic feet (ccf).

SIGNIFICANT INDUSTRIAL USERS

Sewer service charges for this class of customer shall be prepared based upon actual flow and loadings, times the unit costs as follows, with a minimum annual charge to be collected in the amount of \$259 (2021), \$278 (2022), \$299 (2023), \$321 (2024), \$345 (2025).

	Effective 07/01/2021	Effective 07/01/2022	Effective 07/01/2023	Effective 07/01/2024	Effective 07/01/2025
Flow, per ccf water	3.079	3.310	3.558	3.825	4.112
BOD, per pound	0.599	0.644	0.692	0.744	0.800
SS, per pound	0.684	0.735	0.790	0.849	0.913

PUMPED AREAS

Users of the District’s sewerage system serviced by lift stations constructed after January 1, 1995, shall pay an additional annual charge as determined by District to cover renewal and replacement and operation and maintenance costs of the lift station. Charges for residential customers shall be a flat fee regardless of type of unit. Charges for commercial customers shall be based on flow volume.

A. Lift Station 13 (Blackstone Court) provides sewer service to most residents of Blackstone Court:

	Effective 07/01/2021	Effective 07/01/2022	Effective 07/01/2023	Effective 07/01/2024	Effective 07/01/2025
Residential	\$116	\$116	\$116	\$116	\$116
Commercial	None	None	None	None	None

B. Lift Station 14 (Canyon Drive) provides sewer service to Tract 6833 (Henry Lane) and residents of the Five Canyons Development generally east and west of Five Canyons Parkway, except Tract 6196. The parcels of Tract 6179, which are tributary to this lift station, are charged separately under Lift Station 15.

	Effective 07/01/2021	Effective 07/01/2022	Effective 07/01/2023	Effective 07/01/2024	Effective 07/01/2025
Residential	\$60	\$60	\$60	\$60	\$60
Commercial	None	None	None	None	None

C. Lift Station 15 (Canyon Ridge) provides sewer service to the parcels of Tract 6179. In addition, these parcels are tributary to Lift Station 14, therefore, the total surcharge is shown:

	Effective 07/01/2021	Effective 07/01/2022	Effective 07/01/2023	Effective 07/01/2024	Effective 07/01/2025
Residential	\$116	\$116	\$116	\$116	\$116
Commercial	None	None	None	None	None

D. New Lift Stations: Should the District, after the effective date of this Ordinance, desire to approve construction of a new lift station intended to serve one or more new customers, the annual user charge for connection to that station shall be set by the Board of Directors and approved by motion. Such charges specified in the motion will be incorporated into this Ordinance at an appropriate future date.

SPECIAL SITUATIONS

Certain District commercial customers have unique situations which require billing computations based on Equivalent Dwelling Units (EDUs). In these cases, District staff determines the appropriate annual charges which are memorialized in a written agreement between the parties and approved by Oro Loma Sanitary District Board action.

SCHEDULE OF FEES FOR MONITORING AND WASTEWATER DISCHARGE PERMITS FOR FISCAL YEARS 2021/2022 – 2025/2026 (Regulated by Ordinance No. 39)

<u>User Classification</u>	<u>Annual Permit Fee *</u>	<u>Annual Monitoring Service Fee **</u>
Significant Industrial User (Categorical)	\$1,064 (2021), \$1,144 (2022), \$1,230 (2023), \$1,322 (2024), \$1,421 (2025)	\$13,399 (2021), \$14,404 (2022), \$15,484 (2023), \$16,645 (2024), \$17,893 (2025)
Significant Industrial User (Non-Categorical)	\$1,064 (2021), \$1,144 (2022), \$1,230 (2023), \$1,322 (2024), \$1,421 (2025)	\$17,633 (2021), \$18,955 (2022), \$20,377 (2023), \$21,905 (2024), \$23,548 (2025)
Intermediate Users	\$1,064 (2021), \$1,144 (2022), \$1,230 (2023), \$1,322 (2024), \$1,421 (2025)	\$4,542 (2021), \$4,883 (2022), \$5,249 (2023), \$5,643 (2024), \$6,066 (2025)
Minor User	\$1,064 (2021), \$1,144 (2022), \$1,230 (2023), \$1,322 (2024), \$1,421 (2025)	Fees to be determined
<u>Special Discharge Permit</u>		<u>Volume Discharge Fee</u>
Groundwater	\$1,064 (2021), \$1,144 (2022), \$1,230 (2023), \$1,322 (2024), \$1,421 (2025)	\$4.111/ccf (2021), \$4.419/ccf (2022), \$4.750/ccf (2023), \$5.106/ccf (2024), \$5.489/ccf (2025)
Swimming Pools	\$267 (2021), \$287 (2022), \$309 (2023), \$332 (2024), \$357 (2025)	N/A

Other Discharges	\$126 (2021), \$135 (2022), \$145 (2023), \$156 (2024), \$168 (2025) (minimum)	Fees to be determined
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Resampling/Re-Inspection Fees	
A) Grab Sample – Minimum plus actual cost of laboratory analysis + 20%	\$199 (2021), \$214 (2022), \$230 (2023), \$247 (2024), \$266 (2025)
B) Composite Samples – Minimum plus actual cost of laboratory analysis + 20%	\$397 (2021), \$427 (2022), \$459 (2023), \$493 (2024), \$530 (2025)
C) Re-Inspection (as part of ERP)	\$397 (2021), \$427 (2022), \$459 (2023), \$493 (2024), \$530 (2025)
D) Site Visit (at SIU's request)	\$267 (2021), \$287 (2022), \$309 (2023), \$332 (2024), \$357 (2025)

Notes:

- * Includes application review and inspection.
- ** Includes all costs for sampling events, analysis, program administration and equipment.

INTEREST

The District's policy is not to pay any interest on refunds or claims connected with sewer service charges, developer deposit accounts, or other sums deposited with the District.

RESIDENTIAL RECYCLING AND GREEN WASTE CHARGES

Single-family residential customers – single-family homes, mobile home residences, townhomes, condos, and apartments with four units or less – shall be charged for recycling and green waste services annually, per unit, on the property tax statement, as follows: \$67.20/year (2021), \$73.20/year (2022), \$79.20/year (2023), \$85.20/year (2024), \$91.20/year (2025).

Mobile home parks with five units or more, collectively billed and paid on a single invoice, and apartments with five units or more, collected on the property tax roll as one parcel, shall be charged for recycling and green waste services annually, per unit, on the property tax statement, as follows: \$63.84/year (2021), \$69.84/year (2022), \$75.84/year (2023), \$81.84/year (2024), \$87.84/year (2025).

**Oro Loma Sanitary District
MEMORANDUM**

TO: Board of Directors

FROM: Jason Warner, General Manager
Arlene Wong, Finance Manager

DATE: February 4, 2021

**SUBJECT: FIVE-YEAR SEWER SERVICE AND RESIDENTIAL RECYCLING RATE
STUDY – 2021-2026**

Summary

The District is in the fifth year of a five-year sewer service rate increase in place from July 2016 to June 2021. The last of the five increases raised the sewer service rate to \$296/year, effective July 1, 2020. Between October 2020 and January 2021, the Oro Loma Board met to discuss various scenarios, strategic goals and policy decisions for the next 5 years.

The District also collects recycling (both organics and mixed recyclables) fees on the tax bill in the amount of \$4.60/month. The recycling fee was implemented after Assembly Bill 939 in 1990 and predates Proposition 218. The fee was established at \$4.60 per month and has remained the same amount for the past 30 years. Now, CA State Senate Bill 1383 adds new requirements above those of AB 939, including a requirement to convert cart colors to the State standard over time. This rate study provides a basis to raise the recycling fee to provide for expenses associated with operating the recycling program, including new mandates from SB 1383. During its rate discussion between October 2020 and January 2021, the Board also discussed alternatives to comply with the new mandates and provided direction as outlined below.

The Board's discussions on both sewer and recycling programs resulted in key decisions that form the basis of the attached Rate Study. The key decisions include:

1. The Board affirmed a prior commitment to the strategic goal to replace 40 miles of sewer pipe between 2019 and 2029. Through closed circuit televised inspections, the District has identified a total of 70 of its 270 miles for replacement. 40 miles was selected as a compromise between the identified replacement need and affordability. It is likely that another 40 miles of pipe will be required in the following decade.
2. The Board provided direction to reduce the District's pension liabilities by accelerating the amortization of its exiting pension liabilities over 10 years instead of the default 20-year amortization offered by the California Public Employee Retirement System (CalPERS).

3. Given the projected shortfall between revenues and expenses over the next five years, the Rate Study assumes the District will borrow \$40M to support the 40-mile replacement goal.
4. In response to SB1383, the District will replace its organics and mixed recycling carts in FY 22/23. The new colors will allow standardized communications across the State and achieve compliance under the law. New organics and recycling carts are estimated to cost \$4M. The Board directed staff to adjust the rates to allow repayment of the carts within five years. It is worth noting that another \$2M will be required to purchase new refuse carts as well (\$6M in total). The refuse cart expenses will be paid from refuse revenues, which are not considered in this memo and require a separate rate setting process under the law.
5. The Board affirmed the District's existing reserve policy. The policy is based upon maintaining reserves of 50% of the annual residential sewer revenue. The objective is to set rates so that Board approved reserves are maintained at the end of the five-year horizon.
6. The Rate Study includes funding for the next five years of projects in the 10-Year capital and renewal and replacement plan.
7. The rate study incorporates a five-year rate increase – the maximum length allowed under Prop. 218.

During the discussions, staff presented over 30 different rate scenarios, with various combinations of the seven key decisions, and showed how each combination of decisions impacted the ending cash balance (reserves) in Year 5. The Board considered trade-offs between a fiscally sustainable rate today (i.e. a rate to avoid debt) and metered approaches to achieve a rate in which ongoing revenues were matched to planned expenses. Based upon available financing options, ability to maintain minimal reserve limits, and a desire to smooth the rate increase over time, the Board voted to limit the rate increase to 7.5%/year over the next five years. The rate increase is a part of a larger strategic goal to incorporate capital spending into the sewer service rate by 2029.

Based upon these decisions from the Board, the Sewer Service and Recycling Rate Study includes all planned projects in the Capital Improvement Plan, including replacement of 40 miles of sewer pipe by 2029, amortizing \$11M of existing pension liabilities over a 10-year period, replacement of all organics and mixed recycling carts in FY 22/23 and meeting Board policy related to minimum reserve levels in 2026. The Rate Study assumes borrowing in FY 21/22 of \$40M.

Rate Model

The basis of the rate study is a five-year cash flow analysis. The cash flow analysis includes projected operating, non-operating, capital, and renewal and replacement expenditures. It also includes projected revenues from a variety of existing sources,

including connection fees, grease receiving, biosolids storage, and investment returns. Staff used the cash flow analysis to determine the ending cash balance for a variety of scenarios. Board members used the sensitivity analysis to discuss how the various combinations of decisions impact the District's cash balance at the end of five years.

A list of the assumptions used in the five-year analysis is included in Appendix A. The Five-Year Cash Flow Model is shown in Appendix B (with an assumed 7.5% annual rate increase). A summary of the planned Capital Improvements and Renewal & Replacement Projects is included in Appendix C. A cash flow analysis with a 10-Year horizon is provided in Appendix D.

Staff maintains a version of the model for projections to 10 years. The longer horizon is considered by the Board when making shorter term decisions, so that long-term financial sustainability can be achieved. In addition to the key Board decisions outlined in the prior sections, the model incorporates the following key assumptions (See Appendix A for full list).

1. Inflation for labor, chemicals, and materials projected at 3.0%.
2. The District will award the Consolidated Building project in FY 21/22 in the amount of \$7.4M. This bid document includes multiple options – including those with lower projected costs. The Board will select among the options after the bids are received.
3. Investment income is assumed at 0.50% of the prior year's ending balance – reflecting the current low rate environment.
4. Revenues from customers served outside the District boundaries in San Leandro and Hayward are projected to increase by 2% per year.
5. Employee headcount increased from 45 to 46 employees.
6. Additional \$0.15M/year added to Operations Expenses (above inflation) to reflect recent changes to the PG&E rate tariff and increased electrical consumption due to the increased level of treatment following the Nutrient Optimization Project.
7. Connection fees from new customers assumed at \$0.2M/Year.
8. The District will borrow \$20M from State Revolving Fund Sources with 30 year amortization and an interest rate of 1.1% per year.
9. The District will borrow \$20M from the Federal Water Infrastructure Financing Act program at an interest rate of 1.9% and 35 year amortization.

The remainder of this memorandum provides discussion of the major decision points or the District's response to the challenges it faces.

Length of Programmed Increase

Due to the high noticing costs, the rate study assumes a five-year horizon, which is the maximum period allowed by Proposition 218. The logic was to spread the fixed cost of a Proposition 218 notice (approximately \$70,000), as opposed to re-noticing multiple times.

Review of Pension Liabilities

The District offers pension benefits through CalPERS. CalPERS calculates contribution rates based upon projected returns (7%/year) and life expectancy of retirees. Due to a combination of lower actual historical returns, lower projected future returns (CalPERS has lowered its projections from 7.75% to 7.0% over the past decade) and increased life expectancy of retirees, the District has underfunded its obligations by \$11M.

Unpaid liabilities accrue at a rate of 7%. The District is projected to earn approximately 0.5% on its reserves. Given this differential, it makes sense to increase payments to CalPERS above the default 20-year amortization schedule. When accelerated payments are made, they are credited and invested when received. Once invested, funds are subject to market gains or losses and not guaranteed to earn 7% annually.

The Board has directed staff to amortize the existing obligation over a 10-year period. The 10-year amortization period limits market timing risk and smooths the impact of the payments over an affordable horizon. The 10-Year amortization is incorporated into the Cash Flow Model.

Reserves

The FY 20/21 Board-approved reserve level is \$6.8M. By Board policy, this amount is indexed at 50% of the sewer revenue charges. As sewer revenue increases, so does the reserve amount. The policy was established based on prudent business needs, as opposed to a legal or other debt covenant. The amount roughly equals one of two annual payments from the County. In a case where the County could not collect or transfer funds (due to pandemic, disaster, strike, or other), the District would have six months of cash on hand. Reserve requirements are projected to increase from \$6.8M today to \$9.8M/year in FY 2025-2026. The Board directed staff to build the existing reserve policy into the rate model and to target an ending balance equal to the reserve level defined by policy.

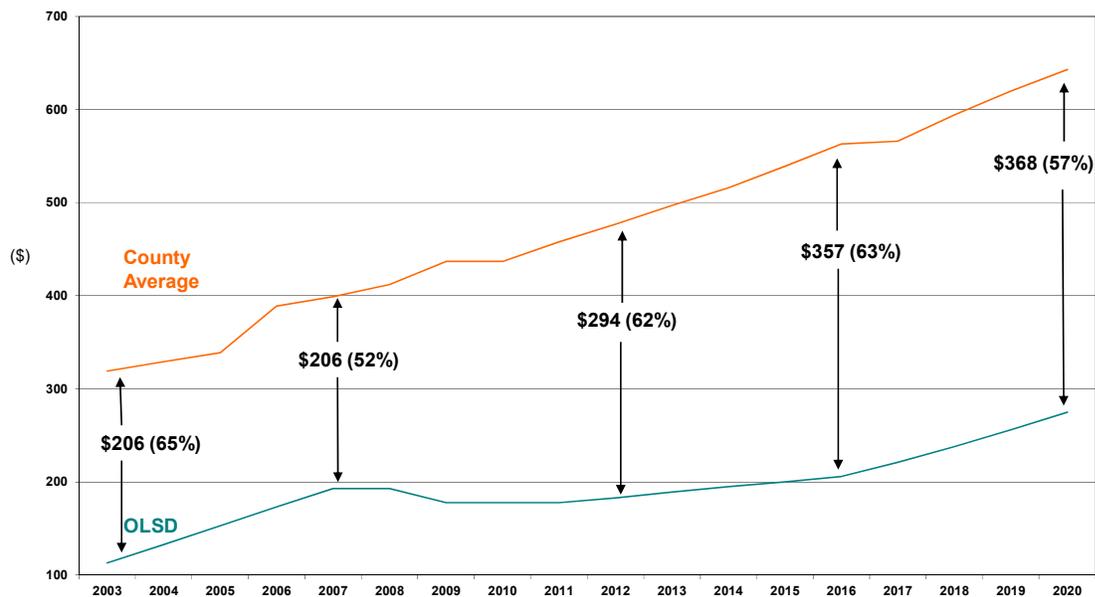
Expense Reductions

A primary concern in every rate discussion is whether to focus on expense reductions or revenue increases. Between 2011 and 2020, District operating expenses have increased at 2.7% per year due to increasing energy, chemical, and salary adjustments associated with labor agreements in 2016. Over the nine-year period, costs have risen from \$16.9M (2011) to \$21.5M (2020). Staffing levels remain at or near their lowest levels in 25 years.

Since FY 2006-2007, the difference between the District's sewer service charge and the county average has grown from \$206 to \$369/year (see rate comparison on the following page). The trend highlights the District's effectiveness in limiting rate increases compared to the industry. Given the District's low historical rates, the Board can be confident that it has provided sufficient focus on cost controls.

Single Family Sewer Rates, OLSD vs. Average in Alameda Co.

2003 - 2020



Conclusion

During multiple public Board workshops over the past four months, the Board considered the various rate increase, debt issue, and pension buy-down scenarios and provided direction on the preferred alternative. In its decision, the Board considered the long-term sustainability of the District's finances, the priority of maintaining the District's history of operational reliability, and an interest in smoothing required rate increases over time.

The District faces several significant financial challenges. The backlog of required line replacements now stands at 70 miles of pipe. The District has \$11M in pension liabilities that accrue at a rate of 7% and several major capital projects are on the horizon (Digester Replacement and Consolidated O&M Building). Given these challenges, the District must raise rates above inflation to achieve a sustainable long-term rate structure. Because the proposed rate increase does not cover planned expenses over the next five years, the District will also secure \$40M in low interest loans to provide a bridge between our current state and a future with a sustainable rate.

This memorandum serves as the formal basis for the District's proposed 5-Year Rate increase. The memo, and its conclusions regarding rate increases for Sewer and Recycling Service, will be incorporated into a 218 notice and circulated to all ratepayers in the community. Notices will be mailed in late March for a formal public hearing in May 2021.

Attachments:

Appendix A – Assumptions for Cash Flow Projections

Appendix B – Five-Year Cash Flow Model (7.5% annual increase, 10-Year Unfunded Pension Amortization)

Appendix C – Summary of Planned Capital and Renewal & Replacement Projects

Appendix D – Ten-Year Cash Flow Model (7.5% annual increase, 10-Year Unfunded Pension Amortization)

**ORO LOMA SANITARY DISTRICT - TEN-YEAR CASH FLOW PROJECTIONS - ASSUMPTIONS
FOR THE FISCAL YEARS ENDING JUNE 30, 2021 TO JUNE 30, 2030**

- Rate increases by 7.5% per year for all years.
- \$40m additional debt. Sewer line replacements accelerate to \$10m per year in Y1-Y3, \$7m in Y4, \$6m in Y5, decrease to \$3m per year in Y6-Y9, revert to \$5m in Y10.
- Commercial sewer revenues discounted by 20% due to economic conditions.
- Projected solid waste contract increases: 3% per year, based on contract terms on CPI and teamsters wages and benefits.
- Solid waste franchise fees: 10% starting 9/1/20.
- Projected solid waste franchise fees discounted by 20% due to economic conditions.
- Recycling revenues: Current agreement with Waste Management ends 2024. Proposing annual monthly increases as follows: \$1/\$0.5/\$0.5/\$0.5/\$0.5.
- Agency treatment charges: CVSan's O&M to increase by 3% per year based on department expenses. R&R based on 10-year R&R projects.
- Agency treatment charges: Hayward and San Leandro's revenues to increase by 2% per year. EBDA to remain stable at \$200k per year.
- Investment income at 0.5% of prior year's cash balance.
- Connection fees assumed at \$200,000 per year.
- Expense inflation: 3% per year.
- Treatment Plant projects carry a 10% contingency amount from Y2-Y5. Collections projects do not carry any contingency.
- Treatment Plant Battery Energy Storage System approved by Board on 12/30/20 is reflected in CIP in Y0. PG&E rebate and energy cost savings are reflected in Y1-Y10.
- Staffing at 46 positions.
- Consolidated operations building project in Y1, with an assumed amount of \$7.4m for construction.
- SB 1383 implementation in FY 2022-22 requires a \$6m expense for purchasing new cans (\$4m for organics and recycling carts, \$2m for refuse carts).
- Pension UAL and buydown payments to be shared with CVSan within operating expenses.
- Additional pension buydown to follow CalPERS' 10-year amortization schedule. Each year, pay the difference between required UAL and the amortized value.

Cash Flow Projection

	Rate Approved	Projected Rate				
Annual Rate Increase	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%
Sewer Rate	\$296	\$318	\$342	\$368	\$395	\$425
Year Number	Y0	Y1	Y2	Y3	Y4	Y5
		Projected	Projected	Projected	Projected	Projected
Fiscal Year	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Operating revenues						
District service charges	\$16,181,280	\$17,394,876	\$18,699,492	\$20,101,954	\$21,609,600	\$23,230,320
Agency treatment charges	3,085,360	3,826,613	3,923,118	4,210,467	4,204,845	4,222,579
Sanitary truck waste charges	20,000	20,000	20,000	20,000	20,000	20,000
Grease receiving charges	120,000	120,000	120,000	120,000	120,000	120,000
Biosolids charges	170,000	200,000	200,000	200,000	200,000	200,000
Permits and inspection fees	140,000	140,000	140,000	140,000	140,000	140,000
Contract fees - Waste Mgmt (10% starting Y0)	1,531,821	1,577,776	1,625,109	1,673,862	1,724,078	1,775,800
Recycling charges - residential	2,309,000	2,309,000	2,309,000	2,309,000	2,309,000	2,309,000
Recycling charges - commercial	120,000	120,000	120,000	120,000	120,000	120,000
Recycling revenue options - (\$1/\$0.5/\$0.5/\$0.5/\$0.5)	0	514,000	771,000	1,028,000	1,285,000	1,542,000
Landfills fees - Measure D	350,000	350,000	350,000	350,000	350,000	350,000
Overhead recovery	700,000	725,000	750,000	775,000	800,000	825,000
Total Operating Revenues	\$24,727,461	\$27,297,265	\$29,027,719	\$31,048,282	\$32,882,523	\$34,854,700
Operating Expenses (include Renewal & Replacement Projects)						
O&M Engineering	\$867,700	\$893,731	\$920,543	\$948,159	\$976,604	\$1,005,902
O&M Collections	2,122,200	2,335,866	2,405,942	2,478,120	2,552,464	2,629,038
O&M Treatment plant	8,287,100	8,535,713	8,791,784	9,055,538	9,327,204	9,607,020
O&M Energy savings from battery storage system	0	-39,584	-120,336	-125,148	-130,148	-135,356
O&M Administration and general	2,317,300	2,386,819	2,458,424	2,532,176	2,608,142	2,686,386
O&M Effluent disposal-EBDA	830,000	830,000	848,900	868,367	888,418	909,071
R&R Collections	2,592,800	1,620,000	1,580,000	1,560,000	1,560,000	1,750,000
R&R Treatment Plant	1,603,400	552,200	638,000	1,419,000	1,017,500	698,500
R&R Engineering & Administration	278,200	162,500	162,500	162,500	162,500	162,500
R&R Effluent disposal - EBDA	166,500	166,500	166,500	166,500	166,500	166,500
Required Pension UAL Payment	566,504	771,514	897,217	963,112	1,038,238	1,071,690
Additional Pension buydown (10-year amortization)	534,000	762,116	636,413	570,518	495,392	461,940
Interest savings from additional pension buydown		-37,380	-90,728	-135,277	-175,213	-209,891
Depreciation	3,725,000	3,836,750	3,951,853	4,070,408	4,192,520	4,318,296
Decrease in EBDA equity	0	200,000	200,000	200,000	200,000	200,000
Solid waste	482,000	496,460	511,354	526,694	542,495	558,770
Recycling	2,913,700	2,932,111	2,951,074	2,970,607	2,990,725	3,011,446
Total Operating Expenses	\$27,286,404	\$26,405,316	\$26,909,439	\$28,231,275	\$28,413,341	\$28,891,812
Operating Income (Loss)	-\$2,558,943	\$891,949	\$2,118,279	\$2,817,008	\$4,469,183	\$5,962,888
Non-Operating Revenues						
Investment income	\$100,000	\$59,438	\$41,676	\$32,917	\$54,463	\$64,707
Rents and leases	100,000	100,000	100,000	100,000	100,000	100,000
Recovery of uncollectible accounts	10,000	10,000	10,000	10,000	10,000	10,000
Other miscellaneous revenues	118,000	118,000	118,000	118,000	118,000	118,000
Grant Revenues (EPA-Microvi, PG&E)	487,500	918,000	183,600	183,600	183,600	183,600
Total Non-Operating Revenues	\$815,500	\$1,205,438	\$453,276	\$444,517	\$466,063	\$476,307
Non-Operating Expenses						
Contingency	\$340,000	\$340,000	\$340,000	\$340,000	\$340,000	\$340,000
Bond interest	448,300	436,213	423,838	411,088	397,963	384,388
Write off of uncollectible accounts/capital assets	13,200	13,200	13,200	13,200	13,200	13,200
Total Non-Operating Expenses	\$801,500	\$789,413	\$777,038	\$764,288	\$751,163	\$737,588
Income before Contributions and Transfers	-\$2,544,943	\$1,307,974	\$1,794,518	\$2,497,237	\$4,184,083	\$5,701,607
Connection fees	3,500,000	200,000	200,000	200,000	200,000	200,000
Change in Net Assets	\$955,057	\$1,507,974	\$1,994,518	\$2,697,237	\$4,384,083	\$5,901,607
Beginning Cash Position	\$19,576,466	\$11,887,623	\$8,335,147	\$6,583,472	\$10,892,525	\$12,941,466
Change in net position	955,057	1,507,974	1,994,518	2,697,237	4,384,083	5,901,607
+ Depreciation	3,725,000	3,836,750	3,951,853	4,070,408	4,192,520	4,318,296
+ Decrease in EBDA equity	0	200,000	200,000	200,000	200,000	200,000
+ Write-offs	13,200	13,200	13,200	13,200	13,200	13,200
- Capital outlays (Collections)	(6,748,100)	(10,645,000)	(10,340,000)	(10,215,000)	(7,525,000)	(6,215,000)
- Capital outlays (Treatment plant & Others)	(6,925,700)	(10,703,000)	(1,008,700)	(1,694,000)	(6,204,000)	(8,250,000)
- Capital outlays (Engineering/Admin)	(20,000)	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)
- Capital outlays (SB 1383 Can Replacements)			(6,000,000)			
+ Capital repayments from CVSAn	1,706,700	2,682,600	259,025	430,350	1,557,850	2,069,350
+ New debt financing		10,000,000	10,000,000	10,000,000	7,000,000	3,000,000
- New debt payments			(361,571)	(723,142)	(1,084,713)	(1,337,813)
+ Bond financing						
- Bond principal payments	(395,000)	(405,000)	(420,000)	(430,000)	(445,000)	(460,000)
Ending cash position	\$11,887,623	\$8,335,147	\$6,583,472	\$10,892,525	\$12,941,466	\$12,141,106
Reserve level (indexed at 50% of sewer revenues)	\$6,845,000	\$7,340,000	\$7,890,000	\$8,480,000	\$9,110,000	\$9,800,000
Available cash in excess of reserve level	\$5,042,623	\$995,147	-\$1,306,528	\$2,412,525	\$3,831,466	\$2,341,106

10-Year Treatment Plant Major Repairs - Renewal & Replacement
 Oro Loma Sanitary District

Project	Re-occurrence Interval (Years)	Sea Rise Implications	2021	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31
10 Year Projections Plan Cost Audit		No											
78" Plant Influent Pipeline Inspection/Lining	20	No		\$ 25,000				\$ 25,000	\$ 500,000				
Aeration Basins Inspection/Rehabilitation (Coatings)	10	No					\$ 600,000						
Arc Flash Hazard Review	5	Existing						\$ 40,000					
Belt Filter Press Conveyor Parts	10	No	\$ 23,000		\$ 50,000	\$ 50,000							
Blower (3); Aeration Basin (\$1,000,000 in FY 44/45)	1	Yes						\$ 90,000					\$ 300,000
CEPT System Rehabilitation	3	Existing/Yes		\$ 35,000				\$ 35,000		\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000
Concrete Assessment & Rehabilitation	3	No	\$ 150,000	\$ 20,000	\$ 150,000			\$ 20,000	\$ 150,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
Digesters Facilities Improvement Plan		Yes											
Digester Study		Yes											
Digester No. 6 Rehabilitation (coatings)	10	No							\$ 300,000				
Digester No. 7 Rehabilitation (coatings)	10	No							\$ 300,000				
Ecologne Research & Monitoring (CVSD participation 35%)		No	\$ 80,000										
Equalization Basin Expansion		Yes											
Effluent Local Limits Report/Testing	5	No		\$ 30,000						\$ 30,000			
Equipment Specific LOTO Procedure Development		No											
Flare Repairs	10	Yes		\$ 25,000			\$ 25,000						
Fuel Tank Coatings Rehabilitation	5	No					\$ 25,000						
Gate & Valve Replacements	1	N/A	\$ 65,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000
Gravity Belt Thickener (GBT) capacity test													
Grease System Rehabilitation and Pump Replacements		No		\$ 40,000	\$ 40,000								
Emergency Pond Bridge Repair			\$ 12,500										
Influent Pump (Electric) Volute Replacement (Critical Spare)		No		\$ 27,000									
Non-Potable Recycled Water Study		N/A	\$ 27,500										
O&M Manual and CBT Updates		N/A	\$ 1,800	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000
Polymer Units at BFP (spare parts)		Yes	\$ 35,000										
Pre-design Studies and Testing		Yes	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Primary Clarifier Launder Rehab		No		\$ 50,000					\$ 100,000				
Primary Clarifier Rehabilitation (add anodes)	10	Existing			\$ 700,000								
Process Instrumentation Replacement	5	Existing		\$ 50,000	\$ 70,000		\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000
<i>Recurring Maintenance</i>													
Landscaping and Grounds	1	No	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Painting and Coating	2	No	\$ 205,000		\$ 150,000		\$ 150,000			\$ 150,000		\$ 150,000	
Coating of Interior of Maintenance Building		No											
Secondary Clarifier Coating on East Wall		No											
Paving/Roadway/Fence Maintenance	1	No	\$ 39,500	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000
Roof Maintenance	1	No	\$ 25,500	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Safety Improvements	1	Yes	\$ 50,100	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000
Treatment Plant GIS&	1	Yes	\$ 18,200	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
SF Bay Water Quality Improvement (Sidestream)		Yes	\$ 738,300										
Secondary Clarifier Rehabilitation (NEW) (Coatings)	10	No							\$ 750,000				
Utility Trench Rehabilitation (primary sludge trench)		Existing/No							\$ 250,000				
Critical Renewal and Replacement - Treatment Plant		Yes	\$ 57,000	\$ 70,000	\$ 70,000								
Fiscal Agent Fees		N/A	\$ 5,700	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500
IT, Network & Cybersecurity Upgrades - District-wide (CVSD participation 19%)			\$ 50,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000
Open House (CVSD participation 19%)			\$ 80,000	\$ 80,000	\$ 80,000	\$ 80,000	\$ 80,000	\$ 80,000	\$ 80,000	\$ 80,000	\$ 80,000	\$ 80,000	\$ 80,000
Engr Critical (CVSD participation 12.5%)	1	No	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Admin Critical (CVSD participation 18%)	1	No	\$ 20,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000
EBDA Replacement Assessment (CVSD participation 0%)	1	N/A	\$ 125,000	\$ 166,500	\$ 166,500	\$ 166,500	\$ 166,500	\$ 166,500	\$ 166,500	\$ 166,500	\$ 166,500	\$ 166,500	\$ 166,500
<i>Contingency</i>	10%			\$ 50,200	\$ 58,000	\$ 129,000	\$ 92,500	\$ 63,500	\$ 263,500	\$ 46,500	\$ 34,000	\$ 49,000	\$ 64,000
Totals			\$ 1,894,100	\$ 881,200	\$ 967,000	\$ 1,748,000	\$ 1,346,500	\$ 1,027,500	\$ 3,227,500	\$ 840,500	\$ 703,000	\$ 868,000	\$ 1,033,000
Subtotal - Treatment Plant			\$ 1,603,400	\$ 552,200	\$ 638,000	\$ 1,419,000	\$ 1,017,500	\$ 698,500	\$ 2,898,500	\$ 511,500	\$ 374,000	\$ 539,000	\$ 704,000
Subtotal - Engineering & Admin			\$ 165,700	\$ 162,500	\$ 162,500	\$ 162,500	\$ 162,500	\$ 162,500	\$ 162,500	\$ 162,500	\$ 162,500	\$ 162,500	\$ 162,500
Subtotal - EBDA			\$ 125,000	\$ 166,500	\$ 166,500	\$ 166,500	\$ 166,500	\$ 166,500	\$ 166,500	\$ 166,500	\$ 166,500	\$ 166,500	\$ 166,500
Total Check			\$ 1,894,100	\$ 881,200	\$ 967,000	\$ 1,748,000	\$ 1,346,500	\$ 1,027,500	\$ 3,227,500	\$ 840,500	\$ 703,000	\$ 868,000	\$ 1,033,000
5-Year Average			\$ 1,194,040										
CVSD Participation @	25%		\$ 482,240	\$ 167,500	\$ 188,950	\$ 384,200	\$ 283,825	\$ 204,075	\$ 754,075	\$ 157,325	\$ 122,950	\$ 164,200	\$ 205,450

10-Year Treatment Plant Capital Improvements - CIP

Oro Loma Sanitary District

Project	Re-occurrence Interval (Years)	Sea Rise Implications	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31
Bar Screens Replacement		Existing							\$ 3,500,000				
Belt Filter Press Replacement	20 (2030/31)	Existing/Yes											\$ 2,000,000
Belt Filter Press Building No. 4 Water line replacement		No		\$ 90,000									
Boiler Replacement		Yes			\$ 27,000						\$ 200,000		
Chlorine Contact Basin Water Champ Replacement	8	Existing							\$ 20,000				
Cogeneration Engine Overhaul	2	Existing	\$ 175,000	\$ 175,000	\$ 175,000	\$ 300,000	\$ 175,000		\$ 175,000		\$ 175,000		
Cogeneration/Gen 3 Engine Controls Module Upgrades		Yes		\$ 600,000	\$ 50,000								
Cogeneration System Upgrade/Replacement		Yes									\$ 5,000,000	\$ 5,000,000	
Consolidated District Operations Building		Yes	\$ 461,900	\$ 7,400,000									
Communications: Staff Radios	2	no			\$ 25,000		\$ 25,000		\$ 25,000		\$ 25,000		\$ 25,000
Digester Gas System Flares		Yes							\$ 1,100,000				
Digester Gas System Flares - Automation		No							\$ 100,000				
Digester Nos. 8 & 9 and 1, 2, 3, 4 & 5 Demolition		Yes			\$ 800,000	\$ 5,000,000	\$ 7,300,000						
Electrical System Master Plan		Yes			\$ 75,000								
Equalization Basin Expansion Project (CVSD Participation 25%)		Yes											
Generator 3 Exhaust Silencer Replacement		Yes											
Gravity Belt Thickener Polymer System Rehabilitation	10	Yes						\$ 35,000					
Gravity Belt Thickener Facility Rehabilitation		Yes							\$ 1,250,000				
Gravity Belt Thickener Roof Replacement		No				\$ 35,000							
Grit Pump Replacement and Piping Rehabilitation	20	Existing							\$ 200,000				
Grit Detritter Rehabilitation		Existing					\$ 75,000						
Grit Washer Replacement	20 (2028/29)	Existing/Yes									\$ 250,000		
Hypochlorite PVC Piping Replacement		No	\$ 75,000										
Hypochlorite Tank Replacement		N/A		\$ 60,000		\$ 60,000							
Influent Grinder Rebuild (2 units)	2	N/A	\$ 30,000										
Influent Grinder Replacements (Washer Compactor)	10	Existing		\$ 300,000					\$ 200,000				
Influent Pump Station Pump Replacement (IPS 1; 1968 pumps)		Existing/Yes									\$ 4,000,000		
Influent Pump Station VFD replacement	10	Yes		\$ 75,000							\$ 200,000		
MCC Circuit Breakers Replacements throughout Plant		Existing		\$ 60,000	\$ 50,000								
Network Cabling Management and Asbuliting and Standards Documentation		Existing		\$ 95,000									
No. 1 Water Piping Replacement (Ops Building)		No		\$ 100,000									
No. 4 Water Suction Valve Replacement		No	\$ 50,000										
Nutrient Optimization Project		Yes	\$ 2,041,800										
Old Secondary Clarifiers - (1) Inlet Gate Actuator modifications		No		\$ 40,000									
Operations Training Project		No	\$ 137,300										
Treatment Plant Battery Energy Storage System			\$ 2,026,800										
Plant Paving; Post Digester Project		No	\$ 900,000										
Pond Complex Lighting and Security Enhancements		Yes		\$ 60,000									
Primary Clarifier Rebuild		Existing								\$ 750,000			
Primary Sludge Line Reroute for Digesters 6 and 7		No					\$ 250,000						
RAS Pump VFD Installation (3 units)		Yes		\$ 48,000									
Rotork Actuators and Replacement		Yes		\$ 45,000	\$ 45,000								
Safety Improvements			\$ 50,900										
Sea Level Rise Response Planning Study		Yes				\$ 50,000							
Secondary Clarifiers Sludge Judge Hoist System		No											
SCADA Network System Replacements & Upgrades		Yes	\$ 82,600	\$ 50,000	\$ 50,000	\$ 75,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
SCADA Server Hardware Replacement				\$ 67,000									
SCADA Software Upgrades				\$ 110,000									
Storm Flow Prediction Model		No	\$ 48,400										
Treatment Plant Roof Replacements	15	No	\$ 450,000		\$ 250,000								
Treatment Unit Gate service/repair/replacement		n/a		\$ 150,000	\$ 150,000								
Truck Wash Drainage Pump		Yes				\$ 80,000							
Vehicle Replacements		N/A	\$ 80,000	\$ 50,000	\$ 50,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000
Sludge Turning/Moving Equipment (Cat D6)		N/A											
Sludge Dump Truck		N/A	\$ 230,000										
Backhoe Replacement		N/A								\$ 140,000			
UPS Replacement/Addition - W. Switchgear and TR6 Lighting Panel		N/A		\$ 20,000									
West Switchgear Circuit Breaker Replacement		N/A		\$ 125,000									
Critical Equipment Plant			\$ 86,000	\$ 70,000	\$ 70,000								
IT & Network Upgrades - District-wide (CVSD participation 19%)		Yes	\$ -	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
Engr Critical (CVSD participation 12.5%)	1	N/A	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Admin Critical (CVSD participation 18%)	1	N/A	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Contingency	10%			\$ 873,000	\$ 91,700	\$ 154,000	\$ 564,000	\$ 750,000	\$ 668,500	\$ 105,500	\$ 996,500	\$ 516,500	\$ 214,000
Totals			\$ 6,945,700	\$ 10,703,000	\$ 1,048,700	\$ 1,734,000	\$ 6,244,000	\$ 8,290,000	\$ 7,393,500	\$ 1,200,500	\$ 11,001,500	\$ 5,721,500	\$ 2,394,000
Subtotal - Treatment Plant			\$ 6,925,700	\$ 10,703,000	\$ 1,008,700	\$ 1,694,000	\$ 6,204,000	\$ 8,250,000	\$ 7,353,500	\$ 1,160,500	\$ 10,961,500	\$ 5,681,500	\$ 2,354,000
Subtotal - Engineering & Admin			\$ 20,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000
Total Check			\$ 6,945,700	\$ 10,743,000	\$ 1,048,700	\$ 1,734,000	\$ 6,244,000	\$ 8,290,000	\$ 7,393,500	\$ 1,200,500	\$ 11,001,500	\$ 5,721,500	\$ 2,394,000
5-Year Average			\$ 5,603,940										
CVSD Participation @	25%		\$ 1,706,761	\$ 2,682,600	\$ 259,025	\$ 430,350	\$ 1,557,850	\$ 2,069,350	\$ 1,845,225	\$ 296,975	\$ 2,747,225	\$ 1,427,225	\$ 595,350

10 - YEAR COLLECTION SYSTEM IMPROVEMENTS PLAN - RENEWAL & REPLACEMENT

Oro Loma Sanitary District

Project	Sea Rise Implications	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31
Lift Stations												
Asset Management												
FY's 17/18- 21/22 Implementation of Objectives Plan	No	\$ 40,000	\$ 70,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000
General & Recurring Maintenance of Facilities	No	\$ 217,000	\$ 100,000	\$ 100,000	\$ 80,000	\$ 80,000	\$ 80,000	\$ 80,000	\$ 80,000	\$ 80,000	\$ 80,000	\$ 80,000
# Blackstone Lift Station												
# Canyon Ridge Lift Station												
Collection System												
Point Repair/ Maintenance	No	\$ 1,540,000	\$ 1,250,000	\$ 1,250,000	\$ 1,250,000	\$ 1,250,000	\$ 1,250,000	\$ 1,250,000	\$ 1,250,000	\$ 1,250,000	\$ 1,250,000	\$ 1,250,000
GIS & AMP	No	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Source Detection and Hydraulic Model Updates	No	\$ 35,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 200,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Manhole Adjustments (paving)		\$ 400,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Junction Structure Inspections												
MH Coating/Rehabilitation		\$ 220,800										
Prop 1 Grant Funding Compliance	No											
SRF Loan Application and CEQA		\$ 50,000										
Easement Clearing and Road Maintenance	No	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Critical Equipment	No	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
Contingency	0%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Totals		\$ 2,592,800	\$ 1,620,000	\$ 1,580,000	\$ 1,560,000	\$ 1,560,000	\$ 1,750,000	\$ 1,560,000	\$ 1,560,000	\$ 1,560,000	\$ 1,560,000	\$ 1,560,000
5-Year Average		\$ 1,614,000										

10 - YEAR COLLECTION SYSTEM IMPROVEMENTS PLAN - CIP

Oro Loma Sanitary District

Project	Sea Rise Implications	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31
Lift Stations												
# General	1	No	\$ 38,500	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Rehabilitation: General		No	\$ 41,900	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000
# PLC Upgrades		No				\$ 110,000						
Trojan Backup Generator Replacement		No				\$ 110,000						
# Wickman Backup Generator Installation		No	\$ 89,000									
Canyon Ridge Backup Generator installation		No		\$ 180,000								
Maintenance Truck - Lift Station (3/4 ton with tool bed)	5	N/A	\$ 65,000									
Collection System												
CCTV Camera	5	N/A		\$ 30,000				\$ 30,000				
Sewer Line Replacement (typically > 1,000 feet)												
Includes the Sewer Reconstruction/Realignment Projects which consists of but is not limited to, the following projects: Mattax Road, and Bockman Ave Siphons	1	N/A	\$ 6,305,000	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 7,000,000	\$ 6,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 5,000,000
SRF-2		N/A	\$ 193,700									
Vehicle Replacement												
CCTV Van (3) (2000, 2013, 2018)	10	N/A		\$ 150,000					\$ 150,000			
Hydro (3) (2013, 2012, 2008)	10	N/A		\$ 275,000				\$ 275,000				
Vactor (1) (2004)	10	N/A				\$ 350,000						
Standby/Emergency Response Truck (1) (2011)	5	N/A		\$ 70,000					\$ 60,000			
Truck (3) (2004, 2016, & 2017)	10	N/A						\$ 45,000	\$ 45,000			
Unanticipated Critical Equipment Replacement		N/A	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
Contingency	0%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Totals			\$ 6,748,100	\$ 10,645,000	\$ 10,340,000	\$ 10,215,000	\$ 7,525,000	\$ 6,215,000	\$ 3,565,000	\$ 3,470,000	\$ 3,215,000	\$ 5,215,000
5-Year Average			\$ 8,988,000									

10-YEAR TREATMENT PLANT: R&R and CIP

	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31
5-Year Average	\$ 8,839,800	\$ 11,584,200	\$ 2,015,700	\$ 3,482,000	\$ 7,590,500	\$ 9,317,500	\$ 10,621,000	\$ 2,041,000	\$ 11,704,500		
5-Year Average	\$ 6,797,980										

10 - YEAR COLLECTION SYSTEM IMPROVEMENTS PLAN - R&R and CIP

	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31
5-Year Average	\$ 9,340,900	\$ 12,265,000	\$ 11,920,000	\$ 11,775,000	\$ 9,085,000	\$ 7,965,000	\$ 5,125,000	\$ 5,030,000	\$ 4,775,000	\$ 4,775,000	\$ 6,775,000
5-Year Average	\$ 10,602,000										

TOTAL DISTRICT PROJECTIONS	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31
Total District R&R	\$ 4,486,900	\$ 2,501,200	\$ 2,547,000	\$ 3,308,000	\$ 2,906,500	\$ 2,777,500	\$ 4,787,500	\$ 2,400,500	\$ 2,263,000	\$ 2,428,000	\$ 2,593,000
Total District CIP	\$ 13,693,800	\$ 21,388,000	\$ 11,388,700	\$ 11,949,000	\$ 13,769,000	\$ 14,505,000	\$ 10,958,500	\$ 4,670,500	\$ 14,216,500	\$ 8,936,500	\$ 7,609,000
Total District R&R + CIP	\$ 18,180,700	\$ 23,889,200	\$ 13,935,700	\$ 15,257,000	\$ 16,675,500	\$ 17,282,500	\$ 15,746,000	\$ 7,071,000	\$ 16,479,500	\$ 11,364,500	\$ 10,202,000
5-Year Average	\$ 17,407,980										
CVSD Participation	\$ 2,189,001	\$ 2,850,100	\$ 447,975	\$ 814,550	\$ 1,841,675	\$ 2,273,425	\$ 2,599,300	\$ 454,300	\$ 2,870,175	\$ 1,591,425	\$ 800,800
5-Year Average	\$ 1,645,545										
TOTAL DISTRICT PROJECTIONS (INCLUDING HISTORIC INFLATION FACTOR)											
ENR April to April 10 year average =	0.0238										
TOTAL DISTRICT PROJECTIONS (INCLUDING HISTORIC INFLATION FACTOR)	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31
Total District R&R	\$ 4,593,688	\$ 2,621,674	\$ 2,733,218	\$ 3,634,344	\$ 3,269,234	\$ 3,198,489	\$ 5,644,359	\$ 2,897,495	\$ 2,796,538	\$ 3,071,850	\$ 3,358,682
Total District CIP	\$ 14,019,712	\$ 22,418,184	\$ 12,221,360	\$ 13,127,803	\$ 15,487,383	\$ 16,703,539	\$ 12,919,836	\$ 5,637,472	\$ 17,568,263	\$ 11,306,253	\$ 9,855,847
Total District R&R + CIP	\$ 18,613,401	\$ 25,039,858	\$ 14,954,578	\$ 16,762,147	\$ 18,756,616	\$ 19,902,027	\$ 18,564,195	\$ 8,534,967	\$ 20,364,800	\$ 14,378,103	\$ 13,214,529
5-Year Average	\$ 19,083,045										
CVSD Participation	\$ 2,241,099	\$ 2,987,379	\$ 480,728	\$ 894,908	\$ 2,071,518	\$ 2,618,010	\$ 3,064,519	\$ 548,357	\$ 3,546,864	\$ 2,013,434	\$ 1,037,267
5-Year Average	\$ 1,810,509										
NOTE: Inflation factor applied is based on the ENR 10 year average.											

Cash Flow Projection

	Rate Approved	Projected Rate										
Annual Rate Increase	7.5%											
Sewer Rate	\$296	\$318	\$342	\$368	\$395	\$425	\$457	\$491	\$528	\$568	\$610	\$610
Year Number	Y0	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10	Y10
Fiscal Year	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2030/31
Operating revenues												
District service charges	\$16,181,280	\$17,394,876	\$18,699,492	\$20,101,954	\$21,609,600	\$23,230,320	\$24,972,594	\$26,845,539	\$28,858,954	\$31,023,376	\$33,350,129	\$33,350,129
Agency treatment charges	3,085,360	3,826,613	3,923,118	4,210,467	4,204,845	4,222,579	4,872,874	4,379,314	4,451,106	4,601,587	4,755,221	4,755,221
Sanitary truck waste charges	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Grease receiving charges	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000
Biosolids charges	170,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Permits and inspection fees	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000
Contract fees - Waste Mgmt (10% starting Y0)	1,531,821	1,577,776	1,625,109	1,673,862	1,724,078	1,775,800	1,829,074	1,883,947	1,940,465	1,998,679	2,058,639	2,058,639
Recycling charges - residential	2,309,000	2,309,000	2,309,000	2,309,000	2,309,000	2,309,000	2,309,000	2,309,000	2,309,000	2,309,000	2,309,000	2,309,000
Recycling charges - commercial	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000
Recycling revenue options - (\$1/50.5/\$0.5/\$0.5/\$0.5)	0	514,000	771,000	1,028,000	1,285,000	1,542,000	1,542,000	1,542,000	1,542,000	1,542,000	1,542,000	1,542,000
Landfills fees - Measure D	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000
Overhead recovery	700,000	725,000	750,000	775,000	800,000	825,000	850,000	875,000	900,000	925,000	950,000	950,000
Total Operating Revenues	\$24,727,461	\$27,297,265	\$29,027,719	\$31,048,282	\$32,882,523	\$34,854,700	\$37,325,542	\$38,784,799	\$40,951,525	\$43,349,641	\$45,914,989	\$45,914,989
Operating Expenses (Include Renewal & Replacement Projects)												
O&M Engineering	\$867,700	\$893,731	\$920,543	\$948,159	\$976,604	\$1,005,902	\$1,036,079	\$1,067,162	\$1,099,176	\$1,132,152	\$1,166,116	\$1,166,116
O&M Collections	2,122,200	2,335,866	2,405,942	2,478,120	2,552,464	2,629,038	2,707,909	2,789,146	2,872,821	2,959,005	3,047,775	3,047,775
O&M Treatment plant	8,287,100	8,535,713	8,791,784	9,055,538	9,327,204	9,607,020	9,895,231	10,192,088	10,497,850	10,812,786	11,137,169	11,137,169
O&M Energy savings from battery storage system	0	-39,584	-120,336	-125,148	-130,148	-135,356	-140,776	-146,404	-152,256	-158,348	-164,684	-164,684
O&M Administration and general	2,317,300	2,386,819	2,458,424	2,532,176	2,608,142	2,686,386	2,766,977	2,849,987	2,935,486	3,023,551	3,114,257	3,114,257
O&M Effluent disposal-EBDA	830,000	830,000	848,900	868,367	888,418	909,071	930,343	952,253	974,821	998,065	1,022,007	1,022,007
R&R Collections	2,592,800	1,620,000	1,580,000	1,560,000	1,560,000	1,750,000	1,560,000	1,560,000	1,560,000	1,560,000	1,560,000	1,560,000
R&R Treatment Plant	1,603,400	552,200	638,000	1,419,000	1,017,500	698,500	2,898,500	511,500	374,000	539,000	704,000	704,000
R&R Engineering & Administration	278,200	162,500	162,500	162,500	162,500	162,500	162,500	162,500	162,500	162,500	162,500	162,500
R&R Effluent disposal - EBDA	166,500	166,500	166,500	166,500	166,500	166,500	166,500	166,500	166,500	166,500	166,500	166,500
Required Pension UAL Payment	566,504	771,514	897,217	963,112	1,038,238	1,071,690	1,099,615	1,128,304	1,157,787	1,188,083	1,219,204	1,219,204
Additional Pension buydown (10-year amortization)	534,000	762,116	636,413	570,518	495,392	461,940	434,015	405,326	375,843	345,547	314,426	314,426
Interest savings from additional pension buydown		-37,380	-135,277	-175,213	-209,891	-242,227	-272,608	-300,980	-327,289	-351,478	-378,000	-378,000
Depreciation	3,725,000	3,836,750	3,951,853	4,070,408	4,192,520	4,318,296	4,447,845	4,581,280	4,718,719	4,860,280	5,006,089	5,006,089
Decrease in EBDA equity	0	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Solid waste	482,000	496,460	511,354	526,694	542,495	558,770	575,533	592,799	610,583	628,901	647,768	647,768
Recycling	2,913,700	2,932,111	2,951,074	2,970,607	2,990,725	3,011,446	3,032,790	3,054,774	3,077,417	3,100,739	3,124,761	3,124,761
Total Operating Expenses	\$27,286,404	\$26,405,316	\$26,909,439	\$28,231,275	\$28,413,341	\$28,891,812	\$31,530,834	\$29,794,606	\$30,330,266	\$31,191,471	\$32,076,412	\$32,076,412
Operating Income (Loss)	-\$2,558,943	\$891,949	\$2,118,279	\$2,817,008	\$4,469,183	\$5,962,888	\$5,794,708	\$8,990,192	\$10,621,259	\$12,158,170	\$13,838,577	\$13,838,577
Non-Operating Revenues												
Investment income	\$100,000	\$59,438	\$41,676	\$32,917	\$54,463	\$64,707	\$60,706	\$57,580	\$93,860	\$103,685	\$141,753	\$141,753
Rents and leases	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Recovery of uncollectible accounts	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Other miscellaneous revenues	118,000	118,000	118,000	118,000	118,000	118,000	118,000	118,000	118,000	118,000	118,000	118,000
Grant Revenues (EPA-Microvi, PG&E)	487,500	918,000	183,600	183,600	183,600	183,600	183,600	0	0	0	0	0
Total Non-Operating Revenues	\$815,500	\$1,205,438	\$453,276	\$444,517	\$466,063	\$476,307	\$472,306	\$285,580	\$321,860	\$331,685	\$369,753	\$369,753
Non-Operating Expenses												
Contingency	\$340,000	\$340,000	\$340,000	\$340,000	\$340,000	\$340,000	\$340,000	\$340,000	\$340,000	\$340,000	\$340,000	\$340,000
Bond interest	448,300	436,213	423,838	411,088	397,963	384,388	370,438	356,113	341,338	326,113	310,438	310,438
Write off of uncollectible accounts/capital assets	13,200	13,200	13,200	13,200	13,200	13,200	13,200	13,200	13,200	13,200	13,200	13,200
Total Non-Operating Expenses	\$801,500	\$789,413	\$777,038	\$764,288	\$751,163	\$737,588	\$723,638	\$709,313	\$694,538	\$679,313	\$663,638	\$663,638
Income before Contributions and Transfers	-\$2,544,943	\$1,307,974	\$1,794,518	\$2,497,237	\$4,184,083	\$5,701,607	\$5,543,376	\$8,566,460	\$10,248,582	\$11,810,542	\$13,544,692	\$13,544,692
Connection fees	3,500,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Change in Net Assets	\$955,057	\$1,507,974	\$1,994,518	\$2,697,237	\$4,384,083	\$5,901,607	\$5,743,376	\$8,766,460	\$10,448,582	\$12,010,542	\$13,744,692	\$13,744,692
Beginning Cash Position	\$19,576,466	\$11,887,623	\$8,335,147	\$6,583,472	\$10,892,525	\$12,941,466	\$12,141,106	\$11,515,968	\$18,772,099	\$20,737,040	\$28,350,504	\$28,350,504
Change in net position	955,057	1,507,974	1,994,518	2,697,237	4,384,083	5,901,607	5,743,376	8,766,460	10,448,582	12,010,542	13,744,692	13,744,692
+ Depreciation	3,725,000	3,836,750	3,951,853	4,070,408	4,192,520	4,318,296	4,447,845	4,581,280	4,718,719	4,860,280	5,006,089	5,006,089
+ Decrease in EBDA equity	0	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
+ Write-offs	13,200	13,200	13,200	13,200	13,200	13,200	13,200	13,200	13,200	13,200	13,200	13,200
- Capital outlays (Collections)	(6,748,100)	(10,645,000)	(10,340,000)	(10,215,000)	(7,525,000)	(6,215,000)	(3,565,000)	(3,470,000)	(3,215,000)	(3,215,000)	(5,215,000)	(5,215,000)
- Capital outlays (Treatment plant & Others)	(6,925,700)	(10,703,000)	(1,008,700)	(1,694,000)	(6,204,000)	(8,250,000)	(7,353,500)	(1,160,500)	(10,961,500)	(5,681,500)	(2,354,000)	(2,354,000)
- Capital outlays (Engineering/Admin)	(20,000)	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)
- Capital outlays (SB 1383 Can Replacements)			(6,000,000)									
+ Capital repayments from CVSsan	1,706,700	2,682,600	259,025	430,350	1,557,850	2,069,350	1,845,225	296,975	2,747,225	1,427,225	595,350	595,350
+ New debt financing		10,000,000	10,000,000	10,000,000	7,000,000	3,000,000						
- New debt payments			(361,571)	(723,142)	(1,084,713)	(1,337,813)	(1,446,284)	(1,446,284)	(1,446,284)	(1,446,284)	(1,446,284)	(1,446,284)
+ Bond financing												
- Bond principal payments	(395,000)	(405,000)	(420,000)	(430,000)	(445,000)	(460,000)	(470,000)	(485,000)	(500,000)	(515,000)	(530,000)	(530,000)
Ending cash position	\$11,887,623	\$8,335,147	\$6,583,472	\$10,								