RESOLUTION 2024.12

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE EAST VALLEY WATER DISTRICT ESTABLISHING A SCHEDULE OF RATES AND CHARGES FOR THE PROVISION OF WATER AND WASTEWATER SERVICE AND SUPERSEDING RESOLUTION 2024.08

WHEREAS, East Valley Water District ("District") is a county water district organized and operating pursuant to California Water Code Section 30000 et seq.; and

WHEREAS, pursuant to applicable law, including but not limited to Water Code Sections 31024, 31027, and 31101, the District's Board of Directors adopted Ordinances No. 406 and 407 establishing the rules and regulations for sewer and water services, respectively, by the District; and

WHEREAS, Ordinances 406 and 407 provide that Rates and Charges may be changed from time to time or new rates and charges may be established by resolution of the Board of Directors; and

WHEREAS, pursuant to applicable law, including but not limited to Water Code Sections 31007 and 31025, the District's Board of Directors is authorized to adopt by resolution such rates for the provision of water service and wastewater service by the District to implement the rules and regulations set forth in District Ordinance No. 406 and 407, and to yield an amount sufficient to pay the operating expenses of the District, provide for repairs and depreciation of works owned or operated by the District, pay the interest on any bonded debt, and, so far as possible, provide a fund for the payment of the principal of the bonded indebtedness as it becomes due, and

WHEREAS, at the request of the District, IB Consulting, LLC has prepared a Capacity Fee Study that outlines the need and basis for an adjustment to existing rates to continue to maintain and operate the District's water, wastewater, and recycled water systems. The Capacity Fee Study was presented to the Board of Directors at a duly noticed public meeting on November 13, 2024; and

WHEREAS, Section 21080(b) (8) of the Public Resources Code provides that the establishment, modification, structuring, restructuring or approval of rates, tolls, fares, or other charges by public agencies are exempt from the requirements of the California Environmental Quality Act (CEQA) provided that certain findings are made specifying the basis for the claim of exemption; and

WHEREAS, The rates and charges established by this resolution qualify as exceptions to the definition of a tax pursuant to Article XIIIC,§1 of the Constitution of the State of California; and

WHEREAS, the Board of Directors of the District deems it advisable and finds that it would be in the best interest of the District to amend or establish certain rates and charges, consistent with applicable constitutional and statutory requirements; and

WHEREAS, the District also wishes to establish miscellaneous fees incidental and related to the provision of services for water and wastewater treatment, but which fees and charges are not for property-related services as defined by Article XIIID of the Constitution of the State of California and which fees and charges may be established by resolution of the Board of Directors of the District;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the District as follows:

Section 1. It is hereby found and determined that the proposed changes to the Schedule of Rates and Charges are within the purposes set forth in Section 21080(b) of the Public Resources Code including but not by way of limitation, the purposes of (1) meeting operating expenses, (2) purchasing or leasing supplies, equipment or materials, (3) meeting financial reserve needs and requirements, and (4) obtaining funds for capital projects necessary to maintain service within existing areas, and therefore, that such changes are exempt from CEQA.

Section 2. It is hereby found and determined that the rates and charges of the District are imposed on the basis of demand as determined by measurements including water metering and meter size, acreage or other demand-generation characteristics of properties requesting connection, and cost of service restoration, inspection and other services provided for all fees; that such rates, charges and fees are imposed upon the request for or use of services; and that the water user charges satisfy the criteria and requirements of Water Code Section 370 et seq. relating to allocation-based conservation water pricing.

Section 3. It is hereby found and determined that the user charges and fees and regulatory fees established or increased hereby do not produce revenues exceeding the costs reasonably borne in providing the regulation, product or service and/or are used for debt service or qualified capital outlay projects.

Section 4. The new and/or revised rate(s), fee(s) and/or charge(s) as set forth in Exhibits "A" and "B" attached to this resolution and by this reference incorporated herein are hereby adopted in conformity with the authority set forth in Section 14.01 of Ordinance 406 and Section 21.01 of Ordinance 407, and the corresponding rate(s), fee(s) or charges(s), if any, as set forth in Ordinances 406 and 407 currently in effect, are hereby superseded and Resolution 2024.08 is hereby rescinded. Staff is directed to incorporate the hereby adopted new and/or revised rate(s), fee(s) and/or charge(s) into Exhibit "A" and "B" attached hereto.

Section 5. That the provisions of this Resolution shall be effective November 13, 2024.

Section 6. That the Secretary is hereby ordered and directed to post a certified copy of this Resolution in a public place within the District.

This Resolution shall take effect as of the 13th day of November 2024.

ADOPTED this 13th day of November 2024.

ROLL CALL:

Ayes: Directors: Carrillo, Coats, Goodrich, Morales, Smith

Noes: None

Absent: None

Abstain: None

James Morales, Jr.
Board President

ATTEST:

Michael Moore
Secretary, Board of Directors

November 13, 2024

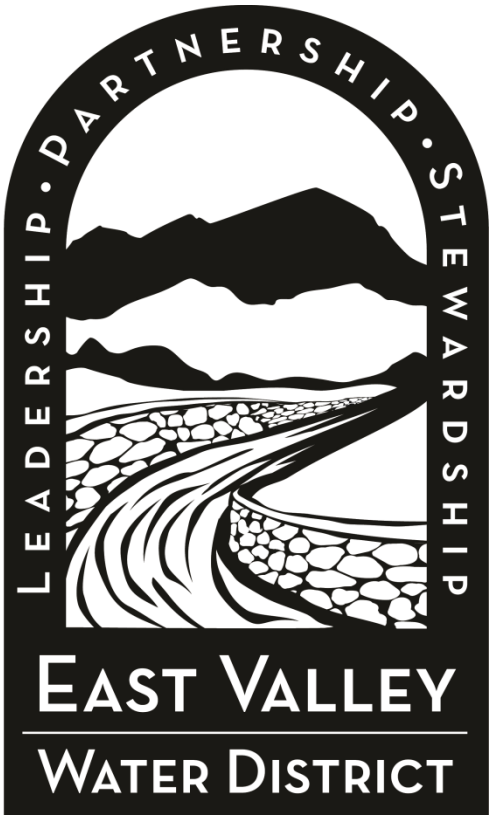
I HEREBY CERTIFY that the foregoing is a full, true and correct copy of Resolution 2024.12 adopted by the Board of Directors of East Valley Water District at its Regular Meeting held November 13, 2024.

Michael Moore
Secretary, Board of Directors

EXHIBIT "A"

EAST VALLEY WATER DISTRICT

SCHEDULE OF WATER AND WASTEWATER RATES AND CHARGES



UPDATED NOVEMBER 13, 2024

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Section 1: Water Service Charges

Monthly Water System Charge

The water system charge is the monthly availability charge applicable to all metered water services, and shall apply whether premises served by the meter are occupied. The charges, which vary by meter size, are established at the amounts listed in the table below.

METER SIZE	RATE EFFECTIVE DATE			
	1/1/2024	1/1/2025	1/1/2026	1/1/2027
5/8"	$ 25.49	$ 27.52	$ 29.18	$ 30.94
3/4"	$ 32.74	$ 34.62	$ 36.70	$ 38.91
1"	$ 47.24	$ 48.83	$ 51.76	$ 54.87
1 1/2"	$ 83.50	$ 84.35	$ 89.42	$ 94.79
2"	$ 127.00	$ 126.97	$ 134.59	$ 142.67
3"	$ 243.01	$ 368.48	$ 390.59	$ 414.03
4"	$ 373.52	$ 901.23	$ 955.31	$ 1,012.63
6"	$ 736.05	$ 1,433.89	$ 1,520.02	$ 1,611.23
8"	$ 2,041.16	$ 2,854.65	$ 3,025.93	$ 3,207.49
10"	$ 2,041.16	$ 4,630.48	$ 4,908.31	$ 5,202.81
12"	$ 2,041.16	$ 5,695.98	$ 6,037.74	$ 6,400.01

Commodity Charges: Potable Water

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

	RATE EFFECTIVE DATE			
TIERS	**1/1/2024**	**1/1/2025**	**1/1/2026**	**1/1/2027**
Tier 1 - Indoor Use	$ 2.11	$ 2.19	$ 2.33	$ 2.47
Tier 2 - Outdoor Use	$ 2.70	$ 2.84	$ 3.02	$ 3.21
Tier 3 - Inefficient Use	$ 4.18	$ 4.10	$ 4.35	$ 4.62

Residential, Institutional, and Irrigation customers are billed using water budgets. For water budget-based rates, the District has three price tiers with increasing rates per unit. The number of units a customer is billed in each tier is determined by their unique water budget. See Section 10 of the District's Water Regulation and Service Ordinance for an explanation of water budgets.

Commercial customers are billed using a flat rate, where one rate applies to every unit of water used. Commercial customers were transitioned from budget-based to flat rates during fiscal year 2024-25.

	RATE EFFECTIVE DATE			
TIER	**1/1/2024**	**1/1/2025**	**1/1/2026**	**1/1/2027**
Commercial Flat Rate	N/A	$ 2.39	$ 2.54	$ 2.70

Private Fire Protection Service

1. Commercial Standby Charge

   The fire service standby charge is the monthly charge assessed per inch diameter of the District fire service meter. Water use through this service is limited to emergency fire requirements only.

METER SIZE	RATE EFFECTIVE DATE			
	7/1/2016	1/1/2025	1/1/2026	1/1/2027
5/8"	$ 8.78	$ 13.75	$ 14.58	$ 15.46
3/4"	$ 8.78	$ 13.84	$ 14.68	$ 15.57
1"	$ 8.78	$ 14.01	$ 14.86	$ 15.76
1 1/2"	$ 13.18	$ 14.36	$ 15.23	$ 16.15
2"	$ 17.57	$ 14.71	$ 15.60	$ 16.54
3"	$ 26.35	$ 15.41	$ 16.34	$ 17.33
4"	$ 35.14	$ 16.11	$ 17.08	$ 18.11
6"	$ 52.70	$ 17.51	$ 18.57	$ 19.69
8"	$ 70.27	$ 18.91	$ 20.05	$ 21.26
10"	$ 87.84	$ 20.31	$ 21.53	$ 22.83
12"	$ 87.84	$ 21.71	$ 23.02	$ 24.41

2. Fire Hydrant Flow Test Fee (per fire hydrant)

   The fire flow test charge is a flat rate established to cover the District's time and effort for testing parts of the water system to obtain fire flow test data and calculate results as requested. The District will charge a one-time fee of $270 to administer fire flow tests.

Temporary Water Service Connection

A temporary service is available through the use of a fire hydrant. A customer deposit for the temporary service will be required, and all other applicable service charges shall apply.

Monthly Service Charge

Refer to the schedule of Monthly Water System Charges for three inch (3") meters.

1. Commodity Charge

   Commodity charges for temporary services shall be billed at the Tier 3 rates based on the Potable Water Commodity Rates. When available, and feasible, recycled water shall be used for temporary construction uses.

   The Commodity Charge shall be as follows:

AREA	RATE / 100 CUBIC FEET
Potable	Tier 3 Rate

2. Meter Deposit

   A deposit equal to the replacement cost of the construction meter shall be collected at the time of service application. Currently, the replacement cost is estimated to be $2,700. The deposit will be applied to the closing bill and any remaining amount refunded to the customer. Lost meters will result in forfeiture of the deposit.

3. Temporary Service Meter Availability Charge (for reading)

   If a hydrant/construction meter is not available for a monthly reading as prescribed by the District, a fee of $100 will be charged for each month the meter is not read in order to cover the cost of correcting billing records.

4. Unauthorized Use of Water Charge

   The unauthorized use of water charge shall be charged to any person, organization or agency for each unauthorized use of District water or for tampering in any manner with any meter belonging to the District where this tampering shall affect the accuracy of such meter. The unauthorized use of water charge is hereby established at the rate of $500 for a first occurrence and $1,000 for each subsequent occurrence.

New Account Fees for Water Services

The following fees are applicable to all requests for new service, or transfer of an existing account to a new location:

1. Security Deposit

   A deposit of $150 will be required until a one-year payment history, with fewer than two delinquencies, has been established. The deposit insures payment of minimum District charges.

2. Service Initiation Charge

   The service initiation charge is a non-refundable charge of $35 per account, which covers the reasonable District costs for initiating water service.

Miscellaneous Water Service Charges and Fees

1. AMI Opt-Out Fee

   This fee covers the cost to manually read the meter and will be charged when a customer requests to Opt-Out; that the District not install an Automated Metering Infrastructure (AMI) meter information unit to serve their property.

2. Delinquency Charge

   Rates and charges which are not paid on or before the due dates shall be subject to interest charges. Interest will be calculated at a rate of one and one-half percent (1 ½%) on all amounts that remain unpaid at the end of each billing cycle.

3. Disconnection Notice Charge

   The disconnect notice charge is the charge which covers reasonable District costs to notify customers that their water service is subject to impending termination.

4. Meter Test Charge

   The meter test charge is the charge which covers the District costs for removing, bench testing, and reinstalling the water meter to be tested.

5. Returned Payment Fee

   A returned payment charge is a charge which covers the reasonable administrative cost and banking charges for processing a returned check, or to respond to a disputed charge where a payment card was fraudulently used to make payment on an account.

6. Service Reconnect Charge (after hours)

   The service reconnect charge is the charge which covers the reasonable District costs for disconnection and reconnection during non-business hours, of service connections which are in violation of the provisions contained herein.

7. Service Reconnect Charge (business hours)

   The service reconnect charge is the charge which covers the reasonable District costs for disconnection and reconnection during regular business hours, of service connections which are in violation of the provisions contained herein.

Summary of charges/fees for Miscellaneous Water Service:

CHARGE OR FEE NAME	**CHARGE/FEE**
AMI Opt-Out Fee	$13 (per month)
Delinquency Charge	1.5%
Disconnection Notice Charge	$30
Fire Hydrant Flow Test Fee	$270 (per fire hydrant)
Meter Deposit	Replacement Cost
Meter Test Charge	$65
Returned Payment Fee	$25
Service Initiation Charge	$35 (per account)
Service Reconnect Charge (after hours)	$150
Service Reconnect Charge (business hours)	$50
Temporary Service Meter Availability Charge (for reading)	$100
Unauthorized Use of Water Charge	$500 (first occurrence)
Unauthorized Use of Water Charge	$1,000 (each subsequent occurrence)

Cross-Connection Control

In order to prevent water from flowing backward into the District's water distribution system, a backflow device must be installed by all commercial/irrigation and multi-family customers with four (4) or more units serviced.

All backflow devices must be inspected upon installation and tested annually for compliance. Compliance testing may be performed by a certified backflow tester and results shall be submitted to the District.

Installation of new backflow prevention assemblies are typically completed by the owner's contractor, if staff performs the installation, it will be billed at actual cost.

1. Backflow Installation Fee

   The charge for installation will be based on actual cost to the customer, and will be billed accordingly.

2. Backflow Inspection Fee (per inspection)

   A fee of $145 will be charged for each standard backflow inspection of newly installed backflow prevention devices, in accordance with District Standards, and inspected by District staff.

3. Initial Backflow Compliance Test (per device)

   A fee of $145 will be charged to the customer for the initial backflow compliance test performed by certified District staff.

4. Backflow Annual Administration Fee (per device)

   The District shall appoint at least one person trained in cross-connection control to administer and ensure all District standards are met. This backflow annual administration fee will be assessed annually.

Summary of charges/fees for Cross-Connection Control:

CHARGE OR FEE NAME	**CHARGE / FEE**
Backflow Installation Fee	actual cost
Backflow Inspection Fee	$145 (per inspection)
Initial Backflow Compliance Test	$145 (per device)
Annual Backflow Administration Fee	$30 (per device)

Section 2: Wastewater Service Charges

Monthly Wastewater Charge

Wastewater charges consist of both a Collection (System) component and a treatment component, and include both fixed charges, and charges based on water usage. An explanation of how these charges apply to different customer classes is explained below.

A. Residential Customers

The collection and treatment charges for residential customers is a monthly fixed charge for each dwelling unit. Accounts with 1-3 dwelling units are classified as single-family residential customers; accounts with 4 or more dwelling units are classified as multi-family residential customers. The fixed monthly charges established for each of these customer classes are displayed in the following table:

	RATE EFFECTIVE DATE							
	CURRENT		7/1/2024		7/1/2025		7/1/2026	
	Collection	Treatment	Collection	Treatment	Collection	Treatment	Collection	Treatment
Single-Family Residential	$ 16.32	$ 26.77	$ 16.70	$ 29.79	$ 17.21	$ 32.77	$ 17.73	$ 36.05
Multi-Family Residential	$ 15.42	$ 23.90	$ 15.48	$ 25.67	$ 15.95	$ 28.24	$ 16.43	$ 31.07

B. Commercial / Non-Residential Customers

The collection and treatment charges for non-residential customers consist of monthly fixed charges, assessed per account, and a volumetric charge assessed for each unit of water (HCF) used for the account during the billing period. The volumetric charge varies based on the strength/concentration factors of the wastewater discharged by commercial customers. Customers are assigned to a strength category based on industry standards.

Fixed Monthly Charges:

RATE EFFECTIVE DATE							
CURRENT		7/1/2024		7/1/2025		7/1/2026	
Collection	Treatment	Collection	Treatment	Collection	Treatment	Collection	Treatment
$ 11.84	$ 12.41	$ 10.59	$ 9.16	$ 10.91	$ 10.08	$ 11.24	$ 11.09

Volumetric Charges per HCF of Water Usage:

	RATE EFFECTIVE DATE							
DISCHARGERS	CURRENT		7/1/2024		7/1/2025		7/1/2026	
	Collection	Treatment	Collection	Treatment	Collection	Treatment	Collection	Treatment
Low Strength	$ 0.41	$ 1.11	$ 0.77	$ 2.19	$ 0.80	$ 2.41	$ 0.83	$ 2.66
Medium Strength	$ 0.54	$ 1.76	$ 0.77	$ 2.54	$ 0.80	$ 2.80	$ 0.83	$ 3.08
High Strength	$ 0.54	$ 3.92	$ 0.77	$ 3.96	$ 0.80	$ 4.36	$ 0.83	$ 4.80
Mixed Use	$ 0.41	$ 1.11	$ 0.45	$ 1.29	$ 0.47	$ 1.42	$ 0.49	$ 1.57

Section 3: Developer Services

Water Capacity and Connection Fees

Water Capacity Fees

A "Capacity Charge" is defined within GC 66013 as a charge for public facilities in existence at the time a charge is imposed or charges for new facilities to be constructed in the future that is of benefit to the person or property being charged. Capacity fees ensure new development pays its fair share to connect to the system and does not cause additional burdens to current customers. Capital and infrastructure costs required to meet new demand/connections should be paid by those creating the cost to be incurred.

On July 1 of each year Water Capacity Charges will automatically increase in proportion to the published 12-month increase measured in September each year in the Construction Cost Index, unless the EVWD Board of Directors determines that such an increase shall not be effective for the next succeeding fiscal year, or if the index does not increase or change.

Water Connection Fees

The water meter connection charge is the charge for installation and materials between the service angle stop and customer connection side within the meter box. Such regular charge shall be paid in advance by the applicant. Cost varies based on market conditions for the requested meter size and type. Service line connections to the main are separate from this fee and would be an additional non-regular charge. Where there is a non-regular charge, the District reserves the right to require the applicant to deposit an amount equal to the estimated cost of such service connection.

METER SIZE	CAPACITY CHARGE
3/4" T-10	$ 11,775
3/4" Mach 10	$ 11,775
1"	$ 19,625
1 1/2"	$ 39,250
2"	$ 62,800
3"	$ 196,250
4"	$ 490,625
6"	$ 785,000
8"	$ 1,570,000
10"	$ 2,551,250
12"	$ 3,140,000

Service Installation Benchmark Costs

Installation charges will be estimated by the District based on availability of District staff to complete the work-site specific construction conditions and requirements. The costs in the table shown are benchmarks, or cost references to begin from, for a short or long-side service installation based on requested meter size. Permitting, paving/concrete costs, and non-typical conditions are not included and will need to be assessed per connection, on a case-by-case basis. If the applicant elects not to have District staff complete the installation, then an administrative fee of 5% of the estimate will be charged.

METER SIZE	SHORT SIDE LATERAL	LONG SIDE LATERAL
3/4" T-10	$ 6,005	$ 11,030
3/4" Mach - 10	$ 6,110	$ 11,135
1"	$ 6,035	$ 11,060
1 1/2"	$ 6,420	$ 11,445
2"	$ 6,640	$ 11,665
3"	$ 14,765	$ 22,690
4"	$ 17,210	$ 25,135
6"	$ 22,985	$ 30,915
8"	$ 24,470	$ 32,395
10"	$ 29,465	$ 37,390

Wastewater Connection Fees

The sewer service connection charge is the charge for the type and size of service connection desired. Such regular charge shall be paid in advance by the applicant. Where there is no such regular charge, the District reserves the right to require the applicant to deposit an amount equal to the estimated cost of such service connection. The following charges are hereby established and shall be collected at the time of application for sewer connection:

CHARGE OR FEE NAME	CHARGE / FEE	
Permit Charge	$ 275	per connection
Inspection Charge	$ 100	per connection (per visit)
Capacity Charge	$ 6,486	per EDU or portion thereof

On July 1 of each year Wastewater Capacity Charges will automatically increase in proportion to the published 12-month increase measured in September each year in the Construction Cost Index, unless the EVWD Board of Directors determines that such an increase shall not be effective for the next succeeding fiscal year, or if the index does not increase or change.

Fire Service Connection Charges

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

Installation charges will be estimated by the District based on availability of District staff to complete the work and site-specific construction conditions and requirements. If the applicant elects not to have District staff complete the installation then an administrative fee of 5% of the estimate will be charged.

Developer Services' Charges and Fees

1. Availability Letter

   A fee of $155 will be charged for a water or sewer verification letter inquiry.

2. Construction Inspection Charge (per day or actual cost)

   Where a customer service connection or facility requires inspection by District personnel, the customer shall be charged for such inspection at the rate of $905 per day. When District personnel are not available, inspection will be performed by third party inspectors retained by the District. The hourly rate for third-party inspectors will be established at the beginning of each third-party inspection assignment.

3. Development Agreement (per agreement or actual cost)

   A Development Agreement is required whenever a project will include the design and construction of water or sewer facilities which will be dedicated to the District. This $1,375 minimum fee will cover the cost to initiate and execute a Development Agreement with the District.

4. Development and Engineering Research Fee ($95 per hr; 4-hr min)

   This fee will provide funding for Engineering staff to conduct research of existing accounts, easements, and other development related materials. This would only apply to obtaining information for Developers that is unique to their development area and not general information, such as fee schedules or District design standards. Utility Requests and providing of As-builts or other locating documentation is not included in this fee.

   This fee also encompasses the District's time and effort spent on assisting customers who have a requirement to construct water or sewer facilities, which must meet District needs and conform to District standards.

5. Development Meeting Fee (per meeting, after first meeting)

   This $475 per meeting fee will provide funding for Engineering staff to prepare for and attend, meetings with developers regarding their projects beyond the initial project consultation meeting and set-up. This fee will primarily impact larger, more complex developments which may require multiple coordination meetings with staff.

6. Easement/Quitclaim Processing (per easement)

   A minimum fee of $975 will be charged for review and recordation of each Easement or Quitclaim document. If complexity of the legal document requires more time, legal counsel, or land surveyor counsel, actual costs beyond the minimum will be collected.

7. Fire Hydrant Installation Charge (actual cost or 5% of estimate)

   Installation charges will be estimated by the District based on availability of District staff to complete the work and site-specific construction conditions and requirements. If the applicant elects not to have District staff complete the installation, an administrative fee of 5% of the estimate will be charged.

8. General Water/Sewer Service Inquiry

   A fee of $75 will be charged for a Technician's time for general inquiries for service to a parcel. This inquiry usually arises from realtors and small developers.

9. New Construction Chlorination and Flushing Fee ($355 min to actual cost)

   A minimum fee of $355 will be charged for new construction disinfection plan review, inspection, and flushing prior to sampling.

10. Sewer Manhole and Valve Can Deposit

    A refundable deposit of $1,500 per manhole will be charged for each sewer manhole structure shown on the sewer construction plans. A refundable deposit of $500 per valve can will be charged for each valve can shown on the water construction plans. These deposits will be returned when all manholes and valve cans are constructed to final grade by the Developer's contractor and verified by the District.

    As an alternative to the manhole and valve can deposit, a guarantee bond may be provided in the same amount as the deposit. The guarantee bond shall contain covenants that are satisfactory to the District. Such bond shall remain in force until all manholes and valve cans are constructed to final grade by the Developer's contractor and verified by the District.

11. Special Facility Charge

    A special facility charge shall be required for development of limited service whenever special facilities, including pressure regulators are required. The charge to be made to a developer or owner of land that is considered by the District to be within a limited service area shall be based upon the Developer's or Landowner's proportionate share

of the cost for the installation of such Special Facility. Such proportionate share to be borne by the developer or landowner shall be based on the percentage of such development to the entire limited service area to be served by the Special Facilities; and the same number of acres or area under normal conditions and the cost of facilities to serve the acreage of area under special conditions at a higher cost.

12. Water Main Extension Charge

    The water main extension charge is for the construction of a water main extending to the far side of the property to be served. This charge shall be based on the prevailing rates of time and material per District approved plans. The customer shall be responsible to provide the plans and for all applicable Water/Sewer Plan Checking charges described below.

13. Water Quality Sampling Fee (per sample)

    A fee of $135 will be charged for each water quality sample taken for new construction.

14. Water/Sewer Plan Checking Fee (per sheet)

    This $800 fee is collected per sheet and is a minimum that will cover up to three in-house plan checks. When District personnel are not available, plan checking will be performed by third-party Engineers retained by the District. The hourly rate and estimate for three plan checks for third-party plan checkers will be established at the beginning of each third-party plan checking assignment. The minimum fee per sheet established can be collected initially to begin plan checking and the Developer will deposit the difference to cover the third-party's plan check cost to the District. Should more than three plan checks be required, additional funds may be deposited to bill against, and hours will be billed at the Engineering Research Fee or the cost of the third-party Engineer. Plan checking costs shall be paid before plans are returned.

15. Water System Design Charge

    A water system design charge shall be required for all main extensions, service connections and/or special facilities requiring the preparation of engineering plans and drawings. The water system design charge is hereby established as the fee charged by an Engineering firm of the District's choosing, plus an additional 10% thereof for the District's administrative costs. In the event the costs exceed the fees charged, the additional cost will be billed to the customer.

16. Will Serve Letter

Once a Developer has compiled or met all the items needed to make the request for a Will Serve Letter, per the Development Guidelines and Procedures Handbook, they may request and pay a minimum fee of $575 to review and evaluate the infrastructure needs for a proposed project within the District's service area. Should additional time be required for reviewing the project information and to prepare the document, the hourly rate established for the Engineering Research Fee shall be assessed in addition to the minimum fee .

Summary of charges/fees for Developer Services:

CHARGE OR FEE NAME	**CHARGE / FEE**
Availability Letter	$155
Construction Inspection Charge	$905 (per day) or actual cost
Development Agreement	$1,375 (per agreement; min to actual cost)
Development and Engineering Research Fee	$95 (flat rate, per 4-hr min)
Development Meeting Fee	$475 (per meeting, after first meeting)
Easement/Quitclaim Processing	$975 (per easement)
Fire Hydrant Installation Charge	actual cost or 5% of estimate
General Water/Sewer Service Inquiry Fee	$75
New Construction Chlorination and Flushing Fee	$355 (min to actual cost)
Sewer Manhole and Valve Can Deposit	$1,500 (per manhole); $500 (per valve can)
Special Facility Charge	Based on proportionate share of Developer or Landowner share of the installation of Special Facility
Water Main Extension Charge	Based on prevailing rates of time and material per District approved plans
Water Quality Sampling Fee	$135 (per sample)
Water/Sewer Plan Checking Fee	$800 (per sheet; 3 plan checks)
Water System Design Charge	actual cost + 10% for administrative costs
Will Serve Letter	$575 (min fee)

Section 4: Pretreatment Program

The District performed permit related activities will include permit processing, inspections and monitoring. The following fees are anticipated to cover the annual costs for each class of dischargers for the Pretreatment Program.

Class*	Annual Fee
I User	$2,210
II User	$1,210
III User	$210
IV User	$710
V User	$410
VI User	$360

*Descriptions of each user type are defined in the East Valley Water District Sewer Regulations and Service Charge Ordinance, definitions section.

Penalties for Enforcement Response Plan Discharge Violations

The District may assess a penalty against a person or entity in compliance with the requirements of ordinances, and enforcement response plan guidelines.

Violation & Circumstances	**Penalty**
First Discharge Violation in a 12-month Period - No harm to POTW	None
Second Discharge Violation in a 12-month Period - No harm to POTW	$100
NMP Violation(s) —Does not result in Acute Non-Compliance	$100

NMP Violation(s) – Acute Non-Compliance	$100, $100, $500, $1000, each subsequent violation
Any discharge violation(s) that result in Quarterly SNC status	$100, $100, $500, each subsequent violation
Any discharge violation(s) that result in pass-through, sludge contamination, or interference	$1,000 or as determined by District review
Dilution of Waste stream — First offense	None
Dilution of Waste stream — Repeat offense(s)	$100
Continuous pH Monitoring indicates noncompliance	$100
Septic Waste Discharged at non-authorized site or in noncompliance with limitations at the POTW — First Offense	$100
Septic Waste Discharged at non-authorized site or in noncompliance with limitations at the POTW — Repeat Offense(s)	$100, $1,000 or as determined by the District
Discharge of any prohibited Waste — First Offense	$100
Discharge of any prohibited waste — Repeat Offense(s)	$100, $100, $1000 or as determined by the District

Penalties for Enforcement Response Plan Monitoring Violations

The District may assess a penalty against a person or entity in compliance with the requirements of ordinances, and enforcement response plan guidelines.

Violation & Circumstances	**Penalty**
Failure to sample or resample within required timeframes — Doesn't result in Acute Non-Compliance	None
Failure to sample or resample within required timeframes — Results in Acute Non-Compliance	$100
Improper Sample Location — First offense	None
Improper Sample Location — Repeat offense(s)	$100, $500 for subsequent violations
Improper sample collection or analytical methods — First offense	None
Improper sample collection or analytical methods — Repeat offense(s)	$100, $500 for subsequent violations
Failure to monitor for all required pollutants — First offense	None
Failure to monitor for all required pollutants — Repeat offense(s)	$100, $500, $1000 for subsequent violations
Failure to properly maintain or operate Flow monitoring or pretreatment equipment — First offense.	None
Failure to properly maintain or operate Flow monitoring or pretreatment equipment— Repeat offense(s)	$100, $500, $1000 for subsequent violations
Failure to install required monitoring or flow equipment — First offense.	$100
Failure to install required monitoring or flow equipment — Repeat offense(s)	$100/day

Penalties for Enforcement Response Plan Reporting Violations

The District may assess a penalty against a person or entity in compliance with the requirements of ordinances, and enforcement response plan guidelines.

Violation & Circumstances	**Penalty**
Failure to maintain records or reports as required by permit — First offense	None
Failure to maintain records or reports as required by permit — Repeat offense(s)	$100
Failure to submit records, reports, or correspondence — less than 5 days late	None
Failure to submit records, reports, or correspondence — between 5 and 45 days late.	$100
Failure to submit records, reports, or correspondence — Over 45 days late – Significant Non-Compliance	$100, $500, $1000 for subsequent violations
Failure to report SMR Discharge violation — First offense	None
Failure to report SMR Discharge violation — Repeat offense(s)	$100
Failure to report Slug Load or spill discharge violation — First offense & no harm	None
Failure to report Slug Load or spill discharge violation — Repeat offense(s) — No harm	$100
Failure to report Slug Load or spill discharge violation – Harm	$250, $500, $1000 and $1500 for subsequent violations
Failure to submit additional monitoring — First offense	None
Failure to submit additional monitoring — Repeat offense(s)	$100

Penalties for Enforcement Response Plan Permit Violations

The District may assess a penalty against a person or entity in compliance with the requirements of ordinances, and enforcement response plan guidelines.

Violation & Circumstances	**Penalty**
Failure to submit permit application or renewal by due date	None
Failure to submit permit application renewal before current permit expires	$100
Failure to submit permit application that results in a permit reclassification	$100
Failure to comply with any permit condition of requirement — First offense	$100
Failure to comply with any permit condition or requirement — Repeat offense(s)	$100, $500, $1000 for subsequent violations
Unauthorized or Unpermitted Discharge — first offense — No harm to POTW	None
Unauthorized or Unpermitted Discharge — Repeat offense(s) — No harm to POTW	$100
Unauthorized or Unpermitted Discharge — First offense — Harm to the POTW	$100, $500, $1000 depending of severity
Unauthorized or Unpermitted Discharge — Repeat offense(s) — Harm to the POTW	$100, $500, $1000 or as determined by District review
Failure to submit required permit information or any process modification — First offense	None
Failure to submit required permit information or any process modification — Repeat offense(s)	$100

Failure to implement any plan required by the permit (i.e. slug load, spill prevention, TOMP, etc.) — First offense	$100
Failure to implement any plan required by the permit (i.e. slug load, spill prevention, TOMP, etc.) — Repeat offense(s)	$100, $500, $1000 for subsequent violations

Penalties for Enforcement Response Plan Miscellaneous Violations

The District may assess a penalty against a person or entity in compliance with the requirements of ordinances, and enforcement response plan guidelines.

Violation & Circumstances	**Penalty**
Denial of entry to perform monitoring or inspections — first offense	None
Denial of entry to perform monitoring or inspections — Repeat offense(s)	$100, $500, $1000 for subsequent violations
Spill containment not present or inadequate — First offense	None
Spill containment not present or inadequate — Repeat offense(s)	$100
Spill containment area not properly maintained — First offense	None
Spill containment area not properly maintained — Repeat offense(s)	$100, $500, $1000 for subsequent violations
Illegal water softening equipment installed — First offense	None
Illegal water softening equipment installed — Repeat offense(s)	$100, $500, $1000 for subsequent violations

Failure to implement Best Management Practices (BMPs) — First offense	None
Failure to implement Best Management Practices (BMPs) — Repeat offense(s)	$100, $500, $1000 for subsequent violations

History of Revisions

DATE ADOPTED	RESOLUTION	UPDATED OR RESCINDED	REVISION	DATE EFFECTIVE
11/13/24	2024.12	2024.08	Update Capacity Fees	11/13/24
Pass-Through	N/A	N/A	Update Capacity Fees (per Cost Construction Index)	07/01/24
05/15/24	2024.08	2023.15	Update Water Charges	01/01/25
05/15/24	2024.08	2023.15	Update Miscellaneous Fees	07/01/24
05/15/24	2024.08	2023.15	Update Wastewater Charges	07/01/24
10/11/23	2023.15	2023.05	Update Water Capacity Fees	10/11/23
Pass-Through	N/A	N/A	Update Capacity Fees (per Cost Construction Index)	07/01/23
03/22/23	2023.05	2021.13	Addition of Pretreatment Program Penalties	04/01/23
Pass-Through	N/A	N/A	Update Capacity Fees (per Cost Construction Index)	07/01/22
08/11/21	2021.13	2021.07	Update AMI Opt-Out Fee	09/01/21
Pass-Through	N/A	N/A	Update Capacity Fees (per Cost Construction Index)	07/01/21
05/12/21	2021.08	2019.19	Update Water and Wastewater Charges	01/01/22
05/12/21	2021.07	2019.19	Update Miscellaneous and Development Fees	06/01/21
Pass-Through	N/A	N/A	Update Capacity Fees (per Cost Construction Index)	07/01/20
12/11/19	2019.19	2019.06	Update Miscellaneous and Capacity Fees	01/01/20
05/22/19	2019.06	2017.07	Update Water Charges	01/01/20
07/11/18	2018.12	2017.01	Update Wastewater Charges	08/12/18
05/24/17	2017.07	2017.01	Update Water Charges	07/01/17
01/25/17	2017.01	2016.05	Update Wastewater Treatment Charges and Renew 5-Year Pass-Through Provision	07/01/17
02/24/16	2016.05	2015.04	Update Wastewater Charges and Miscellaneous Fees	04/01/16
03/25/15	2015.04	2014.32	Implement Water Budget Based Rates	06/01/15
03/25/15	2015.04	Ord 391	Update Wastewater Charges	06/01/15

EXHIBIT "B"

November 13, 2024
Public Hearing

Capacity Fee Study

IB CONSULTING

IB Consulting, LLC
31938 Temecula Parkway, Suite A #350
Temecula, CA. 92592

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Executive Summary

East Valley Water (District) engaged IB Consulting to update its capacity fees. This Capacity Fee Study Report (Report) describes the approach, methodology, and technical analysis used to derive updated capacity fees per California State Government Code, Section 66013 (GC 66013). GC 66013 allows an agency to charge the estimated reasonable infrastructure cost to serve a new connection for which the charge is imposed.

The existing water capacity fee is $8,273 for a 3/4" water meter, with larger meters paying more for the additional capacity/demand they place on the Water Utility. The existing wastewater capacity fee is $9,014 for one Equivalent Dwelling Unit (1 EDU)[1], reflecting the wastewater facility design requirements of 245 daily gallons of flow. Based on our analysis, the updated water capacity fee is **$11,775** for a 3/4" potable meter and the updated wastewater capacity fee is **$6,486** per EDU. The updated fees recover each new connection's proportionate share of facility costs.

Annual Capacity Fee Adjustment

IB Consulting recommends adjusting the capacity fee annually to keep pace with inflation by applying the Engineering News-Record Construction Cost Index (ENR). The District should also review its capacity charges every five years, in conjunction with its master plan updates, to capture any significant changes and ensure capacity fees remain equitable.

[1] 1 EDU = 245 gallons of flow per day

Overview

District Background

Located in the Inland Empire of San Bernardino County (County), the District comprises the entire City of Highland, portions of the City of San Bernardino, and unincorporated areas of the County. The District spans almost 18,000 acres and currently serves a population of around 107,000 through 21,471 meters. Water sources include groundwater, surface water through North Fork water rights, and State Water Project (SWP). All surface water and SWP are treated at Plant 134.

The District provides wastewater collection and treatment to the service area through 213 miles of pipeline, 4,400 manholes, 7 siphons, and 5 diversion structures. The collection system historically conveyed wastewater flows to the City of San Bernardino but has recently transitioned to conveying wastewater flows to the District's new Sterling Natural Resource Center (SNRC).

As part of the District's financial plan and rate update, the capacity fees are being reviewed and updated to ensure new system users or existing users requiring increased system capacity pay their fair share of the costs associated with the water and wastewater facilities required to serve them.

Capacity Fee

A "Capacity Fee" is defined as a charge for public facilities in existence when a charge is imposed or for new facilities to be constructed in the future that benefit the person or property being charged. Capacity fees ensure new development or existing users requiring increased system capacity pay their fair share of the costs associated with the facilities.

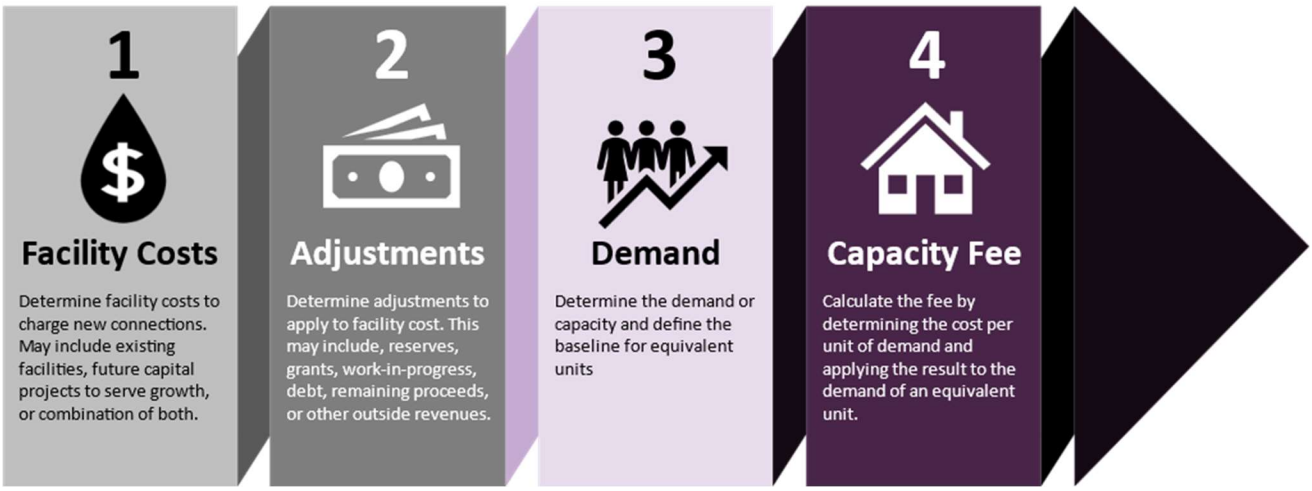
Based on the requirements of GC 66013, capacity fees must be based on the *"reasonable cost"* to accommodate additional demand from new development or the expansion of existing connections. In addition, Proposition 26 amended the State Constitution in 2010, which redefined a "tax" as any levy, charge, or exaction of any kind imposed by a local government. However, there were seven exemptions within Proposition 26, including cost-based charges imposed for providing a service (i.e., capacity fees) so long as such fees do not exceed the cost of providing the service. Therefore, the study summarized in this Report connects the costs of facilities, the capacity of the water, recycled water, and wastewater systems, the increased capacity gained from any expansions, and the updated proposed fees in compliance with the Proposition 26 exemption.

Government Code section 66016.6 requires that, Prior to levying a new fee or capacity charge, the District evaluate the amount of the fee or capacity charge. The evaluation shall include evidence to support that the fee or capacity charge does not exceed the estimated reasonable cost of providing service, in accordance with Section 66013. This Report meets the requirements of Government Code section 66016.6.

Capacity Fee Methodology

There are four primary steps in calculating capacity fees: (1) determine the cost of facilities and assets recoverable through capacity fees, (2) incorporate any credits or adjustments to apply towards the total infrastructure costs such as grants, existing debt obligations, unspent debt proceeds, and available funding through previously collected capacity fees, (3) identify demand or capacity related to the facilities and define the baseline requirements for a connection or equivalent dwelling unit based on planning documents, and (4) apportion the net infrastructure costs equitably to various types of connections based on the demand placed on the utility system.

Figure 1 – Capacity Fee Analysis



In addition to the four steps above, there are two primary approaches for calculating capacity fees: the "Buy-In Method" and "Incremental-Cost Method." Selecting the best method depends on the unique circumstances of the utility, existing facilities funded in advance of development, current and future capacity planned to be built in the system, available funding, whether future facilities will be debt-financed, expected future growth, and access to up-to-date planning documents/master plans. Careful consideration may be required to allocate costs between existing and new customers and ensure no duplication of costs.

Buy-In Method

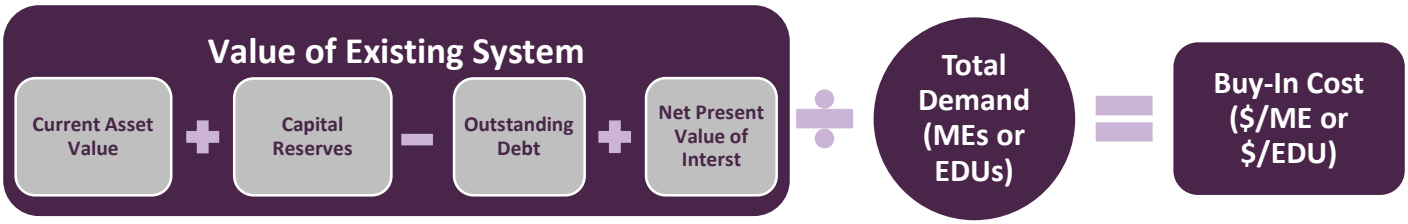
The basis of the Buy-In Method is to pay for existing facilities funded in advance of growth. This approach ensures new development and expanded connections buy into the utility system's existing facilities. The Buy-In method eliminates any potential funding of existing system deficiencies as the District's current asset inventory only reflects improvements to the system today.

Once the system value is determined, dividing the total value by the total demand derives the buy-in cost per Meter Equivalent (ME[2]) for water and per EDU for wastewater. Demand is commonly used for system design

[2] Meter Equivalent represents the average demand of a typical single-family residence within the District, equal to 609 gallons per day, as reflected within the District's most recent Master Plan (Section 3-10). This average daily demand is

and planning. It is a primary driver for the system's current configuration and how it expands in the future. For the wastewater utility, demand is measured in gallons per day (gpd) for the SNRC treatment plant capacity and a cost per gallon of capacity is derived. The cost per gallon is multiplied by the daily flow represented by one EDU (the District utilizes 245 gallons per day for facility design) to determine the amount per EDU. Assignment of EDUs to a developing parcel will vary based on land use type and projected wastewater flows and strength loadings. Figure 2 shows the framework for calculating the amount related to the buy-in component.

Figure 2 – Buy-In Component

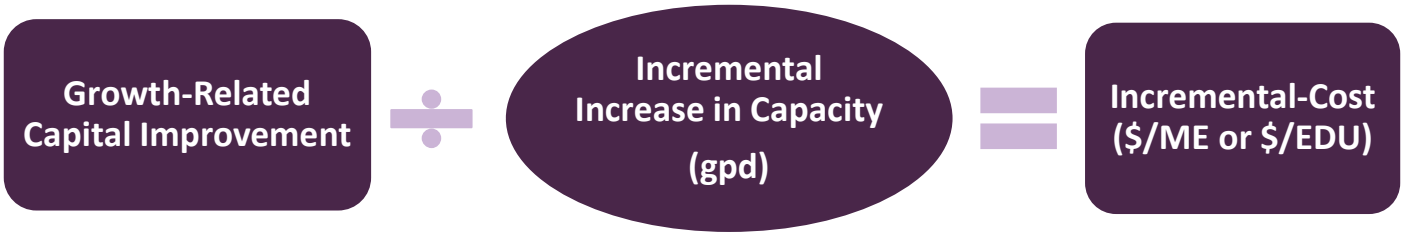


Incremental-Cost Method

The Incremental-Cost Method is based on the principle that new development should pay for improvements required to connect them to the system, including the need for any additional capacity and/or expansions. This approach is typically used when specific capital improvements are identified within planning documents and required for growth. Projects associated with routine repair & replacement and Master Plan improvements required to address existing deficiencies are excluded. Also, specific projects within the Master Plan may benefit existing and new development. In these instances, new development only pays its proportionate share based on the demand or capacity taken from these projects. Under the Incremental-Cost Method, growth-related capital improvements are allocated to new development based on their capacity requirements. For each utility, demand is measured in gpd and a cost per gallon of capacity is derived. For the water utility, the cost per gallon is multiplied by the average daily demand of a single-family residence, equal to 609 gallons per day, which is equated to the baseline demand of an ME. For the wastewater system, the cost per gallon is multiplied by the daily flow represented by one EDU to determine the amount per EDU. Figure 3 shows the framework for calculating capacity fees using the incremental cost component.

assigned to the base 3/4” meter. Larger-sized meters are assigned additional MEs based on the gallons per minute (gpm) for flow when compared to the 3/4" meter at 30 gpm.

Figure 3 – Formula for Incremental-Cost Approach



Hybrid Method

When there is a buy-in component and incremental-cost component used to update capacity fees, the approach is commonly referred to as the Hybrid Method. The Hybrid Approach is utilized when the existing system has available capacity and/or is substantially built while specific capital improvements within planning documents are clearly identified and solely needed to serve new development. ***For this study, the updated water and wastewater capacity fees are based on the Hybrid Method***.

Capacity Fee Analysis - Water

Step 1 – Asset Valuation (RCLD Asset Value)

The first step in determining the capacity fee using the Buy-In Approach is to determine the value of the existing system. System assets may be valued in a few different ways. Options include using: (1) the original cost of the improvements (OC), (2) original cost less depreciation of system assets to account for the time improvements are in service (OCLD), (3) replacement cost of the improvements by bringing the original cost into today's dollars (RC), (4) replacement cost less depreciation which brings both the original cost and the accumulated depreciation value into today's dollars (RCLD), and (5) a physical inventory and appraisal of the system and plant components in terms of their replacement cost valuation. The most accurate valuation would be a physical inventory and appraisal; however, this approach is often very difficult and cost-prohibitive since a significant portion of the assets are located underground. The most common valuation technique is RCLD. Using RCLD generates a reasonable approximation of the system value based on today's cost of the improvements.

This study utilizes the RCLD method of valuing the system. RCLD valuation is the most equitable and reasonable approach since it considers the time value of money and factors in the remaining useful life of each asset. To accomplish this, the District provided fixed asset records containing the original cost of each asset. Replacement costs were estimated by bringing forward the original costs to today's dollars to reflect the estimated cost if a similar asset were constructed today.

The original cost of each asset was indexed by the annual percentage change of the 20-cities CCI, published by the Engineering News-Record. For 2024, the CCI value is 13,358. Accumulated depreciation was also indexed to maintain consistency with 2024 dollars. Subtracting the accumulated depreciation from the replacement cost yields the updated RCLD and reflects service standards in 2024 dollars. Table 1 summarizes the water assets by category and shows the original cost, accumulated depreciation, replacement cost in 2024 dollars, accumulated depreciation in 2024 dollars, and assets adjusted for the 2024 depreciation (RCLD). Land values were not depreciated, and the replacement value is estimated by increasing the original acquisition costs by a 2% inflation limit in-line with Proposition 13 constraints on assessed values. Water Rights were also not depreciated because the water rights are owned in perpetuity by the District. A detailed listing of water assets can be found in Appendix A.

Table 1 – Water Asset Summary

Water Asset Summary					
Asset Categories	Original Cost [A]	Accumulated Depreciation [B]	Replacement Cost (2024 $) [C]	Accumulated Depreciation (2024 $) [D]	RCLD (2024 $) [E] = C-D
General	$19,724,349	$4,667,560	$26,653,423	$6,842,407	$19,811,016
Hydrants	$61,702	$18,293	$112,182	$35,720	$76,462
Land	$3,651,695	$0	$5,085,592	$0	$5,085,592
Meters	$82,951	$23,636	$140,878	$41,663	$99,215
Pumping Facilities	$15,245,781	$5,491,752	$34,284,229	$18,319,650	$15,964,579
Storage	$21,532,022	$7,584,042	$48,433,503	$22,937,676	$25,495,827
Transporation and Distribution	$70,987,217	$29,754,087	$191,712,233	$115,908,235	$75,803,998
Treatment Plant	$33,081,924	$7,486,040	$52,211,190	$14,353,729	$37,857,461
Existing Water Rights	$2,143,455	$0	$3,056,508	$0	$3,056,508
Wells	$16,943,605	$5,678,650	$32,922,858	$14,249,375	$18,673,483
Total Assets	**$183,454,703**	**$60,704,060**	**$394,612,596**	**$192,688,455**	**$201,924,141**

Step 2 - Asset Adjustments

It is also important to identify any adjustments to the RCLD total asset value. Special consideration may be required when assets are acquired through debt financing, contributed by developers, and grant funding. For this study, the adjustments impacting the asset valuation are separated into three components:

***Capital Reserves*:** Includes reserves that provide funding for system improvements, which increases the asset values of the corresponding category. It is reasonable and appropriate to include the balance of the capital-related reserves because they have been built-up over time by existing rate customers and will be used to repair or replace aging infrastructure, thereby contributing to the value of the system's assets. Capital reserves will **increase** the system's value as the cash equivalents are available for capital spending. However, previously collected capacity fees that have not yet been spent are applied as a credit towards the system asset value.

Table 2 identifies the FY 2025 beginning reserve balances for the District.

Table 2 – Water Capital-Related Reserves

Water Capital-Related Reserves	
Description	Included Water Capital-Related Reserves
(+) Capital Replacement Fund	$10,314,000
(-) Capacity Fee Fund	($5,793,420)
Total Water Capital-Related Reserves	**$4,520,580**

Outstanding Principal: Remaining outstanding principal payments of existing bonds and loans

Table 3 identifies the amount of outstanding principal remaining on the water system's existing debt, with FY 2025 as the starting point. Detailed water debt schedules can be found in Appendix C.

Table 3 – Water Outstanding Principal

Water Outstanding Principal	
Description	Included Water Outstanding Principal
2020A Bonds	($14,060,000)
2020B Bonds	($8,575,000)
SRF Plant 134	($5,134,777)
Total Water Outstanding Principal	**($27,769,777)**

The asset adjustments from Table 2 and Table 3 are summarized in Table 4 to show the total asset adjustments.

Table 4 – Water Asset Value Adjustments

Valuation Adjustments	
Adjustments	Value ($)
(+) Water Capital-Related Reserves	$4,520,580
(-) Water Outstanding Principal	($27,769,777)
Total Adjustments	**($23,249,197)**

Step 3 – System Demand/Capacity

For water, existing demand is reflected by total Meter Equivalents (MEs), where 1 ME represents the average demand of a typical single-family residence within the District, equal to 609 gallons per day. This average daily demand is assigned to the base 3/4" meter. Total MEs were determined by multiplying the number of existing meters in the water system by the Capacity Ratio. The Capacity Ratio represents the potential flow through each meter size compared to the flow through a 3/4" meter to establish parity between meter sizes. Table 5 summarizes the total MEs in the water system.

Table 5 – Existing Water System

Water System Information			
Meter Size	Capacity Ratio [A]	Existing Meters [B]	Meter Equivalent (ME) [C] = AxB
5/8"	0.67	3,479	2,319
3/4"	1.00	13,066	13,066
1"	1.67	4,235	7,058
1 1/2"	3.33	276	920
2"	5.33	302	1,611
3"	16.67	63	1,050
4"	41.67	22	917
6"	66.67	12	800
8"	133.33	13	1,733
Units of Service		21,468	29,474

Step 4 – Buy-In Component Calculations

The previous steps identified water assets (infrastructure), capital-related reserves, outstanding debt principal, and system capacity. The buy-in component can be determined by deriving the cost per ME of the water assets and adjustments. The net RCLD asset value (Total System Value) of the water system is divided by the total MEs to derive the asset unit rate, as shown in Table 6.

Table 6 – Water Asset Unit Rate ($ per ME)

Buy-In Asset Unit Rate				
Asset Category	RCLD (2024 $) [A]	Allocation Basis	Units of Service [B]	$ per ME [C] = A÷B
General	$19,811,016	Meter Equivalent (ME)	29,474	$672
Hydrants	$76,462	Meter Equivalent (ME)	29,474	$3
Land	$5,085,592	Meter Equivalent (ME)	29,474	$173
Meters	$99,215	Meter Equivalent (ME)	29,474	$3
Pumping Facilities	$15,964,579	Meter Equivalent (ME)	29,474	$542
Storage	$25,495,827	Meter Equivalent (ME)	29,474	$865
Transporation and Distribution	$75,803,998	Meter Equivalent (ME)	29,474	$2,572
Treatment Plant	$37,857,461	Meter Equivalent (ME)	29,474	$1,284
Existing Water Rights	$3,056,508	Meter Equivalent (ME)	29,474	$104
Wells	$18,673,483	Meter Equivalent (ME)	29,474	$634
	$201,924,141			$6,852

Table 7 summarizes the adjustments for capital-related reserves and outstanding principal with the associated cost per ME.

Table 7 – Water Adjustments ($ per ME)

Valuation Adjustments				
Adjustments	Value ($) [A]	Allocation Basis	Units of Service [B]	$ per ME [C] = A÷B
(+) Water Capital-Related Reserve	$4,520,580	Meter Equivalent (ME)	29,474	$153
(-) Water Outstanding Principal	($27,769,777)	Meter Equivalent (ME)	29,474	($942)
Total Adjustments	**($23,249,197)**			**($789)**

Table 8 summarizes the total buy-in amount per ME rounded to the nearest dollar.

Table 8 – Water Buy-In Calculation ($ per ME)

System Buy-In Components	
Description	$ / ME
Water Infrastructure	$6,852
(+) Water Capital-Related Reserve	$153
(-) Water Outstanding Principal	($942)
System Buy-in per ME	**$6,063**

Step 5: Incremental Costs

The capacity fee includes planned capital projects required to accommodate new development based on the most recent Master Plans. These projects include a new reservoir and two new wells, as shown in Table 9.

Table 9 – Water Incremental Costs

Incremental Costs	
Capital Projects	Projected Cost
Canal 3 Reservoir	$17,717,280
New Wells	$10,000,000
Total	**$27,717,280**

Step 6: Incremental-Cost Component Calculations

The incremental costs are associated with constructing additional capacity to serve new development. Therefore, the project cost of each asset category is spread over the additional capacity added to the water system in gpd. Table 10 summarizes the cost per gallon of incremental capital projects and the associated cost per ME.

Table 10 – Water Incremental-Cost Component ($ per ME)

Incremental-Cost Components						
Capital Projects	Projected Cost	Allocation Basis	Units of Service	Unit Rate	Conversion Factor	$ per ME
	[A]	[B]	[C]	[D] = A÷C	[E]	[F]=DxE
Canal 3 Reservoir	$17,717,280	Reservoir Capacity	3,000,000	$5.91	609	$3,597
New Wells	$10,000,000	2024 New Wells	2,880,000	$3.47	609	$2,115
Total						$5,712

Updated Water Capacity Fees

Table 11 summarizes the updated water capacity fee per ME by combining the buy-in and the incremental-cost component.

Table 11 – Water Capacity Fee Summary

Proposed Water Capacity Fee ($/ME)	
Capacity Fee Components	Total ($ per ME)
System Buy-In Component	
Water Infrastructure	$6,852
(+) Water Capital-Related Reserves	$153
(-) Water Outstanding Principal	($942)
System Buy-in per ME	$6,063
Incremental Component	
Canal 3 Reservoir	$3,597
New Wells	$2,115
Total	$5,712
Total Proposed Water Capacity Fee	**$11,775**

Table 12 summarizes the updated water capacity fee by meter size, with the 3/4" meter set as the base ME. Capacity fees for new connections increase as the size of the meter increases based on the additional capacity taken of the system.

Table 12 – Proposed Water Capacity Fee

Proposed Water Capacity Fee by Meter Size			
Meter Size	Capacity (gpm) [A]	Capacity Ratio [B] = A÷30	Proposed Capacity Fee [C] =$11,775xB
3/4"	30	1.00	$11,775
1"	50	1.67	$19,625
1 1/2"	100	3.33	$39,250
2"	160	5.33	$62,800
3"	500	16.67	$196,250
4"	1250	41.67	$490,625
6"	2000	66.67	$785,000
8"	4000	133.33	$1,570,000
10"	6500	216.67	$2,551,250
12"	8000	266.67	$3,140,000

Annual Capacity Fee Adjustment

In conjunction with adopting the updated water capacity fees, IB Consulting recommends adjusting the capacity fee annually to keep pace with inflation by applying the Engineering News Record Construction Cost Index (ENR). The District should also review its capacity charges every five years, in conjunction with its master plan updates, to capture any significant changes and ensure capacity fees remain equitable.

Capacity Fee Analysis - Wastewater

Step 1 – Asset Valuation (RCLD Asset Value)

This study utilizes the RCLD method of valuing the system. RCLD valuation is the most equitable and reasonable approach since it considers the time value of money and factors in the remaining useful life of each asset. To accomplish this, the District provided fixed asset records containing the original cost of each asset. Replacement costs were estimated by bringing forward the original costs to today's dollars to reflect the estimated cost if a similar asset were constructed today.

The original cost of each asset was indexed by the annual percentage change of the 20-cities CCI, published by the Engineering News-Record. For 2024, the CCI value is 13,358. Accumulated depreciation was also indexed to maintain consistency with 2024 dollars. Subtracting the accumulated depreciation from the replacement cost yields the updated RCLD and reflects service standards in 2024 dollars. Table 13 summarizes the wastewater assets by category and shows the original cost, accumulated depreciation, replacement cost in 2024 dollars, accumulated depreciation in 2024 dollars, and assets adjusted for the 2024 depreciation (RCLD). Land values were not depreciated, and the replacement value is estimated by increasing the original acquisition costs by a 2% inflation limit in-line with Proposition 13 constraints on assessed values. The new SNRC was recently constructed and started accepting wastewater flows in the second quarter of 2024. A detailed listing of wastewater assets can be found in Appendix B.

Table 13 – Wastewater Asset Summary

Wastewater Asset Summary					
Asset Categories	OC	Accumulated Depreciation	Replacement Cost (2024 $)	Accumulated Depreciation (2024 $)	RCLD (2024 $)
	[A]	[B]	[C]	[D]	[E] = C-D
Collection Plant	$27,872,913	$16,428,368	$127,853,552	$105,736,394	$22,117,158
General	$9,033,538	$3,481,760	$12,602,296	$5,243,705	$7,358,591
Land	$2,698,706	$0	$2,976,309	$0	$2,976,309
Treatment	$180,684,888	$0	$180,684,888	$0	$180,684,888
Total Assets	**$220,290,046**	**$19,910,128**	**$324,117,044**	**$110,980,099**	**$213,136,946**

Step 2 - Asset Adjustments

It is also important to identify any adjustments to the RCLD total asset value. Special consideration may be required when assets are acquired through debt financing, contributed by developers, and grant funding. For this study, the adjustments impacting the asset valuation are separated into three components:

***Capital Reserves*:** Includes reserves that provide funding for system improvements, which increases the asset values of the corresponding category. It is reasonable and appropriate to include the balance of the capital related reserves because they have been built-up over time by existing rate customers and will be used to repair or replace aging infrastructure, thereby contributing to the value of the system. Capital reserves

will **increase** the system's value as the cash equivalents are available for capital spending. However, previously collected capacity fees that have not yet been spent are applied as a credit towards the system asset value. Table 14 identifies the FY 2025 beginning reserve balances for the District.

Table 14 – Wastewater Capital-Related Reserves

Wastewater Capital-Related Reserves	
Description	Included Wastewater Capital-Related Reserves
(+) Capital Replacement Fund	$7,500,000
(-) Capacity Fee Fund	($7,320,860)
(+) Debt Service Reserve - Growth	$1,875,000
Total Wastewater Capital-Related Reserves	**$2,054,140**

Outstanding Principal: Remaining outstanding principal payments of existing bonds and loans

Table 15 identifies the amount of outstanding principal remaining for the existing debt for the wastewater system, with FY 2025 as the starting point. Detailed wastewater debt schedules can be found in Appendix C

Table 15 – Wastewater Outstanding Principal

Wastewater Outstanding Principal	
Description	Included Wastewater Outstanding Principal
2020B Bonds	($4,205,000)
SNRC - Rates (75%)	($119,402,163)
Total Wastewater Outstanding Principal	**($123,607,163)**

Outstanding Interest: The SNRC included debt financing as a funding source. The SNRC has a capacity of 8 MGD with 6 MGD operating capacity and 2 MGD associated with accommodating future growth. Therefore, 75% of the debt is secured by rates and 25% of the debt is funded by capacity fees. The 25% of debt secured by capacity fees must account for the future interest payments that must be paid through maturity.

Outstanding Interest associated with the SNRC financing requires an additional step to derive the Net Present Value (NPV) of all future interest payments. The capacity fees are pledged to cover 25% of all future interest payments; however, interest is amortized over multiple years. Paying the total amount of future interest payments in advance, before the interest is incurred, would overcharge new connections. Therefore, the NPV of interest is calculated using a discount factor equal to the average yield since 2000 of the Treasury Securities at a 3-Year Constant Maturity (Treasury Securities), equal to 2.282%. Treasury Securities are a safe and conservative return on investment for public agency investments. The NPV calculation discounts the future interest payments by 2.282%, compounded annually.

Table 16 shows the amount of outstanding interest and the net present value of the outstanding interest using the 2.282% discount factor for the 25% of the SNRC financing.

Table 16 – Wastewater NPV of Outstanding Interest

Wastewater NPV of Outstanding Interest		
Description	Total Interest	Included Wastewater NPV of Outstanding Interest
2020B Bonds	$1,210,550	$0
SNRC - Rates (75%)	$34,910,630	$0
SNRC - Growth (25%)	$11,636,877	$10,188,418
Total Wastewater NPV of Outstanding Interest	**$47,758,056**	**$10,188,418**

The asset adjustments from Table 14 through Table 16 are summarized in Table 17 to show the total asset adjustments.

Table 17 – Wastewater Asset Value Adjustments

Valuation Adjustments	
Adjustments	Value ($)
Reserves	
(+) Capital Replacement Fund	$7,500,000
(-) Capacity Fee Fund	($7,320,860)
(+) Debt Service Reserve - Growth	$1,875,000
Outstanding Principal and Interest	
(-) Wastewater Outstanding Principal	($123,607,163)
(+) Wastewater NPV of Outstanding Interest	$10,188,418
Total Adjustments	**($111,364,605)**

Step 3 – System Demand/Capacity

For wastewater, existing demand is reflected by total Equivalent Dwelling Units (EDUs), reflecting the wastewater facility design requirements of 245 daily gallons of flow. The total design capacity of the wastewater treatment plants does not necessarily reflect the safe operating capacity. Once the plant capacity is close to 80% of total capacity, additional upgrades or expansions are required. Therefore, when deriving capacity-related unit rates, the operating capacity is used. Table 18 summarizes the units of service for the wastewater system.

Table 18 – Existing Wastewater System

Wastewater System Information		
Units of Service		
Existing EDU	(EDU)	29,500
SNRC Operating Capacity	(gpd)	6,400,000
SNRC Operating Capacity - (Growth)	(gpd)	1,600,000
5th Chamber Ops Capacity	(gpd)	1,600,000

Step 4 – Buy-In Component Calculations

The previous steps identified wastewater assets (infrastructure), capital-related reserves, outstanding debt principal, net present value of outstanding interest, and system capacity. The buy-in component can be determined by deriving the cost per EDU of the wastewater assets and adjustments. The net RCLD asset value (Total System Value) of the wastewater system is divided by the total EDUs to derive the asset unit rate, as shown in Table 19.

Table 19 – Wastewater Asset Unit Rate ($ per EDU)

Buy-In Asset Unit Rate						
Asset Category	RCLD (2024 $)	Allocation Basis	Units of Service	Unit Rate	Conversion Factor	$ per EDU
	[A]	[B]	[C]	[D] = A÷C	[E]	[F]=DxE
Collection Plant	$22,117,158	Existing EDU	29,500	$749.73	1	$750
General	$7,358,591	Existing EDU	29,500	$249.44	1	$249
Land	$2,976,309	Existing EDU	29,500	$100.89	1	$101
Treatment	$180,684,888	SNRC Operating Capacity	6,400,000	$28.23	245	$6,917
	$213,136,946					**$8,017**

Table 20 summarizes the adjustments for capital-related reserves, outstanding principal, and the net present value of outstanding interest with the associated cost per EDU.

Table 20 – Wastewater Adjustments ($ per EDU)

Valuation Adjustments						
Adjustments	Value ($) [A]	Allocation Basis [B]	Units of Service [C]	Unit Rate [D] = A÷C	Conversion Factor [E]	$ per EDU [F]=DxE
Reserves						
(+) Capital Replacement Fund	$7,500,000	Existing EDU	29,500	$254.24	1	$254
(-) Capacity Fee Fund	($7,320,860)	Existing EDU	29,500	($248.16)	1	($248)
(+) Debt Service Reserve - Growth	$1,875,000	SNRC Operating Capacity - (Growth)	1,600,000	$1.17	245	$287
Outstanding Principal and Interest						
(-) Wastewater Outstanding Principal	($123,607,163)	SNRC Operating Capacity	6,400,000	($19.31)	245	($4,732)
(+) Wastewater NPV of Outstanding Interest	$10,188,418	SNRC Operating Capacity - (Growth)	1,600,000	$6.37	245	$1,560
Total Adjustments	**($111,364,605)**					**($2,879)**

Table 21 summarizes the total buy-in amount per EDU rounded to the nearest dollar.

Table 21 – Wastewater Buy-In Calculation ($ per EDU)

System Buy-In Components	
Description	$ per EDU
Wastewater Infrastructure	$8,017
(+) Capital Replacement Fund	$254
(-) Capacity Fee Fund	($248)
(+) Debt Service Reserve - Growth	$287
(-) Wastewater Outstanding Principal	($4,732)
(+) Wastewater NPV of Outstanding Interest	$1,560
System Buy-in per EDU	**$5,138**

Step 5: Incremental Costs

The capacity fee includes planned capital projects for the SNRC. These projects include a fifth chamber for the SNRC treatment plant, as shown in Table 22. The new chamber will add an additional 1.6 MGD of capacity.

Table 22 – Wastewater Incremental Costs

Incremental-Cost	
Capital Projects	Projected Cost
5th Chamber for SNRC	$8,800,000
Total Incremental Component	**$8,800,000**

Step 6: Incremental-Cost Component Calculations

The incremental costs are associated with constructing additional capacity. Therefore, the project cost is spread over the additional capacity added to the wastewater system in gpd. Table 23 summarizes the cost per gallon of incremental capital projects and the associated cost per EDU.

Table 23 – Wastewater Incremental-Cost Component ($ per EDU)

Incremental-Cost Components						
Capital Projects	Projected Cost [A]	Allocation Basis [B]	Units of Service [C]	Unit Rate [D] = A÷C	Conversion Factor [E]	$ per EDU [F]=DxE
5th Chamber for SNRC	$8,800,000	5th Chamber Ops Capacity	1,600,000	$5.50	245	$1,348
Total Incremental Component						**$1,348**

Updated Wastewater Capacity Fees

Table 24 summarizes the updated wastewater capacity fee per EDU by combining the buy-in and the incremental-cost component.

Table 24 – Wastewater Capacity Fee Summary

Proposed Wastewater Capacity Fee ($/EDU)	
Capacity Fee Components	Total ($ per EDU)
System Buy-In Component	
Wastewater Infrastructure	$8,017
Reserves	
(+) Capital Replacement Fund	$254
(-) Capacity Fee Fund	($248)
(+) Debt Service Reserve - Growth	$287
Outstanding Principal and Interest	
(-) Wastewater Outstanding Principal	($4,732)
(+) Wastewater NPV of Outstanding Interest	$1,560
System Buy-in per EDU	$5,138
Incremental Component	
5th Chamber for SNRC	$1,348
Total Proposed Wastewater Capacity Fee	**$6,486**

Annual Capacity Fee Adjustment

In conjunction with adopting the updated wastewater capacity fees, IB Consulting recommends adjusting the capacity fee annually to keep pace with inflation by applying the Engineering News Record Construction Cost Index (ENR). The District should also review its capacity charges every five years, in conjunction with its master plan updates, to capture any significant changes and ensure capacity fees remain equitable.

Appendix A – Water Asset Listing

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Appendix B – Wastewater Asset Listing

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Appendix C – Debt Schedules

Table 25 – Water Debt Schedules FY 2024 to FY 2034

Financial Information											
Water Outstanding Debt	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034
2020A Bonds											
Principal	$990,000	$1,030,000	$575,000	$605,000	$635,000	$665,000	$700,000	$735,000	$770,000	$805,000	$835,000
Interest	$615,600	$565,100	$524,975	$495,475	$464,475	$431,975	$397,850	$361,975	$324,350	$289,000	$256,200
Subtotal 2020A Bonds	$1,605,600	$1,595,100	$1,099,975	$1,100,475	$1,099,475	$1,096,975	$1,097,850	$1,096,975	$1,094,350	$1,094,000	$1,091,200
2020B Bonds											
Principal	$105,000	$100,000	$200,000	$205,000	$210,000	$215,000	$215,000	$215,000	$230,000	$230,000	$235,000
Interest	$224,087	$223,341	$221,996	$219,754	$217,014	$213,716	$209,889	$205,847	$201,380	$196,424	$191,121
Subtotal 2020B Bonds	$329,087	$323,341	$421,996	$424,754	$427,014	$428,716	$424,889	$420,847	$431,380	$426,424	$426,121
US Bank Loan											
Principal	$444,375	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Interest	$7,987	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Subtotal US Bank Loan	$452,363	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Eastwood Farms											
Principal	$13,016	$13,016	$13,016	$13,016	$13,016	$13,016	$13,016	$13,016	$13,016	$13,016	$13,016
Interest	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Subtotal Eastwood Farms	$13,016	$13,016	$13,016	$13,016	$13,016	$13,016	$13,016	$13,016	$13,016	$13,016	$13,016
Arroyo Verde											
Principal	$6,762	$6,762	$6,762	$6,762	$6,762	$6,762	$6,762	$6,762	$3,382	$0	$0
Interest	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Subtotal Arroyo Verde	$6,762	$6,762	$6,762	$6,762	$6,762	$6,762	$6,762	$6,762	$3,382	$0	$0
SRF Plant 134											
Principal	$233,399	$233,399	$233,399	$233,399	$233,399	$233,399	$233,399	$233,399	$233,399	$233,399	$233,399
Interest	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Subtotal SRF Plant 134	$233,399	$233,399	$233,399	$233,399	$233,399	$233,399	$233,399	$233,399	$233,399	$233,399	$233,399

Table 26 – Water Debt Schedules FY 2035 to FY 2046

Financial Information												
Water Outstanding Debt	FY 2035	FY 2036	FY 2037	FY 2038	FY 2039	FY 2040	FY 2041	FY 2042	FY 2043	FY 2044	FY 2045	FY 2046
2020A Bonds												
Principal	$865,000	$900,000	$925,000	$960,000	$985,000	$1,015,000	$1,055,000	$0	$0	$0	$0	$0
Interest	$222,200	$186,900	$155,025	$126,750	$97,575	$62,500	$21,100	$0	$0	$0	$0	$0
Subtotal 2020A Bonds	$1,087,200	$1,086,900	$1,080,025	$1,086,750	$1,082,575	$1,077,500	$1,076,100	$0	$0	$0	$0	$0
2020B Bonds												
Principal	$255,000	$250,000	$270,000	$275,000	$280,000	$295,000	$310,000	$1,410,000	$1,450,000	$1,725,000	$0	$0
Interest	$185,349	$179,277	$172,284	$164,300	$156,169	$147,745	$138,882	$113,684	$71,785	$25,271	$0	$0
Subtotal 2020B Bonds	$440,349	$429,277	$442,284	$439,300	$436,169	$442,745	$448,882	$1,523,684	$1,521,785	$1,750,271	$0	$0
US Bank Loan												
Principal	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Interest	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Subtotal US Bank Loan	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Eastwood Farms												
Principal	$13,016	$13,016	$13,016	$13,016	$13,016	$13,016	$13,016	$13,016	$13,017	$0	$0	$0
Interest	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Subtotal Eastwood Farms	$13,016	$13,016	$13,016	$13,016	$13,016	$13,016	$13,016	$13,016	$13,017	$0	$0	$0
Arroyo Verde												
Principal	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Interest	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Subtotal Arroyo Verde	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
SRF Plant 134												
Principal	$233,399	$233,399	$233,399	$233,399	$233,399	$233,399	$233,399	$233,399	$233,399	$233,399	$233,399	$233,398
Interest	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Subtotal SRF Plant 134	$233,399	$233,399	$233,399	$233,399	$233,399	$233,399	$233,399	$233,399	$233,399	$233,399	$233,399	$233,398

Table 27 – Wastewater Debt Schedules FY 2024 to FY 2034

Financial Information											
Wastewater Oustanding Debt	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034
2020B Bonds											
Principal	$175,000	$175,000	$175,000	$180,000	$180,000	$180,000	$185,000	$190,000	$190,000	$200,000	$200,000
Interest	$98,274	$96,997	$95,466	$93,500	$91,124	$88,334	$85,084	$81,558	$77,749	$73,543	$68,983
Subtotal 2020B Bonds	$273,274	$271,997	$270,466	$273,500	$271,124	$268,334	$270,084	$271,558	$267,749	$273,543	$268,983
SNRC - Rates (75%)											
Principal	$3,121,778	$3,171,892	$3,228,986	$3,287,108	$3,346,276	$3,406,509	$3,467,826	$3,530,247	$3,593,791	$3,658,479	$3,724,332
Interest	$2,199,353	$2,149,239	$2,092,145	$2,034,023	$1,974,855	$1,914,622	$1,853,305	$1,790,884	$1,727,340	$1,662,652	$1,596,799
Subtotal SNRC - Rates (75%)	$5,321,131	$5,321,131	$5,321,131	$5,321,131	$5,321,131	$5,321,131	$5,321,131	$5,321,131	$5,321,131	$5,321,131	$5,321,131
SNRC - Growth (25%)											
Principal	$1,040,593	$1,057,297	$1,076,329	$1,095,703	$1,115,425	$1,135,503	$1,155,942	$1,176,749	$1,197,930	$1,219,493	$1,241,444
Interest	$733,118	$716,413	$697,382	$678,008	$658,285	$638,207	$617,768	$596,961	$575,780	$554,217	$532,266
Subtotal SNRC - Growth (25%)	$1,773,710	$1,773,710	$1,773,710	$1,773,710	$1,773,710	$1,773,710	$1,773,710	$1,773,710	$1,773,710	$1,773,710	$1,773,710
Water Fund 20 Loan - Rates (75%)											
Principal	$0	$0	$0	$0	$281,250	$281,250	$281,250	$281,250	$281,250	$281,250	$281,250
Interest	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Subtotal Water Fund 20 Loan - Rates (75%	$0	$0	$0	$0	$281,250	$281,250	$281,250	$281,250	$281,250	$281,250	$281,250
Water Fund 20 Loan - Growth (25%)											
Principal	$0	$0	$0	$0	$93,750	$93,750	$93,750	$93,750	$93,750	$93,750	$93,750
Interest	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Subtotal Water Fund 20 Loan - Growth (25	$0	$0	$0	$0	$93,750	$93,750	$93,750	$93,750	$93,750	$93,750	$93,750

Table 28 – Wastewater Debt Schedules FY 2035 to FY 2046

Financial Information												
Wastewater Oustanding Debt	FY 2035	FY 2036	FY 2037	FY 2038	FY 2039	FY 2040	FY 2041	FY 2042	FY 2043	FY 2044	FY 2045	FY 2046
2020B Bonds												
Principal	$205,000	$215,000	$220,000	$225,000	$230,000	$235,000	$240,000	$250,000	$260,000	$270,000	$0	$0
Interest	$64,213	$59,161	$53,326	$46,807	$40,141	$33,329	$26,370	$19,192	$11,720	$3,956	$0	$0
Subtotal 2020B Bonds	$269,213	$274,161	$273,326	$271,807	$270,141	$268,329	$266,370	$269,192	$271,720	$273,956	$0	$0
SNRC - Rates (75%)												
Principal	$3,791,370	$3,859,614	$3,929,088	$3,999,811	$4,071,808	$4,145,100	$4,219,712	$4,295,667	$4,372,989	$4,451,703	$4,531,833	$4,613,406
Interest	$1,529,761	$1,461,516	$1,392,043	$1,321,320	$1,249,323	$1,176,031	$1,101,419	$1,025,464	$948,142	$869,428	$789,297	$707,724
Subtotal SNRC - Rates (75%)	$5,321,131	$5,321,131	$5,321,131	$5,321,131	$5,321,131	$5,321,131	$5,321,131	$5,321,131	$5,321,131	$5,321,131	$5,321,131	$5,321,131
SNRC - Growth (25%)												
Principal	$1,263,790	$1,286,538	$1,309,696	$1,333,270	$1,357,269	$1,381,700	$1,406,571	$1,431,889	$1,457,663	$1,483,901	$1,510,611	$1,537,802
Interest	$509,920	$487,172	$464,014	$440,440	$416,441	$392,010	$367,140	$341,821	$316,047	$289,809	$263,099	$235,908
Subtotal SNRC - Growth (25%)	$1,773,710	$1,773,710	$1,773,710	$1,773,710	$1,773,710	$1,773,710	$1,773,710	$1,773,710	$1,773,710	$1,773,710	$1,773,710	$1,773,710
Water Fund 20 Loan - Rates (75%)												
Principal	$281,250	$281,250	$281,250	$281,250	$281,250	$281,250	$281,250	$281,250	$281,250	$281,250	$281,250	$281,250
Interest	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Subtotal Water Fund 20 Loan - Rates (75%	$281,250	$281,250	$281,250	$281,250	$281,250	$281,250	$281,250	$281,250	$281,250	$281,250	$281,250	$281,250
Water Fund 20 Loan - Growth (25%)												
Principal	$93,750	$93,750	$93,750	$93,750	$93,750	$93,750	$93,750	$93,750	$93,750	$93,750	$93,750	$93,750
Interest	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Subtotal Water Fund 20 Loan - Growth (25	$93,750	$93,750	$93,750	$93,750	$93,750	$93,750	$93,750	$93,750	$93,750	$93,750	$93,750	$93,750

Table 29 – Wastewater Debt Schedules FY 2047 to FY 2053

Financial Information							
Wastewater Oustanding Debt	FY 2047	FY 2048	FY 2049	FY 2050	FY 2051	FY 2052	FY 2053
2020B Bonds							
Principal	$0	$0	$0	$0	$0	$0	$0
Interest	$0	$0	$0	$0	$0	$0	$0
Subtotal 2020B Bonds	$0	$0	$0	$0	$0	$0	$0
SNRC - Rates (75%)							
Principal	$4,696,448	$4,780,984	$4,867,041	$4,954,648	$5,043,832	$5,134,621	$5,227,044
Interest	$624,683	$540,147	$454,089	$366,483	$277,299	$186,510	$94,087
Subtotal SNRC - Rates (75%)	$5,321,131	$5,321,131	$5,321,131	$5,321,131	$5,321,131	$5,321,131	$5,321,131
SNRC - Growth (25%)							
Principal	$1,565,483	$1,593,661	$1,622,347	$1,651,549	$1,681,277	$1,711,540	$1,742,348
Interest	$208,228	$180,049	$151,363	$122,161	$92,433	$62,170	$31,362
Subtotal SNRC - Growth (25%)	$1,773,710	$1,773,710	$1,773,710	$1,773,710	$1,773,710	$1,773,710	$1,773,710
Water Fund 20 Loan - Rates (75%)							
Principal	$281,250	$0	$0	$0	$0	$0	$0
Interest	$0	$0	$0	$0	$0	$0	$0
Subtotal Water Fund 20 Loan - Rates (75%	$281,250	$0	$0	$0	$0	$0	$0
Water Fund 20 Loan - Growth (25%)							
Principal	$93,750	$0	$0	$0	$0	$0	$0
Interest	$0	$0	$0	$0	$0	$0	$0
Subtotal Water Fund 20 Loan - Growth (25	$93,750	$0	$0	$0	$0	$0	$0