CITY OF TURLOCK

Sewer Rate Study

DRAFT *Final Report*

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1. Introduction

1.1 Purpose

The City of Turlock (City) retained NBS to conduct a comprehensive utility rate study for its sewer funds. The City had several objectives and goals in mind for this study including meeting revenue requirements, reviewing the rising costs of providing services, funding capital improvements, and complying with certain legal requirements (e.g., California Constitution Article XIII D, Section 6, which is commonly referred to as Proposition 218 [Prop 218]). The City's broader objectives in this study include ensuring adequate funding for operating and capital costs, maintaining reasonable reserves, and ensuring revenue stability in utility rates. The rates resulting from this study were developed in a manner that is consistent with industry standard cost-of-service principles. In addition to documenting the rate study methodology, this report is provided with the intent to assist the City in its continuing effort to maintain transparent communications with the residents and community it serves.

In developing new rates for the City's enterprise funds, NBS worked cooperatively with City staff in selecting the appropriate rate alternatives that address the City's goals and objectives. Based on input provided by City staff, NBS proposes the rates summarized in this report. The City Council (Council) has the final decision regarding the adoption of the proposed rates and whether to proceed with the Prop 218 approval process.

1.2 Overview of the Study

Comprehensive rate studies, such as this one, typically include three components: (1) preparation of a financial plan that identifies the net revenue requirements for the utility; (2) analysis of the cost to serve each customer class, and (3) the rate structure design. These steps are shown in Figure 1 and are intended to follow industry standards and reflect the fundamental principles of cost-of-service rate making embodied in the Water Environment Federation's *Financing and Charges for Wastewater Systems* (Manual of Practice No. 27).[1]

Rate studies also address requirements under Prop 218 that rates not exceed the cost of providing the service and be proportionate to the cost of providing service for all customers. In terms of the chronology of the study, the three steps shown in Figure 1 represent the order in which they were performed in this study.

[1] *Financing and Charges for Wastewater Systems*, Manual of Practice No. 27, Water Environment Federation, Fourth Edition, 2018.

Figure 1. Primary Components of a Rate Study

NBS projected revenues and expenditures, developed net revenue requirements, performed cost-of-service rate analyses, and developed the proposed sewer rates for the City using this approach. The following sections in this report present an overview of the methodologies, assumptions, and data used along with the financial plans and rates developed. Detailed tables and figures documenting the development of the proposed rates are provided in the Appendix.

The City provided NBS with the data necessary to conduct the study, including historical, current, and projected revenues and expenditures, number of customer accounts, and water consumption data along with other operational and capital cost information.

FINANCIAL PLAN

As a part of the rate study, NBS projected revenues and expenditures on a cash-flow basis. The amount of rate revenue required, that will allow reserves to be maintained at the recommended levels, is known as the net revenue requirement. As the current rate revenue falls short of the net revenue requirement, rate adjustments – or more accurately, adjustments in the total revenue collected from rates – are recommended. This report presents an overview of the methodologies, assumptions, and data used along with the financial plan and proposed rates developed in this study.[2]

This financial plan lays the groundwork for the cost-of-service and rate design analyses addressed in the subsequent sections. The following subtasks were completed as part of the financial plan:

1. **Projected Revenues and Expenditures –** NBS prepared a 10-year rate model that projects revenues, expenses, and the increases in rate revenue needed to meet all obligations. The analysis utilized a cash-based approach when addressing the City's system of accounts. The work provides the City with a financial tool that can easily model rate adjustments, varying operating and maintenance costs, infrastructure improvements, debt issuance, and appropriate reserve fund levels. The City's projected customer growth rates from master plan documents and planned cost inflation factors are also incorporated into the analysis.

[2] The complete financial plans are available in the *Appendices*.

2. **Evaluate Reserve Fund Sufficiency –** NBS evaluated the sufficiency of existing reserve funds, target reserve fund levels, reserve fund policies, and other related issues. In this evaluation, NBS considered costs for operations, maintenance, capital, and debt while balancing the need for rate stabilization. NBS has provided recommendations for reserve fund targets that are tailored to the City's specific needs. As it was determined that deficit in reserve levels exists, NBS has recommended a phased-in approach to funding reserves to minimize the impact to ratepayers.
3. **Review Capital Improvement Program Funding –** NBS has incorporated the City's plans for new facilities and infrastructure improvements into the financial plan. NBS has evaluated the timing, costs, and available reserves needed to fund the identified capital projects. NBS has worked closely with City staff to develop a well-conceived approach to funding these priority capital improvement needs. The proposed solution includes an appropriate balance between rate funded projects and the use of outside financing.

COST-OF-SERVICE ANALYSIS

The basic purpose of the cost-of-service analysis (COSA) is to fairly and equitably allocate costs to customer classes. The cost-of-service analysis consists of two major components: (1) the classification of expenses, and (2) the allocation of costs to customer classes.

Using the net revenue requirements developed in the financial plan, NBS then worked to equitably allocate costs to each customer class based on cost-of-service principles that comply with Prop 218. NBS reviewed the City's existing customer classes for the sewer utility and analyzed the historical usage and billing characteristics to determine if any changes should be made in order to provide more equity among user classes or comply with industry standards.

For the City of Turlock, this exercise required NBS to compare estimated flows for customers based on their number of fixture units versus their wintertime water consumption (the typical proxy for sewer flows). Additionally, NBS evaluated how costs should be allocated to various cost components and types of customers. With the City's customer billing data, NBS developed the customer usage statistics, or allocation factors, that were used to assign costs to each customer class. The main components of the cost-of-service analysis are as follows:

1. **Functionalization/Classification of Expenses –** Functionalizing the expenses means arranging costs into basic categories, such as collection, treatment, and effluent disposal, as well as administrative and overhead costs. Once the costs have been functionalized, they are then classified into their various cost components (i.e., volume, strength, or customer-related costs).
2. **Development of Customer Usage Statistics –** NBS developed the customer usage statistics, or allocation factors, that are used to assign costs to each customer class. The allocation considered the City's water consumption data, sewer treatment plant flow and loading data, and industry standard customer classification data. The factors that were developed include:
    - Volume Allocation Factor – Develop estimates of the total annual volume of sewer collected for each customer class and sent to the WWTP.
    - Strength Allocation Factors – Develop estimates of the annual pounds of Biochemical Oxygen Demand (BOD) and Total Suspended Solids (TSS) collected for each customer class.

- Customer Allocation Factors – Calculate the number of customers by customer class in the City's service area.

3. **Allocation of Costs to Customer Classes** – NBS then apportioned these costs to individual customer classes based on allocation factors specific to each cost classification, producing fixed and variable revenue requirements for each customer class. These allocations are used for the actual rate calculations.

Further details are discussed below and documented in the *Appendix*.

RATE DESIGN ANALYSIS

During the rate design phase of the study, NBS and City staff worked together to develop rate alternatives that will meet the City's objectives. It is important for the City to send proper price signals to its customers about the actual cost of providing service. This objective is typically addressed through both the magnitude of the rate adjustments and the rate structure design. In other words, both the amount of revenue collected and the way in which the revenue is collected from customers are important.

Several criteria are typically considered in setting rates and developing sound rate structures. The fundamentals of this process have been well documented in several rate-setting manuals, such as AWWA's Manual M1. The foundation for evaluating rate structures is generally credited to James C. Bonbright in *Principles of Public Utility Rates*,[3] which outlines pricing policies, theories, and economic concepts along with various rate designs. The following is a simplified list of the attributes of a sound rate structure:

- Rates should be easy to understand from the customer's perspective.
- Rates should be easy to administer from the utility's perspective.
- Rates should be equitable and non-discriminating (i.e., cost-based).
- Rates should promote the efficient allocation of the resource.
- There should be continuity in the rate making philosophy over time.
- Rates should address other utility policies (e.g., conservation and economic development).
- Rates should provide month-to-month and year-to-year revenue stability.

KEY FINANCIAL ASSUMPTIONS

The following is a summary of the key financial assumptions used in the analyses. The following capital and operational fund targets reflect input from City staff to meet specific utility objectives.

Funding of Capital Projects – The capital improvement costs will be funded with a combination of cash in reserves, debt financing and the additional revenue generated from the proposed rate increases. The capital projects listed in the financial plan are from the City's Capital Improvement Program and the City's Sewer System Master Plan. Not all projects included in the City's Capital Improvement Plan and Sewer System Master Plan are included in the rate study; only priority projects identified by City staff have been

[3] James C. Bonbright, Albert L. Danielsen, and David R. Kamerschen, *Principles of Public Utility Rates*, Arlington, VA: Public Utilities Report, Inc., Second Edition, 1988, pp. 383-384.

included in the rate study analysis. Further details of the sewer capital projects included in the rate study are included in Appendix Tables 16-21. The analysis assumes:

- Only capital costs attributable to existing customers are funded using rate revenue.
- Only capital costs attributable to growth are funded by revenue from the impact fee reserves.

Reserve Targets – For the sewer utility, the City maintains reserves for operations, capital, and other specific needs. The details of the utility's reserve targets are covered in their respective sections of this report.

Inflation and Growth Projections – Assumptions were made in the analysis regarding cost inflation to project future revenues and expenses for the study period. The following inflation factors were used in the analysis:

- Customer growth is estimated based on the 2021 Stanislaus County Demographic and Employment Forecast. For FY 2024/25, customer growth is estimated at 1.34%.
- General cost inflation is set at 3.45% annually.[4]
- Labor cost inflation is set at 2.11% annually.[5]
- Chemicals cost inflation is set at 5.45% annually.[6]
- Electricity cost inflation is set at 8.35% annually.[7]
- Fuel & Utilities cost inflation is set at 7.00% annually.[8]
- Gas & oil cost inflation is set at 13.56% annually.[9]

These inflation factors are based on long-term trends; therefore, the City should re-examine these factors in another year to assess the impacts on utility costs and whether projected rate increases will be sufficient for the remainder of the rate adoption period.

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[4] *General cost inflation is based on the 5-year average annual change in the Consumer Price Index for all urban consumers in the San Francisco-Oakland-Hayward, CA area.*

[5] *Labor cost inflation is based on the 10-year average annual change in the Quarterly Census of Employment and Wages for Stanislaus County, CA.*

[6] *Chemicals cost inflation is based on the 5-year average annual change in the Producer Price Index for all urban consumers.*

[7] *Electricity cost inflation is based on the 5-year average annual change in the Consumer Price Index for all urban consumers in the San Francisco-Oakland-Hayward, CA area.*

[8] *Fuel and utilities cost inflation is based on the 5-year average annual change in the Consumer Price Index for all urban consumers in the San Francisco-Oakland-Hayward, CA area. This factor is used for utility costs other than electricity.*

[9] *Gasoline cost inflation is based on the 5-year average annual change in the Consumer Price Index for all urban consumers in the San Francisco-Oakland-Hayward, CA area.*

2. Sewer Rate Study

2.1 Key Sewer Rate Study Issues

NBS proposes to carefully address the unique challenges currently facing the sewer utility. The City's last rate study was performed in 2008 which means that sewer rates have not been updated since 2013, so it is long overdue for an in-depth review of its current rates and rate design structure to ensure that new rates collect sufficient revenues to meet all financial obligations during the five-year rate period. Currently, the City charges a flat administrative rate for all users, with some users being charged a rate based on metered effluent and the remaining users charged a non-metered rate based on customer class and the number of fixtures. As part of the rate study process, NBS worked with City staff to develop both fixed and volumetric rates based on sewage flow and effluent strength in addition to the flat administrative charge. NBS has worked closely with City staff to determine the rate design that best meets the City's financial objectives while minimizing the fiscal impact on customers.

Other City objectives that were incorporated in this sewer study analysis and rate design include:

- Ensuring equity among customer classes by collecting rate revenue through the cost-of-service process based on both fixed monthly charges and volumetric rates.
- Maintain adequate reserve levels to ensure continuity in operations.
- Ensure adequate funding for the utility's capital projects, due to the level of capital investment planned over the next five years.
- Comply with Prop 218 requirements to ensure costs are properly allocated between user classifications.
- Creating a rate model that City staff can modify in response to changing conditions and assumptions and accommodate updates of customer data and consumption patterns.

2.2 Financial Plan

It is important for the sewer utility to ensure rates provide sufficient funding to cover operating and maintenance costs, planned capital expenditures, and maintain reasonable reserves. The City's current sewer rate revenue is barely covering operating expenses and is currently not covering debt service and capital improvement needs. The aging wastewater system requires significant additional investment to meet service standards. The Sewer System Master Plan shows $39 million (in future-year dollars) in necessary improvements over the next ten years, while the Turlock Regional Water Control Facility shows $117 million (in future-year dollars) in improvements over the next ten years. The sewer utility's rate increases are governed by these needs, and the current state of the City's sewer utility is as follows:

Meeting Net Revenue Requirements: For FY 2024/25 through FY 2028/29, the projected net revenue requirements (that is, total operating expenses plus rate-funded capital costs less non-rate revenues) for the City increases from approximately $26.5 to $30.1 million annually. If no rate increases are implemented, the City is projected to run an annual deficit of approximately $8.7 million by FY 2028/29, and the utility would struggle to meet its debt service coverage requirements.

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Maintaining Reserve Funds: Reserve funds provide a basis for a utility to cope with fiscal emergencies such as revenue shortfalls, asset failure, and natural disasters, among other events. Reserve policies provide guidelines for sound financial management, with an overall long-range perspective to maintain financial solvency and mitigate financial risks associated with revenue instability, volatile capital costs, and emergencies. The reserve funds for the sewer utility are considered unrestricted reserves and consist of the following:

- **Operating Reserve**: The target ending fund balance for the operating reserve is equal to 90 days of operating expenses, or approximately $4.7 million in FY 2024/25. An operating reserve is intended to promote financial viability in the event of any short-term fluctuation in revenues and/or expenditures. Fluctuations in revenue can be caused by weather patterns, the natural inflow and outflow of cash during billing cycles, natural variability in demand-based revenue streams (such as volumetric charges), and – particularly in periods of economic distress – changes or trends in age of receivables.
- **Capital Rehabilitation & Replacement Reserve** equal to 3% of net assets, which is approximately $5.3 million in FY 2024/25. This reserve is set aside to address long-term capital system replacement and rehabilitation needs.

Maintaining Adequate Bond Coverage: The City is required by the rate covenants to maintain a minimum debt service coverage ratio of 1.25. The benefit of maintaining a coverage ratio higher than 1.25 is that it strengthens the City's credit rating which helps lower interest rates for debt-funded capital projects and can reduce annual debt service payments. With the recommended rate increases, the City is projected to meet the debt coverage requirement for all years the five-year rate adoption period.

The recommended rate revenue increases are 35% in FY 2024/25 and 3% annual rate revenue increases in FY 2025/26 through FY 2028/29. **Figure 2** summarizes the sources and uses of funds, net revenue requirements, and the recommended annual increases in sewer rate revenue proposed for the next five years. **Figure 3** summarizes the projected reserve fund balances and reserve targets for the sewer utility's unrestricted funds.

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Figure 2. Summary of Sewer Revenue Requirements

RATE REVENUE REQUIREMENTS SUMMARY	Budget	Projected	5-Year Projected Rate Period				
	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29
Sources of Funds [1]							
Rate Revenue:							
Sewer Rate Revenue	$ 19,993,577	$ 20,500,000	$ 20,775,500	$ 20,928,119	$ 21,080,738	$ 21,233,356	$ 21,385,975
Other Revenue	263,744	187,050	188,300	188,992	189,685	190,377	191,069
Transfers In from Other Funds	-	160,000	160,000	160,000	160,000	160,000	160,000
Biogas Solution	-	-	-	2,706,000	2,706,000	2,706,000	2,706,000
Interest Earnings	(19,033)	126,900	161,009	70,559	98,984	144,681	166,359
Total: Sources of Funds	**$ 20,238,287**	**$ 20,973,950**	**$ 21,284,809**	**$ 24,053,670**	**$ 24,235,406**	**$ 24,434,414**	**$ 24,609,403**
Uses of Funds [2]							
Operating Expenses:							
530 - Operations	$ 10,595,211	$ 14,323,154	$ 14,858,605	$ 14,756,355	$ 15,352,375	$ 15,981,786	$ 16,646,877
531 - Collection System	1,513,125	2,123,727	2,183,761	2,246,147	2,311,033	2,378,583	2,448,974
532 - Storm Basin Maintenance/Combined System	753,034	905,806	926,309	947,455	969,281	991,826	1,015,135
Additional Staffing	-	-	750,510	766,346	782,516	799,027	815,886
Subtotal: Operating Expenses	$ 12,861,370	$ 17,352,687	$ 18,719,185	$ 18,716,303	$ 19,415,204	$ 20,151,222	$ 20,926,873
Other Expenditures:							
Existing Debt Service	$ 6,132,588	$ 6,297,959	$ 6,303,810	$ 5,769,939	$ 5,778,465	$ 5,784,359	$ 5,783,683
Future Debt Service	-	-	-	2,261,137	2,267,260	4,595,289	4,609,641
Rate-Funded Capital Expenses	-	-	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Subtotal: Other Expenditures	$ 6,132,588	$ 6,297,959	$ 8,303,810	$ 10,031,076	$ 10,045,725	$ 12,379,648	$ 12,393,323
Total: Uses of Funds	**$ 18,993,958**	**$ 23,650,646**	**$ 27,022,995**	**$ 28,747,378**	**$ 29,460,929**	**$ 32,530,871**	**$ 33,320,196**
Plus: Revenue from Rate Increases [3]	-	-	3,635,712	7,748,636	8,671,720	9,633,536	10,635,442
Annual Surplus/(Deficit) without Rate Increases	**$ 1,244,330**	**$ (2,676,696)**	**$ (5,738,186)**	**$ (4,693,708)**	**$ (5,225,523)**	**$ (8,096,456)**	**$ (8,710,793)**
Annual Surplus/(Deficit) with Rate Increases	**$ 1,244,330**	**$ (2,676,696)**	**$ (2,102,473)**	**$ 3,054,928**	**$ 3,446,196**	**$ 1,537,080**	**$ 1,924,649**
Net Revenue Reqt. *(Total Uses less Non-Rate Revenue)*	**$ 18,749,247**	**$ 23,176,696**	**$ 26,513,686**	**$ 25,621,827**	**$ 26,306,261**	**$ 29,329,813**	**$ 30,096,768**
Total Rate Revenue After Rate Increases	**$ 19,993,577**	**$ 20,500,000**	**$ 28,046,925**	**$ 29,100,549**	**$ 30,192,149**	**$ 31,323,053**	**$ 32,494,640**
Projected Annual Rate Revenue Increase	***0.00%***	***0.00%***	***35.00%***	***3.00%***	***3.00%***	***3.00%***	***3.00%***
Cumulative Increase from Annual Revenue Increases	*0.00%*	*0.00%*	*35.00%*	*39.05%*	*43.22%*	*47.52%*	*51.94%*
Debt Coverage After Rate Increase	*1.20*	*0.57*	*0.98*	*1.63*	*1.68*	*1.34*	*1.38*

1. Revenues and expenses for FY 2022/23 provided by the City. Source files: *2022-23 BPR fund 410.pdf* .
2. Only expenses directly attributable to the sewer utility system are included in O&M and Capital Expenses.
3. Revenue from rate increases assumes an implementation date of January 1, 2025.
   For each year thereafter, the assumption is that new rates will be implemented on January 1st of each year.

Figure 3. Summary of Sewer Reserve Funds

SUMMARY OF CASH ACTIVITY SEWER FUND RESERVES	Budget	Projected	5-Year Projected Rate Period				
	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29
Total Beginning Cash [1]	**$ 19,478,607**	**$ 14,525,121**	**$ 12,491,015**				
Unrestricted Reserves:							
Operating Reserve							
Beginning Reserve Balance	$ 5,843,582	$ 4,448,935	$ 1,167,073	$ (920,357)	$ 2,134,571	$ 4,854,000	$ 5,038,000
Plus: Net Cash Flow (After Rate Increases)			(2,102,473)	3,054,928	3,446,196	1,537,080	1,924,649
Plus: Transfer of Debt Reserve Surplus			-	-	-	-	-
Plus: Interest Earnings			15,044	-	27,515	62,568	64,940
Less: Transfer Out to Capital Replacement Reserve			-	-	(754,282)	(1,415,648)	(1,795,588)
Ending Cash Reserve Balance	***$ 4,448,935***	***$ 1,167,073***	***$ (920,357)***	***$ 2,134,571***	***$ 4,854,000***	***$ 5,038,000***	***$ 5,232,000***
Target Ending Balance (90 days of O&M) [2]	*$ 3,215,000*	*$ 4,338,000*	*$ 4,680,000*	*$ 4,679,000*	*$ 4,854,000*	*$ 5,038,000*	*$ 5,232,000*
Capital Rehabilitation & Replacement Reserve							
Beginning Reserve Balance	$ 13,635,025	$ 10,380,848	$ 11,323,942	$ 5,473,966	$ 5,544,525	$ 6,370,276	$ 7,868,037
Plus: Grant Proceeds			-	-	-	-	-
Plus: Transfer of Operating Reserve Surplus			-	-	754,282	1,415,648	1,795,588
Plus: Interest Earnings			145,966	70,559	71,469	82,113	101,419
Less: Use of Reserves for Capital Projects			(5,995,942)	-	-	-	-
Ending Capital Rehab & Replacement Reserve Balance	***$ 10,380,848***	***$ 11,323,942***	***$ 5,473,966***	***$ 5,544,525***	***$ 6,370,276***	***$ 7,868,037***	***$ 9,765,044***
Target Ending Balance (3% of Assets) [3]	*$ 4,451,000*	*$ 4,541,000*	*$ 5,328,000*	*$ 6,376,000*	*$ 7,902,000*	*$ 8,814,000*	*$ 9,426,000*
Ending Cash Balance - Excl. Restricted Reserves	**$ 14,829,783**	**$ 12,491,015**	**$ 4,553,609**	**$ 7,679,096**	**$ 11,224,276**	**$ 12,906,037**	**$ 14,997,044**
Min. Target Ending Cash Balance -Excl. Restricted Reserves	**$ 7,666,000**	**$ 8,879,000**	**$ 10,008,000**	**$ 11,055,000**	**$ 12,756,000**	**$ 13,852,000**	**$ 14,658,000**
Ending Surplus/(Deficit) Compared to Reserve Targets	***$ 7,163,783***	***$ 3,612,015***	***$ (5,454,391)***	***$ (3,375,904)***	***$ (1,531,724)***	***$ (945,963)***	***$ 339,044***
Days Cash on Hand	***285***	***193***	***62***	***98***	***140***	***145***	***165***

1. Beginning cash balances provided by City staff.
2. The Operating Reserve target is set equal to 6 months, or 180 days, of annual operating expenditures.
3. The Capital Rehabilitation & Replacement Reserve target is set equal to 3% of net assets.

A more detailed version of the utility's proposed five-year financial plan is included in *Appendix A*. The appendix tables include detailed information on revenue requirements and proposed rate increases (Table 1), reserve funds (Tables 2 and 3), revenue sources and expenses (Tables 4-15) and the City's capital improvement program (Tables 16-21).

2.3 Cost-of-Service Analysis

Once the net revenue requirements are determined, the cost-of-service analysis (COSA) proportionately distributes the revenue requirements to each of the customer classes. The COSA consists of the classification of expenses and then the allocation of those expenses to customer classes based on allocation factors, such as water consumption and number of equivalent dwelling units (EDUs), or accounts. Ultimately, the COSA is intended to result in rates that are proportional to the cost of providing service to each customer class.

Budgeted costs that were developed in the financial plan were classified into the following categories to develop the basis for allocating costs to various customer classes in this analysis:

- **Flow Costs ("Volume") –** Flow based costs are primarily related to the collection and distribution systems, which gather effluent from customers and transports it to the treatment facilities.
- **Strength Based Costs ("BOD", "TSS") –** Strength based costs are related to the treatment of effluent at the WWTP. Two factors, Biochemical Oxygen Demand (BOD) and Total Suspended Solids (TSS) measure different aspects of the treatment process.
- **Customer Related Costs ("Customer") –** Customer based costs are related to the billing of customers (such as mailing and staff time committed to customer service).

CUSTOMER CLASSES AND ALLOCATION FACTORS

Customer classes are determined by combining customers with similar demand characteristics and types of use into categories that reflect the cost differentials to serve each type of customer. The most recent water consumption data and flow monitoring data (for industrial customers) was the basis for estimating the amount of flow that each customer class sends to the treatment plant.

Figure 4 shows the development of the flow/volume allocation factors by customer class. For the residential customer class, winter water usage (January through March) was utilized as the basis for determining the estimated wastewater flow to the treatment plant. In developing the flow/volume allocations, a mass balance was conducted to determine the relative contributions of each customer class to the City's effluent flows received at the wastewater treatment plant. Further details on the mass balance are contained in Appendix Table 39. For commercial and institutional customer classes, the annual water usage was utilized as the basis for estimating wastewater flow to the treatment plant. For the industrial customer class, the measured effluent flows were utilized for development of the flow allocation factor.

Figure 4. Development of the Flow Allocation Factor

Customer Class[1]	Number of Dwelling Units / Accounts[2]	Consumption (gallons/year)	Winter Consumption (Jan-Mar. '23)	Annualized Sewage Flow (gallons)[3]	% of Total Flow
Residential Customers					
Single Family Residential Metered	16,467	2,237,385,763	280,994,599	1,123,978,396	**26.9%**
Single Family Residential Non-Metered	394	53,533,127	6,723,257	26,893,028	**0.6%**
Multiple Residential Metered	7,563	572,414,423	94,722,936	378,891,744	**9.1%**
Multiple Residential Non-Metered	182	18,533,307	3,066,885	12,267,540	**0.3%**
All Other Customers					
Commercial Low Strength	710	214,337,611	*n/a*	214,337,611	**5.1%**
Commercial Medium Strength	169	79,488,728	*n/a*	79,488,728	**1.9%**
Commercial High Strength	183	93,058,006	*n/a*	93,058,006	**2.2%**
Institutional	73	60,307,132	*n/a*	60,307,132	**1.4%**
Industrial[4]	18	n/a	*n/a*	2,193,192,473	**52.4%**
Total:	**25,759**	**3,329,058,097**	**385,507,677**	**4,182,414,658**	**100.0%**

1. Customer data provided by the City for FY 2022/23.
   Source files: July 22 - June 23 Residential Water and Sewer.xlsx & July 22 - June 23 Non-Residential Sewer Only_ab.
2. Residential and industrial customers are based on the number of dwelling units and all other customers are based on the number of accounts.
3. Annual consumption for all customer classes based on average winter water consumption.
4. Flow for industrial customer is based on wastewater flow. Strength factors are based on wastewater flow data.
   Industrial customer class includes Ceres and the community service districts of Keyes and Denair.
   Source file: Industrial Data FY22-23.xlsx.

Figure 5 summarizes the development of the strength allocation factors by customer class. These strength-related percentages were used to allocate strength-related costs. (Note: Although residential customers do not have volumetric charges, their strengths, and their estimated pounds of BOD and TSS, are used to allocate capacity-related costs to single- and multi-family customers). Wastewater strength for residential and non-industrial customer classes are based on typical BOD and TSS estimates from historical State Water Resources Control Board (SWRCB) guidelines as well as larger agencies that have sampled wastewater strength. For the mass balance analysis for strength loadings to the City's wastewater treatment plant, existing wastewater loads were based on the existing loadings to the wastewater treatment plant. Future wastewater loadings from industrial customers are anticipated to be reduced because of the changes in the wastewater rates. As such, NBS worked with City staff to develop the reduced wastewater loading estimates based on the assumption that if an industry had pretreatment facilities available, those pretreatment facilities would be utilized to reduce loadings sent to the City wastewater treatment plant. The industrial loading evaluation was incorporated into the mass balance to develop the strength allocation factors in the figure below. Further details on the industrial customer data and loading evaluation are found in Appendix Tables 42-44.

Figure 5. Development of the Strength Allocation Factor

Customer Class	Design Capacity			Total Annual Volume					
	Flow MGD	BOD lbs/day	TSS lbs/day	Flow MG	% of Total Flow	BOD lbs	% of Total BOD	TSS lbs	% of Total TSS
Residential Customers									
Single Family Residential Metered	3.08	10,273	10,273	1,124	**26.9%**	3,749,592	**20.4%**	3,749,592	**35.6%**
Single Family Residential Non-Metered	0.07	246	246	27	**0.6%**	89,715	**0.5%**	89,715	**0.9%**
Multiple Residential Metered	1.04	3,463	3,463	379	**9.1%**	1,263,983	**6.9%**	1,263,983	**12.0%**
Multiple Residential Non-Metered	0.03	112	112	12	**0.3%**	40,925	**0.2%**	40,925	**0.4%**
All Other Customers									
Commercial Low Strength	0.59	735	735	214	**5.1%**	268,136	**1.5%**	268,136	**2.5%**
Commercial Medium Strength	0.22	727	727	79	**1.9%**	265,174	**1.4%**	265,174	**2.5%**
Commercial High Strength	0.25	1,276	1,276	93	**2.2%**	465,662	**2.5%**	465,662	**4.4%**
Institutional	0.17	344	344	60	**1.4%**	125,740	**0.7%**	125,740	**1.2%**
Industrial	5.84	47,244	22,642	2,193	**52.4%**	12,068,720	**65.8%**	4,276,452	**40.6%**
Total:	**11.29**	**64,419**	**39,817**	**4,182**	**100.0%**	**18,337,648**	**100.0%**	**10,545,380**	**100.0%**

Figure 6 summarizes the development of the customer allocation factor.

Figure 6. Development of the Customer Allocation Factor

Customer Class	Number of Dwelling Units / Accounts[1]	Percent of Total
Residential Customers		
Single Family Residential Metered	16,467	**63.9%**
Single Family Residential Non-Metered	394	**1.5%**
Multiple Residential Metered	7,563	**29.4%**
Multiple Residential Non-Metered	182	**0.7%**
All Other Customers		
Commercial Low Strength	710	**2.8%**
Commercial Medium Strength	169	**0.7%**
Commercial High Strength	183	**0.7%**
Institutional	73	**0.3%**
Industrial	18	**0.1%**
Total:	**25,759**	**100.0%**

1. Residential and industrial customers are based on the number of dwelling units and all other customers are based on the number of accounts.

CLASSIFICATION AND ALLOCATION OF COSTS

As previously noted, costs are classified into the following four categories: (1) flow-related costs, (2) strength-related costs (BOD and TSS), and (3) customer-related costs. The City's budgeted costs were allocated to these four categories which serve as the basis for calculating the fixed and variable charges. Tables in the *Appendix* show how the City's expenses were classified and allocated to these cost-causation components.

Figure 7 summarizes the allocation of the net revenue requirements to each cost causation component for the proposed rates based on the cost-of-service analysis. Additional details on allocation of revenue requirements by customer class are found in Appendix Tables 45-49.

Figure 7. Allocation of Revenue Requirements by Customer Class based on COSA

Customer Class	Cost Classification Components					Cost-of-Service Net Revenue Reqts.	% of COS Net Revenue Reqts.
	Volume	Collection	BOD	TSS	Customer		
Net Revenue Requirements [1]	***$ 13,073,043***	***$ 1,145,482***	***$ 6,426,543***	***$ 6,426,543***	***$ 975,314***	***$ 28,046,925***	--
	46.6%	*4.1%*	*22.9%*	*22.9%*	*3.5%*	*100.0%*	
Residential Customers							
Single Family Residential Metered	$ 3,530,710	$ 342,621	$ 1,217,975	$ 2,076,747	$ 623,491	$ 7,791,543	*27.8%*
Single Family Residential Non-Metered	84,478	8,198	29,142	49,690	14,918	186,425	*0.7%*
Multiple Residential Metered	1,190,198	115,497	410,578	700,069	286,358	2,702,700	*9.6%*
Multiple Residential Non-Metered	38,536	3,739	13,293	22,666	6,891	85,126	*0.3%*
All Other Customers							
Commercial Low Strength	$ 673,290	$ 65,336	$ 87,098	$ 148,510	$ 26,883	$ 1,001,118	*3.6%*
Commercial Medium Strength	249,695	24,230	86,136	146,869	6,399	513,330	*1.8%*
Commercial High Strength	292,320	28,367	151,260	257,911	6,929	736,787	*2.6%*
Institutional	189,440	18,383	40,844	69,642	2,764	321,074	*1.1%*
Industrial	6,824,377	539,110	4,390,215	2,954,438	682	14,708,822	*52.4%*
Total:	**$ 13,073,043**	**$ 1,145,482**	**$ 6,426,543**	**$ 6,426,543**	**$ 975,314**	**$ 28,046,925**	**100%**

1. Revenue requirement for each customer class is determined by multiplying the revenue requirement from each cost classification by the allocation factors for each customer class.

As mentioned previously, the City's sewer rates have not been updated since 2013. As shown in Figure 8 below, the existing collection of revenue by customer class needs to be realigned in order to accurately reflect the cost-of-service net revenue requirements as calculated in Figure 7 above.

Figure 8. Existing Collection of Revenue by Customer Class

Specifically, residential customers currently account for 60% of all sewer rate revenue collected by the City, but the cost-of-service analysis has determined that residential customers only account for approximately 38.4% of the net revenue requirements based on their proportional share of costs related to sewer flow and

strength (Biochemical Oxygen Demand [BOD] and Total Suspended Solids [TSS]). Conversely, the City currently collects 7.2% of revenue from commercial/institutional customers and 32.8% of revenue from industrial customers, but the cost-of-service analysis indicates that commercial/institutional customers account for 9.2% of net revenue requirements and industrial customers account for 52.4% of net revenue requirements based on their proportional share of costs. The proposed rates will need to be designed to capture the cost-of-service from each customer class. As such, the existing rates for each customer class will be adjusted in accordance with the proportional share of each customer class to the total net revenue requirements of the sewer utility in order to meet the legal requirements set forth in Prop 218 under California law.

2.4 Rate Design Analysis

During this rate study, NBS discussed with City staff various rate alternatives that collected revenue differently from fixed vs. variable charges. Ultimately, the rate alternative selected by City staff is one similar to the existing rate design. The reasons for selecting this alternative are (1) it generally maintains the existing customer classes while simplifying the billing structure (2) it provides continuity for sewer customers, and (3) it is easy to understand from a customer's perspective and easy to administrate from City staff's perspective.

FIXED CHARGES AND VARIABLE CHARGES

The fixed charge recognizes that the sewer utility incurs fixed costs regardless of whether customers send any sewer into the City's collection system. There are three factors used to develop the fixed charge: 1) the number of dwelling units for residential customers, 2) the number of accounts for non-residential customers, and 3) the annual revenue requirement.

The monthly fixed charge is calculated by taking 100% of total revenue requirements for residential customer classes and dividing by the number of accounts (for single-family) and by the number of dwelling units (for multi-family). This proposed rate structure has made updates to the billing structure in the following way: residential sewer rates will now be billed based on the number of dwelling units as opposed to fixture counts.

Non-residential fixed charges are based on the directly allocated program costs (i.e. monitoring, sampling, and pretreatment program costs) divided by the number of accounts in the three non-residential categorical customer classes (institutional, commercial, and industrial). The variable charges are calculated by dividing 100% of the annual net revenue requirements for each of the non-residential strength-related customer classes by the annual consumption (per HCF) for institutional and commercial, and by flow, BOD and TSS for industrial customers.

The industrial customer class includes the City of Ceres as well as the community service districts of Keyes and Denair. The City of Turlock measures the flows and loadings to the treatment plant for the City of Ceres, Keyes and Denair. In the proposed rate table, the City of Ceres has a different rate classification than other industrial customers because the City of Ceres does not utilize the City of Turlock's collection system to transport the effluent generated by the community to the WWTP.

2.5 Proposed Sewer Rates

Figure 9 compares the current and proposed rates for FY 2024/25 through FY 2028/29 by customer class. While proposed rates in the first year (FY 2024/25) reflect the cost-of-service realignment that often occurs when rates have not been updated for several years, the projected rates for future years are strictly tied to annual rate increase in an "across-the-board" adjustment. As mentioned throughout the Study report, more detailed tables on the development of the proposed rates are documented in the *Appendix.*

Figure 9. Current vs. Proposed Sewer Rates

Sewer Rate Schedule	Description[1]	Current Rates[2]	Proposed Sewer Rates				
			FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29
Residential Customers							
Residential - Monthly Fixed Service Charges							
Single Family Residential Metered	Per Dwelling Unit	$42.95	$36.27	$37.36	$38.48	$39.64	$40.83
Single Family Residential Non-Metered	Per Dwelling Unit	$28.95	$36.27	$37.36	$38.48	$39.64	$40.83
Multiple Residential Metered	Per Dwelling Unit	$28.95	$26.84	$27.65	$28.47	$29.33	$30.21
Multiple Residential Non-Metered	Per Dwelling Unit	$28.95	$26.84	$27.65	$28.47	$29.33	$30.21
Administrative Charge	Per Account/Dwelling Unit	$8.15	$3.15	$3.25	$3.35	$3.45	$3.55
Non-Residential Customers							
Institutional							
Monthly Fixed Service Charge	Per Account	*see TMC 6-4*	$108.80	$112.06	$115.42	$118.89	$122.45
Volumetric Charge	Per HCF	*Article 7*	$2.80	$2.88	$2.97	$3.06	$3.15
Commercial Customers							
Monthly Fixed Service Charge							
Commercial Low Strength	Per Account		$36.76	$37.87	$39.00	$40.17	$41.38
Commercial Medium Strength	Per Account		$74.98	$77.23	$79.54	$81.93	$84.39
Commercial High Strength	Per Account	*see TMC 6-4*	$97.63	$100.56	$103.58	$106.69	$109.89
Volumetric Charge		*Article 7*					
Commercial Low Strength	Per HCF		$2.40	$2.47	$2.55	$2.62	$2.70
Commercial Medium Strength	Per HCF		$3.40	$3.50	$3.61	$3.71	$3.83
Commercial High Strength	Per HCF		$4.20	$4.32	$4.45	$4.59	$4.73
Industrial Customers							
Monthly Fixed Administrative Charge	Per Account	$8.17	$2.99	$3.08	$3.17	$3.26	$3.36
Sewer Use Charges							
Flow - per MG	Per MG Sewage Flow	N/A	$3,408	$3,510	$3,616	$3,724	$3,836
BOD - per 1,000 pounds	Per 1,000 lbs. BOD	N/A	$364	$375	$386	$398	$410
TSS - per 1,000 pounds	Per 1,000 lbs. TSS	N/A	$691	$712	$733	$755	$778
City of Ceres							
Monthly Fixed Administrative Charge	Per Account	$8.17	$2.99	$3.08	$3.17	$3.26	$3.36
Sewer Use Charges							
Flow - per MG	Per MG Sewage Flow	N/A	$3,111	$3,204	$3,301	$3,400	$3,502
BOD - per 1,000 pounds	Per 1,000 lbs. BOD	N/A	$364	$375	$386	$398	$410
TSS - per 1,000 pounds	Per 1,000 lbs. TSS	N/A	$691	$712	$733	$755	$778

1. Residential sewer rates will now be billed based on the number of dwelling units versus fixture count.
2. Table 37 shows the following rates for the City's residential customers:
   - Single Family Residential Metered - Current rate for 21-25 Fixtures which represents approx. 45% of total accounts.
   - Single Family Residential Non-Metered - Current rate for Up to 15 Fixtures which represents approx. 54% of total accounts.
   - Multiple Residential Metered - Current rate for 1U up to 15 Fixtures which represents approx. 27% of total accounts.
   - Multiple Residential Non-Metered - Current rate for 1U up to 15 Fixtures which represents approx. 38% of total accounts.

2.6 Comparison of Current and Proposed Sewer Bills

The following figures compare monthly sewer bills under current and proposed rates for various customers over the 5-year rate period. These bill comparisons are calculated at typical levels of consumption. The last figure presents a comparison of residential sewer rates for similar communities.

Figure 10. Single-Family Residential Sewer Bill Comparison for 5-Year Rate Period

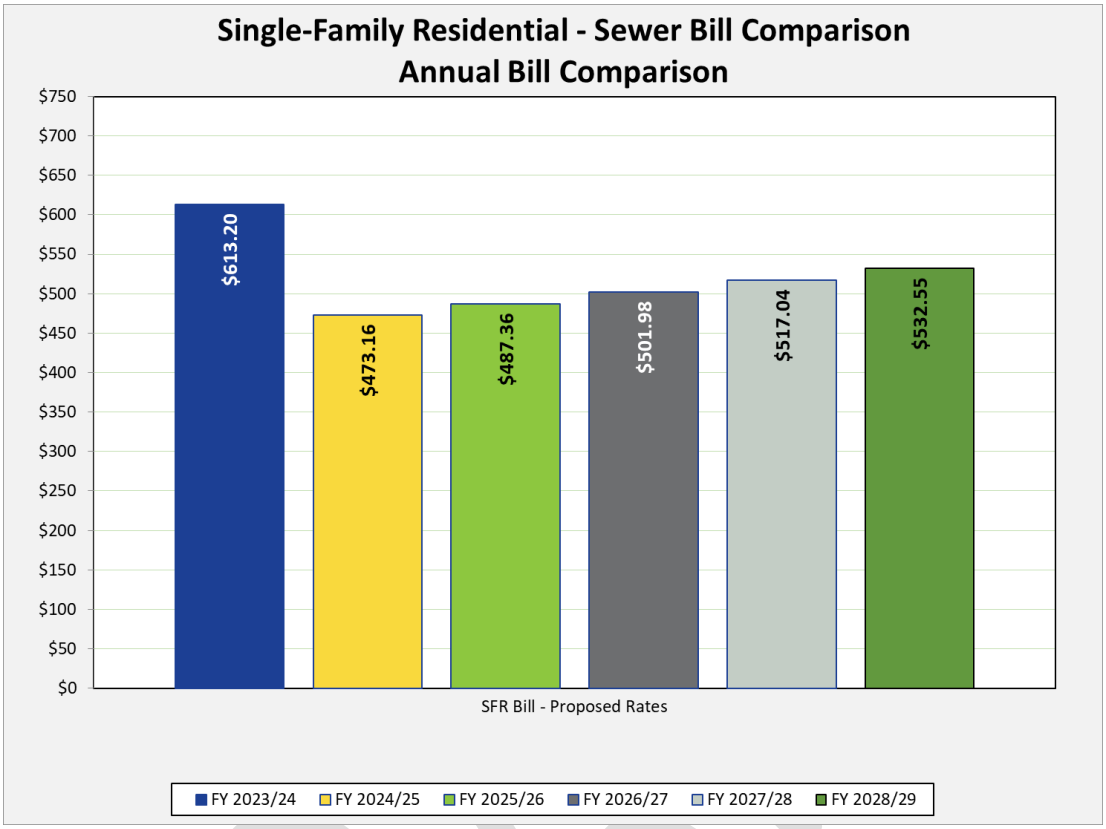

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Figure 11. Multi-Family Residential Sewer Bill Comparison by Consumption

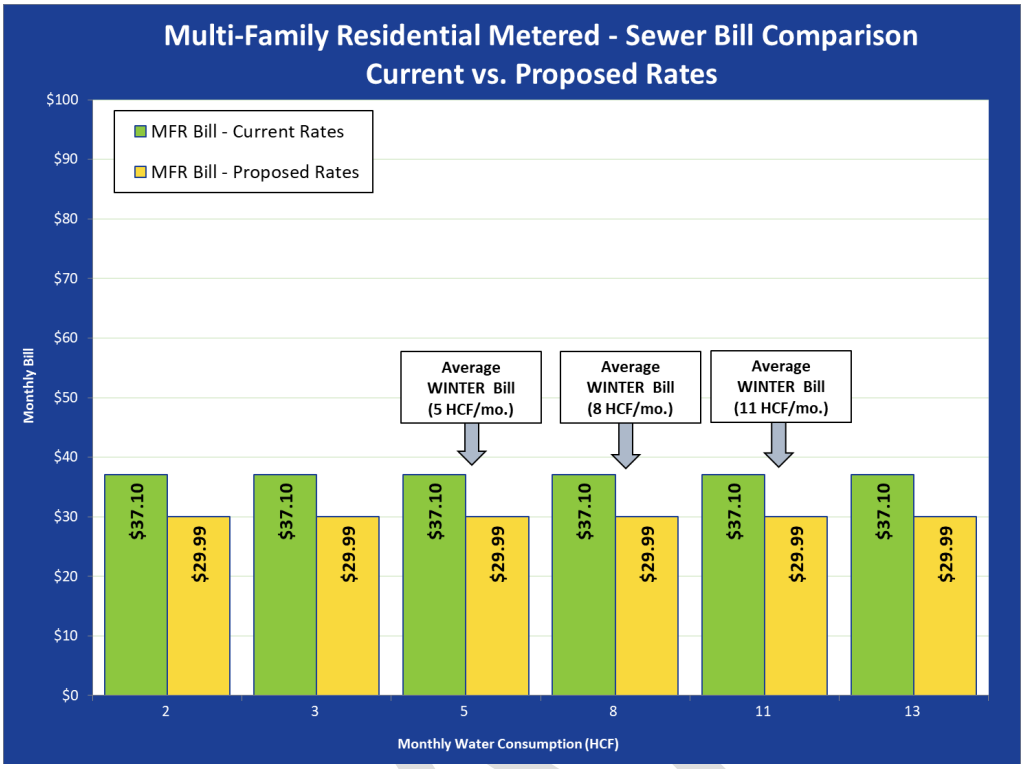


Figure 12. Commercial Low Strength Sewer Bill Comparison by Consumption

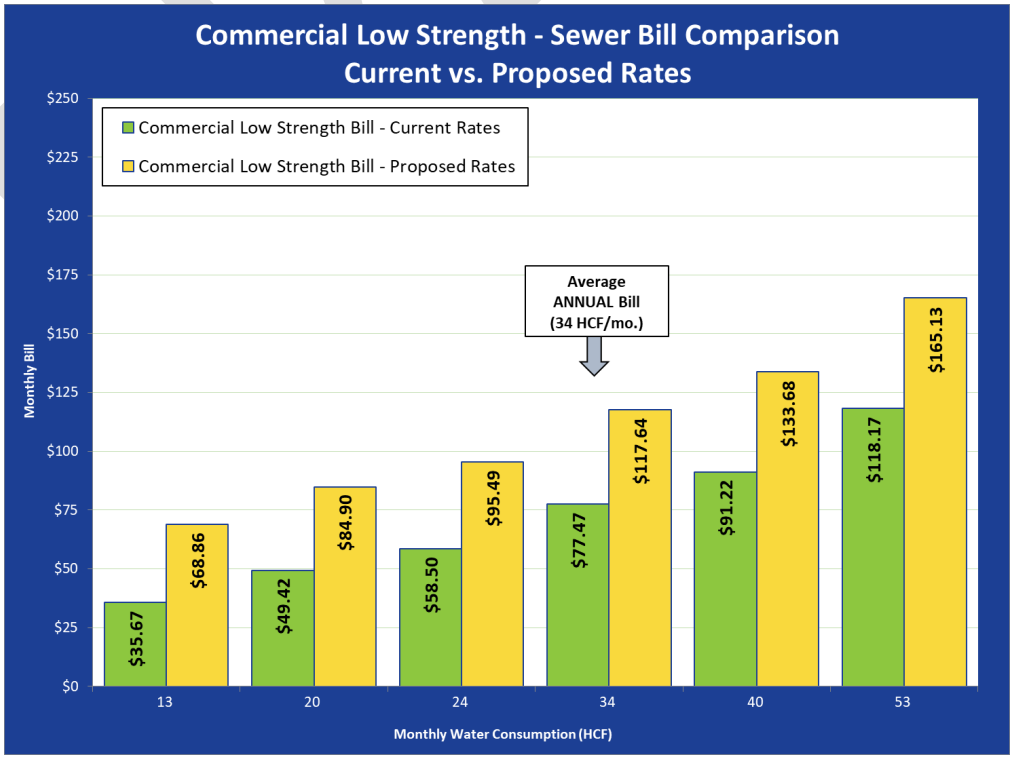


Figure 13. Commercial Medium Strength Sewer Bill Comparison by Consumption

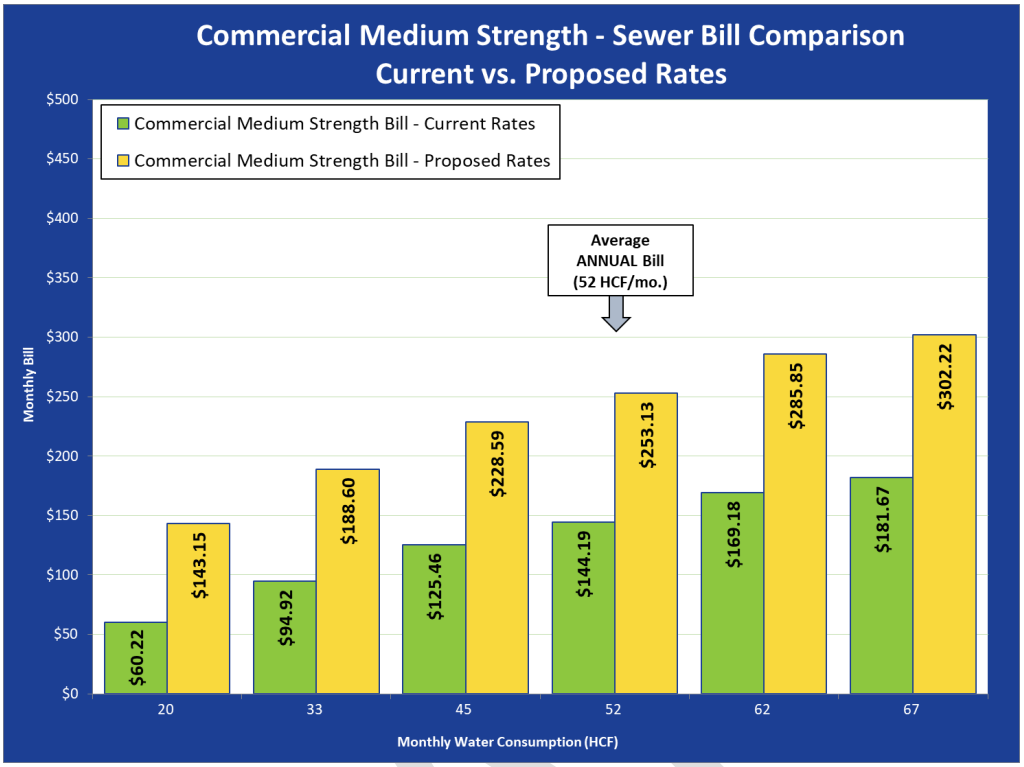


Figure 14. Commercial High Strength Sewer Bill Comparison by Consumption

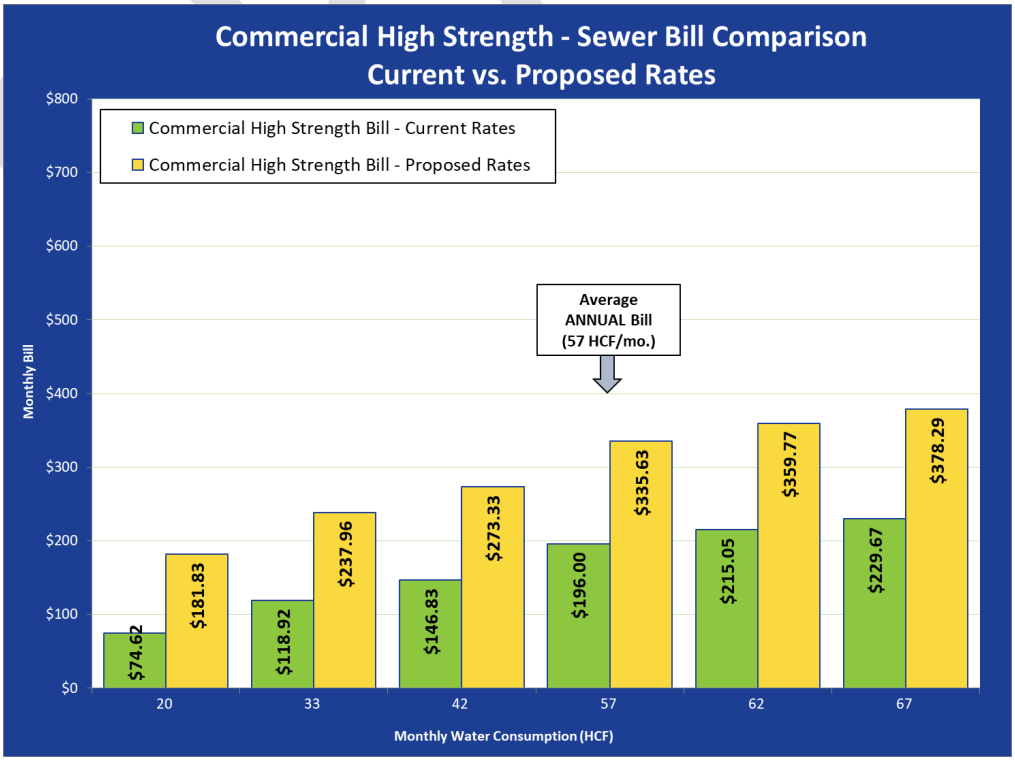


Figure 15. Example Annual Industrial Customer Regional Sewer Bill Comparison

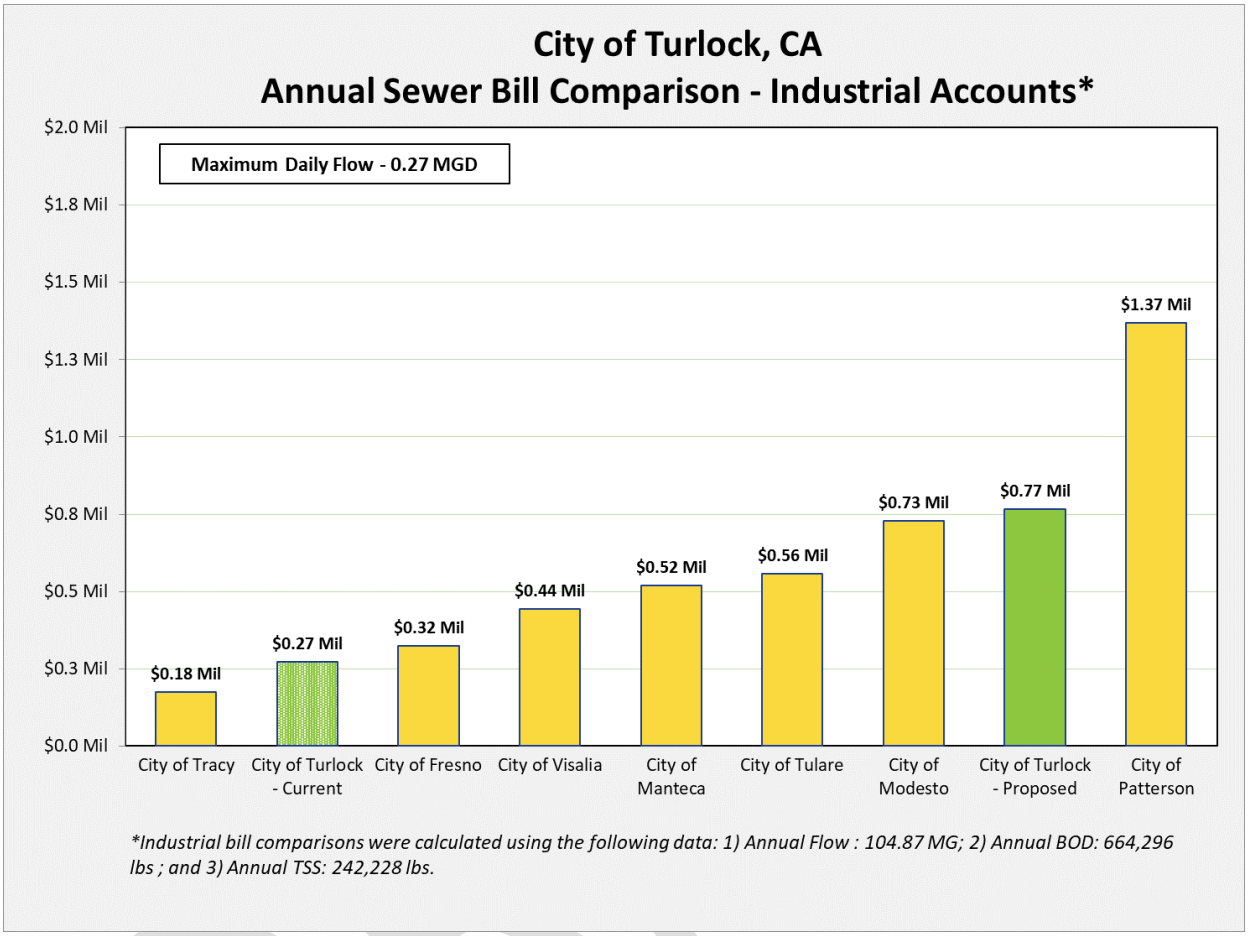
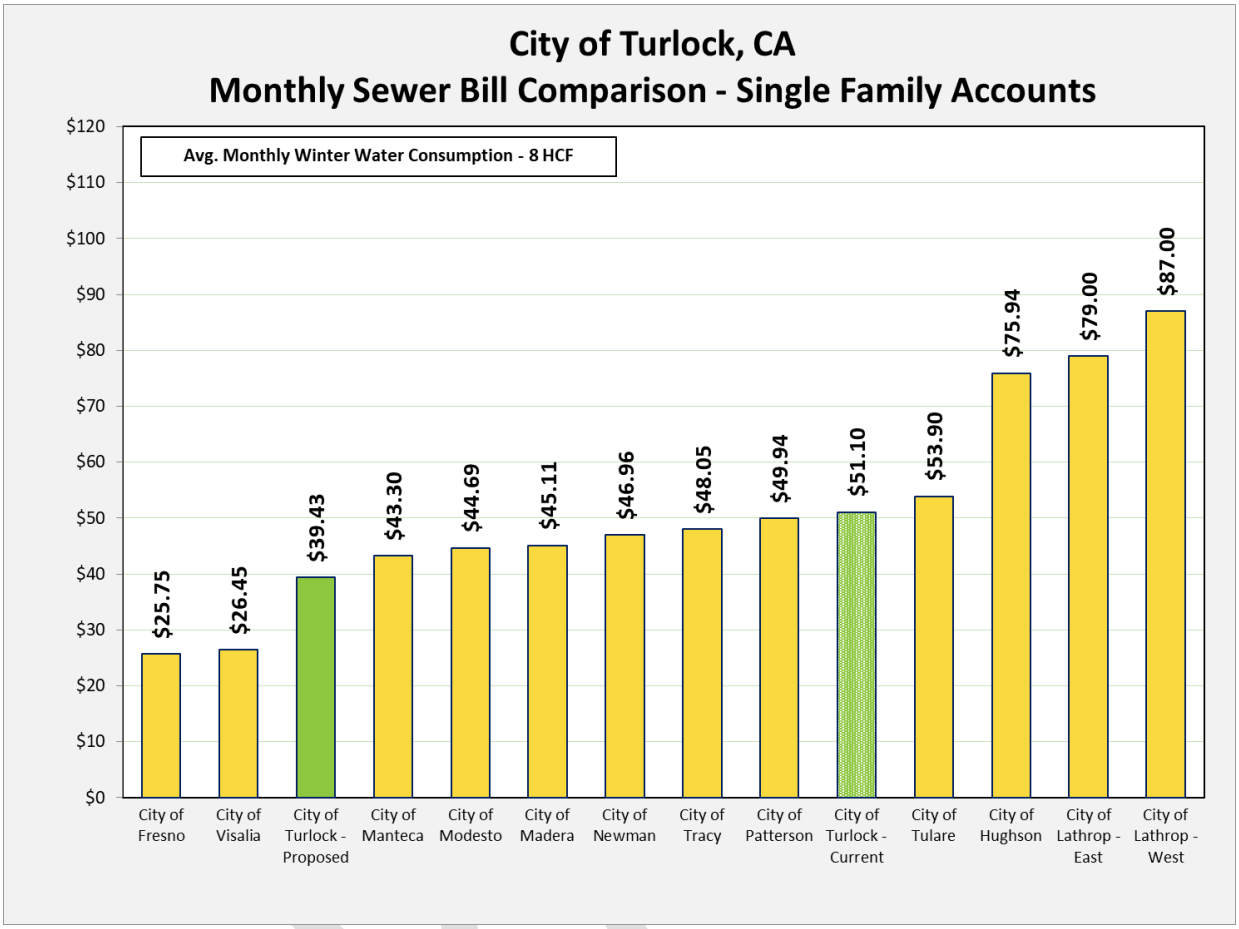


Figure 16. Regional Monthly Sewer Bill Comparison – Single Family Customers



3. Recommendations and Next Steps

3.1 Consultant Recommendations

NBS recommends the City take the following actions:

- **Receive this Study:** NBS recommends the City Council formally receive this Study and its recommendations and proceed with the next steps outlined below to implement the proposed rates in accordance with Prop 218 procedural requirements. This will provide documentation of the rate study analyses and the basis for analyzing potential changes to future rates.
- **Implement Recommended Levels of Rate Increases and Proposed Rates:** Based on successfully meeting the Prop 218 procedural requirements, the City should proceed with implementing the 5-year schedule of proposed rates and rate increases previously shown in Figure 9. This will help ensure the continued financial health of City's utilities.
- **Adopt Reserve Fund Targets:** NBS recommends the City Council adopt the consultant-proposed reserve fund targets described in this study. The City should periodically evaluate reserve fund levels and attempt to maintain the recommended levels for the Operating and Capital Rehabilitation and Replacement reserve funds.

3.2 Next steps

Annually Review Rates and Revenue – Any time an agency adopts new utility rates or rate structures, those new rates should be closely monitored over the next several years to ensure the revenue generated is sufficient to meet the annual revenue requirements. Changing economic and water consumption patterns underscore the need for this review, as well as potential and unseen changing revenue requirements — particularly those related to environmental regulations that can significantly affect capital improvements and repair and replacement costs.

Note: The attached Technical Appendices provide more detailed information on the analysis of the financial plan, revenue requirements, cost-of-service, and the rate design analyses that have been summarized in this report.

3.3 NBS' Principal Assumptions and Considerations

In preparing this report and the opinions and recommendations included herein, NBS has relied on several principal assumptions and considerations regarding financial matters, conditions, and events that may occur in the future. This information and these assumptions, including the City's budgets, capital improvement costs, customer accounts and consumption, and information from City staff were provided by sources we believe to be reliable, although NBS has not independently verified this data.

While we believe NBS' use of such information and assumptions is reasonable for the purpose of this report and its recommendations, some assumptions will invariably not materialize as stated herein and may vary significantly due to unanticipated events and circumstances. Therefore, the actual results can be expected to vary from those projected to the extent that actual future conditions differ from those assumed by us or provided to us by others.

Technical Appendices

These Appendices contain:

- Appendix: Sewer Rate Study Tables and Figures

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Appendix. Sewer Rate Study Tables and Figures

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TABLE 1 : FINANCIAL PLAN AND SUMMARY OF REVENUE REQUIREMENTS

RATE REVENUE REQUIREMENTS SUMMARY	Budget	Projected	5-Year Projected Rate Period					Projected				
	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33	FY 2033/34
Sources of Funds [1]												
Rate Revenue:												
Sewer Rate Revenue	$ 19,993,577	$ 20,500,000	$ 20,775,500	$ 20,928,119	$ 21,080,738	$ 21,233,356	$ 21,385,975	$ 21,538,594	$ 21,691,213	$ 21,843,832	$ 21,996,450	$ 22,149,069
Other Revenue	263,744	187,050	188,300	188,992	189,685	190,377	191,069	191,762	192,454	193,146	193,839	194,531
Transfers In from Other Funds	-	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000
Biogas Solution	-	-	-	2,706,000	2,706,000	2,706,000	2,706,000	2,706,000	2,706,000	2,706,000	2,706,000	2,706,000
Interest Earnings	(19,033)	126,900	161,009	70,559	98,984	144,681	166,359	193,312	225,608	251,865	266,643	281,455
Total: Sources of Funds	**$ 20,238,287**	**$ 20,973,950**	**$ 21,284,809**	**$ 24,053,670**	**$ 24,235,406**	**$ 24,434,414**	**$ 24,609,403**	**$ 24,789,668**	**$ 24,975,275**	**$ 25,154,843**	**$ 25,322,932**	**$ 25,491,055**
Uses of Funds [2]												
Operating Expenses:												
530 - Operations	$ 10,595,211	$ 14,323,154	$ 14,858,605	$ 14,756,355	$ 15,352,375	$ 15,981,786	$ 16,646,877	$ 17,350,113	$ 18,094,152	$ 18,881,865	$ 19,716,350	$ 20,600,954
531 - Collection System	1,513,125	2,123,727	2,183,761	2,246,147	2,311,033	2,378,583	2,448,974	2,522,403	2,599,083	2,679,253	2,763,174	2,851,135
532 - Storm Basin Maintenance/Combined System	753,034	905,806	926,309	947,455	969,281	991,826	1,015,135	1,039,257	1,064,246	1,090,163	1,117,075	1,145,056
Additional Staffing	-	-	750,510	766,346	782,516	799,027	815,886	833,101	850,680	868,629	886,957	905,672
Subtotal: Operating Expenses	$ 12,861,370	$ 17,352,687	$ 18,719,185	$ 18,716,303	$ 19,415,204	$ 20,151,222	$ 20,926,873	$ 21,744,874	$ 22,608,161	$ 23,519,910	$ 24,483,556	$ 25,502,817
Other Expenditures:												
Existing Debt Service	$ 6,132,588	$ 6,297,959	$ 6,303,810	$ 5,769,939	$ 5,778,465	$ 5,784,359	$ 5,783,683	$ 5,785,419	$ 5,120,571	$ 5,124,333	$ 5,127,792	$ 5,127,934
Future Debt Service	-	-	-	2,261,137	2,267,260	4,595,289	4,609,641	4,626,032	5,301,723	5,324,404	5,349,847	5,378,238
Rate-Funded Capital Expenses	-	-	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Subtotal: Other Expenditures	$ 6,132,588	$ 6,297,959	$ 8,303,810	$ 10,031,076	$ 10,045,725	$ 12,379,648	$ 12,393,323	$ 12,411,451	$ 12,422,295	$ 12,448,737	$ 12,477,639	$ 12,506,173
Total: Uses of Funds	**$ 18,993,958**	**$ 23,650,646**	**$ 27,022,995**	**$ 28,747,378**	**$ 29,460,929**	**$ 32,530,871**	**$ 33,320,196**	**$ 34,156,325**	**$ 35,030,456**	**$ 35,968,648**	**$ 36,961,195**	**$ 38,008,989**
Plus: Revenue from Rate Increases[3]	-	-	3,635,712	7,748,636	8,671,720	9,633,536	10,635,442	11,678,838	12,765,177	13,895,957	15,072,730	16,297,101
Annual Surplus/(Deficit) without Rate Increases	**$ 1,244,330**	**$ (2,676,696)**	**$ (5,738,186)**	**$ (4,693,708)**	**$ (5,225,523)**	**$ (8,096,456)**	**$ (8,710,793)**	**$ (9,366,657)**	**$ (10,055,182)**	**$ (10,813,804)**	**$ (11,638,263)**	**$ (12,517,934)**
Annual Surplus/(Deficit) with Rate Increases	**$ 1,244,330**	**$ (2,676,696)**	**$ (2,102,473)**	**$ 3,054,928**	**$ 3,446,196**	**$ 1,537,080**	**$ 1,924,649**	**$ 2,312,181**	**$ 2,709,995**	**$ 3,082,153**	**$ 3,434,467**	**$ 3,779,167**
Net Revenue Reqt. *(Total Uses less Non-Rate Revenue)*	**$ 18,749,247**	**$ 23,176,696**	**$ 26,513,686**	**$ 25,621,827**	**$ 26,306,261**	**$ 29,329,813**	**$ 30,096,768**	**$ 30,905,251**	**$ 31,746,394**	**$ 32,657,636**	**$ 33,634,714**	**$ 34,667,004**
Total Rate Revenue After Rate Increases	**$ 19,993,577**	**$ 20,500,000**	**$ 28,046,925**	**$ 29,100,549**	**$ 30,192,149**	**$ 31,323,053**	**$ 32,494,640**	**$ 33,708,330**	**$ 34,965,597**	**$ 36,267,963**	**$ 37,617,001**	**$ 39,014,341**
Projected Annual Rate Revenue Increase	***0.00%***	***0.00%***	***35.00%***	***3.00%***	***3.00%***	***3.00%***	***3.00%***	***3.00%***	***3.00%***	***3.00%***	***3.00%***	***3.00%***
Cumulative Increase from Annual Revenue Increases	*0.00%*	*0.00%*	*35.00%*	*39.05%*	*43.22%*	*47.52%*	*51.94%*	*56.50%*	*61.20%*	*66.03%*	*71.01%*	*76.14%*
Debt Coverage After Rate Increase	*1.20*	*0.57*	*0.98*	*1.63*	*1.68*	*1.34*	*1.38*	*1.41*	*1.45*	*1.49*	*1.52*	*1.55*

1. Revenues and expenses for FY 2022/23 provided by the City. Source files: *2022-23 BPR fund 410.pdf* .
2. Only expenses directly attributable to the sewer utility system are included in O&M and Capital Expenses.
3. Revenue from rate increases assumes an implementation date of January 1, 2025.
   For each year thereafter, the assumption is that new rates will be implemented on January 1st of each year.

Selection of Financial Plan Alternative	**2**

Financial Plan Alternatives		FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33	FY 2033/34
1	Alternative 1 - $1 Million Minimum Rate Revenue	*0.00%*	*0.00%*	*40.00%*	*4.00%*	*4.00%*	*4.00%*	*4.00%*	*4.00%*	*4.00%*	*4.00%*	*4.00%*	*4.00%*
2	Alternative 2 - $2 Million Minimum Rate Revenue	*0.00%*	*0.00%*	*35.00%*	*3.00%*	*3.00%*	*3.00%*	*3.00%*	*3.00%*	*3.00%*	*3.00%*	*3.00%*	*3.00%*
3	Alternative 3 - No CIP	*0.00%*	*0.00%*	*30.00%*	*0.00%*	*0.00%*	*0.00%*	*0.00%*	*0.00%*	*0.00%*	*0.00%*	*0.00%*	*0.00%*
4	No Rate Increases	*0.00%*	*0.00%*	*0.00%*	*0.00%*	*0.00%*	*0.00%*	*0.00%*	*0.00%*	*0.00%*	*0.00%*	*0.00%*	*0.00%*

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TABLE 2 : RESERVE FUND SUMMARY

SUMMARY OF CASH ACTIVITY SEWER FUND RESERVES	Budget	Projected	5-Year Projected Rate Period					Projected				
	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33	FY 2033/34
Total Beginning Cash[1]	**$ 19,478,607**	**$ 14,525,121**	**$ 12,491,015**									
Unrestricted Reserves:												
Operating Reserve												
Beginning Reserve Balance	$ 5,843,582	$ 4,448,935	$ 1,167,073	$ (920,357)	$ 2,134,571	$ 4,854,000	$ 5,038,000	$ 5,232,000	$ 5,436,000	$ 5,652,000	$ 5,880,000	$ 6,121,000
Plus: Net Cash Flow (After Rate Increases)			(2,102,473)	3,054,928	3,446,196	1,537,080	1,924,649	2,312,181	2,709,995	3,082,153	3,434,467	3,779,167
Plus: Transfer of Debt Reserve Surplus			-	-	-	-	-	-	-	-	-	-
Plus: Interest Earnings			15,044	-	27,515	62,568	64,940	67,440	70,070	72,854	75,793	78,900
Less: Transfer Out to Capital Replacement Reserve			-	-	(754,282)	(1,415,648)	(1,795,588)	(2,175,621)	(2,564,065)	(2,927,007)	(3,269,260)	(3,603,067)
Ending Cash Reserve Balance	***$ 4,448,935***	***$ 1,167,073***	***$ (920,357)***	***$ 2,134,571***	***$ 4,854,000***	***$ 5,038,000***	***$ 5,232,000***	***$ 5,436,000***	***$ 5,652,000***	***$ 5,880,000***	***$ 6,121,000***	***$ 6,376,000***
Target Ending Balance (90 days of O&M)[2]	*$ 3,215,000*	*$ 4,338,000*	*$ 4,680,000*	*$ 4,679,000*	*$ 4,854,000*	*$ 5,038,000*	*$ 5,232,000*	*$ 5,436,000*	*$ 5,652,000*	*$ 5,880,000*	*$ 6,121,000*	*$ 6,376,000*
Capital Rehabilitation & Replacement Reserve												
Beginning Reserve Balance	$ 13,635,025	$ 10,380,848	$ 11,323,942	$ 5,473,966	$ 5,544,525	$ 6,370,276	$ 7,868,037	$ 9,765,044	$ 12,066,537	$ 13,887,603	$ 14,806,018	$ 15,714,110
Plus: Grant Proceeds			-	-	-	-	-	-	-	-	-	-
Plus: Transfer of Operating Reserve Surplus			-	-	754,282	1,415,648	1,795,588	2,175,621	2,564,065	2,927,007	3,269,260	3,603,067
Plus: Interest Earnings			145,966	70,559	71,469	82,113	101,419	125,871	155,538	179,011	190,850	202,555
Less: Use of Reserves for Capital Projects			(5,995,942)	-	-	-	-	-	(898,537)	(2,187,603)	(2,552,018)	(3,170,110)
Ending Capital Rehab & Replacement Reserve Balance	***$ 10,380,848***	***$ 11,323,942***	***$ 5,473,966***	***$ 5,544,525***	***$ 6,370,276***	***$ 7,868,037***	***$ 9,765,044***	***$ 12,066,537***	***$ 13,887,603***	***$ 14,806,018***	***$ 15,714,110***	***$ 16,349,621***
Target Ending Balance (3% of Assets)[3]	*$ 4,451,000*	*$ 4,541,000*	*$ 5,328,000*	*$ 6,376,000*	*$ 7,902,000*	*$ 8,814,000*	*$ 9,426,000*	*$ 9,819,000*	*$ 11,168,000*	*$ 11,700,000*	*$ 12,254,000*	*$ 12,544,000*
Ending Cash Balance - Excl. Restricted Reserves	***$ 14,829,783***	***$ 12,491,015***	***$ 4,553,609***	***$ 7,679,096***	***$ 11,224,276***	***$ 12,906,037***	***$ 14,997,044***	***$ 17,502,537***	***$ 19,539,603***	***$ 20,686,018***	***$ 21,835,110***	***$ 22,725,621***
Min. Target Ending Cash Balance -Excl. Restricted Reserves	***$ 7,666,000***	***$ 8,879,000***	***$ 10,008,000***	***$ 11,055,000***	***$ 12,756,000***	***$ 13,852,000***	***$ 14,658,000***	***$ 15,255,000***	***$ 16,820,000***	***$ 17,580,000***	***$ 18,375,000***	***$ 18,920,000***
Ending Surplus/(Deficit) Compared to Reserve Targets	***$ 7,163,783***	***$ 3,612,015***	***$ (5,454,391)***	***$ (3,375,904)***	***$ (1,531,724)***	***$ (945,963)***	***$ 339,044***	***$ 2,247,537***	***$ 2,719,603***	***$ 3,106,018***	***$ 3,460,110***	***$ 3,805,621***
Days Cash on Hand	***285***	***193***	***62***	***98***	***140***	***145***	***165***	***188***	***204***	***210***	***216***	***219***

1. Beginning cash balances provided by City staff.
2. The Operating Reserve target is set equal to 6 months, or 180 days, of annual operating expenditures.
3. The Capital Rehabilitation & Replacement Reserve target is set equal to 3% of net assets.

TABLE 3 : RESERVE FUND SUMMARY, cont.

SUMMARY OF CASH ACTIVITY, cont. SEWER FUND RESERVES	Budget	Projected	5-Year Projected Rate Period					Projected				
	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33	FY 2033/34
Restricted Reserves:												
Debt Service - SRF Loan Treatment Plant												
Beginning Reserve Balance[1]	$ 1,632,643	$ 1,542,381	$ 1,542,381	$ 1,562,262	$ 1,582,399	$ 1,602,796	$ 1,623,457	$ 1,644,383	$ 1,665,579	$ 1,687,048	$ 1,708,794	$ 1,730,821
Plus: Reserve Funding from Future Debt Obligations			-	-	-	-	-	-	-	-	-	-
Plus: Interest Earnings			19,881	20,138	20,397	20,660	20,926	21,196	21,469	21,746	22,026	22,310
Ending Debt Reserve Balance	***$ 1,542,381***	***$ 1,542,381***	***$ 1,562,262***	***$ 1,582,399***	***$ 1,602,796***	***$ 1,623,457***	***$ 1,644,383***	***$ 1,665,579***	***$ 1,687,048***	***$ 1,708,794***	***$ 1,730,821***	***$ 1,753,131***
Debt Service - SRF Loan Harding Drain												
Beginning Reserve Balance	$ 997,515	$ 937,549	$ 937,549	$ 949,634	$ 961,875	$ 974,274	$ 986,832	$ 999,552	$ 1,012,437	$ 1,025,487	$ 1,038,705	$ 1,052,094
Plus: Reserve Funding from Future Debt Obligations			-	-	-	-	-	-	-	-	-	-
Plus: Interest Earnings			12,085	12,241	12,399	12,558	12,720	12,884	13,050	13,219	13,389	13,561
Ending Debt Reserve Balance	***$ 937,549***	***$ 937,549***	***$ 949,634***	***$ 961,875***	***$ 974,274***	***$ 986,832***	***$ 999,552***	***$ 1,012,437***	***$ 1,025,487***	***$ 1,038,705***	***$ 1,052,094***	***$ 1,065,656***
Ending Cash Balance - Restricted Reserves	***$ 2,479,930***	***$ 2,479,930***	***$ 2,511,896***	***$ 2,544,274***	***$ 2,577,070***	***$ 2,610,289***	***$ 2,643,935***	***$ 2,678,016***	***$ 2,712,535***	***$ 2,747,500***	***$ 2,782,915***	***$ 2,818,787***
Annual Interest Earnings Rate[4]	*1.29%*	*1.29%*	*1.29%*	*1.29%*	*1.29%*	*1.29%*	*1.29%*	*1.29%*	*1.29%*	*1.29%*	*1.29%*	*1.29%*

1. Beginning cash balance for FY 2022/23 provided by City staff. Source file: *2021-22 Balance Sheet fund 410.pdf* .
2. The Operating Reserve target is set equal to 6 months, or 180 days, of annual operating expenditures.
3. The Capital Rehabilitation & Replacement Reserve target is set equal to 3% of net assets.
4. Historical interest earning rates are per the average annual yields for funds invested in LAIF (2018-2022). The source is the California State Treasurer's website: *https://www.treasurer.ca.gov/pmia-laif/historical/annual.asp* .

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CHART 1

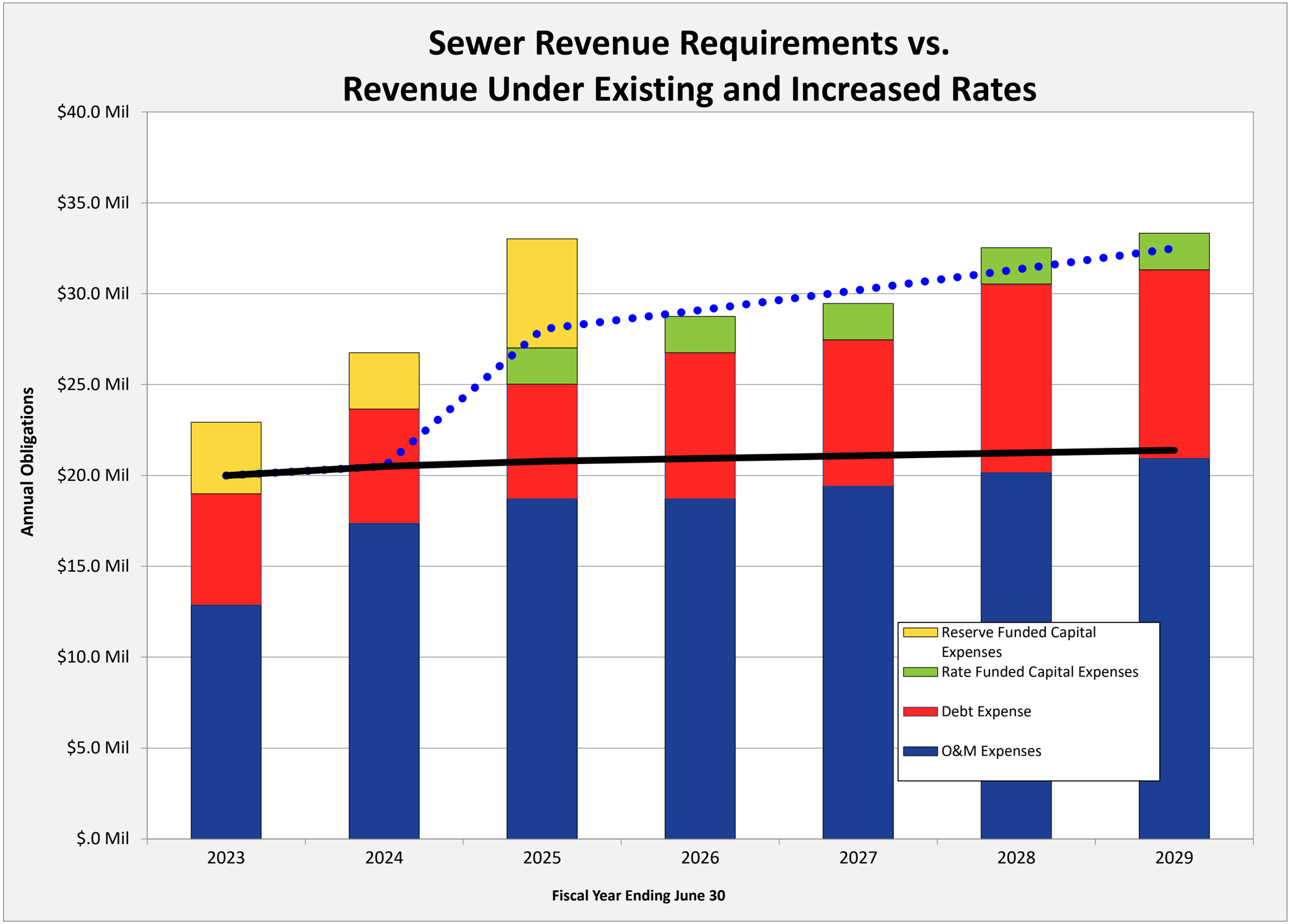

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CHART 2

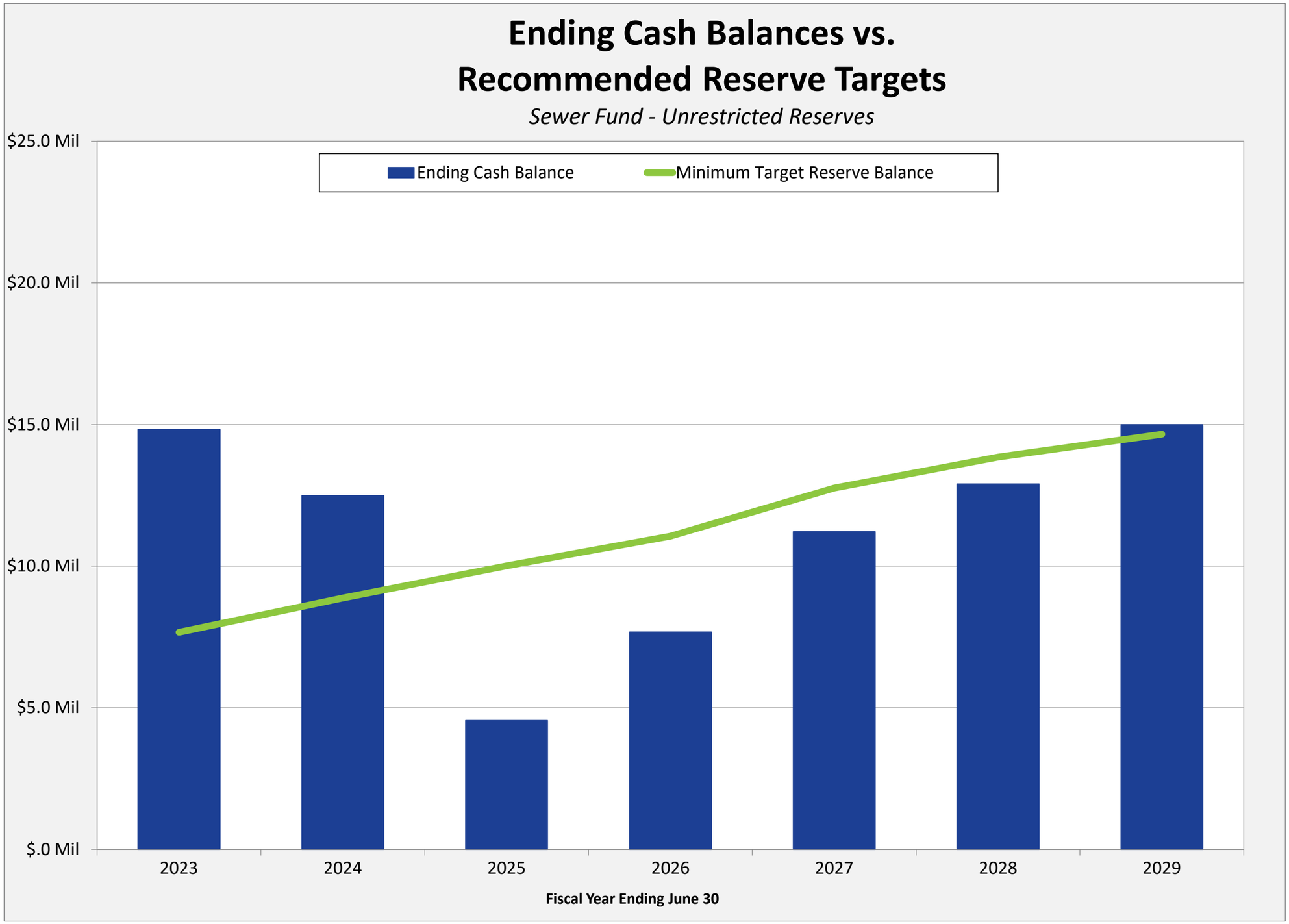

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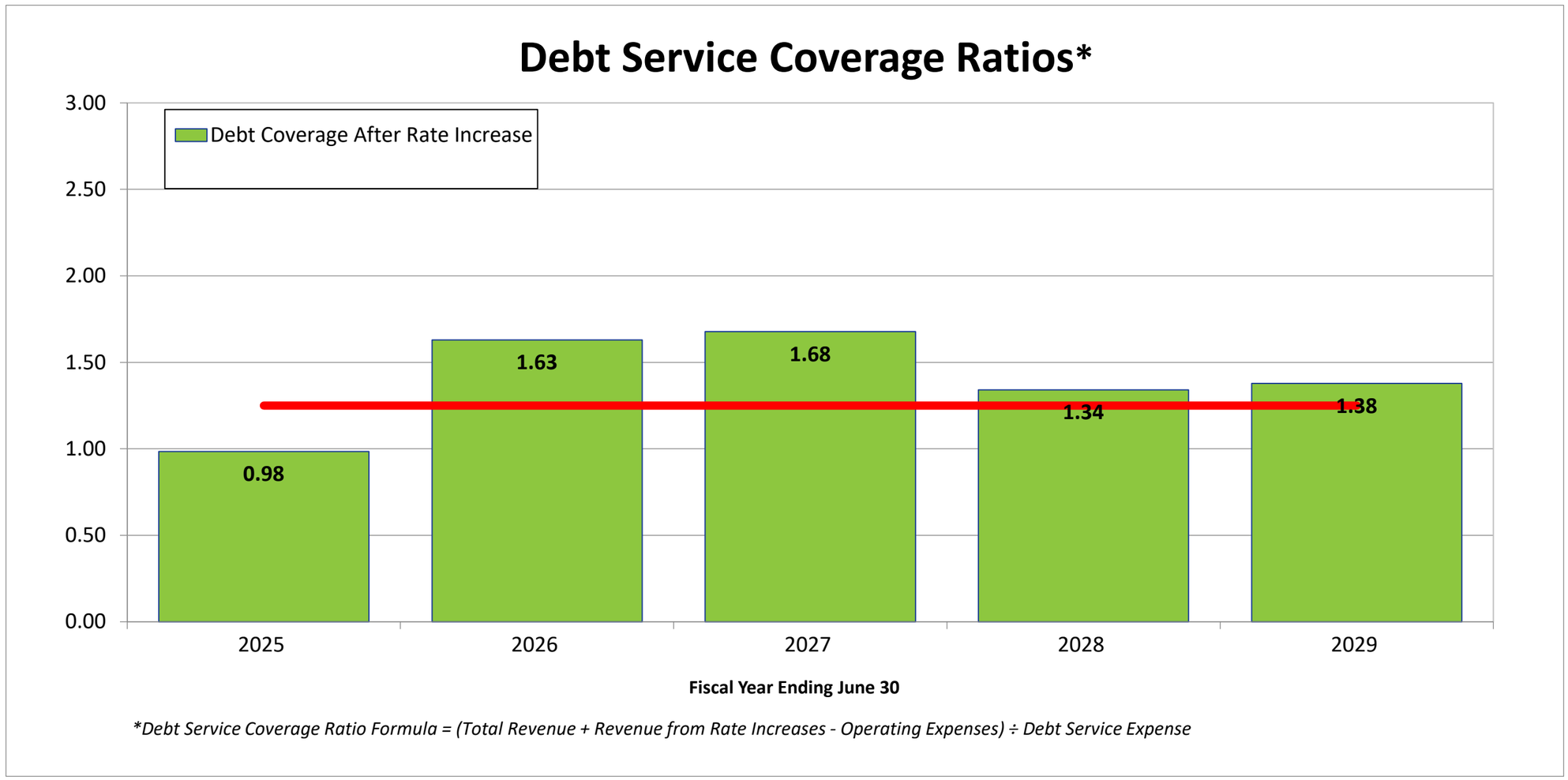
CHART 3



**Debt Service Coverage Ratio Formula = (Total Revenue + Revenue from Rate Increases - Operating Expenses) ÷ Debt Service Expense*

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CHART 4

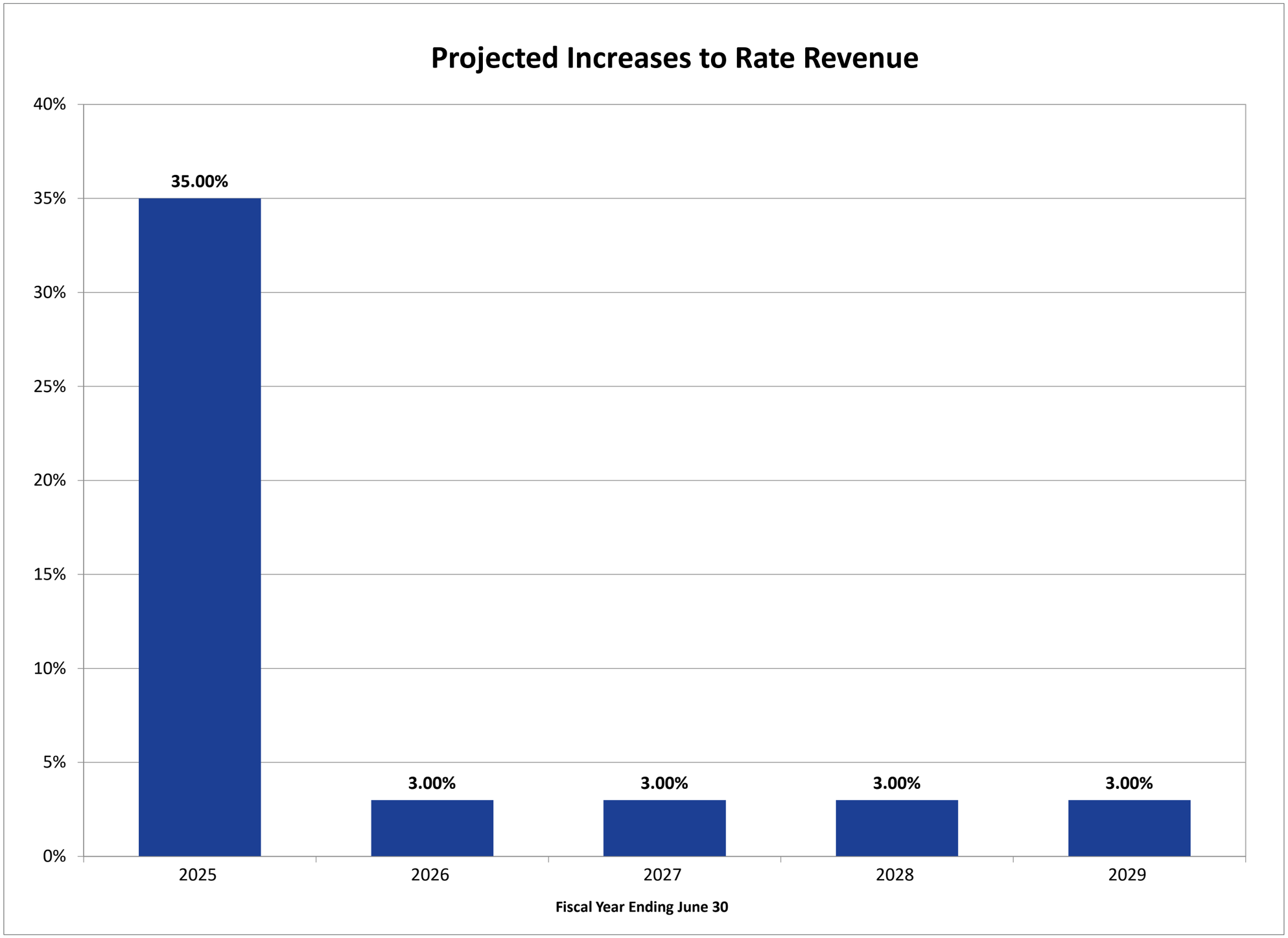

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TABLE 4 : REVENUE FORECAST[1]

DESCRIPTION	Basis	Budget	Projected	5-Year Projected Rate Period					Projected				
		FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33	FY 2033/34
Fund 51 - Sewer Revenue													
Interest Income													
Interest Income	See FP	$ (19,033)	$ 126,900	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Rate Revenue													
Turlock Residential	1	12,482,845	13,000,000	13,174,707	13,271,490	13,368,273	13,465,055	13,561,838	13,658,621	13,755,403	13,852,186	13,948,969	14,045,751
Turlock Commercial	1	1,465,438	1,500,000	1,520,159	1,531,326	1,542,493	1,553,660	1,564,827	1,575,995	1,587,162	1,598,329	1,609,496	1,620,664
Turlock Industrial	1	6,045,294	6,000,000	6,080,634	6,125,303	6,169,972	6,214,641	6,259,310	6,303,979	6,348,648	6,393,317	6,437,985	6,482,654
Other Revenue													
Monitoring Station/Effluent	1	19,800	22,000	22,296	22,459	22,623	22,787	22,951	23,115	23,278	23,442	23,606	23,770
Other Sewer Charges	1	23,000	15,000	15,202	15,313	15,425	15,537	15,648	15,760	15,872	15,983	16,095	16,207
Sewer Connections	1	7,787	6,000	6,081	6,125	6,170	6,215	6,259	6,304	6,349	6,393	6,438	6,483
Office Space Rent - IT	8	9,000	10,800	10,800	10,800	10,800	10,800	10,800	10,800	10,800	10,800	10,800	10,800
TID Recycled Water - Walnut Energy Center	1	4,186	-	-	-	-	-	-	-	-	-	-	-
Liquid Waste Haulers	1	36,130	50,000	50,672	51,044	51,416	51,789	52,161	52,533	52,905	53,278	53,650	54,022
Miscellaneous General	1	65,168											
Sale of Property	8	791	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Property Rent	8	12,250	12,250	12,250	12,250	12,250	12,250	12,250	12,250	12,250	12,250	12,250	12,250
Reimbursement - Supplies from Depts	8	85,631	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000
Transfers In													
Transfers In for Street Lights	8	-	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Transfers In from F416-O&M	8	-	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Biogas Solution	8	-	-	-	2,706,000	2,706,000	2,706,000	2,706,000	2,706,000	2,706,000	2,706,000	2,706,000	2,706,000
Total - Revenue		**$ 20,238,287**	**$ 20,973,950**	**$ 21,123,800**	**$ 23,983,111**	**$ 24,136,422**	**$ 24,289,733**	**$ 24,443,044**	**$ 24,596,356**	**$ 24,749,667**	**$ 24,902,978**	**$ 25,056,289**	**$ 25,209,600**

TABLE 5 : REVENUE SUMMARY

DESCRIPTION	Basis	Budget	Projected	5-Year Projected Rate Period					Projected				
		FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33	FY 2033/34
Rate Revenue													
Turlock Residential		$ 12,482,845	$ 13,000,000	$ 13,174,707	$ 13,271,490	$ 13,368,273	$ 13,465,055	$ 13,561,838	$ 13,658,621	$ 13,755,403	$ 13,852,186	$ 13,948,969	$ 14,045,751
Turlock Commercial		1,465,438	1,500,000	1,520,159	1,531,326	1,542,493	1,553,660	1,564,827	1,575,995	1,587,162	1,598,329	1,609,496	1,620,664
Turlock Industrial		6,045,294	6,000,000	6,080,634	6,125,303	6,169,972	6,214,641	6,259,310	6,303,979	6,348,648	6,393,317	6,437,985	6,482,654
Other Revenue													
Support Services		-	-	-	-	-	-	-	-	-	-	-	-
Other Revenue		263,744	187,050	188,300	188,992	189,685	190,377	191,069	191,762	192,454	193,146	193,839	194,531
Transfers In													
Transfers In		-	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000
Interest Income													
Interest Income		(19,033)	126,900	-	-	-	-	-	-	-	-	-	-
Capital Repair/Replacement													
Capital Repair/Replacement		-	-	-	2,706,000	2,706,000	2,706,000	2,706,000	2,706,000	2,706,000	2,706,000	2,706,000	2,706,000
Total - Revenue		**$ 20,238,287**	**$ 20,973,950**	**$ 21,123,800**	**$ 23,983,111**	**$ 24,136,422**	**$ 24,289,733**	**$ 24,443,044**	**$ 24,596,356**	**$ 24,749,667**	**$ 24,902,978**	**$ 25,056,289**	**$ 25,209,600**
	Check	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

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TABLE 6 : OPERATING EXPENSE FORECAST[1]

DESCRIPTION	Basis	Budget	Projected	5-Year Projected Rate Period					Projected				
		FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33	FY 2033/34
Fund 51 - Sewer Expenses													
530 - Operations													
Full Time Salaries	3	$ 2,302,869	$ 2,928,815	$ 2,990,613	$ 3,053,715	$ 3,118,148	$ 3,183,941	$ 3,251,122	$ 3,319,721	$ 3,389,767	$ 3,461,291	$ 3,534,325	$ 3,608,899
Part Time Help General	3	60,360	40,000	40,844	41,706	42,586	43,484	44,402	45,339	46,295	47,272	48,270	49,288
Bilingual Pay	3	4,394	5,645	5,764	5,886	6,010	6,137	6,266	6,398	6,533	6,671	6,812	6,956
Confidential Pay	3	2,131	3,076	3,141	3,207	3,275	3,344	3,415	3,487	3,560	3,635	3,712	3,790
Educational Incentive	3	7,758	8,207	8,380	8,557	8,738	8,922	9,110	9,302	9,499	9,699	9,904	10,113
Sick Leave Conversion Pay	3	9,684	10,000	10,211	10,426	10,646	10,871	11,100	11,335	11,574	11,818	12,067	12,322
Stand By Wages	3	12,852	23,100	23,587	24,085	24,593	25,112	25,642	26,183	26,736	27,300	27,876	28,464
Vacation Conversion Pay	3	8,238	10,500	10,722	10,948	11,179	11,415	11,655	11,901	12,153	12,409	12,671	12,938
Management Leave Conversion	3	584	4,500	4,595	4,692	4,791	4,892	4,995	5,101	5,208	5,318	5,430	5,545
Continuous Service Pay	3	32,442	33,155	33,855	34,569	35,298	36,043	36,804	37,580	38,373	39,183	40,010	40,854
Overtime Standard	3	136,798	123,000	125,595	128,245	130,951	133,714	136,536	139,417	142,358	145,362	148,429	151,561
Medical Dental Plan	3	587,651	653,477	667,265	681,345	695,721	710,401	725,390	740,696	756,325	772,283	788,578	805,217
Vision Insurance	3	4,783	7,733	7,896	8,063	8,233	8,407	8,584	8,765	8,950	9,139	9,332	9,529
Long Term Disability Insurance	3	23,773	30,519	31,163	31,820	32,492	33,177	33,878	34,592	35,322	36,068	36,829	37,606
Life Insurance	3	7,194	9,577	9,779	9,985	10,196	10,411	10,631	10,855	11,084	11,318	11,557	11,801
SUI	3	7,758	10,000	10,211	10,426	10,646	10,871	11,100	11,335	11,574	11,818	12,067	12,322
Workers Comp Insurance	3	47,517	65,187	66,562	67,967	69,401	70,865	72,361	73,887	75,446	77,038	78,664	80,324
City Liability Insurance	3	42,366	48,444	49,466	50,510	51,576	52,664	53,775	54,910	56,068	57,251	58,459	59,693
PERS	3	392,712	544,785	556,280	568,017	580,003	592,241	604,737	617,497	630,526	643,830	657,415	671,286
Medicare Tax	3	36,653	46,255	47,231	48,228	49,245	50,284	51,345	52,429	53,535	54,664	55,818	56,996
Social Security	3	3,745	2,480	2,532	2,586	2,640	2,696	2,753	2,811	2,870	2,931	2,993	3,056
Retiree Health Insurance	3	50,132	63,911	65,260	66,636	68,043	69,478	70,944	72,441	73,970	75,530	77,124	78,751
Deferred Comp	3	18,926	29,010	29,622	30,247	30,885	31,537	32,202	32,882	33,576	34,284	35,008	35,746
Deferred Comp In Lieu	3	20,188	22,560	23,036	23,522	24,018	24,525	25,043	25,571	26,111	26,662	27,224	27,799
Employee Contribution to PERS	3	(202,575)	(268,436)	(274,100)	(279,884)	(285,789)	(291,819)	(297,977)	(304,264)	(310,684)	(317,239)	(323,933)	(330,768)
PERS UAL (Unfunded Accrued Liability)	3	668,223	559,987	571,803	583,868	596,187	608,767	621,612	634,728	648,121	661,796	675,760	690,018
Alarm Monitoring General	2	2,543	2,000	2,069	2,140	2,214	2,291	2,370	2,451	2,536	2,623	2,714	2,808
Contract Attorney	2	12,037	40,000	41,380	42,808	44,284	45,812	47,393	49,028	50,719	52,469	54,279	56,152
Gov't Relations/Public Affairs	2	27,500	20,000	20,690	21,404	22,142	22,906	23,696	24,514	25,360	26,235	27,140	28,076
Car Wash	2	273	500	517	535	554	573	592	613	634	656	678	702
City Hall Shared Costs-Contract Services Shared Costs	2	11,744	22,381	23,153	23,952	24,778	25,633	26,517	27,432	28,379	29,358	30,371	31,418
Collection Service	2	47	3,000	3,104	3,211	3,321	3,436	3,554	3,677	3,804	3,935	4,071	4,211
Work Order Management Software	2	-	-	-	-	-	-	-	-	-	-	-	-
Consultant Audit	2	750	21,197	21,928	22,685	23,467	24,277	25,115	25,981	26,877	27,805	28,764	29,756
Fire Extinguisher	2	2,034	2,000	2,069	2,140	2,214	2,291	2,370	2,451	2,536	2,623	2,714	2,808
Copier Maintenance/Lease	2	3,912	6,000	6,207	6,421	6,643	6,872	7,109	7,354	7,608	7,870	8,142	8,423
Printer Maintenance	2	1,559	2,000	2,069	2,140	2,214	2,291	2,370	2,451	2,536	2,623	2,714	2,808
Insurance Property	2	24,689	132,000	136,554	141,265	146,139	151,181	156,396	161,792	167,374	173,148	179,122	185,301
Laundry & Linen Service	2	11,960	14,000	14,483	14,983	15,500	16,034	16,587	17,160	17,752	18,364	18,998	19,653
Maintenance - Air & Heat General	2	34,315	50,000	51,725	53,510	55,356	57,265	59,241	61,285	63,399	65,586	67,849	70,190
Maintenance - HSQ Agreement	2	55,865	75,000	77,588	80,264	83,033	85,898	88,862	91,927	95,099	98,380	101,774	105,285
Maintenance - Office/Computer Equip.	2	-	500	517	535	554	573	592	613	634	656	678	702
Maintenance - New World Software Maintenance	2	12,727	12,562	12,995	13,444	13,908	14,387	14,884	15,397	15,928	16,478	17,046	17,635
Maintenance - Weed Spraying	2	24,085	25,000	25,863	26,755	27,678	28,633	29,621	30,642	31,700	32,793	33,925	35,095
Maintenance MMS Subscription	2	-	45,030	46,584	48,191	49,853	51,573	53,352	55,193	57,097	59,067	61,105	63,213
Pest Control	2	3,080	5,000	5,173	5,351	5,536	5,727	5,924	6,128	6,340	6,559	6,785	7,019
Contract Help - Collections and Billing	2	-	-	-	-	-	-	-	-	-	-	-	-
Physicals, Shots and Psychological	2	1,092	2,500	2,586	2,675	2,768	2,863	2,962	3,064	3,170	3,279	3,392	3,509
Subtotal - Operations		**$ 4,517,367**	**$ 5,496,157**	**$ 5,618,567**	**$ 5,743,782**	**$ 5,871,869**	**$ 6,002,896**	**$ 6,136,934**	**$ 6,274,055**	**$ 6,414,332**	**$ 6,557,841**	**$ 6,704,661**	**$ 6,854,869**

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TABLE 7 : OPERATING EXPENSE FORECAST[1]

DESCRIPTION	Basis	Budget	Projected	5-Year Projected Rate Period					Projected				
		FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33	FY 2033/34
530 - Operations, cont.													
Security	2	$ -	$ 15,000	$ 15,518	$ 16,053	$ 16,607	$ 17,180	$ 17,772	$ 18,385	$ 19,020	$ 19,676	$ 20,355	$ 21,057
Transaction Fees - Credit Card	2	6,756	8,900	9,207	9,525	9,853	10,193	10,545	10,909	11,285	11,674	12,077	12,494
Radio System Maint. Motorola System	2	3,174	3,224	3,335	3,450	3,569	3,692	3,820	3,952	4,088	4,229	4,375	4,526
Radio System Maint. Delta System/Subscriber	2	5,491	5,592	5,785	5,985	6,191	6,405	6,626	6,854	7,091	7,335	7,588	7,850
Radio System Maint Microwave Maint. (Nokia/Delta)	2	-	-	-	-	-	-	-	-	-	-	-	-
Contract - Analysis Water Waste	2	104,427	200,000	206,900	214,038	221,422	229,061	236,964	245,139	253,597	262,346	271,397	280,760
Biosolids Recycling	2	205,613	250,000	258,625	267,548	276,778	286,327	296,205	306,424	316,996	327,932	339,246	350,950
Contract Help - Service	2	227,005	377,000	390,007	403,462	417,381	431,781	446,677	462,088	478,030	494,522	511,583	529,232
NPDES Permit Studies	2	82,660	300,000	310,350	321,057	332,134	343,592	355,446	367,709	380,395	393,519	407,095	421,140
Professional Services - Bonds	2	3,200	-	-	-	-	-	-	-	-	-	-	-
Regulatory Fees	2	252,849	303,000	313,454	324,268	335,455	347,028	359,001	371,386	384,199	397,454	411,166	425,351
Special Services/Projects	2	52,052	70,500	72,932	75,448	78,051	80,744	83,530	86,412	89,393	92,477	95,667	98,968
TID Gomes Lake	2	-	20,000	20,690	21,404	22,142	22,906	23,696	24,514	25,360	26,235	27,140	28,076
Chlorinator Preventative Maintenance Service	2	-	-	-	-	-	-	-	-	-	-	-	-
RWQCF Master Plan Update and Capacity Study	2	120,565	75,000	77,588	80,264	83,033	85,898	88,862	91,927	95,099	98,380	101,774	105,285
Supplies - General	2	114,219	150,000	155,175	160,529	166,067	171,796	177,723	183,854	190,197	196,759	203,547	210,570
Supplies - Meters/Samplers	2	40,322	50,000	51,725	53,510	55,356	57,265	59,241	61,285	63,399	65,586	67,849	70,190
Supplies - Telemetry	2	11,920	25,000	25,863	26,755	27,678	28,633	29,621	30,642	31,700	32,793	33,925	35,095
Supplies - Transfers to Other Departments	2	116,432	100,000	103,450	107,019	110,711	114,531	118,482	122,570	126,798	131,173	135,698	140,380
Supplies - Blower Intake Filters	2	14,700	-	-	-	-	-	-	-	-	-	-	-
Supplies - Laboratory	2	39,021	40,000	41,380	42,808	44,284	45,812	47,393	49,028	50,719	52,469	54,279	56,152
Chemicals Aluminum Chloralhydrate	4	-	100,000	105,450	111,197	117,257	123,648	130,387	137,493	144,986	152,888	161,220	170,007
Chemicals Chlorine	4	687,643	2,000,000	2,109,000	2,223,941	2,345,145	2,472,956	2,607,732	2,749,853	2,899,720	3,057,755	3,224,403	3,400,132
Chemicals Ferric Chloride	4	-	2,500	2,636	2,780	2,931	3,091	3,260	3,437	3,625	3,822	4,031	4,250
Chemicals Polymer	4	32,866	50,000	52,725	55,599	58,629	61,824	65,193	68,746	72,493	76,444	80,610	85,003
Chemicals Sodium Bisulfite	4	204,793	225,000	237,263	250,193	263,829	278,208	293,370	309,358	326,219	343,997	362,745	382,515
Computer Software Maintenance	2	11,739	57,200	59,173	61,215	63,327	65,512	67,772	70,110	72,529	75,031	77,619	80,297
Computer Software Maintenance - UT Coll	2	-	-	-	-	-	-	-	-	-	-	-	-
Computer Software Maintenance - Linko	2	-	-	-	-	-	-	-	-	-	-	-	-
Computer Software Maintenance - IVR	2	4,749	5,000	5,173	5,351	5,536	5,727	5,924	6,128	6,340	6,559	6,785	7,019
Computer WQC Software Licenses	2	5,093	-	-	-	-	-	-	-	-	-	-	-
Computer Software Maintenance - WIMS	2	-	-	-	-	-	-	-	-	-	-	-	-
Utility Billing Supplies	2	11,868	2,000	2,069	2,140	2,214	2,291	2,370	2,451	2,536	2,623	2,714	2,808
Utility Billing Postage	2	41,137	45,000	46,553	48,159	49,820	51,539	53,317	55,156	57,059	59,028	61,064	63,171
Utility Billing Forms	2	9,823	9,000	9,311	9,632	9,964	10,308	10,663	11,031	11,412	11,806	12,213	12,634
Minor Equipment Safety Equipment	2	22,368	25,000	25,863	26,755	27,678	28,633	29,621	30,642	31,700	32,793	33,925	35,095
Minor Equipment Tools	2	14,793	15,000	15,518	16,053	16,607	17,180	17,772	18,385	19,020	19,676	20,355	21,057
Minor Equipment Headworks	2	-	15,000	15,518	16,053	16,607	17,180	17,772	18,385	19,020	19,676	20,355	21,057
Minor Equipment Flotator	2	-	15,000	15,518	16,053	16,607	17,180	17,772	18,385	19,020	19,676	20,355	21,057
Minor Equipment Biotower	2	-	15,000	15,518	16,053	16,607	17,180	17,772	18,385	19,020	19,676	20,355	21,057
Minor Equipment Aeration	2	-	25,000	25,863	26,755	27,678	28,633	29,621	30,642	31,700	32,793	33,925	35,095
Minor Equipment Secondary Clarifier	2	-	45,000	46,553	48,159	49,820	51,539	53,317	55,156	57,059	59,028	61,064	63,171
Minor Equipment High Rate Coagulation Clarifier	2	-	15,000	15,518	16,053	16,607	17,180	17,772	18,385	19,020	19,676	20,355	21,057
Minor Equipment Cloth Fiber	2	-	90,000	93,105	96,317	99,640	103,078	106,634	110,313	114,118	118,056	122,128	126,342
Minor Equipment Chlorine	2	-	20,000	20,690	21,404	22,142	22,906	23,696	24,514	25,360	26,235	27,140	28,076
Minor Equipment Dechlorination	2	-	10,000	10,345	10,702	11,071	11,453	11,848	12,257	12,680	13,117	13,570	14,038
Minor Equipment Digester	2	-	25,000	25,863	26,755	27,678	28,633	29,621	30,642	31,700	32,793	33,925	35,095
Postage General	2	5,159	6,000	6,207	6,421	6,643	6,872	7,109	7,354	7,608	7,870	8,142	8,423
Office Equipment & Furniture	2	1,157	30,000	31,035	32,106	33,213	34,359	35,545	36,771	38,039	39,352	40,709	42,114
Subtotal - Operations		**$ 2,453,594**	**$ 4,839,916**	**$ 5,054,443**	**$ 5,278,963**	**$ 5,513,961**	**$ 5,759,949**	**$ 6,017,462**	**$ 6,287,063**	**$ 6,569,344**	**$ 6,864,927**	**$ 7,174,466**	**$ 7,498,645**

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TABLE 8 : OPERATING EXPENSE FORECAST, cont.[1]

DESCRIPTION	Basis	Budget	Projected	5-Year Projected Rate Period					Projected				
		FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33	FY 2033/34
530 - Operations, cont.													
Telephone General	2	$ 19,764	$ 20,000	$ 20,690	$ 21,404	$ 22,142	$ 22,906	$ 23,696	$ 24,514	$ 25,360	$ 26,235	$ 27,140	$ 28,076
Telephone Wireless/Tablet Service Plan	2	15,950	20,000	20,690	21,404	22,142	22,906	23,696	24,514	25,360	26,235	27,140	28,076
Turlock Irrigation District General	5	1,824,317	2,000,000	2,167,000	2,347,945	2,543,998	2,756,422	2,986,583	3,235,963	3,506,165	3,798,930	4,116,141	4,459,839
Turlock Irrigation District TID - Irrigation Water	5	2,570	3,000	3,251	3,522	3,816	4,135	4,480	4,854	5,259	5,698	6,174	6,690
PG&E General	5	205,215	150,000	162,525	176,096	190,800	206,732	223,994	242,697	262,962	284,920	308,711	334,488
City Hall Shared Costs - Utilities	6	6,138	8,475	9,068	9,703	10,382	11,109	11,887	12,719	13,609	14,562	15,581	16,672
Internet Access	2	958	1,000	1,035	1,070	1,107	1,145	1,185	1,226	1,268	1,312	1,357	1,404
City Water / Sewer	6	-	-	-	-	-	-	-	-	-	-	-	-
Auto Allowance	2	480	480	497	514	531	550	569	588	609	630	651	674
Equipment Rental	2	19,301	20,000	20,690	21,404	22,142	22,906	23,696	24,514	25,360	26,235	27,140	28,076
Fleet Maintenance Labor	2	10,606	15,000	15,518	16,053	16,607	17,180	17,772	18,385	19,020	19,676	20,355	21,057
Outside Contractor Labor	2	1,242	4,000	4,138	4,281	4,428	4,581	4,739	4,903	5,072	5,247	5,428	5,615
CNG General	2	306	2,000	2,069	2,140	2,214	2,291	2,370	2,451	2,536	2,623	2,714	2,808
Gas & Oil	7	53,205	60,000	68,136	77,375	87,867	99,782	113,313	128,678	146,126	165,941	188,443	213,996
Vehicle & Small Equipment Maintenance Parts	2	17,700	20,000	20,690	21,404	22,142	22,906	23,696	24,514	25,360	26,235	27,140	28,076
Vehicle Insurance	2	3,038	3,700	3,828	3,960	4,096	4,238	4,384	4,535	4,692	4,853	5,021	5,194
Advertising	2	495	1,500	1,552	1,605	1,661	1,718	1,777	1,839	1,902	1,968	2,035	2,106
Bank Charges	2	109,126	125,700	130,037	134,523	139,164	143,965	148,932	154,070	159,385	164,884	170,573	176,458
Bad Debt Expense	2	(126)	2,000	2,069	2,140	2,214	2,291	2,370	2,451	2,536	2,623	2,714	2,808
Books and Subscriptions	2	-	1,000	1,035	1,070	1,107	1,145	1,185	1,226	1,268	1,312	1,357	1,404
Certification	2	3,160	5,000	5,173	5,351	5,536	5,727	5,924	6,128	6,340	6,559	6,785	7,019
Dues Miscellaneous	2	547	800	828	856	886	916	948	981	1,014	1,049	1,086	1,123
Meetings	2	-	500	517	535	554	573	592	613	634	656	678	702
Professional Development	2	1,305	1,940	2,007	2,076	2,148	2,222	2,299	2,378	2,460	2,545	2,633	2,723
Property Taxes General	2	233	500	517	535	554	573	592	613	634	656	678	702
Shoe Allowance	2	3,273	6,000	6,207	6,421	6,643	6,872	7,109	7,354	7,608	7,870	8,142	8,423
Educational Assistance Program Reimbursement	2	-	1,000	1,035	1,070	1,107	1,145	1,185	1,226	1,268	1,312	1,357	1,404
Testing and Recruitment	2	3,386	10,000	10,345	10,702	11,071	11,453	11,848	12,257	12,680	13,117	13,570	14,038
Training General/Travel	2	22,084	25,000	25,863	26,755	27,678	28,633	29,621	30,642	31,700	32,793	33,925	35,095
Training New World Software	2	-	3,000	3,104	3,211	3,321	3,436	3,554	3,677	3,804	3,935	4,071	4,211
Transfers Out To 240&305 BCH Rent - Coll & Bill	8	11,850	15,800	15,800	15,800	15,800	15,800	15,800	15,800	15,800	15,800	15,800	15,800
Transfers Out To Fd 110 Bldg Maint - Coll & Bill	8	3,443	6,562	6,562	6,562	6,562	6,562	6,562	6,562	6,562	6,562	6,562	6,562
Transfers Out To Fd 110 Utilities - Coll & Bill	8	1,799	2,485	2,485	2,485	2,485	2,485	2,485	2,485	2,485	2,485	2,485	2,485
Transfers Out To Fd 501 Info Tech - GIS	8	-	42,823	42,823	42,823	42,823	42,823	42,823	42,823	42,823	42,823	42,823	42,823
Transfers Out To Fd 110 GF Admin Fr Fd 410 WQC	8	822,599	885,564	885,564	885,564	885,564	885,564	885,564	885,564	885,564	885,564	885,564	885,564
Transfers Out To Fd 110 Public Safety Services	8	307,638	307,638	307,638	307,638	307,638	307,638	307,638	307,638	307,638	307,638	307,638	307,638
Transfers Out To Fd 501 for I.T. Services	8	146,751	161,823	161,823	161,823	161,823	161,823	161,823	161,823	161,823	161,823	161,823	161,823
Transfers Out To Fd 242 Network	8	1,789	1,642	1,642	1,642	1,642	1,642	1,642	1,642	1,642	1,642	1,642	1,642
Transfers Out To Fd 242 Computer Replacement	8	6,975	11,149	11,149	11,149	11,149	11,149	11,149	11,149	11,149	11,149	11,149	11,149
Transfers Out For Vehicle & Equip Replacement	8	25,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Salary Credits From Other Departments	3	(27,867)	-	-	-	-	-	-	-	-	-	-	-
Biogas Maintenance	8				(667,000)	(667,000)	(667,000)	(667,000)	(667,000)	(667,000)	(667,000)	(667,000)	(667,000)
SRF Headworks Project	See Exh. 3	-	-	-	-	-	-	-	-	-	-	-	-
SRF Harding Drain Bypass Project	See Exh. 3	-	-	-	-	-	-	-	-	-	-	-	-
2022 Sewer Bonds Refunding	See Exh. 3	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal - Operations		**$ 3,624,250**	**$ 3,987,081**	**$ 4,185,595**	**$ 3,733,610**	**$ 3,966,545**	**$ 4,218,942**	**$ 4,492,482**	**$ 4,788,995**	**$ 5,110,476**	**$ 5,459,096**	**$ 5,837,223**	**$ 6,247,440**
Total - Operations		**$ 10,595,211**	**$ 14,323,154**	**$ 14,858,605**	**$ 14,756,355**	**$ 15,352,375**	**$ 15,981,786**	**$ 16,646,877**	**$ 17,350,113**	**$ 18,094,152**	**$ 18,881,865**	**$ 19,716,350**	**$ 20,600,954**
Plus Debt Service		*$ 6,132,588*	*$ 6,192,094*										
Check to Budget File		*$ -*	*$ -*										

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TABLE 9 : OPERATING EXPENSE FORECAST, cont.[1]

DESCRIPTION	Basis	Budget	Projected	5-Year Projected Rate Period					Projected				
		FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33	FY 2033/34
531 - Collection System													
Full Time Salaries	3	$ 579,182	$ 710,392	$ 725,381	$ 740,687	$ 756,315	$ 772,274	$ 788,569	$ 805,207	$ 822,197	$ 839,546	$ 857,260	$ 875,348
Part Time Help General	3	-	-	-	-	-	-	-	-	-	-	-	-
Bilingual Pay	3	1,382	1,261	1,288	1,315	1,343	1,371	1,400	1,429	1,459	1,490	1,522	1,554
Educational Incentive	3	1,300	1,200	1,225	1,251	1,278	1,305	1,332	1,360	1,389	1,418	1,448	1,479
Sick Leave Conversion Pay	3	3,801	7,000	7,148	7,299	7,453	7,610	7,770	7,934	8,102	8,273	8,447	8,625
Stand By Wages	3	11,529	20,000	20,422	20,853	21,293	21,742	22,201	22,669	23,148	23,636	24,135	24,644
Vacation Conversion Pay	3	1,838	2,500	2,553	2,607	2,662	2,718	2,775	2,834	2,893	2,955	3,017	3,081
Continuous Service Pay	3	5,145	7,230	7,383	7,538	7,697	7,860	8,026	8,195	8,368	8,544	8,725	8,909
Overtime Standard	3	47,646	25,000	25,528	26,066	26,616	27,178	27,751	28,337	28,935	29,545	30,169	30,805
Medical Dental Plan	3	207,038	197,074	201,232	205,478	209,814	214,241	218,761	223,377	228,091	232,903	237,818	242,835
Vision Insurance	3	1,731	2,376	2,426	2,477	2,530	2,583	2,637	2,693	2,750	2,808	2,867	2,928
Long Term Disability Insurance	3	6,000	7,402	7,558	7,718	7,881	8,047	8,217	8,390	8,567	8,748	8,932	9,121
Life Insurance	3	1,817	2,323	2,372	2,422	2,473	2,525	2,579	2,633	2,689	2,745	2,803	2,862
SUI	3	2,782	2,618	2,673	2,730	2,787	2,846	2,906	2,967	3,030	3,094	3,159	3,226
Workers Comp Insurance	3	18,257	21,596	22,052	22,517	22,992	23,477	23,973	24,478	24,995	25,522	26,061	26,611
City Liability Insurance	3	10,836	10,754	10,981	11,213	11,449	11,691	11,937	12,189	12,447	12,709	12,977	13,251
PERS	3	96,731	134,766	137,610	140,513	143,478	146,505	149,597	152,753	155,976	159,267	162,628	166,059
Medicare Tax	3	9,137	11,231	11,468	11,710	11,957	12,209	12,467	12,730	12,999	13,273	13,553	13,839
Social Security	3	-	-	-	-	-	-	-	-	-	-	-	-
Retiree Health Insurance	3	11,584	14,208	14,508	14,814	15,126	15,446	15,772	16,104	16,444	16,791	17,145	17,507
Deferred Comp	3	3,232	4,504	4,599	4,696	4,795	4,896	5,000	5,105	5,213	5,323	5,435	5,550
Deferred Comp In Lieu	3	1,663	2,850	2,910	2,972	3,034	3,098	3,164	3,230	3,299	3,368	3,439	3,512
Employee Contribution to PERS	3	(50,993)	(64,965)	(66,336)	(67,735)	(69,165)	(70,624)	(72,114)	(73,636)	(75,190)	(76,776)	(78,396)	(80,050)
PERS UAL (Unfunded Accrued Liability)	3	175,848	173,030	176,681	180,409	184,216	188,102	192,071	196,124	200,262	204,488	208,803	213,208
Car Wash	2	25	100	103	107	111	115	118	123	127	131	136	140
Copier Maintenance/Lease	2	201	1,000	1,035	1,070	1,107	1,145	1,185	1,226	1,268	1,312	1,357	1,404
Printer Maintenance	2	66	300	310	321	332	344	355	368	380	394	407	421
Tree Removal Service	2	3,549	20,000	20,690	21,404	22,142	22,906	23,696	24,514	25,360	26,235	27,140	28,076
Laundry & Linen Service	2	1,569	3,000	3,104	3,211	3,321	3,436	3,554	3,677	3,804	3,935	4,071	4,211
Maintenance - Air & Heat General	2	-	1,000	1,035	1,070	1,107	1,145	1,185	1,226	1,268	1,312	1,357	1,404
Maintenance T.V.	2	-	5,000	5,173	5,351	5,536	5,727	5,924	6,128	6,340	6,559	6,785	7,019
Pave Trenches	2	9,170	100,000	103,450	107,019	110,711	114,531	118,482	122,570	126,798	131,173	135,698	140,380
Pest Control	2	-	30,000	31,035	32,106	33,213	34,359	35,545	36,771	38,039	39,352	40,709	42,114
Physicals, Shots and Psychological	2	1,304	2,000	2,069	2,140	2,214	2,291	2,370	2,451	2,536	2,623	2,714	2,808
Radio System Maint. Motorola System	2	1,587	1,612	1,668	1,725	1,785	1,846	1,910	1,976	2,044	2,115	2,187	2,263
Radio System Maint. Delta System/Subscriber	2	2,746	2,796	2,892	2,992	3,095	3,202	3,313	3,427	3,545	3,668	3,794	3,925
Radio System Maint. Microwave Maint. (Nokia/Delta)	2	-	-	-	-	-	-	-	-	-	-	-	-
Regulatory Fees	2	-	20,000	20,690	21,404	22,142	22,906	23,696	24,514	25,360	26,235	27,140	28,076
Sewer Root System	2	-	25,000	25,863	26,755	27,678	28,633	29,621	30,642	31,700	32,793	33,925	35,095
TID Irrigation Lines Repair	2	-	15,000	15,518	16,053	16,607	17,180	17,772	18,385	19,020	19,676	20,355	21,057
Supplies General	2	67,965	125,000	129,313	133,774	138,389	143,163	148,103	153,212	158,498	163,966	169,623	175,475
Supplies Piping Supplies	2	22,790	125,000	129,313	133,774	138,389	143,163	148,103	153,212	158,498	163,966	169,623	175,475
Supplies Asphalt Replacement Mix	2	-	2,000	2,069	2,140	2,214	2,291	2,370	2,451	2,536	2,623	2,714	2,808
Minor Equipment Safety Equipment	2	4,888	10,000	10,345	10,702	11,071	11,453	11,848	12,257	12,680	13,117	13,570	14,038
Minor Equipment Tools	2	6,340	10,000	10,345	10,702	11,071	11,453	11,848	12,257	12,680	13,117	13,570	14,038
Telephone General	2	135	-	-	-	-	-	-	-	-	-	-	-
Turlock Irrigation District General	5	57,100	60,000	65,010	70,438	76,320	82,693	89,597	97,079	105,185	113,968	123,484	133,795
Equipment Rental	2	1,168	5,000	5,173	5,351	5,536	5,727	5,924	6,128	6,340	6,559	6,785	7,019
Fleet Maintenance Labor	2	21,719	60,000	62,070	64,211	66,427	68,718	71,089	73,542	76,079	78,704	81,419	84,228
Subtotal - Collection System		**$ 1,349,808**	**$ 1,918,158**	**$ 1,969,930**	**$ 2,023,368**	**$ 2,078,542**	**$ 2,135,526**	**$ 2,194,398**	**$ 2,255,242**	**$ 2,318,146**	**$ 2,383,202**	**$ 2,450,509**	**$ 2,520,172**

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TABLE 10 : OPERATING EXPENSE FORECAST, cont.[1]

DESCRIPTION	Basis	Budget	Projected	5-Year Projected Rate Period					Projected				
		FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33	FY 2033/34
531 - Collection System, cont.													
Outside Contractor Labor	2	$ 9,200	$ 10,000	$ 10,345	$ 10,702	$ 11,071	$ 11,453	$ 11,848	$ 12,257	$ 12,680	$ 13,117	$ 13,570	$ 14,038
CNG General	2	-	5,000	5,173	5,351	5,536	5,727	5,924	6,128	6,340	6,559	6,785	7,019
Gas & Oil	7	20,428	29,300	33,273	37,785	42,909	48,727	55,334	62,838	71,358	81,035	92,023	104,501
Vehicle & Small Equipment Maintenance Parts	2	37,685	35,000	36,208	37,457	38,749	40,086	41,469	42,899	44,379	45,910	47,494	49,133
Vehicle Insurance	2	6,320	7,300	7,552	7,812	8,082	8,361	8,649	8,948	9,256	9,576	9,906	10,248
Certification	2	1,784	10,000	10,345	10,702	11,071	11,453	11,848	12,257	12,680	13,117	13,570	14,038
Dues Miscellaneous	2	6,656	10,000	10,345	10,702	11,071	11,453	11,848	12,257	12,680	13,117	13,570	14,038
Meetings	2	-	1,000	1,035	1,070	1,107	1,145	1,185	1,226	1,268	1,312	1,357	1,404
Shoe Allowance	2	2,057	5,000	5,173	5,351	5,536	5,727	5,924	6,128	6,340	6,559	6,785	7,019
Educational Assistance Program Reimbursement	2	-	1,000	1,035	1,070	1,107	1,145	1,185	1,226	1,268	1,312	1,357	1,404
Testing & Recruitment	2	1,417	5,000	5,173	5,351	5,536	5,727	5,924	6,128	6,340	6,559	6,785	7,019
Training General/Travel	2	1,522	25,000	25,863	26,755	27,678	28,633	29,621	30,642	31,700	32,793	33,925	35,095
Education and Outreach	2	1,899	10,000	10,345	10,702	11,071	11,453	11,848	12,257	12,680	13,117	13,570	14,038
Transfers Out To Fd 501 for I.T. Services	8	38,780	51,447	51,447	51,447	51,447	51,447	51,447	51,447	51,447	51,447	51,447	51,447
Transfers Out To Fd 242 Network	8	569	522	522	522	522	522	522	522	522	522	522	522
Transfers Out For Vehicle & Equip Replace	8	35,000	-	-	-	-	-	-	-	-	-	-	-
Subtotal - Collection System		**$ 163,317**	**$ 205,569**	**$ 213,830**	**$ 222,779**	**$ 232,492**	**$ 243,058**	**$ 254,576**	**$ 267,161**	**$ 280,938**	**$ 296,051**	**$ 312,665**	**$ 330,962**
Total - Collection System		**$ 1,513,125**	**$ 2,123,727**	**$ 2,183,761**	**$ 2,246,147**	**$ 2,311,033**	**$ 2,378,583**	**$ 2,448,974**	**$ 2,522,403**	**$ 2,599,083**	**$ 2,679,253**	**$ 2,763,174**	**$ 2,851,135**
Check to Budget File		*$ -*	*$ -*										

TABLE 11 : OPERATING EXPENSE FORECAST, cont.[1]

DESCRIPTION	Basis	Budget	Projected	5-Year Projected Rate Period					Projected				
		FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33	FY 2033/34
532 - Storm Basin Maintenance/Combined System													
Full Time Salaries	3	$ 330,516	$ 394,578	$ 402,904	$ 411,405	$ 420,086	$ 428,949	$ 438,000	$ 447,242	$ 456,679	$ 466,315	$ 476,154	$ 486,201
Part Time Help General	3	12,790	30,000	30,633	31,279	31,939	32,613	33,301	34,004	34,722	35,454	36,202	36,966
Part Time Help Clerical	3	1,422	1,600	1,634	1,668	1,703	1,739	1,776	1,814	1,852	1,891	1,931	1,972
Non-City Sponsored Events	3	-	125	128	130	133	136	139	142	145	148	151	154
Bilingual Pay	3	600	650	664	678	692	707	722	737	752	768	784	801
Confidential Pay	3	270	493	503	514	525	536	547	559	571	583	595	607
Educational Incentive	3	90	144	147	150	153	157	160	163	167	170	174	177
Sick Leave Conversion Pay	3	3,132	5,000	5,106	5,213	5,323	5,436	5,550	5,667	5,787	5,909	6,034	6,161
Stand By Wages	3	947	3,500	3,574	3,649	3,726	3,805	3,885	3,967	4,051	4,136	4,224	4,313
Vacation Conversion Pay	3	1,365	3,000	3,063	3,128	3,194	3,261	3,330	3,400	3,472	3,545	3,620	3,697
Management Leave Conversion	3	-	400	408	417	426	435	444	453	463	473	483	493
Continuous Service Pay	3	13,303	14,781	15,093	15,411	15,737	16,069	16,408	16,754	17,107	17,468	17,837	18,213
Overtime Standard	3	3,418	2,500	2,553	2,607	2,662	2,718	2,775	2,834	2,893	2,955	3,017	3,081
Medical Dental Plan	3	108,687	84,533	86,317	88,138	89,998	91,897	93,836	95,816	97,837	99,902	102,010	104,162
Vision Insurance	3	770	1,002	1,023	1,045	1,067	1,089	1,112	1,136	1,160	1,184	1,209	1,235
Long Term Disability Insurance	3	3,430	4,112	4,199	4,287	4,378	4,470	4,565	4,661	4,759	4,860	4,962	5,067
Life Insurance	3	1,037	1,290	1,317	1,345	1,373	1,402	1,432	1,462	1,493	1,525	1,557	1,590
SUI	3	1,120	1,287	1,314	1,342	1,370	1,399	1,429	1,459	1,490	1,521	1,553	1,586
Workers Comp Insurance	3	8,708	10,121	10,335	10,553	10,775	11,003	11,235	11,472	11,714	11,961	12,213	12,471
City Liability Insurance	3	10,649	13,415	13,698	13,987	14,282	14,584	14,891	15,205	15,526	15,854	16,188	16,530
PERS	3	60,611	76,602	78,218	79,869	81,554	83,275	85,032	86,826	88,658	90,529	92,439	94,389
Medicare Tax	3	3,830	5,289	5,401	5,515	5,631	5,750	5,871	5,995	6,121	6,251	6,382	6,517
Social Security	3	657	1,967	2,009	2,051	2,094	2,138	2,183	2,230	2,277	2,325	2,374	2,424
Retiree Health Insurance	3	7,079	8,651	8,834	9,020	9,210	9,405	9,603	9,806	10,013	10,224	10,440	10,660
Subtotal - Storm Basin Maintenance/Combined System		**$ 574,433**	**$ 665,040**	**$ 679,072**	**$ 693,401**	**$ 708,032**	**$ 722,971**	**$ 738,226**	**$ 753,802**	**$ 769,707**	**$ 785,948**	**$ 802,532**	**$ 819,465**

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TABLE 12 : OPERATING EXPENSE FORECAST, cont.[1]

DESCRIPTION	Basis	Budget	Projected	5-Year Projected Rate Period					Projected				
		FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33	FY 2033/34
532 - Storm Basin Maintenance/Combined System, cont.													
Deferred Comp	3	$ 1,668	$ 5,110	$ 5,218	$ 5,328	$ 5,440	$ 5,555	$ 5,672	$ 5,792	$ 5,914	$ 6,039	$ 6,166	$ 6,297
Deferred Comp in Lieu	3	1,093	1,824	1,862	1,902	1,942	1,983	2,025	2,067	2,111	2,156	2,201	2,248
Employee Contribution to PERS	3	(29,753)	(37,006)	(37,787)	(38,584)	(39,398)	(40,230)	(41,078)	(41,945)	(42,830)	(43,734)	(44,657)	(45,599)
PERS UAL (Unfunded Accrued Liability)	3	90,701	78,021	79,667	81,348	83,065	84,817	86,607	88,434	90,300	92,206	94,151	96,138
Car Wash	2	-	25	26	27	28	29	30	31	32	33	34	35
Copier Maintenance/Lease	2	36	550	569	589	609	630	652	674	697	721	746	772
Laundry & Linen Service	2	1,010	1,500	1,552	1,605	1,661	1,718	1,777	1,839	1,902	1,968	2,035	2,106
Maintenance MMS Subscription	2	2,703	4,503	4,658	4,819	4,985	5,157	5,335	5,519	5,710	5,907	6,110	6,321
Physicals, Shots and Psychological	2	109	1,000	1,035	1,070	1,107	1,145	1,185	1,226	1,268	1,312	1,357	1,404
Supplies General	2	25,549	35,000	36,208	37,457	38,749	40,086	41,469	42,899	44,379	45,910	47,494	49,133
Minor Equipment Safety Equipment	2	489	5,000	5,173	5,351	5,536	5,727	5,924	6,128	6,340	6,559	6,785	7,019
Minor Equipment Tools	2	630	15,000	15,518	16,053	16,607	17,180	17,772	18,385	19,020	19,676	20,355	21,057
Telephone General	2	98	50	52	54	55	57	59	61	63	66	68	70
Telephone Wireless/Tablet Service Plan	2	1,054	1,107	1,145	1,185	1,226	1,268	1,312	1,357	1,404	1,452	1,502	1,554
Equipment Rental	2	1,526	5,000	5,173	5,351	5,536	5,727	5,924	6,128	6,340	6,559	6,785	7,019
Fleet Maintenance Labor	2	3,248	28,750	29,742	30,768	31,829	32,928	34,064	35,239	36,455	37,712	39,013	40,359
Outside Contractor Labor	2	2,034	5,750	5,948	6,154	6,366	6,586	6,813	7,048	7,291	7,542	7,803	8,072
Gas & Oil	7	7,823	10,000	11,356	12,896	14,645	16,630	18,885	21,446	24,354	27,657	31,407	35,666
Vehicle & Small Equipment Maintenance Parts	2	6,434	11,500	11,897	12,307	12,732	13,171	13,625	14,096	14,582	15,085	15,605	16,144
Vehicle Insurance	2	357	500	517	535	554	573	592	613	634	656	678	702
Professional Development	2	-	348	360	372	385	399	412	427	441	456	472	489
Property Taxes General	2	79	150	155	161	166	172	178	184	190	197	204	211
Shoe Allowance	2	1,050	1,500	1,552	1,605	1,661	1,718	1,777	1,839	1,902	1,968	2,035	2,106
Educational Assistance Program Reimbursement	2	-	500	517	535	554	573	592	613	634	656	678	702
Training General/Travel	2	90	1,200	1,241	1,284	1,329	1,374	1,422	1,471	1,522	1,574	1,628	1,685
Transfers Out To Fd 501 for I.T. Services	8	19,594	22,917	22,917	22,917	22,917	22,917	22,917	22,917	22,917	22,917	22,917	22,917
Transfers Out To Fd 242 Network	8	244	232	232	232	232	232	232	232	232	232	232	232
Subtotal - Storm Basin Maintenance/Combined System		**$ 137,866**	**$ 200,031**	**$ 206,502**	**$ 213,320**	**$ 220,514**	**$ 228,120**	**$ 236,174**	**$ 244,720**	**$ 253,804**	**$ 263,480**	**$ 273,808**	**$ 284,856**

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TABLE 13 : OPERATING EXPENSE FORECAST, cont.[1]

DESCRIPTION	Basis	Budget	Projected	5-Year Projected Rate Period					Projected				
		FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33	FY 2033/34
532 - Storm Basin Maintenance/Combined System, cont.													
Transfers Out For Vehicle & Equip Replace	8	$ 40,735	$ 40,735	$ 40,735	$ 40,735	$ 40,735	$ 40,735	$ 40,735	$ 40,735	$ 40,735	$ 40,735	$ 40,735	$ 40,735
Subtotal - Storm Basin Maintenance/Combined System		**$ 40,735**	**$ 40,735**	**$ 40,735**	**$ 40,735**	**$ 40,735**	**$ 40,735**	**$ 40,735**	**$ 40,735**	**$ 40,735**	**$ 40,735**	**$ 40,735**	**$ 40,735**
Total - Storm Basin Maintenance/Combined System		**$ 753,034**	**$ 905,806**	**$ 926,309**	**$ 947,455**	**$ 969,281**	**$ 991,826**	**$ 1,015,135**	**$ 1,039,257**	**$ 1,064,246**	**$ 1,090,163**	**$ 1,117,075**	**$ 1,145,056**
Check to Budget File		*$ 388,074*	*$ 686,726*										

*Note: Only expensesin Fund 532 directly attributable to the sewer utility have been included in the analysis for the rate study.
Expenses in Fund 532 directly attributable to the storm system have been excluded from the analysis for the rate study.

TABLE 14 : OPERATING EXPENSE FORECAST, cont.[1]

DESCRIPTION	Basis	Budget	Projected	5-Year Projected Rate Period					Projected				
		FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33	FY 2033/34
Additional Staffing													
Environmental Compliance Inspector Supervisor	3	$ -	$ -	$ 162,308	$ 165,733	$ 169,230	$ 172,800	$ 176,446	$ 180,170	$ 183,971	$ 187,853	$ 191,817	$ 195,864
Lab Manager	3	-	-	105,141	107,359	109,625	111,938	114,300	116,711	119,174	121,689	124,256	126,878
Network Engineer	3	-	-	89,646	91,538	93,469	95,441	97,455	99,511	101,611	103,755	105,944	108,180
Planner	3	-	-	79,911	81,597	83,319	85,077	86,872	88,705	90,577	92,488	94,439	96,432
Safety	3	-	-	79,911	81,597	83,319	85,077	86,872	88,705	90,577	92,488	94,439	96,432
Planner (Utilities)	3	-	-	79,641	81,321	83,037	84,789	86,578	88,405	90,271	92,175	94,120	96,106
SCADA Tech	3	-	-	76,976	78,600	80,259	81,952	83,681	85,447	87,250	89,091	90,971	92,890
Instrumentation & Control Tech Senior	3	-	-	76,976	78,600	80,259	81,952	83,681	85,447	87,250	89,091	90,971	92,890
Subtotal - Additional Staffing		**$ -**	**$ -**	**$ 750,510**	**$ 766,346**	**$ 782,516**	**$ 799,027**	**$ 815,886**	**$ 833,101**	**$ 850,680**	**$ 868,629**	**$ 886,957**	**$ 905,672**
Grand Total - Sewer Expenses		**$ 12,861,370**	**$ 17,352,687**	**$ 18,719,185**	**$ 18,716,303**	**$ 19,415,204**	**$ 20,151,222**	**$ 20,926,873**	**$ 21,744,874**	**$ 22,608,161**	**$ 23,519,910**	**$ 24,483,556**	**$ 25,502,817**

1. Revenues and expenses for FY 2022/23 and FY 2023/24 provided by the City. Source files: *2022-23 BPR fund 410.pdf* & *rptBudgetPerformance (42).pdf* .

TABLE 15 : FORECASTING ASSUMPTIONS

INFLATION FACTORS[1]	Basis	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33	FY 2033/34
Customer Growth[2]	1	--	1.36%	1.34%	0.73%	0.73%	0.72%	0.72%	0.71%	0.71%	0.70%	0.70%	0.69%
General Cost Inflation[3]	2	--	3.45%	3.45%	3.45%	3.45%	3.45%	3.45%	3.45%	3.45%	3.45%	3.45%	3.45%
Labor Cost Inflation[4]	3	--	2.11%	2.11%	2.11%	2.11%	2.11%	2.11%	2.11%	2.11%	2.11%	2.11%	2.11%
Chemicals[5]	4	--	5.45%	5.45%	5.45%	5.45%	5.45%	5.45%	5.45%	5.45%	5.45%	5.45%	5.45%
Electricty[6]	5	--	8.35%	8.35%	8.35%	8.35%	8.35%	8.35%	8.35%	8.35%	8.35%	8.35%	8.35%
Fuel & Utilities[7]	6	--	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%
Gas & Oil[8]	7	--	13.56%	13.56%	13.56%	13.56%	13.56%	13.56%	13.56%	13.56%	13.56%	13.56%	13.56%
No Escalation	8	--	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

1. Expenses are inflated each year by the following annual inflation factor categories. Website: *https://data.bls.gov* .
2. Customer growth rate is based on a report published by the Stanislaus Council of Governments. Source file: *2021 Stanislaus County Demographic and Employment Forecast* , Page 24.
3. General cost inflation is based on the 5-year average annual change in the Consumer Price Index for all urban consumers in the San Francisco-Oakland-Hayward, CA area.
4. Labor cost inflation is based on the 10-year average annual change in the Quarterly Census of Employment and Wages for Stanislaus County, CA.
5. Chemicals cost inflation is based on the 5-year average annual change in the Producer Price Index for all urban consumers.
6. Electricity cost inflation is based on the 5-year average annual change in the Consumer Price Index for all urban consumers in the San Francisco-Oakland-Hayward, CA area.
7. Fuel and utilities cost inflation is based on the 5-year average annual change in the Consumer Price Index for all urban consumers in the San Francisco-Oakland-Hayward, CA area. This factor is used for utility costs other than electricity.
8. Gasoline cost inflation is based on the 5-year average annual change in the Consumer Price Index for all urban consumers in the San Francisco-Oakland-Hayward, CA area.

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TABLE 16 : CAPITAL FUNDING SUMMARY

CAPITAL FUNDING FORECAST	Budget	Projected	5-Year Projected Rate Period					Projected				
Funding Sources:	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33	FY 2033/34
Grants	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Use of Capacity Fee Reserves	-	-	-	-	-	-	-	-	-	-	-	-
SRF Loan Funding	-	-	-	-	-	-	-	-	-	-	-	-
Biogas One Time Incentive	-	-	-	-	6,317,200	-	-	-	-	-	-	-
Use of Future Revenue Bond Proceeds	-	-	19,054,936	30,151,051	32,858,720	17,649,536	3,138,272	3,339,178	10,960,440	10,640,470	10,855,833	1,054,380
Use of Capital Rehabilitation and Replacement Reserve	3,929,235	3,095,479	5,995,942	-	-	-	-	-	898,537	2,187,603	2,552,018	3,170,110
Rate Revenue	-	-	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Total Sources of Capital Funds	**$ 3,929,235**	**$ 3,095,479**	**$ 27,050,878**	**$ 32,151,051**	**$ 41,175,920**	**$ 19,649,536**	**$ 5,138,272**	**$ 5,339,178**	**$ 13,858,977**	**$ 14,828,073**	**$ 15,407,851**	**$ 6,224,490**
Uses of Capital Funds:												
Total Project Costs	$ 3,929,235	$ 3,095,479	$ 27,050,878	$ 32,151,051	$ 41,175,920	$ 19,649,536	$ 5,138,272	$ 5,339,178	$ 13,858,977	$ 14,828,073	$ 15,407,851	$ 6,224,490
Capital Funding Surplus (Deficiency)	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*
Future Revenue Bond Proceeds	*$ -*	*$ -*	*$ 19,054,936*	*$ 30,151,051*	*$ 32,858,720*	*$ 17,649,536*	*$ 3,138,272*	*$ 3,339,178*	*$ 10,960,440*	*$ -*	*$ -*	*$ -*
Future Revenue Bond Proceeds	*$ -*	*$ -*	*$ 49,206,000*	*$ -*	*$ 50,508,000*	*$ -*	*$ -*	*$ 14,300,000*	*$ -*	*$ -*	*$ -*	*$ -*

	2											
Min. Rate Revenue	1	*$ 1,000,000*	*$ 1,000,000*	*$ 1,000,000*	*$ 1,000,000*	*$ 1,000,000*	*$ 1,000,000*	*$ 1,000,000*	*$ 1,000,000*	*$ 1,000,000*	*$ 1,000,000*	*$ 1,000,000*
	2	*$ -*	*$ -*	*$ 2,000,000*	*$ 2,000,000*	*$ 2,000,000*	*$ 2,000,000*	*$ 2,000,000*	*$ 2,000,000*	*$ 2,000,000*	*$ 2,000,000*	*$ 2,000,000*

CAPITAL IMPROVEMENT PROGRAM FUNDING OPTIONS

2	*Capital Improvement Program Funding Option*			Total Planned CIP FY 2023/24 through FY 2028/29				$ 125,165,657				
Policy Choic	CIP Scenarios by Project Priority	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33	FY 2033/34
1	Scenario A (Rank 1)	$ 3,929,235	$ 3,095,479	$ 25,911,764	$ 28,347,654	$ 28,343,860	$ 5,150,257	$ 5,138,272	$ 5,339,178	$ 13,858,977	$ 14,828,073	$ 15,407,851	$ 6,224,490
2	Scenario B (Rank 1 & 2)	3,929,235	3,095,479	27,050,878	32,151,051	41,175,920	19,649,536	5,138,272	5,339,178	13,858,977	14,828,073	15,407,851	6,224,490
3	Scenario C (Rank 1, 2, & 3)	3,929,235	3,095,479	27,050,878	35,979,693	52,447,887	31,362,237	12,232,662	5,339,178	13,858,977	14,828,073	15,407,851	6,224,490
4	Scenario D (Rank 1, 2, 3, & 4)	3,929,235	3,095,479	27,050,878	35,979,693	52,447,887	31,362,237	21,013,794	13,507,650	46,352,754	18,298,572	19,014,047	9,971,688
5	No CIP	-	-	-	-	-	-	-	-	-	-	-	-

Capital Improvement Program Funding Choice	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33	FY 2033/34
Effective Annual Funding Amount	$ 3,929,235	$ 3,095,479	$ 27,050,878	$ 32,151,051	$ 41,175,920	$ 19,649,536	$ 5,138,272	$ 5,339,178	$ 13,858,977	$ 14,828,073	$ 15,407,851	$ 6,224,490

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TABLE 17 : CAPITAL IMPROVEMENT PROGRAM COSTS (*in Current-Year Dollars*)

ID#	Project Description	Rank	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33	FY 2033/34
Five-Year Capital Improvement Program[1]														
Public Works - Wastewater Treatment System														
6001	TRWQCF Chemical Systems Upgrade	1	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
6004	Shade Structures at TRWQCF	1	-	-	308,000	-	-	-	-	-	-	-	-	-
6005	TRWQCF Security Fence Improvements	1	-	-	91,000	-	-	-	-	-	-	-	-	-
6006	TRWQCF Equipment Bays	1	-	-	382,000	-	-	-	-	-	-	-	-	-
6008	Chlorine Building Re-Roof	1	-	-	83,000	-	-	-	-	-	-	-	-	-
6009	Sludge Pump Station No. 2 Re-Roof Project	1	-	-	83,000	-	-	-	-	-	-	-	-	-
6010	In-Plant Waste Line Repair	1	-	-	-	-	-	-	-	-	-	-	-	-
6011	Flume No. 1 and No. 2 Rehabilitation	1	-	-	-	-	-	-	-	-	-	-	-	-
Public Works - Sewer			-	-	-	-	-							
7001	Sewer Replacement in Alley Behind Broadway	1	-	180,000	-	-	-	-	-	-	-	-	-	-
7003	Utility Replacement in the Southeast Quadrant[2]	1	-	165,000	2,318,500	-	-	-	-	-	-	-	-	-
Public Works - Storm Drain			-	-	-	-	-							
8001	Assess ASR well at Dianne Pond	1	-	55,000	-	-	-	-	-	-	-	-	-	-
Total: Five-Year Capital Improvement Program			**$ -**	**$ 400,000**	**$ 3,265,500**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Capital Repair/Replacement Projects[3]														
43096	Clean Digester	1	$ 126,441	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
43125	Maintenance Projects	1	27,030	8,000	-	-	-	-	-	-	-	-	-	-
43351	Facility Site Improvements	1	32,710	250,000	-	-	-	-	-	-	-	-	-	-
43353	RWQCF-OPS Building Repairs	1	3,107	30,000	-	-	-	-	-	-	-	-	-	-
43359	Professional Engineering Services	1	26,574	40,000	-	-	-	-	-	-	-	-	-	-
43363	Coating Contract	1	12,022	70,000	-	-	-	-	-	-	-	-	-	-
44030	Minor Equipment	1	39,728	36,000	-	-	-	-	-	-	-	-	-	-
44090	Office Equipment & Furniture	1	15,154	8,000	-	-	-	-	-	-	-	-	-	-
44100	Telemetry at Industry	1	1,900	-	-	-	-	-	-	-	-	-	-	-
44101	Instrument at Industry	1	19,053	14,000	-	-	-	-	-	-	-	-	-	-
44102	Telemetry Equipment	1	2,260	14,000	-	-	-	-	-	-	-	-	-	-
44103	Small Equipment Replacement - Parks	1	375	2,000	-	-	-	-	-	-	-	-	-	-
44105	Small Equipment Replacement	1	12,621	10,000	-	-	-	-	-	-	-	-	-	-
44106	Samplers	1	19,708	18,000	-	-	-	-	-	-	-	-	-	-
44110	WQC Pump Maintenance	1	64,979	100,000	-	-	-	-	-	-	-	-	-	-
44155	Homeland Security	1	-	8,000	-	-	-	-	-	-	-	-	-	-
51126	West Main Waterline Replacement	1	-	84,000	-	-	-	-	-	-	-	-	-	-
51189	Sewer Line Replace-Alleys	1	221	50,000	-	-	-	-	-	-	-	-	-	-
51196	Auto Samplers	1	12,497	-	-	-	-	-	-	-	-	-	-	-
51198	Gas Detection Unit6	1	341	-	-	-	-	-	-	-	-	-	-	-
51270	Construction Project	1	-	-	-	-	-	-	-	-	-	-	-	-
51300	Construction Repairs/Improvements	1	21,616	149,000	-	-	-	-	-	-	-	-	-	-
51343	Secondary Clarifier Equipment Replacement	1	-	18,000	-	-	-	-	-	-	-	-	-	-
	Biogas Solution	1	-	-	3,559,000	7,118,000	7,118,000	-	-	-	-	-	-	-
51348	Flotator Equipment Replacement	1	9,590	10,000	-	-	-	-	-	-	-	-	-	-
51355	Boiler #2 Replacement	1	-	-	-	-	-	-	-	-	-	-	-	-
51382	TV Inspection Van & Equipment	1	5,834	-	-	-	-	-	-	-	-	-	-	-
51389	Headworks Equipment Replacement	1	3,360	10,000	-	-	-	-	-	-	-	-	-	-
51390	Biotower Equipment Replacement	1	5,218	600,000	-	-	-	-	-	-	-	-	-	-
51391	Tertiary Equipment Replacement	1	73,356	-	-	-	-	-	-	-	-	-	-	-
51396	Data Management System	1	6,912	4,000	-	-	-	-	-	-	-	-	-	-
51398	Digester Equipment Replacement	1	123,458	60,000	-	-	-	-	-	-	-	-	-	-

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TABLE 18 : CAPITAL IMPROVEMENT PROGRAM COSTS, cont. (*in Current-Year Dollars*)

ID#	Project Description	Rank	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33	FY 2033/34
Capital Repair/Replacement Projects, cont.														
51401	F St/Lander Storm 2-Replace Pumps/Elect Panel	1	$ 79,758	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
51403	Chlorine Equipment Replacement	1	11,655	8,000	-	-	-	-	-	-	-	-	-	-
51404	Aeration Equipment Replacement	1	21,905	10,000	-	-	-	-	-	-	-	-	-	-
51405	High Rate Coagulation Clarifier Equip Replace	1	2,550	-	-	-	-	-	-	-	-	-	-	-
51406	Dechlorination Equipment Replacement	1	2,560	6,000	-	-	-	-	-	-	-	-	-	-
51407	Chemical Storage/Component Replace Proj.	1	1,938,717	260,000	-	-	-	-	-	-	-	-	-	-
51408	Sewer Lift Station Upgrades #9, #42, #55	1	3,675	-	-	-	-	-	-	-	-	-	-	-
51421	Tully Rd Sewer Trunk Main Evaluation/Replacement	1	-	300,000	-	-	-	-	-	-	-	-	-	-
51423	Security Fencing Corp Yard (North Side)	1	-	16,000	-	-	-	-	-	-	-	-	-	-
51424	Wayside Sewer Line Replacement	1	1,202,350	50,000	-	-	-	-	-	-	-	-	-	-
51425	High Rate Coagulation Clarifier	1	-	10,000	-	-	-	-	-	-	-	-	-	-
51426	Cloth Filter Capital Equipment	1	-	26,000	-	-	-	-	-	-	-	-	-	-
Total: Capital Repair/Replacement Projects			**$ 3,929,235**	**$ 2,279,000**	**$ 3,559,000**	**$ 7,118,000**	**$ 7,118,000**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Master Plan Projects[4]														
Sewer System														
Sewer System - Rehab Projects														
	Various Rehab Projects	1	$ -	$ -	$ 1,500,000	$ 1,500,000	$ 1,500,000	$ 1,500,000	$ 1,500,000	$ 1,500,000	$ 1,500,000	$ 1,500,000	$ 1,500,000	$ 1,500,000
Subtotal: Sewer System - Rehab Projects			**$ -**	**$ -**	**$ 1,500,000**	**$ 1,500,000**	**$ 1,500,000**	**$ 1,500,000**	**$ 1,500,000**	**$ 1,500,000**	**$ 1,500,000**	**$ 1,500,000**	**$ 1,500,000**	**$ 1,500,000**
Existing System Improvements														
Pipelines														
ESS-1	W. Main St./N. Soderquist Rd.	1	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
ESS-2	Wayside Dr.	1	-	-	-	-	-	-	-	-	-	-	-	-
ESS-3	Colorado Ave.	1	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal: Pipelines			**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Projects to Remove Direct Connections to Sewer System[5]														
ESD-11	Johnson Rd	1	$ -	$ -	$ -	$ 790,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
ESD-17	D St	2	-	-	-	-	881,000	-	-	-	-	-	-	-
ESD-19	West South Ave	2	-	-	-	-	414,000	-	-	-	-	-	-	-
ESD-20	West South Ave	4	-	-	-	-	-	-	762,000	-	-	-	-	-
ESD-21	West South Ave	2	-	-	-	-	1,027,000	-	-	-	-	-	-	-
ESD-22	West Ave South	4	-	-	-	-	-	-	3,185,000	-	-	-	-	-
ESD-24	South Ave		-	-	-	-	-	-	-	-	-	-	-	-
ESD-25	Montana Ave	2	-	-	-	-	473,000	-	-	-	-	-	-	-
ESD-26	Lander Ave	4	-	-	-	-	-	-	-	-	2,230,000	-	-	-
ESD-27	Lander Ave	4	-	-	-	-	-	-	-	-	-	-	-	-
ESD-43	Canal Drive	4	-	-	-	-	-	-	-	-	-	-	-	-
ESD-47	Marshall St	4	-	-	-	-	-	-	-	-	-	-	-	-
ESD-48	Rose St	4	-	-	-	-	-	-	-	-	-	-	-	-
ESD-50	Olive Ave, Golden State Blvd	2	-	-	-	-	-	2,956,000	-	-	-	-	-	-
ESD-51	Golden State Blvd, 1st Street	2	-	-	-	-	-	570,000	-	-	-	-	-	-
ESD-52	D St	4	-	-	-	-	-	-	-	2,327,000	-	-	-	-
ESD-53	F St	4	-	-	-	-	-	-	-	-	575,000	-	-	-
ESD-54	F St	4	-	-	-	-	-	-	-	-	-	-	-	-
ESD-55	Lander Ave	4	-	-	-	-	-	-	-	1,341,000	-	-	-	-
ESD-56	Lander Ave	4	-	-	-	-	-	-	-	-	-	-	-	-
ESD-57	Linwood Ave	4	-	-	-	-	-	-	-	-	11,333,000	-	-	-
ESD-58	Columbia St	3	-	-	-	-	-	-	965,000	-	-	-	-	-
ESD-59	Castor St, Laurel St	3	-	-	-	-	-	-	322,000	-	-	-	-	-
ESD-60	High St	3	-	-	-	-	-	-	1,079,000	-	-	-	-	-
ESD-61	Vermont Ave	3	-	-	-	-	-	-	869,000	-	-	-	-	-
ESD-62	Martinez St, Williams Ave	3	-	-	-	-	-	-	416,000	-	-	-	-	-
ESD-63	Orange St	3	-	-	-	-	-	-	1,118,000	-	-	-	-	-
ESD-64	Lewis St	3	-	-	-	-	-	-	232,000	-	-	-	-	-
ESD-65	Montana Ave	3	-	-	-	-	-	-	635,000	-	-	-	-	-
ESD-66	Linwood Ave, under Highway 99	2	-	-	1,055,000	-	-	-	-	-	-	-	-	-
ESD-BN-2	Linwood Ave	2	-	-	-	-	-	-	-	-	-	-	-	-
	Linwood Ave	2	-	-	-	-	-	-	-	-	-	-	-	-
NEW	Golden State Blvd	2	-	-	-	1,200,000	-	-	-	-	-	-	-	-
Subtotal: Projects to Remove Direct Connections to Sewer System			**$ -**	**$ -**	**$ 1,055,000**	**$ 1,990,000**	**$ 2,795,000**	**$ 3,526,000**	**$ 9,583,000**	**$ 3,668,000**	**$ 14,138,000**	**$ -**	**$ -**	**$ -**

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CITY OF TURLOCK
SEWER RATE STUDY
Capital Improvement Plan Expenditures

Exhibit 2 - CIP

Buildout System Improvements														
Pipelines														
	West Tuolumne & North Tully	1	$ -	$ 300,000	$ 3,000,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
FSS-1	E. Linwood Ave.	4	-	-	-	-	-	-	-	-	-	141,000	141,000	141,000
FSS-2	S. Johnson Rd.	4	-	-	-	-	-	-	-	-	-	160,000	160,000	160,000
FSS-3	S. Johnson Rd.	4	-	-	-	-	-	-	-	-	-	53,400	53,400	53,400
FSS-4	E. Linwood Ave.	4	-	-	-	-	-	-	-	-	-	65,400	65,400	65,400
FSS-5	E. Linwood Ave.	4	-	-	-	-	-	-	-	-	-	52,400	52,400	52,400
FSS-6	Brier Rd.	4	-	-	-	-	-	-	-	-	-	64,600	64,600	64,600
FSS-7	Brier Rd.	4	-	-	-	-	-	-	-	-	-	53,600	53,600	53,600
FSS-8	Alley north of East Ave.	4	-	-	-	-	-	-	-	-	-	-	-	-
FSS-9	East Ave.	4	-	-	-	-	-	-	-	-	-	-	-	-
FSS-10	East Ave.	4	-	-	-	-	-	-	-	-	-	-	-	-
FSS-11	West of N. Verduga Rd.	4	-	-	-	-	-	-	-	-	-	-	-	-
FSS-12	West of N. Verduga Rd.	4	-	-	-	-	-	-	-	-	-	-	-	-
FSS-13	E. Glenwood Ave.	1	-	-	-	764,000	-	-	-	-	-	-	-	-
FSS-14	West of Golf Rd.	2	-	-	-	-	271,000	-	-	-	-	-	-	-
FSS-15	W. Glenwood Ave.	2	-	-	-	-	943,000	-	-	-	-	-	-	-
FSS-16	W. Glenwood Ave.	2	-	-	-	-	398,000	-	-	-	-	-	-	-
FSS-17	S. Kilroy Rd.	4	-	-	-	-	-	-	-	-	-	77,600	77,600	77,600
FSS-18	Tegner Rd.	4	-	-	-	-	-	-	-	-	-	38,400	38,400	38,400
FSS-19	W. Linwood Ave.	4	-	-	-	-	-	-	-	-	-	-	-	-
FSS-20	East of S. Washington Rd.	4	-	-	-	-	-	-	-	-	-	-	-	-
FSS-21	East of S. Washington Rd.	4	-	-	-	-	-	-	-	-	-	-	-	-
FSS-22	S. Washington Rd.	4	-	-	-	-	-	-	-	-	-	-	-	-
FSS-23	S. Washington Rd.	4	-	-	-	-	-	-	-	-	-	-	-	-
FSS-24	East of S. Washington Rd.	4	-	-	-	-	-	-	-	-	-	-	-	-
FSS-25	S. Washington Rd.	4	-	-	-	-	-	-	-	-	-	-	-	-
FSS-26	Clinton Rd.	4	-	-	-	-	-	-	-	-	-	-	-	-
FSS-27	Clinton Rd.	4	-	-	-	-	-	-	-	-	-	-	-	-
FSS-28	Christoffersen Pkwy./N. Waring Rd.	2	-	-	-	-	394,950	2,238,050	-	-	-	-	-	-
Subtotal: Pipelines			**$ -**	**$ 300,000**	**$ 3,000,000**	**$ 764,000**	**$ 2,006,950**	**$ 2,238,050**	**$ -**	**$ -**	**$ -**	**$ 706,400**	**$ 706,400**	**$ 706,400**
Lift Stations														
LS-4	Kilroy Road	4	$ -	$ -	$ -	$ -	$ -	$ -	$ 3,029,000	$ -	$ -	$ -	$ -	$ -
LS-50	Tegner Road	4	-	-	-	-	-	-	-	1,724,100	9,769,900	-	-	-
	N. Walnut Rd.	4	-	-	-	-	-	-	-	853,000	-	-	-	-
LS-57	Picadilly Lane	4	-	-	-	-	-	-	-	-	-	979,800	979,800	979,800
LS-63	Fulkerth/Tegner	4	-	-	-	-	-	-	-	-	-	-	-	-
LS-67	Humphrey Ct.	4	-	-	-	-	-	-	-	-	-	-	-	-
LS-GS	Golden State Blvd.	4	-	-	-	-	-	-	-	-	-	-	-	-
LS-Main	Main St. Near Clinton Rd.	4	-	-	-	-	-	-	-	-	-	771,200	771,200	771,200
LS-Ind	New Industrial Lift Station	4	-	-	-	-	-	-	-	-	-	-	-	-
	S. Washington Rd.	4	-	-	-	-	-	-	-	-	-	-	-	-
	Corner of S. Washington Rd. and W. Linwood Ave.	4	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal: Lift Stations			**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 3,029,000**	**$ 2,577,100**	**$ 9,769,900**	**$ 1,751,000**	**$ 1,751,000**	**$ 1,751,000**
Total: Sewer System			**$ -**	**$ 300,000**	**$ 5,555,000**	**$ 4,254,000**	**$ 6,301,950**	**$ 7,264,050**	**$ 14,112,000**	**$ 7,745,100**	**$ 25,407,900**	**$ 3,957,400**	**$ 3,957,400**	**$ 3,957,400**
Turlock Regional Water Quality Control Facility - Rehab Projects														
Headworks	Pump Station 1	1	$ -	$ -	$ 137,000	$ 137,000	$ 137,000	$ 137,000	$ 137,000	$ 137,000	$ 137,000	$ 137,000	$ 137,000	$ 137,000
	Biotower Pump Station	1	-	-	246,000	246,000	246,000	246,000	246,000	246,000	246,000	246,000	246,000	246,000
	Aeration Blowers	1	-	-	382,000	382,000	382,000	382,000	382,000	382,000	382,000	382,000	382,000	382,000
Secondary	Clarifiers	1	-	-	697,000	697,000	697,000	697,000	697,000	697,000	697,000	697,000	697,000	697,000
Treatment	ML Flumes	1	-	-	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
	RAS Weirs	1	-	-	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
	WAS Pumps	1	-	-	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000
	Secondary Effluent Pumps	1	-	-	205,000	205,000	205,000	205,000	205,000	205,000	205,000	205,000	205,000	205,000
Tertiary	Cloth Disk Filters	1	-	-	41,000	41,000	41,000	41,000	41,000	41,000	41,000	41,000	41,000	41,000
Treatment	Final Flume	1	-	-	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000
	Recycled Water Pumps	1	-	-	96,000	96,000	96,000	96,000	96,000	96,000	96,000	96,000	96,000	96,000
	Gravity Belt Thickeners	1	-	-	191,000	191,000	191,000	191,000	191,000	191,000	191,000	191,000	191,000	191,000
Solids Handling	Pump Station 2	1	-	-	69,000	69,000	69,000	69,000	69,000	69,000	69,000	69,000	69,000	69,000
	Methane Phase Digester	1	-	-	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000
	Digester Control Building	1	-	-	165,000	165,000	165,000	165,000	165,000	165,000	165,000	165,000	165,000	165,000
	Sludge Drying Beds	1	-	-	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000
	Lab	1	-	-	123,000	123,000	123,000	123,000	123,000	123,000	123,000	123,000	123,000	123,000
Other	Transformers	1	-	-	69,000	69,000	69,000	69,000	69,000	69,000	69,000	69,000	69,000	69,000
	2 Water Pump Station	1	-	-	42,000	42,000	42,000	42,000	42,000	42,000	42,000	42,000	42,000	42,000
	Air Gap Pump Station	1	-	-	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000
Total: Turlock Regional Water Quality Control Facility - Rehab Project			**$ -**	**$ -**	**$ 2,582,000**	**$ 2,582,000**	**$ 2,582,000**	**$ 2,582,000**	**$ 2,582,000**	**$ 2,582,000**	**$ 2,582,000**	**$ 2,582,000**	**$ 2,582,000**	**$ 2,582,000**

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Turlock Regional Water Quality Control Facility - CIP													
Phase 1 (2023 through 2027)													
1.7A Solids Handling	1	$ -	$ -	$ 1,875,000	$ 5,312,500	$ 5,312,500	$ -	$ -	$ -	$ -	$ -	$ -	$ -
1.7B Solids Handling	3	-	-	-	1,875,000	5,312,500	5,312,500	-	-	-	-	-	-
3.2 Primary Treatment	2	-	-	-	1,140,000	3,230,000	3,230,000	-	-	-	-	-	-
4.1 Secondary Treatment	2	-	-	-	1,050,000	2,975,000	2,975,000	-	-	-	-	-	-
5.1A Secondary Treatment	3	-	-	-	1,537,500	4,356,250	4,356,250	-	-	-	-	-	-
Primary Treatment	1	-	-	6,000,000	6,000,000	1,000,000	-	-	-	-	-	-	-
SCADA	1	-	-	-	1,200,000	6,800,000	-	-	-	-	-	-	-
SCADA	1	-	-	1,000,000	-	-	-	-	-	-	-	-	-
SCADA	1	-	-	1,200,000	-	-	-	-	-	-	-	-	-
T10.1 Effluent Equalization Basins	1	-	-	16,900	-	-	-	-	-	-	-	-	-
T10.3 Effluent Equalization Basins	1	-	-	-	-	-	169,500	-	-	-	-	-	-
Subtotal - Phase 1 (2023 through 2027)		**$ -**	**$ -**	**$ 10,091,900**	**$ 18,115,000**	**$ 28,986,250**	**$ 16,043,250**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Phase 2 (2030 through 2033)													
1.2 Equalization Basins	1	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 3,800,000	$ -	$ -	$ -
2.2 Harding Drain	1	-	-	-	-	-	-	-	-	50,000	-	-	-
5.1B Secondary Treatment	1	-	-	-	-	-	-	-	-	2,265,000	6,417,500	6,417,500	-
Subtotal - Phase 2 (2030 through 2033)		**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 6,115,000**	**$ 6,417,500**	**$ 6,417,500**	**$ -**
Phase 3 (2035 through 2038)													
1.3 Tertiary Treatment	3	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
1.8 Solids Handling	2	-	-	-	-	-	-	-	-	-	-	-	-
1.11 Tertiary Treatment	1	-	-	-	-	-	-	-	-	-	-	-	-
1.12 Solids Handling	1	-	-	-	-	-	-	-	-	-	-	-	-
2.1 Equalization Basins	1	-	-	-	-	-	-	-	-	-	-	-	-
3.1 Influent Pumping	1	-	-	-	-	-	-	-	-	-	-	-	-
3.3 Tertiary Treatment	1	-	-	-	-	-	-	-	-	-	-	-	-
3.4 Effluent Discharge	1	-	-	-	-	-	-	-	-	-	-	-	-
4.2 Solids Handling	1	-	-	-	-	-	-	-	-	-	-	-	-
6.1 Renewal Projects	1	-	-	-	-	-	-	-	-	-	-	-	-
6.2 Renewal Projects	1	-	-	-	-	-	-	-	-	-	-	-	-
T10.2 Effluent Equalization Basins	1	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal - Phase 3 (2035 through 2038)		**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Total - Turlock Regional Water Quality Control Facility - CIP		**$ -**	**$ -**	**$ 10,091,900**	**$ 18,115,000**	**$ 28,986,250**	**$ 16,043,250**	**$ -**	**$ -**	**$ 6,115,000**	**$ 6,417,500**	**$ 6,417,500**	**$ -**
Total: Capital Improvement Program Costs *(Current-Year Dollars)*		**$ 3,929,235**	**$ 2,979,000**	**$ 25,053,400**	**$ 32,069,000**	**$ 44,988,200**	**$ 25,889,300**	**$ 16,694,000**	**$ 10,327,100**	**$ 34,104,900**	**$ 12,956,900**	**$ 12,956,900**	**$ 6,539,400**

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TABLE 19 : CAPITAL IMPROVEMENT PROGRAM COSTS (*in Future-Year Dollars*)[6]

Project Description		Rank	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33	FY 2033/34
Five-Year Capital Improvement Program														
Public Works - Wastewater Treatment System														
6001	TRWQCF Chemical Systems Upgrade	1	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
6004	Shade Structures at TRWQCF	1	-	-	332,556	-	-	-	-	-	-	-	-	-
6005	TRWQCF Security Fence Improvements	1	-	-	98,255	-	-	-	-	-	-	-	-	-
6006	TRWQCF Equipment Bays	1	-	-	412,456	-	-	-	-	-	-	-	-	-
6008	Chlorine Building Re-Roof	1	-	-	89,617	-	-	-	-	-	-	-	-	-
6009	Sludge Pump Station No. 2 Re-Roof Project	1	-	-	89,617	-	-	-	-	-	-	-	-	-
7001	Sewer Replacement in Alley Behind Broadway	1	-	187,038	-	-	-	-	-	-	-	-	-	-
7003	Utility Replacement in the Southeast Quadrant[2]	1	-	171,452	2,503,351	-	-	-	-	-	-	-	-	-
Public Works - Storm Drain			-	-	-	-	-	-	-	-	-	-	-	-
8001	Assess ASR well at Dianne Pond	1	-	57,151	-	-	-	-	-	-	-	-	-	-
Total: Five-Year Capital Improvement Program			**$ -**	**$ 415,640**	**$ 3,525,854**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Capital Repair/Replacement Projects														
43096	Clean Digester	1	$ 126,441	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
43125	Maintenance Projects	1	27,030	8,313	-	-	-	-	-	-	-	-	-	-
43351	Facility Site Improvements	1	32,710	259,775	-	-	-	-	-	-	-	-	-	-
43353	RWQCF-OPS Building Repairs	1	3,107	31,173	-	-	-	-	-	-	-	-	-	-
43359	Professional Engineering Services	1	26,574	41,564	-	-	-	-	-	-	-	-	-	-
43363	Coating Contract	1	12,022	72,737	-	-	-	-	-	-	-	-	-	-
44030	Minor Equipment	1	39,728	37,408	-	-	-	-	-	-	-	-	-	-
44090	Office Equipment & Furniture	1	15,154	8,313	-	-	-	-	-	-	-	-	-	-
44100	Telemetry at Industry	1	1,900	-	-	-	-	-	-	-	-	-	-	-
44101	Instrument at Industry	1	19,053	14,547	-	-	-	-	-	-	-	-	-	-
44102	Telemetry Equipment	1	2,260	14,547	-	-	-	-	-	-	-	-	-	-
44103	Small Equipment Replacement - Parks	1	375	2,078	-	-	-	-	-	-	-	-	-	-
44105	Small Equipment Replacement	1	12,621	10,391	-	-	-	-	-	-	-	-	-	-
44106	Samplers	1	19,708	18,704	-	-	-	-	-	-	-	-	-	-
44110	WQC Pump Maintenance	1	64,979	103,910	-	-	-	-	-	-	-	-	-	-
44155	Homeland Security	1	-	8,313	-	-	-	-	-	-	-	-	-	-
51126	West Main Waterline Replacement	1	-	87,284	-	-	-	-	-	-	-	-	-	-
51189	Sewer Line Replace-Alleys	1	221	51,955	-	-	-	-	-	-	-	-	-	-
51196	Auto Samplers	1	12,497	-	-	-	-	-	-	-	-	-	-	-
51198	Gas Detection Unit6	1	341	-	-	-	-	-	-	-	-	-	-	-
51270	Construction Project	1	-	-	-	-	-	-	-	-	-	-	-	-
51300	Construction Repairs/Improvements	1	21,616	154,826	-	-	-	-	-	-	-	-	-	-
51343	Secondary Clarifier Equipment Replacement	1	-	18,704	-	-	-	-	-	-	-	-	-	-
	Biogas Solution	1	-	-	3,842,755	7,986,013	8,298,266	-	-	-	-	-	-	-
51348	Flotator Equipment Replacement	1	9,590	10,391	-	-	-	-	-	-	-	-	-	-
51355	Boiler #2 Replacement	1	-	-	-	-	-	-	-	-	-	-	-	-
51382	TV Inspection Van & Equipment	1	5,834	-	-	-	-	-	-	-	-	-	-	-
51389	Headworks Equipment Replacement	1	3,360	10,391	-	-	-	-	-	-	-	-	-	-
51390	Biotower Equipment Replacement	1	5,218	623,460	-	-	-	-	-	-	-	-	-	-
51391	Tertiary Equipment Replacement	1	73,356	-	-	-	-	-	-	-	-	-	-	-
51396	Data Management System	1	6,912	4,156	-	-	-	-	-	-	-	-	-	-
51398	Digester Equipment Replacement	1	123,458	62,346	-	-	-	-	-	-	-	-	-	-
51401	F St/Lander Storm 2-Replace Pumps/Elect Panel	1	79,758	-	-	-	-	-	-	-	-	-	-	-
51403	Chlorine Equipment Replacement	1	11,655	8,313	-	-	-	-	-	-	-	-	-	-
51404	Aeration Equipment Replacement	1	21,905	10,391	-	-	-	-	-	-	-	-	-	-
51405	High Rate Coagulation Clarifier Equip Replace	1	2,550	-	-	-	-	-	-	-	-	-	-	-
51406	Dechlorination Equipment Replacement	1	2,560	6,235	-	-	-	-	-	-	-	-	-	-

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TABLE 20 : CAPITAL IMPROVEMENT PROGRAM COSTS, cont. (*in Future-Year Dollars*)[6]

Project Description		Rank	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33	FY 2033/34
Capital Repair/Replacement Projects, cont.														
51407	Chemical Storage/Component Replace Proj.	1	$ 1,938,717	$ 270,166	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
51408	Sewer Lift Station Upgrades #9, #42, #55	1	3,675	-	-	-	-	-	-	-	-	-	-	-
51421	Tully Rd Sewer Trunk Main Evaluation/Replacement	1	-	311,730	-	-	-	-	-	-	-	-	-	-
51423	Security Fencing Corp Yard (North Side)	1	-	16,626	-	-	-	-	-	-	-	-	-	-
51424	Wayside Sewer Line Replacement	1	1,202,350	51,955	-	-	-	-	-	-	-	-	-	-
51425	High Rate Coagulation Clarifier	1	-	10,391	-	-	-	-	-	-	-	-	-	-
51426	Cloth Filter Capital Equipment	1	-	27,017	-	-	-	-	-	-	-	-	-	-
Total: Capital Repair/Replacement Projects			**$ 3,929,235**	**$ 2,368,109**	**$ 3,842,755**	**$ 7,986,013**	**$ 8,298,266**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Master Plan Projects[4]														
Sewer System														
Sewer System - Rehab Projects														
	Various Rehab Projects	1	$ -	$ -	$ 1,619,593	$ 1,682,919	$ 1,748,721	$ 1,817,096	$ 1,888,145	$ 1,961,971	$ 2,038,684	$ 2,118,397	$ 2,201,226	$ 2,287,294
Subtotal: Sewer System - Rehab Projects			**$ -**	**$ -**	**$ 1,619,593**	**$ 1,682,919**	**$ 1,748,721**	**$ 1,817,096**	**$ 1,888,145**	**$ 1,961,971**	**$ 2,038,684**	**$ 2,118,397**	**$ 2,201,226**	**$ 2,287,294**
Existing System Improvements														
Pipelines														
ESS-1	W. Main St./N. Soderquist Rd.	1	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
ESS-2	Wayside Dr.	1	-	-	-	-	-	-	-	-	-	-	-	-
ESS-3	Colorado Ave.	1	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal: Pipelines			**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Projects to Remove Direct Connections to Sewer System5														
ESD-11	Johnson Rd	1	$ -	$ -	$ -	$ 886,338	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
ESD-17	D St	2	-	-	-	-	1,027,082	-	-	-	-	-	-	-
ESD-19	West South Ave	2	-	-	-	-	482,647	-	-	-	-	-	-	-
ESD-20	West South Ave	4	-	-	-	-	-	-	959,178	-	-	-	-	-
ESD-21	West South Ave	2	-	-	-	-	1,197,291	-	-	-	-	-	-	-
ESD-22	West Ave South	4	-	-	-	-	-	-	4,009,161	-	-	-	-	-
ESD-24	South Ave		-	-	-	-	-	-	-	-	-	-	-	-
ESD-25	Montana Ave	2	-	-	-	-	551,430	-	-	-	-	-	-	-
ESD-26	Lander Ave	4	-	-	-	-	-	-	-	-	3,030,844	-	-	-
ESD-27	Lander Ave	4	-	-	-	-	-	-	-	-	-	-	-	-
ESD-43	Canal Drive	4	-	-	-	-	-	-	-	-	-	-	-	-
ESD-47	Marshall St	4	-	-	-	-	-	-	-	-	-	-	-	-
ESD-48	Rose St	4	-	-	-	-	-	-	-	-	-	-	-	-
ESD-50	Olive Ave, Golden State Blvd	2	-	-	-	-	-	3,580,891	-	-	-	-	-	-
ESD-51	Golden State Blvd, 1st Street	2	-	-	-	-	-	690,497	-	-	-	-	-	-
ESD-52	D St	4	-	-	-	-	-	-	-	3,043,672	-	-	-	-
ESD-53	F St	4	-	-	-	-	-	-	-	-	781,496	-	-	-
ESD-54	F St	4	-	-	-	-	-	-	-	-	-	-	-	-
ESD-55	Lander Ave	4	-	-	-	-	-	-	-	1,754,002	-	-	-	-
ESD-56	Lander Ave	4	-	-	-	-	-	-	-	-	-	-	-	-
ESD-57	Linwood Ave	4	-	-	-	-	-	-	-	-	15,402,941	-	-	-
ESD-58	Columbia St	3	-	-	-	-	-	-	1,214,707	-	-	-	-	-
ESD-59	Castor St, Laurel St	3	-	-	-	-	-	-	405,322	-	-	-	-	-
ESD-60	High St	3	-	-	-	-	-	-	1,358,206	-	-	-	-	-
ESD-61	Vermont Ave	3	-	-	-	-	-	-	1,093,865	-	-	-	-	-
ESD-62	Martinez St, Williams Ave	3	-	-	-	-	-	-	523,646	-	-	-	-	-
ESD-63	Orange St	3	-	-	-	-	-	-	1,407,297	-	-	-	-	-
ESD-64	Lewis St	3	-	-	-	-	-	-	292,033	-	-	-	-	-
ESD-65	Montana Ave	3	-	-	-	-	-	-	799,315	-	-	-	-	-
ESD-66	Linwood Ave, under Highway 99	2	-	-	1,139,114	-	-	-	-	-	-	-	-	-
ESD-BN-2	Linwood Ave	2	-	-	-	-	-	-	-	-	-	-	-	-
	Linwood Ave	2	-	-	-	-	-	-	-	-	-	-	-	-
	Golden State Blvd	2	-	-	-	1,346,335	-	-	-	-	-	-	-	-
Subtotal: Projects to Remove Direct Connections to Sewer System			**$ -**	**$ -**	**$ 1,139,114**	**$ 2,232,673**	**$ 3,258,451**	**$ 4,271,388**	**$ 12,062,729**	**$ 4,797,674**	**$ 19,215,281**	**$ -**	**$ -**	**$ -**

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CITY OF TURLOCK
SEWER RATE STUDY
Capital Improvement Plan Expenditures

Exhibit 2 - CIP

Buildout System Improvements														
Pipelines														
	West Tuolumne & North Tully	1	$ -	$ 311,730	$ 3,239,186	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
FSS-1	E. Linwood Ave.	4	-	-	-	-	-	-	-	-	-	199,129	206,915	215,006
FSS-2	S. Johnson Rd.	4	-	-	-	-	-	-	-	-	-	225,962	234,797	243,978
FSS-3	S. Johnson Rd.	4	-	-	-	-	-	-	-	-	-	75,415	78,364	81,428
FSS-4	E. Linwood Ave.	4	-	-	-	-	-	-	-	-	-	92,362	95,973	99,726
FSS-5	E. Linwood Ave.	4	-	-	-	-	-	-	-	-	-	74,003	76,896	79,903
FSS-6	Brier Rd.	4	-	-	-	-	-	-	-	-	-	91,232	94,799	98,506
FSS-7	Brier Rd.	4	-	-	-	-	-	-	-	-	-	75,697	78,657	81,733
FSS-8	Alley north of East Ave.	4	-	-	-	-	-	-	-	-	-	-	-	-
FSS-9	East Ave.	4	-	-	-	-	-	-	-	-	-	-	-	-
FSS-10	East Ave.	4	-	-	-	-	-	-	-	-	-	-	-	-
FSS-11	West of N. Verduga Rd.	4	-	-	-	-	-	-	-	-	-	-	-	-
FSS-12	West of N. Verduga Rd.	4	-	-	-	-	-	-	-	-	-	-	-	-
FSS-13	E. Glenwood Ave.	1	-	-	-	857,167	-	-	-	-	-	-	-	-
FSS-14	West of Golf Rd.	2	-	-	-	-	315,936	-	-	-	-	-	-	-
FSS-15	W. Glenwood Ave.	2	-	-	-	-	1,099,363	-	-	-	-	-	-	-
FSS-16	W. Glenwood Ave.	2	-	-	-	-	463,994	-	-	-	-	-	-	-
FSS-17	S. Kilroy Rd.	4	-	-	-	-	-	-	-	-	-	109,592	113,877	118,329
FSS-18	Tegner Rd.	4	-	-	-	-	-	-	-	-	-	54,231	56,351	58,555
FSS-19	W. Linwood Ave.	4	-	-	-	-	-	-	-	-	-	-	-	-
FSS-20	East of S. Washington Rd.	4	-	-	-	-	-	-	-	-	-	-	-	-
FSS-21	East of S. Washington Rd.	4	-	-	-	-	-	-	-	-	-	-	-	-
FSS-22	S. Washington Rd.	4	-	-	-	-	-	-	-	-	-	-	-	-
FSS-23	S. Washington Rd.	4	-	-	-	-	-	-	-	-	-	-	-	-
FSS-24	East of S. Washington Rd.	4	-	-	-	-	-	-	-	-	-	-	-	-
FSS-25	S. Washington Rd.	4	-	-	-	-	-	-	-	-	-	-	-	-
FSS-26	Clinton Rd.	4	-	-	-	-	-	-	-	-	-	-	-	-
FSS-27	Clinton Rd.	4	-	-	-	-	-	-	-	-	-	-	-	-
FSS-28	Christoffersen Pkwy./N. Waring Rd.	2	-	-	-	-	460,438	2,711,168	-	-	-	-	-	-
Subtotal: Pipelines			**$ -**	**$ 311,730**	**$ 3,239,186**	**$ 857,167**	**$ 2,339,731**	**$ 2,711,168**	**$ -**	**$ -**	**$ -**	**$ 997,624**	**$ 1,036,631**	**$ 1,077,163**
Lift Stations														
LS-4	Kilroy Road	4	$ -	$ -	$ -	$ -	$ -	$ -	$ 3,812,794	$ -	$ -	$ -	$ -	$ -
LS-50	Tegner Road	4	-	-	-	-	-	-	-	2,255,090	13,278,496	-	-	-
	N. Walnut Rd.	4	-	-	-	-	-	-	-	1,115,708	-	-	-	-
LS-57	Picadilly Lane	4	-	-	-	-	-	-	-	-	-	1,383,737	1,437,841	1,494,061
LS-63	Fulkerth/Tegner	4	-	-	-	-	-	-	-	-	-	-	-	-
LS-67	Humphrey Ct.	4	-	-	-	-	-	-	-	-	-	-	-	-
LS-GS	Golden State Blvd.	4	-	-	-	-	-	-	-	-	-	-	-	-
LS-Main	Main St. Near Clinton Rd.	4	-	-	-	-	-	-	-	-	-	1,089,139	1,131,724	1,175,974
LS-Ind	New Industrial Lift Station	4	-	-	-	-	-	-	-	-	-	-	-	-
	S. Washington Rd.	4	-	-	-	-	-	-	-	-	-	-	-	-
	Corner of S. Washington Rd. and W. Linwood Ave.	4	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal: Lift Stations			**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 3,812,794**	**$ 3,370,798**	**$ 13,278,496**	**$ 2,472,875**	**$ 2,569,565**	**$ 2,670,035**
Total: Sewer System			**$ -**	**$ 311,730**	**$ 5,997,894**	**$ 4,772,759**	**$ 7,346,903**	**$ 8,799,653**	**$ 17,763,668**	**$ 10,130,443**	**$ 34,532,461**	**$ 5,588,896**	**$ 5,807,422**	**$ 6,034,492**
Turlock Regional Water Quality Control Facility - Rehabilitation Projects														
Headworks	Pump Station 1	1	$ -	$ -	$ 147,923	$ 153,707	$ 159,717	$ 165,961	$ 172,451	$ 179,193	$ 186,200	$ 193,480	$ 201,045	$ 208,906
	Biotower Pump Station	1	-	-	265,613	275,999	286,790	298,004	309,656	321,763	334,344	347,417	361,001	375,116
	Aeration Blowers	1	-	-	412,456	428,583	445,341	462,754	480,848	499,649	519,185	539,485	560,579	582,498
Secondary	Clarifiers	1	-	-	752,571	781,997	812,573	844,344	877,358	911,663	947,309	984,348	1,022,837	1,062,829
Treatment	ML Flumes	1	-	-	5,399	5,610	5,829	6,057	6,294	6,540	6,796	7,061	7,337	7,624
	RAS Weirs	1	-	-	2,159	2,244	2,332	2,423	2,518	2,616	2,718	2,825	2,935	3,050
	WAS Pumps	1	-	-	30,232	31,414	32,643	33,919	35,245	36,623	38,055	39,543	41,090	42,696
	Secondary Effluent Pumps	1	-	-	221,344	229,999	238,992	248,337	258,046	268,136	278,620	289,514	300,834	312,597
Tertiary	Cloth Disk Filters	1	-	-	44,269	46,000	47,798	49,667	51,609	53,627	55,724	57,903	60,167	62,519
Treatment	Final Flume	1	-	-	15,116	15,707	16,321	16,960	17,623	18,312	19,028	19,772	20,545	21,348
	Recycled Water Pumps	1	-	-	103,654	107,707	111,918	116,294	120,841	125,566	130,476	135,577	140,878	146,387
	Gravity Belt Thickeners	1	-	-	206,228	214,292	222,671	231,377	240,424	249,824	259,592	269,743	280,289	291,249
Solids Handling	Pump Station 2	1	-	-	74,501	77,414	80,441	83,586	86,855	90,251	93,779	97,446	101,256	105,216
	Methane Phase Digester	1	-	-	30,232	31,414	32,643	33,919	35,245	36,623	38,055	39,543	41,090	42,696
	Digester Control Building	1	-	-	178,155	185,121	192,359	199,881	207,696	215,817	224,255	233,024	242,135	251,602
	Sludge Drying Beds	1	-	-	30,232	31,414	32,643	33,919	35,245	36,623	38,055	39,543	41,090	42,696
	Lab	1	-	-	132,807	137,999	143,395	149,002	154,828	160,882	167,172	173,709	180,501	187,558
Other	Transformers	1	-	-	74,501	77,414	80,441	83,586	86,855	90,251	93,779	97,446	101,256	105,216
	2 Water Pump Station	1	-	-	45,349	47,122	48,964	50,879	52,868	54,935	57,083	59,315	61,634	64,044
	Air Gap Pump Station	1	-	-	15,116	15,707	16,321	16,960	17,623	18,312	19,028	19,772	20,545	21,348
Total: Turlock Regional Water Quality Control Facility - Rehab Project			**$ -**	**$ -**	**$ 2,787,860**	**$ 2,896,865**	**$ 3,010,133**	**$ 3,127,829**	**$ 3,250,127**	**$ 3,377,207**	**$ 3,509,256**	**$ 3,646,467**	**$ 3,789,044**	**$ 3,937,196**

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Turlock Regional Water Quality Control Facility - CIP													
Phase 1 (2023 through 2027)													
1.7A	Solids Handling	1	$ -	$ -	$ 2,024,492	$ 5,960,339	$ 6,193,388	$ -	$ -	$ -	$ -	$ -	$ -	$ -
1.7B	Solids Handling	3	-	-	-	2,103,649	6,193,388	6,435,550	-	-	-	-	-	-
3.2	Primary Treatment	2	-	-	-	1,279,019	3,765,580	3,912,814	-	-	-	-	-	-
4.1	Secondary Treatment	2	-	-	-	1,178,044	3,468,298	3,603,908	-	-	-	-	-	-
5.1A	Secondary Treatment	3	-	-	-	1,724,992	5,078,579	5,277,151	-	-	-	-	-	-
	Primary Treatment	1	-	-	6,478,373	6,731,677	1,165,814	-	-	-	-	-	-	-
	SCADA	1	-	-	-	1,346,335	7,927,537	-	-	-	-	-	-	-
	SCADA	1	-	-	1,079,729	-	-	-	-	-	-	-	-	-
	SCADA	1	-	-	1,295,675	-	-	-	-	-	-	-	-	-
T10.1	Effluent Equalization Basins	1	-	-	18,247	-	-	-	-	-	-	-	-	-
T10.3	Effluent Equalization Basins	1	-	-	-	-	-	205,332	-	-	-	-	-	-
Subtotal - Phase 1 (2023 through 2027)			**$ -**	**$ -**	**$ 10,896,515**	**$ 20,324,056**	**$ 33,792,585**	**$ 19,434,755**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Phase 2 (2030 through 2033)														
1.2	Equalization Basins	1	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 5,164,667	$ -	$ -	$ -
2.2	Harding Drain	1	-	-	-	-	-	-	-	-	67,956	-	-	-
5.1B	Secondary Treatment	1	-	-	-	-	-	-	-	-	3,078,414	9,063,209	9,417,580	-
Subtotal - Phase 2 (2030 through 2033)			**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 8,311,037**	**$ 9,063,209**	**$ 9,417,580**	**$ -**
Phase 3 (2035 through 2038)														
1.3	Tertiary Treatment	3	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
1.8	Solids Handling	2	-	-	-	-	-	-	-	-	-	-	-	-
1.11	Tertiary Treatment	1	-	-	-	-	-	-	-	-	-	-	-	-
1.12	Solids Handling	1	-	-	-	-	-	-	-	-	-	-	-	-
2.1	Equalization Basins	1	-	-	-	-	-	-	-	-	-	-	-	-
3.1	Influent Pumping	1	-	-	-	-	-	-	-	-	-	-	-	-
3.3	Tertiary Treatment	1	-	-	-	-	-	-	-	-	-	-	-	-
	Effluent Discharge	1	-	-	-	-	-	-	-	-	-	-	-	-
4.2	Solids Handling	1	-	-	-	-	-	-	-	-	-	-	-	-
6.1	Renewal Projects	1	-	-	-	-	-	-	-	-	-	-	-	-
6.2	Renewal Projects	1	-	-	-	-	-	-	-	-	-	-	-	-
T10.2	Effluent Equalization Basins	1	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal - Phase 3 (2035 through 2038)			**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Total - Turlock Regional Water Quality Control Facility - CIP			**$ -**	**$ -**	**$ 10,896,515**	**$ 20,324,056**	**$ 33,792,585**	**$ 19,434,755**	**$ -**	**$ -**	**$ 8,311,037**	**$ 9,063,209**	**$ 9,417,580**	**$ -**
Total: Capital Improvement Program Costs *(Future-Year Dollars)*			**$ 3,929,235**	**$ 3,095,479**	**$ 27,050,878**	**$ 35,979,693**	**$ 52,447,887**	**$ 31,362,237**	**$ 21,013,794**	**$ 13,507,650**	**$ 46,352,754**	**$ 18,298,572**	**$ 19,014,047**	**$ 9,971,688**
Check			*$ 3,929,235*	*$ 8,112,254*	*$ 25,981,406*	*$ 36,214,741*	*$ 57,956,360*	*$ 31,362,237*	*$ 21,013,794*	*$ 13,507,650*	*$ 46,352,754*	*$ 18,298,572*	*$ 19,014,047*	*$ 9,971,688*

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TABLE 21 : FORECASTING ASSUMPTIONS

Economic Variables		FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33	FY 2033/34
Annual Construction Cost Inflation, Per Engineering News Record[6]		*0.00%*	*3.91%*	*3.91%*	*3.91%*	*3.91%*	*3.91%*	*3.91%*	*3.91%*	*3.91%*	*3.91%*	*3.91%*	*3.91%*
Cumulative Construction Cost Multiplier from FY 2022/23		*1.00*	*1.04*	*1.08*	*1.12*	*1.17*	*1.21*	*1.26*	*1.31*	*1.36*	*1.41*	*1.47*	*1.52*

1. Capital improvement costs provided by the City. Source file: *CIP 5 Year Plan FY 23-24 thru FY 27-28-FINAL.pdf.*
2. This project is funded in part by the water utility. The sewer portion is calculated at 50% of the total cost ($4.97 M).
3. These are actual capital expenditures from the City's FY 2022/23 Budget and 40% of the capital costs for the FY 2023/24 Budget. Source files: *rptBudgetPerformance (42).pdf* & *rptBudgetPerformance (49).pdf* .
4. The City's master plan projects have been allocated as follows (Source file: *Turlock Updated CIP for SW, SS, and WQ (2023).xlsx*):
   - Sewer System Master Plan Projects *(in future-year dollars)* :
     - Phase 3 project costs (2031-2035) totaling $18.1 million were allocated across a 5-year period.
     - Phase 4 project costs (2036-2040) totaling $33.6 million were allocated across a 5-year period.
     - Phase 5 project costs (Beyond 2040) totaling $12.8 million were allocated across a 3-year period.
   - Turlock Regional Water Quality Control Facility Master Plan Projects *(in future-year dollars)* :
     - Phase 2 project costs (2034-2038) totaling $466.4 million were allocated across a 5-year period.
5. These projects are the required storm drainage system projects to remove direct connections to the sewer system, and to eliminate storm drainage system capacity deficiencies (TMC Chapter 6-4 and 6-8).
6. The rehabilitation projects for the Turlock Regional Water Quality Control Facility totaling $25.8M have allocated equally over a 10-year period.
7. For reference purposes, the annual Construction Cost Inflation percentage is the 5-year average change in the Construction Cost Index. Source: *Engineering News Record website (http://enr.construction.com).*

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TABLE 22 : SEWER UTILITY EXISTING DEBT OBLIGATIONS

EXISTING DEBT OBLIGATIONS	Budget	Projected	5-Year Projected Rate Period					Projected				
Annual Repayment Schedules:	**FY 2022/23**	**FY 2023/24**	**FY 2024/25**	**FY 2025/26**	**FY 2026/27**	**FY 2027/28**	**FY 2028/29**	**FY 2029/30**	**FY 2030/31**	**FY 2031/32**	**FY 2032/33**	**FY 2033/34**
State Revolving Loan: Agreement No. 11836-550-0 & Project No. C-06-5256-110 - $24,323,078[1]												
Principal Payment	$ 1,162,331	$ 1,187,902	$ 1,214,036	$ 1,240,745	$ 1,268,042	$ 1,295,938	$ 1,324,449	$ 1,353,587	$ 1,383,366	$ 1,413,800	$ 1,444,904	$ 1,476,691
Interest Payment	-	-	-	-	-	-	-	-	-	-	-	-
Service Charge	172,750	161,126	149,247	137,107	124,700	112,019	99,060	85,815	72,279	58,446	44,308	29,859
Grant Charge	207,300	193,352	179,097	164,528	149,639	134,423	118,872	102,978	86,735	70,135	53,169	35,830
Subtotal: Annual Debt Service	**$ 1,542,381**	**$ 1,542,381**	**$ 1,542,381**	**$ 1,542,381**	**$ 1,542,381**	**$ 1,542,381**	**$ 1,542,381**	**$ 1,542,381**	**$ 1,542,381**	**$ 1,542,381**	**$ 1,542,381**	**$ 1,542,381**
Coverage Requirement ($-Amnt above annual payment)[2]	$ 1,927,976	$ 1,927,976	$ 1,927,976	$ 1,927,976	$ 1,927,976	$ 1,927,976	$ 1,927,976	$ 1,927,976	$ 1,927,976	$ 1,927,976	$ 1,927,976	$ 1,927,976
Reserve Requirement (total fund balance)[2]	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
State Revolving Loan: Agreement No. 11833-550-0 & Project No. C-06-5602-110 - $14,932,232[3]												
Principal Payment	$ 722,077	$ 737,962	$ 754,198	$ 770,790	$ 787,747	$ 805,078	$ 822,790	$ 840,891	$ 859,390	$ 878,297	$ 897,620	$ 917,367
Interest Payment	-	-	-	-	-	-	-	-	-	-	-	-
Service Charge	97,942	90,721	83,342	75,800	68,092	60,214	52,164	43,936	35,527	26,933	18,150	9,174
Grant Charge	117,530	108,866	100,010	90,960	81,710	72,257	62,596	52,723	42,632	32,319	21,780	11,008
Subtotal: Annual Debt Service	**$ 937,549**	**$ 937,549**	**$ 937,549**	**$ 937,549**	**$ 937,549**	**$ 937,549**	**$ 937,549**	**$ 937,549**	**$ 937,549**	**$ 937,549**	**$ 937,549**	**$ 937,549**
Coverage Requirement ($-Amnt above annual payment)[2]	$ 1,171,937	$ 1,171,937	$ 1,171,937	$ 1,171,937	$ 1,171,937	$ 1,171,937	$ 1,171,937	$ 1,171,937	$ 1,171,937	$ 1,171,937	$ 1,171,937	$ 1,171,937
Reserve Requirement (total fund balance)[2]	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
2022 Loan Agreement - $32,924,000[4]												
Principal Payment	$ 2,978,000	$ 2,967,000	$ 3,063,000	$ 2,614,000	$ 2,702,000	$ 2,790,000	$ 2,874,000	$ 2,963,000	$ 2,378,000	$ 2,454,000	$ 2,532,000	$ 2,609,000
Interest Payment	674,658	851,029	760,880	676,009	596,535	514,430	429,753	342,490	262,642	190,403	115,863	39,005
Subtotal: Annual Debt Service	**$ 3,652,658**	**$ 3,818,029**	**$ 3,823,880**	**$ 3,290,009**	**$ 3,298,535**	**$ 3,304,430**	**$ 3,303,753**	**$ 3,305,490**	**$ 2,640,642**	**$ 2,644,403**	**$ 2,647,863**	**$ 2,648,005**
Coverage Requirement ($-Amnt above annual payment)[2]	$ 4,565,822	$ 4,772,536	$ 4,779,850	$ 4,112,511	$ 4,123,169	$ 4,130,537	$ 4,129,691	$ 4,131,862	$ 3,300,802	$ 3,305,504	$ 3,309,828	$ 3,310,006
Reserve Requirement (total fund balance)[2]	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Grand Total: Existing Annual Debt Service	**$ 6,132,588**	**$ 6,297,959**	**$ 6,303,810**	**$ 5,769,939**	**$ 5,778,465**	**$ 5,784,359**	**$ 5,783,683**	**$ 5,785,419**	**$ 5,120,571**	**$ 5,124,333**	**$ 5,127,792**	**$ 5,127,934**
Grand Total: Existing Annual Coverage Requirement	**$ 7,665,735**	**$ 7,872,448**	**$ 7,879,763**	**$ 7,212,424**	**$ 7,223,081**	**$ 7,230,449**	**$ 7,229,603**	**$ 7,231,774**	**$ 6,400,714**	**$ 6,405,416**	**$ 6,409,740**	**$ 6,409,918**
Grand Total: Existing Debt Reserve Target	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

1. State Revolving Fund Loan issued in 2013 to fund the Headworks Project. Source *SWRCB 12-1-22.pdf* .
2. The City must have net revenues that are at least equal to 1.25 times the annual debt service payment.
3. State Revolving Fund Loan issued in 2013 to fund the Harding Drain Bypass Project. Source file: *SWRCB Annual Payment,Contract#11833-5602-110-11833-550-0 Harding.pdf* .
4. Loan agreement issued to refund the outstanding 2012 Sewer Bonds and pay the issuance cost. Source file: *2022 Loan Agreement (Refunding of 2012 Sewer Bonds) - FINAL NUMBERS 6.15.2022.pdf* .

TABLE 23 : EXISTING ANNUAL DEBT OBLIGATIONS TO BE SATISFIED BY SEWER RATES

Annual Obligations	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33	FY 2033/34
Existing Annual Debt Service	***$ 6,132,588***	***$ 6,297,959***	***$ 6,303,810***	***$ 5,769,939***	***$ 5,778,465***	***$ 5,784,359***	***$ 5,783,683***	***$ 5,785,419***	***$ 5,120,571***	***$ 5,124,333***	***$ 5,127,792***	***$ 5,127,934***
Existing Annual Coverage Requirement	***$ 7,665,735***	***$ 7,872,448***	***$ 7,879,763***	***$ 7,212,424***	***$ 7,223,081***	***$ 7,230,449***	***$ 7,229,603***	***$ 7,231,774***	***$ 6,400,714***	***$ 6,405,416***	***$ 6,409,740***	***$ 6,409,918***
Existing Debt Reserve Target	***$ -***	***$ -***	***$ -***	***$ -***	***$ -***	***$ -***	***$ -***	***$ -***	***$ -***	***$ -***	***$ -***	***$ -***

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FUTURE DEBT FINANCING ASSUMPTIONS

Long-Term Debt Terms	State Revolving Fund Loan	Revenue Bonds
Issuance Cost	2.00%	2.00%
Annual Interest Cost (%)	3.00%	5.00%
Term	30	30
Debt Reserve Funded?	No	Yes
Loan Amount	$ -	$ 117,152,133
Coverage Requirement (% above annual pmt)	120%	125%

Future Revenue Bond Proceeds

Future Revenue Bond Proceeds	$ -	$ -	$ -	$ -	$ 49,206,000	$ -	$ 50,508,000	$ -	$ -	$ 14,300,000	$ -	$ -	$ -

FUTURE DEBT OBLIGATIONS

Annual Repayment Schedules		FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33	FY 2033/34
SRF Loan Funding													
Principal Payment		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Interest Payment		-	-	-	-	-	-	-	-	-	-	-	-
	Subtotal: Annual Debt Service	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Revenue Bonds													
Principal Payment		$ -	$ -	$ -	$ 755,433	$ 793,205	$ 1,608,287	$ 1,688,702	$ 1,773,137	$ 2,081,334	$ 2,185,401	$ 2,294,671	$ 2,409,404
Interest Payment		-	-	-	1,505,704	1,474,055	2,987,001	2,920,939	2,852,895	3,220,389	3,139,003	3,055,176	2,968,834
	Subtotal: Annual Debt Service	**$ -**	**$ -**	**$ -**	**$ 2,261,137**	**$ 2,267,260**	**$ 4,595,289**	**$ 4,609,641**	**$ 4,626,032**	**$ 5,301,723**	**$ 5,324,404**	**$ 5,349,847**	**$ 5,378,238**
Grand Total: Future Annual Debt Service		**$ -**	**$ -**	**$ -**	**$ 2,261,137**	**$ 2,267,260**	**$ 4,595,289**	**$ 4,609,641**	**$ 4,626,032**	**$ 5,301,723**	**$ 5,324,404**	**$ 5,349,847**	**$ 5,378,238**
Grand Total: Future Annual Coverage Requirement		**$ -**	**$ -**	**$ -**	**$ 2,826,421**	**$ 2,834,075**	**$ 5,744,111**	**$ 5,762,051**	**$ 5,782,540**	**$ 6,627,154**	**$ 6,655,505**	**$ 6,687,309**	**$ 6,722,798**
Grand Total: Future Debt Reserve Target		**$ -**	**$ -**	**$ -**	**$ 2,261,137**	**$ 2,267,260**	**$ 4,595,289**	**$ 4,609,641**	**$ 4,626,032**	**$ 5,301,723**	**$ 5,324,404**	**$ 5,349,847**	**$ 5,378,238**

TOTAL DEBT SERVICE

Annual Obligations	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33	FY 2033/34
Annual Debt Service	$ 6,132,588	$ 6,297,959	$ 6,303,810	$ 8,031,076	$ 8,045,725	$ 10,379,648	$ 10,393,323	$ 10,411,451	$ 10,422,295	$ 10,448,737	$ 10,477,639	$ 10,506,173
Annual Coverage Requirement	$ 7,665,735	$ 7,872,448	$ 7,879,763	$ 10,038,845	$ 10,057,156	$ 12,974,560	$ 12,991,654	$ 13,014,314	$ 13,027,868	$ 13,060,921	$ 13,097,049	$ 13,132,716
Total Debt Reserve Target	$ -	$ -	$ -	$ 2,261,137	$ 2,267,260	$ 4,595,289	$ 4,609,641	$ 4,626,032	$ 5,301,723	$ 5,324,404	$ 5,349,847	$ 5,378,238

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CITY OF TURLOCK
SEWER RATE STUDY
Projected Sewer Rates Under Existing Rate Schedule

TABLE 24 : CURRENT SEWER RATE SCHEDULE

Sewer Rate Schedule[1]	Current Rates Jan. 1, 2013
Non-Metered Users	
Number of Fixture Units	Monthly Charge
1-15	$28.95
16-20	$35.90
21-25	$42.95
26-30	$50.15
31-35	$56.90
36-40	$63.60
41-45	$70.65
46-50	$77.35
51-55	$84.50
56-60	$91.15
Greater than 60 per 5 fixture units	$6.95
Plus Administrative Charge per EDU	$8.15
Hospitals - per Bed	$24.94
Plus Administrative Charge per EDU	$8.17
Restaurant - per Seat	$1.23
Plus Administrative Charge per EDU	$8.17
Schools - per Student	$0.68
Plus Administrative Charge per EDU	$8.17
Metered Users	
Substantial Industrial Users (2 components)	
1. Reserve Capacity Charge	
Flow - per MGD	$10,261
BOD - per pound per day	$1.20
TSS - per pound per day	$0.70
2. Actual Use Charge	
Flow - per MGD	$1,553.93
BOD - per 1,000 pounds	$88.70
TSS - per 1,000 pounds	$177.05
Administrative Charge	$8.17
Commercial & Light Industrial Users	
0-150 mg/L of BOD and/or SS (per 1,000 gallons of flow)	$2.27
Each Additional 100 mg/L BOD over 150 mg/L (per 1,000 gallons flow)	$0.10
Each Additional 100 mg/L SS over 150 mg/L (per 1,000 gallons flow)	$0.14
Administrative Charge	$8.17
City of Ceres and CSDs	
0-150 mg/L of BOD and/or SS (per 1,000 gallons of flow)	$2.62
Each Additional 100 mg/L BOD over 150 mg/L (per 1,000 gallons flow)	$0.07
Each Additional 100 mg/L SS over 150 mg/L (per 1,000 gallons flow)	$0.12
Administrative Charge	$8.17

1. Source file: *Article 7.docx*

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TABLE 25 : CLASSIFICATION OF EXPENSES FOR COST OF SERVICE ANALYSIS

Classification of Expenses											
Budget Categories	Total Revenue Requirements	Flow		Strength		Customer	Basis of Classification				
	FY 2024/25	(VOL)	(COL)	(BOD)	(TSS)	(CA)	(VOL)	(COL)	(BOD)	(TSS)	(CA)
Fund 51 - Sewer Expenses											
530 - Operations											
Full Time Salaries	$ 2,990,613	$ 1,525,213	$ -	$ 657,935	$ 657,935	$ 149,531	51%	0%	22%	22%	5%
Part Time Help General	40,844	20,830	-	8,986	8,986	2,042	51%	0%	22%	22%	5%
Bilingual Pay	5,764	2,940	-	1,268	1,268	288	51%	0%	22%	22%	5%
Confidential Pay	3,141	1,602	-	691	691	157	51%	0%	22%	22%	5%
Educational Incentive	8,380	4,274	-	1,844	1,844	419	51%	0%	22%	22%	5%
Sick Leave Conversion Pay	10,211	5,208	-	2,246	2,246	511	51%	0%	22%	22%	5%
Stand By Wages	23,587	12,030	-	5,189	5,189	1,179	51%	0%	22%	22%	5%
Vacation Conversion Pay	10,722	5,468	-	2,359	2,359	536	51%	0%	22%	22%	5%
Management Leave Conversion	4,595	2,343	-	1,011	1,011	230	51%	0%	22%	22%	5%
Continuous Service Pay	33,855	17,266	-	7,448	7,448	1,693	51%	0%	22%	22%	5%
Overtime Standard	125,595	64,054	-	27,631	27,631	6,280	51%	0%	22%	22%	5%
Medical Dental Plan	667,265	340,305	-	146,798	146,798	33,363	51%	0%	22%	22%	5%
Vision Insurance	7,896	4,027	-	1,737	1,737	395	51%	0%	22%	22%	5%
Long Term Disability Insurance	31,163	15,893	-	6,856	6,856	1,558	51%	0%	22%	22%	5%
Life Insurance	9,779	4,987	-	2,151	2,151	489	51%	0%	22%	22%	5%
SUI	10,211	5,208	-	2,246	2,246	511	51%	0%	22%	22%	5%
Workers Comp Insurance	66,562	33,947	-	14,644	14,644	3,328	51%	0%	22%	22%	5%
City Liability Insurance	49,466	25,228	-	10,883	10,883	2,473	51%	0%	22%	22%	5%
PERS	556,280	283,703	-	122,382	122,382	27,814	51%	0%	22%	22%	5%
Medicare Tax	47,231	24,088	-	10,391	10,391	2,362	51%	0%	22%	22%	5%
Social Security	2,532	1,291	-	557	557	127	51%	0%	22%	22%	5%
Retiree Health Insurance	65,260	33,282	-	14,357	14,357	3,263	51%	0%	22%	22%	5%
Deferred Comp	29,622	15,107	-	6,517	6,517	1,481	51%	0%	22%	22%	5%
Deferred Comp In Lieu	23,036	11,748	-	5,068	5,068	1,152	51%	0%	22%	22%	5%
Employee Contribution to PERS	(274,100)	(139,791)	-	(60,302)	(60,302)	(13,705)	51%	0%	22%	22%	5%
PERS UAL (Unfunded Accrued Liability)	571,803	291,619	-	125,797	125,797	28,590	51%	0%	22%	22%	5%
Alarm Monitoring General	2,069	1,055	-	455	455	103	51%	0%	22%	22%	5%
Contract Attorney	41,380	21,104	-	9,104	9,104	2,069	51%	0%	22%	22%	5%
Gov't Relations/Public Affairs	20,690	10,552	-	4,552	4,552	1,035	51%	0%	22%	22%	5%
Car Wash	517	264	-	114	114	26	51%	0%	22%	22%	5%
City Hall Shared Costs-Contract Services Shared Costs	23,153	11,808	-	5,094	5,094	1,158	51%	0%	22%	22%	5%
Collection Service	3,104	1,583	-	683	683	155	51%	0%	22%	22%	5%
Work Order Management Software	-	-	-	-	-	-	51%	0%	22%	22%	5%
Consultant Audit	21,928	11,183	-	4,824	4,824	1,096	51%	0%	22%	22%	5%
Fire Extinguisher	2,069	1,055	-	455	455	103	51%	0%	22%	22%	5%
Copier Maintenance/Lease	6,207	3,166	-	1,366	1,366	310	51%	0%	22%	22%	5%
Printer Maintenance	2,069	1,055	-	455	455	103	51%	0%	22%	22%	5%
Insurance Property	136,554	69,643	-	30,042	30,042	6,828	51%	0%	22%	22%	5%
Laundry & Linen Service	14,483	7,386	-	3,186	3,186	724	51%	0%	22%	22%	5%
Maintenance - Air & Heat General	51,725	26,380	-	11,380	11,380	2,586	51%	0%	22%	22%	5%
Maintenance - HSQ Agreement	77,588	39,570	-	17,069	17,069	3,879	51%	0%	22%	22%	5%
Maintenance - Office/Computer Equip.	517	264	-	114	114	26	51%	0%	22%	22%	5%
Maintenance - New World Software Maintenance	12,995	6,628	-	2,859	2,859	650	51%	0%	22%	22%	5%
Maintenance - Weed Spraying	25,863	13,190	-	5,690	5,690	1,293	51%	0%	22%	22%	5%
Maintenance MMS Subscription	46,584	23,758	-	10,248	10,248	2,329	51%	0%	22%	22%	5%
Pest Control	5,173	2,638	-	1,138	1,138	259	51%	0%	22%	22%	5%
Subtotal - 530 - Operations	**$ 5,615,981**	**$ 2,864,150**	**$ -**	**$ 1,235,516**	**$ 1,235,516**	**$ 280,799**	**51%**	**0%**	**22%**	**22%**	**5%**

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TABLE 26 : CLASSIFICATION OF EXPENSES FOR COST OF SERVICE ANALYSIS

Classification of Expenses											
Budget Categories	**Total Revenue Requirements**	**Flow**		**Strength**		**Customer**	**Basis of Classification**				
	FY 2024/25	**(VOL)**	**(COL)**	**(BOD)**	**(TSS)**	**(CA)**	**(VOL)**	**(COL)**	**(BOD)**	**(TSS)**	**(CA)**
Fund 51 - Sewer Expenses											
530 - Operations, cont.											
Contract Help - Collections and Billing	$ -	$ -	$ -	$ -	$ -	$ -	51%	0%	22%	22%	5%
Physicals, Shots and Psychological	2,586	1,319	-	569	569	129	51%	0%	22%	22%	5%
Security	15,518	7,914	-	3,414	3,414	776	51%	0%	22%	22%	5%
Transaction Fees - Credit Card	9,207	4,696	-	2,026	2,026	460	51%	0%	22%	22%	5%
Radio System Maint. Motorola System	3,335	1,701	-	734	734	167	51%	0%	22%	22%	5%
Radio System Maint. Delta System/Subscriber	5,785	2,950	-	1,273	1,273	289	51%	0%	22%	22%	5%
Radio System Maint Microwave Maint. (Nokia/Delta)	-	-	-	-	-	-	51%	0%	22%	22%	5%
Contract - Analysis Water Waste	206,900	105,519	-	45,518	45,518	10,345	51%	0%	22%	22%	5%
Biosolids Recycling	258,625	131,899	-	56,898	56,898	12,931	51%	0%	22%	22%	5%
Contract Help - Service	390,007	198,903	-	85,801	85,801	19,500	51%	0%	22%	22%	5%
NPDES Permit Studies	310,350	158,279	-	68,277	68,277	15,518	51%	0%	22%	22%	5%
Professional Services - Bonds	-	-	-	-	-	-	51%	0%	22%	22%	5%
Regulatory Fees	313,454	159,861	-	68,960	68,960	15,673	51%	0%	22%	22%	5%
Special Services/Projects	72,932	37,195	-	16,045	16,045	3,647	51%	0%	22%	22%	5%
TID Gomes Lake	20,690	10,552	-	4,552	4,552	1,035	51%	0%	22%	22%	5%
Chlorinator Preventative Maintenance Service	-	-	-	-	-	-	51%	0%	22%	22%	5%
RWQCF Master Plan Update and Capacity Study	77,588	39,570	-	17,069	17,069	3,879	51%	0%	22%	22%	5%
Supplies - General	155,175	79,139	-	34,139	34,139	7,759	51%	0%	22%	22%	5%
Supplies - Meters/Samplers	51,725	26,380	-	11,380	11,380	2,586	51%	0%	22%	22%	5%
Supplies - Telemetry	25,863	13,190	-	5,690	5,690	1,293	51%	0%	22%	22%	5%
Supplies - Transfers to Other Departments	103,450	52,760	-	22,759	22,759	5,173	51%	0%	22%	22%	5%
Supplies - Blower Intake Filters	-	-	-	-	-	-	51%	0%	22%	22%	5%
Supplies - Laboratory	41,380	21,104	-	9,104	9,104	2,069	51%	0%	22%	22%	5%
Chemicals Aluminum Chloralhydrate	105,450	53,780	-	23,199	23,199	5,273	51%	0%	22%	22%	5%
Chemicals Chlorine	2,109,000	1,075,590	-	463,980	463,980	105,450	51%	0%	22%	22%	5%
Chemicals Ferric Chloride	2,636	1,344	-	580	580	132	51%	0%	22%	22%	5%
Chemicals Polymer	52,725	26,890	-	11,600	11,600	2,636	51%	0%	22%	22%	5%
Chemicals Sodium Bisulfite	237,263	121,004	-	52,198	52,198	11,863	51%	0%	22%	22%	5%
Computer Software Maintenance	59,173	30,178	-	13,018	13,018	2,959	51%	0%	22%	22%	5%
Computer Software Maintenance - UT Coll	-	-	-	-	-	-	51%	0%	22%	22%	5%
Computer Software Maintenance - Linko	-	-	-	-	-	-	51%	0%	22%	22%	5%
Computer Software Maintenance - IVR	5,173	2,638	-	1,138	1,138	259	51%	0%	22%	22%	5%
Computer WQC Software Licenses	-	-	-	-	-	-	51%	0%	22%	22%	5%
Computer Software Maintenance - WIMS	-	-	-	-	-	-	51%	0%	22%	22%	5%
Utility Billing Supplies	2,069	1,055	-	455	455	103	51%	0%	22%	22%	5%
Utility Billing Postage	46,553	23,742	-	10,242	10,242	2,328	51%	0%	22%	22%	5%
Utility Billing Forms	9,311	4,748	-	2,048	2,048	466	51%	0%	22%	22%	5%
Minor Equipment Safety Equipment	25,863	13,190	-	5,690	5,690	1,293	51%	0%	22%	22%	5%
Minor Equipment Tools	15,518	7,914	-	3,414	3,414	776	51%	0%	22%	22%	5%
Minor Equipment Headworks	15,518	7,914	-	3,414	3,414	776	51%	0%	22%	22%	5%
Minor Equipment Flotator	15,518	7,914	-	3,414	3,414	776	51%	0%	22%	22%	5%
Minor Equipment Biotower	15,518	7,914	-	3,414	3,414	776	51%	0%	22%	22%	5%
Minor Equipment Aeration	25,863	13,190	-	5,690	5,690	1,293	51%	0%	22%	22%	5%
Minor Equipment Secondary Clarifier	46,553	23,742	-	10,242	10,242	2,328	51%	0%	22%	22%	5%
Minor Equipment High Rate Coagulation Clarifier	15,518	7,914	-	3,414	3,414	776	51%	0%	22%	22%	5%
Minor Equipment Cloth Fiber	93,105	47,484	-	20,483	20,483	4,655	51%	0%	22%	22%	5%
Subtotal - 530 - Operations, cont.	**$ 4,962,890**	**$ 2,531,074**	**$ -**	**$ 1,091,836**	**$ 1,091,836**	**$ 248,144**	**51%**		**22%**	**22%**	**5%**

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TABLE 27 : CLASSIFICATION OF EXPENSES FOR COST OF SERVICE ANALYSIS

Classification of Expenses											
Budget Categories	Total Revenue Requirements	Flow		Strength		Customer	Basis of Classification				
	FY 2024/25	(VOL)	(COL)	(BOD)	(TSS)	(CA)	(VOL)	(COL)	(BOD)	(TSS)	(CA)
Fund 51 - Sewer Expenses											
530 - Operations, cont.											
Minor Equipment Chlorine	$ 20,690	$ 10,552	$ -	$ 4,552	$ 4,552	$ 1,035	51%	0%	22%	22%	5%
Minor Equipment Dechlorination	10,345	5,276	-	2,276	2,276	517	51%	0%	22%	22%	5%
Minor Equipment Digester	25,863	13,190	-	5,690	5,690	1,293	51%	0%	22%	22%	5%
Postage General	6,207	3,166	-	1,366	1,366	310	51%	0%	22%	22%	5%
Office Equipment & Furniture	31,035	15,828	-	6,828	6,828	1,552	51%	0%	22%	22%	5%
Telephone General	20,690	10,552	-	4,552	4,552	1,035	51%	0%	22%	22%	5%
Telephone Wireless/Tablet Service Plan	20,690	10,552	-	4,552	4,552	1,035	51%	0%	22%	22%	5%
Turlock Irrigation District General	2,167,000	1,105,170	-	476,740	476,740	108,350	51%	0%	22%	22%	5%
Turlock Irrigation District TID - Irrigation Water	3,251	1,658	-	715	715	163	51%	0%	22%	22%	5%
PG&E General	162,525	82,888	-	35,756	35,756	8,126	51%	0%	22%	22%	5%
City Hall Shared Costs - Utilities	9,068	4,625	-	1,995	1,995	453	51%	0%	22%	22%	5%
Internet Access	1,035	528	-	228	228	52	51%	0%	22%	22%	5%
City Water / Sewer	-	-	-	-	-	-	51%	0%	22%	22%	5%
Auto Allowance	497	253	-	109	109	25	51%	0%	22%	22%	5%
Equipment Rental	20,690	10,552	-	4,552	4,552	1,035	51%	0%	22%	22%	5%
Fleet Maintenance Labor	15,518	7,914	-	3,414	3,414	776	51%	0%	22%	22%	5%
Outside Contractor Labor	4,138	2,110	-	910	910	207	51%	0%	22%	22%	5%
CNG General	2,069	1,055	-	455	455	103	51%	0%	22%	22%	5%
Gas & Oil	68,136	34,749	-	14,990	14,990	3,407	51%	0%	22%	22%	5%
Vehicle & Small Equipment Maintenance Parts	20,690	10,552	-	4,552	4,552	1,035	51%	0%	22%	22%	5%
Vehicle Insurance	3,828	1,952	-	842	842	191	51%	0%	22%	22%	5%
Advertising	1,552	791	-	341	341	78	51%	0%	22%	22%	5%
Bank Charges	130,037	66,319	-	28,608	28,608	6,502	51%	0%	22%	22%	5%
Bad Debt Expense	2,069	1,055	-	455	455	103	51%	0%	22%	22%	5%
Books and Subscriptions	1,035	528	-	228	228	52	51%	0%	22%	22%	5%
Certification	5,173	2,638	-	1,138	1,138	259	51%	0%	22%	22%	5%
Dues Miscellaneous	828	422	-	182	182	41	51%	0%	22%	22%	5%
Meetings	517	264	-	114	114	26	51%	0%	22%	22%	5%
Professional Development	2,007	1,024	-	442	442	100	51%	0%	22%	22%	5%
Property Taxes General	517	264	-	114	114	26	51%	0%	22%	22%	5%
Shoe Allowance	6,207	3,166	-	1,366	1,366	310	51%	0%	22%	22%	5%
Educational Assistance Program Reimbursement	1,035	528	-	228	228	52	51%	0%	22%	22%	5%
Testing and Recruitment	10,345	5,276	-	2,276	2,276	517	51%	0%	22%	22%	5%
Training General/Travel	25,863	13,190	-	5,690	5,690	1,293	51%	0%	22%	22%	5%
Training New World Software	3,104	1,583	-	683	683	155	51%	0%	22%	22%	5%
Transfers Out To 240&305 BCH Rent - Coll & Bill	15,800	8,058	-	3,476	3,476	790	51%	0%	22%	22%	5%
Transfers Out To Fd 110 Bldg Maint - Coll & Bill	6,562	3,347	-	1,444	1,444	328	51%	0%	22%	22%	5%
Transfers Out To Fd 110 Utilities - Coll & Bill	2,485	1,267	-	547	547	124	51%	0%	22%	22%	5%
Transfers Out To Fd 501 Info Tech - GIS	42,823	21,840	-	9,421	9,421	2,141	51%	0%	22%	22%	5%
Transfers Out To Fd 110 GF Admin Fr Fd 410 WQC	885,564	451,638	-	194,824	194,824	44,278	51%	0%	22%	22%	5%
Transfers Out To Fd 110 Public Safety Services	307,638	156,895	-	67,680	67,680	15,382	51%	0%	22%	22%	5%
Transfers Out To Fd 501 for I.T. Services	161,823	82,530	-	35,601	35,601	8,091	51%	0%	22%	22%	5%
Transfers Out To Fd 242 Network	1,642	837	-	361	361	82	51%	0%	22%	22%	5%
Transfers Out To Fd 242 Computer Replacement	11,149	5,686	-	2,453	2,453	557	51%	0%	22%	22%	5%
Transfers Out For Vehicle & Equip Replacement	40,000	20,400	-	8,800	8,800	2,000	51%	0%	22%	22%	5%
Salary Credits From Other Departments	-	-	-	-	-	-	51%	0%	22%	22%	5%
Subtotal - 530 - Operations, cont.	**$ 4,279,734**	**$ 2,182,665**		**$ 941,542**	**$ 941,542**	**$ 213,987**	**51%**	**0%**	**22%**	**22%**	**5%**

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TABLE 28 : CLASSIFICATION OF EXPENSES FOR COST OF SERVICE ANALYSIS

Classification of Expenses											
Budget Categories	Total Revenue Requirements	Flow		Strength		Customer	Basis of Classification				
	FY 2024/25	(VOL)	(COL)	(BOD)	(TSS)	(CA)	(VOL)	(COL)	(BOD)	(TSS)	(CA)
Fund 51 - Sewer Expenses											
530 - Operations, cont.											
SRF Headworks Project	$ -	$ -	$ -	$ -	$ -	$ -	51%	0%	22%	22%	5%
SRF Harding Drain Bypass Project	-	-	-	-	-	-	51%	0%	22%	22%	5%
2022 Sewer Bonds Refunding	-	-	-	-	-	-	51%	0%	22%	22%	5%
Total - Operations	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**51%**		**22%**	**22%**	**5%**

TABLE 28 : CLASSIFICATION OF EXPENSES FOR COST OF SERVICE ANALYSIS

Classification of Expenses											
Budget Categories	Total Revenue Requirements	Flow		Strength		Customer	Basis of Classification				
	FY 2024/25	(VOL)	(COL)	(BOD)	(TSS)	(CA)	(VOL)	(COL)	(BOD)	(TSS)	(CA)
Fund 51 - Sewer Expenses											
531 - Collection System											
Full Time Salaries	$ 725,381	$ -	$ 369,944	$ 159,584	$ 159,584	$ 36,269	0%	51%	22%	22%	5%
Part Time Help General	-	-	-	-	-	-	0%	51%	22%	22%	5%
Bilingual Pay	1,288	-	657	283	283	64	0%	51%	22%	22%	5%
Educational Incentive	1,225	-	625	270	270	61	0%	51%	22%	22%	5%
Sick Leave Conversion Pay	7,148	-	3,645	1,572	1,572	357	0%	51%	22%	22%	5%
Stand By Wages	20,422	-	10,415	4,493	4,493	1,021	0%	51%	22%	22%	5%
Vacation Conversion Pay	2,553	-	1,302	562	562	128	0%	51%	22%	22%	5%
Continuous Service Pay	7,383	-	3,765	1,624	1,624	369	0%	51%	22%	22%	5%
Overtime Standard	25,528	-	13,019	5,616	5,616	1,276	0%	51%	22%	22%	5%
Medical Dental Plan	201,232	-	102,628	44,271	44,271	10,062	0%	51%	22%	22%	5%
Vision Insurance	2,426	-	1,237	534	534	121	0%	51%	22%	22%	5%
Long Term Disability Insurance	7,558	-	3,855	1,663	1,663	378	0%	51%	22%	22%	5%
Life Insurance	2,372	-	1,210	522	522	119	0%	51%	22%	22%	5%
SUI	2,673	-	1,363	588	588	134	0%	51%	22%	22%	5%
Workers Comp Insurance	22,052	-	11,246	4,851	4,851	1,103	0%	51%	22%	22%	5%
City Liability Insurance	10,981	-	5,600	2,416	2,416	549	0%	51%	22%	22%	5%
PERS	137,610	-	70,181	30,274	30,274	6,880	0%	51%	22%	22%	5%
Medicare Tax	11,468	-	5,849	2,523	2,523	573	0%	51%	22%	22%	5%
Social Security	-	-	-	-	-	-	0%	51%	22%	22%	5%
Retiree Health Insurance	14,508	-	7,399	3,192	3,192	725	0%	51%	22%	22%	5%
Deferred Comp	4,599	-	2,346	1,012	1,012	230	0%	51%	22%	22%	5%
Deferred Comp In Lieu	2,910	-	1,484	640	640	146	0%	51%	22%	22%	5%
Employee Contribution to PERS	(66,336)	-	(33,831)	(14,594)	(14,594)	(3,317)	0%	51%	22%	22%	5%
PERS UAL (Unfunded Accrued Liability)	176,681	-	90,107	38,870	38,870	8,834	0%	51%	22%	22%	5%
Car Wash	103	-	53	23	23	5	0%	51%	22%	22%	5%
Copier Maintenance/Lease	1,035	-	528	228	228	52	0%	51%	22%	22%	5%
Printer Maintenance	310	-	158	68	68	16	0%	51%	22%	22%	5%
Tree Removal Service	20,690	-	10,552	4,552	4,552	1,035	0%	51%	22%	22%	5%
Laundry & Linen Service	3,104	-	1,583	683	683	155	0%	51%	22%	22%	5%
Maintenance - Air & Heat General	1,035	-	528	228	228	52	0%	51%	22%	22%	5%
Maintenance T.V.	5,173	-	2,638	1,138	1,138	259	0%	51%	22%	22%	5%
Pave Trenches	103,450	-	52,760	22,759	22,759	5,173	0%	51%	22%	22%	5%
Subtotal - 531 - Collection System	**$ 1,456,560**	**$ -**	**$ 742,845**	**$ 320,443**	**$ 320,443**	**$ 72,828**	**0%**	**51%**	**22%**	**22%**	**5%**

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TABLE 30 : CLASSIFICATION OF EXPENSES FOR COST OF SERVICE ANALYSIS

Classification of Expenses											
Budget Categories	Total Revenue Requirements	Flow		Strength		Customer	Basis of Classification				
	FY 2024/25	(VOL)	(COL)	(BOD)	(TSS)	(CA)	(VOL)	(COL)	(BOD)	(TSS)	(CA)
Fund 51 - Sewer Expenses											
531 - Collection System, cont.											
Pest Control	$ 31,035	$ -	$ 15,828	$ 6,828	$ 6,828	$ 1,552	0%	51%	22%	22%	5%
Physicals, Shots and Psychological	2,069	-	1,055	455	455	103	0%	51%	22%	22%	5%
Radio System Maint. Motorola System	1,668	-	850	367	367	83	0%	51%	22%	22%	5%
Radio System Maint. Delta System/Subscriber	2,892	-	1,475	636	636	145	0%	51%	22%	22%	5%
Radio System Maint. Microwave Maint. (Nokia/Delta)	-	-	-	-	-	-	0%	51%	22%	22%	5%
Regulatory Fees	20,690	-	10,552	4,552	4,552	1,035	0%	51%	22%	22%	5%
Sewer Root System	25,863	-	13,190	5,690	5,690	1,293	0%	51%	22%	22%	5%
TID Irrigation Lines Repair	15,518	-	7,914	3,414	3,414	776	0%	51%	22%	22%	5%
Supplies General	129,313	-	65,949	28,449	28,449	6,466	0%	51%	22%	22%	5%
Supplies Piping Supplies	129,313	-	65,949	28,449	28,449	6,466	0%	51%	22%	22%	5%
Supplies Asphalt Replacement Mix	2,069	-	1,055	455	455	103	0%	51%	22%	22%	5%
Minor Equipment Safety Equipment	10,345	-	5,276	2,276	2,276	517	0%	51%	22%	22%	5%
Minor Equipment Tools	10,345	-	5,276	2,276	2,276	517	0%	51%	22%	22%	5%
Telephone General	-	-	-	-	-	-	0%	51%	22%	22%	5%
Turlock Irrigation District General	65,010	-	33,155	14,302	14,302	3,251	0%	51%	22%	22%	5%
City Water / Sewer	-	-	-	-	-	-	0%	51%	22%	22%	5%
Equipment Rental	5,173	-	2,638	1,138	1,138	259	0%	51%	22%	22%	5%
Fleet Maintenance Labor	62,070	-	31,656	13,655	13,655	3,104	0%	51%	22%	22%	5%
Outside Contractor Labor	10,345	-	5,276	2,276	2,276	517	0%	51%	22%	22%	5%
CNG General	5,173	-	2,638	1,138	1,138	259	0%	51%	22%	22%	5%
Gas & Oil	33,273	-	16,969	7,320	7,320	1,664	0%	51%	22%	22%	5%
Vehicle & Small Equipment Maintenance Parts	36,208	-	18,466	7,966	7,966	1,810	0%	51%	22%	22%	5%
Vehicle Insurance	7,552	-	3,851	1,661	1,661	378	0%	51%	22%	22%	5%
Certification	10,345	-	5,276	2,276	2,276	517	0%	51%	22%	22%	5%
Dues Miscellaneous	10,345	-	5,276	2,276	2,276	517	0%	51%	22%	22%	5%
Meetings	1,035	-	528	228	228	52	0%	51%	22%	22%	5%
Shoe Allowance	5,173	-	2,638	1,138	1,138	259	0%	51%	22%	22%	5%
Educational Assistance Program Reimbursement	1,035	-	528	228	228	52	0%	51%	22%	22%	5%
Testing & Recruitment	5,173	-	2,638	1,138	1,138	259	0%	51%	22%	22%	5%
Training General/Travel	25,863	-	13,190	5,690	5,690	1,293	0%	51%	22%	22%	5%
Education and Outreach	10,345	-	5,276	2,276	2,276	517	0%	51%	22%	22%	5%
Transfers Out To Fd 501 for I.T. Services	51,447	-	26,238	11,318	11,318	2,572	0%	51%	22%	22%	5%
Transfers Out To Fd 242 Network	522	-	266	115	115	26	0%	51%	22%	22%	5%
Transfers Out For Vehicle & Equip Replace	-	-	-	-	-	-	0%	51%	22%	22%	5%
Total - Collection System	**$ 727,201**	**$ -**	**$ 370,873**	**$ 159,984**	**$ 159,984**	**$ 36,360**	**0%**		**22%**	**22%**	**5%**

TABLE 31 : CLASSIFICATION OF EXPENSES FOR COST OF SERVICE ANALYSIS

Classification of Expenses											
Budget Categories	Total Revenue Requirements	Flow		Strength		Customer	Basis of Classification				
	FY 2024/25	(VOL)	(COL)	(BOD)	(TSS)	(CA)	(VOL)	(COL)	(BOD)	(TSS)	(CA)
Fund 51 - Sewer Expenses											
532 - Storm Basin Maintenance/Combined System											
Full Time Salaries	$ 402,904	$ 205,481		$ 88,639	$ 88,639	$ 20,145	51%	0%	22%	22%	5%
Subtotal - 532 - Storm Basin Maintenance/Combined System	**$ 402,904**	**$ 205,481**	**$ -**	**$ 88,639**	**$ 88,639**	**$ 20,145**	**51%**	**0%**	**22%**	**22%**	**5%**

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TABLE 32 : CLASSIFICATION OF EXPENSES FOR COST OF SERVICE ANALYSIS

Classification of Expenses											
Budget Categories	Total Revenue Requirements	Flow		Strength		Customer	Basis of Classification				
	FY 2024/25	(VOL)	(COL)	(BOD)	(TSS)	(CA)	(VOL)	(COL)	(BOD)	(TSS)	(CA)
Fund 51 - Sewer Expenses											
532 - Storm Basin Maintenance/Combined System, cont.											
Part Time Help General	$ 30,633	$ 15,623	$ -	$ 6,739	$ 6,739	$ 1,532	51%	0%	22%	22%	5%
Part Time Help Clerical	1,634	833	-	359	359	82	51%	0%	22%	22%	5%
Non-City Sponsored Events	128	65	-	28	28	6	51%	0%	22%	22%	5%
Bilingual Pay	664	338	-	146	146	33	51%	0%	22%	22%	5%
Confidential Pay	503	257	-	111	111	25	51%	0%	22%	22%	5%
Educational Incentive	147	75	-	32	32	7	51%	0%	22%	22%	5%
Sick Leave Conversion Pay	5,106	2,604	-	1,123	1,123	255	51%	0%	22%	22%	5%
Stand By Wages	3,574	1,823	-	786	786	179	51%	0%	22%	22%	5%
Vacation Conversion Pay	3,063	1,562	-	674	674	153	51%	0%	22%	22%	5%
Management Leave Conversion	408	208	-	90	90	20	51%	0%	22%	22%	5%
Continuous Service Pay	15,093	7,697	-	3,320	3,320	755	51%	0%	22%	22%	5%
Overtime Standard	2,553	1,302	-	562	562	128	51%	0%	22%	22%	5%
Medical Dental Plan	86,317	44,021	-	18,990	18,990	4,316	51%	0%	22%	22%	5%
Vision Insurance	1,023	522	-	225	225	51	51%	0%	22%	22%	5%
Long Term Disability Insurance	4,199	2,141	-	924	924	210	51%	0%	22%	22%	5%
Life Insurance	1,317	672	-	290	290	66	51%	0%	22%	22%	5%
SUI	1,314	670	-	289	289	66	51%	0%	22%	22%	5%
Workers Comp Insurance	10,335	5,271	-	2,274	2,274	517	51%	0%	22%	22%	5%
City Liability Insurance	13,698	6,986	-	3,014	3,014	685	51%	0%	22%	22%	5%
PERS	78,218	39,891	-	17,208	17,208	3,911	51%	0%	22%	22%	5%
Medicare Tax	5,401	2,754	-	1,188	1,188	270	51%	0%	22%	22%	5%
Social Security	2,009	1,024	-	442	442	100	51%	0%	22%	22%	5%
Retiree Health Insurance	8,834	4,505	-	1,943	1,943	442	51%	0%	22%	22%	5%
Deferred Comp	5,218	2,661	-	1,148	1,148	261	51%	0%	22%	22%	5%
Deferred Comp in Lieu	1,862	950	-	410	410	93	51%	0%	22%	22%	5%
Employee Contribution to PERS	(37,787)	(19,271)	-	(8,313)	(8,313)	(1,889)	51%	0%	22%	22%	5%
PERS UAL (Unfunded Accrued Liability)	79,667	40,630	-	17,527	17,527	3,983	51%	0%	22%	22%	5%
Car Wash	26	13	-	6	6	1	51%	0%	22%	22%	5%
Copier Maintenance/Lease	569	290	-	125	125	28	51%	0%	22%	22%	5%
Tree Trimming	15,518	7,914	-	3,414	3,414	776	51%	0%	22%	22%	5%
Laundry & Linen Service	1,552	791	-	341	341	78	51%	0%	22%	22%	5%
Maintenance Vandalism	2,069	1,055	-	455	455	103	51%	0%	22%	22%	5%
Maintenance Radio Maint./Repair	5,173	2,638	-	1,138	1,138	259	51%	0%	22%	22%	5%
Maintenance TID Canal Maint.	10,345	5,276	-	2,276	2,276	517	51%	0%	22%	22%	5%
Maintenance Weed Spraying	20,690	10,552	-	4,552	4,552	1,035	51%	0%	22%	22%	5%
Maintenance Pumps/Motors	25,863	13,190	-	5,690	5,690	1,293	51%	0%	22%	22%	5%
Maintenance Aerators	2,586	1,319	-	569	569	129	51%	0%	22%	22%	5%
Maintenance MMS Subscription	4,658	2,376	-	1,025	1,025	233	51%	0%	22%	22%	5%
Pest Control	517	264	-	114	114	26	51%	0%	22%	22%	5%
Gopher Control	31,035	15,828	-	6,828	6,828	1,552	51%	0%	22%	22%	5%
Physicals, Shots and Psychological	1,035	528	-	228	228	52	51%	0%	22%	22%	5%
Street Sweeping	222,418	113,433	-	48,932	48,932	11,121	51%	0%	22%	22%	5%
Basin Debris Removal	7,759	3,957	-	1,707	1,707	388	51%	0%	22%	22%	5%
Trash Capture	51,725	26,380	-	11,380	11,380	2,586	51%	0%	22%	22%	5%
Supplies General	36,208	18,466	-	7,966	7,966	1,810	51%	0%	22%	22%	5%
Supplies Park Storm Supplies	36,208	18,466	-	7,966	7,966	1,810	51%	0%	22%	22%	5%
Subtotal - 532 - Storm Basin Maintenance/Combined System, cont.	**$ 801,080**	**$ 408,551**	**$ -**	**$ 176,238**	**$ 176,238**	**$ 40,054**	**51%**	**0%**	**22%**	**22%**	**5%**

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TABLE 33 : CLASSIFICATION OF EXPENSES FOR COST OF SERVICE ANALYSIS

Classification of Expenses											
Budget Categories	**Total Revenue Requirements**	**Flow**		**Strength**		**Customer**	**Basis of Classification**				
	FY 2024/25	**(VOL)**	**(COL)**	**(BOD)**	**(TSS)**	**(CA)**	**(VOL)**	**(COL)**	**(BOD)**	**(TSS)**	**(CA)**
Fund 51 - Sewer Expenses											
532 - Storm Basin Maintenance/Combined System, cont.											
Supplies Fencing	$ 11,897	$ 6,067	$ -	$ 2,617	$ 2,617	$ 595	51%	0%	22%	22%	5%
Supplies Trees, Shrubs, Seed	8,276	4,221	-	1,821	1,821	414	51%	0%	22%	22%	5%
Chemical Fertilizers	12,654	6,454	-	2,784	2,784	633	51%	0%	22%	22%	5%
Minor Equipment Safety Equipment	5,173	2,638	-	1,138	1,138	259	51%	0%	22%	22%	5%
Minor Equipment Tools	15,518	7,914	-	3,414	3,414	776	51%	0%	22%	22%	5%
Telephone General	52	26	-	11	11	3	51%	0%	22%	22%	5%
Telephone Wireless/Tablet Service Plan	1,145	584	-	252	252	57	51%	0%	22%	22%	5%
Turlock Irrigation District General	108,350	55,259	-	23,837	23,837	5,418	51%	0%	22%	22%	5%
Turlock Irrigation District TID Improvement District	23,837	12,157	-	5,244	5,244	1,192	51%	0%	22%	22%	5%
City Water / Sewer	-	-	-	-	-	-	51%	0%	22%	22%	5%
Auto Allowance	596	304	-	131	131	30	51%	0%	22%	22%	5%
Equipment Rental	5,173	2,638	-	1,138	1,138	259	51%	0%	22%	22%	5%
Fleet Maintenance Labor	29,742	15,168	-	6,543	6,543	1,487	51%	0%	22%	22%	5%
Outside Contractor Labor	5,948	3,034	-	1,309	1,309	297	51%	0%	22%	22%	5%
Gas & Oil	11,356	5,792	-	2,498	2,498	568	51%	0%	22%	22%	5%
Vehicle & Small Equipment Maintenance Parts	11,897	6,067	-	2,617	2,617	595	51%	0%	22%	22%	5%
Vehicle Insurance	517	264	-	114	114	26	51%	0%	22%	22%	5%
Professional Development	360	184	-	79	79	18	51%	0%	22%	22%	5%
Property Taxes General	155	79	-	34	34	8	51%	0%	22%	22%	5%
Property Taxes WARP Storm Drain Direct Access	155	79	-	34	34	8	51%	0%	22%	22%	5%
Shoe Allowance	1,552	791	-	341	341	78	51%	0%	22%	22%	5%
Educational Assistance Program Reimbursement	517	264	-	114	114	26	51%	0%	22%	22%	5%
Training General/Travel	1,241	633	-	273	273	62	51%	0%	22%	22%	5%
NPDES Phase II MS4 Storm Compliance	31,035	15,828	-	6,828	6,828	1,552	51%	0%	22%	22%	5%
Transfers Out To Fd 501 for I.T. Services	22,917	11,688	-	5,042	5,042	1,146	51%	0%	22%	22%	5%
Transfers Out To Fd 242 Network	232	118	-	51	51	12	51%	0%	22%	22%	5%
Transfers Out For Vehicle & Equip Replace	40,735	20,775	-	8,962	8,962	2,037	51%	0%	22%	22%	5%
Transfers Out For Leaf Pick Up	70,000	35,700	-	15,400	15,400	3,500	51%	0%	22%	22%	5%
Transfers Out To Fd 301 ADA Sidewalk Improve	15,000	7,650	-	3,300	3,300	750	51%	0%	22%	22%	5%
Total - Storm Basin Maintenance/Combined System	**$ 436,029**	**$ 222,375**	**$ -**	**$ 95,926**	**$ 95,926**	**$ 21,801**	**51%**	**0%**	**22%**	**22%**	**5%**

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TABLE 34 : CLASSIFICATION OF EXPENSES FOR COST OF SERVICE ANALYSIS

Classification of Expenses											
Budget Categories	**Total Revenue Requirements**	**Flow**		**Strength**		**Customer**	**Basis of Classification**				
	FY 2024/25	**(VOL)**	**(COL)**	**(BOD)**	**(TSS)**	**(CA)**	**(VOL)**	**(COL)**	**(BOD)**	**(TSS)**	**(CA)**
Additional Staffing											
Additional Staffing											
Environmental Compliance Inspector Supervisor	$ 162,308	$ 82,777	$ -	$ 35,708	$ 35,708	$ 8,115	51%	0%	22%	22%	5%
Lab Manager	105,141	53,622	-	23,131	23,131	5,257	51%	0%	22%	22%	5%
Network Engineer	89,646	45,719	-	19,722	19,722	4,482	51%	0%	22%	22%	5%
Planner	79,911	40,755	-	17,580	17,580	3,996	51%	0%	22%	22%	5%
Safety	79,911	40,755	-	17,580	17,580	3,996	51%	0%	22%	22%	5%
Planner (Utilities)	79,641	40,617	-	17,521	17,521	3,982	51%	0%	22%	22%	5%
SCADA Tech	76,976	39,258	-	16,935	16,935	3,849	51%	0%	22%	22%	5%
Instrumentation & Control Tech Senior	76,976	39,258	-	16,935	16,935	3,849	51%	0%	22%	22%	5%
Subtotal - Additional Staffing	**$ 750,510**	**$ 382,760**	**$ -**	**$ 165,112**	**$ 165,112**	**$ 37,526**	**51%**	**0%**	**22%**	**22%**	**5%**
Grand Total - Sewer Expenses	**$ 19,432,888**	**$ 8,797,055**	**$ 1,113,718**	**$ 4,275,235**	**$ 4,275,235**	**$ 971,644**	**45%**	**6%**	**22%**	**22%**	**5%**

TABLE 35 : CLASSIFICATION OF EXPENSES FOR COST OF SERVICE ANALYSIS

Classification of Expenses, cont.											
Budget Categories	**Total Revenue Requirements**	**Flow**		**Strength**		**Customer**	**Basis of Classification**				
	FY 2024/25	**(VOL)**	**(COL)**	**(BOD)**	**(TSS)**	**(CA)**	**(VOL)**	**(COL)**	**(BOD)**	**(TSS)**	**(CA)**
Debt Service Payments											
Outstanding Debt	$ 6,303,810	$ 3,151,905	$ -	$ 1,575,953	$ 1,575,953	$ -	50%	0%	25%	25%	0%
New Debt Issue - SRF Loan	-	-	-	-	-	-	50%	0%	25%	25%	0%
New Debt Issue - Revenue Bond	-	-	-	-	-	-	50%	0%	25%	25%	0%
Total Debt Service Payments	**$ 6,303,810**	**$ 3,151,905**	**$ -**	**$ 1,575,953**	**$ 1,575,953**	**$ -**	**50%**	**0%**	**25%**	**25%**	**0%**
Capital Expenditures											
Rate Funded Capital Expenses	$ 2,000,000	$ 1,000,000	$ -	$ 500,000	$ 500,000	$ -	50%		25%	25%	0%
TOTAL REVENUE REQUIREMENTS	**$ 27,736,698**	**$ 12,948,960**	**$ 1,113,718**	**$ 6,351,188**	**$ 6,351,188**	**$ 971,644**	**47%**	**4%**	**23%**	**23%**	**4%**
Less: Non-Rate Revenues											
Support Services	$ -	$ -	$ -	$ -	$ -	$ -	51%	0%	22%	22%	5%
Other Revenue	(188,300)	(96,033)	-	(41,426)	(41,426)	(9,415)	51%	0%	22%	22%	5%
Transfers In	(160,000)	(81,600)	-	(35,200)	(35,200)	(8,000)	51%	0%	22%	22%	5%
Interest Income	(161,009)	(82,115)	-	(35,422)	(35,422)	(8,050)	51%	0%	22%	22%	5%
NET REVENUE REQUIREMENTS	**$ 27,227,389**	**$ 12,689,213**	**$ 1,113,718**	**$ 6,239,140**	**$ 6,239,140**	**$ 946,179**					
Allocation of Revenue Requirements	**100.0%**	**46.6%**	**4.1%**	**22.9%**	**22.9%**	**3.5%**					
Net Revenue Reqt. Check from Financial Plan	*$ 713,704*										

*Note: Only expensesin Fund 532 directly attributable to the sewer utility have been included in the analysis for the rate study. Expenses in Fund 532 directly attributable to the storm system have been excluded from the analysis for the rate study.

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TABLE 36 : ADJUSTMENT TO CLASSIFICATION OF EXPENSES FOR COST-OF-SERVICE ANALYSIS

Adjustment to Current Rate Level:	Total	(VOL)	(COL)	(BOD)	(TSS)	(CA)
FY 2024/25 Target Rate Rev. After Rate Increases	$ 28,046,925					
Projected Rate Revenue at Current Rates	$ 20,775,500					
FY 2024/25 Projected Rate Increase	*35%*					
Adjusted Net Revenue Req'ts	**$ 28,046,925**	**$ 13,071,154**	**$ 1,147,240**	**$ 6,426,936**	**$ 6,426,936**	**$ 974,659**
Percent of Revenue		*46.6%*	*4.1%*	*22.9%*	*22.9%*	*3.5%*

TABLE 37 : COSA NET REVENUE REQUIREMENTS

COSA NET REVENUE REQUIREMENTS						
Rate-Design Adjustments to Fixed/Variable %	100.0%	46.6%	4.1%	22.9%	22.9%	3.5%
Rate-Design Adjustments to Fixed/Variable ($)	$ 28,046,925	$ 13,071,154	$ 1,147,240	$ 6,426,936	$ 6,426,936	$ 974,659

TABLE 38 : ADJUSTMENT TO COST OF SERVICE RATES 103.01%

Ratio of Targeted Rate Revenue to Net Revenue Requirements	Total	(VOL)	(COL)	(BOD)	(TSS)	(CA)
Actual Total Fixed Costs	$ 8,303,810	$ 4,151,905	$ -	$ 2,075,953	$ 2,075,953	$ -
Adjusted Total Fixed Costs	$ 8,553,752	$ 4,276,876	$ -	$ 2,138,438	$ 2,138,438	$ -
Total Operating Costs	$ 19,432,888	$ 8,797,055	$ 1,113,718	$ 4,275,235	$ 4,275,235	$ 971,644
Less: Non Rate Revenue	$ (509,309)	$ (259,748)	$ -	$ (112,048)	$ (112,048)	$ (25,465)
Actual Net Operating Costs	$ 18,923,579	$ 8,537,308	$ 1,113,718	$ 4,163,187	$ 4,163,187	$ 946,179
Adjusted Net Operating Costs	$ 19,493,173	$ 8,794,278	$ 1,147,240	$ 4,288,498	$ 4,288,498	$ 974,659
Actual Net Revenue Requirements	$ 27,227,389	$ 12,689,213	$ 1,113,718	$ 6,239,140	$ 6,239,140	$ 946,179
Adjusted Net Revenue Requirements	$ 28,046,925	$ 13,071,154	$ 1,147,240	$ 6,426,936	$ 6,426,936	$ 974,659

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TABLE 39 : DEVELOPMENT OF THE FLOW ALLOCATION FACTOR

Customer Class[1]	Number of Dwelling Units / Accounts[2]	Consumption (gallons/year)	Winter Consumption (Jan-Mar. '23)	Annualized Sewage Flow (gallons)[3]	Total Annual Volume						
					% of Total Flow	BOD mg/l	BOD lbs	% of Total BOD	TSS mg/l	TSS lbs	% of Total TSS
Residential Customers											
Single Family Residential Metered	16,467	2,237,385,763	280,994,599	1,123,978,396	**26.9%**	*n/a*	3,749,592	**20.4%**	*n/a*	3,749,592	**35.6%**
Single Family Residential Non-Metered	394	53,533,127	6,723,257	26,893,028	**0.6%**	*n/a*	89,715	**0.5%**	*n/a*	89,715	**0.9%**
Multiple Residential Metered	7,563	572,414,423	94,722,936	378,891,744	**9.1%**	*n/a*	1,263,983	**6.9%**	*n/a*	1,263,983	**12.0%**
Multiple Residential Non-Metered	182	18,533,307	3,066,885	12,267,540	**0.3%**	*n/a*	40,925	**0.2%**	*n/a*	40,925	**0.4%**
All Other Customers											
Commercial Low Strength	710	214,337,611	*n/a*	214,337,611	**5.1%**	*n/a*	268,136	**1.5%**	*n/a*	268,136	**2.5%**
Commercial Medium Strength	169	79,488,728	*n/a*	79,488,728	**1.9%**	*n/a*	265,174	**1.4%**	*n/a*	265,174	**2.5%**
Commercial High Strength	183	93,058,006	*n/a*	93,058,006	**2.2%**	*n/a*	465,662	**2.5%**	*n/a*	465,662	**4.4%**
Institutional	73	60,307,132	*n/a*	60,307,132	**1.4%**	*n/a*	125,740	**0.7%**	*n/a*	125,740	**1.2%**
Industrial[4]	18	n/a	*n/a*	2,193,192,473	**52.4%**	*n/a*	12,068,720	**65.8%**	*n/a*	4,276,452	**40.6%**
Total:	**25,759**	**3,329,058,097**	**385,507,677**	**4,182,414,658**	**100.0%**		**18,337,648**	**100.0%**		**10,545,380**	**100.0%**

1. Customer data provided by the City for FY 2022/23.
   Source files: July 22 - June 23 Residential Water and Sewer.xlsx & July 22 - June 23 Non-Residential Sewer Only_ab.
2. Residential and industrial customers are based on the number of dwelling units
   and all other customers are based on the number of accounts.
3. Annual consumption for all customer classes based on average winter water consumption.
4. Flow for industrial customer is based on wastewater flow. Strength factors are based on wastewater flow data.
   Industrial customer class includes Ceres and the community service districts of Keyes and Denair.
   Source file: Industrial Data FY22-23.xlsx.

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TABLE 40 : DEVELOPMENT OF THE CUSTOMER ALLOCATION FACTOR

Customer Class	Flow	Percent of Total
Residential Customers		
Single Family Residential Metered	16,467	**63.9%**
Single Family Residential Non-Metered	394	**1.5%**
Multiple Residential Metered	7,563	**29.4%**
Multiple Residential Non-Metered	182	**0.7%**
All Other Customers		
Commercial Low Strength	710	**2.8%**
Commercial Medium Strength	169	**0.7%**
Commercial High Strength	183	**0.7%**
Institutional	73	**0.3%**
Industrial	18	**0.1%**
Total:	**25,759**	**100.0%**

1. Residential and industrial customers are based on the number of dwelling units and all other customers are based on the number of accounts.

TABLE 41 : DEVELOPMENT OF THE COLLECTION ALLOCATION FACTOR

Customer Class	Flow MGD	Percent of Total
Residential Customers		
Single Family Residential Metered	3.08	**29.9%**
Single Family Residential Non-Metered	0.07	**0.7%**
Single Family Residential Metered	1.04	**10.1%**
Single Family Residential Non-Metered	0.03	**0.3%**
All Other Customers		
Commercial Low Strength	0.59	**5.7%**
Commercial Medium Strength	0.22	**2.1%**
Commercial High Strength	0.25	**2.5%**
Institutional	0.17	**1.6%**
Industrial	4.85	**47.1%**
City of Ceres	0.00	**0.0%**
Total:	**10.30**	**100.0%**

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TABLE 42 : INDUSTRIAL CUSTOMER DATA	Reserve Capacity			Annual Volumes		
Customer Class[1]	Flow MGD (Max Daily)	BOD lbs/day	TSS lbs/day	Flow MG	BOD lbs	TSS lbs
Industrial						
SIU #1	0.10	2,285.79	1,318.61	41.68	799,950.86	611,025.25
SIU #2	0.85	7,289.21	2,529.85	261.64	1,063,924.75	677,610.71
SIU #3	0.77	3,814.49	2,594.36	306.30	2,260,171.60	857,592.19
SIU #4	0.06	1,236.31	459.57	21.97	396,909.66	116,942.11
SIU #5	0.99	1,298.27	225.34	514.63	695,389.10	246,105.66
SIU #6	0.24	4,480.65	642.54	87.74	1,471,831.11	287,859.60
SIU #7	0.26	471.01	552.70	89.85	179,678.47	210,757.71
SIU #8	0.02	489.68	154.51	6.02	204,335.32	51,246.09
SIU #9	0.17	76.39	165.17	60.65	35,837.12	42,363.73
SIU #10	0.71	5,113.05	3,267.42	282.86	2,114,537.35	1,252,339.18
SIU #11	0.24	4,443.93	2,939.45	70.24	852,678.27	482,243.96
SIU #12	0.01	39.79	22.44	5.43	21,952.80	9,853.64
SIU #13	0.35	3,310.56	3,853.64	116.30	494,445.82	371,273.14
SIU #14	0.03	481.27	147.18	8.23	150,340.73	31,604.00
SIU #15	0.03	421.57	677.59	13.61	130,246.74	202,081.36
SIU #16	0.41	7,638.08	1,525.20	137.90	2,928,203.10	766,076.35
SIU #17	0.32	837.43	797.90	63.28	390,371.63	257,578.93
SIU #18	0.27	3,516.08	768.65	104.87	664,296.19	242,228.74
Total:	**5.84**	**47,243.55**	**22,642.12**	**2,193.19**	**14,855,100.62**	**6,716,782.34**

1. Source file: *Industrial Data FY22-23.xlsx* .

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TABLE 43 : INDUSTRIAL CUSTOMER DATA

Customer Class[1]	BOD mg/L	DAF Y/N	Timeline	Loading Reduction Potential	BOD Rem %	TSS Rem %	Phase 1 Loading BOD lbs	Phase 1 Loading TSS lbs	Phase 2 Loading BOD lbs	Phase 2 Loading TSS lbs
Industrial										
SIU #1	2301	N	1	Currently installing SAF. Expected Q2 of 2024. Staff indicated 95% removal on TSS and BOD less	50%	75%	399,975	152,756	399,975	152,756
SIU #2	488	Y	1	Currently not using chemicals. Very little sludge removal	50%	75%	531,962	169,403	531,962	169,403
SIU #3	885	N	2	pH adjustment	25%	50%	2,260,172	857,592	1,695,129	428,796
SIU #4	2166	N	0	Grease interceptor	0%	0%	396,910	116,942	396,910	116,942
SIU #5	162	N	0		0%	0%	695,389	246,106	695,389	246,106
SIU #6	2011	N	2		25%	50%	1,471,831	287,860	1,103,873	143,930
SIU #7	240	N	0		0%	0%	179,678	210,758	179,678	210,758
SIU #8	4071	N	0	Static screen	0%	0%	204,335	51,246	204,335	51,246
SIU #9	71	N	0		0%	0%	35,837	42,364	35,837	42,364
SIU #10	896	Y	1	Currently have DAF and not running air or chemical	50%	75%	1,057,269	313,085	1,057,269	313,085
SIU #11	1456	N	2	Oil skimmer & rotating drum and static screen. Not operating oil skimmer well. Project in planning stage.	25%	50%	852,678	482,244	639,509	241,122
SIU #12	485	N	0		0%	0%	21,953	9,854	21,953	9,854
SIU #13	510	N	0		0%	0%	494,446	371,273	494,446	371,273
SIU #14	2189	N	0	Grease interceptor	0%	0%	150,341	31,604	150,341	31,604
SIU #15	1148	Y	1	DAF can operate extremely well. Not operating chemical or sludge removal	50%	75%	65,123	50,520	65,123	50,520
SIU #16	2546	Y	1	DAF operations has room to improve. Project planned to reduce DAF HL.	25%	50%	2,196,152	383,038	2,196,152	383,038
SIU #17	740	N	0	Rotating drum screen	0%	0%	390,372	257,579	390,372	257,579
SIU #18	760	Y	0	Operates DAF extremely well	0%	0%	664,296	242,229	664,296	242,229
	23,123.45						**12,068,720**	**4,276,452**	**10,922,550**	**3,462,604**

1. Source file: *Industrial Data FY22-23.xlsx* .

	Loading Evaluation - lbs/yr			Reduction %		
	Current	Phase I	Phase II	Phase I	Phase II	Total
BOD	14,855,101	12,068,720	10,922,550	19%	8%	26%
TSS	6,716,782	4,276,452	3,462,604	36%	12%	48%

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TABLE 44 : INDUSTRIAL CUSTOMER DATA

	Loading Safety Factor	Flow Cap MGD	Flow Avg + SF MGD	Flow Delta lbs/day	BOD Cap lbs/day	BOD Avg + SF MGD	BOD Delta lbs/day	TSS Cap lbs/day	TSS Avg + SF MGD	TSS Delta lbs/day
Industrial										
SIU #1	1.2	0.10	0.14	0.04	2,286	2,630	344	1,319	1,674	355
SIU #2	1.2	0.85	0.86	0.01	7,289	3498	(3,791)	2,530	1,856	(673)
SIU #3	1.2	0.77	1.01	0.24	3,814	7431	3,616	2,594	2,350	(245)
SIU #4	1.2	0.06	0.07	0.01	1,236	1305	69	460	320	(139)
SIU #5	1.2	0.99	1.69	0.70	1,298	2286	988	225	674	449
SIU #6	1.2	0.24	0.29	0.05	4,481	4839	358	643	789	146
SIU #7	1.2	0.26	0.30	0.03	471	591	120	553	577	25
SIU #8	1.2	0.02	0.02	0.00	490	672	182	155	140	(14)
SIU #9	1.2	0.17	0.20	0.03	76	118	41	165	116	(49)
SIU #10	1.2	0.71	0.93	0.22	5,113	6952	1,839	3,267	3,431	164
SIU #11	1.2	0.24	0.23	(0.01)	4,444	2803	(1,641)	2,939	1,321	(1,618)
SIU #12	1.2	0.01	0.02	0.01	40	72	32	22	27	5
SIU #13	1.2	0.35	0.38	0.03	3,311	1626	(1,685)	3,854	1,017	(2,836)
SIU #14	1.2	0.03	0.03	(0.00)	481	494	13	147	87	(61)
SIU #15	1.2	0.03	0.04	0.01	422	428	7	678	554	(124)
SIU #16	1.2	0.41	0.45	0.04	7,638	9627	1,989	1,525	2,099	574
SIU #17	1.2	0.32	0.21	(0.11)	837	1283	446	798	706	(92)
SIU #18	1.2	0.27	0.34	0.08	3,516	2184	(1,332)	769	664	(105)
				1.37			**1,595.13**			**(4,239.97)**

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TABLE 45 : ALLOCATION OF SEWER REVENUE REQUIREMENTS	Total	(VOL)	(COL)	(BOD)	(TSS)	(CA)
Total Fixed Costs	**$ 8,553,752**	**$ 4,276,876**	**$ -**	**$ 2,138,438**	**$ 2,138,438**	**$ -**
Net Operating Costs	**$ 19,493,173**	**$ 8,794,278**	**$ 1,147,240**	**$ 4,288,498**	**$ 4,288,498**	**$ 974,659**
Net Revenue Requirements	**$ 28,046,925**	**$ 13,071,154**	**$ 1,147,240**	**$ 6,426,936**	**$ 6,426,936**	**$ 974,659**
Capacity Charges to Recover Fixed Costs		**Flow ($/MGD)**	**COL ($/MGD)**	**BOD ($/lbs/day)**	**TSS ($/lbs/day)**	
Fixed Costs		$ 4,276,876		$ 2,138,438	$ 2,138,438	
Design Capacity		11.29		64,419	39,817	
		$ 378,926		**$ 33.20**	**$ 53.71**	
User Charges		**Flow ($/MG)**	**COL ($/MG)**	**BOD ($/lb)**	**TSS ($/lb)**	
Net operating Costs		$ 8,794,278	$ 1,147,240	$ 4,288,498	$ 4,288,498	
Annual Volumes		4,182	3,472	18,337,648	10,545,380	
		$ 2,103	**$ 330**	**$ 0.23**	**$ 0.41**	
						Acct. Charge ($/yr)
Customer Costs						$ 974,659
Number of Accounts						25,759
						$ 37.84

TABLE 46 : ALLOCATION OF SEWER REVENUE REQUIREMENTS

Development of Allocation Factors	Net Revenue Requirements - Design Capacity					
Customer Class	**Total**	**Volume**	**Collection**	**BOD**	**TSS**	**Customer**
Residential Customers						
Single Family Residential Metered	$ 2,059,596	$ 1,166,862	$ -	$ 341,017	$ 551,717	$ -
Single Family Residential Non-Metered	49,279	27,919	-	8,159	13,201	-
Multiple Residential Metered	694,287	393,348	-	114,956	185,983	-
Multiple Residential Non-Metered	22,479	12,736	-	3,722	6,022	-
All Other Customers						
Commercial Low Strength	$ 286,356	$ 222,515	$ -	$ 24,386	$ 39,454	$ -
Commercial Medium Strength	145,656	82,522	-	24,117	39,018	-
Commercial High Strength	207,477	96,609	-	42,351	68,518	-
Institutional	92,545	62,608	-	11,436	18,502	-
Industrial	4,996,075	2,211,757	-	1,568,293	1,216,024	-
Total:	**$ 8,553,752**	**$ 4,276,876**	**$ -**	**$ 2,138,438**	**$ 2,138,438**	**$ -**

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TABLE 47 : ALLOCATION OF SEWER REVENUE REQUIREMENTS

Development of Allocation Factors	Net Revenue Requirements - Operating Costs					
Customer Class	Total	Volume	Collection	BOD	TSS	Customer
Residential Customers						
Single Family Residential Metered	$ 5,108,254	$ 2,363,366	$ 343,147	$ 876,891	$ 1,524,850	$ -
Single Family Residential Non-Metered	122,223	56,547	8,210	20,981	36,485	-
Multiple Residential Metered	1,721,986	796,688	115,674	295,599	514,025	-
Multiple Residential Non-Metered	55,753	25,795	3,745	9,571	16,643	-
All Other Customers						
Commercial Low Strength	$ 687,870	$ 450,683	$ 65,437	$ 62,707	$ 109,043	$ -
Commercial Medium Strength	361,260	167,139	24,268	62,014	107,839	-
Commercial High Strength	522,354	195,671	28,410	108,901	189,371	-
Institutional	225,759	126,807	18,412	29,406	51,135	-
Industrial	9,713,054	4,611,581	539,938	2,822,428	1,739,108	-
Total:	**$ 18,518,514**	**$ 8,794,278**	**$ 1,147,240**	**$ 4,288,498**	**$ 4,288,498**	**$ -**

TABLE 48 : ALLOCATION OF SEWER REVENUE REQUIREMENTS

Development of Allocation Factors	Net Revenue Requirements - Customer Costs					
Customer Class	Total	Volume	Collection	BOD	TSS	Customer
Residential Customers						
Single Family Residential Metered	$ 623,072	$ -	$ -	$ -	$ -	$ 623,072
Single Family Residential Non-Metered	14,908	-	-	-	-	14,908
Multiple Residential Metered	286,166	-	-	-	-	286,166
Multiple Residential Non-Metered	6,886	-	-	-	-	6,886
All Other Customers						
Commercial Low Strength	$ 26,865	$ -	$ -	$ -	$ -	$ 26,865
Commercial Medium Strength	6,395	-	-	-	-	6,395
Commercial High Strength	6,924	-	-	-	-	6,924
Institutional	2,762	-	-	-	-	2,762
Industrial	681	-	-	-	-	681
Total:	**$ 974,659**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 974,659**
Grand Total:	**$ 28,046,925**	**$ 13,071,154**	**$ 1,147,240**	**$ 6,426,936**	**$ 6,426,936**	**$ 974,659**

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TABLE 49 : ALLOCATION OF NET REVENUE REQUIREMENTS TO CUSTOMER CLASSES

Customer Class	Cost Classification Components					Cost-of-Service Net Revenue Reqts.	% of COS Net Revenue Reqts.
	Volume	Collection	BOD	TSS	Customer		
Net Revenue Requirements [1]	***$ 13,071,154***	***$ 1,147,240***	***$ 6,426,936***	***$ 6,426,936***	***$ 974,659***	***$ 28,046,925***	--
	46.6%	*4.1%*	*22.9%*	*22.9%*	*3.5%*	*100.0%*	
Residential Customers							
Single Family Residential Metered	$ 3,530,229	$ 343,147	$ 1,217,908	$ 2,076,567	$ 623,072	$ 7,790,922	*27.8%*
Single Family Residential Non-Metered	84,467	8,210	29,140	49,685	14,908	186,411	*0.7%*
Multiple Residential Metered	1,190,036	115,674	410,555	700,008	286,166	2,702,439	*9.6%*
Multiple Residential Non-Metered	38,530	3,745	13,293	22,664	6,886	85,119	*0.3%*
All Other Customers							
Commercial Low Strength	$ 673,199	$ 65,437	$ 87,094	$ 148,497	$ 26,865	$ 1,001,090	*3.6%*
Commercial Medium Strength	249,661	24,268	86,131	146,857	6,395	513,311	*1.8%*
Commercial High Strength	292,280	28,410	151,252	257,889	6,924	736,755	*2.6%*
Institutional	189,415	18,412	40,842	69,636	2,762	321,067	*1.1%*
Industrial	6,823,338	539,938	4,390,721	2,955,133	681	14,709,811	*52.4%*
Total:	**$ 13,071,154**	**$ 1,147,240**	**$ 6,426,936**	**$ 6,426,936**	**$ 974,659**	**$ 28,046,925**	**100%**

1. Revenue requirement for each customer class is determined by multiplying the revenue requirement from each cost classification by the allocation factors for each customer class.

TABLE 50 : CALCULATION OF PROPOSED SEWER RATES FOR RESIDENTIAL CUSTOMERS OPTION 1

Customer Class	No. of Dwelling Units	Annual Volume (HCF)	Total Annual Revenue Requirement	Monthly Fixed Charge Per Dwelling Unit
Residential Customers				
Single Family Residential Metered	16,467	1,502,544	$ 7,790,922	$39.43
Single Family Residential Non-Metered	394	35,951	186,411	$39.43
Multiple Residential Metered	7,563	506,506	2,702,439	$29.99
Multiple Residential Non-Metered	182	16,399	85,119	$29.99
Total:	**24,606**		**$ 10,764,891**	

TABLE 51 : CALCULATION OF PROPOSED SEWER RATES FOR RESIDENTIAL CUSTOMERS OPTION 2

Customer Class	No. of Dwelling Units	Annual Volume (HCF)	Total Annual Revenue Requirement	Monthly Capacity Per Account	Monthly Customer Charge Per Account	Monthly Fixed Charge Per Dwelling Unit	Monthly Volumetric Charge Per HCF
Residential Customers							
Single Family Residential Metered	16,467	1,502,544	$ 7,790,922	$10.42	$3.15	$13.58	$3.40
Single Family Residential Non-Metered	394	35,951	186,411	$10.42	$3.15	$13.58	$3.40
Multiple Residential Metered	7,563	506,506	2,702,439	$7.71	$3.15	$10.87	$3.40
Multiple Residential Non-Metered	182	16,399	85,119	$7.71	$3.15	$10.87	$3.40
Total:	**24,606**	**2,061,401**	**$ 10,764,891**				

TABLE 52 : CALCULATION OF PROPOSED SEWER RATES FOR INSTITUTIONAL CUSTOMERS

Customer Class	No. of Accounts	Annual Volume (HCF)	Total Annual Revenue Requirement	Monthly Capacity Per Account	Monthly Customer Charge Per Account	Monthly Fixed Charge Per Account	Monthly Volumetric Charge Per HCF
Institutional Customers							
Institutional	73	80,619	$ 321,067	$105.65	$3.15	$108.80	$2.80

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TABLE 53 : CALCULATION OF PROPOSED SEWER RATES FOR COMMERCIAL CUSTOMERS - OPTION 1

Customer Class	No. of Accounts	Annual Volume (HCF)	Total Annual Revenue Requirement	Monthly Capacity Per Account	Monthly Customer Charge Per Account	Monthly Fixed Charge Per Account[2]	Monthly Volumetric Charge Per HCF
Commercial							
Commercial Low Strength	710	286,528	$ 1,001,090	$33.61	$3.15	$36.76	$2.40
Commercial Medium Strength	169	106,261	513,311	$71.82	$3.15	$74.98	$3.40
Commercial High Strength	183	124,401	736,755	$94.48	$3.15	$97.63	$4.20
Total:	**1,062**	**517,190**	**$ 2,251,157**				

1. Monthly fixed charge is the based fixed charge plus the monthly customer charge per the number of accounts.

TABLE 54 : CALCULATION OF PROPOSED SEWER RATES FOR INDUSTRIAL CUSTOMERS

					Reserve Capacity Charge						
Customer Class	No. of Accounts	Annual Volume (gallons)	Total Annual Revenue Requirement	Monthly Admin Charge Per Account	Volumetric Charge Per Gallon	BOD Charge, per lb	TSS Charge, per lb	Volumetric Charge Per 1,000,000 Gallon	BOD Charge, per lb per day	TSS Charge, per lb per day	Volumetric Charge, Per MGD
Industrial											
Industrial	18	2,193,192,473	$ 14,709,811	$2.99	$0.0010	$0.09	$0.15	$1,037.46	$33.20	$53.71	$378,926

	Sewer Use Charges						
Volumetric Charge Per Gallon	BOD Charge, per lb	TSS Charge, per lb	Volumetric Charge Per 1,000,000 Gallon	BOD Charge, per 1,000 lb	TSS Charge, per 1,000 lb	Volumetric Charge, Per MGD
0.00210268	$0.23	$0.41	$2,103	$233.86	$406.67	$767,478

	Sewer Use Charges - NO RESERVE CAPACITY						
Volumetric Charge Per Gallon	BOD Charge, per lb	TSS Charge, per lb	Volumetric Charge Per 1,000,000 Gallon	BOD Charge, per 1,000 lb	TSS Charge, per 1,000 lb	Volumetric Charge, Per MGD
Industrial							
Industrial	0.00340771	$0.36	$0.69	$3,408	$363.81	$691.02	$1,135,568
City of Ceres	0.00311114			$3,111			

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TABLE 55 : CURRENT VS. PROPOSED SEWER RATES

Sewer Rate Schedule	Description[1]	Current Rates[2]	Proposed Sewer Rates				
			FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29
Residential Customers							
Residential - Monthly Fixed Service Charges							
Single Family Residential Metered	Per Dwelling Unit	$42.95	$36.27	$37.36	$38.48	$39.64	$40.83
Single Family Residential Non-Metered	Per Dwelling Unit	$28.95	$36.27	$37.36	$38.48	$39.64	$40.83
Multiple Residential Metered	Per Dwelling Unit	$28.95	$26.84	$27.65	$28.47	$29.33	$30.21
Multiple Residential Non-Metered	Per Dwelling Unit	$28.95	$26.84	$27.65	$28.47	$29.33	$30.21
Administrative Charge	Per Account/Dwelling Unit	$8.15	$3.15	$3.25	$3.35	$3.45	$3.55
Non-Residential Customers							
Institutional							
Monthly Fixed Service Charge	Per Account	*see TMC 6-4*	$108.80	$112.06	$115.42	$118.89	$122.45
Volumetric Charge	Per HCF	*Article 7*	$2.80	$2.88	$2.97	$3.06	$3.15
Commercial Customers							
Monthly Fixed Service Charge							
Commercial Low Strength	Per Account		$36.76	$37.87	$39.00	$40.17	$41.38
Commercial Medium Strength	Per Account		$74.98	$77.23	$79.54	$81.93	$84.39
Commercial High Strength	Per Account	*see TMC 6-4*	$97.63	$100.56	$103.58	$106.69	$109.89
Volumetric Charge		*Article 7*					
Commercial Low Strength	Per HCF		$2.40	$2.47	$2.55	$2.62	$2.70
Commercial Medium Strength	Per HCF		$3.40	$3.50	$3.61	$3.71	$3.83
Commercial High Strength	Per HCF		$4.20	$4.32	$4.45	$4.59	$4.73
Industrial Customers							
Monthly Fixed Administrative Charge	Per Account	$8.17	$2.99	$3.08	$3.17	$3.26	$3.36
Sewer Use Charges							
Flow - per MG	Per MG Sewage Flow	N/A	$3,408	$3,510	$3,616	$3,724	$3,836
BOD - per 1,000 pounds	Per 1,000 lbs. BOD	N/A	$364	$375	$386	$398	$410
TSS - per 1,000 pounds	Per 1,000 lbs. TSS	N/A	$691	$712	$733	$755	$778
City of Ceres							
Monthly Fixed Administrative Charge	Per Account	$8.17	$2.99	$3.08	$3.17	$3.26	$3.36
Sewer Use Charges							
Flow - per MG	Per MG Sewage Flow	N/A	$3,111	$3,204	$3,301	$3,400	$3,502
BOD - per 1,000 pounds	Per 1,000 lbs. BOD	N/A	$364	$375	$386	$398	$410
TSS - per 1,000 pounds	Per 1,000 lbs. TSS	N/A	$691	$712	$733	$755	$778

1. Residential sewer rates will now be billed based on the number of dwelling units versus fixture count.
2. Table 37 shows the following rates for the City's residential customers:
   - Single Family Residential Metered - Current rate for 21-25 Fixtures which represents approx. 45% of total accounts.
   - Single Family Residential Non-Metered - Current rate for Up to 15 Fixtures which represents approx. 54% of total accounts.
   - Multiple Residential Metered - Current rate for 1U up to 15 Fixtures which represents approx. 27% of total accounts.
   - Multiple Residential Non-Metered - Current rate for 1U up to 15 Fixtures which represents approx. 38% of total accounts.

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Basis for the Rate Calculations

The rates proposed herein were developed through the Comprehensive Sewer Rate Study (Rate Study) designed to meet all legal requirements and fairly and proportionally recover the necessary revenue from all customer classes. The Rate Study is available for your review at https://www.civicmic.com/city-of-turlock/. Questions can be directed to the City of Turlock's Municipal Services department at (209) 668-5590 or municipalservices@turlock.ca.us.

When Would New Rates Become Effective?

If approved, the first rate adjustment will be effective the service period beginning January 1, 2025 and adjusted annually every July 1 thereafter for a five-year period.

Protest Procedure

As the owner or ratepayer of a parcel subject to the imposition of the proposed rate adjustments, you may submit a written protest against the proposed rate changes. If the City receives written protests against proposed rates by the majority of the affected owners or customers of record prior to the end of the hearing, the Council will not approve the proposed rates. Only one written protest will be counted per identified parcel.

You have the right to withdraw a written protest that you previously submitted prior to the conclusion of the Public Hearing. The City will count all written, complete protests received by the City Clerk's office by 4:00 p.m. on October 8, 2024 or submitted, in person at the Public Hearing, prior to the close of the hearing. The City Clerk will not count written protests submitted after the conclusion of the Public Hearing.

A written protest must include (1) your name; (2) identification of the parcel by address or assessor's parcel number; (3) whether you are the owner of the parcel or the person receiving the service for which the fee is charged; (4) a statement that you are protesting the proposed rate increases; and (5) your original signature. Written protests will not be accepted by e-mail or by fax. Verbal protests will not be counted. Written protests may be submitted by mail or in person to:

City of Turlock Administration
Attn: Sewer Rate Protest
156 South Broadway, Suite 230
Turlock, CA 95380

At the Public Hearing, the City Council will hear and consider all written and oral protests to the proposed rate adjustments. Oral comments at the Public Hearing, however, will not qualify as formal protests unless accompanied by a written protest. At the conclusion of the Public Hearing, the City Council will consider adoption of the resolution authorizing the rate adjustments to the sewer service rates as described herein.

CITY OF TURLOCK
156 SOUTH BROADWAY
TURLOCK, CA 95380

IMPORTANT NOTIFICATION OF PROPOSED RATE ADJUSTMENTS FOR SEWER SERVICES

Proposition 218 Notification

NOTICE OF PUBLIC HEARING REGARDING SEWER RATE ADJUSTMENTS

PUBLIC HEARING DATE, TIME, LOCATION

October 8, 2024 at 6:00 p.m. *or soon thereafter*
City Hall, 156 South Broadway
Turlock, CA 95380
in the Yosemite Room

The City Council of the City of Turlock will hold a Public Hearing on October 8, 2024 at 6:00 p.m. or soon thereafter, in the Yosemite Room at the City of Turlock City Hall located at 156 South Broadway, Turlock, CA to consider adjustments to sewer rates imposed on all customers. If approved, the rate adjustments will commence with the service period beginning January 1, 2025 and will be adjusted annually thereafter on July 1 for a five-year period.

This notice is being sent to all impacted property owners in compliance with California Constitution Article XIII D, Section 6 (Proposition 218), which requires mailed notice at least 45 days prior to the Public Hearing at which the City Council will consider the proposed rates. Proposition 218 also establishes a protest process for the public to follow if they wish to oppose the proposed rates.

P***ursuant to Government Code section 53759, you are hereby notified that there is a 120-day statute of limitations for challenging the sewer rates. As such, if the proposed sewer rates are adopted, any judicial action or proceeding to attack, review, set aside, void, validate, or annul the ordinance, resolution, or motion adopting the updated sewer rates must be commenced within 120 days of the effective date or of the date of the final passage, adoption, or approval of the ordinance, resolution, or motion, whichever is later.***

The City of Turlock's last rate study was performed in 2008 and the sewer rates have not been updated since 2013. The City must collect revenues sufficient to cover the costs of operating the sewer system. These revenues allow the City to ensure that the sewer system continually meets or exceeds all public health and environmental standards. Costs that must be recovered through rate revenue include collection, wastewater treatment, electricity, equipment, supplies and services, debt service, and personnel. Additionally, revenues generated from utility rates are used to finance the repair and renovation of aging infrastructure and maintain reserve funds.

PROPOSED SEWER RATES

The proposed sewer rate adjustments are necessary to meet ongoing operational and maintenance needs of the City's aging sewer infrastructure, provide adequate funding for critical capital improvement projects and to maintain minimum reserve levels for the sewer utility. The current sewer rates were established over a decade ago and have not kept pace with the significant increases in operational costs for the sewer utility. Additionally, adjustments to the sewer rates are necessary to support critical infrastructure investments, such as necessary system repairs and renovations to meet new regulations. The current and proposed sewer rates charges for the next five years are presented in the Table below:

CURRENT VS PROPOSED SEWER RATES

Sewer Rate Schedule	Description[1]	Current Rates[2]	Proposed Sewer Rates				
			FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29
Residential Customers							
Residential - Monthly Fixed Service Charges							
Single Family Residential Metered	Per Dwelling Unit	$42.95	$36.27	$37.36	$38.48	$39.64	$40.83
Single Family Residential Non-Metered	Per Dwelling Unit	$28.95	$36.27	$37.36	$38.48	$39.64	$40.83
Multiple Residential Metered	Per Dwelling Unit	$28.95	$26.84	$27.65	$28.47	$29.33	$30.21
Multiple Residential Non-Metered	Per Dwelling Unit	$28.95	$26.84	$27.65	$28.47	$29.33	$30.21
Administrative Charge	Per Account/Dwelling Unit	$8.15	$3.15	$3.25	$3.35	$3.45	$3.55
Non-Residential Customers							
Institutional							
Monthly Fixed Service Charge	Per Account	*see TMC 6-4 Article 7*	$108.80	$112.06	$115.42	$118.89	$122.45
Volumetric Charge	Per HCF		$2.80	$2.88	$2.97	$3.06	$3.15
Commercial Customers							
Monthly Fixed Service Charge							
Commercial Low Strength	Per Account		$36.76	$37.87	$39.00	$40.17	$41.38
Commercial Medium Strength	Per Account		$74.98	$77.23	$79.54	$81.93	$84.39
Commercial High Strength	Per Account	*see TMC 6-4 Article 7*	$97.63	$100.56	$103.58	$106.69	$109.89
Volumetric Charge							
Commercial Low Strength	Per HCF		$2.40	$2.47	$2.55	$2.62	$2.70
Commercial Medium Strength	Per HCF		$3.40	$3.50	$3.61	$3.71	$3.83
Commercial High Strength	Per HCF		$4.20	$4.32	$4.45	$4.59	$4.73
Industrial Customers							
Monthly Fixed Administrative Charge	Per Account	$8.17	$2.99	$3.08	$3.17	$3.26	$3.36
Sewer Use Charges							
Flow - per MG	Per MG Sewage Flow	N/A	$3,408	$3,510	$3,616	$3,724	$3,836
BOD - per 1,000 pounds	Per 1,000 lbs. BOD	N/A	$364	$375	$386	$398	$410
TSS - per 1,000 pounds	Per 1,000 lbs. TSS	N/A	$691	$712	$733	$755	$778
City of Ceres							
Monthly Fixed Administrative Charge	Per Account	$8.17	$2.99	$3.08	$3.17	$3.27	$3.36
Sewer Use Charges							
Flow - per MG	Per MG Sewage Flow	N/A	$3,111	$3,204	$3,301	$3,400	$3,502
BOD - per 1,000 pounds	Per 1,000 lbs. BOD	N/A	$364	$375	$386	$398	$410
TSS - per 1,000 pounds	Per 1,000 lbs. TSS	N/A	$691	$712	$733	$755	$778

Notes:

1. Residential sewer rates will now be billed based on the number of dwelling units versus fixture count.
2. The table shows the following rates for the City's residential customers:

- Single Family Residential Metered - Current rate for 21-25 Fixtures which represents approx. 45% of total accounts.
- Single Family Residential Non-Metered - Current rate for Up to 15 Fixtures which represents approx. 54% of total accounts.
- Multiple Residential Metered - Current rate for 1U up to 15 Fixtures which represents approx. 27% of total accounts.
- Multiple Residential Non-Metered - Current rate for 1U up to 15 Fixtures which represents approx. 38% of total accounts.

Additional detail on calculation of residential and non-residential sewer rates as well as commercial uses' strength categories can be found in the Comprehensive Sewer Rate Study.