City of Pleasanton

2026 Sewer Rate Study

Final Report – August 2026

Prepared by: Water Resources Economics, LLC

Water Resources Economics

PROMOTING THE VALUE AND PRICE OF WATER SERVICE

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August 31, 2026

Siew-Chin Yeong
Director of Public Works
City of Pleasanton
P.O. Box 520
Pleasanton, CA 94566

Subject: City of Pleasanton Sewer Rate Study

Dear Ms. Yeong,

Water Resources Economics, LLC (WRE) is pleased to submit this 2026 Sewer Rate Study to the City of Pleasanton (City). The goal of the study was to develop a four-year rate schedule of sewer rates that will sufficiently fund the City's sewer system expenses, allow the City to meet its financial goals within the study period, and comply with cost-of-service principles.

This study utilized industry-standard rate-setting methodology in accordance with guidelines developed by the American Water Works Association (AWWA) and incorporates guidance provided by the City's Council. Our project team has a proven track record of developing fair and equitable rates for numerous public utility agencies in California over the past 25 years. We are confident in our ability to develop sewer rates that satisfy the requirements of Proposition 218.

The City's sewer connection fees, which are one-time fees charged to new customers connecting to the sewer system, were also updated in this study based on the most up-to-date asset valuations and capacity data. The proposed connection fees have been prepared using the buy-in methodology and in accordance with the requirements of Proposition 26.

It has been a pleasure assisting the City, and we appreciate the support provided by yourself, Mr. Todd Yamello, the City Council, and other City staff during this study.

Sincerely,

Sanjay Gaur
Founder / President

Nancy Phan
Principal Consultant

Addendum to Pleasanton 2026 Sewer Rate Study Report

August 31, 2026

PURPOSE

This addendum documents an update to the July 2026 Consumer Price Index (CPI) adjustment used in the City of Pleasanton sewer rate study. During development of the study, a 3.0% CPI adjustment was assumed for the City's sewer collection rates effective July 1, 2026. On August 25, 2026, WRE was notified that the actual CPI adjustment implemented by the City was 2.48%. This update does not change the proposed City sewer rates presented to the City Council.

JULY 2026 CPI ADJUSTMENT

During development of the sewer rate study, City staff advised the rate study team to assume a 3.0% CPI adjustment to the City's sewer rates effective July 1, 2026. The resulting rates and 3.0% CPI assumption were included in the April 8, 2026 inputs presentation reviewed and approved by City staff.

On August 25, 2026, WRE was notified that the actual CPI adjustment implemented effective July 1, 2026 was 2.48%. As a result, the actual July 2026 sewer rates are slightly lower than those reflected in the rate study. **Table 1** compares the rate study inputs with the actual rates.

Table 1: Comparison of Rate Study Inputs and Actual Rates Effective July 1, 2026

Current Sewer Collection Rates	Rate Study (Assumed CPI Increase of 3%)	Adopted Rates (Actual CPI Increase of 2.48%)
Residential Bi-Monthly Fixed Charges		
Single Family	$31.70	$31.53
Single Family w/ 2nd Residence	$48.28	$48.02
Condo	$21.77	$21.65
Multi-Family	$16.58	$16.49
Commercial Consumption Charges ($/ccf)		
Auto Steam Cleaning	$1.79	$1.77
Bakery	$1.78	$1.76
Laundry	$1.79	$1.77
Grocery with Disposal	$1.71	$1.70
Mortuary	$2.09	$2.07
Restaurant, Fast Food	$1.67	$1.66
Restaurant, Full Service	$1.67	$1.66
All Other	$1.51	$1.50
Institutional Consumption Charges ($/ccf)		
Schools, Submetered	$1.46	$1.44
Schools, Not Submetered	$0.95	$0.94

The difference in the July 2026 CPI adjustment does not change the revenue requirement presented to the City Council, which reflects the revenues necessary to fund the City's sewer collection system. Accordingly, the revenue requirement and proposed future City sewer rates developed through the rate study remain unchanged.

CONCLUSION

The update to the July 2026 CPI adjustment affects the current Pleasanton sewer collection rates used to calculate customer bill impacts. It does not affect the City's sewer collection system revenue requirement or the proposed future City sewer rates developed through the rate study. All applicable updates have been reflected in the City's Proposition 218 notice.

TABLE OF CONTENTS

LIST OF TABLES

LIST OF FIGURES

1. EXECUTIVE SUMMARY

1.1 SYSTEM OVERVIEW

The City of Pleasanton (City) provides sewer collection services to over 21,000 Residential, Commercial, Industrial, and Institutional service connections. The City's service area is in the Amador Valley and is a suburb in the East Bay region of the San Francisco Bay Area, encompassing approximately 25 square miles.

The sewer collection system, which is owned and operated by the City, consists of 8 siphons, 11 lift stations, 6,500 manholes, 4.9 miles of force mains, and 260 miles of gravity pipelines to collect and transport wastewater to regional treatment facilities. The City's wastewater is transported to Dublin San Ramon Services District (DSRSD) Regional Wastewater Treatment Facility, except for wastewater from Ruby Hill area which is sent to the City of Livermore's Water Reclamation Plant. The City also has agreements with Alameda County that allow wastewater flows from the Castlewood Service Area to be transported through the City's collection system for DSRSD treatment.

Sewer charges and fees for each customer include both local sewer collection and regional wastewater treatment components. The City sets local collection charges and fees, while regional treatment charges and fees are set by DSRSD and the City of Livermore and are passed through directly to the City's customers. This study will only evaluate the City's local sewer collection charges and fees.

1.2 RATE STUDY OVERVIEW

Public retail utility agencies in California typically conduct a cost-of-service study every five years to ensure that customers are appropriately charged for sewer service and to reestablish the cost-of-service nexus that is required by Proposition 218. The City's existing sewer rate structure was developed in 2022, and the City has historically only adjusted rates annually based on CPI (Consumer Price Index) to keep pace with inflation and routine O&M (Operations & Maintenance) changes. In 2025, the City updated its Sewer System Management Plan (SSMP), with the latest revision in 2026, and adopted a Long-Term Sewer Capital Improvement Plan (CIP) to be reviewed every two years and updated every six years. These documents identify capital improvement, operation, and maintenance needs over the next 20 years and serve as the foundation for future rate-setting and financial planning.

The City engaged Water Resources Economics, LLC (WRE) in 2025 to conduct a comprehensive sewer rate study, with the following objectives:

- Evaluate financial plan scenarios to meet financial targets for Fiscal Year (FY) 2026[1] to FY 2030
- Conduct a cost-of-service analysis based on most recent data and customer use characteristics
- Develop a four-year sewer rate schedule for FY 2027 through FY 2030
- Calculate updated sewer connection fees based on most recent cost estimates

1.3 LEGAL REQUIREMENTS[2]

Legal considerations relating to retail sewer rates in California focus heavily on Proposition 218, which was enacted in 1996 and is now reflected in Article XIII C and Article XIII D of the California Constitution. Proposition 218 states that "property related fees and charges" (which include sewer rates) may not exceed the proportional cost of providing the service to the customer and may not be used for any purpose other than providing said service. The practical implication is that public retail utility agencies in California must demonstrate a sufficient nexus between the costs incurred by the agency to provide sewer service and the rates charged to customers. The primary means by which retail sewer agencies address this requirement is by conducting a "cost-of-service analysis." Proposition 218 also affects the rate adoption process by requiring agencies to hold a public hearing to adopt rates. The agency must mail public hearing notices to all customers no fewer than 45 days prior to the public hearing. The public hearing notices must clearly show all proposed rate changes, provide information on the public hearing date/time/location, and provide instructions on how customers may protest the proposed rate changes. If a majority of customers submit a protest, the proposed rate changes cannot be adopted.

Sewer connection fees are regulated under Proposition 26, which was approved by voters in 2010 and amended provisions of Article XIII A and Article XIII C of the California Constitution. Proposition 26 defines what types of charges are considered a "tax" (which is subject to a two-thirds voter approval) and are not considered as such. Based on the definitions provided by Proposition 26, "a charge imposed for a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government conferring the benefit or granting the privilege" and "a charge imposed for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product" are not considered "taxes." As such, sewer connection fees are not taxes and do not require two-thirds voter approval. However, the

[1] FY 2026 is the year starting July 1, 2025, and ending June 30, 2026.
[2] Although this section is named "Legal Requirements" and discusses Proposition 218 and 26, WRE is not a law firm and does not provide legal advice.

calculation of connection fees must follow cost-of-service principles to prove that the fees charged do not exceed the reasonable costs of connecting new customers to the City's existing sewer system.

1.4 RATE-SETTING METHODOLOGY

This study was conducted using industry-standard methodology outlined by the American Water Works Association (AWWA) in its *Manual of Water Supply Practices M1: Principles of Water Rates, Fees and Charges, Seventh Edition* (M1 Manual).

The rate study process includes the following steps:

1. **Financial Plan**: Annual revenues and expenses are projected over the rate-setting period to determine the magnitude of rate increases needed to maintain financial sufficiency. Financial policies, such as reserve targets, are also evaluated and updated if necessary.
2. **Cost-of-Service Analysis**: Costs are allocated to customers in proportion to the use of and burden on the sewer system. The overall goal is to establish a robust nexus between the costs incurred by an agency and the rates charged to customers, as required by Proposition 218.
3. **Rate Design**: The existing rate structure is evaluated, and potential changes are identified. A multi-year proposed rate schedule is then calculated directly from the results of the financial plan and cost-of-service analysis.
4. **Rate Study Documentation**: A rate study report is developed to document the proposed rate development process. This provides transparency and enhances legal defensibility in light of Proposition 218 requirements. This document serves as the report for this rate study.

1.5 ADDITIONAL INFORMATION AND DISCLAIMERS

This report summarizes the data, analyses, processes, and results of the City's sewer rate study. Some important information to keep in mind when reading the report includes the following:

- All study projections are based on the best available data as of May 2026.
- All table values are rounded to the nearest digit shown, unless stated otherwise. However, all calculations are based on precise values. Attempting to manually recreate the calculations described in this report from the values displayed in tables may therefore produce slightly different results.
- All current and proposed rates in this report are shown on a bi-monthly basis.

1.6 CURRENT SEWER RATES

Table 1-1 shows the City's current sewer collection rates based on the rate structure devised in the most recent sewer rate study from 2022, with rates for following years annually adjusted based on CPI.

The City's current sewer rates include bi-monthly fixed charges for Residential customers based on dwelling units (DUs) and consumption charges based on water use in hundred cubic feet (ccf) for Commercial, Industrial, and Institutional customers. Commercial, Industrial, and Institutional customers also have a minimum fixed charge equal to the Multi-Family charge. Note that some Residential customers are charged on the property tax roll and therefore receive one annual bill for sewer service (equal to six billing periods multiplied by the respective residential bi-monthly fixed charge) rather than bi-monthly bills under the utility's billing system.

The City currently has a discount program funded by the City's General Fund for customers in the Ruby Hill service area that receive a 10% discount off all bi-monthly bills. Additionally, customers in the Castlewood Service Area are charged 7.785% of total Pleasanton charges in accordance with agreements with Alameda County to reflect use of the City's collection system.

Table 1-1: Current Pleasanton Collection Sewer Rates

Line	Current Pleasanton Collection Sewer Rates	Effective 7/1/2024	Effective 1/1/2026	Effective 7/1/2026
1	**Bi-Monthly Fixed Charges ($/ DU)**			
2	**Residential**			
3	Single Family	$29.96	$30.77	$31.70
4	Single Family w/ 2nd Residence	$45.64	$46.87	$48.28
5	Condo	$20.57	$21.13	$21.77
6	Multi-Family	$15.67	$16.09	$16.58
7				
8	**Consumption Charges ($/ ccf)**			
9	**Commercial/ Industrial**			
10	Auto Steam Cleaning	$1.68	$1.73	$1.79
11	Bakery	$1.67	$1.72	$1.78
12	Laundry	$1.68	$1.73	$1.79
13	Grocery with Disposal	$1.62	$1.66	$1.71
14	Mortuary	$1.97	$2.02	$2.09
15	Restaurant, Fast Food	$1.58	$1.62	$1.67
16	Restaurant, Full Service	$1.58	$1.62	$1.67
17	All Other	$1.42	$1.46	$1.51
18	**Institutional**			
19	Schools, Submetered	$1.37	$1.41	$1.46
20	Schools, Not Submetered	$0.90	$0.92	$0.95
21	**Minimum Consumption Charge**	**$15.67**	**$16.09**	**$16.58**

1.7 FINANCIAL PLAN

WRE worked closely with City staff and City Council to determine the financial plan scenario that best suits the City's needs. The results and recommendations of the sewer rate study are driven by the City's financial performance, input from City staff, and feedback and direction from City Council.

FACTORS AFFECTING FINANCIAL PERFORMANCE

The sewer system's financial performance is driven by the ability of the current sewer rates to meet the City's funding needs. To maintain financial sufficiency, sewer rates must fully fund O&M costs, CIP expenditures based on the City's SSMP, and any relevant financial policies, which typically include reserve policy targets and debt coverage requirements.

The key factors affecting financial performance include:

- **Substantial capital investment needs over the next four years:** The cost of planned CIP expenditures from FY 2026 through FY 2030 totals approximately $39.3 million (M). Of the total cost of planned CIP expenditure, $28.0M will be funded with new debt. This CIP funding plan was designed to address high priority infrastructure needs while phasing other improvements over time to responsibly manage costs and long-term system risks. The major projects include pipe bridge and siphon improvements as well as lift station, generator, and pipeline replacements intended to meet current sanitary sewer system regulatory requirements outlined by the State Water Resources Control Board (SWRCB) and City Council-approved SSMP on sewer inspection, maintenance, cleaning, repair, and replacement.
- **New O&M expenses and cost increases:** Implementation of the City's planned CIP requires new O&M expenses, programs, and additional staffing costs in accordance with the City's SSMP, totaling approximately $15.3M over the four-year rate setting period. Additionally, the City's existing O&M fund base expenses are projected to increase by 3.6% on average over the four-year rate setting period due to inflationary pressures. Based on current rates and projected expenses, the City is not expected to cover its existing O&M expenses in FY 2026.
- **Debt coverage requirements:** The City plans to issue approximately $28.6M in new debt to fund CIP. Annual debt service payments relating to new debt for CIP fluctuate between $444.8 thousand (K) in FY 2028 and $2.1M in FY 2030. The City must maintain a debt coverage ratio of 125% to meet proposed debt coverage requirements[3]. This means that the City's net operating revenues (excluding CIP funding sources and expenditure) must be at least 1.25 times the proposed annual debt service in each year.
- **Reserve policy targets:** The City's current operating reserve policy, which is shown in **Table 1-2**, allows the City to maintain cash on hand to meet short-term cash flow requirements. Sewer utility operations are organized amongst several funds; however, this study focuses on the unrestricted Sewer O&M Fund (Fund 430), Sewer Replacement Fund (Fund 434), and Sewer CIP Fund (Fund 431). The operating reserve policy only applies to

[3] Debt coverage is calculated for the entire sewer utility (O&M, Replacement and CIP funds combined).

Sewer O&M and Replacement Funds (Funds 430 and 434)[4]. Prior to any revenue adjustments, the City projected O&M and Replacement Fund balances are below the operating reserve target in FY 2026.

Table 1-2: Adopted Reserve Policy and FY 2026 O&M and Replacement Fund Balance

Line	Adopted Reserve Policy	Description	FY 2026
1	Operating Reserve Target	35% of annual O&M expenses	$7,367,794
2	**Ending O&M and Replacement Fund Balance (Before Rate Adjustments)**		**$6,961,548**

1.8 STATUS QUO FINANCIAL PLAN

The first step in evaluating the City's financial performance is to develop a "status quo financial plan," which is the scenario in which the City does not increase its sewer rate revenues. This exercise is to determine whether the City's current sewer rates are sufficient to meet key financial performance metrics. This section shows Sewer O&M and Replacement fund balances.

Table 1-3 shows the revenue adjustments, debt issuance, and debt proceeds for CIP related to the status quo scenario. This scenario assumes no revenue adjustments above the City's existing sewer rates and no new proposed debt.

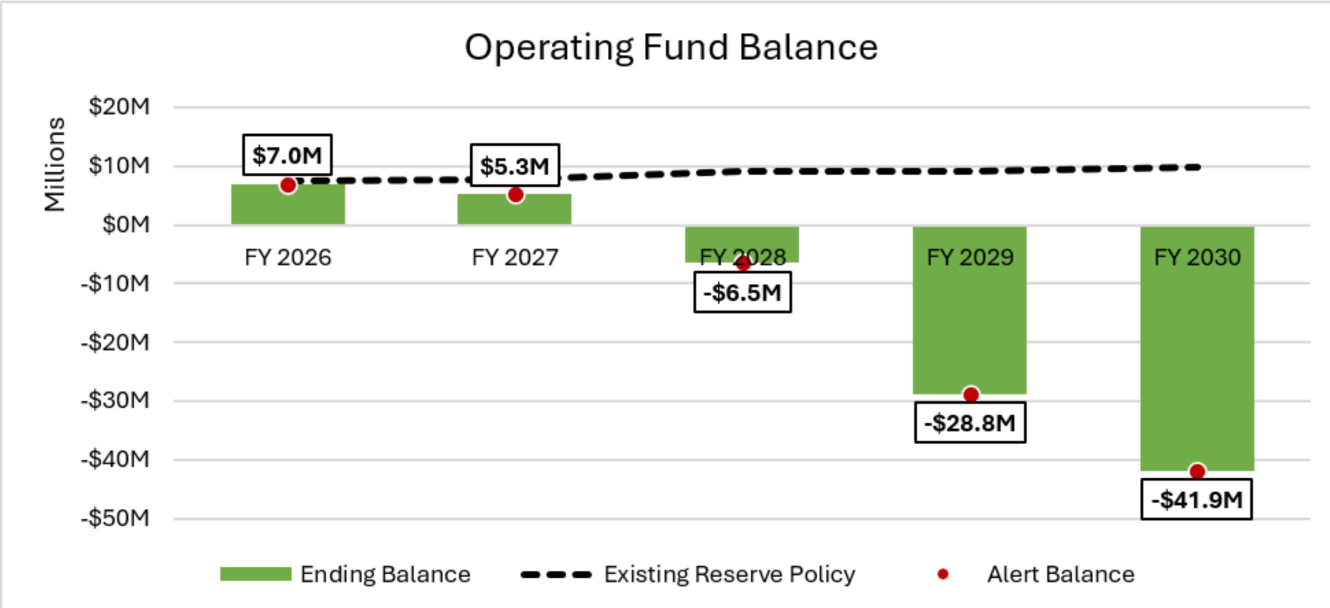
Table 1-3: Financial Plan Scenario (Status Quo)

Line	Fiscal Year	Effective Date	Revenue Adjustments	Debt Issuance	Debt Proceeds for CIP
1	FY 2027	1/1/2027	0.0%	$0	$0
2	FY 2028	7/1/2027	0.0%	$0	$0
3	FY 2029	7/1/2028	0.0%	$0	$0
4	FY 2030	7/1/2029	0.0%	$0	$0

Figure 1-1 shows the projected fund balances under the status quo scenario. The green bars represent the ending fund balances for the O&M and Replacement reserves (Funds 430 and 434), and the dashed line represents the operating reserve policy target. In this scenario, the City will not meet its operating reserve target starting in FY 2026, indicated by the alert balance (red circles). Projected fund balances will be negative starting in FY 2028.

[4] The Sewer O&M Fund (Fund 430) supports the utility's ongoing O&M costs while the Sewer Replacement Fund (Fund 434) supports routine repair and replacement of existing sewer system infrastructure, excluding CIP.

Figure 1-1: Projected O&M and Replacement Fund Balances (Status Quo)



1.9 PROPOSED FINANCIAL PLAN

Overall annual increases in sewer rate revenues resulting from rate increases are referred to as "revenue adjustments." WRE worked with City Council and City staff to determine the most appropriate financial plan scenario, which is shown in **Table 1-4**.

The proposed financial plan scenario includes four years of revenue adjustments, which are required to maintain financial sufficiency and resiliency, and three debt issuances in FY 2028 through FY 2030 to fund $28.0M worth of CIP. Significant projects include pipe bridge and siphon improvements as well as lift station, generator, and pipeline replacements intended to meet current sanitary sewer system regulatory requirements outlined by the SWRCB and City Council-approved SSMP on sewer inspection, maintenance, cleaning, repair, and replacement.

Table 1-4: Financial Plan Scenario (Proposed)

Line	Fiscal Year	Effective Date	Revenue Adjustments	Debt Issuance	Debt Proceeds for CIP
1	FY 2027	1/1/2027	100.0%	$0	$0
2	FY 2028	7/1/2027	10.0%	$6,122,449	$6,000,000
3	FY 2029	7/1/2028	10.0%	$16,326,531	$16,000,000
4	FY 2030	7/1/2029	10.0%	$6,122,449	$6,000,000

PROPOSED FINANCIAL PLAN

The proposed financial plan applies the revenue adjustments and debt issuances, shown in **Table 1-4**, to reevaluate financial performance based on the Sewer O&M and Replacement fund balances and debt coverage for the newly proposed debt.

Figure 1-2 shows the projected O&M and Replacement fund balances under the proposed scenario. In this scenario, the City will meet its operating reserve target by the end of the planning period in FY 2030.

Figure 1-2: Projected O&M and Replacement Fund Balances (Proposed)

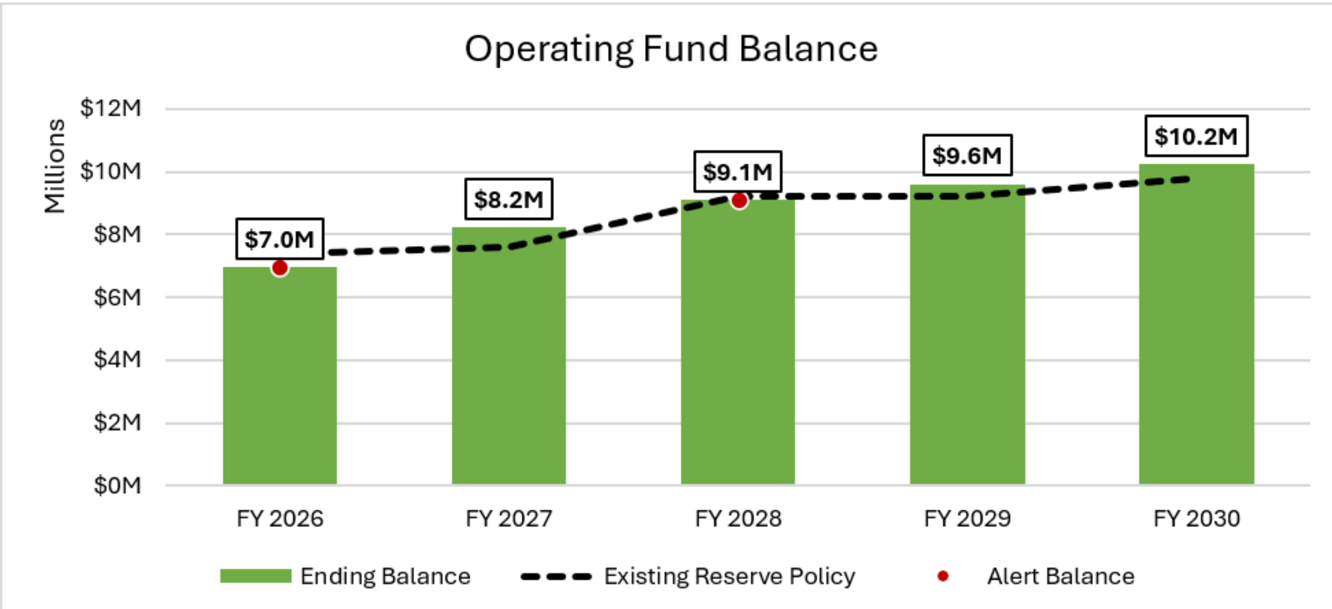
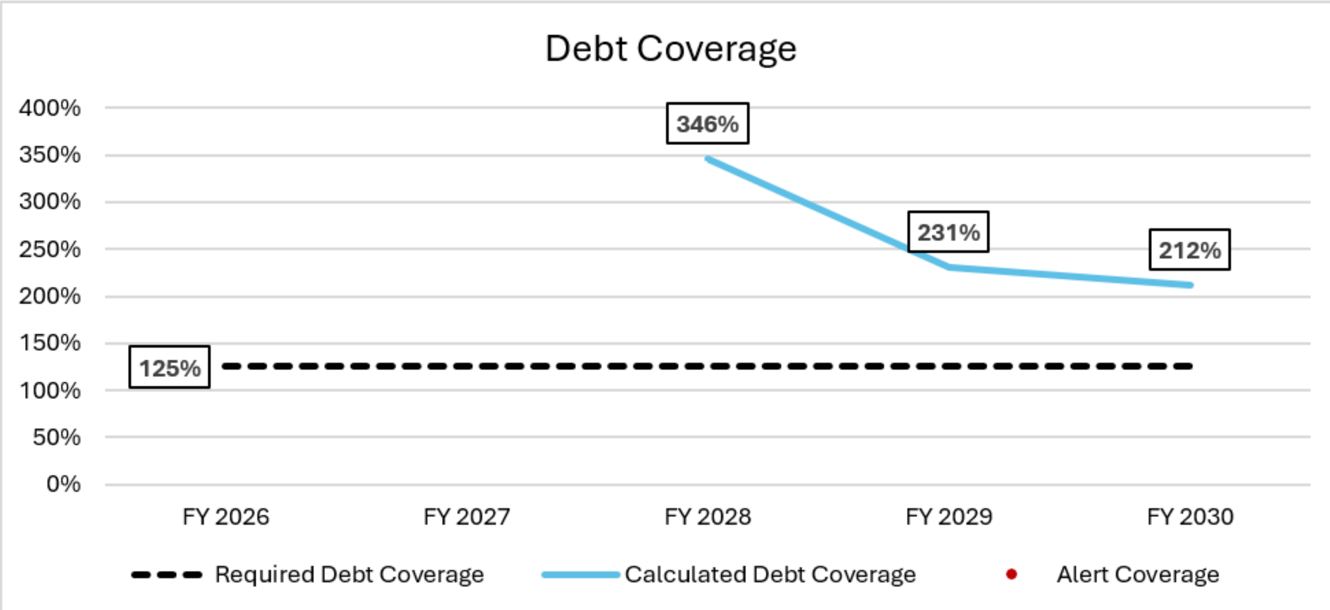


Figure 1-3 shows the projected debt coverage under the proposed scenario. In this scenario, the City will meet its debt coverage requirements in all years for newly proposed debt starting in FY 2028.

Figure 1-3: Projected Debt Coverage (Proposed)



1.10 COST-OF-SERVICE ANALYSIS AND SEWER RATES

A cost-of-service analysis is a technical process used to determine the cost of providing sewer service to the City's customers based on each customer's use of and burden on the sewer system. The cost-of-service analysis is the basis of the nexus between the costs incurred by the utility to provide sewer service and the sewer rates charged to customers, which is a requirement of Proposition 218.

COST-OF-SERVICE AND RATES METHODOLOGY

The overall goal of the cost-of-service analysis is to develop "unit costs," which provide the basis from which proposed rates are directly calculated. Note that although the study period spans multiple years, the cost-of-service analysis is limited to a single representative year referred to as the "test year." The test year in this study is FY 2027.

The proposed sewer rate schedule was developed based on the results of the proposed financial plan and cost-of-service analysis. The key steps in conducting a cost-of-service analysis and developing the proposed rate schedule are outlined below:

- **Revenue requirement determination**: The revenue requirement for the test year is determined based on the results of the proposed financial plan and allocated to each customer class based on wastewater flow estimates.
- **Unit cost development**: Allocated revenue requirements are divided by the appropriate units of service for each customer class to establish unit costs for the test year (FY 2027).

Unit costs represent proposed rates for the first year of rates (FY 2027). Although total rate revenues in the first year of adjustments (FY 2027) are designed to increase by the proposed revenue adjustment percentage (100% in FY 2027), the proposed percentage increase to each rate/charge varies due to the updated cost-of-service allocations.

- **Rate schedule development**: Proposed rates for the full study period are calculated by increasing the FY 2027 rates by the proposed annual revenue adjustment percentages from the proposed financial plan.

1.11 PROPOSED SEWER RATES

WRE worked with the City Council and City staff to determine the most appropriate sewer rate structure that meets the City's needs.

PROPOSED RATE STRUCTURE CHANGES

Currently, the City charges different bi-monthly fixed residential charges to Condo and Multi-Family customers. WRE recommends aligning the Condo and Multi-Family bi-monthly fixed charges to simplify the City's rate structure and better align with peer agency practices, including DSRSD. Because Condo and Multi-Family customers have similar household densities and estimated wastewater generation characteristics, combining these customer classes into a single rate is appropriate.

The City also currently charges different Commercial and Industrial variable charges based on commercial class. WRE recommends consolidating these charges into one variable charge applicable to all Commercial and Industrial customers in line with cost-of-service principles and DSRSD's customer classifications. Collection and transport costs associated with delivering wastewater to regional treatment facilities are primarily driven by wastewater flow and do not vary based on commercial class.

The proposed four-year sewer rate schedule in this section is based on the updated cost-of-service analysis and the proposed revenue adjustments in the four-year period. The rate schedule shows the proposed sewer rates to be implemented starting in January 2027 and every July thereafter.

Table 1-5 shows the current[5] and proposed bi-monthly fixed residential charges, commercial and industrial variable charges, and institutional variable charges.

[5] Current rates are based on an assumed 3.0% CPI increase from rates effective in January 2026.

Table 1-5: Current and Proposed Pleasanton Collection Sewer Rates

Line	Pleasanton Collection Sewer Rates	Current 7/1/2026	Effective 1/1/2027	Effective 7/1/2027	Effective 7/1/2028	Effective 7/1/2029
1	**Bi-Monthly Fixed Residential Charges ($/DU)**					
2	Single Family	$31.70	$57.03	$62.74	$69.02	$75.93
3	Single Family w/ 2nd Residence	$48.28	$96.53	$106.19	$116.81	$128.50
4	Condo	$21.77	$39.51	$43.47	$47.82	$52.61
5	Multi-Family	$16.58	$39.51	$43.47	$47.82	$52.61
6						
7	**Commercial/Industrial Variable Charges ($/ccf)**					
8	All Commercial/Industrial Customers	N/A	$4.08	$4.49	$4.94	$5.44
9	Minimum Charge	$16.58	$39.51	$43.47	$47.82	$52.61
10						
11	**Institutional Variable Charges ($/ccf)**					
12	Schools, Submetered	$1.46	$2.03	$2.24	$2.47	$2.72
13	Schools, Not Submetered	$0.95	$0.88	$0.97	$1.07	$1.18

CUSTOMER IMPACTS

WRE evaluated the impacts to all of the City's customer classes (Residential and Non-Residential) based on the proposed sewer rates effective in January 2027 compared to CPI-adjusted rates effective in July 2026. Total customer impacts include the effect of both Pleasanton collection charges (**Table 1-5**) and DSRSD and City of Livermore treatment pass-through charges.

Table 1-6 shows the FY 2027 (Effective 7/1/2026) DSRSD and City of Livermore treatment pass-through charges utilized to show the full customer impact to each customer class. All customer classes receive treatment services from DSRSD except for Ruby Hill customers which receive treatment services from the City of Livermore. To determine the DSRSD treatment rate for each Pleasanton Non-Residential customer class, the most closely associated DSRSD strength class is allocated to each commercial class based on review of account-level FY 2025 Pleasanton and DSRSD billing data.

Table 1-6: DSRSD and Livermore Treatment Pass-Through Charges

Line	DSRSD and Livermore Treatment Pass-Through Charges ($/ ccf)	Billed DSRSD / Livermore Class	FY 2027 Treatment Rate
1	**Pleasanton / DSRSD**		
2	Single Family	Single Family	$65.58
3	Single Family w/ 2nd Residence	Single Family w/ 2nd Residence	$116.74
4	Condo	Condo	$51.15
5	Multi-Family	Multi-Family	$51.15
6	**Ruby Hill / Livermore**		
7	Single Family	Single Family	$140.38
8	**Non-Residential**		
9	Auto Steam Cleaning	Between 900 and 1,050 mg/L	$9.06
10	Bakery	Between 900 and 1,050 mg/L	$9.06
11	Laundry	Less than or equal to 300 mg/L	$3.80
12	Grocery with Disposal	Between 750 and 900 mg/L	$8.01
13	Mortuary	Between 750 and 900 mg/L	$8.01
14	Restaurant, Fast Food	Between 450 and 600 mg/L	$5.92
15	Restaurant, Full Service	Between 600 and 750 mg/L	$6.98
16	All Other	Less than or equal to 300 mg/L	$3.80
17	Schools, Submetered	Less than or equal to 300 mg/L	$3.80
18	Schools, Not Submetered	Less than or equal to 300 mg/L	$3.80

Table 1-7 shows the proposed bi-monthly bill impacts for each Residential customer class. Current and proposed collection bills include City of Pleasanton collection charges only (**Table 1-5**, Lines 2-5). Current and proposed combined bills include FY 2027 treatment costs in addition to Pleasanton collection bills. Based on current and proposed charges, the bi-monthly impact to Single Family customers will be $25.33.

Rates for customers in the Ruby Hill service area may differ from those shown. The City currently provides a 10% discount on sewer collection charges for all bi-monthly bills, funded by the City's General Fund. This discount is subject to annual approval by the Cities of Pleasanton and/or Livermore.

Table 1-7: Residential Customer Bi-Monthly Bill Impacts

Line	Residential Customers	Current Collection Bill	Proposed Collection Bill	Difference ($)	Current Combined Bill	Proposed Combined Bill	Difference ($)
1	Single Family	$31.70	$57.03	**$25.33**	$97.28	$122.61	**$25.33**
2	Single Family w/ 2nd Residence	$48.28	$96.53	**$48.25**	$165.02	$213.27	**$48.25**
3	Condo	$21.77	$39.51	**$17.74**	$72.92	$90.66	**$17.74**
4	Multi-Family	$16.58	$39.51	**$22.93**	$67.73	$90.66	**$22.93**

Table 1-8 shows the proposed bi-monthly bill impacts for each Non-Residential customer class (including current Commercial, Industrial, and Institutional customer classes) based on average bi-monthly usage in ccf for each class. Current and proposed collection bills include City of Pleasanton collection charges only (**Table 1-1**, Lines 10-21 and **Table 1-5**, Line 8). Current and proposed combined bills include FY 2027 treatment costs in addition to Pleasanton collection bills. For Commercial customers, the minimum charge includes an allotment of consumption equal to the minimum charge divided by the applicable volumetric rate, rounded up to the next whole ccf, with usage above the allotment charged at the applicable volumetric rate.

The most common Commercial and Industrial customer classifications are All Other and Full Service Restaurant. Based on current and proposed changes, the bi-monthly impact to a typical office or retail customer in the All Other classification using 94 ccf of water will be an increase of $240.32. Similarly, the bi-monthly impact to a Full Service Restaurant using 154 ccf of water will be an increase of $369.97.

For Institutional customers, the most common customer classification is Submetered Schools. The bi-monthly impact to a Submetered School using 172 ccf of water will be an increase of $98.04.

Table 1-8: Non-Residential Customer Impacts

Line	Non-Residential Customers	Average Bi-Monthly Use (ccf)	Current Collection Bill	Proposed Collection Bill	Difference ($)	Current Combined Bill	Proposed Combined Bill	Difference ($)
1	Auto Steam Cleaning	24	$41.64	$96.63	**$54.99**	$255.87	$310.86	**$54.99**
2	Bakery	221	$392.16	$900.39	**$508.23**	$2,391.21	$2,899.44	**$508.23**
3	Laundry	20	$34.48	$80.31	**$45.83**	$112.23	$158.06	**$45.83**
4	Grocery with Disposal	171	$291.89	$696.39	**$404.50**	$1,664.69	$2,069.19	**$404.50**
5	Mortuary	15	$31.21	$59.91	**$28.70**	$154.45	$183.15	**$28.70**
6	Restaurant, Fast Food	97	$161.87	$394.47	**$232.60**	$733.98	$966.58	**$232.60**
7	Restaurant, Full Service	154	$257.06	$627.03	**$369.97**	$1,334.27	$1,704.24	**$369.97**
8	All Other	94	$141.91	$382.23	**$240.32**	$500.86	$741.18	**$240.32**
9	Schools, Submetered	172	$251.12	$349.16	**$98.04**	$904.72	$1,002.76	**$98.04**
10	Schools, Not Submetered	1,394	$1,324.30	$1,226.72	**($97.58)**	$6,621.50	$6,523.92	**($97.58)**

RATE SURVEY

WRE compared the current and proposed combined bi-monthly sewer bills for Single Family, Full Service Restaurant, and Submetered School customers at average monthly usage relative to the current bills of nearby agencies serving the Tri-Valley Cities (Dublin, Livermore, and Pleasanton).

Figure 1-4 shows the current and proposed bi-monthly bills for Single Family customers relative to other nearby agencies. Currently Pleasanton bills are comparable to DSRSD and substantially below Livermore bills. After the proposed changes, Pleasanton bills are near the midpoint of the range, remaining higher than DSRSD bills and lower than Livermore bills.

Figure 1-4: Single Family Bi-Monthly Sewer Rate Survey

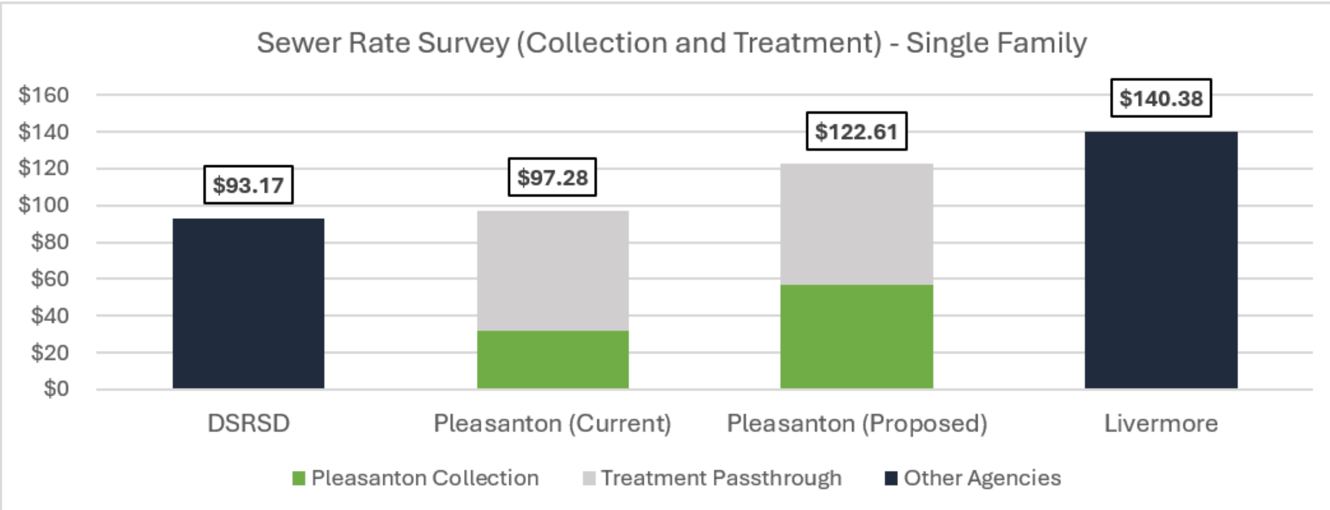


Figure 1-5 shows the current and proposed bi-monthly bills for Full Service Restaurant customers at average usage (154 ccf) relative to other nearby agencies. Currently Pleasanton bills are the lowest amongst all agencies surveyed. After the proposed changes, Pleasanton bills are near the midpoint of the range, falling higher than DSRSD bills and lower than Livermore bills.

Figure 1-5: Full Service Restaurant Sewer Rate Survey

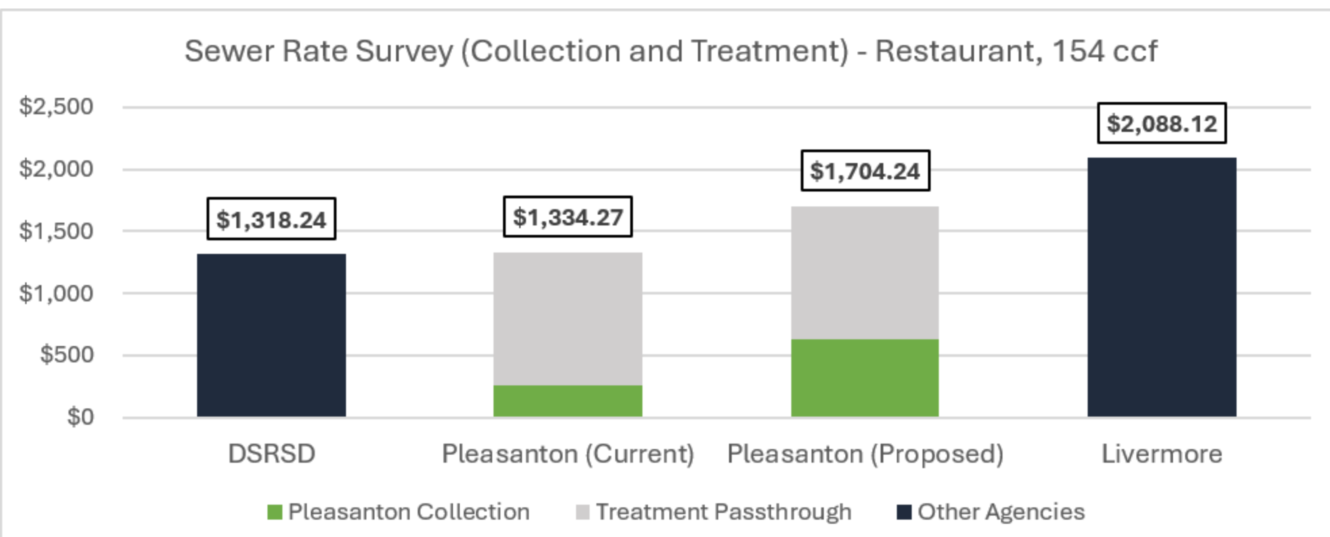


Figure 1-6 shows the current and proposed bi-monthly bills for Submetered School customers at average usage (172 ccf) relative to other nearby agencies. Currently Pleasanton bills are the lowest amongst all agencies surveyed. After the proposed changes, Pleasanton bills are

comparable to Livermore bills, falling higher than DSRSD bills and slightly lower than Livermore bills.

Figure 1-6: Schools Submetered Sewer Rate Survey

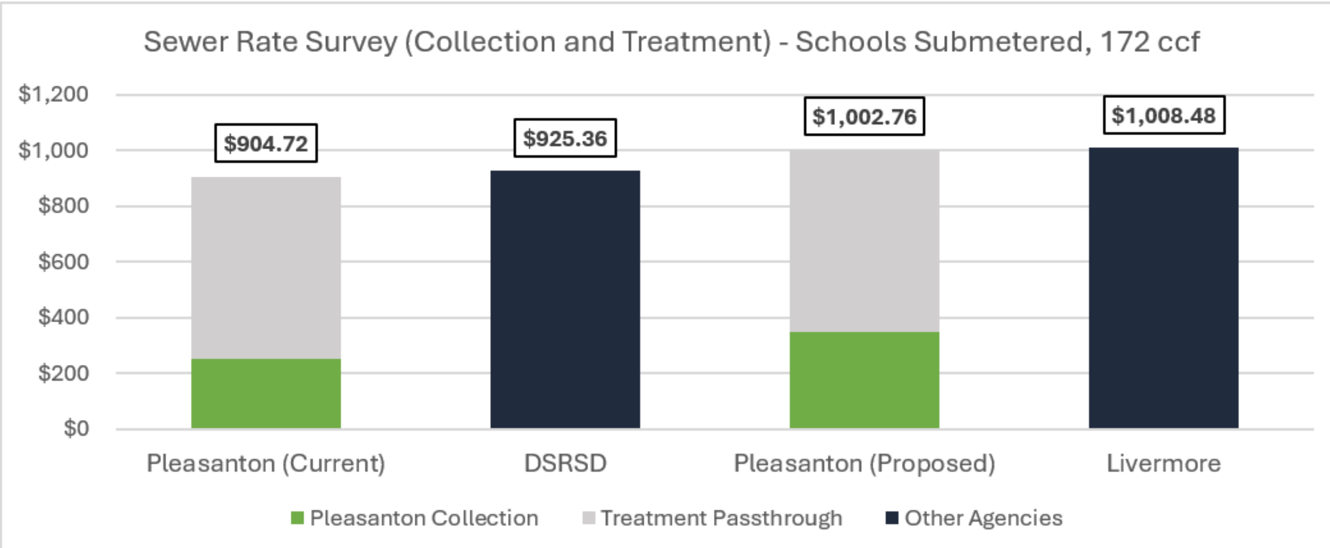
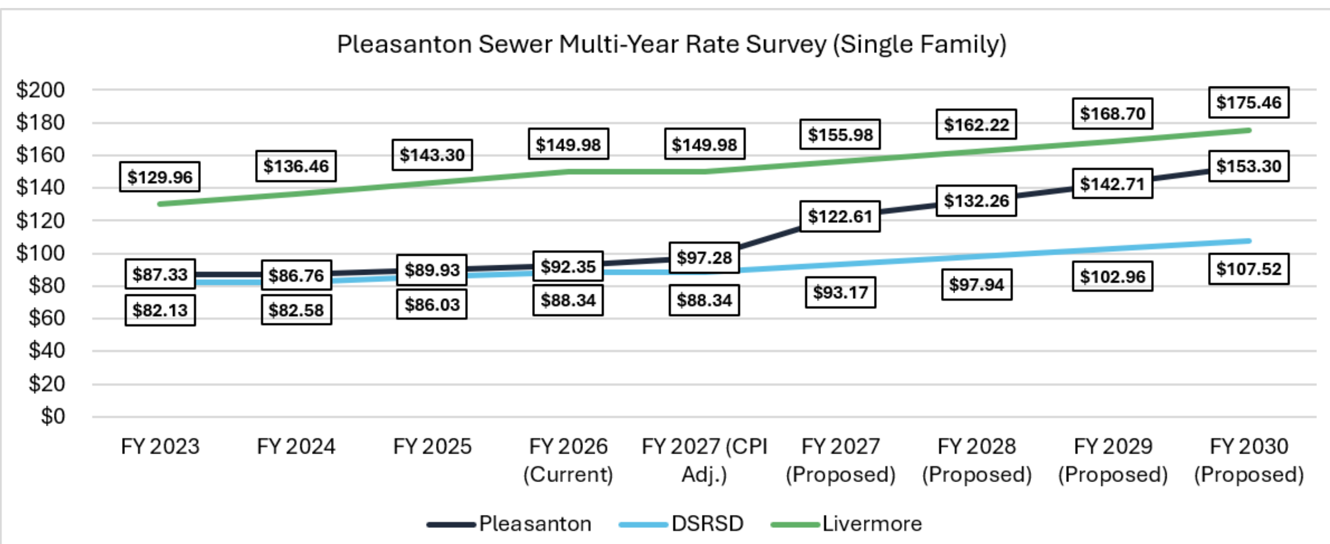


Figure 1-7 shows historical and proposed bi-monthly bills for Single Family customers. Historically (from FY 2023 to FY 2027 CPI adjustment), Pleasanton bills have been comparable to DSRSD. After the proposed changes (FY 2027 to FY 2030), Pleasanton bills are near the midpoint of the range, ending substantially higher than DSRSD bills and closer to Livermore bills by FY 2030.

Figure 1-7: Single Family Sewer Multi-Year Rate Survey



1.12 CONNECTION FEE METHODOLOGY

New customer connections to the City's sewer system are subject to a sewer connection fee, which is necessary to ensure that existing users are not unfairly burdened by costs incurred to provide capacity for new users. The overall purpose of a connection fee is to equitably recover capital costs incurred by the agency to provide system capacity to new users. Sewer connection fees in California are typically developed based on one of three common methodologies outlined by the American Water Works Association (AWWA) in its *Manual of Water Supply Practices M1: Principles of Water Rates, Fees and Charges, Seventh Edition*. The three methodologies include:

1. **Buy-In Method**: The Buy-In Method establishes connection based on the value of the system's existing capital assets and is typically most appropriate when a system's current capacity is sufficient to serve both short-term and long-term projected demands. The rationale underlying the Buy-In Method is that new customers should pay to "buy-in" to existing system capacity funded by past and current users.
2. **Incremental Cost Method**: The Incremental Cost Method establishes connection fees based on the cost of planned capital expenditures required to expand system capacity and is typically most appropriate when a system's current capacity is already fully utilized by existing users. The rationale underlying the Incremental Cost Method is that new users should fund planned capital projects that are necessary to accommodate growth.
3. **Hybrid Method**: The Hybrid Method[6] establishes capacity charges based on a combination of the Buy-In Method and the Incremental Cost Method. The Hybrid Method is typically most appropriate when some existing capacity is available to new users, but capacity expansion is still necessary to accommodate long-term demands.

WRE recommends the Buy-In Method for the City's sewer connection fees because the existing system has remaining capacity to serve new customers. **Table 1-9** shows the sewer connection fee calculation based on the Buy-In Method. The proposed sewer connection fee per equivalent dwelling unit (EDU) (Line 3) is calculated based on dividing the value of the existing system (Line 1) by existing EDUs (Line 2) and represents an increase of approximately 304.5% to the current sewer connection fees (Line 6).

Table 1-9: Sewer Connection Fee Calculation

Line	Connection Fee Calculation	Value
1	Existing System Value (Buy-In)	$75,289,895
2	Existing EDUs	33,467
3	**Proposed Connection Fee per EDU**	**$2,250**
4	**Current Connection Fee per EDU**	**$556.24**
5	*Difference ($)*	*$1,693.76*
6	*Difference (%)*	*304.5%*

[6] The Hybrid Method is referred to by the AWWA as the "Combined Cost Approach."

1.13 PROPOSED SEWER CONNECTION FEES

Table 1-10 shows the current and proposed sewer connection fees based on the results of the sewer connection fee study. Sewer connection fees are calculated for each customer by class by multiplying the connection fee per EDU (**Table 1-9**, Line 3) by the EDU ratio for each class. WRE recommends updating the Apartment and Mobile Home EDU ratio to match the Condominium EDU ratio in line with the proposed sewer rate structure changes.

Table 1-10: Proposed Sewer Connection Fees

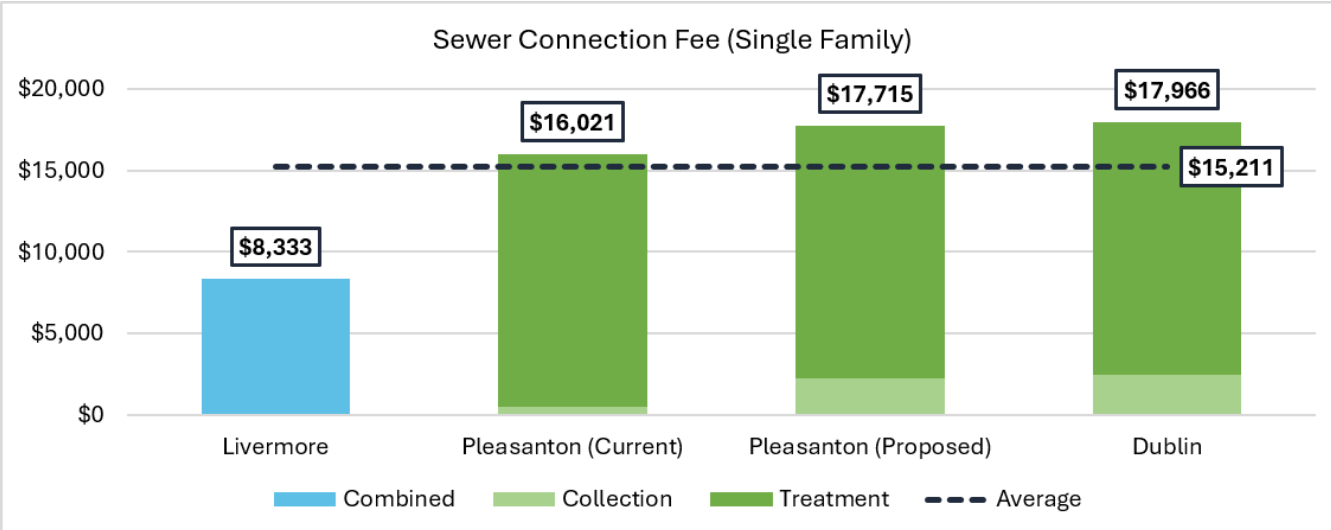
Line	Sewer Connection Fees	EDU Ratio	Factor	Current Fee	Proposed Fee	Difference ($)	Difference (%)
1	Single-Family Dwelling Unit	1.0000	per house/unit	$556.24	$2,250.00	$1,693.76	304.5%
2	Townhome, Townhouse, Duet, Duplex	1.0000	per unit	$556.24	$2,250.00	$1,693.76	304.5%
3	Auxiliary (Secondary) Dwelling Unit	0.0040	per square foot	$2.22	$9.00	$6.78	305.4%
4	Condominium	0.7000	per unit	$417.18	$1,575.00	$1,157.82	277.5%
5	Apartment, Mobile Home	0.7000	per unit	$367.12	$1,575.00	$1,207.88	329.0%
6	**Regular (low)**						
7	Auditoriums	0.0091	per seat	$5.06	$20.48	$15.42	304.6%
8	Auto body shops/Auto dealers	0.0005	per square foot	$0.28	$1.13	$0.85	301.8%
9	Banks, Financial Offices	0.0003	per square foot	$0.16	$0.68	$0.52	321.9%
10	Barber shops / Beauty shops	0.0014	per square foot	$0.76	$3.15	$2.39	314.5%
11	Bars, Cocktail lounges, taverns (w/o dining)	0.0016	per square foot	$0.89	$3.60	$2.71	304.5%
12	Bowling alleys	0.0014	per square foot	$0.78	$3.15	$2.37	303.8%
13	Car washes	0.0077	per square foot	$4.29	$17.33	$13.04	303.8%
14	Churches	0.0227	per seat	$12.64	$51.08	$38.44	304.1%
15	Delicatessen	0.0032	per square foot	$1.79	$7.20	$5.41	302.2%
16	Dental Clinic	0.0041	per square foot	$2.28	$9.23	$6.95	304.6%
17	Dry Cleaners	0.0020	per square foot	$1.13	$4.50	$3.37	298.2%
18	Gas Stations	0.0021	per square foot	$1.19	$4.73	$3.54	297.1%
19	General Retail/ Commercial	0.0002	per square foot	$0.12	$0.45	$0.33	275.0%
20	Gyms, Health Clubs	0.0019	per square foot	$1.06	$4.28	$3.22	303.3%
21	Hospital	1.1364	per bed	$632.09	$2,556.90	$1,924.81	304.5%
22	Hotels, Motels (no dining facilities)	0.5909	per room	$328.68	$1,329.53	$1,000.85	304.5%
23	Institutional (Resident)	0.4545	per bed	$252.83	$1,022.63	$769.80	304.5%
24	Laundries, coin-operated	0.5909	per machine	$328.68	$1,329.53	$1,000.85	304.5%
25	Laundries, full service (commercial)	0.0045	per square foot	$2.53	$10.13	$7.60	300.2%
26	Market - Dry Goods	0.0009	per square foot	$0.48	$2.03	$1.55	321.9%
27	Medical Clinic	0.0017	per square foot	$0.93	$3.83	$2.90	311.3%
28	Medical/ Dental Complex	0.0010	per square foot	$0.56	$2.25	$1.69	301.8%
29	Office Buildings	0.0002	per square foot	$0.12	$0.45	$0.33	275.0%
30	**Parks/ Rec**						
31	Country Club	0.3182	per person	$176.98	$715.95	$538.97	304.5%
32	Picnic Park	0.0455	per person	$25.29	$102.38	$77.09	304.8%
33	Pool	0.0455	per person	$25.29	$102.38	$77.09	304.8%
34	Tennis Courts, w/ toilet & shower	0.4545	per court	$252.83	$1,022.63	$769.80	304.5%
35	Plant Nursery	0.0004	per square foot	$0.20	$0.90	$0.70	350.0%
36	Printers	0.0006	per square foot	$0.36	$1.35	$0.99	275.0%

Line	Sewer Connection Fees	EDU Ratio	Factor	Current Fee	Proposed Fee	Difference ($)	Difference (%)
37	Public Agencies	0.0002	per square foot	$0.12	$0.45	$0.33	275.0%
38	Recreational vehicle R.V. Park	0.5454	per RV	$303.39	$1,227.15	$923.76	304.5%
39	**Schools (excluding cafeteria)**						
40	W/o showers	0.0682	per student	$37.92	$153.45	$115.53	304.7%
41	With showers	0.0909	per student	$50.56	$204.53	$153.97	304.5%
42	Theaters	0.0091	per seat	$5.06	$20.48	$15.42	304.6%
43	Veterinary Hospital	0.0015	per square foot	$0.86	$3.38	$2.52	292.4%
44	Warehouse/distribution	0.0001	per square foot	$0.08	$0.23	$0.15	181.3%
45	**Regular (medium)**						
46	Banquet Facilities - intermittent use	0.0012	per square foot	$0.68	$2.70	$2.02	297.1%
47	Business with cafeteria	0.0027	per square foot	$1.51	$6.08	$4.57	302.3%
48	Cafeteria	0.0025	per square foot	$1.37	$5.63	$4.26	310.6%
49	Hotels/Motels with dining facilities	0.0027	per square foot	$1.51	$6.08	$4.57	302.3%
50	Restaurant, Fast Food	0.0027	per square foot	$1.51	$6.08	$4.57	302.3%
51	Restaurant, Full Service	0.0025	per square foot	$1.37	$5.63	$4.26	310.6%
52	School with cafeteria	0.0027	per square foot	$1.51	$6.08	$4.57	302.3%
53	**Regular (high)**						
54	Bakeries/ Donut Shops/ Ice Cream Shops	0.0028	per square foot	$1.57	$6.30	$4.73	301.3%
55	Car washes w/ steam cleaning	0.0018	per square foot	$1.01	$4.05	$3.04	301.0%
56	Markets with garbage disposals	0.0077	per square foot	$4.29	$17.33	$13.04	303.8%
57	Mortuaries	0.0009	per square foot	$0.48	$2.03	$1.55	321.9%

Figure 1-8 shows the connection fee per EDU comparisons between the City and other nearby agencies, including DSRSD treatment connection fees[7] which account for approximately 97% of current combined Pleasanton connection fees. DSRSD connection fees are set by DSRSD and passed onto Pleasanton customers. Currently Pleasanton sewer connection fees are comparable to Dublin and, after the proposed changes, Pleasanton bills remain comparable to Dublin and significantly above Livermore fees.

[7] DSRSD connection fees are also known as capacity charges.

Figure 1-8: Sewer Connection Fee Comparisons



2. FINANCIAL PLAN

2.1 FINANCIAL PLAN OVERVIEW

The purpose of a financial plan is to project revenues, expenses, cash flows, reserve balances, and debt coverage over a multi-year period to assess financial sufficiency and performance and to determine the amount of required rate revenue. For this study, the planning period is from FY 2026 through FY 2030; data for FY 2025 is shown when needed to represent actual data inputs.

The key steps in developing a financial plan include:

- **Revenue projections:** Annual revenues from rates and other miscellaneous sources are projected over the planning period. Rate revenues are projected based on current rates to establish baseline revenues from which the need for additional rate increases can be evaluated.
- **Expense projections:** Annual expenses are projected over the study period, including O&M expenses, debt service, and CIP costs. CIP funding options (grants, debt, etc.) are evaluated.
- **Financial policy evaluation:** Key financial policies include debt coverage requirements and reserve targets. Debt coverage requirements are typically explicitly stated in official agreements on outstanding debt issuances. Reserve targets are typically set by an agency's elected officials and may need to be periodically evaluated and updated.
- **Status quo financial plan projections:** Cash flow, reserve balances, and debt coverage are projected over the study period in the absence of additional rate increases (this scenario is called the "status quo"). Projected reserve balances and debt coverage are then compared to the agency's financial policy requirements and targets. The status quo financial plan provides a baseline to evaluate the need for rate increases.
- **Proposed financial plan projections:** The magnitude and timing of annual proposed revenue increases over the study period are evaluated and determined based on the agency's financial policies, financial performance, and policy objectives. Proposed rate increases (referred to as "revenue adjustments") should generate sufficient revenue to recover the agency's expenses, maintain adequate reserves, and meet all debt coverage requirements. The proposed financial plan determines the total annual rate revenue requirement over the study period.

2.2 REVENUES

CURRENT SEWER RATES

Table 2-1 shows the City's current sewer collection rates based on the rate structure devised in the most recent sewer rate study from 2022, with rates for following years annually adjusted based on CPI.

The City's current sewer rates include bi-monthly fixed charges for Residential customers based on DUs and consumption charges based on water use in ccf for Commercial, Industrial, and Institutional customers. Commercial, Industrial, and Institutional customers also have a minimum fixed charge equal to the Multi-Family charge. Note that some Residential customers are charged on the property tax roll and therefore receive one annual bill for sewer service (equal to six billing periods multiplied by the respective residential bi-monthly fixed charge) rather than bi-monthly bills under the utility's billing system.

The City currently has a discount program funded by the City's General Fund for customers in the Ruby Hill service area that receive a 10% discount off all bi-monthly bills. Additionally, customers in the Castlewood Service Area are charged 7.785% of total Pleasanton charges in accordance with agreements with Alameda County to reflect use of the City's collection system.

Table 2-1: Current Pleasanton Collection Sewer Rates

Line	Current Pleasanton Collection Sewer Rates	Effective 7/1/2024	Effective 1/1/2026	Effective 7/1/2026
1	**Bi-Monthly Fixed Charges ($/ DU)**			
2	**Residential**			
3	Single Family	$29.96	$30.77	$31.70
4	Single Family w/ 2nd Residence	$45.64	$46.87	$48.28
5	Condo	$20.57	$21.13	$21.77
6	Multi-Family	$15.67	$16.09	$16.58
7				
8	**Consumption Charges ($/ ccf)**			
9	**Commercial/ Industrial**			
10	Auto Steam Cleaning	$1.68	$1.73	$1.79
11	Bakery	$1.67	$1.72	$1.78
12	Laundry	$1.68	$1.73	$1.79
13	Grocery with Disposal	$1.62	$1.66	$1.71
14	Mortuary	$1.97	$2.02	$2.09
15	Restaurant, Fast Food	$1.58	$1.62	$1.67
16	Restaurant, Full Service	$1.58	$1.62	$1.67
17	All Other	$1.42	$1.46	$1.51
18	**Institutional**			
19	Schools, Submetered	$1.37	$1.41	$1.46
20	Schools, Not Submetered	$0.90	$0.92	$0.95
21	**Minimum Consumption Charge**	**$15.67**	**$16.09**	**$16.58**

EFFECTIVE FISCAL YEAR SEWER RATES

The City's budget is based on a FY starting July 1 and ending June 30. Since not all sewer rates were implemented mid-year to match the FY cycle, this section shows the effective sewer rates for each FY prior to any revenue adjustments in **Table 2-2**. FY 2026 rates were implemented on January 1, 2026, meaning that those rates were effective for half of the fiscal year. The remaining days of FY 2026 are charged based on the FY 2025 rate effective on July 1, 2024. The current rates for all other years (FY 2027 through FY 2030) are representative of the full fiscal year.

Table 2-2: Effective Pleasanton Collection Sewer Rates

Line	Effective Pleasanton Collection Sewer Rates	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
1	**Bi-Monthly Fixed Charges ($/ DU)**					
2	**Residential**					
3	Single Family	$30.37	$31.70	$31.70	$31.70	$31.70
4	Single Family w/ 2nd Residence	$46.26	$48.28	$48.28	$48.28	$48.28
5	Condo	$20.85	$21.77	$21.77	$21.77	$21.77
6	Multi-Family	$15.88	$16.58	$16.58	$16.58	$16.58
7						
8	**Consumption Charges ($/ ccf)**					
9	**Commercial**					
10	Auto Steam Cleaning	$1.71	$1.79	$1.79	$1.79	$1.79
11	Bakery	$1.70	$1.78	$1.78	$1.78	$1.78
12	Laundry	$1.71	$1.79	$1.79	$1.79	$1.79
13	Grocery with Disposal	$1.64	$1.71	$1.71	$1.71	$1.71
14	Mortuary	$2.00	$2.09	$2.09	$2.09	$2.09
15	Restaurant, Fast Food	$1.60	$1.67	$1.67	$1.67	$1.67
16	Restaurant, Full Service	$1.60	$1.67	$1.67	$1.67	$1.67
17	All Other	$1.44	$1.51	$1.51	$1.51	$1.51
18	**Institutional**					
19	Schools, Submetered	$1.39	$1.46	$1.46	$1.46	$1.46
20	Schools, Not Submetered	$0.91	$0.95	$0.95	$0.95	$0.95

CUSTOMER ACCOUNTS AND USAGE

This section details the customer accounts and water usage for all years of the study, which are referred to as the units of service. Units of service represent the quantity of billing units that are subject to the City's sewer rates and charges.

Table 2-3 shows the projected number of DUs for each service area, billing method, and customer class for the study period. City staff provided actual data for FY 2025. Growth in the City is highly variable and the timeline in which growth occurs can vary significantly from planning documents. To ensure that the City recovers sufficient revenue to fund the sewer enterprise costs, this study assumes no growth in DUs throughout the study period. The number of DUs is the unit of service for the City's bi-monthly fixed charges for Residential customers.

Table 2-3: Projected Customer Accounts (DU)

Line	Customer Accounts (DU)	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
1	***Source***	***Actual***	***Projected***	***Projected***	***Projected***	***Projected***	***Projected***
2	**City of Pleasanton Collection**						
3							
4	**Utility Billing**						
5	Single Family	18,895	18,895	18,895	18,895	18,895	18,895
6	Single Family w/ 2nd Residence	206	206	206	206	206	206
7	Condo	1,585	1,585	1,585	1,585	1,585	1,585
8	Multi-Family	5,895	5,895	5,895	5,895	5,895	5,895
9	**Subtotal**	**26,581**	**26,581**	**26,581**	**26,581**	**26,581**	**26,581**
10							
11	**Property Tax Roll**						
12	Single Family	179	179	179	179	179	179
13	Single Family w/ 2nd Residence	0	0	0	0	0	0
14	Condo	256	256	256	256	256	256
15	Multi-Family	0	0	0	0	0	0
16	**Subtotal**	**435**	**435**	**435**	**435**	**435**	**435**
17							
18	**Ruby Hill Collection**						
19							
20	**Utility Billing**						
21	Single Family	851	851	851	851	851	851
22	**Subtotal**	**851**	**851**	**851**	**851**	**851**	**851**
23							
24	**Other Customers**						
25							
26	**Castlewood**						
27	Single Family	206	206	206	206	206	206
28	**Subtotal**	**206**	**206**	**206**	**206**	**206**	**206**
29							
30	**Total City of Pleasanton**	**27,016**	**27,016**	**27,016**	**27,016**	**27,016**	**27,016**
31	**Total Ruby Hill**	**851**	**851**	**851**	**851**	**851**	**851**
32	**Total Other Customers**	**206**	**206**	**206**	**206**	**206**	**206**
33	**Total Customer Accounts**	**28,073**	**28,073**	**28,073**	**28,073**	**28,073**	**28,073**

Table 2-4 shows the projected water consumption for Commercial and Institutional customers by service area for the study period. City staff provided actual data for FY 2025; this study assumes no growth in water demand throughout the period. Water consumption in ccf is the unit of service for the consumption charges for Commercial, Industrial, and Institutional customers.

Table 2-4: Projected Billed Consumption (ccf)

Line	Billed Consumption (ccf)	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
1	***Source***	***Actual***	***Projected***	***Projected***	***Projected***	***Projected***	***Projected***
2	**City of Pleasanton Collection**						
3							
4	**Commercial (Net of EVAP Credits)**						
5	Auto Steam Cleaning	143	143	143	143	143	143
6	Bakery	18,591	18,591	18,591	18,591	18,591	18,591
7	Laundry	543	543	543	543	543	543
8	Grocery with Disposal	5,159	5,159	5,159	5,159	5,159	5,159
9	Mortuary	87	87	87	87	87	87
10	Restaurant, Fast Food	27,667	27,667	27,667	27,667	27,667	27,667
11	Restaurant, Full Service	105,993	105,993	105,993	105,993	105,993	105,993
12	All Other	430,482	430,482	430,482	430,482	430,482	430,482
13	**Subtotal**	**588,665**	**588,665**	**588,665**	**588,665**	**588,665**	**588,665**
14							
15	**Institutional**						
16	Schools, Submetered	12,416	12,416	12,416	12,416	12,416	12,416
17	Schools, Not Submetered	33,462	33,462	33,462	33,462	33,462	33,462
18	**Subtotal**	**45,878**	**45,878**	**45,878**	**45,878**	**45,878**	**45,878**
19							
20	**Ruby Hill Collection**						
21							
22	**Commercial**						
23	Restaurant, Full Service	4,649	4,649	4,649	4,649	4,649	4,649
24	All Other	786	786	786	786	786	786
25	**Subtotal**	**5,435**	**5,435**	**5,435**	**5,435**	**5,435**	**5,435**
26							
27	**Other Customers**						
28							
29	**Castlewood**						
30	Restaurant, Full Service	5,603	5,603	5,603	5,603	5,603	5,603
31	**Subtotal**	**5,603**	**5,603**	**5,603**	**5,603**	**5,603**	**5,603**
32							
33	**Alco**						
34	All Other	38,628	38,628	38,628	38,628	38,628	38,628
35	**Subtotal**	**38,628**	**38,628**	**38,628**	**38,628**	**38,628**	**38,628**
36							
37	**Total City of Pleasanton**	**634,543**	**634,543**	**634,543**	**634,543**	**634,543**	**634,543**
38	**Total Ruby Hill**	**5,435**	**5,435**	**5,435**	**5,435**	**5,435**	**5,435**
39	**Total Other Customers**	**44,231**	**44,231**	**44,231**	**44,231**	**44,231**	**44,231**
40	**Total Billed Consumption**	**684,209**	**684,209**	**684,209**	**684,209**	**684,209**	**684,209**

REVENUES FROM CURRENT RATES

Table 2-5 shows the calculated sewer rate revenues for the study period based on the effective rates and the projected units of service. The bi-monthly fixed charge revenue for Residential customers in the City of Pleasanton, Ruby Hill, and Castlewood service areas (Lines 4, 15, and 26) is calculated by multiplying the effective bi-monthly fixed charges (**Table 2-2**, Lines 3-6) by the projected DUs (**Table 2-3**) for six billing periods.

The consumption charge revenue for Commercial and Institutional customers in the City of Pleasanton, Ruby Hill, and Castlewood and Alco service areas (Lines 8-9, 19-20, 30-31) is calculated by multiplying the effective consumption charges (**Table 2-2**, Lines 10-20) by the projected billed consumption (**Table 2-4**).

Note that customers in the Castlewood Service Area are charged 7.785% of all Pleasanton charges, which is accounted for in the Castlewood calculated revenues (Lines 26 and 30). Additionally, the total value of charges collected from Industrial customers in FY 2025 is projected forward for the study period, assuming no changes in accounts or demand (Line 35).

Table 2-5: Calculated Rate Revenues

Line	Calculated Rate Revenue	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
1	**City of Pleasanton Collection**					
2						
3	**Bi-Monthly Fixed Charges**					
4	Residential	$4,324,200	$4,514,405	$4,514,405	$4,514,405	$4,514,405
5	**Subtotal**	**$4,324,200**	**$4,514,405**	**$4,514,405**	**$4,514,405**	**$4,514,405**
6						
7	**Consumption Charges**					
8	Commercial	$875,066	$916,564	$916,564	$916,564	$916,564
9	Institutional	$47,709	$49,916	$49,916	$49,916	$49,916
10	**Subtotal**	**$922,774**	**$966,480**	**$966,480**	**$966,480**	**$966,480**
11						
12	**Ruby Hill Collection**					
13						
14	**Bi-Monthly Fixed Charges**					
15	Residential	$139,539	$145,674	$145,674	$145,674	$145,674
16	**Subtotal**	**$139,539**	**$145,674**	**$145,674**	**$145,674**	**$145,674**
17						
18	**Consumption Charges**					
19	Commercial	$7,713	$8,056	$8,056	$8,056	$8,056
20	Institutional	$0	$0	$0	$0	$0
21	**Subtotal**	**$7,713**	**$8,056**	**$8,056**	**$8,056**	**$8,056**
22						
23	**Other Customers**					
24						
25	**Bi-Monthly Fixed Charges**					
26	Castlewood	$2,922	$3,050	$3,050	$3,050	$3,050
27	**Subtotal**	**$2,922**	**$3,050**	**$3,050**	**$3,050**	**$3,050**
28						
29	**Consumption Charges**					
30	Castlewood	$698	$728	$728	$728	$728
31	Alco	$55,624	$58,328	$58,328	$58,328	$58,328
32	**Subtotal**	**$56,322**	**$59,057**	**$59,057**	**$59,057**	**$59,057**
33						
34	**Rate Adjustments**					
35	Industrial	$28,564	$28,564	$28,564	$28,564	$28,564
36	**Subtotal**	**$28,564**	**$28,564**	**$28,564**	**$28,564**	**$28,564**
37						
38	**Total Calculated Rate Revenues**	**$5,482,035**	**$5,725,286**	**$5,725,286**	**$5,725,286**	**$5,725,286**

REVENUE SUMMARY

Table 2-6 shows the summary of projected revenues for the study period, excluding treatment pass-throughs. Total sewer rate revenues (Line 3) is equal to total calculated rate revenues (**Table 2-5**, Line 38). Interest Income (Line 4) is calculated based on average fund balances and a 3.0% interest rate. City staff provided other revenues for FY 2026 and assumptions for future growth. A breakdown of revenues is available in the **Appendix** (**Table 5-1**).

Table 2-6: Projected Revenues Excluding Treatment Pass-Throughs

Line	Revenue Summary	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
1	***Source***	***Staff***	***Projected***	***Projected***	***Projected***	***Projected***
2	**Sewer O&M and Replacement**					
3	Rate Revenue (Excluding Pass-Throughs)	$5,482,035	$5,725,286	$5,725,286	$5,725,286	$5,725,286
4	Interest Income	$240,332	$224,357	$255,915	$276,435	$293,307
5	Other Revenues[8]	$41,500	$45,500	$45,500	$45,500	$45,500
6	**Total**	**$5,763,868**	**$5,995,143**	**$6,026,701**	**$6,047,221**	**$6,064,093**

2.3 OPERATING EXPENSES

INFLATIONARY ASSUMPTIONS

WRE worked with City staff to determine the annual inflationary assumptions to apply to the City's O&M base expense budget. City staff provided base expenses for FY 2026; all other years are projected based on the inflationary assumptions shown in **Table 2-7**.

Table 2-7: Expense Inflationary Assumptions

Line	Inflationary Assumptions	FY 2027	FY 2028	FY 2029	FY 2030
1	General & Salaries	3.0%	3.0%	3.0%	3.0%
2	Benefits & Utilities	5.0%	5.0%	5.0%	5.0%

OPERATING EXPENSE SUMMARY

Table 2-8 shows the O&M expense summary for the study period for each fund. Base expenses for the Sewer O&M Fund (Line 3) are inflated based on the inflationary assumptions from **Table 2-7**. Base expenses are non-recurring after FY 2026 for the Sewer Replacement Fund (Line 7) and provided by staff for the Sewer CIP Fund (Line 10). New expense programs and staffing related to CIP scenario expenses (Lines 4-5, 8) were provided by staff. Detailed operating expense projections for the Sewer O&M and Replacement Funds are included in the **Appendix** (**Table 5-2** and **Table 5-3**).

[8] Other Revenues includes revenue from interfund reimbursements and OPEB (Other Post-Employment Benefits) subsidies.

Table 2-8: Projected Expenses

Line	Expenses	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
1	***Source***	***Staff***	***Projected***	***Projected***	***Projected***	***Projected***
2	**Sewer O&M (Fund 430)**	**$5,628,249**	**$6,936,645**	**$10,149,177**	**$9,615,079**	**$9,772,094**
3	Base Expenses	$5,628,249	$5,829,395	$6,038,189	$6,254,944	$6,479,981
4	New Expense Programs	$0	$901,250	$1,883,098	$1,939,590	$2,166,604
5	Staffing Related to CIP Scenarios	$0	$206,000	$2,227,890	$1,420,545	$1,125,509
6	**Sewer Replacement (Fund 434)**	**$2,475,000**	**$572,000**	**$1,032,509**	**$618,675**	**$1,228,351**
7	Base Expenses	$2,475,000	$0	$0	$0	$0
8	New Expense Programs	$0	$572,000	$1,032,509	$618,675	$1,228,351
9	**Sewer CIP (Fund 431)**	**$331,134**	**$341,068**	**$175,600**	**$180,900**	**$186,300**
10	Base Expenses (Interfund Expense)	$331,134	$341,068	$175,600	$180,900	$186,300
11	**Total**	**$8,434,383**	**$7,849,713**	**$11,357,286**	**$10,414,654**	**$11,186,746**

2.4 DEBT SERVICE

EXISTING AND PROPOSED DEBT SERVICE

Table 2-9 shows the proposed annual debt service based on the proposed financial plan scenario. The City has no existing sewer debt service. The proposed financial plan scenario includes three new debt issuances in FY 2028 through FY 2030 (Line 7) assuming a 6% interest rate, 30-year term, and 2% issuance cost each year (Lines 2-4). This results in a range of annual debt service payments over the study period from approximately $444.8K to $2.1M by FY 2030 and an additional $28.0M of debt proceeds to fund CIP. The study assumes that the City will capitalize the issuance costs, which means that the debt issuance will be higher than the debt proceeds used to fund CIP.

Table 2-9: Proposed Debt Proceeds and Debt Service

Line	Proposed Debt	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
1	**Proposed Debt Terms**					
2	Interest Rate	N/A	N/A	6.0%	6.0%	6.0%
3	Term (years)	N/A	N/A	30	30	30
4	Issuance Costs	N/A	N/A	2.0%	2.0%	2.0%
5						
6	**Debt Proceeds for CIP**	**$0**	**$0**	**$6,000,000**	**$16,000,000**	**$6,000,000**
7	**Debt Issuance**	**$0**	**$0**	**$6,122,449**	**$16,326,531**	**$6,122,449**
8	**Annual Debt Service Payment**	**$0**	**$0**	**$444,789**	**$1,186,105**	**$444,789**
9						
10	**Proposed Debt**					
11	Debt Issuance - FY 2026	$0	$0	$0	$0	$0
12	Debt Issuance - FY 2027		$0	$0	$0	$0
13	Debt Issuance - FY 2028			$444,789	$444,789	$444,789
14	Debt Issuance - FY 2029				$1,186,105	$1,186,105
15	Debt Issuance - FY 2030					$444,789
16	**Total**	**$0**	**$0**	**$444,789**	**$1,630,894**	**$2,075,683**

2.5 CAPITAL IMPROVEMENT PLAN

CAPITAL PROJECTS AND EXPENSE SUMMARY

Table 2-10 shows the City's planned CIP based on the SSMP and expense summary. Detailed CIP costs are included in the **Appendix** (**Table 5-4**). Planned CIP is projected to be funded through debt and rates and/or reserves. Debt funded CIP (Line 7) pertains to all CIP that is funded by the proposed debt issuances (**Table 2-9**, Line 6). The proposed debt issuance will provide $28.0M in debt proceeds, which will fund capital projects starting in FY 2028. All other project costs will be funded by sewer rates and/or reserves (Line 8).

Table 2-10: Capital Improvement Plan and Expense Summary

Line	Capital Improvement Projects (CIP)	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
1	Priority A - Capacity & Reliability Improvement Projects	$1,584,205	$0	$1,860,000	$3,430,000	$0
2	Priority A - Lift Station Projects	$2,063,138	$750,000	$2,042,000	$7,940,000	$3,650,000
3	Priority A - Condition Assessment Projects	$1,512,759	$1,860,000	$2,316,000	$6,250,000	$4,037,000
4	**Total**	**$5,160,103**	**$2,610,000**	**$6,218,000**	**$17,620,000**	**$7,687,000**
5						
6	**Total**					
7	Debt Funded	$0	$0	$6,000,000	$16,000,000	$6,000,000
8	Rate Funded	$5,160,103	$2,610,000	$218,000	$1,620,000	$1,687,000
9	**Total**	**$5,160,103**	**$2,610,000**	**$6,218,000**	**$17,620,000**	**$7,687,000**

2.6 FINANCIAL POLICIES

RESERVE POLICY

The City's operating reserve policy maintains cash on hand to meet short-term cash imbalances. The reserve target for the study period ranges from approximately $7.4M to $9.8M in the Sewer O&M and Replacement funds (Funds 430 and 434).

The adopted reserve policy consists of the following components:

- **Operating Reserve Target:** 35% of annual O&M expenses

DEBT COVERAGE REQUIREMENT

The debt coverage requirement is 125% of annual debt coverage. To meet coverage requirements, net operating revenues (excluding CIP funding sources and expenditure) must be equal to or higher than 125% of annual debt service.

2.7 STATUS QUO FINANCIAL PLAN

STATUS QUO FINANCIAL PLAN SCENARIO

Table 2-11 shows the status quo financial plan scenario, which assumes no revenue adjustments and no proposed debt issuances. This scenario is used to evaluate the ability of the current sewer rates to meet the City's financial targets and to determine the need for revenue adjustments.

Table 2-11: Financial Plan Scenario (Status Quo)

Line	Fiscal Year	Effective Date	Revenue Adjustments	Debt Issuance	Debt Proceeds for CIP
1	FY 2027	1/1/2027	0.0%	$0	$0
2	FY 2028	7/1/2027	0.0%	$0	$0
3	FY 2029	7/1/2028	0.0%	$0	$0
4	FY 2030	7/1/2029	0.0%	$0	$0

STATUS QUO CASH FLOW PROJECTIONS

Table 2-12 shows the cash flow projections for the status quo financial plan, excluding treatment pass-throughs. Revenues[9] (Lines 1-6) are from **Table 2-6**. Operating expenses (Lines 8-13) are from **Table 2-8**. Net operating revenue (Line 15) is equal to the difference between total revenues (Line 6) and total expenses (Line 13). The City has no existing sewer debt service (Line 18), and no new debt is proposed in the status quo financial plan (Line 19). Rate funded CIP (Line 23) is equal

[9] Interest income (Line 4) is different in the status quo financial plan scenario because it is based on projected fund balances. The status quo scenario results in lower fund balances; therefore, the City has less interest income. **Table 2-6** shows the interest income for the proposed financial plan scenario.

to total CIP (**Table 2-10**, Line 9). In absence of newly proposed debt to fund CIP, all CIP is expected to be rate funded. Net cash flow (Line 26) is equal to the net operating revenue (Line 15), less debt service (Line 20) and rate funded CIP (Line 24). Debt proceeds and debt funded CIP are not included in the cash flow projections.

The net operating revenue and cash flow in this scenario is negative starting at the end of FY 2026, meaning that the City's current revenues are not sufficient to fund its operating expenses and CIP.

Table 2-12: Projected Combined Cash Flow (Status Quo)

Line	Combined Cash Flow (O&M, Replacement, and CIP)	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
1	**Revenues (Excluding Pass-Through Revenues)**					
2	Rate Revenues at Existing Rates	$5,482,035	$5,725,286	$5,725,286	$5,725,286	$5,725,286
3	Revenue Adjustments	$0	$0	$0	$0	$0
4	Interest Income	$240,332	$181,418	$0	$0	$0
5	Other Revenues	$41,500	$45,500	$45,500	$45,500	$45,500
6	**Total**	**$5,763,868**	**$5,952,204**	**$5,770,786**	**$5,770,786**	**$5,770,786**
7						
8	**Expenses (Excluding Pass-Through Expenses)**					
9	Base Expenses (Fund 430 and 434)	$8,103,249	$5,829,395	$6,038,189	$6,254,944	$6,479,981
10	New Expense Programs (Fund 430 and 434)	$0	$1,473,250	$2,915,607	$2,558,266	$3,394,956
11	Staffing Related to CIP Scenarios (Fund 430)	$0	$206,000	$2,227,890	$1,420,545	$1,125,509
12	Interfund Expense (Fund 431)	$331,134	$341,068	$175,600	$180,900	$186,300
13	**Total**	**$8,434,383**	**$7,849,713**	**$11,357,286**	**$10,414,654**	**$11,186,746**
14						
15	**Net Operating Revenue**	**($2,670,515)**	**($1,897,509)**	**($5,586,500)**	**($4,643,868)**	**($5,415,960)**
16						
17	**Debt Service**					
18	Existing Debt	$0	$0	$0	$0	$0
19	Proposed Debt	$0	$0	$0	$0	$0
20	**Total**	**$0**	**$0**	**$0**	**$0**	**$0**
21						
22	**CIP**					
23	Rate Funded	$5,160,103	$2,610,000	$6,218,000	$17,620,000	$7,687,000
24	**Total**	**$5,160,103**	**$2,610,000**	**$6,218,000**	**$17,620,000**	**$7,687,000**
25						
26	**Net Cash Flow**	**($7,830,618)**	**($4,507,509)**	**($11,804,500)**	**($22,263,868)**	**($13,102,960)**

STATUS QUO FUND BALANCE PROJECTIONS

Table 2-13 shows the O&M and Replacement fund balance projections for the status quo financial plan. Based on the sources (revenues) and uses (operating expenses, debt service, and transfer) of funds, the City's fund balances will be negative by the end of FY 2028. At the end of the study period, the City's fund balances will be approximately negative $41.9M in FY 2030, from a starting balance of approximately $9.3M in FY 2026. This represents a net loss of approximately $51.2M in five years.

Table 2-13: Projected O&M and Replacement Fund Balances (Status Quo)

Line	Fund Balance (O&M and Replacement)	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
1	**Beginning Fund Balance**	**$9,300,929**	**$6,961,548**	**$5,314,384**	**($6,490,116)**	**($28,753,984)**
2						
3	**Sources of Funds**					
4	Rate Revenues at Existing Rates	$5,482,035	$5,725,286	$5,725,286	$5,725,286	$5,725,286
5	Revenue Adjustments	$0	$0	$0	$0	$0
6	Interest Income	$240,332	$181,418	$0	$0	$0
7	Other Revenues	$41,500	$45,500	$45,500	$45,500	$45,500
8	**Total**	**$5,763,868**	**$5,952,204**	**$5,770,786**	**$5,770,786**	**$5,770,786**
9						
10	**Uses of Funds**					
11	Expenses (Excluding Interfund Expense)	$8,103,249	$7,508,645	$11,181,686	$10,233,754	$11,000,446
12	Debt Service	$0	$0	$0	$0	$0
13	Transfer to CIP Fund	$0	$90,723	$6,393,600	$17,800,900	$7,873,300
14	**Total**	**$8,103,249**	**$7,599,367**	**$17,575,286**	**$28,034,654**	**$18,873,746**
15						
16	**Ending Fund Balance**	**$6,961,548**	**$5,314,384**	**($6,490,116)**	**($28,753,984)**	**($41,856,944)**

Table 2-14 shows the CIP fund balance projections for the status quo financial plan. Existing reserves are used to fund rate funded CIP and interfund expenses through FY 2027. Once existing reserves are depleted, transfers from the O&M and Replacement funds are used to fund the remaining expenses. The City's fund balances are projected to maintain a zero ending balance from FY 2027 onward as annual transfers from O&M and Replacement funds are adjusted to meet annual funding needs in each year of the study period.

Table 2-14: Projected CIP Fund Balances (Status Quo)

Line	Fund Balance (CIP)	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
1	**Beginning Fund Balance**	**$8,351,582**	**$2,860,345**	**$0**	**$0**	**$0**
2						
3	**Sources of Funds**					
4	Debt Proceeds	$0	$0	$0	$0	$0
5	Transfer from O&M Fund	$0	$90,723	$6,393,600	$17,800,900	$7,873,300
6	**Total**	**$0**	**$90,723**	**$6,393,600**	**$17,800,900**	**$7,873,300**
7						
8	**Uses of Funds**					
9	Interfund Expense	$331,134	$341,068	$175,600	$180,900	$186,300
10	Debt Funded CIP	$0	$0	$0	$0	$0
11	Rate Funded CIP	$5,160,103	$2,610,000	$6,218,000	$17,620,000	$7,687,000
12	**Total**	**$5,491,237**	**$2,951,068**	**$6,393,600**	**$17,800,900**	**$7,873,300**
13						
14	**Ending Fund Balance**	**$2,860,345**	**$0**	**$0**	**$0**	**$0**

STATUS QUO FINANCIAL PERFORMANCE

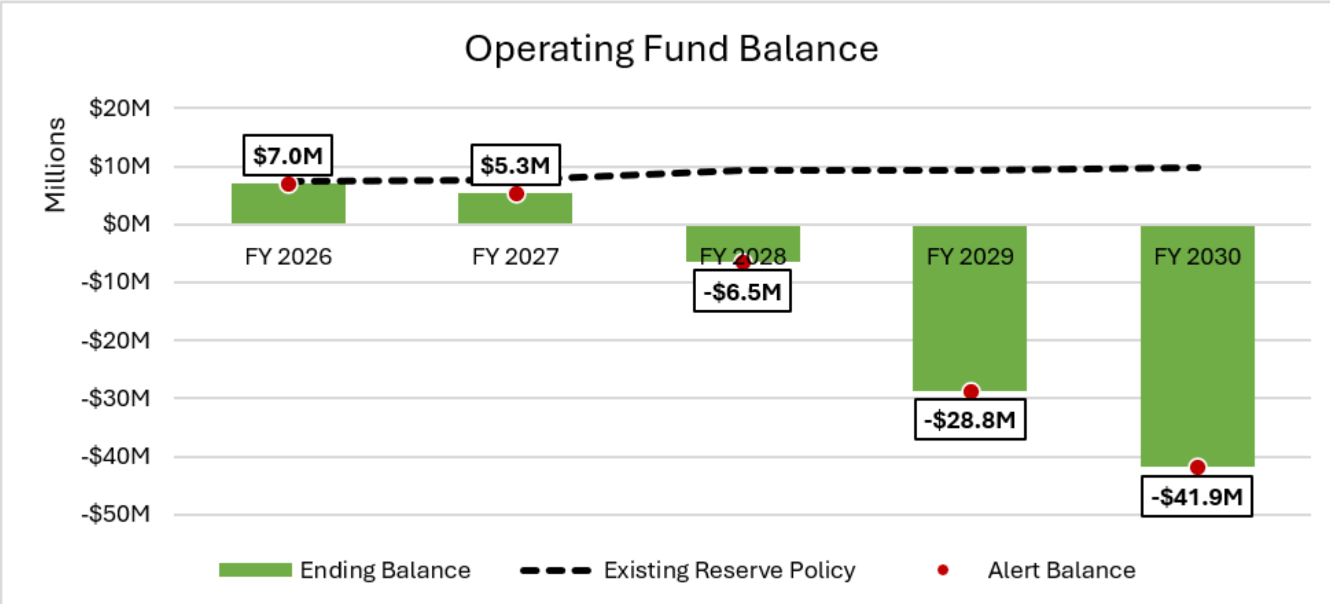
The City's financial performance is evaluated based on the reserve targets and debt coverage requirements, as shown in **Table 2-15**. Under the status quo financial plan, the City will not meet its reserve targets starting in FY 2026 and debt coverage requirements will not apply.

Table 2-15: Projected Financial Performance (Status Quo)

Line	Financial Performance	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
1	**Adopted Reserve Policy**					
2	Operating Reserve Target	$7,367,794	$7,599,432	$9,209,563	$9,224,797	$9,770,583
3	Ending O&M and Replacement Fund Balance	$6,961,548	$5,314,384	($6,490,116)	($28,753,984)	($41,856,944)
4	***Meets Target?***	***No***	***No***	***No***	***No***	***No***
5						
6	**Debt Coverage**					
7	Required Debt Coverage	125%	125%	125%	125%	125%
8	Calculated Debt Coverage	No Debt	No Debt	No Debt	No Debt	No Debt
9	***Meets Target?***	***No Debt***	***No Debt***	***No Debt***	***No Debt***	***No Debt***

Figure 2-1 shows the projected fund balances under the status quo scenario. The green bars represent the ending fund balances for the O&M and Replacement reserves (Funds 430 and 434), and the dashed line represents the operating reserve policy target. In this scenario, the City will not meet its operating reserve target starting in FY 2026, indicated by the alert balance (red circles). Projected fund balances will be negative starting in FY 2028.

Figure 2-1: Projected O&M and Replacement Fund Balances (Status Quo)



2.8 PROPOSED FINANCIAL PLAN

PROPOSED FINANCIAL PLAN SCENARIO

The proposed financial plan includes four years of revenue adjustments and three debt issuances in FY 2028 through FY 2030, shown in **Table 2-16**. The proposed revenue adjustment for the first year (FY 2027) is effective in January. Proposed revenue adjustments for all subsequent years are effective in July. These adjustments are needed to maintain the City's financial sufficiency and were developed based on input from City staff and City Council.

Table 2-16: Financial Plan Scenario (Proposed)

Line	Fiscal Year	Effective Date	Revenue Adjustments	Debt Issuance	Debt Proceeds for CIP
1	FY 2027	1/1/2027	100.0%	$0	$0
2	FY 2028	7/1/2027	10.0%	$6,122,449	$6,000,000
3	FY 2029	7/1/2028	10.0%	$16,326,531	$16,000,000
4	FY 2030	7/1/2029	10.0%	$6,122,449	$6,000,000

PROPOSED CASH FLOW PROJECTIONS

Table 2-17 shows the cash flow projections for the proposed financial plan excluding treatment pass-throughs. Revenues (Lines 1-6) are from **Table 2-6**. Revenue from revenue adjustments is based on the proposed financial plan scenario (**Table 2-16**). Operating expenses (Lines 8-13) are from **Table 2-8**. Net operating revenue (Line 15) is equal to the difference between total revenues (Line 6) and total expenses (Line 13). The City has no existing sewer debt service (Line 18), and proposed debt service is from **Table 2-9** (Line 16)**.** Rate funded CIP (Line 23) is from **Table 2-10** (Line 8). Net cash flow (Line 26) is equal to the net operating revenue (Line 15), less debt service (Line 20) and rate funded CIP (Line 24). Debt proceeds and debt funded CIP are not included in the cash flow projections.

The net operating revenue and cash flow in this scenario is positive by the end of the study period in FY 2030, meaning that the City's proposed revenues are sufficient to fund its operating expenses, debt service, and CIP.

Table 2-17: Projected Combined Cash Flow (Proposed)

Line	Combined Cash Flow (O&M, Replacement, and CIP)	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
1	**Revenues (Excluding Pass-Through Revenues)**					
2	Rate Revenues at Existing Rates	$5,482,035	$5,725,286	$5,725,286	$5,725,286	$5,725,286
3	Revenue Adjustments	$0	$2,862,643	$6,870,343	$8,129,906	$9,515,425
4	Interest Income	$240,332	$224,357	$255,915	$276,435	$293,307
5	Other Revenues	$41,500	$45,500	$45,500	$45,500	$45,500
6	**Total**	**$5,763,868**	**$8,857,786**	**$12,897,044**	**$14,177,127**	**$15,579,518**
7						
8	**Expenses (Excluding Pass-Through Expenses)**					
9	Base Expenses (Fund 430 and 434)	$8,103,249	$5,829,395	$6,038,189	$6,254,944	$6,479,981
10	New Expense Programs (Fund 430 and 434)	$0	$1,473,250	$2,915,607	$2,558,266	$3,394,956
11	Staffing Related to CIP Scenarios (Fund 430)	$0	$206,000	$2,227,890	$1,420,545	$1,125,509
12	Interfund Expense (Fund 431)	$331,134	$341,068	$175,600	$180,900	$186,300
13	**Total**	**$8,434,383**	**$7,849,713**	**$11,357,286**	**$10,414,654**	**$11,186,746**
14						
15	**Net Operating Revenue**	**($2,670,515)**	**$1,008,074**	**$1,539,758**	**$3,762,473**	**$4,392,773**
16						
17	**Debt Service**					
18	Existing Debt	$0	$0	$0	$0	$0
19	Proposed Debt	$0	$0	$444,789	$1,630,894	$2,075,683
20	**Total**	**$0**	**$0**	**$444,789**	**$1,630,894**	**$2,075,683**
21						
22	**CIP**					
23	Rate Funded	$5,160,103	$2,610,000	$218,000	$1,620,000	$1,687,000
24	**Total**	**$5,160,103**	**$2,610,000**	**$218,000**	**$1,620,000**	**$1,687,000**
25						
26	**Net Cash Flow**	**($7,830,618)**	**($1,601,926)**	**$876,969**	**$511,579**	**$630,090**

PROPOSED FUND BALANCE PROJECTIONS

Table 2-18 shows the O&M and Replacement fund balance projections for the proposed financial plan. Based on the sources (revenues) and uses (operating expenses, debt service, and transfer) of funds, the City's fund balances will be approximately $10.2M in FY 2030, from a starting balance of approximately $9.3M in FY 2026.

Table 2-18: Projected O&M and Replacement Fund Balances (Proposed)

Line	Fund Balance (O&M and Replacement)	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
1	**Beginning Fund Balance**	**$9,300,929**	**$6,961,548**	**$8,219,967**	**$9,096,935**	**$9,608,514**
2						
3	**Sources of Funds**					
4	Rate Revenues at Existing Rates	$5,482,035	$5,725,286	$5,725,286	$5,725,286	$5,725,286
5	Revenue Adjustments	$0	$2,862,643	$6,870,343	$8,129,906	$9,515,425
6	Interest Income	$240,332	$224,357	$255,915	$276,435	$293,307
7	Other Revenues	$41,500	$45,500	$45,500	$45,500	$45,500
8	**Total**	**$5,763,868**	**$8,857,786**	**$12,897,044**	**$14,177,127**	**$15,579,518**
9						
10	**Uses of Funds**					
11	Expenses (Excluding Interfund Expense)	$8,103,249	$7,508,645	$11,181,686	$10,233,754	$11,000,446
12	Debt Service	$0	$0	$444,789	$1,630,894	$2,075,683
13	Transfer to CIP Fund	$0	$90,723	$393,600	$1,800,900	$1,873,300
14	**Total**	**$8,103,249**	**$7,599,367**	**$12,020,075**	**$13,665,548**	**$14,949,429**
15						
16	**Ending Fund Balance**	**$6,961,548**	**$8,219,967**	**$9,096,935**	**$9,608,514**	**$10,238,604**

Table 2-19 shows the CIP fund balance projections for the proposed financial plan. Existing reserves are used to fund rate funded CIP and interfund expenses through FY 2027. Once existing reserves are depleted, transfers from the O&M and Replacement funds are used to fund the remaining expenses. The City's fund balances are projected to maintain a zero ending balance from FY 2027 onward as annual transfers from O&M and Replacement funds are adjusted to meet annual funding needs in each year of the study period.

Table 2-19: Projected CIP Fund Balances (Proposed)

Line	Fund Balance (CIP)	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
1	**Beginning Fund Balance**	**$8,351,582**	**$2,860,345**	**$0**	**$0**	**$0**
2						
3	**Sources of Funds**					
4	Debt Proceeds	$0	$0	$6,000,000	$16,000,000	$6,000,000
5	Transfer from O&M Fund	$0	$90,723	$393,600	$1,800,900	$1,873,300
6	**Total**	**$0**	**$90,723**	**$6,393,600**	**$17,800,900**	**$7,873,300**
7						
8	**Uses of Funds**					
9	Interfund Expense	$331,134	$341,068	$175,600	$180,900	$186,300
10	Debt Funded CIP	$0	$0	$6,000,000	$16,000,000	$6,000,000
11	Rate Funded CIP	$5,160,103	$2,610,000	$218,000	$1,620,000	$1,687,000
12	**Total**	**$5,491,237**	**$2,951,068**	**$6,393,600**	**$17,800,900**	**$7,873,300**
13						
14	**Ending Fund Balance**	**$2,860,345**	**$0**	**$0**	**$0**	**$0**

PROPOSED FINANCIAL PERFORMANCE

The City's financial performance is evaluated based on the reserve targets and debt coverage requirements, as shown in **Table 2-20**. Under the proposed financial plan, the City will meet its reserve targets by the end of the study period in FY 2030 and debt coverage requirements for newly proposed debt starting in FY 2028.

Table 2-20: Projected Financial Performance (Proposed)

Line	Financial Performance	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
1	**Adopted Reserve Policy**					
2	Operating Reserve Target	$7,367,794	$7,599,432	$9,209,563	$9,224,797	$9,770,583
3	Ending O&M and R&R Fund Balance	$6,961,548	$8,219,967	$9,096,935	$9,608,514	$10,238,604
4	***Meets Target?***	***No***	***Yes***	***No***	***Yes***	***Yes***
5						
6	**Debt Coverage**					
7	Required Debt Coverage	125%	125%	125%	125%	125%
8	Calculated Debt Coverage	No Debt	No Debt	346%	231%	212%
9	***Meets Target?***	***No Debt***	***No Debt***	***Yes***	***Yes***	***Yes***

Figure 2-2 shows the projected O&M and Replacement fund balances under the proposed scenario. In this scenario, the City will meet its operating reserve target by the end of the study period in FY 2030.

Figure 2-2: Projected O&M and Replacement Fund Balances (Proposed)

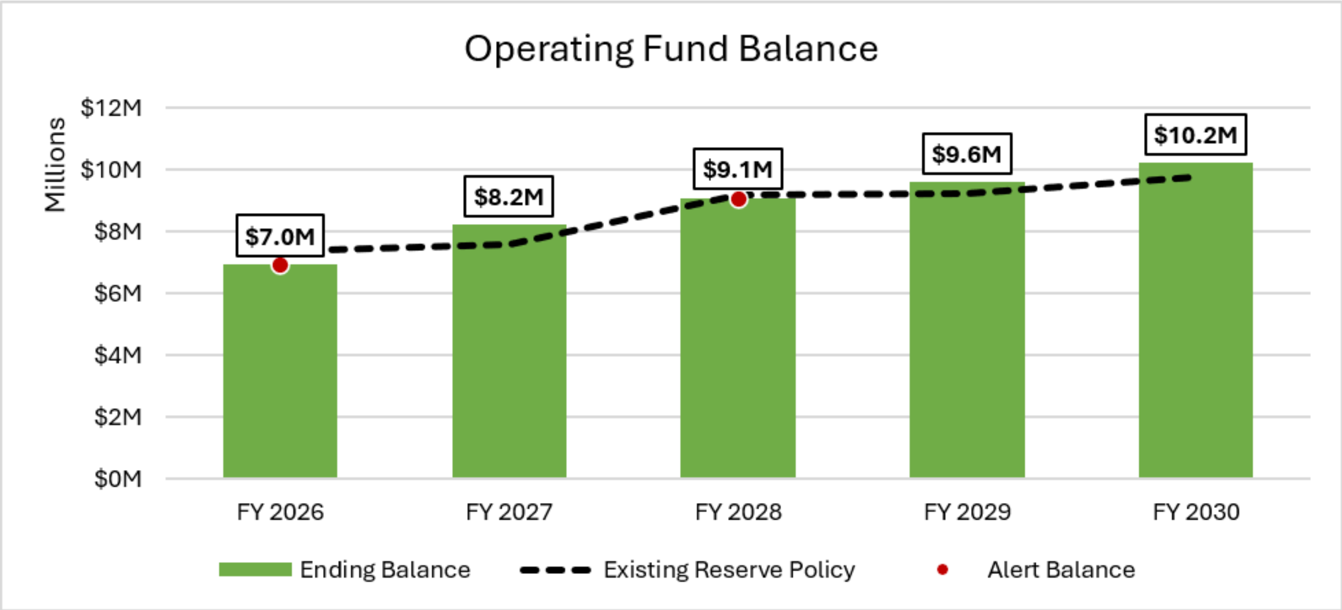
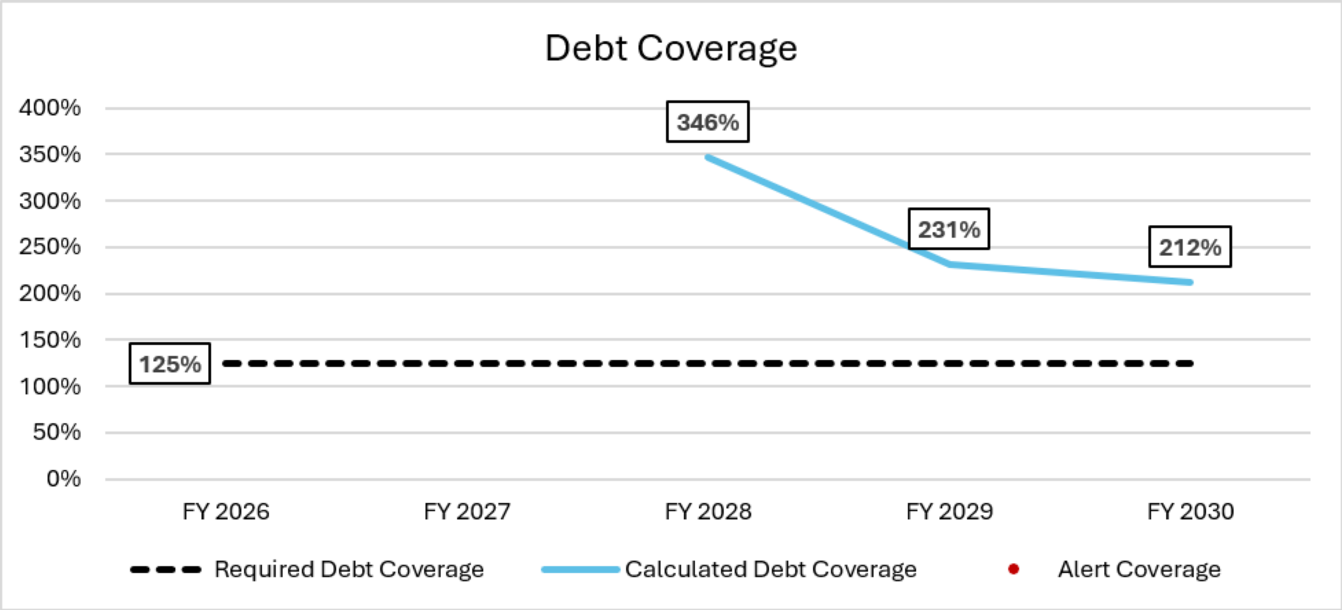


Figure 2-3 shows the projected debt coverage under the proposed scenario. In this scenario, the City will meet its debt coverage requirements in all years for proposed debt issuances starting in FY 2028.

Figure 2-3: Projected Debt Coverage (Proposed)



3. COST-OF-SERVICE ANALYSIS AND SEWER RATES

3.1 COST-OF-SERVICE AND RATE OVERVIEW

COST-OF-SERVICE AND RATES METHODOLOGY

A cost-of-service analysis is a technical process used to determine the cost of providing sewer service to the City's customers based on each customer's use of and burden on the sewer system. The cost-of-service analysis is the basis of the nexus between the costs incurred by the utility to provide sewer service and the sewer rates charged to customers, which is a requirement of Proposition 218.

The overall goal of the cost-of-service analysis is to develop "unit costs," which provide the basis from which proposed rates are directly calculated. Note that although the study period spans multiple years, the cost-of-service analysis is limited to a single representative year referred to as the "test year." The test year in this study is FY 2027.

The proposed sewer rate schedule was developed based on the results of the proposed financial plan and cost-of-service analysis. The key steps in conducting a cost-of-service analysis and developing the proposed rate schedule are outlined below:

- **Revenue requirement determination**: The revenue requirement for the test year is determined based on the results of the proposed financial plan and allocated to each customer class based on wastewater flow estimates.
- **Unit cost development**: Allocated revenue requirements are divided by the appropriate units of service for each customer class to establish unit costs for the test year (FY 2027). Unit costs represent proposed rates for the first year of rates (FY 2027). Although total rate revenues in the first year of adjustments (FY 2027) are designed to increase by the proposed revenue adjustment percentage (100% in FY 2027), the proposed percentage increase to each rate/charge varies due to the updated cost-of-service allocations.
- **Rate schedule development**: Proposed rates for the full study period are calculated by increasing the FY 2027 rates by the proposed annual revenue adjustment percentages from the proposed financial plan.

PROPOSED CHANGES TO RATE STRUCTURE

Currently, the City charges different bi-monthly fixed residential charges to Condo and Multi-Family customers. WRE recommends aligning the Condo and Multi-Family bi-monthly fixed charges to simplify the City's rate structure and better align with peer agency practices, including DSRSD. Because Condo and Multi-Family customers have similar household densities and estimated wastewater generation characteristics, combining these customer classes into a single rate is appropriate.

The City also currently charges different Commercial and Industrial variable charges based on commercial class. WRE recommends consolidating these charges into one variable charge applicable to all Commercial and Industrial customers in line with cost-of-service principles and DSRSD's customer classifications. Collection and transport costs associated with delivering wastewater to regional treatment facilities are primarily driven by wastewater flow and do not vary based on commercial class.

The proposed four-year sewer rate schedule in this section is based on the updated cost-of-service analysis and the proposed revenue adjustments in the four-year period. The rate schedule shows the proposed sewer rates to be implemented starting in January 2027 and every July thereafter.

3.2 REVENUE REQUIREMENT

The total rate revenue requirement for the test year, FY 2027, is based on the financial plan projections for that year as shown in **Table 3-1**, and is calculated based on the following components:

- **Revenue requirements** include base, new expense program, staffing related to CIP scenario, and interfund expenses (**Table 2-17**, Lines 9-12) in addition to debt service (**Table 2-17**, Line 20) and rate funded CIP (**Table 2-17**, Line 24).
- **Revenue offsets** include interest income (**Table 2-17**, Line 4) and other revenues (**Table 2-17**, Line 5).
- **Adjustments** include net cash flow (**Table 2-17**, Line 26) and an adjustment to annualize the mid-year rate adjustment effective on 1/1/2027 for one full year (Line 16).

The total revenue required from rates is equal to the revenue requirements, less revenue offsets and adjustments. Note that the total revenue from rates (Line 20) less the annualized revenue adjustment is equal to the sewer rate revenues for FY 2027 (**Table 2-17**, sum of Lines 2 and 3).

Table 3-1: Revenue Requirement (FY 2027)

Line	Revenue Requirement (FY 2027)	Flow
1	**Revenue Requirements**	
2	Base Expenses	$5,829,395
3	New Expense Programs	$1,473,250
4	Staffing Related to CIP Scenarios	$206,000
5	Interfund Expense (Fund 431)	$341,068
6	Debt Service	$0
7	Rate Funded Capital Projects	$2,610,000
8	**Subtotal**	**$10,459,713**
9		
10	**Revenue Offsets**	
11	Interest Income	$224,357
12	Other Revenues	$45,500
13	**Subtotal**	**$269,857**
14		
15	**Adjustments**	
16	Annualized Revenue Adjustment	($2,862,643)
17	Cash Balance Adjustment	$1,601,926
18	**Subtotal**	**($1,260,717)**
19		
20	**Total Revenue Requirement**	**$11,450,572**

3.3 UNITS OF SERVICE AND FLOW ESTIMATES

The next step in the cost-of-service analysis is to estimate the wastewater flow for each customer class since wastewater flow data is not typically metered. Residential wastewater flow estimates are based on household size data and city-specific indoor water consumption in gallons per capita per day (gpcd). Non-residential wastewater flow estimates are based on actual water consumption data from FY 2025, and a wastewater return factor which represents the portion of water consumption that is returned to the sewer collection system based on FY 2025 average winter consumption relative to average annual consumption[10].

RESIDENTIAL AND NON-RESIDENTIAL FLOW ESTIMATES

Table 3-2 and **Table 3-3** shows the Residential and Non-Residential wastewater flow estimates by customer class, respectively.

Residential wastewater flow is estimated for each customer class based on household size census data from the 2024 American Community Survey and indoor water consumption data in gpcd from the City's Annual Urban Water Use Objective and Water Use Report from FY 2025.

[10] Average winter consumption is used as a proxy for average indoor consumption.

Estimated annual wastewater flow is calculated by converting indoor water consumption in gpcd to ccf per capita per year and multiplying consumption by household size and units (**Table 2-3**) for each customer class. Accounts for each customer class are equal to units for all classes except for Condo and Multi-Family whose accounts were provided by staff[11].

Non-Residential wastewater flow estimates are based on actual FY 2025 water consumption and accounts provided by staff. Commercial classes are allocated to their most closely associated DSRSD strength class based on review of FY 2025 billing data.

The applied percentage reflects the portion of estimated wastewater flow included in the cost-of-service analysis. A 100% factor is applied to all customer classes served directly by the City's sewer collection system. For customers in the Castlewood Service Area, a 7.785% factor is applied to reflect Castlewood's proportionate use of the City's system. The applied wastewater flow, accounts, and units are calculated by multiplying wastewater flow, accounts and units by the applied percentage for each customer class.

[11] One Multi-Family or Condo meter may serve multiple units (For example, one apartment building has one account and serves four units).

Table 3-2: Residential Flow Estimates by Customer Class

Line	Residential Flow	Household Size	Units (DUs)	Indoor Use (gpcd)	Est. Wastewater Flow (ccf)	Accounts	Applied Percentage	Applied Wastewater Flow (ccf)	Applied Accounts	Applied Units
1	**Utility Billing**									
2	Single Family	3.06	18,895	51	1,438,897	18,895	100%	1,438,897	18,895	18,895
3	Single Family w/ 2nd Residence	5.18	206	51	26,556	206	100%	26,556	206	206
4	Condo	2.12	1,585	51	83,623	406	100%	83,623	406	1,585
5	Multi-Family	2.12	5,895	51	310,988	241	100%	310,988	241	5,895
6										
7	**Property Tax Roll**									
8	Single Family	3.06	179	51	13,631	179	100%	13,631	179	179
9	Single Family w/ 2nd Residence	5.18	0	51	0	0	100%	0	0	0
10	Condo	2.12	256	51	13,506	256	100%	13,506	256	256
11	Multi-Family	2.12	0	51	0	0	100%	0	0	0
12										
13	**Ruby Hill**									
14	Single Family	3.06	851	51	64,806	851	100%	64,806	851	851
15										
16	**Castlewood**									
17	Single Family	3.06	206	51	15,687	206	7.785%	1,221	16	16
18										
19	**Total - Residential Flow**				**1,967,695**			**1,953,229**	**21,050**	**27,883**

Table 3-3: Non-Residential Flow Estimates by Customer Class

Line	Non-Residential Water Use	Billed	Water Usage (ccf)	Accounts	Applied Percentage	Applied Water Usage (ccf)	Applied Accounts
1	**City of Pleasanton**						
2							
3	**Commercial**						
4	Auto Steam Cleaning	Between 900 and 1,050 mg/L	143	1	100%	143	1
5	Bakery	Between 900 and 1,050 mg/L	18,568	14	100%	18,568	14
6	Laundry	Less than or equal to 300 mg/L	477	4	100%	477	4
7	Grocery with Disposal	Between 750 and 900 mg/L	5,122	5	100%	5,122	5
8	Mortuary	Between 750 and 900 mg/L	87	1	100%	87	1
9	Restaurant, Fast Food	Between 450 and 600 mg/L	27,328	47	100%	27,328	47
10	Restaurant, Full Service	Between 600 and 750 mg/L	105,466	114	100%	105,466	114
11	All Other	Less than or equal to 300 mg/L	419,899	748		419,899	748
12	**Subtotal**		**577,090**	**934**		**577,090**	**934**
13							
14	**Institutional**						
15	Schools, Submetered	Less than or equal to 300 mg/L	12,416	12	100%	12,416	12
16	Schools, Not Submetered	Less than or equal to 300 mg/L	33,462	4	100%	33,462	4
17	**Subtotal**		**45,878**	**16**		**45,878**	**16**
18							
19	**Total - City of Pleasanton**		**622,968**	**950**		**622,968**	**950**
20							
21	**Ruby Hill**						
22							
23	**Commercial**						
24	Restaurant, Full Service	Between 450 and 600 mg/L	4,649	3	100%	4,649	3
25	All Other	Less than or equal to 300 mg/L	786	2	100%	786	2
26	**Total - Ruby Hill**		**5,435**	**5**		**5,435**	**5**
27							

Line	Non-Residential Water Use	Billed	Water Usage (ccf)	Accounts	Applied Percentage	Applied Water Usage (ccf)	Applied Accounts
28	**Castlewood**						
29							
30	Restaurant, Full Service	Between 450 and 600 mg/L	5,603	1	8%	436	0
31							
32	**Alco**						
33							
34	All Other	Less than or equal to 300 mg/L	38,628	1	100%	38,628	1
35							
36	**Industrial**						
37							
38	Industrial, Low Strength	Less than or equal to 300 mg/L	9,601	2	100%	9,601	2
39	Industrial, Medium Strength	Between 450 and 600 mg/L	12,594	1	100%	12,594	1
40	**Total - Industrial**		**22,195**	**3**		**22,195**	**3**
41							
42	**Total - Commercial Water Usage**		**694,829**	**1,910**		**689,662**	**959**

FLOW ESTIMATES SUMMARY

Table 3-4 shows a summary of the applied water consumption, accounts, and units by customer class based on the calculations from **Table 3-2** and **Table 3-3**.

Table 3-4: Flow Estimates Summary by Customer Class

Line	Customer Class	Applied Water Usage (ccf)	Applied Accounts	Applied Units
1	**Residential**			
2	Single Family	1,518,555	19,941	19,941
3	Single Family w/ 2nd Residence	26,556	206	206
4	Condo	97,129	662	1,841
5	Multi-Family	310,988	241	5,895
6	**Subtotal**	**1,953,229**	**21,050**	**27,883**
7				
8	**Commercial/ Industrial**			
9	Less than or equal to 300 mg/L	469,391	757	
10	Between 300 and 450 mg/L	0	0	
11	Between 450 and 600 mg/L	45,007	51	
12	Between 600 and 750 mg/L	105,466	114	
13	Between 750 and 900 mg/L	5,209	6	
14	Between 900 and 1,050 mg/L	18,711	15	
15	Greater than 1,050 mg/L	0	0	
16	**Subtotal**	**643,784**	**943**	
19				
20	**Institutional**			
21	Schools, Submetered	12,416	12	
22	Schools, Not Submetered	33,462	4	
23	**Total**	**45,878**	**16**	

3.4 REVENUE REQUIREMENT ALLOCATION

Table 3-5 shows the allocation of the rate revenue requirement to each customer class. Since the City is only collecting and transporting wastewater flow, the total revenue requirement (**Table 3-1**, Line 20) is allocated among customer classes in proportion to their estimated wastewater flows. Accounts and water consumption is from **Table 3-4**. A return factor is calculated for each Non-Residential customer class based on FY 2025 average winter consumption relative to average annual consumption[12]. Non-Residential wastewater flow in ccf is calculated by multiplying water consumption by the return factor; Residential wastewater flow is from **Table 3-4**. The flow allocation for each customer class represents the proportion of wastewater flow for each class relative to total wastewater flow through the City's system and the total revenue requirement is allocated accordingly.

Table 3-5: Revenue Requirement Allocation by Customer Class

Line	Customer Class	Accounts	Water Usage (ccf)	Return Factor	Wastewater Flow (ccf)	Flow Allocation	Total Cost-of-Service
1	**Residential**						
2	Single Family	19,941			1,518,555	59.6%	$6,822,633
3	Single Family w/ 2nd Residence	206			26,556	1.0%	$119,311
4	Condo	662			97,129	3.8%	$436,388
5	Multi-Family	241			310,988	12.2%	$1,397,223
6	**Subtotal**	**21,050**			**1,953,229**	**76.6%**	**$8,775,555**
7							
8	**Commercial/Industrial**						
9	Less than or equal to 300 mg/L	757	469,391	90.6%	425,297	16.7%	$1,910,794
10	Between 300 and 450 mg/L	0	0	90.6%	0	0.0%	$0
11	Between 450 and 600 mg/L	51	45,007	90.6%	40,779	1.6%	$183,215
12	Between 600 and 750 mg/L	114	105,466	90.6%	95,559	3.7%	$429,330
13	Between 750 and 900 mg/L	6	5,209	90.6%	4,720	0.2%	$21,205
14	Between 900 and 1,050 mg/L	15	18,711	90.6%	16,953	0.7%	$76,169
15	Greater than 1,050 mg/L	0	0	90.6%	0	0.0%	$0
16	**Subtotal**	**943**	**643,784**		**583,308**	**22.9%**	**$2,620,712**

[12] Average winter consumption is used as a proxy for average indoor consumption.

Line	Customer Class	Accounts	Water Usage (ccf)	Return Factor	Wastewater Flow (ccf)	Flow Allocation	Total Cost-of-Service
17							
18	**Institutional**						
19	Schools, Submetered	12	12,416	45.1%	5,595	0.2%	$25,137
20	Schools, Not Submetered	4	33,462	19.4%	6,492	0.3%	$29,168
21	**Subtotal**	**16**	**45,878**		**12,087**	**0.5%**	**$54,305**
22							
23	**Total**	**22,009**			**2,548,624**	**100.0%**	**$11,450,572**

3.5 UNIT COST DERIVATION

Table 3-6 shows the units of service for all customer classes based on the revenue requirement allocation (**Table 3-5**) and units of service (**Table 3-4**). The unit rate for each customer class is calculated based on dividing the cost-of-service allocation by the units of service, accounting for six billing periods per year and rounded to the nearest cent and represents the rate for the first year of proposed rates in FY 2027. The rates for the Castlewood Service Area (Lines 6 and 17) are calculated by multiplying the Single Family and Commercial rates by the applied percentage of 7.785%.

Table 3-6: Unit Cost Derivation

Line	Customer Class	Total Cost-of-Service	Units of Service	Unit	Unit Rate (Rounded)
1	**Residential**				
2	Single Family	$6,822,633	19,941	dwelling units (DUs)	$57.03
3	Single Family w/ 2nd Residence	$119,311	206	dwelling units (DUs)	$96.53
4	Condo	$436,388	1,841	dwelling units (DUs)	$39.51
5	Multi-Family	$1,397,223	5,895	dwelling units (DUs)	$39.51
6	Castlewood Single Family				$4.44
7	**Subtotal**	**$8,775,555**	**27,883**		
8					
9	**Commercial/Industrial**				
10	Less than or equal to 300 mg/L	$1,910,794	469,391	water usage (ccf)	$4.08
11	Between 300 and 450 mg/L	$0	0	water usage (ccf)	$4.08
12	Between 450 and 600 mg/L	$183,215	45,007	water usage (ccf)	$4.08
13	Between 600 and 750 mg/L	$429,330	105,466	water usage (ccf)	$4.08
14	Between 750 and 900 mg/L	$21,205	5,209	water usage (ccf)	$4.08
15	Between 900 and 1,050 mg/L	$76,169	18,711	water usage (ccf)	$4.08
16	Greater than 1,050 mg/L	$0	0	water usage (ccf)	$0.00
17	Castlewood				$0.32
18	**Subtotal**	**$2,620,712**	**643,784**		
19					
20	**Institutional**				
21	Schools, Submetered	$25,137	12,416	water usage (ccf)	$2.03
22	Schools, Not Submetered	$29,168	33,462	water usage (ccf)	$0.88
23	**Subtotal**	**$54,305**	**45,878**		
24					
25	**Total**	**$11,450,572**			

3.6 PROPOSED SEWER RATE SCHEDULE

REVENUE ADJUSTMENTS

Table 3-7 shows the annual revenue adjustments based on the proposed financial plan scenario. The FY 2027 charges are increased by the revenue adjustments to determine the proposed sewer rates for future years.

Table 3-7: Revenue Adjustments (Proposed)

Line	Fiscal Year	Effective Date	Revenue Adjustments
1	FY 2027	1/1/2027	100.0%
2	FY 2028	7/1/2027	10.0%
3	FY 2029	7/1/2028	10.0%
4	FY 2030	7/1/2029	10.0%

FOUR-YEAR SEWER RATE SCHEDULE

The proposed four-year sewer rate schedule in this section is based on the updated cost-of-service analysis and the proposed revenue adjustments in the four-year period. The rate schedule shows the proposed sewer rates to be implemented starting in January 2027 and each July thereafter.

Table 3-8 shows the current[13] and proposed bi-monthly fixed residential charges, commercial and industrial variable charges, and institutional variable charges.

Table 3-8: Current and Proposed Pleasanton Collection Sewer Rates

Line	Pleasanton Collection Sewer Rates	Current 7/1/2026	Effective 1/1/2027	Effective 7/1/2027	Effective 7/1/2028	Effective 7/1/2029
1	**Bi-Monthly Fixed Residential Charges ($/ DU)**					
2	Single Family	$31.70	$57.03	$62.74	$69.02	$75.93
3	Single Family w/ 2nd Residence	$48.28	$96.53	$106.19	$116.81	$128.50
4	Condo	$21.77	$39.51	$43.47	$47.82	$52.61
5	Multi-Family	$16.58	$39.51	$43.47	$47.82	$52.61
6						
7	**Commercial/Industrial Variable Charges ($/ ccf)**					
8	All Commercial/Industrial Customers	N/A	$4.08	$4.49	$4.94	$5.44
9	Minimum Charge	$16.58	$39.51	$43.47	$47.82	$52.61
10						
11	**Institutional Variable Charges ($/ ccf)**					
12	Schools, Submetered	$1.46	$2.03	$2.24	$2.47	$2.72
13	Schools, Not Submetered	$0.95	$0.88	$0.97	$1.07	$1.18

3.7 CUSTOMER IMPACTS AND RATE SURVEY

CUSTOMER IMPACTS

WRE evaluated the impacts to all of the City's customer classes (Residential and Non-Residential) based on the proposed sewer rates effective in January 2027 compared to CPI-adjusted rates effective in July 2026. Total customer impacts include the effect of both Pleasanton collection charges (**Table 3-8**) and DSRSD and City of Livermore treatment pass-through charges.

Table 3-9 shows the FY 2027 (Effective 7/1/2026) DSRSD and City of Livermore treatment pass-through charges utilized to show the full customer impact to each customer class. All customer classes receive treatment services from DSRSD except for Ruby Hill customers which receive treatment services from the City of Livermore. To determine the DSRSD treatment rate for each Pleasanton Non-Residential customer class, the most closely associated DSRSD strength class is

[13] Current rates are based on an assumed 3.0% CPI increase from rates effective in January 2026.

allocated to each commercial class based on review of account-level FY 2025 Pleasanton and DSRSD billing data.

Table 3-9: DSRSD and Livermore Treatment Pass-Through Charges

Line	DSRSD and Livermore Treatment Pass-Through Charges ($/ ccf)	Billed DSRSD / Livermore Class	FY 2027 Treatment Rate
1	**Pleasanton / DSRSD**		
2	Single Family	Single Family	$65.58
3	Single Family w/ 2nd Residence	Single Family w/ 2nd Residence	$116.74
4	Condo	Condo	$51.15
5	Multi-Family	Multi-Family	$51.15
6	**Ruby Hill / Livermore**		
7	Single Family	Single Family	$140.38
8	**Non-Residential**		
9	Auto Steam Cleaning	Between 900 and 1,050 mg/L	$9.06
10	Bakery	Between 900 and 1,050 mg/L	$9.06
11	Laundry	Less than or equal to 300 mg/L	$3.80
12	Grocery with Disposal	Between 750 and 900 mg/L	$8.01
13	Mortuary	Between 750 and 900 mg/L	$8.01
14	Restaurant, Fast Food	Between 450 and 600 mg/L	$5.92
15	Restaurant, Full Service	Between 600 and 750 mg/L	$6.98
16	All Other	Less than or equal to 300 mg/L	$3.80
17	Schools, Submetered	Less than or equal to 300 mg/L	$3.80
18	Schools, Not Submetered	Less than or equal to 300 mg/L	$3.80

Table 3-10 shows the proposed bi-monthly bill impacts for each Residential customer class. Current and proposed collection bills include City of Pleasanton collection charges only (**Table 3-8**, Lines 2-5). Current and proposed combined bills include FY 2027 treatment costs in addition to Pleasanton collection bills. Based on current and proposed charges, the bi-monthly impact to Single Family customers will be $25.33.

Rates for customers in the Ruby Hill service area may differ from those shown. The City currently provides a 10% discount on sewer collection charges for all bi-monthly bills, funded by the City’s General Fund. This discount is subject to annual approval by the Cities of Pleasanton and/or Livermore.

Table 3-10: Residential Customer Bi-Monthly Bill Impacts

Line	Residential Customers	Current Collection Bill	Proposed Collection Bill	Difference ($)	Current Combined Bill	Proposed Combined Bill	Difference ($)
1	Single Family	$31.70	$57.03	**$25.33**	$97.28	$122.61	**$25.33**
2	Single Family w/ 2nd Residence	$48.28	$96.53	**$48.25**	$165.02	$213.27	**$48.25**
3	Condo	$21.77	$39.51	**$17.74**	$72.92	$90.66	**$17.74**
4	Multi-Family	$16.58	$39.51	**$22.93**	$67.73	$90.66	**$22.93**

Table 3-11 shows the proposed bi-monthly bill impacts for each Non-Residential customer class (including current Commercial, Industrial, and Institutional customer classes) based on average bi-monthly usage in ccf for each class. Current and proposed collection bills include City of Pleasanton collection charges only (**Table 2-1**, Lines 10-21 and **Table 3-8**, Line 8). Current and proposed combined bills include FY 2027 treatment costs in addition to Pleasanton collection bills. For Commercial customers, the minimum charge includes an allotment of consumption equal to the minimum charge divided by the applicable volumetric rate, rounded up to the next whole ccf, with usage above the allotment charged at the applicable volumetric rate.

The most common Commercial and Industrial customer classifications are All Other and Full Service Restaurant. Based on current and proposed changes, the bi-monthly impact to a typical office or retail customer in the All Other classification using 94 ccf of water will be an increase of $240.32. Similarly, the bi-monthly impact to a Full Service Restaurant using 154 ccf of water will be an increase of $369.97.

For Institutional customers, the most common customer classification is Submetered Schools. The bi-monthly impact to a Submetered School using 172 ccf of water will be an increase of $98.04.

Table 3-11: Non-Residential Customer Bi-Monthly Bill Impacts

Line	Non-Residential Customers	Average Bi-Monthly Use (ccf)	Current Collection Bill	Proposed Collection Bill	Difference ($)	Current Combined Bill	Proposed Combined Bill	Difference ($)
1	Auto Steam Cleaning	24	$41.64	$96.63	**$54.99**	$255.87	$310.86	**$54.99**
2	Bakery	221	$392.16	$900.39	**$508.23**	$2,391.21	$2,899.44	**$508.23**
3	Laundry	20	$34.48	$80.31	**$45.83**	$112.23	$158.06	**$45.83**
4	Grocery with Disposal	171	$291.89	$696.39	**$404.50**	$1,664.69	$2,069.19	**$404.50**
5	Mortuary	15	$31.21	$59.91	**$28.70**	$154.45	$183.15	**$28.70**
6	Restaurant, Fast Food	97	$161.87	$394.47	**$232.60**	$733.98	$966.58	**$232.60**
7	Restaurant, Full Service	154	$257.06	$627.03	**$369.97**	$1,334.27	$1,704.24	**$369.97**
8	All Other	94	$141.91	$382.23	**$240.32**	$500.86	$741.18	**$240.32**
9	Schools, Submetered	172	$251.12	$349.16	**$98.04**	$904.72	$1,002.76	**$98.04**
10	Schools, Not Submetered	1,394	$1,324.30	$1,226.72	**($97.58)**	$6,621.50	$6,523.92	**($97.58)**

RATE SURVEY

WRE compared the current and proposed combined bi-monthly sewer bills for Single Family, Full Service Restaurant, and Submetered School customers at average monthly usage relative to the current bills of nearby agencies serving the Tri-Valley Cities (Dublin, Livermore, and Pleasanton).

Figure 3-1 shows the current and proposed bi-monthly bills for Single Family customers relative to other nearby agencies. Currently Pleasanton bills are comparable to DSRSD and substantially below Livermore bills. After the proposed changes, Pleasanton bills are near the midpoint of the range, remaining higher than DSRSD bills and lower than Livermore bills.

Figure 3-1: Single Family Bi-Monthly Sewer Rate Survey

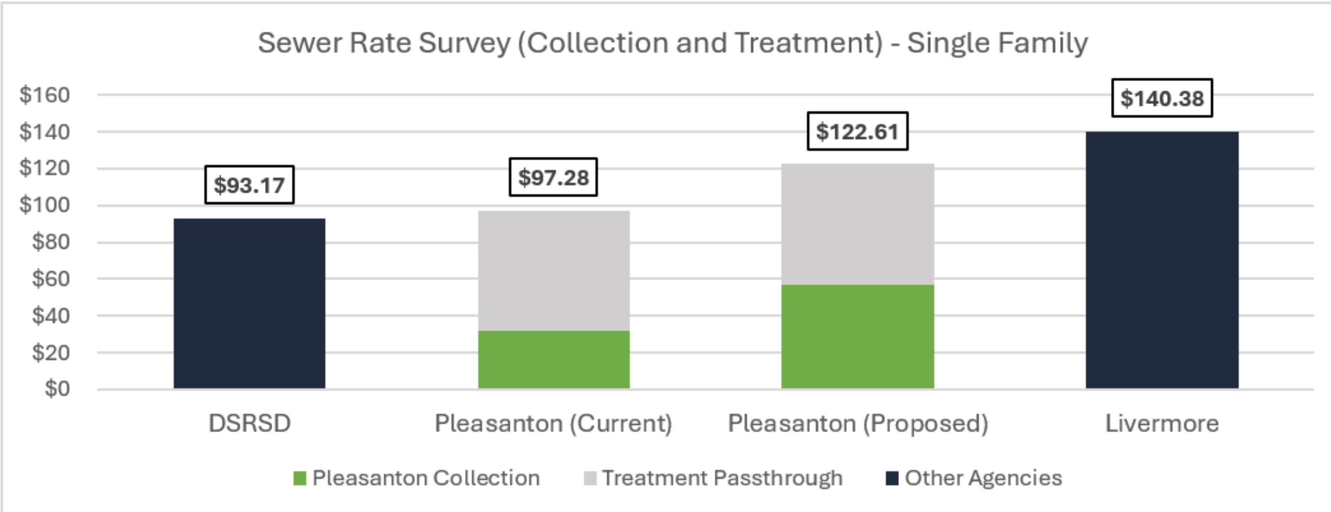


Figure 3-2 shows the current and proposed bi-monthly bills for Full Service Restaurant customers at average usage (154 ccf) relative to other nearby agencies. Currently Pleasanton bills are the lowest amongst all agencies surveyed. After the proposed changes, Pleasanton bills are near the midpoint of the range, falling higher than DSRSD bills and lower than Livermore bills.

Figure 3-2: Full Service Restaurant Sewer Rate Survey

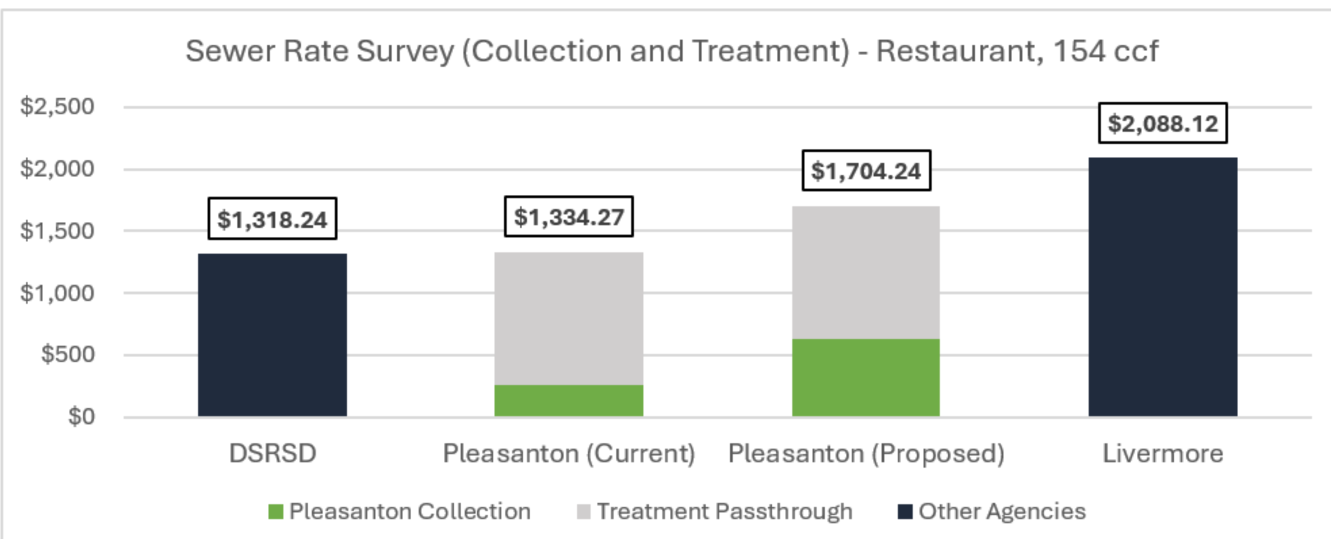


Figure 3-3 shows the current and proposed bi-monthly bills for Submetered School customers at average usage (172 ccf) relative to other nearby agencies. Currently Pleasanton bills are the lowest amongst all agencies surveyed. After the proposed changes, Pleasanton bills are comparable to Livermore bills, falling higher than DSRSD bills and slightly lower than Livermore bills.

Figure 3-3: Schools Submetered Sewer Rate Survey

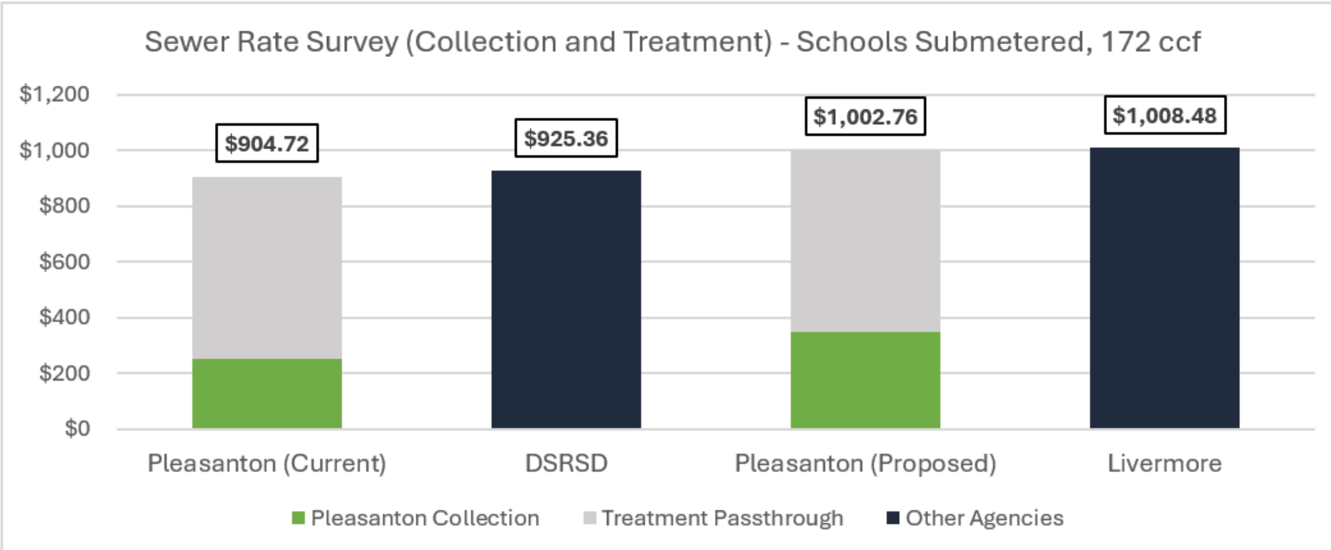
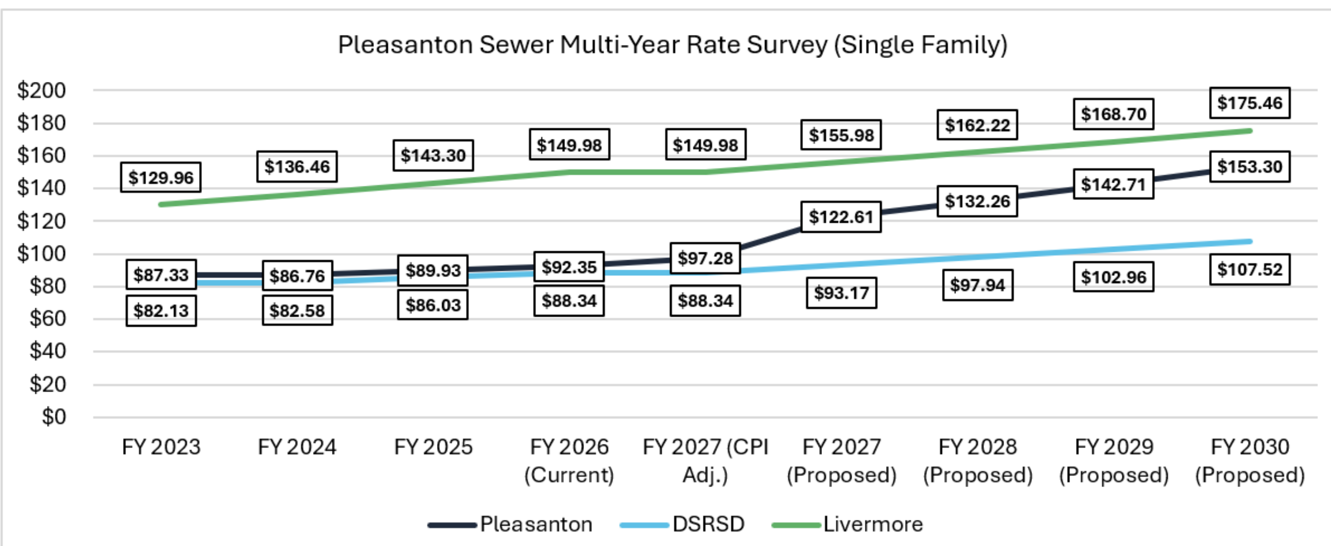


Figure 3-4 shows historical and proposed bi-monthly bills for Single Family customers. Historically (from FY 2023 to FY 2027 CPI adjustment), Pleasanton bills have been comparable to DSRSD. After the proposed changes (FY 2027 to FY 2030), Pleasanton bills are near the midpoint of the range, ending substantially higher than DSRSD bills and closer to Livermore bills by FY 2030.

Figure 3-4: Single Family Sewer Multi-Year Rate Survey



4. CONNECTION FEES

4.1 CONNECTION FEE OVERVIEW

New customer connections to the City's sewer system are subject to a sewer connection fee, which is necessary to ensure that existing users are not unfairly burdened by costs incurred to provide capacity for new users. The overall purpose of a connection fee is to equitably recover capital costs incurred by the agency to provide system capacity to new users. Sewer connection fees in California are typically developed based on one of three common methodologies outlined by the AWWA in its *Manual of Water Supply Practices M1: Principles of Water Rates, Fees and Charges, Seventh Edition*.

The three methodologies include:

1. **Buy-In Method**: The Buy-In Method establishes connection based on the value of the system's existing capital assets and is typically most appropriate when a system's current capacity is sufficient to serve both short-term and long-term projected demands. The rationale underlying the Buy-In Method is that new customers should pay to "buy-in" to existing system capacity funded by past and current users.
2. **Incremental Cost Method**: The Incremental Cost Method establishes connection fees based on the cost of planned capital expenditures required to expand system capacity and is typically most appropriate when a system's current capacity is already fully utilized by existing users. The rationale underlying the Incremental Cost Method is that new users should fund planned capital projects that are necessary to accommodate growth.
3. **Hybrid Method**: The Hybrid Method[14] establishes capacity charges based on a combination of the Buy-In Method and the Incremental Cost Method. The Hybrid Method is typically most appropriate when some existing capacity is available to new users, but capacity expansion is still necessary to accommodate long-term demands.

WRE recommends the Buy-In Method for the City's sewer connection fees as the existing system has remaining capacity to serve new customers.

4.2 BUY-IN METHOD

EXISTING SYSTEM VALUE

The Buy-In component, shown in **Table 4-1**, calculates the value of the existing sewer system. The existing system value (Line 3) is determined based on the value of fixed assets (Line 1) and O&M, Replacement, and CIP cash balances (Line 2; from **Table 2-18** and **Table 2-19**, sum of Line 1) as of FY 2027.

[14] The Hybrid Method is referred to by the AWWA as the "Combined Cost Approach."

The fixed asset value is based on data received from City staff regarding sewer system assets, original cost, useful life, date in service, and net book value. WRE converted all asset values from net book value into replacement cost less depreciation (RCLD) using the Engineering News-Record's Construction Cost Index (CCI) to adjust for annual cost inflation. WRE recommends using the RCLD asset valuation methodology because it accounts for both inflation and depreciation and is generally considered the most equitable approach. The detailed asset list is included in the **Appendix** (**Table 5-5**).

Table 4-1: Buy-In System Value

Line	Buy-In Method	System Value
1	Sewer Assets Value (RCLD)	$65,468,002
2	Plus Cash Balances (O&M, Replacement, and CIP)	$9,821,893
3	**Total**	**$75,289,895**

EXISTING UNITS

Table 4-2 shows the equivalent dwelling unit (EDU) calculation where one EDU is based on average Single Family flow per DU. Accounts and wastewater flow for each customer class are from **Table 3-5**. Single Family flow per EDU is calculated based on dividing Single Family annual wastewater flow by number of accounts (Line 2), which is applied to all customer classes. EDUs are calculated for each customer class by dividing annual wastewater flow by Single Family flow per EDU.

Table 4-2: EDU Calculation

Line	Customer Class	Accounts	Wastewater Flow (ccf)	Single Family Flow per EDU	EDUs
1	**Residential**				
2	Single Family	19,941	1,518,555	76	19,941
3	Single Family w/ 2nd Residence	206	26,556	76	349
4	Condo	662	97,129	76	1,275
5	Multi-Family	241	310,988	76	4,084
6	**Subtotal**	**21,050**	**1,953,229**		**25,649**
7					
8	**Commercial/Industrial**				
9	Less than or equal to 300 mg/L	757	425,297	76	5,585
10	Between 300 and 450 mg/L	0	0	76	0
11	Between 450 and 600 mg/L	51	40,779	76	535
12	Between 600 and 750 mg/L	114	95,559	76	1,255
13	Between 750 and 900 mg/L	6	4,720	76	62
14	Between 900 and 1,050 mg/L	15	16,953	76	223
15	Greater than 1,050 mg/L	0	0	76	0
16	**Subtotal**	**943**	**583,308**		**7,660**
17					
18	**Institutional**				
19	Schools, Submetered	12	5,595	76	73
20	Schools, Not Submetered	4	6,492	76	85
21	**Subtotal**	**16**	**12,087**		**159**
22					
23	**Total**	**22,009**	**2,548,624**		**33,467**

4.3 PROPOSED SEWER CONNECTION FEES

SEWER CONNECTION FEE CALCULATION

Table 4-3 shows the sewer connection fee calculation based on the Buy-In Method. To calculate the proposed connection fee per EDU (Line 3), the existing system value (Line 1; from **Table 4-1**, Line 3) is divided by the existing EDUs (Line 2; from **Table 4-2**, Line 23).

Table 4-3: Sewer Connection Fee Calculation

Line	Buy-In Unit Cost	Value
1	Existing System Value (RCLD)	$75,289,895
2	Existing EDUs	33,467
3	**Proposed Connection Fee per EDU**	**$2,250**

PROPOSED SEWER CONNECTION FEES

Table 4-4 shows the proposed sewer connection fee based on the proposed sewer connection fee per EDU (**Table 4-3**, Line 3). Sewer connection fees are calculated for each customer by class by multiplying the connection fee per EDU (**Table 4-3**, Line 3) by the EDU ratio for each class. WRE recommends updating the Apartment and Mobile Home EDU ratio to match the Condominium EDU ratio in line with the proposed sewer rate structure changes.

Table 4-4: Proposed Sewer Connection Fees

Line	Sewer Connection Fees	EDU Ratio	Factor	Current Fee	Proposed Fee	Difference ($)	Difference (%)
1	Single-Family Dwelling Unit	1.0000	per house/unit	$556.24	$2,250.00	$1,693.76	304.5%
2	Townhome, Townhouse, Duet, Duplex	1.0000	per unit	$556.24	$2,250.00	$1,693.76	304.5%
3	Auxiliary (Secondary) Dwelling Unit	0.0040	per square foot	$2.22	$9.00	$6.78	305.4%
4	Condominium	0.7000	per unit	$417.18	$1,575.00	$1,157.82	277.5%
5	Apartment, Mobile Home	0.7000	per unit	$367.12	$1,575.00	$1,207.88	329.0%
6	**Regular (low)**						
7	Auditoriums	0.0091	per seat	$5.06	$20.48	$15.42	304.6%
8	Auto body shops/Auto dealers	0.0005	per square foot	$0.28	$1.13	$0.85	301.8%
9	Banks, Financial Offices	0.0003	per square foot	$0.16	$0.68	$0.52	321.9%
10	Barber shops / Beauty shops	0.0014	per square foot	$0.76	$3.15	$2.39	314.5%
11	Bars, Cocktail lounges, taverns (w/o dining)	0.0016	per square foot	$0.89	$3.60	$2.71	304.5%
12	Bowling alleys	0.0014	per square foot	$0.78	$3.15	$2.37	303.8%
13	Car washes	0.0077	per square foot	$4.29	$17.33	$13.04	303.8%
14	Churches	0.0227	per seat	$12.64	$51.08	$38.44	304.1%
15	Delicatessen	0.0032	per square foot	$1.79	$7.20	$5.41	302.2%
16	Dental Clinic	0.0041	per square foot	$2.28	$9.23	$6.95	304.6%
17	Dry Cleaners	0.0020	per square foot	$1.13	$4.50	$3.37	298.2%
18	Gas Stations	0.0021	per square foot	$1.19	$4.73	$3.54	297.1%
19	General Retail/ Commercial	0.0002	per square foot	$0.12	$0.45	$0.33	275.0%
20	Gyms, Health Clubs	0.0019	per square foot	$1.06	$4.28	$3.22	303.3%
21	Hospital	1.1364	per bed	$632.09	$2,556.90	$1,924.81	304.5%
22	Hotels, Motels (no dining facilities)	0.5909	per room	$328.68	$1,329.53	$1,000.85	304.5%
23	Institutional (Resident)	0.4545	per bed	$252.83	$1,022.63	$769.80	304.5%
24	Laundries, coin-operated	0.5909	per machine	$328.68	$1,329.53	$1,000.85	304.5%
25	Laundries, full service (commercial)	0.0045	per square foot	$2.53	$10.13	$7.60	300.2%
26	Market - Dry Goods	0.0009	per square foot	$0.48	$2.03	$1.55	321.9%
27	Medical Clinic	0.0017	per square foot	$0.93	$3.83	$2.90	311.3%
28	Medical/ Dental Complex	0.0010	per square foot	$0.56	$2.25	$1.69	301.8%
29	Office Buildings	0.0002	per square foot	$0.12	$0.45	$0.33	275.0%
30	**Parks/ Rec**						
31	Country Club	0.3182	per person	$176.98	$715.95	$538.97	304.5%
32	Picnic Park	0.0455	per person	$25.29	$102.38	$77.09	304.8%
33	Pool	0.0455	per person	$25.29	$102.38	$77.09	304.8%
34	Tennis Courts, w/ toilet & shower	0.4545	per court	$252.83	$1,022.63	$769.80	304.5%
35	Plant Nursery	0.0004	per square foot	$0.20	$0.90	$0.70	350.0%
36	Printers	0.0006	per square foot	$0.36	$1.35	$0.99	275.0%

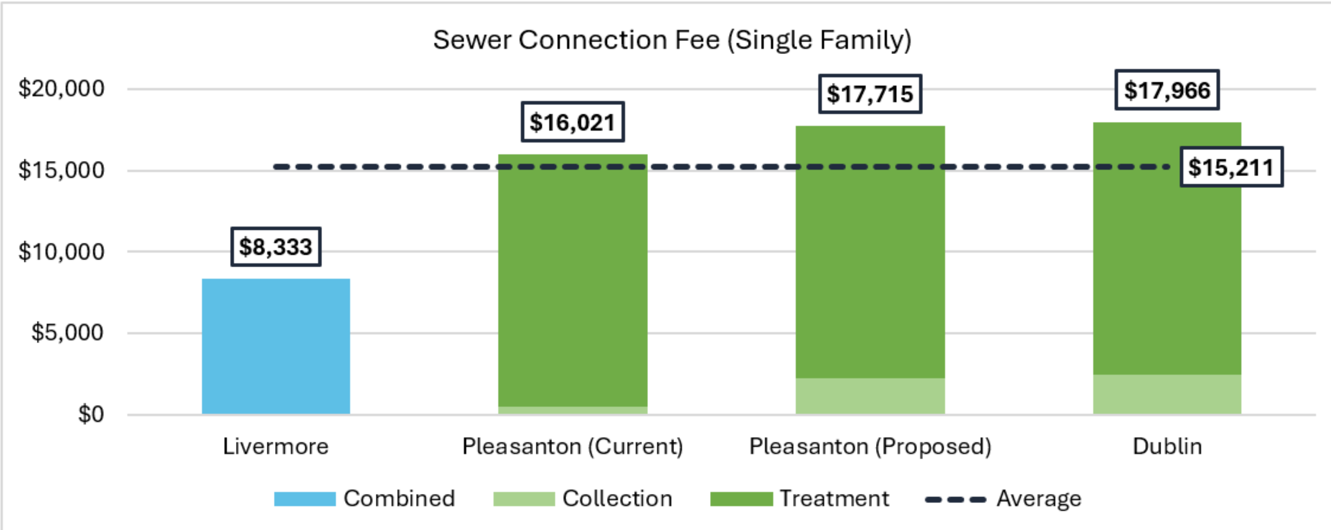
Line	Sewer Connection Fees	EDU Ratio	Factor	Current Fee	Proposed Fee	Difference ($)	Difference (%)
37	Public Agencies	0.0002	per square foot	$0.12	$0.45	$0.33	275.0%
38	Recreational vehicle R.V. Park	0.5454	per RV	$303.39	$1,227.15	$923.76	304.5%
39	**Schools (excluding cafeteria)**						
40	W/o showers	0.0682	per student	$37.92	$153.45	$115.53	304.7%
41	With showers	0.0909	per student	$50.56	$204.53	$153.97	304.5%
42	Theaters	0.0091	per seat	$5.06	$20.48	$15.42	304.6%
43	Veterinary Hospital	0.0015	per square foot	$0.86	$3.38	$2.52	292.4%
44	Warehouse/distribution	0.0001	per square foot	$0.08	$0.23	$0.15	181.3%
45	**Regular (medium)**						
46	Banquet Facilities - intermittent use	0.0012	per square foot	$0.68	$2.70	$2.02	297.1%
47	Business with cafeteria	0.0027	per square foot	$1.51	$6.08	$4.57	302.3%
48	Cafeteria	0.0025	per square foot	$1.37	$5.63	$4.26	310.6%
49	Hotels/Motels with dining facilities	0.0027	per square foot	$1.51	$6.08	$4.57	302.3%
50	Restaurant, Fast Food	0.0027	per square foot	$1.51	$6.08	$4.57	302.3%
51	Restaurant, Full Service	0.0025	per square foot	$1.37	$5.63	$4.26	310.6%
52	School with cafeteria	0.0027	per square foot	$1.51	$6.08	$4.57	302.3%
53	**Regular (high)**						
54	Bakeries/ Donut Shops/ Ice Cream Shops	0.0028	per square foot	$1.57	$6.30	$4.73	301.3%
55	Car washes w/ steam cleaning	0.0018	per square foot	$1.01	$4.05	$3.04	301.0%
56	Markets with garbage disposals	0.0077	per square foot	$4.29	$17.33	$13.04	303.8%
57	Mortuaries	0.0009	per square foot	$0.48	$2.03	$1.55	321.9%

4.4 CONNECTION FEE SURVEY

Figure 4-1 shows the connection fee per EDU comparisons between the City and other nearby agencies, including DSRSD treatment connection fees[15] which account for approximately 97% of current combined Pleasanton connection fees. DSRSD connection fees are set by DSRSD and passed onto Pleasanton customers. Currently Pleasanton sewer connection fees are comparable to Dublin and, after the proposed changes, Pleasanton bills remain comparable to Dublin and significantly above Livermore fees.

[15] DSRSD connection fees are also known as capacity charges.

Figure 4-1: Sewer Connection Fee Comparisons



5. APPENDICES

5.1 FINANCIAL PLAN

Table 5-1: Revenue Detail

Line	Sewer Revenues (Funds 430, 431, 434)	Escalation	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
1	SEWER SERVICE CHARGE PLEASANTON	Rate Revenue	$5,482,035	$5,725,286	$5,725,286	$5,725,286	$5,725,286
2	INTEREST - CITY FUNDS	Interest Income	$240,332	$224,357	$255,915	$276,435	$293,307
3	INTERFUND REIMB - REVENUE	Other Revenues	$2,500	$2,500	$2,500	$2,500	$2,500
4	IMPLIED SUBSIDY FROM OPEB FUND	Other Revenues	$39,000	$43,000	$43,000	$43,000	$43,000
5	**Total**		**$5,763,868**	**$5,995,143**	**$6,026,701**	**$6,047,221**	**$6,064,093**

Table 5-2: Sewer O&M (Fund 430) Expense Detail

Line	Sewer O&M (Fund 430) Expenses Excluding Treatment Pass-Throughs	Object	Escalation	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
1	**Base Expenses**							
2	REGULAR FULL TIME	400001	Salaries	$1,695,311	$1,746,170	$1,798,555	$1,852,512	$1,908,087
3	TEMPORARY SALARIES	400003	Salaries	$78,000	$80,340	$82,750	$85,233	$87,790
4	OVERTIME	400051	Salaries	$35,000	$36,050	$37,132	$38,245	$39,393
5	PREMIUM PAY - PERSABLE	400061	Salaries	$19,279	$19,857	$20,453	$21,067	$21,699
6	MANAGER VEHICLE ALLOWANCE	400065	Salaries	$3,480	$3,584	$3,692	$3,803	$3,917
7	BILINGUAL PAY	400067	Salaries	$1,300	$1,339	$1,379	$1,421	$1,463
8	ADMIN LEAVE BUYBACK	400069	Salaries	$6,077	$6,259	$6,447	$6,641	$6,840
9	MEDICARE- ER	400102	Benefits	$25,274	$26,538	$27,865	$29,258	$30,721
10	MEDICAL - ER	400103	Benefits	$366,518	$384,844	$404,086	$424,290	$445,505
11	DENTAL - ER	400104	Benefits	$25,234	$26,496	$27,820	$29,212	$30,672
12	VISION - ER	400105	Benefits	$237	$249	$261	$274	$288
13	BEN/EAP	400106	Benefits	$730	$767	$805	$845	$887
14	LIFE AD&D - ER	400108	Benefits	$922	$968	$1,017	$1,067	$1,121
15	LTD - ER	400109	Benefits	$3,966	$4,164	$4,373	$4,591	$4,821
16	STD - ER	400110	Benefits	$1,191	$1,251	$1,313	$1,379	$1,448
17	457 CONTRIB	400112	Benefits	$27,437	$28,809	$30,249	$31,762	$33,350
18	RHSP CONTRIB	400113	Benefits	$10,348	$10,865	$11,409	$11,979	$12,578
19	UNUSED VACATION/COMP	400122	Benefits	$2,472	$2,596	$2,725	$2,862	$3,005
20	RETIREE MEDICAL ACCRUAL EXPENS	400152	Benefits	$135,026	$141,777	$148,866	$156,309	$164,125
21	WORKERS COMP ACCRUAL EXP	400153	Benefits	$115,818	$121,609	$127,689	$134,074	$140,778
22	RETIREMENT EXPENSE	400202	Benefits	$739,729	$776,715	$815,551	$856,329	$899,145
23	TRAVEL & TRAINING EXP	410102	General	$25,000	$25,750	$26,523	$27,318	$28,138
24	MISC PERSONNEL COSTS	410105	General	$5,000	$5,150	$5,305	$5,464	$5,628
25	GASOLINE-CITY VEHICLE	410106	Utilities	$50,000	$52,500	$55,125	$57,881	$60,775

Line	Sewer O&M (Fund 430) Expenses Excluding Treatment Pass-Throughs	Object	Escalation	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
26	MISC REPAIRS & MAINT CONTRACTS	420101	General	$62,000	$63,860	$65,776	$67,749	$69,782
27	PARTS & EQUIPMENT	420102	General	$25,000	$25,750	$26,523	$27,318	$28,138
28	PROFESSIONAL SERVICES	430101	General	$145,000	$149,350	$153,831	$158,445	$163,199
29	OTHER PROFESSIONAL SERVICES	430105	General	$56,000	$57,680	$59,410	$61,193	$63,028
30	CONTRACT SERVICES	430107	General	$75,000	$77,250	$79,568	$81,955	$84,413
31	ELECTRICITY	431133	Utilities	$110,000	$115,500	$121,275	$127,339	$133,706
32	OFFICE SUPPLIES	433153	General	$2,500	$2,575	$2,652	$2,732	$2,814
33	MISC SUPPLIES AND EQUIPMENT	433154	General	$75,000	$77,250	$79,568	$81,955	$84,413
34	DATA PROCESSING EQUIP/SOFTWARE	433155	General	$75,000	$77,250	$79,568	$81,955	$84,413
35	DUES,PUBLICATIONS,FILMS,BOOKS	433156	General	$20,000	$20,600	$21,218	$21,855	$22,510
36	UNIFORM COSTS	433157	General	$9,000	$9,270	$9,548	$9,835	$10,130
37	RENTAL EXPENSES	433158	General	$50,000	$51,500	$53,045	$54,636	$56,275
38	INSURANCE	433159	General	$96,000	$98,880	$101,846	$104,902	$108,049
39	HAZARDOUS MATERIAL DISPOSAL	433161	General	$10,000	$10,300	$10,609	$10,927	$11,255
40	MISC SERVICE CHARGES	433167	General	$25,000	$25,750	$26,523	$27,318	$28,138
41	MISCELLANEOUS EXPENSE	433170	General	$30,000	$30,900	$31,827	$32,782	$33,765
42	INTERFUND EXPENSE (Fund 430)	433172	General	$1,389,400	$1,431,082	$1,474,014	$1,518,235	$1,563,782
43	**Subtotal**			**$5,628,249**	**$5,829,395**	**$6,038,189**	**$6,254,944**	**$6,479,981**
44								
45	**New Expense Programs**							
46	Sewer Operator Salary Adjustment Allowance	General Items		$0	$360,500	$371,315	$382,454	$393,928
47	Engineering On-Call Support	General Items		$0	$51,500	$53,045	$54,636	$56,275
48	Contract:CCTV Inspection and Flushing	SSMP 4.2.1 Gravity Main		$0	$103,000	$1,060,900	$1,092,727	$1,125,509
49	Contract: Root Foaming Program	SSMP 4.2.1 Gravity Main		$0	$206,000	$212,180	$218,545	$225,102

Line	Sewer O&M (Fund 430) Expenses Excluding Treatment Pass-Throughs	Object	Escalation	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
50	Software: Manhole Condition Assessment	SSMP 4.2.2 Manholes		$0	$103,000	$106,090	$109,273	$112,551
51	Lift Station Inspection Program	SSMP 4.2.3 Lift Station		$0	$0	$0	$0	$168,826
52	Creating SOPs for daily operational duties			$0	$25,750	$26,523	$27,318	$28,138
53	Station Emergency Response Plan for all 10 lift station	SSMP 6.0 Spill Emergency Response		$0	$51,500	$53,045	$54,636	$56,275
54	**Subtotal**			**$0**	**$901,250**	**$1,883,098**	**$1,939,590**	**$2,166,604**
55								
56	**Staffing Related to CIP Scenarios**							
57	Engineering/Administration FTEs			$0	$206,000	$1,379,170	$983,454	$675,305
58	Additional Allowance for Program Management			$0	$0	$848,720	$437,091	$450,204
59	**Subtotal**			**$0**	**$206,000**	**$2,227,890**	**$1,420,545**	**$1,125,509**
60								
61	**Total**			**$5,628,249**	**$6,936,645**	**$10,149,177**	**$9,615,079**	**$9,772,094**

Table 5-3: Sewer Replacement (Fund 434) Expense Detail

Line	Sewer Replacement (Fund 434) Expenses	Object	Escalation	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
1	**Base Expenses**							
2	CONTRACT SERVICES	430107	Non-Recurring	$300,000	$0	$0	$0	$0
3	MACHINERY AND EQUIPMENT	440104	Non-Recurring	$175,000	$0	$0	$0	$0
4	BUILDINGS & STRUCTURES	440105	Non-Recurring	$720,000	$0	$0	$0	$0
5	VEHICLES	440107	Non-Recurring	$1,280,000	$0	$0	$0	$0
6	**Subtotal**			**$2,475,000**	**$0**	**$0**	**$0**	**$0**
7								
8	**New Expense Programs**							
9	Manhole Smart Cover Upgrade	SSMP 4.2.2 Manholes		$0	$52,000	$54,080	$56,243	$58,493
10	Sewer collection system repairs (pipe spot repairs and facility repairs)	General Items		$0	$520,000	$540,800	$562,432	$1,169,859
11	Equipment and Vehicles (SEWER)	General Items		$0	$0	$437,629	$0	$0
12	**Subtotal**			**$0**	**$572,000**	**$1,032,509**	**$618,675**	**$1,228,351**
13								
14	**Total**			**$2,475,000**	**$572,000**	**$1,032,509**	**$618,675**	**$1,228,351**

Table 5-4: Capital Improvement Plan Detail

Line	Capital Improvement Projects (CIP)	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
1	**Priority A - Capacity & Reliability Improvement Projects**					
2	Project 1B: Upsize Sunol Blvd Sewers	$300,000	$0	$1,410,000	$0	$0
3	Project 2A: Bernal Ave Pipe Bridge	$0	$0	$450,000	$3,430,000	$0
4	West Las Positas Boulevard Multimodal Reconstruction	$500,000	$0	$0	$0	$0
5	Sewer Capacity Evaluation	$36,673	$0	$0	$0	$0
6	Emergency Power Improvements Utility System	$747,532	$0	$0	$0	$0
7	**Subtotal - Priority A - Capacity & Reliability Improvement Projects**	**$1,584,205**	**$0**	**$1,860,000**	**$3,430,000**	**$0**
8						
9	**Priority A - Lift Station Projects**					
10	LS-04, -12, -13, -15 Improvements	$0	$0	$530,000	$550,000	$0
11	LS-05 Full Replacement Project	$0	$0	$912,000	$6,220,000	$0
12	EARS and EALS Condition Assessment, Capacity Evaluation, and Predesign	$0	$0	$600,000	$0	$0
13	Generator Replacement - Sewer and Storm	$1,420,000	$750,000	$0	$1,170,000	$3,650,000
14	Sewer Station S-14 Electrical Improvements	$643,138	$0	$0	$0	$0
15	**Subtotal - Priority A - Lift Station Projects**	**$2,063,138**	**$750,000**	**$2,042,000**	**$7,940,000**	**$3,650,000**
16						
17	**Priority A - Condition Assesment Projects**					
18	Pipeline Replacement (1-2 mile of system)	$730,000	$191,000	$760,000	$1,760,000	$2,830,000
19	Amberwood Siphon	$0	$0	$270,000	$3,330,000	$0
20	Priority A - Annual Sewer System Improvements for Resurfacing	$0	$0	$282,000	$293,000	$305,000
21	Large Diameter Inspection Study	$0	$163,000	$0	$0	$0
22	Denker Road Sewer Replacement	$650,000	$1,090,000	$0	$0	$0
23	Cathodic Protection and I&I Studies	$0	$0	$170,000	$0	$0
24	Cathodic Protection Installation	$0	$0	$563,000	$585,000	$609,000
25	Force Main Desktop Analysis and Inspections	$0	$416,000	$271,000	$282,000	$293,000
26	Sewer System Management Plan	$132,759	$0	$0	$0	$0
27	**Subtotal - Priority A - Condition Assesment Projects**	**$1,512,759**	**$1,860,000**	**$2,316,000**	**$6,250,000**	**$4,037,000**
28						
29	**Total**	**$5,160,103**	**$2,610,000**	**$6,218,000**	**$17,620,000**	**$7,687,000**

CONNECTION FEES

Table 5-5: Asset Valuation Detail

Line	ASSET	DESCRIPTION	DATE ACQ	ACQ COST	LTD ACCUM DEPR	CCI Adjustment	RCLD
1	000535A	LATHE ACCESSORIES	6/30/1992	$12,721	$12,721	279%	$0
2	000587	BOOTH SPRAY FLOOR TYPE	1/1/1991	$10,000	$10,000	288%	$0
3	000853	FRONTEND LOADER VEH. 118	1/1/1987	$17,705	$17,705	316%	$0
4	000857A	GENERATOR ACCESSORIES	6/30/1991	$7,125	$7,125	288%	$0
5	000875	DOZER 8FT HYDRAULIC	1/1/1984	$5,460	$5,460	335%	$0
6	000876	ATTACHMENT DITCH	12/14/1990	$5,248	$5,248	294%	$0
7	001003	AIR GAP SYSTEM	1/1/1980	$6,360	$6,360	429%	$0
8	001004	CATHODIC PROTECTION SYSTEM	1/1/1983	$12,645	$12,645	342%	$0
9	001005	MOTOR CONTROL CENTER	1/1/1980	$66,780	$66,780	429%	$0
10	001006	GENERATOR EMERGENCY	1/1/1980	$14,117	$14,117	429%	$0
11	001011	SEWAGE PUMP	1/1/1980	$6,360	$6,360	429%	$0
12	001018	FLOW METER	1/1/1980	$5,088	$5,088	429%	$0
13	001019	SEWAGE PUMP	1/1/1980	$10,892	$10,892	429%	$0
14	001020	SEWAGE PUMP	1/1/1980	$10,892	$10,892	429%	$0
15	001021	SEWAGE PUMP	1/1/1980	$10,892	$10,892	429%	$0
16	001022	EXHAUST SYSTEM CHARCOAL SCRUBBER	1/1/1980	$7,632	$7,632	429%	$0
17	001035	GENERATOR EMERGENCY	1/1/1985	$7,591	$7,591	331%	$0
18	001044	AIR GAP SYSTEM	1/1/1980	$6,360	$6,360	429%	$0
19	001046	CATHODIC PROTECTION SYSTEM	1/1/1983	$12,645	$12,645	342%	$0
20	001047	MOTOR CONTROL CENTER	1/1/1980	$66,780	$66,780	429%	$0
21	001050	GENERATOR EMERGENCY	1/1/1980	$14,117	$14,117	429%	$0
22	001055	EXHAUST SYSTEM CHARCOAL	1/1/1980	$7,632	$7,632	429%	$0
23	001061	SEWAGE PUMP	1/1/1980	$17,808	$17,808	429%	$0
24	001062	SEWAGE PUMP	1/1/1980	$17,808	$17,808	429%	$0
25	001063	SEWAGE PUMP	1/1/1980	$17,808	$17,808	429%	$0

Line	ASSET	DESCRIPTION	DATE ACQ	ACQ COST	LTD ACCUM DEPR	CCI Adjustment	RCLD
26	002804	SHORING PANELS	6/30/1994	$6,142	$6,142	257%	$0
27	003134	RADIO TELEMETRY UNITRTUPUMP STATION S5	3/8/1996	$12,070	$12,070	247%	$0
28	003135	RADIO TELEMETRY UNITRTUPUMP STATION S10	3/8/1996	$12,070	$12,070	247%	$0
29	003137	CONFINED SPACE GAS MONITOR EQUIP.	1/5/1996	$12,374	$12,374	247%	$0
30	003138	CONFINED SPACE GAS MONITOR EQUIP.	1/5/1996	$12,374	$12,374	247%	$0
31	003227	SNAKE SYSTEM CAMERA MONITOR CABLE	11/8/1996	$5,865	$5,603	247%	$648
32	003435	RTU S-1 split funds with356 698	9/26/1997	$13,174	$12,218	239%	$2,280
33	004223	GENERATOR SET TRUCK #112	4/24/2000	$5,059	$5,059	223%	$0
34	004612	PORTABLE SEWAGE PUMPCARGO TRAILER182A	5/26/2006	$5,802	$3,702	179%	$3,765
35	19659008010	1965 SEWER INSTALLATION Total	1/1/1965	$760,271	$662,159	1432%	$1,404,598
36	19669008011	1966 SEWER INSTALLATION Total	1/1/1966	$601,305	$601,305	1364%	$0
37	19679008012	1967 SEWER INSTALLATION Total	1/1/1967	$684,989	$684,989	1294%	$0
38	19689008013	1968 SEWER INSTALLATION Total	1/1/1968	$1,589,067	$1,589,067	1204%	$0
39	19699008014	1969 SEWER INSTALLATION Total	1/1/1969	$1,016,572	$1,016,572	1095%	$0
40	19709008015	1970 SEWER INSTALLATION Total	1/1/1970	$1,005,463	$1,005,463	1007%	$0
41	19719008016	1971 SEWER INSTALLATION Total	1/1/1971	$1,950,954	$1,950,954	879%	$0
42	19729008017	1972 SEWER INSTALLATION Total	1/1/1972	$276,272	$276,272	793%	$0
43	19739008018	1973 SEWER INSTALLATION Total	1/1/1973	$433,588	$433,588	734%	$0
44	19749008019	1974 SEWER INSTALLATION Total	1/1/1974	$194,374	$194,374	688%	$0
45	19759008020	1975 SEWER INSTALLATION Total	1/1/1975	$332,012	$332,012	628%	$0
46	19761001027	Two utility lines cross property - sewer	11/12/1976	$6,160	$0	579%	$35,662
47	19769008021	1976 SEWER INSTALLATION Total	1/1/1976	$344,797	$344,797	579%	$0
48	19779008022	1977 SEWER INSTALLATION Total	1/1/1977	$434,222	$434,222	540%	$0
49	19789008023	1978 SEWER INSTALLATION Total	1/1/1978	$1,141,409	$1,141,409	501%	$0
50	19799008024	1979 SEWER INSTALLATION Total	1/1/1979	$560,516	$560,516	463%	$0
51	19809008025	1980 SEWER INSTALLATION Total	1/1/1980	$3,327,066	$3,327,066	429%	$0
52	19819008026	1981 SEWER INSTALLATION Total	1/1/1981	$2,434,195	$2,434,195	393%	$0
53	19829008027	1982 SEWER INSTALLATION Total	1/1/1982	$4,450,408	$4,450,408	363%	$0
54	19831001040	Sewer pump station S-8 - 6890 Koll Cen	1/3/1983	$5,980	$0	342%	$20,445
55	19839008028	1983 SEWER INSTALLATION Total	1/1/1983	$3,073,884	$3,073,884	342%	$0

Line	ASSET	DESCRIPTION	DATE ACQ	ACQ COST	LTD ACCUM DEPR	CCI Adjustment	RCLD
56	19849008029	1984 SEWER INSTALLATION Total	1/1/1984	$3,631,575	$3,631,575	335%	$0
57	19851001043	Sewer pump station S-7 so. Side Bernal	9/24/1985	$5,688	$0	331%	$18,848
58	19859008030	1985 SEWER INSTALLATION Total	1/1/1985	$2,897,331	$2,897,331	331%	$0
59	19869008031	1986 SEWER INSTALLATION Total	1/1/1986	$3,208,070	$3,167,773	324%	$130,425
60	19879008032	1987 SEWER INSTALLATION Total	1/1/1987	$4,612,514	$4,438,786	316%	$548,117
61	19889008033	1988 SEWER INSTALLATION Total	1/1/1988	$4,347,384	$4,074,594	308%	$839,138
62	19899008034	1989 SEWER INSTALLATION Total	1/1/1989	$4,312,234	$3,933,546	301%	$1,140,663
63	19909008035	1990 SEWER INSTALLATION Total	1/1/1990	$4,710,900	$4,179,158	294%	$1,562,084
64	19919008036	1991 SEWER INSTALLATION Total	1/1/1991	$3,018,185	$2,601,904	288%	$1,196,845
65	19929008037	1992 SEWER INSTALLATION Total	1/1/1992	$7,357,766	$6,158,693	279%	$3,343,707
66	19939008038	1993 SEWER INSTALLATION Total	1/1/1993	$5,605,271	$4,551,458	267%	$2,811,732
67	19949008039	1994 SEWER INSTALLATION Total	1/1/1994	$4,037,242	$3,177,162	257%	$2,210,804
68	19951001041	Sewer pump station S-2 - Foothill Vero	12/28/1995	$833	$0	254%	$2,117
69	19959008040	1995 SEWER INSTALLATION Total	1/1/1995	$3,326,660	$2,534,697	254%	$2,012,270
70	19969008041	1996 SEWER INSTALLATION Total	1/1/1996	$2,963,976	$2,184,180	247%	$1,928,824
71	19979008042	1997 SEWER INSTALLATION Total	1/1/1997	$3,876,805	$2,759,842	239%	$2,665,116
72	1998400952021	FY98 SEWER STATION S5 BUILDING/GENERATOR	6/30/1998	$19,486	$10,543	235%	$20,998
73	19989008043	1998 SEWER INSTALLATION Total	1/1/1998	$2,957,007	$2,031,064	235%	$2,174,255
74	19991001042	Sewer pump station S-12 - Castlewood Est	7/19/1999	$3,454	$0	229%	$7,924
75	1999400968444	FY99 UTILITY MAPPING PROJECT 968043	6/30/1999	$13,523	$13,523	229%	$0
76	1999400988863	FY99 UTILITY MAPPING PROJECT 968043	6/30/1999	$9,763	$9,763	229%	$0
77	1999400988864	FY99 UTILITY MAPPING PROJECT 968043	6/30/2000	$5,463	$5,463	223%	$0
78	19999008044	1999 SEWER INSTALLATION Total	1/1/1999	$2,762,180	$1,828,137	229%	$2,142,958
79	20000036	PUMP/MOTOR ANNUAL REPLACEMNT	5/30/2000	$15,518	$13,009	223%	$5,605
80	20000038	SANITARY SEWER PS ELEC/CTRL RES	9/14/1999	$6,627	$5,704	229%	$2,119
81	20000041	ROAD BASE INSTALL/BONDE TELEMETRY	8/13/1999	$9,365	$8,086	229%	$2,935
82	2000400968556	FY2000 UTILITY MAPPING PROJECT: 968043	6/30/2000	$7,823	$7,823	223%	$0
83	20009008045	2000 SEWER INSTALLATION Total	1/1/2000	$1,359,507	$865,774	223%	$1,103,266
84	20019008046	2001 SEWER INSTALLATION Total	1/1/2001	$831,408	$508,666	219%	$707,308
85	20019008047	2001 SEWER INSTALLATION MISL Total	1/1/2001	$157,281	$96,227	219%	$133,804

Line	ASSET	DESCRIPTION	DATE ACQ	ACQ COST	LTD ACCUM DEPR	CCI Adjustment	RCLD
86	20020080	SEWAGE PUMP PORTABLE LIFT STATION SILENT	4/22/2002	$53,043	$53,043	213%	$0
87	20029008001	FY2002 SEWER INSTALLATIONS/REPLACEMENT	6/30/2002	$802,797	$462,713	213%	$723,086
88	20030992062	FY03 SEWER STATION AIR COMPRESSOR 992062	6/30/2003	$27,314	$20,087	208%	$15,008
89	20031600011	ANNUAL SEWER REPLACEMENT	6/30/2003	$315,590	$174,005	208%	$294,022
90	20039008001	FY03 SEWER STONERIDGE MALL ROAD 992050	6/30/2003	$140,935	$77,706	208%	$131,304
91	20039008002	2003 SEWER INSTALLATION- PRIVATE DEVELOP	6/30/2003	$1,474,993	$813,257	208%	$1,374,191
92	20049008001	FY04 SEWER ADDITIONS PRIVATE DEVEL	6/30/2004	$738,978	$388,962	195%	$683,850
93	20049008002	FY04 PUMP STATION ADD- CASTLEWOOD HTS	6/30/2004	$900,000	$378,913	195%	$1,018,084
94	20059008001	2005 SEWER INSTALLATION CIP #022002 0020	1/4/2005	$740,045	$378,726	187%	$674,552
95	20059008002	2005 PD SEWER ADDITION TRACTS: 64006590	9/21/2004	$1,445,562	$751,835	195%	$1,355,382
96	20069008002	2006 PD SEWER ADDITIONS TRACTS: 7271 737	1/3/2006	$1,223,263	$595,424	179%	$1,126,001
97	20069008003	2006 SEWER ADDITIONS	6/30/2006	$4,395,712	$2,093,809	179%	$4,128,357
98	20069008004	2006 SEWER ADDITION ADJUSTMENT FOR CIP 0	6/30/2006	$64,600	$30,771	179%	$60,672
99	20070043	STAND BY POWER GENERATOR DIESEL	7/1/2006	$48,394	$48,394	179%	$0
100	20079008002	2007 PD SEWER ADDITIONS TRACTS: 69515904	6/30/2007	$1,927,445	$869,895	175%	$1,845,477
101	20079008003	2007 CIP SEWER ADDITION CIP: 032017 0520	1/16/2007	$1,432,741	$661,555	175%	$1,345,757
102	20089008001	2007-08 PD SEWER ADDITIONS	1/15/2008	$1,636,434	$714,683	167%	$1,541,916
103	20099008001	2009 SEWER REPLACEMENT CIP 072002/081033	10/7/2008	$563,573	$235,559	167%	$548,705
104	20099008002	2008-09 PD SEWER ADDITIONS TRACTS: 72407	3/3/2009	$4,183,951	$1,705,189	162%	$4,020,702
105	20109008001	2010 SEWER ADDITIONS CIP 082002	12/1/2009	$263,267	$102,358	162%	$261,005
106	20109008002	2010 BI ANNUAL ELECTRICAL PANEL UPGRADES	6/30/2010	$39,972	$15,042	158%	$39,386
107	20109008003	2010 PD SEWER ADDITIONS TRACTS 7890	4/20/2010	$120,699	$45,922	158%	$118,137
108	20110079	SOFTWARE, UTILITY BILLING, NEW WATER BIL	6/30/2011	$97,000	$97,000	153%	$0
109	20119008000	2011 SEWER IMPROVEMENTS BERNAL AVE CIP 9	8/17/2010	$288,600	$107,396	158%	$286,275
110	20120006	LAND, FUTURE PUMP STATION, EALS	4/25/2012	$77,342	$0	149%	$115,507
111	20129008000	2011-12 PD SEWER ADDITIONS, TRACT:7534_x	8/16/2011	$157,521	$54,679	153%	$157,620
112	2014000047	Land DD 046921-01-01 Sewer Lift Station	7/16/2013	$160,200	$0	146%	$233,262
113	2014000048	Sewer Lift Station S6 CIP 012027	7/16/2013	$2,937,147	$1,759,229	146%	$1,715,127
114	2014000057	2013-14 PD SEWER ADDITIONS TRACT 8004 &	11/5/2013	$437,077	$127,126	146%	$451,309
115	2014000059	2013-14 PD SEWER ADDITIONS TRACT 8064	12/17/2013	$285,889	$82,556	146%	$296,066

Line	ASSET	DESCRIPTION	DATE ACQ	ACQ COST	LTD ACCUM DEPR	CCI Adjustment	RCLD
116	2015900073	Tract 8020 Staples Ranch Sewer	8/19/2014	$226,595	$61,656	142%	$233,818
117	2016000058	2015-16 PD Sewer Addtions	6/30/2016	$1,226,679	$277,543	134%	$1,276,262
118	2017000029	Tyler Cashiering Software 50	4/30/2017	$48,620	$48,620	129%	$0
119	2017000089	2017 PD Sewer Additions Tract 8147 Pleas	6/6/2017	$1,262,311	$254,041	129%	$1,305,395
120	20180016	300KV PORTABLE GENERATOR W/TRAILER#176	5/2/2018	$139,414	$66,609	126%	$91,490
121	20180040	2018 PD SEWER ADDITION TRACT 7660	6/19/2018	$167,264	$29,620	126%	$172,971
122	20180041	2018 PD SEWER ADDITIONS TRACT 8317	6/19/2018	$252,742	$44,756	126%	$261,365
123	20180045	2018 SEWER ADD-STANLEY BLVD CIP 05522	11/7/2017	$411,133	$78,800	129%	$430,267
124	20180051	MEADOWLARK SEWER CASING PIPE CIP13226	3/6/2018	$1,210,077	$221,847	126%	$1,241,858
125	20190010	2019 PD SEWER ADDITION (PM 10184)	8/21/2018	$18,174	$3,143	126%	$18,889
126	20190011	2019 SEWER ADD (TRACT 7968)	8/21/2018	$160,394	$27,735	126%	$166,706
127	20190012	2019 PD SEWER ADDITION (TRACT 8257)	3/19/2019	$259,035	$41,014	123%	$268,657
128	20190013	2019 PD SEWER ADDITION (ESSEX I)	9/18/2018	$19,699	$3,365	126%	$20,526
129	20190024	WATER PUMP	6/7/2019	$21,357	$8,662	123%	$15,644
130	20200004	2020 PD SEWER ADDITION (TRACT 8246)	1/21/2020	$345,749	$47,540	121%	$361,550
131	20200005	2020 PD SEWER ADD (TRACT 7968)	5/5/2020	$83,771	$10,820	121%	$88,446
132	20210019	VEHICLE #117 REPAIRS	11/2/2020	$5,655	$3,063	121%	$3,143
133	20210073	SANITARY SEWER MANHOLE	8/4/2020	$6,000	$738	121%	$6,380
134	20220031	Godwin solids pump handling trailer	12/20/2021	$60,556	$14,466	115%	$52,806
135	20220082	2022 Sewer Addition Rose Tract 8317	10/5/2021	$160,320	$15,030	115%	$166,462
136	20220083	2022 Sewer Add Irby Ranch Tract 8245	11/16/2021	$702,350	$64,382	115%	$730,935
137	20230037	Vac-Con Hot Shot Flusher Truck #116	1/27/2023	$347,093	$108,466	104%	$248,326
138	20230040	2022 Ford F-550 Fleet - Vehicle #101A	3/10/2023	$156,820	$45,739	104%	$115,596
139	20230059	Pietronave PM 9525 - Sewer Infrast Impr	6/30/2023	$68,980	$3,593	104%	$68,045
140	20240206	TRASH PUMP 4" SILENT TRAILERED	11/1/2023	$70,782	$11,797	104%	$61,383
141	20240224	FORD F250 PICKUP #104A	7/1/2015	$20,559	$20,559	139%	$0
142	20240225	FORD F250 UTILITY BODY #120A	9/1/2015	$20,083	$20,083	139%	$0
143	20240294	Ford Environmental Services Escape Hybr	9/11/2022	$40,354	$22,867	107%	$18,689
144	20240295	Nissan Pickup Frontier #103	7/8/2023	$30,798	$12,319	104%	$19,230
145	20240296	Ford Hybrid pickup Maverick #105A	3/4/2024	$30,654	$8,174	102%	$23,026

Line	ASSET	DESCRIPTION	DATE ACQ	ACQ COST	LTD ACCUM DEPR	CCI Adjustment	RCLD
146	20240301	2024 Sewer Addition Meadowlark T-7813	12/19/2023	$50,000	$1,979	104%	$49,973
147	20240302	2024 Sewer Addition Ponderosa T-8259	12/19/2023	$109,000	$4,315	104%	$108,941
148	20250048	2024 FORD-150 HYBRID ACCESSORIES #100	3/25/2025	$4,859	$202	100%	$4,657
149	20250049	2024 FORD-150 HYBRID SUPER CREW #100	12/2/2024	$63,046	$4,597	102%	$59,869
150	20250050	2024 FORD-150 HYBRID ACCESSORIES #100	5/23/2025	$1,881	$39	100%	$1,842
151	20250054	FY25 SCADA UPDATE SEWERUTILITY-SEWER	6/30/2021	$339,868	$34,695	115%	$349,644
152	20250061	LS7&LS8 VENTILATION/LIGHTING IMPROV	5/5/2022	$1,119,020	$88,589	107%	$1,101,273
153	20250063	EAST AMADOR LIFT STATION (EALS	6/30/2024	$587,153	$15,902	102%	$585,131
154	20250067	FY25 ANNUAL SEWER COLLECTION SYS IMPROVE	6/30/2024	$741,573	$20,084	102%	$739,020
155	20250083	Pumps - Sewer Stations 5-14 &	6/30/2025	$33,737	$187	100%	$33,549
156	20250084	Smart Covers Sewer Systems	1/27/2025	$42,843	$1,428	100%	$41,415
157	20250094	Forklift Hyster H90FT - Serial	6/23/2025	$24,016	$133	100%	$23,882
158	20250095	Trail King Tilt Trailer TKT40L	10/14/2024	$58,093	$2,905	102%	$56,530
159	20972009	FY2000 ANNUAL RADIO TELM 972008	6/30/2000	$8,216	$6,865	223%	$3,019
160	20972024	FY2000 S5 BANK REPAIR PH2 972024	6/30/2000	$113,296	$94,668	223%	$41,625
161	20992001	FY2000 SWR MAIT HOLE IMP 992001	6/30/2000	$7,517	$6,281	223%	$2,762
162	21000069	MOTOR/PUMP REPLACEMENT STA. 4	6/30/2001	$9,534	$7,648	219%	$4,134
163	21002001A	MINI DRAIN SNAKE PIPE LOCATOR	8/18/2000	$2,623	$2,623	223%	$0
164	91001413	TRUCK LIC. 203286 VEH. 112	1/1/1988	$7,500	$7,500	308%	$0
165	91001418	VAN LIC. 288042 VEH. 117	1/1/1991	$12,237	$12,237	288%	$0
166	91003001	BUILDING-SEWER DEPARTMENT	1/1/1990	$790,664	$560,946	294%	$674,836
167	91048401	SEWER PUMPING STATION 2 4193 FIRST ST.	1/1/1975	$7,893	$7,893	628%	$0
168	91048501	SEWER PUMPING STATION 3 333 HOPYARD RD.	1/1/1980	$37,471	$34,087	429%	$14,532
169	91048601	SEWER PUMPING STATION 4 1065 SERPENTINE	1/1/1981	$57,267	$50,949	393%	$24,845
170	91048701	SEWER PUMPING STATION 7 4950 BERNAL AV.	1/1/1980	$304,010	$276,557	429%	$117,893
171	91048801	SEWER PUMPING STATION 8 6896 KOLL CNTR.	1/1/1980	$317,797	$289,099	429%	$123,238
172	91048901	SEWER PUMPING STATION 9 6720 ARLINGTON	1/1/1977	$40,176	$38,965	540%	$6,533
173	91049001	SEWER PUMPING STATION 10 7341 FOOTHILL	1/1/1985	$31,430	$25,443	331%	$19,837
174	91049101	SEWER PUMPING STATION 11 900 GRAY FOX	1/1/1987	$26,904	$20,703	316%	$19,565
175	91050101	GROUP OF NON-INSURABLE LAND IMPROVEMENTS	1/1/1982	$149,280	$149,280	363%	$0

Line	ASSET	DESCRIPTION	DATE ACQ	ACQ COST	LTD ACCUM DEPR	CCI Adjustment	RCLD
176	91050301	LIFT STATION PACKAGE TYPE DRYWELL	1/1/1969	$22,410	$22,410	1095%	$0
177	91051701	PROCESS PIPING	1/1/1980	$54,060	$54,060	429%	$0
178	91051808	GROUP OF NON-INSURABLE LAND IMPROVEMENTS	1/1/1980	$11,640	$11,640	429%	$0
179	91052413	PROCESS PIPING	1/1/1980	$41,340	$41,340	429%	$0
180	96000507	LOAD TEC GERERATOR S-7	2/22/1996	$7,443	$7,443	247%	$0
181	96000508	LOAD TEC GENERATOR RESISTIVE LOAD BANK S	2/22/1996	$7,443	$7,443	247%	$0
182	96001102	SEWER TELEMETRY SYSTEM UPGRADE BONDE RES	6/1/1996	$39,892	$38,667	247%	$3,029
183	96001105	TELEMETRY SYSTEM UPGRADE PUMP STATION S-	6/1/1996	$58,245	$56,457	247%	$4,423
184	96001106	TELEMETRY SYSTEM UPGRADE PUMP STATION S-	6/1/1996	$46,595	$45,165	247%	$3,538
185	96001107	STRUCTURAL/SITE IMPROVEMENT PUMP STA. S-	6/1/1996	$198,495	$115,339	247%	$205,686
186	97000091	PUMP VACTOR 810 FOR VEHICLE 102	3/21/1997	$11,835	$11,175	239%	$1,575
187	97005004	LAND OSC SEWER	6/30/1997	$345,225	$0	239%	$823,720
188	99538993	FY99 CONFINED SPACE AIR PACK SYSTEM	6/30/1999	$5,000	$4,345	229%	$1,503
189	99968036	FY99 MUNI GOLF COURSE PRELIMINARY STUDY	6/30/1999	$67,371	$67,371	229%	$0
190	99972001	FY99 SEWER MAINT HOLE IMPROVEMENT	6/30/1999	$26,950	$23,419	229%	$8,101
191	**Total**			**$131,754,685**	**$97,363,765**		**$65,468,002**

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