



CAMBRIA COMMUNITY SERVICES DISTRICT

I, Amanda Rice, President of the Cambria Community Services District Board of Directors, hereby call a Special Meeting of the Board of Directors pursuant to California Government Code Section 54956. The Special Meeting will be held: **Tuesday, June 19, 2018, 6:00 PM, 1000 Main Street Cambria, CA 93428**. The purpose of the Special Meeting is to discuss or transact the following business:

AGENDA

SPECIAL MEETING OF THE CAMBRIA COMMUNITY SERVICES DISTRICT BOARD OF DIRECTORS

**Tuesday, June 19, 2018, 6:00 PM
1000 Main Street Cambria, CA 93428**

Copies of the staff reports or other documentation relating to each item of business referred to on the agenda are on file in the Office of the District Clerk, available for public inspection during District business hours. The agenda and agenda packets are also available on the CCSD website at www.cambriacsd.org. The District Office hours are Monday - Thursday, and every other Friday from 9:00 a.m. through 4:00 p.m. Please call 805-927-6223 if you need any assistance. If requested, the agenda and supporting documents shall be made available in alternative formats to persons with a disability. The District Clerk will answer any questions regarding the agenda.

1. OPENING

- A. Call to Order**
- B. Pledge of Allegiance**
- C. Establishment of Quorum**

2. PUBLIC COMMENT ON AGENDA ITEMS

3. REGULAR BUSINESS (Estimated time: 15 Minutes per item)

- A.** This town hall workshop with Alex Handlers from Bartle Wells Associates and the ad hoc Rate Study Committee regarding proposed water and sewer rate increases may include a quorum of the Board of Directors, Finance Committee, Infrastructure Committee and PROS Commission. No formal action of any kind will be taken.

4. ADJOURN

Cambria Community Services District



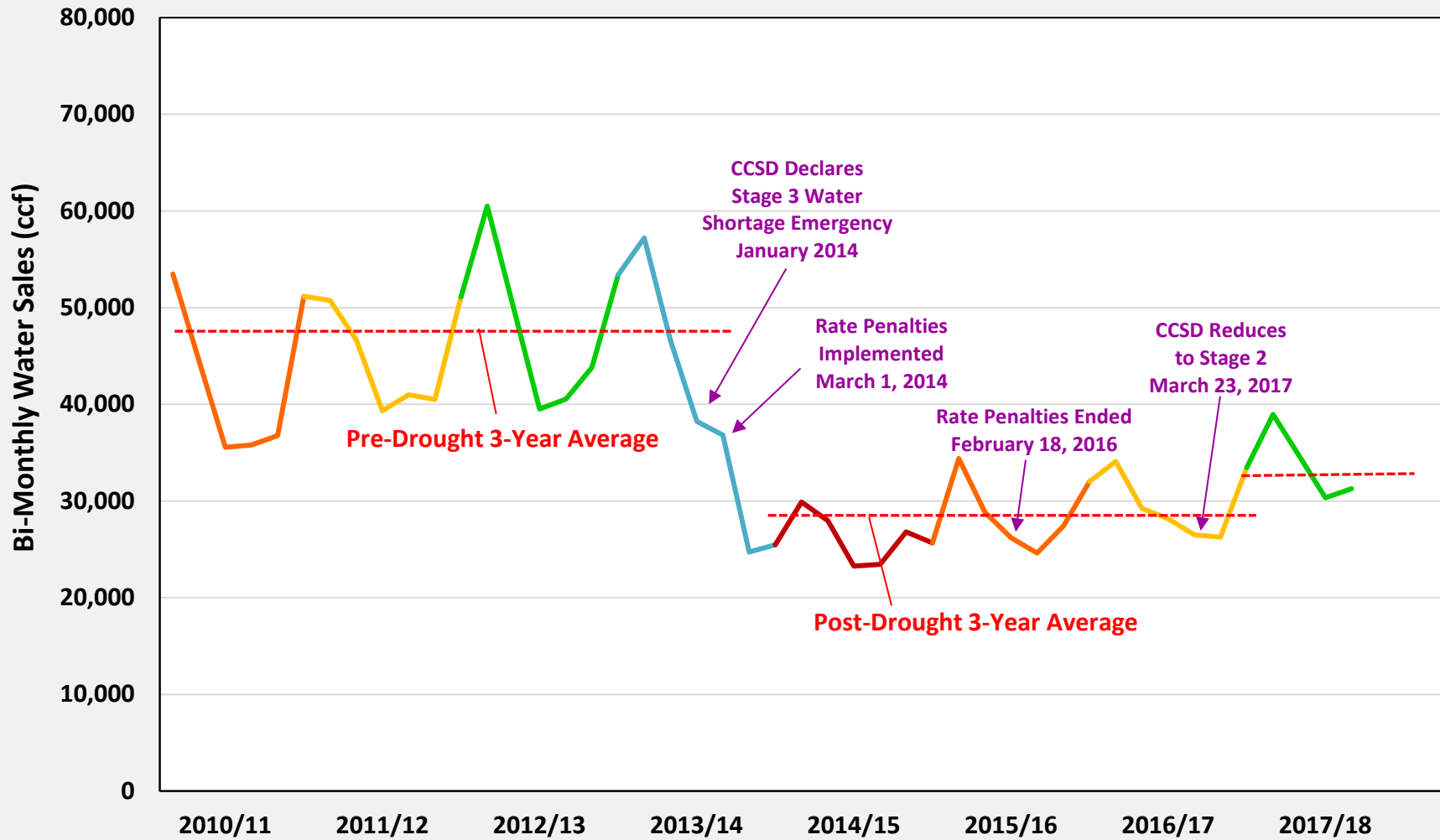
Water Rate Study Tables & Charts

Revised Draft 06/13/18

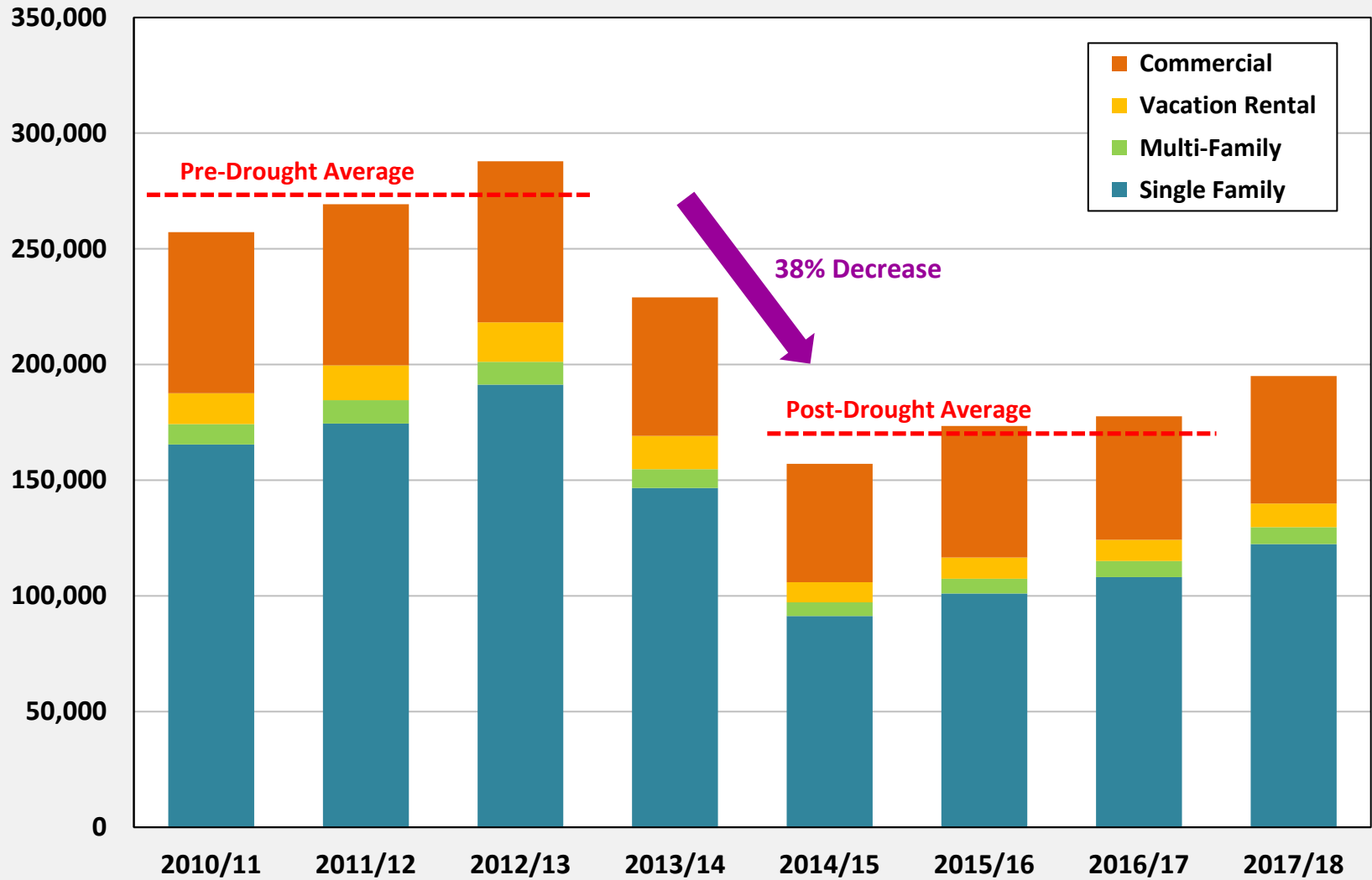


BARTLE WELLS ASSOCIATES
INDEPENDENT PUBLIC FINANCE ADVISORS

Cambria Community Services District Historical Use per Bi-Monthly Billing Period



Cambria Community Services District Annual Water Sales (hcf)



Cambria Community Services District Annual Water Rate Revenues

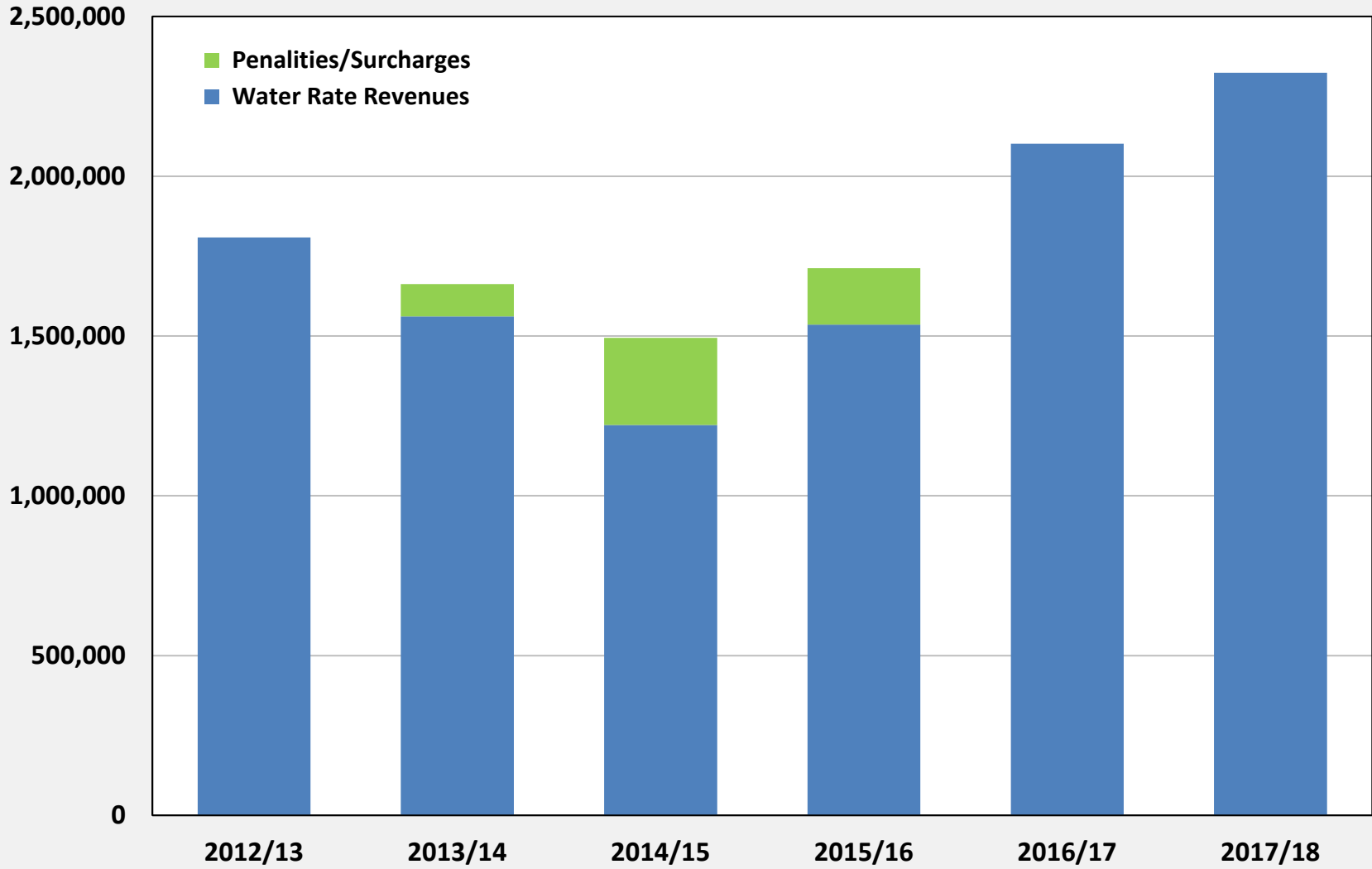


Table 1
Cambria Community Services District
Current Water Rates

FIXED BI-MONTHLY SERVICE CHARGES			Equivalent Rate per	
<i>Fixed charge billed regardless of use</i>			<u>Month</u>	<u>Day</u>
Residential (fixed charge per account)	\$27.58		\$13.79	\$0.45
Commercial (fixed charge per meter size)				
<u>Meter Size</u>				
5/8" or 3/4"	\$27.58		\$13.79	\$0.45
1"	68.95		34.48	1.13
1-1/2"	137.90		68.95	2.27
2" & Larger	275.80		137.90	4.53
WATER QUANTITY CHARGES			Equivalent Rate Per	
<i>Billed based on metered water use (\$/ccf)</i>			<u>100 gallons</u>	<u>1 gallon</u>
Residential Charges				
<u>Tier</u>	<u>Bi-Monthly Use</u>	<u>Rate per ccf</u>		
Tier 1	1 - 4 ccf	\$7.03	\$0.94	\$0.009
Tier 2	5 - 16 ccf	9.19	1.23	0.012
Tier 3	> 16 ccf	10.25	1.37	0.014
Commercial Charges				
Rate for All Water Use		\$9.19	\$1.23	\$0.012

1 ccf = 100 cubic feet, or approximately 748 gallons

Note: Fixed Service Charges currently recover roughly 30% of total rate revenues and Water Quantity Charges recover about 70% of total rate revenues.

Table 2
Cambria Community Services District
Water Accounts

Accounts by Customer Class		
Customer Class	Accounts	Dwelling Units
Residential		
Single Family Residential	3,367	3,367
Multi-Family Residential	135	228
Vacation Rental Units	<u>264</u>	<u>264</u>
Subtotal Residential	3,766	3,859
Commercial		
5/8" or 3/4"	153	
1"	23	
1-1/2"	0	
2" or larger	<u>55</u>	
Subtotal	231	
Total	3,997	

Table 3
Cambria Community Services District
Historical Water Sales

	JUL/AUG	SEPT/OCT	NOV/DEC	JAN/FEB	MAR/APR	MAY/JUN	TOTAL	% of Total
2012/13								
Single Family Residential	39,245	33,670	26,508	27,062	28,921	35,973	191,379	66.5%
Multi-Family Residential	1,747	1,547	1,441	1,643	1,637	1,787	9,802	3.4%
Vacation Rental	4,123	2,909	2,168	2,293	2,368	3,163	17,024	5.9%
<u>Commercial</u>	<u>15,393</u>	<u>11,969</u>	<u>9,398</u>	<u>9,552</u>	<u>10,881</u>	<u>12,464</u>	<u>69,657</u>	<u>24.2%</u>
Total	60,508	50,095	39,515	40,550	43,807	53,387	287,862	100.0%
<i>Change from prior year</i>	19.2%	7.4%	0.4%	-1.1%	8.1%	4.5%	6.9%	
2013/14								
Single Family Residential	39,814	29,734	25,664	22,727	14,206	14,560	146,705	64.1%
Multi-Family Residential	1,812	1,504	1,316	1,311	859	1,231	8,033	3.5%
Vacation Rental	4,459	2,831	2,301	2,114	1,316	1,396	14,417	6.3%
<u>Commercial</u>	<u>11,123</u>	<u>12,523</u>	<u>8,948</u>	<u>10,659</u>	<u>8,340</u>	<u>8,292</u>	<u>59,885</u>	<u>26.1%</u>
Total	57,208	46,592	38,229	36,811	24,721	25,479	229,040	100.0%
<i>Change from prior year</i>	-5.5%	-7.0%	-3.3%	-9.2%	-43.6%	-52.3%	-20.4%	
2014/15								
Single Family Residential	16,556	15,042	14,339	14,274	16,283	14,820	91,314	58.1%
Multi-Family Residential	1,034	973	943	931	1,033	1,011	5,925	3.8%
Vacation Rental	2,143	1,402	1,266	1,233	1,317	1,376	8,737	5.6%
<u>Commercial</u>	<u>10,160</u>	<u>10,553</u>	<u>6,719</u>	<u>7,021</u>	<u>8,166</u>	<u>8,456</u>	<u>51,075</u>	<u>32.5%</u>
Total	29,893	27,970	23,267	23,459	26,799	25,663	157,051	100.0%
<i>Change from prior year</i>	-47.7%	-40.0%	-39.1%	-36.3%	8.4%	0.7%	-31.4%	
2015/16								
Single Family Residential	16,896	17,060	15,902	15,244	16,590	19,307	100,999	58.2%
Multi-Family Residential	1,128	1,101	1,043	984	1,062	1,102	6,420	3.7%
Vacation Rental	1,870	1,676	1,312	1,262	1,313	1,706	9,139	5.3%
<u>Commercial/Internal</u>	<u>14,506</u>	<u>9,018</u>	<u>7,928</u>	<u>7,123</u>	<u>8,454</u>	<u>9,897</u>	<u>56,926</u>	<u>32.8%</u>
Total	34,400	28,855	26,185	24,613	27,419	32,012	173,484	100.0%
<i>Change from prior year</i>	15.1%	3.2%	12.5%	4.9%	2.3%	24.7%	10.5%	
2016/17								
Single Family Residential	20,531	17,436	17,182	15,905	16,194	20,829	108,077	60.8%
Multi-Family Residential	1,239	1,307	1,094	1,041	1,081	1,295	7,057	4.0%
Vacation Rental	2,207	1,541	1,312	1,236	1,160	1,699	9,155	5.2%
<u>Commercial/Internal</u>	<u>10,109</u>	<u>8,938</u>	<u>8,568</u>	<u>8,310</u>	<u>7,828</u>	<u>9,643</u>	<u>53,396</u>	<u>30.1%</u>
Total	34,086	29,222	28,156	26,492	26,263	33,466	177,685	100.0%
<i>Change from prior year</i>	-0.9%	1.3%	7.5%	7.6%	-4.2%	4.5%	2.4%	
2017/18								
Single Family Residential	23,860	22,226	19,430	20,045	16,811	<u>20,068</u>	<u>122,440</u>	62.8%
Multi-Family Residential	1,330	1,201	1,140	1,282	1,068	1,199	7,220	3.7%
Vacation Rental	2,326	1,878	1,524	1,533	1,248	1,703	10,212	5.2%
<u>Commercial/Internal</u>	<u>11,436</u>	<u>9,381</u>	<u>8,243</u>	<u>8,399</u>	<u>7,891</u>	<u>9,770</u>	<u>55,120</u>	<u>28.3%</u>
Total	38,952	34,686	30,337	31,259	27,018	32,739	194,991	100.0%
<i>Change from prior year</i>	14.3%	18.7%	7.7%	18.0%	2.9%	-2.2%	9.7%	

Table 4
Cambria Community Services District
Water Use per Class & Meter Size

Meter Size	Number of Accounts	Number of Dwelling Units	Water Use 2015/16	Bi-Mnthly Use Per Account	Water Use 2016/17	Bi-Mnthly Use Per Account	Water Use Est. 2017/18	Bi-Mnthly Use Per Account
Residential								
Single Family	3,367	3,367	100,999	5.0	108,077	5.3	122,440	6.1
Multi-Family	135	228	6,420	4.7	7,057	5.2	7,220	5.3
Vacation Rental Units	<u>264</u>	<u>264</u>	<u>9,139</u>	<u>5.8</u>	<u>9,155</u>	<u>5.8</u>	<u>10,212</u>	<u>6.4</u>
Total	3,766	3,859	116,558	5.0	124,289	5.4	139,871	6.0

Table 5
Cambria Community Services District
Water Rate Revenues by Billing Period

	Jul/Aug	Sep/Oct	Nov/Dec	Jan/Feb	Mar/Apr	May/June	Total	F/V %
2015/16								
Water Rate Revenues								
Fixed Service Charges	\$102,937	\$102,730	\$102,828	\$102,864	\$115,314	\$115,127	\$641,800	41.7%
Water Quantity Charges	124,569	116,095	101,617	92,773	211,292	249,393	895,739	58.3%
Adjustments	<u>(24)</u>	<u>(56)</u>	<u>(27)</u>	<u>(122)</u>	<u>(332)</u>	<u>(1,378)</u>	<u>(1,939)</u>	
Total	227,482	218,769	204,418	195,515	326,274	363,142	1,535,600	
Penalty/Surcharge								
Adjustments	<u>(4,299)</u>	<u>(51,049)</u>	<u>(22,850)</u>	<u>(33,962)</u>	<u>(28,716)</u>	<u>(9,617)</u>	<u>(150,493)</u>	
Total	122,991	31,535	27,824	32,651	(28,716)	(9,617)	176,668	
Combined Total	350,473	250,304	232,242	228,166	297,558	353,525	1,712,268	
2016/17								
Water Rate Revenues								
Fixed Service Charges	115,161	115,252	115,479	115,539	119,875	119,721	701,027	33.3%
Water Quantity Charges	271,877	226,322	217,595	203,642	210,247	272,132	1,401,815	66.7%
Adjustments	<u>(606)</u>	<u>(7)</u>	<u>(8)</u>	<u>0</u>	<u>(171)</u>	<u>(14)</u>	<u>(806)</u>	
Total	386,432	341,567	333,066	319,181	329,951	391,839	2,102,036	
Increase: Rates Only	69.9%	56.1%	62.9%	63.3%	1.1%	7.9%	36.9%	
2017/18								
Water Rate Revenues								
Fixed Service Charges	119,750	119,758	120,002	119,988	124,708	Estimated 120,000	724,206	31.1%
Water Quantity Charges	319,637	282,878	244,809	253,233	224,615	280,000	1,605,172	68.9%
Adjustments	<u>(1,063)</u>	<u>(741)</u>	<u>(3,288)</u>	<u>(539)</u>	<u>0</u>	<u>0</u>	<u>(5,631)</u>	
Total	438,324	401,895	361,523	372,682	349,323	400,000	2,323,747	
Increase: Rates Only	13.4%	17.7%	8.5%	16.8%	5.9%	2.1%	10.5%	

Source: CCSD Bi-Monthly Billing Summaries.

Table 6
Cambria Community Services District
Water Capital Improvement Projects

5-Year CIP Average (With Inflation): \$953,000
10-Year CIP Average (With Inflation): 716,000

	1	2	3	4	5	6	7	8	9	10	Total
	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	
Capital Improvement Projects (Jan 2018 \$)											
Priority 1	234,000	239,000	294,000	214,000	214,000	214,000	-	-	-	-	1,409,000
Priority 2	220,000	272,000	746,000	546,000	554,000	96,000	96,000	96,000	96,000	96,000	2,818,000
Priority 3*	50,000	100,000	150,000	280,000	155,000	80,000	180,000	846,000	30,000	30,000	1,901,000
Priority 4	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	100,000
Total	514,000	621,000	1,200,000	1,050,000	933,000	400,000	286,000	952,000	136,000	136,000	6,228,000
Capital Improvement Projects (With Cost Inflation)											
Cost Inflation	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	
Cost Inflatior	1.030	1.061	1.093	1.126	1.159	1.194	1.230	1.267	1.305	1.344	
Priority 1	241,000	254,000	321,000	241,000	248,000	256,000	-	-	-	-	1,561,000
Priority 2	227,000	289,000	815,000	615,000	642,000	115,000	118,000	122,000	125,000	129,000	3,197,000
Priority 3	52,000	106,000	164,000	315,000	180,000	96,000	221,000	1,072,000	39,000	40,000	2,285,000
Priority 4	10,000	11,000	11,000	11,000	12,000	12,000	12,000	13,000	13,000	13,000	118,000
Total	530,000	660,000	1,311,000	1,182,000	1,082,000	479,000	351,000	1,207,000	177,000	182,000	7,161,000

* Potential future relining or replacement of water transmission main under S. Parks wetlands area deferred until years 6 - 8.

Table 7
Cambria Community Services District
New Staff Positions & Staffing Re-Allocations

	FTEs	Start Date	Salaries & Benefits	Allocation %				Allocation \$			
				Water	SWF	Sewer	Admin	Water	SWF	Sewer	Admin
New Staff Positions											
Wastewater Collection Syst. Operators	2	1/1/19	169,900	0%	0%	100%	0%	0	0	169,900	0
Water Operator II	1	1/1/19	91,900	100%	0%	0%	0%	91,900	0	0	0
Utility Manager	1	7/1/18	127,600	25%	25%	50%	0%	31,900	31,900	63,800	0
Clerical Assistant	1	7/1/18	47,100	0%	0%	0%	100%	0	0	0	47,100
Subtotal	5		436,500	28.4%	7.3%	53.5%	10.8%	123,800	31,900	233,700	47,100
Staffing Re-Allocations											
SWF Chief Plant Operator			128,500	20%	80%	0%	0%	25,700	102,800	0	0
<i>Less Costs Included in FY18 Budget</i>			(130,000)	0%	100%	0%	0%	0	(130,000)	0	0
Administrative Technician IV			100,500	30%	50%	20%	0%	30,150	50,250	20,100	0
<i>Less Costs Included in FY18 Budget</i>			(100,500)	0%	0%	0%	100%	0	0	0	(100,500)
Subtotal			(1,500)					55,850	23,050	20,100	(100,500)
Net Staffing Cost Increases			435,000	41.3%	12.6%	58.3%	-12.3%	179,650	54,950	253,800	(53,400)

Table 8A
Cambria Community Services District
Water Financial Projections

Scenario A: Front-Load Rate Increase

	0 2017/18	1 2018/19	2 2019/20	3 2020/21	4 2021/22	5 2022/23
Effective Date of Rate Increases	Jan-1	Sept-1	July-1	July-1	July-1	July-1
Projected Rate Increases	4%	38%	0%	0%	4%	4%
Growth (Single Family Equivalents)		0	0	0	0	0
Change in Water Sales %		0.0%	0.0%	0.0%	0.0%	0.0%
Cost Escalation		4%	4%	4%	4%	4%
Interest Earnings Rate	1.25%	1.5%	2.0%	2.0%	2.0%	2.0%
Beginning Water Fund Reserves	\$1,325,000	\$1,462,000	\$1,482,000	\$1,608,000	\$1,658,000	\$1,698,000
REVENUES						
Fixed Water Service Charges	728,000	938,000	1,023,000	1,032,000	1,066,000	1,109,000
Water Quantity Charges	<u>1,620,000</u>	<u>2,051,000</u>	<u>2,269,000</u>	<u>2,296,000</u>	<u>2,372,000</u>	<u>2,467,000</u>
<i>Subtotal</i>	<i>2,348,000</i>	<i>2,989,000</i>	<i>3,292,000</i>	<i>3,328,000</i>	<i>3,438,000</i>	<i>3,576,000</i>
Standby Availability	178,000	178,000	178,000	178,000	178,000	178,000
Interest Income	17,000	22,000	30,000	32,000	33,000	34,000
Wait List Fees	62,000	62,000	62,000	62,000	62,000	62,000
Capacity Charges from Growth	20,000	0	0	0	0	0
Resource Conserv/Remodel Fees	70,000	70,000	70,000	70,000	70,000	70,000
Other: Acct Svcs/Admin/Late Fees	<u>78,000</u>	<u>70,000</u>	<u>70,000</u>	<u>70,000</u>	<u>70,000</u>	<u>70,000</u>
Total Revenues	2,773,000	3,391,000	3,702,000	3,740,000	3,851,000	3,990,000
EXPENSES						
<u>Water System Operations</u>						
Salaries & Benefits	839,000	873,000	908,000	944,000	982,000	1,021,000
Additional Staffing Needs	0	135,000	187,000	194,000	202,000	210,000
Maintenance & Repair	149,000	155,000	161,000	167,000	174,000	181,000
Unplanned Maintenance	100,000	104,000	108,000	112,000	116,000	121,000
Utilities	163,000	170,000	177,000	184,000	191,000	199,000
Professional Services	88,000	92,000	96,000	100,000	104,000	108,000
Services & Supplies/Other	105,000	109,000	113,000	118,000	123,000	128,000
Government Fees & Dues	58,000	60,000	62,000	64,000	67,000	70,000
Resource Conservation	39,000	41,000	43,000	45,000	47,000	49,000
Well Site Lease	36,000	37,000	38,000	40,000	42,000	44,000
Admin Overhead	<u>909,000</u>	<u>945,000</u>	<u>983,000</u>	<u>1,022,000</u>	<u>1,063,000</u>	<u>1,106,000</u>
<i>Subtotal</i>	<i>2,486,000</i>	<i>2,721,000</i>	<i>2,876,000</i>	<i>2,990,000</i>	<i>3,111,000</i>	<i>3,237,000</i>
Capital Improvement Projects	150,000	650,000	700,000	700,000	700,000	700,000
Total Expenses	2,636,000	3,371,000	3,576,000	3,690,000	3,811,000	3,937,000
Revenues Less Expenses	137,000	20,000	126,000	50,000	40,000	53,000
Ending Fund Reserves	1,462,000	1,482,000	1,608,000	1,658,000	1,698,000	1,751,000
Fund Rsrvs as % of O&M	59%	54%	56%	55%	55%	54%

Table 8A
Cambria Community Services District
Water Financial Projections

Scenario A: Front-Load Rate Increase

	6 2023/24	7 2024/25	8 2025/26	9 2026/27	10 2027/28
Effective Date of Rate Increases	July-1	July-1	July-1	July-1	July-1
Projected Rate Increases	4%	4%	4%	4%	3%
Growth (Single Family Equivalents)	0	0	0	0	0
Change in Water Sales %	0.0%	0.0%	0.0%	0.0%	0.0%
Cost Escalation	4%	4%	4%	4%	4%
Interest Earnings Rate	2.0%	2.0%	2.0%	2.0%	2.0%
Beginning Water Fund Reserves	\$1,751,000	\$1,794,000	\$1,827,000	\$1,875,000	\$1,940,000
REVENUES					
Fixed Water Service Charges	1,153,000	1,199,000	1,247,000	1,297,000	1,338,000
Water Quantity Charges	<u>2,566,000</u>	<u>2,668,000</u>	<u>2,775,000</u>	<u>2,886,000</u>	<u>2,977,000</u>
<i>Subtotal</i>	<i>3,719,000</i>	<i>3,867,000</i>	<i>4,022,000</i>	<i>4,183,000</i>	<i>4,315,000</i>
Standby Availability	178,000	178,000	178,000	178,000	178,000
Interest Income	35,000	36,000	37,000	38,000	39,000
Wait List Fees	62,000	62,000	62,000	62,000	62,000
Capacity Charges from Growth	0	0	0	0	0
Resource Conserv/Remodel Fees	70,000	70,000	70,000	70,000	70,000
Other: Acct Svcs/Admin/Late Fees	<u>70,000</u>	<u>70,000</u>	<u>70,000</u>	<u>70,000</u>	<u>70,000</u>
Total Revenues	4,134,000	4,283,000	4,439,000	4,601,000	4,734,000
EXPENSES					
<u>Water System Operations</u>					
Salaries & Benefits	1,062,000	1,104,000	1,148,000	1,194,000	1,242,000
Additional Staffing Needs	218,000	227,000	236,000	245,000	255,000
Maintenance & Repair	188,000	196,000	204,000	212,000	220,000
Unplanned Maintenance	126,000	131,000	136,000	141,000	147,000
Utilities	207,000	215,000	224,000	233,000	242,000
Professional Services	112,000	116,000	121,000	126,000	131,000
Services & Supplies/Other	133,000	138,000	144,000	150,000	156,000
Government Fees & Dues	73,000	76,000	79,000	82,000	85,000
Resource Conservation	51,000	53,000	55,000	57,000	59,000
Well Site Lease	46,000	48,000	50,000	52,000	54,000
Admin Overhead	<u>1,150,000</u>	<u>1,196,000</u>	<u>1,244,000</u>	<u>1,294,000</u>	<u>1,346,000</u>
<i>Subtotal</i>	<i>3,366,000</i>	<i>3,500,000</i>	<i>3,641,000</i>	<i>3,786,000</i>	<i>3,937,000</i>
Capital Improvement Projects	725,000	750,000	750,000	750,000	750,000
Total Expenses	4,091,000	4,250,000	4,391,000	4,536,000	4,687,000
Revenues Less Expenses	43,000	33,000	48,000	65,000	47,000
Ending Fund Reserves	1,794,000	1,827,000	1,875,000	1,940,000	1,987,000
Fund Rsrvs as % of O&M	53%	52%	51%	51%	50%

Table 9A
Cambria Community Services District
Proposed Water Rates

Scenario A: Front-Load Rate Increase
No Change to Rate Structure

	Current Water Rates	Proposed Water Rates Effective On or After						
		Sept 1 2018	July 1 2019	July 1 2020	July 1 2021	July 1 2022		
Rate Increase %		38%	0%	0%	4%	4%		
FIXED WATER SERVICE CHARGES								
Residential								
Monthly Charge	\$13.79	\$19.03	\$19.03	\$19.03	\$19.79	\$20.58		
<i>Bi-Monthly Charge</i>	<i>27.58</i>	<i>38.06</i>	<i>38.06</i>	<i>38.06</i>	<i>39.58</i>	<i>41.16</i>		
Commercial								
<u>Monthly Charge per Meter Size</u>								
5/8" or 3/4"	\$13.79	\$19.03	\$19.03	\$19.03	\$19.79	\$20.58		
1"	34.48	47.58	47.58	47.58	49.48	51.45		
1-1/2"	68.95	95.15	95.15	95.15	98.95	102.90		
2" & Larger	137.90	190.30	190.30	190.30	197.90	205.80		
WATER QUANTITY CHARGES								
<i>Billed based on metered water use (\$/ccf)</i>								
Residential Charges								
<u>Tier</u>	<u>Bi-Monthly</u>	<u>Monthly</u>						
Tier 1	First 4 ccf	First 2 ccf	\$7.03	\$9.70	\$9.70	\$9.70	\$10.09	\$10.49
Tier 2	4.01 - 16 ccf	2.01 - 8 ccf	9.19	12.68	12.68	12.68	13.19	13.72
Tier 3	> 16 ccf	> 8 ccf	10.25	14.15	14.15	14.14	14.70	15.28
Commercial Charges								
Rate for All Water Use	\$9.19	\$12.68	\$12.68	\$12.68	\$13.19	\$13.72		

* Note: Fixed charge currently applies per account, not per residential dwelling unit.

1 ccf = 100 cubic feet, or approximately 748 gallons

Table 10A
Cambria Community Services District
Water Rate Impacts

Scenario A: Front-Load Rate Increase

	Bi-Monthly Water Use (ccf)	Est % of Bills at or Below	Current Bi-Monthly Water Bill	Projected Bi-Monthly Water Bills				
				Sept 1 2018	July 1 2019	July 1 2020	July 1 2021	July 1 2022
Single Family Residential Rate Impacts								
Very Low Use <i>Monthly Equivalent</i>	2	30%	\$41.64 20.82	\$57.46 28.73	\$57.46 28.73	\$57.46 28.73	\$59.76 29.88	\$62.14 31.07
Low Use (Median) <i>Monthly Equivalent</i>	4	50%	55.70 27.85	76.86 38.43	76.86 38.43	76.86 38.43	79.94 39.97	83.12 41.56
Moderate Use <i>Monthly Equivalent</i>	6	70%	74.08 37.04	102.22 51.11	102.22 51.11	102.22 51.11	106.32 53.16	110.56 55.28
Mod-High Use <i>Monthly Equivalent</i>	10	90%	110.84 55.42	152.94 76.47	152.94 76.47	152.94 76.47	159.08 79.54	165.44 82.72
Very High Use <i>Monthly Equivalent</i>	20	99%	202.74 101.37	279.74 139.87	279.74 139.87	279.74 139.87	290.98 145.49	302.64 151.32
Sample Commercial Rate Impacts								
Meter Size 5/8" or 3/4"								
Very Low Use <i>Monthly Equivalent</i>	2		\$45.96 22.98	\$63.42 31.71	\$63.42 31.71	\$63.42 31.71	\$65.96 32.98	\$68.60 34.30
Low Use <i>Monthly Equivalent</i>	4		64.34 32.17	88.78 44.39	88.78 44.39	88.78 44.39	92.34 46.17	96.04 48.02
Moderate Use <i>Monthly Equivalent</i>	10		119.48 59.74	164.86 82.43	164.86 82.43	164.86 82.43	171.48 85.74	178.36 89.18
Mod-High Use <i>Monthly Equivalent</i>	20		211.38 105.69	291.66 145.83	291.66 145.83	291.66 145.83	303.38 151.69	315.56 157.78
High Use <i>Monthly Equivalent</i>	40		395.18 197.59	545.26 272.63	545.26 272.63	545.26 272.63	567.18 283.59	589.96 294.98
Large Commercial, Meter Size 2"+								
Mod-Low Use <i>Monthly Equivalent</i>	50		735.30 367.65	\$1,014.60 507.30	\$1,014.60 507.30	\$1,014.60 507.30	\$1,055.30 527.65	\$1,097.60 548.80
Mod-High Use <i>Monthly Equivalent</i>	100		1,194.80 597.40	1,648.60 824.30	1,648.60 824.30	1,648.60 824.30	1,714.80 857.40	1,783.60 891.80
High Use <i>Monthly Equivalent</i>	200		2,113.80 1,056.90	2,916.60 1,458.30	2,916.60 1,458.30	2,916.60 1,458.30	3,033.80 1,516.90	3,155.60 1,577.80

Table 8B
Cambria Community Services District
Water Financial Projections

Scenario B: Phased Approach
3-Year Phase-In to \$700K Annual CIP Funding

	0 2017/18	1 2018/19	2 2019/20	3 2020/21	4 2021/22	5 2022/23
Effective Date of Rate Increases	Jan-1	Sept-1	July-1	July-1	July-1	July-1
Projected Rate Increases	4%	16%	12%	6%	4%	4%
Growth (Single Family Equivalents)		0	0	0	0	0
Change in Water Sales %		0.0%	0.0%	0.0%	0.0%	0.0%
Cost Escalation		4%	4%	4%	4%	4%
Interest Earnings Rate	1.25%	1.5%	2.0%	2.0%	2.0%	2.0%
Beginning Water Fund Reserves	\$1,325,000	\$1,462,000	\$1,532,000	\$1,527,000	\$1,537,000	\$1,568,000
REVENUES						
Fixed Water Service Charges	728,000	824,000	950,000	1,020,000	1,064,000	1,107,000
Water Quantity Charges	<u>1,620,000</u>	<u>1,815,000</u>	<u>2,110,000</u>	<u>2,269,000</u>	<u>2,367,000</u>	<u>2,462,000</u>
<i>Subtotal</i>	<i>2,348,000</i>	<i>2,639,000</i>	<i>3,060,000</i>	<i>3,289,000</i>	<i>3,431,000</i>	<i>3,569,000</i>
Standby Availability	178,000	178,000	178,000	178,000	178,000	178,000
Interest Income	17,000	22,000	31,000	31,000	31,000	31,000
Wait List Fees	62,000	62,000	62,000	62,000	62,000	62,000
Capacity Charges from Growth	20,000	0	0	0	0	0
Resource Conserv/Remodel Fees	70,000	70,000	70,000	70,000	70,000	70,000
Other: Acct Svcs/Admin/Late Fees	<u>78,000</u>	<u>70,000</u>	<u>70,000</u>	<u>70,000</u>	<u>70,000</u>	<u>70,000</u>
Total Revenues	2,773,000	3,041,000	3,471,000	3,700,000	3,842,000	3,980,000
EXPENSES						
<u>Water System Operations</u>						
Salaries & Benefits	839,000	873,000	908,000	944,000	982,000	1,021,000
Additional Staffing Needs	0	135,000	187,000	194,000	202,000	210,000
Maintenance & Repair	149,000	155,000	161,000	167,000	174,000	181,000
Unplanned Maintenance	100,000	104,000	108,000	112,000	116,000	121,000
Utilities	163,000	170,000	177,000	184,000	191,000	199,000
Professional Services	88,000	92,000	96,000	100,000	104,000	108,000
Services & Supplies/Other	105,000	109,000	113,000	118,000	123,000	128,000
Government Fees & Dues	58,000	60,000	62,000	64,000	67,000	70,000
Resource Conservation	39,000	41,000	43,000	45,000	47,000	49,000
Well Site Lease	36,000	37,000	38,000	40,000	42,000	44,000
Admin Overhead	<u>909,000</u>	<u>945,000</u>	<u>983,000</u>	<u>1,022,000</u>	<u>1,063,000</u>	<u>1,106,000</u>
<i>Subtotal</i>	<i>2,486,000</i>	<i>2,721,000</i>	<i>2,876,000</i>	<i>2,990,000</i>	<i>3,111,000</i>	<i>3,237,000</i>
Capital Improvement Projects	150,000	250,000	600,000	700,000	700,000	700,000
Total Expenses	2,636,000	2,971,000	3,476,000	3,690,000	3,811,000	3,937,000
Revenues Less Expenses	137,000	70,000	(5,000)	10,000	31,000	43,000
Ending Fund Reserves	1,462,000	1,532,000	1,527,000	1,537,000	1,568,000	1,611,000
Fund Rsrvs as % of O&M	59%	56%	53%	51%	50%	50%

Table 8B
Cambria Community Services District
Water Financial Projections

Scenario B: Phased Approach
3-Year Phase-In to \$700K Annual CIP Funding

	6 2023/24	7 2024/25	8 2025/26	9 2026/27	10 2027/28
Effective Date of Rate Increases	July-1	July-1	July-1	July-1	July-1
Projected Rate Increases	4%	4%	4%	4%	3%
Growth (Single Family Equivalents)	0	0	0	0	0
Change in Water Sales %	0.0%	0.0%	0.0%	0.0%	0.0%
Cost Escalation	4%	4%	4%	4%	4%
Interest Earnings Rate	2.0%	2.0%	2.0%	2.0%	2.0%
Beginning Water Fund Reserves	\$1,611,000	\$1,618,000	\$1,640,000	\$1,676,000	\$1,729,000
REVENUES					
Fixed Water Service Charges	1,151,000	1,197,000	1,245,000	1,295,000	1,336,000
Water Quantity Charges	<u>2,560,000</u>	<u>2,663,000</u>	<u>2,769,000</u>	<u>2,880,000</u>	<u>2,971,000</u>
<i>Subtotal</i>	<i>3,711,000</i>	<i>3,860,000</i>	<i>4,014,000</i>	<i>4,175,000</i>	<i>4,307,000</i>
Standby Availability	178,000	178,000	178,000	178,000	178,000
Interest Income	32,000	32,000	33,000	34,000	35,000
Wait List Fees	62,000	62,000	62,000	62,000	62,000
Capacity Charges from Growth	0	0	0	0	0
Resource Conserv/Remodel Fees	70,000	70,000	70,000	70,000	70,000
Other: Acct Svcs/Admin/Late Fees	<u>70,000</u>	<u>70,000</u>	<u>70,000</u>	<u>70,000</u>	<u>70,000</u>
Total Revenues	4,123,000	4,272,000	4,427,000	4,589,000	4,722,000
EXPENSES					
<u>Water System Operations</u>					
Salaries & Benefits	1,062,000	1,104,000	1,148,000	1,194,000	1,242,000
Additional Staffing Needs	218,000	227,000	236,000	245,000	255,000
Maintenance & Repair	188,000	196,000	204,000	212,000	220,000
Unplanned Maintenance	126,000	131,000	136,000	141,000	147,000
Utilities	207,000	215,000	224,000	233,000	242,000
Professional Services	112,000	116,000	121,000	126,000	131,000
Services & Supplies/Other	133,000	138,000	144,000	150,000	156,000
Government Fees & Dues	73,000	76,000	79,000	82,000	85,000
Resource Conservation	51,000	53,000	55,000	57,000	59,000
Well Site Lease	46,000	48,000	50,000	52,000	54,000
Admin Overhead	<u>1,150,000</u>	<u>1,196,000</u>	<u>1,244,000</u>	<u>1,294,000</u>	<u>1,346,000</u>
<i>Subtotal</i>	<i>3,366,000</i>	<i>3,500,000</i>	<i>3,641,000</i>	<i>3,786,000</i>	<i>3,937,000</i>
Capital Improvement Projects	750,000	750,000	750,000	750,000	750,000
Total Expenses	4,116,000	4,250,000	4,391,000	4,536,000	4,687,000
Revenues Less Expenses	7,000	22,000	36,000	53,000	35,000
Ending Fund Reserves	1,618,000	1,640,000	1,676,000	1,729,000	1,764,000
Fund Rsrvs as % of O&M	48%	47%	46%	46%	45%

Table 9B
Cambria Community Services District
Proposed Water Rates

Scenario B: Phased Approach
3-Year Phase-In to \$700K Annual CIP Funding
No Change to Rate Structure

	Current Water Rates	Proposed Water Rates Effective On or After						
		Sept 1 2018	July 1 2019	July 1 2020	July 1 2021	July 1 2022		
Rate Increase %		16%	12%	6%	4%	4%		
FIXED WATER SERVICE CHARGES								
Residential								
Monthly Charge	\$13.79	\$16.00	\$17.92	\$19.00	\$19.76	\$20.55		
<i>Bi-Monthly Charge</i>	<i>27.58</i>	<i>32.00</i>	<i>35.84</i>	<i>38.00</i>	<i>39.52</i>	<i>41.10</i>		
Commercial								
<u>Monthly Charge per Meter Size</u>								
5/8" or 3/4"	\$13.79	\$16.00	\$17.92	\$19.00	\$19.76	\$20.55		
1"	34.48	40.00	44.80	47.50	49.40	51.38		
1-1/2"	68.95	80.00	89.60	95.00	98.80	102.75		
2" & Larger	137.90	160.00	179.20	190.00	197.60	205.50		
WATER QUANTITY CHARGES								
<i>Billed based on metered water use (\$/ccf)</i>								
Residential Charges								
<u>Tier</u>	<u>Bi-Monthly</u>	<u>Monthly</u>						
Tier 1	First 4 ccf	First 2 ccf	\$7.03	\$8.15	\$9.13	\$9.68	\$10.07	\$10.47
Tier 2	4.01 - 16 ccf	2.01 - 8 ccf	9.19	10.66	11.94	12.66	13.17	13.70
Tier 3	> 16 ccf	> 8 ccf	10.25	11.89	13.32	14.11	14.66	15.24
Commercial Charges								
Rate for All Water Use	\$9.19	\$10.66	\$11.94	\$12.66	\$13.17	\$13.70		

* Note: Fixed charge currently applies per account, not per residential dwelling unit.

1 ccf = 100 cubic feet, or approximately 748 gallons

Table 10B
Cambria Community Services District
Water Rate Impacts

Scenario B: Phased Approach
3-Year Phase-In to \$700K Annual CIP Funding

	Bi-Monthly Water Use (ccf)	Est % of Bills at or Below	Current Bi-Monthly Water Bill	Projected Bi-Monthly Water Bills				
				Sept 1 2018	July 1 2019	July 1 2020	July 1 2021	July 1 2022
Single Family Residential Rate Impacts								
Very Low Use <i>Monthly Equivalent</i>	2	30%	\$41.64 20.82	\$48.30 24.15	\$54.10 27.05	\$57.36 28.68	\$59.66 29.83	\$62.04 31.02
Low Use (Median) <i>Monthly Equivalent</i>	4	50%	55.70 27.85	64.60 32.30	72.36 36.18	76.72 38.36	79.80 39.90	82.98 41.49
Moderate Use <i>Monthly Equivalent</i>	6	70%	74.08 37.04	85.92 42.96	96.24 48.12	102.04 51.02	106.14 53.07	110.38 55.19
Mod-High Use <i>Monthly Equivalent</i>	10	90%	110.84 55.42	128.56 64.28	144.00 72.00	152.68 76.34	158.82 79.41	165.18 82.59
Very High Use <i>Monthly Equivalent</i>	20	99%	202.74 101.37	235.16 117.58	263.40 131.70	279.28 139.64	290.52 145.26	302.18 151.09
Sample Commercial Rate Impacts								
Meter Size 5/8" or 3/4"								
Very Low Use <i>Monthly Equivalent</i>	2		\$45.96 22.98	\$53.32 26.66	\$59.72 29.86	\$63.32 31.66	\$65.86 32.93	\$68.50 34.25
Low Use <i>Monthly Equivalent</i>	4		64.34 32.17	74.64 37.32	83.60 41.80	88.64 44.32	92.20 46.10	95.90 47.95
Moderate Use <i>Monthly Equivalent</i>	10		119.48 59.74	138.60 69.30	155.24 77.62	164.60 82.30	171.22 85.61	178.10 89.05
Mod-High Use <i>Monthly Equivalent</i>	20		211.38 105.69	245.20 122.60	274.64 137.32	291.20 145.60	302.92 151.46	315.10 157.55
High Use <i>Monthly Equivalent</i>	40		395.18 197.59	458.40 229.20	513.44 256.72	544.40 272.20	566.32 283.16	589.10 294.55
Large Commercial, Meter Size 2"+								
Mod-Low Use <i>Monthly Equivalent</i>	50		735.30 367.65	\$853.00 426.50	\$955.40 477.70	\$1,013.00 506.50	\$1,053.70 526.85	\$1,096.00 548.00
Mod-High Use <i>Monthly Equivalent</i>	100		1,194.80 597.40	1,386.00 693.00	1,552.40 776.20	1,646.00 823.00	1,712.20 856.10	1,781.00 890.50
High Use <i>Monthly Equivalent</i>	200		2,113.80 1,056.90	2,452.00 1,226.00	2,746.40 1,373.20	2,912.00 1,456.00	3,029.20 1,514.60	3,151.00 1,575.50

Scenario B: Phased Approach

Cambria Community Services District Typical Monthly Residential Water Charges

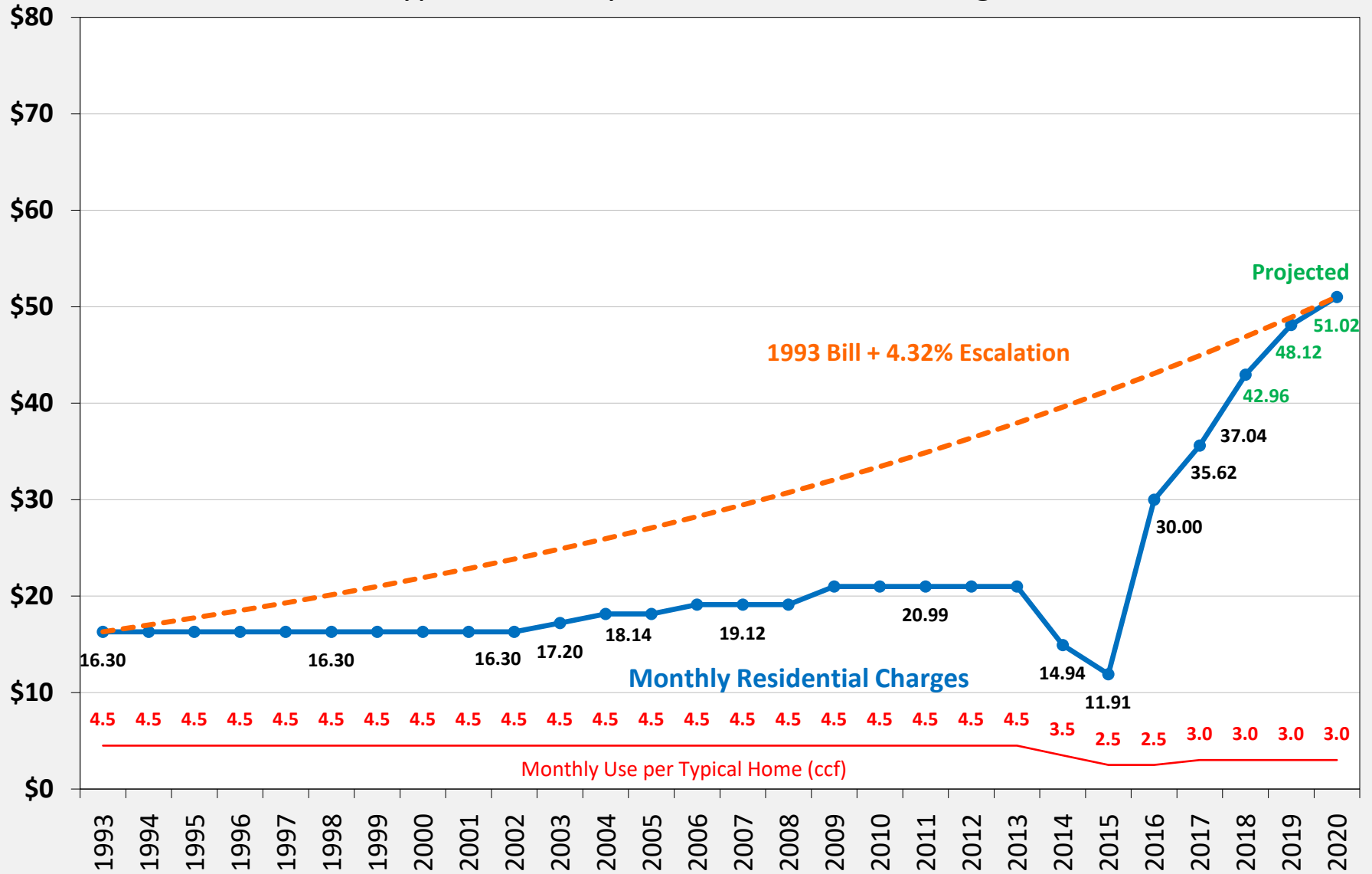


Table 8C
Cambria Community Services District
Water Financial Projections

Scenario C: Reduced Phase-In
3-Year Phase-In to \$500K Annual CIP Funding

	0 2017/18	1 2018/19	2 2019/20	3 2020/21	4 2021/22	5 2022/23
Effective Date of Rate Increases	Jan-1	Sept-1	July-1	July-1	July-1	July-1
Projected Rate Increases	4%	13%	9%	6%	6%	6%
Growth (Single Family Equivalents)		0	0	0	0	0
Change in Water Sales %		0.0%	0.0%	0.0%	0.0%	0.0%
Cost Escalation		4%	4%	4%	4%	4%
Interest Earnings Rate	1.25%	1.5%	2.0%	2.0%	2.0%	2.0%
Beginning Water Fund Reserves	\$1,325,000	\$1,462,000	\$1,534,000	\$1,634,000	\$1,675,000	\$1,683,000
REVENUES						
Fixed Water Service Charges	728,000	808,000	905,000	967,000	1,025,000	1,087,000
Water Quantity Charges	<u>1,620,000</u>	<u>1,783,000</u>	<u>2,010,000</u>	<u>2,151,000</u>	<u>2,280,000</u>	<u>2,417,000</u>
Subtotal	2,348,000	2,591,000	2,915,000	3,118,000	3,305,000	3,504,000
Standby Availability	178,000	178,000	178,000	178,000	178,000	178,000
Interest Income	17,000	22,000	31,000	33,000	34,000	34,000
Wait List Fees	62,000	62,000	62,000	62,000	62,000	62,000
Capacity Charges from Growth	20,000	0	0	0	0	0
Resource Conserv/Remodel Fees	70,000	70,000	70,000	70,000	70,000	70,000
Other: Acct Svcs/Admin/Late Fees	<u>78,000</u>	<u>70,000</u>	<u>70,000</u>	<u>70,000</u>	<u>70,000</u>	<u>70,000</u>
Total Revenues	2,773,000	2,993,000	3,326,000	3,531,000	3,719,000	3,918,000
EXPENSES						
<u>Water System Operations</u>						
Salaries & Benefits	839,000	873,000	908,000	944,000	982,000	1,021,000
Additional Staffing Needs	0	135,000	187,000	194,000	202,000	210,000
Maintenance & Repair	149,000	155,000	161,000	167,000	174,000	181,000
Unplanned Maintenance	100,000	104,000	108,000	112,000	116,000	121,000
Utilities	163,000	170,000	177,000	184,000	191,000	199,000
Professional Services	88,000	92,000	96,000	100,000	104,000	108,000
Services & Supplies/Other	105,000	109,000	113,000	118,000	123,000	128,000
Government Fees & Dues	58,000	60,000	62,000	64,000	67,000	70,000
Resource Conservation	39,000	41,000	43,000	45,000	47,000	49,000
Well Site Lease	36,000	37,000	38,000	40,000	42,000	44,000
Admin Overhead	909,000	945,000	983,000	1,022,000	1,063,000	1,106,000
Subtotal	<u>2,486,000</u>	<u>2,721,000</u>	<u>2,876,000</u>	<u>2,990,000</u>	<u>3,111,000</u>	<u>3,237,000</u>
Capital Improvement Projects	150,000	200,000	350,000	500,000	600,000	650,000
Total Expenses	2,636,000	2,921,000	3,226,000	3,490,000	3,711,000	3,887,000
Revenues Less Expenses	137,000	72,000	100,000	41,000	8,000	31,000
Ending Fund Reserves	1,462,000	1,534,000	1,634,000	1,675,000	1,683,000	1,714,000
Fund Rsrvs as % of O&M	59%	56%	57%	56%	54%	53%

Table 8C
Cambria Community Services District
Water Financial Projections

Scenario C: Reduced Phase-In
3-Year Phase-In to \$500K Annual CIP Funding

	6 2023/24	7 2024/25	8 2025/26	9 2026/27	10 2027/28
Effective Date of Rate Increases	July-1	July-1	July-1	July-1	July-1
Projected Rate Increases	5%	4%	4%	4%	4%
Growth (Single Family Equivalents)	0	0	0	0	0
Change in Water Sales %	0.0%	0.0%	0.0%	0.0%	0.0%
Cost Escalation	4%	4%	4%	4%	4%
Interest Earnings Rate	2.0%	2.0%	2.0%	2.0%	2.0%
Beginning Water Fund Reserves	\$1,714,000	\$1,747,000	\$1,750,000	\$1,766,000	\$1,796,000
REVENUES					
Fixed Water Service Charges	1,143,000	1,190,000	1,238,000	1,287,000	1,339,000
Water Quantity Charges	<u>2,542,000</u>	<u>2,648,000</u>	<u>2,754,000</u>	<u>2,864,000</u>	<u>2,978,000</u>
<i>Subtotal</i>	<i>3,685,000</i>	<i>3,838,000</i>	<i>3,992,000</i>	<i>4,151,000</i>	<i>4,317,000</i>
Standby Availability	178,000	178,000	178,000	178,000	178,000
Interest Income	34,000	35,000	35,000	35,000	36,000
Wait List Fees	62,000	62,000	62,000	62,000	62,000
Capacity Charges from Growth	0	0	0	0	0
Resource Conserv/Remodel Fees	70,000	70,000	70,000	70,000	70,000
Other: Acct Svcs/Admin/Late Fees	<u>70,000</u>	<u>70,000</u>	<u>70,000</u>	<u>70,000</u>	<u>70,000</u>
Total Revenues	4,099,000	4,253,000	4,407,000	4,566,000	4,733,000
EXPENSES					
<u>Water System Operations</u>					
Salaries & Benefits	1,062,000	1,104,000	1,148,000	1,194,000	1,242,000
Additional Staffing Needs	218,000	227,000	236,000	245,000	255,000
Maintenance & Repair	188,000	196,000	204,000	212,000	220,000
Unplanned Maintenance	126,000	131,000	136,000	141,000	147,000
Utilities	207,000	215,000	224,000	233,000	242,000
Professional Services	112,000	116,000	121,000	126,000	131,000
Services & Supplies/Other	133,000	138,000	144,000	150,000	156,000
Government Fees & Dues	73,000	76,000	79,000	82,000	85,000
Resource Conservation	51,000	53,000	55,000	57,000	59,000
Well Site Lease	46,000	48,000	50,000	52,000	54,000
Admin Overhead	<u>1,150,000</u>	<u>1,196,000</u>	<u>1,244,000</u>	<u>1,294,000</u>	<u>1,346,000</u>
<i>Subtotal</i>	<i>3,366,000</i>	<i>3,500,000</i>	<i>3,641,000</i>	<i>3,786,000</i>	<i>3,937,000</i>
Capital Improvement Projects	700,000	750,000	750,000	750,000	750,000
Total Expenses	4,066,000	4,250,000	4,391,000	4,536,000	4,687,000
Revenues Less Expenses	33,000	3,000	16,000	30,000	46,000
Ending Fund Reserves	1,747,000	1,750,000	1,766,000	1,796,000	1,842,000
Fund Rsrvs as % of O&M	52%	50%	49%	47%	47%

Table 9C
Cambria Community Services District
Proposed Water Rates

Scenario C: Reduced Phase-In
3-Year Phase-In to \$500K Annual CIP Funding
No Change to Rate Structure

	Current Water Rates	Proposed Water Rates Effective On or After						
		Sept 1 2018	July 1 2019	July 1 2020	July 1 2021	July 1 2022		
Rate Increase %		13%	9%	6%	6%	6%		
FIXED WATER SERVICE CHARGES								
Residential								
Monthly Charge	\$13.79	\$15.58	\$16.98	\$18.00	\$19.08	\$20.22		
<i>Bi-Monthly Charge</i>	<i>27.58</i>	<i>31.16</i>	<i>33.96</i>	<i>36.00</i>	<i>38.16</i>	<i>40.44</i>		
Commercial								
<u>Monthly Charge per Meter Size</u>								
5/8" or 3/4"	\$13.79	\$15.58	\$16.98	\$18.00	\$19.08	\$20.22		
1"	34.48	38.95	42.45	45.00	47.70	50.55		
1-1/2"	68.95	77.90	84.90	90.00	95.40	101.10		
2" & Larger	137.90	155.80	169.80	180.00	190.80	202.20		
WATER QUANTITY CHARGES								
<i>Billed based on metered water use (\$/ccf)</i>								
Residential Charges								
<u>Tier</u>	<u>Bi-Monthly</u>	<u>Monthly</u>						
Tier 1	First 4 ccf	First 2 ccf	\$7.03	\$7.94	\$8.65	\$9.17	\$9.72	\$10.30
Tier 2	4.01 - 16 ccf	2.01 - 8 ccf	9.19	10.38	11.31	11.99	12.71	13.47
Tier 3	> 16 ccf	> 8 ccf	10.25	11.58	12.62	13.37	14.16	15.00
Commercial Charges								
Rate for All Water Use	\$9.19	\$10.38	\$11.31	\$11.99	\$12.71	\$13.47		

* Note: Fixed charge currently applies per account, not per residential dwelling unit.

1 ccf = 100 cubic feet, or approximately 748 gallons

Table 10C
Cambria Community Services District
Water Rate Impacts

Scenario C: Reduced Phase-In
3-Year Phase-In to \$500K Annual CIP Funding

	Bi-Monthly Water Use (ccf)	Est % of Bills at or Below	Current Bi-Monthly Water Bill	Projected Bi-Monthly Water Bills				
				Sept 1 2018	July 1 2019	July 1 2020	July 1 2021	July 1 2022
Single Family Residential Rate Impacts								
Very Low Use <i>Monthly Equivalent</i>	2	30%	\$41.64 20.82	\$47.04 23.52	\$51.26 25.63	\$54.34 27.17	\$57.60 28.80	\$61.04 30.52
Low Use (Median) <i>Monthly Equivalent</i>	4	50%	55.70 27.85	62.92 31.46	68.56 34.28	72.68 36.34	77.04 38.52	81.64 40.82
Moderate Use <i>Monthly Equivalent</i>	6	70%	74.08 37.04	83.68 41.84	91.18 45.59	96.66 48.33	102.46 51.23	108.58 54.29
Mod-High Use <i>Monthly Equivalent</i>	10	90%	110.84 55.42	125.20 62.60	136.42 68.21	144.62 72.31	153.30 76.65	162.46 81.23
Very High Use <i>Monthly Equivalent</i>	20	99%	202.74 101.37	229.00 114.50	249.52 124.76	264.52 132.26	280.40 140.20	297.16 148.58
Sample Commercial Rate Impacts								
Meter Size 5/8" or 3/4"								
Very Low Use <i>Monthly Equivalent</i>	2		\$45.96 22.98	\$51.92 25.96	\$56.58 28.29	\$59.98 29.99	\$63.58 31.79	\$67.38 33.69
Low Use <i>Monthly Equivalent</i>	4		64.34 32.17	72.68 36.34	79.20 39.60	83.96 41.98	89.00 44.50	94.32 47.16
Moderate Use <i>Monthly Equivalent</i>	10		119.48 59.74	134.96 67.48	147.06 73.53	155.90 77.95	165.26 82.63	175.14 87.57
Mod-High Use <i>Monthly Equivalent</i>	20		211.38 105.69	238.76 119.38	260.16 130.08	275.80 137.90	292.36 146.18	309.84 154.92
High Use <i>Monthly Equivalent</i>	40		395.18 197.59	446.36 223.18	486.36 243.18	515.60 257.80	546.56 273.28	579.24 289.62
Large Commercial, Meter Size 2"+								
Mod-Low Use <i>Monthly Equivalent</i>	50		735.30 367.65	\$830.60 415.30	\$905.10 452.55	\$959.50 479.75	\$1,017.10 508.55	\$1,077.90 538.95
Mod-High Use <i>Monthly Equivalent</i>	100		1,194.80 597.40	1,349.60 674.80	1,470.60 735.30	1,559.00 779.50	1,652.60 826.30	1,751.40 875.70
High Use <i>Monthly Equivalent</i>	200		2,113.80 1,056.90	2,387.60 1,193.80	2,601.60 1,300.80	2,758.00 1,379.00	2,923.60 1,461.80	3,098.40 1,549.20

Table 11
 Cambria Community Services District
 Summary of Water Rate Scenarios

	Sept-1 2018	July-1 2019	July-1 2020
A) Front-Load Increase			
Rate Increase %	38%	0%	0%
CIP Funding	\$650,000	\$700,000	\$700,000
B) Phased Approach			
Rate Increase %	16%	12%	6%
CIP Funding	\$250,000	\$600,000	\$700,000
C) Reduced Phase-In			
Rate Increase %	13%	9%	6%
CIP Funding	\$200,000	\$350,000	\$500,000

Cambria Community Services District



Sustainable Water Facility Rates Tables & Charts

Revised Draft 6/13/18



BARTLE WELLS ASSOCIATES
INDEPENDENT PUBLIC FINANCE ADVISORS

Table 1
Cambria Community Services District
Current Sustainable Water Facility Charges

FIXED BI-MONTHLY METER CHARGES			
Single Family Residences		<u>Bi-Monthly Charge</u> ¹	<u>Monthly Equivalent</u>
<i>Bi-monthly charge per residential dwelling unit</i>		\$13.00	\$6.50
All Other Accounts			
<i>Bi-monthly charge based on water meter size</i>			
<u>Meter Size</u>	<u>Demand Ratio</u> ²		
5/8-inch or 3/4-inch	2.00	\$26.00	\$13.00
1-inch	3.33	43.33	21.67
1-1/2-inch	6.67	86.67	43.34
2-inch or larger	10.67	138.67	69.34
WATER QUANTITY CHARGES			
<i>Charge per unit (ccf) of metered water use</i> ³			
A. Ongoing Water Quantity Charge			
<i>For emergency water supply project facility cost recovery</i>			
<u>Rate Tier</u>	<u>Bi-Monthly Water Use in Tier</u>	<u>Charge per Unit (ccf)</u> ³	<u>Equivalent Rate per 100 gallons</u>
Tier 1	1 - 4 ccf	\$1.50	\$0.20
Tier 2	5 - 16 ccf	3.00	0.40
Tier 3	>16 ccf	4.50	0.60
B. Emergency Water Supply Project Operating Charge			
<i>Only charged during periods of anticipated operation</i>			
<u>Rate Tier</u>	<u>Bi-Monthly Water Use in Tier</u>	<u>Charge per Unit (ccf)</u> ³	
Tier 1	1 - 4 ccf	\$1.50	\$0.20
Tier 2	5 - 16 ccf	3.00	0.40
Tier 3	>16 ccf	5.00	0.67

1 CCSD currently bills customers once every two months.

2 Demand ratio based on analysis of water billing data and standard meter capacities.

3 A unit equals one ccf "hundred cubic feet;" a hundred cubic feet of water is 748 gallons.

Table 2
Cambria Community Services District
Sustainable Water Facility Rate Revenues by Billing Period

	Jul/Aug	Sep/Oct	Nov/Dec	Jan/Feb	Mar/Apr	May/Jun	Total	F/V %
Sustainable Water Facility 2015/16								
SWF Base	62,079	62,344	62,098	62,218	61,455	61,598	371,792	44.5%
SWF Usage	83,654	79,869	71,072	66,125	74,753	88,395	463,868	55.5%
Adjustments	<u>(581)</u>	<u>(24)</u>	<u>0</u>	<u>8</u>	<u>(310)</u>	<u>(15)</u>	<u>(922)</u>	
Total	145,152	142,189	133,170	128,351	135,898	149,978	834,738	
Sustainable Water Facility 2016/17								
SWF Base	61,585	61,559	61,559	61,559	61,559	61,559	369,380	43.0%
SWF Usage	97,713	80,307	76,385	71,489	70,675	93,693	490,262	57.0%
Adjustments	<u>(435)</u>	<u>0</u>	<u>(6)</u>		<u>(62)</u>	<u>(11)</u>	<u>(514)</u>	
Total	158,863	141,866	137,938	133,048	132,172	155,241	859,128	
Sustainable Water Facility 2017/18 (Est.)								
					<u>Estimated</u>	<u>Estimated</u>		
SWF Base	61,559	61,559	61,323	61,314	61,500	61,500	368,755	39.3%
SWF Usage	112,448	97,166	83,061	86,200	85,000	105,000	568,875	60.7%
Adjustments	<u>(465)</u>	<u>(355)</u>	<u>(10,972)</u>	<u>(1,701)</u>			<u>(13,493)</u>	
Total	173,542	158,370	133,412	145,813	146,500	166,500	924,137	

Table 3
 Cambria Community Services District
 SWF Capital Improvement Projects

5-Year CIP Average (With Inflation): 164,000
 10-Year CIP Average (With Inflation): 333,000

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	Total
SWF Projects (Jan 2018 \$)											
Priority 1	390,000	45,000	-	-	-	-	-	-	-	-	435,000
Priority 2	25,000	52,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	93,000
Priority 3	-	104,000	-	-	-	-	-	-	-	-	104,000
<i>Potential Treatment Facilities</i>			-	-	150,000	750,000	1,300,000	-	-	-	2,200,000
Total	415,000	201,000	2,000	2,000	152,000	752,000	1,302,000	2,000	2,000	2,000	2,832,000
SWF Projects (With Cost Inflation)											
Cost Inflation	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	
Cost Inflation	1.030	1.061	1.093	1.126	1.159	1.194	1.230	1.267	1.305	1.344	
Priority 1	402,000	48,000	-	-	-	-	-	-	-	-	450,000
Priority 2	26,000	55,000	2,000	2,000	2,000	2,000	2,000	3,000	3,000	3,000	100,000
Priority 3	-	110,000	-	-	-	-	-	-	-	-	110,000
<i>Potential Treatment Facilities</i>			-	-	174,000	896,000	1,599,000	-	-	-	2,669,000
Total	428,000	213,000	2,000	2,000	176,000	898,000	1,601,000	3,000	3,000	3,000	3,329,000

Table 4
Cambria Community Services District
SWF Additional Costs During Operation

Incremental O&M Expenses During Operation

	<u>Monthly</u>	<u>2-Months</u>	<u>Notes</u>
Brine Hauling	21,000	42,000	\$350/6kgal truckload, 3 loads/day, 5 days/week
Semi-Tractor Rental	4,000	8,000	\$220/day, 5 days/week
Brine Disposal	43,000	86,000	20 days x 18,000 gallons/day, \$0.12 per gallon
Additional Lab Costs	11,000	22,000	
Additional Electricity	<u>4,000</u>	<u>8,000</u>	
Total	83,000	166,000	

Table 5
Cambria Community Services District
SWF Financial Projections

Near-term funding shortfall
Assumes 2 months of SWF operation every year
Current operating rate surcharges eliminated & rolled into year-round rates

	0 2017/18	1 2018/19	2 2019/20	3 2020/21	4 2021/22	5 2022/23
Effective Date of Rate Increases		Sept-1	July-1	July-1	July-1	July-1
Projected Rate Increases		25%	10%	7%	3%	3%
Growth (Single Family Equivalents)		0	0	0	0	0
Change in Water Sales %		0.0%	0.0%	0.0%	0.0%	0.0%
Cost Escalation		4%	4%	4%	4%	4%
Interest Earnings Rate	1.25%	1.5%	2.0%	2.0%	2.0%	2.0%
Beginning SWF Fund Reserves	\$0	(\$38,000)	(\$117,000)	(\$36,000)	\$20,000	\$50,000
REVENUES						
Fixed SWF Service Charges	369,000	417,000	476,000	514,000	532,000	548,000
SWF Quantity Charges	<u>555,000</u>	<u>648,000</u>	<u>747,000</u>	<u>808,000</u>	<u>838,000</u>	<u>863,000</u>
Subtotal	924,000	1,065,000	1,223,000	1,322,000	1,370,000	1,411,000
Interest Income	0	0	0	0	0	1,000
Total Revenues	<u>924,000</u>	<u>1,065,000</u>	<u>1,223,000</u>	<u>1,322,000</u>	<u>1,370,000</u>	<u>1,412,000</u>
Projected \$500K Interfund Loan		350,000	150,000			
EXPENSES						
<u>SWF Base Operations</u>						
Salaries & Benefits	130,000	135,000	140,000	146,000	152,000	158,000
Additional Staffing	0	55,000	57,000	59,000	61,000	63,000
Maintenance	12,000	12,000	12,000	12,000	12,000	12,000
Government Fees & Licenses	40,000	42,000	44,000	46,000	48,000	50,000
Utilities	12,000	12,000	12,000	12,000	12,000	12,000
Lab Testing	21,000	22,000	23,000	24,000	25,000	26,000
Professional Svcs/Other	<u>15,000</u>	<u>20,000</u>	<u>21,000</u>	<u>22,000</u>	<u>23,000</u>	<u>24,000</u>
Subtotal	230,000	298,000	309,000	321,000	333,000	345,000
<u>Add'l O&M During Operations</u>						
Brine Hauling & Disposal, Lab, Electricity		166,000	173,000	180,000	187,000	194,000
<u>Debt Service</u>						
2014 TBP Loan	660,000	660,000	660,000	660,000	660,000	660,000
Interfund Loan Repayment (subordinate)	<u>0</u>	<u>0</u>	<u>0</u>	<u>55,000</u>	<u>110,000</u>	<u>110,000</u>
Subtotal	660,000	660,000	660,000	715,000	770,000	770,000
<u>Capital/Non-Operating</u>						
Capital Improvement Projects		350,000	150,000	50,000	50,000	50,000
Performance Bond	72,000	20,000	-	-	-	-
Total Expenses	962,000	1,494,000	1,292,000	1,266,000	1,340,000	1,359,000
Revenues Less Expenses	(38,000)	(79,000)	81,000	56,000	30,000	53,000
Ending Fund Reserves	(38,000)	(117,000)	(36,000)	20,000	50,000	103,000
Fund Reserves as % of O&M+Debt	-4%	-12%	-4%	2%	5%	9%
Debt Service Coverage (SWF Only)	1.05	1.16	1.38	1.52	1.57	1.62

Table 5
Cambria Community Services District
SWF Financial Projections

	6 2023/24	7 2024/25	8 2025/26	9 2026/27	10 2027/28
Effective Date of Rate Increases	July-1	July-1	July-1	July-1	July-1
Projected Rate Increases	2%	2%	0%	0%	0%
Growth (Single Family Equivalents)	0	0	0	0	0
Change in Water Sales %	0.0%	0.0%	0.0%	0.0%	0.0%
Cost Escalation	4%	4%	4%	4%	4%
Interest Earnings Rate	2.0%	2.0%	2.0%	2.0%	2.0%
Beginning SWF Fund Reserves	\$103,000	\$166,000	\$237,000	\$348,000	\$443,000
REVENUES					
Fixed SWF Service Charges	560,000	571,000	573,000	573,000	573,000
SWF Quantity Charges	<u>881,000</u>	<u>899,000</u>	<u>902,000</u>	<u>902,000</u>	<u>902,000</u>
Subtotal	1,441,000	1,470,000	1,475,000	1,475,000	1,475,000
Interest Income	<u>2,000</u>	<u>3,000</u>	<u>5,000</u>	<u>7,000</u>	<u>9,000</u>
Total Revenues	1,443,000	1,473,000	1,480,000	1,482,000	1,484,000
Projected \$500K Interfund Loan					
EXPENSES					
<u>SWF Base Operations</u>					
Salaries & Benefits	164,000	171,000	178,000	185,000	192,000
Additional Staffing	66,000	69,000	72,000	75,000	78,000
Maintenance	12,000	12,000	12,000	12,000	12,000
Government Fees & Licenses	52,000	54,000	56,000	58,000	60,000
Utilities	12,000	12,000	12,000	12,000	12,000
Lab Testing	27,000	28,000	29,000	30,000	31,000
Professional Svcs/Other	<u>25,000</u>	<u>26,000</u>	<u>27,000</u>	<u>28,000</u>	<u>29,000</u>
Subtotal	358,000	372,000	386,000	400,000	414,000
<u>Add'l O&M During Operations</u>					
Brine Hauling & Disposal, Lab, Electricity	202,000	210,000	218,000	227,000	236,000
<u>Debt Service</u>					
2014 TBP Loan	660,000	660,000	660,000	660,000	660,000
Interfund Loan Repayment (subordinate)	<u>110,000</u>	<u>110,000</u>	<u>55,000</u>	<u>0</u>	<u>0</u>
Subtotal	770,000	770,000	715,000	660,000	660,000
<u>Capital/Non-Operating</u>					
Capital Improvement Projects	50,000	50,000	50,000	100,000	100,000
Performance Bond	-	-	-	-	-
Total Expenses	1,380,000	1,402,000	1,369,000	1,387,000	1,410,000
Revenues Less Expenses	63,000	71,000	111,000	95,000	74,000
Ending Fund Reserves	166,000	237,000	348,000	443,000	517,000
Fund Reserves as % of O&M+Debt	15%	21%	32%	42%	48%
Debt Service Coverage (SWF Only)	1.64	1.67	1.66	1.64	1.62

Table 6
Cambria Community Services District
Water Meter Equivalents

Customer Class	Accounts	Meter Ratio	Meter Equivalents
Residential	3,766	1.0	3,766.0
Commercial			
5/8" or 3/4"	153	1.0	153.0
1"	23	2.5	57.5
1-1/2"	0	5.0	0.0
2" or larger	<u>55</u>	10.0	<u>550.0</u>
Subtotal	231		760.5
Total	3,997		4,526.5

Table 7
Cambria Community Services District
Sustainable Water Facility Cost Allocation

	2020/21 Expenses	Cost Allocation %		Cost Allocation \$	
		Fixed	Usage	Fixed	Usage
<u>SWF Base Operations</u>					
Salaries & Benefits	\$146,000	50%	50%	\$73,000	\$73,000
Additional Staffing	59,000	50%	50%	29,500	29,500
Maintenance	12,000	25%	75%	3,000	9,000
Government Fees & Licenses	46,000	25%	75%	11,500	34,500
Utilities	12,000	0%	100%	0	12,000
Lab Testing	24,000	25%	75%	6,000	18,000
Professional Svcs/Other	22,000	50%	50%	11,000	11,000
Subtotal	321,000	42%	58%	134,000	187,000
<u>Add'l O&M During Operations</u>					
Brine Hauling & Disposal, Lab, Ele	180,000	0%	100%	0	180,000
<u>Debt Service</u>					
2014 TBP Loan	660,000	50%	50%	330,000	330,000
Interfund Loan Repayment	55,000	50%	50%	27,500	27,500
Subtotal	715,000	50%	50%	357,500	357,500
<u>Capital/Non-Operating</u>					
Capital Improvement Projects	50,000	50%	50%	25,000	25,000
Total Expenses	1,266,000	41%	59%	516,500	749,500
Fund Reserve Contribution	56,000	25%	75%	14,000	42,000
Subtotal	1,322,000	40%	60%	530,500	791,500

Table 8
Cambria Community Services District
SWF Fixed Charge Derivation

SWF Fixed Cost Allocation 2020/21	\$516,500
Meter Equivalents	4,526.5
Annual Charge per Meter Equivalent	\$114.11
Monthly Charge per Meter Equivalent	\$9.51

Table 9
Cambria Community Services District
Cost Attribution to Tiered Water Rates 2020/21

Projected 2020/21	Usage Rate Cost Recovery %		SWF Tiered Rate Attribution %				SWF Tiered Rate Attribution \$				
	%	\$	Tier 1 1-4 ccf	Tier 2 5-16 ccf	Tier 3 >16 ccf	Total	Tier 1 1-4 ccf	Tier 2 5-16 ccf	Tier 3 >16 ccf	Total	
Projected Water Sales per Tier 2020/21			77,500	70,000	47,000	194,500					
<u>Attribution of Costs Allocated to Usage-Based Rate Recovery</u>											
<i>More costs attributed to use in higher tiers driving need for the SWF facility & operations.</i>											
Cost Recovery % of Water Use In Tier			33.3%	66.7%	100.0%						
Cost Recovery % x Projected Water Sales in Tier			25,833	46,667	47,000	119,500					
Weighted Cost Attribution to Tier			21.6%	39.1%	39.3%	100.0%					
EXPENSES											
Operating & Maintenance											
<u>SWF Base Operations</u>											
Salaries & Benefits	\$146,000	50%	73,000	21.6%	39.1%	39.3%	100.0%	\$15,781	\$28,508	\$28,711	\$73,000
Additional Staffing	59,000	50%	29,500	21.6%	39.1%	39.3%	100.0%	6,377	11,520	11,603	29,500
Maintenance	12,000	75%	9,000	21.6%	39.1%	39.3%	100.0%	1,946	3,515	3,540	9,000
Government Fees & Licenses	46,000	75%	34,500	21.6%	39.1%	39.3%	100.0%	7,458	13,473	13,569	34,500
Utilities	12,000	100%	12,000	21.6%	39.1%	39.3%	100.0%	2,594	4,686	4,720	12,000
Lab Testing	24,000	75%	18,000	21.6%	39.1%	39.3%	100.0%	3,891	7,029	7,079	18,000
Professional Svcs/Other	22,000	50%	11,000	21.6%	39.1%	39.3%	100.0%	2,378	4,296	4,326	11,000
Subtotal	321,000	58%	187,000	21.6%	39.1%	39.3%	100.0%	40,425	73,026	73,548	187,000
<u>Add'l O&M During Operations</u>											
Brine Hauling & Disposal, Lab, Electricity	180,000	100%	180,000	21.6%	39.1%	39.3%	100.0%	38,912	70,293	70,795	180,000
<u>Debt Service</u>											
2014 TBP Loan	660,000	50%	330,000	21.6%	39.1%	39.3%	100.0%	71,339	128,870	129,791	330,000
Interfund Loan Repayment	55,000	50%	27,500	21.6%	39.1%	39.3%	100.0%	5,945	10,739	10,816	27,500
Subtotal	715,000	50%	357,500	21.6%	39.1%	39.3%	100.0%	77,284	139,609	140,607	357,500
<u>Capital/Non-Operating</u>											
Capital Improvement Projects	50,000	50%	25,000	21.6%	39.1%	39.3%	100.0%	5,404	9,763	9,833	25,000
Total Expenses	1,266,000	59%	749,500	21.6%	39.1%	39.3%	100.0%	162,026	292,692	294,782	749,500
Fund Reserve Contribution	56,000	75%	42,000	21.6%	39.1%	39.3%	100.0%	9,079	16,402	16,519	42,000
Total Cost Recovery	1,322,000	60%	791,500	21.6%	39.1%	39.3%	100.0%	171,105	309,093	311,301	791,500
Net Revenue Recovery from Tiers								\$171,105	\$309,093	\$311,301	\$791,500
Projected Water Sales per Tier								77,500	70,000	47,000	194,500
Rate per Unit (\$/ccf)								\$2.21	\$4.42	\$6.62	

Table 10
Cambria Community Services District
Projected Sustainable Water Facility Charges

	Current Rates	Proposed SWF Charges Effective On or After				
		Sept 1 2018	July 1 2019	July 1 2020	July 1 2021	July 1 2022
Target Overall Rate Increase %		25%	10%	7%	3%	3%
FIXED BI-MONTHLY METER CHARGES						
Single Family Residences						
Monthly charge	\$6.50	\$8.08	\$8.89	\$9.51	9.80	\$10.09
Bi-monthly charge	13.00	16.16	17.78	19.02	19.60	20.18
All Other Accounts						
<i>Monthly charge based on water meter size</i>						
<u>Meter Size</u>	<u>Water Demand Ratio</u>	<i>Transition to same meter ratios as water rates</i>				
5/8 or 3/4-inch	1.00	\$8.08	\$8.89	\$9.51	\$9.80	\$10.09
1-inch	2.50	20.20	22.23	23.78	24.50	25.23
1-1/2-inch	5.00	40.40	44.45	47.55	49.00	50.45
2-inch or larger	10.00	80.80	88.90	95.10	98.00	100.90
SWF QUANTITY CHARGES						
<i>Charge per unit (ccf) of metered water use</i>						
SWF Quantity Charge						
<i>For SWF facility cost recovery</i>						
<u>Rate Tier</u>	<u>Bi-Monthly Use</u>	Charge per Unit (ccf) ³				
Tier 1	1 - 4 ccf	\$1.50	\$1.88	\$2.07	\$2.21	\$2.28
Tier 2	5 - 16 ccf	3.00	3.75	4.13	4.42	4.56
Tier 3	>16 ccf	4.50	5.63	6.19	6.62	6.84
Temporary SWF Operating Surcharge						
<i>Only charged during periods of operation</i>						
<u>Rate Tier</u>	<u>Bi-Monthly Use</u>	Charge per Unit (ccf) ³	<i>Temporary SWF Operating Surcharges are eliminated and rolled into ongoing SWF Quantity Charges</i>			
Tier 1	1 - 4 ccf	\$1.50				
Tier 2	5 - 16 ccf	3.00				
Tier 3	>16 ccf	5.00				

Note: 1 ccf = 100 cubic feet, or approximately 748 gallons.

Table 11
Cambria Community Services District
SWF Rate Impacts

	Bi-Monthly Water Use (ccf)	Est % of Bills at or Below	Current Bi-Monthly Water Bill	Projected Bi-Monthly SWF Bills				
				Sept 1 2018	July 1 2019	July 1 2020	July 1 2021	July 1 2022
Single Family Residential Rate Impacts								
Very Low Use <i>Monthly Equivalent</i>	2	30%	\$16.00 8.00	\$19.92 9.96	\$21.92 10.96	\$23.44 11.72	\$24.16 12.08	\$24.88 12.44
Low Use (Median) <i>Monthly Equivalent</i>	4	50%	19.00 9.50	23.68 11.84	26.06 13.03	27.86 13.93	28.72 14.36	29.58 14.79
Moderate Use <i>Monthly Equivalent</i>	6	70%	25.00 12.50	31.18 15.59	34.32 17.16	36.70 18.35	37.84 18.92	38.98 19.49
Mod-High Use <i>Monthly Equivalent</i>	10	90%	37.00 18.50	46.18 23.09	50.84 25.42	54.38 27.19	56.08 28.04	57.78 28.89
Very High Use <i>Monthly Equivalent</i>	20	99%	73.00 36.50	91.20 45.60	100.38 50.19	107.38 53.69	110.80 55.40	114.18 57.09
Sample Commercial Rate Impacts								
Meter Size 5/8" or 3/4"								
Very Low Use <i>Monthly Equivalent</i>	2		\$16.00 8.00	\$11.84 5.92	\$13.03 6.52	\$13.93 6.97	\$14.36 7.18	\$14.79 7.40
Low Use <i>Monthly Equivalent</i>	4		19.00 9.50	15.60 7.80	17.17 8.59	18.35 9.18	18.92 9.46	19.49 9.75
Moderate Use <i>Monthly Equivalent</i>	10		37.00 18.50	38.10 19.05	41.95 20.98	44.87 22.44	46.28 23.14	47.69 23.85
Mod-High Use <i>Monthly Equivalent</i>	20		73.00 36.50	83.12 41.56	91.49 45.75	97.87 48.94	101.00 50.50	104.09 52.05
High Use <i>Monthly Equivalent</i>	40		163.00 81.50	195.72 97.86	215.29 107.65	230.27 115.14	237.80 118.90	245.09 122.55
Large Commercial, Meter Size 2"+								
Mod-Low Use <i>Monthly Equivalent</i>	50		\$264.34 132.17	\$324.74 162.37	\$357.20 178.60	\$382.06 191.03	\$394.40 197.20	\$406.40 203.20
Mod-High Use <i>Monthly Equivalent</i>	100		489.34 244.67	606.24 303.12	666.70 333.35	713.06 356.53	736.40 368.20	758.90 379.45
High Use <i>Monthly Equivalent</i>	200		939.34 469.67	1,169.24 584.62	1,285.70 642.85	1,375.06 687.53	1,420.40 710.20	1,463.90 731.95

Cambria Community Services District



Sewer Rate Study Tables & Charts

Revised Draft 6/13/18



BARTLE WELLS ASSOCIATES
INDEPENDENT PUBLIC FINANCE ADVISORS

Table 1
Cambria Community Services District
Current Sewer Rates (Effective 01/01/17)

FIXED BI-MONTHLY SEWER CHARGE		Equivalent Rate Per	
		<u>Month</u>	<u>Day</u>
Applies to All Accounts	\$60.57	\$30.29	\$1.00
SEWER QUANTITY CHARGES		Equivalent Rate Per	
Billed per unit of metered water use (\$/ccf).		<u>100 gallons</u>	<u>1 gallon</u>
Residential Rates	\$3.50	\$0.47	\$0.0047
Commercial Rates			
<u>Wastewater Class</u>			
Class 1	\$3.07	\$0.41	\$0.0041
Class 2	3.50	0.47	0.0047
Class 3	5.39	0.72	0.0072

Class 1 includes lower strength accounts including professional offices, retail stores, laundromats, & schools.

Class 2 includes all other commercial accounts (with standard/domestic strength wastewater) that are not classified Class 1 or Class 3.

Class 3 includes accounts with moderate to high wastewater strength including restaurants, hotels with restaurants, bakeries, mortuaries, markets with meat/seafood/food prep/garbage grinder, and mixed use accounts with an estimated 30% or more sewer discharge from higher strength wastewater flow.

1 ccf = 100 cubic feet, or approximately 748 gallons

Note: Fixed Service Charges currently recover roughly 66% of total rate revenues and Sewer Quantity Charges recover about 34% of total rate revenues.

Table 2
Cambria Community Services District
Sewer Accounts & Use

	Sewer Accounts	Dwelling Units	Est. Sewer Use (ccf)
Residential			
Single Family	3,470	3,470	123,500
Multi-Family	121	228	6,700
Low Income	93	93	4,200
Subtotal	3,684	3,791	134,400
Commercial			
Class 1: Low Strength	78		3,900
Class 2: Medium Strength	97		26,500
Class 3: Mod-High Strength	49		21,800
Subtotal	224		52,200
Total	3,908		186,600

Table 3
Cambria Community Services District
Sewer Rate Revenues by Billing Period

	Jul/Aug	Sep/Oct	Nov/Dec	Jan/Feb	Mar/Apr	May/Jun	Total	F/V %
Sewer 2012/13								
Fixed Service Charges	248,975	248,932	248,991	248,758	248,163	247,572	1,491,391	75.8%
Quantity Charges	104,065	84,599	65,026	70,766	66,832	86,034	477,322	24.2%
Adjustments	<u>(40)</u>	<u>(17)</u>	<u>(76)</u>	<u>0</u>	<u>0</u>	<u>(29)</u>	<u>(162)</u>	
Total	353,000	333,514	313,941	319,524	314,995	333,577	1,968,551	
Sewer 2013/14								
Fixed Service Charges	249,917	249,112	249,099	249,062	248,917	248,881	1,494,988	75.7%
Quantity Charges	106,763	78,656	63,237	67,826	73,774	90,667	480,923	24.3%
Adjustments	<u>18</u>	<u>(166)</u>	<u>0</u>	<u>0</u>	<u>(28)</u>	<u>(78)</u>	<u>(254)</u>	
Total	356,698	327,602	312,336	316,888	322,663	339,470	1,975,657	
Sewer 2014/15								
Fixed Service Charges	250,264	250,012	249,984	250,198	249,261	250,349	1,500,068	85.8%
Quantity Charges	48,614	41,458	36,667	37,027	43,141	41,591	248,498	14.2%
Adjustments	<u>(89)</u>	<u>(377)</u>	<u>(81)</u>	<u>(28)</u>	<u>(31)</u>	<u>(1,584)</u>	<u>(2,190)</u>	
Total	298,789	291,093	286,570	287,197	292,371	290,356	1,746,376	
Sewer 2015/16								
Fixed Service Charges	250,404	249,841	250,430	250,500	214,599	214,989	1,430,763	79.0%
Quantity Charges	47,489	56,544	42,035	39,464	90,453	103,944	379,929	21.0%
Adjustments	<u>(179)</u>	<u>(492)</u>	<u>(601)</u>	<u>(1,080)</u>	<u>(1,285)</u>	<u>(1,710)</u>	<u>(5,347)</u>	
Total	297,714	305,893	291,864	288,884	303,767	317,223	1,805,345	
Sewer 2016/17								
Fixed Service Charges	215,451	215,463	215,866	215,540	224,051	223,681	1,310,052	68.9%
Quantity Charges	113,407	95,999	92,314	87,055	89,612	113,862	592,249	31.1%
Adjustments	<u>(1,570)</u>	<u>(165)</u>	<u>(639)</u>	<u>(2,173)</u>	<u>(968)</u>	<u>(1,657)</u>	<u>(7,172)</u>	
Total	327,288	311,297	307,541	300,422	312,695	335,886	1,895,129	
Increase %	9.9%	1.8%	5.4%	4.0%	2.9%	5.9%	5.0%	
Sewer 2017/18								
Fixed Service Charges	224,099	223,968	224,561	224,328	233,081	<u>Estimated</u> 230,000	1,360,037	66.9%
Quantity Charges	132,787	116,550	102,339	105,888	96,005	120,000	673,569	33.1%
Adjustments	<u>(1,829)</u>	<u>(810)</u>	<u>(4,206)</u>	<u>(1,751)</u>	<u>(1,219)</u>	<u>0</u>	<u>(9,815)</u>	
Total	355,057	339,708	322,694	328,465	327,867	350,000	2,023,791	
Increase %	8.5%	9.1%	4.9%	9.3%	4.9%	4.2%	6.8%	

Cambria Community Services District Annual Sewer Rate Revenues

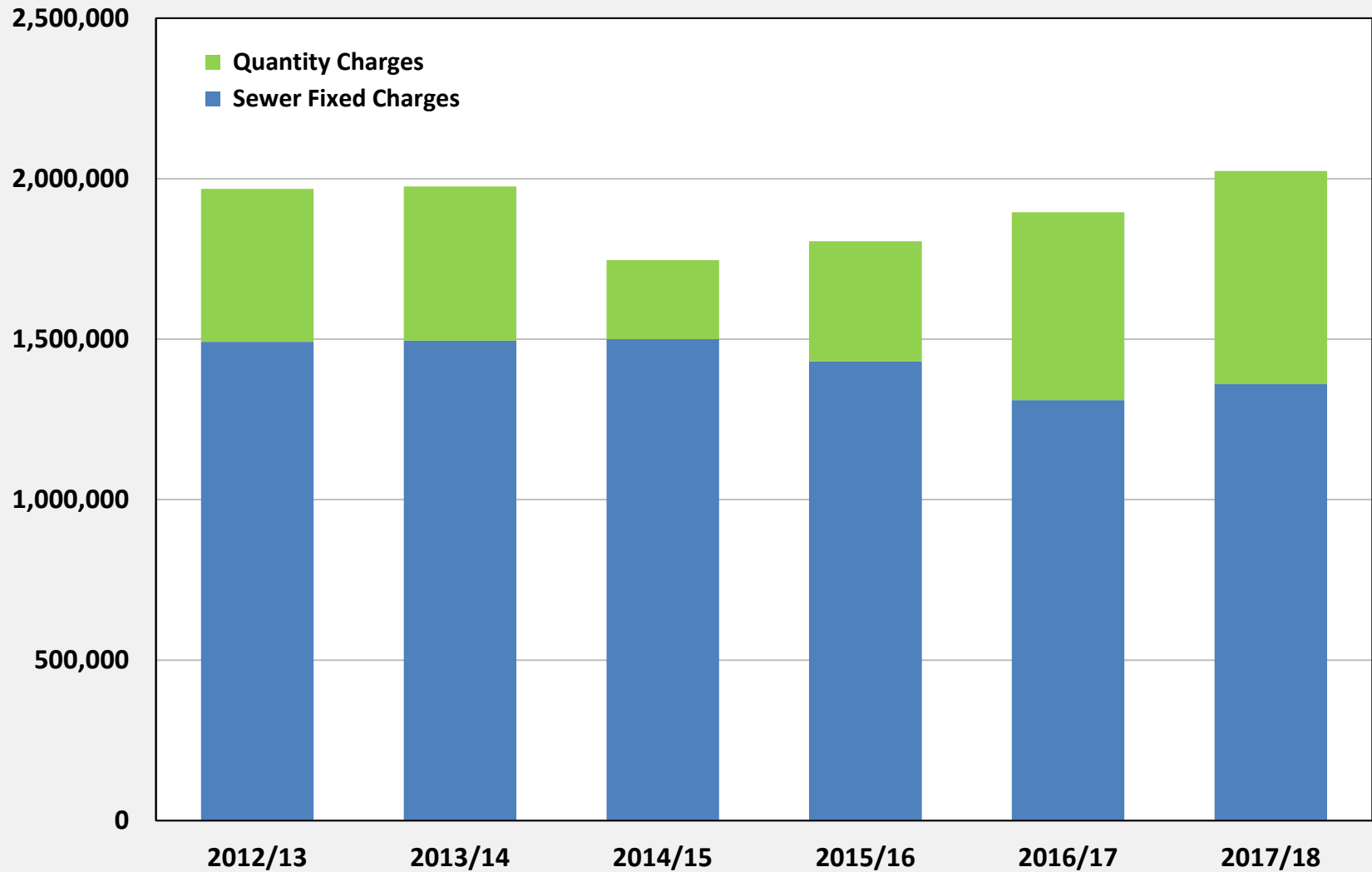


Table 4
Cambria Community Services District
Sewer Capital Improvement Projects

5-Year CIP Average (With Inflation): 1,543,000
10-Year CIP Average (With Inflation): 1,156,000

	1	2	3	4	5	6	7	8	9	10	Total
	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	
Capital Improvement Projects (Jan 2018 \$)											
Priority 1	546,000	970,000	13,000	13,000	313,000	48,000	328,000	13,000	13,000	-	2,257,000
Priority 2	559,000	857,000	597,000	507,000	1,372,000	237,000	167,000	167,000	167,000	-	4,630,000
Priority 3	105,000	150,000	355,000	285,000	285,000	285,000	285,000	285,000	80,000	250,000	2,365,000
Priority 4	15,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	-	215,000
Total	1,225,000	2,002,000	990,000	830,000	1,995,000	595,000	805,000	490,000	285,000	250,000	9,467,000
Capital Improvement Projects (With Cost Inflation)											
Cost Inflation	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	
Cost Inflation	1.030	1.061	1.093	1.126	1.159	1.194	1.230	1.267	1.305	1.344	
Priority 1	562,000	1,029,000	14,000	15,000	363,000	57,000	403,000	16,000	17,000	-	2,476,000
Priority 2	576,000	909,000	652,000	571,000	1,591,000	283,000	205,000	212,000	218,000	-	5,217,000
Priority 3	108,000	159,000	388,000	321,000	330,000	340,000	351,000	361,000	104,000	336,000	2,798,000
Priority 4	15,000	27,000	27,000	28,000	29,000	30,000	31,000	32,000	33,000	-	252,000
Total	1,261,000	2,124,000	1,081,000	935,000	2,313,000	710,000	990,000	621,000	372,000	336,000	10,743,000

Table 5A
Cambria Community Services District
Sewer Financial Projections

Scenario A: Front-Load Rate Increase

	0 2017/18	1 2018/19	2 2019/20	3 2020/21	4 2021/22	5 2022/23
Effective Date of Rate Increases	Jan-1	Sept-1	July-1	July-1	July-1	July-1
Projected Rate Increases	4%	64%	0%	0%	5%	5%
Growth (Single Family Equivalents)		0	0	0	0	0
Change in Billed Use %		0.0%	0.0%	0.0%	0.0%	0.0%
Cost Escalation		4%	4%	4%	4%	4%
Interest Earnings Rate	1.25%	1.5%	2.0%	2.0%	2.0%	2.0%
Beginning Sewer Fund Reserves	\$0	\$27,000	\$135,000	\$355,000	\$402,000	\$458,000
REVENUES						
<u>Sewer Operations</u>						
Fixed Sewer Service Charges	1,362,000	2,071,000	2,281,000	2,294,000	2,399,000	2,519,000
Sewer Quantity Charges	<u>687,000</u>	<u>1,030,000</u>	<u>1,150,000</u>	<u>1,158,000</u>	<u>1,211,000</u>	<u>1,272,000</u>
Subtotal	2,049,000	3,101,000	3,431,000	3,452,000	3,610,000	3,791,000
Standby Availability	119,000	119,000	119,000	119,000	119,000	119,000
Interest Income	0	0	3,000	7,000	8,000	9,000
Capacity Charges from Growth	20,000	0	0	0	0	0
Other	<u>78,000</u>	<u>70,000</u>	<u>70,000</u>	<u>70,000</u>	<u>70,000</u>	<u>70,000</u>
Total Revenues	2,266,000	3,290,000	3,623,000	3,648,000	3,807,000	3,989,000
EXPENSES						
<u>Sewer System Operations</u>						
Salaries & Benefits	730,000	759,000	789,000	821,000	854,000	888,000
Additional Staffing Needs	0	126,000	264,000	275,000	286,000	297,000
Collection/Grnds Maint & Repair	76,000	80,000	83,000	86,000	89,000	93,000
Treatment Maint & Repair	50,000	75,000	78,000	81,000	84,000	87,000
Sludge Disposal	89,000	93,000	97,000	101,000	105,000	109,000
Major Maintenance	71,000	74,000	77,000	80,000	83,000	86,000
Utilities	225,000	234,000	243,000	253,000	263,000	274,000
Professional Services	75,000	78,000	81,000	84,000	87,000	90,000
Government Fees	91,000	95,000	99,000	103,000	107,000	111,000
Supplies/Vehicles/Equipment	75,000	78,000	81,000	84,000	87,000	90,000
Capital Outlay	85,000	50,000	52,000	54,000	56,000	58,000
Allocated Overhead	<u>461,000</u>	<u>479,000</u>	<u>498,000</u>	<u>518,000</u>	<u>539,000</u>	<u>561,000</u>
Subtotal	2,028,000	2,221,000	2,442,000	2,540,000	2,640,000	2,744,000
<u>Debt Service</u>						
2010 City Nat'l Bank Loan (1999 Refi)	161,000	161,000	161,000	161,000	161,000	161,000
Repay \$466K Loan from General Fund	<u>0</u>	<u>0</u>	<u>0</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>
Subtotal	161,000	161,000	161,000	261,000	261,000	261,000
Capital Improvement Projects	50,000	800,000	800,000	800,000	850,000	900,000
Total Expenses	2,239,000	3,182,000	3,403,000	3,601,000	3,751,000	3,905,000
Revenues Less Expenses	27,000	108,000	220,000	47,000	56,000	84,000
Ending Fund Reserves	27,000	135,000	355,000	402,000	458,000	542,000
Fund Reserves as a % of O&M	1%	6%	15%	16%	17%	20%
Debt Service Coverage	1.48	6.64	7.34	4.25	4.47	4.77

Table 5A
Cambria Community Services District
Sewer Financial Projections

Scenario A: Front-Load Rate Increase

	6 2023/24	7 2024/25	8 2025/26	9 2026/27	10 2027/28
Effective Date of Rate Increases	July-1	July-1	July-1	July-1	July-1
Projected Rate Increases	5%	5%	3%	3%	3%
Growth (Single Family Equivalents)	0	0	0	0	0
Change in Billed Use %	0.0%	0.0%	0.0%	0.0%	0.0%
Cost Escalation	4%	4%	4%	4%	4%
Interest Earnings Rate	2.0%	2.0%	2.0%	2.0%	2.0%
Beginning Sewer Fund Reserves	\$542,000	\$608,000	\$659,000	\$724,000	\$797,000
REVENUES					
<u>Sewer Operations</u>					
Fixed Sewer Service Charges	2,645,000	2,777,000	2,865,000	2,951,000	3,040,000
Sewer Quantity Charges	<u>1,335,000</u>	<u>1,402,000</u>	<u>1,446,000</u>	<u>1,490,000</u>	<u>1,534,000</u>
Subtotal	3,980,000	4,179,000	4,311,000	4,441,000	4,574,000
Standby Availability	119,000	119,000	119,000	119,000	119,000
Interest Income	11,000	12,000	13,000	14,000	16,000
Capacity Charges from Growth	0	0	0	0	0
Other	<u>70,000</u>	<u>70,000</u>	<u>70,000</u>	<u>70,000</u>	<u>70,000</u>
Total Revenues	4,180,000	4,380,000	4,513,000	4,644,000	4,779,000
EXPENSES					
<u>Sewer System Operations</u>					
Salaries & Benefits	924,000	961,000	999,000	1,039,000	1,081,000
Additional Staffing Needs	309,000	321,000	334,000	347,000	361,000
Collection/Grnds Maint & Repair	97,000	101,000	105,000	109,000	113,000
Treatment Maint & Repair	90,000	94,000	98,000	102,000	106,000
Sludge Disposal	113,000	118,000	123,000	128,000	133,000
Major Maintenance	89,000	93,000	97,000	101,000	105,000
Utilities	285,000	296,000	308,000	320,000	333,000
Professional Services	94,000	98,000	102,000	106,000	110,000
Government Fees	115,000	120,000	125,000	130,000	135,000
Supplies/Vehicles/Equipment	94,000	98,000	102,000	106,000	110,000
Capital Outlay	60,000	62,000	64,000	67,000	70,000
Allocated Overhead	<u>583,000</u>	<u>606,000</u>	<u>630,000</u>	<u>655,000</u>	<u>681,000</u>
Subtotal	2,853,000	2,968,000	3,087,000	3,210,000	3,338,000
<u>Debt Service</u>					
2010 City Nat'l Bank Loan (1999 Refi)	161,000	161,000	161,000	161,000	161,000
Repay \$466K Loan from General Fund	<u>100,000</u>	<u>100,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal	261,000	261,000	161,000	161,000	161,000
Capital Improvement Projects	1,000,000	1,100,000	1,200,000	1,200,000	1,200,000
Total Expenses	4,114,000	4,329,000	4,448,000	4,571,000	4,699,000
Revenues Less Expenses	66,000	51,000	65,000	73,000	80,000
Ending Fund Reserves	608,000	659,000	724,000	797,000	877,000
Fund Reserves as a % of O&M	21%	22%	23%	25%	26%
Debt Service Coverage	5.08	5.41	8.86	8.91	8.95

Table 6A
Cambria Community Services District
Proposed Sewer Rates

Scenario A: Front-Load Rate Increase
No Change to Rate Structure

	Current Sewer Rates	Proposed Sewer Rates Effective On or After				
		Sept 1 2018	July 1 2019	July 1 2020	July 1 2021	July 1 2022
Rate Increase %		64%	0%	0%	5%	5%
FIXED MONTHLY SEWER SERVICE CHARGES						
Residential						
Monthly Charge	\$30.29	\$49.67	\$49.67	\$49.67	\$52.15	\$54.76
Bi-Monthly Charge	60.57	99.34	99.34	99.34	104.30	109.52
Commercial						
Monthly Charge	\$30.29	\$49.67	\$49.67	\$49.67	\$52.15	\$54.76
Bi-Monthly Charge	60.57	99.34	99.34	99.34	104.30	109.52
SEWER QUANTITY CHARGES						
<i>Billed based on metered water use (\$/ccf)</i>						
Residential						
	\$3.50	\$5.74	\$5.74	\$5.74	\$6.03	\$6.33
Commercial						
<u>Wastewater Class</u>						
Class 1	\$3.07	\$5.03	\$5.03	\$5.03	\$5.28	\$5.54
Class 2	3.50	5.74	5.74	5.74	6.03	6.33
Class 3	5.39	8.84	8.84	8.84	9.28	9.74

Class 1 includes lower strength accounts including professional offices, retail stores, laundromats, & schools.

Class 2 includes all other commercial accounts (with standard/domestic strength wastewater) that are not classified Class 1 or Class 3.

Class 3 includes accounts with moderate to high wastewater strength including restaurants, hotels with restaurants, bakeries, mortuaries, markets with meat/seafood/food prep/garbage grinder, and mixed use accounts with an estimated 30% or more sewer discharge from higher strength wastewater flow.

1 ccf = 100 cubic feet, or approximately 748 gallons

The District reserves the right to assign customers to the class that best matches their wastewater strength.

Table 7A

Scenario A: Front-Load Rate Increase

Cambria Community Services District
Sewer Rate Impacts

	Bi-Monthly Use (ccf)	% of Bills at or Below	Current Bi-Monthly Bill	Projected Bi-Monthly Sewer Bills				
				Jan-1, 2016	Jan-1, 2017	Jan-1, 2018	Jan-1, 2019	Jan-1, 2020
Single Family Residential Rate Impacts								
Very Low Use	2	30%	\$67.57	\$110.82	\$110.82	\$110.82	\$116.36	\$122.18
<i>Monthly Equivalent</i>			33.79	55.41	55.41	55.41	58.18	61.09
Low Use (Median)	4	50%	74.57	122.30	122.30	122.30	128.42	134.84
<i>Monthly Equivalent</i>			37.29	61.15	61.15	61.15	64.21	67.42
Average Use	5	70%	78.07	128.04	128.04	128.04	134.45	141.17
<i>Monthly Equivalent</i>			39.04	64.02	64.02	64.02	67.23	70.59
2x Average Use	10	90%	95.57	156.74	156.74	156.74	164.60	172.82
<i>Monthly Equivalent</i>			47.79	78.37	78.37	78.37	82.30	86.41
Very High Use	20	99%	130.57	214.14	214.14	214.14	224.90	236.12
<i>Monthly Equivalent</i>			65.29	107.07	107.07	107.07	112.45	118.06
Sample Commercial Rate Impacts								
Commercial Class 1 (e.g. Office, Retail, School)								
Small Commercial	10		91.27	149.64	149.64	149.64	157.10	164.92
<i>Monthly Equivalent</i>			45.64	74.82	74.82	74.82	78.55	82.46
Mod Commercial	25		137.32	225.09	225.09	225.09	236.30	248.02
<i>Monthly Equivalent</i>			68.66	112.55	112.55	112.55	118.15	124.01
Large Commercial	100		367.57	602.34	602.34	602.34	632.30	663.52
<i>Monthly Equivalent</i>			183.79	301.17	301.17	301.17	316.15	331.76
Large Commercial	200		674.57	1,105.34	1,105.34	1,105.34	1,160.30	1,217.52
<i>Monthly Equivalent</i>			337.29	552.67	552.67	552.67	580.15	608.76
Commercial Class 2 (e.g. Motel without Restaurant, Auto-Repair)								
Small Commercial	10		95.57	156.74	156.74	156.74	164.60	172.82
<i>Monthly Equivalent</i>			47.79	78.37	78.37	78.37	82.30	86.41
Mod Commercial	25		148.07	242.84	242.84	242.84	255.05	267.77
<i>Monthly Equivalent</i>			74.04	121.42	121.42	121.42	127.53	133.89
Large Commercial	100		410.57	673.34	673.34	673.34	707.30	742.52
<i>Monthly Equivalent</i>			205.29	336.67	336.67	336.67	353.65	371.26
Large Commercial	200		760.57	1,247.34	1,247.34	1,247.34	1,310.30	1,375.52
<i>Monthly Equivalent</i>			380.29	623.67	623.67	623.67	655.15	687.76
Commercial Class 3 (e.g. Restaurant, Hotel with Restaurant)								
Mod Commercial	25		195.32	320.34	320.34	320.34	336.30	353.02
<i>Monthly Equivalent</i>			97.66	160.17	160.17	160.17	168.15	176.51
Large Commercial	100		599.57	983.34	983.34	983.34	1,032.30	1,083.52
<i>Monthly Equivalent</i>			299.79	491.67	491.67	491.67	516.15	541.76
Large Commercial	200		1,138.57	1,867.34	1,867.34	1,867.34	1,960.30	2,057.52
<i>Monthly Equivalent</i>			569.29	933.67	933.67	933.67	980.15	1,028.76

Scenario A:
Front-Loaded Rate Increase

Cambria Community Services District Typical Monthly Residential Sewer Charges

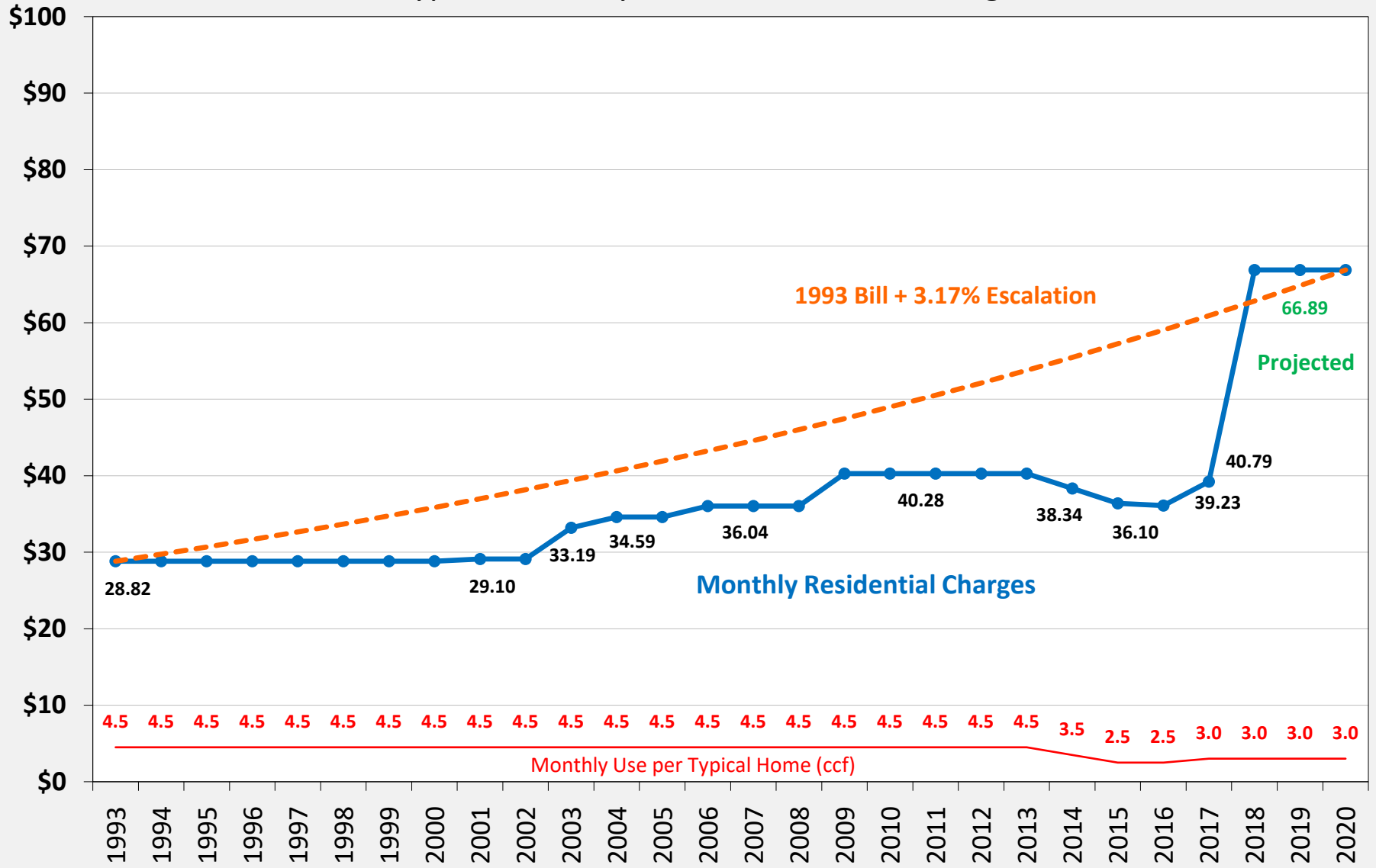


Table 5B
Cambria Community Services District
Sewer Financial Projections

Scenario B: Phased Approach
3-Year Phase-In to \$800K Annual CIP Funding

	0 2017/18	1 2018/19	2 2019/20	3 2020/21	4 2021/22	5 2022/23
Effective Date of Rate Increases	Jan-1	Sept-1	July-1	July-1	July-1	July-1
Projected Rate Increases	4%	20%	18%	16%	5%	5%
Growth (Single Family Equivalents)		0	0	0	0	0
Change in Billed Use %		0.0%	0.0%	0.0%	0.0%	0.0%
Cost Escalation		4%	4%	4%	4%	4%
Interest Earnings Rate	1.25%	1.5%	2.0%	2.0%	2.0%	2.0%
Beginning Sewer Fund Reserves	\$0	\$27,000	\$38,000	\$60,000	\$67,000	\$122,000
REVENUES						
<u>Sewer Operations</u>						
Fixed Sewer Service Charges	1,362,000	1,601,000	1,951,000	2,271,000	2,403,000	2,523,000
Sewer Quantity Charges	<u>687,000</u>	<u>803,000</u>	<u>984,000</u>	<u>1,147,000</u>	<u>1,213,000</u>	<u>1,274,000</u>
Subtotal	2,049,000	2,404,000	2,935,000	3,418,000	3,616,000	3,797,000
Standby Availability	119,000	119,000	119,000	119,000	119,000	119,000
Interest Income	0	0	1,000	1,000	1,000	2,000
Capacity Charges from Growth	20,000	0	0	0	0	0
Other	<u>78,000</u>	<u>70,000</u>	<u>70,000</u>	<u>70,000</u>	<u>70,000</u>	<u>70,000</u>
Total Revenues	2,266,000	2,593,000	3,125,000	3,608,000	3,806,000	3,988,000
EXPENSES						
<u>Sewer System Operations</u>						
Salaries & Benefits	730,000	759,000	789,000	821,000	854,000	888,000
Additional Staffing Needs	0	126,000	264,000	275,000	286,000	297,000
Collection/Grnds Maint & Repair	76,000	80,000	83,000	86,000	89,000	93,000
Treatment Maint & Repair	50,000	75,000	78,000	81,000	84,000	87,000
Sludge Disposal	89,000	93,000	97,000	101,000	105,000	109,000
Major Maintenance	71,000	74,000	77,000	80,000	83,000	86,000
Utilities	225,000	234,000	243,000	253,000	263,000	274,000
Professional Services	75,000	78,000	81,000	84,000	87,000	90,000
Government Fees	91,000	95,000	99,000	103,000	107,000	111,000
Supplies/Vehicles/Equipment	75,000	78,000	81,000	84,000	87,000	90,000
Capital Outlay	85,000	50,000	52,000	54,000	56,000	58,000
Allocated Overhead	<u>461,000</u>	<u>479,000</u>	<u>498,000</u>	<u>518,000</u>	<u>539,000</u>	<u>561,000</u>
Subtotal	2,028,000	2,221,000	2,442,000	2,540,000	2,640,000	2,744,000
<u>Debt Service</u>						
2010 City Nat'l Bank Loan (1999 Refi)	161,000	161,000	161,000	161,000	161,000	161,000
Repay \$466K Loan from General Fund	<u>0</u>	<u>0</u>	<u>0</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>
Subtotal	161,000	161,000	161,000	261,000	261,000	261,000
Capital Improvement Projects	50,000	200,000	500,000	800,000	850,000	900,000
Total Expenses	2,239,000	2,582,000	3,103,000	3,601,000	3,751,000	3,905,000
Revenues Less Expenses	27,000	11,000	22,000	7,000	55,000	83,000
Ending Fund Reserves	27,000	38,000	60,000	67,000	122,000	205,000
Fund Reserves as a % of O&M	1%	2%	2%	3%	5%	7%
Debt Service Coverage	1.48	2.31	4.24	4.09	4.47	4.77

Table 5B
Cambria Community Services District
Sewer Financial Projections

Scenario B: Phased Approach
3-Year Phase-In to \$800K Annual CIP Funding

	6 2023/24	7 2024/25	8 2025/26	9 2026/27	10 2027/28
Effective Date of Rate Increases	July-1	July-1	July-1	July-1	July-1
Projected Rate Increases	5%	5%	3%	3%	3%
Growth (Single Family Equivalents)	0	0	0	0	0
Change in Billed Use %	0.0%	0.0%	0.0%	0.0%	0.0%
Cost Escalation	4%	4%	4%	4%	4%
Interest Earnings Rate	2.0%	2.0%	2.0%	2.0%	2.0%
Beginning Sewer Fund Reserves	\$205,000	\$270,000	\$321,000	\$387,000	\$461,000
REVENUES					
<u>Sewer Operations</u>					
Fixed Sewer Service Charges	2,649,000	2,782,000	2,870,000	2,956,000	3,044,000
Sewer Quantity Charges	<u>1,337,000</u>	<u>1,404,000</u>	<u>1,449,000</u>	<u>1,492,000</u>	<u>1,537,000</u>
Subtotal	3,986,000	4,186,000	4,319,000	4,448,000	4,581,000
Standby Availability	119,000	119,000	119,000	119,000	119,000
Interest Income	4,000	5,000	6,000	8,000	9,000
Capacity Charges from Growth	0	0	0	0	0
Other	<u>70,000</u>	<u>70,000</u>	<u>70,000</u>	<u>70,000</u>	<u>70,000</u>
Total Revenues	4,179,000	4,380,000	4,514,000	4,645,000	4,779,000
EXPENSES					
<u>Sewer System Operations</u>					
Salaries & Benefits	924,000	961,000	999,000	1,039,000	1,081,000
Additional Staffing Needs	309,000	321,000	334,000	347,000	361,000
Collection/Grnds Maint & Repair	97,000	101,000	105,000	109,000	113,000
Treatment Maint & Repair	90,000	94,000	98,000	102,000	106,000
Sludge Disposal	113,000	118,000	123,000	128,000	133,000
Major Maintenance	89,000	93,000	97,000	101,000	105,000
Utilities	285,000	296,000	308,000	320,000	333,000
Professional Services	94,000	98,000	102,000	106,000	110,000
Government Fees	115,000	120,000	125,000	130,000	135,000
Supplies/Vehicles/Equipment	94,000	98,000	102,000	106,000	110,000
Capital Outlay	60,000	62,000	64,000	67,000	70,000
Allocated Overhead	<u>583,000</u>	<u>606,000</u>	<u>630,000</u>	<u>655,000</u>	<u>681,000</u>
Subtotal	2,853,000	2,968,000	3,087,000	3,210,000	3,338,000
<u>Debt Service</u>					
2010 City Nat'l Bank Loan (1999 Refi)	161,000	161,000	161,000	161,000	161,000
Repay \$466K Loan from General Fund	<u>100,000</u>	<u>100,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal	261,000	261,000	161,000	161,000	161,000
Capital Improvement Projects	1,000,000	1,100,000	1,200,000	1,200,000	1,200,000
Total Expenses	4,114,000	4,329,000	4,448,000	4,571,000	4,699,000
Revenues Less Expenses	65,000	51,000	66,000	74,000	80,000
Ending Fund Reserves	270,000	321,000	387,000	461,000	541,000
Fund Reserves as a % of O&M	9%	11%	13%	14%	16%
Debt Service Coverage	5.08	5.41	8.86	8.91	8.95

Table 6B
Cambria Community Services District
Proposed Sewer Rates

Scenario B: Phased Approach
3-Year Phase-In to \$800K Annual CIP Funding
No Change to Rate Structure

	Current Sewer Rates	Proposed Sewer Rates Effective On or After				
		Sept 1 2018	July 1 2019	July 1 2020	July 1 2021	July 1 2022
Rate Increase %		20%	18%	16%	5%	5%
FIXED MONTHLY SEWER SERVICE CHARGES						
Residential						
Monthly Charge	\$30.29	\$36.34	\$42.88	\$49.74	\$52.23	\$54.84
Bi-Monthly Charge	60.57	72.68	85.76	99.48	104.46	109.68
Commercial						
Monthly Charge	\$30.29	\$36.34	\$42.88	\$49.74	\$52.23	\$54.84
Bi-Monthly Charge	60.57	72.68	85.76	99.48	104.46	109.68
SEWER QUANTITY CHARGES						
<i>Billed based on metered water use (\$/ccf)</i>						
Residential	\$3.50	\$4.20	\$4.96	\$5.75	\$6.04	\$6.34
Commercial						
<u>Wastewater Class</u>						
Class 1	\$3.07	\$3.68	\$4.34	\$5.03	\$5.28	\$5.54
Class 2	3.50	4.20	4.96	5.75	6.04	6.34
Class 3	5.39	6.47	7.63	8.85	9.29	9.75

Class 1 includes lower strength accounts including professional offices, retail stores, laundromats, & schools.

Class 2 includes all other commercial accounts (with standard/domestic strength wastewater) that are not classified Class 1 or Class 3.

Class 3 includes accounts with moderate to high wastewater strength including restaurants, hotels with restaurants, bakeries, mortuaries, markets with meat/seafood/food prep/garbage grinder, and mixed use accounts with an estimated 30% or more sewer discharge from higher strength wastewater flow.

1 ccf = 100 cubic feet, or approximately 748 gallons

The District reserves the right to assign customers to the class that best matches their wastewater strength.

Table 7B
Cambria Community Services District
Sewer Rate Impacts

Scenario B: Phased Approach
3-Year Phase-In to \$800K Annual CIP Funding

	Bi-Monthly Use (ccf)	% of Bills at or Below	Current Bi-Monthly Bill	Projected Bi-Monthly Sewer Bills				
				Jan-1, 2016	Jan-1, 2017	Jan-1, 2018	Jan-1, 2019	Jan-1, 2020
Single Family Residential Rate Impacts								
Very Low Use	2	30%	\$67.57	\$81.08	\$95.68	\$110.98	\$116.54	\$122.36
<i>Monthly Equivalent</i>			33.79	40.54	47.84	55.49	58.27	61.18
Low Use (Median)	4	50%	74.57	89.48	105.60	122.48	128.62	135.04
<i>Monthly Equivalent</i>			37.29	44.74	52.80	61.24	64.31	67.52
Average Use	5	70%	78.07	93.68	110.56	128.23	134.66	141.38
<i>Monthly Equivalent</i>			39.04	46.84	55.28	64.12	67.33	70.69
2x Average Use	10	90%	95.57	114.68	135.36	156.98	164.86	173.08
<i>Monthly Equivalent</i>			47.79	57.34	67.68	78.49	82.43	86.54
Very High Use	20	99%	130.57	156.68	184.96	214.48	225.26	236.48
<i>Monthly Equivalent</i>			65.29	78.34	92.48	107.24	112.63	118.24
Sample Commercial Rate Impacts								
Commercial Class 1 (e.g. Office, Retail, School)								
Small Commercial	10		91.27	109.48	129.16	149.78	157.26	165.08
<i>Monthly Equivalent</i>			45.64	54.74	64.58	74.89	78.63	82.54
Mod Commercial	25		137.32	164.68	194.26	225.23	236.46	248.18
<i>Monthly Equivalent</i>			68.66	82.34	97.13	112.62	118.23	124.09
Large Commercial	100		367.57	440.68	519.76	602.48	632.46	663.68
<i>Monthly Equivalent</i>			183.79	220.34	259.88	301.24	316.23	331.84
Large Commercial	200		674.57	808.68	953.76	1,105.48	1,160.46	1,217.68
<i>Monthly Equivalent</i>			337.29	404.34	476.88	552.74	580.23	608.84
Commercial Class 2 (e.g. Motel without Restaurant, Auto-Repair)								
Small Commercial	10		95.57	114.68	135.36	156.98	164.86	173.08
<i>Monthly Equivalent</i>			47.79	57.34	67.68	78.49	82.43	86.54
Mod Commercial	25		148.07	177.68	209.76	243.23	255.46	268.18
<i>Monthly Equivalent</i>			74.04	88.84	104.88	121.62	127.73	134.09
Large Commercial	100		410.57	492.68	581.76	674.48	708.46	743.68
<i>Monthly Equivalent</i>			205.29	246.34	290.88	337.24	354.23	371.84
Large Commercial	200		760.57	912.68	1,077.76	1,249.48	1,312.46	1,377.68
<i>Monthly Equivalent</i>			380.29	456.34	538.88	624.74	656.23	688.84
Commercial Class 3 (e.g. Restaurant, Hotel with Restaurant)								
Mod Commercial	25		195.32	234.43	276.51	320.73	336.71	353.43
<i>Monthly Equivalent</i>			97.66	117.22	138.26	160.37	168.36	176.72
Large Commercial	100		599.57	719.68	848.76	984.48	1,033.46	1,084.68
<i>Monthly Equivalent</i>			299.79	359.84	424.38	492.24	516.73	542.34
Large Commercial	200		1,138.57	1,366.68	1,611.76	1,869.48	1,962.46	2,059.68
<i>Monthly Equivalent</i>			569.29	683.34	805.88	934.74	981.23	1,029.84

Scenario B: Phased Approach

Cambria Community Services District Typical Monthly Residential Sewer Charges

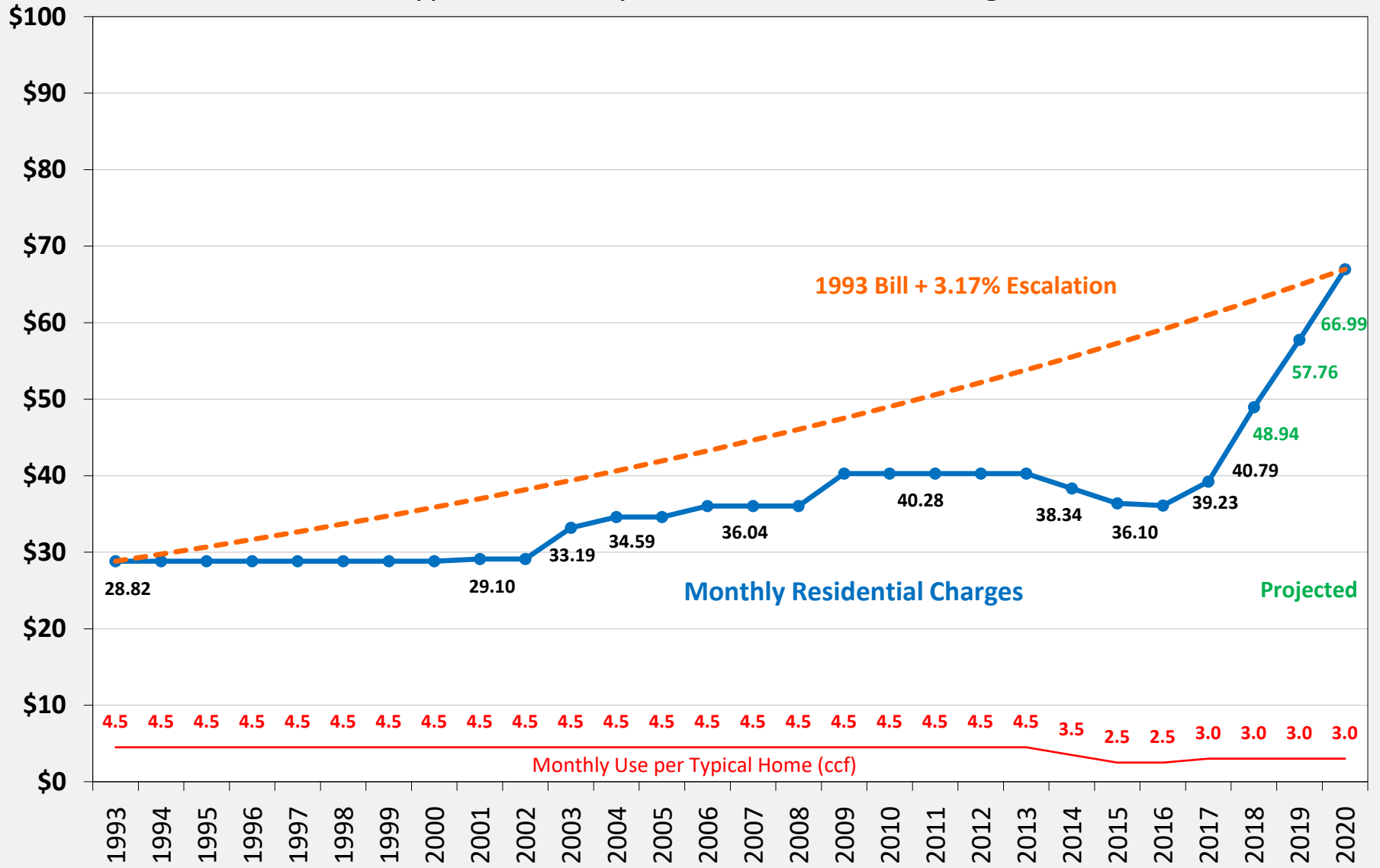


Table 5C
Cambria Community Services District
Sewer Financial Projections

Scenario C: Reduced Phase-In
3-Year Phase-In to \$600K Annual CIP Funding

	0 2017/18	1 2018/19	2 2019/20	3 2020/21	4 2021/22	5 2022/23
Effective Date of Rate Increases	Jan-1	Sept-1	July-1	July-1	July-1	July-1
Projected Rate Increases	4%	18%	16%	14%	5%	5%
Growth (Single Family Equivalents)		0	0	0	0	0
Change in Billed Use %		0.0%	0.0%	0.0%	0.0%	0.0%
Cost Escalation		4%	4%	4%	4%	4%
Interest Earnings Rate	1.25%	1.5%	2.0%	2.0%	2.0%	2.0%
Beginning Sewer Fund Reserves	\$0	\$27,000	\$56,000	\$84,000	\$125,000	\$151,000
REVENUES						
<u>Sewer Operations</u>						
Fixed Sewer Service Charges	1,362,000	1,580,000	1,888,000	2,160,000	2,283,000	2,397,000
Sewer Quantity Charges	<u>687,000</u>	<u>792,000</u>	<u>953,000</u>	<u>1,091,000</u>	<u>1,152,000</u>	<u>1,210,000</u>
Subtotal	2,049,000	2,372,000	2,841,000	3,251,000	3,435,000	3,607,000
Standby Availability	119,000	119,000	119,000	119,000	119,000	119,000
Interest Income	0	0	1,000	2,000	3,000	3,000
Capacity Charges from Growth	20,000	0	0	0	0	0
Other	<u>78,000</u>	<u>70,000</u>	<u>70,000</u>	<u>70,000</u>	<u>70,000</u>	<u>70,000</u>
Total Revenues	2,266,000	2,561,000	3,031,000	3,442,000	3,627,000	3,799,000
EXPENSES						
<u>Sewer System Operations</u>						
Salaries & Benefits	730,000	759,000	789,000	821,000	854,000	888,000
Additional Staffing Needs	0	126,000	264,000	275,000	286,000	297,000
Collection/Grnds Maint & Repair	76,000	80,000	83,000	86,000	89,000	93,000
Treatment Maint & Repair	50,000	75,000	78,000	81,000	84,000	87,000
Sludge Disposal	89,000	93,000	97,000	101,000	105,000	109,000
Major Maintenance	71,000	74,000	77,000	80,000	83,000	86,000
Utilities	225,000	234,000	243,000	253,000	263,000	274,000
Professional Services	75,000	78,000	81,000	84,000	87,000	90,000
Government Fees	91,000	95,000	99,000	103,000	107,000	111,000
Supplies/Vehicles/Equipment	75,000	78,000	81,000	84,000	87,000	90,000
Capital Outlay	85,000	50,000	52,000	54,000	56,000	58,000
Allocated Overhead	<u>461,000</u>	<u>479,000</u>	<u>498,000</u>	<u>518,000</u>	<u>539,000</u>	<u>561,000</u>
Subtotal	2,028,000	2,221,000	2,442,000	2,540,000	2,640,000	2,744,000
<u>Debt Service</u>						
2010 City Nat'l Bank Loan (1999 Refi)	161,000	161,000	161,000	161,000	161,000	161,000
Repay \$466K Loan from General Fund	<u>0</u>	<u>0</u>	<u>0</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>
Subtotal	161,000	161,000	161,000	261,000	261,000	261,000
Capital Improvement Projects	<u>50,000</u>	<u>150,000</u>	<u>400,000</u>	<u>600,000</u>	700,000	750,000
Total Expenses	2,239,000	2,532,000	3,003,000	3,401,000	3,601,000	3,755,000
Revenues Less Expenses	27,000	29,000	28,000	41,000	26,000	44,000
Ending Fund Reserves	27,000	56,000	84,000	125,000	151,000	195,000
Fund Reserves as a % of O&M	1%	3%	3%	5%	6%	7%
Debt Service Coverage	1.48	2.11	3.66	3.46	3.78	4.04

Table 5C
Cambria Community Services District
Sewer Financial Projections

Scenario C: Reduced Phase-In
3-Year Phase-In to \$600K Annual CIP Funding

	6 2023/24	7 2024/25	8 2025/26	9 2026/27	10 2027/28
Effective Date of Rate Increases	July-1	July-1	July-1	July-1	July-1
Projected Rate Increases	5%	5%	3%	3%	3%
Growth (Single Family Equivalents)	0	0	0	0	0
Change in Billed Use %	0.0%	0.0%	0.0%	0.0%	0.0%
Cost Escalation	4%	4%	4%	4%	4%
Interest Earnings Rate	2.0%	2.0%	2.0%	2.0%	2.0%
Beginning Sewer Fund Reserves	\$195,000	\$212,000	\$253,000	\$301,000	\$351,000
REVENUES					
<u>Sewer Operations</u>					
Fixed Sewer Service Charges	2,517,000	2,643,000	2,726,000	2,808,000	2,892,000
Sewer Quantity Charges	<u>1,271,000</u>	<u>1,334,000</u>	<u>1,376,000</u>	<u>1,418,000</u>	<u>1,460,000</u>
Subtotal	3,788,000	3,977,000	4,102,000	4,226,000	4,352,000
Standby Availability	119,000	119,000	119,000	119,000	119,000
Interest Income	4,000	4,000	5,000	6,000	7,000
Capacity Charges from Growth	0	0	0	0	0
Other	<u>70,000</u>	<u>70,000</u>	<u>70,000</u>	<u>70,000</u>	<u>70,000</u>
Total Revenues	3,981,000	4,170,000	4,296,000	4,421,000	4,548,000
EXPENSES					
<u>Sewer System Operations</u>					
Salaries & Benefits	924,000	961,000	999,000	1,039,000	1,081,000
Additional Staffing Needs	309,000	321,000	334,000	347,000	361,000
Collection/Grnds Maint & Repair	97,000	101,000	105,000	109,000	113,000
Treatment Maint & Repair	90,000	94,000	98,000	102,000	106,000
Sludge Disposal	113,000	118,000	123,000	128,000	133,000
Major Maintenance	89,000	93,000	97,000	101,000	105,000
Utilities	285,000	296,000	308,000	320,000	333,000
Professional Services	94,000	98,000	102,000	106,000	110,000
Government Fees	115,000	120,000	125,000	130,000	135,000
Supplies/Vehicles/Equipment	94,000	98,000	102,000	106,000	110,000
Capital Outlay	60,000	62,000	64,000	67,000	70,000
Allocated Overhead	<u>583,000</u>	<u>606,000</u>	<u>630,000</u>	<u>655,000</u>	<u>681,000</u>
Subtotal	2,853,000	2,968,000	3,087,000	3,210,000	3,338,000
<u>Debt Service</u>					
2010 City Nat'l Bank Loan (1999 Refi)	161,000	161,000	161,000	161,000	161,000
Repay \$466K Loan from General Fund	<u>100,000</u>	<u>100,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal	261,000	261,000	161,000	161,000	161,000
Capital Improvement Projects	850,000	900,000	1,000,000	1,000,000	1,000,000
Total Expenses	3,964,000	4,129,000	4,248,000	4,371,000	4,499,000
Revenues Less Expenses	17,000	41,000	48,000	50,000	49,000
Ending Fund Reserves	212,000	253,000	301,000	351,000	400,000
Fund Reserves as a % of O&M	7%	9%	10%	11%	12%
Debt Service Coverage	4.32	4.61	7.51	7.52	7.52

Table 6C
Cambria Community Services District
Proposed Sewer Rates

Scenario C: Reduced Phase-In
3-Year Phase-In to \$600K Annual CIP Funding
No Change to Rate Structure

	Current Sewer Rates	Proposed Sewer Rates Effective On or After				
		Sept 1 2018	July 1 2019	July 1 2020	July 1 2021	July 1 2022
Rate Increase %		18%	16%	14%	5%	5%
FIXED MONTHLY SEWER SERVICE CHARGES						
Residential						
Monthly Charge	\$30.29	\$35.74	\$41.46	\$47.26	\$49.62	\$52.10
Bi-Monthly Charge	60.57	71.48	82.92	94.52	99.24	104.20
Commercial						
Monthly Charge	\$30.29	\$35.74	\$41.46	\$47.26	\$49.62	\$52.10
Bi-Monthly Charge	60.57	71.48	82.92	94.52	99.24	104.20
SEWER QUANTITY CHARGES						
<i>Billed based on metered water use (\$/ccf)</i>						
Residential						
	\$3.50	\$4.13	\$4.79	\$5.46	\$5.73	\$6.02
Commercial						
<u>Wastewater Class</u>						
Class 1	\$3.07	\$3.62	\$4.20	\$4.79	\$5.03	\$5.28
Class 2	3.50	4.13	4.79	5.46	5.73	6.02
Class 3	5.39	6.36	7.38	8.41	8.83	9.27

Class 1 includes lower strength accounts including professional offices, retail stores, laundromats, & schools.

Class 2 includes all other commercial accounts (with standard/domestic strength wastewater) that are not classified Class 1 or Class 3.

Class 3 includes accounts with moderate to high wastewater strength including restaurants, hotels with restaurants, bakeries, mortuaries, markets with meat/seafood/food prep/garbage grinder, and mixed use accounts with an estimated 30% or more sewer discharge from higher strength wastewater flow.

1 ccf = 100 cubic feet, or approximately 748 gallons

The District reserves the right to assign customers to the class that best matches their wastewater strength.

Table 7C

Cambria Community Services District
Sewer Rate ImpactsScenario C: Reduced Phase-In
3-Year Phase-In to \$600K Annual CIP Funding

	Bi-Monthly Use (ccf)	% of Bills at or Below	Current Bi-Monthly Bill	Projected Bi-Monthly Sewer Bills				
				Jan-1, 2016	Jan-1, 2017	Jan-1, 2018	Jan-1, 2019	Jan-1, 2020
Single Family Residential Rate Impacts								
Very Low Use	2	30%	\$67.57	\$79.74	\$92.50	\$105.44	\$110.70	\$116.24
<i>Monthly Equivalent</i>			33.79	39.87	46.25	52.72	55.35	58.12
Low Use (Median)	4	50%	74.57	88.00	102.08	116.36	122.16	128.28
<i>Monthly Equivalent</i>			37.29	44.00	51.04	58.18	61.08	64.14
Average Use	5	70%	78.07	92.13	106.87	121.82	127.89	134.30
<i>Monthly Equivalent</i>			39.04	46.07	53.44	60.91	63.95	67.15
2x Average Use	10	90%	95.57	112.78	130.82	149.12	156.54	164.40
<i>Monthly Equivalent</i>			47.79	56.39	65.41	74.56	78.27	82.20
Very High Use	20	99%	130.57	154.08	178.72	203.72	213.84	224.60
<i>Monthly Equivalent</i>			65.29	77.04	89.36	101.86	106.92	112.30
Sample Commercial Rate Impacts								
Commercial Class 1 (e.g. Office, Retail, School)								
Small Commercial	10		91.27	107.68	124.92	142.42	149.54	157.00
<i>Monthly Equivalent</i>			45.64	53.84	62.46	71.21	74.77	78.50
Mod Commercial	25		137.32	161.98	187.92	214.27	224.99	236.20
<i>Monthly Equivalent</i>			68.66	80.99	93.96	107.14	112.50	118.10
Large Commercial	100		367.57	433.48	502.92	573.52	602.24	632.20
<i>Monthly Equivalent</i>			183.79	216.74	251.46	286.76	301.12	316.10
Large Commercial	200		674.57	795.48	922.92	1,052.52	1,105.24	1,160.20
<i>Monthly Equivalent</i>			337.29	397.74	461.46	526.26	552.62	580.10
Commercial Class 2 (e.g. Motel without Restaurant, Auto-Repair)								
Small Commercial	10		95.57	112.78	130.82	149.12	156.54	164.40
<i>Monthly Equivalent</i>			47.79	56.39	65.41	74.56	78.27	82.20
Mod Commercial	25		148.07	174.73	202.67	231.02	242.49	254.70
<i>Monthly Equivalent</i>			74.04	87.37	101.34	115.51	121.25	127.35
Large Commercial	100		410.57	484.48	561.92	640.52	672.24	706.20
<i>Monthly Equivalent</i>			205.29	242.24	280.96	320.26	336.12	353.10
Large Commercial	200		760.57	897.48	1,040.92	1,186.52	1,245.24	1,308.20
<i>Monthly Equivalent</i>			380.29	448.74	520.46	593.26	622.62	654.10
Commercial Class 3 (e.g. Restaurant, Hotel with Restaurant)								
Mod Commercial	25		195.32	230.48	267.42	304.77	319.99	335.95
<i>Monthly Equivalent</i>			97.66	115.24	133.71	152.39	160.00	167.98
Large Commercial	100		599.57	707.48	820.92	935.52	982.24	1,031.20
<i>Monthly Equivalent</i>			299.79	353.74	410.46	467.76	491.12	515.60
Large Commercial	200		1,138.57	1,343.48	1,558.92	1,776.52	1,865.24	1,958.20
<i>Monthly Equivalent</i>			569.29	671.74	779.46	888.26	932.62	979.10

Scenario C:
Reduced Phase-In

Cambria Community Services District Typical Monthly Residential Sewer Charges

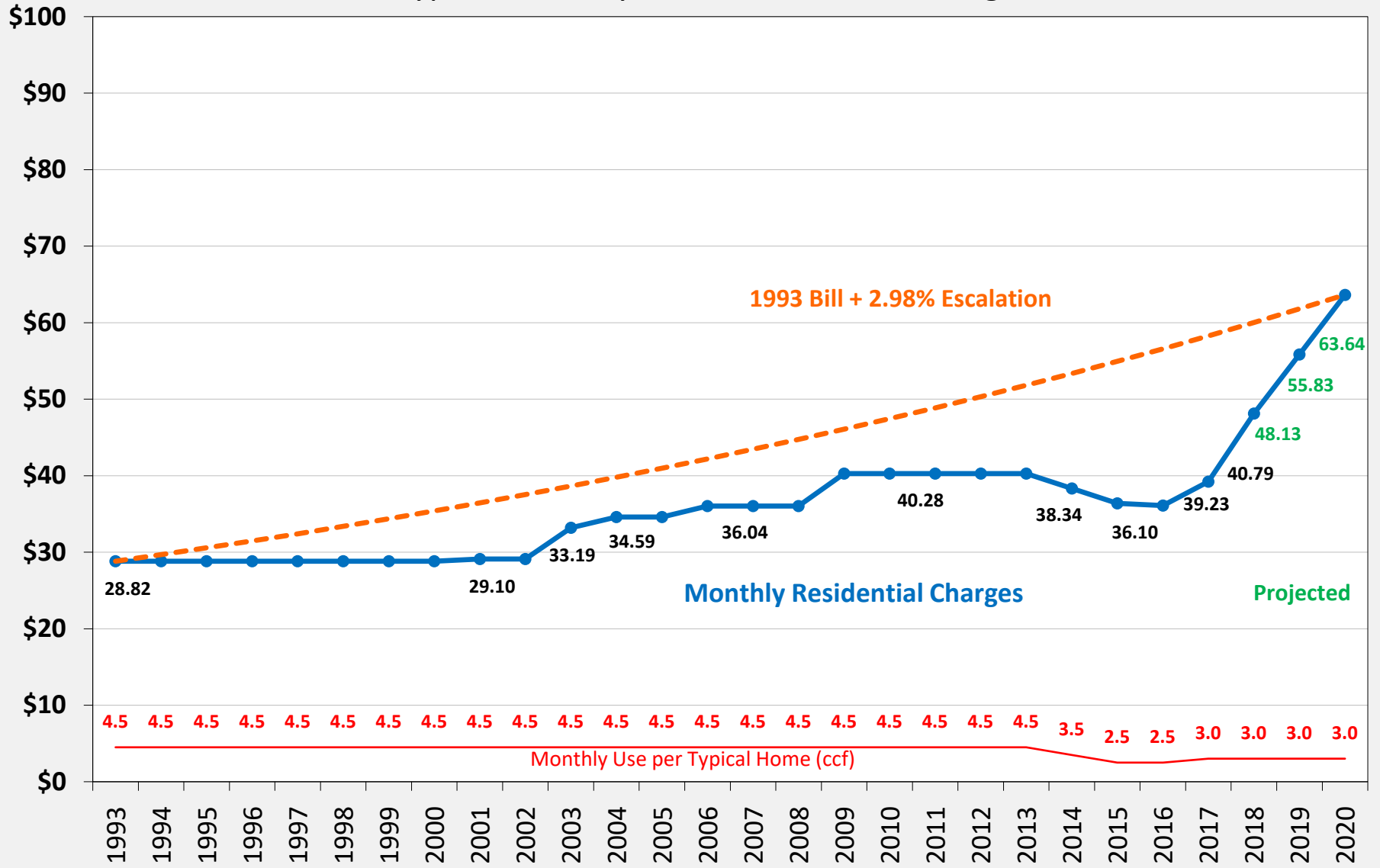


Table 8
 Cambria Community Services District
 Summary of Sewer Rate Scenarios

	Sept-1 2018	July-1 2019	July-1 2020
A) Front-Load Increase			
Rate Increase %	64%	0%	0%
CIP Funding	\$800,000	\$800,000	\$800,000
B) Phased Approach			
Rate Increase %	20%	18%	16%
CIP Funding	\$200,000	\$500,000	\$800,000
C) Reduced Phase-In			
Rate Increase %	18%	16%	14%
CIP Funding	\$150,000	\$400,000	\$600,000

Combined Rate Impacts

Cambria Community Services District Combined Impact on a Typical Bill

Bills with No Changes to
Prior-Adopted Rates

Residential customer with 6 units bi-monthly water use (roughly 75 gallons per day)

Approx. 70% of residential bills are currently at or below this level of use.

1 unit = 100 cubic feet = approx. 748 gallons

	Current Charges	Charges with No Action	
		Jan-1, 2019	Jan-1, 2020
WATER		<u>4% Increase</u>	<u>4% Increase</u>
Fixed Water Charge	\$27.58	\$28.68	\$29.83
Quantity Charge	<u>46.50</u>	<u>48.36</u>	<u>50.28</u>
Bi-Monthly Total	74.08	77.04	80.11
<i>Monthly Equivalent</i>	<i>37.04</i>	<i>38.52</i>	<i>40.06</i>
SWF		<u>No Increase</u>	<u>No Increase</u>
SWF Fixed Charge	13.00	13.00	13.00
SWF Quantity Charge	12.00	12.00	12.00
SWF Operating Surcharge*	<i>varies</i>	<i>varies</i>	<i>varies</i>
Bi-Monthly Total	25.00	25.00	25.00
<i>Monthly Equivalent</i>	<i>12.50</i>	<i>12.50</i>	<i>12.50</i>
SEWER		<u>4% Increase</u>	<u>4% Increase</u>
Fixed Charge	60.57	62.99	65.51
Quantity Charge	<u>21.00</u>	<u>21.84</u>	<u>22.74</u>
Bi-Monthly Total	81.57	84.83	88.25
<i>Monthly Equivalent</i>	<i>40.79</i>	<i>42.42</i>	<i>44.13</i>
Total Bi-Monthly Charges	180.65	186.87	193.36
<i>Monthly Equivalent</i>	<i>90.33</i>	<i>93.44</i>	<i>96.68</i>

* Under current rates, an SWF Operating Surcharge is levied during periods of SWF operation.

Cambria Community Services District Combined Impact on a Typical Bill

Scenario A: Front-Loaded Wtr & Swr Rate Increases

Residential customer with 6 units bi-monthly water use (roughly 75 gallons per day)

Approx. 70% of residential bills are currently at or below this level of use.

1 unit = 100 cubic feet = approx. 748 gallons

	Current Charges	Charges with Proposed Rates		
		Sept-1, 2018	July-1, 2019	July-1, 2020
WATER				
Fixed Water Charge	\$27.58	\$38.06	\$38.06	\$38.06
Quantity Charge	<u>46.50</u>	<u>64.16</u>	<u>64.16</u>	<u>64.16</u>
Bi-Monthly Total	74.08	102.22	102.22	102.22
<i>Monthly Equivalent</i>	<i>37.04</i>	<i>51.11</i>	<i>51.11</i>	<i>51.11</i>
SWF				
SWF Fixed Charge	13.00	16.16	17.78	19.02
SWF Quantity Charge	12.00	15.02	16.54	17.68
SWF Operating Surcharge	<i>varies</i>	<i>eliminated</i>	<i>eliminated</i>	<i>eliminated</i>
Bi-Monthly Total	25.00	31.18	34.32	36.70
<i>Monthly Equivalent</i>	<i>12.50</i>	<i>15.59</i>	<i>17.16</i>	<i>18.35</i>
SEWER				
Fixed Charge	60.57	99.34	99.34	99.34
Quantity Charge	<u>21.00</u>	<u>34.44</u>	<u>34.44</u>	<u>34.44</u>
Bi-Monthly Total	81.57	133.78	133.78	133.78
<i>Monthly Equivalent</i>	<i>40.79</i>	<i>66.89</i>	<i>66.89</i>	<i>66.89</i>
Total Bi-Monthly Charges	180.65	267.18	270.32	272.70
<i>Monthly Equivalent</i>	<i>90.33</i>	<i>133.59</i>	<i>135.16</i>	<i>136.35</i>

Cambria Community Services District Combined Impact on a Typical Bill

Scenario B: Phased Approach

Residential customer with 6 units bi-monthly water use (roughly 75 gallons per day)

Approx. 70% of residential bills are currently at or below this level of use.

1 unit = 100 cubic feet = approx. 748 gallons

	Current Charges	Charges with Proposed Rates		
		Sept-1, 2018	July-1, 2019	July-1, 2020
WATER				
Fixed Water Charge	\$27.58	\$32.00	\$35.84	\$38.00
Quantity Charge	<u>46.50</u>	<u>53.92</u>	<u>60.40</u>	<u>64.04</u>
Bi-Monthly Total	74.08	85.92	96.24	102.04
<i>Monthly Equivalent</i>	<i>37.04</i>	<i>42.96</i>	<i>48.12</i>	<i>51.02</i>
SWF				
SWF Fixed Charge	13.00	16.16	17.78	19.02
SWF Quantity Charge	12.00	15.02	16.54	17.68
SWF Operating Surcharge	<i>varies</i>	<i>eliminated</i>	<i>eliminated</i>	<i>eliminated</i>
Bi-Monthly Total	25.00	31.18	34.32	36.70
<i>Monthly Equivalent</i>	<i>12.50</i>	<i>15.59</i>	<i>17.16</i>	<i>18.35</i>
SEWER				
Fixed Charge	60.57	72.68	85.76	99.48
Quantity Charge	<u>21.00</u>	<u>25.20</u>	<u>29.76</u>	<u>34.50</u>
Bi-Monthly Total	81.57	97.88	115.52	133.98
<i>Monthly Equivalent</i>	<i>40.79</i>	<i>48.94</i>	<i>57.76</i>	<i>66.99</i>
Total Bi-Monthly Charges	180.65	214.98	246.08	272.72
<i>Monthly Equivalent</i>	<i>90.33</i>	<i>107.49</i>	<i>123.04</i>	<i>136.36</i>

Scenario B
Phased Approach

Combined Monthly Water & Sewer Charges

Monthly Residential Charges with 3 ccf Monthly Use (6 ccf Bi-Monthly Use)

Roughly 70% of CCSD residential bills are at or below this level of use



- 1 Previously adopted additional 19% water rate increases over next 2 fiscal years; anticipates substantial sewer rate increases.
- 2 Previously adopted additional 10% water rate increase and 25% sewer rate increase effective July 1, 2018.
- 3 Previously adopted additional 25% water rate increase over next 2 fiscal years.

Cambria Community Services District
Combined Impact on a Typical Bill

Scenario C: Reduced Phase-In
 Reduced CIP Funding

Residential customer with 6 units bi-monthly water use (roughly 75 gallons per day)

Approx. 70% of residential bills are currently at or below this level of use.

1 unit = 100 cubic feet = approx. 748 gallons

	Current Charges	Charges with Proposed Rates		
		Sept-1, 2018	July-1, 2019	July-1, 2020
WATER				
Fixed Water Charge	\$27.58	\$31.16	\$33.96	\$36.00
Quantity Charge	<u>46.50</u>	<u>52.52</u>	<u>57.22</u>	<u>60.66</u>
Bi-Monthly Total	74.08	83.68	91.18	96.66
<i>Monthly Equivalent</i>	<i>37.04</i>	<i>41.84</i>	<i>45.59</i>	<i>48.33</i>
SWF				
SWF Fixed Charge	13.00	16.16	17.78	19.02
SWF Quantity Charge	12.00	15.02	16.54	17.68
SWF Operating Surcharge	<i>varies</i>	<i>eliminated</i>	<i>eliminated</i>	<i>eliminated</i>
Bi-Monthly Total	25.00	31.18	34.32	36.70
<i>Monthly Equivalent</i>	<i>12.50</i>	<i>15.59</i>	<i>17.16</i>	<i>18.35</i>
SEWER				
Fixed Charge	60.57	71.48	82.92	94.52
Quantity Charge	<u>21.00</u>	<u>24.78</u>	<u>28.74</u>	<u>32.76</u>
Bi-Monthly Total	81.57	96.26	111.66	127.28
<i>Monthly Equivalent</i>	<i>40.79</i>	<i>48.13</i>	<i>55.83</i>	<i>63.64</i>
Total Bi-Monthly Charges	180.65	211.12	237.16	260.64
<i>Monthly Equivalent</i>	<i>90.33</i>	<i>105.56</i>	<i>118.58</i>	<i>130.32</i>

Scenario C
Reduced Phase-In

Combined Monthly Water & Sewer Charges

Monthly Residential Charges with 3 ccf Monthly Use (6 ccf Bi-Monthly Use)

Roughly 70% of CCSD residential bills are at or below this level of use



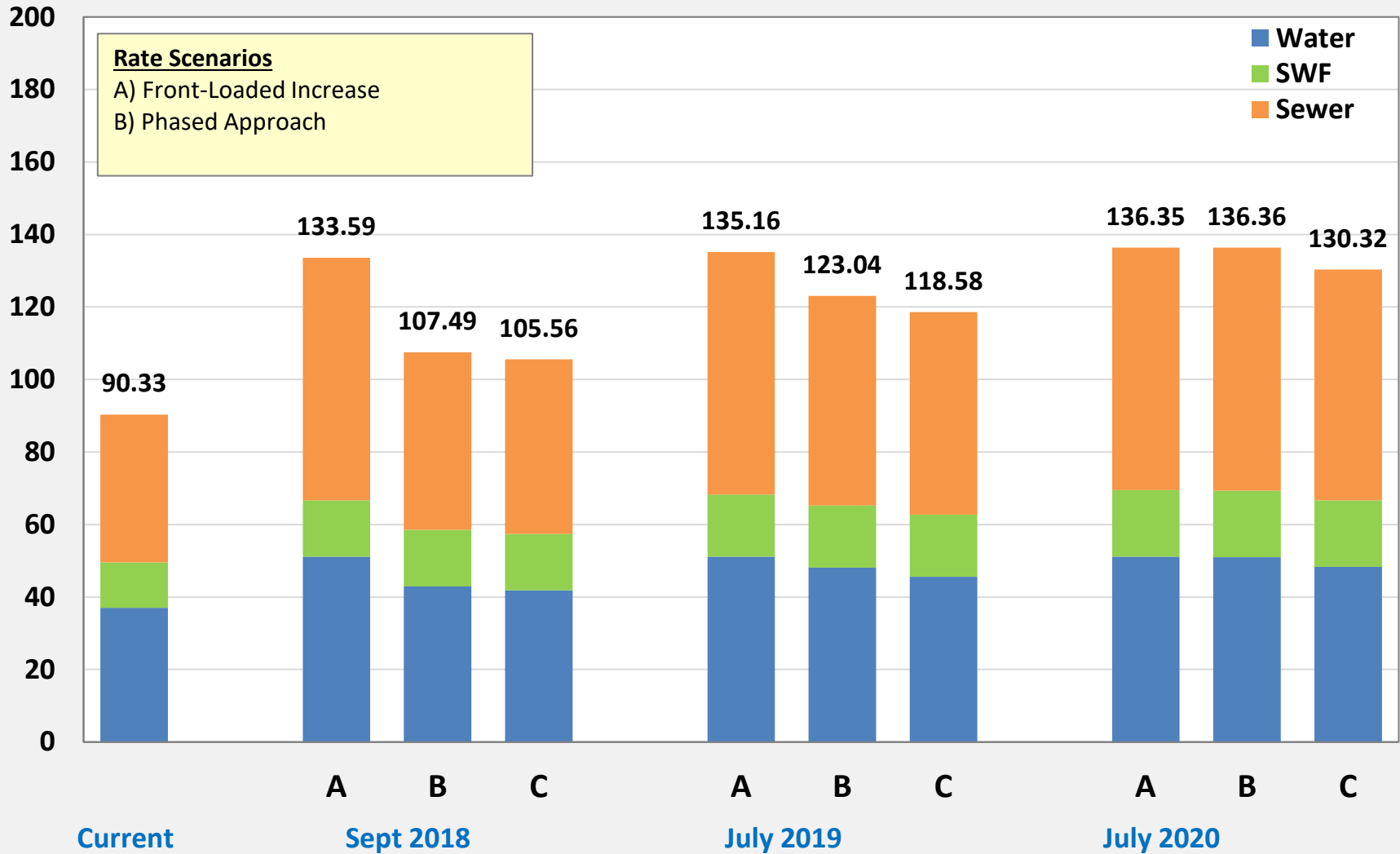
1 Previously adopted additional 19% water rate increases over next 2 fiscal years; anticipates substantial sewer rate increases.

2 Previously adopted additional 10% water rate increase and 25% sewer rate increase effective July 1, 2018.

3 Previously adopted additional 25% water rate increase over next 2 fiscal years.

Combined Monthly Charges

Typical Home with 6 ccf Bi-Monthly Use (3 ccf Monthly Use)



Cambria Community Services District



Water, SWF & Sewer Rates

June 19, 2018



BARTLE WELLS ASSOCIATES
INDEPENDENT PUBLIC FINANCE ADVISORS



Presentation Overview

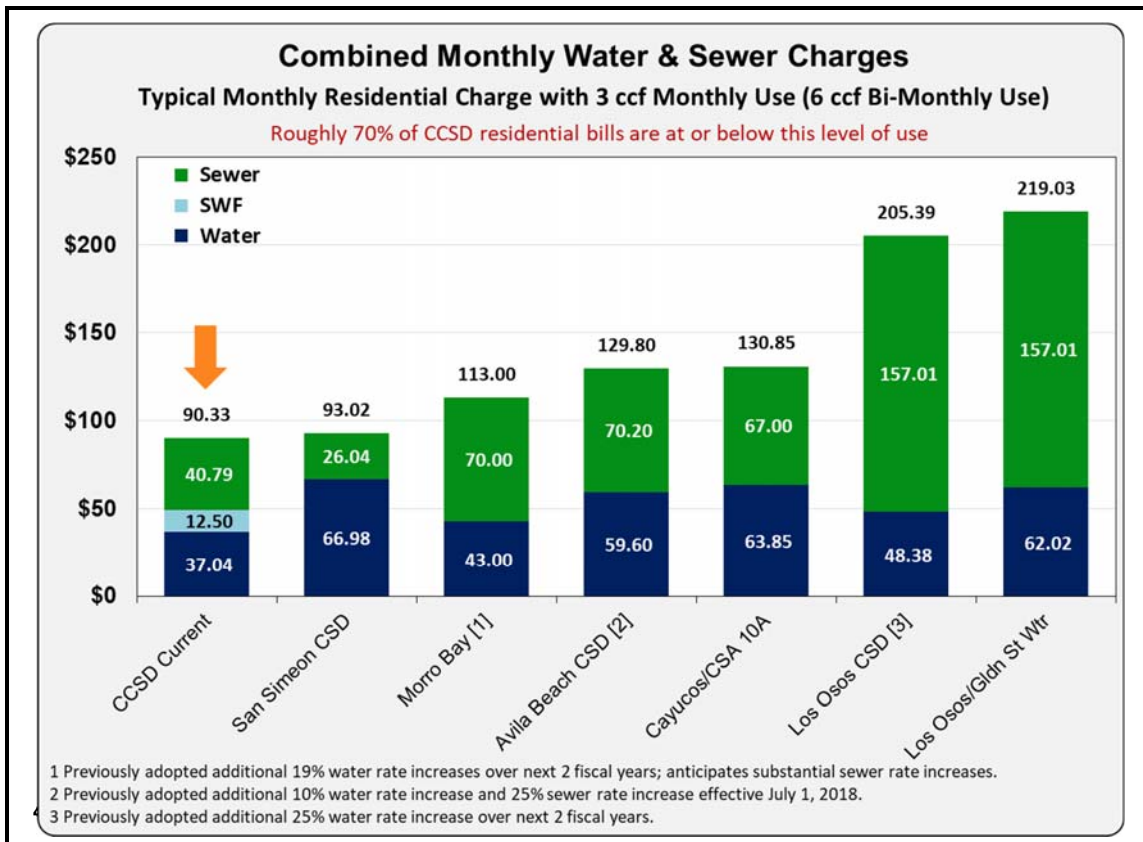


- Background
- Water Rates
- SWF Rates
- Sewer Rates
- Rate Impacts
- Issues for Input

Background



3





Overview

- **CCSD is a community-governed public agency**
- **Serves a population of approximately 6,400 plus a substantial tourism industry**
- **CCSD's water & sewer utilities are financially self-supporting enterprise funds**
- **Service charges are the main source of revenues**
- **Rates need to set at levels adequate to fund operations, maintenance, debt service, & capital improvements needs**



Background

- **Emergency Water Supply Project rate study conducted in 2014**
- **Last water & sewer rate studies conducted in 2015**
 - **Included rate increases & modifications to rate structure designed to re-align rates with the cost of providing service**
- **Prior to these rate studies, CCSD adopted minimal to no water and sewer rate increases over the previous 20+ years**
 - **Rate increases over 20+ years were significantly lower than inflation**
- **CCSD heavily impacted by drought**
 - **Declared Stage 3 Water Supply Emergency & adopted rate penalties**
 - **CCSD experienced roughly 40% decline in water sales**
- **Prior rate increases designed to restore basic financial stability and fund minimal level of repairs/replacements...*but were not designed to address major capital needs***



Background

- **Current rate study designed to support CCSD infrastructure funding needs as well as adequate operating & maintenance costs**
- **Many of CCSD's facilities are approaching the end of their useful operating lives & are in need of rehabilitation and replacement.**
- **Additional capital improvements are needed to comply with regulatory requirements (e.g. Sustainable Water Facility)**
- **Proposed rates are designed to phase in adequate funding stream for capital improvements over the next three years**
- **Rate increases phased in over next 3 years to extent possible**
- **CCSD's utility bills are currently in the lower range compared to other local coastal communities**

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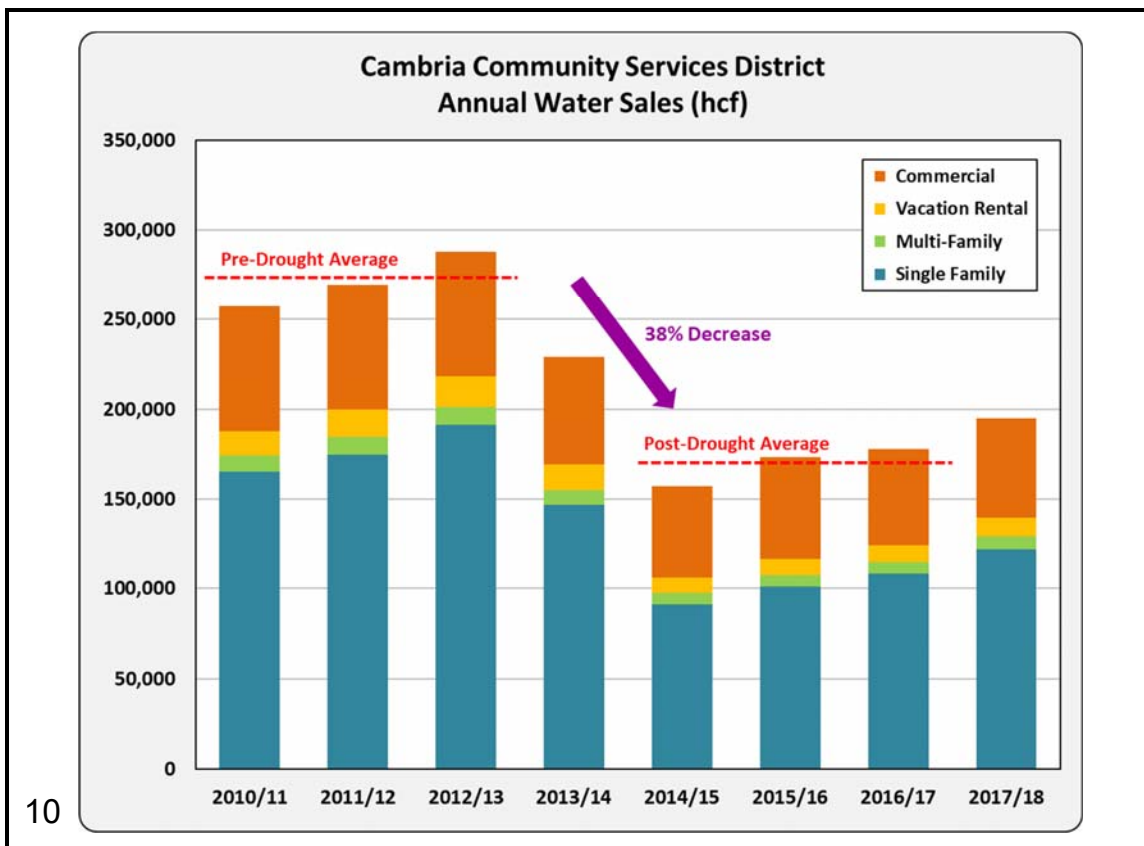
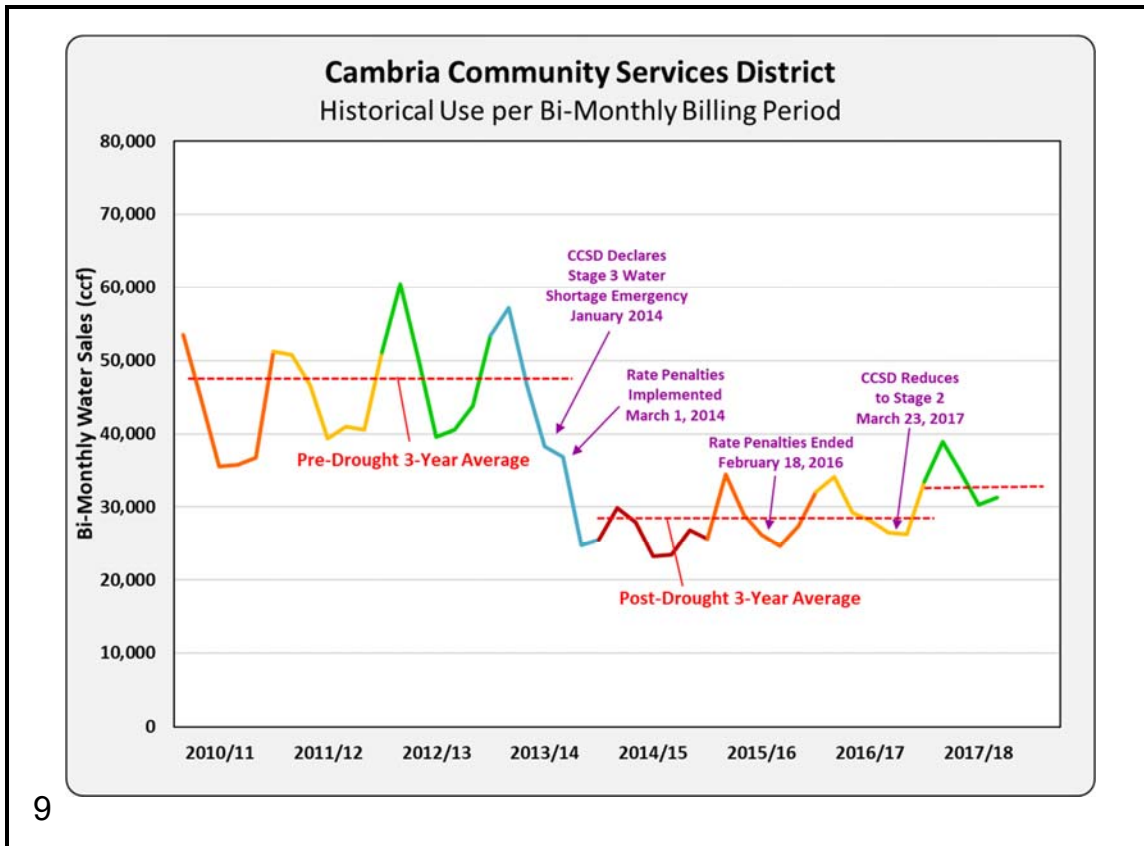


WATER RATES



8







Water Finances

- **Current water rates generate about \$250K for capital improvements**
- **Aging water system facilities in need of repair, rehab, replacement**
- **10-Year Capital improvement Program totals \$6.2 million (current \$)**
 - **Average annual funding requirement: \$700,000+ with cost inflation**
- **Water utility currently understaffed**

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Water Rate Projections

- **Financial projections developed to evaluate funding needs & rates**
 - **Based on current year budget with 4% cost escalation**
 - **Phase in funding for new staffing: 1 water operator, 1/4 utility manager, and some staffing re-allocations**
 - **Assumes no change in customer base or water sales from current levels**
- **Water rate recommendations designed to:**
 - **Support adequate operating & maintenance expenses**
 - **Phase in funding stream for capital improvements to \$700,000 per year over the next 3 years**
 - **Reduced rate scenario phases in capital funding to \$500,000 per year**

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Water Rate Projections

- BWA developed financial & rate projections for 3 scenarios
 - A Front-Load Increase: Initial increase to support CIP funding needs
 - B Phased Approach: Phase in rate increases & phase in capital funding
 - C Reduced Phase-In: Lower rate increases & reduced capital funding
- Rates designed to reflect the cost of providing service and phase in funding for capital needs
- 3 years of rate increases proposed at this time
 - Substantial steps toward meeting infrastructure funding needs
 - CCSD can re-evaluate rates in future years

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Water Rate Increase Scenarios

	Sept-1 2018	July-1 2019	July-1 2020
A) Front-Load Increase			
Rate Increase %	38%	0%	0%
CIP Funding	\$650,000	\$700,000	\$700,000
B) Phased Approach			
Rate Increase %	16%	12%	6%
CIP Funding	\$250,000	\$600,000	\$700,000
C) Reduced Phase-In			
Rate Increase %	13%	9%	6%
CIP Funding	\$200,000	\$350,000	\$500,000
Prior Adopted Rates			
	<u>Jan-1, 2019</u>	<u>Jan-1, 2020</u>	
Rate Increase %	4%	4%	
CIP Funding	\$100,000	\$80,000	

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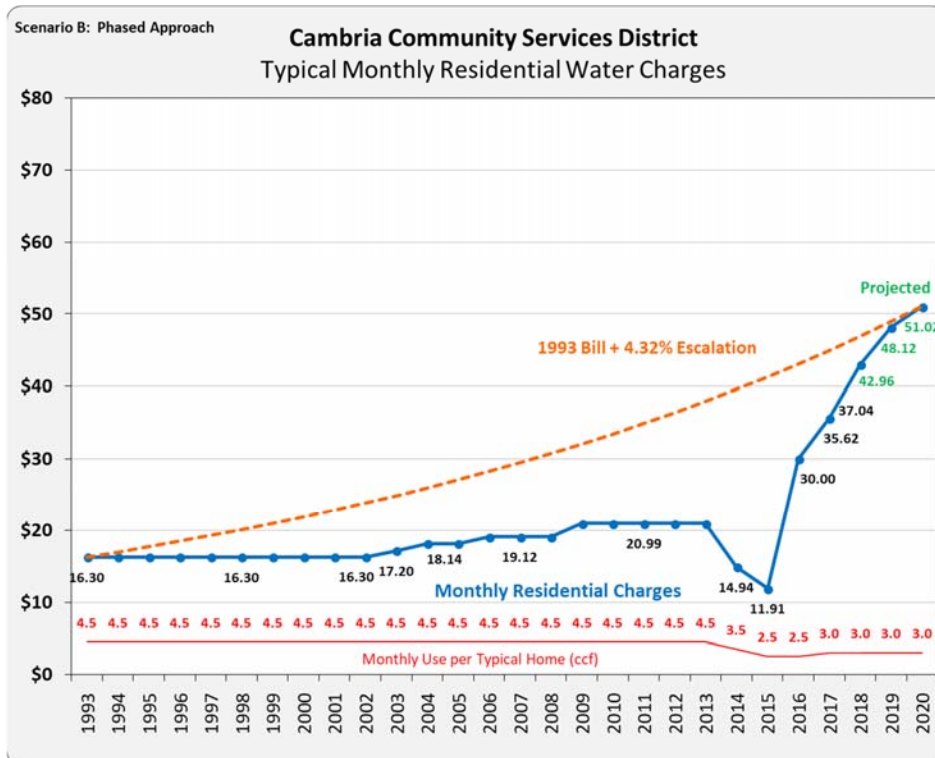
Scenario B) Phased Approach

Proposed Water Rates				
	Current Water Rates	Proposed Water Rates Effective On or After		
		September 1 2018	July 1 2019	July 1 2020
FIXED WATER SERVICE CHARGES				
Residential				
Monthly Charge	\$13.79	\$16.00	\$17.92	\$19.00
Bi-Monthly Charge	27.58	32.00	35.84	38.00
Commercial				
<u>Monthly Charge (based on meter size)</u>				
5/8" or 3/4"	\$13.79	\$16.00	\$17.92	\$19.00
1"	34.48	40.00	44.80	47.50
1-1/2"	68.95	80.00	89.60	95.00
2" & Larger	137.90	160.00	179.20	190.00
WATER QUANTITY CHARGES				
<i>Billed based on metered water use (\$/ccf)</i>				
Residential				
<u>Tier</u>	<u>Bi-Monthly</u>	<u>Monthly</u>		
Tier 1	First 4 ccf	First 2 ccf	\$7.03	\$8.15
Tier 2	4.01 - 16 ccf	2.01 - 8 ccf	9.19	10.66
Tier 3	> 16 ccf	> 8 ccf	10.25	11.89
Commercial				
Rate for All Water Use	\$9.19	\$10.66	\$11.94	\$12.66
	<i>Equivalent Rate per 100 gallons</i>	<i>\$1.23</i>	<i>\$1.43</i>	<i>\$1.60</i>
			<i>\$1.69</i>	

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Scenario B) Phased Approach



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SUSTAINABLE WATER FACILITY RATES



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SWF Rate Background

- **Prior SWF rate study completed in 2014**
 - **Established new charges for Sustainable Water Facility**
 - **Designed to recover preliminary cost estimates for debt service, facility maintenance, and operations**
 - **SWF rates include 3 components:**
 - **Fixed Charges**
 - **Quantity Charges (3 rate tiers)**
 - **Operating Surcharges only levied during periods of SWF operation**
- } Ongoing charges levied year-round to recover costs for SWF facility financing & basic maintenance

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SWF Update

- **CCSD was successful in obtaining grant funding to help fund SWF**
- **Debt service costs for SWF are lower than originally projected**
- **Ongoing operating costs are substantially higher than projected**
- **Operations will require brine-hauling to meet regulatory requirements**
- **Current rates generate no funding for SWF capital improvement needs**
 - **Highest-priority capital needs include about \$500,000 to facilitate brine hauling & meet Coastal Development Permit requirements**
- **Issues applying SWF rate surcharge during periods of SWF operation**



SWF Finances & Rates

- **Financial projections developed to evaluate funding needs & rates**
 - **Based on current year budget with 4% cost escalation**
 - **Includes small increase in staffing costs allocated to SWF**
 - **SWF needs short-term interfund loan to fund near-term capital needs**
 - **Assumes no change in water sales from current levels**
 - **Includes estimated expenses for 2 months of SWF operation each year**
- **SWF rate recommendations**
 - **Rate increases needed to support operating & capital needs**
 - **Eliminate the rate surcharges only charged during SWF operation and incorporate cost recovery into ongoing year-round charges**

Proposed Sustainable Water Facility Rates				
	Current Rates	Proposed SWF Rates Effective On or After		
		September 1 2018	July 1 2019	July 1 2020
FIXED SERVICE CHARGES				
Residential				
Monthly Charge	\$6.50	\$8.08	\$8.89	\$9.51
Bi-Monthly Charge	13.00	16.16	17.78	19.02
Commercial				
<u>Monthly Charge (based on meter size)</u>				
5/8" or 3/4"	\$13.00	\$8.08	\$8.89	\$9.51
1"	21.67	20.20	22.23	23.78
1-1/2"	43.34	40.40	44.45	47.55
2" & Larger	69.34	80.80	88.90	95.10
QUANTITY CHARGES				
<i>Billed based on metered water use (\$/ccf)</i>				
SWF Quantity Charges				
<u>Tier</u>	<u>Bi-Monthly</u>	<u>Monthly</u>		
Tier 1	First 4 ccf	First 2 ccf	\$1.50	\$1.88
Tier 2	4.01 - 16 ccf	2.01 - 8 ccf	3.00	3.75
Tier 3	> 16 ccf	> 8 ccf	4.50	5.63
SWF Operating Surcharges				
<i>Only charged during periods of facility operation</i>			<i>These charges are proposed to be eliminated</i>	

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SEWER RATES



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Sewer Finances

- Sewer utility has no fund reserves
- Current sewer rates generate virtually no funds for capital needs
- Sewer fund had to borrow \$466,000 from General Fund to meet funding needs in recent years
- Aging sewer system facilities in need of repair, rehab, replacement
- 10-Year Capital improvement Program totals \$9.5 million (current \$)
 - Projects can be completed over time based on available annual funding
- Sewer utility currently understaffed

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Sewer Rate Projections

- Financial projections developed to evaluate funding needs & rates
 - Based on current year budget with 4% cost escalation
 - New positions needed include 2 wastewater collection system operators, 1/2 utility manager, and some staffing re-allocations
 - Includes repayment of interfund loan to General Fund
 - Assumes no change in customer base or billed usage from current levels
- Sewer rate recommendations designed to:
 - Support adequate operating & maintenance expenses
 - Phase in funding stream for sewer system capital improvements to \$800,000 per year over the next 3 years (potentially more in future years)
 - Reduced rate scenario phases in capital funding to \$600,000 per year

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Sewer Rate Projections

- BWA developed financial & rate projections for 3 scenarios
 - A Front-Load Increase: Initial increase to support CIP funding needs
 - B Phased Approach: Phase in rate increases & phase in capital funding
 - C Reduced Phase-In: Lower rate increases & reduced capital funding
- Rates designed to reflect the cost of providing service and phase in funding for capital needs
- 3 years of rate increases proposed at this time
 - Substantial steps toward meeting infrastructure funding needs
 - CCSD can re-evaluate rates in future years

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Sewer Rate Increase Scenarios

	Sept-1 2018	July-1 2019	July-1 2020
A) Front-Load Increase			
Rate Increase %	64%	0%	0%
CIP Funding	\$800,000	\$800,000	\$800,000
B) Phased Approach			
Rate Increase %	20%	18%	16%
CIP Funding	\$200,000	\$500,000	\$800,000
C) Reduced Phase-In			
Rate Increase %	18%	16%	14%
CIP Funding	\$150,000	\$400,000	\$600,000
Prior Adopted Rates			
	<u>Jan-1, 2019</u>	<u>Jan-1, 2020</u>	
Rate Increase %	4%	4%	
CIP Funding	(\$75,000)	(\$180,000)	

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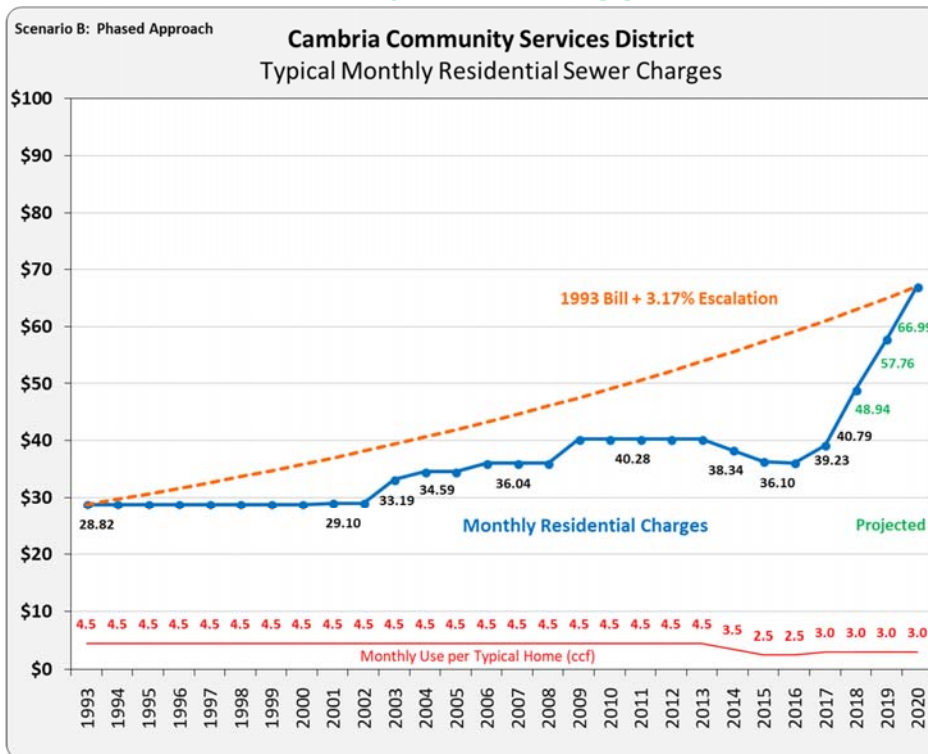
Scenario B) Phased Approach

Proposed Sewer Rates				
	Current Sewer Rates	Proposed Sewer Rates Effective On or After		
		Sept 1 2018	July 1 2019	July 1 2020
FIXED SEWER SERVICE CHARGES				
All Accounts				
Monthly Charge	\$30.29	\$36.34	\$42.88	\$49.74
Bi-Monthly Charge	60.57	72.68	85.76	99.48
SEWER QUANTITY CHARGES				
<i>Billed based on metered water use (\$/ccf)</i>				
Residential	\$3.50	\$4.20	\$4.96	\$5.75
Commercial				
<u>Wastewater Class</u>				
Class 1: Low Strength	\$3.07	\$3.68	\$4.34	\$5.03
Class 2: Medium Strength	3.50	4.20	4.96	5.75
Class 3: Mod/High Strength	5.39	6.47	7.63	8.85

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Scenario B) Phased Approach



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Combined Rate Impacts



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Rate Increases

- **Rate increases phased in over next 3 years to extent possible**
 - **Slightly more increases needed in earlier years**
- **Goal: Support financial stability & phase in funding for capital needs**
- **Proposed rates will place additional burden on ratepayers**
- **CCSD utility bills projected to end up in lower-mid to middle range compared to other local coastal communities**
- **CCSD can re-evaluate rates in future years**
- **Smaller, inflationary rate increases projected after next 3 years**
- **More increases in near term result in need for less increases in future years, and vice versa**

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Scenario A: Bill Impacts on a Typical Home

Typical home with 6 ccf bi-monthly use

70% of residential bills are currently at or below this level of use

	Current Charges	Charges with Proposed Rates		
		Sept-1, 2018	July-1, 2019	July-1, 2020
WATER				
Fixed Water Charge	\$27.58	\$38.06	\$38.06	\$38.06
Quantity Charge	<u>46.50</u>	<u>64.16</u>	<u>64.16</u>	<u>64.16</u>
Bi-Monthly Total	74.08	102.22	102.22	102.22
<i>Monthly Equivalent</i>	<i>37.04</i>	<i>51.11</i>	<i>51.11</i>	<i>51.11</i>
SWF				
SWF Fixed Charge	13.00	16.16	17.78	19.02
SWF Quantity Charge	12.00	15.02	16.54	17.68
SWF Operating Surcharge	<i>varies</i>	<i>eliminated</i>	<i>eliminated</i>	<i>eliminated</i>
Bi-Monthly Total	25.00	31.18	34.32	36.70
<i>Monthly Equivalent</i>	<i>12.50</i>	<i>15.59</i>	<i>17.16</i>	<i>18.35</i>
SEWER				
Fixed Charge	60.57	99.34	99.34	99.34
Quantity Charge	<u>21.00</u>	<u>34.44</u>	<u>34.44</u>	<u>34.44</u>
Bi-Monthly Total	81.57	133.78	133.78	133.78
<i>Monthly Equivalent</i>	<i>40.79</i>	<i>66.89</i>	<i>66.89</i>	<i>66.89</i>
Total Bi-Monthly Charges	180.65	267.18	270.32	272.70
<i>Monthly Equivalent</i>	<i>90.33</i>	<i>133.59</i>	<i>135.16</i>	<i>136.35</i>

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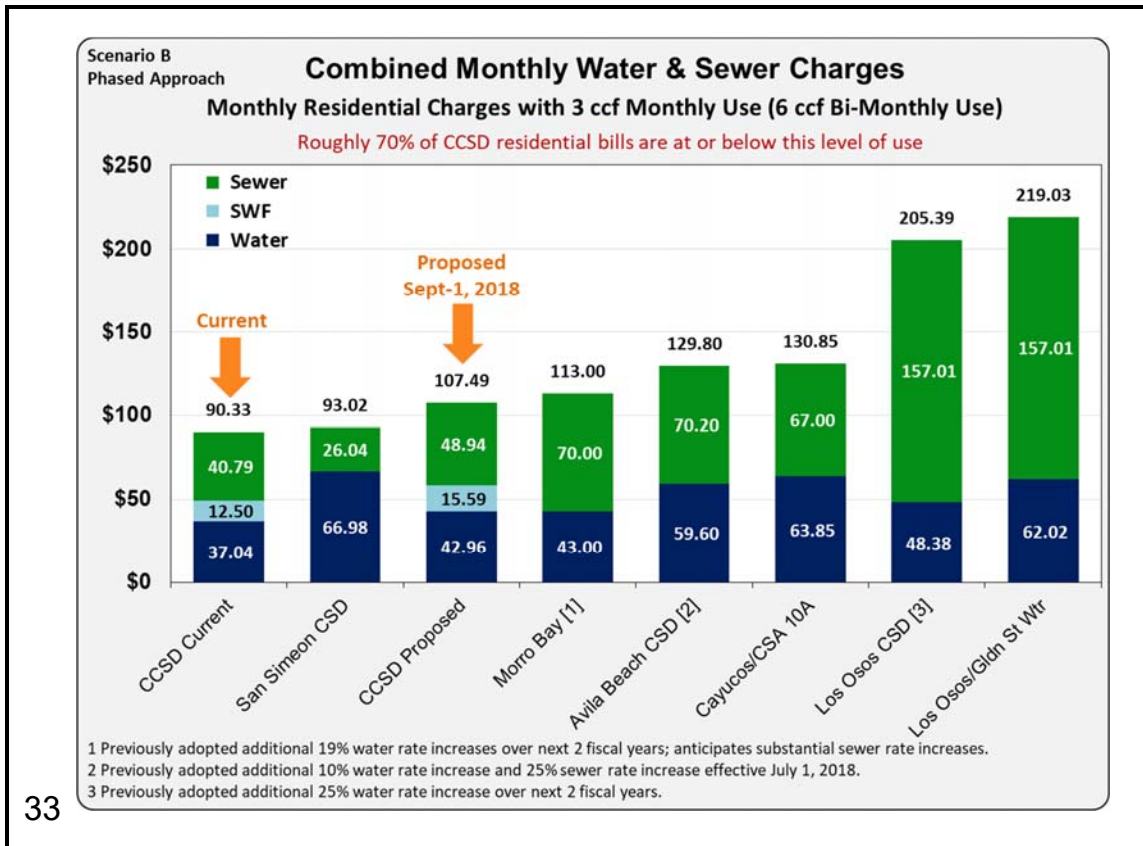
Scenario B: Bill Impacts on a Typical Home

Typical home with 6 ccf bi-monthly use

70% of residential bills are currently at or below this level of use

	Current Charges	Charges with Proposed Rates		
		Sept-1, 2018	July-1, 2019	July-1, 2020
WATER				
Fixed Water Charge	\$27.58	\$32.00	\$35.84	\$38.00
Quantity Charge	<u>46.50</u>	<u>53.92</u>	<u>60.40</u>	<u>64.04</u>
Bi-Monthly Total	74.08	85.92	96.24	102.04
<i>Monthly Equivalent</i>	<i>37.04</i>	<i>42.96</i>	<i>48.12</i>	<i>51.02</i>
SWF				
SWF Fixed Charge	13.00	16.16	17.78	19.02
SWF Quantity Charge	12.00	15.02	16.54	17.68
SWF Operating Surcharge	<i>varies</i>	<i>eliminated</i>	<i>eliminated</i>	<i>eliminated</i>
Bi-Monthly Total	25.00	31.18	34.32	36.70
<i>Monthly Equivalent</i>	<i>12.50</i>	<i>15.59</i>	<i>17.16</i>	<i>18.35</i>
SEWER				
Fixed Charge	60.57	72.68	85.76	99.48
Quantity Charge	<u>21.00</u>	<u>25.20</u>	<u>29.76</u>	<u>34.50</u>
Bi-Monthly Total	81.57	97.88	115.52	133.98
<i>Monthly Equivalent</i>	<i>40.79</i>	<i>48.94</i>	<i>57.76</i>	<i>66.99</i>
Total Bi-Monthly Charges	180.65	214.98	246.08	272.72
<i>Monthly Equivalent</i>	<i>90.33</i>	<i>107.49</i>	<i>123.04</i>	<i>136.36</i>

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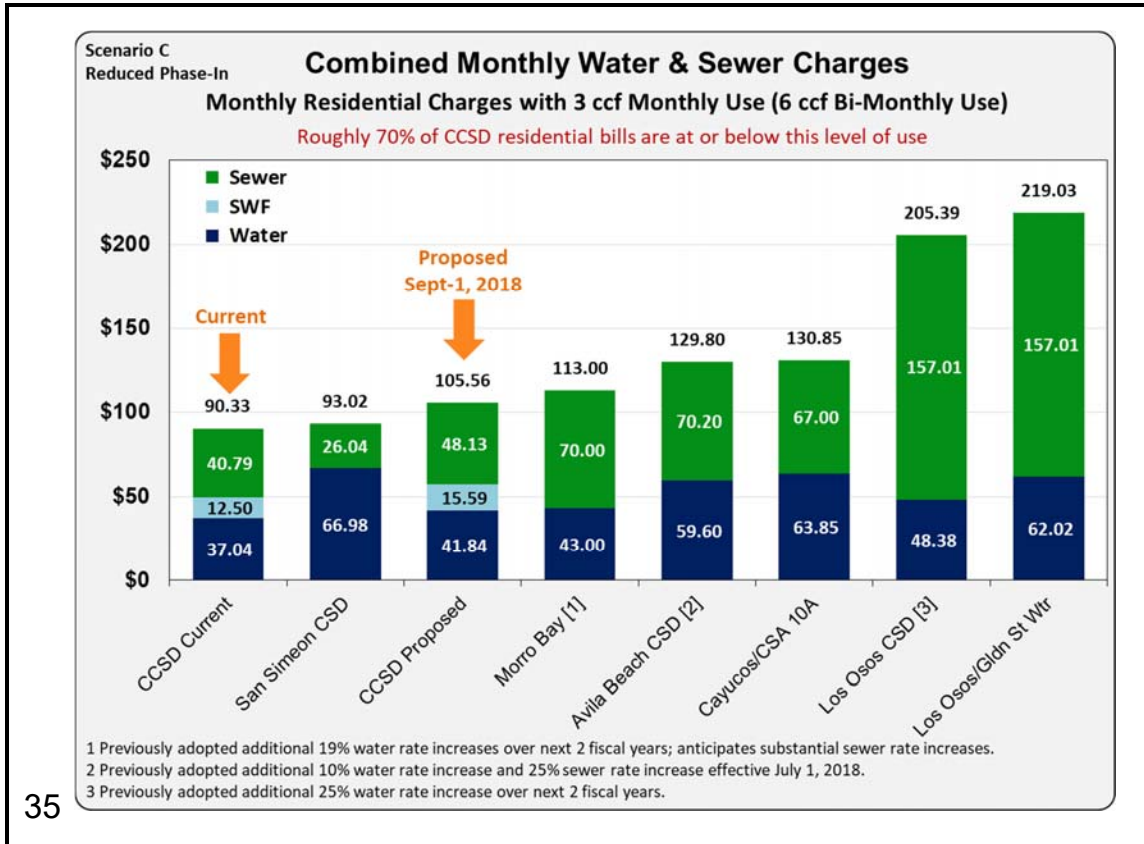
Scenario C: Bill Impacts on a Typical Home

Typical home with 6 ccf bi-monthly use

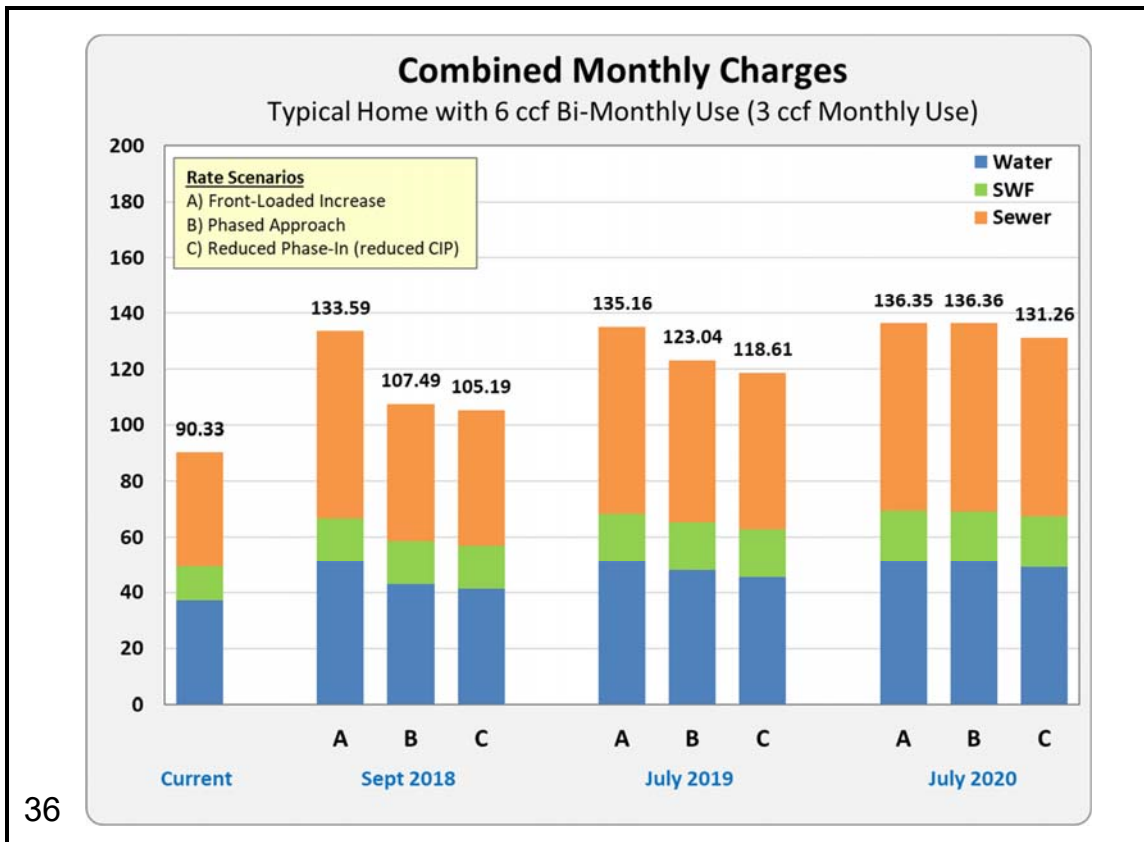
70% of residential bills are currently at or below this level of use

	Current Charges	Charges with Proposed Rates		
		Sept-1, 2018	July-1, 2019	July-1, 2020
WATER				
Fixed Water Charge	\$27.58	\$31.16	\$33.96	\$36.00
Quantity Charge	46.50	52.52	57.22	60.66
Bi-Monthly Total	74.08	83.68	91.18	96.66
<i>Monthly Equivalent</i>	<i>37.04</i>	<i>41.84</i>	<i>45.59</i>	<i>48.33</i>
SWF				
SWF Fixed Charge	13.00	16.16	17.78	19.02
SWF Quantity Charge	12.00	15.02	16.54	17.68
SWF Operating Surcharge	<i>varies</i>	<i>eliminated</i>	<i>eliminated</i>	<i>eliminated</i>
Bi-Monthly Total	25.00	31.18	34.32	36.70
<i>Monthly Equivalent</i>	<i>12.50</i>	<i>15.59</i>	<i>17.16</i>	<i>18.35</i>
SEWER				
Fixed Charge	60.57	71.48	82.92	94.52
Quantity Charge	21.00	24.78	28.74	32.76
Bi-Monthly Total	81.57	96.26	111.66	127.28
<i>Monthly Equivalent</i>	<i>40.79</i>	<i>48.13</i>	<i>55.83</i>	<i>63.64</i>
Total Bi-Monthly Charges	180.65	211.12	237.16	260.64
<i>Monthly Equivalent</i>	<i>90.33</i>	<i>105.56</i>	<i>118.58</i>	<i>130.32</i>

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Issues for Input



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Issues for Board Direction

- **Level of rate increases to include in the Prop. 218 Rate Notice**
 - 3 years of rate increases proposed at this time
 - Substantial steps toward meeting infrastructure funding needs
 - CCSD can re-evaluate rates in future years
- **Effective dates for proposed rate increases**
 - Draft recommendations assume 1st increase is effective Sept-1, 2018 with future increases effective July 1 (corresponding with fiscal year)
- **Need to set date & time for a Public Hearing on proposed rates**
 - e.g. Could be a Special Meeting in August
 - Adopted rates cannot exceed levels included in the Prop 218 Notice

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Questions Discussion & Input

