



# AGENDA

## NOTICE OF REGULAR MEETING

TIME: 6 p.m.

PLACE: Teleconference

DATE: Tuesday, March 15, 2022

Pursuant to the authorizations provided by Government Code section 54953(e), and local county health orders issued to address the COVID-19 pandemic, the Board meeting will be held via Teams Teleconference.

The District Boardroom will be closed to the public.

The public may observe and comment by electronic means as described on Page 4.

**See Page 4 of the Agenda Packet for Teams Teleconference Access Information**

**Our mission is to protect public health and the environment by providing reliable and sustainable water, recycled water, and wastewater services in a safe, efficient, and fiscally responsible manner.**

1. CALL TO ORDER
2. PLEDGE TO THE FLAG
3. ROLL CALL – Members: Goel, Halket, Johnson, Rubio, Vonheeder-Leopold
4. DECLARATION OF TELECONFERENCE MEETINGS
  - 4.A. Authorize Remote Teleconference Meetings until April 14, 2022, Pursuant to California Government Code Section 54953(e) and Approve Continuation of District's State of Emergency in Response to COVID-19 Pandemic by General Manager and Find that the Need for the District's State of Emergency Still Exists  
**Recommended Action:** Authorize by Resolution and Approve by Motion
5. SPECIAL ANNOUNCEMENTS/ACTIVITIES
  - New Employee Introductions
6. PUBLIC COMMENT (MEETING OPEN TO THE PUBLIC)  
At this time those on the teleconference call are encouraged to address the Board on any item of interest that is within the subject matter jurisdiction of the Board and not already included on tonight's agenda. Comments should not exceed five minutes. The President of the Board will recognize each speaker, at which time the speaker should introduce him/herself, and then proceed with his/her comment. Written comments of five minutes or less and received by 5 p.m. on the day of the meeting will be read into the meeting record.
7. AGENDA MANAGEMENT (CONSIDER ORDER OF ITEMS)
8. CONSENT CALENDAR  
Matters listed under this item are considered routine and will be enacted by one Motion, in the form listed below. There will be no separate discussion of these items unless requested by a Member of the Board or the public prior to the time the Board votes on the Motion to adopt.

- 8.A. Approve Regular Meeting Minutes of February 15, 2022  
**Recommended Action:** Approve by Motion
- 8.B. Authorize the General Manager to Execute an Agreement with the City of Livermore and the City of Pleasanton for a Temporary Joint Residential Recycled Water Fill Station  
**Recommended Action:** Authorize by Resolution
- 8.C. Authorize Amendment No. 2 to Task Order No. 1 with Psomas for Construction Management Services for the Primary Sedimentation Expansion and Improvements Project (CIP 17-P004)  
**Recommended Action:** Authorize by Motion

9. BOARD BUSINESS

- 9.A. Approve Interim Agreement Related to the Supply and Sale of Recycled Water with East Bay Municipal Utility District (EBMUD) and DSRSD-EBMUD Recycled Water Authority (DERWA)  
**Recommended Action:** Approve by Resolution
- 9.B. Receive Presentation on Proposed Water Capacity Reserve Fees and Set Public Hearing for April 5, 2022  
**Recommended Action:** Receive Presentation and Approve by Motion
- 9.C. Receive Presentation on District's Water Conservation Status  
**Recommended Action:** Receive Presentation

10. REPORTS

10.A. Boardmember Items

- Joint Powers Authority and Committee Reports  
LAVWMA – February 16, 2022
- Submittal of Written Reports for Day of Service Events Attended by Directors
- Request New Agenda Item(s) Be Placed on a Future Board or Committee Agenda

10.B. Staff Reports

- Event Calendar
- Correspondence to and from the Board

11. CLOSED SESSION

The Board will convene its closed session on a separate teleconference line and return to the open teleconference call for Item 12 when the closed session is completed.

- 11.A. Labor Negotiators Pursuant to Government Code Section 54957.6  
Agency Negotiators: Dan McIntyre, General Manager  
Jan Lee, Assistant General Manager  
Carol Atwood, Administrative Services Director  
Michelle Gallardo, Human Resources and Risk Manager  
Employee Organizations: Stationary Engineers, Local 39  
Additional Attendees: Douglas E. Coty, General Counsel  
Dania Torres-Wong, Sloan Sakai Yeung & Wong LLP

12. REPORT FROM CLOSED SESSION

13. ADJOURNMENT

*All materials made available or distributed in open session at Board or Board Committee meetings are public information and are available for inspection during business hours by calling the District Secretary at (925) 828-0515. A fee may be charged for copies. District facilities and meetings comply with the Americans with Disabilities Act. If special accommodations are needed, please contact the District Secretary as soon as possible, but at least two days prior to the meeting.*

### Teams Teleconference Access Information

Dublin San Ramon Services District  
Regular Board Meeting  
Tuesday, March 15, 2022

If the public wishes to provide comments during Agenda Item 6 – Public Comment, or on any of the agendized items, please join the meeting using the teleconference instructions below, or email written comments to the Board of Directors at [board@dsrsd.com](mailto:board@dsrsd.com) by 5 p.m., Tuesday, March 15, 2022. Written comments, of five minutes or less, will be read into the meeting record during the public comment portion of the agenda or during discussion of the subject of the comment.

**To Join by Computer or Device:**

1. Click [Join Meeting](#).
2. Select how you want to join the Teams meeting.
3. Click “**Join now.**” You can personalize your video and audio preferences before or after joining.
4. Public participants would wait for the meeting host to admit you.
5. You must unmute yourself when you wish to speak by clicking the microphone icon, which is also used to mute yourself when you finish speaking.

**To Join by Phone Only:**

1. Dial **(831) 256-7773** USA Toll from any telephone.
2. Enter Conference ID **643 267 102#** when prompted. DO NOT PRESS \*.
3. Wait for the meeting host to admit you. If you are unsuccessful in joining, hang up and dial in again.
4. You must unmute yourself when you wish to speak by pressing \*6, which is also used to mute yourself when you finish speaking.

**Video Teleconference Meeting Instructions and Information:**

- Stay muted unless speaking.
- Listen for prompts to know when public comments are solicited.
- You must unmute yourself when you wish to speak during Public Comment or during discussion of a particular agenda item. The meeting host can mute but cannot unmute participants.
- Announce yourself and speak slowly and clearly when commenting.
- Call (925) 875-2224 if you experience any technical difficulties.

Boardmembers and staff will be attending the meeting via teleconference. The Board will convene any Closed Sessions on a separate teleconference line and return to the open teleconference meeting for the next agenda item when the Closed Session is completed. The open teleconference meeting will be muted during this time and will resume for the Closed Session report and meeting adjournment.

The Boardroom is closed to the public.

All votes during the meeting will be taken by roll call vote.



**TITLE:** Authorize Remote Teleconference Meetings until April 14, 2022, Pursuant to California Government Code Section 54953(e) and Approve Continuation of District's State of Emergency in Response to COVID-19 Pandemic by General Manager and Find that the Need for the District's State of Emergency Still Exists

**RECOMMENDATION:**

Staff recommends the Board of Directors take the following actions:

1. Authorize, by Resolution, conducting open and public meetings via remote teleconference pursuant to California Government Code Section 54953(e) from March 15, 2022 through April 14, 2022; and
2. Approve, by Motion, a continuation of the State of Emergency response to the COVID-19 pandemic, as declared by the General Manager and confirmed and ratified by Resolution No. 26-20 and find that there exists a need for continuing the District's COVID-19 emergency which the Board last confirmed on February 15, 2022.

**DISCUSSION:**

On March 16, 2020, the General Manager, as the District's Emergency Manager per the Emergency Response Plan policy (P300-16-2), declared a District State of Emergency in response to the COVID-19 pandemic and state and local public health orders that limited the operations of certain businesses and activities to protect public health and slow the spread of the virus. District emergency plans were aggressively implemented to allow for operational flexibility in meeting the challenges of COVID-19, while providing essential water and wastewater services. On March 25, 2020, the Board of Directors approved Resolution No. 26-20, which confirmed the continuation of the District State of Emergency and directed the General Manager to report on progress at least at every regularly scheduled meeting until the State of Emergency is terminated.

Since the first Bay Area Shelter-in-Place order was issued on March 16, 2020, the State of California, Alameda County Health Officer, and California Division of Occupational Safety and Health (Cal/OSHA) have implemented and modified several COVID-19 restrictions that affect DSRSD's safety practices and operations. These COVID-19 restrictions have evolved based on changing pandemic conditions. The District is in compliance with all applicable COVID-19 regulations for the workplace.

**Improving Pandemic Conditions**

Pandemic conditions have significantly improved since the omicron surge in January. COVID-19 cases and hospitalization levels in Alameda County have declined to near pre-surge levels. On January 18, 2022, Governor Newsom announced the State's shift to the next ("endemic") phase of responding to COVID-19, which focuses on learning to live with the coronavirus. On March 1, 2022, the State and Cal/OSHA lifted the indoor mask mandate for unvaccinated individuals in most indoor public settings.

In response to improving pandemic conditions, the District has revised its COVID-19 safety protocols to align with State and Cal/OSHA COVID-19 requirements. Face coverings are now optional for all employees, and signage has been placed in the District's public lobbies and counters stating "Masks Preferred" for the public. The temporary suspension on in-person meetings has also been lifted and employees are now able to attend in-person meetings, trainings, and conferences. Notice has been provided to employees that the District intends to terminate Emergency Teleworking Agreements on April 29, and all remaining teleworkers will be required to return to on-site work full-time starting May 2, 2022.

|   |                              |                            |
|---|------------------------------|----------------------------|
| Originating Department: Office of the General Manager   | Contact: J. Lee              | Legal Review: Not Required |
| Financial Review: Not Required  | Cost and Funding Source: N/A |                            |
| Attachments: <input type="checkbox"/> None <input checked="" type="checkbox"/> Resolution<br><input type="checkbox"/> Ordinance <input type="checkbox"/> Task Order <input type="checkbox"/> Proclamation<br><input type="checkbox"/> Other (see list on right) |                              |                            |

### 30-day Authorization for Remote Meetings

On January 18, 2022, the Board adopted Resolution No. 1-22, authorizing the Board to hold remote teleconference meetings for a 30-day period from January 18 through February 17, 2022, pursuant to California Government Code Section 54953(e). This provision of the Brown Act allows a local agency to conduct virtual meetings provided the Governor has proclaimed a State of Emergency and the Board has declared the need to meet remotely to protect the health and safety of attendees. Local agencies must review and reauthorize the need for conducting remote teleconference meetings every 30 days.

While essential District work-related activities can be conducted safely in person through imposition of various safety protocols, including wearing of appropriate and approved face coverings, sanitizing of equipment, social distancing, minimization of in-person contacts, daily self-symptom checks, and contact tracing of possible virus exposure, Board meetings present a unique challenge due to their being open to the public generally, with limited space in the Boardroom, and limited ability to enforce self-symptom checks and provide contact tracing for potentially exposed individual attendees.

At the last meeting on February 15, 2022, the Board expressed a preference to continue meeting virtually through March due to the unique challenges presented with in-person Board meetings and uncertainty with pandemic conditions and public health orders. Therefore, staff is recommending that the Board approve the attached resolution which would authorize the Board to conduct meetings remotely for a 30-day period from March 15 through April 14, 2022. The Board's adoption of the resolution would allow, but not require, virtual meetings to be conducted for the next 30 days. Therefore, unless further directed by the Board, staff plans to continue with the Board's stated preference to return to in-person meetings in April, starting with the next regularly scheduled Board meeting on April 5, 2022.

The California State of Emergency for COVID-19 remains in effect. To assure proper staffing and support of critical operational functions, staff is requesting the Board find that there still exists a need to continue the COVID-19 State of Emergency reflected by Resolution No. 26-20. If pandemic conditions continue to improve, staff anticipates asking the Board to consider rescinding the District's COVID-18 State of Emergency by the end of April 2022.

RESOLUTION NO. \_\_\_\_\_

RESOLUTION OF THE BOARD OF DIRECTORS OF DUBLIN SAN RAMON SERVICES DISTRICT FINDING THAT THERE IS A PROCLAIMED STATE OF EMERGENCY BY GOVERNOR NEWSOM DUE TO COVID-19, AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE BOARD OF DIRECTORS OF DUBLIN SAN RAMON SERVICES DISTRICT FOR THE PERIOD MARCH 15, 2022 THROUGH April 14, 2022, PURSUANT TO THE AUTHORIZATIONS PROVIDED FOR IN CALIFORNIA GOVERNMENT CODE SECTION 54953(E)

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WHEREAS, the Dublin San Ramon Services District (the “District”) is committed to preserving and nurturing public access and participation in meetings of the Board of Directors; and

WHEREAS, all meetings of the District’s legislative bodies are open and public, as required by the Ralph M. Brown Act (California Government Code Sections 54950–54963), so that any member of the public may attend, participate, and watch the District’s legislative bodies conduct their business; and

WHEREAS, on March 4, 2020, Governor Newsom did declare a State of Emergency, which continues in effect, to make additional resources available, formalize emergency actions already underway across multiple state agencies and departments, and help the State respond to the spread of the novel coronavirus disease 2019 (“COVID-19”); and

WHEREAS, on March 25, 2020, the Board of Directors approved Resolution No. 26-20, ratifying the proclamation of a District State of Emergency by the General Manager, as the District’s Emergency Manager, due to COVID-19; and

WHEREAS, the Board of Directors previously adopted Resolution No. 1-22 on January 18, 2022, finding that the requisite conditions exist for the District’s legislative bodies to conduct remote teleconference meetings without compliance with Government Code Section 54953(b)(3), as authorized by Section 54953(e) which action requires full reauthorization as more than 30 days has passed since it was taken; and

WHEREAS, while the District believes District work-related activities may be conducted safely in person through imposition of various safety protocols, including wearing of appropriate and approved face coverings, sanitizing of equipment, social distancing (which continues to be recommended by the Centers for Disease Control for certain persons), minimizing in-person contacts between staff and public, daily self-symptom checks, and contact tracing of possible virus exposure, Board meetings present a unique challenge due to their being open to the public generally, with limited space in the Boardroom, limited ability to enforce self-symptom checks, and limited ability to provide contact tracing for potentially exposed individual attendees; and

Res. No. \_\_\_\_\_

WHEREAS, at the last meeting on February 15, 2022, the Board of Directors expressed a preference to continue to hold virtual Board of Directors meetings through March 2022 due to the unique challenges presented with in-person Board meetings; and

WHEREAS, per the Board's preference, this Resolution will allow, but not require, virtual meetings to be conducted.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF DUBLIN SAN RAMON SERVICES DISTRICT, a public agency located in the Counties of Alameda and Contra Costa, California, as follows:

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. Findings. The Board hereby finds that the Governor of the State of California has proclaimed a State of Emergency, effective as of its issuance date of March 4, 2020, due to COVID-19. The State of Emergency, as declared by the Governor and District, and as specifically related to the highly transmissible nature of COVID-19 and its variants, has caused, and will continue to cause, conditions of concern to the safety of certain persons within the District, including those who are not fully vaccinated and older and immunocompromised individuals which conditions are likely to be beyond the control of the services, personnel, equipment, and facilities of the District which directly impacts the ability for the District Board of Directors, staff, and members of the public, to meet safely in person.

Section 3. Remote Teleconference Meetings. The General Manager, or designee, are hereby authorized to take all actions necessary to carry out the intent and purpose of this Resolution including, providing for each of the District's legislative bodies to continue to conduct their meetings without compliance with Government Code Section 54953(b)(3), as authorized by Section 54953(e), and that such legislative bodies shall continue to comply with the requirements to provide the public with access to the meetings as prescribed in Section 54953(e)(2).

Section 4. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption and shall be effective until the earlier of (i) April 14, 2022, or (ii) such time the Board of Directors adopts a subsequent resolution in accordance with Government Code Section 54953(e)(3) to extend the time during which the legislative bodies of the District may, in its discretion, continue to teleconference without compliance with Section 54953(b)(3).

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Res. No. \_\_\_\_\_

ADOPTED by the Board of Directors of Dublin San Ramon Services District, a public agency in the State of California, Counties of Alameda and Contra Costa, at its regular meeting held on the 15th day of March, 2022, and passed by the following vote:

AYES:

NOES:

ABSENT:

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Richard M. Halket, President

ATTEST: \_\_\_\_\_  
Nicole Genzale, District Secretary

**DUBLIN SAN RAMON SERVICES DISTRICT**  
**MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS**

**February 15, 2022**

Pursuant to the authorizations provided by Government Code Section 54953(e), and local county health orders issued to address the COVID-19 pandemic, the Board meeting was held via Teams Teleconference. The District Boardroom was closed to the public. The public could observe and comment by electronic means as described on Page 3. As required by the Brown Act, all votes were taken by roll call vote due to the attending Directors participating via teleconference.

1. **CALL TO ORDER**

A regular meeting of the Board of Directors was called to order at 6 p.m. by President Halket.

2. **PLEDGE TO THE FLAG**

3. **ROLL CALL**

**Boardmembers present at start of meeting:**

President Richard M. Halket, Vice President Marisol Rubio, Director Arun Goel, Director Georgean M. Vonheeder-Leopold, and Director Ann Marie Johnson.

**District staff present:** Jan Lee, Assistant General Manager; Carol Atwood, Administrative Services Director/Treasurer; Steve Delight, Engineering Services Director/District Engineer; Jeff Carson, Operations Director; Douglas E. Coty, General Counsel; and Nicole Genzale, Executive Services Supervisor/District Secretary.

4. **SPECIAL ANNOUNCEMENTS/ACTIVITIES** – Assistant General Manager Lee reported that the March 1 Board meeting will likely be cancelled due to a light agenda.

5. **PUBLIC COMMENT (MEETING OPEN TO THE PUBLIC)** – 6:02 p.m. No public comment was received.

6. **AGENDA MANAGEMENT (CONSIDER ORDER OF ITEMS)** – No changes were made.

7. **CONSENT CALENDAR**

Director Vonheeder-Leopold MOVED for approval of the items on the Consent Calendar. Vice President Rubio SECONDED the MOTION, which CARRIED with FIVE AYES per roll call vote.

7.A. Approve Regular Meeting Minutes of February 1, 2022 – Approved

7.B. Accept Regular and Recurring Report: Quarterly Financial Report – Approved

7.C. Approve Letter of Agreement between Stationary Engineers, Local 39 and the Dublin San Ramon Services District – Approved – Resolution No. 8-22

**8. BOARD BUSINESS**

8.A. Hold Public Hearing: Adopt Resolution Establishing Miscellaneous Fees and Charges and Rescind Resolution No. 30-20

President Halket announced the item and declared the Public Hearing open. He asked for the staff presentation. Financial Analyst Mubeen Qadar reviewed the item for the Board.

President Halket inquired if there were any comments from the public. There was no public comment received. President Halket declared the Public Hearing closed.

The Board and staff discussed the public noticing requirements regarding the item. Staff confirmed the Bay Area News Group printed the required public hearing notice on February 5 and 10 (in a publication of wide distribution within the District's service area); the agenda materials were also published on February 10.

Director Goel MOVED to adopt Resolution No. 9-22, Establishing Fees and Charges Under District Code Sections 1.100.010, 1.30.010 (B), 1.40.040, 1.50.010, 1.50.070, 2.30.050, 3.70.070 (A) & (B), 3.70.060, 4.30.070, 4.40.040 (A) & (B), 4.40.050, 4.40.070, 4.40.080 (A), 4.40.080 (C), 4.40.090 (A) & (B), and 5.30.090, and Rescinding Resolution No. 30-20. Vice President Rubio SECONDED the MOTION, which CARRIED with FIVE AYES per roll call vote.

8.B. Approve Continuation of District's State of Emergency in Response to COVID-19 Pandemic by General Manager and Find that the Need for the District's State of Emergency Still Exists

Assistant General Manager Lee reviewed the item for the Board. The Board and staff discussed the possible continuation of virtual Board meetings in March, or returning to in-person meetings, due to the State's mask mandate expiring today. The Board determined it would like to proceed with caution and hold virtual meetings in the next month to see what transpires as a result of the lifted restriction in the coming weeks.

Director Johnson MOVED to Approve Continuation of District's State of Emergency in Response to COVID-19 Pandemic by General Manager and Find that the Need for the District's State of Emergency Still Exists, and to Recommend that Staff Prepare for Holding Virtual Board Meetings in March 2022. Vice President Rubio SECONDED the MOTION, which CARRIED with FIVE AYES per roll call vote.

8.C. Authorize the General Manager to Increase Contract Total for McGuire and Hester and West Valley Construction Company, Inc. for the On-Call Water System and Sewer System Repairs (FYE 2020-2022)

Engineering Services Director Delight reviewed the item for the Board. He showed photographs of recent emergency infrastructure repair efforts, which have contributed to the increased in expenditures from the on-call repair work contract budget. The photographs were added to the website as supplementary materials. Staff explained

that in addition to a higher volume of unexpected repairs, the rising costs of materials as well as COVID safety protocols have contributed to the increased expenditures.

Director Goel MOVED to Authorize the General Manager to Increase Contract Total for McGuire and Hester and West Valley Construction Company, Inc. for the On-Call Water System and Sewer System Repairs (FYE 2020-2022). Director Vonheeder-Leopold SECONDED the MOTION, which CARRIED with FIVE AYES per roll call vote.

## 9. REPORTS

### 9.A. Boardmember Items

- Joint Powers Authority and Committee Reports  
DSRSD/City of Dublin – February 2, 2022  
DERWA – February 7, 2022

President Halket invited comments on recent JPA/committee activities. Directors felt the available staff reports adequately covered the many matters considered at the JPA/committee meetings and made a few comments about some of the JPA/committee activities.

- Submittal of Written Reports for Day of Service Events Attended by Directors

Director Vonheeder-Leopold submitted written reports to Executive Services Supervisor/District Secretary Genzale. She reported that she attended the Alameda County Special Districts Association Executive Committee meeting on February 9 and the California Association of Sanitation Agencies Board of Directors meeting on February 10. She summarized the activities and discussions at the meetings.

Vice President Rubio submitted a written report to Executive Services Supervisor/District Secretary Genzale. She reported that she attended a Legislative Roundtable with Assemblymember Rebecca Bauer-Kahan on February 3. She summarized the activities and discussions at the meeting.

Director Goel reported that he will be absent from the April 5 Board meeting. He also reported that a LAVWMA Board meeting will be held tomorrow night.

- Request New Agenda Item(s) Be Placed on a Future Board or Committee Agenda –  
None

### 9.B. Staff Reports

- Event Calendar – Assistant General Manager Lee had nothing to report.
- Correspondence to and from the Board on an Item not on the Agenda

President Halket reported that he observed the puddling of recycled water at Dolan Par as reported to the Board, via email, by Dublin resident Mr. Mike Grant. He requested staff send Mr. Grant a status regarding his concern and forward the issue

to City of Dublin to address its faulty sprinkler system if staff has not already done so.

10. CLOSED SESSION

At 6:47 p.m. the Board went into Closed Session.

10.A. Conference with Legal Counsel – Existing Litigation Pursuant to Government Code Section 54956.9(d)(1)  
Name of Case: DSRSD v. Verizon/Golden State Utility Co v. Republic Telecom, Case No. C20-01852

11. REPORT FROM CLOSED SESSION

At 7:05 p.m. the Board came out of Closed Session. President Halket reported that the Board has authorized payment of a settlement in the amount of \$250,000, as well as associated mediation costs estimated to be \$6,000 – \$9,000, in a total amount not to exceed \$259,000.

12. ADJOURNMENT

President Halket adjourned the meeting at 7:06 p.m.

Submitted by,

Nicole Genzale, CMC  
Executive Services Supervisor/District Secretary



**TITLE:** Authorize the General Manager to Execute an Agreement with the City of Livermore and the City of Pleasanton for a Temporary Joint Residential Recycled Water Fill Station

**RECOMMENDATION:**

Staff recommends the Board of Directors authorize, by Resolution, the General Manager to execute an agreement with the City of Pleasanton and the City of Livermore for a Temporary Joint Residential Recycled Water Station.

**DISCUSSION:**

The Board previously directed staff to work out the details for a joint venture with Pleasanton and Livermore to design, construct, and operate a temporary Tri-Valley Residential Fill Station at the District's vacant Gleason property. Over the past several months, staff has made several presentations to update the Board regarding the concepts and estimated costs of the Tri-Valley Residential Fill Station. Staff has completed negotiations with the partner agencies.

The agreement is a five-year partnership between the three agencies and outlines the roles and responsibilities of each agency. The District is providing the space for the fill station at the District's Gleason property and is responsible for various required permits. The City of Pleasanton will provide financial management of the fill station including receiving and tracking all invoices, billing each party, and selling annual passes. The City of Livermore is providing the staffing for the fill station. Livermore is also providing the recycled water that will be served to customers at the fill station through a water transfer with Pleasanton by delivering recycled water to Pleasanton's recycled water system through a connection on the east side of its distribution system. Water that is provided to Pleasanton by Livermore through the delivery will be "offset" by an equal reduction in delivery on the west side of its system. This "offset" will be provided at the temporary fill station. The estimated annual demand at the fill station is 25 – 30 million gallons.

Costs will be shared equally among each agency. At this time, design and construction costs are estimated at \$1,000,000 and annual operating costs are estimated at \$300,000. An annual pass will be sold to fill station users to recover some of the program costs. Passes will be available to customers within each agency's service area and portions of San Ramon that are within the DERWA (DSRSD-EBMUD Recycled Water Authority) service area. If use of the residential fill station matches the level of public interest in the 2014–2016 period, staff estimates that \$250,000 of revenue would be generated each year the residential recycled fill station is in operation over the next five years.

To minimize traffic impacts in the City of Dublin, the fill station will be operated six days per week (Tuesday – Sunday), excluding holidays, during non-peak traffic hours.

In January, DSRSD, in agreement with City of Livermore and City of Pleasanton, determined that the project is exempt from California Environmental Quality Act. A Notice of Exemption was filed with the Alameda County Clerk in February 2022.

|   |  |                   |
|---|--|-------------------|
| Originating Department: Engineering Services  | Contact: S. Mann / S. Delight  | Legal Review: Yes |
| Financial Review: Not Required  | Cost and Funding Source: \$100,000 from Water Operations (Fund 600) for Operation and \$333,333 from Water Replacement (Fund 610) for Construction |                   |
| Attachments: <input type="checkbox"/> None <input checked="" type="checkbox"/> Resolution<br><input type="checkbox"/> Ordinance <input type="checkbox"/> Task Order <input type="checkbox"/> Proclamation<br><input type="checkbox"/> Other (see list on right) |  | 14 of 115         |

RESOLUTION NO. \_\_\_\_\_

RESOLUTION OF THE BOARD OF DIRECTORS OF DUBLIN SAN RAMON SERVICES DISTRICT AUTHORIZING THE GENERAL MANAGER TO EXECUTE AN AGREEMENT WITH THE CITY OF LIVERMORE AND THE CITY OF PLEASANTON FOR A TEMPORARY JOINT RESIDENTIAL RECYCLED WATER FILL STATION

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WHEREAS, the State of California continues to experience drought conditions; and

WHEREAS, in September 2021, the Zone 7 Water Agency declared a drought emergency and Stage 2 Water Shortage Emergency which remains in effect and requires mandatory 15% water conservation from all Tri-Valley Water Service providers; and

WHEREAS, section 2(e) of the District's Water Recycling policy (P300-20-2) states that the District will provide recycled water to residential customers only in times of mandatory water conservation; and

WHEREAS, the District has partnered with the City of Livermore and the City of Pleasanton to design, construct, and operate a temporary joint recycled water fill station for residential customer use; and

WHEREAS, each agency will equally share in the design, construction, and operational costs of the temporary joint recycled water fill station; and

WHEREAS, the City of Livermore will provide temporary staffing and recycled water supply, the City of Pleasanton will provide the financial oversight, and the District will provide the land to site the fill station and take the lead on required permits.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF DUBLIN SAN RAMON SERVICES DISTRICT, a public agency located in the Counties of Alameda and Contra Costa, California, that:

The General Manager, or designee, is hereby authorized and directed to execute, for and on behalf of Dublin San Ramon Services District, that certain agreement entitled Agreement for a Temporary Joint Residential Recycled Water Fill Station at 5287 Gleason Drive Between Dublin San Ramon Services District, City of Pleasanton, and City of Livermore (attached hereto as Exhibit "A" and incorporated herein by this reference), including any non-substantive revisions, in a form to be approved by legal counsel.

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Res. No. \_\_\_\_\_

ADOPTED by the Board of Directors of Dublin San Ramon Services District, a public agency in the State of California, Counties of Alameda and Contra Costa, at its regular meeting held on the 15th day of March, 2022, and passed by the following vote:

AYES:

NOES:

ABSENT:

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Richard M. Halket, President

ATTEST: \_\_\_\_\_  
Nicole Genzale, District Secretary

**AGREEMENT FOR A TEMPORARY JOINT RESIDENTIAL RECYCLED WATER  
FILL STATION AT 5287 GLEASON DRIVE BETWEEN DUBLIN SAN RAMON  
SERVICES DISTRICT, CITY OF PLEASANTON, AND CITY OF LIVERMORE**

This Agreement for a Temporary Joint Residential Recycled Water Fill Station at 5287 Gleason Drive Between the Dublin San Ramon Services District (DSRSD), City of Pleasanton, and City of Livermore ("Agreement") is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2022. DSRSD, City of Pleasanton, and City of Livermore are individually referred to as "Party," and collectively as "Parties."

**W I T N E S S E T H**

WHEREAS, in July 2020, an update of the DSRSD's Water Recycling policy was adopted by DSRSD Board of Directors which stated the DSRSD would provide recycled water for off-haul to residential customers only in times of mandatory potable water conservation; and

WHEREAS, the Parties desire to cooperate on the development, construction, and operation of a Temporary Joint Residential Recycled Water Fill Station, to be operational by April 1, 2022, if mandatory restrictions on the use of potable water for irrigation are in effect for the Tri-Valley in 2022; and

WHEREAS, DSRSD has insufficient available recycled water supply to operate a residential recycled water fill station on peak days; and

WHEREAS, the City of Livermore has available recycled water supply, and an interconnection with the City of Pleasanton's recycled water system; and

WHEREAS, the Temporary Joint Residential Recycled Water Fill Station will be located on DSRSD property at 5287 Gleason Drive, Dublin, California (the "Gleason Property") as depicted on Exhibit A attached hereto.

NOW, THEREFORE, in consideration of the recitals and mutual obligations herein expressed, the Parties do hereby agree as follows:

## **I. PURPOSE AND LIMITATIONS**

1. The purpose of this Agreement is to set forth the terms, conditions, and responsibilities of the Parties for the planning, design, construction, operation, and maintenance of a **Temporary Joint Residential Recycled Water Fill Station at 5287 Gleason Drive Project** (“Project”).
2. The Parties acknowledge and agree that this Agreement is intended to provide for a Temporary Joint Residential Recycled Water Fill Station to be planned, designed, operated, and maintained during the period of January 1, 2022 through December 31, 2027. Operations of the recycled water fill station would only occur if mandatory restrictions on the use of potable water for irrigation are implemented in the Tri-Valley during that time period. This Agreement is not intended to provide a permanent recycled water fill station for residents due to recycled water supply limitations and the cost and resources required to operate a fill station.
3. No term of this Agreement is intended to imply that a long-term agreement will follow or will bind the Parties as to negotiating any future agreement between them.

## **II. GOOD FAITH, COOPERATION, CONDITIONS, AND SCHEDULE**

1. The Parties commit to diligently and in good faith cooperate towards the beneficial use of the Project, conditioned upon each of the following occurring:
  - a. DSRSD’s development of the design, construction, and permitting of the Project; and
  - b. The City of Pleasanton developing the surface site improvements to the Gleason Property, development of customer payment, collection, and revenue disbursement systems and processes, and
  - c. The City of Livermore providing adequate staffing and recycled water supply for the Project.
2. It is anticipated that Project related improvements to the Gleason Property would begin in or before March 2022 conditioned on water supply availability and drought conditions effecting the Tri-Valley and the imposition of mandatory restrictions on use of potable water for irrigation.

For example, if 2022 water supply conditions indicate that mandatory reductions in the use of potable water for irrigation are unlikely to be imposed by Zone 7 or the State for the summer months, design and planning activities would continue, however, construction activities would be deferred or suspended to a future year.

Any decision to defer or suspend construction activities will be made by unanimous written decision of the principal staff for each Party no later than March 16, 2022.

The Parties agree to cooperate and work diligently to complete the Project in order for operations of the fill station to begin in April 2022, subject to the water supply and drought conditions as described herein.

3. No Party is a contractor or employee to or of any other Party. The Project is a temporary joint drought and water supply reliability project, with the Parties jointly sharing the benefits and risks of the Project.

### **III. TERM**

This Agreement is effective as of the date the last signature is affixed and transcribed above and shall extend through and include December 31, 2027, unless extended further pursuant to Section VII.B. of this Agreement.

### **IV. RESIDENTIAL RECYCLED WATER FILL STATION**

#### ***A. Site Description***

1. For the term of this Agreement, DSRSD shall make available, at its sole cost and without requiring rent or lease payments from the other Parties, approximately 1.5 acres of total 12.8 acres of the Gleason Property as the site for the Project.

#### ***B. Design***

1. DSRSD will provide planning and design services for the Project with the City of Livermore providing review and design assistance.
2. DSRSD will be responsible for obtaining all required permits from City of Dublin and any other required permits to construct the Project, including authorization from any State agency as may be required.
3. The City of Pleasanton shall provide timely review and provide comments and input on the draft design to DSRSD and City of Livermore.
4. To the extent reasonably possible while meeting the objectives of the Project, the Project shall be designed to minimize impacts to:
  - a. Traffic conditions within the City of Dublin; and
  - b. The City of Livermore's recycle water supply and staffing; and
  - c. The City of Pleasanton's road-paving crews.
5. Each Party will provide available information, including recycle water flows, available metering infrastructure and facilities, and other available information as requested by any Party for use in the planning, design, operations, and maintenance of the Project.

**C. Construction**

1. DSRSD will be responsible for all recycled water plumbing improvements including but not limited to connection to the DSRSD recycled water main at Broder Blvd., all valves, pipes, and hoses, either through an on-call contract, or by soliciting bids at the sole discretion of DSRSD.
2. City of Pleasanton will be responsible for all site surface improvements including but not limited to grading, paving, striping, signage, gates, and driveways, either through an on-call contract, or by soliciting bids at the sole discretion of City of Pleasanton.
3. If DSRSD and the City of Pleasanton solicit bids pursuant to this subsection, the Parties' bids may for convenience and potential Project cost-savings be combined into a single bid solicitation.
4. City of Livermore will be responsible for any modifications needed offsite at its metering equipment with City of Pleasanton.
5. DSRSD will be responsible for any modifications needed offsite at its metering equipment with City of Pleasanton.

**D. Recycled Water Supply**

1. City of Livermore will provide the total quantity of recycled water supply required for the Project. The quantity of recycled water that will be made available to residential users of the Project is therefore limited by the recycled water supplies to be made available by the City of Livermore.
2. To provide the recycled water supply for the Project, City of Livermore and City of Pleasanton shall cooperate to allow for the City of Livermore to deliver recycled water supplies to augment recycled water service delivered to the east side of Pleasanton on peak days. The delivery of City of Livermore recycled water supplies will therefore reduce City of Pleasanton's demand on the Dublin San Ramon Services District – East Bay Municipal Utility District Recycled Water Agency (DERWA) recycled water program, which shall offset the demand from the operation of the fill station at Gleason Property.
3. The Parties acknowledge and agree that the Project shall not impact any DERWA recycled water supplies or deliveries to DERWA customers and no DERWA recycled water supply will be made available for use by the Project.

**E. Metering**

1. City of Livermore has a metered flow control valve connection with City of Pleasanton for recycled water supply. The existing recycled water infrastructure can deliver recycled water into City of Pleasanton's Tassajara Reservoir. All of City of Livermore's recycled water sold to the City of Pleasanton runs through a 12" water meter near the intersection of El Charro Rd and Jack London

Boulevard. Recycled water supplies delivered by City of Livermore to City of Pleasanton for Project uses will be sold at City of Livermore's standard rates, effective at the time of delivery.

2. The maximum daily recycled water demand of the Project is estimated at 0.4 million gallons per day ("MGD").

***F. Staffing***

1. City of Livermore will be responsible for hiring and providing temporary employees to operate the recycled water fill station.
2. DSRSD, with the assistance of the City of Livermore, will provide training of the temporary staff hired to operate the recycled water fill station.
3. Only the cost of employees to operate the recycled water fill station will be jointly shared costs. All other staff time provided for the Project will be the responsibility of the party providing it.

***G. Cost Sharing***

1. Development, construction, operation, and maintenance costs will be funded equally by the Parties. Project development costs (including all planning, design, permitting, and construction costs) are estimated at \$1,000,000. Annual operating costs, including required staffing, maintenance activities, utility costs, purchase of recycled water supply from Livermore, and all associated labor costs, are estimated at \$300,000.
2. City of Livermore will incur energy costs specifically associated with the production of the additional recycled water required for the Project. Energy costs for the months that the Project was operating and open to residents will be produced and provided by the City of Livermore at the end of each year.
3. Recycled water purchase costs are as follows for City of Livermore: costs \$3.30 per CCF or 748 gallons (2022 cost). Recycled water purchase costs are as follows for DERWA: \$1.39 per CCF or 748 gallons (for 2022). The rates provided may be subject to change during the term of Agreement. The Parties agree to notify each other before changes are made to the recycled water purchase rates; however, the Parties acknowledge and agree that DERWA's rates are set independently by DERWA and are not subject to the control of any Party to this Agreement.
4. The jointly shared costs described herein may be partially reimbursed by Program Fee revenues (described below), subject to availability.

#### ***H. Program Fee***

1. The Project will have a cost recovery fee program (the “Program Fee”) to be paid annually. Residential users of the Project shall be required to sign up for program at an initial annual cost of \$100. Payment of the Program Fee will allow the residential user access to the fill station and recycled water supply for the period during which the Project is in operation during the calendar year in which the fee was paid (e.g. a “season pass”). The Parties shall meet and confer annually on the amount of the Program Fee.
2. City of Pleasanton will provide financial management services for the Project, including:
  - a. receiving copies of invoices for all construction, operating and maintenance costs incurred by the Parties;
  - b. establishing separate project accounts to track the expenditures, revenues, and reimbursements;
  - c. billing the Parties for their share of the costs incurred;
  - d. remitting reimbursements to the Party that incurred each expense;
  - e. billing residential users and collecting the Program Fees appropriately; and
  - f. distributing Program Fee revenues equitably to the Parties each year by December 31<sup>st</sup>.

#### ***I. California Environmental Quality Act (CEQA)***

1. DSRSD will be the lead agency and prepare and file any required environmental analysis for the Project pursuant to the California Environmental Quality Act (“CEQA”).
2. City of Pleasanton and City of Livermore will cooperate with DSRSD and assist DSRSD as requested in the preparation of any CEQA document and shall each act as responsible agencies as required pursuant to CEQA.
3. The Parties agree to work cooperatively to ensure Project compliance with the California Environmental Quality Act (CEQA).
4. Entering into this Agreement does not pre-determine any actions that may be required pursuant to CEQA and each Party, according to its own judgment, may take any additional actions pursuant to federal or state resource protection laws that it determines are required for its continued participation in the Project

### **V. PROJECT OPERATION**

#### ***A. Recycled Water Fill Station Operations***

1. To minimize traffic impacts in the City of Dublin, the fill station will only be operated 6-days per week (Tuesday – Sunday), excluding holidays, and only during non-peak traffic hours. The non-peak hours are established to be between

9:30 A.M. to 3:30 P.M. daily. Modifications to the established non-peak hours shall be provided to the City of Dublin for comment prior to their taking effect.

2. Any repairs or maintenance needed on site to keep the fill station operational shall be performed on Mondays unless it is an urgent or emergency matter. Urgent or emergency matters are discussed in Section C.
3. The Parties shall jointly confer to adjust hours of operation to meet the high customer demand outside of non-peak hours (subject to the availability of trained staffing), to meet low customer demand during non-peak hours, or if there is insufficient trained staff to safely operate the Project during any hours of operation.
4. The Project will only be operated during periods when mandatory restrictions on the use of potable water for irrigation have been imposed on the Tri-Valley. The Project will not be operated in any non-drought year or any drought period where mandatory water use restrictions have not been imposed.
5. It is anticipated that the Project will be operated only during the months of April through October, or as otherwise determined by the Parties. The Parties shall agree in writing, no later than February 28th of each year during the pendency of this Agreement, if the Project will be operational during the upcoming operating period.

***B. Notification and Reporting***

1. In order to effectuate the additional sale of recycled water to the City of Pleasanton by the City of Livermore, DSRSD will coordinate with the City of Pleasanton to reduce their deliveries of recycled water and provide notice to the City of Livermore.
2. A minimum of 24-hour advanced notice is required for any operational changes to DSRSD's recycled water system.
3. A separate Standard Operating Procedure ("SOP") will be created by the Parties to establish contacts and procedures for making required changes to any Party's recycled water operations pursuant to this Agreement.

***C. Urgent or Emergency Matters***

1. In the case of an urgent or emergency situation involving the Project, the Parties agree to promptly communicate and work cooperatively to respond.
2. Any Party may respond to and resolve any urgent or emergency situation that occurs with the Project; however, DSRSD will be the lead responder to address issues related to recycled water delivered to the Gleason Property.

3. When emergency response assistance is required by any Party related to the Project, mutual assistance or aid may be requested in accordance with any applicable mutual aid or operations agreements.
4. The Parties shall create and maintain an emergency contact list, which shall include names, roles, and emergency contact information for emergency response personnel. If an urgent or emergency condition exists, the responding Party shall attempt to reach their counterpart, by telephone as soon as reasonably possible.
5. No Party to this Agreement, or a third party under contract with a Party, shall be constrained in an urgent or emergency situation from expending funds or performing work on the Project that is in compliance with state and local emergency procurement requirements, in order to prevent or mitigate the loss or impairment of life, health, property or essential public services to its customers at its individual expense and in accordance with its policies and procedures. In such an event, the Party performing, or that has authorized, the work shall notify the other Parties soon as reasonably practical.

## **VI. REPORTING**

On a monthly basis, the Parties will do the following:

- a) DSRSD will prepare and provide a report to City of Livermore and City of Pleasanton on total quantity of recycled water delivered to the recycled water fill station for the prior month;
- b) City of Livermore will provide the number of daily vehicle trips at the station (broken down by city of residence);
- c) City of Pleasanton will provide the number of residential customers and the amount of Program Fee revenues received and provide a report of season passes sold with residency and contact information of the purchaser of the season pass (including the physical address and phone number) to the corresponding jurisdiction.

## **VII. GENERAL PROVISIONS**

### ***A. Termination***

The Parties may, at any time, terminate the Agreement immediately or suspend operations, subject to any actions determined necessary to safely terminate or suspend operations and apportion costs as described in paragraphs 3 and 4 of this Section VII.A. Termination pursuant to this paragraph shall be unanimous and be documented in a writing pursuant to Section VII.B. of this Agreement.

Except as expressly provided for in the preceding paragraph, a three-year term commitment is expected of the Parties. A Party may, however, terminate its participation in this Agreement and the Project by delivering to the other Parties, no later than August 28, 2025 or August 28, 2026, a written Notice of Intention to Terminate to be effective for the 2026 and 2027 operational years respectively.

No later than 60 days after the issuance by one or more Parties of a Notice of Intention to Terminate pursuant to the preceding paragraph, the Parties shall meet and confer regarding the Project and its continued operation, abandonment, dismantling, or demolition.

In the event the Project is abandoned, dismantled, or demolished, the Parties hereby agree to a co-equal cost-share of all costs incurred as a result. Should Project operations continue, the remaining Parties to the Agreement will negotiate updated cost-sharing consistent with this Agreement.

***B. Amendment***

No modification or amendment of this Agreement will be valid unless made in writing and signed by the duly authorized representatives of the Parties.

***C. Assignment and Successors***

No Party will assign any right or interest in this Agreement, or any part thereof, without the written consent of the other Parties, which consent shall be at the sole discretion of the consenting Party or Parties. This Agreement will bind the successors of the Parties in the same manner as if they were expressly named.

***D. Dispute Resolution***

In the event of a dispute between a Party or Parties over the meaning of this Agreement or any term thereof, each Party will assign an appropriate management executive to meet in good faith with the other Parties to attempt to resolve the matter. Should informal efforts fail to resolve a dispute, the Parties may agree to mediation or arbitration, or pursue other available legal remedies.

***E. Compliance With Laws***

Each Party will comply with all federal and state laws, local ordinances, regulations, and orders applicable to the work it will perform under this Agreement.

***F. Indemnification***

The Parties, their officers, employees, staff, and agents shall use ordinary care and reasonable diligence in the exercise of their powers and in the performance of their duties pursuant to this Agreement.

No Party, its officers, directors, or employees shall be responsible for any action taken or omitted by any other Party, or its officers, directors, or employees. To the extent allowed by law, the Parties repudiate the provision for joint and several tort liability provided under Government Code Section 895.2, and agree, pursuant to Government Code Section 895.4, that each Party shall fully indemnify and hold harmless each other Party and its agents, officers, employees, and contractors from and against all claims, damages, losses, judgments, liabilities, expenses, and other

costs, including litigation costs and attorney fees, arising out of, resulting from, or in connection with any negligent or wrongful act or omission of such Party in the performance of this Agreement, and the Parties intend that each Party provide indemnity or contribution in proportion to that Party's responsibility for any such claim, damage, loss, judgment, liability, expense or other cost, as determined under principles of comparative negligence.

Subject to and pursuant to the above, the Parties agree to share the costs of any third party-initiated claim or litigation resulting or arising from the Project or its operations.

#### ***G. Insurance***

Each Party, at its sole cost and expense, shall carry insurance, or self-insure, its activities in connection with this Agreement, and obtain, keep in force and maintain, insurance or equivalent programs of self-insurance, for general liability, workers compensation, property (apparatus and equipment), and business automobile liability adequate to cover its potential liabilities under this Agreement. Each Party is responsible for its own self-insured retentions and deductibles.

#### ***H. Notice***

All notices required to be given, or which may be given by one Party to the other, will be deemed to have been fully given and fully received: (A) immediately upon personal delivery; (B) three days after the notice is deposited in the United States mail, registered and postage prepaid and addressed to the Party for whom intended; or (C) on the same day as electronic transmission is sent as long as the transmitting Party receives confirmation of the transmission's delivery.

DSRSD:

Dan McIntyre, General Manager  
Dublin San Ramon Services District  
7051 Dublin Boulevard  
Dublin, CA 94568  
(925) 875-2200  
mcintyre@dsrsd.com

City of Pleasanton:

Kathleen Yurchak, Director of Ops & Water Utilities  
City of Pleasanton  
3333 Busch Road  
Pleasanton, CA 94566  
(925) 931-5506  
kyurchak@cityofpleasantonca.gov

City of Livermore:

Scott Lanphier, Director of Public Works  
City of Livermore

1052 S. Livermore Ave.  
Livermore, CA 94550  
(925) 960-8003  
smlanphier@cityoflivermore.net

The Parties may unilaterally modify the name, position, or address for notices pursuant to this Agreement; notification of which will be in writing and provided to each Party.

***I. Signatures***

The individuals executing this Agreement represent and warrant that they have the legal capacity and authority to do so on behalf of their respective legal entities. This Agreement may be executed in counterpart which when taken together shall be considered one and the same agreement. Facsimile, including email, and electronic signatures shall be binding.

***J. Severability***

If any term or provision of this Agreement is deemed invalid or unenforceable by a court of competent jurisdiction or by operation of any applicable law, it will not affect the validity of any other provision, which will remain in full force and effect.

***K. Governing Law and Venue***

This Agreement is governed by and will be interpreted in accordance with the laws of the State of California. Venue shall be in the Superior Court of the County of Alameda.

***L. No Third-Party Beneficiaries***

No third-party beneficiaries are intended or created by this Agreement.

***M. Complete Agreement***

This Agreement represents the entire agreement between the Parties relating to the subject matter hereof.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year of the last signature affixed below and first above written.

DUBLIN SAN RAMON SERVICES DISTRICT

By:

Date:

\_\_\_\_\_  
Dan McIntyre  
Title: General Manager

Approved as to form:

Douglas E. Coty, General Counsel

CITY OF PLEASANTON

By:

Date:

\_\_\_\_\_  
Brian Dolan  
Title: Interim City Manager

Approved as to form:

Daniel G. Sodergren, City Attorney

CITY OF LIVERMORE

By:

Date:

\_\_\_\_\_  
Marc Roberts  
Title: City Manager

Approved as to form:

Jason R. Alcala, City Attorney

Exhibit A – Project Location Map

## **EXHIBIT A**

### **JOINT RESIDENTIAL RECYCLED WATER FILL STATION AT 5287 GLEASON DRIVE PROJECT LOCATION MAP**

Dublin San Ramon Services District Property - Location Map





**TITLE:** Authorize Amendment No. 2 to Task Order No. 1 with Psomas for Construction Management Services for the Primary Sedimentation Expansion and Improvements Project (CIP 17-P004)

**RECOMMENDATION:**

Staff recommends the Board of Directors authorize, by Motion, Amendment No. 2 to Task Order No. 1 with Psomas for construction management and inspection services to close out the construction of the Primary Sedimentation Expansion and Improvements Project (CIP 17-P004) ("Project") by increasing the total amount from \$1,549,000 to \$1,599,000.

**DISCUSSION:**

The Project has been under construction since April 2019 and has an authorized construction contract total just under \$14,000,000. The contractor is nearly complete and has successfully constructed one new primary sedimentation tank (Primary Tank 5), partially demolished and replaced one of the existing tanks (Primary Tank 4), added an additional grit tank (Grit Tank 4), coated the influent and effluent channels, replaced the internal mechanical mechanisms in the three remaining primary sedimentation tanks, and replaced the motor control center for the equipment associated with the primaries.

On October 16, 2018, the Board approved a Master Agreement for Consulting Services with Psomas, and authorized the execution of Task Order No. 1 for construction management and inspection services for the Project in the amount of \$1,381,000. The original scope of work and task order were based off available information at 50% design and at that time had an estimated 742 days to complete construction. Final design was completed 2 months after authorization of the original task order, which revised the construction time to 925 days (an additional 6 months). Rather than amending Task Order No. 1 at the start of the Project, Psomas recommended delaying it to see if the Project would end ahead of schedule, which would allow the Project to remain within budget. As the Project was nearing the last six months of construction, Psomas' budget had been exhausted. To maintain Psomas' assistance for the Project, an additional \$168,000 was estimated and authorized on August 4, 2021, under the General Manager's signing authority (\$175,000 total limit).

At the beginning of February 2022, all primary and grit tanks were put into operation. There are additional outstanding items that are needed in order to finalize and close out the Project. Due to construction delays on materials at the end of the Project, there is continued coordination to finalize potential change orders. Psomas has estimated that an additional \$50,000 is required to complete project close-out, which is centered on final change order negotiation.

As of today, with the recommended amendment for construction management services, the Project is still within the approved budget of \$19,000,000. However, pending the outcome of final change order negotiation, a budget adjustment may be necessary in the future.

|   |   |                            |
|---|---|----------------------------|
| Originating Department: Engineering Services  | Contact: J. Yee / S. Delight  | Legal Review: Not Required |
| Financial Review: Not Required  | Cost and Funding Source: \$50,000<br>Regional Wastewater Expansion (Fund 320) – 85%<br>Regional Wastewater Replacement (Fund 310) – 15% |                            |
| Attachments: <input type="checkbox"/> None <input type="checkbox"/> Resolution<br><input type="checkbox"/> Ordinance <input checked="" type="checkbox"/> Task Order <input type="checkbox"/> Proclamation<br><input type="checkbox"/> Other (see list on right) |   | 30 of 115                  |

**Psomas**

**Amendment No. 2 to Task Order No. 1 to Agreement No. A18-19 dated 11/01/2018**

***Agreement Expiry Date: 12/31/2021 (Extended by this Task Order)***

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Issue Date: 03/15/2022  
Project Name and Number: Primary Sedimentation Expansion and Improvements (CIP 17-P004)  
Task Title: Construction Management and Inspection Services  
Project Manager Name and Signature: Jackie Yee \_\_\_\_\_  
Source of Funds: Regional Wastewater Expansion (Fund 320) - 85%  
Regional Wastewater Replacement (Fund 310) - 15%  
Account Number: 17-P004.conmgt.cip  
Authorization Amount: \$50,000.00 NTE  
Original PO Amount: \$1,549,000.00  
Increase PO Amount: \$50,000.00  
New PO Amount: \$1,599,000.00  
Purchase Order Number: 01009977  
Return Purchase Order to: E. Schnupp  
Compensation Method: Time and materials as per Agreement  
Completion Date: 12/31/2022  
Insurance Requirements: As per Agreement; no special requirements  
Work Product: See Attachment "A"  
Digital Drawings, if applicable: Digital files shall be in AutoCAD 2010 or higher drawing format. Drawing units shall be decimal with a precision of 0.00. Angles shall be in decimal degrees with a precision of 0. All objects and entities in layers shall be colored by layer. All layers shall be named in English. Abbreviations are acceptable. All submitted map drawings shall use the Global Coordinate system of USA, California, NAD 83 California State Planes, Zone III, U. S. foot.  
Scope of Work: See Attachment "A"  
Economic Disclosure: Not Required  
Recommended by: S. Delight (\_\_\_\_\_)

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**Accepted by:** \_\_\_\_\_ \_\_\_\_\_  
Chris Davenport, Vice President  
Psomas Date

**Authorized by:** \_\_\_\_\_ \_\_\_\_\_  
Daniel McIntyre, General Manager  
Dublin San Ramon Services District Date

## P S O M A S

Balancing the Natural and Built Environment

March 1, 2022

transmitted via email

Dublin San Ramon Services District  
Ms. Jaclyn Yee PE, Project Manager  
7051 Dublin Blvd.  
Dublin, CA 94568

**Subject:** Amendment Request for Construction Management Services for Primary Sedimentation Expansion and Improvements Project (CIP 17-P004)

Dear Ms. Yee,

Last August, the District approved an amendment to extend and fund our services through the end of 2021. Unfortunately, due to circumstances outside of Psomas' control, the field work, testing and commissioning extended beyond the end of 2021 and therefore, we request additional funding and a time extension to complete the startup, testing, contract closeout and dispute resolution process support.

The original substantial completion date for the Primary Project was the end of September 2021. However, due to issues with coatings, Integration programing and extended duration to complete the Raw Sewage Distribution design-build work, the east side Grit Tanks 1 & 2 and Primary Tanks 1, 2 & 3 were not process tested and put into service until early January 2022. We are currently projecting finishing the punch list and administration work by the end of March 2022.

The largest impact to the duration was the work to remediate the Raw Sewage Distribution Box. Because this area required a full plant flow diversion, the design team had no opportunity to assess the condition and prepare remediation plans ahead of time. Therefore, the work for this area was called to be done on force account and billed against an allowance captured in Bid Item 4. The ability to complete the work timely was further complicated by the material shortages, greatly increasing lead time for metal frames and covers. Fortunately, through the use of temporary piping and the help of the Plant staff, the contractor was able to utilize the existing influent pumps to run the bypass which was less expensive and more reliable than a temporary bypass pump scenario. This approach reduced the costs of the work significantly allowing the contract to complete the required work for less than the bid item allowance.

In addition to the additional time to complete the contract work, the contractor has submitted nine submitted Potential Change Orders, including a claim for extended overhead. In accordance with the contract, we have reviewed and rejected the requests based on a determination of no merit. The Contractor has requested an opportunity to appeal our positions and wants to meet with the District to try to negotiate a resolution. We anticipate that the District will benefit from our technical support by providing briefing packages and fact checking the contractor's assertions. This effort is beyond our original scope and so have included time in this amendment request.

Based on the above explanation, we formally request an amendment to increase our budget by \$49,587.50 (see attached budget sheet) to extend our services through April 2022.

The project has had its challenges and our staff have worked hard to resolve the issues while economizing where possible. We look to continue the same approach as we work to close out the project and hand over an fully functional new grit and primary system to the District Plant Staff.

We thank you for considering our request and are available to discuss further.

Sincerely,

**P S O M A S**

  
Christopher Davenport, PE  
Vice President – Construction Management

Attachments: None

**DUBLIN SAN RAMON SERVICES DISTRICT**  
**PRIMARY SEDIMENTATION EXPANSION AND IMPROVEMENTS (CIP 17-P004)**  
**BUDGET Amendment Request 2022**

**Field Work and Contract Closeout**

|  |             | Rate         | Jan-22    | Feb-22   | Mar-22    | Apr-22   |
|--|-------------|--------------|-----------|----------|-----------|----------|
| <b>Psomas Direct Labor Hours Total</b> |             |              |           |          |           |          |
| Construction Manager                   | A. Deal     | \$ 150       | 30        | 10       | 32        | 8        |
| Office/Field Engineer                  | R. Weber    | \$ 125       | 46        | 8        | 8         |          |
| Inspector                              | M. Pulgarin | \$ 175       | 43        | 32       | 24        |          |
| <b>Subconsultants</b>                  |             |              |           |          |           |          |
| Materials Testing                      |             |              |           |          |           |          |
| Coatings - BACC                        |             |              |           |          |           |          |
| Markup on Consultants                  |             | \$ -         | \$ -      | \$ -     | \$ -      | \$ -     |
| <b>subtotal</b>                        |             | \$ 36,987.50 | \$ 17,688 | \$ 8,100 | \$ 10,000 | \$ 1,200 |

**Potential Claim Resolution**

|  |             | Rate         | Jan-22 | Feb-22 | Mar-22   | Apr-22   |
|--|-------------|--------------|--------|--------|----------|----------|
| <b>Psomas Direct Labor Costs Total</b> |             |              |        |        |          |          |
| Construction Manager                   | A. Deal     | \$ 150       |        |        | 32       | 32       |
| Office/Field Engineer                  | R. Weber    | \$ 125       |        |        | 16       | 8        |
| Inspector                              | M. Pulgarin | \$ 175       |        |        |          |          |
| <b>subtotal</b>                        |             | \$ 12,600.00 | \$ -   | \$ -   | \$ 6,800 | \$ 5,800 |

**Total \$ 49,587.50**



**TITLE:** Approve Interim Agreement Related to the Supply and Sale of Recycled Water with East Bay Municipal Utility District (EBMUD) and DSRSD-EBMUD Recycled Water Authority (DERWA)

**RECOMMENDATION:**

Staff recommends the Board of Directors approve, by Resolution, the Interim Agreement Related to the Supply and Sale of Recycled Water between the Dublin San Ramon Services District (DSRSD), East Bay Municipal Utility District (EBMUD), and DSRSD-EBMUD Recycled Water Authority (DERWA).

**SUMMARY:**

In early 2020, DSRSD, EBMUD, and DERWA initiated negotiations to amend agreements related to the supply and sale of recycled water for the DERWA Program that currently provides recycled water to the cities of Dublin, San Ramon, and Pleasanton. The agreements need to be significantly updated to reflect the actual working conditions of DERWA, and to recognize the substantial shortfall in supply available to meet DERWA's buildout demands. In September 2021, the DERWA Board agreed with a staff recommendation to defer negotiations on a comprehensive update of the DERWA agreements until 2024. The parties would use this time to evaluate the effectiveness of demand management strategies, the feasibility of securing permanent supplemental supplies for the DERWA Program, and changes in regulations that could affect wastewater flows. Based on this shift in approach, the parties have developed a short-term, Interim Agreement Related to the Supply and Sale of Recycled Water (Interim Agreement), which addresses certain issues that may arise in the near-term and captures concepts that the parties have identified for inclusion in future negotiations. This effort supports the District's Strategic Plan Goal and Action Item - *Update our business practices and procedures: Review and revise our Joint Powers Authority and other interagency agreements to address changing conditions.*

**BACKGROUND:**

On June 28, 1995, EBMUD and DSRSD formed DERWA, a Joint Powers Authority (JPA) for the purpose of implementing a program to provide recycled water to DSRSD and EBMUD customers in the San Ramon Valley. The DERWA Program further treats secondary effluent from the DSRSD Regional Wastewater Treatment Plant (WWTP) to produce disinfected tertiary recycled water suitable for irrigation and other approved uses. In 2003, EBMUD and DSRSD entered into agreements with DERWA for the supply and sale of recycled water. Other agreements related to the operation of DERWA facilities, supplemental supplies, and services have been executed over the last 25 years. DSRSD is responsible for the operation and maintenance of the DERWA recycled water facilities under an operations agreement.

Deliveries of recycled water began in 2006. DSRSD currently supplies recycled water to parts of Dublin and Dougherty Valley, while EBMUD serves recycled water to portions of San Ramon. In future phases, EBMUD also plans to supply recycled water to areas within Blackhawk and Danville. In 2014, the City of Pleasanton signed agreements for DERWA to produce recycled water for the City. These agreements paved the way for a recycled water program in Pleasanton and expansion of the DERWA water recycling plant. Recycled water deliveries to Pleasanton began in 2015. The City of Pleasanton is not a DERWA member agency.

The DERWA Program has been a success. On average, approximately 25% of the District's total water demand is supplied by recycled water. In 2021, DERWA produced approximately 5,800 acre-feet of recycled water for distribution by DSRSD, EBMUD, and Pleasanton, which is approximately 45% of the annual flow from the Regional WWTP. The demand for recycled water now occasionally exceeds the available supply on peak summer days, resulting in zero discharge of treated secondary effluent from the Regional WWTP to San Francisco Bay during these peak periods.

|   |                              |                   |
|---|------------------------------|-------------------|
| Originating Department: Office of the General Manager   | Contact: J. Lee              | Legal Review: Yes |
| Financial Review: Not Required  | Cost and Funding Source: N/A |                   |
| Attachments: <input type="checkbox"/> None <input checked="" type="checkbox"/> Resolution<br><input type="checkbox"/> Ordinance <input type="checkbox"/> Task Order <input type="checkbox"/> Proclamation<br><input type="checkbox"/> Other (see list on right) |                              |                   |

There have been considerable changes since the formation of DERWA and the initial delivery of recycled water. When the District signed the DERWA Water Supply Agreement in 2003, the average dry weather flow to the Regional WWTP was 10.2 million gallons per day (mgd), which was projected to increase to 19.0 mgd at buildout in 2025. Since that time, water conservation has had a significant impact on the growth of wastewater flows. The current average dry weather flow to the Regional WWTP is approximately 10.5 mgd, roughly the same as the flow in 2003, and is now projected to be only 12.3 mgd at buildout. Of that wastewater flow, the City of Pleasanton has first rights to use the wastewater emanating from its service area which is approximately 50–60% of the total plant flow. As the City of Pleasanton continues to develop its recycled water program there will be even less flow available for DERWA to serve DSRSD and EBMUD customers. Between the effects of conservation and Pleasanton's recycled water program, the amount of supply available for EBMUD and DSRSD customers at buildout is roughly half of the supply originally envisioned when the DERWA agreements were signed.

Over the last decade, DERWA, DSRSD, and EBMUD have pursued options to secure a permanent supplemental supply source for the DERWA Program, including pursuing wastewater effluent from neighboring agencies, supplementing with groundwater, and looking at seasonal storage options. In 2019, DERWA approved a temporary supplemental supply agreement with Central Contra Costa Sanitary District (Central San), the wastewater agency to the north of DSRSD, to divert a small amount of Central San's wastewater (0.7 mgd) during the summertime from Central San's collection system to the District's collection system. Construction of this project was completed in 2020, and the project came online in June 2021.

Even with the temporary Central San Diversion Project, maximum day recycled water demands for DERWA and Pleasanton are still anticipated to exceed the available flow from the DSRSD Regional WWTP on peak summer days in the near-term, with the risk of recycled water supply shortages increasing during drought periods when customers are reducing indoor potable water use (and sending less wastewater to the Regional WWTP). On a short-term basis, DSRSD (the operator of the DERWA system) can balance recycled water supplies and demands using operational storage. However, if peak summer recycled water demands stay above available Regional WWTP flows for an extended period, DERWA will need to implement mandatory rationing to meet recycled water customer demands.

Recognizing the limitations on wastewater supply availability for DSRSD and EBMUD, on March 25, 2019, the DERWA Board adopted a resolution requesting that EBMUD and DSRSD implement demand management measures to curtail the use of recycled water and further requesting that the member agencies implement a moratorium on new recycled water connections, except for two EBMUD golf course connections that were already in the process of being connected.

On July 6, 2020, the DSRSD Board adopted a revised Water Recycling policy that recognizes the limited wastewater supply and implements a moratorium on new connections to the DSRSD recycled water system. DSRSD's Water Recycling policy also requires conservation of recycled water during periods of mandatory potable water conservation.

#### **Review and Update of DERWA Agreements:**

In early 2020, DSRSD staff, EBMUD staff, and DERWA staff initiated a comprehensive update of the DERWA agreements to reflect the actual working conditions of DERWA, address the issue of declining supplies, and streamline and consolidate the agreements into documents that could more easily be administered. In September 2021, staff briefed the DERWA Board on efforts to revise the DERWA agreements and recommended deferring negotiations on a comprehensive update of the DERWA agreements until 2024 to allow time to evaluate the effectiveness of demand management strategies, the feasibility of securing permanent supplemental supplies for the DERWA Program, and changes in regulations that could affect wastewater flows. The results of these evaluations would help inform the need for long-term changes to the DERWA Program. Staff also proposed developing a short-term Interim Agreement to address near-term issues and to capture concepts that the parties have identified for inclusion in future negotiations. The DERWA Board concurred with staff's recommendation to pause negotiations on the comprehensive update of the DERWA agreements and focus on near-term efforts instead.

#### **DISCUSSION:**

Staff from EBMUD and DSRSD have negotiated the Interim Agreement to address near-term issues, including a process for implementing demand management measures and allocating recycled water shortages.

Key terms of the Interim Agreement include:

- Term and Future Negotiations to Revise DERWA Agreements – The term of the Interim Agreement would be from the date of execution until December 31, 2024. No later than January 1, 2024, the parties agree to resume discussions on updating and revising the DERWA agreements. The Interim Agreement outlines certain concepts that would be included in future negotiations, including reconciliation of capital cost contributions which considers the value of secondary effluent provided by DSRSD and potential modification of recycled water supply and facility capacity rights.
- Connection Moratorium – No new recycled water connections allowed during the term of the Interim Agreement, except for EBMUD's Crow Canyon Country Club golf course, which is already in the process of being connected and was specifically exempted from the connection moratorium request adopted by the DERWA Board in March 2019. The Interim Agreement also provides for DSRSD to provide a recycled water connection for the Tri-Valley Residential Fill Station.
- Demand Management and Allocation of Recycled Water Shortages – EBMUD and DSRSD agree to implement demand management measures recommended by the DERWA Demand Management Working Group. Demand management measures include EBMUD installing Advanced Metering Infrastructure (AMI) on its largest customers, joint messaging to customers on water-wise practices, monitoring and inspecting customer recycled water usage, leak identification, and evaluation of potential rebate programs. The Interim Agreement also details a process for the parties to develop and undertake actions to adjust or reduce recycled water demands to meet available supply. Such actions could include working with customers to adjust irrigation watering schedules or limiting the number of days in a week that outdoor watering is allowed. No potable water will be added to the DERWA system to supplement insufficient wastewater flows, except for short-term operational needs.
- Allocation of DERWA Program Costs – There would be no changes to the allocation of DERWA Program costs during the term of the Interim Agreement.
- DSRSD Charges for Secondary Effluent – The DERWA Water Supply Agreement allows DSRSD to establish a charge to DERWA for secondary wastewater effluent in 2023. The Interim Agreement would defer the charge during the term of the Interim Agreement, but it would not waive DSRSD's right to charge in the future.
- Roles and Responsibilities for Pursuing Supplemental Supplies – DSRSD, in cooperation with DERWA and EBMUD, agrees to evaluate options to maximize existing supply through on-site storage and operational strategies. EBMUD and DSRSD would continue to pursue additional supplemental supplies to meet the long-term needs of the DERWA Program. However, the Interim Agreement clarifies that neither party would be obligated to pursue supplemental supplies on behalf of DERWA outside of their respective service area.
- Tri-Valley Residential Fill Station – The Interim Agreement allows for DSRSD to provide a recycled water connection for the Tri-Valley Residential Fill Station that is jointly being developed and implemented by the City of Pleasanton, City of Livermore, and DSRSD at DSRSD's Gleason Property in Dublin. Under the terms of the Interim Agreement, DSRSD agrees to secure a sufficient supply of recycled water from the City of Livermore for the fill station so that there would be no adverse supply impacts to DERWA customers. EBMUD customers in San Ramon and Danville would also be allowed access to the fill station.
- JPA Membership – No new members would be added to DERWA during the term of the Interim Agreement.

EBMUD's Board of Directors is scheduled to consider approval of the Interim Agreement on March 22, 2022, and the DERWA Board is scheduled to consider approval on March 28, 2022. If approved by all parties, negotiations on a more comprehensive update of the DERWA agreements would be deferred until January 2024, and the parties would use the additional time to focus on demand management strategies, supplemental supply planning, and evolving water and wastewater regulations.

RESOLUTION NO. \_\_\_\_\_

RESOLUTION OF THE BOARD OF DIRECTORS OF DUBLIN SAN RAMON SERVICES DISTRICT AUTHORIZING EXECUTION OF INTERIM AGREEMENT RELATED TO THE SUPPLY AND SALE OF RECYCLED WATER WITH EAST BAY MUNICIPAL UTILITY DISTRICT (EBMUD) AND DSRSD-EBMUD RECYCLED WATER AUTHORITY (DERWA)

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WHEREAS, in early 2020, Dublin San Ramon Services District (DSRSD), East Bay Municipal Utility District (EBMUD), and DSRSD-EBMUD Recycled Water Authority (DERWA) initiated negotiations on a comprehensive update of the DERWA agreements, to reflect the actual working conditions of DERWA, address the issue of declining supplies, and streamline and consolidate the agreements into documents that could more easily be administered; and

WHEREAS, DSRSD, EBMUD, and DERWA desire to defer negotiations on revising the DERWA agreements until 2024 to allow time to evaluate the effectiveness of demand management strategies, the feasibility of securing permanent supplemental supplies for the DERWA Program, and changes in regulations that could affect wastewater flows; and

WHEREAS, the results of these evaluations would help inform the need for long-term changes to the DERWA Program; and

WHEREAS, EBMUD and DSRSD have negotiated a short-term, interim agreement to address near-term issues, including a process for implementing demand management measures and allocating recycled water shortages, and to capture concepts that the parties have identified for inclusion in future negotiations.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF DUBLIN SAN RAMON SERVICES DISTRICT, a public agency located in the Counties of Alameda and Contra Costa, California, that the General Manager is hereby authorized to execute for and behalf of the Dublin San Ramon Services District the "Interim Agreement Related to the Supply and Sale of Recycled Water Between the Dublin San Ramon Services District/East Bay Municipal Utility District Recycled Water Authority ("DERWA"), Dublin San Ramon Services District, and East Bay Municipal Utility District," attached hereto as Exhibit "A," with any non-substantive revisions approved by legal counsel.

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Res. No. \_\_\_\_\_

ADOPTED by the Board of Directors of Dublin San Ramon Services District, a public agency in the State of California, Counties of Alameda and Contra Costa, at its regular meeting held on the 15th day of March, 2022, and passed by the following vote:

AYES:

NOES:

ABSENT:

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Richard M. Halket, President

ATTEST: \_\_\_\_\_  
Nicole Genzale, District Secretary

**INTERIM AGREEMENT RELATED TO THE SUPPLY AND SALE OF RECYCLED  
WATER BETWEEN THE DUBLIN SAN RAMON SERVICES DISTRICT/EAST BAY  
MUNICIPAL UTILITY DISTRICT RECYCLED WATER AUTHORITY (“DERWA”),  
DUBLIN SAN RAMON SERVICES DISTRICT, AND  
EAST BAY MUNICIPAL UTILITY DISTRICT**

This Interim Agreement Related to the Supply and Sale of Recycled Water between the Dublin San Ramon Services District - East Bay Municipal Utility District Recycled Water Authority (“DERWA”), Dublin San Ramon Services District (“DSRSD”), and East Bay Municipal Utility District (“EBMUD”) (“Agreement”) is made and entered into this \_\_\_\_ day of \_\_\_\_\_ 2022. DERWA, DSRSD, and EBMUD are individually referred to as “Party,” and collectively as “Parties.”

**RECITALS**

**WHEREAS**, on June 28, 1995, as amended on December 21, 1995, DSRSD and EBMUD entered into an agreement to form DERWA, a Joint Powers Authority in Alameda and Contra Costa County, for the purpose of implementing a program (“DERWA Program”) to provide recycled water to DSRSD and EBMUD, as Member Agencies of DERWA, for their distribution within portions of their respective existing and future service areas, while recovering DERWA’s costs (“1995 JPA Agreement”); and

**WHEREAS**, on June 28, 2003, the Parties entered into the Agreement for the Sale of Recycled Water (“Sales Agreement”) and Water Supply Agreement, setting forth the terms and conditions for the supply and sale of recycled water between DERWA and the Member Agencies; and

**WHEREAS**, on May 23, 2005, the Parties entered into the Operations Agreement setting forth the conditions under which DSRSD agreed to operate and maintain the DERWA Program Facilities; and

**WHEREAS**, the 1995 JPA Agreement, Water Supply Agreement, Sales Agreement, and Operations Agreement shall be collectively referred to in this Agreement as the “DERWA Agreements”; and

**WHEREAS**, other agreements related to the implementation of the DERWA Program have been executed over the last 25 years including, but not limited, to the Agreement to Provide Recycled Water Treatment and Delivery Services between DERWA and the City of Pleasanton dated January 7, 2014, which expanded the DERWA Program to include deliveries to the City of Pleasanton; and

**WHEREAS**, the Sales Agreement provides that the recycled water supply rights of DSRSD and EBMUD shall be an annual average of 3,730 acre feet per contract year (which is equivalent to 3.3 million gallons per day) for DSRSD and 2,960 acre-feet per year (which is equivalent to 2.4 million gallons per day) for EBMUD and that those agencies' respective recycled water supply rights shall be the basis for the sharing of the risks and costs of implementation and operation of the DERWA Program; and

**WHEREAS**, the Parties acknowledged and agreed when they entered into the Sales Agreement that the amount of recycled water emanating from DSRSD's service area was insufficient to meet the Recycled Water Supply Rights of the Member Agencies as specified in the Sales Agreement, and that securing a permanent supplemental supply would be critical to achieving the long-term goals for the DERWA Program; and

**WHEREAS**, improved water use efficiency and conservation by customers have decreased wastewater flows to the DSRSD Regional Wastewater Treatment Plant, resulting in significantly less recycled water being available for the DERWA Program; and

**WHEREAS**, the City of Pleasanton's increased use of wastewater for the City's recycled water program has further reduced the amount of wastewater available for DERWA's use; and

**WHEREAS**, on February 4, 2019, DERWA and Central Contra Costa Sanitary District ("Central San") entered into an agreement under which Central San agreed to allow DERWA to temporarily divert a portion of Central San's wastewater supply as a supplemental supply source for the DERWA Program ("Central San Agreement"); and

**WHEREAS**, the Central San Agreement provides DERWA with a temporary supplemental supply for a three-year period from January 22, 2021 through January 21, 2024, with the potential to extend the agreement for an additional two years until January 21, 2026; and

**WHEREAS**, even with the supplemental supply available from Central San, current DERWA recycled water demands are projected to exceed the available recycled water supply on peak irrigation days in the summer; and

**WHEREAS**, on March 25, 2019, due to the projected current and future shortfall in recycled water supply, the DERWA Board adopted Resolution 19-3, requesting that Member Agencies implement demand practices to curtail use of recycled water and directing the DERWA Authority Manager to implement demand management and allocation adjustments pursuant to Article IV of the Sales Agreement; and

**WHEREAS**, DERWA Board Resolution 19-3 further requests that the DERWA Member Agencies implement a connection moratorium on new connections, except for those EBMUD Phase 2 connections that were already in progress and where significant investments had already been made; and

**WHEREAS**, the Parties acknowledge that considerable changes have occurred since the formation of DERWA and the initial delivery of recycled water and many provisions in the DERWA Agreements need to be reviewed and updated to reflect current circumstances; and

**WHEREAS**, in early 2020, the Parties initiated negotiations on a comprehensive update of the DERWA Agreements, and other related agreements, to reflect the actual working conditions of DERWA, address the issue of declining supplies, and streamline and consolidate the agreements into documents that could more easily be administered; and

**WHEREAS**, the Parties desire to defer negotiations on revising the DERWA Agreements until 2024 to allow time to focus on demand management, plan for additional recycled water supplies, and monitor developing wastewater discharge and potable reuse regulations.

**NOW, THEREFORE**, in consideration of the Recitals and the terms, conditions, and covenants contained herein, DERWA, DSRSD, and EBMUD agree as follows:

## **I. PURPOSE**

- A. The purpose of this Agreement is to set forth concepts to be included in future negotiations to revise the DERWA Agreements and to address issues that may arise during the term of this Agreement. The Parties acknowledge that this Agreement addresses a limited number of issues and does not and cannot account for every issue that may arise during the term of this Agreement. Except as specifically provided for in this Agreement, all other provisions of the DERWA Agreements shall remain in full force and effect. In the event that there is an irreconcilable conflict between the terms of any of the DERWA Agreements and the terms of this Agreement, the terms of this Agreement shall control.
- B. This Agreement is intended as a short-term, interim agreement, that provides additional time for the Parties to evaluate the effectiveness of demand management strategies, the feasibility of securing permanent supplemental supplies for the DERWA Program, and changes in regulations that could affect wastewater flows, prior to the Parties resuming negotiations to update and revise the DERWA Agreements.
- C. The Parties intend for this Agreement to establish a process for the Parties to implement demand management measures and allocate recycled water shortages as directed by the DERWA Board in Resolution 19-3 and as provided for in Article IV, *Recycled Water Supply Shortage Provisions*, of the Sales Agreement.

## **II. TERM AND FUTURE NEGOTIATIONS TO REVISE DERWA AGREEMENTS**

- A. The term of this Agreement shall be from the date of execution until December 31, 2024.
- B. No later than January 1, 2024, the Parties agree to resume good faith negotiations to update and revise the DERWA Agreements, and other related agreements as necessary, to reflect the actual working conditions of the DERWA Program and the issue of declining recycled water supplies. The Parties agree to address the concepts listed in Exhibit A during future negotiations to amend the DERWA Agreements.

## **III. CONNECTION MORATORIUM**

- A. Except as provided for in Section III.B, DSRSD and EBMUD shall adhere to the connection moratorium on new recycled water connections as requested by DERWA Board Resolution 19-3 while this Agreement remains in effect. Neither Member Agency shall approve or deliver recycled water to new customer sites during the term of the Agreement.
- B. EBMUD may connect the Crow Canyon Country Club to recycled water, which is already in the process of being connected and was included in the Phase 2 connections that were exempted from the connection moratorium request adopted by the DERWA Board. All other new connections listed in Resolution 19-3 as exempt from the moratorium have been completed. DSRSD may provide a recycled water connection for the Tri-Valley Residential Fill Station, subject to the terms and conditions specified in Section VIII of this Agreement.

## **IV. DEMAND MANAGEMENT AND ALLOCATION OF RECYCLED WATER SHORTAGES**

The Parties acknowledge and agree that the total demand for the Member Agencies' connected customers may exceed available recycled water supplies on peak summer days during the term of this Agreement. The Parties further acknowledge and agree that Article IV, *Recycled Water Supply Shortage Provisions*, of the Sales Agreement provides for the Member Agencies to implement demand management for their respective connected customers and for the Authority Manager to take actions to curtail delivery of recycled water to the Member Agencies when total recycled water demands are anticipated to exceed total recycled water supplies.

- A. To address and mitigate the potential risk of recycled water supply shortages described in the preceding paragraph, the Parties agree to implement the demand management measures described in Part I of Exhibit B. If demand management measures are not able to adequately address a projected shortage in recycled water

supplies, EBMUD and DSRSD agree to follow the process outlined in Part II of Exhibit B and implement recycled water shortage actions to reduce recycled water deliveries. The process outlined in Part II of Exhibit B was developed in accordance with Article IV.B.1, *Reduction in Usage: Current Contract Year*, of the Sales Agreement, which requires EBMUD and DSRSD to reduce deliveries by the same percentage, to the extent that such reductions are required, so that the total deliveries to the Member Agencies' connected customers equals the available recycled water supply.

B. Notwithstanding the Agreement to Provide Water Supply between DERWA and the City of Pleasanton dated August 6, 2019, which allows for DERWA to receive potable water via a water supply turnout from the City of Pleasanton, or any provisions of the DERWA Agreements that may be contrary to the commitments described herein, unless otherwise mutually agreed by the Parties, the Parties agree that DERWA shall not add potable water to the DERWA system for the express purpose of meeting recycled water demands due to insufficient wastewater flows into the DSRSD Regional Wastewater Treatment Plant. The limitation in using potable water to meet recycled water demands described in this Section IV.B does not apply to DERWA's need to add potable water on a short-term basis in response to emergencies, treatment plant upsets, or planned or unplanned maintenance. Nothing in this Section shall prevent DERWA or DSRSD from complying with any supply request from the City of Pleasanton to operate the water supply turnout for the purpose of improving water quality in Pleasanton's potable water distribution system.

Notwithstanding any contrary prior contractual agreements among the Parties (or any of them), neither DSRSD nor EBMUD shall be required to provide or obtain a potable water supply for the DERWA system for the purpose of meeting recycled water demands due to insufficient wastewater flows into the DSRSD Regional Wastewater Treatment Plant.

## **V. ALLOCATION OF DERWA PROGRAM COSTS**

Costs for the DERWA Program including, but not limited to, administration, design, construction, and operation and maintenance of DERWA facilities, are shared between DSRSD and EBMUD in accordance with Article V, *DERWA Costs, and Member Agency Payments and Credits*, of the Sales Agreement. The Parties agree to continue allocating DERWA Program costs in accordance with the existing provisions of the Sales Agreement and not to amend the Sales Agreement for the purpose of changing the allocation of costs between EBMUD and DSRSD during the term of this Agreement.

## **VI. CHARGE FOR SECONDARY EFFLUENT**

Article 6.C, *Price of Secondary Effluent*, of the Water Supply Agreement establishes a process for DSRSD to begin charging DERWA for secondary effluent beginning in Year 21 of the Water Supply Agreement, or as of July 29, 2023. Consistent with Section II.B and Exhibit A of this Agreement, EBMUD and DSRSD have agreed to defer discussion on the charge for secondary effluent until negotiations resume on a more comprehensive update and revision of the DERWA Agreements. Therefore, the Parties hereby agree to toll the provisions in Article 6.C of the Water Supply Agreement for establishing the charge for secondary effluent, including waiving any and all notification requirements provided therein, until the expiration of the term of this Agreement.

Notwithstanding anything in the Water Supply Agreement to the contrary, if the Parties fail to execute an amended Sales Agreement or other agreement that addresses the price of secondary effluent prior to the expiration of the term of this Agreement, DSRSD may proceed with establishing the charge for secondary effluent pursuant to Article 6.C of the Water Supply Agreement by providing written notice to the DERWA Authority Manager, with a copy to EBMUD, that DSRSD intends to charge DERWA for secondary effluent beginning 15 months following termination of this Agreement. Said Notice shall be delivered no later than 90 days following termination of this Agreement.

Except as expressly modified by this Section VI, the provisions of Article 6.C of the Water Supply Agreement, including, without limitation, its arbitration provisions, shall continue in full force and effect and apply to any notice issued by DSRSD pursuant to this paragraph.

As provided herein, the provisions of this Section VI shall survive the termination or expiration of this Agreement.

## **VII. ROLES/RESPONSIBILITIES FOR PURSUING SUPPLEMENTAL SUPPLIES**

- A. The Parties agree to continue working cooperatively to obtain a permanent supplemental supply to meet the long-term needs of the DERWA Program in accordance with Article IV.C.3, *Permanent Supplemental Water*, of the Sales Agreement. However, neither EBMUD nor DSRSD, acting individually or jointly, shall be obligated to pursue supplemental supplies on behalf of DERWA outside of their respective service area.
- B. In accordance with Article 3.A, *Availability, Delivery, and Acceptance*, of the Water Supply Agreement, DSRSD is committed to making and delivering recycled water for the DERWA Program generated from wastewater emanating from the DSRSD wastewater service area.

C. DSRSD, in cooperation with DERWA and EBMUD, shall evaluate options to maximize existing supply through onsite storage and operational strategies. If approved for implementation by the Parties, these improvements shall be budgeted and funded out of DERWA's Permanent Supplemental Supply Capital Improvement Project.

## **VIII. TRI-VALLEY RESIDENTIAL FILL STATION**

A. During the term of the Agreement, the City of Pleasanton ("Pleasanton"), City of Livermore ("Livermore"), and DSRSD may jointly develop and implement a residential recycled water fill station at DSRSD's Gleason Property; 5287 Gleason Drive in Dublin, California ("Tri-Valley Residential Fill Station"). The Tri-Valley Residential Fill Station would provide recycled water for residents of the Amador Valley, San Ramon Valley, and Livermore Valley region ("Tri-Valley") during periods when mandatory outdoor watering restrictions for potable water are in effect due to drought conditions.

B. It is the mutual intent of the Parties that the Tri-Valley Residential Fill Station not result in any net reduction in the quantity of recycled water available for DERWA's existing customers, including EBMUD's planned connection to the Crow Canyon Country Club. Accordingly, DSRSD, in cooperation with Livermore and Pleasanton, agrees to secure a recycled water supply for the Tri-Valley Residential Fill Station from Livermore through an exchange with Pleasanton as described herein. Livermore has the ability to supply recycled water produced at Livermore's Water Reclamation Plant to the eastern portion of Pleasanton's recycled water system. DSRSD will work with Livermore and Pleasanton to ensure that Livermore provides a quantity of supply to Pleasanton sufficient to meet the demands of the Tri-Valley Residential Fill Station. Pleasanton will use the supply from Livermore in-lieu of recycled water supplies from DERWA so as to offset substantially all recycled water used for the Tri-Valley Residential Fill Station which will be supplied by DERWA via the DSRSD recycled water distribution system.

C. The Parties agree that DSRSD may provide a recycled water connection for the Tri-Valley Residential Fill Station provided that a recycled water supply is secured from Livermore in accordance with Section VIII.B and that there are no adverse impacts to DERWA customers. During the operation of the Tri-Valley Residential Fill Station, DSRSD shall provide DERWA and EBMUD with a monthly report showing daily supply and demand for the Tri-Valley Residential Fill Station. If the monthly report shows that insufficient supplies are being provided by Livermore and that there is an impact to DERWA customers, DSRSD agrees to take immediate corrective action to remedy the supply deficiency.

D. During periods when the Tri-Valley Residential Fill Station is operating, EBMUD customers within the City of San Ramon and Town of Danville would be allowed access to the fill station, subject to the same terms and conditions established for DSRSD, Pleasanton, and Livermore customers that receive recycled water from the Tri-Valley Residential Fill Station.

## **IX. JPA MEMBERSHIP**

Notwithstanding Article 20, *Addition of Parties*, of the 1995 JPA Agreement, the Parties agree not to add new members to the DERWA Joint Powers Authority during the term of this Agreement.

## **X. GENERAL PROVISIONS**

A. Termination. This Agreement can be terminated only by written mutual agreement of the Parties.

B. Assignment. No Party will assign any right or interest in this Agreement, or any part thereof, without the express written consent of the other Parties, which consent shall be at the sole discretion of the consenting Party or Parties. This Agreement shall bind the successors of the Parties in the same manner as if they were expressly named.

C. Compliance With Laws. Each Party will comply with all federal and state laws, local ordinances, regulations, and orders applicable to the work it will perform under this Agreement.

D. Indemnification. The provisions of Article VIII.H, *Indemnity*, of the Sales Agreement are not modified by this Agreement and continue in full force and effect.

E. Notice. Notices regarding this agreement shall be sent to:

DERWA: DERWA Authority Manager  
Dublin San Ramon Services District  
7051 Dublin Boulevard  
Dublin, CA 94568

DSRSD: Daniel McIntyre, General Manager  
Dublin San Ramon Services District  
7051 Dublin Boulevard  
Dublin, CA 94568  
(925) 875-2200  
[mcintyre@dsrsd.com](mailto:mcintyre@dsrsd.com)

EBMUD: Clifford Chan, General Manager  
East Bay Municipal Utility District  
375 11<sup>th</sup> Street  
Oakland CA 94607  
(510) 287-0101  
[clifford.chan@ebmud.com](mailto:clifford.chan@ebmud.com)

The Parties may unilaterally modify the name, position, or address for notices pursuant to this Agreement; notification of which will be in writing and provided to each Party.

- F. Dispute Resolution. Disputes shall be addressed in the manner provided for in Article VI, *Dispute Resolution*, of the Sales Agreement.
- G. Headings. The Section headings contained in this Agreement are for reference purposes only and are not intended to govern, limit, or aid the interpretation of this Agreement and shall not in any way affect the meaning of this Agreement.
- H. Signatures. The individuals executing this Agreement represent and warrant that they have the legal capacity and authority to do so on behalf of their respective legal entities. This Agreement may be executed in counterpart which when taken together shall be considered one and the same agreement. The Parties agree to the use of digital signatures to execute this Agreement. Facsimile, email, digital, and electronic signatures shall be binding.
- I. Severability. If any term or provision of this Agreement is deemed invalid or unenforceable by a court of competent jurisdiction or by operation of any applicable law, it will not affect the validity of any other provision, which will remain in full force and effect.
- J. Governing Law and Venue. This Agreement shall be governed by the laws of the State of California. Venue shall lie exclusively in the Superior Court located in Alameda County, California.
- K. No Third-Party Beneficiaries. No third-party beneficiaries are intended or created by this Agreement.
- L. Waiver. No waiver by any Party of any provision of this Agreement shall be deemed a waiver of any other provision of this Agreement or of any subsequent breach by the other Party of the same provision.

**M. Complete Agreement and Amendments.** This Agreement constitutes the entire agreement between the Parties with respect to the specific purposes expressly listed in Section I and supersedes all prior or contemporaneous drafts, agreements and understandings, whether written or oral. This Agreement may be amended by written agreement executed by the Parties.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year of the last signature affixed below and first above written.

Dated: \_\_\_\_\_

DSRSD/EBMUD RECYCLED WATER AUTHORITY

By: \_\_\_\_\_  
John Rossi, Authority Manager

Approved as to Form:

\_\_\_\_\_  
DERWA Counsel

Dated: \_\_\_\_\_

DUBLIN SAN RAMON SERVICES DISTRICT

By: \_\_\_\_\_  
Daniel McIntyre, General Manager

Approved as to Form:

\_\_\_\_\_  
DSRSD Counsel

Dated: \_\_\_\_\_

EAST BAY MUNICIPAL UTILITY DISTRICT

By: \_\_\_\_\_  
Clifford Chan, General Manager

Approved as to Form:

\_\_\_\_\_  
EBMUD Counsel

Exhibit A – Principles for Future Negotiations

Exhibit B – Demand Management Measures

## **EXHIBIT A**

### **CONCEPTS FOR FUTURE NEGOTIATIONS TO REVISE DERWA AGREEMENTS**

The Parties agree that the following concepts should be addressed during future negotiations to revise the DERWA Agreements. This Exhibit may be changed from time to time by mutual written agreement of the Parties, without regard to the provisions of Section X.M of this Agreement.

- As set forth in the Sales Agreement, facility capacity rights and costs are presently allocated between DSRSD and EBMUD based on an estimate of each Member Agency's maximum projected usage of each facility made at the time the DERWA Agreements were negotiated.
- The Sales Agreement sets forth the recycled water supply and facility capacity rights of the member agencies. Actual available supply is less than anticipated. Modification of recycled water supply and facility rights will be evaluated based on actual supply available.
- Reconciliation of capital cost contributions and potential changes to facility capacity rights and allocation of costs will be considered based on historic and projected usage of the DERWA Program facilities by each Member Agency.
- The Water Supply Agreement sets forth that DSRSD has the right to charge DERWA for Secondary Effluent beginning in Year 21 of the Water Supply Agreement, which has been suspended by the Agreement. The value of secondary effluent will be considered when the Parties discuss reconciling capital cost contributions and potential changes to facility capacity rights and allocation of costs.

## **EXHIBIT B**

### **DEMAND MANAGEMENT AND RECYCLED WATER SHORTAGE ACTIONS**

The Parties have developed the following demand management measures and process for implementing recycled water shortage actions to achieve reductions in recycled water deliveries that may be needed to address potential shortfalls in wastewater supply during the peak summer irrigation season. Exhibit B is intended to be a working document and may be changed from time to time by mutual written agreement of the Parties.

#### **Part I – Demand Management**

1. Demand Management Working Group. The Parties will establish a Demand Management Working Group to oversee implementation of demand management measures. The Demand Management Working Group will be comprised of representatives from EBMUD, DSRSD, and the City of Pleasanton<sup>1</sup>. At least one member of the DSRSD Operations staff responsible for operating the DERWA system will be present at every meeting. The Demand Management Working Group will meet monthly from April through September, or at a frequency otherwise agreed to by the members, for the purposes of sharing and reviewing DERWA recycled water production, supply, and customer demand data, and evaluating the effectiveness of demand management measures and recycled water shortage actions.
2. Advanced Metering infrastructure (AMI). EBMUD agrees to install AMI on its largest fourteen connected customers during the 2022 irrigation season, subject to receiving necessary internal approvals. EBMUD and DSRSD agree to share available AMI data for the purpose of improving and optimizing DERWA supply and demand operations.
3. Customer Communications, Monitoring, and Enforcement. The Parties agree to participate in joint messaging to customers about water-wise practices, monitor and inspect customer recycled water usage, and provide warnings to customers regarding potential leaks and/or excessive water use. EBMUD and DSRSD agree to assign a key contact for coordinating with customers. This key contact, or their back-up, must be available to communicate with customers 7 days a week.
4. Rebate Programs. The Parties agree to have the Demand Management Working Group evaluate the potential benefits and costs of a rebate program for recycled water customers. Such a program could include rebates for turf replacement and/or

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<sup>1</sup> The City of Pleasanton is not a DERWA Member Agency and not subject to the demand management and recycled water supply shortage provisions in Article IV of the Sales Agreement. However, the City of Pleasanton will be encouraged to participate in the Demand Management Working Group.

irrigation controllers and could be administered and funded by DERWA or separately by EBMUD and DSRSD.

## **Part II – Recycled Water Shortage Actions**

Recycled water demands and supply can vary widely throughout the irrigation season due to a multitude of factors including weather, irrigation schedules, and drought conditions. The Parties acknowledge the complexity and challenges of implementing actions to curtail recycled water demands in real-time. On a short-term, daily basis, DSRSD can generally balance supplies and demands using operational storage. However, if peak irrigation demands stay above available wastewater supplies for extended periods of time, cutbacks in recycled water deliveries will be needed.

The Parties agree to undertake the following actions, if needed, to adjust or reduce recycled water demands to meet available supply:

1. Changes to Irrigation Watering Schedules. Upon request from DERWA and/or DSRSD Operations, EBMUD and DSRSD will work with customers to request feasible adjustments of irrigation schedules to better manage demand and supply. Requests could include asking customers to switch watering days and/or or adjust watering hours to maintain system pressures.
2. Recycled Water Shortage Actions. Upon execution of this Agreement, EBMUD and DSRSD will each develop recycled water shortage actions that can be implemented in their respective service areas to achieve five (5) percent and ten (10) percent reductions in total customer recycled water demands over a 7-day period, so that such actions can be promptly implemented when needed. Such actions could include limiting the number of days in a week that outdoor watering is allowed by a customer to the extent such measures may be imposed in accordance with any contract or permit applicable to that customer's receipt and use of recycled water.

In the event DSRSD anticipates that recycled water supplies will be insufficient to meet demands for the upcoming 7-day period, DSRSD will notify DERWA and EBMUD of the need to implement recycled water shortage actions to achieve a specified reduction in demand (either 5% or 10%). EBMUD and DSRSD agree to immediately implement their respective recycled water shortage actions upon receiving such notice and until such time as DSRSD provides notification that a reduction in recycled water demand is no longer required.

The results and effectiveness of implementing recycled water shortage actions will be reviewed by the Demand Management Working Group at the next meeting, along with any recommendations for improving the process and adjustments, if needed, to an agency's recycled water shortage actions to achieve the desired level of reduction. This information will be summarized in a brief report to the DERWA Authority

Manager who may take appropriate action, in accordance with Article IV, *Recycled Water Supply Shortage Provisions*, of the Sales Agreement, to ensure that both Member Agencies are reducing deliveries by the same percentage reduction so that total demand of the Member Agencies' connected customers equals the available supply.



**TITLE:** Receive Presentation on Proposed Water Capacity Reserve Fees and Set Public Hearing for April 5, 2022

**RECOMMENDATION:**

Staff recommends the Board of Directors receive a presentation on proposed Water Capacity Reserve Fees and set, by Motion, a public hearing for the April 5, 2022 Board meeting.

**SUMMARY:**

District capacity reserve fees are periodically reviewed to ensure that the fees provide adequate revenue to fund capital improvements to meet future growth-related needs and that the necessary infrastructure to service new or expanded connections are provided in an equitable cost-based manner. The District engaged with HDR Inc. (HDR) to update the water capacity reserve fees, which were last reviewed in 2016. The water capacity reserve fee for a standard 5/8" meter is proposed to increase \$1,345 (9.63%). This increase aligns to the most recent Engineering News-Record Construction Cost Index (March 2022) increase of 8.87%. The draft fee study is included as Attachment 1.

Staff recommends the Board schedule for the April 5, 2022 Board meeting a public hearing to consider adoption of the proposed water capacity reserve fees. A Public Notice will be printed in local newspapers 10 and 5 days before the April 5, 2022 public hearing and sent to all individuals or developers that have requested notice regarding fees.

**DISCUSSION:**

The American Water Works Association (AWWA) M-1 Manual references three generally accepted methods in establishing capacity reserve fees:

- Buy-in Method – Based on the value of the existing system's capacity. Typically used when the existing system has remaining capacity to serve new development now and into the future.
- Incremental Cost Method – Based on the value or cost to expand the existing systems' capacity. Typically used when the existing system has limited or no capacity to serve new development and new or incremental facilities are needed to serve new development now and into the future.
- Combined Approach – Based on a blended value of both the existing and expanded system's capacity. Typically used where some capacity is available in parts of the existing system, but new or incremental capacity will need to be built in other parts to serve new development at some point in the future.

HDR has maintained the District's historical methodology (combined method) in development of the proposed fees. Fees developed under the combined method will be comprised of two components: a buy-in component and an expansion component.

The buy-in component is primarily based on the value of the existing system. The District has historically utilized the Replacement Cost New less Depreciation (RCNLD) valuation method for determining the buy-in component. For the 2022 study, staff utilized the District's Asset Management Model, which provided a more comprehensive current value of assets compared to prior studies. Prior studies utilized original cost (the cost of the asset at the time of installation) escalated by inflation to determine current value. Only major infrastructure, defined as assets that provide system-wide capacity, are included in the valuation. Contributed capital such as potable and recycled water pipelines less than 12" are typically constructed by developers for specific subdivisions and generally do not provide additional capacity for other connections. Therefore, contributed capital is not considered major infrastructure and was excluded. The

|   |  |                   |
|---|--|-------------------|
| Originating Department: Administrative Services   | Contact: H. Chen/C. Atwood   | Legal Review: Yes |
| Financial Review: Yes   | Cost and Funding Source: Water Replacement (Fund 610) and Water Expansion (Fund 620) |                   |
| Attachments: <input type="checkbox"/> None <input type="checkbox"/> Resolution<br><input type="checkbox"/> Ordinance <input type="checkbox"/> Task Order <input type="checkbox"/> Proclamation<br><input checked="" type="checkbox"/> Other (see list on right) | Attachment 1 – Draft 2022 Water Capacity Reserve Fee Study                           |                   |

District is a member of the Dublin San Ramon Services District-East Bay Municipal Utility District Recycled Water Authority (DERWA), a joint powers authority (JPA) formed in 1995 to encourage recycled water development in the San Ramon Valley. The District's share of DERWA assets have also historically been included in the buy-in component valuation. To align with JPA financial statements and reports, valuation of DERWA assets was based on overall net investment in DERWA by each member agency.

The expansion component is based on remaining growth-related capital improvement projects and any associated outstanding debt to serve new development. For the 2022 study, staff identified \$48.4 million in projects and outstanding debt of \$52.5 million for a total expansion cost of \$100.9 million. Reserves in Water Expansion (Fund 620) are typically from previously collected water capacity reserve fees and are credited against total expansion costs. The District received a \$2.8 million COVID-19 Fiscal Relief allocation from the Local Coronavirus Fiscal Recovery Fund under the American Rescue Plan Act (ARPA). Adding the Fund 620 share of the allocation (\$0.8 million) to current Water Expansion Fund reserves (\$44.8 million) results in a total expansion credit of \$45.6 million.

The below table summarizes the fee adjustment by component:

| Water (5/8" meter)  | Current         | Proposed        | Variance (\$)  | Variance (%) |
|---------------------|-----------------|-----------------|----------------|--------------|
| Buy-in Component    | \$4,358         | \$6,872         | \$2,514        | 57.68%       |
| Expansion Component | \$9,605         | \$8,436         | -\$1,169       | -12.17%      |
| <b>Total</b>        | <b>\$13,963</b> | <b>\$15,308</b> | <b>\$1,345</b> | <b>9.63%</b> |

The proposed fees reflect the trend when local agencies move closer to total build out. As expansion projects are built to accommodate growth, they are added to the value of the District's infrastructure. Therefore, as the District moves closer to the projected buildout in 2035, the buy-in component (based on value of existing infrastructure) increases while the expansion component (based on remaining growth-related projects) decreases.

If adopted, the capacity reserve fees are proposed to be effective July 1, 2022, with annual adjustments based on the Engineering News-Record Construction Cost Index beginning July 1, 2023. Staff will make itself available to the development community to answer questions about the study ahead of the April 5 public hearing.



**Dublin San Ramon  
Services District**

*Water, wastewater, recycled water*

## Draft Report



# Water Capacity Reserve Fee

*March 2022*





March 10, 2022

Mr. Herman Chen  
Financial Services Manager  
Dublin San Ramon Services District  
7051 Dublin Blvd  
Dublin, CA 94568

**Subject: DSRSD Water Capacity Reserve Fee Draft Report**

Dear Mr. Chen,

HDR Engineering, Inc. (HDR) is pleased to submit the enclosed water capacity reserve fee draft report to the Dublin San Ramon Services District (District). The recommendations in this report are intended to provide the District with the basis to establish cost-based water capacity reserve fees. The adoption of final water capacity reserve fees is a policy decision of the District Board.

This report has been prepared using generally accepted financial, engineering principles, and guidance from the American Water Works Association (AWWA) M1 manual (*Principles of Water Rates, Fees, and Charges*). The District's financial, budgeting, planning, and engineering data were the primary sources for much of the information contained in this report. HDR recommends that prior to implementing the fees in this report, the fees reviewed by District legal counsel for compliance with California State law.

HDR appreciates the opportunity to assist the District in this matter. We also would like to thank you and your staff for the assistance provided to us. We look forward to future opportunities to work with the District.

Sincerely yours,  
HDR Engineering, Inc.

A handwritten signature in black ink, appearing to read 'Shawn Koorn'.

Shawn Koorn  
Associate Vice President



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## Technical Appendix



## Executive Summary

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### Introduction

HDR Engineering, Inc. (HDR) was retained by the Dublin San Ramon Services District (District) to review and update the District's water capacity reserves fees. Capacity reserve fees bring equity between existing and new customers connecting to the District's water system, which serves a population of 91,900 in the City of Dublin and the Dougherty Valley area in the City of San Ramon. The objective of this study was to update the District's cost-based capacity reserve fees for new customers, and existing customers requesting additional capacity, that are connecting to the water system. By establishing cost-based water capacity reserve fees, the District attempts to have growth pay for growth, by having new customers pay their share of the infrastructure in place which will serve them, while also "buying into" the existing infrastructure for the available capacity in the system that benefits new customer growth on the system.

The District implements the water capacity reserve fees based on safe maximum operating capacity per dwelling unit equivalent (DUE). For the District, one DUE is equivalent to one 5/8-inch meter. A 5/8-inch meter is typically used for residential connections. The capacity reserve fee for all meters is based on the American Water Works Association (AWWA) standardized method for determining meter equivalency for larger meters based on the 5/8-inch meter equivalents. The District has a current water capacity reserve fee of \$13,963 per DUE (5/8-inch meter).

The District has historically updated capacity reserve fees annually by the Engineering News Record Construction Cost Index (ENR-CCI) for the San Francisco metropolitan area. The last water capacity reserve fee study was completed in May 2016. General industry practice recommends adjusting these fees annually for changes in the costs of construction, and to update the fees every three to five years, or whenever comprehensive planning documents, such as the District's Water Master Plan, for the systems are updated. The fees in this report are in addition to the connection fees charged by Alameda County Water Conservation and Flood Control District, Zone 7 (Zone 7).

### Study Overview

The capacity reserve fees are calculated in conformance with generally accepted rate making practices and are based on the District's planning and design criteria. A buy-in (existing) and expansion (future) approach is taken in developing the fees because each component can have different planning and design criteria.

The buy-in component includes the District's existing assets at replacement cost based on the District's Asset Management program less straight-line depreciation. The value of the assets is reduced by the amount of the future principal of current Water Expansion Fund debt obligations as the principal will be recovered from the expansion component. This results in the net buy-in component.

The expansion component includes the Districts' future capital improvement needs to serve future growth. The District has a separate and distinct expansion fund to account for all expansion-related projects and their associated costs. Debt service incurred to finance those expansion projects is also accounted for within the expansion fund, with the exception of the case where a project may have some portion related to replacement. Only the portion of the project that provides expansion capacity is included in the expansion fund. The District's existing debt was incurred to pay for expansion projects; therefore, the District pays its debt service with revenues from the expansion fund (primarily through capacity reserve fee revenues). The expansion portion includes both outstanding principal and interest on debt less expansion fund reserves. To avoid double counting of the assets financed with debt, the future principal associated with those assets was deducted from the existing infrastructure calculation before the buy-in component was calculated.

Based on the sum of the components (buy-in less outstanding debt principal, expansion plus outstanding debt principal and interest, and less expansion fund reserves), the net allowable capacity reserve fee is determined. Net allowable refers to the concept that the calculated capacity reserve fee is the District's cost-based fee.

The calculations take into account the financing mechanisms of capital improvements. These fees must be implemented according to the capacity requirement each new connection places on the water system. This way, the capacity reserve fees are related to the costs the new customer places on the systems and the benefit they derive from infrastructure in place to serve them.

The capacity reserve fee analysis resulted in showing the water capacity reserve fee for one (1) DUE or 5/8-inch meter can increase from \$13,963, the current charge, to \$15,308 or an increase of \$1,345. The District Engineer may adjust the capacity factor based on revisions to the AWWA publications or other new empirical data regarding the respective flow rating for any of the meters described below. Table ES – 1, below, shows the current and calculated water capacity fees for the District.

**Table ES - 1**  
**Current and Calculated Water Capacity Reserve Fee**

| Meter Size<br>[1]     | Capacity<br>Factor 5/8"<br>Equivalency | Effective<br>July 1, 2021<br>[2] [3] | Calculated<br>Capacity Reserve Fee [4] |
|-----------------------|--|--------------------------------------|--|
| 5/8"                  | 1.0                                    | \$13,963                             | \$15,308                               |
| 3/4"                  | 1.5                                    | 20,959                               | 22,962                                 |
| 1"                    | 2.5                                    | 34,931                               | 38,270                                 |
| 1-1/2" (Displacement) | 5.0                                    | 69,861                               | 76,541                                 |
| 1-1/2" (OMNI C2)      | 16.0                                   | 223,555                              | 244,931                                |
| 1-1/2" (OMNI T2)      | 16.0                                   | 223,555                              | 244,931                                |
| 2" (Displacement)     | 8.0                                    | 111,777                              | 122,465                                |
| 2" (OMNI C2)          | 16.0                                   | 223,555                              | 244,931                                |
| 2" (OMNI T2)          | 20.0                                   | 279,443                              | 306,163                                |

[1] Meters 3" and up are determined by DSRSD based on Maximum Rate for Continuous Operation through a 5/8" meter, as defined by the American Water Works Association (AWWA)

[2] Recycled water capacity reserve fees are equivalent to potable water fees

[3] DSRSD fees are revised annually on July 1 based on changes in the Engineering News Record (ENR) Construction Cost Index and are subject to change at other times

[4] Calculated fees are in addition to Zone 7 connection fees

The calculated capacity reserve fee amount is the maximum amount the District can charge. The District, as a matter of policy, may charge any amount up to the cost-based capacity reserve fee but not over that amount. Charging an amount greater than the net allowable capacity reserve fee would not meet the practical basis of charging cost-based fees that are proportionally related to the benefit derived by the customer.

Section 3 of this report details the water capacity reserve fee analysis along with further details in the Technical Appendix.

## Consultant's Recommendation

Based on our review and analysis of the District's water capacity reserve fees, HDR makes the following recommendations:

1. The District should adopt the water capacity reserve fees for new connections, which are no greater than the net allowable water capacity reserve fees as set forth in this report.
2. The District should continue to annually update the water capacity reserve fees by a local construction cost index such as the Engineering News Record Construction Cost Index (ENR-CCI) for no more than five years before a complete update of the water capacity reserve fees is completed. Industry best practice of annual inflationary adjustment can keep fees relatively current with construction pricing trends.

3. The District should update the actual calculations for the water capacity reserve fees at such time when a new capital improvement plan, public facilities plan, comprehensive system plan, or a comparable plan is approved or updated by the District, or every five years.

## Summary

The water capacity reserve fees presented in this report are based on the planning and engineering design criteria of the District's water system, the value of the existing assets, past financing of system infrastructure, and generally accepted principles. The calculated capacity reserve fees will provide multiple benefits to the District and will continue the practice of establishing equitable and cost-based water capacity fees for new customers connecting to the District's water system.



## 1.0 Introduction and Overview

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### 1.1 Introduction

An important starting point in establishing water capacity reserve fees is to have a basic understanding of the purpose of these fees along with the criteria and general methodologies that are used to establish cost-based capacity reserve fees. This section of the report presents an overview of capacity reserve fee methodologies that were used to develop cost-based fees for the District.

### 1.2 Defining Water Capacity Reserve Fees

The capacity reserve fees are a contribution of capital in order to reimburse existing customers for the immediately available capacity in the existing system, and to help finance future growth-related capacity improvements needed to serve them. Absent those fees, many utilities would likely be unwilling to build growth-related facilities (i.e., burden existing rate payers with the entire cost of growth-related capacity expansion).

### 1.3 Economic Theory and Water Capacity Reserve Fees

Capacity reserve fees are generally imposed as a condition of service. The objective of the capacity reserve fees is not to generate revenues for a utility, but to create fiscal balance (equity) between existing customers and new customers. That is, all customers seeking to connect to the utility's water system bear an equitable share of the cost of capacity that is invested in both the existing, and any future growth-related expansions. Through the implementation of equitable water capacity reserve fees, existing customers will not be unduly burdened with the cost of new development.

By updating the capacity reserve fees, the District continues an important step in assuring adequate infrastructure to meet growth-related needs while providing this infrastructure to new customers in a cost-based and equitable manner.

### 1.4 Overview of the Water Capacity Reserve Fee Methodology

Within the various generally accepted capacity reserve fee methodologies, there are a number of different steps undertaken. These steps are as follows:

1. Determination of system planning criteria
2. Determination of dwelling unit equivalents (DUEs)
3. Calculation of system component costs
4. Determination of any credits

The first step in establishing capacity reserve fees is the determination of the system planning criteria. This implies calculating the amount of water capacity required by a single-family residential customer. Generally, water demand per equivalent meter is most often used, since this represents the basis for system design, and subsequent customer demands that are placed on the system. The American Water Works Association (AWWA) has a standardized method for determining meter equivalency for larger meter sizes.

Once the system planning criteria is determined, the number of dwelling unit equivalents or DUEs can be determined. For a water system, one reasonable and rational method to determine the number of DUEs is to divide the future land use-based water demand by the average day usage per DUE. The land use-based water demand is based on future land uses as defined in the local General Plans and historical and current water demands per land use type. This provides the linkage between the amounts of infrastructure necessary to provide service to a set number of customers.

Once the number of DUEs has been determined, an analysis is undertaken to determine the capacity reserve fee in cost (\$) per DUE. The calculation of the capacity reserve fee includes both existing (buy-in) and planned future assets. Existing assets are valued (system investment) based on the replacement cost method less depreciation. The future projects (expansion) are based on the capital improvement projects in today's dollars. Once the total cost of the existing and future capital infrastructure is determined, it is then divided by the appropriate number of DUEs the infrastructure will serve to develop the cost per DUE for the system.

After each existing and future component is analyzed and a cost per DUE is determined, the cost per DUE for each existing and future component is added together. This results in a net allowable capacity reserve fee stated in dollars per DUE. The general basis of this calculation is the assumption that a DUE is equivalent to a certain level of service. Larger demands placed on a system are then imposed fees based on the size of meter (number of DUEs) for a given demand based on operating capacity.

## 1.5 Disclaimer

HDR, in its calculation of the capacity reserve fees for the District, as presented in this report, has used generally accepted engineering and capacity reserve fee principles. This should not be construed as a legal opinion with respect to California State law. HDR recommends that the District have its legal counsel review the capacity reserve fee as set forth in this report to ensure compliance with California State law.

## 1.6 Summary

This section of the report has provided an overview of capacity reserve fees; the basis for establishing the fees, considerations in establishing capacity reserve fees and the relationship (practical basis) which must be established between new development and the new or expanded facilities required to accommodate new development, and appropriate apportionment of the cost to the new development in relation to benefits reasonably to be received.



## 2.0 Legal Considerations in Establishing Capacity Reserve Fees

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### 2.1 Introduction

An important consideration in establishing capacity reserve fees is any legal requirements at the state or local level. The legal requirements often establish the methodology around which the capacity reserve fees must be calculated or how the funds must be used. Given that, it is important for the District to understand these legal requirements and develop and adopt their capacity reserve fees in compliance with those legal requirements.

This section of the report provides an overview of the legal requirements for establishing water capacity reserve fees. This summary represents HDR's understanding of the relevant California State law as it relates to establishing capacity reserve fees. It in no way constitutes a legal interpretation of the state law by HDR.

### 2.2 Requirements under California State Law

Many states have specific laws regarding the establishment, calculation, and implementation of capacity reserve fees. The main objective of most state laws is to assure that these fees are established in such a manner that they are fair, equitable, and cost-based. In other cases, state legislation may have been needed to provide the legislative powers to the utility to establish the fees.

The laws for the enactment of capacity reserve fees in California are codified in California Government Code sections 66013, 66016, and 66022, which are interspersed within the 'Mitigation Fee Act.' The Mitigation Fee Act is comprehensive legislation dealing mainly with fees imposed as a condition of development (development fees), although the above sections set forth the various requirements for imposition of capacity reserve fees in California: calculation of the fees, noticing, accounting and reporting requirements, and processes for judicial review. Although contained within the Mitigation Fee Act, capacity reserve fees are not development fees.

A summary of the relevant statutes required in the calculation of capacity reserve fees is as follows:

*"66013 (a) Notwithstanding any other provision of law, when a local agency imposes fees for water connections or sewer connections, or imposes capacity charges, those fees or charges shall not exceed the estimated reasonable cost of providing the service for which the fee or charge is imposed, unless a question regarding the amount of the fee or charge imposed in excess of the estimated reasonable cost of providing the services or materials is submitted to, and approved by, a popular vote of two-thirds of those electors voting on the issue."*

*"66013 (b) (3) 'Capacity charge' means a charge for facilities in existence at the time a charge is imposed or charges for new facilities to be constructed in the future that are of benefit to the person or property being charged, including supply or capacity*



*contracts for rights or entitlements, real property interests, and entitlements and other rights of the local agency involving capital expense relating to its use of existing or new public facilities. A “capacity charge” does not include a commodity charge.”*

In addition to the determination of “the estimated reasonable cost of providing the service for which the fee is imposed,” California law also requires the following:

- That notice (of the time and place of the meeting, including a general explanation of the matter to be considered) and a statement that certain data is available be mailed to those who filed a written request for such notice;
- That certain data (the estimated cost to provide the service and anticipated revenue sources) be made available to the public;
- That the public agency provide an opportunity for public input at an open and public meeting to adopt or modify the fee; and
- That revenue in excess of actual cost be used to reduce the fee creating the excess.

The basic principle that needs to be followed under California law is that the fee be based on a proportionate share of the costs of the system required to provide service and that the requirements for adoption and accounting be followed in compliance with California law.

## **2.3 Propositions 218 and 26 and Capacity Reserve Fees**

In 1996, the voters of California approved Proposition 218, which required that the imposition of certain fees and assessments by municipal governments require a vote of the people to change or increase the fee or assessment. Of interest in this particular study is the applicability of Proposition 218 to the establishment of capacity reserve fees for the District.

In *Richmond v. Shasta Community Services Dist.*, 32 Cal.4th 409 (2004), the California Supreme Court held that capacity reserve fees are not “assessments” under Proposition 218 because they are imposed only on those who are voluntarily seeking service, rather than being charged to particular identified parcels, and therefore such fees are not subject to the procedural or substantive requirements of Proposition 218. Additionally, the court held that a capacity reserve fee is not a development fee. The court also held that such fees can properly be enacted by either ordinance or resolution.

In November 2010 the voters of California passed Proposition 26, an initiative based state constitutional amendment, which provided a new definition of the term “tax” in the California Constitution. Under Proposition 26 a fee or charge imposed by a public agency is a tax unless it meets one of seven exceptions. Capacity reserve fees fall within exception 2 – i.e., it is a fee imposed for a specific government service. Provided that a capacity reserve fee does not charge one fee payor more in order to charge another fee payor less (i.e., a cross-subsidy), and it does not exceed the reasonable costs to the local government of providing the service, then the fee is not a tax within the meaning of Proposition 26. Under Proposition 26, the local government bears the burden of proving, by a preponderance of the evidence, that a levy, charge, or other exaction is not a tax, that the amount is no more than necessary to cover the reasonable costs of the governmental activity, and that the manner in which those costs are allocated to a payor bear a fair or reasonable relationship to the payor’s burdens on, or benefits received from, the governmental activity.

In the case of the District's water capacity reserve fee, the District does not charge one fee payer more in order to charge another fee payer less (i.e., a cross-subsidy), and it does not exceed the reasonable costs to the local government of providing the service. Given this, the fee is not a tax within the meaning of Proposition 26.

## 2.4 Summary

This section of the report reviewed the legal basis for establishing water capacity reserve fees in the State of California, and in particular for the District. This summary represents HDR's understanding of the relevant California State law as it relates to establishing capacity reserve fees. It in no way constitutes a legal interpretation of the state law by HDR. HDR recommends that the District have its legal counsel review the capacity reserve fee as set forth in this report to ensure compliance with California State law. The next section of the report provides a detailed discussion of the specific calculation of the water capacity reserve fee for the District.



## 3.0 Development of the Water Capacity Reserve Fees

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### 3.1 Introduction

This section of the report presents the key assumptions and details used in calculating the District's water capacity reserve fee. The calculation is based on District-specific financial and planning information. Specifically, the water capacity reserve fee is based upon the District's asset management program, Capital Improvement Plan (CIP), DSRSD/EBMUD Recycled Water Authority (DERWA) costs related to the District's proportional share of the assets and debt, and other planning related data. To the extent that the cost and timing of future capital improvements change, then the water capacity reserve fee presented in this section of the report should be updated to reflect the changes.

The methodology used in this analysis for the District contains an existing or buy-in cost component, and a future or incremental cost component. In other words, the District's existing assets are divided by the existing number of DUEs while the future or incremental expansion-related capital projects are divided by the future DUEs. Both calculations are summed, and the result is the total net allowable water capacity reserve fee.

### 3.2 Overview of District's Water System

The District is the water retailer for residents in the City of Dublin and the Dougherty Valley portion of the City of San Ramon. The District buys wholesale potable water from Alameda County Flood Control and Water Conservation District Zone 7 (Zone 7). Zone 7 obtains water from the State Water Project (SWP), from a local watershed, and from groundwater aquifers under the valley. Normally, about 80 percent of the valley's water comes from the SWP, traveling from the Sierra Nevada Mountains through Lake Oroville and the Sacramento-San Joaquin Delta. The water is then pumped into the South Bay Aqueduct near Tracy, where it enters the Tri-Valley. Droughts and regulatory restrictions decrease the amount of SWP water available to the Tri-Valley and increases reliance on local groundwater.

To improve the reliability of the valley's water supply, the District is a member agency (along with East Bay Municipal Utility District (EBMUD)) in the DSRSD-EBMUD Recycled Water Authority (DERWA), a joint powers authority formed in 1995 to plan, design, construct, own and operate various facilities which together maximizes the volume of recycled water deliveries while recovering its costs. Two directors from each agency serve on the DERWA board of directors. The Authority began its operations on June 28, 1995. DERWA constructed a water recycling system, including treatment, conveyance, and pumping and storage facilities which became operational on February 1, 2006. Capital costs, including debt service, are allocated based on each member's proportional share of capital assets. This study includes only those costs related to the District's proportional share of these assets and debt. In addition to DERWA, the District has constructed and operates a recycled system for delivery of recycled water within the Dublin and San Ramon service areas. Costs related to projects that benefit only District customers are fully allocated to the cost of this service.

The District operates its water system as a single, pressurized, and integrated system. The District has viewed capacity reserve fees as a single fee (\$/DUE), regardless of the location of the new development in the service area. The cost of projects and DUEs, both potable and recycled, are summed to develop a single water capacity reserve fee paid by each new connection to the system.

### 3.3 Current Water Capacity Reserve Fees

The District's current capacity reserve fee is based on the safe operating capacity of a 5/8-inch meter (or 1 DUE) as compared with the respective safe operating capacities of other meter sizes. The District engineer may adjust the Capacity Factor set forth in the table based on revisions to the AWWA publications. The District's current capacity reserve fees are shown below in Table 3 - 1.

**Table 3 - 1**  
**Current Water Capacity Reserve Fees**

| Meter Size<br>[1]     | Meter Ratio for a 5/8"<br>Equivalency | Effective July 1, 2021<br>[2] [3] [4] |
|-----------------------|---------------------------------------|---------------------------------------|
| 5/8"                  | 1.0                                   | \$13,963                              |
| 3/4"                  | 1.5                                   | 20,959                                |
| 1"                    | 2.5                                   | 34,931                                |
| 1-1/2" (Displacement) | 5.0                                   | 69,861                                |
| 1-1/2" (OMNI C2)      | 16.0                                  | 223,555                               |
| 1-1/2" (OMNI T2)      | 16.0                                  | 223,555                               |
| 2" (Displacement)     | 8.0                                   | 111,777                               |
| 2" (OMNI C2)          | 16.0                                  | 223,555                               |
| 2" (OMNI T2)          | 20.0                                  | 279,443                               |
| 3" (OMNI C)           | 40.0                                  | 558,886                               |
| 3" (OMNI T2)          | 50.0                                  | 698,608                               |

[1] Meters 3" and up are determined by DSRSD based on Maximum Rate for Continuous Operation through a 5/8" meter, as defined by the American Water Works Association (AWWA)

[2] Recycled water capacity reserve fees are equivalent to potable water fees

[3] DSRSD fees are revised annually on July 1 based on changes in the Engineering News Record (ENR) Construction Cost Index and are subject to change at other times

[4] Calculated fees are in addition to Zone 7 connection fees

### 3.4 Key Assumptions

In developing the capacity reserve fees for the District's water system, a number of key assumptions were utilized. These are as follows:

- The District provided the planning criteria.
- The methodology used is the combined methodology. The buy-in and expansion component are added together for a net allowable fee.

- The District's Asset Management program records were used to determine the existing plant assets, based on replacement cost.
- The base year for calculations is Jan. 1, 2022.
- The District provided the CIP for future improvements.
- The District determined and/or reviewed the portion of future improvements that were growth related. The future improvements were identified in the 2016 Water Master Plan and/or were reflected in the FYE 2022-2031 Capital Improvement Program Ten Year Plan.

## 3.5 District's System Planning Criteria

The process of calculating capacity reserve fees is based on a four-step process. In summary form, these steps are as follows:

- Determination of system planning criteria
- Determination of dwelling unit equivalents (DUEs)
- Calculation of the capacity reserve fee by system component costs
- Determination of capacity reserve fee credits

Each of these steps is discussed in more detail below.

### 3.5.1 System Planning Criteria

System planning criteria typically involves calculating the amount of water required by a single-family residential customer (hence the term “Dwelling Unit Equivalent” or “DUE”). Water demand per DUE represents the basis for system design. The planning period utilized in the 2016 capacity reserve fee study was based on the District's adopted 2016 Water Master Plan which extended through 2035. By year 2035, the District anticipates development within its service area would be completed (commonly referred to as “build out”). The District updated the projected DUEs from the 2016 study based on actual DUEs that occurred from 2016 to 2021, along with updated projected future water demands.

### 3.5.2 Dwelling Unit Equivalents

The current and projected number of dwelling units is important for the study in that certain costs may be proportionally assigned to existing or future DUEs. A projection of the number of new DUEs from 2021 through 2035 was prepared by the District using updated development plans from the City of Dublin. Since the last study, the projected build out number of DUEs has been revised to reflect these updated development plans. The analysis developed by the District was very detailed in that it considered both the remaining available land area within the District's service area, as well as the type(s) of customers that may develop within a particular area. This approach to forecasting DUEs is far more reasonable and accurate than simply projecting future DUEs by taking the existing number of DUEs and applying an assumed growth rate. It should also be noted that the development of the DUEs includes both potable and recycled water DUEs. A summary of the projected total DUEs used in the development of the study are presented in Table 3 - 2. Details of the projected DUEs, by year, are provided on Exhibit 1 of the Technical Appendix.

**Table 3 - 2**  
**Water System Dwelling Unit Equivalents (DUEs)**

| Description                                  | Dwelling Unit<br>Equivalents (DUEs) <sup>[1]</sup> |
|--|--|
| Existing 2021                                | 35,991   |
| Net Future DUEs 2022 - 2035                  | <u>6,567</u>                                       |
| <b>Projected 2035 Total DUEs (build out)</b> | <b>42,558</b>                                      |

[1] DUE figures contain decimals and rounding; totals may not equal the sum of the actual values.

### 3.6 Calculation of the District's Water Capacity Reserve Fees

The next step of the analysis is to review each major infrastructure asset class in service and determine the capacity reserve fee for that class. In calculating the capacity reserve fees, existing infrastructure (including District investment in DERWA assets), planned future capital projects, and outstanding debt were included. The major infrastructure asset classes of the District's water system that were reviewed for purposes of calculating the water capacity reserve fees were as follows:

- Source
- Water Treatment (DERWA)
- Pump Stations
- Reservoirs
- Administration Offices
- Transmission/Distribution (Potable (PW) and Recycled (RW))
- Facilities & Equipment

For purposes of this study, the component of the water capacity reserve fee associated with existing infrastructure is referred to as the "buy-in component," the component of the water capacity reserve fee associated with future capital projects is referred to as the "expansion component". The outstanding debt principal is deducted from the "buy-in" component since both the outstanding principal and interest is on the buy-in portion of the fee. The expansion portion is further adjusted by the expansion reserves for a total net expansion component.

Based on the sum of the component costs (buy-in less outstanding debt principal), expansion plus outstanding debt (principal and interest), and less expansion reserves, the net allowable water capacity reserve fee is determined. The term net allowable refers to the concept that the calculated water capacity reserve fee is the District's cost-based (i.e., maximum) fee.

The calculations take into account the financing mechanisms of capital improvements. These fees must be implemented according to the capacity requirement each new connection places on the water system. This way, the water capacity reserve fees are related to the costs the new customer places on the systems and the benefit they derive from infrastructure in place to serve them.

### 3.6.1 Buy-In Component

The District provided asset listings for the various infrastructure asset classes and their replacement values based on the District's Asset Management program. The assets were reduced by accumulated depreciation based on engineering estimate of service life and installation date calculated at straight-line depreciation. This is referred to as Replacement Cost New Less Depreciation (RCNLD). For this study, the District determined transmission/distribution assets greater than or equal to 12 inches as major infrastructure that provides system capacity to accommodate future development and will be included in the buy-in component calculation. Contributed assets are developer contributed assets which were not included in the water capacity reserve fee calculation. In contrast to this, non-contributed assets were included as 100 percent (%) eligible. Given the value of the water capacity reserve fee eligible assets, they were sum totaled for each system component and divided by the total existing number of DUEs.

Below is a brief summary of the infrastructure asset classes that comprise the District's water system:

#### Source

The District receives all of its potable water from the Zone 7 Water Agency. The District's total cost for its potable water also includes fluoride treatment assets, as well as other miscellaneous source-related assets. The portion of the capacity reserve fee for source-related facilities (RCNLD) is \$12 per DUE. Details of the calculation are provided in Exhibit 3 of the Technical Appendix.

#### Pump Stations

The District currently has seventeen potable and five recycled water pump stations. Future improvements are to provide pump station upgrades for increased capacity and reliability to serve growth. The portion of the capacity reserve fee for pump stations (RCNLD) is \$362 per DUE. Details of the calculation are provided in Exhibit 4 of the Technical Appendix.

#### Reservoirs

The District currently has 14 reservoirs with a capacity of approximately 27.05 million gallons (mg) for the potable system and for the recycled system has 4 reservoirs with a capacity of approximately 10.95 mg. The portion of the capacity reserve fee for distribution storage (RCNLD) is \$891 per DUE. Details of the calculation are provided in Exhibit 5 of the Technical Appendix.

#### Administration Offices

The replacement cost for the District's administration office at 7051 Dublin Boulevard in Dublin and the Field Operations Department Administrative Office is based on insured value, as determined by CSRMA/Alliant in their valuation dated February 2019. Insured value serves as a readily accessible proxy for RCN value based on construction costs. The District office and Field Operations office provides support not only to the water operations and treatment activities, but also to the District's other activities (i.e., local and regional wastewater collection and treatment), therefore, we have included 31% of the total value of the District office and 85% of the Field Operations office, which is the water asset value as a percentage of total District assets. The portion of the capacity reserve fee at insured value for the water system's share of administration facilities is \$194 per DUE. Details of the calculation are provided in Exhibit 6 of the Technical Appendix.

## Transmission & Distribution

Transmission & Distribution is the District's largest infrastructure asset class. The District operates and maintains 331 miles of potable and 69 miles of recycled water pipelines ranging from 1" to 36" of which pipelines 12" and greater are considered major infrastructure and included in the buy-in component calculation. The portion of the capacity reserve fee for potable (\$4,251) and recycled (\$1,036) water pipelines (RCNLD) is a total of \$5,287 per DUE. Details of the calculation are provided in Exhibit 7-8 of the Technical Appendix.

## DERWA Assets

The District does not manage the records of DERWA assets and was reliant on the JPA's 2021 audited financial statements and other financial reports to determine the value of the District's share of JPA assets (\$39.7 million). The share of DERWA assets was reported on the District's 2021 Annual Comprehensive Financial Report (ACFR) as "Investment in JPA". The total DSRSD share of DERWA assets divided by the total existing number of DUEs results in a buy-in component for the District's share of DERWA assets of \$1,104 per DUE

The summed total of the existing DSRSD and DERWA share of assets for the buy-in component is \$7,851. Exhibit 11, of the Technical Appendix details the buy-in component. Table 3 – 3 is a summary of the total buy-in assets.

**Table 3 - 3**  
**Summary of the Buy-In Costs**

| Assets   | Asset-base (\$)      |   | Existing DUEs <sup>[1]</sup> |   | Total Buy-In CRF \$/DUE <sup>[2]</sup> |
|--|----------------------|---|------------------------------|---|--|
| <b>DSRSD Assets</b>                            | <b>(RCNLD)</b>       |   |                              |   |  |
| Source   | \$419,761            | ÷ | 35,991                       | = | \$12                                   |
| Pump Stations                                  | 13,032,788           | ÷ | 35,991                       | = | 362                                    |
| Reservoirs                                     | 32,067,440           | ÷ | 35,991                       | = | 891                                    |
| Administration Offices                         | 6,983,486            | ÷ | 35,991                       | = | 194                                    |
| Transmission & Distribution - PW               | 153,010,810          | ÷ | 35,991                       | = | 4,251                                  |
| Transmission & Distribution – RW               | <u>37,273,345</u>    | ÷ | 35,991                       | = | <u>1,036</u>                           |
| <b>Total DSRSD Assets</b>                      | <b>\$242,823,068</b> |   |                              |   | <b>\$6,746</b>                         |
| <b>Total DERWA Infrast. – DSRSD Investment</b> | <b>\$39,733,435</b>  |   | 35,991                       |   | <b>\$1,104</b>                         |
| <b>Total Buy-in Costs</b>                      | <b>\$282,556,503</b> |   |                              |   | <b>\$7,850</b>                         |

[1] See Exhibit 1 in Technical Appendix for DUE details. DUE figures contain decimals and rounding; totals may not equal the sum of the actual values.

[2] Figures contain decimals and rounding; totals may not equal the sum of the actual values.

The calculated value of the existing assets was reduced by the outstanding principal portion of the debt associated with the assets. This inclusion of a deduction of the outstanding principal on

the buy-in component avoids double counting the asset value in the existing or buy-in component of the water capacity reserve fee, as well as in the debt service portion of the expansion component. The principal portion of the debt service balance on existing assets is removed from the value of the fee. The outstanding debt principal was summed and divided by the total existing number of DUEs. The result is the deduction of outstanding debt principal per DUE for DSRSD existing assets of \$886 and equity in existing DERWA asset of \$93 for a total outstanding debt principal of \$978. Table 3 - 4 is a summary of the deduction of outstanding debt principal.

**Table 3 – 4**  
**Summary of the Buy-In Debt Principal Deduction**

| Outstanding Debt Principal                 | Debt Principal (\$)   |   | Existing DUEs <sup>[1]</sup> |   | Total Debt Deduct \$/DUE <sup>[3]</sup> |
|--|-----------------------|---|------------------------------|---|---|
| <b>Debt (Principal Only)<sup>[2]</sup></b> |                       |   |                              |   |   |
| 2017 Rev. Ref. Water                       | (\$31,870,000)        | ÷ | 35,991                       | = | (\$886)                                 |
| DERWA State Loan                           | <u>(\$3,329,747)</u>  | ÷ | 35,991                       | = | <u>(93)</u>                             |
| <b>Total Buy-In Deduction</b>              | <b>(\$35,199,747)</b> |   |                              |   | <b>(\$978)</b>                          |

[1] See Exhibit 1 in Technical Appendix for DUE details. DUE figures contain decimals and rounding; totals may not equal the sum of the actual values.

[2] See Exhibit 10 in Technical Appendix for debt schedules.

[3] Figures contain decimals and rounding; totals may not equal the sum of the actual values.

Given the buy-in costs for existing DSRSD and share of DERWA assets of \$7,850 per DUE, less the outstanding debt principal of \$978 per DUE, the total capacity reserve fee net buy-in component is \$6,872 per DUE. Table 3 - 5 is a summary of the net buy-in component.

**Table 3 - 5**  
**Summary of the Buy-In Component**

|                             | Asset-base (\$)      | Total Buy-In CRF \$/DUE <sup>[1]</sup> |
|-----------------------------|----------------------|--|
| <b>Total Buy-in Cost</b>    | \$282,521,066        | \$7,850                                |
| <b>Less: Debt Credits</b>   | <u>(35,199,747)</u>  | <u>(978)</u>                           |
| <b>Net Buy-in Component</b> | <b>\$247,356,756</b> | <b>\$6,872</b>                         |

[1] Figures contain decimals and rounding; totals may not equal the sum of the actual values.

### 3.6.2 Expansion Component

For the expansion component, the District's future capital improvement needs were reviewed to determine what portion of planned future projects is required to serve future growth. The growth-related portion of each project was summed to determine the total eligible future project value, which was then divided by projected DUEs through build out 6,567 (2022 – 2035). This

approach is equitable and proportional in that these facilities will be built to serve the customers connecting during this time.

District growth-related capital projects are based on the adopted Ten-year Capital Improvement Plan for Fiscal Years 2022-2031. The District will invest approximately \$47 million over the planning period of which \$39 million were originally identified in the 2016 Water Master Plan prepared by West Yost & Associates. Since the last study in 2016, project cost estimates for certain projects have been updated. Particularly, the Reservoir 10A project increased over \$10.0 million from the 2016 estimate of \$7.6 million to \$18.5 million. The Turnout 6 project increased by \$6.9 million from the 2016 estimate of \$2.0 million to \$8.9 million. The capital improvement projects are provided on Exhibit 2 of the Technical Appendix. Highlighted below are certain expansion projects by functions:

#### **Source**

Long-Term Water Resiliency Program (CIP No. 00-W002). This program will develop long-term projects to meet the objectives of the Water Resiliency Policy adopted by the Board of Directors on April 20, 2021. The program will focus on building water resiliency by working collaboratively with regional partners to implement a diverse portfolio of supply, storage and conveyance projects. The program may include a potable reuse project; participation in regional storage; desalination, and intertie projects; and/or supplemental groundwater projects to expand the recycled water program. The Water Expansion fund portion of these efforts has a budgeted cost of \$10.0 million.

Turnout 6 (CIP No. 20-W015). The District receives its treated water supply from the Zone 7 Water Agency through turnouts on the Zone 7 water transmission system. This project will provide water supply for development in eastern Dublin by constructing a new turnout from Zone 7 Cross Valley Pipeline south of I-580 at Pimlico Drive. Construction of the turnout adds redundancy and improves reliability of the distribution system by having a secondary source turnout to supply newly developing eastern Dublin should there be a failure of Zone 7 Water Agency's Santa Rita Pipeline. This project is funded from the Water Expansion fund with a total estimated cost of \$8.9 million. This project was identified as a needed expansion project in the 2016 Water Master Plan Update, and is reflected in the FYE 2022-2031 Capital Improvement Program Ten Year Plan.

#### **Storage**

Reservoir 20B (CIP No. 14-W008). This project will construct a new 1.3-million-gallon potable water reservoir in eastern Dublin to provide potable water storage capacity for eastern Dublin and potable water to Dougherty Valley. The project is funded from the Water Expansion fund with a total estimated cost of \$7.0 million and is expected to be completed by Fiscal Year 2024.

Reservoir 10A (CIP No. 11-W003). This project will replace the existing 3.0-million-gallon reservoir with a new 4.1-million-gallon reservoir. The existing Reservoir 10A was constructed in the 1940s and currently serves Zone 1 in central Dublin. The project will gain additional storage to serve developing Eastern Dublin, and was identified as a needed expansion project in the 2016 Water Master Plan Update. The project is funded from the Water Expansion fund with a total estimated cost of \$18.5 million.

## **Transmission & Distribution**

Dublin Boulevard Extension – Water Facilities (CIP 20-W027). This project will construct a 1.5 mile potable water line to accommodate future development, based on the City of Dublin's General Plan. The project is funded from the Water Expansion fund with a total estimated cost of \$2 million.

## **DERWA Projects**

DERWA projects include the District's share of the capital projects in FY 2022 for 46% or \$16,100 of \$35,000 expansion project, and 58% of the Recycled Water Plant Phase 2 or \$1,096,200 of the total \$1,890,000 project. This is a total of \$1,112,300 District's share of the costs.

## **Debt Service and Fund Reserve Components**

The District has a separate and distinct expansion fund to account for all expansion-related projects and their associated costs. Since the District's existing debt was incurred to pay for expansion projects, debt service incurred to finance those expansion projects is also accounted for within the expansion fund, and the District pays its debt service with revenues from the expansion fund (primarily through capacity reserve fee revenues). However, in cases where a portion of a project is allocated to replacement, only that portion of the project that provides expansion capacity is included in the expansion fund and used in the calculation of the expansion component. To avoid double counting of assets financed with debt, the future principal associated with those assets was deducted from the existing infrastructure calculation before the buy-in component was calculated.

### **2017 Revenue Refunding Bond**

The District issued 2017 Water Revenue Refunding Bonds with proceeds used to advance refund the outstanding portion of the 2011 Water Revenue Refunding Bonds. The 2011 Revenue Refunding Bond was the refunded WaterReuse and Commercial Paper debt issued by DERWA. In prior studies, debt was allocated to align individual assets (both District assets and the District share of DERWA assets) to debt. The two refundings have made it near impossible to allocate debt to specific assets. Instead, this study proposes viewing assets on a "system-wide" basis and dividing outstanding debt by future DUEs. The "system-wide" basis is the generally accepted methodology for water systems nearing buildout. The current outstanding debt principal is approximately \$31.9 million.

### **DERWA State Loan**

The DERWA JPA received two state loans in order to finance construction of recycled water facilities that were completed in 2005 and 2006. The portion of the debt attributed to the District has been included in the expansion component. The current outstanding loan principal is \$3.3 million.

Detailed worksheets of the debt service payment schedules can be found in Exhibit 10 in the Technical Appendix.

### **Fund Reserves**

Reserves reflects the funds available in the District's expansion fund that have been funded through past reserve capacity fee revenues. Given this balance of funds, which can be used to fund future expansion related improvements, it is deducted to provide a credit against the available reserves to fund future expansion costs. The expansion fund reserve balance from

the District's current fund balance was based on recent financial statements and transfers as of 2022, which includes recycled water rate transfers and COVID 19 fiscal relief funding. The reserves are included to recognize the revenue that has already been contributed by growth towards the remaining capital expansion projects and DERWA debt service payments. The current fund reserve is approximately \$45.6 million.

Table 3 – 6 is a summary of the expansion costs of \$8,436 per DUE. Exhibit 11, of the Technical Appendix details the future component for capital projects.

**Table 3 - 6**  
**Summary of the Expansion Costs**

| Expansion Costs                  | Future Cost<br>(\$)   | Future<br>DUEs <sup>[1]</sup> | Total<br>Future CRF<br>\$/DUE <sup>[3]</sup> |
|----------------------------------|-----------------------|-------------------------------|--|
| <b>DSRSD Projects</b>            |                       |                               |  |
| Source                           | \$19,861,206          | ÷                             | 6,567 = \$3,024                              |
| Reservoirs                       | 25,430,494            | ÷                             | 6,567 = 3,872                                |
| Trans. & Distrib. - PW           | <u>2,040,000</u>      | ÷                             | 6,567 = <u>311</u>                           |
| <b>Total DSRSD Projects</b>      | <b>\$47,331,700</b>   |                               | <b>\$7,207</b>                               |
| <b>DERWA Projects - DSRSD</b>    |                       |                               |  |
| <b>Share</b>                     |                       |                               |  |
| DERWA Expansion Projects         | <u>1,112,300</u>      | ÷                             | 6,567 = <u>169</u>                           |
| <b>Total Expansion Projects</b>  | <b>\$48,444,000</b>   |                               | <b>\$7,376</b>                               |
| <b>Total Debt</b>                |                       |                               |  |
| 2017 Revenue Bond <sup>[2]</sup> | \$48,970,594          | ÷                             | 6,567 = \$7,457                              |
| DERWA State Loan                 | <u>3,559,655</u>      | ÷                             | 6,567 = <u>542</u>                           |
| <b>Total Exp.-Related Debt</b>   | <b>\$54,422,061</b>   |                               | <b>\$7,999</b>                               |
| <b>Less Exp. Fund Reserves</b>   | <b>(\$45,569,400)</b> |                               | <b>(\$6,939)</b>                             |
| <b>Total Expansion Costs</b>     | <b>\$56,184,361</b>   |                               | <b>\$8,436</b>                               |

[1] See Exhibit 1 in Technical Appendix for DUE details.

[2] DUE figures contain decimals and rounding; totals may not equal the sum of the actual values.

[3] Figures contain decimals and rounding; totals may not equal the sum of the actual values.

The expansion component of the capacity reserve fee is reduced by the expansion fund reserves to calculate the net expansion cost component of the fee.

### 3.7 Net Allowable Water Capacity Reserve Fee

The methodology used to establish the water capacity reserve fee is a combined approach. The combined approach adds the buy-in component and the expansion component together. Table 3 - 7 shows the net allowable water capacity reserve fee.

**Table 3 - 7**  
**Summary of the Capacity Reserve Fee by Component**

|                            | Buy-In         |   | Expansion      |   | Total CRF<br>\$/DUE <sup>[1]</sup> |
|----------------------------|----------------|---|----------------|---|------------------------------------|
| DSRSD                      | \$5,768        | + | \$8,267        | = | \$14,035                           |
| DERWA - DSRSD Investment   | <u>1,104</u>   | + | <u>169</u>     | = | <u>1,273</u>                       |
| <b>Total Allowable Fee</b> | <b>\$6,872</b> | + | <b>\$8,436</b> | = | <b>\$15,308</b>                    |

[1] Figures contain decimals and rounding; totals may not equal the sum of the actual values.

As can be seen in Table 3 - 7, the maximum allowable water capacity reserve fee is \$15,308 per DUE. From the calculated allowable water capacity reserve fee, the fee is then placed in the context of the size and type of meter. The capacity reserve fee varies based upon the safe operating capacity of the customer's meter. Table 3 - 8 provides a summary of the calculated and allowable capacity reserve fee by meter type and size.

**Table 3 - 8**  
**Current and Calculated Water Capacity Reserve Fee**

| Meter Size<br>[1]     | Capacity<br>Factor 5/8"<br>Equivalency | Effective<br>July 1, 2021<br>[2] [3] | Calculated<br>Capacity Reserve Fee <sup>[4]</sup> |
|-----------------------|--|--------------------------------------|---|
| 5/8"                  | 1.0                                    | \$13,963                             | \$15,308  |
| 3/4"                  | 1.5                                    | 20,959                               | 22,962  |
| 1"                    | 2.5                                    | 34,931                               | 38,270  |
| 1-1/2" (Displacement) | 5.0                                    | 69,861                               | 76,541  |
| 1-1/2" (OMNI C2)      | 16.0                                   | 223,555                              | 244,931   |
| 1-1/2" (OMNI T2)      | 16.0                                   | 223,555                              | 244,931   |
| 2" (Displacement)     | 8.0                                    | 111,777                              | 122,465   |
| 2" (OMNI C2)          | 16.0                                   | 223,555                              | 244,931   |
| 2" (OMNI T2)          | 20.0                                   | 279,443                              | 306,163   |

[1] Meters 3" and up are determined by DSRSD based on Maximum Rate for Continuous Operation through a 5/8" meter, as defined by the American Water Works Association (AWWA)

[2] Recycled water capacity reserve fees are equivalent to potable water fees

[3] DSRSD fees are revised annually on July 1 based on changes in the Engineering News Record (ENR) Construction Cost Index and are subject to change at other times

[4] Calculated fees are in addition to Zone 7 connection fees

## 3.8 Consultant's Recommendations

Based on our review and analysis of the District's water system, HDR recommends:

1. The District should adopt the water capacity reserve fees for new connections which are no greater than the net allowable water capacity reserve fees as set forth in this report.
2. The District should continue to annually update the water capacity reserve fees by a local construction cost index such as the Engineering News Record Construction Cost Index (ENR-CCI) for no more than five years before a complete update of the water capacity reserve fees is completed. Industry best practice of annual inflationary adjustment can keep the fees (plant investment) relatively current with construction pricing practices.
3. The District should update the actual calculations for the water capacity reserve fees at such time when a new capital improvement plan, public facilities plan, comprehensive system plan, or a comparable plan is approved or updated by the District, or every five years.

## 3.9 Summary

The water capacity reserve fees developed and presented in this report are based on the planning and engineering design criteria of the District's water system, the value of the existing assets, and generally accepted ratemaking principles. Consistently updating the charge annually based on the Engineering New Record cost index and reviewing the capacity reserve fees every five years will continue to create equitable and cost-based fees for new customers connecting to the District's water system.



## Technical Appendix

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## DSRSD

## Capacity Reserve Fees Study

## DUE Projections

## Exhibit 1

| Fiscal Year End | DUE Credits | Historical DUEs [1] | Cumulative DUEs [1] | Fiscal Year End | Projected DUEs [1] | DUE Credits | Cumulative DUEs [1] |
|-----------------|-------------|---------------------|---------------------|-----------------|--------------------|-------------|---------------------|
| 2002            |             |                     | 15,566              | 2020            | 535                | 0           | 35,696              |
| 2003            |             | 3,588               | 19,154              | 2021            | 295                | 0           | 35,991              |
| 2004            |             | 2,426               | 21,580              | 2022            | 512                | 0           | 36,502              |
| 2005            |             | 2,583               | 24,163              | 2023            | 743                | 0           | 37,246              |
| 2006            |             | 1,747               | 25,910              | 2024            | 632                | 0           | 37,878              |
| 2007            |             | 1,544               | 27,454              | 2025            | 337                | 0           | 38,215              |
| 2008            |             | 890                 | 28,344              | 2026            | 946                | 0           | 39,161              |
| 2009            |             | 30                  | 28,374              | 2027            | 1,132              | 0           | 40,293              |
| 2010            |             | 10                  | 28,384              | 2028            | 913                | 0           | 41,207              |
| 2011            | (177)       | 1,928               | 30,135              | 2029            | 451                | 0           | 41,657              |
| 2012            | (73)        | 249                 | 30,311              | 2030            | 259                | 0           | 41,917              |
| 2013            | (5)         | 321                 | 30,627              | 2031            | 253                | 0           | 42,170              |
| 2014            | (10)        | 340                 | 30,956              | 2032            | 97                 | 0           | 42,267              |
| 2015            |             | 566                 | 31,522              | 2033            | 97                 | 0           | 42,364              |
| 2016            |             | 1,071               | 32,593              | 2034            | 97                 | 0           | 42,461              |
| 2017            |             | 642                 | 33,235              | 2035            | 97                 | 0           | 42,558              |
| 2018            |             | 958                 | 34,193              |                 |                    |             |                     |
| 2019            |             | 968                 | 35,161              |                 |                    |             |                     |
|                 |             | <b>19,860</b>       |                     |                 |                    |             |                     |

## Summary Totals

## DUES

|                           |        |                               |              |          |               |
|---------------------------|--------|-------------------------------|--------------|----------|---------------|
| Total DUEs 2021           | 35,991 | <b>Total DUEs 2021 - 2035</b> | <b>6,567</b> | <b>0</b> | <b>42,558</b> |
| Projected 2035 Total DUEs | 42,558 |                               |              |          |               |

## Notes:

[1] Except where noted, data obtained From DSRSD's DUE Projections WY 06.23.2021

|   | Total<br>[1]        | CF<br>Eligible [2] | Cost<br>2021\$      | Cost<br>2021\$      | Source                            |
|---|---------------------|--------------------|---------------------|---------------------|-----------------------------------|
| <b>Future Source Related Assets</b>                         |                     |                    |                     |                     |                                   |
| 08-6202 Pump Station 20A Improvements                       | \$470,000           | 100%               | \$470,000           | \$470,000           | From CIP Water Expansion Projects |
| 20-WO15 Turnout 6   | 8,916,206           | 100%               | 8,916,206           | 8,916,206           | From CIP Water Expansion Projects |
| 20-WO17 Water System Master Plan and Operations Plan Update | 100,000             | 100%               | 100,000             | 100,000             | From CIP Water Expansion Projects |
| 00-W002 Long-Term Water Resiliency Program                  | 10,000,000          | 100%               | 10,000,000          | 10,000,000          | From CIP Water Expansion Projects |
| 22-W020 2021 Alternative Water Supply Study                 | 375,000             | 100%               | 375,000             | 375,000             | From CIP Water Expansion Projects |
|   | <b>\$19,861,206</b> |                    | <b>\$19,861,206</b> | <b>\$19,861,206</b> |                                   |
| <b>Future Reservoir</b>                                     |                     |                    |                     |                     |                                   |
| 14-W008 Reservoir 20B                                       | \$6,959,269         | 100%               | \$6,959,269         | \$6,959,269         | From CIP Water Expansion Projects |
| 17-W003 Reservoir 10A                                       | 18,471,225          | 100%               | 18,471,225          | 18,471,225          | From CIP Water Expansion Projects |
|   | <b>\$25,430,494</b> |                    | <b>\$25,430,494</b> | <b>\$25,430,494</b> |                                   |
| <b>Future Transmission/Distribution</b>                     |                     |                    |                     |                     |                                   |
| T20-13 Gleason Drive Property Planning Study                | 60,000              | 100%               | 60,000              | 60,000              | From CIP Water Expansion Projects |
| 20-WO27 Dublin Boulevard Extension Water Facilities         | 1,980,000           | 100%               | 1,980,000           | 1,980,000           | From CIP Water Expansion Projects |
|   | <b>\$2,040,000</b>  |                    | <b>\$2,040,000</b>  | <b>\$2,040,000</b>  |                                   |
| <b>Total Future Capital Improvements</b>                    | <b>\$47,331,700</b> |                    | <b>\$47,331,700</b> | <b>\$47,331,700</b> |                                   |

**Notes:**

[1] Ten Year Capital Improvement Program, 2022-2031, Table 13, page 48 of 175.

[2] District staff provided estimates on Capacity Reserve Fee related percentage.

DSRSD  
 Capacity Reserve Fees Study  
 Source  
 Exhibit 3

| Install. Year   | Repl. Year | Useful Life | In Service | Replacement Cost [1]  | Accumulated Depreciation | RCNLD \$  | CRF Eligible   | CRF RCN             |
|---|------------|-------------|------------|---|--------------------------|-----------|----------------|---------------------|
| <b>Existing Source Related Assets</b>                         |            |             |            |   |                          |           |                |                     |
| 1976  | 2026       | 50          | 46         | TURNOUT   | \$263,327                | \$242,261 | \$21,066       | 100% \$21,066       |
| 1984  | 1999       | 15          | 38         | 60-132-1954-ESE-01: TO 2 EMERGENCY SHOWER AND EYEWASH STATION | 5,000                    | 5,000     | 0              | 100% 0              |
| 1984  | 2034       | 50          | 38         | TURNOUT   | 557,942                  | 424,036   | 133,906        | 100% 133,906        |
| 1999  | 2014       | 15          | 23         | 60-134-1955-ESE-01: TO 4 EMERGENCY SHOWER AND EYEWASH STATION | 5,000                    | 5,000     | 0              | 100% 0              |
| 1999  | 2049       | 50          | 23         | TURNOUT   | 426,424                  | 196,155   | 230,269        | 100% 230,269        |
| 2007  | 2022       | 15          | 15         | 60-135-1958-EEW-01: TO 5 EMERGENCY EYEWASH STATION            | 5,000                    | 5,000     | 0              | 100% 0              |
| 2011  | 2021       | 10          | 11         | 60-9400ACU: AIR CONDITIONER FOR ZONE 7 TURNOUT 5 RTU          | 7,700                    | 7,700     | 0              | 100% 0              |
| 2013  | 2023       | 10          | 9          | 60-131-1001-PMP-01: TO 1 FLUORIDE TRANSFER PUMP               | 600                      | 540       | 60             | 100% 60             |
| 2013  | 2023       | 10          | 9          | 60-132-1001-PMP-01: TO 2 FLUORIDE TRANSFER PUMP               | 600                      | 540       | 60             | 100% 60             |
| 2013  | 2023       | 10          | 9          | 60-134-1001-PMP-01: TO 4 FLUORIDE TRANSFER PUMP               | 600                      | 540       | 60             | 100% 60             |
| 2013  | 2028       | 15          | 9          | 60-131-1953-ESE-01: TO 1 EMERGENCY SHOWER AND EYEWASH STATION | 5,000                    | 3,000     | 2,000          | 100% 2,000          |
| 2018  | 2043       | 25          | 4          | 60-0100RTU: TO 1 RTU  | 7,700                    | 1,232     | 6,468          | 100% 6,468          |
| 2018  | 2043       | 25          | 4          | 60-132-0200-RTU-01: TO 2 RTU                                  | 7,700                    | 1,232     | 6,468          | 100% 6,468          |
| 2018  | 2043       | 25          | 4          | 60-134-1600-RTU-01: TO 4 RTU                                  | 7,700                    | 1,232     | 6,468          | 100% 6,468          |
| 2018  | 2043       | 25          | 4          | 60-135-4000-RTU-01: TO 5 RTU                                  | 7,700                    | 1,232     | 6,468          | 100% 6,468          |
| 2018  | 2043       | 25          | 4          | 60-9400RTU: RTU FOR ZONE 7 / TURNOUT 5                        | 7,700                    | 1,232     | 6,468          | 100% 6,468          |
|   |            |             |            | \$1,315,693   | \$895,932                | \$419,761 |                | \$419,761           |
| <b>Total DUEs 2021</b>  |            |             |            |   |                          |           | <b>35,991</b>  | <b>Existing</b>     |
| <b>Total Source Buy-in CRF (\$/DUE)</b>                       |            |             |            |   |                          |           | <b>\$11.66</b> |                     |
| <b>Future Source Related Assets</b>                           |            |             |            |   |                          |           |                |                     |
| Pump Station 20A Improvements                                 |            |             |            |   |                          |           | 100%           | \$470,000           |
| Turnout 6   |            |             |            |   |                          |           | 100%           | 8,916,206           |
| Water System Master Plan and Operations Plan Update           |            |             |            |   |                          |           | 100%           | 100,000             |
| Long-Term Water Resiliency Program                            |            |             |            |   |                          |           | 100%           | 10,000,000          |
| 2021 Alternative Water Supply Study                           |            |             |            |   |                          |           | 100%           | 375,000             |
| <b>Total Future Source Related Assets</b>                     |            |             |            |   |                          |           |                | <b>\$19,861,206</b> |
| <b>Net Future DUEs 2020 - 2035</b>                            |            |             |            |   |                          |           | <b>6,567</b>   | <b>Future</b>       |
| <b>Total Future Source Related Expansion CRF (\$/DUE)</b>     |            |             |            |   |                          |           |                | <b>\$3,024.29</b>   |
| <b>Total Source-Related Buy-in and Expansion CRF (\$/DUE)</b> |            |             |            |   |                          |           |                | <b>\$3,035.95</b>   |
| <b>Notes:</b>   |            |             |            |   |                          |           |                |                     |

[1] Costs are in 2021 replacement cost dollars based on DSRSD asset management program.

| Install. Year                       | Repl. Year | Useful Life | In Service |   | Replacement Cost [1] | Accumulated Depreciation | RCNLD \$ | CRF Eligible | CRF RCN |
|-------------------------------------|------------|-------------|------------|---|----------------------|--------------------------|----------|--------------|---------|
| <b>Existing Pump Station Assets</b> |            |             |            |   |                      |                          |          |              |         |
| 1965                                | 2040       | 75          | 57         | Pump Station 2A Yard Piping                       | \$17,166             | \$13,046                 | \$4,120  | 100%         | \$4,120 |
| 1965                                | 2021       | 56          | 57         | Pump Station 2A Bldg Piping                       | 18,069               | 18,069                   | 0        | 100%         | 0       |
| 1965                                | 2040       | 75          | 57         | Pump Station 2B Yard Piping                       | 24,031               | 18,264                   | 5,767    | 100%         | 5,767   |
| 1965                                | 2021       | 56          | 57         | Pump Station 2B Bldg Piping                       | 25,297               | 25,297                   | 0        | 100%         | 0       |
| 1965                                | 2015       | 50          | 57         | PUMP STATION 2A BUILDING                          | 389,268              | 389,268                  | 0        | 100%         | 0       |
| 1965                                | 2015       | 50          | 57         | PUMP STATION 2B BUILDING                          | 389,268              | 389,268                  | 0        | 100%         | 0       |
| 1983                                | 2003       | 20          | 39         | Pump Station 3C Fence                             | 5,351                | 5,351                    | 0        | 100%         | 0       |
| 1983                                | 2003       | 20          | 39         | Pump Station 3C Landscaping                       | 10,703               | 10,703                   | 0        | 100%         | 0       |
| 1983                                | 2008       | 25          | 39         | Pump Station 3C PAVING                            | 14,296               | 14,296                   | 0        | 100%         | 0       |
| 1983                                | 2058       | 75          | 39         | Pump Station 3C Yard Piping                       | 63,856               | 33,205                   | 30,651   | 100%         | 30,651  |
| 1983                                | 2033       | 50          | 39         | Pump Station 3C Bldg Piping                       | 233,539              | 182,161                  | 51,379   | 100%         | 51,379  |
| 1985                                | 2060       | 75          | 37         | Pump Station 2C Yard Piping                       | 126,975              | 62,641                   | 64,334   | 100%         | 64,334  |
| 1985                                | 2035       | 50          | 37         | Pump Station 2C Bldg Piping                       | 144,556              | 106,971                  | 37,585   | 100%         | 37,585  |
| 1985                                | 2035       | 50          | 37         | PUMP STATION 3C BUILDING                          | 294,503              | 217,932                  | 76,571   | 100%         | 76,571  |
| 1985                                | 2035       | 50          | 37         | PUMP STATION 2C BUILDING                          | 585,599              | 433,343                  | 152,256  | 100%         | 152,256 |
| 1986                                | 2061       | 75          | 36         | Pump Station 3B Yard Piping                       | 17,166               | 8,239                    | 8,926    | 100%         | 8,926   |
| 1986                                | 2036       | 50          | 36         | Pump Station 3B Bldg Piping                       | 18,069               | 13,010                   | 5,059    | 100%         | 5,059   |
| 1986                                | 2036       | 50          | 36         | PUMP STATION 3B BUILDING                          | 318,268              | 229,153                  | 89,115   | 100%         | 89,115  |
| 1990                                | 2065       | 75          | 32         | Pump Station 3A Yard Piping                       | 17,166               | 7,324                    | 9,842    | 100%         | 9,842   |
| 1990                                | 2040       | 50          | 32         | Pump Station 3A Bldg Piping                       | 18,069               | 11,564                   | 6,505    | 100%         | 6,505   |
| 1990                                | 2040       | 50          | 32         | PUMP STATION 3A BUILDING                          | 389,268              | 249,131                  | 140,136  | 100%         | 140,136 |
| 1991                                | 2006       | 15          | 31         | 60-132-1951-ESE-01: TO 2 EMERGENCY SHOWER STATION | 5,000                | 5,000                    | 0        | 100%         | 0       |
| 1991                                | 2011       | 20          | 31         | Pump Station 1A Landscaping                       | 33,998               | 33,998                   | 0        | 100%         | 0       |
| 1991                                | 2016       | 25          | 31         | Pump Station 1A PAVING                            | 45,410               | 45,410                   | 0        | 100%         | 0       |
| 1991                                | 2021       | 30          | 31         | 60-111-1000-MCC-01: PS 1A MOTOR CONTROL CENTER    | 77,000               | 77,000                   | 0        | 100%         | 0       |
| 1991                                | 2041       | 50          | 31         | Pump Station 1A Vault                             | 101,996              | 63,238                   | 38,759   | 100%         | 38,759  |
| 1991                                | 2066       | 75          | 31         | Pump Station 1A Yard Piping                       | 202,832              | 83,837                   | 118,995  | 100%         | 118,995 |
| 1991                                | 2041       | 50          | 31         | Pump Station 1A Bldg Piping                       | 240,837              | 149,319                  | 91,518   | 100%         | 91,518  |
| 1991                                | 2041       | 50          | 31         | PUMP STATION 1A BUILDING                          | 935,448              | 579,978                  | 355,470  | 100%         | 355,470 |
| 1998                                | 2013       | 15          | 24         | 60-214-1100-HST-01: PS 20A ELECTRIC HOIST         | 3,100                | 3,100                    | 0        | 100%         | 0       |
| 1998                                | 2023       | 25          | 24         | 60-214-1001-MTR-01: PS 20A PUMP 1 MOTOR           | 8,300                | 7,968                    | 332      | 100%         | 332     |
| 1998                                | 2023       | 25          | 24         | 60-214-1002-MTR-01: PS 20A PUMP 2 MOTOR           | 8,300                | 7,968                    | 332      | 100%         | 332     |
| 1998                                | 2023       | 25          | 24         | 60-214-1003-MTR-01: PS 20A PUMP 3 MOTOR           | 8,300                | 7,968                    | 332      | 100%         | 332     |
| 1998                                | 2018       | 20          | 24         | Pump Station 20A Landscaping                      | 26,450               | 26,450                   | 0        | 100%         | 0       |
| 1998                                | 2023       | 25          | 24         | Pump Station 20A PAVING                           | 40,189               | 38,581                   | 1,608    | 100%         | 1,608   |
| 1998                                | 2023       | 25          | 24         | 60-214-1001-PMP-01: PS 20A PUMP 1                 | 55,900               | 53,664                   | 2,236    | 100%         | 2,236   |
| 1998                                | 2023       | 25          | 24         | 60-214-1002-PMP-01: PS 20A PUMP 2                 | 55,900               | 53,664                   | 2,236    | 100%         | 2,236   |
| 1998                                | 2023       | 25          | 24         | 60-214-1003-PMP-01: PS 20A PUMP 3                 | 55,900               | 53,664                   | 2,236    | 100%         | 2,236   |
| 1998                                | 2028       | 30          | 24         | 60-214-1000-MCC-01: PS 20A MOTOR CONTROL CENTER   | 77,000               | 61,600                   | 15,400   | 100%         | 15,400  |
| 1998                                | 2048       | 50          | 24         | Pump Station 20A Vault                            | 79,352               | 38,089                   | 41,263   | 100%         | 41,263  |
| 1998                                | 2073       | 75          | 24         | Pump Station 20A Yard Piping                      | 157,801              | 50,496                   | 107,305  | 100%         | 107,305 |
| 1998                                | 2048       | 50          | 24         | Pump Station 20A Bldg Piping                      | 240,837              | 115,602                  | 125,235  | 100%         | 125,235 |
| 1999                                | 2019       | 20          | 23         | Pump Station 4B Fence                             | 13,225               | 13,225                   | 0        | 100%         | 0       |
| 1999                                | 2024       | 25          | 23         | Pump Station R20 Pavement                         | 21,363               | 19,654                   | 1,709    | 100%         | 1,709   |
| 1999                                | 2019       | 20          | 23         | Pump Station 4B Landscaping                       | 26,450               | 26,450                   | 0        | 100%         | 0       |

| Install. Year | Repl. Year | Useful Life | In Service | Replacement Cost [1]                                      | Accumulated Depreciation | RCNLD \$ | CRF Eligible | CRF RCN      |
|---------------|------------|-------------|------------|---|--------------------------|----------|--------------|--------------|
| 1999          | 2024       | 25          | 23         | Pump Station 4B PAVING                                    | 35,329                   | 32,503   | 2,826        | 100% 2,826   |
| 1999          | 2049       | 50          | 23         | Pump Station R20 Vault                                    | 47,984                   | 22,073   | 25,912       | 100% 25,912  |
| 1999          | 2049       | 50          | 23         | PUMP STATION R20A BUILDING                                | 48,600                   | 22,356   | 26,244       | 100% 26,244  |
| 1999          | 2049       | 50          | 23         | Pump Station 4B Vault                                     | 79,352                   | 36,502   | 42,850       | 100% 42,850  |
| 1999          | 2074       | 75          | 23         | Pump Station 4B Yard Piping                               | 157,801                  | 48,392   | 109,409      | 100% 109,409 |
| 1999          | 2074       | 75          | 23         | Pump Station R20 Yard Piping                              | 170,927                  | 52,418   | 118,510      | 100% 118,510 |
| 1999          | 2049       | 50          | 23         | Pump Station 4B Bldg Piping                               | 240,837                  | 110,785  | 130,052      | 100% 130,052 |
| 1999          | 2049       | 50          | 23         | Pump Station R20 Bldg Piping                              | 240,837                  | 110,785  | 130,052      | 100% 130,052 |
| 1999          | 2049       | 50          | 23         | PUMP STATION 20A BUILDING                                 | 727,773                  | 334,776  | 392,997      | 100% 392,997 |
| 1999          | 2049       | 50          | 23         | PUMP STATION 4B BUILDING                                  | 1,012,687                | 465,836  | 546,851      | 100% 546,851 |
| 2000          | 2020       | 20          | 22         | 60-214-2015-PRV-01: Discharge pressure reducing valve 10" | 4,600                    | 4,600    | 0            | 100% 0       |
| 2000          | 2020       | 20          | 22         | 60-214-2016-PRV-01: Discharge pressure reducing valve 3"  | 4,600                    | 4,600    | 0            | 100% 0       |
| 2000          | 2020       | 20          | 22         | 60-216-2001-PRV-01: PS 200A pressure reducing valve       | 4,600                    | 4,600    | 0            | 100% 0       |
| 2000          | 2020       | 20          | 22         | 60-315-3001-PRV-0: PS 300A pressure reducing valve        | 4,600                    | 4,600    | 0            | 100% 0       |
| 2000          | 2020       | 20          | 22         | 60-315-3002-PRV-0: PS 300A pressure reducing valve        | 4,600                    | 4,600    | 0            | 100% 0       |
| 2000          | 2020       | 20          | 22         | Pump Station R300A Fence                                  | 6,344                    | 6,344    | 0            | 100% 0       |
| 2000          | 2020       | 20          | 22         | Pump Station R300A Landscaping                            | 12,687                   | 12,687   | 0            | 100% 0       |
| 2000          | 2020       | 20          | 22         | Pump Station 300A Fence                                   | 14,325                   | 14,325   | 0            | 100% 0       |
| 2000          | 2025       | 25          | 22         | Pump Station R300A Pavement                               | 16,945                   | 14,912   | 2,033        | 100% 2,033   |
| 2000          | 2020       | 20          | 22         | Pump Station 200A Fence                                   | 17,293                   | 17,293   | 0            | 100% 0       |
| 2000          | 2025       | 25          | 22         | 60-214-1001-CTV-01: PS 20A PUMP 1 CONTROL VALVE           | 26,100                   | 22,968   | 3,132        | 100% 3,132   |
| 2000          | 2025       | 25          | 22         | 60-214-1002-CTV-01: PS 20A PUMP 2 CONTROL VALVE           | 26,100                   | 22,968   | 3,132        | 100% 3,132   |
| 2000          | 2025       | 25          | 22         | 60-214-1003-CTV-01: PS 20A PUMP 3 CONTROL VALVE           | 26,100                   | 22,968   | 3,132        | 100% 3,132   |
| 2000          | 2020       | 20          | 22         | Pump Station 300A Landscaping                             | 28,650                   | 28,650   | 0            | 100% 0       |
| 2000          | 2020       | 20          | 22         | Pump Station 200A Landscaping                             | 34,586                   | 34,586   | 0            | 100% 0       |
| 2000          | 2050       | 50          | 22         | Pump Station R300A Vault                                  | 38,061                   | 16,747   | 21,314       | 100% 21,314  |
| 2000          | 2025       | 25          | 22         | Pump Station 300A PAVING                                  | 38,268                   | 33,676   | 4,592        | 100% 4,592   |
| 2000          | 2025       | 25          | 22         | Pump Station 200A PAVING                                  | 46,195                   | 40,651   | 5,543        | 100% 5,543   |
| 2000          | 2030       | 30          | 22         | 50-311-1000-MCC-01: PS R300A MOTOR CONTROL CENTER         | 77,000                   | 56,467   | 20,533       | 100% 20,533  |
| 2000          | 2050       | 50          | 22         | Pump Station 300A Vault                                   | 85,953                   | 37,819   | 48,134       | 100% 48,134  |
| 2000          | 2050       | 50          | 22         | Pump Station 200A Vault                                   | 103,758                  | 45,653   | 58,104       | 100% 58,104  |
| 2000          | 2075       | 75          | 22         | Pump Station 300A Yard Piping                             | 170,927                  | 50,139   | 120,789      | 100% 120,789 |
| 2000          | 2075       | 75          | 22         | Pump Station R300A Yard Piping                            | 170,927                  | 50,139   | 120,789      | 100% 120,789 |
| 2000          | 2075       | 75          | 22         | Pump Station 200A Yard Piping                             | 206,336                  | 60,525   | 145,811      | 100% 145,811 |
| 2000          | 2050       | 50          | 22         | Pump Station 200A Bldg Piping                             | 240,837                  | 105,968  | 134,869      | 100% 134,869 |
| 2000          | 2050       | 50          | 22         | Pump Station 300A Bldg Piping                             | 240,837                  | 105,968  | 134,869      | 100% 134,869 |
| 2000          | 2050       | 50          | 22         | Pump Station R300A Bldg Piping                            | 240,837                  | 105,968  | 134,869      | 100% 134,869 |
| 2001          | 2051       | 50          | 21         | PUMP STATION 300A BUILDING                                | 788,307                  | 331,089  | 457,218      | 100% 457,218 |
| 2001          | 2051       | 50          | 21         | PUMP STATION 200A BUILDING                                | 951,610                  | 399,676  | 551,934      | 100% 551,934 |
| 2002          | 2022       | 20          | 20         | 60-314-1101-FAN-01: PS 30A EXHAUST FAN                    | 500                      | 500      | 0            | 100% 0       |
| 2002          | 2017       | 15          | 20         | 60-314-1100-HST-01: PS 30A CHAIN FALL HOIST               | 1,500                    | 1,500    | 0            | 100% 0       |
| 2002          | 2027       | 25          | 20         | 60-314-1003-MTR-01: PS 30A PUMP 3 MOTOR                   | 4,800                    | 3,840    | 960          | 100% 960     |
| 2002          | 2027       | 25          | 20         | 60-314-1002-MTR-01: PS 30A PUMP 2 MOTOR                   | 4,800                    | 3,840    | 960          | 100% 960     |
| 2002          | 2027       | 25          | 20         | 60-314-1001-MTR-01: PS 30A PUMP 1 MOTOR                   | 4,800                    | 3,840    | 960          | 100% 960     |
| 2002          | 2027       | 25          | 20         | Pump Station R300B Pavement                               | 6,907                    | 5,525    | 1,381        | 100% 1,381   |
| 2002          | 2012       | 10          | 20         | 60-314-1004-PMP-01: PS 30A SUMP PUMP                      | 7,800                    | 7,800    | 0            | 100% 0       |
| 2002          | 2077       | 75          | 20         | Pump Station R300B Yard Piping                            | 13,392                   | 3,571    | 9,821        | 100% 9,821   |

| Install. Year | Repl. Year | Useful Life | In Service | Replacement Cost [1]                                | Accumulated Depreciation | RCNLD \$ | CRF Eligible | CRF RCN      |
|---------------|------------|-------------|------------|---|--------------------------|----------|--------------|--------------|
| 2002          | 2052       | 50          | 20         | Pump Station R300B Vault                            | 15,513                   | 6,205    | 9,308        | 100% 9,308   |
| 2002          | 2022       | 20          | 20         | Pump Station 30A Landscaping                        | 19,034                   | 19,034   | 0            | 100% 0       |
| 2002          | 2022       | 20          | 20         | 60-314-1001-PMP-01: PS 30A PUMP 1                   | 23,500                   | 23,500   | 0            | 100% 0       |
| 2002          | 2022       | 20          | 20         | 60-314-1002-PMP-01: PS 30A PUMP 2                   | 23,500                   | 23,500   | 0            | 100% 0       |
| 2002          | 2022       | 20          | 20         | 60-314-1003-PMP-01: PS 30A PUMP 3                   | 23,500                   | 23,500   | 0            | 100% 0       |
| 2002          | 2027       | 25          | 20         | Pump Station 30A PAVING                             | 25,422                   | 20,338   | 5,084        | 100% 5,084   |
| 2002          | 2027       | 25          | 20         | 60-314-1001-CTV-01: PS 30A PUMP 1 CONTROL VALVE     | 26,100                   | 20,880   | 5,220        | 100% 5,220   |
| 2002          | 2027       | 25          | 20         | 60-314-1002-CTV-01: PS 30A PUMP 2 CONTROL VALVE     | 26,100                   | 20,880   | 5,220        | 100% 5,220   |
| 2002          | 2027       | 25          | 20         | 60-314-1003-CTV-01: PS 30A PUMP 3 CONTROL VALVE     | 26,100                   | 20,880   | 5,220        | 100% 5,220   |
| 2002          | 2027       | 25          | 20         | 60-314-3104-CTV-01: Control Valve                   | 31,600                   | 25,280   | 6,320        | 100% 6,320   |
| 2002          | 2052       | 50          | 20         | Pump Station 30A Vault                              | 57,102                   | 22,841   | 34,261       | 100% 34,261  |
| 2002          | 2032       | 30          | 20         | 60-314-1000-MCC-01: PS 30A MOTOR CONTROL CENTER     | 77,000                   | 51,333   | 25,667       | 100% 25,667  |
| 2002          | 2052       | 50          | 20         | Pump Station R300B Bldg Piping                      | 112,824                  | 45,130   | 67,695       | 100% 67,695  |
| 2002          | 2077       | 75          | 20         | Pump Station 30A Yard Piping                        | 113,553                  | 30,281   | 83,272       | 100% 83,272  |
| 2002          | 2052       | 50          | 20         | Pump Station 30A Bldg Piping                        | 240,837                  | 96,335   | 144,502      | 100% 144,502 |
| 2002          | 2052       | 50          | 20         | PUMP STATION 30A BUILDING                           | 864,000                  | 345,600  | 518,400      | 100% 518,400 |
| 2003          | 2028       | 25          | 19         | 60-216-1101-MTR-01: PS 200A AIR HANDLING UNIT MOTOR | 800                      | 608      | 192          | 100% 192     |
| 2003          | 2028       | 25          | 19         | 60-315-1101-MTR-01: PS 300A AIR HANDLING UNIT MOTOR | 800                      | 608      | 192          | 100% 192     |
| 2003          | 2018       | 15          | 19         | 60-216-1100-HST-01: PS 200A CHAIN FALL HOIST        | 1,500                    | 1,500    | 0            | 100% 0       |
| 2003          | 2018       | 15          | 19         | 60-315-1100-HST-01: PS 300A CHAIN FALL HOIST        | 1,500                    | 1,500    | 0            | 100% 0       |
| 2003          | 2018       | 15          | 19         | 60-216-1101-AHU-01: PS 200A AIR HANDLING UNIT       | 6,200                    | 6,200    | 0            | 100% 0       |
| 2003          | 2018       | 15          | 19         | 60-315-1101-AHU-01: PS 300A AIR HANDLING UNIT       | 6,200                    | 6,200    | 0            | 100% 0       |
| 2003          | 2028       | 25          | 19         | 60-315-1003-MTR-01: PS 300A PUMP 3 MOTOR            | 8,300                    | 6,308    | 1,992        | 100% 1,992   |
| 2003          | 2028       | 25          | 19         | 60-315-1002-MTR-01: PS 300A PUMP 2 MOTOR            | 8,300                    | 6,308    | 1,992        | 100% 1,992   |
| 2003          | 2028       | 25          | 19         | 60-315-1001-MTR-01: PS 300A PUMP 1 MOTOR            | 8,300                    | 6,308    | 1,992        | 100% 1,992   |
| 2003          | 2028       | 25          | 19         | 60-216-1004-MTR-01: PS 200A PUMP 4 MOTOR            | 9,800                    | 7,448    | 2,352        | 100% 2,352   |
| 2003          | 2028       | 25          | 19         | 60-216-1002-MTR-01: PS 200A PUMP 2 MOTOR            | 9,800                    | 7,448    | 2,352        | 100% 2,352   |
| 2003          | 2028       | 25          | 19         | 60-216-1001-MTR-01: PS 200A PUMP 1 MOTOR            | 9,800                    | 7,448    | 2,352        | 100% 2,352   |
| 2003          | 2023       | 20          | 19         | 60-315-1001-PMP-01: PS 300A PUMP 1                  | 55,900                   | 53,105   | 2,795        | 100% 2,795   |
| 2003          | 2023       | 20          | 19         | 60-315-1002-PMP-01: PS 300A PUMP 2                  | 55,900                   | 53,105   | 2,795        | 100% 2,795   |
| 2003          | 2023       | 20          | 19         | 60-315-1003-PMP-01: PS 300A PUMP 3                  | 55,900                   | 53,105   | 2,795        | 100% 2,795   |
| 2003          | 2028       | 25          | 19         | 60-216-1001-PMP-01: PS 200A PUMP 1                  | 76,700                   | 58,292   | 18,408       | 100% 18,408  |
| 2003          | 2028       | 25          | 19         | 60-216-1002-PMP-01: PS 200A PUMP 2                  | 76,700                   | 58,292   | 18,408       | 100% 18,408  |
| 2003          | 2028       | 25          | 19         | 60-216-1003-PMP-01: PS 200A PUMP 3                  | 76,700                   | 58,292   | 18,408       | 100% 18,408  |
| 2003          | 2028       | 25          | 19         | 60-216-1004-PMP-01: PS 200A PUMP 4                  | 76,700                   | 58,292   | 18,408       | 100% 18,408  |
| 2003          | 2033       | 30          | 19         | 60-315-1000-MCC-01: PS 300A MOTOR CONTROL CENTER    | 77,000                   | 48,767   | 28,233       | 100% 28,233  |
| 2003          | 2033       | 30          | 19         | 60-216-1000-MCC-01: PS 200A MOTOR CONTROL CENTER    | 77,000                   | 48,767   | 28,233       | 100% 28,233  |
| 2004          | 2019       | 15          | 18         | 50-312-1100-HST-01: PS R300B CHAIN FALL HOIST       | 1,500                    | 1,500    | 0            | 100% 0       |
| 2004          | 2019       | 15          | 18         | 60-317-1100-HST-01: PS 300C CHAIN FALL HOIST        | 1,500                    | 1,500    | 0            | 100% 0       |
| 2004          | 2029       | 25          | 18         | 50-311-1001-MTR-01: PS R300A PUMP 1 MOTOR           | 3,800                    | 2,736    | 1,064        | 100% 1,064   |
| 2004          | 2029       | 25          | 18         | 50-311-1002-MTR-01: PS R300A PUMP 2 MOTOR           | 3,800                    | 2,736    | 1,064        | 100% 1,064   |
| 2004          | 2029       | 25          | 18         | 50-312-1001-MTR-01: PS R300B PUMP 1 MOTOR           | 3,800                    | 2,736    | 1,064        | 100% 1,064   |
| 2004          | 2029       | 25          | 18         | 50-312-1002-MTR-01: PS R300B PUMP 2 MOTOR           | 3,800                    | 2,736    | 1,064        | 100% 1,064   |
| 2004          | 2029       | 25          | 18         | 50-312-1003-MTR-01: PS R300B PUMP 3 MOTOR           | 3,800                    | 2,736    | 1,064        | 100% 1,064   |
| 2004          | 2029       | 25          | 18         | 60-213-1002-MTR-01: PS 2C PUMP 2 MOTOR              | 4,600                    | 3,312    | 1,288        | 100% 1,288   |
| 2004          | 2024       | 20          | 18         | 60-215-1210-PRV-01: 14 IN PRESSURE REDUCING VALVE   | 4,600                    | 4,140    | 460          | 100% 460     |
| 2004          | 2019       | 15          | 18         | 60-311-1100-AHU-01: PS 3A AIR HANDLING UNIT         | 6,200                    | 6,200    | 0            | 100% 0       |
| 2004          | 2019       | 15          | 18         | 60-311-1100-AHU-01: PS R300A AIR HANDLING UNIT      | 6,200                    | 6,200    | 0            | 100% 0       |

| Install. Year | Repl. Year | Useful Life | In Service | Replacement Cost [1]   | Accumulated Depreciation | RCNLD \$ | CRF Eligible | CRF RCN      |
|---------------|------------|-------------|------------|--|--------------------------|----------|--------------|--------------|
| 2004          | 2034       | 30          | 18         | 60-317-1002-RVS-01: PS 300C PUMP 2 MOTOR SOFT STARTER              | 6,200                    | 3,720    | 2,480        | 100% 2,480   |
| 2004          | 2029       | 25          | 18         | 50-311-3600-RTU-01: PS R300A RTU                                   | 7,700                    | 5,544    | 2,156        | 100% 2,156   |
| 2004          | 2014       | 10          | 18         | 60-311-1004-PMP-01: PS 3A SUMP PUMP                                | 7,800                    | 7,800    | 0            | 100% 0       |
| 2004          | 2029       | 25          | 18         | 60-317-1001-MTR-01: PS 300C PUMP 1 MOTOR                           | 8,300                    | 5,976    | 2,324        | 100% 2,324   |
| 2004          | 2029       | 25          | 18         | 60-317-1002-MTR-01: PS 300C PUMP 2 MOTOR                           | 8,300                    | 5,976    | 2,324        | 100% 2,324   |
| 2004          | 2029       | 25          | 18         | 60-317-1003-MTR-01: PS 300C PUMP 3 MOTOR                           | 8,300                    | 5,976    | 2,324        | 100% 2,324   |
| 2004          | 2016       | 12          | 18         | 50-311-1001-VFD-01: PS R300A PUMP 1 MOTOR VARIABLE FREQUENCY DRIVE | 15,600                   | 15,600   | 0            | 100% 0       |
| 2004          | 2016       | 12          | 18         | 50-311-1002-VFD-01: PS R300A PUMP 2 MOTOR VARIABLE FREQUENCY DRIVE | 15,600                   | 15,600   | 0            | 100% 0       |
| 2004          | 2016       | 12          | 18         | 60-317-1001-VFD-01: PS 300C PUMP 1 MOTOR VARIABLE FREQUENCY DRIVE  | 24,300                   | 24,300   | 0            | 100% 0       |
| 2004          | 2016       | 12          | 18         | 60-317-1003-VFD-01: PS 300C PUMP 3 MOTOR VARIABLE FREQUENCY DRIVE  | 24,300                   | 24,300   | 0            | 100% 0       |
| 2004          | 2024       | 20          | 18         | Pump Station 10A Landscaping                                       | 31,754                   | 28,579   | 3,175        | 100% 3,175   |
| 2004          | 2029       | 25          | 18         | 60-213-1001-PMP-01: PS 2C PUMP 1                                   | 38,800                   | 27,936   | 10,864       | 100% 10,864  |
| 2004          | 2029       | 25          | 18         | 60-213-1002-PMP-01: PS 2C PUMP 2                                   | 38,800                   | 27,936   | 10,864       | 100% 10,864  |
| 2004          | 2029       | 25          | 18         | 60-213-1003-PMP-01: PS 2C PUMP 3                                   | 38,800                   | 27,936   | 10,864       | 100% 10,864  |
| 2004          | 2029       | 25          | 18         | 50-311-1001-PMP-01: PS R300A PUMP 1                                | 38,800                   | 27,936   | 10,864       | 100% 10,864  |
| 2004          | 2029       | 25          | 18         | 50-311-1002-PMP-01: PS R300A PUMP 2                                | 38,800                   | 27,936   | 10,864       | 100% 10,864  |
| 2004          | 2024       | 20          | 18         | 50-312-1001-PMP-01: PS R300B PUMP 1                                | 38,800                   | 34,920   | 3,880        | 100% 3,880   |
| 2004          | 2024       | 20          | 18         | 50-312-1002-PMP-01: PS R300B PUMP 2                                | 38,800                   | 34,920   | 3,880        | 100% 3,880   |
| 2004          | 2024       | 20          | 18         | 50-312-1003-PMP-01: PS R300B PUMP 3                                | 38,800                   | 34,920   | 3,880        | 100% 3,880   |
| 2004          | 2029       | 25          | 18         | Pump Station 10A PAVING  | 42,414                   | 30,538   | 11,876       | 100% 11,876  |
| 2004          | 2024       | 20          | 18         | 60-317-1001-PMP-01: PS 300C PUMP 1                                 | 55,900                   | 50,310   | 5,590        | 100% 5,590   |
| 2004          | 2024       | 20          | 18         | 60-317-1002-PMP-01: PS 300C PUMP 2                                 | 55,900                   | 50,310   | 5,590        | 100% 5,590   |
| 2004          | 2024       | 20          | 18         | 60-317-1003-PMP-01: PS 300C PUMP 3                                 | 55,900                   | 50,310   | 5,590        | 100% 5,590   |
| 2004          | 2034       | 30          | 18         | 60-311-1000-MCC-01: PS 3A MOTOR CONTROL CENTER                     | 77,000                   | 46,200   | 30,800       | 100% 30,800  |
| 2004          | 2034       | 30          | 18         | 60-317-1000-MCC-01: PS 300C MOTOR CONTROL CENTER                   | 77,000                   | 46,200   | 30,800       | 100% 30,800  |
| 2004          | 2034       | 30          | 18         | 60-213-1000-MCC-01: PS 2C MOTOR CONTROL CENTER                     | 77,000                   | 46,200   | 30,800       | 100% 30,800  |
| 2004          | 2054       | 50          | 18         | Pump Station 10A Vault   | 95,265                   | 34,295   | 60,969       | 100% 60,969  |
| 2004          | 2079       | 75          | 18         | Pump Station 10A Yard Piping                                       | 189,445                  | 45,467   | 143,978      | 100% 143,978 |
| 2004          | 2054       | 50          | 18         | Pump Station 10A Bldg Piping                                       | 301,201                  | 108,432  | 192,769      | 100% 192,769 |
| 2005          | 2030       | 25          | 17         | 50-211-1004-MTR-01: PS R20 AIR COMPRESSOR MOTOR                    | 1,100                    | 748      | 352          | 100% 352     |
| 2005          | 2020       | 15          | 17         | 50-211-1100-HST-01: PS R20 ELECTRIC CHAIN FALL HOIST               | 1,500                    | 1,500    | 0            | 100% 0       |
| 2005          | 2025       | 20          | 17         | 60-215-1211-PRV-01: PS 20B PRESSURE REGULATING VALVE               | 4,600                    | 3,910    | 690          | 100% 690     |
| 2005          | 2030       | 25          | 17         | 50-211-2400-RTU-01: PS R20 RTU                                     | 7,700                    | 5,236    | 2,464        | 100% 2,464   |
| 2005          | 2025       | 20          | 17         | 60-112-1141-MOV-01: PS 10A Electric Actuator/Positioner 141        | 9,200                    | 7,820    | 1,380        | 100% 1,380   |
| 2005          | 2025       | 20          | 17         | 60-112-1142-MOV-01: PS 10A Electric Actuator/Positioner 142        | 9,200                    | 7,820    | 1,380        | 100% 1,380   |
| 2005          | 2025       | 20          | 17         | 60-112-1143-MOV-01: PS 10A Electric Actuator/Positioner 143        | 9,200                    | 7,820    | 1,380        | 100% 1,380   |
| 2005          | 2020       | 15          | 17         | 50-211-1004-ACO-01: PS R20 AIR COMPRESSOR                          | 10,500                   | 10,500   | 0            | 100% 0       |
| 2005          | 2025       | 20          | 17         | Pump Station 300C Fence  | 12,237                   | 10,402   | 1,836        | 100% 1,836   |
| 2005          | 2030       | 25          | 17         | 50-211-1001-MTR-01: PS R20 PUMP 1 MOTOR                            | 13,300                   | 9,044    | 4,256        | 100% 4,256   |
| 2005          | 2030       | 25          | 17         | 50-211-1002-MTR-01: PS R20 PUMP 2 MOTOR                            | 13,300                   | 9,044    | 4,256        | 100% 4,256   |
| 2005          | 2030       | 25          | 17         | 50-211-1003-MTR-01: PS R20 PUMP 3 MOTOR                            | 13,300                   | 9,044    | 4,256        | 100% 4,256   |
| 2005          | 2025       | 20          | 17         | Pump Station 300C Landscaping                                      | 24,476                   | 20,805   | 3,671        | 100% 3,671   |
| 2005          | 2030       | 25          | 17         | Pump Station 300C PAVING   | 32,692                   | 22,230   | 10,461       | 100% 10,461  |
| 2005          | 2055       | 50          | 17         | Pump Station 300C Vault  | 73,428                   | 24,966   | 48,463       | 100% 48,463  |
| 2005          | 2030       | 25          | 17         | 50-211-1001-PMP-01: PS R20 PUMP 1                                  | 95,900                   | 65,212   | 30,688       | 100% 30,688  |
| 2005          | 2030       | 25          | 17         | 50-211-1002-PMP-01: PS R20 PUMP 2                                  | 95,900                   | 65,212   | 30,688       | 100% 30,688  |
| 2005          | 2030       | 25          | 17         | 50-211-1003-PMP-01: PS R20 PUMP 3                                  | 95,900                   | 65,212   | 30,688       | 100% 30,688  |
| 2005          | 2055       | 50          | 17         | PUMP STATION R300B BUILDING  | 142,277                  | 48,374   | 93,903       | 100% 93,903  |

| Install. Year | Repl. Year | Useful Life | In Service |   | Replacement | Accumulated  | RCNLD   | CRF      | CRF     |
|---------------|------------|-------------|------------|---|-------------|--------------|---------|----------|---------|
|               |            |             |            |   | Cost [1]    | Depreciation | \$      | Eligible | RCN     |
| 2005          | 2080       | 75          | 17         | Pump Station 300C Yard Piping   | 146,021     | 33,098       | 112,923 | 100%     | 112,923 |
| 2005          | 2055       | 50          | 17         | Pump Station 300C Bldg Piping   | 240,837     | 81,884       | 158,952 | 100%     | 158,952 |
| 2005          | 2055       | 50          | 17         | PUMP STATION 300C BUILDING  | 243,000     | 82,620       | 160,380 | 100%     | 160,380 |
| 2005          | 2055       | 50          | 17         | PUMP STATION R300A BUILDING   | 349,074     | 118,685      | 230,389 | 100%     | 230,389 |
| 2005          | 2055       | 50          | 17         | PUMP STATION 10A BUILDING   | 873,712     | 297,062      | 576,650 | 100%     | 576,650 |
| 2006          | 2026       | 20          | 16         | 60-112-1101-FAN-01: PS 10A EXHAUST FAN                                | 500         | 400          | 100     | 100%     | 100     |
| 2006          | 2031       | 25          | 16         | 60-112-1001-MTR-01: PS 10A PUMP 1 MOTOR                               | 2,300       | 1,472        | 828     | 100%     | 828     |
| 2006          | 2031       | 25          | 16         | 60-112-1002-MTR-01: PS 10A PUMP 2 MOTOR                               | 2,300       | 1,472        | 828     | 100%     | 828     |
| 2006          | 2031       | 25          | 16         | 60-112-1003-MTR-01: PS 10A PUMP 3 MOTOR                               | 2,300       | 1,472        | 828     | 100%     | 828     |
| 2006          | 2021       | 15          | 16         | 60-112-1100-HST-01: PS 10A ELECTRIC CHAIN HOIST                       | 3,100       | 3,100        | 0       | 100%     | 0       |
| 2006          | 2018       | 12          | 16         | 60-112-1001-VFD-01: PS 10A PUMP 1 MOTOR VARIABLE FREQUENCY DRIVE      | 12,800      | 12,800       | 0       | 100%     | 0       |
| 2006          | 2018       | 12          | 16         | 60-112-1002-VFD-01: PS 10A PUMP 2 MOTOR VARIABLE FREQUENCY DRIVE      | 12,800      | 12,800       | 0       | 100%     | 0       |
| 2006          | 2018       | 12          | 16         | 60-112-1003-VFD-01: PS 10A PUMP 3 MOTOR VARIABLE FREQUENCY DRIVE      | 12,800      | 12,800       | 0       | 100%     | 0       |
| 2006          | 2026       | 20          | 16         | 60-112-1001-PMP-01: PS 10A PUMP 1                                     | 19,400      | 15,520       | 3,880   | 100%     | 3,880   |
| 2006          | 2026       | 20          | 16         | 60-112-1002-PMP-01: PS 10A PUMP 2                                     | 19,400      | 15,520       | 3,880   | 100%     | 3,880   |
| 2006          | 2026       | 20          | 16         | 60-112-1003-PMP-01: PS 10A PUMP 3                                     | 19,400      | 15,520       | 3,880   | 100%     | 3,880   |
| 2006          | 2031       | 25          | 16         | 60-112-1001-CTV-01: PS 10A PUMP 1 CONTROL VALVE                       | 31,600      | 20,224       | 11,376  | 100%     | 11,376  |
| 2006          | 2031       | 25          | 16         | 60-112-1002-CTV-01: PS 10A PUMP 2 CONTROL VALVE                       | 31,600      | 20,224       | 11,376  | 100%     | 11,376  |
| 2006          | 2031       | 25          | 16         | 60-112-1003-CTV-01: PS 10A PUMP 3 CONTROL VALVE                       | 31,600      | 20,224       | 11,376  | 100%     | 11,376  |
| 2006          | 2026       | 20          | 16         | Pump Station 20B Landscaping  | 37,181      | 29,745       | 7,436   | 100%     | 7,436   |
| 2006          | 2031       | 25          | 16         | Pump Station 20B PAVING   | 49,662      | 31,783       | 17,878  | 100%     | 17,878  |
| 2006          | 2036       | 30          | 16         | 60-112-1000-MCC-01: PS 10A MOTOR CONTROL CENTER                       | 77,000      | 41,067       | 35,933  | 100%     | 35,933  |
| 2006          | 2036       | 30          | 16         | 50-312-1000-MCC-01: PS R300B MOTOR CONTROL CENTER                     | 77,000      | 41,067       | 35,933  | 100%     | 35,933  |
| 2006          | 2056       | 50          | 16         | Pump Station 20B Vault  | 111,545     | 35,694       | 75,850  | 100%     | 75,850  |
| 2006          | 2081       | 75          | 16         | Pump Station 20B Yard Piping  | 228,006     | 48,641       | 179,365 | 100%     | 179,365 |
| 2006          | 2056       | 50          | 16         | Pump Station 20B Bldg Piping  | 278,673     | 89,176       | 189,498 | 100%     | 189,498 |
| 2006          | 2056       | 50          | 16         | PUMP STATION 20B BUILDING   | 1,023,025   | 327,368      | 695,657 | 100%     | 695,657 |
| 2007          | 2027       | 20          | 15         | 60-215-1101-FAN-01: PS 20B EXHAUST FAN                                | 500         | 375          | 125     | 100%     | 125     |
| 2007          | 2022       | 15          | 15         | 60-215-1100-HST-01: PS 20B ELECTRIC CHAIN HOIST                       | 3,100       | 3,100        | 0       | 100%     | 0       |
| 2007          | 2027       | 20          | 15         | 60-411-0001-PRV-01: PS 4A Pressure Relief and Surge Anticipator Valve | 4,600       | 3,450        | 1,150   | 100%     | 1,150   |
| 2007          | 2022       | 15          | 15         | 60-135-1959-ESE-01: TO 5 EMERGENCY SHOWER AND EYEWASH STATION         | 5,000       | 5,000        | 0       | 100%     | 0       |
| 2007          | 2032       | 25          | 15         | 60-215-4100-RTU-01: PS 20B RTU  | 7,700       | 4,620        | 3,080   | 100%     | 3,080   |
| 2007          | 2032       | 25          | 15         | 60-411-1001-CTV-01: PS 4A PUMP 1 CONTROL VALVE                        | 19,900      | 11,940       | 7,960   | 100%     | 7,960   |
| 2007          | 2032       | 25          | 15         | 60-411-1002-CTV-01: PS 4A PUMP 2 CONTROL VALVE                        | 19,900      | 11,940       | 7,960   | 100%     | 7,960   |
| 2007          | 2032       | 25          | 15         | 60-411-1003-CTV-01: PS 4A PUMP 3 CONTROL VALVE                        | 19,900      | 11,940       | 7,960   | 100%     | 7,960   |
| 2007          | 2037       | 30          | 15         | 60-215-1000-MCC-01: PS 20B MOTOR CONTROL CENTER                       | 77,000      | 38,500       | 38,500  | 100%     | 38,500  |
| 2008          | 2038       | 30          | 14         | 60-411-1000-MCC-01: PS 4A MOTOR CONTROL CENTER                        | 77,000      | 35,933       | 41,067  | 100%     | 41,067  |
| 2008          | 2058       | 50          | 14         | PUMP STATION 4A BUILDING  | 651,280     | 182,358      | 468,922 | 100%     | 468,922 |
| 2009          | 2029       | 20          | 13         | 60-316-1005-FAN-01: PS 300B EXHAUST FAN 1                             | 500         | 325          | 175     | 100%     | 175     |
| 2009          | 2029       | 20          | 13         | 60-316-1006-FAN-01: PS 300B EXHAUST FAN 2                             | 500         | 325          | 175     | 100%     | 175     |
| 2009          | 2024       | 15          | 13         | 60-313-1100-HST-01: PS 3C CHAIN FALL HOIST                            | 1,500       | 1,300        | 200     | 100%     | 200     |
| 2009          | 2034       | 25          | 13         | 60-212-1001-MTR-01: PS 2B PUMP 1 MOTOR                                | 2,100       | 1,092        | 1,008   | 100%     | 1,008   |
| 2009          | 2034       | 25          | 13         | 60-212-1002-MTR-01: PS 2B PUMP 2 MOTOR                                | 2,100       | 1,092        | 1,008   | 100%     | 1,008   |
| 2009          | 2034       | 25          | 13         | 60-312-1001-MTR-01: PS 3B PUMP 1 MOTOR                                | 2,300       | 1,196        | 1,104   | 100%     | 1,104   |
| 2009          | 2034       | 25          | 13         | 60-312-1002-MTR-01: PS 3B PUMP 2 MOTOR                                | 2,800       | 1,456        | 1,344   | 100%     | 1,344   |
| 2009          | 2034       | 25          | 13         | 60-312-1003-MTR-01: PS 3B PUMP 3 MOTOR                                | 2,800       | 1,456        | 1,344   | 100%     | 1,344   |
| 2009          | 2034       | 25          | 13         | 60-313-1001-MTR-01: PS 3C RES 2A PUMP 1 MOTOR                         | 4,800       | 2,496        | 2,304   | 100%     | 2,304   |
| 2009          | 2034       | 25          | 13         | 60-313-1002-MTR-01: PS 3C RES 2A PUMP 2 MOTOR                         | 4,800       | 2,496        | 2,304   | 100%     | 2,304   |
| 2009          | 2034       | 25          | 13         | 60-313-1003-MTR-01: PS 3C RES 2A PUMP 3 MOTOR                         | 4,800       | 2,496        | 2,304   | 100%     | 2,304   |

| Install. Year | Repl. Year | Useful Life | In Service | Replacement Cost [1]                                  | Accumulated Depreciation | RCNLD \$ | CRF Eligible | CRF RCN |           |
|---------------|------------|-------------|------------|---|--------------------------|----------|--------------|---------|-----------|
| 2009          | 2034       | 25          | 13         | 60-411-1001-MTR-01: PS 4A PUMP 1 MOTOR                | 5,800                    | 3,016    | 2,784        | 100%    | 2,784     |
| 2009          | 2034       | 25          | 13         | 60-411-1002-MTR-01: PS 4A PUMP 2 MOTOR                | 5,800                    | 3,016    | 2,784        | 100%    | 2,784     |
| 2009          | 2034       | 25          | 13         | 60-411-1003-MTR-01: PS 4A PUMP 3 MOTOR                | 5,800                    | 3,016    | 2,784        | 100%    | 2,784     |
| 2009          | 2024       | 15          | 13         | 60-411-1100-AHU-01: PS 4A AIR HANDLING UNIT           | 6,200                    | 5,373    | 827          | 100%    | 827       |
| 2009          | 2034       | 25          | 13         | 60-211-0300-RTU-01: PS 2A RTU                         | 7,700                    | 4,004    | 3,696        | 100%    | 3,696     |
| 2009          | 2034       | 25          | 13         | 60-212-0400-RTU-01: PS 2B RTU                         | 7,700                    | 4,004    | 3,696        | 100%    | 3,696     |
| 2009          | 2034       | 25          | 13         | 60-111-1500-RTU-01: PS 1A RTU                         | 7,700                    | 4,004    | 3,696        | 100%    | 3,696     |
| 2009          | 2019       | 10          | 13         | 60-312-1004-PMP-01: PS 3B SUMP PUMP                   | 7,800                    | 7,800    | 0            | 100%    | 0         |
| 2009          | 2019       | 10          | 13         | 60-313-1004-PMP-01: PS 3C RES 2A SUMP PUMP            | 7,800                    | 7,800    | 0            | 100%    | 0         |
| 2009          | 2034       | 25          | 13         | 60-316-1001-MTR-01: PS 300B PUMP 1 MOTOR              | 8,600                    | 4,472    | 4,128        | 100%    | 4,128     |
| 2009          | 2034       | 25          | 13         | 60-316-1002-MTR-01: PS 300B PUMP 2 MOTOR              | 8,600                    | 4,472    | 4,128        | 100%    | 4,128     |
| 2009          | 2034       | 25          | 13         | 60-316-1003-MTR-01: PS 300B PUMP 3 MOTOR              | 8,600                    | 4,472    | 4,128        | 100%    | 4,128     |
| 2009          | 2034       | 25          | 13         | 60-216-1003-MTR-01: PS 200A PUMP 3 MOTOR              | 9,800                    | 5,096    | 4,704        | 100%    | 4,704     |
| 2009          | 2029       | 20          | 13         | Pump Station 4A Landscaping                           | 14,499                   | 9,424    | 5,075        | 100%    | 5,075     |
| 2009          | 2034       | 25          | 13         | Pump Station 4A PAVING                                | 19,365                   | 10,070   | 9,295        | 100%    | 9,295     |
| 2009          | 2034       | 25          | 13         | 60-212-1001-PMP-01: PS 2B PUMP 1                      | 25,200                   | 13,104   | 12,096       | 100%    | 12,096    |
| 2009          | 2034       | 25          | 13         | 60-212-1002-PMP-01: PS 2B PUMP 2                      | 25,200                   | 13,104   | 12,096       | 100%    | 12,096    |
| 2009          | 2034       | 25          | 13         | 60-312-1001-PMP-01: PS 3B PUMP 1                      | 25,200                   | 13,104   | 12,096       | 100%    | 12,096    |
| 2009          | 2034       | 25          | 13         | 60-312-1002-PMP-01: PS 3B PUMP 2                      | 25,200                   | 13,104   | 12,096       | 100%    | 12,096    |
| 2009          | 2034       | 25          | 13         | 60-312-1003-PMP-01: PS 3B PUMP 3                      | 25,200                   | 13,104   | 12,096       | 100%    | 12,096    |
| 2009          | 2034       | 25          | 13         | 60-411-1001-PMP-01: PS 4A PUMP 1                      | 29,300                   | 15,236   | 14,064       | 100%    | 14,064    |
| 2009          | 2034       | 25          | 13         | 60-411-1002-PMP-01: PS 4A PUMP 2                      | 29,300                   | 15,236   | 14,064       | 100%    | 14,064    |
| 2009          | 2034       | 25          | 13         | 60-411-1003-PMP-01: PS 4A PUMP 3                      | 29,300                   | 15,236   | 14,064       | 100%    | 14,064    |
| 2009          | 2029       | 20          | 13         | Pump Station 300B Landscaping                         | 34,627                   | 22,508   | 12,119       | 100%    | 12,119    |
| 2009          | 2059       | 50          | 13         | Pump Station 4A Vault                                 | 43,497                   | 11,309   | 32,188       | 100%    | 32,188    |
| 2009          | 2034       | 25          | 13         | 60-313-1001-PMP-01: PS 3C RES 2A PUMP 1               | 51,700                   | 26,884   | 24,816       | 100%    | 24,816    |
| 2009          | 2034       | 25          | 13         | 60-313-1002-PMP-01: PS 3C RES 2A PUMP 2               | 51,700                   | 26,884   | 24,816       | 100%    | 24,816    |
| 2009          | 2034       | 25          | 13         | 60-313-1003-PMP-01: PS 3C RES 2A PUMP 3               | 51,700                   | 26,884   | 24,816       | 100%    | 24,816    |
| 2009          | 2034       | 25          | 13         | 60-316-1001-PMP-01: PS 300B PUMP 1                    | 76,700                   | 39,884   | 36,816       | 100%    | 36,816    |
| 2009          | 2034       | 25          | 13         | 60-316-1002-PMP-01: PS 300B PUMP 2                    | 76,700                   | 39,884   | 36,816       | 100%    | 36,816    |
| 2009          | 2034       | 25          | 13         | 60-316-1003-PMP-01: PS 300B PUMP 3                    | 76,700                   | 39,884   | 36,816       | 100%    | 36,816    |
| 2009          | 2039       | 30          | 13         | 60-211-1000-MCC-01: PS 2A MOTOR CONTROL CENTER        | 77,000                   | 33,367   | 43,633       | 100%    | 43,633    |
| 2009          | 2039       | 30          | 13         | 60-316-1000-MCC-01: PS 300B MOTOR CONTROL CENTER      | 77,000                   | 33,367   | 43,633       | 100%    | 43,633    |
| 2009          | 2039       | 30          | 13         | 60-212-1000-MCC-01: PS 2B MOTOR CONTROL CENTER        | 77,000                   | 33,367   | 43,633       | 100%    | 43,633    |
| 2009          | 2039       | 30          | 13         | 60-312-1000-MCC-01: PS 3B MOTOR CONTROL CENTER        | 77,000                   | 33,367   | 43,633       | 100%    | 43,633    |
| 2009          | 2039       | 30          | 13         | 60-313-0001-MCC-01: PS 3C RES 2A MOTOR CONTROL CENTER | 77,000                   | 33,367   | 43,633       | 100%    | 43,633    |
| 2009          | 2034       | 25          | 13         | Pump Station300B PAVING                               | 90,320                   | 46,967   | 43,354       | 100%    | 43,354    |
| 2009          | 2084       | 75          | 13         | Pump Station 300B Yard Piping                         | 94,516                   | 16,383   | 78,133       | 100%    | 78,133    |
| 2009          | 2059       | 50          | 13         | Pump Station 300B Vault                               | 97,123                   | 25,252   | 71,871       | 100%    | 71,871    |
| 2009          | 2059       | 50          | 13         | Pump Station 300B Bldg Piping                         | 115,519                  | 30,035   | 85,484       | 100%    | 85,484    |
| 2009          | 2084       | 75          | 13         | Pump Station 4A Yard Piping                           | 225,205                  | 39,036   | 186,169      | 100%    | 186,169   |
| 2009          | 2059       | 50          | 13         | Pump Station 4A Bldg Piping                           | 275,251                  | 71,565   | 203,686      | 100%    | 203,686   |
| 2009          | 2059       | 50          | 13         | PUMP STATION 300B BUILDING                            | 1,633,163                | 424,622  | 1,208,541    | 100%    | 1,208,541 |
| 2010          | 2035       | 25          | 12         | 60-211-1001-MTR-01: PS 2A PUMP 1 MOTOR                | 2,800                    | 1,344    | 1,456        | 100%    | 1,456     |
| 2010          | 2035       | 25          | 12         | 60-211-1002-MTR-01: PS 2A PUMP 2 MOTOR                | 2,800                    | 1,344    | 1,456        | 100%    | 1,456     |
| 2010          | 2035       | 25          | 12         | 60-211-1001-PMP-01: PS 2A PUMP 1                      | 25,200                   | 12,096   | 13,104       | 100%    | 13,104    |
| 2010          | 2035       | 25          | 12         | 60-211-1002-PMP-01: PS 2A PUMP 2                      | 25,200                   | 12,096   | 13,104       | 100%    | 13,104    |
| 2011          | 2041       | 30          | 11         | 60-315-1001-LSS-01: PS 300A PUMP 1 MOTOR STARTER      | 6,200                    | 2,273    | 3,927        | 100%    | 3,927     |
| 2011          | 2041       | 30          | 11         | 60-315-1002-LSS-01: PS 300A PUMP 2 MOTOR STARTER      | 6,200                    | 2,273    | 3,927        | 100%    | 3,927     |

| Install. Year | Repl. Year | Useful Life | In Service | Replacement Cost [1]   |        | Accumulated Depreciation | RCNLDR | CRF Eligible | CRF RCN |
|---------------|------------|-------------|------------|--|--------|--------------------------|--------|--------------|---------|
|               |            |             |            | \$   | \$     | \$                       | \$     | \$           | \$      |
| 2011          | 2041       | 30          | 11         | 60-315-1003-LSS-01: PS 300A PUMP 3 MOTOR STARTER             | 6,200  | 2,273                    | 3,927  | 100%         | 3,927   |
| 2012          | 2042       | 30          | 10         | 60-216-1003-LSS-01: PS 200A PUMP 3 MOTOR STARTER             | 6,200  | 2,067                    | 4,133  | 100%         | 4,133   |
| 2013          | 2033       | 20          | 9          | 60-211-1100-FAN-01: PS 2A EXHAUST FAN                        | 500    | 225                      | 275    | 100%         | 275     |
| 2013          | 2033       | 20          | 9          | 60-212-1100-FAN-01: PS 2B EXHAUST FAN                        | 500    | 225                      | 275    | 100%         | 275     |
| 2014          | 2039       | 25          | 8          | 60-412-1001-CKV-01: PS 4B RES 3B PUMP 1 CONTROL VALVE        | 4,600  | 1,472                    | 3,128  | 100%         | 3,128   |
| 2014          | 2039       | 25          | 8          | 60-412-1002-CKV-01: PS 4B RES 3B PUMP 2 CONTROL VALVE        | 4,600  | 1,472                    | 3,128  | 100%         | 3,128   |
| 2014          | 2039       | 25          | 8          | 60-412-1001-MTR-01: PS 4B RES 3B PUMP 1 MOTOR                | 4,800  | 1,536                    | 3,264  | 100%         | 3,264   |
| 2014          | 2039       | 25          | 8          | 60-412-1002-MTR-01: PS 4B RES 3B PUMP 2 MOTOR                | 4,800  | 1,536                    | 3,264  | 100%         | 3,264   |
| 2014          | 2024       | 10          | 8          | 60-111-1004-PMP-01: PS 1A TO 2 SUMP PUMP                     | 7,800  | 6,240                    | 1,560  | 100%         | 1,560   |
| 2014          | 2024       | 10          | 8          | 60-211-1003-PMP-01: PS 2A SUMP PUMP                          | 7,800  | 6,240                    | 1,560  | 100%         | 1,560   |
| 2014          | 2024       | 10          | 8          | 60-212-1003-PMP-01: PS 2B SUMP PUMP                          | 7,800  | 6,240                    | 1,560  | 100%         | 1,560   |
| 2014          | 2024       | 10          | 8          | 60-213-1004-PMP-01: PS 2C SUMP PUMP                          | 7,800  | 6,240                    | 1,560  | 100%         | 1,560   |
| 2014          | 2029       | 15          | 8          | 60-412-1101-ACO-01: PS 4B RES 3B AIR COMPRESSOR              | 12,000 | 6,400                    | 5,600  | 100%         | 5,600   |
| 2014          | 2039       | 25          | 8          | 60-412-0002-CTV-01: PS 4B PRESSURE CONTROL VALVE 2           | 12,600 | 4,032                    | 8,568  | 100%         | 8,568   |
| 2014          | 2039       | 25          | 8          | 60-412-1001-PMP-01: PS 4B RES 3B PUMP 1                      | 23,500 | 7,520                    | 15,980 | 100%         | 15,980  |
| 2014          | 2039       | 25          | 8          | 60-412-1002-PMP-01: PS 4B RES 3B PUMP 2                      | 23,500 | 7,520                    | 15,980 | 100%         | 15,980  |
| 2014          | 2039       | 25          | 8          | 60-412-0001-CTV-01: PS 4B PRESSURE CONTROL VALVE 1           | 26,100 | 8,352                    | 17,748 | 100%         | 17,748  |
| 2017          | 2042       | 25          | 5          | 60-213-1001-MTR-01: PS 2C PUMP 1 MOTOR                       | 4,600  | 920                      | 3,680  | 100%         | 3,680   |
| 2017          | 2042       | 25          | 5          | 60-213-1003-MTR-01: PS 2C PUMP 3 MOTOR                       | 4,600  | 920                      | 3,680  | 100%         | 3,680   |
| 2017          | 2047       | 30          | 5          | 60-216-1001-LSS-01: PS 200A PUMP 1 MOTOR STARTER             | 6,200  | 1,033                    | 5,167  | 100%         | 5,167   |
| 2017          | 2047       | 30          | 5          | 60-216-1004-LSS-01: PS 200A PUMP 4 MOTOR STARTER             | 6,200  | 1,033                    | 5,167  | 100%         | 5,167   |
| 2017          | 2042       | 25          | 5          | 50-312-3700-RTU-01: PS R300B RTU                             | 7,700  | 1,540                    | 6,160  | 100%         | 6,160   |
| 2018          | 2028       | 10          | 4          | 60-412-4203-PMP-01: PS 4B ammonia pump skid                  | 300    | 120                      | 180    | 100%         | 180     |
| 2018          | 2028       | 10          | 4          | 60-412-4204-PMP-01: PS 4B chlorine pump skid                 | 300    | 120                      | 180    | 100%         | 180     |
| 2018          | 2048       | 30          | 4          | 60-216-1002-LSS-01: PS 200A PUMP 2 MOTOR STARTER             | 6,200  | 827                      | 5,373  | 100%         | 5,373   |
| 2018          | 2043       | 25          | 4          | 60-213-0500-RTU-01: PS 2C RTU                                | 7,700  | 1,232                    | 6,468  | 100%         | 6,468   |
| 2018          | 2043       | 25          | 4          | 60-311-0600-RTU-01: PS 3A RTU                                | 7,700  | 1,232                    | 6,468  | 100%         | 6,468   |
| 2018          | 2043       | 25          | 4          | 60-312-0700-RTU-01: PS 3B RTU                                | 7,700  | 1,232                    | 6,468  | 100%         | 6,468   |
| 2018          | 2043       | 25          | 4          | 60-313-0800-RTU-01: PS 3C RES 2A RTU                         | 7,700  | 1,232                    | 6,468  | 100%         | 6,468   |
| 2018          | 2043       | 25          | 4          | 60-412-1200-RTU-01: PS 4B RES 3B RTU                         | 7,700  | 1,232                    | 6,468  | 100%         | 6,468   |
| 2018          | 2043       | 25          | 4          | 60-112-1300-RTU-01: PS 10A RTU                               | 7,700  | 1,232                    | 6,468  | 100%         | 6,468   |
| 2018          | 2043       | 25          | 4          | 60-214-1700-RTU-01: PS 20A RTU                               | 7,700  | 1,232                    | 6,468  | 100%         | 6,468   |
| 2018          | 2043       | 25          | 4          | 60-216-1900-RTU-01: PS 200A RTU                              | 7,700  | 1,232                    | 6,468  | 100%         | 6,468   |
| 2018          | 2043       | 25          | 4          | 60-315-2000-RTU-01: PS 300A RTU                              | 7,700  | 1,232                    | 6,468  | 100%         | 6,468   |
| 2018          | 2043       | 25          | 4          | 60-314-2800-RTU-01: PS 30A RTU                               | 7,700  | 1,232                    | 6,468  | 100%         | 6,468   |
| 2018          | 2043       | 25          | 4          | 60-317-3300-RTU-01: PS 300C RTU                              | 7,700  | 1,232                    | 6,468  | 100%         | 6,468   |
| 2018          | 2043       | 25          | 4          | 60-411-5000-RTU-01: PS 4A RTU                                | 7,700  | 1,232                    | 6,468  | 100%         | 6,468   |
| 2018          | 2043       | 25          | 4          | 60-900RTU: RTU FOR MAIN DATA CONCENTRATOR                    | 7,700  | 1,232                    | 6,468  | 100%         | 6,468   |
| 2018          | 2043       | 25          | 4          | 60-910RTU: RTU FOR WEST DUBLIN DATA CONCENTRATOR             | 7,700  | 1,232                    | 6,468  | 100%         | 6,468   |
| 2018          | 2043       | 25          | 4          | 60-930RTU: RTU FOR DOUGHERTY VALLEY DATA CONCENTRATOR        | 7,700  | 1,232                    | 6,468  | 100%         | 6,468   |
| 2018          | 2043       | 25          | 4          | 60-316-2700-RTU-01: PS 300B RTU                              | 7,700  | 1,232                    | 6,468  | 100%         | 6,468   |
| 2018          | 2043       | 25          | 4          | 60-880RTU: RTU-FOD FOR FOD FRONT END PROCESSOR               | 7,700  | 1,232                    | 6,468  | 100%         | 6,468   |
| 2018          | 2043       | 25          | 4          | 60-890RTU: RTU-IGS2 FOR FOD FRONT END PROCESSOR              | 7,700  | 1,232                    | 6,468  | 100%         | 6,468   |
| 2018          | 2058       | 40          | 4          | 60-412-4205-TNK-01: AMMONIA HYDROXIDE (AMMONIA) STORAGE TANK | 27,700 | 2,770                    | 24,930 | 100%         | 24,930  |
| 2018          | 2058       | 40          | 4          | 60-412-4206-TNK-01: SODIUM HYPOCHLORITE (CHLORINE) STORAGE   | 39,100 | 3,910                    | 35,190 | 100%         | 35,190  |
| 2018          | 2048       | 30          | 4          | 60-412-1000-MCC-01: PS 4B MOTOR CONTROL CENTER               | 77,000 | 10,267                   | 66,733 | 100%         | 66,733  |

**Total Existing Pump Station Assets** \$25,814,955

**Total DUEs 2021** \$35,991

**Total Pump Station Buy-in CRF (\$/DUE)** \$362.12

#### Future Pump Station

**Total Future Pump Station** \$0

**Net Future DUEs 2020 - 2035** \$6,567

**Total Future Pump Station Expansion CRF (\$/DUE)** \$0.00

**Total Pump Station Buy-in and Expansion CRF (\$/DUE)** \$362.12

#### Notes:

{1} Costs are in 2021 replacement cost dollars based on DSRSD asset management program.

| Install. Year             | Repl. Year | Useful Life | In Service | Replacement Cost [1]       | Accumulated Depreciation  | RCNL\$    | CRF Eligible | CRF RCN        |
|---------------------------|------------|-------------|------------|----------------------------|---|-----------|--------------|----------------|
| <b>Existing Reservoir</b> |            |             |            |                            |   |           |              |                |
| 1950                      | 1965       | 15          | 72         | RESERVOIR 10A (CAMP PARKS) | Reservoir 10A Yard Lighting                                     | \$36,527  | \$36,527     | \$0 100%       |
| 1950                      | 1975       | 25          | 72         | RESERVOIR 10A (CAMP PARKS) | Reservoir 10A Fencing   | 109,581   | 109,581      | 0 100%         |
| 1950                      | 2000       | 50          | 72         | RESERVOIR 10A (CAMP PARKS) | Reservoir 10A Yard Electrical                                   | 268,233   | 268,233      | 0 100%         |
| 1950                      | 1975       | 25          | 72         | RESERVOIR 10A (CAMP PARKS) | Reservoir 10A Paving  | 328,743   | 328,743      | 0 100%         |
| 1950                      | 2025       | 75          | 72         | Reservoir 10A-CAMP PARKS   | UndergroundReservoir  | 6,285,600 | 6,034,176    | 251,424 100%   |
| 1961                      | 1976       | 15          | 61         | Reservoir 1A               | 60-121-1952-ESE-01: RES 1A EMERGENCY SHOWER AND EYEWASH STATION | 5,000     | 5,000        | 0 100%         |
| 1961                      | 1976       | 15          | 61         | RESERVOIR 1A               | Reservoir 1A Yard Lighting                                      | 24,547    | 24,547       | 0 100%         |
| 1961                      | 1986       | 25          | 61         | RESERVOIR 1A               | Reservoir 1A Fencing  | 73,641    | 73,641       | 0 100%         |
| 1961                      | 2011       | 50          | 61         | RESERVOIR 1A               | Reservoir 1A Yard Electrical                                    | 180,260   | 180,260      | 0 100%         |
| 1961                      | 2036       | 75          | 61         | Reservoir 1A               | Above GroundReservoir   | 3,996,000 | 3,250,080    | 745,920 100%   |
| 1964                      | 1989       | 25          | 58         | RESERVOIR 2A               | Reservoir 2A ACCESS ROAD  | 4,698     | 4,698        | 0 100%         |
| 1964                      | 1979       | 15          | 58         | RESERVOIR 2A               | Reservoir 2A Yard Lighting                                      | 9,572     | 9,572        | 0 100%         |
| 1964                      | 1989       | 25          | 58         | RESERVOIR 2A               | Reservoir 2A Fencing  | 28,717    | 28,717       | 0 100%         |
| 1964                      | 2014       | 50          | 58         | RESERVOIR 2A               | Reservoir 2A Yard Electrical                                    | 70,293    | 70,293       | 0 100%         |
| 1964                      | 1989       | 25          | 58         | RESERVOIR 2A               | Reservoir 2A Paving   | 86,151    | 86,151       | 0 100%         |
| 1964                      | 2039       | 75          | 58         | Reservoir 2A               | Above GroundReservoir   | 1,498,500 | 1,158,840    | 339,660 100%   |
| 1969                      | 1984       | 15          | 53         | RESERVOIR 3B               | Reservoir 3B Yard Lighting                                      | 4,540     | 4,540        | 0 100%         |
| 1969                      | 1984       | 15          | 53         | Reservoir 3B               | 60-322-1956-ESE-01: RES 3B EMERGENCY SHOWER AND EYEWASH STATION | 5,000     | 5,000        | 0 100%         |
| 1969                      | 1994       | 25          | 53         | RESERVOIR 3B               | Reservoir 3B Fencing  | 13,622    | 13,622       | 0 100%         |
| 1969                      | 2019       | 50          | 53         | RESERVOIR 3B               | Reservoir 3B Yard Electrical                                    | 33,344    | 33,344       | 0 100%         |
| 1969                      | 1994       | 25          | 53         | RESERVOIR 3B               | Reservoir 3B ACCESS ROAD  | 81,000    | 81,000       | 0 100%         |
| 1969                      | 2044       | 75          | 53         | Reservoir 3B               | Above GroundReservoir   | 659,340   | 465,934      | 193,406 100%   |
| 1983                      | 1998       | 15          | 39         | RESERVOIR 1B (DOUGHERTY)   | Reservoir 1B Yard Lighting                                      | 48,507    | 48,507       | 0 100%         |
| 1983                      | 2033       | 50          | 39         | RESERVOIR 1B (DOUGHERTY)   | Reservoir 1B Yard Electrical                                    | 356,206   | 277,840      | 78,365 100%    |
| 1983                      | 2058       | 75          | 39         | Reservoir 1B-DOUGHERTY     | Above GroundReservoir   | 7,992,000 | 4,155,840    | 3,836,160 100% |
| 1985                      | 2000       | 15          | 37         | RESERVOIR 3A               | Reservoir 3A Yard Lighting                                      | 8,374     | 8,374        | 0 100%         |
| 1985                      | 2010       | 25          | 37         | RESERVOIR 3A               | Reservoir 3A Fencing  | 25,123    | 25,123       | 0 100%         |
| 1985                      | 2035       | 50          | 37         | RESERVOIR 3A               | Reservoir 3A Yard Electrical                                    | 61,495    | 45,506       | 15,989 100%    |
| 1985                      | 2060       | 75          | 37         | Reservoir 3A-BLACK         | Above GroundReservoir   | 1,298,700 | 640,692      | 658,008 100%   |
| 1991                      | 2021       | 30          | 31         | RESERVOIR 1A               | Reservoir 1A ACCESS ROAD  | 52,405    | 52,405       | 0 100%         |
| 1999                      | 2024       | 25          | 23         | RESERVOIR 20A              | Reservoir 20A ACCESS ROAD                                       | 39,204    | 36,068       | 3,136 100%     |
| 1999                      | 2014       | 15          | 23         | RESERVOIR 20A              | Reservoir 20A Yard Lighting                                     | 40,121    | 40,121       | 0 100%         |
| 1999                      | 2024       | 25          | 23         | RESERVOIR 20A              | Reservoir 20A Fencing   | 120,363   | 110,734      | 9,629 100%     |
| 1999                      | 2049       | 50          | 23         | RESERVOIR 20A              | Reservoir 20A Yard Electrical                                   | 294,625   | 135,528      | 159,098 100%   |
| 1999                      | 2074       | 75          | 23         | Reservoir 20A              | Above GroundReservoir   | 6,593,400 | 2,021,976    | 4,571,424 100% |
| 2001                      | 2016       | 15          | 21         | RESERVOIR 200A             | Reservoir 200A Yard Lighting                                    | 36,495    | 36,495       | 0 100%         |
| 2001                      | 2026       | 25          | 21         | RESERVOIR 200A             | Reservoir 200A Fencing  | 109,486   | 91,968       | 17,518 100%    |
| 2001                      | 2026       | 25          | 21         | RESERVOIR 200A             | Reservoir 200A ACCESS ROAD                                      | 140,567   | 118,077      | 22,491 100%    |
| 2001                      | 2051       | 50          | 21         | RESERVOIR 200A             | Reservoir 200A Yard Electrical                                  | 268,000   | 112,560      | 155,440 100%   |
| 2001                      | 2076       | 75          | 21         | Reservoir 200A             | Above GroundReservoir   | 5,194,800 | 1,454,544    | 3,740,256 100% |
| 2002                      | 2027       | 25          | 20         | RESERVOIR 10B              | Reservoir 10B Access Road                                       | 3,281     | 2,625        | 656 100%       |
| 2002                      | 2017       | 15          | 20         | RESERVOIR 30A              | Reservoir 30A Yard Lighting                                     | 14,004    | 14,004       | 0 100%         |
| 2002                      | 2017       | 15          | 20         | RESERVOIR 10B              | Reservoir 10B Yard Lighting                                     | 42,007    | 42,007       | 0 100%         |
| 2002                      | 2027       | 25          | 20         | RESERVOIR 30A              | Reservoir 30A Fencing   | 42,014    | 33,611       | 8,403 100%     |
| 2002                      | 2027       | 25          | 20         | RESERVOIR 30A              | Reservoir 30A ACCESS ROAD                                       | 83,851    | 67,081       | 16,770 100%    |
| 2002                      | 2052       | 50          | 20         | RESERVOIR 30A              | Reservoir 30A Yard Electrical                                   | 102,843   | 41,137       | 61,706 100%    |
| 2002                      | 2027       | 25          | 20         | RESERVOIR 10B              | Reservoir 10B Fencing   | 126,019   | 100,815      | 25,204 100%    |
| 2002                      | 2052       | 50          | 20         | RESERVOIR 10B              | Reservoir 10B Yard Electrical                                   | 308,467   | 123,387      | 185,080 100%   |
| 2002                      | 2077       | 75          | 20         | Reservoir 30A              | Above GroundReservoir   | 2,237,760 | 596,736      | 1,641,024 100% |
| 2002                      | 2077       | 75          | 20         | Reservoir 10B              | UndergroundReservoir  | 6,285,600 | 1,676,160    | 4,609,440 100% |
| 2004                      | 2029       | 25          | 18         | RESERVOIR 3A               | Reservoir 3A ROADWORK   | 29,125    | 20,970       | 8,155 100%     |
| 2005                      | 2020       | 15          | 17         | RESERVOIR 300B             | Reservoir 300B Yard Lighting                                    | 26,852    | 26,852       | 0 100%         |

| Install. Year                                      | Repl. Year | Useful Life | In Service |                          | Replacement Cost [1]   | Accumulated Depreciation | RCNL\$              | CRF Eligible        | CRF RCN             |
|--|------------|-------------|------------|--------------------------|--|--------------------------|---------------------|---------------------|---------------------|
| 2005   | 2020       | 15          | 17         | RESERVOIR 300A           | Reservoir 300A Yard Lighting                                 | 32,362                   | 32,362              | 0                   | 100% 0              |
| 2005   | 2030       | 25          | 17         | RESERVOIR 300B           | Reservoir 300B ACCESS ROAD                                   | 45,490                   | 30,933              | 14,557              | 100% 14,557         |
| 2005   | 2030       | 25          | 17         | RESERVOIR 300A           | Reservoir 300A ACCESS ROAD                                   | 66,258                   | 45,055              | 21,203              | 100% 21,203         |
| 2005   | 2030       | 25          | 17         | RESERVOIR 300B           | Reservoir 300B Fencing                                       | 80,555                   | 54,777              | 25,778              | 100% 25,778         |
| 2005   | 2030       | 25          | 17         | RESERVOIR 300A           | Reservoir 300A Fencing                                       | 97,087                   | 66,019              | 31,068              | 100% 31,068         |
| 2005   | 2055       | 50          | 17         | RESERVOIR 300B           | Reservoir 300B Yard Electrical                               | 197,181                  | 67,042              | 130,139             | 100% 130,139        |
| 2005   | 2055       | 50          | 17         | RESERVOIR 300A           | Reservoir 300A Yard Electrical                               | 237,649                  | 80,801              | 156,848             | 100% 156,848        |
| 2005   | 2080       | 75          | 17         | Reservoir 300B           | UndergroundReservoir   | 3,561,840                | 807,350             | 2,754,490           | 100% 2,754,490      |
| 2005   | 2080       | 75          | 17         | Reservoir 300A           | Above GroundReservoir  | 4,595,400                | 1,041,624           | 3,553,776           | 100% 3,553,776      |
| 2007   | 2032       | 25          | 15         | RESERVOIR 200B           | Reservoir 200B ACCESS ROAD                                   | 21,036                   | 12,622              | 8,414               | 100% 8,414          |
| 2007   | 2022       | 15          | 15         | RESERVOIR 200B           | Reservoir 200B Yard Lighting                                 | 22,719                   | 22,719              | 0                   | 100% 0              |
| 2007   | 2032       | 25          | 15         | RESERVOIR 200B           | Reservoir 200B Fencing                                       | 68,156                   | 40,893              | 27,262              | 100% 27,262         |
| 2007   | 2057       | 50          | 15         | RESERVOIR 200B           | Reservoir 200B Yard Electrical                               | 166,831                  | 50,049              | 116,782             | 100% 116,782        |
| 2007   | 2082       | 75          | 15         | Reservoir 200B           | Above GroundReservoir  | 3,196,800                | 639,360             | 2,557,440           | 100% 2,557,440      |
| 2008   | 2083       | 75          | 14         | Reservoir 4A             | Above GroundReservoir  | 1,394,604                | 260,326             | 1,134,278           | 100% 1,134,278      |
| 2009   | 2034       | 25          | 13         | Reservoir 4A             | 60-421-5100-RIO-01: RES 4A RIO                               | 4,600                    | 2,392               | 2,208               | 100% 2,208          |
| 2009   | 2034       | 25          | 13         | Reservoir 1A             | 60-121-1000-RTU-01: RES 1A RTU                               | 7,700                    | 4,004               | 3,696               | 100% 3,696          |
| 2009   | 2034       | 25          | 13         | RESERVOIR 4A             | Reservoir 4A ACCESS ROAD                                     | 8,740                    | 4,545               | 4,195               | 100% 4,195          |
| 2009   | 2024       | 15          | 13         | RESERVOIR 4A             | Reservoir 4A Yard Lighting                                   | 8,974                    | 7,777               | 1,196               | 100% 1,196          |
| 2009   | 2034       | 25          | 13         | RESERVOIR 4A             | Reservoir 4A Fencing   | 26,920                   | 13,998              | 12,922              | 100% 12,922         |
| 2009   | 2059       | 50          | 13         | RESERVOIR 4A             | Reservoir 4A Yard Electrical                                 | 65,894                   | 17,132              | 48,762              | 100% 48,762         |
| 2015   | 2040       | 25          | 7          | Reservoir 30A            | 60-323-2900-RIO-01: RES 30A RIO                              | 4,600                    | 1,288               | 3,312               | 100% 3,312          |
| 2015   | 2040       | 25          | 7          | RESERVOIR 3A             | Reservoir 3A ACCESS ROAD                                     | 23,189                   | 6,493               | 16,696              | 100% 16,696         |
| 2015   | 2040       | 25          | 7          | RESERVOIR 1B (DOUGHERTY) | Reservoir 1B ACCESS ROAD                                     | 36,769                   | 10,295              | 26,473              | 100% 26,473         |
| 2017   | 2042       | 25          | 5          | Recycled Reservoir R20   | 50-221-2500-RIO-01: RES R20 RIO                              | 4,600                    | 920                 | 3,680               | 100% 3,680          |
| 2017   | 2042       | 25          | 5          | Recycled Reservoir R300  | 50-321-2200-RTU-01: RES R300 RTU                             | 7,700                    | 1,540               | 6,160               | 100% 6,160          |
| 2018   | 2043       | 25          | 4          | Reservoir 3A             | 60-321-1100-RTU-01: RES 3A RTU                               | 7,700                    | 1,232               | 6,468               | 100% 6,468          |
| 2018   | 2043       | 25          | 4          | Reservoir 20A            | 60-222-1800-RTU-01: RES 20A RTU                              | 7,700                    | 1,232               | 6,468               | 100% 6,468          |
| 2018   | 2043       | 25          | 4          | Reservoir 200A           | 60-224-2100-RTU-01: RES 200A RTU                             | 7,700                    | 1,232               | 6,468               | 100% 6,468          |
| 2018   | 2043       | 25          | 4          | Reservoir 10B            | 60-125-2300-RTU-01: RES 10B RTU                              | 7,700                    | 1,232               | 6,468               | 100% 6,468          |
| 2018   | 2043       | 25          | 4          | Reservoir 300A           | 60-324-2600-RTU-01: RES 300A RTU                             | 7,700                    | 1,232               | 6,468               | 100% 6,468          |
| 2018   | 2043       | 25          | 4          | Reservoir 300B           | 60-325-3400-RTU-01: RES 300B RTU                             | 7,700                    | 1,232               | 6,468               | 100% 6,468          |
| 2018   | 2043       | 25          | 4          | Reservoir 10A            | 60-124-9200-RTU-01: RES 10A CAMP PARKS DATA CONCENTRATOR RTU | 7,700                    | 1,232               | 6,468               | 100% 6,468          |
| 2018   | 2043       | 25          | 4          | Reservoir 200B           | 60-225-4300-RTU-01: RES 200B RTU                             | 7,700                    | 1,232               | 6,468               | 100% 6,468          |
| <b>Total Existing Reservoir Assets</b>             |            |             |            |                          |  | <b>\$59,829,857</b>      | <b>\$27,762,416</b> | <b>\$32,067,440</b> | <b>\$32,067,440</b> |
| <b>Total DUEs 2021</b>                             |            |             |            |                          |  |                          |                     | <b>35,991</b>       | <b>Existing</b>     |
| <b>Total Reservoir Related Buy-in CRF (\$/DUE)</b> |            |             |            |                          |  |                          |                     | <b>\$891.00</b>     |                     |

## Future Reservoir

|  |                     |              |                     |
|--|---------------------|--------------|---------------------|
| Reservoir 20B  | \$6,959,269         | 100%         | \$6,959,269         |
| Reservoir 10A  | 18,471,225          | 100%         | 18,471,225          |
| <b>Total Future Reservoir</b>                            | <b>\$25,430,494</b> |              | <b>\$25,430,494</b> |
| <b>Net Future DUEs 2020 - 2035</b>                       |                     | <b>6,567</b> | <b>Future</b>       |
| <b>Total Future Reservoir Expansion CRF (\$/DUE)</b>     |                     |              | <b>\$3,872.33</b>   |
| <b>Total Reservoir Buy-in and Expansion CRF (\$/DUE)</b> |                     |              | <b>\$4,763.33</b>   |

## Notes:

[1] Costs are in 2021 replacement cost dollars based on DSRSD asset management program.

DSRSD  
 Capacity Reserve Fees Study  
 Administrative Offices  
 Exhibit 6

| Year   | Insured Cost [1]    | CRF Eligible    | CRF Total          |
|--|---------------------|-----------------|--------------------|
| <b>Existing District Administration Offices</b>              |                     |                 |                    |
| 1990 District Administration Offices                         | \$7,716,694         | 31%             | \$2,392,175        |
| 1997 Fields Operations Department                            | 5,401,542           | 85%             | 4,591,311          |
|  | <hr/>               |                 | <hr/>              |
|  | <b>\$13,118,236</b> |                 | <b>\$6,983,486</b> |
| <b>Total DUEs 2021</b>                                       |                     | <b>35,991</b>   | <b>Existing</b>    |
| <b>Total Admin Offices Related Buy-in CRF (\$/DUE)</b>       |                     | <b>\$194.04</b> |                    |
| <b>Future Admin Offices</b>                                  |                     |                 |                    |
|  | \$0                 | 0%              | \$0                |
|  | 0                   | 0%              | 0                  |
|  | <hr/>               |                 | <hr/>              |
| <b>Total Future Admin Offices</b>                            | <b>\$0</b>          |                 | <b>\$0</b>         |
| <b>Net Future DUEs 2020 - 2035</b>                           |                     | <b>6,567</b>    | <b>Future</b>      |
| <b>Total Future Admin Offices Expansion CRF (\$/DUE)</b>     |                     | <b>\$0.00</b>   |                    |
| <b>Total Admin Offices Buy-in and Expansion CRF (\$/DUE)</b> |                     | <b>\$194.04</b> |                    |

**Notes:**

[1] Costs are CSRMA valuation based on DSRSD information asset management program.

DSRSD  
 Capacity Reserve Fees Study  
 Transmission & Distribution - PW  
 Exhibit 7

| Year  | Replacement Cost [1] | Accumulated Depreciation | RCNLD \$             | CRF Eligible       | CRF RCNLD            |
|---|----------------------|--------------------------|----------------------|--------------------|----------------------|
| <b>Transmission/Distribution Lines</b>  |                      |                          |                      |                    |                      |
| 12-inch Lines   | \$133,236,129        | \$45,161,284             | \$88,074,845         | 100%               | \$88,074,845         |
| 14-inch Lines   | 46,385,877           | 14,189,257               | 32,196,620           | 100%               | 32,196,620           |
| 16-inch Lines   | 32,550,071           | 11,439,923               | 21,110,148           | 100%               | 21,110,148           |
| 18-inch Lines   | 3,913,985            | 1,324,402                | 2,589,583            | 100%               | 2,589,583            |
| 20-inch Lines   | 11,652,547           | 2,612,932                | 9,039,615            | 100%               | 9,039,615            |
| <b>Total Existing Transmission/Distribution System</b>                          | <b>\$227,738,609</b> | <b>\$74,727,799</b>      | <b>\$153,010,810</b> |                    | <b>\$153,010,810</b> |
| <b>Total DUEs 2021</b>  |                      |                          |                      | <b>35,991</b>      | <b>Existing</b>      |
| <b>Total Transmission/Distribution System Buy-in CRF (\$/DUE)</b>               |                      |                          |                      | <b>\$4,251.42</b>  |                      |
| <b>Future Transmission/Distribution</b>   |                      |                          |                      |                    |                      |
| Gleason Drive Property Planning Study   | \$60,000             |                          |                      | 100%               | \$60,000             |
| Dublin Boulevard Extension Water Facilities                                     | 1,980,000            |                          |                      | 100%               | 1,980,000            |
| <b>Total Future Transmission/Distribution</b>                                   | <b>\$2,040,000</b>   |                          |                      | <b>\$2,040,000</b> |                      |
| <b>Net Future DUEs 2020 - 2035</b>  |                      |                          |                      | <b>6,567</b>       | <b>Future</b>        |
| <b>Total Future Transmission/Distribution System Expansion CRF (\$/DUE)</b>     |                      |                          |                      | <b>\$310.63</b>    |                      |
| <b>Total Transmission/Distribution System Buy-in and Expansion CRF (\$/DUE)</b> |                      |                          |                      | <b>\$4,562.06</b>  |                      |

Notes:

[1] Costs for 12-inch to 20-inch pipe in 2021 replacement cost dollars based on DSRSD asset management program.

DSRSD

Capacity Reserve Fees Study

Transmission & Distribution - RW

Exhibit 8

| Year  | Replacement Cost [1] | Accumulated Depreciation | RCNLD \$            | CRF Eligible      | CRF RCNLD           |
|---|----------------------|--------------------------|---------------------|-------------------|---------------------|
| <b>Transmission/Distribution Lines</b>  |                      |                          |                     |                   |                     |
| 12-inch Lines   | \$25,640,500         | \$6,280,111              | \$19,360,389        | 100%              | \$19,360,389        |
| 14-inch Lines   | 6,277,500            | 1,804,329                | 4,473,171           | 100%              | 4,473,171           |
| 16-inch Lines   | 4,185,000            | 1,399,206                | 2,785,794           | 100%              | 2,785,794           |
| 20-inch Lines   | 11,044,000           | 3,316,946                | 7,727,054           | 100%              | 7,727,054           |
| 24-inch Lines   | 3,958,000            | 1,211,712                | 2,746,288           | 100%              | 2,746,288           |
| 30-inch Lines   | 263,000              | 82,350                   | 180,650             | 100%              | 180,650             |
| <b>Total Existing Transmission/Distribution System</b>                          | <b>\$51,368,000</b>  | <b>\$14,094,655</b>      | <b>\$37,273,345</b> |                   | <b>\$37,273,345</b> |
| <b>Total DUEs 2021</b>  |                      |                          |                     | <b>35,991</b>     | <b>Existing</b>     |
| <b>Total Transmission/Distribution System Buy-in CRF (\$/DUE)</b>               |                      |                          |                     | <b>\$1,035.64</b> |                     |
| <b>Future Transmission/Distribution</b>   |                      |                          |                     |                   |                     |
|   | \$0                  |                          |                     | 0%                | \$0                 |
|   | 0                    |                          |                     | 0%                | 0                   |
|   | 0                    |                          |                     | 0%                | 0                   |
|   | 0                    |                          |                     | 0%                | 0                   |
| <b>Total Future Transmission/Distribution</b>                                   | <b>\$0</b>           |                          |                     | <b>\$0</b>        |                     |
| <b>Net Future DUEs 2020 - 2035</b>  |                      |                          |                     | <b>6,567</b>      | <b>Future</b>       |
| <b>Total Future Transmission/Distribution System Expansion CRF (\$/DUE)</b>     |                      |                          |                     | <b>\$0.00</b>     |                     |
| <b>Total Transmission/Distribution System Buy-in and Expansion CRF (\$/DUE)</b> |                      |                          |                     | <b>\$1,035.64</b> |                     |

Notes:

[1] Costs for 12-inch pipe and larger are in 2021 replacement cost dollars based on DSRSD asset management program.

| Year   | CRF                |        |                    |
|--|--------------------|--------|--------------------|
|  | Eligible           | Total  |                    |
| <b>Existing DERWA Related Assets</b>                       |                    |        |                    |
| Total DERWA Assets - DSRSD Share 50.30% <sup>[1]</sup>     | \$39,733,435       | 100%   | \$39,733,435       |
| <b>Total DUEs 2021</b>                                     |                    | 35,991 | <b>Existing</b>    |
| Existing DERWA Related, Buy-in CRF (\$/DUE)                |                    |        | \$1,104            |
| <b>Net DERWA-Related Buy-in CRF (\$/DUE)</b>               |                    |        | <b>\$1,104.00</b>  |
| <b>Future DERWA Related Assets <sup>[2]</sup></b>          |                    |        |                    |
| DERWA RWTP Phase 2   | \$16,100           | 100%   | \$16,100           |
| DERWA RWTP Phase 2   | 1,096,200          | 100%   | 1,096,200          |
| <b>Total Future DERWA Related Assets [2]</b>               | <b>\$1,112,300</b> |        | <b>\$1,112,300</b> |
| Net Future DUEs 2020 - 2035                                |                    | 6,567  | <b>Future</b>      |
| <b>Total Future DERWA Related Expansion CRF (\$/DUE)</b>   |                    |        | <b>\$169.37</b>    |
| <b>Net DERWA-Related Buy-in and Expansion CRF (\$/DUE)</b> |                    |        | <b>\$1,273.37</b>  |

**Notes:**

[1] As of June 30, 2021, District's share of the JPA, page 37 of the ACFR.

[2] As of June 30, 2021, DSRSD share of projects.

## DSRSD

## Capacity Reserve Fees Study

## Debt Service Schedule

## Exhibit 10

## DERWA State Loan

Dublin San Ramon Services District

## 2017 Bond (Refunding 2011 Bond)

Dublin San Ramon Services District

| *****            |                    |                  |                    | *****         |                     |                     |                     |
|------------------|--------------------|------------------|--------------------|---------------|---------------------|---------------------|---------------------|
| Period<br>Ending | Principal          | Interest         | Debt Service       | Period Ending | Principal           | Interest            | Debt Service        |
| 6/1/2022         | \$726,843          | \$83,244         | \$810,087          | 8/1/2022      | \$475,000           | \$1,414,063         | \$1,889,063         |
| 6/1/2023         | 745,014            | 65,073           | 810,087            | 8/1/2023      | 500,000             | 1,390,313           | 1,890,313           |
| 6/1/2024         | 763,639            | 46,447           | 810,087            | 8/1/2024      | 525,000             | 1,365,313           | 1,890,313           |
| 6/1/2025         | 782,730            | 27,356           | 810,087            | 8/1/2025      | 550,000             | 1,339,063           | 1,889,063           |
| 6/1/2026         | 311,521            | 7,788            | 319,309            | 8/1/2026      | 1,020,000           | 1,311,563           | 2,331,563           |
| 6/1/2027         |                    |                  |                    | 8/1/2027      | 1,360,000           | 1,260,563           | 2,620,563           |
| 6/1/2028         |                    |                  |                    | 8/1/2028      | 1,420,000           | 1,192,563           | 2,612,563           |
| 6/1/2029         |                    |                  |                    | 8/1/2029      | 1,495,000           | 1,121,563           | 2,616,563           |
| 6/1/2030         |                    |                  |                    | 8/1/2030      | 1,570,000           | 1,046,813           | 2,616,813           |
| 6/1/2031         |                    |                  |                    | 8/1/2031      | 1,645,000           | 968,313             | 2,613,313           |
| 6/1/2032         |                    |                  |                    | 8/1/2032      | 1,725,000           | 886,063             | 2,611,063           |
| 6/1/2033         |                    |                  |                    | 8/1/2033      | 1,815,000           | 799,813             | 2,614,813           |
| 6/1/2034         |                    |                  |                    | 8/1/2034      | 1,905,000           | 709,063             | 2,614,063           |
| 6/1/2035         |                    |                  |                    | 8/1/2035      | 1,995,000           | 613,813             | 2,608,813           |
| 6/1/2036         |                    |                  |                    | 8/1/2036      | 2,100,000           | 514,063             | 2,614,063           |
| 6/1/2037         |                    |                  |                    | 8/1/2037      | 2,200,000           | 409,063             | 2,609,063           |
| 6/1/2038         |                    |                  |                    | 8/1/2038      | 2,290,000           | 299,063             | 2,589,063           |
| 6/1/2039         |                    |                  |                    | 8/1/2039      | 2,355,000           | 227,500             | 2,582,500           |
| 6/1/2040         |                    |                  |                    | 8/1/2040      | 2,425,000           | 153,906             | 2,578,906           |
| 6/1/2041         |                    |                  |                    | 8/1/2041      | 2,500,000           | 78,125              | 2,578,125           |
|                  | <b>\$3,329,747</b> | <b>\$229,908</b> | <b>\$3,559,655</b> |               | <b>\$31,870,000</b> | <b>\$17,100,594</b> | <b>\$48,970,594</b> |

**Notes:**

[1] District's portion of outstanding debt as of June 2021.

| Component   | Total RCNLD           | Existing DUEs | Buy-in         | Future Cost         | Future DUEs | Expansion          | Debt Component | Total Water Capacity Reserve Fee (\$/DUE) |
|---|-----------------------|---------------|----------------|---------------------|-------------|--------------------|----------------|---|
| <b>Equity in Existing DSRSD Assets <sup>[1]</sup></b>         |                       |               |                |                     |             |                    |                |   |
| Source  | \$419,761             | 35,991        | \$12           | \$19,861,206        | 6,567       | \$3,024            |                | \$3,036                                   |
| Pump Stations   | 13,032,788            | 35,991        | 362            | 0                   | 6,567       | 0                  |                | 362                                       |
| Reservoirs  | 32,067,440            | 35,991        | 891            | 25,430,494          | 6,567       | 3,872              |                | 4,763                                     |
| Administration Offices  | 6,983,486             | 35,991        | 194            | 0                   | 0           | 0                  |                | 194                                       |
| Transmission & Distribution - PW                              | 153,010,810           | 35,991        | 4,251          | 2,040,000           | 6,567       | 311                |                | 4,562                                     |
| Transmission & Distribution - RW                              | 37,273,345            | 35,991        | 1,036          | 0                   | 6,567       | 0                  |                | 1,036                                     |
| <b>Total DSRSD Assets</b>                                     | <b>\$242,787,631</b>  |               | <b>\$6,746</b> | <b>\$47,331,700</b> |             | <b>\$7,207</b>     |                | <b>\$13,953</b>                           |
| <b>Total DERWA Assets - DSRSD Share 50.30% <sup>[2]</sup></b> |                       |               |                |                     |             |                    |                |   |
|   | <b>\$39,733,435</b>   |               | <b>35,991</b>  | <b>\$1,104</b>      |             | <b>\$1,112,300</b> |                | <b>\$1,273</b>                            |
| <b>Debt Service DSRSD <sup>[3]</sup></b>                      |                       |               |                |                     |             |                    |                |   |
| Outstanding Debt 2017 Water Bond (Principal)                  | (\$31,870,000)        | 35,991        | (\$886)        | \$48,970,594        | 6,567       | \$7,457            |                | \$6,571                                   |
| Outstanding Debt DERWA State Loan (Principal)                 | (3,329,747)           | 35,991        | (93)           | 3,559,655           | 6,567       | 542                |                | 450                                       |
| <b>Total Expansion-related Debt Obligations</b>               | <b>(\$35,199,747)</b> |               | <b>(\$978)</b> | <b>\$52,530,249</b> |             | <b>\$7,999</b>     |                | <b>\$7,021</b>                            |
| <b>Less:</b>  |                       |               |                |                     |             |                    |                |   |
| <b>Reserves Fund 620 <sup>[4]</sup></b>                       |                       |               |                | (\$45,569,400)      | 6,567       | (\$6,939)          |                | (\$6,939)                                 |
| <b>Total Debt Service</b>                                     | <b>(\$35,199,747)</b> |               | <b>(\$978)</b> | <b>\$6,960,849</b>  |             | <b>\$1,060</b>     |                | <b>\$82</b>                               |
| <b>Total CRF</b>  | <b>\$247,321,319</b>  |               | <b>\$6,872</b> | <b>\$55,404,849</b> |             | <b>\$8,436</b>     |                | <b>\$15,308</b>                           |
| <b>Current Fee</b>  |                       |               |                | <b>\$4,358</b>      |             | <b>\$5,530</b>     |                | <b>\$13,963</b>                           |
| <b>\$ Change</b>  |                       |               |                | <b>\$2,514</b>      |             | <b>\$2,906</b>     |                | <b>(\$4,075)</b>                          |
|   |                       |               |                |                     |             |                    |                | <b>\$1,345</b>                            |

[1] DSRSD asset listing based on District's Licity asset reports at replacement cost value, less useful life depreciation.

[2] DERWA Assets based on DSRSD share at 50.3%, from DERWA F/S 10\_8\_2021, page 18 of 23. See Exhibit 9.

[3] DSRSD debt based on outstanding principal and interest as of 2021 for 2017 Refunding Bond, and 2022 for DERWA State Loan. See Exhibit 10.

[4] Current Fund 620 reserve balance.

| Water Distribution Capacity Reserve Fees |                  |                      |                         |               |
|--|------------------|----------------------|-------------------------|---------------|
| Meter Size                               | Weighting Factor | Present CRF (\$/DUE) | Calculated CRF (\$/DUE) | \$ Difference |
| 5/8"                                     | 1.0              | \$13,963             | \$15,308                | \$1,345       |
| 3/4"                                     | 1.5              | 20,959               | 22,962                  | 2,003         |
| 1"                                       | 2.5              | 34,931               | 38,270                  | 3,339         |
| 1-1/2"                                   | 5.0              | 69,861               | 76,541                  | 6,680         |
| 2"                                       | 8.0              | 111,777              | 122,465                 | 10,688        |
| 1-1/2" OMNI C2                           | 16.0             | 223,555              | 244,931                 | 21,376        |
| 1-1/2" OMNI T2                           | 16.0             | 223,555              | 244,931                 | 21,376        |
| 2" OMNI C2                               | 16.0             | 223,555              | 244,931                 | 21,376        |
| 2" OMNI T2                               | 20.0             | 279,443              | 306,163                 | 26,720        |
| 3" OMNI C2                               | 40.0             | 558,886              | 612,326                 | 53,440        |
| 3" OMNI T2                               | 50.0             | 698,608              | 765,408                 | 66,800        |
| 4" OMNI C2                               | 80.0             | 1,117,773            | 1,224,653               | 106,880       |
| 4" OMNI T2                               | 100.0            | 1,397,216            | 1,530,816               | 133,600       |

**TITLE:** Receive Presentation on District's Water Conservation Status**RECOMMENDATION:**

Staff recommends the Board of Directors receive a presentation on the District's water conservation status.

**SUMMARY:**

Per the Board of Directors' declaration of Stage 2 Water Shortage Emergency, the District has a target of 15-percent water conservation on an annualized basis. In 2021, the District's average potable water use reduction from September to December 2021 was 17 percent compared to the 2020 baseline. District's average potable water use in 2022 increased compared to 2020 due to dry winter conditions in January and February. The overall District's potable water reduction since the Board of Directors adopted the emergency declaration (from September 2021 to February 2022) is 10 percent.

**DISCUSSION:**

On September 21, 2021, the Board of Directors approved the Stage 2 Water Shortage Emergency declaration calling for 15-percent mandatory conservation compared to the 2020 baseline and implemented the demand reduction measures per the District's Water Shortage Contingency Plan (WSCP) and regulations on water use per District Code Chapter 4.20 as amended by Ordinance No. 350.

Staff previously presented the District's conservation status to the Board of Directors in October 2021, November 2021, and January 2022. Staff continues monitoring conservation progress, delivering drought messages to District customers during winter months, and following drought updates from the Department of Water Resources. Additionally, staff continues collaborating with the Zone 7 Water Agency (Zone 7) and Tri-Valley water retailers on drought message strategies, sharing conservation outreach efforts from each agency, and reviewing a potential rebate for the HOA (homeowner association)-controlled irrigation site.

A summary of the conservation program efforts is provided below.

**District Water Conservation Messaging and Program**

Staff delivered drought messages and water-saving tips for indoor and outdoor water use in January and February through the electronic newsletter and social media posts. Because of the limiting outdoor irrigation during the winter, staff focused the conservation messaging on finding and fixing leaks and where to report water leaks in the public spaces.

Gearing toward the spring season, staff is in the planning process for a spring webinar with Zone 7 and Tri-Valley retailers on rebates and lawn conversions.

**Customer Portal – AquaHawk**

Staff is finalizing the design of the conservation page on AquaHawk for residential accounts and the logistics on delivering the new conservation page to non-AquaHawk customers. The conservation page will allow residential customers to compare their monthly water use to similar homes within their neighborhood and the average of residential users within the District's service area. The new page is planned to be available on AquaHawk around May/June.

|   |                                 |                            |
|---|---------------------------------|----------------------------|
| Originating Department: Engineering Services  | Contact: I. Suroso / S. Delight | Legal Review: Not Required |
| Financial Review: Not Required  | Cost and Funding Source: N/A    |                            |
| Attachments: <input checked="" type="checkbox"/> None <input type="checkbox"/> Resolution<br><input type="checkbox"/> Ordinance <input type="checkbox"/> Task Order <input type="checkbox"/> Proclamation<br><input type="checkbox"/> Other (see list on right) |                                 |                            |

## **Rebates Program**

In January and February, staff continued to receive rebate applications for the Weather-Based Irrigation Control (Smart Controller) and High-Efficiency Washer (HEW). A total of 4 applications were approved for the Smart Controller rebate and 20 applications for the HEW rebate. Staff is also working with Zone 7 in the review of a proposed Smart Controller rebate application for an HOA-controlled irrigation site. This site irrigates the front yards of more than 1,000 homes.

## **District Potable Water Use and Conservation Target**

Figure 1 presents the monthly water usage in 2020, 2021, and 2022. As shown in Figure 1, the District's average potable water use in January 2022 is 8 percent higher than in January 2020, and February 2022's potable water use is the same as February 2020. When most irrigation systems were shut off or adjusted during winter months, the water-saving was anticipated to be lower than the non-winter months. Additionally, there was no significant precipitation in January and February of 2022 compared to 2020, as shown in Figure 2. Therefore, the outdoor irrigation water use through dedicated irrigation meters increased due to dry conditions in the District service area. Figure 3 presents the February water usage by customer type which shows the dedicated irrigation meters water use in 2022 was almost doubled compared to the 2020 baseline.

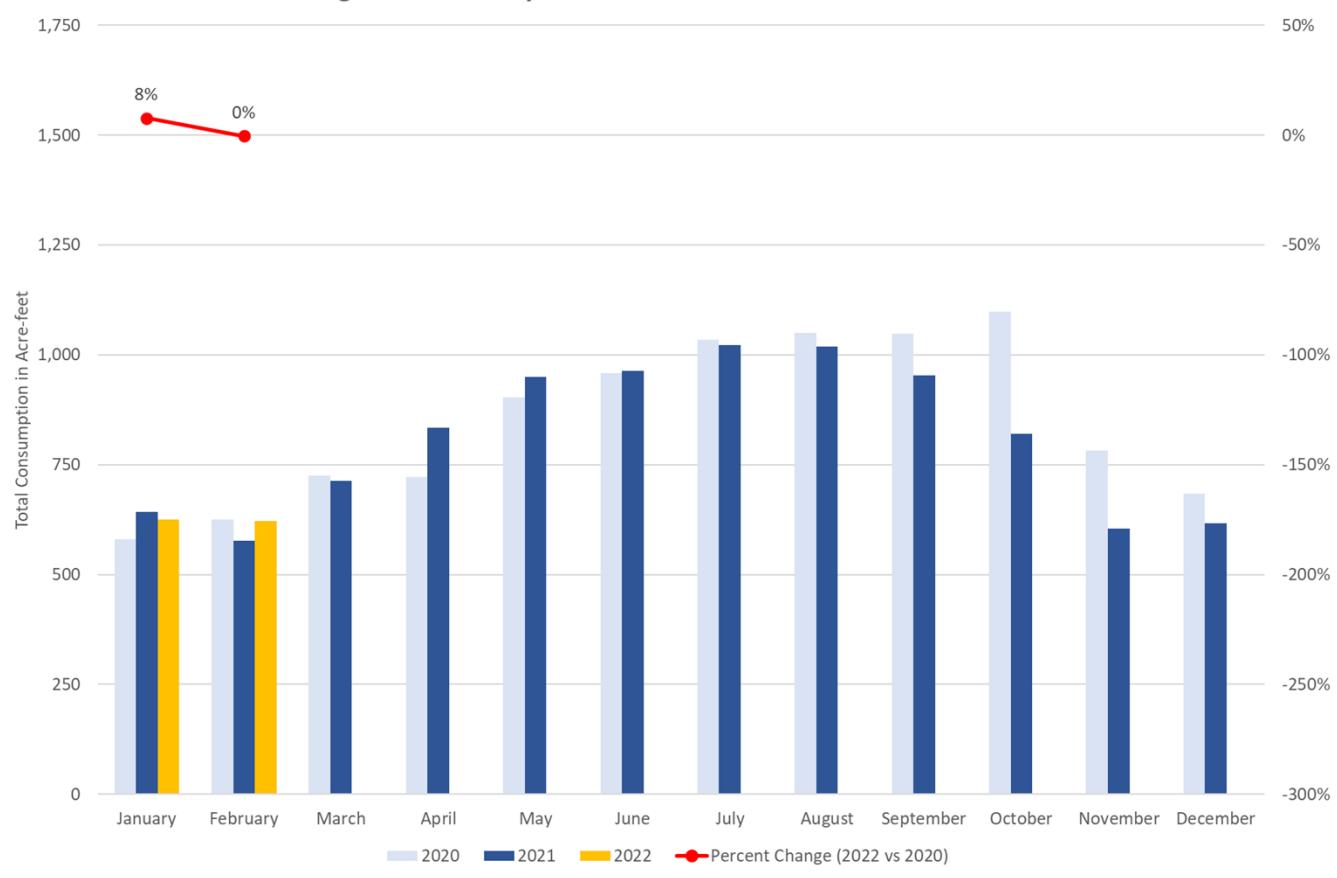
The total water saving for the District since the Board of Directors declared a water shortage emergency (September 2021 to February 2022) is 10 percent which falls behind the 15-percent water conservation target that the Board of Directors adopted in September 2020.

## **Next Steps**

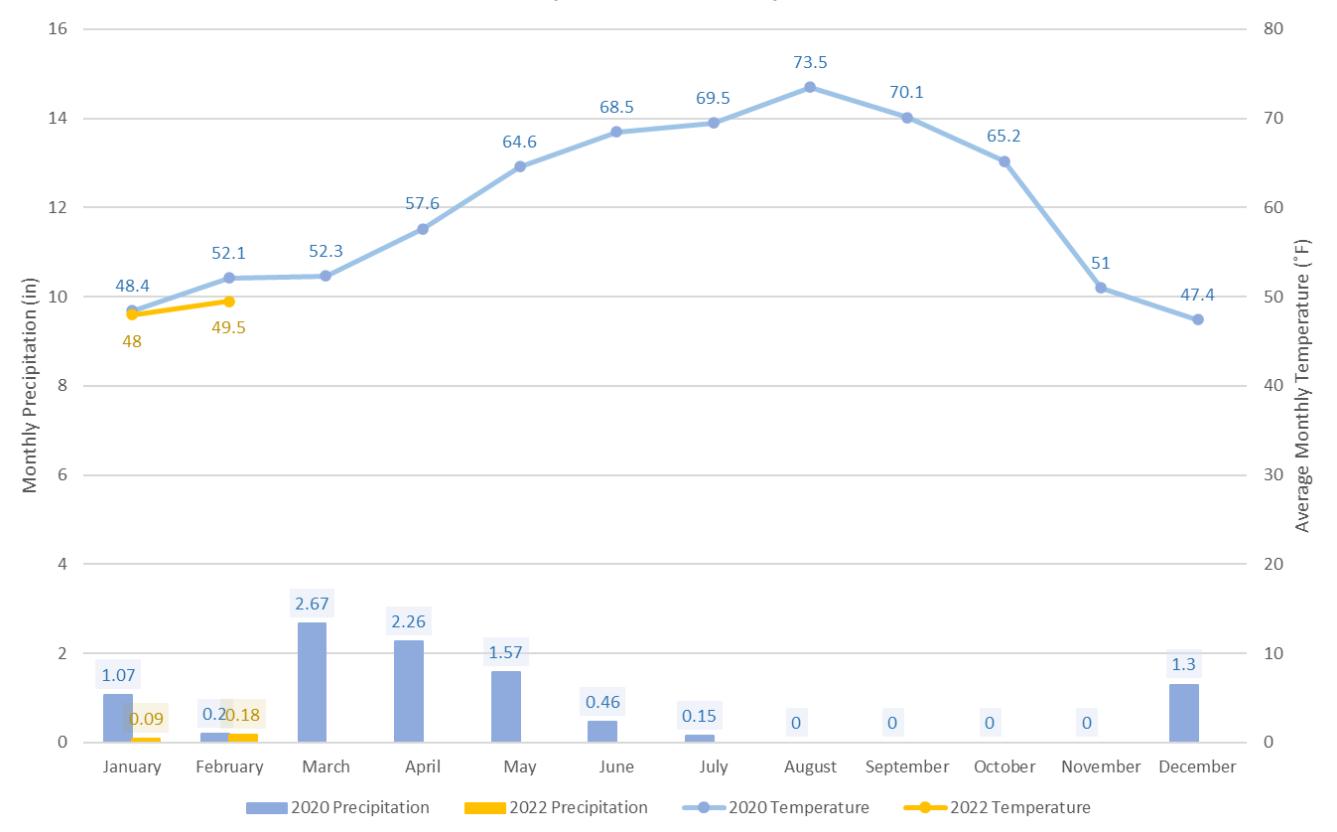
Per the District's WSCP and District Code Chapter 4.20, the demand reduction measures for Stage 2 include outdoor irrigation limitation to three non-consecutive days. On September 21, 2021, the Board of Directors approved by resolution to limit the outdoor irrigation from three non-consecutive days per week to one day per week from November 2021 to February 2022. Therefore, starting on March 1, outdoor irrigation would be allowed three days per week per the District's WSCP and District Code Chapter 4.20. However, with dry weather and no significant rainfall on the horizon, staff will communicate to customers that it is essential to minimize outdoor irrigation usage as much as possible.

Staff will review the water use of large users and irrigation sites with dedicated meters in the District service area to identify potential water saving that can be applied. Staff will provide the next update to the Board of Directors in May 2022.

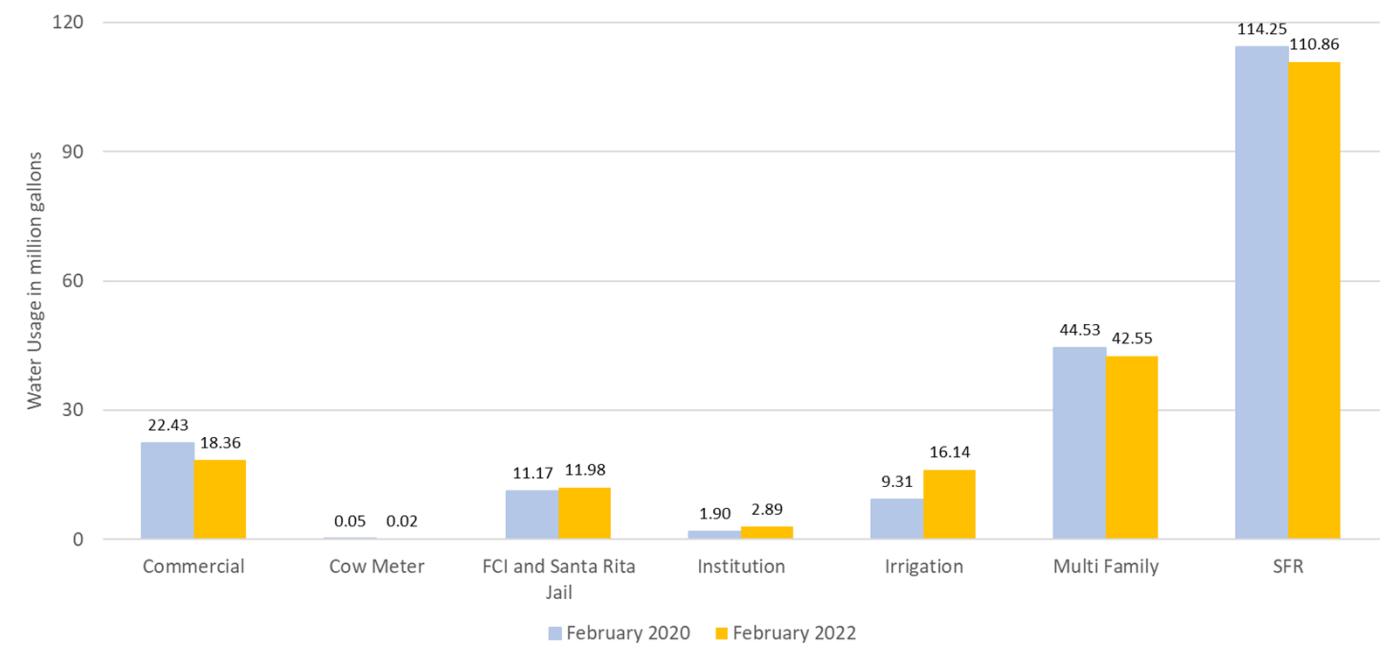
**Figure 1. DSRSD System-wide Potable Water Use Reduction**



**Figure 2. Monthly Precipitation and Temperature  
(Based on CIMIS Data)**



**Figure 3. Potable Water Use by Customer Types for February**



**From:** [REDACTED]  
**To:** [Board Mailbox](#)  
**Subject:** Free water  
**Date:** Friday, February 11, 2022 9:00:56 AM

---

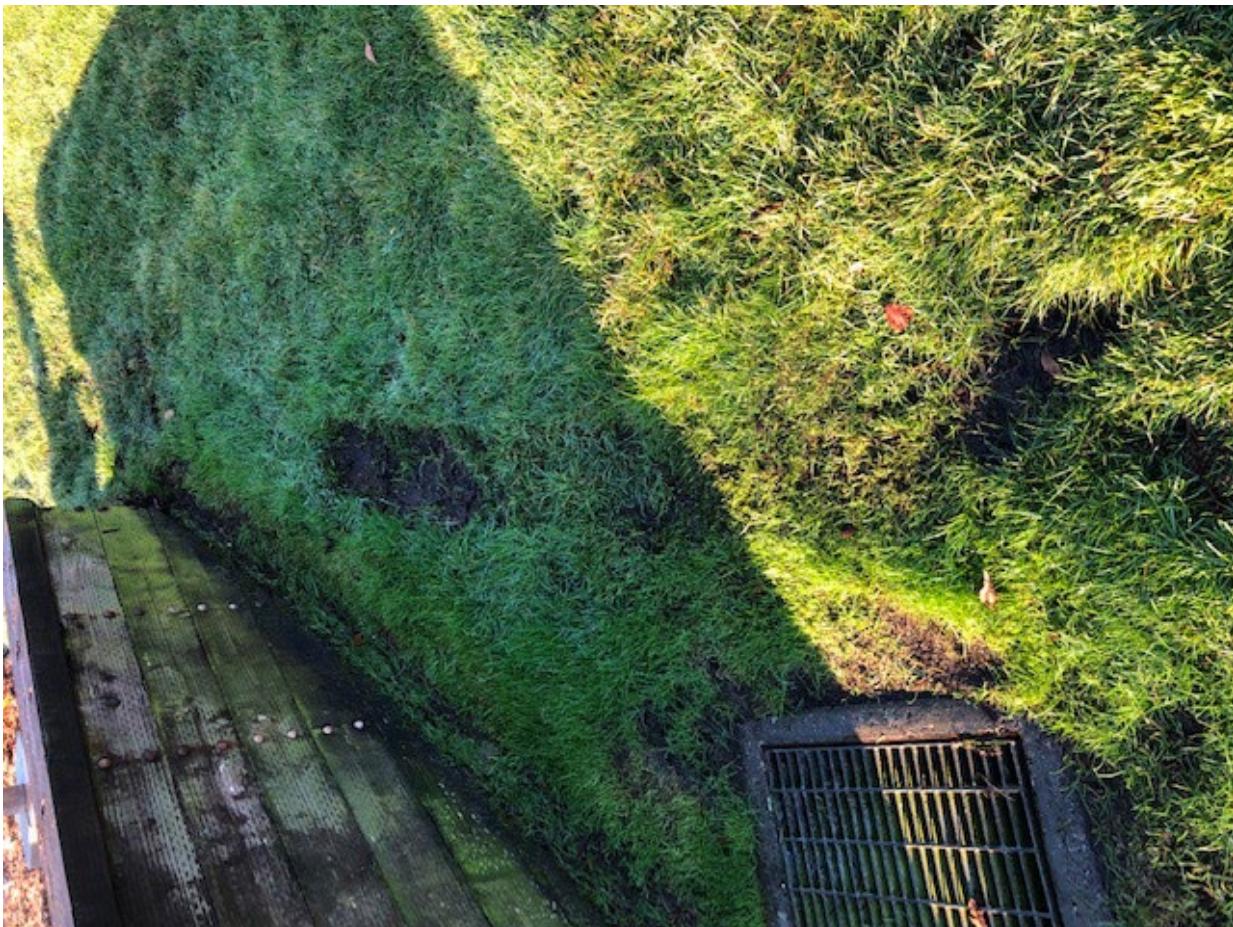
[EXTERNAL – check for red flags]

Well I guess a little people or maybe a better work peasant are told to conserve water. Yet you tell all of our Dublin city officials this is free water. So your telling all of us that processing this recycle water is not pasted on to me as a consumer? Sorry not buying this at all. Dolan park on Iglesia drive starting off again with Floods of free water.

Citizen on the BC please drive by this park and see what our city and water board are doing “nothing”. Oh and don’t forget to cut your usage by 15% cause if not we will be fined!!









Mike Grant  
Guns Unlimited  
Dublin Ca.

"Amateurs practice until they get it right; Professionals train until they can't do it wrong."

**From:** [Dan McIntyre](#)  
**To:** [REDACTED]  
**Cc:** [Mayette Bailey](#)  
**Subject:** Dolan Park Irrigation Issue  
**Date:** Friday, February 11, 2022 12:28:21 PM

---

Good afternoon Mr. Grant – Thank you for reporting the irrigation problem at Dolan Park. We have checked with the City of Dublin, and their maintenance contractor is working on addressing this problem. A broken sprinkler head will be repaired, and the run time on one irrigation stations will be adjusted to resolve this.

DSRSD charges all recycled water customers directly for the cost of service, including the City of Dublin. Potable water customers (residents and businesses of Dublin) do not pay for the cost of recycled water used by the City of Dublin in parks and medians. In fact, for all the park, medians, and city facilities, the annual charge to the City of Dublin for recycled water is about \$1.25 million, and the City of Dublin is billed for that separately.

I would note that no customers since the drought started have been fined for overuse of water. The foundation of our program is education, and we have found that almost all of our customers are having success reducing their water demands to meet this community drought challenge.

In case you haven't heard about it, we have our Aquahawk Customer Portal service available. Over half of our customers have signed up for this. In the case of a large leak in a residence (broken sprinkler, etc.), customers can set automatic alerts for high water use. And if a customer misses the alert, our customer service staff receive alerts also, and try to contact customers directly when there is an unusual amount of water use (broken sprinkler head, etc.). For your convenience, here is a link to the web page where you can sign up for the Aquahawk program: [AquaHawk Customer Portal | Dublin San Ramon Services District \(dsrsd.com\)](#)

We appreciate you bringing this to our attention so that the issue can be quickly resolved. Let me, or our Utility Billing & Customer Services Supervisor Mayette Bailey, know if you have any questions. Thanks.

**Dan McIntyre** | General Manager  
Dublin San Ramon Services District  
[mcintyre@dsrsd.com](mailto:mcintyre@dsrsd.com)  
(925) 875-2200

**From:** MIKE GRANT <[gungsgrant@aol.com](mailto:gungsgrant@aol.com)>  
**Sent:** Friday, February 11, 2022 9:01 AM  
**To:** Board Mailbox <[board@dsrsd.com](mailto:board@dsrsd.com)>  
**Subject:** Free water

[EXTERNAL – check for red flags]

Well I guess a little people or maybe a better work peasant are told to conserve water. Yet you tell

## Nicole Genzale

---

**From:** Sara Tom  
**Sent:** Wednesday, March 9, 2022 2:25 PM  
**To:** Nicole Genzale; Board Mailbox  
**Cc:** Charlie Solt; Matt Frediani; Todd Millison; Kenny Baxter  
**Subject:** FW: DSRSD Petition  
**Attachments:** DSRSD Petition.pdf

Hi Nicole,

Per your communication earlier today, the Board of Directors did not receive the attachment from Charlie Solt's original email to the Board email address below. Please see attached. I have copied him and our rep Matt Frediani as well as the other stewards for your records. Please let me know if you have any questions.

Thank you,



### SARA TOM

Administrative Assistant II  
Engineering Department  
(925) 875-2256 Direct Line  
7051 Dublin Boulevard  
Dublin, CA 94568  
[tom@dsrsd.com](mailto:tom@dsrsd.com)

**NOTE:** DSRSD's Permit Counter is accessible **ONLINE**. You may email document submittals or questions to [plansubmittals@dsrsd.com](mailto:plansubmittals@dsrsd.com). Staff are also available via phone or email during business hours. You can reach Planning and Permitting at (925) 828-0515 and staff will return your call as quickly as possible.

---

**From:** Sara Tom <[tom.sarat@gmail.com](mailto:tom.sarat@gmail.com)>  
**Sent:** Wednesday, March 9, 2022 1:54 PM  
**To:** Sara Tom <[tom@dsrsd.com](mailto:tom@dsrsd.com)>  
**Subject:** Fwd: FW: Scan - DSRSD Peitition

[EXTERNAL – check for red flags]

----- Forwarded message -----

From: Charlie Solt <[csolt@local39.org](mailto:csolt@local39.org)>  
Date: Thu, Mar 3, 2022 at 12:16 PM  
Subject: FW: Scan - DSRSD Peitition  
To: REDACTED >, Kenny Baxter  
<[baxter@dsrsd.com](mailto:baxter@dsrsd.com)>  
Cc: Matt Frediani <[mfrediani@local39.org](mailto:mfrediani@local39.org)>

Just sent this out.

---

**From:** Charlie Solt  
**Sent:** Thursday, March 3, 2022 12:14 PM  
**To:** [board@dsrsd.com](mailto:board@dsrsd.com)  
**Subject:** FW: Scan - DSRSD Peitition

Good afternoon, please find attached a petition from your employees regarding the impasse proceedings. This was intended to be delivered at the March Board meeting. Thank you for your time and consideration.

---



2/25/2022

## PETITION

President Halket, Vice President Rubio, members of the Board:

Local 39 and the District will be engaging in fact finding and one more mediation session in an effort to resolve the impasse regarding the Collective Bargaining Agreement. We ask the Board to consider the following concerns which led in part to the rejection of the tentative agreement:

1. The cost of living has skyrocketed and continues to trend upward.
2. The District has trouble recruiting qualified employees.
3. The District has trouble retaining existing quality employees.
4. Employee morale is at an all-time low.
5. The District's compensation study was critically flawed.
6. Employees worked above and beyond during the COVID-19 pandemic.
7. Employees are unable to afford local housing.
8. The District has the resources to improve the economic offer.
9. The economic offer will place District Employees below comparable districts.
10. Employees should receive some of the \$2.8 million COVID-19 funds.

The past several years have been extremely challenging for employees, our families, and the District. Together we maintained services to our customers and the community. Other similar districts are rewarding their employee's loyalty, hard work, and sacrifices with economic improvements which will maintain their standard of living, while remaining competitive with other similar employers. The Districts economic offer will do neither which is why employees were dissatisfied with the tentative agreement. Please take these concerns into consideration when deciding the Districts interests in resolving this impasse.

| Signature |                        |
|-----------|------------------------|
| Name      | Name                   |
| Todd      | TODD MILLISON          |
| Sue       | SUE TRAN               |
| Alejandro | Alejandro "Alex" Perez |
| Dave      | Dave Bradley           |
| Derrick   | Kevin Daniels          |
| Derrick   | Derrick Pearson        |
| Anna      | STEPHAN KOBANIA        |
| Anna      | Anna Garcia            |
| Fred      | FRED KELLY             |

More on back ↴



## PETITION



# MECH SHOP

## PETITION

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| Name                     | Name                         |
|--------------------------|------------------------------|
| Manuel Barcellos         | Jose Hernandez, Rafael Ramon |
| John Baker, John Bagakis | Ray Monteros                 |
| ANTIMO VIETRA            | NATHAN MURPHY                |
| KEVIN OPEIS              |                              |
| Brian S. Johnson         |                              |
| Isaac Lewis              |                              |
| Frank Roque MADARANG     |                              |
| Jason Bertachini         |                              |
| Justin Lankford          |                              |



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| Name                    | Name                 |
|-------------------------|----------------------|
| Rick Lawrence Rick Lamm | Alex Ortega Alex     |
| Matt McGrath            | Dan Pettingillio DPK |
| Tim Johnson Tim Johnson | Oppie W.             |
| EDDIE GUERRERO Eddie G. |                      |
| Megan Buni              |                      |
|                         |                      |
|                         |                      |
|                         |                      |



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| Name                                   | Name                              |
|--|-----------------------------------|
| SARA TOM <i>Sara Tom</i>               | Maria Sobeyana, both <i>Maria</i> |
| JOSH SANCHEZ <i>Josh</i>               | Kerry Britt <i>Kerry</i>          |
| Kenneth Wootter <i>Kenneth Wootter</i> | Christina Casha <i>Christina</i>  |
| Tony Leonardo <i>Tony</i>              | John Chalk <i>John</i>            |
| Mara Nasciso <i>Mara</i>               | Candee Yang <i>Candee</i>         |
| Erica Valdez <i>Erica</i>              |                                   |
| Erika Schnupp <i>Erika</i>             |                                   |
| Christina Venecia <i>Christina</i>     |                                   |
| FLORENCE KHAW <i>Florence</i>          |                                   |