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*South Placer Wastewater Authority  
Regional Wastewater Capacity Fee Study*



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## TABLE OF CONTENTS

Executive Summary .....	3
Overview .....	4
Capacity Fee Methodology .....	5
Capacity Fee Analysis .....	7
Updated Capacity Fee .....	12
Appendix A .....	13
Appendix B .....	16

## TABLES

Table 1 – Debt Service Paid-to-Date of Existing Debt Obligations .....	7
Table 2 – Outstanding Principal of Debt Obligations .....	8
Table 3 – NPV of Outstanding Interest of Debt Obligations.....	8
Table 4 – Reserves and Debt Proceeds Adjustments .....	9
Table 5 – Capacity of Pleasant Grove WTP and Expansions.....	10
Table 6 – Buy-In Component (\$ per EDU) .....	10
Table 7 – Incremental Costs .....	11
Table 8 – Incremental Cost Component (\$ per EDU).....	11
Table 9 – Proposed Regional Wastewater Capacity Fee .....	12
Table 10 – Cashflow Pro forma – 100% of Projected EDUs.....	13
Table 11 – Cashflow Pro forma – 90% of Projected EDUs.....	16

## FIGURES

Figure 1 – Capacity Fee Analysis .....	5
Figure 2 – Buy-In Method .....	6
Figure 3 – Formula for Incremental-Cost Method.....	6

## Executive Summary

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The South Placer Wastewater Authority (SPWA) engaged IB Consulting to complete a capacity fee nexus study for its regional wastewater treatment plants and expansions located in the City of Roseville. SPWA was formed in October 2000 as a Joint Powers Authority between the City of Roseville (Roseville), Placer County (County), and South Placer Municipal Utility District (SPMUD). The regional system includes two wastewater treatment plants known as Pleasant Grove Wastewater Treatment Plant (Pleasant Grove WTP) and Dry Creek Wastewater Treatment Plant (Dry Creek WTP).

SPWA completed a Master Regional Wastewater Systems Evaluation Report in 2020 (2020 System Evaluation) that identified the current capacity of each treatment plant and expansions required to accommodate future demand through Fiscal Year 2059-2060 (FY 2060) (Planning Period). Both treatment plants require expansions, identified as Pleasant Grove WTP – Phase 1 and Phase 2, and Dry Creek WTP – Phase 1 and Phase 2. Pleasant Grove WTP – Phase 1 is under construction and will be completed in 2024, and Dry Creek WTP – Phase 1 is expected to be completed in 2025. The Phase 2 expansions are expected to be completed in FY 2042 for the Pleasant Grove WTP and FY 2046 for the Dry Creek WTP.

SPWA was initially formed to build the Pleasant Grove WTP, which was necessary to accommodate future growth. Treatment plants are built in advance of growth, therefore, the Pleasant Grove WTP was debt-financed through the issuance of bonds and secured by capacity fees. Capacity fee revenue is dependent on the level of development occurring and can vary substantially each year. Therefore, the SPWA established a Rate Stabilization Reserve (RSR) equal to \$50M through contributions from each member agency. The RSR provides security for the bonds and covers any shortage related to the annual debt service payments caused by development volatility. Each member agency's contribution to the RSR was proportionate to its share of future growth over the planning period. In addition, future debt is anticipated to fund Dry Creek WTP – Phase 2. This Report captures previously funded facilities financed through debt, the future expansions to each treatment plant, costs related to any debt financing, and revenues from other sources, such as grants and remaining debt proceeds.

The existing regional wastewater capacity fee is **\$9,852** for a single-family residential connection, defined as one Equivalent Dwelling Unit (1 EDU)<sup>1</sup>. Based on our analysis, the updated regional wastewater capacity fee is **\$9,802** per EDU (\$50 reduction). The updated fee recovers each new EDU's proportionate share of facility costs. This Capacity Fee Study Report (Report) describes the approach, methodology, and technical analysis used to derive the updated capacity fee per EDU in compliance with California State Government Code, Section 66013 (GC 66013). GC 66013 allows an agency to charge the estimated reasonable cost to serve a new connection for which the charge is imposed. IB Consulting recommends adjusting the capacity fee yearly to keep pace with inflation by applying the Engineering News-Record Construction Cost Index (ENR). SPWA should also review its capacity charges every three to five years to capture any significant changes and ensure capacity fees remain equitable.

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<sup>1</sup> 1 EDU = 190 gallons of flow per day

## Overview

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### Background

SPWA was formed in October 2000 as a joint power authority between Roseville, Placer County, and SPMUD for the purpose of funding regional treatment plant facilities needed to accommodate future growth within the SPWA service area. The City, on behalf of the regional partners, owns and operates two regional wastewater treatment facilities, of which, Pleasant Grove WTP was built and financed through SPWA. Additionally, Roseville owns and operates the network of gravity sewers, pump stations, and force mains that serve customers within the City's limits, including the joint (regional) facilities that convey flow from SPWA member agencies. SPMUD owns and operates gravity sewers, pump stations, and force mains in Rocklin, Loomis, and portions of southern Placer County. Placer County owns and operates gravity sewers, pump stations, and force mains in unincorporated areas of Placer County that other agencies do not serve. SPWA completed the 2020 System Evaluation to determine updated wastewater collection and treatment capacity needs. Based on the 2020 System Evaluation, multiple expansions are required over the Planning Period for both regional treatment plants.

The Phase 1 expansions for Pleasant Grove WTP and Dry Creek WTP are underway and expected to be completed in 2024 and 2025, respectively. Each of these expansions will add three million gallons per day (3 mgd) of capacity. The Phase 2 expansions for Pleasant Grove WTP and Dry Creek WTP are expected to be required in 2040 and 2044, respectively. Pleasant Grove WTP – Phase 2 is expected to add 5.6M gpd, and Dry Creek WTP – Phase 2 is expected to add 3.5M gpd of capacity. Dry Creek WTP – Phase 2 is anticipated to be debt-financed, which is incorporated into this analysis.

### Capacity Fee

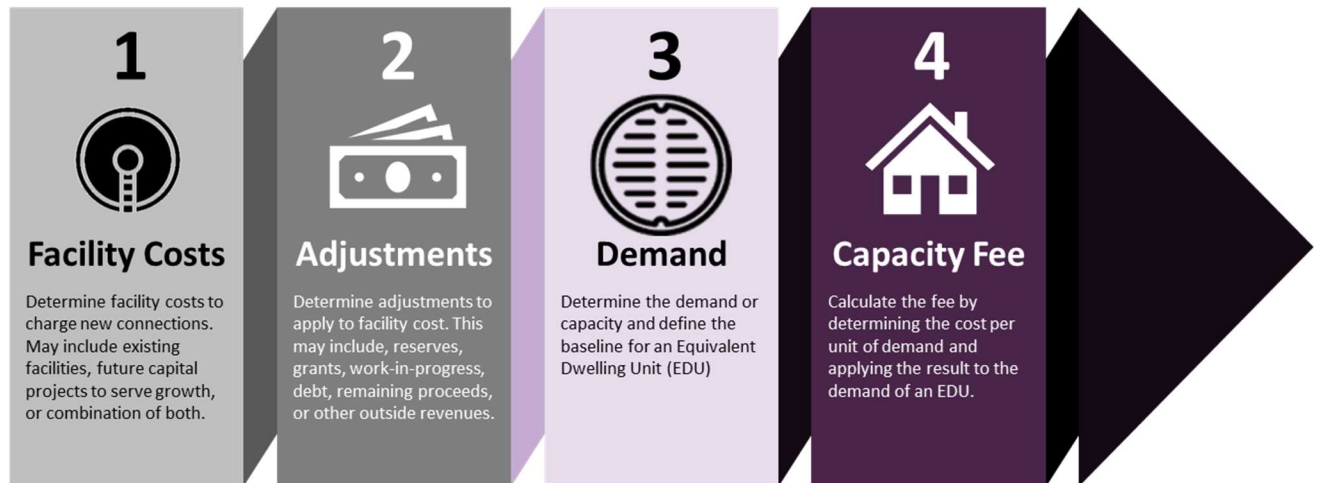
A "Capacity Fee" is defined as a charge for public facilities in existence when a charge is imposed or for new facilities to be constructed in the future that benefit the person or property being charged. Capacity fees ensure new development or existing users requiring increased system capacity pay their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

Based on the requirements of GC 66013, capacity fees must be based on the "reasonable cost" to accommodate additional demand from new development or the expansion of existing connections. In addition, Proposition 26 amended the State Constitution in 2010, which redefined a "tax" as any levy, charge, or exaction of any kind imposed by a local government. However, there were seven exemptions within Proposition 26, including cost-based charges imposed as a requirement for service (i.e., capacity fees) so long as a reasonable relationship exists between the fees and cost of facilities. Therefore, the nexus study summarized in this Report connects the costs of facilities, the capacity of the Pleasant Grove WTP treatment plant, the increased capacity gained from the expansions, and the updated proposed fee in compliance with the Proposition 26 exemption.

## Capacity Fee Methodology

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

Figure 1 – Capacity Fee Analysis



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

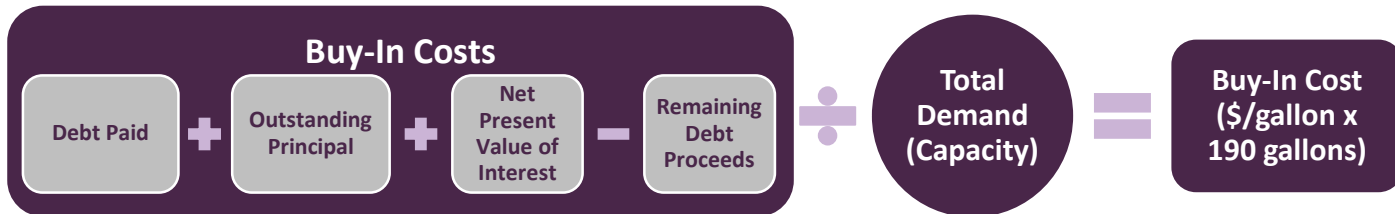
### Buy-In Method

The basis of the Buy-In Method is to pay for existing facilities funded in advance of growth. This approach ensures new development and expanded connections buy into the utility system's existing facilities. For this study, only the debt associated with the Pleasant Grove WTP, which was funded through SPWA, is included. New development and in-fill connections will pay an amount equal to their fair share of the existing debt.

Once the Buy-In cost is determined, dividing the total cost by the total demand derives the buy-in amount per EDU. Demand is commonly used for system design and planning. It is a primary driver for the system's current configuration and how it expands in the future. For a wastewater treatment plant, the capacity of the existing treatment plant is commonly represented in mgd of influent. With the total Buy-In cost and capacity both known, a cost per gallon per day of capacity is derived. The cost per gallon is then multiplied by the daily flow represented by one EDU (190 gallons per day) to determine the updated Buy-In amount per EDU.

Figure 2 shows the framework for calculating capacity fees using the Buy-In Method.

Figure 2 – Buy-In Method



## Incremental-Cost Method

The Incremental-Cost Method is based on the principle that new development should pay for improvements required to connect them to the system, including the need for any additional capacity and/or expansions. This approach is typically used when specific capital improvements are identified within planning documents and required for growth to occur. For this study, the incremental project costs are identified within SPWA’s 2020 System Evaluation. Under the Incremental-Cost Method, growth-related capital improvements are allocated to new development based on their capacity requirements. Figure 3 shows the framework for calculating capacity fees using the Incremental Cost Method.

Figure 3 – Formula for Incremental-Cost Method



## Hybrid Method

When the Buy-In Method and Incremental-Cost Method are both used to update capacity fees, this approach is commonly referred to as the Hybrid Method. For this study, the updated regional wastewater capacity fees are based on the **Hybrid Method**. The Buy-In Method will be used to capture existing facilities that were debt-financed in advance of growth and the Incremental-Cost Method will be used to capture future expansions required to accommodate future growth.

## Capacity Fee Analysis

### Step 1 – Buy-In Costs

For this study, the Buy-In Method is used for existing and proposed debt. The debt has been refinanced and the current outstanding debt obligations include Wastewater Revenue Bonds – Series 2017 (2017 Bonds) and Wastewater Revenue Bonds – Series 2020 (2020 Bonds). In addition, there are two recent State Revolving Fund (SRF) loans with debt payments commencing in FY 2024. The first SRF loan (CWSRF 8215-110) funded the current Pleasant Grove WTP – Phase 1 expansion and the second SRF loan (CWSRF 8215-210) funded the Energy Recovery Project (ERP). The ERP includes improvements to the Pleasant Grove WTP – Phase 1 expansion to generate its own onsite power, which also provides energy credits. These debt obligations are directly related to Pleasant Grove WTP and expansions to serve new development. In addition, the debt payments of these obligations are secured by the collections of capacity fees from new development. Therefore, these debt obligations are incorporated into this updated capacity fee study, as described below. This approach ensures that new development and expanded connections “**Buy In**” to the existing Pleasant Grove WTP facilities by paying a proportionate share of the debt obligations. Existing debt was grouped into three separate categories: Debt Paid-to-Date, Outstanding Principal, and Outstanding Interest.

**Debt Paid-to-Date:** Previously paid debt of the 2017 Bonds and 2020 Bonds prior to FY 2024

**Outstanding Principal:** Remaining outstanding principal payments of 2017 Bonds and 2020 Bonds

**Outstanding Interest:** Remaining interest payment due from FY 2024 through maturity

Existing debts were grouped into these categories to ensure the costs were spread over the correct amount of system capacity. Outstanding Interest requires an additional step to derive the Net Present Value (NPV) of all future interest payments. The capacity fees must cover all future interest payments; however, interest is amortized over multiple years. Paying the total amount of future interest payments in advance without any consideration of the return on investment would overcharge new connections as these future interest payments are not yet incurred. Therefore, the NPV of interest is calculated using a discount factor equal to the average yield since 2000 of the Treasury Securities at a 3-Year Constant Maturity (Treasury Securities), equal to 2.282%. Treasury Securities are a safe and conservative return on investment for public agency investments. The NPV calculation discounts the future interest payments by 2.282%, compounded on an annual basis. The NPV of outstanding principal is not required as the principal portion of the debt is directly related to the cost of the facilities already constructed, plus debt-related issuance costs.

Table 1 identifies the amount of debt (principal and interest) paid to date prior to FY 2024 for the existing debt obligations.

Table 1 – Debt Service Paid-to-Date of Existing Debt Obligations

Debt Paid-to-Date			
Description	Value (\$)	Include ?	Included Debt Paid-to-Date
(+) Principal Paid	\$79,500,000	Yes	\$79,500,000
(+) Interest Paid	\$129,299,624	Yes	\$129,299,624
<b>Subtotal Debt Paid-to-Date</b>	<b>\$208,799,624</b>		<b>\$208,799,624</b>

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The capital project costs related to the existing SRF debts, and the future debt issuance are captured as part of the Incremental-Cost Component. Therefore, the principal portion of these debts are excluded to not charge new connections twice for the same cost. Table 2 identifies the amount of outstanding principal remaining for the 2017 Bonds and 2020 Bonds.

*Table 2 – Outstanding Principal of Debt Obligations*

Outstanding Principal			
Description	Value (\$)	Include ?	Included Outstanding Principal
Wastewater Revenue Bonds, Series 2017	\$63,590,000	Yes	\$63,590,000
Wastewater Revenue Bonds, Series 2020	\$46,920,000	Yes	\$46,920,000
CWSRF 8215-210	\$25,674,755	No	\$0
CWSRF 8215-110	\$78,347,000	No	\$0
FY 2044 New/Proposed Debt	\$51,020,408	No	\$0
<b>Subtotal Outstanding Principal</b>	<b>\$265,552,163</b>		<b>\$110,510,000</b>

Table 3 shows the amount of outstanding interest and the net present value of the outstanding interest using the 2.282% discount factor.

*Table 3 – NPV of Outstanding Interest of Debt Obligations*

NPV of Outstanding Interest				
Description	Total Interest	NPV of Interest	Include ?	Included NPV of Outstanding Interest
Wastewater Revenue Bonds, Series 2017	\$21,111,500	\$18,565,651	Yes	\$18,565,651
Wastewater Revenue Bonds, Series 2020	\$23,184,000	\$20,464,055	Yes	\$20,464,055
CWSRF 8215-210	\$5,495,628	\$4,345,057	Yes	\$4,345,057
CWSRF 8215-110	\$16,770,013	\$13,259,022	Yes	\$13,259,022
FY 2044 New/Proposed Debt	\$30,859,783	\$16,087,471	Yes	\$16,087,471
<b>Subtotal NPV of Outstanding Interest</b>	<b>\$97,420,924</b>	<b>\$72,721,256</b>		<b>\$72,721,256</b>

## Step 2 - Adjustments

It is important to identify any adjustments or credits to apply to the Buy-In component. An RSR was established with a minimum balance equal to \$50M. Each member agency's contribution to the RSR was based on their proportionate share of future growth over the Planning Period (% of total EDUs). In addition, all capacity fee revenue is deposited into the RSR. The beginning balance of the RSR for FY 2024 was \$172,105,105. If the RSR balance dips below the minimum requirement, additional contributions would be required from the SPWA member agencies. Therefore, part of our analysis for this study includes a cashflow pro forma to identify any fiscal years in which the RSR balance is below the \$50M requirement. The cashflow pro forma includes the number of EDUs expected to come online based on each member agency's planning documents, revenue generated by the existing and proposed capacity fee, administration costs, future capital projects, and debt service payments. The cashflow pro forma is included as Appendix A.

In instances where the RSR is below the minimum, SPWA member agencies either need to contribute more to the RSR, or if the use of the RSR is due to planned capital projects, debt may be utilized to maintain the RSR above the minimum requirement. Based on the cashflow pro forma, the RSR would be depleted by FY 2046 when Dry Creek WTP – Phase 2 is completed. However, debt-financing \$50M of Dry Creek WTP –

Phase 2 would maintain the RSR above the minimum balance, without the need for additional contributions. Over the Planning Period, the RSR is projected to have an ending balance of approximately \$120M. However, if the actual EDUs planned to come online over the Planning Period is 90% of the projected EDUs, the RSR balance would drop to approximately \$18M. Therefore, given the sensitivity in cashflow from a slight reduction in EDUs, the RSR will not be applied as a credit towards capital projects at this time. The RSR will continue to be used as a safeguard to cover any shortage in debt service payments. Once all projects are completed, the remaining balance could either be used to retire the debt early or refunded back to the SPWA member agencies, after all debt is retired, proportionate to their original contributions. The cashflow pro forma with reduced EDUs is included as Appendix B.

There is also \$30M available in remaining debt proceeds from the 2017 Bonds. These proceeds will be spent on future capital projects and are shown as a credit. Table 4 identifies adjustments applied to the updated capacity fees.

*Table 4 – Reserves and Debt Proceeds Adjustments*

Capital-Related Reserves		FY 2024	
Description	Value (\$)	Include ?	Reserves and Debt Proceeds
(+) Rate Stabilization Reserve	\$172,105,105	No	\$0
(+) Additional RSR Funding	\$0	Yes	\$0
(-) Remaining Debt Proceeds	\$30,000,000	Yes	(\$30,000,000)
<b>Subtotal Capital-Related Reserves</b>	<b>\$202,105,105</b>		<b>(\$30,000,000)</b>

### Step 3 – System Demand/Capacity

The Pleasant Grove WTP has a current maximum capacity of 9 mgd and was originally built to accommodate growth. If the original Pleasant Grove WTP had sufficient capacity to serve the total demand over the Planning Period, the debt obligations would be divided by the 9 mgd to derive the buy-in component of the updated capacity fee. However, with the additional expansion needed to serve growth, the buy-in calculations must account not only for the existing capacity that was built, but also the additional capacity planned from the future expansions. This is necessary to ensure a new EDU is only charged for its proportional share of cost once based on the projected flow of 190 gpd.

The total design capacity of the wastewater treatment plants does not necessarily reflect the safe operating capacity. Once the plant capacity is close to 90% of total capacity, additional upgrades or expansions are required. Therefore, when deriving capacity-related unit rates, the operating capacity is used. Table 5 summarizes the total capacity and operating capacity of the treatment plant and expansions.

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Table 5 – Capacity of Pleasant Grove WTP and Expansions

Treatment Plant Facilities		
	Total Capacity (gpd) [A]	Operating Capacity (gpd) [B] = A x 90%
Capacity - Pleasant Grove WTP	9,000,000	8,100,000
Pleasant Grove WTP - Phase 1	3,000,000	2,700,000
Pleasant Grove WTP - Phase 2	5,600,000	5,040,000
Dry Creek WTP - Phase 1	3,000,000	2,700,000
Dry Creek WTP - Phase 2	3,500,000	3,150,000
<b>Capacity - All Expansions</b>	<b>15,100,000</b>	<b>13,590,000</b>
<b>Pleasant Grove WTP + Expansions</b>	<b>24,100,000</b>	<b>21,690,000</b>

## Step 4 – Buy-In Component Calculations

The previous steps identified existing and proposed debt, adjustments, and system capacity. The Buy-In component can be determined by deriving the cost per gallon of debt and adjustments. The remaining proceeds will be used to fund a portion of the planned expansions; therefore, the \$30M in proceeds is spread over the total operating capacity of expansions. Debt Paid-to-Date is spread over the operating capacity of Pleasant Grove WTP + All Expansions. As part of the original issuance of bonds, the debt was secured by all future capacity fees at that point in time. Therefore, debt paid-to-date (2017 Bonds and 2020 Bonds) accounts for the original plant capacity plus the capacity of all future expansions, representing the total amount of influent from new development. The NPV of outstanding interest is the future interest payments in today's dollars covered by future connections. Therefore, the NPV of outstanding interest is spread over the operating capacity of all expansions. Table 6 summarizes the cost per gallon of credits and each debt obligation, the associated cost per EDU, and the total Buy-In amount per EDU.

Table 6 – Buy-In Component (\$ per EDU)

Buy-In Component						
Buy-In Calculations	Value (\$) [A]	Allocation Basis	Units of Service [B] gpd	Unit Rate [C] = A ÷ B \$/gallon	Conversion Factor [D] EDU Flow (gpd)	\$ per EDU [E] = C x D
<b>Adjustments</b>						
(-) Remaining Debt Proceeds	(\$30,000,000)	All Exps @ 90% Ops Capacity	13,590,000	(\$2.21)	190	(\$420.00)
(+) Principal and Interest Paid to Date	\$208,799,624	PG + All Exps @ 90% Ops Capacity	21,690,000	\$9.63	190	\$1,830.00
(+) Outstanding Debt Principal	\$110,510,000	PG + All Exps @ 90% Ops Capacity	21,690,000	\$5.09	190	\$969.00
(+) Net Present Value of Outstanding Interest						
Wastewater Revenue Bonds, Series 2017	\$18,565,651	PG + All Exps @ 90% Ops Capacity	21,690,000	\$0.86	190	\$163.00
Wastewater Revenue Bonds, Series 2020	\$20,464,055	PG + All Exps @ 90% Ops Capacity	21,690,000	\$0.94	190	\$180.00
CWSRF 8215-210	\$4,345,057	All Exps @ 90% Ops Capacity	13,590,000	\$0.32	190	\$61.00
CWSRF 8215-110	\$13,259,022	All Exps @ 90% Ops Capacity	13,590,000	\$0.98	190	\$186.00
FY 2044 New/Proposed Debt	\$16,087,471	All Exps @ 90% Ops Capacity	13,590,000	\$1.18	190	\$225.00
<b>Buy-In Component per EDU</b>						<b>\$3,194.00</b>

# South Placer Wastewater Authority – Regional Wastewater Capacity Fee Study

## Step 5 – Incremental Costs

As part of the Hybrid Method, the capacity fee includes planned capital projects required to accommodate new development based on the 2020 System Evaluation. These projects include the four treatment plant expansions, the ERP improvements, capacity-related improvements, and new buildings. The total cost of the planned capital projects equals approximately \$472M, as shown in Table 7.

Table 7 – Incremental Costs

Incremental Costs	
Capital Projects	Project Cost
Pleasant Grove WWTP - Energy Recovery	\$34,798,613
Pleasant Grove Electrical Expansion	\$31,500,000
DCWWTP and PGWWTP Capacity Evaluation	\$1,500,000
Pleasant Grove UV	\$5,720,000
Dry Creek Expansion Phase 1	\$16,725,000
Dry Creek Expansion Phase 2	\$156,401,000
Pleasant Grove Expansion Phase 1	\$77,254,600
Pleasant Grove Expansion Follow Up Projects	\$1,500,000
Pleasant Grove Expansion Phase 2	\$98,000,000
Regional Pump Station 26 and Force Main Capacity Improvement	\$4,597,071
PGWWTP Maintenance Administration and Shop Building	\$25,350,000
Corridors Capacity Addition	\$5,400,000
Dry Creek Operations and Lab Building	\$13,500,000
<b>Total Incremental Capital Projects</b>	<b>\$472,246,283</b>

## Step 6 – Incremental Component Calculations

All the incremental costs are associated with the construction of additional capacity to serve new development over the Planning Period. Therefore, each incremental project cost is spread over the operating capacity of all future expansions. Table 8 summarizes the cost per gallon of incremental capital projects, the associated cost per EDU, and the total Incremental amount per EDU.

Table 8 – Incremental Cost Component (\$ per EDU)

Incremental Component						
Capital Projects	Project Cost	Allocation Basis	Units of Service	Unit Rate	Conversion Factor	\$ per EDU
	[A]		[B]	[C] = A ÷ B	[D]	[E] = C × D
			<i>gpd</i>	<i>\$/gallon</i>	<i>EDU Flow (gpd)</i>	
Pleasant Grove WWTP - Energy Recovery	\$34,798,613	All Exps @ 90% Ops Capacity	13,590,000	\$2.56	190	\$487.00
Pleasant Grove Electrical Expansion	\$31,500,000	All Exps @ 90% Ops Capacity	13,590,000	\$2.32	190	\$441.00
DCWWTP and PGWWTP Capacity Evaluation	\$1,500,000	All Exps @ 90% Ops Capacity	13,590,000	\$0.11	190	\$21.00
Pleasant Grove UV	\$5,720,000	All Exps @ 90% Ops Capacity	13,590,000	\$0.42	190	\$80.00
Dry Creek Expansion Phase 1	\$16,725,000	All Exps @ 90% Ops Capacity	13,590,000	\$1.23	190	\$234.00
Dry Creek Expansion Phase 2	\$156,401,000	All Exps @ 90% Ops Capacity	13,590,000	\$11.51	190	\$2,187.00
Pleasant Grove Expansion Phase 1	\$77,254,600	All Exps @ 90% Ops Capacity	13,590,000	\$5.68	190	\$1,081.00
Pleasant Grove Expansion Follow Up Projects	\$1,500,000	All Exps @ 90% Ops Capacity	13,590,000	\$0.11	190	\$21.00
Pleasant Grove Expansion Phase 2	\$98,000,000	All Exps @ 90% Ops Capacity	13,590,000	\$7.21	190	\$1,371.00
Regional Pump Station 26 and Force Main Capacity Improvement	\$4,597,071	All Exps @ 90% Ops Capacity	13,590,000	\$0.34	190	\$65.00
PGWWTP Maintenance Administration and Shop Building	\$25,350,000	All Exps @ 90% Ops Capacity	13,590,000	\$1.87	190	\$355.00
Corridors Capacity Addition	\$5,400,000	All Exps @ 90% Ops Capacity	13,590,000	\$0.40	190	\$76.00
Dry Creek Operations and Lab Building	\$13,500,000	All Exps @ 90% Ops Capacity	13,590,000	\$0.99	190	\$189.00
<b>Total Incremental Capital Projects</b>	<b>\$472,246,283</b>					<b>\$6,608.00</b>

## Updated Capacity Fee

Table 9 summarizes the updated regional wastewater capacity fee per EDU by combining the Buy-In and the Incremental components. The updated regional wastewater capacity fee reflects a \$50 reduction per EDU from the current capacity fee. Non-residential connections will be assigned EDUs on a case-by-case basis to account for total flow and strength loading in relation to a single-family residential unit.

*Table 9 – Proposed Regional Wastewater Capacity Fee*

Proposed Regional Wastewater Capacity Fee	
System Buy-In Component	\$ per EDU
Wastewater Infrastructure	
(-) Remaining Debt Proceeds	(\$420)
(+) Principal and Interest Paid to Date	\$1,830
(+) Outstanding Debt Principal	\$969
(+) Net Present Value of Outstanding Interest	
Wastewater Revenue Bonds, Series 2017	\$163
Wastewater Revenue Bonds, Series 2020	\$180
CWSRF 8215-210	\$61
CWSRF 8215-110	\$186
FY 2044 New/Proposed Debt	\$225
<b>Total System Buy-In Component</b>	<b>\$3,194</b>
Incremental-Cost Component	\$ per EDU
Pleasant Grove WWTP - Energy Recovery	\$487
Pleasant Grove Electrical Expansion	\$441
DCWWTP and PGWWTP Capacity Evaluation	\$21
Pleasant Grove UV	\$80
Dry Creek Expansion Phase 1	\$234
Dry Creek Expansion Phase 2	\$2,187
Pleasant Grove Expansion Phase 1	\$1,081
Pleasant Grove Expansion Follow Up Projects	\$21
Pleasant Grove Expansion Phase 2	\$1,371
Regional Pump Station 26 and Force Main Capacity Improvement	\$65
PGWWTP Maintenance Administration and Shop Building	\$355
Corridors Capacity Addition	\$76
Dry Creek Operations and Lab Building	\$189
<b>Total Incremental Capital Projects</b>	<b>\$6,608</b>
<b>Total Regional Wastewater Capacity Fee</b>	<b>\$9,802</b>

In conjunction with adopting the updated regional wastewater capacity fee, IB Consulting recommends SPWA adjust the capacity fees each year by applying the annual percentage change in the ENR to keep pace with inflation, coupled with a comprehensive update every five years.

# South Placer Wastewater Authority – Regional Wastewater Capacity Fee Study

## Appendix A

Table 10 – Cashflow Pro forma – 100% of Projected EDUs

Cashflow Pro forma															
Key Assumptions															
	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035	FY 2036	FY 2037	FY 2038
Revenue Escalation															
Reserve Interest	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
Expenditure Escalation															
General Costs	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%
Capital Costs	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%
Cumulative Inflationary Factor	103.9%	108.0%	112.3%	116.7%	121.3%	126.0%	131.0%	136.2%	141.5%	147.1%	152.9%	158.9%	165.1%	171.6%	178.4%
New Debt Proceeds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Projected Capacity Fee Revenues															
Proposed Capacity Fee	\$9,802	\$10,188	\$10,588	\$11,005	\$11,438	\$11,888	\$12,355	\$12,841	\$13,346	\$13,871	\$14,417	\$14,984	\$15,573	\$16,186	\$16,822
Roseville EDUs															
Additional Residential EDUs	300.0%	1,763	1,763	1,038	1,038	912	912	912	912	0	0	0	0	0	0
Additional Commercial EDUs	300.0%	0	0	1,358	1,358	1,358	1,358	1,358	1,358	1,358	1,358	1,358	1,358	1,358	1,358
Total Additional Roseville EDUs		1,763	1,763	2,396	2,396	2,270	2,270	2,270	2,270	1,358	1,358	1,358	1,358	1,358	1,358
Roseville Capacity Fee Revenue	\$17,280,926	\$17,960,664	\$25,369,520	\$26,367,420	\$25,963,429	\$26,984,689	\$28,046,120	\$29,149,303	\$30,295,878	\$18,817,047	\$19,577,994	\$20,348,087	\$0	\$0	\$0
Placer County EDUs															
Additional Residential EDUs	300.0%	413	510	413	463	463	463	467	510	480	530	530	580	580	643
Additional Commercial EDUs	300.0%	18	86	86	94	94	94	94	130	130	165	227	227	297	292
Total Additional Placer County EDUs		431	596	499	557	557	557	556	640	610	695	695	807	807	877
Placer County Capacity Fee Revenue	\$4,224,662	\$6,073,784	\$5,283,552	\$6,129,655	\$6,370,762	\$6,621,353	\$6,869,446	\$8,218,306	\$8,141,183	\$9,640,462	\$10,019,666	\$12,091,978	\$12,489,744	\$14,194,959	\$15,729,015
SPMUD EDUs															
Additional Residential EDUs	300.0%	343	343	273	273	273	273	273	273	273	273	273	273	273	273
Additional Commercial EDUs	300.0%	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Additional SPMUD EDUs		343	343	273	273	273	273	273	273	273	273	273	273	273	273
SPMUD Capacity Fee Revenue	\$3,362,086	\$3,494,332	\$2,890,601	\$3,004,301	\$3,122,474	\$3,245,295	\$3,372,948	\$3,505,621	\$3,643,513	\$3,786,829	\$3,935,782	\$4,090,595	\$4,251,496	\$4,418,727	\$4,592,536
Total EDUs	2,537	3,702	3,168	3,226	3,100	3,100	3,099	3,183	3,153	2,316	2,326	2,438	1,075	1,150	1,208
<b>Total Capacity Fee Revenue</b>	<b>\$24,867,674</b>	<b>\$27,526,780</b>	<b>\$33,543,673</b>	<b>\$35,501,376</b>	<b>\$35,456,665</b>	<b>\$36,851,338</b>	<b>\$38,288,514</b>	<b>\$40,873,229</b>	<b>\$42,080,574</b>	<b>\$32,264,339</b>	<b>\$33,533,443</b>	<b>\$36,530,659</b>	<b>\$16,741,241</b>	<b>\$18,613,686</b>	<b>\$20,321,551</b>
Rate Stabilization Reserve															
Beginning Fund Balance	\$172,105,105	\$198,854,720	\$190,975,806	\$185,769,685	\$179,868,872	\$196,217,232	\$218,165,053	\$244,980,025	\$274,987,153	\$306,351,536	\$327,995,932	\$350,973,131	\$377,018,680	\$383,259,953	\$390,611,312
Funding Sources															
Projected Capacity Fee Revenue	\$24,867,674	\$27,526,780	\$33,543,673	\$35,501,376	\$35,456,665	\$36,851,338	\$38,288,514	\$40,873,229	\$42,080,574	\$32,264,339	\$33,533,443	\$36,530,659	\$16,741,241	\$18,613,686	\$20,321,551
Remaining Proceeds	\$30,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
New Debt Proceeds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
SRF Loan Funding	\$12,408,755	\$10,952,353	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Grants/Other Funding	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Funding Sources	\$67,276,429	\$38,079,133	\$33,543,673	\$35,501,376	\$35,456,665	\$36,851,338	\$38,288,514	\$40,873,229	\$42,080,574	\$32,264,339	\$33,533,443	\$36,530,659	\$16,741,241	\$18,613,686	\$20,321,551
Revenue Requirements															
Administrative Costs	\$269,366	\$278,906	\$288,783	\$299,010	\$309,600	\$320,564	\$331,917	\$343,672	\$355,843	\$368,446	\$381,494	\$395,005	\$408,904	\$423,479	\$438,476
Incremental CIP															
Pleasant Grove WWTP – Energy Recovery	Yes	\$738,491	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pleasant Grove Electrical Expansion	Yes	\$5,196,673	\$10,802,164	\$0	\$19,253,312	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
DCWWTP and PGWWTP Capacity Evaluation	Yes	\$916,166	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pleasant Grove LIV	Yes	\$5,029,525	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Dry Creek Expansion Phase 1	Yes	\$4,157,338	\$13,745,753	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Dry Creek Expansion Phase 2	Yes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pleasant Grove Expansion Phase 1	Yes	\$1,455,278	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pleasant Grove Expansion Follow-Up Projects	Yes	\$1,558,002	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pleasant Grove Expansion Phase 2	Yes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Regional Pump Station 26 and Force Main Capacity Improvement	Yes	\$1,039,335	\$3,395,469	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PGWWTP Maintenance Administration and Shop Building	Yes	\$623,601	\$0	\$13,472,474	\$14,002,408	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Corridors Capacity Addition	Yes	\$5,612,407	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Dry Creek Operations and Lab Building	Yes	\$0	\$3,780,757	\$11,227,062	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Existing Debt Service	\$15,775,205	\$15,894,455	\$15,635,830	\$15,636,705	\$15,634,955	\$15,639,580	\$15,445,830	\$13,109,330	\$13,252,380	\$13,407,455	\$13,552,706	\$13,711,955	\$13,873,455	\$14,888,955	\$14,690,205
Proposed Debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Revenue Requirements	\$42,372,585	\$47,897,503	\$40,624,149	\$48,191,435	\$45,944,555	\$45,960,144	\$43,777,747	\$43,453,002	\$43,608,423	\$43,775,901	\$43,934,199	\$44,106,960	\$44,282,449	\$45,112,434	\$45,128,681
Net Cashflow	\$24,904,044	(\$9,818,370)	(\$7,080,476)	(\$13,690,060)	\$19,512,110	\$20,891,194	\$24,510,767	\$27,420,227	\$28,472,151	\$18,488,438	\$19,599,244	\$22,423,699	\$2,458,792	\$3,501,253	\$5,192,870
Subtotal Rate Stabilization Reserve	\$197,009,149	\$189,036,350	\$183,895,329	\$172,079,625	\$193,380,982	\$216,108,425	\$242,675,820	\$272,400,252	\$303,459,304	\$324,838,975	\$347,595,176	\$373,396,831	\$379,477,472	\$386,761,206	\$396,804,182
Interest Earnings	\$1,845,571	\$1,939,455	\$1,874,356	\$1,789,247	\$1,836,249	\$2,056,628	\$2,394,204	\$2,586,901	\$2,892,232	\$3,156,958	\$3,377,956	\$3,621,850	\$3,792,481	\$3,850,106	\$3,932,077
<b>Ending Balance</b>	<b>\$198,854,720</b>	<b>\$190,975,806</b>	<b>\$185,769,685</b>	<b>\$179,868,872</b>	<b>\$196,217,232</b>	<b>\$218,165,053</b>	<b>\$244,980,025</b>	<b>\$274,987,153</b>	<b>\$306,351,536</b>	<b>\$327,995,932</b>	<b>\$350,973,131</b>	<b>\$377,018,680</b>	<b>\$383,259,953</b>	<b>\$390,611,312</b>	<b>\$399,736,239</b>

# South Placer Wastewater Authority – Regional Wastewater Capacity Fee Study

Table 10 – Cashflow Pro forma – 100% of Projected EDUs (Cont.)

Cashflow Pro forma														
Key Assumptions														
	FY 2039	FY 2040	FY 2041	FY 2042	FY 2043	FY 2044	FY 2045	FY 2046	FY 2047	FY 2048	FY 2049	FY 2050	FY 2051	FY 2052
<b>Revenue Escalation</b>														
Reserve Interest	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
<b>Expenditure Escalation</b>														
General Costs	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%
Capital Costs	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%
Cumulative Inflationary Factor	185.4%	192.7%	200.3%	208.1%	216.3%	224.8%	233.7%	242.9%	252.4%	262.4%	272.7%	283.4%	294.5%	306.1%
<b>New Debt Proceeds</b>														
	\$0	\$0	\$0	\$0	\$0	\$50,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Projected Capacity Fee Revenues</b>														
Proposed Capacity Fee	\$17,484	\$18,172	\$18,887	\$19,630	\$20,402	\$21,204	\$22,038	\$22,905	\$23,806	\$24,743	\$25,716	\$26,727	\$27,779	\$28,871
<b>Roseville EDUs</b>														
Additional Residential EDUs	100.0%	0	0	0	0	0	0	0	0	0	0	0	0	0
Additional Commercial EDUs	100.0%	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Additional Roseville EDUs	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Roseville Capacity Fee Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Placer County EDUs</b>														
Additional Residential EDUs	100.0%	588	585	585	585	582	630	630	630	630	630	0	0	0
Additional Commercial EDUs	100.0%	292	292	293	288	288	283	233	233	218	218	0	0	0
Total Additional Placer County EDUs	880	877	878	873	870	913	863	863	848	848	0	0	0	0
Placer County Capacity Fee Revenue	\$15,386,079	\$15,936,769	\$16,582,521	\$17,136,640	\$17,749,497	\$18,359,447	\$18,919,029	\$19,767,134	\$20,187,574	\$20,981,644	\$0	\$0	\$0	\$0
<b>SPMUD EDUs</b>														
Additional Residential EDUs	100.0%	273	273	273	273	273	273	273	273	273	273	273	273	273
Additional Commercial EDUs	100.0%	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Additional SPMUD EDUs	273	273	273	273	273	273	273	273	273	273	273	273	273	273
SPMUD Capacity Fee Revenue	\$4,773,181	\$4,960,933	\$5,156,069	\$5,358,880	\$5,569,670	\$5,788,750	\$6,016,448	\$6,253,103	\$6,499,066	\$6,754,704	\$7,020,397	\$7,296,541	\$7,583,548	\$7,881,843
Total EDUs	1,153	1,150	1,151	1,146	1,143	1,186	1,136	1,136	1,121	1,121	273	273	273	273
<b>Total Capacity Fee Revenue</b>	<b>\$20,159,261</b>	<b>\$20,897,701</b>	<b>\$21,738,590</b>	<b>\$22,495,520</b>	<b>\$23,319,166</b>	<b>\$23,148,197</b>	<b>\$25,035,477</b>	<b>\$26,020,237</b>	<b>\$26,686,640</b>	<b>\$27,736,348</b>	<b>\$7,020,397</b>	<b>\$7,296,541</b>	<b>\$7,583,548</b>	<b>\$7,881,843</b>
<b>Rate Stabilization Reserve</b>														
Beginning Fund Balance	\$399,736,259	\$419,306,776	\$376,541,442	\$331,688,608	\$284,544,557	\$306,070,710	\$257,966,738	\$154,965,580	\$45,882,287	\$64,213,318	\$83,761,269	\$82,663,066	\$81,808,520	\$81,210,175
<b>Funding Sources</b>														
Projected Capacity Fee Revenue	\$20,159,261	\$20,897,701	\$21,738,590	\$22,495,520	\$23,319,166	\$23,148,197	\$25,035,477	\$26,020,237	\$26,686,640	\$27,736,348	\$7,020,397	\$7,296,541	\$7,583,548	\$7,881,843
Remaining Proceeds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
New Debt Proceeds	\$0	\$0	\$0	\$0	\$0	\$50,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
SRF Loan Funding	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Grants/Other Funding	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Funding Sources	\$20,159,261	\$20,897,701	\$21,738,590	\$22,495,520	\$23,319,166	\$75,148,197	\$25,035,477	\$26,020,237	\$26,686,640	\$27,736,348	\$7,020,397	\$7,296,541	\$7,583,548	\$7,881,843
<b>Revenue Requirements</b>														
Administrative Costs	\$454,005	\$470,084	\$486,732	\$503,968	\$521,818	\$540,298	\$559,433	\$579,245	\$599,758	\$621,000	\$642,992	\$665,764	\$689,342	\$713,755
Incremental CIP														
Pleasant Grove WWTP - Energy Recovery	Escalate Costs?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Pleasant Grove Electrical Expansion	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
DCWWTP and PGWWTP Capacity Evaluation	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Pleasant Grove UV	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Dry Creek Expansion Phase 1	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Dry Creek Expansion Phase 2	Yes	Yes	Yes	Yes	Yes	Yes	\$117,214,439	\$121,825,018	\$126,616,853	Yes	Yes	Yes	Yes	Yes
Pleasant Grove Expansion Phase 1	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Pleasant Grove Expansion Follow Up Projects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Pleasant Grove Expansion Phase 2	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Regional Pump Station 26 and Force Main Capacity Improvement	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
PGWWTP Maintenance Administration and Shop Building	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Corridors Capacity Addition	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Dry Creek Operations and Lab Building	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Existing Debt Service	\$4,209,580	\$4,209,580	\$4,209,580	\$4,209,580	\$4,209,580	\$4,209,580	\$4,209,580	\$4,209,580	\$4,209,580	\$4,209,580	\$4,209,580	\$4,209,580	\$4,209,580	\$4,209,580
Proposed Debt	\$0	\$0	\$0	\$0	\$0	\$4,094,010	\$4,094,010	\$4,094,010	\$4,094,010	\$4,094,010	\$4,094,010	\$4,094,010	\$4,094,010	\$4,094,010
Total Revenue Requirements	\$4,663,585	\$67,622,479	\$70,114,956	\$77,705,408	\$4,731,387	\$126,068,326	\$130,688,040	\$135,499,787	\$8,903,348	\$8,924,589	\$8,946,582	\$8,969,353	\$9,992,932	\$9,017,345
Net Cashflow	\$15,495,676	(\$46,724,778)	(\$48,376,366)	(\$50,209,888)	\$18,387,769	(\$50,910,120)	(\$105,652,563)	(\$109,479,551)	\$17,783,292	\$18,811,759	(\$1,926,185)	(\$1,672,812)	(\$1,409,384)	(\$1,135,501)
Subtotal Rate Stabilization Reserve	\$415,231,935	\$372,581,998	\$328,165,076	\$281,478,720	\$303,132,126	\$255,160,582	\$152,314,175	\$44,886,029	\$63,665,579	\$83,025,077	\$81,835,084	\$80,990,254	\$80,399,137	\$80,074,674
Interest Earnings	\$4,074,841	\$3,959,444	\$3,523,533	\$3,065,837	\$2,938,384	\$2,806,156	\$2,051,405	\$996,258	\$547,739	\$736,192	\$827,982	\$815,267	\$811,038	\$806,424
<b>Ending Balance</b>	<b>\$419,306,776</b>	<b>\$376,541,442</b>	<b>\$331,688,608</b>	<b>\$284,544,557</b>	<b>\$306,070,710</b>	<b>\$257,966,738</b>	<b>\$154,965,580</b>	<b>\$45,882,287</b>	<b>\$64,213,318</b>	<b>\$83,761,269</b>	<b>\$82,663,066</b>	<b>\$81,808,520</b>	<b>\$81,210,175</b>	<b>\$80,881,088</b>

# South Placer Wastewater Authority – Regional Wastewater Capacity Fee Study

Table 10 – Cashflow Pro forma – 100% of Projected EDUs (Cont.)

Cashflow Pro forma									
Key Assumptions		FY 2053	FY 2054	FY 2055	FY 2056	FY 2057	FY 2058	FY 2059	FY 2060
Revenue Escalation									
Reserve Interest		1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
Expenditure Escalation									
General Costs	CPI - W (BLS) 3-Year Average	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%
Capital Costs	484.23 City 4-Year Average	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%
Cumulative Inflationary Factor	Starting Year: 2024	318.2%	330.7%	343.7%	357.2%	371.3%	385.9%	401.0%	416.8%
New Debt Proceeds		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Projected Capacity Fee Revenues</b>									
Proposed Capacity Fee		\$30,007	\$31,187	\$32,414	\$33,689	\$35,014	\$36,391	\$37,823	\$39,310
Roseville EDUs									
Additional Residential EDUs	100.0%	0	0	0	0	0	0	0	0
Additional Commercial EDUs	100.0%	0	0	0	0	0	0	0	0
Total Additional Roseville EDUs		0	0	0	0	0	0	0	0
Roseville Capacity Fee Revenue		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Placer County EDUs									
Additional Residential EDUs	100.0%	0	0	0	0	0	0	0	0
Additional Commercial EDUs	100.0%	0	0	0	0	0	0	0	0
Total Additional Placer County EDUs		0	0	0	0	0	0	0	0
Placer County Capacity Fee Revenue		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
SPMUD EDUs									
Additional Residential EDUs	100.0%	273	273	273	273	273	273	273	273
Additional Commercial EDUs	100.0%	0	0	0	0	0	0	0	0
Total Additional SPMUD EDUs		273	273	273	273	273	273	273	273
SPMUD Capacity Fee Revenue		\$8,191,872	\$8,514,096	\$8,848,994	\$9,197,066	\$9,558,828	\$9,934,821	\$10,325,603	\$10,731,756
Total EDUs		273	273	273	273	273	273	273	273
<b>Total Capacity Fee Revenue</b>		<b>\$8,191,872</b>	<b>\$8,514,096</b>	<b>\$8,848,994</b>	<b>\$9,197,066</b>	<b>\$9,558,828</b>	<b>\$9,934,821</b>	<b>\$10,325,603</b>	<b>\$10,731,756</b>
<b>Rate Stabilization Reserve</b>									
Beginning Fund Balance		\$80,881,098	\$80,894,905	\$85,316,409	\$90,152,065	\$95,357,690	\$100,949,744	\$106,945,358	\$113,362,361
<b>Funding Sources</b>									
Projected Capacity Fee Revenue		\$8,191,872	\$8,514,096	\$8,848,994	\$9,197,066	\$9,558,828	\$9,934,821	\$10,325,603	\$10,731,756
Remaining Proceeds		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
New Debt Proceeds		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
SRF Loan Funding		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Grant/Other Funding		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Funding Sources		\$8,191,872	\$8,514,096	\$8,848,994	\$9,197,066	\$9,558,828	\$9,934,821	\$10,325,603	\$10,731,756
<b>Revenue Requirements</b>									
Administrative Costs		\$739,033	\$765,206	\$792,306	\$820,366	\$849,419	\$879,501	\$910,649	\$942,900
Incremental O&M									
Pleasant Grove WWTW – Energy Recovery	Escalate Costs?	Yes	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pleasant Grove Electrical Expansion	Yes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
DCWWTP and PGWWTP Capacity Evaluation	Yes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pleasant Grove UV	Yes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Dry Creek Expansion Phase 1	Yes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Dry Creek Expansion Phase 2	Yes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pleasant Grove Expansion Phase 1	Yes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pleasant Grove Expansion Follow Up Projects	Yes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pleasant Grove Expansion Phase 2	Yes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Regional Pump Station 26 and Force Main Capacity Improvement	Yes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PGWWTP Maintenance Administration and Shop Building	Yes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Comailors Capacity Addition	Yes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Dry Creek Operations and Lab Building	Yes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Existing Debt Service		\$4,209,580	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Proposed Debt		\$4,094,010	\$4,094,010	\$4,094,010	\$4,094,010	\$4,094,010	\$4,094,010	\$4,094,010	\$4,094,010
Total Revenue Requirements		\$9,047,622	\$4,859,216	\$4,886,315	\$4,914,375	\$4,943,428	\$4,973,511	\$5,004,658	\$5,036,909
Net Cashflow		(\$850,750)	\$3,654,880	\$3,967,679	\$4,282,691	\$4,615,400	\$4,961,310	\$5,320,944	\$5,694,847
Subtotal Rate Stabilization Reserve		\$80,030,348	\$84,489,785	\$89,279,088	\$94,434,756	\$99,973,090	\$105,911,054	\$112,266,302	\$119,057,307
Interest Earnings		\$806,557	\$826,623	\$872,977	\$927,934	\$978,654	\$1,034,304	\$1,096,058	\$1,162,098
<b>Ending Balance</b>		<b>\$80,894,905</b>	<b>\$85,316,409</b>	<b>\$90,152,065</b>	<b>\$95,357,690</b>	<b>\$100,949,744</b>	<b>\$106,945,358</b>	<b>\$113,362,361</b>	<b>\$120,219,305</b>

# South Placer Wastewater Authority – Regional Wastewater Capacity Fee Study

## Appendix B

Table 11 – Cashflow Pro forma – 90% of Projected EDUs

Cashflow Pro forma															
Key Assumptions															
	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035	FY 2036	FY 2037	FY 2038
Revenue Escalation															
Revenue Interest	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
Expenditure Escalation															
General Costs	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%
Capital Costs	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Cumulative Inflationary Factor	103.0%	108.0%	112.3%	116.7%	121.3%	126.0%	131.0%	136.2%	141.5%	147.1%	152.9%	158.9%	165.1%	171.6%	178.4%
New Debt Proceeds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Projected Capacity Fee Revenues															
Proposed Capacity Fee	\$8,802	\$10,288	\$10,588	\$11,025	\$11,438	\$11,888	\$12,375	\$12,841	\$13,346	\$13,871	\$14,417	\$14,984	\$15,573	\$16,186	\$16,822
Reserve EDUs															
Additional Residential EDUs	90.0%	1,587	1,587	994	954	821	821	821	821	821	0	0	0	0	0
Additional Commercial EDUs	90.0%	0	0	1,223	1,223	1,223	1,223	1,223	1,223	1,223	1,223	1,223	1,223	1,223	1,223
Total Additional Reserve EDUs		1,587	1,587	2,217	2,177	2,044	2,044	2,044	2,044	2,044	1,223	1,223	1,223	1,223	1,223
Reserve Capacity Fee Revenue	\$15,515,774	\$16,167,454	\$17,838,021	\$19,737,281	\$21,378,524	\$24,298,108	\$25,253,864	\$26,247,213	\$27,279,636	\$28,364,440	\$16,964,440	\$17,631,728	\$18,325,265	\$0	\$0
Placer County EDUs															
Additional Residential EDUs	90.0%	372	450	372	417	417	416	450	432	477	477	522	522	522	579
Additional Commercial EDUs	90.0%	17	78	78	85	85	85	117	117	148	148	205	205	300	268
Total Additional Placer County EDUs		389	527	450	502	502	501	567	549	625	625	727	727	822	847
Placer County Capacity Fee Revenue	\$3,812,978	\$5,470,728	\$4,764,728	\$5,524,393	\$5,741,892	\$5,967,539	\$6,189,915	\$7,396,475	\$7,327,885	\$8,683,312	\$9,024,908	\$10,891,269	\$11,243,985	\$12,786,799	\$14,164,525
SPMUD EDUs															
Additional Residential EDUs	90.0%	309	309	246	246	246	246	246	246	246	246	246	246	246	246
Additional Commercial EDUs	90.0%	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Additional SPMUD EDUs		309	309	246	246	246	246	246	246	246	246	246	246	246	246
SPMUD Capacity Fee Revenue	\$3,028,838	\$3,247,933	\$2,604,717	\$2,707,172	\$2,813,838	\$2,924,332	\$3,039,259	\$3,138,911	\$3,283,166	\$3,422,308	\$3,546,529	\$3,686,020	\$3,831,029	\$3,981,710	\$4,138,329
Total EDUs	2,295	2,433	2,853	2,905	2,792	2,792	2,791	2,886	2,890	2,925	2,095	2,196	2,268	1,038	1,088
<b>Total Capacity Fee Revenue</b>	<b>\$22,397,570</b>	<b>\$24,786,327</b>	<b>\$30,208,365</b>	<b>\$31,968,846</b>	<b>\$31,933,874</b>	<b>\$33,189,979</b>	<b>\$34,463,138</b>	<b>\$36,802,600</b>	<b>\$37,889,867</b>	<b>\$39,060,098</b>	<b>\$30,203,165</b>	<b>\$32,904,564</b>	<b>\$33,074,303</b>	<b>\$34,768,504</b>	<b>\$36,302,854</b>
Rate Stabilization Reserve															
Beginning Fund Balance	\$172,865,105	\$186,873,385	\$185,714,371	\$177,109,051	\$161,585,985	\$179,290,911	\$188,958,404	\$221,151,915	\$246,629,780	\$278,700,829	\$281,798,557	\$311,066,854	\$358,068,135	\$387,194,222	\$342,282,595
Funding Sources															
Projected Capacity Fee Revenue	\$22,397,570	\$24,786,327	\$30,208,365	\$31,968,846	\$31,933,874	\$33,189,979	\$34,463,138	\$36,802,600	\$37,889,867	\$39,060,098	\$30,203,165	\$32,904,564	\$33,074,303	\$34,768,504	\$36,302,854
Remaining Proceeds	\$30,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
New Debt Proceeds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
SFF Loan Funding	\$12,408,795	\$10,552,313	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Grants/Other Funding	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Funding Sources	\$64,806,325	\$35,338,640	\$30,208,365	\$31,968,846	\$31,933,874	\$33,189,979	\$34,463,138	\$36,802,600	\$37,889,867	\$39,060,098	\$30,203,165	\$32,904,564	\$33,074,303	\$34,768,504	\$36,302,854
Revenue Requirements															
Administrative Costs	\$288,388	\$278,988	\$288,783	\$299,010	\$309,600	\$320,564	\$331,917	\$343,672	\$355,843	\$368,446	\$381,494	\$395,025	\$408,994	\$423,479	\$438,476
Incremental CP															
Placer County WWP - Energy Recovery	Yes	\$738,491	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Placer County Electrical Expansion	Yes	\$5,196,673	\$10,800,364	\$0	\$19,253,312	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
DCWWTP and PG&WTP Capacity Evolution	Yes	\$938,189	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Placer County LPV	Yes	\$1,029,525	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Dry Creek Expansion Phase 1	Yes	\$4,157,338	\$13,745,713	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Dry Creek Expansion Phase 2	Yes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Placer County Expansion Phase 1	Yes	\$1,453,278	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Placer County Expansion Follow Up Projects	Yes	\$1,559,832	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Placer County Expansion Phase 2	Yes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Regional Pump Station J5 and Force Main Capacity Improvement	Yes	\$1,039,335	\$3,399,469	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PG&WTP Maintenance Administration and Shop Building	Yes	\$623,001	\$0	\$13,472,474	\$14,002,408	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Corrosion Capacity Addition	Yes	\$5,632,407	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Dry Creek Operations and Lab Building	Yes	\$0	\$3,780,717	\$1,777,083	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Existing Debt Service	\$15,775,225	\$15,894,455	\$25,639,830	\$15,838,705	\$15,634,955	\$15,638,580	\$15,448,830	\$18,339,330	\$18,252,580	\$18,407,455	\$18,552,705	\$18,711,955	\$18,876,455	\$14,688,955	\$14,698,205
Proposed Debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Revenue Requirements	\$42,372,385	\$47,897,503	\$49,624,348	\$49,292,435	\$52,944,555	\$55,960,144	\$58,777,747	\$63,453,032	\$63,606,423	\$63,775,901	\$43,994,109	\$44,906,990	\$44,420,448	\$25,112,454	\$25,128,681
Net Cashflow	\$22,433,040	\$24,439,824	\$30,414,117	\$31,222,990	\$31,569,319	\$32,229,835	\$32,705,391	\$33,349,568	\$34,283,443	\$35,294,197	\$16,209,056	\$18,797,604	\$18,654,000	\$19,656,050	\$21,174,173
Subtotal Rate Stabilization Reserve	\$194,339,040	\$181,833,443	\$175,298,547	\$159,881,062	\$177,555,305	\$196,480,740	\$219,054,794	\$244,501,513	\$271,133,234	\$288,980,137	\$308,007,533	\$339,864,458	\$338,861,589	\$338,862,282	\$345,406,708
Interest Earnings	\$1,833,221	\$1,900,929	\$2,805,005	\$1,884,924	\$1,895,606	\$1,878,628	\$2,087,123	\$2,318,267	\$2,589,705	\$2,813,430	\$2,009,130	\$3,134,653	\$3,380,248	\$3,380,248	\$3,438,190
<b>Ending Balance</b>	<b>\$196,572,260</b>	<b>\$188,734,371</b>	<b>\$177,103,552</b>	<b>\$161,589,986</b>	<b>\$179,290,911</b>	<b>\$198,359,404</b>	<b>\$221,151,915</b>	<b>\$246,629,780</b>	<b>\$278,700,829</b>	<b>\$281,798,557</b>	<b>\$211,066,854</b>	<b>\$218,068,135</b>	<b>\$207,194,222</b>	<b>\$242,282,595</b>	<b>\$248,644,804</b>

# South Placer Wastewater Authority – Regional Wastewater Capacity Fee Study

Table 11 – Cashflow Pro forma – 90% of Projected EDUs (Cont.)

Cashflow Pro forma														
Key Assumptions														
	FY 2038	FY 2040	FY 2041	FY 2042	FY 2043	FY 2044	FY 2045	FY 2046	FY 2047	FY 2048	FY 2049	FY 2050	FY 2051	FY 2052
Revenue Escalation	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Expenditure Escalation														
General Costs	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%
Capital Costs	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Cumulative Inflationary Factor	185.4%	192.7%	200.3%	208.1%	216.3%	224.8%	233.7%	242.9%	252.4%	262.4%	272.7%	283.4%	294.5%	306.1%
New Debt Proceeds	\$0	\$0	\$0	\$0	\$0	\$50,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Projected Capacity Fee Revenues</b>														
Proposed Capacity Fee	\$17,484	\$18,172	\$18,887	\$19,631	\$20,402	\$21,204	\$22,038	\$22,905	\$23,806	\$24,743	\$25,718	\$26,727	\$27,779	\$28,871
Revenue EDUs														
Additional Residential EDUs	90.0%	0	0	0	0	0	0	0	0	0	0	0	0	0
Additional Commercial EDUs	90.0%	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Additional Revenue EDUs		0	0	0	0	0	0	0	0	0	0	0	0	0
Revenue Capacity Fee Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Placer County EDUs														
Additional Residential EDUs	90.0%	591	527	527	527	524	567	567	567	567	587	0	0	0
Additional Commercial EDUs	90.0%	263	263	264	263	260	255	210	210	197	197	0	0	0
Total Additional Placer County EDUs		783	790	791	787	784	822	777	777	764	764	0	0	0
Placer County Capacity Fee Revenue	\$1,854,956	\$1,835,812	\$1,839,878	\$1,848,494	\$1,859,549	\$1,872,863	\$1,887,737	\$1,903,282	\$1,919,523	\$1,936,473	\$1,954,141	\$0	\$0	\$0
SPMUD EDUs														
Additional Residential EDUs	90.0%	246	246	246	246	246	246	246	246	246	246	246	246	246
Additional Commercial EDUs	90.0%	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Additional SPMUD EDUs		246	246	246	246	246	246	246	246	246	246	246	246	246
SPMUD Capacity Fee Revenue	\$4,302,109	\$4,470,291	\$4,646,128	\$4,828,881	\$5,018,823	\$5,216,236	\$5,421,425	\$5,634,664	\$5,855,301	\$6,083,856	\$6,329,072	\$6,574,905	\$6,831,527	\$7,100,330
Total EDUs	1,039	1,036	1,037	1,033	1,030	1,028	1,023	1,023	1,020	1,018	1,016	246	246	246
<b>Total Capacity Fee Revenue</b>	<b>\$18,166,064</b>	<b>\$18,826,103</b>	<b>\$19,585,506</b>	<b>\$20,277,375</b>	<b>\$21,013,772</b>	<b>\$21,846,100</b>	<b>\$22,745,152</b>	<b>\$23,713,956</b>	<b>\$24,744,103</b>	<b>\$25,830,930</b>	<b>\$26,975,072</b>	<b>\$28,174,905</b>	<b>\$29,433,527</b>	<b>\$30,750,330</b>
<b>Rate Stabilization Reserve</b>														
Beginning Fund Balance	<b>\$348,844,804</b>	<b>\$385,908,345</b>	<b>\$420,522,020</b>	<b>\$452,945,148</b>	<b>\$482,984,422</b>	<b>\$511,578,053</b>	<b>\$539,814,546</b>	<b>\$567,834,080</b>	<b>\$595,680,742</b>	<b>\$623,402,827</b>	<b>\$650,952,413</b>	<b>\$678,374,525</b>	<b>\$705,720,821</b>	<b>\$733,033,826</b>
Funding Sources														
Projected Capacity Fee Revenue	\$18,166,064	\$18,826,103	\$19,585,506	\$20,277,375	\$21,013,772	\$21,846,100	\$22,745,152	\$23,713,956	\$24,744,103	\$25,830,930	\$26,975,072	\$28,174,905	\$29,433,527	\$30,750,330
Remaining Proceeds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
New Debt Proceeds	\$0	\$0	\$0	\$0	\$0	\$50,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
SMF Loan Funding	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Grants/Other Funding	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Funding Sources	\$18,166,064	\$18,826,103	\$19,585,506	\$20,277,375	\$21,013,772	\$71,846,100	\$22,745,152	\$23,713,956	\$24,744,103	\$25,830,930	\$26,975,072	\$28,174,905	\$29,433,527	\$30,750,330
Revenue Requirements														
Administrative Costs	\$454,025	\$470,084	\$486,732	\$503,989	\$521,818	\$540,298	\$559,453	\$579,245	\$599,758	\$621,000	\$643,092	\$665,964	\$689,642	\$714,155
Incremental CIP														
Placer County WWT - Energy Recovery	Yes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Placer County Electrical Expansion	Yes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
DCMWWP and PGWWP Capacity Expansion	Yes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Placer County UV	Yes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Dry Creek Expansion Phase 1	Yes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Dry Creek Expansion Phase 2	Yes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Placer County Expansion Phase 1	Yes	\$0	\$0	\$0	\$0	\$117,214,439	\$121,825,018	\$126,616,953	\$0	\$0	\$0	\$0	\$0	\$0
Placer County Expansion Phase 2	Yes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Placer County Expansion Follow Up Projects	Yes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Placer County Expansion Phase 2	Yes	\$0	\$62,942,816	\$65,418,645	\$67,991,859	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Regional Pump Station 26 and Force Main Capacity Improvement	Yes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PGWWP Maintenance Administration and Shop Building	Yes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Grainden Capacity Addition	Yes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Dry Creek Operations and Lab Building	Yes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Existing Debt Service	\$4,209,580	\$4,209,580	\$4,209,580	\$4,209,580	\$4,209,580	\$4,209,580	\$4,209,580	\$4,209,580	\$4,209,580	\$4,209,580	\$4,209,580	\$4,209,580	\$4,209,580	\$4,209,580
Proposed Debt	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Revenue Requirements	\$4,663,585	\$6,732,479	\$7,014,956	\$7,274,438	\$7,511,197	\$7,726,878	\$7,918,033	\$8,094,033	\$8,254,138	\$8,409,580	\$8,560,242	\$8,706,164	\$8,847,182	\$8,983,155
Net Cashflow	\$13,502,479	\$12,093,624	\$12,570,550	\$13,002,937	\$13,392,575	\$14,019,222	\$14,526,979	\$15,014,923	\$15,494,965	\$15,966,350	\$16,428,830	\$16,881,741	\$17,326,345	\$17,762,175
Subtotal Rate Stabilization Reserve	\$382,247,384	\$417,106,969	\$450,992,570	\$482,917,111	\$511,831,652	\$539,814,546	\$567,834,080	\$595,680,742	\$623,402,827	\$650,952,413	\$678,374,525	\$705,720,821	\$733,033,826	\$760,307,351
Interest Earnings	\$555,981	\$513,292	\$470,573	\$427,854	\$385,135	\$342,416	\$299,697	\$256,978	\$214,259	\$171,540	\$128,821	\$86,102	\$43,383	\$0
<b>Ending Balance</b>	<b>\$385,908,345</b>	<b>\$420,522,020</b>	<b>\$452,945,148</b>	<b>\$482,984,422</b>	<b>\$511,578,053</b>	<b>\$539,814,546</b>	<b>\$567,834,080</b>	<b>\$595,680,742</b>	<b>\$623,402,827</b>	<b>\$650,952,413</b>	<b>\$678,374,525</b>	<b>\$705,720,821</b>	<b>\$733,033,826</b>	<b>\$760,307,351</b>

# South Placer Wastewater Authority – Regional Wastewater Capacity Fee Study

Table 11 – Cashflow Pro forma – 90% of Projected EDUs (Cont.)

Cashflow Pro forma		FY 2053	FY 2054	FY 2055	FY 2056	FY 2057	FY 2058	FY 2059	FY 2060
<b>Key Assumptions</b>									
Revenue Escalation									
Revenue Interest		1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
Expenditure Escalation									
General Costs	1.5% - 1.5% (2024) 1.5% Average	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
Capital Costs	1.0% - 1.0% (2024) 1.0% Average	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
Cumulative Inflationary Factor	2024	118.2%	130.7%	141.7%	151.2%	159.3%	165.9%	171.0%	174.8%
New Debt Proceeds		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Projected Capacity Fee Revenues</b>									
Proposed Capacity Fee	90% of Projected EDUs	\$30,007	\$31,187	\$32,414	\$33,689	\$35,014	\$36,391	\$37,823	\$39,310
Rowley EDUs									
Additional Residential EDUs	90.0%	0	0	0	0	0	0	0	0
Additional Commercial EDUs	90.0%	0	0	0	0	0	0	0	0
Total Additional Rowley EDUs		0	0	0	0	0	0	0	0
Rowley Capacity Fee Revenue		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Placer County EDUs									
Additional Residential EDUs	90.0%	0	0	0	0	0	0	0	0
Additional Commercial EDUs	90.0%	0	0	0	0	0	0	0	0
Total Additional Placer County EDUs		0	0	0	0	0	0	0	0
Placer County Capacity Fee Revenue		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
SPMUD EDUs									
Additional Residential EDUs	90.0%	246	246	246	246	246	246	246	246
Additional Commercial EDUs	90.0%	0	0	0	0	0	0	0	0
Total Additional SPMUD EDUs		246	246	246	246	246	246	246	246
SPMUD Capacity Fee Revenue		\$7,381,887	\$7,672,043	\$7,973,829	\$8,287,466	\$8,613,450	\$8,952,256	\$9,304,389	\$9,670,173
Total EDUs		246	246	246	246	246	246	246	246
<b>Total Capacity Fee Revenue</b>		\$7,381,887	\$7,672,043	\$7,973,829	\$8,287,466	\$8,613,450	\$8,952,256	\$9,304,389	\$9,670,173
<b>Rate Stabilization Reserve</b>									
Beginning Fund Balance		(\$6,408,932)	(\$6,064,367)	(\$5,251,460)	(\$3,163,957)	\$1,208,134	\$4,909,597	\$8,997,582	\$13,198,135
<b>Funding Sources</b>									
Projected Capacity Fee Revenue		\$7,381,887	\$7,672,043	\$7,973,829	\$8,287,466	\$8,613,450	\$8,952,256	\$9,304,389	\$9,670,173
Remaining Proceeds		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
New Debt Proceeds		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
SFF Loan Funding		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Grants/Other Funding		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Funding Sources		\$7,381,887	\$7,672,043	\$7,973,829	\$8,287,466	\$8,613,450	\$8,952,256	\$9,304,389	\$9,670,173
<b>Revenue Requirements</b>									
Administrative Costs		\$739,033	\$705,306	\$700,306	\$820,386	\$849,419	\$878,501	\$910,849	\$942,908
Incremental CP	Exclude Costs?								
Rowley Grow WWTW - Energy Recovery	Yes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Rowley Grow Electrical Expansion	Yes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
DCWWTW and PGWWTW Capacity Evaluation	Yes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Rowley Grow UV	Yes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Dry Creek Expansion Phase 2	Yes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Dry Creek Expansion Phase 2	Yes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Rowley Grow Expansion Phase 1	Yes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Rowley Grow Expansion Follow Up Projects	Yes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Rowley Grow Expansion Phase 2	Yes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Regional Pump Station 26 and Force Main Capacity Improvement	Yes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PGWWTW Maintenance Administration and Shop Building	Yes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Corridor Capacity Addition	Yes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Dry Creek Operations and Lab Building	Yes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Existing Debt Service		\$4,209,180	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Proposed Debt		\$4,094,010	\$4,094,010	\$4,094,010	\$4,094,010	\$4,094,010	\$4,094,010	\$4,094,010	\$4,094,010
Total Revenue Requirements		\$9,042,822	\$8,809,316	\$8,888,315	\$8,914,375	\$8,941,428	\$8,971,511	\$9,004,858	\$9,039,908
Net Cashflow		(\$1,660,935)	(\$1,137,273)	(\$1,087,504)	(\$1,371,091)	(\$1,327,978)	(\$1,019,255)	(\$690,469)	(\$369,735)
Subtotal Rate Stabilization Reserve		(\$8,064,287)	(\$5,251,460)	(\$3,163,957)	\$1,208,134	\$4,879,155	\$8,888,342	\$13,257,063	\$18,001,506
Interest Earnings		\$0	\$0	\$0	\$0	\$30,441	\$68,990	\$111,072	\$156,849
<b>Ending Balance</b>		<b>(\$8,064,287)</b>	<b>(\$5,251,460)</b>	<b>(\$3,163,957)</b>	<b>\$1,208,134</b>	<b>\$4,909,597</b>	<b>\$8,997,592</b>	<b>\$13,368,135</b>	<b>\$18,198,448</b>