

TUOLUMNE CITY SANITARY DISTRICT

TCS
18050 BOX FACTORY ROAD
TUOLUMNE, CA 95379

REGULAR MEETING STAFF REPORT

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Agenda Item No. 4

To: Board of Directors
From: Jeff Cooley, General Manager
Subject: Rate Study Report-Recommendations for Moving Forward with
Prop 218 Process
Bids Date: February 3rd, 2026

Background:

Sewer service fees for the District are collected as an assessment on customers' annual property tax bill. Currently the monthly sewer service fee is \$52.75 per Equivalent Dwelling Unit (EDU). The last rate increase was implemented in January of 2011. For comparison below are the current monthly sewer rates for surrounding Districts:

- Jamestown Sanitary District \$106.02
- TUD \$68.99
- Groveland CSD \$167.39

These neighboring districts have implemented ongoing rate increases in recent and upcoming fiscal years. TCS is by far the lowest sewer rate in Tuolumne County.

The GM engaged the Specialized Utility Services Program, Inc. (SUSP) which is a subsidiary of the CA Rural Water Association (CRWA) to conduct a rate study. The SUSP program is set up to provide water and wastewater rate study services. RDN under a sub-contract to SUSP completed the rate study. The wastewater rate study evaluated whether the current rates achieve the objectives of revenue stability, equitable cost recovery, and rate payer affordability. SUSP/RDN produced administrative reports and outlining findings. The administrative report included analysis of revenue requirements, cost of service, and recommended rate adjustments. A presentation of the rate study and alternatives will be presented at the February Board meeting.

Recommendation:

Following the presentation by RDN, it is the recommendation of staff to approve the following:

- Move forward with recommended financial plan option (5%)
- Begin Proposition 218 process
- Mail Notices
- Hold Hearing (45 days after Notice)

- Count Protests
- Adopt 5-year rate schedule

Recommended Motion: I move to approve the rate study proposal from SUSP/RDN, move forward with recommended financial plan option (5%), begin Proposition 218 process and adopt the 5-year rate schedule.

BOARD ACTION:

<input type="checkbox"/> Resolution No _____	Moved by: _____	Second by: _____
_____AYES	_____NOES	_____ABSTAINED
_____ABSENT	<input type="checkbox"/> No Action Taken	