

Sewer Rate Study

Tuolumne City Sanitary District

ROBERT D. NIEHAUS, INC.

FEBRUARY 3, 2026

Agenda

- Review Current Rates
- Review Financial Assumptions
- Discuss Financial Plan Scenarios
- Show Rate Proposals
- Show Rate Comparison
- Discuss Next Steps



Local Rate Survey



Local Rate Survey

Agency	Current
Tuolumne CSD	\$52.75
Tuolumne UD	\$68.99
Jamestown SD	\$106.02
Groveland CSD	\$167.39



Financial Plan Assumptions

Financial Inputs

- Revenue
- Operating Expenses
- Capital Expenses
- Debt Service
- Fund Balances – Reserve Policy

Revenue

Rate per EDU

\$52.75

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035
Total Revenue	\$1,683,364	\$1,397,151	\$1,397,151	\$1,397,151	\$1,397,151	\$1,397,151	\$1,397,151	\$1,397,151	\$1,397,151	\$1,397,151

Customer Class	EDUs	Annual Revenue
Residential	931.96	\$589,931
Black Oak Casino	592.42	\$375,002
Schools	100.02	\$63,313
Hotel	50.40	\$31,903
Gas Station	3.60	\$2,279
RV Pump Station	2.00	\$1,266
RV Park	65.34	\$41,360
Car Wash	5.25	\$3,323
Elevate	11.47	\$7,261
Hotel Suites, Pools & Bar	36.90	\$23,358
Public Safety Building	2.00	\$1,266
Rancheria	78.50	\$49,691
Total	1,879.86	\$1,189,951

Other Revenue	FY 2026	Reoccurring
Connection Fees	\$7,200	Yes
Interest Income	\$100,000	Yes
Property Tax Revenues	\$100,000	Yes
SFR Planning Grants	\$1,300,000	No
SRF Construction -WWTP	\$200,000	No
SRF Construction - Collection System	\$0	No
Transfer from Reserves - Sludge Removal	\$150,000	No
Transfer from Reserves	\$136,213	No
Total	\$1,993,413	

Black Oak Casino account for approximately 50% of rate revenues



Operating Expenses

Expenses	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035
Total	\$950,393	\$993,903	\$1,039,324	\$1,085,515	\$1,133,884	\$1,183,624	\$1,231,757	\$1,281,915	\$1,334,185	\$1,388,660
Salaries and Benefits	\$361,486	\$377,517	\$394,260	\$411,746	\$430,007	\$449,078	\$468,994	\$489,794	\$511,516	\$534,202
Medical HSA Allowance	\$57,600	\$60,155	\$62,822	\$65,609	\$68,518	\$71,557	\$74,731	\$78,045	\$81,506	\$85,121
CalPERS Contributions	\$27,930	\$29,169	\$30,463	\$31,814	\$33,225	\$34,698	\$36,237	\$37,844	\$39,523	\$41,276
Workmans Compensation	\$19,992	\$20,878	\$21,804	\$22,771	\$23,781	\$24,836	\$25,937	\$27,088	\$28,289	\$29,544
Payroll Taxes	\$21,689	\$22,651	\$23,656	\$24,705	\$25,800	\$26,945	\$28,140	\$29,388	\$30,691	\$32,052
Employee Education	\$2,500	\$2,611	\$2,727	\$2,848	\$2,974	\$3,106	\$3,244	\$3,387	\$3,538	\$3,694
Employee Misc	\$500	\$522	\$545	\$570	\$595	\$621	\$649	\$677	\$708	\$739
Office Supplies	\$14,321	\$14,758	\$15,208	\$15,672	\$16,150	\$16,643	\$17,151	\$17,674	\$18,213	\$18,769
General Supplies	\$12,720	\$13,108	\$13,508	\$13,920	\$14,345	\$14,783	\$15,234	\$15,698	\$16,177	\$16,671
Caustic Soda	\$45,000	\$47,723	\$50,610	\$53,672	\$56,920	\$60,364	\$64,016	\$67,889	\$71,997	\$76,353
Pest Control	\$1,200	\$1,237	\$1,274	\$1,313	\$1,353	\$1,395	\$1,437	\$1,481	\$1,526	\$1,573
Safety Equipment	\$2,000	\$2,061	\$2,124	\$2,189	\$2,255	\$2,324	\$2,395	\$2,468	\$2,544	\$2,621
Fuel/Mileage/Generator	\$6,600	\$6,815	\$7,037	\$7,266	\$7,503	\$7,747	\$7,999	\$8,260	\$8,529	\$8,806
Miscellaneous	\$10,000	\$10,305	\$10,620	\$10,944	\$11,277	\$11,621	\$11,976	\$12,341	\$12,718	\$13,106
Garbage	\$1,000	\$1,065	\$1,134	\$1,207	\$1,286	\$1,369	\$1,424	\$1,482	\$1,542	\$1,604
Power	\$83,000	\$88,382	\$94,114	\$100,217	\$106,716	\$113,636	\$118,229	\$123,007	\$127,979	\$133,151
Telephones	\$5,000	\$5,324	\$5,670	\$6,037	\$6,429	\$6,846	\$7,122	\$7,410	\$7,710	\$8,021
SCADA	\$1,250	\$1,288	\$1,327	\$1,368	\$1,410	\$1,453	\$1,497	\$1,543	\$1,590	\$1,638
Water	\$7,700	\$8,199	\$8,731	\$9,297	\$9,900	\$10,542	\$10,968	\$11,412	\$11,873	\$12,353
Propane	\$2,000	\$2,130	\$2,268	\$2,415	\$2,571	\$2,738	\$2,849	\$2,964	\$3,084	\$3,208
Professional Service	\$131,500	\$135,512	\$139,647	\$143,907	\$148,298	\$152,822	\$157,485	\$162,290	\$167,241	\$172,344
Repair and Maintenance	\$33,000	\$34,832	\$36,765	\$38,279	\$39,856	\$41,497	\$43,207	\$44,986	\$46,839	\$48,769
License Permits and Membership Fees	\$69,905	\$72,038	\$74,236	\$76,501	\$78,835	\$81,240	\$83,719	\$86,273	\$88,905	\$91,617
Insurance	\$32,500	\$35,623	\$38,776	\$41,249	\$43,881	\$45,764	\$47,118	\$48,513	\$49,949	\$51,428

Average increase of 4.3 percent



Capital Expenses – Rate Funded

Project	Total Cost	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035	FY 2036
Excavator	\$5,000	\$5,000										
Hydro Jetting Equipment	\$10,000	\$10,000										
Aeration Basin Drainage Project	\$6,000	\$6,000										
West Fir Alley Project	\$15,000	\$15,000										
Headwork Dump Station	\$15,000	\$15,000										
Clarifier Improvements	\$40,000	\$40,000										
Miscellaneous Projects	\$10,000	\$10,000										
Miscellaneous Tools	\$7,500	\$7,500										
Sludge Removal	\$1,050,000	\$150,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000
Future Unassigned CIP	\$3,806,780		\$380,678	\$380,678	\$380,678	\$380,678	\$380,678	\$380,678	\$380,678	\$380,678	\$380,678	\$380,678
Total	\$4,665,280	\$258,500	\$440,678	\$440,678	\$440,678	\$440,678	\$440,678	\$440,678	\$440,678	\$440,678	\$440,678	\$440,678

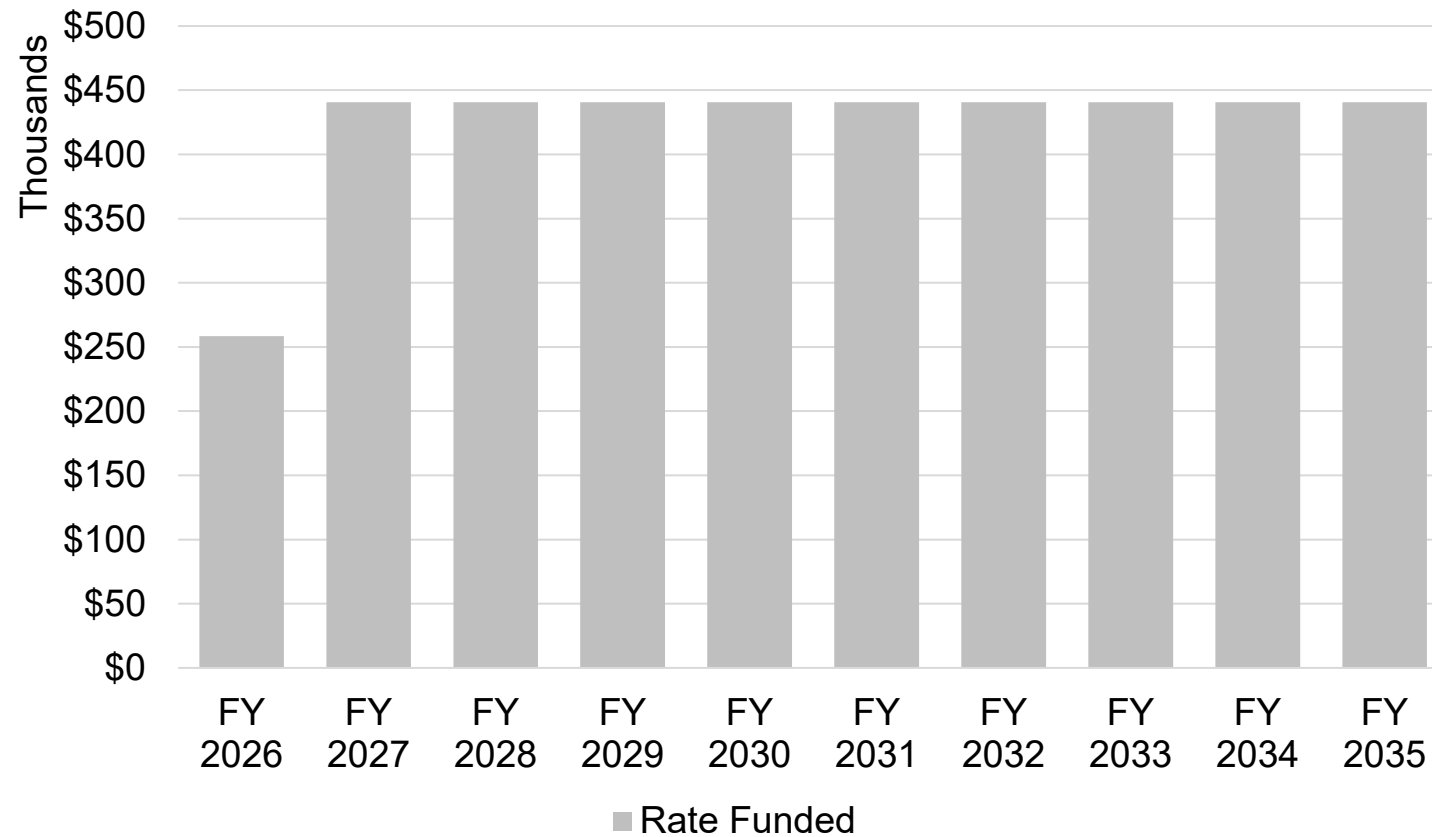


Capital Expenses – If Grant Funding Available

Project	Total Cost
WWTP Phase II	\$200,000
WWTP Reservoir Planning	\$650,000
Collection Planning Project	\$650,000
WWTP Phase III	\$5,000,000
Carter Basin sewer pipeline	\$13,000,000
Apple Colony Lift Station	\$2,000,000
Apple Colony Pipeline	\$33,000,000
Aeration Basin Conversion	\$750,000
Dewatering Facility	\$800,000
Headworks upgrades	\$1,300,000
Clarifier Modifications	\$900,000
Reservoir Controls Building Storage	\$250,000
Chemical Feed Station	\$300,000
De-nitrification System	\$900,000



Capital Expenses – Rate Funded



Debt Service

Description	Category	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
USDA Installment Payment	Principal	\$105,000	\$110,000	\$110,000	\$115,000	\$115,000	\$120,000	\$120,000
USDA Installment Payment	Interest	\$75,500	\$73,400	\$71,200	\$69,000	\$66,700	\$64,400	\$62,000
Total Debt Service		\$180,500	\$183,400	\$181,200	\$184,000	\$181,700	\$184,400	\$182,000



Fund Balances

Fund Type	2026 Beginning Balance
Cash	\$2,348,328
Restricted Cash	\$666,840
Designated Cash	\$3,100,768
Total	\$6,115,936

- Contribute \$60k a year for sludge removal
- Maintain debt reserve balance



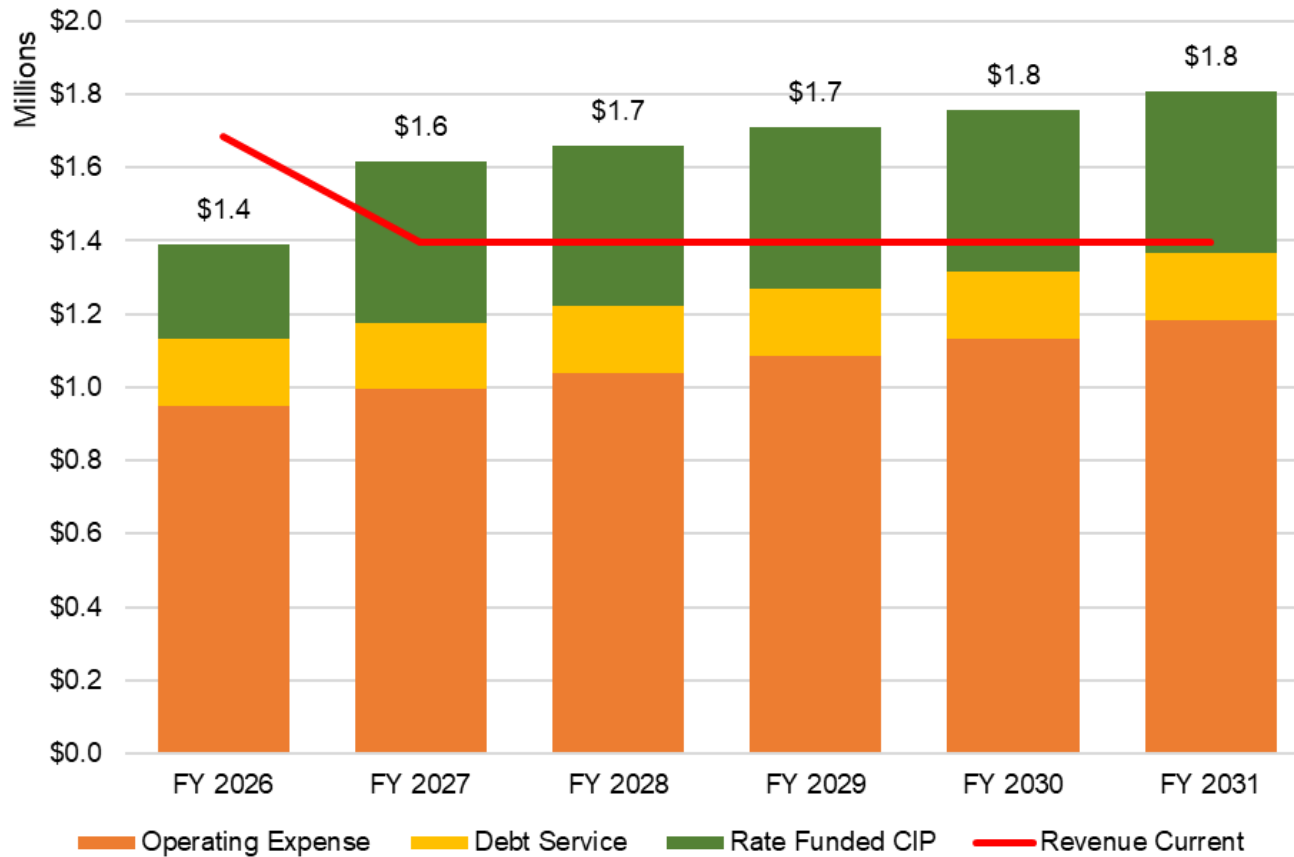
A wide-angle landscape photograph showing a calm lake nestled between towering, rugged mountains. The sky is filled with large, white, puffy clouds against a deep blue background. The mountains are covered in patches of green vegetation and exposed rock faces. The text 'Financial Plan Scenarios' is centered over the image in a large, white, sans-serif font.

Financial Plan Scenarios

Financial Scenarios

- Status Quo – No change to revenues
- Status Quo with No Casino – No change to revenues
- Proposed with Casino – Modest adjustments to maintain fund balances
- Proposed with Casino Secession – Adjustments required to maintain fund balances with no Casino

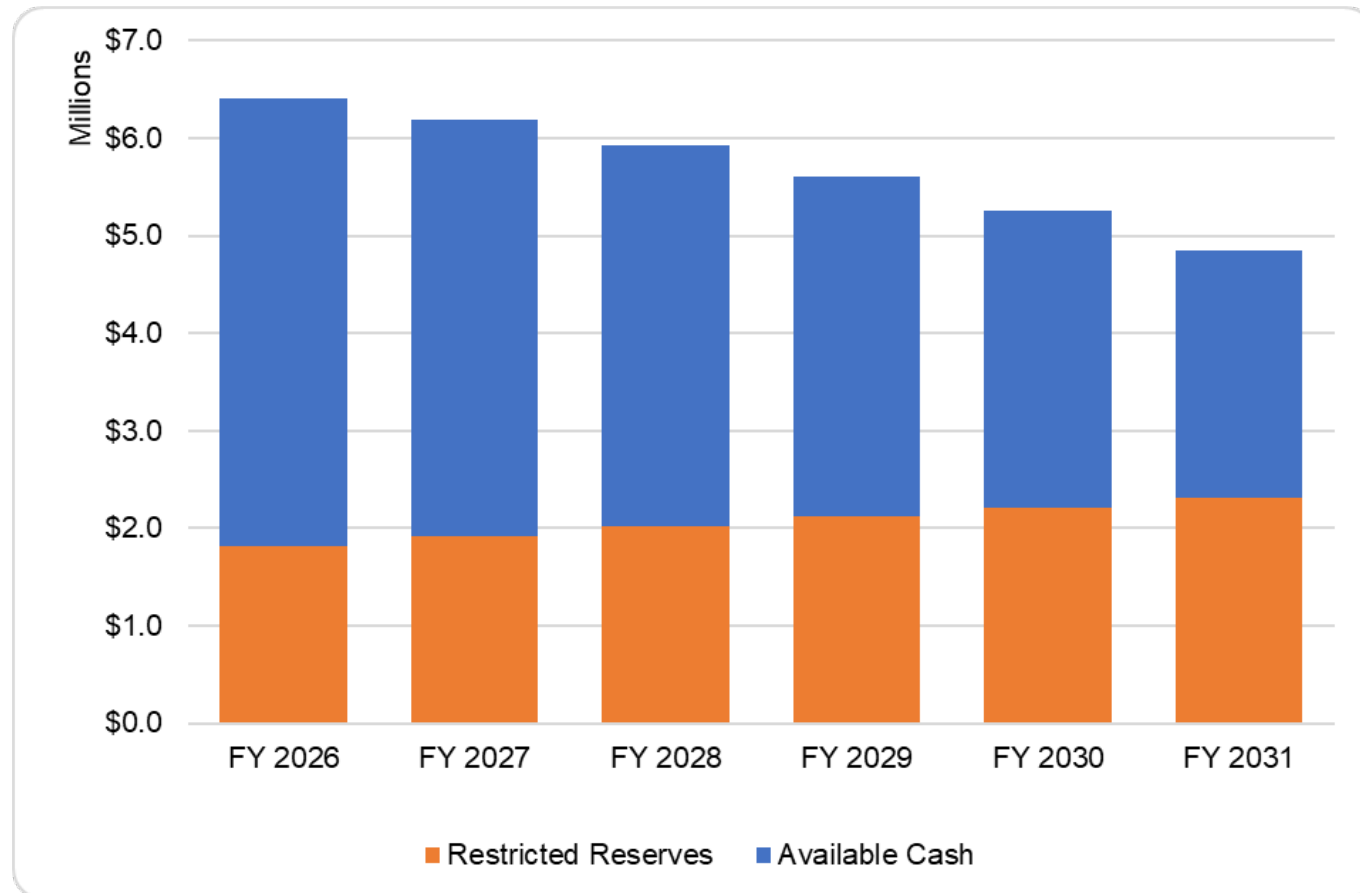
Status Quo – Operating Position



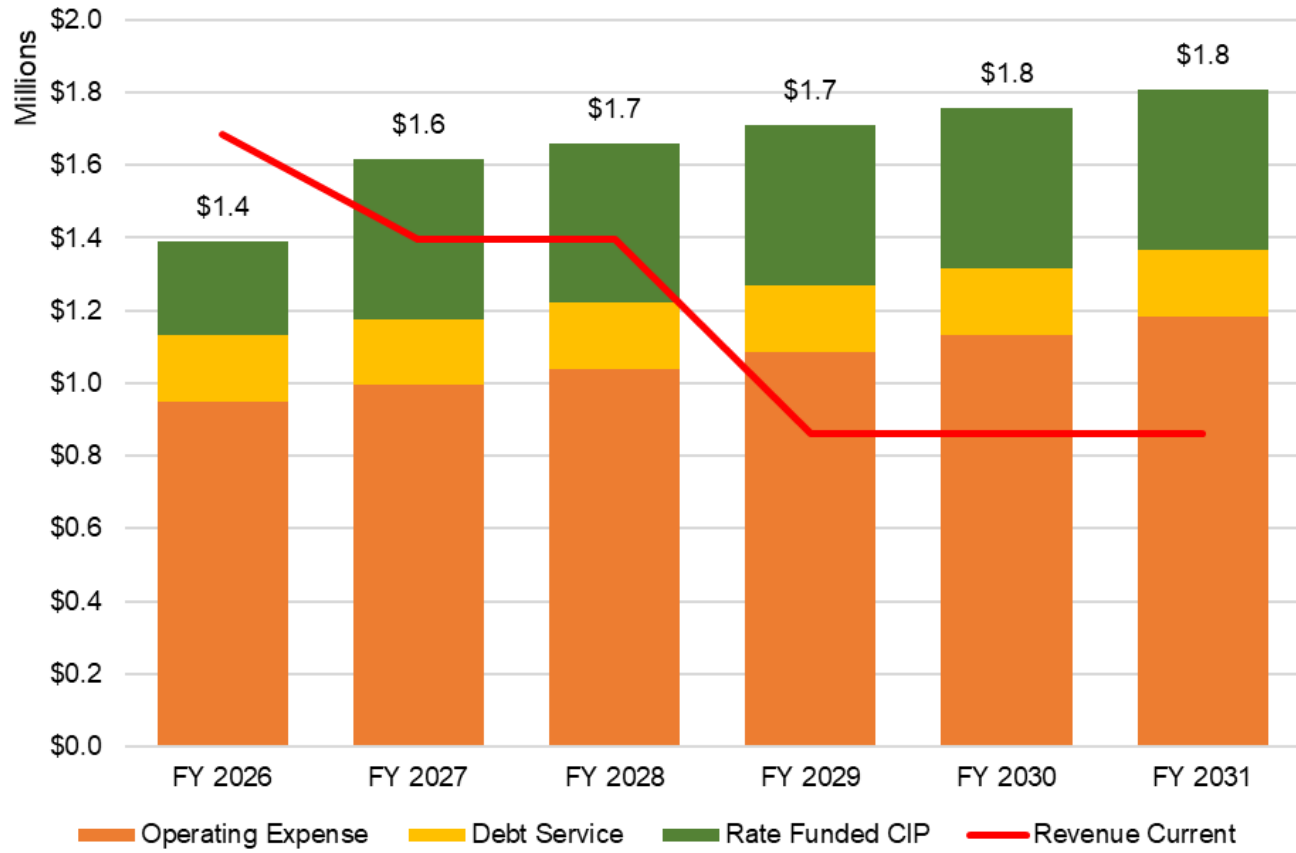
- FY 2026 includes transfer from reserves



Status Quo – Fund Balance

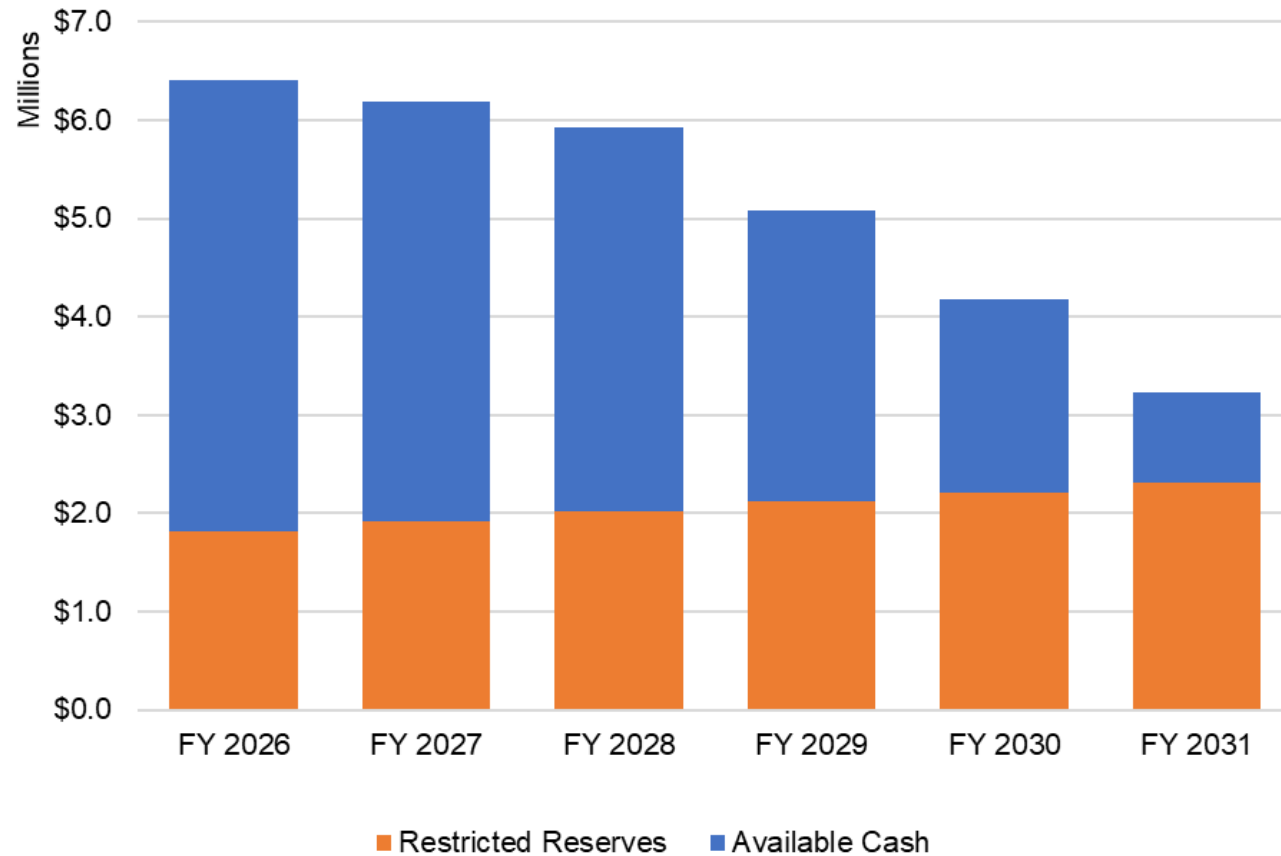


Status Quo No Casino – Operating Position



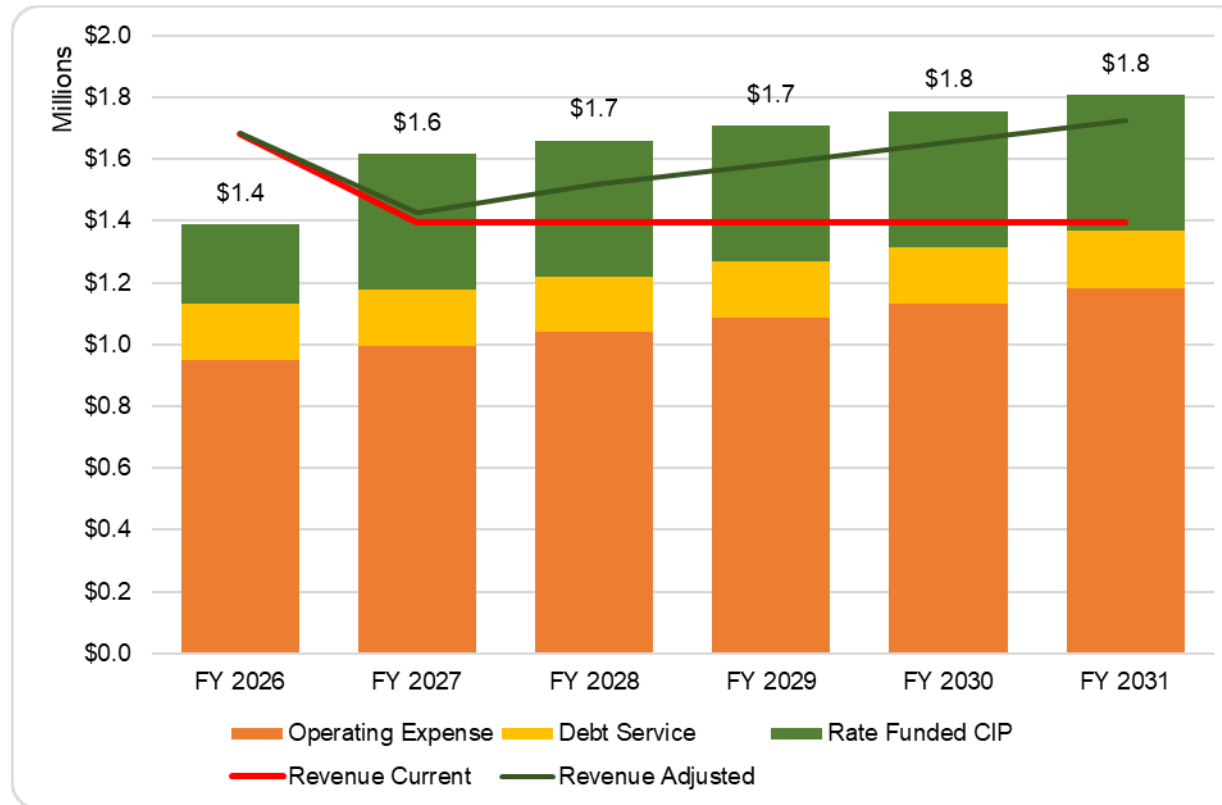
- FY 2026 includes transfer from reserves

Status Quo No Casino – Fund Balance



- District will spend reserves

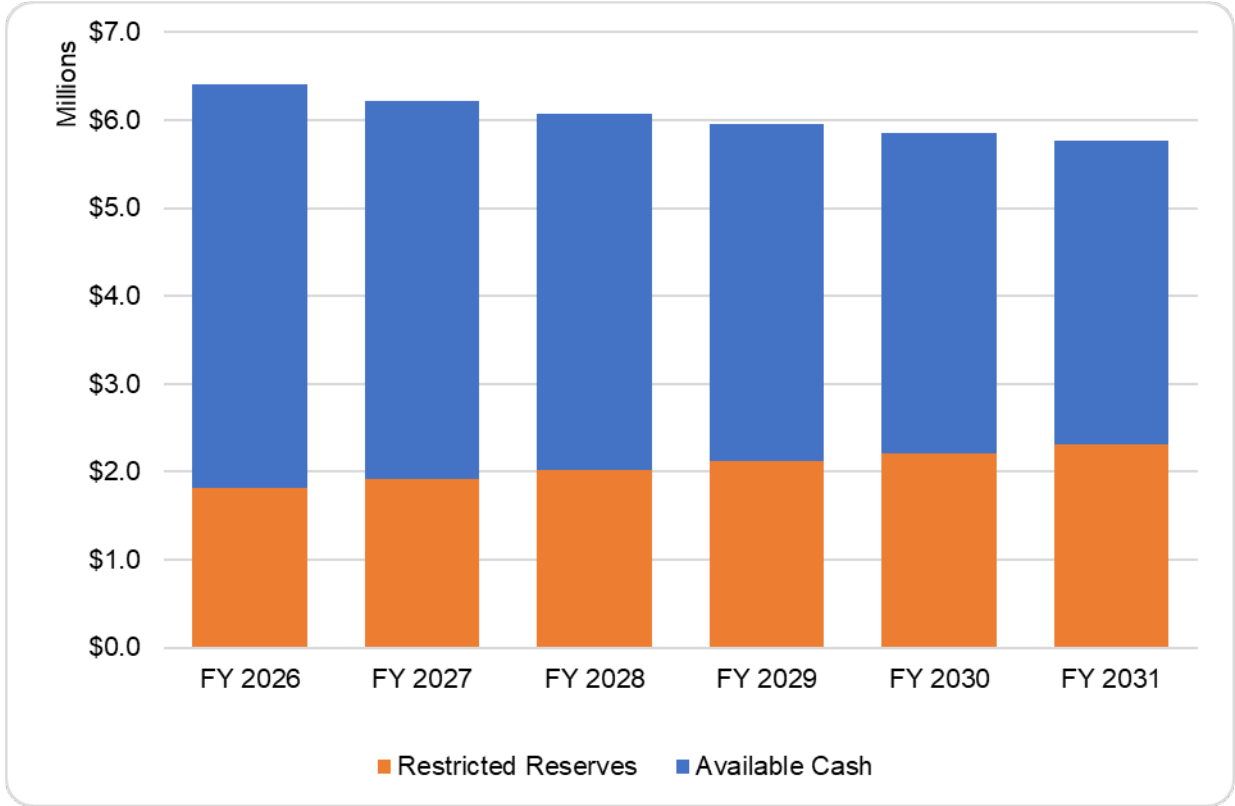
Proposed – Operating Position



	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Revenue Adjustment		5.0%	5.0%	5.0%	5.0%	5.0%



Proposed – Fund Balance

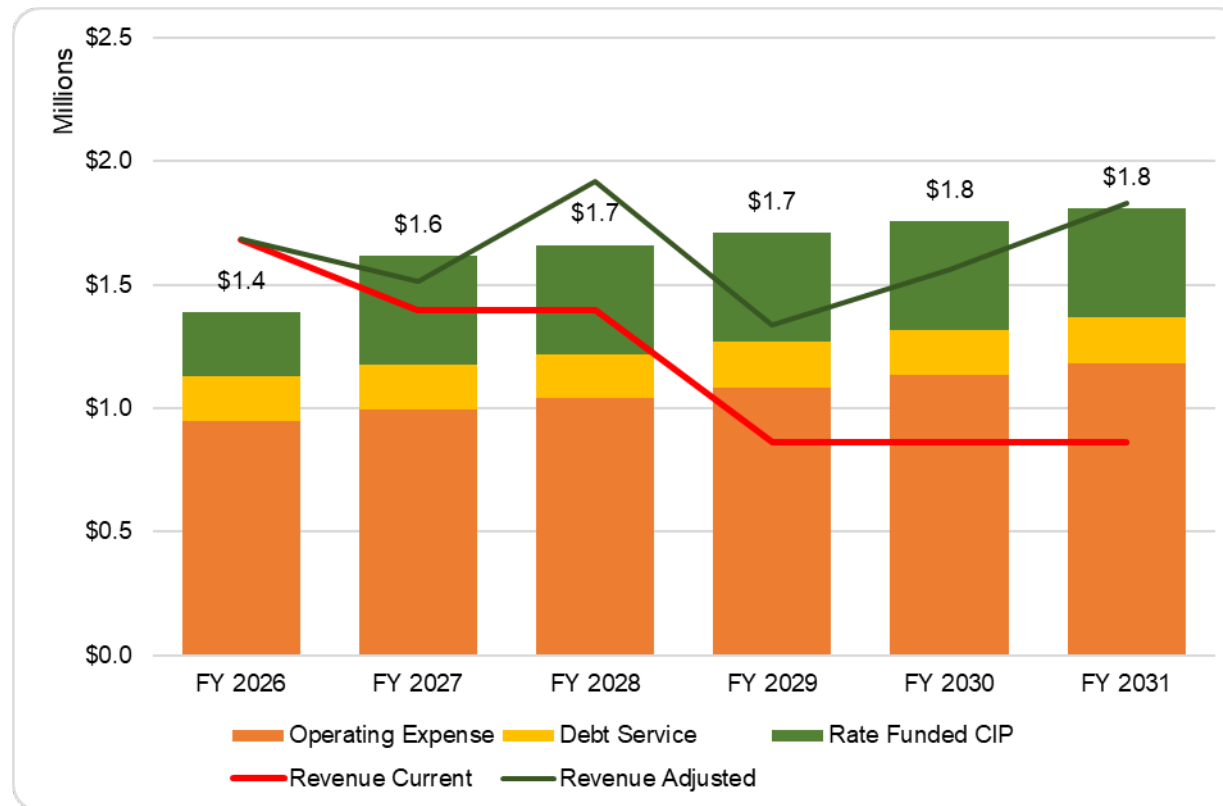


- Maintains fund balances

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Revenue Adjustment		5.0%	5.0%	5.0%	5.0%	5.0%



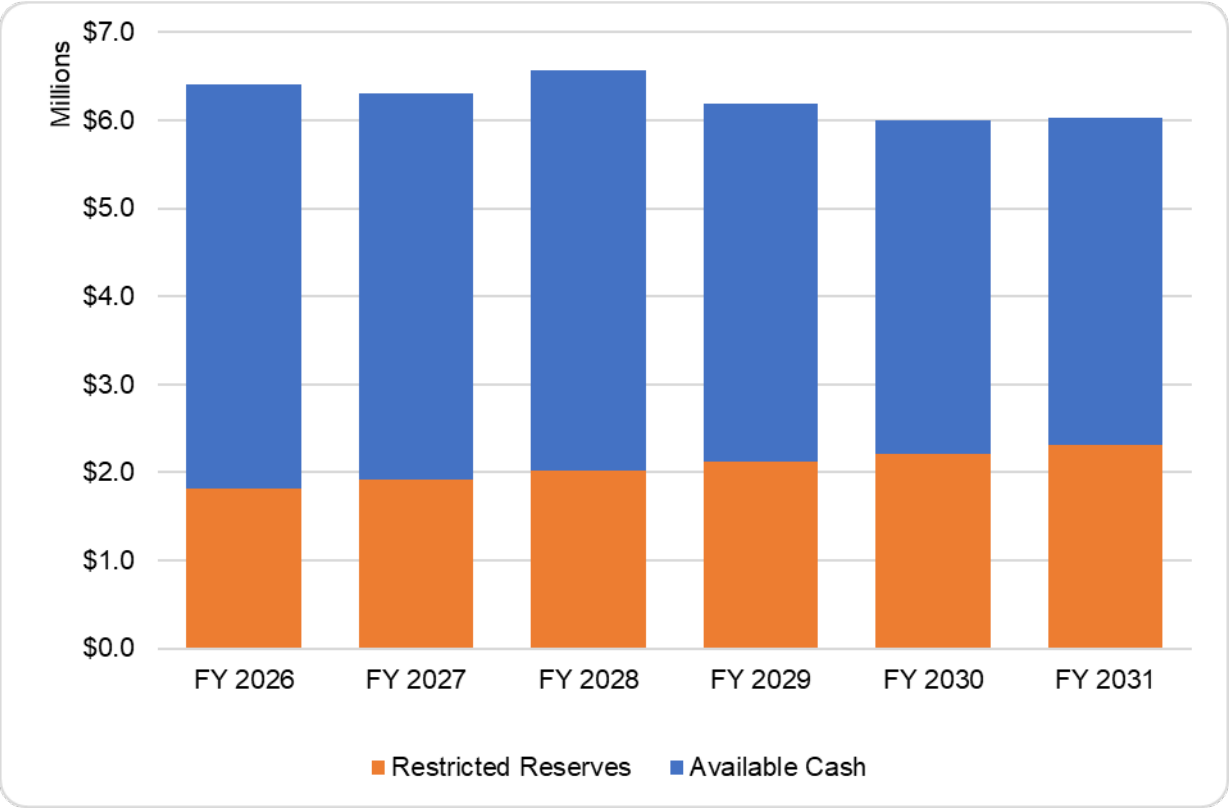
Proposed With Casino Secession– Operating Position



	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Revenue Adjustment		20.0%	20.0%	20.0%	20.0%	20.0%



Proposed With Casino Secession – Fund Balance



- Maintains fund balances

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Revenue Adjustment		20.0%	20.0%	20.0%	20.0%	20.0%





Rate Proposals

Rate Proposal

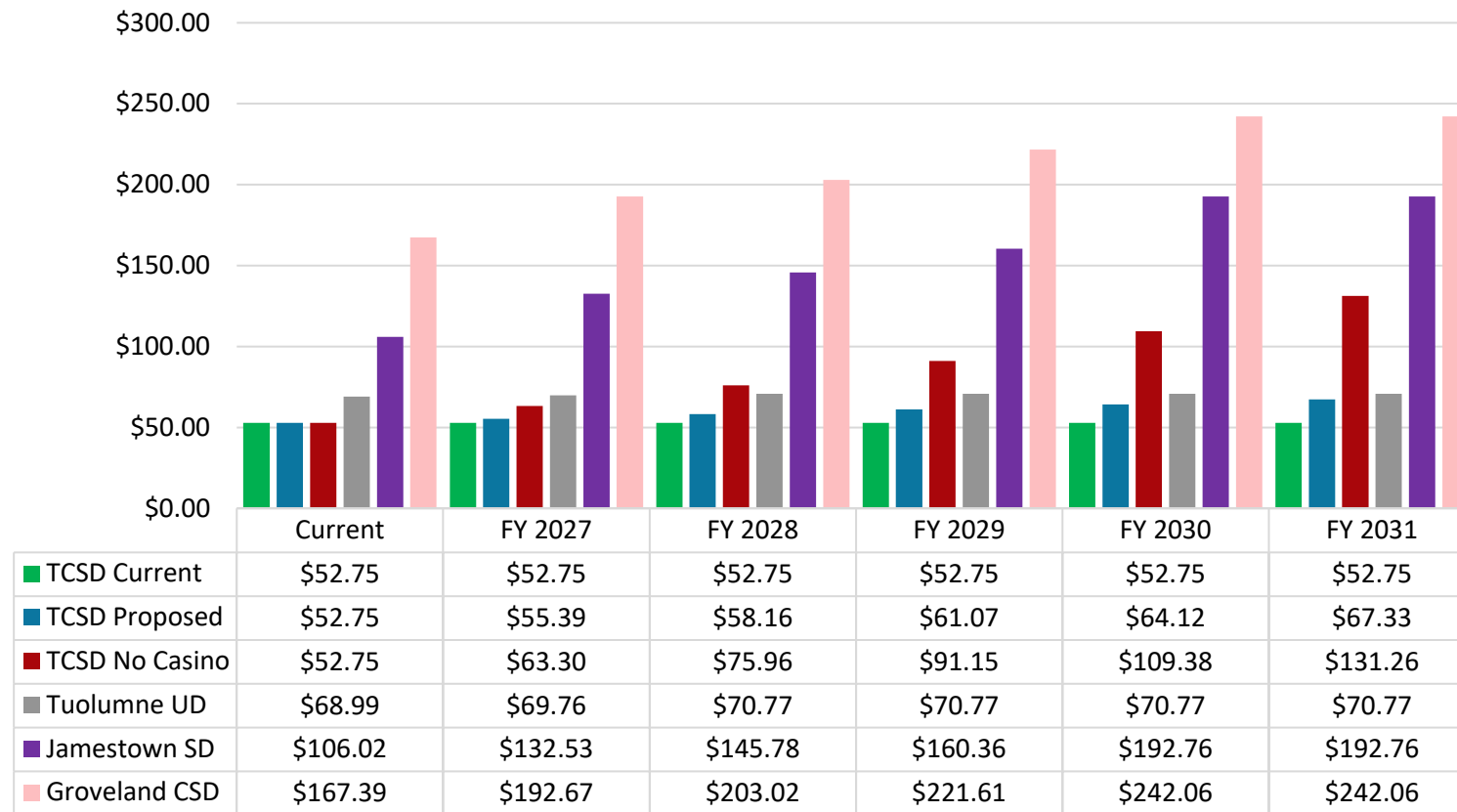
	Current	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Proposed	\$52.75	\$55.39	\$58.16	\$61.06	\$64.12	\$67.32
Proposed No Casino	\$52.75	\$63.30	\$75.96	\$91.15	\$109.38	\$131.26





Rate Comparison

Local Agency Comparison



■ TCSD Current
 ■ TCSD Proposed
 ■ TCSD No Casino
 ■ Tuolumne UD
 ■ Jamestown SD
 ■ Groveland CSD





Next Steps

Next Steps

- **Move forward with recommended financial plan option (5%)**
- **Produce executive report**
- **Begin Proposition 218 process**
 - Mail Notices
 - Hold Hearing (45 days after Notice)
 - Count Protests
- **Adopt 5-year rate schedule**



A photograph of the exterior of the Iron Door Saloon and Grill. The building is constructed of wood and stone, featuring a large wooden sign that reads "IRON DOOR SALOON EST. 1852". Below this, a blue sign says "CALIFORNIA'S OLDEST SALOON" and "FAMILIES WELCOME". A red "OPEN" sign hangs from the entrance. To the right, a black sign reads "Iron Door Grill" and "LIVE MUSIC". A mural of a cowboy on a horse is painted on the wall. A blue car is parked on the street in the foreground.

Questions?