

**TO:** GCSB Board of Directors

**FROM:** Peter Kampa, General Manager

**DATE:** April 8, 2025

**SUBJECT: Agenda Item 6A: Adoption of a Resolution Accepting the Recommended Water and Sewer Rate Schedule for the Period of July 1, 2025 through June 30, 2030, Establishing a Public Hearing Date for June, 2025 and Authorizing the General Manager to Prepare and Mail the Notice of Public Hearing**

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**RECOMMENDED ACTION:**

*I move to adopt Resolution 10-2025 to accept the recommended Water Rate Schedule and Option \_\_\_\_\_ of the Sewer Rate Schedule for the period of July 1, 2025 through June 30, 2030, establishing a Public Hearing date for June \_\_\_\_\_, 2025 and authorizing the General Manager to prepare and mail the Notice of Public Hearing.*

**BACKGROUND:**

On March 24, 2025, the Board of Directors reviewed and provided input to staff on the preliminary results of the water and sewer rate studies and financial plan conducted by NBS in collaboration with District staff. The Board directed staff to reevaluate the preliminary results of the financial plan and to see if there was an opportunity to reduce the first-year rate increases as presented in the rate models.

Staff have worked continuously since that meeting date, evaluating several different scenarios to decrease the percentage of the proposed rates. In today's discussion and presentation, General Manager Kampa will be introducing the topic of long-term financial planning for the water and sewer enterprises. NBS staff will follow to review the revised rate model and new recommended water and sewer rate schedule. It is further recommended that in conclusion of the above presentation, public and Board input, that the Board establish a public hearing date for June 2025 and authorize the General Manager to prepare and mail the notice of public hearing. The purpose of the public hearing is to receive public comments, concerns and protests related to the proposed rate increases, in accordance with California law.

**ATTACHMENTS:**

1. Resolution 10-2025
2. Presentation on the rate models, rate schedules and related information
3. Recommended Water and Sewer Rate Schedule

## RESOLUTION 10-2025

### **A RESOLUTION OF THE BOARD OF DIRECTORS OF THE GROVELAND COMMUNITY SERVICES DISTRICT ACCEPTING THE RECOMMENDED WATER AND SEWER RATE SCHEDULE FOR THE PERIOD OF JULY 1, 2025 THROUGH JUNE 30, 2030, ESTABLISHING A PUBLIC HEARING DATE FOR JUNE, 2025 AND AUTHORIZING THE GENERAL MANAGER TO PREPARE AND MAIL THE NOTICE OF PUBLIC HEARING**

**WHEREAS**, the Groveland Community Services District (herein referred to as District) is a local government agency formed and operating in accordance with Section §61000 et seq. of the California Government Code; and

**WHEREAS**, the Groveland Community Services District has commissioned the preparation of a Water and Sewer Rate Study by an independent public finance consultant; and

**WHEREAS**, the 2025 Water and Sewer Rate Study is presented herein in draft form, pending the outcome of the proposed rate increase Public Hearing; and

**WHEREAS**, the 2025 Water and Sewer Rate Study recommends rate increases to fund Capital Improvements and Reserves in the water and sewer services, as well as to cover operating expenses for the upcoming 5 years; and

**WHEREAS**, the District desires to reference the 2025 Water and Sewer Rate Study in its Rate Increase Hearing Public Notice;

**NOW, THEREFORE, BE IT RESOLVED**, by the District Board of Directors that:

1. The 2025 Water and Sewer Rate Study is hereby accepted as a final draft; and
2. Public meeting dates will be established to ensure that the public is informed of the proposed rate increases; and
3. Staff is to develop and distribute the Notice of Public Hearing as required.

**NOW THEREFORE BE IT RESOLVED THAT THE BOARD OF DIRECTORS OF THE GROVELAND COMMUNITY SERVICES DISTRICT DOES HEREBY** *adopt Resolution 10-2025 accepting the recommended Water Rate Schedule and Option \_\_\_\_\_ of the Sewer Rate Schedule for the Period of July 1, 2025 through June 30, 2030, Establishing a Public Hearing Date for June \_\_\_\_\_, 2025 and authorizing the General Manager to prepare and mail the Notice of Public Hearing.*

**WHEREFORE**, this Resolution is passed and adopted by the Board of Directors of the Groveland Community Services District on April 8, 2025, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

APPROVE:

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Nancy Mora, Board President

ATTEST:

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Rachel Pearlman, Board Secretary

**CERTIFICATE OF SECRETARY**

I, Rachel Pearlman, the duly appointed and acting Secretary of the Board of Directors of the Groveland Community Services District, do hereby declare that the foregoing Resolution was duly passed and adopted at a Regular Meeting of the Board of Directors of the Groveland Community Services District, duly called and held on April 8, 2025.

DATED: \_\_\_\_\_

A high-speed photograph of water splashing, with a stream of water falling from the top center and creating a large splash of water droplets and bubbles below. The background is a gradient of light blue and white, with a dark blue curved shape at the top right and a light green vertical bar on the left side.

***Groveland Community Services District***

***Overview of  
Water and Sewer Rate Study***

***April 8, 2025***



# Overview of a Rate Study

# Rate Study Purpose & Methodology

## Why Prepare a Rate Study?

1. Required to comply with Prop 218
2. Typically prepared every 5 years
3. They demonstrate the fairness & equity of customer rates

## General Rate Study Methodology:

**1** FINANCIAL PLAN/  
REVENUE  
REQUIREMENTS

**Step 1: Financial Plan/Revenue Requirements** - Compares current sources and uses of funds to determine the revenue needed from rates and projected rate adjustments.

**2** COST-OF-SERVICE  
ANALYSIS

**Step 2: Cost-of-Service Analysis** - Proportionately allocates the revenue requirements to the customer classes in compliance with industry standards and State Law.

**3** RATE DESIGN  
ANALYSIS

**Step 3: Rate Design** - Considers what rate structure will best meet the Authority's need to collect rate revenue from each customer class.

# Rate Study Methodology – Financial Plan

## What are “Net Revenue Requirements”?

The Financial Plan estimates the costs to be recovered from customer rates:

$$\begin{aligned} & \text{O\&M Costs} \\ & + \text{Debt Service} \\ & + \text{Capital Costs} \\ & - \text{Non-Rate Revenues}^* \\ & \text{Net Revenue Requirements} \end{aligned}$$

*\* licenses, fines, application fees, etc.*

These costs should also include funding for adequate levels of reserves.

# Rate Study Methodology – Financial Plan

## Financial Plan

**Utility Revenue:** The total income generated from customer service rates to cover operational expenses, debt repayments, and capital projects, minus alternative income sources like fees and fines. It includes a provision for reserves to ensure the utility's long-term financial stability and service reliability.

**Operations and Maintenance (O&M) Bucket:** This is the first bucket. It covers the costs of running and maintaining the service or infrastructure. The day-to-day expenses to keep things going.

**Capital Reserves Bucket:** Once O&M is funded, the money can flow to the next bucket. This bucket is for capital reserves, used for future significant investments or infrastructure upgrades.

**Rate-Funded Capital or Other Expenditures Bucket:** If there's money left over after filling the first two buckets, it can then be allocated to other areas in the water enterprise such as pay-as-you-go rate-funded capital projects.

## Utility Revenue





# Rate Study Methodology – Cost of Service

## How Are Water Costs Assigned to Customers?

Cost of Service Analysis (COSA) allocates costs based on the cost to serve each type of customer.

**Water Costs** are typically allocated by:

1. System Capacity Costs (based on system peaking factors)
2. Commodity Costs (annual consumption)
3. Customer Costs (number of accounts)

**Cost Allocations** – Costs are then allocated to each customer class based on their proportional share of the above criteria.

# Rate Study Methodology – Cost of Service

## How Are Sewer Costs Assigned to Customers?

**Sewer Costs** are typically allocated to customers based on:

1. Flow-Related Costs (the amount of effluent generated)
2. Effluent Strength-Related Costs
  - Biochemical Oxygen Demand (BOD/COD)
  - Total Suspended Solids (TSS)
3. Customer Costs

**What are Customer Classes?** – Customers with similar characteristics (effluent strength, volume, system demands, etc.) are grouped into classes.

*(Note: Costs, rates and Prop 218 requirements are focused on Classes, not individual customers or properties)*

# Rate Study Methodology – Rate Design

## What are Rate Design Objectives?

- Rates are proportional to cost of service (i.e., the cost to serve each customer or customer class)
- The San Juan Capistrano court decision (2015) mandated that rates “demonstrate the cost basis” in order to comply with Prop 218
  - Primarily related to tiered water rates
  - Basic principles apply to all rates
- Equitable & non-discriminating
- Ease of administration and understanding
- Provide revenue stability

# Water Rate Study Overview

# Water Rate Study Objectives

## Purpose of a Water Rate Study:

- Ensuring water rates will be able to cover all operating and maintenance costs.
- Ensuring sufficient funding for essential Capital Improvement Projects.
- Maintaining appropriate reserve funds.
- Complying with legal requirements of Prop 218.

The slide features a white background with a large green triangle in the upper right corner and a blue vertical bar on the far right edge. The title text is positioned in the lower left area.

# **Water Utility Financial Plan Summary**

# Summary of Water Revenue Requirements

Summary of Sources and Uses of Funds and Net Revenue Requirements	Budget	5-Year Projected Rate Period				
	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30
<b>Sources of Water Funds</b>						
Rate Revenue Under Prevailing Rates	\$ 2,584,484	\$ 2,592,754	\$ 2,601,051	\$ 2,609,375	\$ 2,617,725	\$ 2,626,101
Non-Rate Revenues	713,395	841,870	519,747	948,990	686,612	686,880
Interest Earnings	110,350	32,054	33,082	36,615	42,374	43,580
<b>Total Sources of Funds</b>	<b>\$ 3,408,229</b>	<b>\$ 3,466,679</b>	<b>\$ 3,153,880</b>	<b>\$ 3,594,980</b>	<b>\$ 3,346,710</b>	<b>\$ 3,356,562</b>
<b>Uses of Water Funds</b>						
Operating Expenses	\$ 3,953,833	\$ 4,120,317	\$ 4,270,670	\$ 4,426,694	\$ 4,624,214	\$ 4,756,663
Existing Debt Service	626,638	754,836	432,434	280,657	17,998	17,985
New Debt Service	-	-	-	580,741	580,741	580,741
Rate-Funded Capital Expenses	-	-	-	-	-	-
<b>Total Use of Funds</b>	<b>\$ 4,580,471</b>	<b>\$ 4,875,153</b>	<b>\$ 4,703,104</b>	<b>\$ 5,288,092</b>	<b>\$ 5,222,953</b>	<b>\$ 5,355,390</b>
<b>Surplus (Deficiency) before Rate Increase</b>	<b>\$ (1,172,242)</b>	<b>\$ (1,408,474)</b>	<b>\$ (1,549,224)</b>	<b>\$ (1,693,112)</b>	<b>\$ (1,876,243)</b>	<b>\$ (1,998,828)</b>
Additional Revenue from Rate Increases <sup>1</sup>	-	907,464	1,823,337	2,139,870	2,384,939	2,643,505
<b>Surplus (Deficiency) after Rate Increase</b>	<b>\$ (1,172,242)</b>	<b>\$ (501,010)</b>	<b>\$ 274,112</b>	<b>\$ 446,757</b>	<b>\$ 508,697</b>	<b>\$ 644,677</b>
<b>Projected Annual Rate Increase</b>	<b>0.00%</b>	<b>35.00%</b>	<b>26.00%</b>	<b>7.00%</b>	<b>5.00%</b>	<b>5.00%</b>
<b>Net Revenue Requirement<sup>2</sup></b>	<b>\$ 3,756,726</b>	<b>\$ 4,001,229</b>	<b>\$ 4,150,276</b>	<b>\$ 4,302,487</b>	<b>\$ 4,493,967</b>	<b>\$ 4,624,929</b>

1. Assumes new rates are implemented July 1, 2025.

2. Total use of funds less non-rate revenues and interest earnings.

# Rate Increases and CIP Program Costs

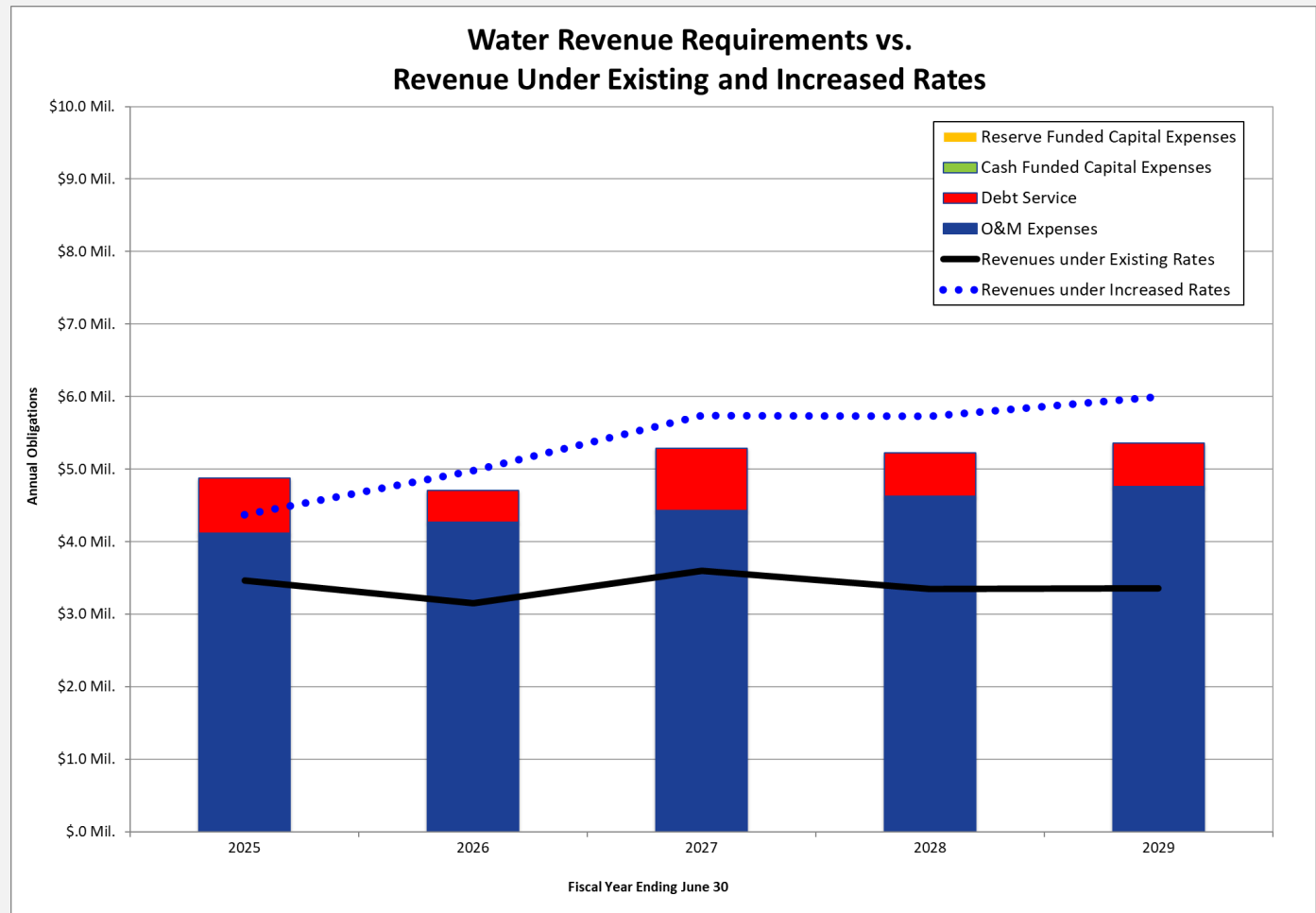
Water model analysis investigated rate revenue adjustment scenarios based on CIP and Debt Funding options:

- Draft financial plan shows following recommendations:
  - Utilization of new revenue bond of \$7.7 million to fund 20% of the District identified CIP over the 5-year rate implementation period
- Rate Adjustment Summary:
  - Per Board Direction, Year 1 and Year 2 rate adjustments have been smoothed, but these adjustments are still critical to address existing budget deficit and cover debt service requirements
  - Years 3 through 5 rate adjustments necessary to keep pace with inflation and maintain minimum reserve levels



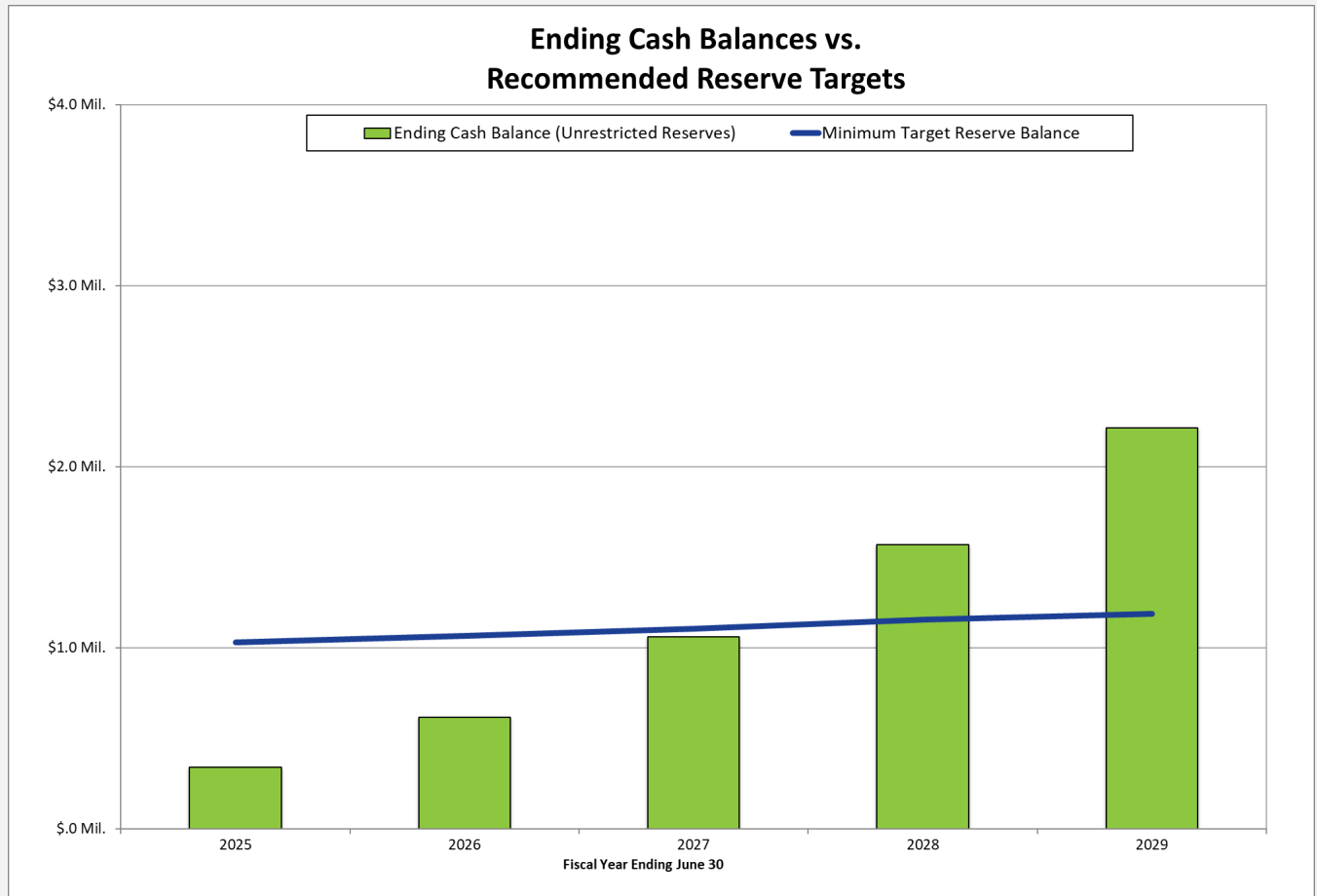
# Water Rate Study – Financial Plan

## Graphical Picture of Water Financial Plan:



# Reserve Fund Levels

## Water Reserves Under Proposed Water Rates & Financial Plan:



# Proposed Draft Water Rate Schedule

Water Rate Schedule	Current Rates	Proposed Rates				
		FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30
<i>Projected Increase in Rate Revenue</i>		35.00%	26.00%	7.00%	5.00%	5.00%
<b>Monthly Fixed Service Charges (in \$/mo)</b>						
<i>Monthly Fixed Charges:</i>						
5/8 x 3/4 inch	\$39.64	\$45.56	\$57.40	\$61.42	\$64.49	\$67.71
3/4 inch	\$39.64	\$45.56	\$57.40	\$61.42	\$64.49	\$67.71
1 inch	\$63.43	\$70.26	\$88.53	\$94.73	\$99.46	\$104.44
1 1/2 inch	\$103.07	\$132.03	\$166.36	\$178.00	\$186.90	\$196.25
2 inch	\$138.74	\$206.15	\$259.75	\$277.93	\$291.83	\$306.42
3 inch	\$218.02	\$403.81	\$508.79	\$544.41	\$571.63	\$600.21
4 inch	\$309.19	\$626.17	\$788.97	\$844.20	\$886.41	\$930.73
6 inch	n/a	\$1,243.84	\$1,567.24	\$1,676.94	\$1,760.79	\$1,848.83
<i>Monthly Fire Service Charges:</i>						
5/8 x 3/4 inch	\$7.50	\$24.01	\$30.25	\$32.37	\$33.98	\$35.68
3/4 inch	\$7.50	\$24.01	\$30.25	\$32.37	\$33.98	\$35.68
1 inch	\$10.00	\$34.38	\$43.31	\$46.35	\$48.66	\$51.10
1 1/2 inch	\$15.00	\$60.30	\$75.97	\$81.29	\$85.36	\$89.62
2 inch	\$20.00	\$91.40	\$115.17	\$123.23	\$129.39	\$135.86
3 inch	\$30.00	\$174.35	\$219.68	\$235.05	\$246.81	\$259.15
4 inch	\$40.00	\$267.66	\$337.25	\$360.86	\$378.90	\$397.85
6 inch	\$60.00	\$526.87	\$663.85	\$710.32	\$745.84	\$783.13
Existing Debt Service Charge	\$15.57	\$15.57	\$15.57	\$15.57	\$0.00	\$0.00
New Debt Service Charge	n/a	\$0.00	\$0.00	\$14.36	\$14.36	\$14.36
<b>Variable Charges for All Water Consumed (in \$/gal)</b>						
0 to 3,300 - Baseline Usage	\$0.00765	\$0.01247	\$0.01571	\$0.01681	\$0.01765	\$0.01853
> 3,300 - Peak Demand Usage	\$0.01514	\$0.02420	\$0.03049	\$0.03263	\$0.03426	\$0.03597

# Sewer Rate Study Overview

# Sewer Rate Study Objectives

## Purpose of a Sewer Rate Study:

- Ensuring sewer rates will be able to cover all operating and maintenance costs.
- Ensuring sufficient funding for essential Capital Improvement Projects.
- Maintaining appropriate reserve funds.
- Complying with legal requirements of Prop 218.

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# **Sewer Utility Financial Plan Summary**

# Summary of Sewer Revenue Requirements

Summary of Sources and Uses of Funds and Net Revenue Requirements	Budget	5-Year Projected Rate Period				
	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30
<b>Sources of Sewer Funds</b>						
Rate Revenue Under Prevailing Rates	\$ 2,325,447	\$ 2,332,888	\$ 2,340,354	\$ 2,347,843	\$ 2,355,356	\$ 2,362,893
Non-Rate Revenues	435,297	438,680	566,318	418,799	418,907	419,015
Interest Earnings	147,487	22,268	14,996	15,043	15,092	15,140
<b>Total: Sources of Funds</b>	<b>\$ 2,908,231</b>	<b>\$ 2,793,836</b>	<b>\$ 2,921,668</b>	<b>\$ 2,781,686</b>	<b>\$ 2,789,354</b>	<b>\$ 2,797,048</b>
<b>Uses of Sewer Funds</b>						
Operating Expenses	\$ 2,777,916	\$ 2,964,800	\$ 3,084,012	\$ 3,209,051	\$ 3,375,819	\$ 3,478,174
Existing Debt Service	534,272	575,952	420,914	273,280	141,048	141,040
Future Debt Service	-	-	279,391	279,391	279,391	279,391
Rate-Funded Capital Expenses	-	-	-	-	-	560,862
<b>Total: Use of Funds</b>	<b>\$ 3,312,188</b>	<b>\$ 3,540,752</b>	<b>\$ 3,784,317</b>	<b>\$ 3,761,723</b>	<b>\$ 3,796,258</b>	<b>\$ 4,459,467</b>
<b>Surplus (Deficiency) before Rate Increase</b>	<b>\$ (403,957)</b>	<b>\$ (746,916)</b>	<b>\$ (862,650)</b>	<b>\$ (980,037)</b>	<b>\$ (1,006,904)</b>	<b>\$ (1,662,419)</b>
Additional Revenue from Rate Increases <sup>1</sup>	-	699,867	1,158,475	1,407,884	1,600,776	1,804,339
<b>Surplus (Deficiency) after Rate Increase</b>	<b>\$ (403,957)</b>	<b>\$ (47,049)</b>	<b>\$ 295,826</b>	<b>\$ 427,847</b>	<b>\$ 593,873</b>	<b>\$ 141,919</b>
<b>Projected Increases in Rate Revenue</b>	<b>0.00%</b>	<b>30.00%</b>	<b>15.00%</b>	<b>7.00%</b>	<b>5.00%</b>	<b>5.00%</b>
<b>Net Revenue Requirement<sup>2</sup></b>	<b>\$ 2,729,404</b>	<b>\$ 3,079,804</b>	<b>\$ 3,203,003</b>	<b>\$ 3,327,880</b>	<b>\$ 3,362,260</b>	<b>\$ 4,025,312</b>

1. Assumes new rates are implemented July 1, 2025.

2. Total use of funds less non-rate revenues and interest earnings.

# Rate Increases and CIP Program Costs

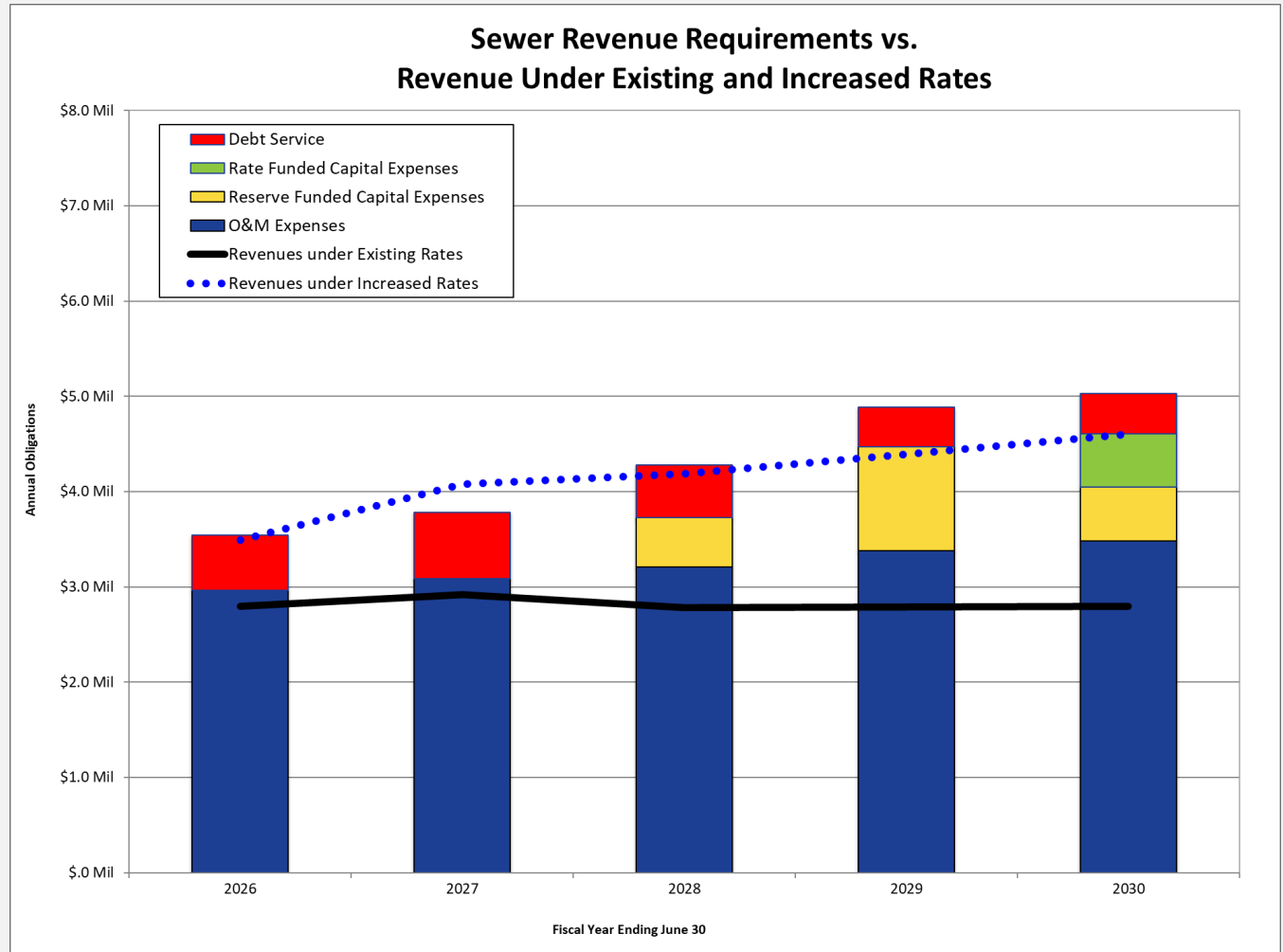
Sewer model analysis investigated rate revenue adjustment scenarios based on CIP and Debt Funding options:

- Draft financial plan shows following recommendations:
  - Utilization of new revenue bond of \$3.7 million to fund 50% of the District identified CIP over the 5-year rate implementation period
- Rate Adjustment Summary:
  - Per Board Direction, Year 1 and Year 2 rate adjustments have been smoothed, but these adjustments are still critical to address existing budget deficit and cover debt service requirements
  - Years 3 through 5 rate adjustments necessary to keep pace with inflation and maintain minimum reserve levels



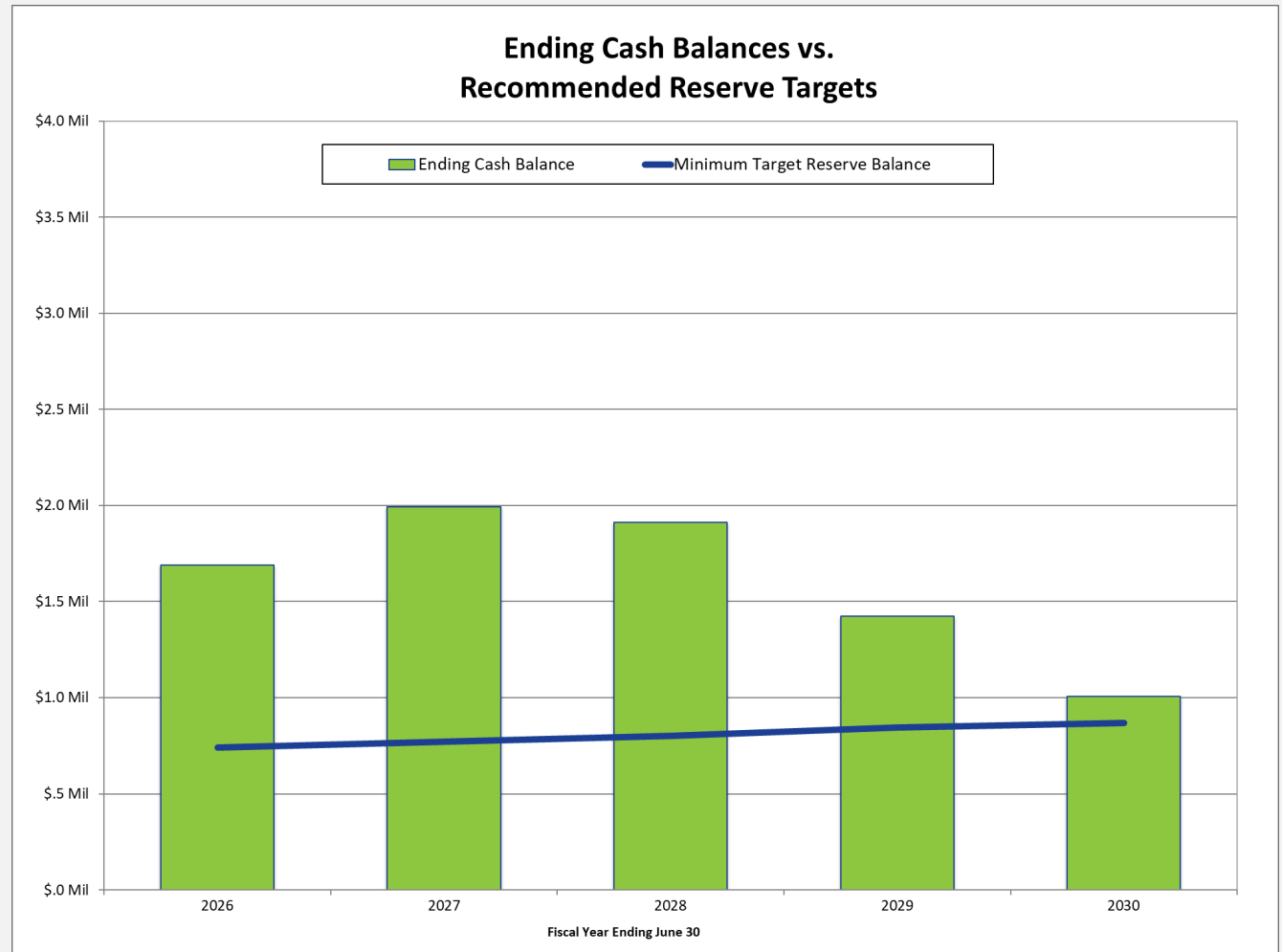
# Sewer Rate Study – Financial Plan

## Graphical Picture of Sewer Financial Plan:



# Reserve Fund Levels

## Sewer Reserves Under Proposed Sewer Rates & Financial Plan:



# Proposed Draft Sewer Rate Schedule Options

## Option 1: Existing Structure

Sewer Rate Schedule <sup>1</sup>	Current Rates	Proposed Sewer Rates				
		FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30
		30.00%	15.00%	7.00%	5.00%	5.00%
<b>Monthly Fixed Service Charge</b>						
Residential	\$88.68	\$117.58	\$135.21	\$144.68	\$151.91	\$159.51
Commercial	\$88.68	\$138.54	\$159.32	\$170.47	\$178.99	\$187.94
Standby	\$2.00	\$5.38	\$6.19	\$6.62	\$6.95	\$7.30
Sewer Only	\$124.82	\$146.97	\$169.02	\$180.85	\$189.89	\$199.38
Existing Debt Service Charge <sup>2</sup>	\$20.42	\$20.42	\$11.25	\$4.70	\$4.70	\$4.70
New Debt Service Charge	n/a	\$0.00	\$12.40	\$12.40	\$12.40	\$12.40
<b>Monthly Volume Usage Charge (in \$/gallon)</b>						
Residential	\$0.01166	\$0.01482	\$0.01704	\$0.01824	\$0.01915	\$0.02011
Commercial	\$0.01872	\$0.02658	\$0.03056	\$0.03270	\$0.03434	\$0.03605

1. Source: <https://www.gcsd.org/water-rates-fiscal-year-2022-2023>.

2. Monthly charge to repay the 2019 Wastewater Debt Service issued to refinance the 2014 wastewater revenue refunding bonds.

## Option 2: 100% Fixed Charges

Sewer Rate Schedule <sup>1</sup>	Current Rates	Proposed Sewer Rates				
		FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30
		30.00%	15.00%	7.00%	5.00%	5.00%
<b>Monthly Fixed Service Charge</b>						
Residential	\$88.68	\$146.97	\$169.02	\$180.85	\$189.89	\$199.38
Commercial	\$88.68	\$230.89	\$265.53	\$284.11	\$298.32	\$313.24
Standby	\$2.00	\$5.38	\$6.19	\$6.62	\$6.95	\$7.30
Sewer Only	\$124.82	\$146.97	\$169.02	\$180.85	\$189.89	\$199.38
Existing Debt Service Charge <sup>2</sup>	\$20.42	\$20.42	\$11.25	\$4.70	\$4.70	\$4.70
New Debt Service Charge	n/a	\$0.00	\$12.40	\$12.40	\$12.40	\$12.40

1. Source: <https://www.gcsd.org/water-rates-fiscal-year-2022-2023>.

2. Monthly charge to repay the 2019 Wastewater Debt Service issued to refinance the 2014 wastewater revenue refunding bonds.

# Questions & Discussion



# Proposed Draft Water Rate Schedule

Water Rate Schedule	Current Rates	Proposed Rates				
		FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30
<i>Projected Increase in Rate Revenue</i>		35.00%	26.00%	7.00%	5.00%	5.00%
<b>Monthly Fixed Service Charges (in \$/mo)</b>						
<i>Monthly Fixed Charges:</i>						
5/8 x 3/4 inch	\$39.64	\$45.56	\$57.40	\$61.42	\$64.49	\$67.71
3/4 inch	\$39.64	\$45.56	\$57.40	\$61.42	\$64.49	\$67.71
1 inch	\$63.43	\$70.26	\$88.53	\$94.73	\$99.46	\$104.44
1 1/2 inch	\$103.07	\$132.03	\$166.36	\$178.00	\$186.90	\$196.25
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5/8 x 3/4 inch	\$7.50	\$24.01	\$30.25	\$32.37	\$33.98	\$35.68
3/4 inch	\$7.50	\$24.01	\$30.25	\$32.37	\$33.98	\$35.68
1 inch	\$10.00	\$34.38	\$43.31	\$46.35	\$48.66	\$51.10
1 1/2 inch	\$15.00	\$60.30	\$75.97	\$81.29	\$85.36	\$89.62
2 inch	\$20.00	\$91.40	\$115.17	\$123.23	\$129.39	\$135.86
3 inch	\$30.00	\$174.35	\$219.68	\$235.05	\$246.81	\$259.15
4 inch	\$40.00	\$267.66	\$337.25	\$360.86	\$378.90	\$397.85
6 inch	\$60.00	\$526.87	\$663.85	\$710.32	\$745.84	\$783.13
Existing Debt Service Charge	\$15.57	\$15.57	\$15.57	\$15.57	\$0.00	\$0.00
New Debt Service Charge	n/a	\$0.00	\$0.00	\$14.36	\$14.36	\$14.36
<b>Variable Charges for All Water Consumed (in \$/gal)</b>						
0 to 3,300 - Baseline Usage	\$0.00765	\$0.01247	\$0.01571	\$0.01681	\$0.01765	\$0.01853
> 3,300 - Peak Demand Usage	\$0.01514	\$0.02420	\$0.03049	\$0.03263	\$0.03426	\$0.03597

# Proposed Draft Sewer Rate Schedule Options

## Option 1: Existing Structure

Sewer Rate Schedule <sup>1</sup>	Current Rates	Proposed Sewer Rates				
		FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30
		30.00%	15.00%	7.00%	5.00%	5.00%
<b>Monthly Fixed Service Charge</b>						
Residential	\$88.68	\$117.58	\$135.21	\$144.68	\$151.91	\$159.51
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Sewer Only	\$124.82	\$146.97	\$169.02	\$180.85	\$189.89	\$199.38
Existing Debt Service Charge <sup>2</sup>	\$20.42	\$20.42	\$11.25	\$4.70	\$4.70	\$4.70
New Debt Service Charge	n/a	\$0.00	\$12.40	\$12.40	\$12.40	\$12.40
<b>Monthly Volume Usage Charge (in \$/gallon)</b>						
Residential	\$0.01166	\$0.01482	\$0.01704	\$0.01824	\$0.01915	\$0.02011
Commercial	\$0.01872	\$0.02658	\$0.03056	\$0.03270	\$0.03434	\$0.03605

1. Source: <https://www.gcsd.org/water-rates-fiscal-year-2022-2023>.

2. Monthly charge to repay the 2019 Wastewater Debt Service issued to refinance the 2014 wastewater revenue refunding bonds.

## Option 2: 100% Fixed Charges

Sewer Rate Schedule <sup>1</sup>	Current Rates	Proposed Sewer Rates				
		FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30
		30.00%	15.00%	7.00%	5.00%	5.00%
<b>Monthly Fixed Service Charge</b>						
Residential	\$88.68	\$146.97	\$169.02	\$180.85	\$189.89	\$199.38
Commercial	\$88.68	\$230.89	\$265.53	\$284.11	\$298.32	\$313.24
Standby	\$2.00	\$5.38	\$6.19	\$6.62	\$6.95	\$7.30
Sewer Only	\$124.82	\$146.97	\$169.02	\$180.85	\$189.89	\$199.38
Existing Debt Service Charge <sup>2</sup>	\$20.42	\$20.42	\$11.25	\$4.70	\$4.70	\$4.70
New Debt Service Charge	n/a	\$0.00	\$12.40	\$12.40	\$12.40	\$12.40

1. Source: <https://www.gcsd.org/water-rates-fiscal-year-2022-2023>.

2. Monthly charge to repay the 2019 Wastewater Debt Service issued to refinance the 2014 wastewater revenue refunding bonds.