



DONNER SUMMIT
PUBLIC UTILITY DISTRICT

Understanding Your Water & Wastewater Rates

A Community Rate Study Presentation

April 2026 · Donner Summit Public Utility District



EST. 1947

Today's Agenda



Who We Are & What We Do

About DSPUD and the services we provide



Financial Condition

Data and analysis of the District's financial condition



Rate Study Methodology

Revenue requirements and proposed rate structure



Timeline & Next Steps

Prop 218 process and key dates



Your Questions

Who We Are & What We Do



Drinking Water Supply

Safe, treated potable water delivered to residential and commercial customers throughout the Donner Summit area.

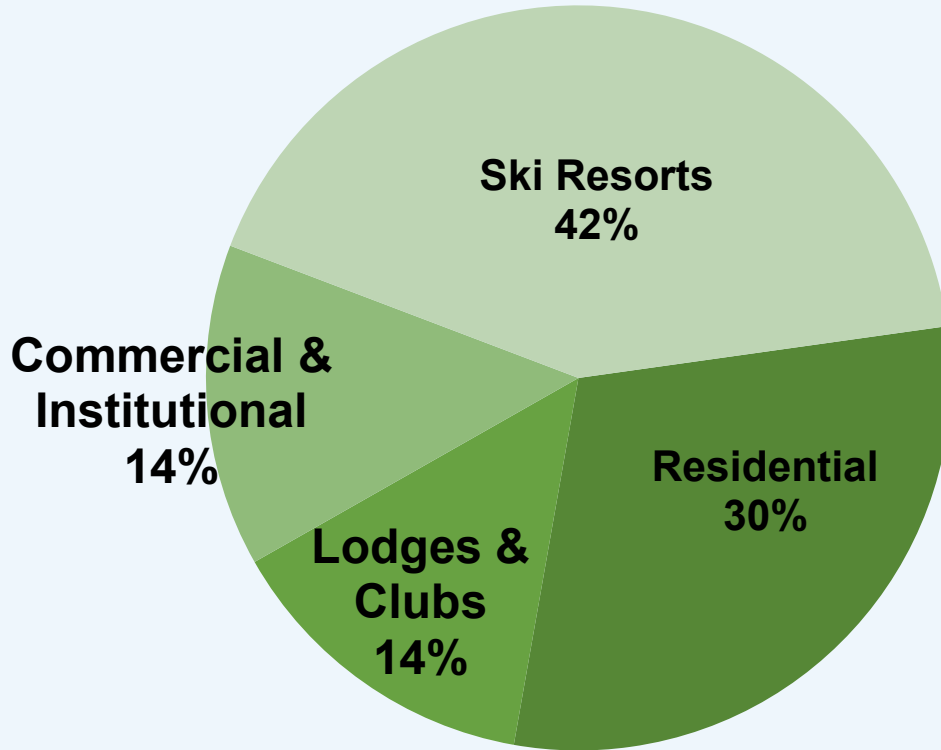


Wastewater Collection & Treatment

Collection, conveyance, and treatment of sewage to protect the health of our mountain community and environment.

Who We Serve

Big Bend & SLCWD excluded from chart

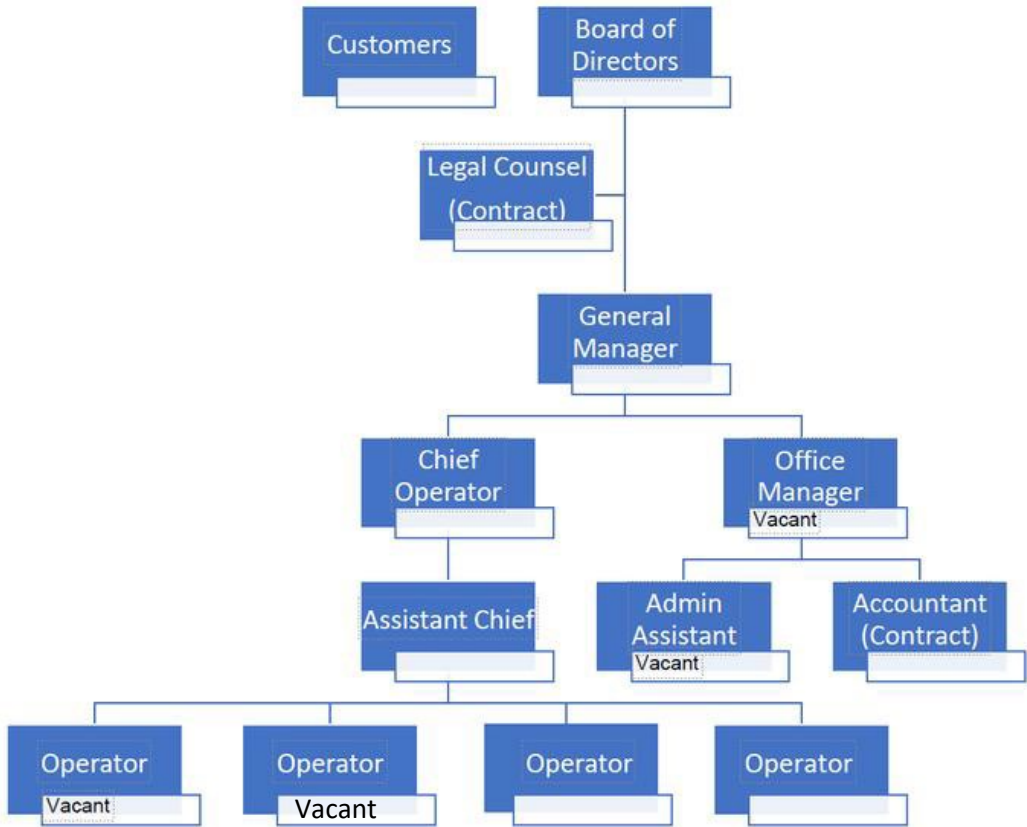


Main Water System
Big Bend

Wastewater

- Norden & Soda Springs
- SLCWD

Your District's Staffing



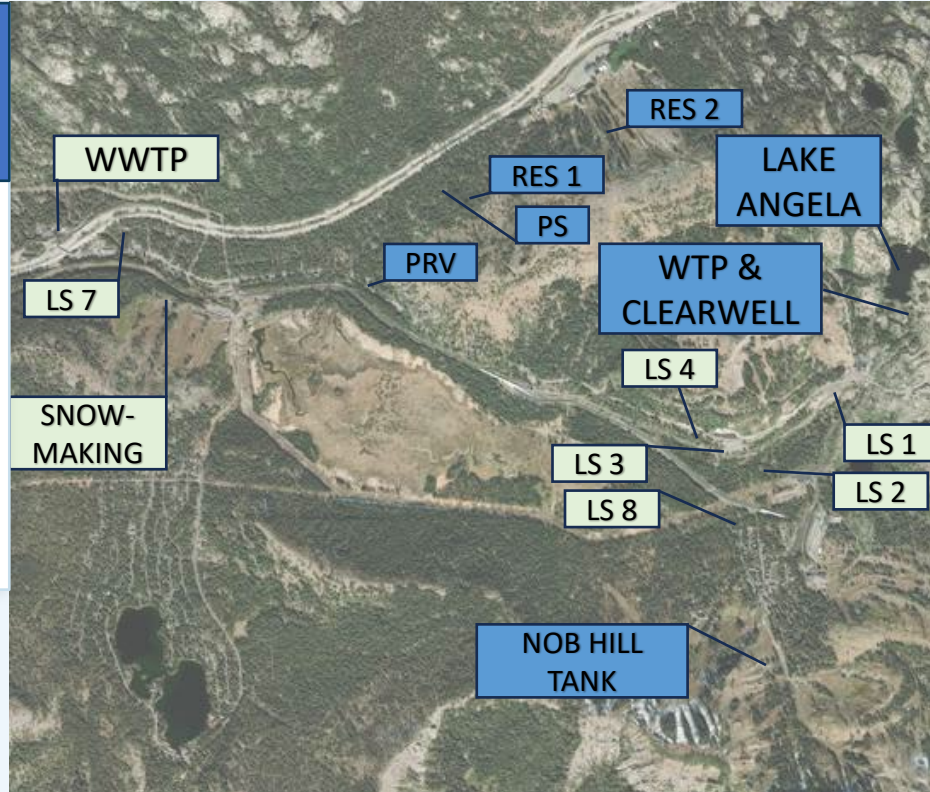
Facilities We Operate

The physical infrastructure your rates support



Water

- 🔹 Lake
- 🔹 Treatment Plant
- 🔹 4 Tanks
- 🔹 12 miles of pipe
- 🔹 PRV
- 🔹 Pump Station



Wastewater

- ➔ Treatment Plant
- ➔ 11 miles of pipe
- ➔ 6 Lift Stations
- ➔ Recycled Water

Facilities We Operate

The physical infrastructure your rates support — water system



Lake Angela

- Original dam constructed 1931
- Concrete dam



Facilities We Operate

The physical infrastructure your rates support — water system



Lake Angela

- Dam replaced in 1945
- Raised in 1971
- 310 acre-feet



Facilities We Operate

The physical infrastructure your rates support — water system



Water Treatment Plant

- Surface water treatment providing filtered, disinfected drinking water meeting all state standards.
- 1 MGD capacity
- Replaced in 2017



Facilities We Operate

The physical infrastructure your rates support — water system

Storage Tanks & Reservoirs

4 Tanks

Pressurized storage providing fire suppression capacity and system reliability during peak demand.



Clearwell – 80,000 Gal

Facilities We Operate

The physical infrastructure your rates support — water system



Storage Tanks & Reservoirs

Reservoir 1

500,000 GAL

1971



Facilities We Operate

The physical infrastructure your rates support — water system

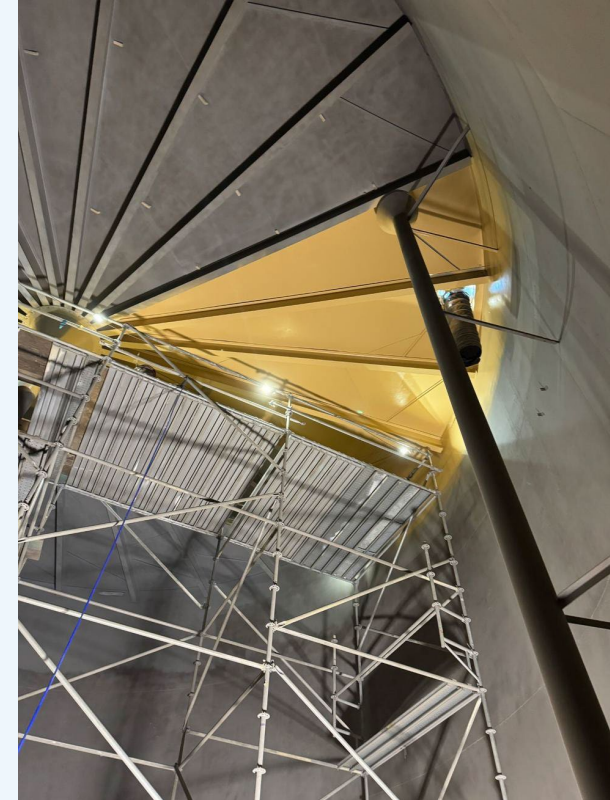
Storage Tanks & Reservoirs

Reservoir 2

500,000 GAL

1971

2025 - Partial Rehab



Facilities We Operate

The physical infrastructure your rates support — water system



Storage Tanks & Reservoirs

Nob Hill

200,000 GAL

1965



Facilities We Operate

The physical infrastructure your rates support — water system

Pump Stations

- Pump station to fill Reservoir 2
- Booster pump station to increase pressure at Sugar Bowl mid-mountain



Boreal Pump Station

Facilities We Operate

The physical infrastructure your rates support —wastewater system



Lift Stations



Lift Station 1



Lift Station 2

Facilities We Operate

The physical infrastructure your rates support — wastewater system



Lift Stations



Lift Station 3



Lift Station 4

Facilities We Operate

The physical infrastructure your rates support — wastewater system



Lift Stations



Lift Station 8

Facilities We Operate

The physical infrastructure your rates support —wastewater system

Treatment Plant

- 0.8 MGD ADWF
- Tertiary treatment
- Recycled water
 - Snowmaking
 - Construction
- Discharge
 - Yuba River
 - Land



EQ Tank

Reactor



Facilities We Operate

The physical infrastructure your rates support — wastewater system

Treatment Plant

Ultraviolet Irradiation



Facilities We Operate

The physical infrastructure your rates support — wastewater system



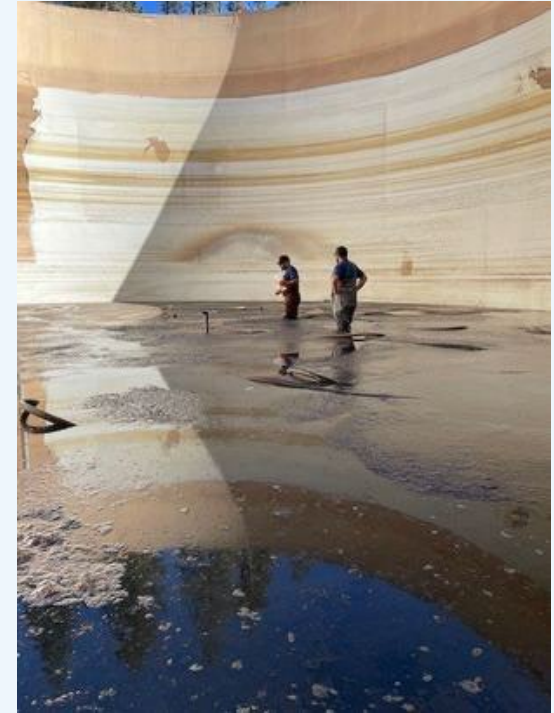
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Treatment Plant



Sludge Drying Beds



Sludge Tank



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Questions

Financial Condition



Revenue Sources

Revenue sources for both water and wastewater



Expenses

Recent expenses for water and wastewater



Cash Balances

Restricted and unrestricted cash

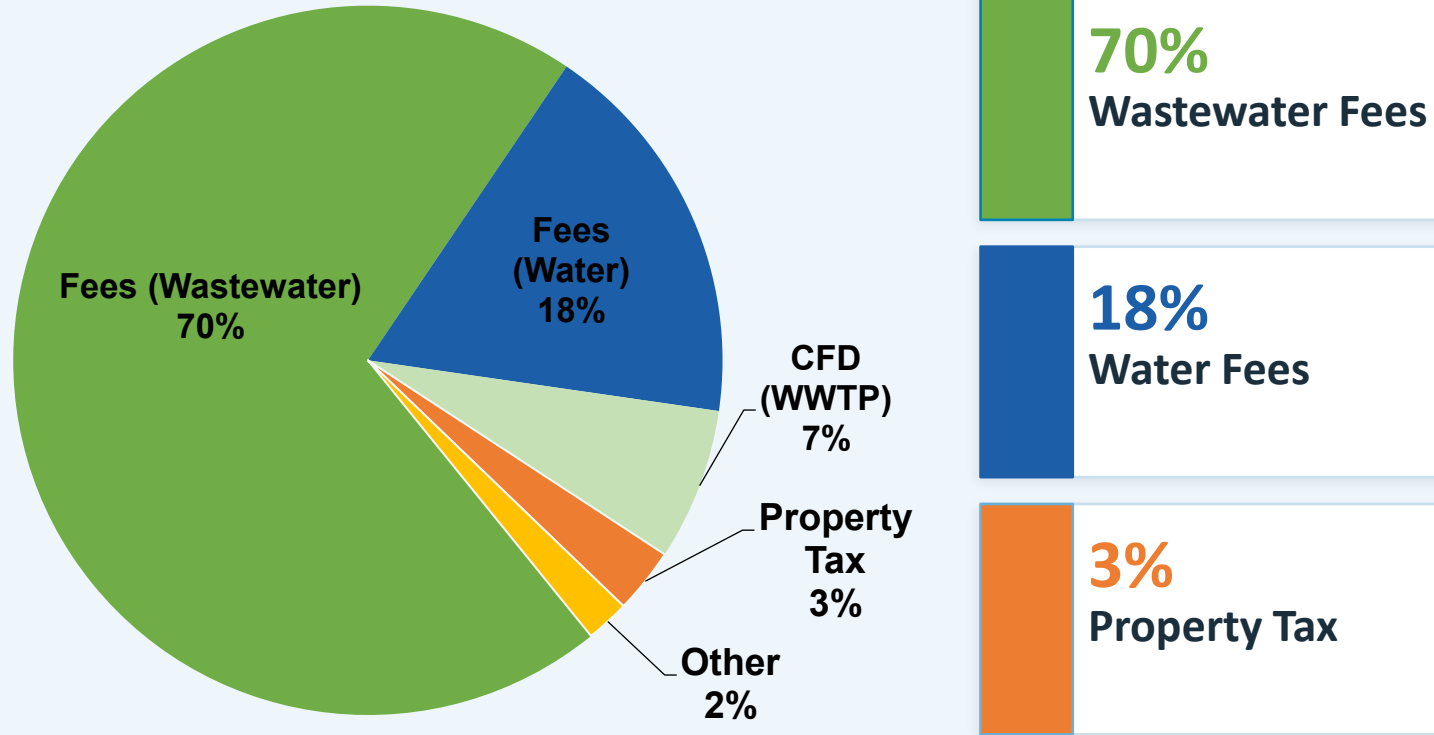


Financial Health

Review of financial health indicators

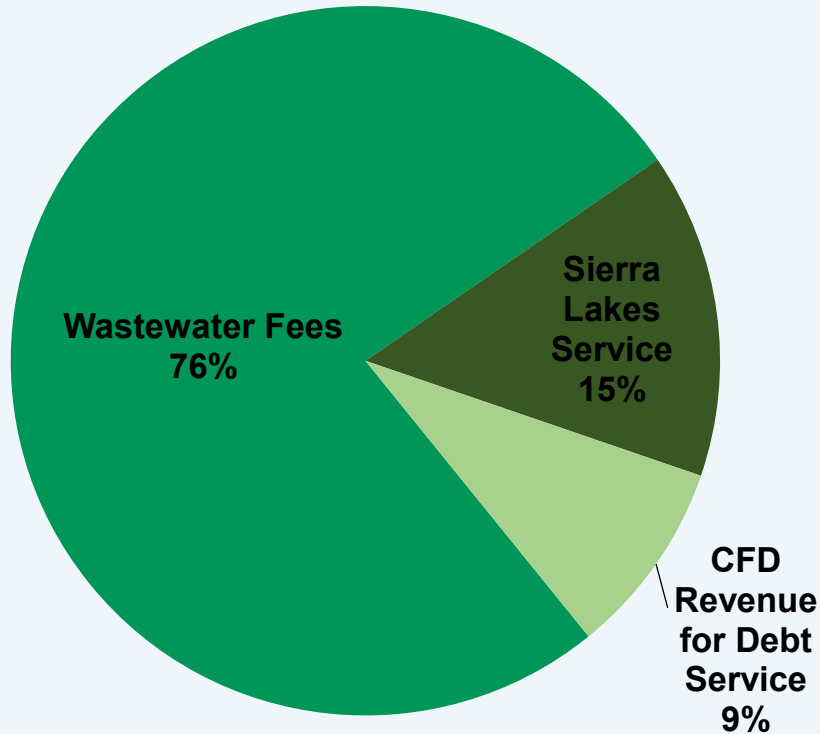
Total Revenue Sources

Where does revenue come from?



Wastewater Revenue Sources

What makes up wastewater rate revenue collected by the district



76%

Wastewater Fees

15%

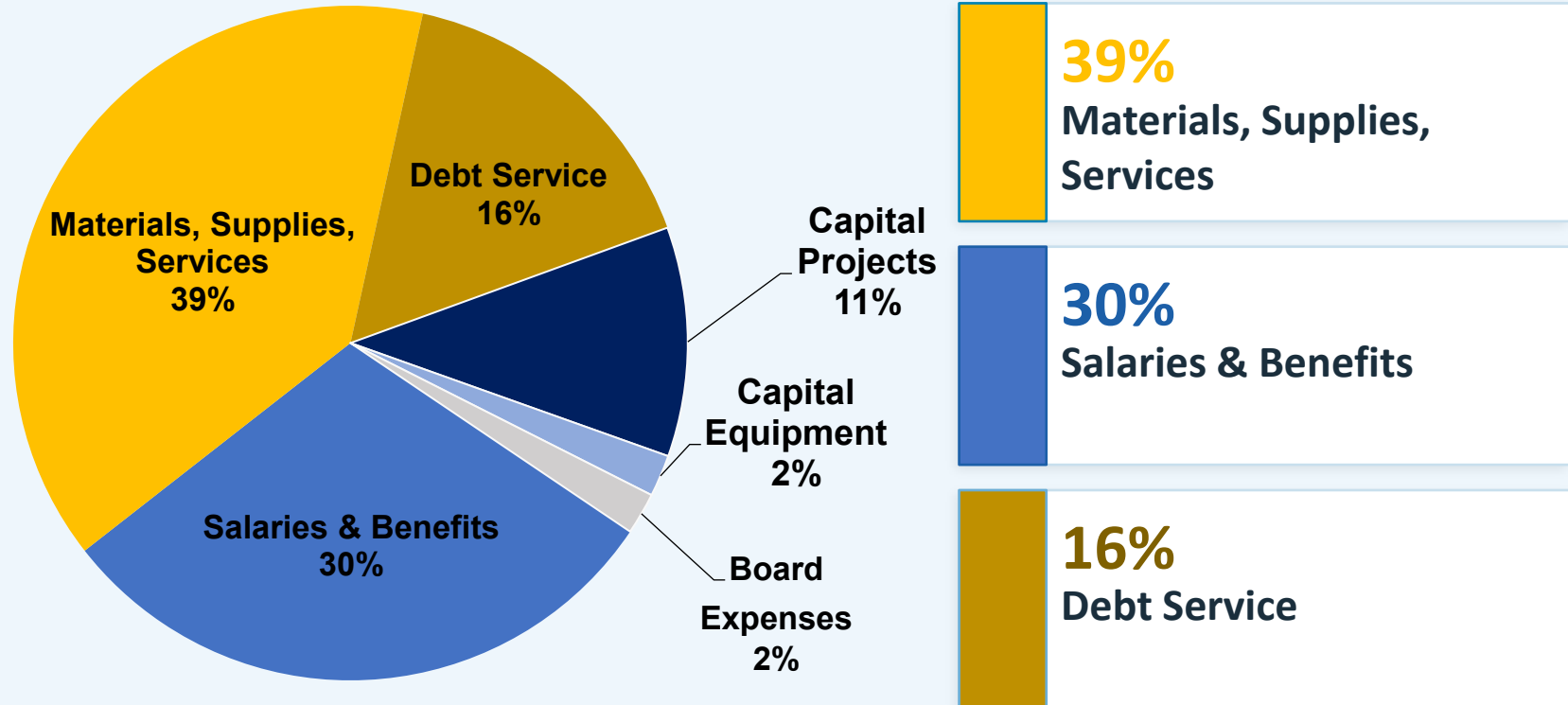
Sierra Lakes Service

9%

**CFD Revenue
For Debt Service**

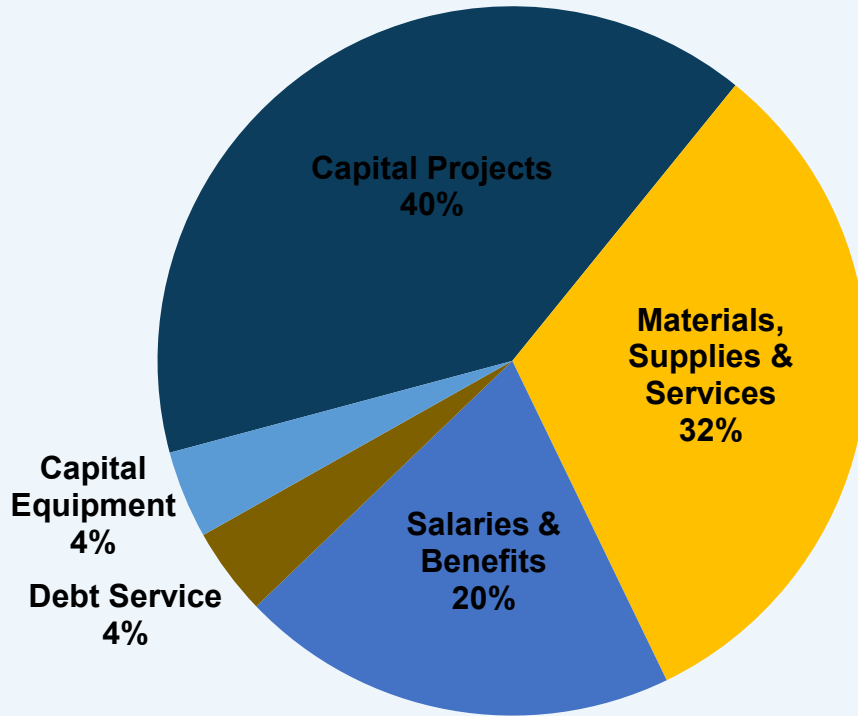
Expenses (Current Budget Year)

What is the money used for?



Water Expense Breakdown

How water rate dollars are spent across cost categories



40% Capital Projects

32% Materials, Supplies & Services

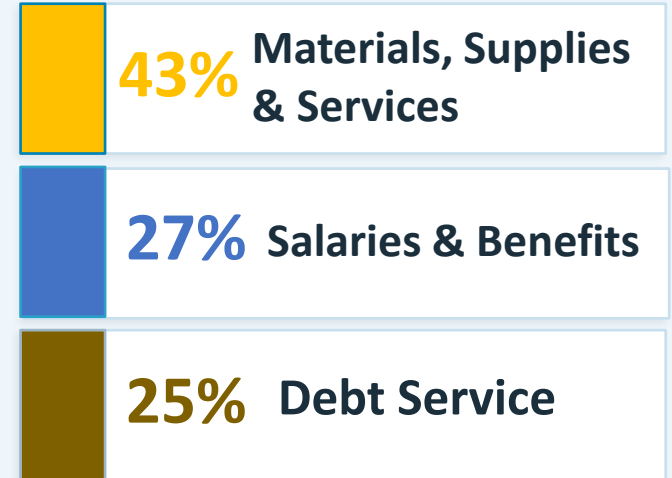
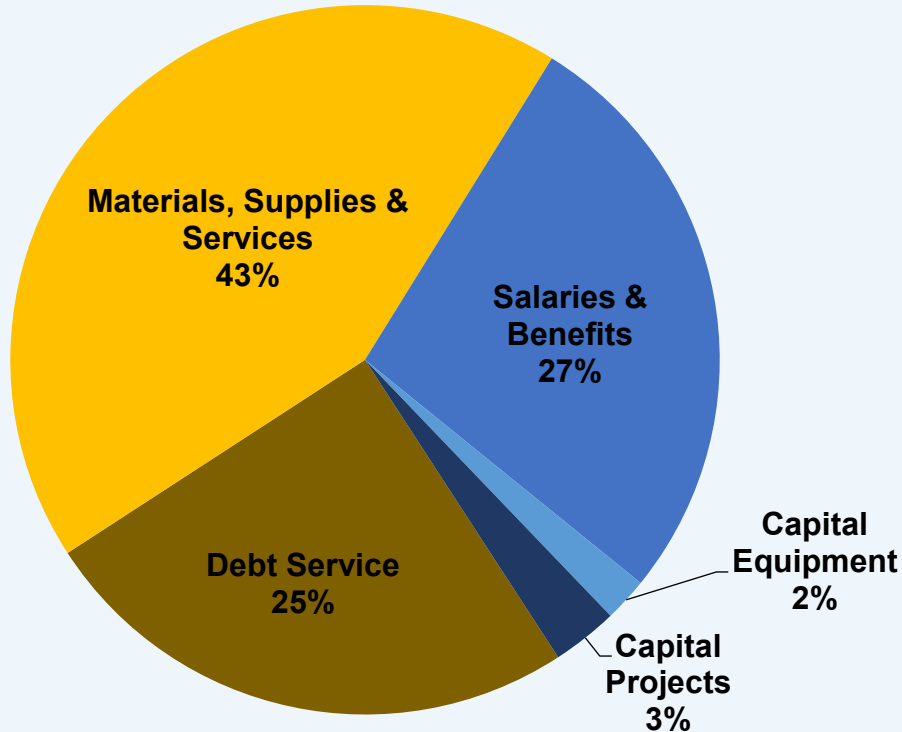
20% Salaries & Benefits

4% Debt Service

4% Capital Equipment

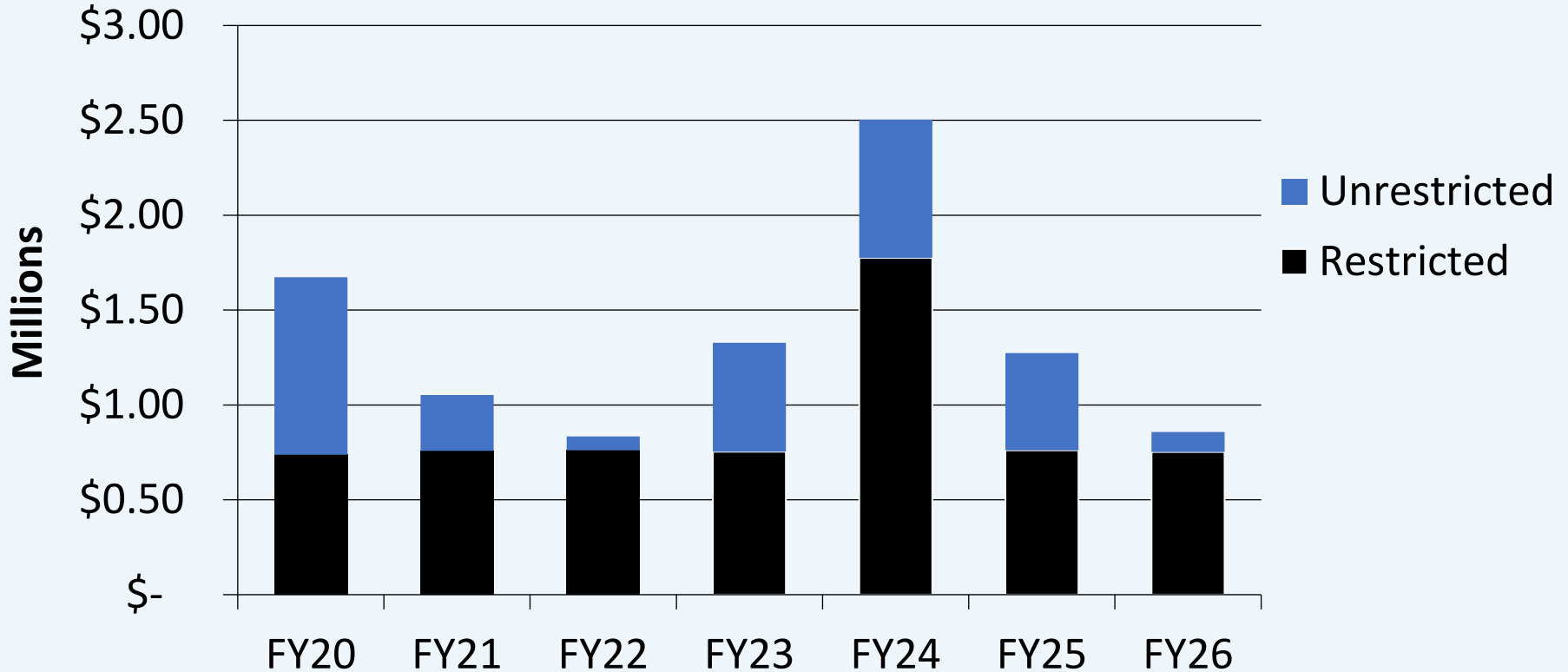
Wastewater Expense Breakdown

How wastewater rate dollars are spent across cost categories



Cash Balances

How much money do we have





Financial Health Indicators



Rate action is needed to achieve financial health.



Liquidity Ratio

0.4

BELOW MINIMUM



Days Cash on Hand

57 days

BELOW MINIMUM



Capital Reserves

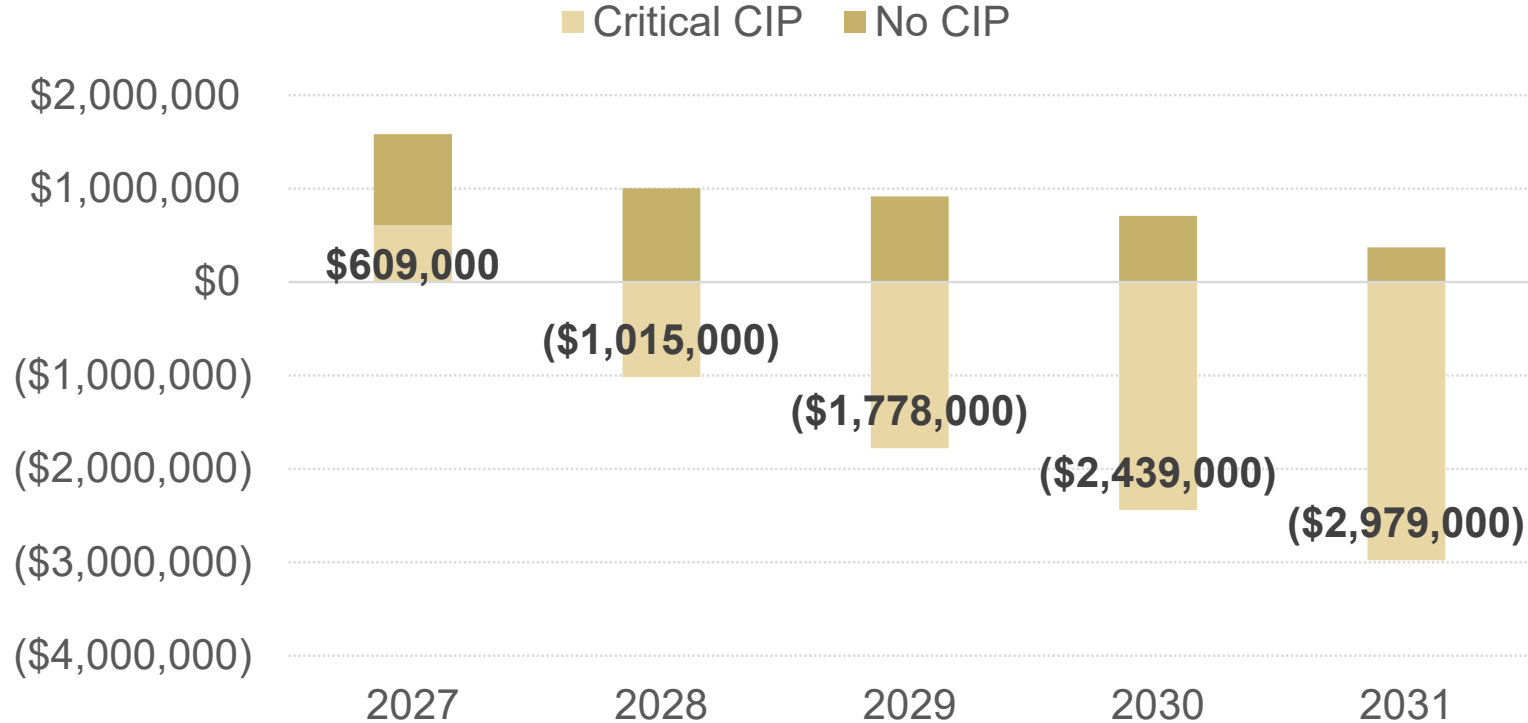
\$0

BELOW MINIMUM

Goal: 50% of 5-yr CIP

Consequences of No Rate Increase

Restricted and Unrestricted Cash



Consequences of No Rate Increase

Unable to pay bills / Insolvency

Violate State
and Federal
Loan
Agreements

Default on
Loans

Unable to
Pay Regular
Bills

Court
Decides Our
Future

Consequences of No Rate Increase

Unable to pay bills / Insolvency



- ▲ **Violate State and Federal loan agreements**
 - ▲ **Example - SRF Agreement 12-805-550**

3.3 Obligation Absolute.

The obligation of the Recipient to make the Installment Payments and other payments required to be made by it under this Agreement, from Net Revenues and/or other amounts legally available to the Recipient therefor, is absolute and unconditional, and until such time as the Installment Payments and Additional Payments have been paid in full, the Recipient shall not discontinue or suspend any Installment Payments or other payments required to be made by it hereunder when due, whether or not the System or any part thereof is operating or operable or has been completed, or its use is suspended, interfered with, reduced or curtailed or terminated in whole or in part, and such Installment Payments and other payments shall not be subject to reduction whether by offset or otherwise and shall not be conditional upon the performance or nonperformance by any party of any agreement for any cause whatsoever.

Consequences of No Rate Increase

Unable to pay bills / Insolvency



⚠️ Violate State and Federal loan agreements

⚠️ Example - SRF Agreement 12-805-550

- (b) Pledge of Net Revenues. The Obligation hereunder shall be secured by a lien on and pledge of Net Revenues in priority as specified in Exhibit F. The Recipient hereby pledges and grants such lien on and pledge of Net Revenues to secure the Obligation, including payment of Installment Payments and Additional Payments hereunder. The Net Revenues in the Enterprise Fund shall be subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Recipient.

Consequences of No Rate Increase

Unable to pay bills / Insolvency



▲ Violate State and Federal loan agreements

▲ Example - SRF Agreement 12-805-550

(d) Rates, Fees and Charges. The Recipient agrees, to the extent permitted by law, to fix, prescribe and collect rates, fees and charges for the System during each Fiscal Year which are reasonable, fair and nondiscriminatory and which will be at least sufficient to yield during each Fiscal Year Net Revenues equal to the debt service on System Obligations, including the Obligation, for such Fiscal Year. The Recipient may make adjustments from time to time in such fees and charges and may make such classification thereof as it deems necessary, but shall not reduce the rates, fees and charges then in effect unless the Net Revenues from such reduced rates, fees and charges will at all times be sufficient to meet the requirements of this section. The Recipient agrees to promptly challenge any initiative that would impair the Obligation pursuant to Section 2.5.5. This requirement applies to Recipients that are public agencies.

Consequences of No Rate Increase

Unable to pay bills / Insolvency



⚠️ Violate State and Federal loan agreements

⚠️ Example - SRF Agreement 12-805-550

- The Recipient has established or will establish specific sources of revenue to satisfy its net revenue pledge, including Special Taxes in its Community Facilities District No.1 Improvement Areas No. 1 and No. 3, and increased rates earmarked for Obligation repayment in Improvement Area No. 2. The Recipient shall notify the State Water Board of any substantial change, or intent to change, the structure or source(s) of these pledged revenues.
- Notwithstanding the provisions of Section 3.7(d), the Recipient shall covenant to establish rates and charges in amounts sufficient to generate net revenues equal to at least 1.10 times the total annual debt service.



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Questions

Rate Study Methodology

Revenue required and allocation among customers



Our rate study follows the industry standards:

- American Water Works Association (AWWA) M1 Manual
- Water Environment Federal M27 Manual

Revenue Requirement

- Operations & maintenance
- Reserve contributions
- Capital improvements
- Debt service

Cost of Service

Allocate costs among customer classes (residential, commercial, etc) based on their proportionate use of each system.

Revenue Requirement

How much do we need for reserves



\$ Restricted (Debt Obligations)

- Existing loans - \$750,000
- Existing debt
 - Net operating income = 1.10x
- Future debt
 - Net operating income = 1.20x

\$ Unrestricted

- Operating cash
 - 4 – 6 months of operating
- Capital
 - 50% of the 5 year CIP cost

Revenue Requirement - Water

How much do we need for operations and maintenance



Item	Annual Increase	Baseline Budget	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Personnel	3.5%	\$277,220	\$286,920	\$296,960	\$307,350	\$318,110	\$329,240
Professional Fees	3.5%	\$64,980	\$67,250	\$69,600	\$72,040	\$74,560	\$77,170
Equip., Facility & Fleet Maint. [1]	3.0%	\$74,050	\$76,270	\$78,560	\$80,920	\$83,350	\$85,850
General Operating Costs [2]	2.5%	\$27,830	\$28,530	\$29,240	\$29,970	\$30,720	\$31,490
Insurance	5.0%	\$53,650	\$56,330	\$59,150	\$62,110	\$65,220	\$68,480
Chemicals, Lab Supplies & Testing	5.0%	\$23,440	\$24,610	\$25,840	\$27,130	\$28,490	\$29,910
Utilities	4.0%	\$60,480	\$62,900	\$65,420	\$68,040	\$70,760	\$73,590
Total Operating Expenses		\$581,650	\$602,810	\$624,770	\$647,560	\$671,210	\$695,730

Revenue Required – Wastewater

How much do we need for operations and maintenance



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Item	Annual Increase	Baseline Budget	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Personnel	3.5%	\$1,302,370	\$1,347,950	\$1,395,130	\$1,443,960	\$1,494,500	\$1,546,810
Professional Fees	3.5%	\$124,290	\$128,640	\$133,140	\$137,800	\$142,620	\$147,610
Equip., Facility & Fleet Maint.	3.0%	\$179,250	\$184,630	\$190,170	\$195,880	\$201,760	\$207,810
General Operating Costs	2.5%	\$101,420	\$103,960	\$106,560	\$109,220	\$111,950	\$114,750
Insurance	5.0%	\$211,050	\$221,600	\$232,680	\$244,310	\$256,530	\$269,360
Chemicals, Lab Supplies & Testing	5.0%	\$284,100	\$298,310	\$313,230	\$328,890	\$345,330	\$362,600
Infiltration & Inflow Program	3.5%	\$33,100	\$34,260	\$35,460	\$36,700	\$37,980	\$39,310
Sludge Removal	3.5%	\$34,730	\$35,950	\$37,210	\$38,510	\$39,860	\$41,260
Utilities	4.0%	\$443,860	\$461,610	\$480,070	\$499,270	\$519,240	\$540,010
Total Operating Expenses		\$2,714,170	\$2,816,910	\$2,923,650	\$3,034,540	\$3,149,770	\$3,269,520

Revenue Requirement – Current Debt Service

How much do we need for existing debt service



Loan	Annual Amount	Notes
WW Treatment Plant	\$719,191	Paid by 2041
Lake Angela Water Treatment Plant	\$ 20,007	Paid by 2048
PG&E	\$ 758	Paid by 2030
Total	\$739,956	Excluding Big Bend

Revenue Requirement – Future Debt Service Est.

How much do we need for future debt service



Item	Water	Wastewater	Total
Proceeds	\$ 1,905,000	\$ 506,000	\$ 2,411,000
Costs of Issuance	\$ 105,000	\$ 34,000	\$ 139,000
Amount Financed	\$ 2,010,000	\$ 540,000	\$ 2,550,000
Annual Debt Service	\$ 123,400	\$ 33,160	\$ 156,560

Note: Assumes certificates of participation with California Special Districts Association Finance Corporation for 20 years @ 4.50%



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Questions

Revenue Requirement – 2026 10-Yr CIP

Staff Developed CIP vs. Critical CIP



WATER - UNCONSTRAINED CIP

Next 5 Years

Years 6-10+

Pretreatment at Water Plant

Dam Tendon Tensioning

Tanks Rehab & Coating

Nob Hill Tank Rehab & Coating

Pump Station Rehab & Backup Power

Automated Meter Replacement

Office Building Rehab

SLCWD Intertie

\$2.0M

\$2.4M

Revenue Requirement – 2026 10-Yr CIP

Staff Developed CIP vs. Critical CIP



WATER - CRITICAL CIP

Next 5 Years

Years 6-10+

Pretreatment at Water Plant

Dam Tendon Tensioning

Tanks Rehab & Coating

Nob Hill Tank Rehab & Coating

Pump Station Rehab & Backup Power

Automated Meter Replacement

~~Office Building Rehab~~

SLCWD Intertie

Office Building Rehab

\$1.7M

\$2.7M

Revenue Requirement – 2026 10-Yr CIP

Staff Developed CIP vs. Critical CIP



WASTEWATER - UNCONSTRAINED CIP

Next 5 Years	Years 6-10+
Lift Station 2 Capacity Increase	Lift Station Rehab (No. 7)
Sewer Manhole Sealing	Lift Station Consolidation
Lift Station Rehab (1,2,8)	
Recycled Water Improvements	
WWTP Pavement Rehab	
Reactor 1 Coating	
Membrane Replacement	
Sludge Press	
Office Building Rehab	
\$4.0M	\$1.7M

Revenue Requirement – 2026 10-Yr CIP

Staff Developed CIP vs. Critical CIP



WASTEWATER - CRITICAL CIP

Next 5 Years

Years 6-10+

~~Lift Station 2 Capacity Increase~~

Lift Station Rehab (No. 7)

Sewer Manhole Sealing

Lift Station Consolidation

Lift Station Rehab (1,2,8)

Lift Station 2 Capacity Increase

Recycled Water Improvements

Sludge Press

WWTP Pavement Rehab

Office Building Rehab

Reactor 1 Coating

Membrane Replacement

~~Sludge Press~~

~~Office Building Rehab~~

\$1.3M

\$4.4M



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Questions

Calculated Water Rates

Proposed monthly rates by meter size



Meter Size	Current	Calculated Water Rates Per Month				
		7/1/2026	7/1/2027	7/1/2028	7/1/2029	7/1/2030
¾"	\$ 117.65	\$ 127.05	\$ 137.26	\$ 148.30	\$ 157.98	\$ 168.30
1"	\$ 217.66	\$ 211.74	\$ 228.77	\$ 247.17	\$ 263.31	\$ 280.50
1.5"	\$ 294.12	\$ 423.49	\$ 457.54	\$ 494.34	\$ 526.61	\$ 561.00
2"	\$ 470.60	\$ 677.58	\$ 732.07	\$ 790.94	\$ 842.58	\$ 897.60
3"	\$ 764.72	\$ 1,355.17	\$ 1,464.13	\$ 1,581.88	\$ 1,685.16	\$ 1,795.20
4"	\$ 2,058.90	\$ 2,117.45	\$ 2,287.71	\$ 2,471.69	\$ 2,633.06	\$ 2,805.01
6"	\$ 3,082.45	\$ 4,234.89	\$ 4,575.42	\$ 4,943.38	\$ 5,266.13	\$ 5,610.01
Overage & Temp per thousand gallons	\$ 11.765	\$ 12.705	\$ 13.726	\$ 14.830	\$ 15.798	\$ 16.830

Calculated Wastewater Rates

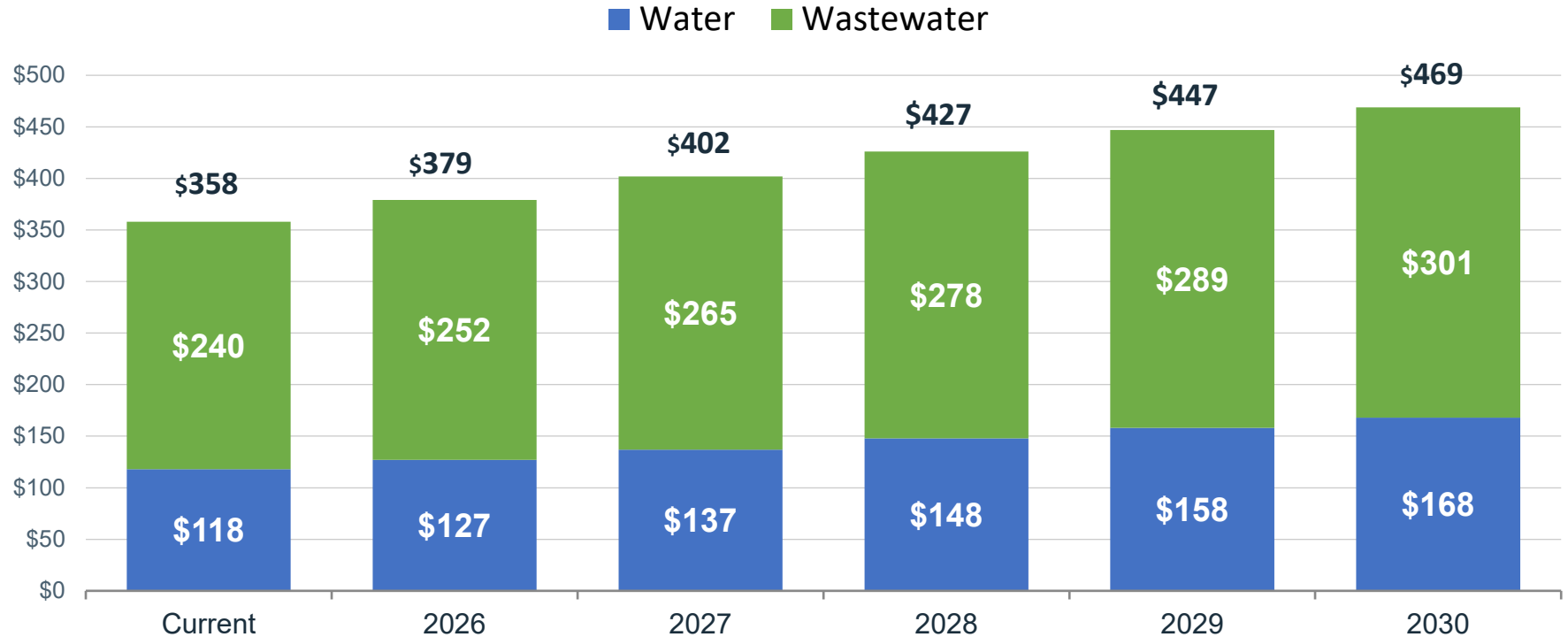
Proposed monthly rates



Category	Current	Calculated Wastewater Rates Per Month Per EDU				
		7/1/2026	7/1/2027	7/1/2028	7/1/2029	7/1/2030
“Existing” Customers						
Inside CFD No. 1	\$190.75	\$ 202.86	\$ 215.53	\$ 228.83	\$ 240.06	\$ 251.63
Outside CFD No. 1	\$240.16	\$ 252.28	\$ 264.95	\$ 278.25	\$ 289.48	\$ 301.05
Caltrans	\$178.22	\$ 192.18	\$ 204.86	\$ 218.16	\$ 229.38	\$ 240.96
“Future” Customers						
Inside CFD No. 1	\$101.64	\$ 106.77	\$ 113.10	\$ 119.75	\$ 125.37	\$ 131.15
Outside CFD No. 1	\$151.05	\$ 156.18	\$ 162.52	\$ 169.17	\$ 174.79	\$ 180.57
Special Tax (On Property Tax Bill)						
Inside CFD No. 1	\$ 49.42	\$ 49.42	\$ 49.42	\$ 49.42	\$ 49.42	\$ 49.42

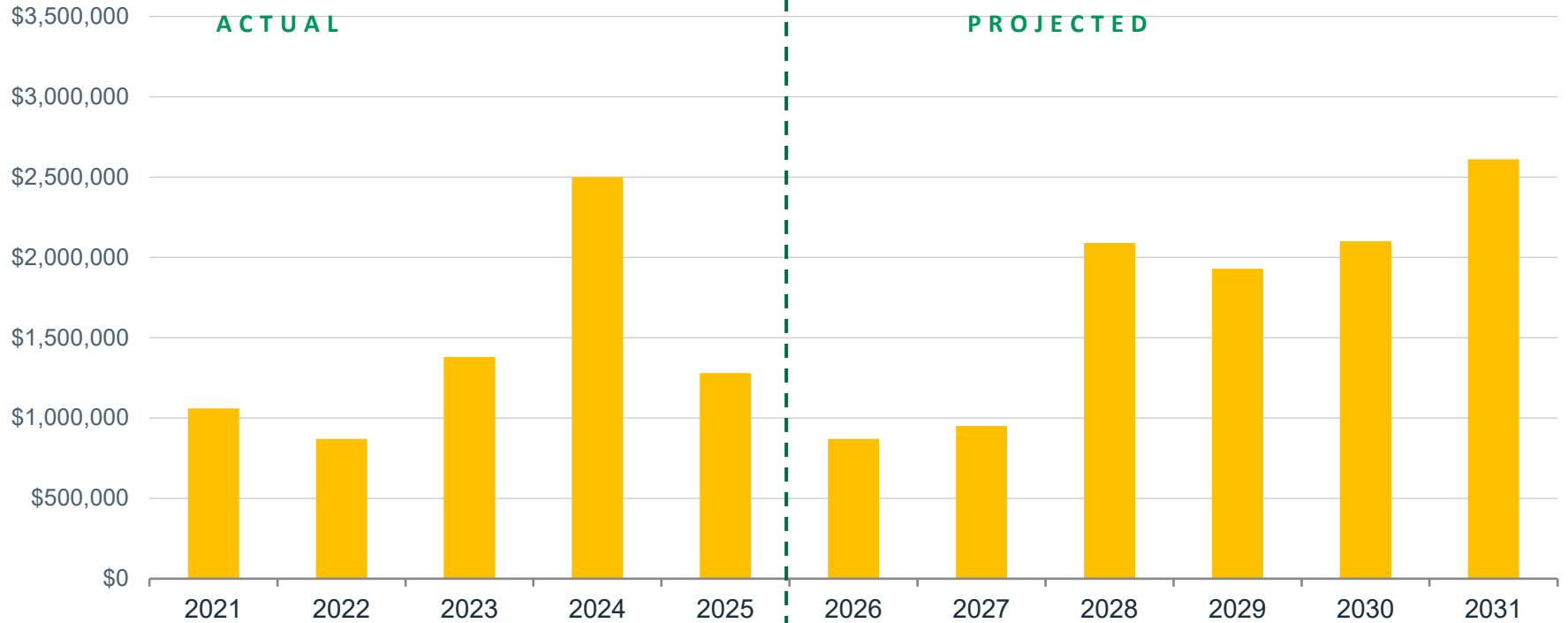
Total Bill Impact for a Typical Home

3/4" meter — Inside CFD No. 1



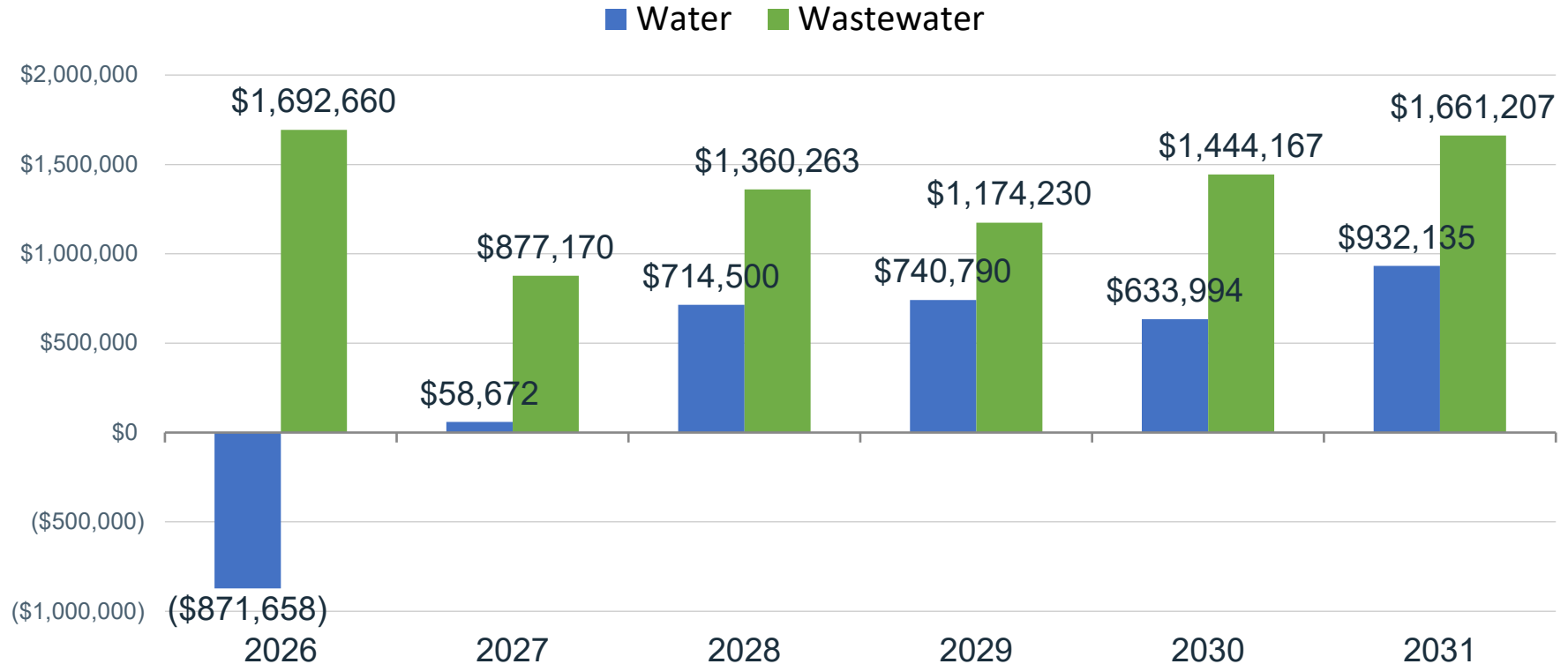
Historical & Projected Cash Balances

Total district cash (restricted + unrestricted)



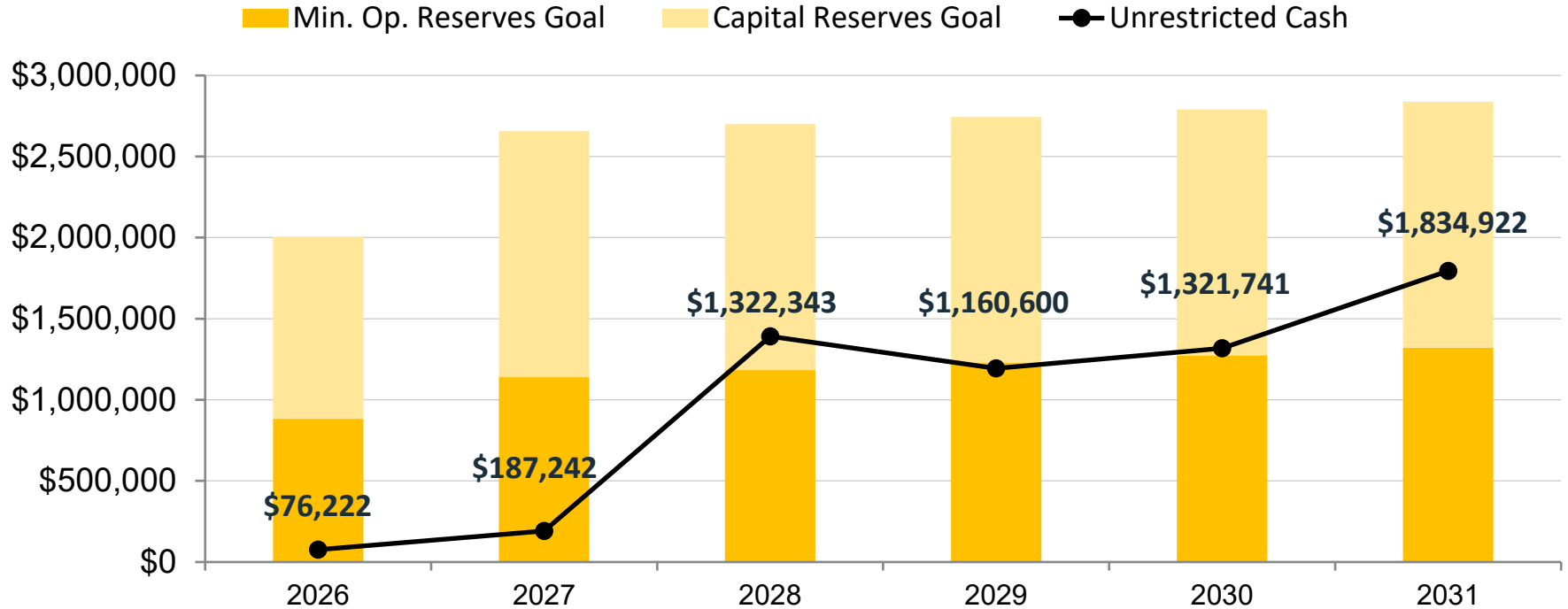
Projected Cash Balances by Utility

Total cash shown by utility (restricted + unrestricted)

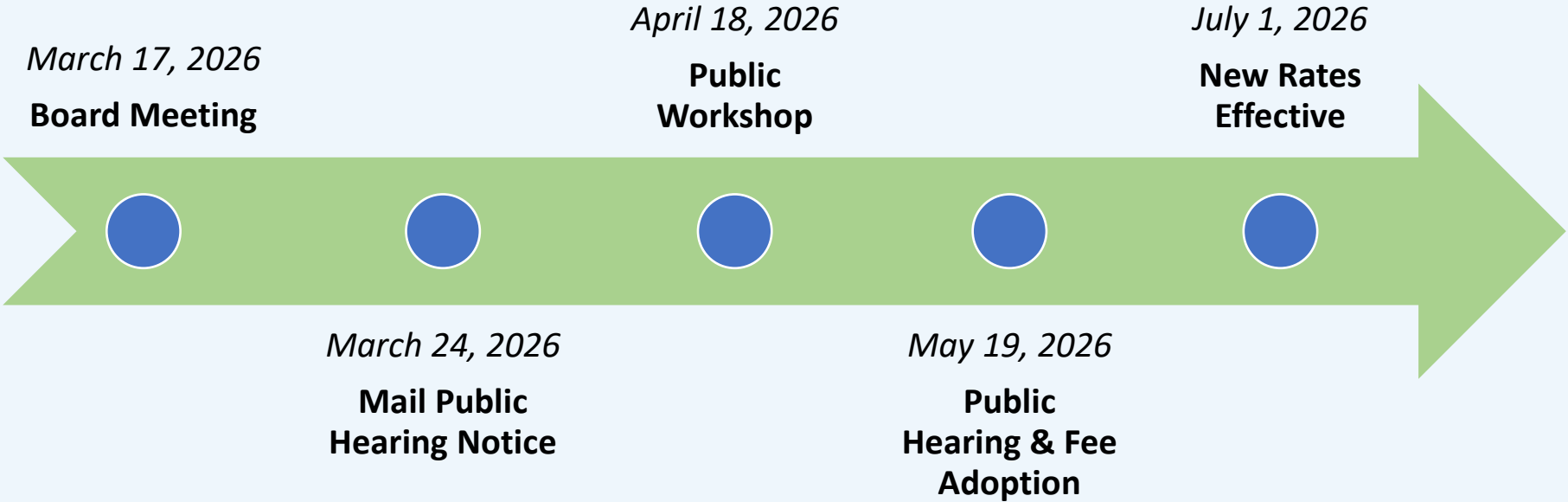


District Cash and Reserves Goals

Unrestricted cash



Timeline & Next Steps



How to Participate



Submit a Written Protest

Include your name, and property address or parcel number. Must include original signature and date. Deliver to the District office or submit at the hearing by the close of the meeting.



Majority Protest

Rate increases cannot be approved if more than 50% of the property owners submit a written protest



Attend the Public Hearing

Speak during public comment at the public hearing at the District office at 6pm on May 19.



Contact Us With Questions

Call or email our office anytime. We're happy to walk through your bill, the rate study, or the Prop 218 process.



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Questions & Discussion

Rate study documents and FAQs are available at
www.dspud.org

Contact Us



(530) 426-3456



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www.dspud.org



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