



**MINUTES OF THE SPECIAL MEETING OF THE BOARD OF
DIRECTORS OF THE RODEO SANITARY DISTRICT**
**LOCATION: JOHN SWETT UNIFIED SCHOOL DISTRICT BOARD
ROOM, 400 PARKER AVE., RODEO, CA**

A Special Meeting of the Governing Board was held at 1:30 p.m. on March 27, 2024. Pursuant to the authorizations provided by Government Code section 54953€, this meeting was available telephonically, using the Zoom video conferencing system. Members of the public were provided options to participate in the meeting as provided on the agenda.

1) ROLL CALL

President Callaghan called the meeting to order at 1:34 P.M.

Directors Present: Maureen Brennan, Janet Callaghan, Tara Shaia, Angela Noble, Robert Russey

Staff/Consultants Present: Steve Beall, General Manager, Nancy Lefebvre, District Administrator, Jeffrey Greer, Operations Manager, Martin de los Angeles*, District Counsel, Thomas Pavletic, Pavletic Consulting LLC.

Absent: None

Others Present- None

*via video-conference

a) PLEDGE OF ALLEGIANCE TO THE FLAG- General Manager Steve Beall led the pledge of allegiance.

2) PUBLIC COMMENTS-Communication from the public on subjects not on the agenda- None

3) CALL FOR REQUESTS TO CONSIDER ITEMS OUT OF ORDER- None

4) REPORTS- None

5) CONSENT CALENDAR- None

6) EMERGENCY SITUATIONS REQUIRING BOARD ACTION- None

7A) OLD BUSINESS: -

8) NEW BUSINESS-

A) SEWER SERVICE CHARGES STUDY DRAFT REPORT (DISCUSSION AND ACTION)

In January 2024, the Rodeo Sanitary District contracted with Pavletic Consulting LLC to evaluate sewer service charges to recommend a simplified customer rate structure and to recommend a revised schedule of sewer service charges for the next five fiscal years. Sewer service charges are intended to recover revenues sufficient to adequately fund sewer utility operations, maintenance, and capital replacement expenditures; while meeting debt service obligations, maintaining a prudent level of reserves, and keeping rates as competitive as possible.

One element of this study is the proposed reduction of non-residential customer categories. The residential category will not change. ADUs will still be assessed via Ordinance 2023-500. RSD currently has 11 non-residential categories. This simplification will group like categories. This will also simplify billing and future evaluations.

Operational costs can be evaluated annually for adjustment of the potential sewer service charge increases. If the inflationary market relaxes, smaller increases can be evaluated and potentially implemented.

Consultant Thomas Pavletic provided a power point presentation detailing how the recommended sewer service charges were calculated. The recommended sewer service charges incorporate the combined impact of 1) updated customer characteristics (for flow, BOD, and TSS); 2) reduced number of nonresidential customer classes and number of separate rates from nine to three; 3) replacement of the annual minimum charge with a monthly account charge; 4) increased annual revenue requirements; and 5) meeting all target reserve goals by FY29. Recommended sewer service charges and unit costs for flow, BOD and TSS, are shown in the table below. For FY25, note the difference between the annual percent increase in revenue requirements and the annual percent increases in the various rates. The differences reflect the combined impact of the five changes in development of SSCs. Questions from the Board were solicited and answered.

Table ES-4. Current and Recommended Sewer Service Charges

Customer Class		Current	Recommended				
		FY24	FY25	FY26	FY27	FY28	FY29
Revenue Required from SSCs							
Annual, Dollars		\$3,834,000	\$4,141,098	\$4,472,386	\$4,874,900	\$5,313,641	\$5,791,869
Annual Increase, Dollars			\$307,098	\$331,288	\$402,515	\$438,741	\$478,228
Annual Increase, Percent			8.0%	8.0%	9.0%	9.0%	9.0%
Sewer Service Charges							
Residential (<i>per dwelling unit</i>)		\$1,165.62	\$1,272.00	\$1,368.00	\$1,488.00	\$1,620.00	\$1,776.00
Nonresidential							
Volume-based charges (<i>per hcf</i>)	<i>Recommended BOD + TSS Group</i>						
Churches	<i>Group 1</i>	\$7.24	\$8.65	\$9.35	\$10.19	\$11.10	\$12.10
Schools/Day Care/Rec.	<i>Group 1</i>	\$7.70	\$8.65	\$9.35	\$10.19	\$11.10	\$12.10
Laundromat	<i>Group 2</i>	\$9.34	\$11.47	\$12.38	\$13.50	\$14.71	\$16.04
Commercial Professional	<i>Group 2</i>	\$10.44	\$11.47	\$12.38	\$13.50	\$14.71	\$16.04
Hospitals/Clinics	<i>Group 2</i>	\$11.14	\$11.47	\$12.38	\$13.50	\$14.71	\$16.04
Bars w/o Dining	<i>Group 2</i>	\$11.24	\$11.47	\$12.38	\$13.50	\$14.71	\$16.04
Gasoline/Service/Wrecking	<i>Group 2</i>	\$11.80	\$11.47	\$12.38	\$13.50	\$14.71	\$16.04
Commercial Laundries	<i>Group 3</i>	\$19.57	\$21.88	\$23.63	\$25.76	\$28.08	\$30.60
Restaurants/Food Service	<i>Group 3</i>	\$20.54	\$21.88	\$23.63	\$25.76	\$28.08	\$30.60
Food Markets w/Bakery/Deli	<i>Group 3</i>	\$20.54	\$21.88	\$23.63	\$25.76	\$28.08	\$30.60
Bakeries	<i>Group 3</i>	\$20.54	\$21.88	\$23.63	\$25.76	\$28.08	\$30.60
Account-based charges (<i>per month</i>)		na	\$44.40	\$48.00	\$51.60	\$56.40	\$62.40
Unit Costs							
Flow	<i>per 1000 gal</i>		\$4.869	\$5.258	\$5.731	\$6.247	\$6.809
BOD	<i>per 1000 pounds</i>		\$1.614	\$1.744	\$1.901	\$2.072	\$2.258
SS	<i>per 1000 pounds</i>		\$1.838	\$1.985	\$2.163	\$2.358	\$2.570
Account/Unit	<i>per Acct/Unit-Mo</i>		\$44.40	\$48.00	\$51.60	\$56.40	\$62.40
Percent Increase							
Residential			9.1%	7.5%	8.8%	8.9%	9.6%
Nonresidential							
Volume-based charges (<i>per hcf</i>)	<i>Recommended BOD + TSS Group</i>						
Churches	<i>Group 1</i>		19.5%	8.1%	9.0%	8.9%	9.0%
Schools/Day Care/Rec.	<i>Group 1</i>		12.3%	8.1%	9.0%	8.9%	9.0%
Laundromat	<i>Group 2</i>		22.8%	7.9%	9.0%	9.0%	9.0%
Commercial Professional	<i>Group 2</i>		9.9%	7.9%	9.0%	9.0%	9.0%
Hospitals/Clinics	<i>Group 2</i>		3.0%	7.9%	9.0%	9.0%	9.0%
Bars w/o Dining	<i>Group 2</i>		2.0%	7.9%	9.0%	9.0%	9.0%
Gasoline/Service/Wrecking	<i>Group 2</i>		-2.8%	7.9%	9.0%	9.0%	9.0%
Commercial Laundries	<i>Group 3</i>		11.8%	8.0%	9.0%	9.0%	9.0%
Restaurants/Food Service	<i>Group 3</i>		6.5%	8.0%	9.0%	9.0%	9.0%
Food Markets w/Bakery/Deli	<i>Group 3</i>		6.5%	8.0%	9.0%	9.0%	9.0%
Bakeries	<i>Group 3</i>		6.5%	8.0%	9.0%	9.0%	9.0%
Account-based charges (<i>per month</i>)				8.1%	7.5%	9.3%	10.6%
Unit Costs							
Flow				8.0%	9.0%	9.0%	9.0%
BOD				8.0%	9.0%	9.0%	9.0%
SS				8.0%	9.0%	9.0%	9.0%
Account/Unit				8.1%	7.5%	9.3%	10.6%

MOTION: BY Noble, seconded by Brennan, to accept the implementation of the simplification of the customer rate structure and the proposed sewer service charge increase schedule for FY 2024/2025 to 2028/2029 as presented in the Sewer Service Charges Study.

VOTE: AYES: Brennan, Callaghan, Noble, Shaia, Russey
 NOES: None
 ABSENT: None
 ABSTAIN: None

B) REPLACEMENT SECONDARY CLARIFIER B DRIVE UNIT-CAPITAL PURCHASE (DISCUSSION AND ACTION)

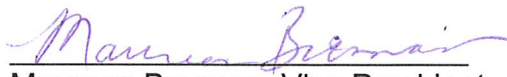
District Manager Beall requested authorization to purchase a replacement Secondary Clarifier B Drive Unit at a cost of \$43,484. The current wait time for arrival is sixteen weeks.

MOTION BY: Noble, seconded by Noble to authorize the District Manager to purchase a replacement Secondary Clarifier B Drive Unit for an equipment cost of \$43,484.

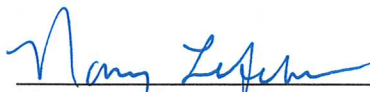
VOTE: AYES: Brennan, Callaghan, Noble, Shaia, Russey
 NOES: None
 ABSENT: None
 ABSTAIN: None

- 9) **PUBLIC HEARING-** None
- 10) **COMMUNICATION:** None
- 11) **CLOSED SESSION-** None
- 12) **REPORT OUT OF CLOSED SESSION-** Nothing to report.
- 13) **SUGGESTIONS FOR FUTURE AGENDA ITEMS-** None
- 14) **ADJOURNMENT**

Meeting adjourned at 3:33 p.m. The next meeting of the Rodeo Sanitary Board of Directors will be held on Tuesday April 9, 2024, at 1:30 P.M.at John Swett Unified School District Board Room.


Maureen Brennan, Vice President
Rodeo Sanitary District

Countersigned:


Nancy Lefebvre, District Administrator
Rodeo Sanitary District