

City of Bishop
WATER AND SEWER COMMISSION AGENDA
City Council Chambers – 301 West Line Street
Bishop, California 93514

Date: March 10, 2009
7:00 P.M.

NOTICE TO THE PUBLIC:

In compliance with the Americans with Disabilities Act, if you need Special assistance to participate in this meeting, please contact the City Clerk (760) 873-5863. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. (28 CFR 35.102-35.104 ADA Title II).

Any writing that is a public record that relates to an agenda item for open session distributed less than 72 hours prior to the meeting will be available for public inspection at City Hall, 377 West Line Street, Bishop, California, during normal business hours.

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

PUBLIC COMMENT: NOTICE TO THE PUBLIC: This time is set aside to receive public comment on matters not calendared on the agenda.

APPROVAL OF MINUTES

- (1) Minutes of the Water and Sewer Commission meeting held on January 13, 2009 subject for approval.

NEW BUSINESS

- (2) Storage shed sewer charges

OLD BUSINESS:

- (3) Jim Tatum – Tri-County Fairgrounds
- (4) Update on Rate Study
- (5) Meter Readings
- (6) Cash balance and revenue & expenditures update on water and sewer reserves
- (7) Public Works report for January and February

STAFF AND COMMISSION REPORTS

ADJOURNMENT: The next regularly scheduled meeting will be May 12, 2009 at 7:00 P.M. in the City Council Chambers, 301 West Line Street, Bishop.



CITY OF BISHOP

377 West Line Street - Bishop, California 93514
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Minutes

Water and Sewer Commission

January 13, 2009

Call To Order:

Chairman Martin called the meeting to order at 7:06 P.M.

Pledge of Allegiance:

The Pledge of Allegiance was led by Chairman Martin

Commissioners Present:

Martin, Cross, Mathieu and Underhill

Commissioners Absent:

Bhakta

Others Present:

Dave Grah, Public Works Director
Deston Dishion, Public Works Superintendent
Michele Thomas, Secretary
Jim Tatum, Tri-county Fairgrounds

Public Comment:

There was no public comment.

(1) Approval of the Minutes:

Chairman Martin moved to approve the minutes of the November 12, 2008 meeting as written and motion carried.

New Business:

(2) Election on Officers – Chairman and Vice Chairman

Chairman Martin turned the nominations over to the Dave Grah, Director of Public Works. A call for nominations for the position of chairman was made. Chairman Martin nominated Forrest Cross. No further nominations were received. A motion to close the nominations for chairman was made by Chairman Martin and passed unanimously.

A roll call vote was taken for the election of Forrest Cross for Chairman. Ayes: Mathieu, Cross, Martin, Underhill. Forrest Cross will serve a one-year term for Chairman.

Newly-elected Chairman Cross opened nominations for the position of Vice-Chairman and Commissioner Mathieu nominated Clarence Martin. No further nominations were received. A motion to close the nominations for Vice Chairman was made by Martin and passed unanimously.

A roll call vote was taken for the election of Clarence Martin for Vice-Chairman for a one-year term. Ayes: Mathieu, Martin, Cross, Underhill.

(3) Jim Tatum – Tri-County Fairgrounds

Mr. Tatum, General Manager for Tri-County Fairgrounds, attended with a few questions regarding the fees charged to the fairgrounds for water and sewer. The fairground has its own wells and does not receive domestic water from the City. The fairground is billed \$364.00 a month for sewer charges and water for fire protection from the City. There was analysis in 1990, regarding a fair amount the City would charge the fairgrounds for the capability to have fire protection along with sewer charges. Mr. Tatum would like to know if the monthly water amount paid is for maintenance of the system. Chairman Cross brought up the question of whether the City is responsible for the maintenance of the water system or the fairground is responsible. Mr. Grah stated the fairground is responsible for the maintenance of the facilities on the fairgrounds. The City system provides a municipal water system with wells and other features capable of providing adequate fire flow to the fairgrounds. There are substantial costs related to the capability and the fairground should bear their share of these costs. Aside from the costs of making a capable system available to the fairgrounds, in the city's flat rate system only a small amount of the monthly cost is based on water usage, mostly the cost is for availability or system cost.

The only connection to the fairgrounds from the City is for the five fire hydrants on the property. There has only been one test to the hydrants about 3 years ago by Fire Chief Ray Seguire. The fairgrounds do not use the hydrants for any type of usage.

Mr. Grah commented again that the majority of the fairground share of the cost comes from the system being available to the fairgrounds. The cost paid monthly is not only from water usage but for the availability to have water protection. Commissioner Martin also commented about where the cost accrues from in regards to the water availability to the fairgrounds. Everyone pays to have the system adequate to provide water to the customers. Chairman Cross commented that the amount paid is roughly broken down to 90% for fixed cost and 10% for water used.

Commissioner Martin brought up the question of how other commercial accounts are charged for their domestic water charges compared to their fire protection. Mr. Dishion stated that everything is billed together. Commissioner Martin commented that once we look into the rates with Ecologic, maybe we could figure out a better way to bill for fire protection separately.

Old Business:

(4) Update on rate study.

Mr. Grah discussed the update on the 2008 water and sewer rate study. Over the past few weeks, we have come up with final costs for salaries and benefits, services and supplies, equipment, and capital improvements for Ecologic.

With salary and benefits, the current percentages that have been charged to water and sewer have been found to be inaccurate. An analysis was done looking at actual work done by city staff based on timesheets and better percentages have been developed based on this data. The new percentages bring water and sewer share of the costs down. Capital improvements along with salary and benefits are the biggest expenditures for these programs. We have very good inventory of our systems at this time. We have a cost estimate of total value of our system: water system is worth around \$16 million and needs to be refined; sewer system is worth around \$13 million. We are looking at about \$320,000/year capital cost in water and \$260,000/year capital cost in sewer. In the drafts from Ecologic they used \$570,000 for water and \$180,000 for sewer. For capital equipment, we looked at what equipment we have and the life expectancy for each item. In addition, there is about \$10,000 worth of equipment we buy new each year that is not listed or budgeted yearly. This includes items required by the state and needs to be added. Over the next week or two, we will send the updated numbers to Ecologic. We will talk about an updated draft from Ecologic at our next meeting. If we were to have an adjustment to our water/sewer rates, it probably would not go into affect until July 2010.

(5) Meter Readings

Mr. Dishion went over the meter readings from 2008 for all accounts a water meter is installed. The city does not charge by meters at this time, the meter is for city use only. Commissioner Martin and Chairman Cross would like the water meter spreadsheet emailed to them.

(6) Cash Balance and Revenue & Expenditures Update On Water and Sewer Reserves

Mr. Grah discussed the reports for water and sewer reserves for November and December. In sewer, expenditures tend to exceed income. The South Second Street Improvements project is out for bid this month, with construction beginning in March. There is up to \$100,000 worth of sewer work involved in this project. The Public Works crew recently found something that could save a large portion of sewer money for the South Second Street. project. The Grove Street Sidewalks project will begin in the summer; we are taking most of the sewer work out of the project. Project A will begin in the fall with up to \$100,000 worth of sewer work also.

Commissioner Martin asked if our receipts are keeping up with the expenditures with minimal capital improvement. Mr. Grah stated that with the sewer truck and sewer camera, we are identifying a number of urgent problems. As a result, we are focusing on sewer problems at the time, and this should continue until we have addressed all the big problems. The result has been a declining cash balance in sewer and over time this may turn into a serious financial problem for the sewer program. With the percentage adjustments for salaries going into effect in July, it should help with the sewer financial situation.

In water, the expenditures are less than the receipts. Commissioner Martin again commented on the receipts not being high enough to build a capital reserve. Mr. Grah feels the rate study overview shows our revenue in more detail compared to the spreadsheets shown and suggests there is capacity for capital improvement.

(7) Public Works Reports for November and December

Mr. Dishion highlighted the reports for November and December. Beginning of water leak season with a water leak repaired at City Hall. This gave the crew a chance to put in a new water line and to install a water meter. There was 100 feet of collapsed sewer line on Keough Street the city may now be able to repair thanks to what appears to be the state allowing us to do work up to \$30,000 with city staff up from \$5,000 in the past. We have a new contract with RO Anderson for interconnections near the sewer plant. They are starting the environmental process right now. Mr. Grah and Mr. Dishion did a flow test at Well 4 due to a potential discrepancy with the flow meter there. We need to know how many gallons per minute come out in order to purchase the right new well pump. In December, there was a plugged sewer on Willow Street; we have received a couple of claims due to resulting damages in homes.

Staff and Commission Reports:

There was no staff and commission report at this time.

Items to Be Discussed at the Meeting of March 10, 2009:

- Update on the Rate Study (updated draft)
- Meter Readings
- Cash balance and revenue & expenditures update on water and sewer reserves

Chairman Cross adjourned the meeting at 8:40 P.M. The next regularly scheduled meeting will be Tuesday, March 10, 2009 at 7:00 P.M. in the City Council Chambers.

Forrest Cross, Chairman

Michele Thomas, Secretary



To: Bishop Water and Sewer Commissioners
From: David Grah, Director of Public Works
Subject: Correcting Sewer Charges for Storage Sheds
Date: 3 March 2009

General:

Several properties developed as storage sheds in the city are not charged for sewer even though those properties have sewer service available to them. The billing for these properties should be corrected to include sewer.

Background:

This storage shed billing situation was noticed recently while reviewing water and sewer charges for the Tri-County Fairgrounds. Not charging the storage sheds for sewer is not consistent with how the fairgrounds is charged and is not consistent with how vacant properties are charged.

The likely rationale for not charging storage sheds for sewer is that, presumably, they produce no waste water.

As was discussed in detail in the fall of 2006 when water and sewer charges for vacant properties was considered during Water and Sewer Commission meetings, most of the charges for water and for sewer are related to system availability and are not dependant on usage. In addition, it was noted the current rates do not allow for lower "availability-only" charges.

Recommendation:

I recommend storage shed properties be charged a minimum of one Equivalent Dwelling Unit (EDU) for both water and sewer.

CITY OF BISHOP WATER SEWER CASH BALANCES

SEWER

<u>DATE:</u>	<u>BEGINNING BALANCE:</u>	<u>EXPENDITURES:</u>	<u>RECEIPTS:</u>	<u>ENDING BALANCE:</u>
OCTOBER	\$639,622.63	\$59,634.17	\$51,429.93	\$631,418.39
NOVEMBER	\$616,418.39	\$63,997.86	\$46,554.76	\$598,975.29
DECEMBER	\$598,975.29	\$63,191.51	\$51,748.63	\$587,532.41
JANUARY	\$587,532.41	\$74,181.27	\$46,559.92	\$559,911.06
FEBRUARY	\$559,911.06	\$75,535.10	\$52,487.46	\$536,863.42
MARCH	\$536,863.42			
APRIL	\$0.00			
MAY	\$0.00			
JUNE	\$0.00			
JULY	\$0.00			
AUGUST	\$0.00			
SEPTEMBER	\$0.00			
OCTOBER	\$0.00			
NOVEMBER	\$0.00			
DECEMBER	\$0.00			
JANUARY	\$0.00			
FEBRUARY	\$0.00			
MARCH	\$0.00			
APRIL	\$0.00			
MAY	\$0.00			
JUNE	\$0.00			
JULY	\$0.00			
AUGUST	\$0.00			
SEPTEMBER	\$0.00			
OCTOBER	\$0.00			
NOVEMBER	\$0.00			
DECEMBER	\$0.00			

WATER

<u>DATE:</u>	<u>BEGINNING BALANCE:</u>	<u>EXPENDITURES:</u>	<u>RECEIPTS:</u>	<u>ENDING BALANCE:</u>
OCTOBER	\$1,538,475.92	\$73,383.71	\$80,031.91	\$1,545,124.12
NOVEMBER	\$1,530,124.12	\$64,030.67	\$77,732.81	\$1,543,826.26
DECEMBER	\$1,543,826.26	\$54,511.06	\$77,541.98	\$1,566,857.18
JANUARY	\$1,566,857.18	\$68,933.30	\$85,636.39	\$1,583,560.27
FEBRUARY	\$1,583,560.27	\$67,580.48	\$63,859.28	\$1,579,839.07
MARCH	\$1,579,839.07			
APRIL	\$0.00			
MAY	\$0.00			
JUNE	\$0.00			
JULY	\$0.00			
AUGUST	\$0.00			
SEPTEMBER	\$0.00			
OCTOBER	\$0.00			
NOVEMBER	\$0.00			
DECEMBER	\$0.00			
JANUARY	\$0.00			
FEBRUARY	\$0.00			
MARCH	\$0.00			
APRIL	\$0.00			
MAY	\$0.00			
JUNE	\$0.00			
JULY	\$0.00			
AUGUST	\$0.00			
SEPTEMBER	\$0.00			
OCTOBER	\$0.00			
NOVEMBER	\$0.00			
DECEMBER	\$0.00			

STATEMENT OF BUDGETED REVENUES & EXPENDITURES COMPARED TO ACTUAL

002 SEWER FUND
PERIOD ENDING 1/31/09

	FINAL AMENDED BUDGET	***** ACTUAL ***** CURRENT PERIOD	***** YEAR TO DATE	OVER - UNDER BUDGET	% TO DATE
REVENUES					
39020 SEWER SERVICE COLLEC	700,000.00	44,288.79	500,904.66	199,095.34	71
39023 PENALTIES-SEWER SERV	4,000.00	190.13	2,246.42	1,753.58	56
39024 SEWER PERMITS	.00	.00	.00	.00	0
39025 SEWER ASSESSMENT FEE	.00	.00	.00	.00	0
39030 REIMB. SMALL CLAIMS	.00	.00	12.00	12.00-	0
39040 INTEREST ON BANK DEP	40,000.00	.00	4,255.13	35,744.87	10
39060 SEWER MISCELLANEOUS	6,000.00	2,081.00	11,984.84	5,984.84-	199
39070 REIM FRM WATER	.00	.00	.00	.00	0
39075 REIMB FROM ESCSD	.00	.00	.00	.00	0
39076 REIMB FRM FED/ST GRA	.00	.00	.00	.00	0
39077 REIMB FRM CAL TRANS	.00	.00	.00	.00	0
TOTAL REVENUES	750,000.00	46,559.92	519,403.05	230,596.95	69
EXPENDITURES					
051 SEWER					
51001 SALARIES-FULL TIME	283,000.00	28,121.24	168,578.21	114,421.79	59
51002 SALARIES/PART-TIME	5,200.00	75.00	2,393.43	2,806.57	46
51004 OVERTIME WAGES	500.00	.00	354.83	145.17	70
51007 HEALTH INSURANCE	58,000.00	4,119.24	31,224.09	26,775.91	53
51008 DENTAL INSURANCE	6,200.00	401.94	3,137.63	3,062.37	50
51009 PERS EMPLOYEE/EMPLOY	78,000.00	5,850.37	44,395.26	33,604.74	56
51010 WORKERS COMPENSATION	33,000.00	2,013.82	11,846.57	21,153.43	35
51011 MEDICARE TAX	4,200.00	329.51	2,068.39	2,131.61	49
51013 PW-PART TIME SALARIE	.00	.00	.00	.00	0
51016 VEHICLE COMPENSATION	.00	.00	.00	.00	0
51017 FICA	400.00	4.65	148.38	251.62	37
51018 DUTY TIME	4,200.00	236.25	2,362.50	1,837.50	56
51022 P.A.R.S SYSTEM	70,000.00	5,091.86	38,647.01	31,352.99	55
51024 EMPLOYER COMP MATCH	7,000.00	550.00	4,563.00	2,437.00	65
51025 RETIREE HEALTH INSUR	30,000.00	2,560.44	14,674.53	15,325.47	48
51043 DISABILITY INSURANCE	7,800.00	361.98	2,711.75	5,088.25	34
52009 TRAINING	3,500.00	.00	660.00	2,840.00	18
52010 HEAT,LIGHT,POWER	22,000.00	1,888.01	10,576.23	11,423.77	48
52011 ADVERTISING/PRINTING	200.00	.00	92.03	107.97	46
52012 OFFICE SUPPLIES,POST	4,050.00	535.96	1,721.53	2,328.47	42
52013 COMMUNICATIONS	3,800.00	83.63	878.81	2,921.19	23
52014 MEETINGS, TRAVEL, CO	3,500.00	.00	498.11	3,001.89	14
52015 PROFESSIONAL/TECH. S	18,725.00	4,479.58	14,499.20	4,225.80	77
52017 WASTE FEES	1,000.00	124.40	540.73	459.27	54
52018 SPECIAL DEPT. SUPPLI	7,020.00	536.01	6,345.53	674.47	90
52019 MISC. DUES & SUBSCRI	350.00	.00	32.50	317.50	9
53020 VEHICLE OPERATION	10,000.00	497.17	5,660.55	4,339.45	56
53022 OFFICE EQUIP. OPERAT	3,000.00	353.03	1,841.28	1,158.72	61
54023 BUILDING OPERATION	.00	.00	.00	.00	0
55023 EXP-SMALL CLAIMS	2,000.00	.00	12.00	1,988.00	0
55024 RENTALS-REFUNDS	.00	.00	.00	.00	0
55026 CONTRACT SERVICES	.00	.00	.00	.00	0
55027 TRANS TO FED/ST PROJ	.00	.00	.00	.00	0
55045 TAXES	.00	.00	.00	.00	0

STATEMENT OF BUDGETED REVENUES & EXPENDITURES COMPARED TO ACTUAL

002 SEWER FUND
 PERIOD ENDING 1/31/09

	FINAL AMENDED BUDGET	***** ACTUAL ***** CURRENT PERIOD	YEAR TO DATE	OVER - UNDER BUDGET	% TO DATE
56025 DEPRECIATION	.00	.00	.00	.00	0
56027 CAPITAL IMPROVEMENT	177,000.00	15,285.31	47,796.65	129,203.35	27
56028 CAPITAL EQUIPMENT	24,250.00	681.87	14,077.74	10,172.26	58
56029 CAPITAL EQUIP. REPLA	5,000.00	.00	.00	5,000.00	0
56032 CAP EXP - COP PAYMEN	11,200.00	.00	5,557.50	5,642.50	49
56500 INTEREST	.00	.00	.00	.00	0
TOTAL SEWER	<u>884,095.00</u>	<u>74,181.27</u>	<u>437,895.97</u>	<u>446,199.03</u>	<u>49</u>
TOTAL EXPENDITURES	<u>884,095.00</u>	<u>74,181.27</u>	<u>437,895.97</u>	<u>446,199.03</u>	<u>49</u>
NET REV & EXPENDITURE	<u>134,095.00-</u>	<u>27,621.35-</u>	<u>81,507.08</u>	<u>215,602.08-</u>	<u>60-</u>
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STATEMENT OF BUDGETED REVENUES & EXPENDITURES COMPARED TO ACTUAL

004 WATER FUND
PERIOD ENDING 1/31/09

	FINAL AMENDED BUDGET	***** ACTUAL ***** CURRENT PERIOD	***** YEAR TO DATE	OVER - UNDER BUDGET	% TO DATE
REVENUES					
39010 ESCSD/POLETA PROJECT	.00	.00	.00	.00	0
39012 WATER SERVICE COLLEC	1,100,000.00	70,957.43	804,581.14	295,418.86	73
39013 PENALTIES-WATER SERV	6,000.00	304.21	3,407.54	2,592.46	56
39014 REIMB SMALL CLAIMS	.00	.00	67.04	67.04-	0
39015 INTEREST ON BANK DEP	60,000.00	.00	9,786.79	50,213.21	16
39016 WATER PERMITS	.00	14,349.75	14,349.75	14,349.75-	0
39017 WATER MISCELLANEOUS	4,000.00	25.00	453.93	3,546.07	11
39018 REIMB FRM FED/ST GRA	.00	.00	.00	.00	0
39019 WATER ASSESSMENT FEE	.00	.00	.00	.00	0
39026 REIMB FRM CAL TRANS	.00	.00	.00	.00	0
TOTAL REVENUES	<u>1,170,000.00</u>	<u>85,636.39</u>	<u>832,646.19</u>	<u>337,353.81</u>	<u>71</u>
EXPENDITURES					
050 WATER					
51001 SALARIES-FULL TIME	290,000.00	28,138.10	168,019.13	121,980.87	57
51002 SALARIES/PART-TIME	5,200.00	75.00	2,350.69	2,849.31	45
51004 OVERTIME WAGES	2,000.00	190.49	668.23	1,331.77	33
51007 HEALTH INSURANCE	54,000.00	4,220.44	31,140.39	22,859.61	57
51008 DENTAL INSURANCE	5,800.00	412.91	3,143.04	2,656.96	54
51009 PERS EMPLOYEE/EMPLOY	78,000.00	5,854.70	44,426.50	33,573.50	56
51010 WORKERS COMPENSATION	30,000.00	2,052.44	11,842.20	18,157.80	39
51011 MEDICARE TAX	4,400.00	339.45	2,054.75	2,345.25	46
51013 PW-PART TIME SALARIE	.00	.00	.00	.00	0
51016 VEHICLE COMPENSATION	.00	.00	.00	.00	0
51017 FICA	400.00	4.65	145.75	254.25	36
51018 DUTY TIME	4,500.00	472.50	2,362.50	2,137.50	52
51022 P.A.R.S SYSTEM	70,000.00	5,085.84	39,960.12	30,039.88	57
51025 RETIREE HEALTH INSUR	28,000.00	2,560.44	14,674.71	13,325.29	52
51043 DISABILITY INSURANCE	7,500.00	368.75	2,696.10	4,803.90	35
52009 TRAINING	5,300.00	879.25	2,640.48	2,659.52	49
52010 HEAT,LIGHT,POWER	70,000.00	3,489.77	29,441.98	40,558.02	42
52011 ADVERTISING/PRINTING	500.00	.00	30.22	469.78	6
52012 OFFICE SUPPLIES,POST	4,050.00	587.32	2,070.92	1,979.08	51
52013 COMMUNICATIONS	7,640.00	498.64	4,656.12	2,983.88	60
52014 MEETINGS, TRAVEL, CO	3,500.00	.00	453.10	3,046.90	12
52015 PROFESSIONAL/TECH. S	22,545.00	266.54	7,164.75	15,380.25	31
52017 WASTE FEES	500.00	.00	108.34	391.66	21
52018 SPECIAL DEPT. SUPPLI	13,000.00	1,641.85	9,654.87	3,345.13	74
52019 MISC. DUES & SUBSCRI	1,195.00	100.00	763.50	431.50	63
53020 VEHICLE OPERATION	8,500.00	308.22	3,062.90	5,437.10	36
53022 OFFICE EQUIP. OPERAT	2,750.00	353.02	1,935.11	814.89	70
54023 BUILDING OPERATION	.00	.00	.00	.00	0
55023 EXP-SMALL CLAIMS	200.00	.00	12.00	188.00	6
55024 RENTALS-REFUNDS	1,200.00	.00	360.00	840.00	30
55027 TRANS TO FED/ST PROJ	.00	.00	.00	.00	0
55040 LITIGATION SERVICES	.00	.00	.00	.00	0
56025 DEPRECIATION	.00	.00	.00	.00	0
56027 CAPITAL IMPROVEMENT	566,500.00	10,378.31	31,749.75	534,750.25	5
56028 CAPITAL EQUIPMENT	13,750.00	654.67	9,448.97	4,301.03	68

STATEMENT OF BUDGETED REVENUES & EXPENDITURES COMPARED TO ACTUAL

004 WATER FUND
 PERIOD ENDING 1/31/09

	FINAL AMENDED BUDGET	***** ACTUAL ***** CURRENT PERIOD	YEAR TO DATE	OVER - UNDER BUDGET	% TO DATE
56029 CAPITAL EQUIP. REPLA	5,000.00	.00	.00	5,000.00	0
56030 LOAN PAYMENT SET ASI	43,000.00	.00	21,095.78	21,904.22	49
56032 CAP EXP - COP PAYMEN	11,200.00	.00	5,557.50	5,642.50	49
56500 INTEREST	.00	.00	.00	.00	0
TOTAL WATER	<u>1,360,130.00</u>	<u>68,933.30</u>	<u>453,690.40</u>	<u>906,439.60</u>	<u>33</u>
TOTAL EXPENDITURES	<u>1,360,130.00</u>	<u>68,933.30</u>	<u>453,690.40</u>	<u>906,439.60</u>	<u>33</u>
NET REV & EXPENDITURE	190,130.00-	16,703.09	378,955.79	569,085.79-	199-
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STATEMENT OF BUDGETED REVENUES & EXPENDITURES COMPARED TO ACTUAL

002 SEWER FUND
PERIOD ENDING 2/28/09

	FINAL AMENDED BUDGET	***** ACTUAL ***** CURRENT PERIOD	***** YEAR TO DATE	OVER - UNDER BUDGET	% TO DATE
REVENUES					
39020 SEWER SERVICE COLLEC	700,000.00	39,728.79	540,633.45	159,366.55	77
39023 PENALTIES-SEWER SERV	4,000.00	1,652.84	3,899.26	100.74	97
39024 SEWER PERMITS	.00	.00	.00	.00	0
39025 SEWER ASSESSMENT FEE	.00	.00	.00	.00	0
39030 REIMB. SMALL CLAIMS	.00	.00	12.00	12.00-	0
39040 INTEREST ON BANK DEP	40,000.00	.00	4,255.13	35,744.87	10
39060 SEWER MISCELLANEOUS	6,000.00	11,105.83	23,090.67	17,090.67-	384
39070 REIM FRM WATER	.00	.00	.00	.00	0
39075 REIMB FROM ESCSD	.00	.00	.00	.00	0
39076 REIMB FRM FED/ST GRA	.00	.00	.00	.00	0
39077 REIMB FRM CAL TRANS	.00	.00	.00	.00	0
TOTAL REVENUES	<u>750,000.00</u>	<u>52,487.46</u>	<u>571,890.51</u>	<u>178,109.49</u>	<u>76</u>
EXPENDITURES					
051 SEWER					
51001 SALARIES-FULL TIME	283,000.00	21,003.70	189,581.91	93,418.09	66
51002 SALARIES/PART-TIME	5,200.00	.00	2,393.43	2,806.57	46
51004 OVERTIME WAGES	500.00	.00	354.83	145.17	70
51007 HEALTH INSURANCE	58,000.00	4,229.49	35,453.58	22,546.42	61
51008 DENTAL INSURANCE	6,200.00	419.33	3,556.96	2,643.04	57
51009 PERS EMPLOYEE/EMPLOY	78,000.00	5,825.43	50,220.69	27,779.31	64
51010 WORKERS COMPENSATION	33,000.00	1,675.15	13,521.72	19,478.28	40
51011 MEDICARE TAX	4,200.00	280.77	2,349.16	1,850.84	55
51013 PW-PART TIME SALARIE	.00	.00	.00	.00	0
51016 VEHICLE COMPENSATION	.00	.00	.00	.00	0
51017 FICA	400.00	.00	148.38	251.62	37
51018 DUTY TIME	4,200.00	472.50	2,835.00	1,365.00	67
51022 P.A.R.S SYSTEM	70,000.00	5,116.88	43,763.89	26,236.11	62
51024 EMPLOYER COMP MATCH	7,000.00	550.00	5,113.00	1,887.00	73
51025 RETIREE HEALTH INSUR	30,000.00	2,560.44	17,234.97	12,765.03	57
51042 UNEMPLOYMENT INS.	.00	64.00	64.00	64.00-	0
51043 DISABILITY INSURANCE	7,800.00	371.76	3,083.51	4,716.49	39
52009 TRAINING	3,500.00	.00	660.00	2,840.00	18
52010 HEAT,LIGHT,POWER	22,000.00	2,062.79	12,639.02	9,360.98	57
52011 ADVERTISING/PRINTING	200.00	68.62	160.65	39.35	80
52012 OFFICE SUPPLIES,POST	4,050.00	203.43	1,924.96	2,125.04	47
52013 COMMUNICATIONS	3,800.00	113.40	992.21	2,807.79	26
52014 MEETINGS, TRAVEL, CO	3,500.00	.00	498.11	3,001.89	14
52015 PROFESSIONAL/TECH. S	18,725.00	495.39	14,994.59	3,730.41	80
52017 WASTE FEES	1,000.00	50.40	591.13	408.87	59
52018 SPECIAL DEPT. SUPPLI	7,020.00	89.95	6,435.48	584.52	91
52019 MISC. DUES & SUBSCRI	350.00	.00	32.50	317.50	9
53020 VEHICLE OPERATION	10,000.00	385.52	6,046.07	3,953.93	60
53022 OFFICE EQUIP. OPERAT	3,000.00	83.02	1,924.30	1,075.70	64
54023 BUILDING OPERATION	.00	.00	.00	.00	0
55023 EXP-SMALL CLAIMS	2,000.00	.00	12.00	1,988.00	0
55024 RENTALS-REFUNDS	.00	.00	.00	.00	0
55026 CONTRACT SERVICES	.00	.00	.00	.00	0
55027 TRANS TO FED/ST PROJ	.00	.00	.00	.00	0

STATEMENT OF BUDGETED REVENUES & EXPENDITURES COMPARED TO ACTUAL

002 SEWER FUND
 PERIOD ENDING 2/28/09

	FINAL AMENDED BUDGET	***** ACTUAL ***** CURRENT PERIOD	YEAR TO DATE	OVER - UNDER BUDGET	% TO DATE
55045 TAXES	.00	.00	.00	.00	0
56025 DEPRECIATION	.00	.00	.00	.00	0
56027 CAPITAL IMPROVEMENT	177,000.00	27,527.50	75,324.15	101,675.85	42
56028 CAPITAL EQUIPMENT	24,250.00	1,885.63	15,963.37	8,286.63	65
56029 CAPITAL EQUIP. REPLA	5,000.00	.00	.00	5,000.00	0
56032 CAP EXP - COP PAYMEN	11,200.00	.00	5,557.50	5,642.50	49
56500 INTEREST	.00	.00	.00	.00	0
TOTAL SEWER	<u>884,095.00</u>	<u>75,535.10</u>	<u>513,431.07</u>	<u>370,663.93</u>	<u>58</u>
TOTAL EXPENDITURES	<u>884,095.00</u>	<u>75,535.10</u>	<u>513,431.07</u>	<u>370,663.93</u>	<u>58</u>
NET REV & EXPENDITURE	<u>134,095.00-</u>	<u>23,047.64-</u>	<u>58,459.44</u>	<u>192,554.44-</u>	<u>43-</u>
	=====	=====	=====	=====	=====

STATEMENT OF BUDGETED REVENUES & EXPENDITURES COMPARED TO ACTUAL

004 WATER FUND
 PERIOD ENDING 2/28/09

	FINAL AMENDED BUDGET	***** ACTUAL ***** CURRENT PERIOD	YEAR TO DATE	OVER - UNDER BUDGET	% TO DATE
REVENUES					
39010 ESCSD/POLETA PROJECT	.00	.00	.00	.00	0
39012 WATER SERVICE COLLEC	1,100,000.00	63,654.64	868,235.78	231,764.22	78
39013 PENALTIES-WATER SERV	6,000.00	204.64	3,612.18	2,387.82	60
39014 REIMB SMALL CLAIMS	.00	.00	67.04	67.04-	0
39015 INTEREST ON BANK DEP	60,000.00	.00	9,786.79	50,213.21	16
39016 WATER PERMITS	.00	.00	14,349.75	14,349.75-	0
39017 WATER MISCELLANEOUS	4,000.00	.00	453.93	3,546.07	11
39018 REIMB FRM FED/ST GRA	.00	.00	.00	.00	0
39019 WATER ASSESSMENT FEE	.00	.00	.00	.00	0
39026 REIMB FRM CAL TRANS	.00	.00	.00	.00	0
TOTAL REVENUES	<u>1,170,000.00</u>	<u>63,859.28</u>	<u>896,505.47</u>	<u>273,494.53</u>	<u>76</u>
EXPENDITURES					
050 WATER					
51001 SALARIES-FULL TIME	290,000.00	21,020.56	189,039.69	100,960.31	65
51002 SALARIES/PART-TIME	5,200.00	.00	2,350.69	2,849.31	45
51004 OVERTIME WAGES	2,000.00	88.31	756.54	1,243.46	37
51007 HEALTH INSURANCE	54,000.00	4,231.52	35,371.91	18,628.09	65
51008 DENTAL INSURANCE	5,800.00	409.95	3,552.99	2,247.01	61
51009 PERS EMPLOYEE/EMPLOY	78,000.00	5,829.79	50,256.29	27,743.71	64
51010 WORKERS COMPENSATION	30,000.00	1,656.38	13,498.58	16,501.42	44
51011 MEDICARE TAX	4,400.00	278.91	2,333.66	2,066.34	53
51013 PW-PART TIME SALARIE	.00	.00	.00	.00	0
51016 VEHICLE COMPENSATION	.00	.00	.00	.00	0
51017 FICA	400.00	.00	145.75	254.25	36
51018 DUTY TIME	4,500.00	236.25	2,598.75	1,901.25	57
51022 P.A.R.S SYSTEM	70,000.00	5,110.86	45,070.98	24,929.02	64
51025 RETIREE HEALTH INSUR	28,000.00	2,560.44	17,235.15	10,764.85	61
51042 UNEMPLOYMENT INS.	.00	64.00	64.00	64.00-	0
51043 DISABILITY INSURANCE	7,500.00	367.57	3,063.67	4,436.33	40
52009 TRAINING	5,300.00	1,491.64	4,132.12	1,167.88	77
52010 HEAT,LIGHT,POWER	70,000.00	3,858.30	33,300.28	36,699.72	47
52011 ADVERTISING/PRINTING	500.00	68.63	98.85	401.15	19
52012 OFFICE SUPPLIES,POST	4,050.00	267.84	2,338.76	1,711.24	57
52013 COMMUNICATIONS	7,640.00	696.25	5,352.37	2,287.63	70
52014 MEETINGS, TRAVEL, CO	3,500.00	.00	453.10	3,046.90	12
52015 PROFESSIONAL/TECH. S	22,545.00	240.40	7,405.15	15,139.85	32
52017 WASTE FEES	500.00	.00	108.34	391.66	21
52018 SPECIAL DEPT. SUPPLI	13,000.00	1,314.36	10,969.23	2,030.77	84
52019 MISC. DUES & SUBSCRI	1,195.00	198.00	961.50	233.50	80
53020 VEHICLE OPERATION	8,500.00	352.02	3,414.92	5,085.08	40
53022 OFFICE EQUIP. OPERAT	2,750.00	83.03	2,018.14	731.86	73
54023 BUILDING OPERATION	.00	.00	.00	.00	0
55023 EXP-SMALL CLAIMS	200.00	.00	12.00	188.00	6
55024 RENTALS-REFUNDS	1,200.00	.00	360.00	840.00	30
55027 TRANS TO FED/ST PROJ	.00	.00	.00	.00	0
55040 LITIGATION SERVICES	.00	.00	.00	.00	0
56025 DEPRECIATION	.00	.00	.00	.00	0
56027 CAPITAL IMPROVEMENT	566,500.00	17,155.47	48,905.22	517,594.78	8

STATEMENT OF BUDGETED REVENUES & EXPENDITURES COMPARED TO ACTUAL

004 WATER FUND
 PERIOD ENDING 2/28/09

	FINAL AMENDED BUDGET	***** ACTUAL ***** CURRENT PERIOD	YEAR TO DATE	OVER - UNDER BUDGET	% TO DATE
56028 CAPITAL EQUIPMENT	13,750.00	.00	9,448.97	4,301.03	68
56029 CAPITAL EQUIP. REPLA	5,000.00	.00	.00	5,000.00	0
56030 LOAN PAYMENT SET ASI	43,000.00	.00	21,095.78	21,904.22	49
56032 CAP EXP - COP PAYMEN	11,200.00	.00	5,557.50	5,642.50	49
56500 INTEREST	.00	.00	.00	.00	0
TOTAL WATER	<u>1,360,130.00</u>	<u>67,580.48</u>	<u>521,270.88</u>	<u>838,859.12</u>	<u>38</u>
TOTAL EXPENDITURES	<u>1,360,130.00</u>	<u>67,580.48</u>	<u>521,270.88</u>	<u>838,859.12</u>	<u>38</u>
NET REV & EXPENDITURE	190,130.00-	3,721.20-	375,234.59	565,364.59-	197-
	=====	=====	=====	=====	=====

**City of Bishop – 2008 Water and Sewer Rate Study
Technical Memorandum No. 2**

Prepared For: David Grah, Director of Public Works
Prepared By: Georgette Aronow, Catherine Hansford, and Erin Costa
CC: John Enloe
Date: March 9, 2009
Subject: Draft Sewer Rates Analysis

This memorandum summarizes the findings for the City of Bishop 2008 sewer rate study. In support of the findings are tables generated from the project's financial model, which are also included in this memorandum. The analysis presented in this memorandum differs from previous memorandums by incorporating updated budget data for 2008-09, as provided by the City, and by funding improvements on a pay-as-you-go basis only. Prior memorandum discussion regarding the borrowing option for capital improvement projects has been removed from the analysis.

Summary of Findings

SEWER RATES

Sewer rates are projected to increase each year through 2013-14, with an increase of 33% necessary in the first year of rate increases, and approximately 6% thereafter. The projected increase in rates is primarily being driven by cost adjustment factors that are intended to reflect inflation and other cost escalation pressures, while no new growth is anticipated to spread the increased costs over a greater number of customers. Key aspects of the sewer rate analysis are bulleted below:

- ***Sewer Rates Projected through 2013-14:*** Sewer rates are projected through 2013-14 and allow for increases in ongoing operations and maintenance costs as well as funding of capital improvements on a pay-as-you-go basis.
- ***Flow Characteristics Calculated*** – The flow assumed for each user is based on the City's current single family residential user equivalent or equivalent dwelling unit (EDU). The flow usage factor for a single family residential unit was assumed to be 263 gallons per day (gpd) based on current flows at the wastewater treatment plant.
- ***Influent Concentration*** – Wastewater influent characteristics (biological oxygen demand and suspended solids) were assumed for each user group category based on industry averages and ECO:LOGIC rate study experience.

Adding these characteristics to the rate analysis enhances rate equity, as certain users place more demand on the wastewater system as a result of heavy influent concentrations.

Table 1 provides a summary of the calculated sewer rates though 2013-14. The calculated rates incorporate annual cost inflators for all expenditures. The cost inflators are held constant through the 2013-14 fiscal year.

Table 1
City of Bishop
Sewer Enterprise Fund
Rate Summary - Current vs. Calculated Rates

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Customer Type	Basis of Charge	Current Rate	Calculated Rates				
			2009-10	2010-11	2011-12	2012-13	2013-14
<u>Residential</u>							
Single Family	per Unit	\$20.00	\$26.61	\$28.27	\$30.04	\$31.91	\$33.89
Multi-Family	per Unit	\$16.00	\$21.29	\$22.62	\$24.03	\$25.53	\$27.11
Senior Single Family	per Unit	\$15.00	\$19.96	\$21.21	\$22.53	\$23.93	\$25.41
Senior Multi-Family	per Unit	\$12.00	\$15.97	\$16.96	\$18.02	\$19.15	\$20.33
Hotel Manager Quarters	per Unit	\$20.00	\$26.61	\$28.27	\$30.04	\$31.91	\$33.89
<u>Non-Residential</u>							
Church	per Account	\$20.00	\$25.63	\$27.23	\$28.94	\$30.74	\$32.64
Church Recreation Hall	per Account	\$20.00	\$25.63	\$27.23	\$28.94	\$30.74	\$32.64
Hospital	per Bed	\$6.67	\$9.53	\$10.12	\$10.76	\$11.43	\$12.13
Lodge or Meeting Hall	per Account	\$20.00	\$25.63	\$27.23	\$28.94	\$30.74	\$32.64
Hall Bar	per Account	\$20.00	\$25.63	\$27.23	\$28.94	\$30.74	\$32.64
Public School	per Student	\$0.80	\$0.95	\$1.01	\$1.08	\$1.14	\$1.22
Other School	per Student	\$0.64	\$0.76	\$0.81	\$0.86	\$0.92	\$0.97
Fairgrounds	per Account	\$140.00	\$179.43	\$190.64	\$202.55	\$215.15	\$228.46
Gas Station	per Island	\$8.00	\$11.43	\$12.14	\$12.90	\$13.70	\$14.55
Self Serve Car Wash	per Stall	\$60.00	\$58.71	\$62.36	\$66.25	\$70.36	\$74.70
Beauty or Barber Shop	per Account	\$20.00	\$28.18	\$29.94	\$31.81	\$33.79	\$35.88
Bar	per Seat	\$1.60	\$2.13	\$2.26	\$2.40	\$2.55	\$2.71
Hotel Room	per Account	\$5.00	\$7.73	\$8.21	\$8.73	\$9.27	\$9.84
Laundry	per Account	\$60.00	\$109.18	\$116.02	\$123.28	\$130.98	\$139.09
Landromat	per Washer	\$16.00	\$19.72	\$20.96	\$22.26	\$23.65	\$25.11
Restaurant	per Seat	\$2.00	\$3.83	\$4.08	\$4.33	\$4.60	\$4.89
Trailer Dump Facility	per Account	\$40.00	\$53.22	\$56.55	\$60.08	\$63.82	\$67.77
Commercial/Other Fac.	per Toilet	\$20.00	\$26.61	\$28.27	\$30.04	\$31.91	\$33.89

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Sewer Rate Analysis

OVERVIEW

The sewer rate methodology consists of several steps that systematically result in the calculated future monthly service charges by customer type. The primary steps in computing the rates are as follows:

1. ***Establish the Annual Costs to be Funded*** – Annual costs include operations and maintenance, facility replacement, capital improvements, and debt service.
2. ***Establish the Sewer Customer Base and User Characteristics*** – The sewer customer base includes residential and non-residential users. The user characteristics include flow, biological oxygen demand (BOD) and suspended solids (SS).
3. ***Allocate the Annual Costs to Either Flow, BOD, or SS*** – The Annual Costs are distributed to either flow, BOD, or SS depending on an *assumed* percentage distribution of O&M operations (or Project capital expenditures) attributed to flow, BOD, or SS.
4. ***Determine the Unit Cost per Flow, BOD, or SS*** – The Unit Cost is determined by dividing the allocated cost per flow or concentration category by the total system demand for that category. This is determined for each Cost Category (as described under Step 1 above).
5. ***Determine the Annual Cost per Customer Type*** – The Unit Costs (for flow, BOD, and SS by Cost Category) are then multiplied by number of customers to determine the annual user cost per customer type. The annual amount per customer type can be divided by 12 to establish the monthly charge per customer type.

Each of these steps is described in greater detail below. In addition, the next section of this memorandum describes some of the major assumptions used in calculating the future sewer user charges.

ANNUAL COSTS TO BE FUNDED

CAPITAL IMPROVEMENT PROJECTS IDENTIFIED

The City and its engineer, Nolte Associates, Inc. recently completed the Wastewater Master Plan. The Master Plan identifies and recommends capital projects to be completed over the near and long term. With this knowledge, the City has amended the sewer enterprise fund capital expenditures for fiscal year 2008-09, and these costs provide the platform for projecting future capital improvement costs.

This report assumes that the City pays for capital improvements on a pay-as-you-go basis. The amount budgeted for each year is based on the 2008-09 budget of \$351,874 escalated by five percent per year.

PROJECTED O&M COSTS TO BE FUNDED

The calculated rates are based on projected annual sewer costs for operations and maintenance and capital costs of the sewer enterprise fund. A historical comparison of revenues and expenses is presented in **Table 2**.

Table 2
City of Bishop
Sewer Enterprise Fund
Historical Budget Information

DRAFT

	Sewer Enterprise Fund Fiscal Year Ended June 30					Budget 2009	% Change 2004-2009
	2004	2005	2006	2007	2008		
REVENUES							
Operating Revenues							
Sewer Service Collections	\$273,310	\$394,559	\$484,330	\$598,496	\$682,575	\$700,000	20.7%
Sewer Service Penalties	\$2,229	\$1,218	\$1,394	\$2,580	\$3,490	\$4,000	12.41%
Sewer Permits	\$0	\$1,255	\$67	\$27	\$0	\$0	
Reimbursement Small Claims	\$0	\$22	\$22	\$10	\$0	\$0	
Interest Earnings	\$14,673	\$18,971	\$28,882	\$35,747	\$29,196	\$40,000	22.21%
Miscellaneous Income	\$1,000	\$0	\$0	\$12,087	\$9,882	\$6,000	43.10%
Subtotal Revenues	\$291,212	\$416,025	\$514,695	\$648,947	\$725,143	\$750,000	25.62%
EXPENSES							
Operating Expenses							
Salaries and Benefits	\$296,235	\$333,358	\$436,137	\$467,384	\$528,700	\$475,000	9.90%
Services and Supplies	\$103,231	\$132,696	\$95,010	\$73,960	\$71,645	\$85,600	(3.68%)
Capital Equipment	\$0	\$0	\$0	\$0	\$0	\$32,695	
Capital Replacement	\$0	\$0	\$0	\$0	\$5,000	\$5,000	
Capital Improvements[1]	\$0	\$0	\$0	\$0	\$233,500	\$351,874	
Subtotal Operating Expenses	\$399,466	\$466,054	\$531,147	\$541,344	\$838,845	\$950,169	20.38%
Net Operating Revenues	(\$108,254)	(\$50,029)	(\$16,452)	\$107,603	(\$113,702)	(\$200,169)	1.24%
Current Debt Service	\$0	\$0	\$0	\$0	\$11,200	\$11,200	
Non-Operating Expenses							
Depreciation	\$10,938	\$12,143	\$14,030	\$18,214	\$18,214	\$0	
Interest	\$19,593	\$18,620	\$18,088	\$17,275	\$17,275	\$17,275	
Subtotal Expenses	\$429,997	\$496,817	\$563,265	\$576,833	\$874,334	\$967,444	17.61%
Net Op. Rev after D/S	(\$138,785)	(\$80,792)	(\$48,570)	\$72,114	(\$149,191)	(\$217,444)	9.40%

Source: City of Bishop

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[1] 2008-09 is the base year for the rate model. Depreciation has been accounted for in the capital improvements cost in future years.

Table 3 shows the projected expenses by year through 2013-14.

**Table 3
City of Bishop
Sewer Enterprise Fund
Summary of Projected Expenses**

DRAFT

Expenditures	Inflation Adjustment	Budgeted 2008-09	Projected				
			2009-10	2010-11	2011-12	2012-13	2013-14
Salaries and Benefits	7.00%	\$475,000	\$508,250	\$543,827	\$581,895	\$622,628	\$666,212
Services and Supplies	5.00%	\$85,600	\$89,880	\$94,374	\$99,093	\$104,047	\$109,250
Capital Improvements	5.00%	\$351,874	\$369,468	\$387,942	\$407,339	\$427,706	\$449,091
Capital Equipment	5.00%	\$32,695	\$34,329	\$36,046	\$37,848	\$39,740	\$41,727
Capital Replacement	5.00%	\$5,000	\$5,250	\$5,513	\$5,788	\$6,078	\$6,381
Subtotal		\$950,169	\$1,007,177	\$1,067,701	\$1,131,963	\$1,200,199	\$1,272,661
Current Debt Service		\$11,200	\$11,200	\$11,200	\$11,200	\$11,200	\$11,200
Total		\$1,911,538	\$2,025,554	\$2,146,602	\$2,275,125	\$2,411,597	\$2,556,522

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The projected costs were escalated each year using the following annual percentages for expense line items:

- Salaries and Benefits 7.0%
- Services and Supplies 5.0%
- Capital Improvements 5.0%
- Capital Equipment 5.0%
- Capital Replacement 5.0%

Per the City’s methodology, depreciation has been accounted for in the budgeted capital improvements cost for fiscal year 2008-09. Depreciation is therefore not projected as a separate expense line item in the model.

The cost adjustment factors fall within the typical range for projecting future costs for the purpose of rate setting and take into consideration historical average annual increases in costs as shown in **Table 2**. However, these factors can be adjusted if so desired by the City.

SEWER CUSTOMERS AND USAGE ASSUMPTIONS

Table 4 shows the assumed wastewater characteristics assumed for each customer type. The average daily wastewater flow (ADWF) for residential and commercial customers was calculated based on medium density residential data taken from the Wastewater Master Plan.

In addition to flow data, wastewater influent strength characteristics were added for each customer type. The BOD and SS strength is identical for each customer category and is intended to reflect an average strength between BOD and SS.

In terms of the average daily wastewater flow, the majority of users tend to fall within the parameters as stated by the State Water Resources Control Board (SWRCB) SRF policy revenue program guidelines and based on ECO:LOGIC sewer rate study experience. Two categories, however, seem to be on the low side, gas station islands and hotels. According the SWRCB, a gas station per set of pumps generates approximately 500 gpd in wastewater flow and hotels or motels without kitchens generate approximately 100 to 150 gallons per day per unit.

There may be other issues or factors to be considered regarding customers and user characteristics that can be discussed further with the City.

Table 4
City of Bishop
Sewer Enterprise Fund
Summary of Wastewater User Characteristics

DRAFT

Customer Category	Basis of Charge	Number	Flow EDU Factor	Wastewater Characteristics			Existing Treatment Capacity			Total Annual Capacity		
				ADWF/User GPD	BOD MG/L	SS MG/L	Flow MGD	BOD Lbs/Day	SS Lbs/Day	Flow MG	BOD Lbs/Year	SS Lbs/Year
		(A)		(B)	(C)	(D)	(E)=(A)x(B)	(F)=(C)x(E)x8.34	(G)= (D)x(E)x8.34	(K)=(E)x365	(L)=(F)x(K)x8.34	(M)=(G)x(K)x8.35
Residential												
Single Family	per Unit	554	1.0	263	200	200	0.1457	243	243	53.18	88,706	88,706
Multi-Family	per Unit	1,275	0.8	210	200	200	0.2683	447	447	97.91	163,322	163,322
Senior Single Family	per Unit	23	0.8	197	200	200	0.0045	8	8	1.66	2,762	2,762
Senior Multi-Family	per Unit	24	0.6	158	200	200	0.0038	6	6	1.38	2,306	2,306
Hotel Manager Quarters	per Unit	18	1.0	263	200	200	0.0047	8	8	1.73	2,882	2,882
Non-Residential												
Churches	per Account	16	1.00	263	175	175	0.0042	6	6	1.54	2,242	2,242
Church Recreation Hall	per Account	9	1.00	263	175	175	0.0024	3	3	0.86	1,261	1,261
Hospital	per Bed	221	0.33	88	250	250	0.0194	40	40	7.08	14,752	14,752
Lodge or Meeting Hall	per Account	4	1.00	263	175	175	0.0011	2	2	0.38	560	560
Lodge or Hall Bar	per Account	2	1.00	263	175	175	0.0005	1	1	0.19	280	280
Public School	per Student	2,060	0.04	11	130	130	0.0217	23	23	7.91	8,576	8,576
Other Student	per Student	102	0.03	8	130	130	0.0009	1	1	0.31	340	340
Fairgrounds	per Account	1	7.00	1,841	175	175	0.0018	3	3	0.67	981	981
Gas Station Island	per Island	31	0.40	105	250	250	0.0033	7	7	1.19	2,482	2,482
Self Serve Car Wash Stall	per Stall	12	3.00	789	20	20	0.0095	2	2	3.46	576	576
Beauty or Barber Shop	per Account	8	1.00	263	240	240	0.0021	4	4	0.77	1,537	1,537
Bar Seat	per Seat	276	0.08	21	200	200	0.0058	10	10	2.12	3,535	3,535
Hotels	per Room	869	0.25	66	310	310	0.0571	148	148	20.85	53,918	53,918
Laundry - Community Wash	per Account	1	3.00	789	450	450	0.0008	3	3	0.29	1,081	1,081
Laundry Wash	per Washer	61	0.80	210	150	150	0.0128	16	16	4.68	5,860	5,860
Restaurant Seat	per Seat	2,362	0.10	26	500	500	0.0621	259	259	22.67	94,551	94,551
Trailer Dump Facility	per Account	2	2.00	526	200	200	0.0011	2	2	0.38	640	640
Commercial/Other Facilities	per Toilet	674	1.00	263	200	200	0.1773	296	296	64.70	107,921	107,921
TOTAL		8,605					0.8108	1,537	1,537	295.93	561,072	561,072

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SEWER MODEL COST ALLOCATION

After the costs to be funded have been established and the customer base and user characteristics have been determined, the next step is to fairly allocate the costs to each customer type.

Costs are allocated to customer type and ultimately rate payers as follows:

1. Allocate the costs (by cost category) to flow, BOD, and SS
2. Determine the unit cost for flow, BOD, and SS per cost category
3. Use the unit costs to determine the costs allocated to customer types based on the flow and concentration of influent (flow, BOD, and SS)

The cost allocation tables discussed below are for fiscal year 2009-10.

COST ALLOCATION TO FLOW, BOD, AND SS AND UNIT DETERMINATION

Operation and maintenance costs are first allocated to treatment and collection, as shown in **Table 5**. These costs are then carried forward into **Table 6** for the allocation to flow, BOD, and SS.

Costs are allocated to flow, BOD, and SS based on percentage allocation or distribution factors. These percentage allocation factors are based on the distribution of the treatment facilities O&M activities between or related to flow, BOD, and SS (collection costs are assumed to be 100 percent flow related). It should be noted that this distribution is estimated based on ECO:LOGIC's sewer rate study experience and not actual city data.

Table 5
City of Bishop
Sewer Enterprise Fund
Projected Costs and Distribution between Collection and Treatment System

DRAFT

	Inflation Adjustment	Budget 2008-09	2009-10	Allocation		Collection Cost	Treatment Cost
				Collection	Treatment		
Years Inflated: <input type="text" value="1"/>							
Expenditures							
Salaries and Benefits	7.00%	\$475,000	\$508,250	20%	80%	\$101,650	\$406,600
Services and Supplies	5.00%	\$85,600	\$89,880	20%	80%	\$17,976	\$71,904
Capital Improvements	5.00%	\$351,874	\$369,468	20%	80%	\$73,894	\$295,575
Capital Equipment	5.00%	\$32,695	\$34,329	20%	80%	\$6,866	\$27,463
Capital Replacement	5.00%	\$5,000	\$5,250	20%	80%	\$1,050	\$4,200
Subtotal		\$950,169	\$1,007,177			\$201,435	\$805,742
Current Debt Service	0.00%	\$11,200	\$11,200				
Additional Debt Service	0.00%	\$0	\$0				
Reserve Fund/Coverage	0.00%	\$0	\$36,000				
Total		\$961,369	\$1,054,377				

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Table 6
 City of Bishop
 Sewer Enterprise Fund
 Unit Cost Determination

DRAFT

Cost Category	Allocated Operating Costs	Percent Allocation			Cost			Total Influent			Unit Cost Per:		
		Flow	BOD	SS	Flow	BOD	SS	Flow MG	BOD Klbs	SS Klbs	Mgal of Flow (\$/Mgal)	Klb of BOD (\$/Klb)	Klb of SS (\$/Klb)
Collection System O&M Costs [1] [2]	\$201,435	100%	0.00%	0.00%	\$201,435	\$0	\$0	295.93	561.07	561.07	\$680.69	\$0.00	\$0.00
Treatment O&M Costs	\$805,742	60%	20.00%	20.00%	\$483,445	\$161,148	\$161,148	295.93	561.07	561.07	\$1,633.66	\$287.22	\$287.22
Debt Service	\$11,200	60%	20.00%	20.00%	\$6,720	\$2,240	\$2,240	295.93	561.07	561.07	\$22.71	\$3.99	\$3.99
Reserve Fund	\$36,000	60%	20.00%	20.00%	\$21,600	\$7,200	\$7,200	295.93	561.07	561.07	\$72.99	\$12.83	\$12.83
SUBTOTAL	\$1,054,377												
Other Cost Impacts													
Other Revenues	(\$30,650)	60%	20.00%	20.00%	(\$18,390)	(\$6,130)	(\$6,130)	295.93	561.07	561.07	(\$62.14)	(\$10.93)	(\$10.93)
Rounding	\$273	60%	20.00%	20.00%	\$164	\$55	\$55	295.93	561.07	561.07	\$0.55	\$0.10	\$0.10
Total	(\$30,377)				(\$18,226)	(\$6,075)	(\$6,075)				(\$61.59)	(\$10.83)	(\$10.83)
TOTAL	\$1,024,000										\$2,348.45	\$293.21	\$293.21

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Table 5 shows the calculation of the unit costs by cost category for flow, BOD, and SS. The costs are allocated to flow, BOD, and SS based on percent allocation factors as described above. The allocated costs are then divided by the total influent, shown in **Table 4**, to determine the unit cost per flow, BOD, and SS. These unit costs are then used to determine the cost allocated to each customer type and ultimately the calculated rates for each customer account.

COST ALLOCATION BY CUSTOMER CATEGORY

Table 7 shows the cost allocated to flow, BOD, and SS by customer category for 2009-10. The unit costs determined in **Table 5** are multiplied by flow, BOD, or SS for each customer type. For example, single family residential customers are allocated approximately \$176,913 of the projected \$1,024,000 total costs.

CALCULATED RATES

Based on the costs allocated to each customer type, **Table 8** presents the calculated rates for 2009-10.

Table 7
City of Bishop
Sewer Enterprise Fund
Allocation of Costs to Flow, BOD, and SS by Customer Category

DRAFT

Unit Cost/Customer Category				Operating Costs				Capital Costs			Capital Costs			Subtotal	Other Revenue Impacts			Total
	Flow MG/Yr	BOD Klb/Yr	SS Klb/Yr	Collection	Treatment			Debt Service			Reserve Fund				Flow	BOD	SS	
				Flow (\$/Mgal)	Flow (\$/Mgal)	BOD (\$/Klb)	SS (\$/Klb)	Flow (\$/Mgal)	BOD (\$/Klb)	SS (\$/Klb)	Flow (\$/Mgal)	BOD (\$/Klb)	SS (\$/Klb)		Flow (\$/Mgal)	BOD (\$/Klb)	SS (\$/Klb)	
Unit Cost				\$680.69	\$1,633.66	\$287.22	\$287.22	\$22.71	\$3.99	\$3.99	\$72.99	\$12.83	\$12.83	\$3,018	(\$61.59)	(\$10.83)	(\$10.83)	\$2,935
Residential																		
Single Family	53.18	89	89	\$36,200	\$86,880	\$25,478	\$25,478	\$1,208	\$354	\$354	\$3,882	\$1,138	\$1,138	\$182,110	(\$3,275)	(\$961)	(\$961)	\$176,913
Multi-Family	97.91	163	163	\$66,650	\$159,959	\$46,909	\$46,909	\$2,223	\$652	\$652	\$7,147	\$2,096	\$2,096	\$335,292	(\$6,031)	(\$1,768)	(\$1,768)	\$325,725
Senior Single Family	1.66	3	3	\$1,127	\$2,705	\$793	\$793	\$38	\$11	\$11	\$121	\$35	\$35	\$5,670	(\$102)	(\$30)	(\$30)	\$5,509
Senior Multi-Family	1.38	2	2	\$941	\$2,258	\$662	\$662	\$31	\$9	\$9	\$101	\$30	\$30	\$4,734	(\$85)	(\$25)	(\$25)	\$4,598
Hotel Manager Quarters	1.73	3	3	\$1,176	\$2,823	\$828	\$828	\$39	\$12	\$12	\$126	\$37	\$37	\$5,917	(\$106)	(\$31)	(\$31)	\$5,748
Subtotal	155.86	259.98	259.98	\$106,094	\$254,625	\$74,670	\$74,670	\$3,539	\$1,038	\$1,038	\$11,376	\$3,336	\$3,336	\$533,723	(\$9,600)	(\$2,815)	(\$2,815)	\$518,493
Non-Residential																		
Churches	1.54	2	2	\$1,045	\$2,509	\$644	\$644	\$35	\$9	\$9	\$112	\$29	\$29	\$5,065	(\$95)	(\$24)	(\$24)	\$4,922
Church Recreation Hall	0.86	1	1	\$588	\$1,411	\$362	\$362	\$20	\$5	\$5	\$63	\$16	\$16	\$2,849	(\$53)	(\$14)	(\$14)	\$2,768
Hospital	7.08	15	15	\$4,816	\$11,558	\$4,237	\$4,237	\$161	\$59	\$59	\$516	\$189	\$189	\$26,022	(\$436)	(\$160)	(\$160)	\$25,266
Lodge or Meeting Hall	0.38	1	1	\$261	\$627	\$161	\$161	\$9	\$2	\$2	\$28	\$7	\$7	\$1,266	(\$24)	(\$6)	(\$6)	\$1,230
Lodge or Hall Bar	0.19	0	0	\$131	\$314	\$80	\$80	\$4	\$1	\$1	\$14	\$4	\$4	\$633	(\$12)	(\$3)	(\$3)	\$615
Public School	7.91	9	9	\$5,384	\$12,922	\$2,463	\$2,463	\$180	\$34	\$34	\$577	\$110	\$110	\$24,278	(\$487)	(\$93)	(\$93)	\$23,605
Other Student	0.31	0	0	\$213	\$512	\$98	\$98	\$7	\$1	\$1	\$23	\$4	\$4	\$962	(\$19)	(\$4)	(\$4)	\$935
Fairgrounds	0.67	1	1	\$457	\$1,098	\$282	\$282	\$15	\$4	\$4	\$49	\$13	\$13	\$2,216	(\$41)	(\$11)	(\$11)	\$2,153
Gas Station Island	1.19	2	2	\$810	\$1,945	\$713	\$713	\$27	\$10	\$10	\$87	\$32	\$32	\$4,378	(\$73)	(\$27)	(\$27)	\$4,251
Self Serve Car Wash Stall	3.46	1	1	\$2,352	\$5,646	\$166	\$166	\$78	\$2	\$2	\$252	\$7	\$7	\$8,679	(\$213)	(\$6)	(\$6)	\$8,454
Beauty or Barber Shop	0.77	2	2	\$523	\$1,255	\$441	\$441	\$17	\$6	\$6	\$56	\$20	\$20	\$2,786	(\$47)	(\$17)	(\$17)	\$2,705
Bar Seat	2.12	4	4	\$1,443	\$3,463	\$1,015	\$1,015	\$48	\$14	\$14	\$155	\$45	\$45	\$7,258	(\$131)	(\$38)	(\$38)	\$7,051
Hotels	20.85	54	54	\$14,196	\$34,070	\$15,486	\$15,486	\$474	\$215	\$215	\$1,522	\$692	\$692	\$83,048	(\$1,284)	(\$584)	(\$584)	\$80,596
Laundry - Community Wash	0.29	1	1	\$196	\$470	\$310	\$310	\$7	\$4	\$4	\$21	\$14	\$14	\$1,351	(\$18)	(\$12)	(\$12)	\$1,310
Laundry Wash	4.68	6	6	\$3,189	\$7,653	\$1,683	\$1,683	\$106	\$23	\$23	\$342	\$75	\$75	\$14,854	(\$289)	(\$63)	(\$63)	\$14,438
Restaurant Seat	22.67	95	95	\$15,434	\$37,042	\$27,156	\$27,156	\$515	\$377	\$377	\$1,655	\$1,213	\$1,213	\$112,140	(\$1,397)	(\$1,024)	(\$1,024)	\$108,696
Trailer Dump Facility	0.38	1	1	\$261	\$627	\$184	\$184	\$9	\$3	\$3	\$28	\$8	\$8	\$1,315	(\$24)	(\$7)	(\$7)	\$1,277
Commercial/Other Facilities	64.70	108	108	\$44,041	\$105,699	\$30,996	\$30,996	\$1,469	\$431	\$431	\$4,723	\$1,385	\$1,385	\$221,556	(\$3,985)	(\$1,169)	(\$1,169)	\$215,234
Subtotal	140.07	193.17	193.17	\$157,133	\$123,121	\$55,482	\$55,482	\$1,711	\$771	\$771	\$5,501	\$2,479	\$2,479	\$299,099	(\$4,642)	(\$2,092)	(\$2,092)	\$290,273
TOTAL	295.93	561.07	561.07	\$201,435	\$483,445	\$161,148	\$161,148	\$6,720	\$2,240	\$2,240	\$21,600	\$7,200	\$7,200	\$1,054,377	(\$18,226)	(\$6,075)	(\$6,075)	\$1,024,000

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Table 8
City of Bishop
Sewer Enterprise Fund
Detailed Sewer Rate Calculation

DRAFT

Customer Category	Number of Customers	Allocated Cost	Annual Cost Per Customer	Monthly Cost Per Customer	
				2009-10 Mo. Charge	Basis of Charge
Residential					
Single Family	554	\$176,913	\$319.34	\$26.61	per Unit
Multi-Family	1,275	\$325,725	\$255.47	\$21.29	per Unit
Senior Single Family	23	\$5,509	\$239.50	\$19.96	per Unit
Senior Multi-Family	24	\$4,598	\$191.60	\$15.97	per Unit
Hotel Manager Quarters	18	\$5,748	\$319.34	\$26.61	per Unit
Subtotal		\$518,493			
Non-Residential					
Churches	16	\$4,922	\$307.60	\$25.63	per Account
Church Recreation Hall	9	\$2,768	\$307.60	\$25.63	per Account
Hospital	221	\$25,266	\$114.33	\$9.53	per Bed
Lodge or Meeting Hall	4	\$1,230	\$307.60	\$25.63	per Account
Lodge or Hall Bar	2	\$615	\$307.60	\$25.63	per Account
Public School	2,060	\$23,605	\$11.46	\$0.95	per Student
Other Student	102	\$935	\$9.17	\$0.76	per Student
Fairgrounds	1	\$2,153	\$2,153.20	\$179.43	per Account
Gas Station Island	31	\$4,251	\$137.12	\$11.43	per Island
Self Serve Car Wash Stall	12	\$8,454	\$704.49	\$58.71	per Stall
Beauty or Barber Shop	8	\$2,705	\$338.12	\$28.18	per Account
Bar Seat	276	\$7,051	\$25.55	\$2.13	per Seat
Hotels	869	\$80,596	\$92.75	\$7.73	per Room
Laundry - Community Wash	1	\$1,310	\$1,310.13	\$109.18	per Account
Laundry Wash	61	\$14,438	\$236.69	\$19.72	per Washer
Restaurant Seat	2,362	\$108,696	\$46.02	\$3.83	per Seat
Trailer Dump Facility	2	\$1,277	\$638.68	\$53.22	per Account
Commercial/Other Facilities	674	\$215,234	\$319.34	\$26.61	per Toilet
Subtotal		\$505,507			
TOTAL		\$1,024,000			

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PROJECTED CASH FLOW

Table 9 shows the projected cash flow for the ongoing operations and maintenance of the sewer enterprise fund. The revenue projections show the need for an immediate increase in sewer rates in 2009-10 and each subsequent year through 2013-14.

In order to minimize projected rate increases the calculated rates provide sufficient revenue to cover costs but do not provide significant levels of net revenues. The accumulation of net revenues would allow the City to build up a larger operating reserve. An operating reserve of approximately 6 months of operating costs would allow the City to be prepared in times of unforeseen costs or if revenues do not accumulate as projected.

The rates as currently projected allow the City to maintain its current reserve of approximately 4 months of operating expenses.

Table 9
City of Bishop
Sewer Enterprise Fund
Projected Cash Flow

DRAFT

	Inflation Assumption	Budgeted 2008-09	Projected				
			2009-10	2010-11	2011-12	2012-13	2013-14
Revenues							
Monthly Charge		\$20.00	\$26.61	\$28.27	\$30.19	\$32.07	\$33.89
Annual Charge		\$240	\$319.32	\$339.24	\$362.28	\$384.84	\$406.68
EDUs [1]			3,095	3,095	3,095	3,095	3,095
Sewer Sales		\$700,000	\$988,300	\$1,049,950	\$1,121,260	\$1,191,080	\$1,258,670
Other Revenues							
Penalties [2]		\$4,000	\$4,650	\$4,940	\$5,280	\$5,610	\$5,930
Interest Income		\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000
Other Revenues		\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000
Subtotal		\$50,000	\$50,650	\$50,940	\$51,280	\$51,610	\$51,930
Subtotal Revenues		\$750,000	\$1,038,950	\$1,100,890	\$1,172,540	\$1,242,690	\$1,310,600
Expenses							
Salaries and Benefits	7.0%	\$475,000	\$508,250	\$543,830	\$581,900	\$622,630	\$666,210
Services and Supplies	5.0%	\$85,600	\$89,880	\$94,370	\$99,090	\$104,040	\$109,240
Capital Equipment	5.0%	\$32,690	\$34,320	\$36,040	\$37,840	\$39,730	\$41,720
Capital Replacement	5.0%	\$5,000	\$5,250	\$5,510	\$5,790	\$6,080	\$6,380
Capital Improvements	5.0%	\$351,870	\$369,460	\$387,930	\$407,330	\$427,700	\$449,090
Subtotal Expenses		\$950,160	\$1,007,160	\$1,067,680	\$1,131,950	\$1,200,180	\$1,272,640
Net Revenue Before D/S		(\$200,160)	\$31,790	\$33,210	\$40,590	\$42,510	\$37,960
Debt Service							
Current Debt Service		\$11,200	\$11,200	\$11,200	\$11,200	\$11,200	\$11,200
Add'l Debt Service		\$0	\$0	\$0	\$0	\$0	\$0
Total Debt Service		\$11,200	\$11,200	\$11,200	\$11,200	\$11,200	\$11,200
<i>Debt Service Coverage</i>		<i>(17.87)</i>	<i>2.84</i>	<i>2.97</i>	<i>3.62</i>	<i>3.80</i>	<i>3.39</i>
Net Revenue After D/S		(\$211,360)	\$20,590	\$22,010	\$29,390	\$31,310	\$26,760

Beginning Operating Balance [3]		\$557,780	\$346,420	\$367,010	\$389,020	\$418,410	\$449,720
Net Revenues		(\$211,360)	\$20,590	\$22,010	\$29,390	\$31,310	\$26,760
Ending Operating Balance		\$346,420	\$367,010	\$389,020	\$418,410	\$449,720	\$476,480
<i>Target Operating Balance [4]</i>		<i>\$475,080</i>	<i>\$503,580</i>	<i>\$533,840</i>	<i>\$565,975</i>	<i>\$600,090</i>	<i>\$636,320</i>

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[1] Per the City of Bishop, February 2009.

[2] Revenue penalties are tied to sewer sales (historically half a percent of sewer sales).

[3] Beginning operating balance reflects unrestricted cash and cash equivalents as of July 1, 2008.

[4] The target operating balance represents 6 months of operating expenses, excluding debt service and depreciation.

**City of Bishop – 2008 Water and Sewer Rate Study
Technical Memorandum No. 3**

Prepared For: David Grah, Director of Public Works
Prepared By: Georgette Aronow, Catherine Hansford, and Erin Costa
CC: John Enloe
Date: March 9, 2009
Subject: Draft Water Rates Analysis

This memorandum summarizes the findings for the City of Bishop 2008 water rate study and provides supporting tables for the City's review. The analysis presented in this memorandum differs from previous memorandums by incorporating updated budget data for 2008-09, as provided by the City, and by funding improvements on a pay-as-you-go basis only. Prior memorandum discussion regarding the borrowing option for capital improvement project has been removed from the analysis.

Summary of Findings

WATER RATES

Based on the comparison of projected expenses versus revenues, it is recommended that monthly water rates be reduced over the next two fiscal years, and then increase from current levels in fiscal year 2011-12. Key aspects of the water rate analysis are bulleted below:

- **Water Rates Projected through 2013-14:** Water rates are projected through 2013-14 and allow for increases in ongoing operations and maintenance costs as well as some funding of capital improvements on a pay-as-you-go basis.
- **Rates Were Calculated Emphasizing Rate Equity:** Rate equity assumes that all customers pay their fair share of costs. Equivalent dwelling unit (EDU) factors and the estimated number of gallons per day per customer/account were used to determine rate equality. The flow usage factor for a single family residential unit was assumed to be 449 gallons per day (gpd) based on per capita consumption documented in the City's Master Plan.
- **Rates Projected to Decrease Initially:** Projected rates for fiscal years 2009-10 and 2010-11 are lower than current rates set by the City. The calculated reduced rates will cover projected expenses during these years and continue to maintain the enterprise fund's healthy operating reserve.

Table 1 provides a summary of the calculated water rates. The calculated rates incorporate annual cost inflators for all expenditures. The cost inflators are held constant through the 2013-14 fiscal year.

Table 1
City of Bishop
Water Enterprise Fund
Summary of Calculated Water Rates -- FY 08-09 to FY 13-14

DRAFT

	Calculated Monthly Charge					
	<u>2008-09</u> Current Rate	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>
Flat Rate [1]						
Single Family	\$32.00	\$29.05	\$30.76	\$32.57	\$34.50	\$36.55
Multi-Family	\$25.60	\$23.24	\$24.61	\$26.06	\$27.60	\$29.24
Senior Single Family	\$24.00	\$21.79	\$23.07	\$24.43	\$25.88	\$27.41
Senior Multi-Family	\$19.20	\$17.43	\$18.45	\$19.54	\$20.70	\$21.93
Churches	\$32.00	\$29.05	\$30.76	\$32.57	\$34.50	\$36.55
Church Hall	\$32.00	\$29.05	\$30.76	\$32.57	\$34.50	\$36.55
Hospital	\$10.67	\$9.69	\$10.26	\$10.86	\$11.50	\$12.19
Lodge or Meeting Hall	\$32.00	\$29.05	\$30.76	\$32.57	\$34.50	\$36.55
Lodge Bar	\$32.00	\$29.05	\$30.76	\$32.57	\$34.50	\$36.55
Elementry Student	\$1.28	\$1.16	\$1.23	\$1.30	\$1.38	\$1.46
High School Student	\$1.28	\$1.16	\$1.23	\$1.30	\$1.38	\$1.46
Other Student	\$1.02	\$0.93	\$0.98	\$1.04	\$1.10	\$1.16
Fairgrounds	\$224.00	\$203.33	\$215.30	\$228.01	\$241.50	\$255.82
Gas Station Island	\$12.80	\$11.62	\$12.30	\$13.03	\$13.80	\$14.62
Self Serve Car Wash Stall	\$96.00	\$87.14	\$92.27	\$97.72	\$103.50	\$109.64
Beauty or Barber Shop	\$32.00	\$29.05	\$30.76	\$32.57	\$34.50	\$36.55
Bar Seat	\$2.56	\$2.32	\$2.46	\$2.61	\$2.76	\$2.92
Hotel Manager Quarters	\$32.00	\$29.05	\$30.76	\$32.57	\$34.50	\$36.55
Hotel Room	\$8.00	\$7.26	\$7.69	\$8.14	\$8.63	\$9.14
Laundry - Community Wash	\$96.00	\$87.14	\$92.27	\$97.72	\$103.50	\$109.64
Laundry Wash	\$25.60	\$23.24	\$24.61	\$26.06	\$27.60	\$29.24
Restaurant Seat	\$3.20	\$2.90	\$3.08	\$3.26	\$3.45	\$3.65
Trailer Dump Facility	\$64.00	\$58.09	\$61.52	\$65.15	\$69.00	\$73.09
Other Facilities*	\$32.00	\$29.05	\$30.76	\$32.57	\$34.50	\$36.55

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Customer Summary and Billing Structure

The City of Bishop has approximately 8,607 flat rate customers sorted into 24 residential and commercial customer types. The City’s preference is to keep their customers on the existing flat rate schedule, as shown in **Table 2**. The EDU factors currently reflect the existing single family residential equivalent unit (SFRUE) factors used by the City. ECO:LOGIC has reviewed these EDU factors, and concurs that they are reasonable for rate-setting purposes.

Table 2
City of Bishop
Water Enterprise Fund
Customer Summary

DRAFT

Customer Type	Unit	Number of Units / Accounts	Current Flat Rate	EDU Factor
Flat Rate [1]				
Single Family	per Unit	556	\$32.00	1.00
Multi-Family	per Unit	1,275	\$25.60	0.80
Senior Single Family	per Unit	23	\$24.00	0.75
Senior Multi-Family	per Unit	24	\$19.20	0.60
Churches	per Account	16	\$32.00	1.00
Church Hall	per Account	9	\$32.00	1.00
Hospital	per Bed	221	\$10.67	0.33
Lodge or Meeting Hall	per Account	4	\$32.00	1.00
Lodge Bar	per Account	2	\$32.00	1.00
Elementry Student	per Student	1,330	\$1.28	0.04
High School Student	per Student	730	\$1.28	0.04
Other Student	per Student	102	\$1.02	0.03
Fairgrounds	per Account	1	\$224.00	7.00
Gas Station Island	per Island	31	\$12.80	0.40
Self Serve Car Wash Stall	per Stall	12	\$96.00	3.00
Beauty or Barber Shop	per Account	8	\$32.00	1.00
Bar Seat	per Seat	276	\$2.56	0.08
Hotel Manager Quarters	per Unit	18	\$32.00	1.00
Hotel Room	per Unit	869	\$8.00	0.25
Laundry - Community Wash	per Account	1	\$96.00	3.00
Laundry Wash	per Washer	61	\$25.60	0.80
Restaurant Seat	per Seat	2,362	\$3.20	0.10
Trailer Dump Facility	per Account	2	\$64.00	2.00
Other Facilities*	per Toilet	674	\$32.00	1.00
Total		8,607		

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Water Rate Analysis

The water rate methodology consists of several steps that systematically result in the calculated future water rates by customer type. The primary steps in computing the rates are as follows:

1. ***Establish the Annual Costs to be Funded*** – Annual Costs include operations and maintenance, facility replacement, capital improvements, and existing debt service.
2. ***Establish the Water Customer Base and User Characteristics*** – The water customer base includes residential and commercial users. User characteristics are based on estimated or assumed water flow. One EDU is assumed to use 449 gallons per day (gpd), per the City’s Master Plan.
3. ***Determine the Unit Cost for Purposes of Allocating Costs to Customer Categories*** – The unit cost is calculated by dividing the annual cost/expenses by the total annual water flow, which results in a cost per million gallons of flow. This cost is converted into a cost per gallon of flow per day.
4. ***Calculate the Base User Charge per Month*** – The cost per gallon of flow is multiplied by the assumed water use per account per day to determine the flat monthly water service charge.

Each of these steps is described in greater detail below.

WATER RATE MODEL

The following discussion provides an overview of each primary step in the methodology used to calculate future water rates for residential and commercial customers within the City of Bishop.

PROJECTED COSTS TO BE FUNDED

The City has amended the water enterprise fund capital expenditures for fiscal year 2008-09, which costs provide the platform for projecting future capital improvement costs. This report assumes that the City pays for capital improvements on a pay-as-you-go basis. The amount budgeted for each year is based on the 2008-09 budget of \$360,830 escalated by five percent per year.

The calculated rates are based on projected annual sewer costs for operations and maintenance and capital costs of the sewer enterprise fund. A historical comparison of revenues and costs is presented in **Table 3**. The 2008-09 budgeted costs are used as the base year cost for future year projections. The costs are projected using the following annual percentage increases:

- Salaries & Benefits 7.0%
- Services & Supplies 5.0%
- Capital Equipment 5.0%
- Capital Replacement 5.0%
- Capital Improvements 5.0%

Per the City’s methodology, depreciation has been accounted for in the capital improvements budgeted costs for fiscal year 2008-09 and is not therefore projected as a separate expense line item.

The cost inflators are less than the historical average annual increase in expenses and reflect an expectation that cost increases will be more moderate in the future. These percentage increases can be adjusted based on input from City Staff.

Table 4 shows projected water expenses by line item for the next five years.

WATER CUSTOMERS AND USAGE ASSUMPTIONS

The City currently bills on a flat monthly charge basis. **Table 5** shows the assumed water usage for each customer category. The water usage is assumed based on the water usage of 449 gallons per day for a residential unit, per the City’s Master Plan. Usage for the remaining customer types is calculated based on the EDU factors shown in **Table 2**.

COST ALLOCATION AND UNIT COST CHARGES

Table 6 shows the projected revenue requirement to be met by water sales. The revenue requirement is based on the projected expenses shown in **Table 4**, plus some additional funding to allow for the accumulation of an operating reserve and to provide adequate debt service coverage for the City’s existing debt service.

The projected revenue to be generated by water sales is divided by the total annual water usage to determine a cost per million gallons of flow. The cost per million gallons is converted into a cost per gallon per day, which is then used as the basis for allocating costs to each customer category.

The monthly water service charges per customer account are shown in **Table 7** for each customer type.

**Table 3
City of Bishop
Water Enterprise Fund
Historical Budget Information**

DRAFT

	Water Enterprise Fund						% Change 2003-2008
	Fiscal Year Ended June 30						
	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	
REVENUES							
<u>Operating Revenues</u>							
Service Collections	\$358,892	\$819,404	\$967,511	\$1,057,198	\$1,095,739	\$1,100,000	25.11%
Service Penalties	\$2,640	\$2,294	\$2,828	\$4,591	\$5,583	\$6,000	17.84%
Interest Earnings	\$5,574	\$9,004	\$27,569	\$42,895	\$52,187	\$60,000	60.84%
Miscellaneous Income	\$2,178	\$19,486	\$1,043	\$9,416	\$6,321	\$4,000	12.93%
ESCSD/ Poleta Project	\$55,000	\$0	\$0	\$0	\$0	\$0	
Reimbursement Small Claims	\$0	\$22	\$33	\$10	\$0	\$0	
Water Permits	\$0	\$0	\$25	\$0	\$0	\$0	
Subtotal Revenues	\$424,284	\$850,210	\$999,009	\$1,114,110	\$1,159,830	\$1,170,000	22.49%
EXPENSES							
<u>Operating Expenses</u>							
Salaries and Benefits	\$276,921	\$329,935	\$435,417	\$449,532	\$527,000	\$480,000	11.63%
Services and Supplies	\$144,693	\$134,132	\$159,070	\$159,102	\$158,710	\$143,880	(0.11%)
Capital Equipment	\$0	\$0	\$0	\$0	\$0	\$17,730	
Capital Replacement	\$0	\$0	\$0	\$0	\$5,000	\$5,000	
Capital Improvements	\$0	\$0	\$0	\$0	\$566,500	\$360,830	
Subtotal Operating Expenses	\$421,614	\$464,067	\$594,487	\$608,634	\$1,257,210	\$1,007,440	19.03%
Net Operating Revenues	\$2,670	\$386,143	\$404,522	\$505,476	(\$97,380)	\$162,560	
<u>Debt Service</u>							
Current Debt Service	\$42,186	\$53,386	\$53,386	\$53,386	\$54,200	\$54,200	5.14%
Future Debt Service							
Subtotal Debt Service	\$42,186	\$53,386	\$53,386	\$53,386	\$54,200	\$54,200	5.14%
Debt Coverage Ratio	0.06	7.23	7.58	9.47	(1.80)	3.00	
<u>Non-Operating Expenses</u>							
Depreciation [1]	\$13,929	\$16,585	\$20,600	\$24,511	\$24,511	\$0	(100.00%)
Interest	\$19,593	\$18,620	\$18,088	\$17,280	\$17,280	\$17,280	(2.48%)
Subtotal Non-Operating Expenses	\$33,522	\$35,205	\$38,688	\$41,791	\$41,791	\$17,280	(12.41%)
Subtotal Expenses	\$497,322	\$552,658	\$686,561	\$703,811	\$1,353,201	\$1,078,920	16.75%
Net Op. Rev after D/S and Depreciation	(\$73,038)	\$297,552	\$312,448	\$410,299	(\$193,371)	\$91,080	

Source: City of Bishop

"t3"

[1] 2008-09 is the base year for the rate model. Going forward, depreciation has been accounted for in the capital improvements cost.

**Table 4
City of Bishop
Water Enterprise Fund
Projected Water Expenses**

DRAFT

	Inflation Assumption	Budgeted 2008-09	Projected				
			2009-10	2010-11	2011-2012	2012-13	2013-14
Expenses							
Salaries & Benefits	7.0%	\$480,000	\$513,600	\$549,552	\$588,021	\$629,182	\$673,225
Services & Supplies	5.0%	\$143,880	\$151,074	\$158,628	\$166,559	\$174,887	\$183,631
Capital Equipment	5.0%	\$17,730	\$18,617	\$19,547	\$20,525	\$21,551	\$22,629
Capital Replacement	5.0%	\$5,000	\$5,250	\$5,513	\$5,788	\$6,078	\$6,381
Capital Improvements	5.0%	\$360,830	\$378,872	\$397,815	\$417,706	\$438,591	\$460,521
Subtotal Expenses		\$1,007,440	\$1,067,413	\$1,131,055	\$1,198,599	\$1,270,289	\$1,346,387
Debt Service							
Current Water Debt Service		\$54,200	\$54,200	\$54,200	\$54,200	\$54,200	\$54,200
New Water Debt Service			\$0	\$0	\$0	\$0	\$0
Subtotal Debt Service		\$54,200	\$54,200	\$54,200	\$54,200	\$54,200	\$54,200
Rounding / Operating Reserve		\$0	\$8,007	\$8,005	\$8,001	\$8,001	\$8,003
Total		\$1,061,640	\$1,129,620	\$1,193,260	\$1,260,800	\$1,332,490	\$1,408,590
Percent Increase			6.4%	5.6%	5.7%	5.7%	5.7%

"t4"

Table 5
City of Bishop
Water Enterprise Fund
Customer Water Usage Assumptions and Total Annual Usage

DRAFT

Customer Type	Number of Units/Accounts	Assumed Usage Per Acct gal/day [1]	Assumed Usage mg/d	Total Annual Usage mg
Single Family	556	449	0.2496	91.12
Multi-Family	1,275	359	0.4580	167.16
Senior Single Family	23	337	0.0077	2.83
Senior Multi-Family	24	269	0.0065	2.36
Churches	16	449	0.0072	2.62
Church Hall	9	449	0.0040	1.47
Hospital	221	150	0.0331	12.08
Lodge or Meeting Hall	4	449	0.0018	0.66
Lodge Bar	2	449	0.0009	0.33
Elementry Student	1,330	18	0.0239	8.72
High School Student	730	18	0.0131	4.79
Other Student	102	14	0.0015	0.53
Fairgrounds	1	3,143	0.0031	1.15
Gas Station Island	31	180	0.0056	2.03
Self Serve Car Wash Stall	12	1,347	0.0162	5.90
Beauty or Barber Shop	8	449	0.0036	1.31
Bar Seat	276	36	0.0099	3.62
Hotel Manager Quarters	18	449	0.0081	2.95
Hotel Room	869	112	0.0975	35.60
Laundry - Community Wash	1	1,347	0.0013	0.49
Laundry Wash	61	359	0.0219	8.00
Restaurant Seat	2,362	45	0.1061	38.71
Trailer Dump Facility	2	898	0.0018	0.66
Commercial/Other Facilities	674	449	0.3026	110.46
Total	8,607	12,224	1.385	505.54
Estimated EDUs	3,085			

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[1] Usage assumption based on the Water Master Plan.

Table 6
City of Bishop
Water Enterprise Fund
Water O&M and Capital Costs Allocated To Water Sales

DRAFT

Cost Items	Total Flow (MG)	Costs Allocated to Water Sales (User Charges) for Fiscal Years:					
		Base Year 2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
Total Costs	<i>A (From Table 4)</i>	\$1,061,640	\$1,129,620	\$1,193,260	\$1,260,800	\$1,332,490	\$1,408,590
Operating Reserve Allowance	<i>B</i>	\$0	\$0	\$0	\$0	\$0	\$0
Allowance for Other Revenues [1]	<i>C</i>	(\$55,000)	(\$54,390)	(\$54,710)	(\$55,050)	(\$55,410)	(\$55,790)
Costs Allocated to Water Sales	<i>D=A+B+C</i>	\$1,006,640	\$1,075,230	\$1,138,550	\$1,205,750	\$1,277,080	\$1,352,800

Unit Cost Determination

		--- Unit Cost per MG of Flow ---						
<u>Unit Cost per MG of Flow</u>	<i>J=H/Water Flow</i>	505.54	\$1,991.22	\$2,126.90	\$2,252.15	\$2,385.08	\$2,526.17	\$2,675.95
Cost per Gallon of Flow			\$0.0020	\$0.0021	\$0.0023	\$0.0024	\$0.0025	\$0.0027

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[1] Includes 75% of interest earnings to provide a cushion in event of lower interest rates.

**Table 7
City of Bishop
Water Enterprise Fund
Calculation of Base Rate for Monthly Charge**

DRAFT

Customer Type	Assumed Usage Per Acct gallons per day	Assumed Usage Per Acct gallons per month	Water Service Charge per Account per Month				
			2009-10	2010-2011	2011-2012	2012-2013	2013/2014
Cost per MG flow			\$0.0021	\$0.0023	\$0.0024	\$0.0025	\$0.0027
Single Family	449	13,657	\$29.05	\$30.76	\$32.57	\$34.50	\$36.55
Multi-Family	359	10,926	\$23.24	\$24.61	\$26.06	\$27.60	\$29.24
Senior Single Family	337	10,243	\$21.79	\$23.07	\$24.43	\$25.88	\$27.41
Senior Multi-Family	269	8,194	\$17.43	\$18.45	\$19.54	\$20.70	\$21.93
Churches	449	13,657	\$29.05	\$30.76	\$32.57	\$34.50	\$36.55
Church Hall	449	13,657	\$29.05	\$30.76	\$32.57	\$34.50	\$36.55
Hospital	150	4,554	\$9.69	\$10.26	\$10.86	\$11.50	\$12.19
Lodge or Meeting Hall	449	13,657	\$29.05	\$30.76	\$32.57	\$34.50	\$36.55
Lodge Bar	449	13,657	\$29.05	\$30.76	\$32.57	\$34.50	\$36.55
Elementry Student	18	546	\$1.16	\$1.23	\$1.30	\$1.38	\$1.46
High School Student	18	546	\$1.16	\$1.23	\$1.30	\$1.38	\$1.46
Other Student	14	435	\$0.93	\$0.98	\$1.04	\$1.10	\$1.16
Fairgrounds	3,143	95,600	\$203.33	\$215.30	\$228.01	\$241.50	\$255.82
Gas Station Island	180	5,463	\$11.62	\$12.30	\$13.03	\$13.80	\$14.62
Self Serve Car Wash Stall	1,347	40,971	\$87.14	\$92.27	\$97.72	\$103.50	\$109.64
Beauty or Barber Shop	449	13,657	\$29.05	\$30.76	\$32.57	\$34.50	\$36.55
Bar Seat	36	1,093	\$2.32	\$2.46	\$2.61	\$2.76	\$2.92
Hotel Manager Quarters	449	13,657	\$29.05	\$30.76	\$32.57	\$34.50	\$36.55
Hotel Room	112	3,414	\$7.26	\$7.69	\$8.14	\$8.63	\$9.14
Laundry - Community Wash	1,347	40,971	\$87.14	\$92.27	\$97.72	\$103.50	\$109.64
Laundry Wash	359	10,926	\$23.24	\$24.61	\$26.06	\$27.60	\$29.24
Restaurant Seat	45	1,366	\$2.90	\$3.08	\$3.26	\$3.45	\$3.65
Trailer Dump Facility	898	27,314	\$58.09	\$61.52	\$65.15	\$69.00	\$73.09
Other Facilities*	449	13,657	\$29.05	\$30.76	\$32.57	\$34.50	\$36.55

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PROJECTED CASH FLOW

Table 8 shows the projected cash flow for the ongoing operations and maintenance of the water enterprise fund. In order to minimize projected rate increases the calculated rates provide sufficient revenue to cover costs while allowing the City to maintain its healthy operating reserve.

Table 8
City of Bishop
Water Enterprise Fund
Projected Cash Flow

DRAFT

	Inflation Assumption	Budgeted 2008-09	Projected				
			2009-10	2010-11	2011-12	2012-13	2013-14
Revenues							
Monthly Charge		\$32.00	\$29.05	\$30.76	\$32.58	\$34.50	\$36.55
Annual Charge		\$384.00	\$348.60	\$369.12	\$390.96	\$414.00	\$438.60
EDUs [1]			3,095	3,095	3,095	3,095	3,095
Water Sales		\$1,100,000	\$1,078,920	\$1,142,430	\$1,210,020	\$1,281,330	\$1,357,470
Other Revenues							
Penalties [2]		\$6,000	\$5,390	\$5,710	\$6,050	\$6,410	\$6,790
Interest Income		\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000
Other Revenues		\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000
Subtotal		\$70,000	\$69,390	\$69,710	\$70,050	\$70,410	\$70,790
Subtotal Revenues		\$1,170,000	\$1,148,310	\$1,212,140	\$1,280,070	\$1,351,740	\$1,428,260
Expenses							
Salaries and Benefits	7.0%	\$480,000	\$513,600	\$549,550	\$588,020	\$629,180	\$673,220
Services and Supplies	5.0%	\$143,880	\$151,070	\$158,620	\$166,550	\$174,880	\$183,620
Capital Equipment	5.0%	\$17,730	\$18,620	\$19,550	\$20,530	\$21,560	\$22,640
Capital Replacement	5.0%	\$5,000	\$5,250	\$5,510	\$5,790	\$6,080	\$6,380
Capital Improvements	5.0%	\$360,830	\$378,870	\$397,810	\$417,700	\$438,590	\$460,520
Subtotal Expenses		\$1,007,440	\$1,067,410	\$1,131,040	\$1,198,590	\$1,270,290	\$1,346,380
Net Revenue Before D/S		\$162,560	\$80,900	\$81,100	\$81,480	\$81,450	\$81,880
Debt Service							
Current Debt Service		\$54,200	\$54,200	\$54,200	\$54,200	\$54,200	\$54,200
Add'l Debt Service			\$0	\$0	\$0	\$0	\$0
Total Debt Service		\$54,200	\$54,200	\$54,200	\$54,200	\$54,200	\$54,200
<i>Debt Service Coverage</i>		<i>3.00</i>	<i>1.49</i>	<i>1.50</i>	<i>1.50</i>	<i>1.50</i>	<i>1.51</i>
Net Revenue After D/S		\$108,360	\$26,700	\$26,900	\$27,280	\$27,250	\$27,680
Beginning Operating Balance [3]							
		\$1,212,690	\$1,321,050	\$1,347,750	\$1,374,650	\$1,401,930	\$1,429,180
Net Revenues		\$108,360	\$26,700	\$26,900	\$27,280	\$27,250	\$27,680
Ending Operating Balance		\$1,321,050	\$1,347,750	\$1,374,650	\$1,401,930	\$1,429,180	\$1,456,860
<i>Target Operating Balance [4]</i>		<i>\$503,720</i>	<i>\$533,705</i>	<i>\$565,520</i>	<i>\$599,295</i>	<i>\$635,145</i>	<i>\$673,190</i>

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[1] Per City of Bishop February 2009.

[2] Revenue penalties are tied to water sales (historically half a percent of sewer sales).

[3] Water enterprise fund cash balance as of July 1, 2008.

[4] The target operating balance represents 6 months of operating expenses, excluding debt service and CIP Improvements/Depreciation.



CITY OF BISHOP

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Public Works Report January 2009

Water

1. Wood Rodgers began the Wells 2 and 4 Assessment project. Work started at Well 4 and continued there through January.
2. Installed a valve boxes at 124 Johnston Drive.
3. Installed two new water services at the new Imperial Gourmet location on North Main Street. The first was a 4 inch for fire and the other a 2 inch domestic supply.
4. Replaced failed check valve at Well 4.
5. Repaired water leak on 8 inch cast iron main under the 600 block of West Pine Street.
6. Took monthly readings of all water meters.
7. Took routine bacteria samples.
8. Continued to work with Eco-Logic on rate study.
9. Submitted expenditure projections to Ecologic for use in rate study.
10. Attended Bishop Water and Sewer Commission meeting.
- 11.

Sewer

1. Continued cleaning and video inspections of sewer mains throughout the city.
2. Continued removing trees as time permits along fence line inside of the Waste Water Treatment Plant.
3. Made routine inspections of grease interceptors.
4. Generated a "no spill certification" for the State and reported the same.
5. Performed routine main line cleaning in trouble areas.
6. Cleaned grit drying beds.
7. Exposed sewer main on Clarke Street for future manhole construction.

8. Constructed new manhole on Clarke Street sewer main.
9. Cleaned plugged sewer under Iris Street.
10. Continued work with Eastern Sierra Community Service District and R. O. Anderson on sewer connection project.

Streets

1. Solicited bids and opened them for the South Second Street Improvements project. Low bidder was V&C Construction from Gardnerville, Nevada. Contract should be awarded at the first City Council meeting in February.
2. Added decomposed granite to low shoulders on city streets with out curbs.
3. Repaired and or replaced various Street Signs.
4. Patched Potholes and gutters where needed.
5. Swept city streets and alleys.
6. Continued work with consultants on plans and environmental documents for future street projects.
7. Participated in meeting of Bishop Tree Committee to, in part, update and broaden list of acceptable street trees.
8. Drafted Request for Proposals for on-call tree trimming and removal services.
9. Attended Inyo Local Transportation Commission (LTC) meeting.
10. Reviewed Project Study Report (PSR) for East Line Street Bridge Replacement project.
11. Billed LTC for PSR preparation and received payment.
12. Started review of survey control Record of Survey prepared by Nolte for Bishop area.
13. Worked on development of materials Quality Assurance Plan required by Caltrans.
14. Met with Eastern Sierra Transit Authority staff and refined locations of stops for Bus Stops project.
15. Released environmental document for Grove Street Sidewalks project for public review.

Miscellaneous

1. Cleaned trash and debris from shop planters.
2. Hauled off trash and debris from the Fowler Street trash pit.
3. Made minor repairs and performed maintenance to light trucks and heavy equipment.

4. General shop clean up and organization.
5. Provided weekly safety meetings for public works crew.
6. Attended Incident Command System training provided by Inyo County.
7. Met with new local construction contractors group.
8. Participated in Bishop Economic Development Task Force meeting.
9. Continued maintenance of City of Bishop web page.



CITY OF BISHOP

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Public Works Report

February 2009

Water

1. Wood Rodgers completed work at Well 4 and started Well 2 work. At this time it appears that we are producing approximately 140 gallons per minute or 8% more for the same amount of electricity than before work was started.
2. Repaired water leak on 2" Galvanized main under Schley Street. At this time we also installed a new 2" isolation valve on this line.
3. Installed new 3/4" curb stop valve at 224 South Main Street.
4. Installed a Valve Box at 415 Short Street.
5. Took monthly readings of all water meters.
6. Took routine Bacteria Samples.
7. Continued to work with Eco-Logic on rate study.

Sewer

1. Received and installed new components in the north clarifier.
2. Continued cleaning and video inspections of sewer mains throughout the city.
3. Completed removing trees along fence line inside of the waste water treatment plant.
4. Made routine inspections of grease interceptors.
5. Generated a No Spill Certification for the state and reported the same.
6. Performed routine main line cleaning in trouble areas.
7. Cleaned grit and sludge drying beds.
8. Repaired a collapsed sewer main under Iris Street.
9. Operated Wye Road sewer diversion for three weeks.
10. Met with claimants related to sewer back up on Willow Street without resolution.

11. Reviewed and commented on draft feasibility study prepared by R O Anderson for sewer connection with Eastern Sierra Community Services District.
12. Continued to work with Eco-Logic on rate study.

Streets

1. Began annual crack sealing operations.
2. Added decomposed granite to low shoulders on city streets with out curbs.
3. Repaired and or replaced various street signs.
4. Patched potholes and gutters where needed.
5. Swept city streets and alleys.
6. Continued work with consultants on plans and environmental documents for future street projects.
7. Analyzed bids and awarded South Second Street Improvements contract to V and C Construction.
8. Held pre-construction meetings for the South Second Street Improvements project.
9. Attended meeting of the informal Bishop Tree Committee which may lead to an update of the list of approved street trees.
10. Met with Inyo County and Nichols staff to kick off cooperative Pavement Management System project.
11. Revised and refined locations of some stops for Bus Stops project.
12. Requested Caltrans approval to start work on path projects.
13. Finalized Quality Assurance Plan concerning materials testing on projects as required by Caltrans.
14. Hired S and R Tree Service for on-call tree trimming and removal services.
15. Continued work on Wye Road Intersection project.
16. Worked on scope work with Triad for Mac Iver Street Lights project.

Miscellaneous

1. Cleaned trash and debris from shop planters.
2. Hauled off trash and debris from the Fowler Street trash pit.
3. Made minor repairs and performed maintenance to light trucks and heavy equipment.

4. General shop clean up and organization.
5. Provided weekly safety meetings for Public Works Crew.
6. Assisted the park in preparing the north east corner of the park for new ball fields.
7. Attended training provided by United Rentals on trench shoring.
8. Began budget development process for 2009/2010 fiscal year.
9. Meet with representatives of the Imperial Gourmet Restaurant concerning site improvements and their potential deferral.
10. Attended various economic stimulus meetings and webcasts.
11. Worked to fill vacant Part Time Office Assistant in Public Works.
12. Continued work on Community Development Block Grant Geographic Information System and Environmental Constraints projects.