



Wastewater
Treatment



TRANSFORMING
WASTEWATER
TO RESOURCES



Recycled
Water



Energy
Production



Biosolids
Reuse



Proposed Recycled Water Service Charge Adjustments

Special Board of Directors Meeting
September 23, 2026

Background

Transforming Wastewater to Resources



- District provides recycled water treatment and distribution services via its Recycled Water Facility (RWF)
 - In FY25/26, 6.0 million gallons per day (MGD) produced (46% of 13.0 MGD of WWTP influent flow)
 - 93% provided for industrial purposes (two power plants)
 - 7% for irrigation purposes (golf course/parks/medians)
- District utilizes voluntary user service agreements
 - Calpine has first right to RW; service to other customers is “interruptible”
 - Agreements require Recycled Water Service Charges (RWSC) to be set by Board (last approved in December 2025)
- RW Master Plan completed in FY25/26
 - Evaluated opportunities for system expansion; no new customers or changes to customer base identified relative to prior master planning
 - Plan will be updated every 5 years

Key RWSC Parameters



- RWSC analysis incorporates approved budget updated with current costs, and preliminary 5-year CIP with 10-year planning horizon
- RWSCs include fixed and variable components
 - Variable – chemicals, utilities, and Capital Asset Replacement
 - Fixed – labor, office expenses, outside services, maintenance
- Customer-specific surcharges
 - Calpine Revenue Stability Surcharge
 - Stabilizes revenue when RW use declines (i.e., major plant disruptions)
 - No change proposed to current surcharge (\$35,000/month)
 - Antioch RW Project Surcharge
 - Covers Antioch's \$1.1M share of Antioch RW Project costs that exceeded \$5M SRF loan cap (~\$6,826/month)

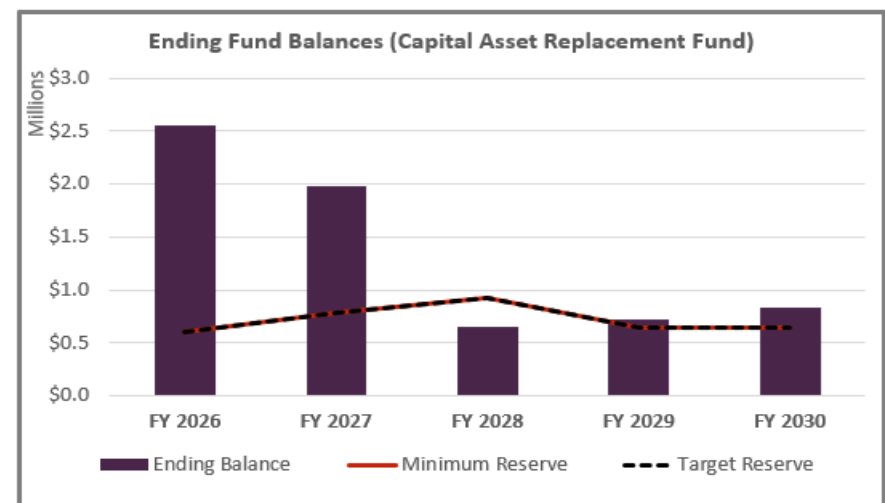
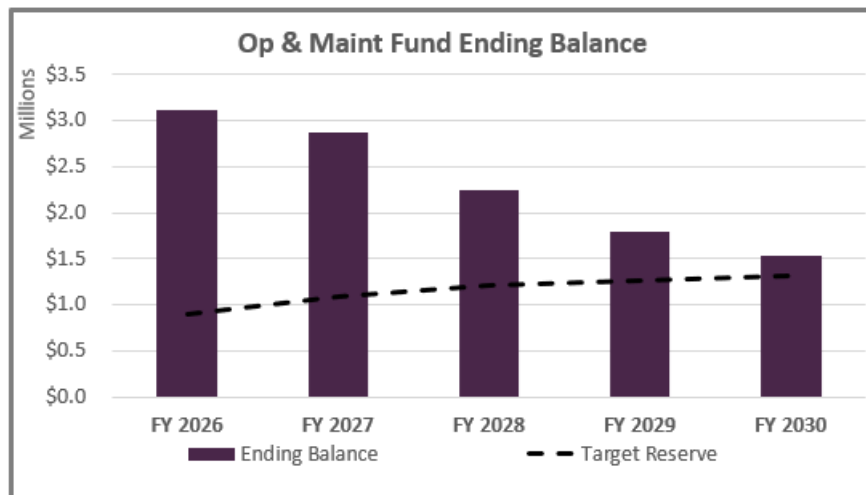
Key RWSC Adjustment Drivers

- Increased Operating Costs – (\$4.9M total)
 - Chemical (+\$115k) and utility (+47k) cost increases
- Historic RW user consumption and future demand forecast
 - Actual FY25/26 usage ~14% below RWSC model assumption
 - FY26/27 usage incorporates significant Calpine outage planning in Spring 2027, reduced beyond FY26/27 to account for recent trend
 - Reduced demand significantly impacts variable rate revenue generation
- Updated RWSC Financial Plan
 - FY25/26 actual revenue incorporated; FY25/26 RWSC revenue ~14% below FY25/26 expenses
 - Incorporated the RW Capital Improvement Plan

	FY25/26 (Modeled)	FY25/26 (Actuals)	FY26/27 (Projection)	FY27/28 (Projection)
Industrial Users (Tgal)	2,177,791	1,862,848	1,920,000	2,078,736
Irrigation Users (Tgal)	151,898	146,791	146,791	146,791
Total RW Consumption (Tgal)	2,329,689	2,009,639	2,066,791	2,225,527

RWSC Revenue Drivers

- Annual revenues need to increase by ~8% (effective in Dec 2026)
 - Increase will provide ~\$193k of additional FY26/27 revenue (~\$345k annually)
 - Projecting similar revenue increases (+8%) in FY27/28-FY30/31
- Utilizing ~\$1M of RW O&M Fund to offset revenue shortfall in FY26/27
 - Continued RW O&M Fund usage in future years to offset rate increases
- RWSC adjustments & RW O&M Fund utilization meet minimum reserves in future years



Proposed RWSC Adjustments: Monthly Fixed Cost by Customer



	Existing (\$/month)	Proposed (\$/month)	Difference (\$)	Difference (%)
Calpine – DEC	\$74,052	\$71,483	(\$2,569)	-3.47%
Calpine – LMEC	\$68,377	\$65,653	(\$2,724)	-3.98%
City of Antioch (Parks, Medians, Golf Course)	\$3,904	\$3,901	(\$3)	-0.1%
City of Pittsburg (Parks, Medians)	\$1,749	\$1,662	(\$87)	-4.97%
Pittsburg Unified School District	\$1,060	\$1,019	(\$41)	-3.87%
Mt. Diablo Resource Recovery Park	\$385	\$393	\$8	2.08%
Caltrans	\$122	\$94	(\$28)	-22.95%

- Presented proposed adjustments to the RW Technical Advisory Committee on September 8, 2026 – no comments received
- Fixed revenue need decreased slightly due to projected FY26/27 deficit allocation

Proposed RWSC Adjustments: Total Revenue by Customer



	Existing Revenue	Proposed Variable	Proposed Fixed	Proposed Revenue	Difference (\$)	Difference (%)
Calpine – DEC	\$2,213,227	\$1,220,380	\$857,790	\$2,078,170	(\$135,057)	-6%
Calpine – LMEC	\$1,967,069	\$1,326,500	\$787,837	\$2,114,337	\$147,268	7%
City of Antioch*	\$141,962	\$115,756	\$46,813	\$162,569	\$20,607	15%
City of Pittsburg	\$61,008	\$39,458	\$19,947	\$59,405	(\$1,603)	-3%
PUSD	\$38,312	\$28,565	\$12,223	\$40,788	\$2,476	6%
MDRRP	\$14,060	\$9,790	\$4,718	\$14,507	\$447	3%
Caltrans	\$3,660	\$1,150	\$1,128	\$2,279	(\$1,381)	-38%

* Excludes City of Antioch surcharge

- RWSCs include variable (61%) + fixed (39%) cost components
- Variable (RW CAR, chemicals/utilities) component = +17%
- District's average RW cost per AF is well below CCWD's raw water (~30%) and treated water (~79%) rates

Recommendations/Next Steps

- Review proposed RWSC adjustments for FY26/27
- Set Public Hearing for October 14, 2026, at 4:30 pm to consider adopting ordinance establishing RWSC adjustments
- If Board approves RWSC adjustments after Public Hearing, RWSCs would be effective December 2026

